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Survey...Customer Service



The publication of the Kohler Power Systems Aftermarket Parts Department

Welcome

Welcome to the sixth issue of *Parts Buzz.* Two articles recap field parts training programs. We hope to conduct factory training the third quarter. Watch for an announcement.

This issue's survey focuses on customer service, so please take a moment to complete and return the survey.

Parts Stock Orders

Distributors have the opportunity to place two stock orders each month. The stock order offers the distributor extra discount and free freight.

Eligibility. All parts with numeric stock codes or stock code F and literature are eligible for inclusion on a stock order. All distributors and distributor branch offices with their own customer numbers are eligible to place stock orders.

Order Note. To ensure that you receive stock order program incentives, please use the following text: "Kohler: Stock Order for June 2003," substituting the current month and year as appropriate.

Lead-time. Stock orders normally ship within 10 business days. For parts that require a quicker delivery please use a daily/standard, priority, or emergency order.

Shipping/carrier. Kohler ships all parts freight allowed via Kohler's preferred carrier.

Suggestion. Use a stock order of net value equal to or greater than your annual return value as your annual return offsetting order.



Share your Cheat Sheets!

Parts Managers at the March 2003 Compton parts training requested more *cheat sheets* to help them research parts. If you would be willing to share your *quickreference* documents and cheat sheets, or if you would like to suggest factory-developed quickreference sheets, please email <u>anne.feudner@kohler.com</u> or <u>ruth.luedtke@kohler.com</u>, or mail photocopies to Anne Feudner at the address in the yellow box on the last page of the survey.



Annual Parts Returns

Each distributor has one opportunity per year to return parts without being charged a restocking fee. Upon appointment each distributor is assigned an annual return month. If you are unsure of your designated month or would like to request a change in designated month, please email aftermarketparts@kohler.com.



Returnable Parts. Parts with numeric stock codes or parts that have been designated stock code F (last-time buy) for less than six months are eligible for return.

Ineligible parts. Parts that fit the following criteria are not eligible for return regardless of stock/disposition code:

- 1. Discontinued or superseded items
- 2. Last-time-buy parts (parts designated stock code F for more than six months)
- 3. Engines and engine short blocks
- 4. Sales accessories
- 5. Components of sales kits
- 6. Parts that have been removed from assembled units
- 7. Circuit boards not in factory-sealed static bag
- 8. Parts that were sold by Kohler's Engine Division
- 9. Made-to-order housing components
- 10. Special order/nonstock items
- 11. Parts that are not in Kohler's system and have shipped directly from a vendor
- 12. Paint
- 13. Literature
- 14. Advertising and sales aids

Condition of returnable parts. All parts must be in good saleable condition, properly identified in the original Kohler package, and suitable for immediate return to stock.

How to process an annual return.

- 1. Submit the return list. During the month of the return, email <u>aftermarketparts@kohler.com</u> an Excel spreadsheet list of parts you would like to return. Please use the subject *Annual Parts Return List*.
- Receive the eligibility list. Aftermarket Parts returns to you the list of parts with return eligibility of each part—approved for credit or nonreturnable—and the net price. We also supply return shipping labels for the return cartons to expedite processing.
- 3. Return parts. The distributor returns the eligible parts to Kohler. After Kohler processes the parts, Aftermarket Parts mails the distributor a letter containing the list of returned parts with their status—approved for credit or rejected. The text line beneath the part description explains the reason for rejection.



- 4. Choose handling of nonreturnable parts. The distributor notifies Kohler within 30 days of the date of the letter how nonreturnable parts should be handled by Kohler: (1) return parts to the distributor C.O.D, or (2) scrap parts at the Kohler factory. If Kohler is not notified within 30 days, Kohler scraps the parts.
- 5. Place offsetting order and receive credit. Once the distributor enters an offsetting order of an amount equal to or greater than the amount of the return credit, Kohler issues the return credit. The distributor includes the annual return GPR number in the *note* section of the offsetting order. Stock orders may be placed as offsetting orders as long as the discounted net price exceeds the value of the return credit.

Kohler Parts Training at Nixon Power Services, Louisville

David Sinclair, Vice President, Nixon Power Services, brought twelve of Nixon's staff representing service centers in Louisville, Nashville, Atlanta, and Charlotte to Louisville, Kentucky, the week of January 27, 2003, for Kohler parts and warranty training.



Front row (I-r): Robert Harris, Gary Amberson, Derwin Fancher, Rick Olson. Back row (I-r): Sam Putnam, Bill Anderson, Rodney Oakley, Kelly Brandon, Brenda Watson, Robert Preston, Tim Serra

Roger Bowman, President & General Manager of Nixon, kicked off the meeting by challenging the group to "*Improve customer service!*" He emphasized the importance of servicing the customer correctly and on time. "Once poor service enters into the equation, customers seek alternative suppliers. If they are happy, price is not such a big issue," he said. "We are here to help ourselves deliver better service to our customers."

David Sinclair built on Roger Bowman's comment when he said that the attitude of personnel sets the tone. "Have a positive attitude, be present, and give customers your full attention."

The Kohler parts experience of the group ranged from veteran Bill Anderson to newcomer Rodney Oakley, and experienced staff were regularly spotted coaching their less-experienced coworkers.

Denise Brendel, Kohler Service Parts Support Specialist, and Ruth Luedtke, Kohler Manager— Aftermarket Parts trained for the first 12 hours on the parts business. Topics included:

- How to research generator and transfer switch parts
- How to optimize the use of KOHLERnet
- How to become more profitable

Mary Tauscheck, Kohler Warranty Administrator, discussed the warranty program the afternoon of the second day.



Derwin Fancher, Tim Serra, Robert Harris

Reflecting on the training, David Sinclair commented, "Thank you, the presentations were exactly what I wanted and what I felt the employee group needed. I really appreciate and thank all at Kohler that made your trip possible. Cooperation at this level does breed Customer Loyalty, not just satisfaction."



L-R: Gary Amberson, Kelly Brandon, Bill Anderson

Other attendee comments included "Informative class," "The content addressed almost every question that I came to ask," "I learned when and where to do research and when to ask for assistance from Kohler."

The trainers learned a lot during this program, as they do at all parts training programs. And this class culminated with a delightful surprise when David Sinclair presented to all of us copies of the book "Customer Satisfaction is Worthless; Customer Loyalty is Priceless," by Jeffrey Gitomer. The book is filled with great lessons on sales and customer service. We will treasure these easy-toread and entertaining books. Denise and I are sharing our copies with the rest of the Parts Department at Kohler, and we hope you are already seeing improvement in how we serve you.

Ruth Luedtke, Manager—Aftermarket Parts

Kohler Parts Training at Kohler Power Systems, Compton, California

Parts managers from seven distributors converged in southern California for Kohler Power Systems parts training March 24-26, 2003:

Participants

Company

Name

Bay City Electric Works	John
Industrial Power Systems	Cindy
Kohler Power Systems Compton	Luis F
Kohler Power Systems Stockton	Denn
Loftin Equipment Company	Geor
Pacific Detroit Diesel, Kent	Duan
Pacific Detroit Diesel, Spokane	Rick /
Waterous DDA	Diane

John Saussol Cindy Boldra Luis Rivera Denny Keeler George Siordian Duane Bergh Rick Aafedt Diane Locke

Duane Bergh's goal was to "learn how to identify replacement parts more efficiently and accurately," while George Siordian's was to uncover "hidden secrets of KOHLER*net*."

Kohler parts experience levels ranged from less than one year to 25 years, and the contributions of the experienced people enriched the training of all.

This was the first parts training class where multiple distributors participated. On breaks and after class the participants could be heard explaining their processes to and sharing ideas with other participants. They exchanged contact information to continue their relationships with each other after returning to their offices.





Luis Rivera, Parts Manager of Kohler Power Systems, California, was our local host.

While Kohler Co.'s Power Systems—America's Aftermarket Parts staff looks forward to hosting parts training at Kohler to give people a greater understanding of the company and to meet factory personnel, those of us who live in the north very much appreciated the warmth and sunshine of southern California's late-March climate.



Standing (I-r): Rick Aafedt, Diane Locke, Luis Rivera, Denny Keeler. Kneeling (I-r) John Saussol, Duane Bergh, George Siordian, Cindy Boldra.



Duane Bergh, Luis Rivera, George Siordian, John Saussol



Conversion Requests

The Aftermarket Parts Department receives requests to provide the information required to convert a unit from its current configuration to another configuration, such as to convert from the one fuel to another or to upgrade a controller. Following is information regarding conversion requests and how to order them.

Defined. Conversion requests are requests for information required to modify product configurations in the field. Examples are fuel system conversions and controller conversions. Conversion requests involve research to gather and compare bills of material, retrieve drawings, and develop a priced list of parts required to perform the conversion.

Charge. Kohler charges a \$100 net research fee for this service.

How to order. Submit all conversion requests to the <u>aftermarketparts@kohler.com</u> mailbox, including model, specification, and serial numbers of the unit to be converted and the configuration to which you want to convert. We will confirm your request and expected delivery date by reply email. Then place your purchase order by email to your Aftermarket Parts sales coordinator. Your purchase order will be held until the conversion is complete.

Delivery. Conversion materials are delivered nocharge by first class U.S. mail. The distributor pays freight associated with any other carrier.

Lead time. Allow about three weeks' lead time. After we assess the conversion request we will notify you of a scheduled completion date.

Note: If after researching your request, we find that we will not be able to provide you with information to perform the conversion, we will notify you and we will not enter your purchase order.



Conversion Charges

Why the \$100 net charge? The \$100 net charge has been in effect for at least ten years to give value to the time and intellectual resources of factory personnel and to defray the costs of engineering and administrative resources required to pull drawings, compare bills of material, and ensure design integrity. Prior to the conversion fee, factory personnel were spending many hours on simple conversions that were best handled at the distributor level. Implementation of the fee helped to distinguish between easy and difficult conversions, reducing the volume of simple requests, and enabling factory personnel to focus on conversions that distributors did not have the resources to perform.

Is the \$100 net fee credited to the conversion parts order? No, the conversion fee defrays the cost of the time spent on conversions.

How much time does it take to process most conversions? The Aftermarket Parts department has been tracking conversion labor hours of engineers and Parts Department personnel for the past year. At minimal hourly rates, distributors actually



pay for only half the true costs to perform conversion analyses.

	Parts Staff	Engineer	Total
Total hours	4.9	0.8	5.7
Percent of time by labor category	86%	14%	100%
Hypothetical hourly rate	\$25	\$ 100	
Average total cost	\$123.38	\$ 81.38	\$ 204.76
Your conversion fee			\$ 100.00
Conversion fee absorbed by factory			\$ 104.76

Conversion Labor

Deliverables. Conversion deliverables include a parts price list, applicable drawings, and possibly instructions.

OOPS!!!

Parts Catalog Corrections

We've discovered some errors in parts catalogs. Please update your service files with the following corrections.

Parts Catalog Corrections									
Service File	Parts	Rev.		Pg.			Vari-		Incorrect
Market	Catalog	Date	Catalog Desc	No.	Item	Item Desc	ations	New No.	No.
Industrial	TP-5386	05/02	P/C John Deere 6059T/TL	38	10	Clutch	2, 3	360010	336151
Industrial	TP-5386	05/02	P/C John Deere 6059T/TL	38	17	Needle Bearing	2, 3	360011	336152
Industrial	TP-5386	05/02	P/C John Deere 6059T/TL	38	19	Brush	2, 3	360009	336150
Industrial	TP-5386	05/02	P/C John Deere 6059T/TL	8	14	Water Pump	3, 4403	GM29382	360029
Industrial	TP-5434	04/02	P/C John Deere 4039/4045	7	14	Water Pump	4401	GM29383	360029
Industrial	TP-5704	03/94	P/C 20-100RZ	59	13	Voltage regulator	178-6	A-255536	
Industrial	TP-5704	03/94	P/C 20-100RZ	59	13	Voltage regulator	178-8	A-282833	
Industrial	TP-5704	03/94	P/C 20-100RZ	59	13	Voltage regulator	178-32	A-292789	
Industrial	TP-5704	03/94	P/C 20-100RZ	59	13	Voltage regulator	178-52	A-292789	
Industrial	TP-5704	03/94	P/C 20-100RZ	59	13	Voltage regulator	178-53	A-292789	
Industrial	TP-6141	09/01	P/C John Deere 3029DF/TF	19 Variation 4404 should be 4004					
Marine	TP-5587	03/00	P/C 9CCOZ/9EOZ Yanmar 3TN	17	1	Gasket	1, 2, 3	GM29476	Additional component of item 1
Marine	TP-5593	02/03	P/C 15-24CCOZ/CCFOZ, 16-24EOZ/EFOZ	37	5	Pipe, Cooling	1, 3, 4	Part No. 22 be item 4, r	9318, should not 5.
Marine	TP-5593	02/03	P/C 15-24CCOZ/CCFOZ, 16-24EOZ/EFOZ	37	5	Pipe	3, 4	Part No. 25 be item 6, r	2902, should not 5.
Marine	TP-5738	08/02	P/C 40-150COZ/EOZ,33- 125CFOZ/EFOZ,Marine	133	51	Main Controller PCB assembly	0757050	enerator set use A-3364 and after us	15, serial no.

Please let us know if you have other parts catalog corrections that we can share with fellow distributors.

New Literature Releases

Following are new parts catalogs issued to the field in the past six months. Please make sure your parts department has a copy. Order additional copies from your supplier of Kohler Power Systems Aftermarket parts.

Parts Catalogs released since 11/01/02

Parts Catalog	Description	Rev Date
TP-5591	P/C 11-14CCOZ/CCFOZ, 11- 15.5EOZ/EFOZ	02/03
TP-5593	P/C 15-24CCOZ/CCFOZ, 16- 24EOZ/EFOZ	02/03
TP-6009	P/C Controllers	11/02
TP-6013	P/C 1250-2000ROZD-4	01/03
TP-6091	P/C ALPHA5/COM7.5	11/02
TP-6184	P/C 200-300REOZV	11/02
TP-6185	P/C 350-500REOZV	11/02
TP-6190	P/C Kohler D300-D400,300-400REOZV	11/02
TP-6191	P/C Kohler D500, 500REOZV	11/02
TP-6192	P/C Kohler D200, 200REOZV	11/02
TP-6193	P/C Kohler D250, 250REOZV	11/02

Service Parts Warranty

Kohler's Warranty department handles warranty claims on service parts that are defective in material or workmanship. Section 8 Service Parts Warranty of each market's respective Warranty Policies & Practices manual contains the parts warranty policy. Following is a list of warranty policies and practices manuals.



Warranty Policies and Practices Publications

Catalog	Description
TP-5180	Warranty Policy Industrial/ATS
TP-5182	Warranty Policy, Marine
TP-6018	Warranty Policy, Mobile
TP-6046	Warranty Policy, Residential/ Commercial

Make your opinions known

To help us better serve you, please take a moment to complete and return this survey to Anne Feudner at the fax number below, or mail to Anne Feudner, Kohler Co. Power Systems MS 072, 444 Highland Dr., Kohler, WI 53044. *Distributors* please answer all questions. *Dealers*, please answer any questions that apply or comment on any parts topic. Thank you for your help.

8 7 9

Date:	
То:	Kohler—Anne Feudner, fax no. 920-459-1611
From:	Name (optional, but extremely helpful in case we have questions)
	ivame (optional, but extremely neiprul in case we have questions)

Company

Customer Service Report Card #6

Number of times per week someone in your parts department contacts Power Systems aftermarket parts _____

Average **response time** to questions: _____hours _____minutes

	Satisfaction				Trend	
	Very Satisfied	Satisfied	Somewhat dissatisfied	Very dissatisfied	Improving	Declining
Accuracy of information received from Aftermarket Parts staff						
Knowledge of Aftermarket Parts staff						
Attitudes of Aftermarket Parts staff						
Friendliness of Aftermarket Parts staff						
Satisfaction with systems						
Overall competitiveness of Aftermarket Parts prices						
Package labeling						
Packaging quality						
Emergency Orders (same day shipment)						
Weekly Orders (5 business day shipment)						
Stock Orders (10 business day shipment)						
Overall Delivery turnaround						
Fill Rate						
Shipment Accuracy						

As a Kohler distributor or dealer, what techniques do you employ to maximize your results and profits. (Please include your name for possible publication in a future newsletter.)

Parts Catalog corrections you'd like to share. Please include publication number, revision date, page number and item number.

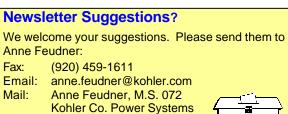
Kohler Customer Service Opportunities

How do we compare to your other suppliers? Rank in order of priority the areas Kohler should focus on to improve its customer service. We'd also like to know who your *model supplier* for the category is and what makes your model supplier memorable.

Category	Rank	Model supplier for category	What makes your model supplier memorable in this category?
Return policy			
Response time			
Stock order incentives			
Emergency order deadline			
Emergency order charge			
Friendliness of staff			
Ease of finding parts			
Availability of parts catalogs for new product			
Timeliness of answers			
Enthusiasm of staff			
Completeness of responses			

Thank you for taking the time to complete this survey.





444 Highland Drive

Kohler, WI 53044

