

Durham Direct Program Frequently Asked Questions

Further to the letter issued on October 7, 2015 regarding the Ottawa Slow Sellers initiative, please be advised that the initiative has been renamed as DURHAM DIRECT PROGRAM. This name change better reflects the process of leveraging our state-of-the-art Durham Retail Service Centre to improve service levels of select products in Ottawa-market stores to better serve our customers.

1. What, if anything, has changed in the store ordering process for SKUs that are included in the Durham Direct Program?

The process is seamless for the Vintages Central Allocation (VCA) stores that list a Durham Direct program: The DCM Store Order Review system generates a suggested order quantity (SOQ) for each eligible store based on the rate of sale, seasonality, available inventory in the store, and lead time to arrive in the store.

Non-VCA stores in Ottawa are able to access Durham Direct products via an inter-store transfer from any VCA store to include in their store product assortment or fulfill a customer specific request.

2. Can any other store in the Ottawa market list a Durham Direct SKU?

No. As noted above, any store in the Ottawa-area can initiate a transfer request from any VCA store to service a customer specific request. Stores are not required to list the product to service a customer specific request.

3. How do stores order Licensee Only program products?

As with any SKU on the Durham Direct program, the Licensee Only SKUs are available to the Ottawa VCA stores and the Ottawa Depot to order for Licensees.

4. What is the criteria for identifying SKUs that will be put on the Durham Direct Program?

The criteria is driven by operational requirements and is finalized prior to each review, and as a result, may vary from review to review. For example, the threshold has been based on the average rate of all sales (ARS) during a one year period, with SKUs being eligible for increased service from Durham if the ARS is 72 bottles or less per week in the Ottawa-market.

5. My product is quite seasonal with sales peaks during the Holiday season. How have you accounted for that product to be available in the Ottawa warehouse?

Please refer to Question #1. SOQ's generated are inclusive of upcoming seasonal demand.

6. Once out of Ottawa, how do you get back in?

The LCBO has implemented the Durham Direct initiative in order to increase service levels of selected products to Ottawa based on the ARS.

If your product has increased its sales significantly within the Ottawa area, it will be considered for re-introduction to the Ottawa Retail Service Centre, assuming it exceeds the ARS for that round of evaluation.

7. Who can we contact if there are issues with getting the stores to continue listing SKUs once they are on this program, and also issues with stores getting the product once it is no longer in Ottawa?

As you likely know, product assortments within each individual store are based on a combination of local customer preferences based on sales, along with core assortments of high-demand products that sell well province-wide. On a regular basis, Store Managers review product performance to list or delist discretionary SKUs based on performance in their market.

If you are experiencing issues with service levels, we require specific information to identify the cause of the issue to resolve. Please ask the store to provide the order number and SKU to the email address provided in Question #10, so that the problem can be addressed. It is important that you make us aware of any problems, otherwise we cannot fix them.

8. If a Durham Direct product is on a fridge program or other promotion (extenders), and is not a Vintages Central Allocation store, how do they get the product?

Prior to submitting an application for promotional participation, please contact your Product Manager or Category Manager to discuss which IMAGE programs are suitable for your SKU.

Any store in the Ottawa area is able to initiate a transfer request for product from any VCA store for inventory requirements to support a promotional thematic event.

9. Will targets be adjusted for products that are removed from the Ottawa warehouse?

No. The product assortment available in the Ottawa market has not changed, rather the process for getting the products to the stores has improved to better serve our customers and reflects customer demands. As a result, there will be no adjustments to sales targets.

10. Who do I contact with further questions regarding this initiative?

Please send an email to merchandising.support@lcbo.com.