



U.S. ABILITYONE COMMISSION

An independent agency of the Federal Government administering the Javits-Wagner-O'Day (JWOD) Act

Dear Potential AbilityOne Distributor:

Thank you for your interest in becoming an authorized AbilityOne distributor. Administered by the U.S. AbilityOne Commission, the AbilityOne Program creates jobs and training opportunities for individuals who are blind or have other significant disabilities. The AbilityOne Program provides quality products at reasonable prices, most carrying the SKILCRAFT brand name.

AbilityOne products are mandatory purchases for Federal employees by law (41 U.S.C. §§ 8501 - 8506) as implemented by the Federal Acquisition Regulation (FAR 8.7). In addition, FAR 52.208-9 states that contractors providing products for use by Federal Government personnel must include the appropriate AbilityOne products. Enclosed is a copy of the Commission's Application for Authorization to Distribute AbilityOne Products.

National Industries for the Blind (NIB) and SourceAmerica (serving people with a wide range of disabilities) are the two central nonprofit agencies that have been designated by the Commission to assist in the administration of the AbilityOne Program. NIB and SourceAmerica provide technical and financial assistance to nearly 600 AbilityOne-participating nonprofit agencies nationwide. These community-based nonprofit agencies furnish the AbilityOne products to our distribution channels.

The process of authorization begins with submission of a completed Application for Authorization to Distribute AbilityOne Products. Any potential distributor for AbilityOne products must be able to comply with the Commission's criteria (Commission Policy 51.540) and demonstrate a desire to work with the AbilityOne Program to increase sales of AbilityOne products, thereby increasing job opportunities for people who are blind or have other significant disabilities. Upon submission of a completed application, the Commission will notify a potential distributor if additional information is necessary.

Prior to completing and submitting the application below, take time to read U.S. AbilityOne Commission Policy 51.540, AbilityOne Authorized Commercial Distributor Program Requirements. The policy can be found on at www.abilityone.gov, scroll to Laws, Regulations and Policy, selection Commission Policy (New and Updated), select Policy 51.540.

Once a distributor has submitted an acceptable application, the distributor will be provided an AbilityOne® Distributor Agreement document which will need to be reviewed, filled out, and returned to the Commission. The authorization letter is issued after an acceptable Distributor Agreement is returned to the Commission.

The Commission's Commercial Distribution Coordinator (CDC) and point of contact for submission of the application or for more information about the AbilityOne Program is Mike Jurkowski (703) 489-1322 or mjurkowski@abilityone.gov. Submitting the signed application via e-mail is the preferred method. In addition, you may also want to visit www.abilityone.gov for more information. Thank you for your interest in becoming an authorized AbilityOne distributor.

Application for Authorization to Distribute AbilityOne® Products

Note: Information requested below may be confidential commercial or financial information. The U.S. AbilityOne Commission will use this information to evaluate potential distributors, with the assistance of National Industries for the Blind (NIB) and SourceAmerica, our central nonprofit agencies. This information may be provided to the contracting activity, but will not be provided to any other person or firm outside the AbilityOne Program, or used in any other manner. It will be protected from release under the Freedom of Information Act (FOIA) exemption 4.

SECTION I. APPLICANT'S CORPORATE INFORMATION

Legal Name:

DBA (if applicable):

DUNS:

CAGE Code:

Business Address:

City:

State:

Zip:

Telephone:

Fax:

Corporate E-Mail:

Corporate Website:

e-Commerce Website:

Please provide your e-commerce website address if different from your corporate website. The AbilityOne Program will review your e-commerce site during the application process for compliance purposes. If required, the AbilityOne Program reserves the right to request login credentials to facilitate the required compliance review. If no e-commerce site is available, please enter "N/A" in the field above.

2. “Essentially The Same” (ETS) Commercial Products

Because AbilityOne products are mandatory purchases for Federal customers, authorized distributors are required to have in place a satisfactory automated method to ensure ETS commercial products are not sold to Federal customers, even when specifically ordered. Authorized distributors should be able to block the order for the ETS commercial product and substitute the appropriate AbilityOne product. In addition, distributors must ensure that all Federal contracts do not contain ETS commercial products and the appropriate AbilityOne products are included. **Please provide a detailed description of how you will ensure that commercial ETS products are not sold to federal customers via all methods that your company offers federal customers to place an order (e.g., e-commerce site, phoned or faxed orders, etc.).** Attach additional sheets if necessary.

3. Product Offering

All distributors must have an account with an authorized wholesaler prior to final authorization. Because the authorized wholesalers have differing AbilityOne product offerings, in order to maximize your support of AbilityOne products, we recommend establishing an account with more than one wholesaler. Distributors are required to make available all the AbilityOne products that are on the AbilityOne NSNs for Distribution List issued by the Commission, if you currently offer a commercial equivalent to federal customers. AbilityOne products that are not stocked by the wholesalers are often available from the manufacturing nonprofit agency by wholesaler special order or, if authorized by the Commission, for direct ordering. Authorized wholesalers are listed below. Distributors purchasing direct from the manufacturing nonprofit agency may be requested to provide financial information and/or credit references. **Please select the wholesalers listed below that you have an existing account with. If you do not have an existing account, your application will be held until an account is established and verified.**

Wholesalers - Office Products:

- S.P. Richards – David Cain (770) 779-4739 David_Cain@sprich.com
- Essendant – Kris Baker (716) 997-3536 kbaker@essendant.com
- LCI – John Cronin (919) 596-8277 John.Cronin@lc-ind.com
- Digitek – Lindsay Fattahi (800) 887-3040 x1101 Lfattahi@arli.com (Toner/
Inkjet Cartridges only)

Wholesalers - Janitorial/Sanitation & Hardware/MRO:

- Essendant – Kris Baker (716) 997-3536 kbaker@essendant.com
- LCI – John Cronin (919) 596-8277 John.Cronin@lc-ind.com

4. Marketing:

It is expected that authorized distributors will incorporate AbilityOne products into all marketing efforts directed towards Federal customers. AbilityOne products should be handled in the same fashion as commercial products. The AbilityOne Program provides marketing support to its authorized distributors.

Please initial to indicate compliance with Marketing

5. **Pricing:** If there is no contractually-established markup ceiling, the Commission's ceilings apply. Distributors may not exceed a markup of 35% above their respective wholesaler pricing plan without a written exception from the Commission. If the products are not wholesaler supported, the distributor's markup may not exceed 55% of the Commission's FOB Destination price. In addition, the Commission reserves the authority to preclude distributors from reselling AbilityOne products at a price below the Fair Market Price (FOB Destination) published by the Commission, if we find such loss leaders, or discounted prices, result in noncompliance with AbilityOne requirements. Products sold below a distributor's normal costs will be subject to a greater degree of review by the AbilityOne Program to ensure that the AbilityOne products are actually being fulfilled.

Please initial to indicate compliance with Pricing

6. **Competition:** AbilityOne Authorized Distributors **are not** the sole source for government agencies to procure AbilityOne products. Federal agencies may choose from various sources, including:

- Authorized Commercial Distributors
- GSA Global Supply
- Base Supply Centers/SERVMARTs
- www.abilityone.com

Note: Base Supply Centers/SERVMARTs and www.abilityone.com are not typically required sources for Federal customers.

Please initial to indicate compliance with Competition

SECTION III. OFFICIAL BUSINESS POINTS OF CONTACTS (POC)

Please provide a primary and two (2) alternate points of contact for your business. Individuals listed in this section must be authorized to speak on behalf of your business to AbilityOne Program officials.

Cnrgt pcvg'RQE'3

Primary POC

Name: _____ Title: _____
 Name: _____ Function: _____
 Title: _____ Go ckn Telephone: _____

Cnrgt pcvg'RQE'4

Go ckn Name: _____
 Telephone: _____ Title: _____
 Function: _____
 Go ckn Telephone: _____

SECTION IV. APPLICANT'S CERTIFICATION

By signing this application, you are confirming that you understand, and agree to abide by, the above requirements as well as the AbilityOne Authorized Commercial Distributor Program Requirements (Commission Policy 51.540):

Signature:

Title:

Date:



Terms and Conditions for Ordering, Shipping, Invoicing and Payment

1. Shipment of product shall be FOB Origin or Destination as designated by the Commission. As of January 1, 2004, the Commission will allow distributors with direct ordering authority to select either all FOB Origin or all FOB Destination priced deliveries. Distributors are not able to choose a mixture of origin and destination prices. If ordering FOB Destination, distributors may contact the allocated agencies and request volume freight discounts. Volume freight discounts are at the discretion of the nonprofit agency.
2. Authorized distributors that have been determined “Outstanding”, based on an annual evaluation, are permitted to order direct and will receive a list of manufacturing nonprofit agencies and the NSNs available from those agencies. Other distributors that would like to order direct must send an e-mail to pricinginquiries@nib.org to request a direct order. Nonprofit agencies reserve the right to deny a direct order request due to an outstanding balance on a prior order, or other factors.
3. Shipments from NPAs shall be made a maximum of 15 days after receipt of an order by the producing location.
4. All authorized direct order shipments shall be made to a distributor’s list of authorized distribution centers. A “non-authorized location” is a location that is not a regular distribution center of the distributor or a location to which the distributor and the AbilityOne Program recognize as an agreed upon “ship to” location. (See paragraph 7 for the AbilityOne Drop Shipment Policy)
5. If allowed to purchase direct from NPA producing locations, distributor agrees to comply with minimum order quantities established by the AbilityOne Program and to order from the producing location(s) designated by the AbilityOne Program.
6. When AbilityOne items are available through authorized wholesalers, it is the AbilityOne Program preference not to accept orders for drop shipments, unless approved by NIB, SourceAmerica, or the nonprofit agency in advance of the order being received. Any drop ship orders should be in full case quantities and at the Minimum Order Quantity (MOQ) restrictions, at the discretion of the nonprofit agency. Drop ship order acceptance will be at the discretion of the nonprofit agency. The nonprofit agency shall assess a surcharge not to exceed 10% of the total value of the order, or a fixed fee of \$50, whichever is greater, per order per drop ship location. This is in addition to the established FOB origin or destination pricing and is to cover additional shipping and/or handling costs associated

with drop shipments. The fee would be waived for orders over \$2,500 to a single drop ship location. Special delivery instructions and handling (such as inside delivery, delivery gate fees, labeling fees) are not covered by the drop shipment surcharges and may result in additional fees. Drop shipments are defined as any orders that require shipment to a “non-authorized” location, expedited delivery, or shipments directly to the customer.

7. Payment shall be net 30 days after receipt of an invoice. Distributors may be assessed penalties in accordance with the Prompt Payment Act for any payments that are not made within the 30 days. If more than 30 days past due on an invoice, the distributor must notify the Commission for their awareness. Failure to notify the Commission is considered a non-compliance occurrence and may result in recommendations for probationary status and/or de-authorization.
8. Credit Hold Policy: In accordance with normal commercial credit and collection procedures, the nonprofit agencies will be allowed to initiate credit hold proceedings against specific distributor ship-to points and/or entire distributors. The nonprofit agency must notify NIB or Source America and the Commission at least 15 days prior to any requested credit hold. NIB or Source America will attempt to resolve the situation. This is only applicable where direct orders have been authorized. Failure to pay according to the AbilityOne payment terms is considered a non-compliance occurrence and may result in recommendations for probationary status and/or de-authorization.
9. In accordance with the Government’s policy to move to electronic commerce, distributors are encouraged to order electronically. The preferred format for orders is currently via Electronic Data Interchange (EDI). All agencies are capable of receiving orders using this format. The AbilityOne Program may impose a surcharge for distributors that cannot comply with the requirement to order electronically.