



Data Synchronization at Lowe's

February 2009

Contents

- **Introduction to Lowe's**
- **Overview of Product Information Initiatives and Approach**
- **PCM History and Current Status**
- **Key Learnings**
- **What's Next?**

Lowe's Company Overview

Stores

- Serves approx 14 million customers a week at more than 1650 stores
- ~40k items stocked in an average store, with ~2 million available via special order

Company

- Founded in 1946 and based in North Carolina
- 2007 sales of US\$48.3 billion
- Fortune 50 company with stores in 50 of the 50 United States and Canada

World

- 2nd largest home improvement retailer in the world
- Currently expanding to Mexico

Contents

- Introduction to Lowe's

- Overview of Product Information Initiatives and Approach

- PCM History and Current Status

- Key Learnings

- What's Next?

Navigation

Without Data

Laminate Flooring - Microsoft Internet Explorer provided by Lowe's

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites

Address <http://www.lowes.com/lowes/lkn?action=productList&Ne=6000&category=L>

Let's Build Something Together
Welcome to Lowe's.com

Appliances Indoors Outdoors Building Products

Keywords or item# Lowe's.com

Home : Indoors : Flooring : Laminate Flooring

Narrow Your Search


by Price

- Less than \$50 (8)
- \$50 - 100 (57)

Check product availability at

65 Laminate Flooring viewing 1-12


Compare Selected Items Sort by: Default



Pergo Signature American Cottage™ Golden Oak Glueless Laminate Flooring

Item # 116473
Model # 080002

\$59.27 ★



Pergo Signature American Cottage™ Summer Butternut Glueless Laminate Flooring

Item # 154445
Model # 080012

\$59.27 ★

With Data

Wall Cabinets - Microsoft Internet Explorer provided by Lowe's

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites









Address <http://www.lowes.com/lowes/lkn?action=productList&Ne=6000&category=Wall%20Cabinets&N=0+5002355>

From cabinets to windows to floors, install it all with Lowe's

You're shopping Beaufort, SC Select from drop-down menu for item availability at nearby stores.

Viewing 1-12 of 168 Page 1 2 3 4 5 6 7 8 9 10 11 12

Sort by: **Featured Items** | Price [Low - High](#) | Brand [A - Z](#) | Name [A - Z](#)

Image	Product Name	Item #	Model #	Price	Buttons
	24" Oak Corner Wall Cabinet	Item # 138681	Model # 22A DC2430R	\$163.00	<input type="button" value="Add to Cart"/> <input type="checkbox"/> Add To Compare
	24" White Corner Wall Cabinet	Item # 53091	Model # 23A DC2430R	\$157.00	<input type="button" value="Add to Cart"/> <input type="checkbox"/> Add To Compare
	36" x 30" Oak Wall Cabinet	Item # 140881	Model # 22A W3630	\$145.00	<input type="button" value="Add to Cart"/> <input type="checkbox"/> Add To Compare
	36" x 30" Concord White Wall Cabinet	Item # 58744	Model # 23A W3630	\$135.00	<input type="button" value="Add to Cart"/> <input type="checkbox"/> Add To Compare
					
					
					
					

Price

- \$50 - 100 (62)
- \$100 - 200 (108)
- \$200 - 400 (1)

Cabinet Material

- [Hickory](#) (22)
- [Maple](#) (42)
- [Oak](#) (49)
- [Other](#) (36)
- [White](#) (19)

Height (Inches)

- 12 (23)
- 14 (3)
- 15 (11)
- 18 (9)
- 30 (119)
- 36 (1)
- 84 (1)

Wall Cabinet Type

- [Corner](#) (9)
- [Diagonal](#) (7)
- [Double Door](#) (80)
- [Single Door](#) (72)

Width (Inches)

- 9 (10)
- 12 (15)
- 15 (16)
- 18 (16)
- 24 (32)
- 30 (47)
- 36 (31)

Product Detail Pages

Without Data

With Data

Dark Bronze Table Lamp - Microsoft Internet Explorer provided by Lowe's

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites Recycle Bin Mail Print


Address <http://www.lowes.com/lowes/lkn?action=productDetail&productId=188752-2120-30320&page=none>

24.9 Cu. Ft. Ice20™ Bottom Freezer Refrigerator (Color: Stainless) ENERGY STAR® - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites Recycle Bin Mail Print

Address <http://www.lowes.com/lowes/lkn?action=productDetail&productId=112397-99-MFI2568AES&page=none>



Kichler
Dark Bronze Table Lamp

Item #: 188752 Model: 30320

\$50.00 ★

[Add to Cart](#)

★ Reflects Lower Local Price.

[Click to Enlarge](#)

Product

- Onli Shi
- In Buy LOW



Maytag®
24.9 Cu. Ft. Ice20™ Bottom Freezer Refrigerator (Color: Stainless) ENERGY STAR®

Item #: 112397 Model: MFI2568AES

\$2,348.00 ★

[See Store for Availability](#)

★ Reflects Lower Local Price.

Product Availability:

This item is currently unavailable for purchase through the HUNTERSVILLE, N. C. store. contact the store at (704) 892-9449 for details or change your store to check another location.

[Select Another Store](#)

[Click to Enlarge](#)

Image displayed may not be representative of actual product color or finish.

Description

Rose Taupe fabric shade

Resin construction

Requires one 60-watt bulb (sold separately)

29-1/4"H x 15"W

3-way switch

Customer Ratings

Description

ENERGY STAR® Qualified

First French Door with filtered/external ice/water dispenser - purified ice and water at your fingertips

Largest fresh food capacity available among leading brands of refrigerators

Elevator™ shelf rolls up and down to accommodate tall items

Beverage Chiller™ compartment keeps drinks up to four degrees colder than the rest of the refrigerator

Wide-N-Fresh™ deli drawer - full-width temperature controlled drawer is great for storing snacks or deli trays

Electronic Quad Cool™ system - four sensors monitor and adjust temperatures for dependable

Customer Ratings (4.6)

Color:	Stainless
Capacity (Cu. Ft.):	24.9
Finish / Built-In Look:	No
Ice Maker:	Yes
Water Dispenser:	Yes
Water Filtration:	Yes
Defrost Type:	Frost-Free
Dual Cooling:	Yes
Fresh Food Shelves:	5
Door Shelves:	4
Freezer Shelves:	0
Freezer Baskets/Bins:	4
Reversible Door:	No
Custom Door Kit Compatible:	No
Depth, Including Handles (Inches):	35-2/8
Depth, Excluding Handles (Inches):	32-7/8

Need Help?

- [Help](#)
- [Contact Us](#)
- [Find Your Local Store](#)
- [Rebate Center](#)

Inspiration and Help

- [Product Guides](#)
- Be informed before you buy.
- [How-To Library](#)
- Projects and ideas for do-it-yourselfers.
- [Project Calculators](#)
- Plan your projects with these helpful

start | Inbox - Microso... | 2 Microsoft Of... | 2 Microsoft Of...

start | Inbox - Microso... | 2 Microsoft Of... | 2 Microsoft Of... | 24.9 Cu. Ft. Ic... | 100%

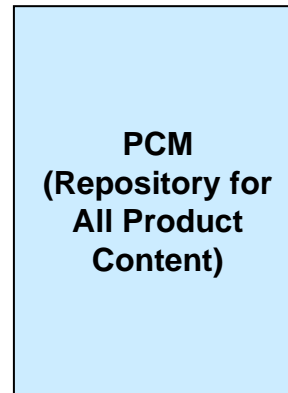
Key Objectives of Product Information

- **Decrease** the number of **applications / processes** internal users and vendors must interact with by creating a central portal (PCM) for all product content collection, review, approval and maintenance.
- **Decrease** the number of **requests to vendors** for the same product information, and internal user time assisting with these requests, by automatically collecting all information once and up-front.
- **Improve data quality and completeness** by synchronizing with vendors and leveraging technology to more efficiently collect and improve product information.
- **Improve consistency** in product information presented to customers by collecting and maintaining centrally, and leveraging technology to improve messaging.
- **Enhance Lowe's operations** by identifying downstream opportunities to utilize the increased and improved product information.

Vision of PCM

Product Information

- Core Attributes / Item Set-Up Information
- Product-Specific Selling Attributes
- Standard Images
- Logos
- User Guides (Energy Star, Installation, etc.)
- Advertising Images
- POG Images
- Costs
- Hazmat Information
- Wood Sourcing Information
- Tax Codes
- Source Tagging Information
- Market Specificity Information
- Etc.



End Users

- ▶ **Planogramming**
- ▶ **Advertising**
- ▶ **Lowe's.com**
- ▶ **In-Store Selling Tools**
- ▶ **Accounting / Finance**
- ▶ **Quality Assurance**
- ▶ **In-Store Displays**
- ▶ **On-Demand Signage**
- ▶ **Supply Chain**
- ▶ **Loss Prevention**
- ▶ **Store Training**
- ▶ **Etc.**

PCM will be much more than just item set-up and selling attributes. PCM will help multiple groups within Lowe's better meet their product information needs, saving both money and time for Lowe's and our vendor partners.

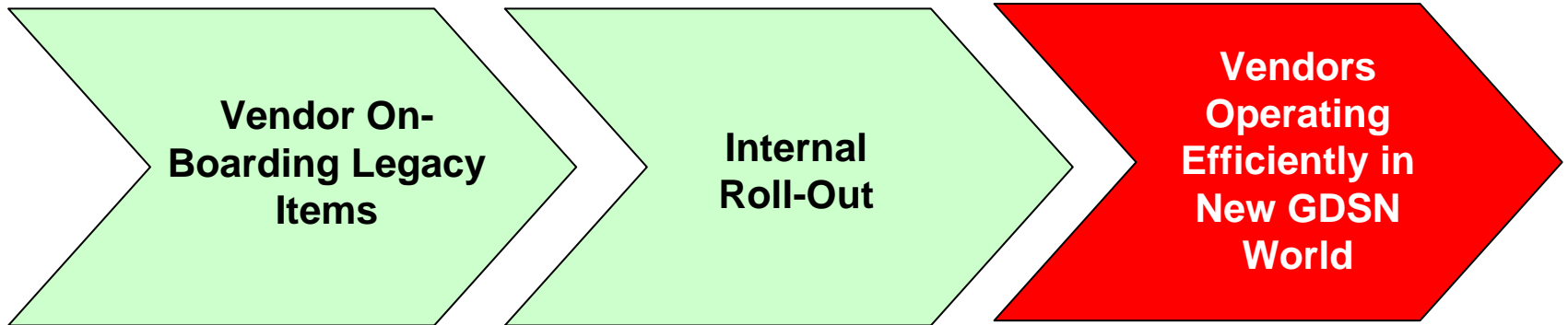
Contents

- Introduction to Lowe's
- Overview of Product Information Initiatives and Approach
- **PCM History and Current Status**
- Key Learnings
- What's Next?

Lowe's PCM History

- Started our GDSN (PCM) effort multiple years ago
- Aggressively messaged to the vendor community to on-board
- Had issues with our chosen IT solution and had to restart with internal build
- Resulted in a “false start” and caused suppliers to doubt our abilities and commitment to the effort
- Regrouped, redeployed a new solution and reinvigorated vendor on-boarding ~3 1/2 years ago
- Kicked off Marketing Data Initiative 2 years ago, with intent of moving to standards-based solution once it is ready

PCM Status



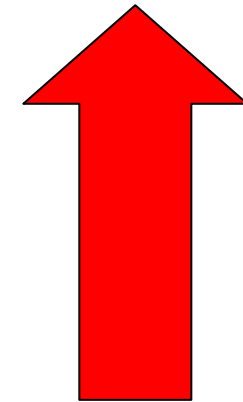
Vendor On-Boarding Legacy Items

- “Complete”
- 96% total PO\$ synchronized
- If legacy items are not synchronized by now, likely never will be – not an issue unless we need to update those items

Internal Roll-Out

- Completed in 2008
- All new item set-up flowing through PCM

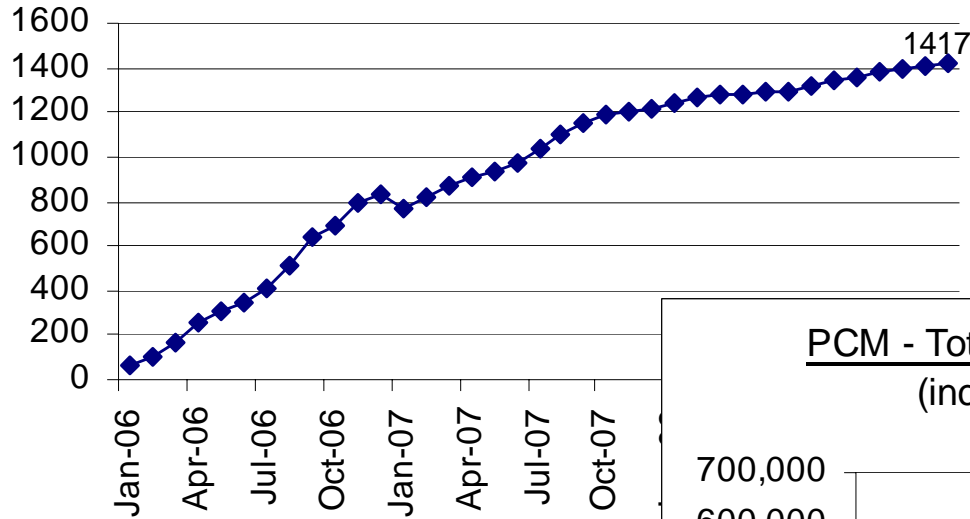
Vendors Operating Efficiently in New GDSN World



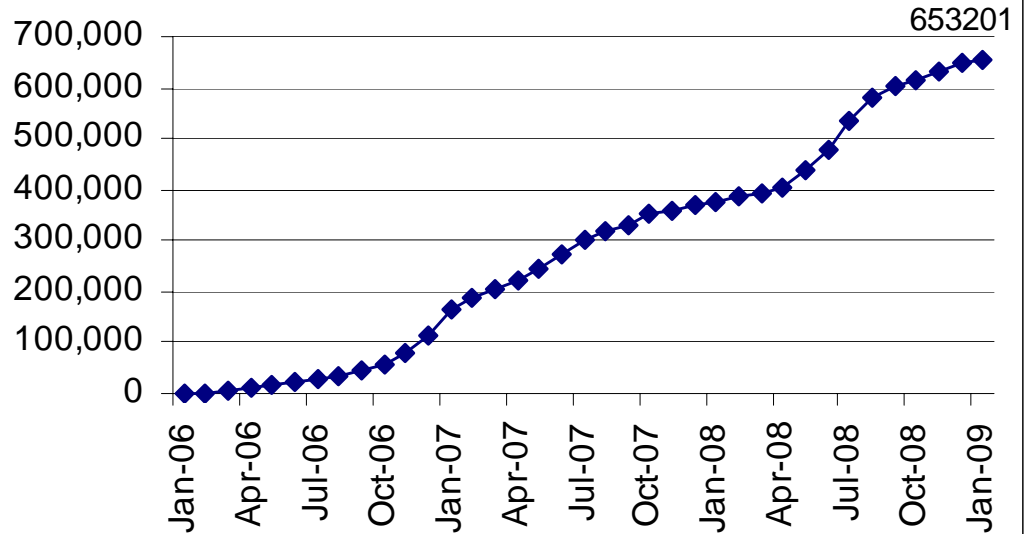
FOCUS AREA

Status of PCM / Global Data Sync – Vendor On-Boarding

PCM - # Vendors Publishing to Lowe's via GDSN



PCM - Total # PCM Publications (cumulative)
(includes new and legacy items)

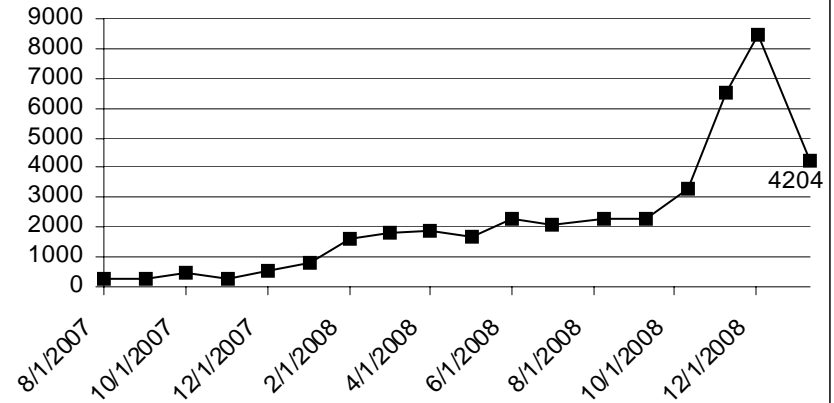


Status of PCM / Global Data Sync – Volume and Speed

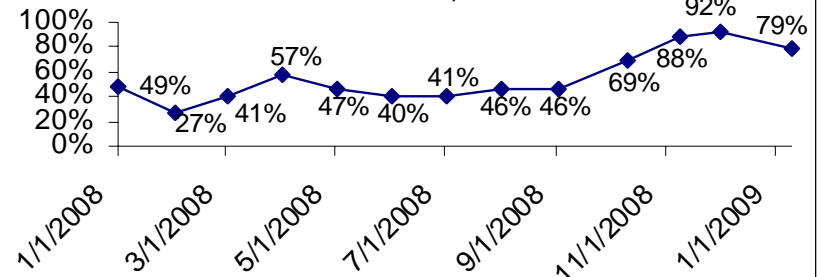
PCM - Avg Days to Publish in Calendar Days (as of 2/6)

Merch Division	Avg Days to Publish (last 30 days)	Avg Days to Publish (last 60 days)	Avg Days to Publish (last 90 days)
(name omitted)	0.24	0.38	1.27
(name omitted)	0.59	3.05	3.57
(name omitted)	1.00	1.23	1.29
(name omitted)	1.30	1.33	3.56
(name omitted)	1.32	8.56	7.39
(name omitted)	1.33	10.25	16.97
(name omitted)	1.54	5.07	6.24
(name omitted)	1.78	1.67	1.91
(name omitted)	1.83	4.85	3.43
(name omitted)	1.88	2.66	2.50
(name omitted)	1.95	1.49	1.89
(name omitted)	2.00	4.42	6.63
(name omitted)	2.01	0.64	1.19
(name omitted)	3.00	4.43	4.19
(name omitted)	3.40	4.07	4.46
(name omitted)	3.46	3.19	4.29
(name omitted)	4.35	8.09	9.19
(name omitted)	4.41	6.68	8.19
(name omitted)	4.73	2.42	0.45
(name omitted)	4.99	13.70	4.88
COMPANY TOTAL	2.31	3.07	2.47

PCM - # New Item Publications (by month)
(500 / month a year ago, 4000 - 8000 / month now)



PCM - % Items Published <=7 Days (by month)
(note: as old items are cleaned up, % may decrease)



Contents

- **Introduction to Lowe's**
- **Overview of Product Information Initiatives and Approach**
- **PCM History and Current Status**
- **Key Learnings**
- **What's Next?**

Key Success Factors

- **Establish Business and Executive Ownership / Support**
 - Executives started talking to community years ago
 - Commitment to “turn off” old way of item set-up
 - Letter from SVPs of Merchandising to all suppliers
 - Merchandising VP and Director escalations for non-compliant vendors
- **Develop Support Organization**
 - Dedicated PCM Group – 14 people
 - Responsible for implementing IT solutions and identifying enhancements, aiding vendors with on-boarding, and supporting internal customers
- **Leverage Data Pool / Solution Provider Assistance**
 - We took on too much work ourselves
 - 2008 was a big year for directing our vendors back to their Data Pools / Solution Providers
 - Scorecarding DPs / SPs – provide guidance to vendors seeking assistance

Key Success Factors

- **Implement a Focused Roll-Out Approach**
 - Started with larger groups (Merchandising Divisions)
 - Dropped down to Sub-Divisions to smooth transition and achieve wins
 - Scheduled training and standard materials for both internal and external users
- **Communicate with Suppliers and Scorecard Progress**
 - Periodic Newsletter
 - What do you need to know? What is new? What is coming up? Helpful hints. Kudos. Contact info.
 - Recognition of vendor success in newsletters, on phone calls and in vendor forums
- **Force Understanding with Account Reps**
 - Primarily back-office function that account reps did not understand
 - Causes delays in item set-up, and slows time to shelf
 - Now forcing vendors to prove publication prior to Lowe's issuing subscription

Open Questions

- **Data First, then Quality and Integration?**
 - Lowe's approach was on-board all the vendors and items first
 - Data is being leveraged within the organization, but not as fully as we want
 - Some other retailers on-board a smaller number of vendors, but attempt to integrate completely throughout organization

- **Centralized vs. Decentralized Item Set-Up?**
 - Lowe's approach was to keep item set-up decentralized (as it had been under our paper process)
 - Now wondering if deployment would have been more successful had we centralized

Contents

- **Introduction to Lowe's**
- **Overview of Product Information Initiatives and Approach**
- **PCM History and Current Status**
- **Key Learnings**
- **What's Next?**

Product Information Focus 2009

- **Marketing Data Collection**
- **Speed of Item Set-Up**
- **Data Quality**
- **Increased Internal Leverage of Data**

It's all about getting value from the data!

Recap

- **Managing Through Change – Internal and Vendors**
 - Can be a long – and sometimes painful – process
 - Not only a large IT initiative, but also a new way of doing business
 - Internal users
 - Thousands of vendors
 - Major change management initiative
 - Takes time
 - Learn / refine / improve as we go
 - 2008 – internal users moved away from “I can’t stand PCM” to “how do we make PCM successful”
 - Moving towards sales call of the future (required publication prior to subscription)
 - Important that other retailers participate, but someone must be first

**2008 was a major turning point for Lowe’s and data synch
– we are proud of what we accomplished, and looking
forward to what is next!**