



QADP 1P - CUSTOMER RELATED PROCESSES

PURPOSE:

To ensure a thorough understanding of the customer's needs at the quotation and ordering stages, and to ensure the capability of meeting the order requirements.

SCOPE:

All orders that require the resources of the quality system.

DEFINITIONS:

- Customer - Any person or organization who purchases or uses products from Pharos for their own use.
- Dealer - An organization that is authorized to purchase products from Pharos for resale.

RESPONSIBILITIES:

The General Manager has the overall responsibility for overseeing order review activities, including those of inquiry, quotation and order receipt, review and acceptance.

The Sales Coordinator is responsible for overseeing order review activities, including those of inquiry, quotation and order receipt, review and acceptance.

The Sales Assistant is responsible for the day to day administration of all Order Review activities.

REFERENCES:

Price Lists
Dealer Discount Schedule
Sales Order Form
Sales Order Book
Picking Packing Slip



QADP 1P - CUSTOMER RELATED PROCESSES

PROCEDURE:

1.1 Process Links

Process Inputs	Process Activities	Process Outputs
Inquiries	Prepare Quotations	<i>Order Filling Process</i>
Quotation Requests	Accept Orders	<i>Purchasing Process</i>
Customer Orders	Process Feedback	<i>Improvement Process</i>
Customer Feedback		<i>Data Analysis Process</i>
		Customer Satisfaction

1.2 Inquiries

- 1.2.1 Any employee may handle an inquiry whenever it is within their capability. This may include sending out promotional literature and/or providing information about local dealers to the customer.
- 1.2.2 No record is kept of inquiries unless follow up action is required. Records are kept of written correspondence that arises out of an inquiry.
- 1.2.3 Potential dealers are referred to the General Manager for evaluation.

1.3 Price Lists

- 1.3.1 Copies of Pharos Price Lists and the Dealer Discount Schedule used within Pharos' offices are controlled. The General Manager reviews and approves them, and all subsequent revisions, prior to issue to ensure clarity of definition.
- 1.3.2 When copies of Pharos Price Lists are made for distribution to dealers, they are uncontrolled.
- 1.3.3 When the General Manager determines that a supplier Price List of products for sale by Pharos is to be controlled, the original is reviewed and approved for adequacy before release.



QADP 1P - CUSTOMER RELATED PROCESSES

1.4 Quotations - Product

- 1.4.1 Quotations are only given to authorized dealers and customers approved by the General Manager. Other potential customers inquiring about prices may be given the full list price for information purposes only. For a quotation, they are referred to an authorized dealer.
- 1.4.2 The General Manager, the Sales Coordinator and the Sales Assistant give quotations to authorized dealers and approved customers at full list price less the approved discount. Quotations may be verbal or in writing. No record is kept of verbal quotations that reflect Price Lists and Discount Schedules that have been reviewed and approved.
- 1.4.3 The General Manager or the Sales Coordinator gives quotations to authorized dealers that reflect a special discount. Quotations may be verbal or in writing. Each special quotation is reviewed to ensure that the quotation is clear. A record of each special quotation is kept in the appropriate dealer file.

1.5 Order Acceptance and Review - Product

- 1.5.1 Orders are accepted only from authorized dealers unless otherwise approved by the General Manager. Orders from other sources are referred to the appropriate dealer. Any qualified employee may receive orders.
- 1.5.2 An employee receiving a telephone order reviews the order requirements directly with a written quotation or using prices from the Price Lists and Dealer Discount Schedule, resolving any differences and ensuring that the requirements are clear and can be met. Upon successful review, the employee obtains a purchase order reference/number and the order information is recorded on a Sales Order Form. The dealer is asked to send a written order quoting the purchase order reference/number.
- 1.5.3 When a fax or e-mail order is received, the Sales Coordinator, Sales Assistant, General Manager or Manager, Technical Service reviews the order requirements directly with a written quotation or using prices from the Price Lists and Dealer Discount Schedule ensuring that the requirements are clear and can be met. Should there be any discrepancies or queries, the dealer is contacted immediately either by telephone or in writing to resolve the differences. All adjustments and agreements are documented on the fax or e-mail, and initialed and dated.



QADP 1P - CUSTOMER RELATED PROCESSES

- 1.5.4 Prior to acceptance of an order, the employee reviewing the order determines the statutory and regulatory requirements related to the product. When the intended use of the product is known, the employee ensures that the product meets customer requirements with the aim of enhancing customer satisfaction.
- 1.5.5 When the order requirements have been successfully reviewed, the Sales Order Form, or the written confirmation, is signed to indicate acceptance.
- 1.5.6 Orders are accepted conditionally when the delivery date is unknown. The estimated delivery date is communicated to the dealer as soon as it is determined.
- 1.5.7 If an order results from a quotation with special pricing, the order is compared with the quotation to ensure that there are no discrepancies. A copy of the quotation is attached to the order.
- 1.5.8 Upon acceptance of the order, the order is given a sales order reference number and the essential details of the order are entered into the Sales Order Book. The sales order reference number is put on the copy of the order document. Details of the order are entered into the computer system.
- 1.5.9 Processing of the order commences with the printing of a Picking Packing Slip as per QADP 6P (Order Filling and Product Repair Process).
- 1.6 Quotations and Order Acceptance - Repairs**
- 1.6.1 Requests for a repair are received from authorized dealers, customers, and suppliers or their agents outside Canada. The repair request is reviewed to determine if Pharos have the capability to make the repair and to determine the appropriate method of handling it. If the requirements of the customer are unclear, the requirements are clarified with the customer.
- 1.6.2 Where a repair of a product distributed by Pharos is required outside Canada, the request is referred to the product manufacturer or to the manufacturer's authorized representative in that country.
- 1.6.3 When the repair is required within Canada, the Manager, Technical Service determines who should perform the repair. The repair may be referred to a qualified, authorized dealer to be handled directly by the dealer, or the repair may be



QADP 1P - CUSTOMER RELATED PROCESSES

subcontracted by Pharos to an approved subcontractor, or Pharos may perform the repair with their own employees.

- 1.6.4 When the repair request is to be handled directly by a qualified, authorized dealer, the customer is referred to that dealer.
- 1.6.5 As soon as it is determined that Pharos propose to perform the repair or subcontract the repair, the Manager, Technical Service asks for a repair order / purchase order and opens a Work Order file. The Work Order file references the ICS number assigned at Receiving Inspection as per QADP 7P (Inspection and Testing Process).
- 1.6.6 Subcontracted repair work is controlled as per QADP 3P (Purchasing Process). Repair work performed by Pharos employees is processed as per QADP 6P (Order Filling and Product Repair Process)
- 1.6.7 Quotations are only given by special request. Such quotations are confirmed in writing and the repair does not commence until the customer accepts the quotation. Verbal acceptance is acceptable and is recorded on the quotation. Quotations are not given until an initial evaluation of the problem has been completed.

1.7 Order Changes

- 1.7.1 The sales department or the service department receives order changes verbally or in writing. Upon receipt, the responsible department determines the status of the order and advises the customer/dealer. Should the customer/dealer wish to proceed with the change, a telephone request must be confirmed by fax or e-mail.
- 1.7.2 The written order change is reviewed to ensure that Pharos can meet the requirements. The order change is signed to indicate acceptance.
- 1.7.3 If the order change is for product and the order has not been shipped, the Picking Packing Slip is retrieved and reissued to reflect the change.
- 1.7.4 If the order has been shipped and the change is a reduction, the sales department advise the dealer and determine the action to be taken.
- 1.7.5 If the order has been shipped and the change is an increase in the quantity ordered, a new picking packing slip is generated and the computer record is updated. The



QADP 1P - CUSTOMER RELATED PROCESSES

revised order is processed as per QADP 6P (Order Filling and Product Repair Process).

- 1.7.6 If the order change concerns a repair, details of the change are recorded on the Work Order.

1.8 Customer Feedback

- 1.8.1 All employees are responsible for ensuring that all customer feedback, positive and negative is recorded as per QACP 17 (Measurement and Analysis of Performance)
- 1.8.2 It is the responsibility of the person receiving a customer complaint to ensure that any immediate customer needs are addressed.
- 1.8.3 It is the responsibility of the General Manager to ensure that customer complaints are resolved. Where appropriate, Corrective Action is initiated as per QACP 11 (Improvement Process).