Minutes of 2014 EASI Annual Meeting – Louisville, KY

Day 1 – April 14, 2014

*Steering Committee Meeting* – 8:00 am (prior to meeting of Technical Committee):

Present: 11 Members

Executive Chairperson Rob Smith, Secretary/Treasurer Nick Freitag, Technical Advisor Michael Roberts, At-Large Members Jon Clarke, Rich Weisbrod, Michael Leibrand, Saul Hernandez, Thomas Hasty, Jane Tonkin, Terry Birch, Nick Blanchard

The proposed slate of Officers and At-Large Members which will be on the ballot being presented later today. Rob discussed the two new Members that joined since our last meeting, and we discussed the one ‘interested party’ that registered for the meeting this year but does not belong yet to EASI. Jon discussed with the group his intention to bring up during “New Business” his desire to lead an ‘outreach initiative’ aimed at potential members through trade shows, end-user groups, customers of wholesalers, etc. Nick said he would bring up the need for us to ‘update our Membership roster’ in order to more accurately reflect the true number of Member companies on our rolls, and to fix a specific quantitative measure of an official “quorum” for conducting business at our Annual Meeting. He was concerned that with only 14 Voting Member companies in attendance, we would not be legal if we had to abide by ‘simple majority rule’ as is stipulated by Roberts Rules of Order in the absence of a clearly stated value for a quorum. Jon said we also needed to solicit all members email addresses so that our mailing distribution lists are more accurate. Jane said that she wanted us to address the issues dealing with drop-shipments more extensively.

At 8:30 am, the Technical Committee met. Chair Michael Roberts presided, with 7 other committee members present: Jon Clarke, Rob Smith, Joelle Hotte, Terry Birch, Rick Carter, Diana Priebe, and Betsy Burton. The committee members reviewed their materials to be presented at the meeting.

Following this meeting, two members of the Executive Steering Committee (Rob Smith and Rich Weisbrod) remained to review the Treasurer’s Report for fiscal year 2014 activity, and all supporting checking account records and statements. Upon examination of these items, they signed the report stating that to the best of their knowledge, all records appeared to be accurate.

Following this meeting, all members who had registered for the UPS tours boarded the chartered bus and went to visit the impressive UPS Worldport air cargo center.

**General Session – Day 1**

Beginning at 3:00 pm, the meeting commenced by a welcome from the Executive Chairperson, Rob Smith. He then asked for individual introductions and offered a special welcome to our first-time participants. Below is a listing of those in attendance (34 in total) with an \* to note a ‘first time’ attendee, and \*\* to signify a ‘non-Member’ in attendance:

Rob Smith, Mickie Schneider\* (L.A. T Sportswear)

Nick Freitag, Terry Birch, Michael Roberts, Diana Priebe (Gildan Activewear)

Jon Clarke, Nick Blanchard (Color Image Apparel)

John Cutsey, Joelle Hotte (FDM4 International)

Mike Cutsey (FDM America)

Rich Weisbrod, John Suttmoeller, Ruth Clark\*, Dom DiMascia\* (Bodek and Rhodes)

Jane Tonkin, Tracie Hopkins\*, Anup Shrestha (alphabroder)

Jim Henricks (Hanesbrands, Inc.)

Dean Wright (Augusta Sportswear)

Rick Carter, Derek Clark \* (Fruit of the Loom/Jerzees)

Mike Leibrand (Dyenomite)

Jim Beale (S&S/Americana)

Betsy Burton, Ara Graves\*, Clarence Wiggins (Heritage Sportswear/VA T’s)

Polly Tessier, Betty Castillo\* (TSF Sportswear)

Saul Hernandez, Thomas Hasty (Staton Corporate & Casual)

Beth Villa (Big Accessories)

Larissa Lopez-Ibanez, Mike McGuire (Century Apparel)\*\*

(We had 2 persons to register but failed to come to the meetings)

Rob expressed special appreciation to Rich Weisbrod (for his work in planning the logistics for the entire meeting), Nick Freitag (for his role as Secretary/Treasurer) and to Michael Roberts (for his role as Technical Advisor).

Next, Nick Freitag showed a PowerPoint presentation addressing the Anti-Trust Guidelines, the Treasurer’s Report for fiscal year 2014, discussed the audited bank statements process and the subsequent Report of the Audit Committee verifying these statements as being correct, and finally the current slate of officers and At-Large Members of the Steering Committee showing expiration of terms. It is important to understand which positions are expiring and which ones needed candidates for election via the ballots to be distributed during the afternoon session of Day 2. He pointed out that we would entertain volunteers for inclusion on the ballot, and also we would accept nominations from the floor during the voting process to be held on Day 2.

At 3:30 pm, Michael Roberts began the Technical Committee’s presentation. Michael began by reviewing the 2014 Objectives that had been established at last year’s Annual Meeting:

* 1 – 870 Order Status – develop a reconciliation report for this information.
* 2 – New website – Overview and brief website analytics
* 3 – EASI Step by Step
* 4 – XML schema development with the help of contracted resource(s)
* 5- 810 Invoice – Proposal to adopt a PO level version
* 6- 181 Return Authorization Response file is now available for download on our website.
* 7 - New Standard – Inventory Receipt Advice
* 8- Product Locator URL Link standard proposal

Jon Clarke began by explaining the numerous advantages of our new Wix-based website over our former site that was hosted by Mindtouch. He also provided us with these statistics regarding the new web site:

* 4,000 visits in the last year (+4%)
* 10,543 page views (-1%) [fewer pages now]
* New Visits (+7%)
* Mobile not a huge factor (5%)
* Direct and Organic Search still the top feeders
* Top Pages: 856, Labels, 850, 940, 870, 810

Next Jon discussed our newsletter means of communication going to our current email database of over 160 addresses. He said all have been loaded into Mail Chimp for enhanced capability to broadcast communications to our membership and interested parties. Jon shared with us the following facts:

* 41 New Subscribers (+35%) [160 Current]
* 28% Average Open Rate (Industry Avg 16%)
* Newsletter Tasks
* Plan to Consolidate to 1 Mailing List (from 3)
* Increase importance on Homepage or add temporary light box (to gain subscribers)
* Ensure Successful Deliveries and Member Subscriptions

With respect to social network communications, Jon asked how many attendees ‘Tweeted’? Only a few hands went up! Jon asked how many ‘followed’ EASI’s Twitter site? And the same number (2 or 3) hands went up! For this reason, the objective to expand our social networking presence will not be pursued at this time.

Diana Priebe followed with her portion of the committee’s presentation explaining a new working document expected to be released to all via our website entitled, “EASI Step-by-Step”. It is a Word document that incorporates flowcharts depicting suggested EASI files to be used in various business situations. Reaction by the audience felt this was good, but they wanted to also show ‘how to create a GTIN?’ be shown; as well as information that would pertain more to end-users or customers of the distributors. Mike Cutsey asked about using the wording ‘requirement’ instead of ‘suggestion’, and Jon reiterated our position of not being a regulatory or enforcement body, therefore avoiding use of ‘sunset dates’ on our files or ‘requiring’ latest versions of our work. This is a voluntary organization and such matters will be left up to the working relationship developed between trading partners.

At 4:25 pm, Michael reviewed the proposal to modify the existing 810 Invoice file. Currently on the 810 document, the purchase order number is a required field and is at the header level. The Tech Committee’s proposal is to:

* Change the existing header field to be optional.
* Add a new field at the detail level to store the Buyers Purchase Order Number as conditional. This will allow lines from multiple purchase orders to be included on one invoice. This is especially of value for consolidated drop ship invoices as it minimizes the number of invoices that need to be created and managed.
* By implementing this change it will allow the mill to create the 810 to match the way that they ship/invoice their customer. It will also allow the customer to adopt the 810 for one-to-one invoices as well as consolidated invoices.
* There was consensus to proceed with this development for the coming year.

After the break, Nick returned to the floor and asked for a motion to approve last year’s (2013) Annual Meeting minutes be approved as submitted to the membership via our website. A motion was made, seconded and approved unanimously.

*The Technical Committee then resumed their presentations.*

Terry Birch discussed the transition to XML schema as has been discussed for the last two years. The committee would like to begin by modifying an existing file, the 846 Inventory Availability file. The Technical Committee would like to propose a new XML standard for the 846 (Inventory Availability).

Background info –

The Technical Committee was asked to :

To establish the initial standards for sharing data via Rest web services using xml.

To specifically design an inventory request/response service.

How does it work? -

As a business process, a distributor will make a request for the inventory status for a few items and a manufacturer will return the current inventory for the requested items.

Rob Smith made the motion that we adopt the new 846 file in XML schema. Mike seconded and the vote was 10-0 in favor to do so.

Next, Jon proposed the new Inventory Receipt Advice (861) file v 1.0. The intent of this standard is to provide confirmation to the Mill/Manufacturer of the shipments which have been physically received in to the Distributor’s warehouse and is available for sale. It will assist the mills in identifying what is truly in transit to the warehouse. James made the motion to adopt the file as presented; Terry seconded and the vote was 12-0 in favor of its passage.

At 5:35 pm, the last issue of the day was presented – that being a proposed revision to file 852 Point of Sale (v 4.0). Highlights of the changes discussed were:

* 2 Part Update
* Include a “Returns Quantity” Field
* Standard Housekeeping
* Motivating Issue
* Return Quantities are currently included as negative values in Quantity Sold Field
* Obfuscates True Sold Quantities
* Decreases accuracy/value of the standard
* Lose value of separating those return quantities (Notification of Potential Quality or Performance Issues)

A motion was made by Michael, and seconded by Rob with vote 14-0 in favor of its adoption. The meeting was adjourned for the day.

Day Two of the meeting continued with resumption of the Technical Committee’s presentations.

At 7:35 am, Joelle Hotte began a presentation that illustrated how Distributors can more effectively utilize the information contained in the 870 file by developing their own version of a ‘PO Reconciliation Report’. A summary of her presentation follows:

**What is the 870 Order Status Document?**

* The EASI 870 is an electronic file from the Seller to the Purchaser listing the Purchaser’s open orders, open items on each order and the date the Seller expects to ship each item.
* It includes all open orders with details on open items including quantities ordered, shipped and remaining to be shipped.
* Expected ship date information is provided allowing multiple dates per item if necessary.

**Benefits for the Seller**

* Minimizes phone calls from wholesalers regarding expected ship dates

**Benefits for the Purchaser**

* Minimizes phone calls to Manufacturer regarding expected ship dates
* Enables Wholesaler to sell items in anticipation of shipment by Manufacturer

**Key fields for Reconciliation**

* Item Identification – GTIN Product ID
* Line Item Status – Open or Partial
* Quantity Ordered – Quantity in each on the purchase order
* Quantity Shipped – Quantity shipped for this line
* Quantity To Be Shipped – Remaining quantity in each as defined by the manufacturer
* Expected Date to be Shipped – Expected date that last quantity for this line will be shipped

**Summary**

* Using the 870 allows the Purchaser to effectively compare the Open Orders from the Supplier to the Open Purchase Orders from the Purchaser
* By investigating and dealing with discrepancies, this ensure more accurate information for both parties and reduces unexpected shipments
* Implementing a reconciliation process gives the purchaser the tools to verify their open orders and any changes that were requested from the Supplier
* At last year’s Annual Meeting, Jon Clarke had said the following about this:
  + Jon Clarke stated that the 870 is more than just a means to communicate ‘expected ship dates’. It should also be used to proactively identify order discrepancies and prompt partners to correct mistakes before they become shipping errors or returns! Jon suggested the creation of a PO Discrepancy report be generated by either trading partner for quick reaction and correction. He suggests this discrepancy report be run multiple times per day at the trading partners’ discretion.

The next topic of discussion centered upon the suggested consolidation of the 850 and 940 files. Jon proposed that the committee develop a new version of the 850 PO file ‘that can do everything a 940 can do for drop-shipments’ but he did not want to eliminate the 940 file as it is being widely used by partners. Additionally, Jon proposed we add package-level tracking detail capabilities to the current 856 ASN file. Michael made the motion that we adopt these suggestions, and Jane seconded. The vote was unanimous at 12-0 in favor of the motion.

Jon then began discussion of establishing a Product Locator URL standard. As said in his presentation:

* The EASI Standard Product Locator URL Link convention is designed to be implemented on Manufacturer product locator websites to link site visitors to Wholesaler/Distributor product detail web pages. The intention of the standard is to reduce the required steps for end customers to locate product availability across the Distribution channel and place the order for the product from their desired Distributor.
  + ***The purpose of the Product Locator URL Link standard is to improve the end customer’s experience and increase sales by removing unnecessary steps within a common purchasing path.***
* The standard defines the construction elements of the URL (web address)
* Utilizes our existing GTIN standard
* Standardizes this connection so trading partners do not need to customize each connection
* Flexible enough to handle many possible scenarios - namely style or style/color linking.
* URL Construct:
  + <Base URL><GTIN Query String>
  + Example:
  + http://www.abcdistribution.com/product/gtintranslator?=12345678901234
  + Requires effort from both Trading Partners
  + Manufacturers need to be able to create/deliver the url
  + Distributors need to be able to translate/redirect the url

Terry proposed that we update the current 852 POS file header to reflect the “Base URL”. Joelle suggested this updated file contain links to Wholesaler’s systems. Mike made the motion we undertake these changes to the 852 file. Michael seconded and the motion passed 14-0.

Jon then discussed the ways we could use more extensively online payment solutions for meeting registrations/payments via PayPal instead of emailing invoices in Word and registration forms in PDF. Consensus was we should actively promote use of online options and Nick reported that 33% of this year’s payments came via PayPal. Almost all registrants require an invoice to be sent however.

Next topic of discussion was the current use of FTP as the organization’s preferred means of file transfer. It was strongly suggested that files get transferred and not simply ‘copied’. The group agreed with this suggestion and the note will be added to the website and the general notes tab of the standards.

The practice and danger of ‘back-dating’ POS files (852) quantity sold and quantity drop-shipped values was discussed. This is done by wholesalers to reflect when the drop-shipped orders are actually billed in their system. Since the POS data has already been transmitted for that day, backdating these types of sales is strongly discouraged as it causes true POS data to ‘be lost’!

Discussion regarding the PDD (832) file ensued, and specifically, the number of potential HEX Values and Pantone colors needed by the users. Consensus of the discussion was that we should modify the existing file to accommodate three of each type of color value.

This prompted discussion over the possibility of incorporating product image file names within the PDD. This would be done to make the process of deploying new product on websites more efficient for the wholesaler. After much discussion, it was decided that we should not include images within the PDD; however we should develop a separate standard file for marketing images.

Next discussion was regarding whether there was a need for a file to communicate quality issues/problems to manufacturers that may prompt a more rapid response? After much discussion, it was not readily apparent another file to do this would really help either party. This idea was tabled.

Lastly, under “Miscellaneous Topics”, the use of Dropbox was discussed for moving files ‘to the cloud’; all agreed this would be a good thing to do. Jon then discussed use of social networking. He asked how many persons used Twitter. Only 3 hands went up! He asked how many of us followed EASI on Twitter and the same three hands went up! Based on this response, it is obvious that we do not need to pursue any further investment of time toward supporting this venue at the present.

Michael then summarized the results of the meeting’s discussions with respect to direction for the Tech Committee to take. These then are the prioritized 2015 Objectives:

1. Image file to be developed (new)
2. Color code enhancement to PDD (modification)
3. Online meeting registration to website (enhancement)
4. Propose a standardized method for calculating dimensions/cube/weights (new)
5. Drop-ship returns and claims for non-product related returns (new)
6. Develop an “Open Invoice Summary” or “Account Statement” report/statement by invoice # (new)

The Technical Committee’s presentation being over and with applause given to the presenters and the members of this committee for their work, the meeting moved on. Rob Smith asked for feedback regarding the formatting, scheduling and logistics of the meetings? The following points were noted:

* Visibility of the projected screen and information was poor from the back of the room
* We need voice projection/amplification
* Why not provide the PowerPoint presentation online so all could view from their laptops?
* MUST HAVE WIFI in the presentation room!
* We should provide a simple ‘primer’ for everyone’s reminder of all the current standards!
* Otherwise, all very positive feelings regarding meeting day & time scheduling and formats

Next, the election process was held. Consistent with our By-laws, only Members of companies that are either Wholesalers/Distributors or Manufacturers are eligible to vote. And each Member company is granted one vote, regardless of the number of representatives present for that Member company. The following persons were designated to vote on behalf of the eligible Member companies:

1. Gildan – Michael Roberts
2. LA T Sportswear – Rob Smith
3. Big Accessories - Beth Villa
4. Staton – Thomas Hasty
5. Color Image – Jon Clarke
6. Bodek & Rhodes – Rich Weisbrod
7. Heritage/VA T’s – Betsy Burton
8. Alphabroder – Jane Tonkin
9. TSF – Polly Tessier
10. Dyenomite – Mike Leibrand
11. S&S – Jim Beale
12. Fruit of the Loom – Rick Carter
13. Augusta Sportswear – Dean Wright
14. Hanesbrands – Jim Henricks

Nick announced that one person had come forward and asked to be placed in nomination for At-Large membership on the Steering Committee. That was Diana Priebe of Gildan. Nick asked if there were any other persons wishing to be included on the ballot today? Or if there were any nominations from the floor, this would be the time to make them. There being no further nominations or requests to be considered, the election process proceeded with the distribution of ballots to the designated voting members.

The results of the election were announced a few minutes later. All nominated candidates were elected.

New Business

* Jon brought up the topic of ‘outreach’ efforts designed to recruit more members and inform end- users of EASI standards, particularly the customers of Wholesalers. A desire to have a presence at a trade show was discussed. Jon asked for volunteers to serve on this subcommittee, and the following persons agreed to do meet (via conference call) on a monthly basis to accomplish this objective: Mike Leibrand, Jane Tonkin, Dean Wright, and John Cutsey.
* Nick pointed out that since we reorganized in 2007 independent of BSW, and began our self-supporting financial structure through a $500 lifetime membership, many companies no longer existed as they did at the time of joining the EASI organization. This is mostly due to mergers & acquisitions by other member firms but may also be due to bankruptcy or dissolution. He cited several examples, and reported that we officially list 42 Member companies on our books, but only accounted for 27 separate firms today, and that was counting Blade Uniform. Nick asked if anyone in the audience knew if Blade was still in business? No one did and we haven’t heard from them in many years. Nick asked for permission of the membership to contact each member company and ask them how they would like their company membership to be listed officially in the EASI records? During this process he expects to be able to answer the questions regarding the ‘missing’ companies and to update our roles. This is important in calculation of a quorum which is the next item of New Business! Consensus of the group was to proceed with his plan to contact all member companies and update the roles.
* Nick discussed the fact that our By-laws do not define the number of voting members required to be present to constitute a quorum. Roberts Rules of Order says that a quorum is the numbers of members who must be present to legally transact business. It also says that in the absence of a defined quorum, then a simple majority would be required. Since we currently have 27 voting members on our roles, a simple majority would require 14 voting members in attendance. Nick suggested we either establish a specific number of members (such as 10), or we stipulate a percentage of the voting membership be present (such as 25%). After much discussion over the two options, Mike Leibrand made a motion to establish the number to be 10 voting members present in order to establish a quorum. Thomas Hasty provided the second to the motion, and the vote was unanimous to do this.
* Next year’s meeting: the question was asked of the audience which factor was most important in determination the location of the Annual Meeting? Was it ‘destination/location appeal’ or was it the ‘quality of the tour’? This simple, unscientific approach yielded a result of about 60% saying it was more important for the meeting to be held at an appealing location than it was related to the tour. Joelle said FDM4 would poll its meeting’s members and provide us with this feedback. Some discussion was held regarding specific locations as potential sites. San Diego and Seattle were discussed the most as potential favorites for western US locations.

There being no further business to conduct, Mike Leibrand made the motion to adjourn. Rich Weisbrod provided the second and without further discussion, the meeting was adjourned.