Process Definition: SALES

1. SUMMARY

1.1. This document defines the Sales process in detail.

1.2. The relationship between this process and the other processes within the Ape-X management system is illustrated in the process flow map included in the [Quality Manual Doc Title].

2. REVISION AND APPROVAL

<table>
<thead>
<tr>
<th>Rev.</th>
<th>Date</th>
<th>Nature of Changes</th>
<th>Approved By</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1 August 2015</td>
<td>Original issue.</td>
<td>Gen. Urko</td>
</tr>
</tbody>
</table>

3. PROCESS DEFINITION

3.1. The purpose of the Sales process is to generate new business, and convert customer requirements into executable sales orders which can be passed onto production.

4. PROCESS OBJECTIVES AND METRICS

4.1. Process objectives for this process are defined in records of management review; see the documented procedure Management Review.

4.2. In addition, each objective has at least one metric (or KPI) with which management can measure the effectiveness of the process. These are also defined in records of management review.

5. PROCESS OWNERS AND RESPONSIBLE PARTIES

5.1. The owner of this process is the Director of Sales.

5.2. The Sales Team will ensure proper fulfillment of the requirements of this process.

5.3. The CEO will ensure proper resources are provided for this process.

6. TYPICAL PROCESS INPUTS

6.1. The typical required inputs for this process are:

   6.1.1. Technical information needed:
   - Customer requirements
   - Statutory and regulatory requirements
   - Site survey results

   6.1.2. Resources needed:
- SharePoint access to site survey data

6.1.3. Personnel needed:
- Sales department staff

6.1.4. Special training needed:
- No special training required

7. TYPICAL PROCESS STEPS

**Inputs:**
- Customer RFQ
- Standard Product List

Sales reviews RFQ to see if required product is on **Standard Product List**.

- **Standard Product**
  - Quote / proposal is generated. Submitted to Sales Manager for review.
  - *OK?*
  - *YES* → Review and approvals indicated on **Nonstandard Quote Review form**.
  - *NO* → Revise.

- **Nonstandard Product**
  - Quote / proposal is generated. Submitted to Sales Manager, VP Operations and VP Engineering for review.
  - *OK?*
  - *YES* → The quote and DII Terms and Conditions are sent to customer via email or fax.
  - *NO* → Revise.
Sales completes and signs off **Sales Order Worksheet (SOW)**. This captures order details and customer requirements beyond which are included on customer PO or contract.

Order is entered into MRP.

Inside Sales notifies Production Control that a new order is in queue.

Production control reviews inventory, capacity, training levels, equipment, etc.

Production control adds promise date to order and sales submits Order Acknowledgement to customer.

**INPUTS**

- Standard Product
- Nonstandard Product

**OUTPUTS**

- MRP Order info
- Sales Order Worksheet

**PRODUCTION**

**PROJECT MANAGEMENT**

- From customer:
  - Purchase order
  - Written order from customer

**PROJECT MANAGEMENT**

- SOW submitted to Operations and Engineering for review.

- SOW compared against Purchase Order.

- Sales completes **Sales Order Worksheet (SOW)**. This captures order details and customer requirements beyond which are included on customer PO or contract.

- Resolve; return to appropriate step in process.

- Sales, Operations and Engineering all sign off SOW.

- Customer approves?
  - YES
  - NO
  - Negotiate.
  - Customer approves?
    - YES
    - NO
8. TYPICAL PROCESS OUTPUTS

8.1. The typical results (outputs) of the process are as follows:

8.1.1. Product produced:
- Finished sales order

8.1.2. Documents or technical information produced:
- Verified site survey

8.1.3. Records produced:
- Nonstandard Quote Review
- Contract
- SOW
- Banana order

8.1.4. Services produced:
- N/A

9. RELATED RISKS

9.1. The following risks are identified related to this process.

9.2. Management may elect to conduct a formal risk assessment for any of these risks; the preferred method of risk assessment is indicated herein.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Likelihood</th>
<th>Severity</th>
<th>Assessment Method (if applicable)</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor contract review results in acceptance of terms we cannot meet</td>
<td>Low</td>
<td>Moderate</td>
<td>N /A</td>
<td>Renegotiate with customer.</td>
</tr>
<tr>
<td>Site survey data is hosed up</td>
<td>Moderate</td>
<td>High</td>
<td>Conduct FMEA</td>
<td>See FMEA results</td>
</tr>
<tr>
<td>Pricing fluctuations between time of quote and time of contract</td>
<td>Moderate</td>
<td>Low</td>
<td>N /A</td>
<td>If within +/- 10%, absorb difference. If outside of this range, renegotiate.</td>
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</table>