

## INSTRUCTIONS FOR OFFERING SMALLER SPECIALTIES

Alko is listing a selection of specialties monthly. The specialties are enriching Alko's product selection and are top class products especially for the enthusiasts who are interested in drinks and combining food and drinks.

The monthly listed specialties consist of two different entireties: larger specialties and smaller specialties. The larger specialties have a wider demand and availability. The smaller specialties are top class products especially for the enthusiasts. As a general principle, products are available to customers starting always on a specific day of the month.

Alko launched the new smaller specialties concept to the customers in April 2018. This specialties concept replaced the limited availability products purchased only for special stores (so called R20XX tenders).

Sale of products begins normally on the first Thursday of the month. Delivery starting date to the shops is Monday one week before the sale of the product begins. For example, in April 2018 sales begin on Thursday 3 April 2018 and the listing date is on Monday 26 March 2018.

Smaller specialties products are primarily guided to the Arkadia flagship store and to the online shop. In addition, these products are optional for premium stores.

### Tender requests and offering procedure

Smaller specialties products can be offered to Alko anytime. The products offered must be super premium products:

- High profile products for enthusiasts
- Especially limited demand products and/or limited availability products
- Esteemed representatives of the style
- Valuable as per price in its own product group

Small batches limits per product group:

- Wines: In principle, priced over 50 €/0,75l, amount to be purchased maximum 240 bottles
- Spirits: In principle, priced over 60 €/0,7l, amount to be purchased maximum 120 bottles
- Brewery products: In principle, priced over 6 €/0,33l, amount to be purchased maximum 360 bottles
- Intermediate products: In principle, priced over 50 €/0,75l, amount to be purchased maximum 120 bottles



Offers are dealt monthly by jury of experts. The jury makes preliminary decisions of the products that will be listed to the selection. Request for samples is sent for the offers that are, at each time, the best products responding to customer needs. Special attention must be paid for validity of the offers. If the product is seen suitable for the smaller specialties concept, all the offers that are valid can participate in a monthly evaluation.

### **Participation in tender requests**

Products for smaller specialties can be offered by using annually changing search numbers. In year 2018 search numbers are:

SSW2018 – wines  
 SSS2018 – spirits  
 SSB2018 – brewery products  
 SSF2018 – intermediate products

On the offer, there must be arguments to the suitability to the concept and sales arguments for store personnel (max. 500 characters).

When offering a specialty product, the analysis values of the product need to be informed and measured according to each product group's specifications. The analysis certificate needs to be attached to the offer form. More information is available in the Listing Instructions Annex 6.

The product's availability needs to be announced always in the specialty offer. The same product cannot be taken into the selections from more than one seller at a time. If more than one company offers the same specialty product, Alko buys the product of the lowest price considering the product's estimated demand and availability.

### **Product images**

For smaller specialties products, a product image according to requirements listed below must be attached to the offer. The product's image can be put in the field reserved for it or, alternatively, in a separate attachment. The image quality must be readable and clear. An image that is delivered electronically must be as an attachment in the jpg, pdf or Power Point -format.

*Format for Alko product images:*

- File format: JPG (Good quality PDF or PNG file may also be acceptable)
- Colour model: RGB
- Image resolution: recommendation 300 pixels/inch
- Picture background: pure white (R255 G255 B255), no other shades of colour, no other elements added.
- There should be only 'clipped' product against white background in the final image.
- The product must be in the picture in its entirety.
- Photo taken directly from the front, not from an upward or downward angle.

- The label of the product needs to be sharp and visible in its entirety for the text in the label to be readable in the image.
- Principally the product image has to be same as the unit for sale. For example, there cannot be any objects on neck of the bottle (neck hangers).

*Image file size:*

- Recommendation min. 300 Kb (0.3 MB) max. 3000 Kb (3 MB), (the size can vary according to the size of the product, for example a small bottle vs. a bag-in-box).
- Bottle + gift package image file size can be over 3000 Kb (3 MB)
- The product in the image must equate to the actual appearance and natural surface of the unit for sale (no extra enhancing elements or reflections added, such as drops etc.)

### **Selecting and listing products**

The purchase decision of the specialty product generally takes place 1 month after the preliminary purchase decision. The listing of the product generally takes place after 1-2 months from the purchase decision of the product. The specialty products are generally listed once per month.

### **Bordeaux "en primeurs" procedure**

Procedure for purchasing Bordeaux "en primeurs" super-premium wines follows mainly the smaller specialties procedure. A jury of experts visits annually at the en primeurs -event and evaluate products of the vintage. The jury of smaller specialties decides the complete selection of en primeurs and the listing dates. Products will be listed to the specialties selection according to this plan.

To avoid overlapping listings, Alko will publish annually beforehand a product list of already purchased products here:

<https://www.alko.fi/en/alko-inc/for-suppliers>