



Dear *Valued* A. O. Smith Reps:

As you are aware through past communications, we are continuing to review all of our Ordering and Order Entry processes to ensure they are easy-to-understand, simple to administer and allow for straightforward communication to our customers.

Recently some confusion has surfaced about what comprises a Commercial Truckload. We wanted to take the opportunity to clarify that a Commercial Truckload is an order(s) for Standard Commercial product that totals 100 points by the current A. O. Smith Distributor price book. Product dimensions can change when improvements are made and we will defer to the current Price Book load factors to define when a truckload equals 100 points. Please do not submit orders for more than 100 points as this routinely requires us to either call you or the customer to cut units. Orders for more than 100 points might require us to ship the additional units by LTL, which are often damaged, requiring the customer to file a freight claim. If we find, due to the product mix, there's room for additional units we will call the customer to allow them to add units until the truck is full.

Another item noticed is that orders are submitted to the Order Entry group *prior* the quote being approved. Please remember there is no advantage to submitting orders with unapproved quotes as they will not be scheduled for production until the quote has been approved. Please hold your orders until the quotes have been approved. Orders without approved quotes cause confusion as it relates to order status (will it ship or is it on hold) and are subject to cancellation.

If you have any questions concerning these guidelines, please contact your Customer Service Representative.

Sincerely,
Randy Hord

Randy Hord
Director of Customer Service