



**Client - {\$ClientName} DEAR Inventory Implementation**

Statement Of Work – 05/06/2016

ttn: {\$ContactName} Email: {\$ContactEmail}

In order to commence work as soon as possible, please send acceptance by return email to your project manager. We will then begin preparing our work and contact you to schedule in the project.

## Table of Contents

Introduction	3
Objectives	4
Scope and Responsibilities	5
Deliverables and Timeline	10
Approach, Organization, and Staffing	11
Assumptions	12
Fees and Expenses	13
Standard Business Practices and Conditions	14
Conclusion	15

## Introduction

The statement of work covers the Implementation, Setup and Training of DEAR Inventory as an inventory and warehouse management system for {ClientName} ["The Client"]

You will find enclosed all information on our proposal and understanding. Once our proposal is accepted, we will plan these inclusions and schedule all work.

We try not to keep this 'too' formal and corporate, as it wouldn't suit us – however we've noted down everything to ensure that things run as smoothly for you as they have for every other client we've worked with.

We are very proud of our consistent client feedback, and also some of the amazing small business brands we have been fortunate to work with:

- "Great project, looking forward to working together in the future..."
- "Great follow up and support. Friendly and accessible support. Thank you!"
- "Professional - on time; interested in our understanding; helpful; with a personalised service."
- "Dan and his team detailed every step for us in a way to effortlessly transition our business"
- "Fantastic service and a focus on ensuring value is delivered in a timely manner."
- "No sense in going it alone when these guys have seen it and done it. Highly recommend!"
- "I couldn't fault the quality of the service and outcomes they've delivered for our clients."
- "Utilising the services of Ocius Digital reduced the headache of trying to implement and work things out by ourselves, which we were struggling with."
- "...knowledgeable, professional and down to earth"

## Objectives

Ocius Digital understands that the Client has a need for implementation of a new XXX system internally, and has been tasked with developing a proposal to implement this. Broadly, the objectives of this work are to:

- Implement an inventory management system for the Client to increase efficiency and reduce cost
- Migrate information from the Client's existing system, as appropriate and required Train staff and minimise impact of change
- The remaining sections of this statement of work will explain the work included, understandings and expectations.

Our company values are "Technical, yet approachable. Professional, yet personable. Casual, yet dependable." and we will always aim to be this, and more for you during our work.



## Scope and Responsibilities

Your scope defines all activities expected from the vendor and client.

Specify whose responsibility each activity is, as well as if the vendor or client is primarily or jointly responsible. Be clear on approval processes. Define all acronyms in this section and use them consistently throughout.

PRO TIP: Refer to this section if your client wishes to change something during the project.

### Data Collection

In order to assist us with setting up your new system we will hold a 2 hour session and undertake data collection. In addition, we may request information to be sent to us throughout the project as required. We will require the following at a minimum, and it is your responsibility to provide this (or access to it – we will obviously do the work of ‘getting’ the information).



#### Customer File

We will gather current customer list from your Accounting system for import into DEAR (preferably in MS Excel format such as CSV). Please be aware that because we provide a unique service to each client, we’re not too fussy about the exact nature of the information provided, and don’t need sheets in specific orders or styles – we will do the work for you!



#### Supplier File

We will gather current supplier list from your Accounting system for import into DEAR (preferably in MS Excel format such as CSV). Please be aware that because we provide a unique service to each client, we’re not too fussy about the exact nature of the information provided, and don’t need sheets in specific orders or styles – we will do the work for you!



#### Product List and Price Files

We will gather current product list from your current system for import into DEAR (preferably in MS Excel format such as CSV). Please be aware that because we provide a unique service to each client, we’re not too fussy about the exact nature of the information provided, and don’t need sheets in specific orders or styles – we will do the work for you!



#### Bill of Materials

We will require a Bill of Materials list from where it is currently located (preferably in MS Excel format such as CSV). Please be aware that because we provide a unique service to each client, we’re not too fussy about the exact nature of the information provided, and don’t need sheets in specific orders or styles – we will do the work for you!



#### Invoice Template

We will require access to a current Invoice, preferably in Word format



#### Purchase Order Template

We will require access to a current Purchase Order, preferably in Word format



#### Sales Order Template

We will require access to a current Sales Order, preferably in Word format



### Stocktake Details

We will require access to a physical stocktake count as at crossover date (preferably in MS Excel format such as CSV). We will provide a template for you to fill.



### eCommerce

We will require details and access to your current ecommerce website



### Reporting

We will need you to provide any essential reports to be replicated in DEAR prior to going live



### Staff List

Export of staff Information from current system with subsequent email address for each employee - (preferably in MS Excel format such as CSV)

## System Setup and Development



### Customers

Customers will be migrated from your current system, including the following information:

Name	Address (s)	Phone Number (s)	Contact (s)	Price Tier	Tax Rules
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Please note that transferring all of the above requires getting the information from your current system. i.e. if you don't have addresses against customers in your current system – we can't create them for you!

As a general rule, the information will come through as it is in your current system however we will also clean the information such as correcting addresses, managing phone numbers (i.e. getting everything as best possible into the same format – 08 1234 1234), removing duclicates.



### Suppliers

Suppliers will be migrated from your current system, including the following information:

Name	Address (s)	Phone Number (s)	Contact (s)	Price Tier	Tax Rules
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Please note that transferring all of the above requires getting the information from your current system. i.e. if you don't have addresses against customers in your current system – we can't create them for you!

As a general rule, the information will come through as it is in your current system however we will also clean the information such as correcting addresses, managing phone numbers (i.e. getting everything as best possible into the same format – 08 1234 1234), removing duclicates.



### Xero Link

Once we are ready to go live, we will connect DEAR Inventory to Xero to enable the transfer of the following information on a regular basis:

**Invoices    Bills    Customers    Suppliers    Payments    Stock On Hand    COGS**

During our process we will warn you further, but please note that any changes to the chart of accounts whilst we work will cause delays and possibly re-work.



### Print Templates

We will work with a combination of our own developed best practice templates and your current branding/documents to produce forms in DEAR Inventory for printing the following:

**Purchase Order    Sales Quote    Sales Invoice    Sales Order    Picking/Delivery Sheet**

We allow time for up to two styles per document (i.e. for different addresses, branding or similar) and up to three revisions. Our general recommendation here is that 'ideal' documents are provided as early as possible.



### Reporting

DEAR Inventory have a very strong reporting engine built in, and we will use this to customise reporting based on your requirements, including (but not limited to) the following:

<b>Sales</b>	<b>Purchases</b>	
By Customer	By Supplier	
By Product	By Product	
By Brand (if listed)	By Brand (if listed)	
By State	By State	
By Sales Person	By Sales Person	
By Warehouse (if multiple)	By Warehouse (if multiple)	
By Category	By Category	
<b>Stock Adjustments</b>	<b>Stock Takes</b>	<b>Stock Movements</b>



### Admin Setup

Ocius Digital will be responsible for fully setting up all admin and settings areas of DEAR Inventory to ensure that the Client can make the best use of the system going forward. This includes staff lists, staff access, company warehouses, carriers, addresses, tax rules, chart of accounts and much more.

In addition, we will educate the Client is how to manage the system going forward so you have ownership of this.



### eCommerce Link

We will link your eCommerce site to DEAR Inventory to allow for the transfer of:

**Sales Orders      Payments      Customer Details      Shipping Information**

This depends on your eCommerce website being on a supported platform, which is currently:

**Shopify      WooCommerce      Magento      BigCommerce**

Prior to connecting everything, we will run through the processes involved with you and also explain what will/won't sync and where information should be kept. DEAR Inventory manage the integrations and therefore although we can make suggestions, we can't instantly add a feature or integration.



### Products

Product information will come from your previous system, based on the information we gather. This will include:

**SKU Codes      Product Names      Category (s)      Brand (s)**  
**Price Tiers (both cost and sell)      Dimensions and Weights      Serial and Batch Numbers**

Please note that transferring all of the above requires getting the information from your current system. i.e. if you don't have addresses against customers in your current system – we can't create them for you!



### Bill of Materials

Once we have setup products, we will also setup bill of materials/receipes for all your products which require them.



### Stock On Hand/Stocktake

Based on received information from the Client, we will replicate an opening stock take (which MUST be a physical stock take performed by the client prior to go live) in DEAR Inventory. This allows the accounting system to have a perfectly balanced opening stock value as is vital to our work.

This is the only area where we will provide the template and instructions which must be following to provide information in the exact manner required.



### Open Sales Orders

At the point of going live, we will bring in any open sales orders from your current system. This is defined as any order which has been placed by a customer, but not fulfilled prior to going live.





### Open Purchase Orders

At the point of going live, we will bring in any open purchase orders from your current system. This is defined as any order which has been placed to a supplier, but not fulfilled prior to going live.



### Order History

We will NOT bring in order history for either customers or suppliers, as this has all 'moved' (in the inventory sense) prior to going live so would involve an unacceptable level of risk.

## Training and Implementation - DEAR Inventory

Training on DEAR involving all day to day workflows with office staff as appropriate, plus Admin training for those staff who will require higher access.

Sessions will be split into the following

- 2 hours (on site)
- Sessions of 1-2 hours, totalling 8 hours (remote, and recorded)
- 2 hours (on site)

Training will be booked upon quote acceptance and full details confirmed accordingly. The agenda in broad terms will include:

- Features of DEAR Inventory Overview
- Customers, Supplier and Product Entry and Management
- Settings and Administration
- Xero Link
- Purchase Order Entry and Management
- Sales Order Entry and Management
- Invoicing, Shipping and Receipting
- Stock Adjustments
- Reporting
- Stock Takes
- Returns and Credits
- e-Commerce (if applicable)

## Deliverables and Timeline

Our final dates and timeline will be confirmed upon project acceptance and commencement meeting, however for a guide of our process please see the below. All projects are under an expected four week turnaround time.

### On Quote Approval

- Commencement Invoice for 50% Raised
- Kick Off Meeting to be held with Ocius Digital and Client
- Ocius Digital and Client to set all future meeting dates for the project

### Week 1 (From Kick Off)

- Ocius Digital to start DEAR Inventory Trial
- Setup to be completed by Ocius Digital for Admin Settings, Customers, Suppliers and Items
- Training sessions as per above inclusions section
- Ocius Digital to give Client access to DEAR Inventory for testing

### Week 2 (From Kick Off)

- Ocius Digital to continue setup for Bill of Materials, Invoice/PO Templates, connect Accounting and e-Commerce (if required)
- Training sessions as per above inclusions section
- Client to subscribe to software and enter billing details
- Go Live Date to be set for Week 3
- Completion Invoice raised, on 7 days terms for payment next week
- Ocius Digital to send Client full 'handover documents' (including access details, plus full training review)

### Week 3 (From Kick Off)

- Go Live Date
- Client to send initial stocktake file to Ocius Digital, and Ocius Digital to import
- Ocius Digital to provide support for 10 days from go live, and increased resourcing on go live date
- Client to refer any/all queries back to Ocius Digital
- Ocius Digital and Client to hold post-live review meeting and wrap up

In order for this timeline to be met, and project to be a success in general we will require the following from the client:

- Access to the Client office/warehouse as and when required
- Access to the Client's 'project contact' (as listed in the next section) when required
- Copies of system backups or information as requested, with passwords or security information
- Meetings booked at least one week in advance as we work through the project

## Approach, Organization, and Staffing

Ocius Digital will, in general, work with anyone required from the Client, however the expected roles are as such:

On Quote Approval	
Project Manager	Dan Fairbairn
Trainer	
Production Coordinator	Luke Kennedy
Client	
Project Contact	

In general, your first point of contact should be your Production Coordinator, and they will liaise internally as required.

At Ocius Digital we thrive on a remote working culture, doing most of the configurations/ setup from no fixed office location. We encourage you to shout out if we can help at any point during your project, however otherwise the planning and strategy is all on us, so just sit back and relax.

We expect that the work will be performed locally at a mixture of the Client and Ocius Digital's facilities and estimate expenses to be less than 10% of professional fees, if at all.

Allowances are made for two (2) training sessions on site as explained in the previous sections. Should additional training be required, whether remote or on site, then this will be at Ocius Digital's standard hourly rates.

## Assumptions

In order for us to work as efficiently as possible, and also avoid any unexpected variations, please note that the following general assumptions are made. If any of the below raises a concern then please advise us as soon as possible, and prior to acceptance.

- Additional work resulting in any variance to the Project may result in additional fees and expenses to be addressed under a mutually agreed upon Change Order.
- Should any additional services be required, or requested, beyond those noted above, Ocius Digital will work with the Client to mutually agree upon and define such services under a Change Order.
- The Client will provide Ocius Digital with adequate remote access to their current system (s) in support of the design, build, and test of the configurations, data migration, and integrations described above.
- The Client will sign off on the completion of each phase, and make invoice payment, prior to Ocius Digital proceeding to the next project phase.
- eCommerce
- Office Access
- Reasonable internet quality
- Projector
- No Staff Changes
- Remote Training and Setup (apart from those sessions listed as on site)
- No Office Changes (i.e. address etc.)

## Fees and Expenses

Based on the scope, approach, resources and assumptions described in this statement of work, our fees for the Services are \$XXXX (XXX dollars) plus reimbursable expenses.

Reimbursable expenses are estimated to be a maximum of 10% of professional fees, if at all. Reimbursable expenses include unexpected out-of-pocket expenses for travel, communications, and other expenses incurred in the direct support of the project, which are billed at Ocius Digital's cost.

The Client agrees to pay Ocius Digital for the fees indicated plus any reimbursable expenses.

Ocius Digital will submit a tax invoice on the schedule as listed below due on seven (7) day terms (all exc/ GST where appropriate).

- **Commencement – 40% - \$XXXX**  
Due on acceptance and signing of the work
- **Proof of Concept – 30% - \$XXXX**  
Due upon Ocius Digital providing a demonstration version of DEAR Inventory to show workflows and expected requirements. Usually 2 weeks from project commencement.
- **Training and Handover – 30% - \$XXXX**  
Due upon Ocius Digital completing training and prior to hand over meeting. Usually 4 weeks from project commencement.

# Standard Business Practices and Conditions

- 1. Location:** All figures are based on work being completed and meetings held at Ocius Digital office.
- 2. Handover:** At the completion of all work, Ocius Digital will provide a handover document containing all access information, as well as key setup criteria/decisions, and workflow instructions.
- 3. Communication:** All communication in relation to your work should go through your project manager as a primary contact, or failing this, to reception who will follow up as required.
- 4. Terms:** Quote acceptance is by return email to Ocius Digital. Once the quote is accepted, Ocius Digital agrees to complete the services set out in the quote (Services) for the client named in the quote (Client) on the terms set out on this page and in the quote (Terms).
- 5. Quotes and planning:** This quote is valid until February 3, 2016. After this date Ocius Digital may reissue this document and amend pricing. Work will be planned and timescales confirmed once the quote is accepted by the Client, due to the changing nature of Ocius Digital's schedules.
- 6. Completion of Work:** In these Terms, "completion of work" means providing all Services outlined in the quote or providing Services to a point where you are able to use the software 'live', whichever is earlier.
- 7. Fees:** All fees for quoted Services (Fees) will be invoiced in stages as per the previous page. No Services will be provided until the first invoice has been paid to Ocius Digital. Should a project still be ongoing after eight (8) weeks from the initial invoice date, Ocius Digital reserve the right to invoice for completion at this point.
- 8. Contractors:** Ocius Digital have a contract relationship with clients and therefore may choose to engage sub-contractors if required during the work for reasons including (but not limited to) expertise, location or capacity.
- 9. Expenses:** Ocius Digital may invoice the Client for expenses relating to the Services (Expenses) provided the Client agrees to the Expenses in advance.
- 10. Payment:** The Client must pay all invoices properly issued under these Terms in accordance with any payment terms listed on the invoice. The Client must pay any applicable GST on taxable supplies made by Ocius Digital to the Client. The Client agrees that all Fees or Expenses not paid in full on the due date are debts due and payable immediately. The Client agrees to pay all of Ocius Digital's reasonable costs of recovering such debts.
- 11. Third party software:** Ocius Digital may provide you with a solution that uses software licensed by a third party (Software Vendor). If the Client wishes to license software from a Software Vendor, the Client must at its expense obtain any required licence from a Software Vendor. Reading and understanding any Software Vendor licence terms is the sole responsibility of the Client. The Fees and Expenses exclude the cost (if any) of obtaining any licences or services from any Software Vendor.
- 12. Warranties:** Ocius Digital warrants that it will: (a) exercise all due care and skill in performing the Services, (b) perform the Services in a timely and professional manner, and (c) comply with all applicable laws.
- 13. Client data and information:** The Client agrees to provide complete and accurate information and documents required by Ocius Digital. Ocius Digital will take care in the migration process, but the Services do not cover verification of Client information or data. If the data or information is wrong before migration, it will be wrong after migration.
- 14. Client's rights:** Certain laws (including the Australian Consumer Law contained in Schedule 2 of the Competition and Consumer Act 2010) contain protections such as consumer guarantees which cannot be excluded, restricted or modified by law. Ocius Digital does not exclude or limit any such protections.
- 15. Limits:** To the maximum extent permitted by law, Ocius Digital limits its liability to Client: (a) under any applicable consumer guarantees in the Australian Consumer Law (contained in Sch 2 of the Competition and Consumer Act 2010 (Cth)) to either, at Ocius Digital's discretion, the supply of the relevant Services again or the payment of the cost of having those Services supplied again; and (b) under this Agreement and/or arising out of or related to any Services for breach of agreement, negligence, breach of statutory duty or any other cause of action other than a breach of an applicable consumer guarantee is (regardless of how that liability is caused), to the total Fees paid by Client for the relevant Services.
- 16. Losses not covered:** Ocius Digital will not be liable for any losses, damages, costs or expenses whatsoever arising out of: (a) the Client's misuse of the Services (including without limitation failure to adequately test prior to completion of work); (b) the Client's use of any inaccurate or incomplete Client information or Client data (including any such data imported into a Client system); (c) any Client liability to any third party vendor; or (c) any indirect losses, such as loss of profit, consequential loss, loss of sales, income, savings or data in connection with the Services.
- 17. Support:** In cases where support is included in the quotation, this will be provided by email or Skype, with a service level agreement of 24 hours for responses, although in most cases Ocius Digital can provide an instant answer. There is a limit to the reasonable amount of support provided during the timelines listed in the quotation, such limit to be determined by Ocius Digital.
- 18. Confidentiality:** Each party acknowledges that it may receive confidential information of the other party and agrees to keep that confidential information secret and confidential, and not use it or disclose it to any person (or allow anyone access to it), except to help Ocius Digital provide the Services or as required by law.
- 19. Background IP:** Nothing in these Terms affects the ownership of any intellectual property rights owned by either party as at the date of the quote.
- 20. Services IP:** Upon payment in full, the Client will own all Intellectual Property Rights in any documents, software or applications created by Ocius Digital for the Client.
- 21. Termination:** Either party may terminate the Services immediately on notice to the other party if the other Party (whether itself or via its employees or representatives): (a) materially breaches this Agreement and cannot remedy or fails to remedy the breach within 7 days of being required in writing to do so; (b) acts dishonestly; or (c) becomes insolvent.
- 22. Fees and Expenses on Termination:** If the Services are terminated prior to completion of work, the Client must pay Ocius Digital for work done up to the termination date at the quoted hourly rate or, if no rate is listed on the quote, at the Ocius Digital hourly rate for similar Services. The Client must pay all Expenses incurred by Ocius Digital prior to termination.
- 23. Amendments:** These Terms may only be amended in writing signed by the parties.
- 24. Victorian law:** These Terms are governed by the laws of Victoria.
- 25. Whole agreement:** These Terms include and incorporate the final quote for Services. These Terms contain the entire agreement between the parties.

## Conclusion

Ocius Digital recognizes how important this project is to you, we appreciate the opportunity to be of service and look forward to working with you.

There is no direct sign off on this statement of work, however please send acceptance in the first instance by return email. We will then send out a one pager for sign off, and get to work!

We would love you to join the amazing group of small businesses we have worked with, including the below.



If you have any questions regarding our proposed plans, please feel free to contact me direct.

Dan Fairbairn

Managing Director, Ocius Digital