

Quick Reference Guide

Calculating Your Savings

PartsSource obtains up-to-date OEM list prices for all transactions, except items that are considered end-of-life/no longer supported.

If there are no pre-existing discounts provided to PartsSource, then savings will be calculated from the OEM list price.

Pre-Existing Discounts (*PartsSource PRO Customers Only*)

On the last page of your reporting from PartsSource, you can view your Pre-Existing Discounts. These are a combination of discounts you've provided to PartsSource verbally or, more accurately, via spend analysis results.

For example:

| OEM List | Pre-Existing Discount | Assumed Customer Cost without PartsSource | Price Paid to PartsSource | Savings (After Discounts) |
|----------|-----------------------|---|---------------------------|---------------------------|
| \$1,000 | 10% | \$900 | \$500 | \$400 |

Spend Analysis Results (*PartsSource PRO Customers Only*)

If you've provided historical spend details to PartsSource, then each of those transactions – regardless of whether you purchased the product from the OEM, a parts distributor, or a secondary market supplier – have been matched up against the OEM list price to determine your pre-existing discounts from the OEM list price.

This means that the following factors are now included at an aggregated discount:

- Discounts direct from the OEM
- Special pricing for specific products from the OEM
- Pricing from secondary market suppliers

For example:

| Supplier | OEM List | Historical Price Paid | Pre-Existing Discount from OEM List |
|------------------------------------|----------------|-----------------------|---|
| OEM | \$1,000 | \$900 | 10% |
| Secondary Market | \$1,000 | \$100 | 90% |
| Total Pre-Existing Discount | \$2,000 | \$1,000 | Assumed Pre-Existing Discount of 50% |

Shipping Charges

If you've provided PartsSource with your shipping account(s) for FedEx and/or UPS, then those shipping methods will be preferred on every transaction.

However, some suppliers do not allow those accounts to be used. In those cases, PartsSource will invoice you for those shipping charges.

Whenever PartsSource must charge for shipping, it is assumed that the pricing would have been an average of 2% lower if it had been charged to the customer's shipping account. You can request that PartsSource adjust this % based on the aggregate discount your organization has negotiated for shipping.

Exchange Fees

It is assumed that you would not have paid any exchange fees if you had gone direct to the suppliers.

Even though this fee is easily offset by the cost of the shipping label provided by PartsSource to return the exchange, all exchange fees are subtracted from your net savings calculation.