

# PROGRAM OUTLINE



## BACKGROUND

The VPR Alliance is a program initiated by API to provide standardization and consistency guidelines to those Manufacturers who desire to make products that are designed to fit into API's 500 series rack format.

The overwhelming popularity of the API's 500 series racks (which include the 10 space, 500VPR rack and the 6 or 8 space Lunchbox®) has encouraged the design of various other modules designed by third-parties. Typically, these modules have been installed into API racks, which have in turn raised questions for API, such as:

- i. How can API honor its rack product warranty, when the quality of third-party modules is unknown, potentially non-standardized and may risk damage to our racks?
- ii. What effect do third-party modules have on API modules in the same rack?

Because of the variables related to third party modules, API in the past has been forced to take the stance that including third-party modules into a 500VPR or Lunchbox simply voids the warranty of the API rack.

## PURPOSE

Clearly, a better solution needed to be found. Therefore, the purpose of the VPR Alliance is to provide Manufacturers with design criteria necessary to produce third party products that physically fit and electronically conform to API's rack specifications.

## BENEFITS

Several benefits result from the Alliance's module design standardization.

### Manufacturer Benefits

- i. The most obvious benefit to the Manufacturer is that of maximizing sales by providing your customers with a proven rack solution. At API's discretion, VPR Alliance Members may be given the right to sell API racks and power supplies.

ii. VPR Alliance membership eliminates costs associated with the R&D and production expenses of creating an alternate rack solution.

iii. Members can also benefit from the exposure API plans to generate by promoting the VPR Alliance concept through the strength of the Company's various advertising, marketing and PR channels. All Members will be listed on API's website. Members are also encouraged to use the VPR Alliance logo on product information, PR materials and web sites.

### **API Benefits**

API's chief benefit from the Alliance is the elimination of confusion as to which third party products void the API warranty and which do not. A straightforward resolution to this question saves the Company both time and money, and promotes goodwill to our customers.

### **Customer Benefits**

Customers benefit from the VPR Alliance. Confusion as to which products are endorsed by API for placement in one of our racks is effectively eliminated, along with questions regarding violation of warranty issues. Customers also benefit by being offered a wider range of module choices for their racks, without having to wonder if the specification of the third party unit is correct, or if risk of damage may occur to their API rack or modules as a result of using them.

### **REQUIREMENTS**

The requirements for admission into the VPR Alliance are simple.

- i. Read the entire **Program Outline** document.
- ii. Complete, sign and return the enclosed **VPR Alliance Agreement** document.
- iii. Upon receipt of the VPR Alliance Agreement, API will then supply you with the **500 Module Series Specification** information.
- iv. After designing your product in accordance with the **500 Module Series Specification**, submit a sample of your completed module, to API for review. After your product is evaluated for compliance, you will be advised as to whether your product will be added to the growing list of modules that are a part of the VPR Alliance. Note that API reserves the right to subsequently remove any manufacturer from the Alliance whose products may eventually fail to meet the agreed upon specification.

Be sure that your submitted sample is representative the production version of the unit. API will review the unit for specification compliance only, with current draw and physical dimensions being top priority, and the sample will be returned as promptly as possible.

## COMPETITIVE ISSUES

Because the goal of the VPR Alliance is to help provide stability and uniformity of the various products offered for the customer, API will not attempt to make comparisons or judgments on the performance quality or 'sound' of any particular VPR Alliance piece of equipment with reference to the same or similar piece from API, or other Alliance members.

*VPR Alliance members are required to do the same, and are therefore not allowed - whether in print, on-line, or in conversation, etc. - to compare or contrast any module you may manufacture to any other Alliance module (including API) in a negative light, especially with regards to 'sound' or perceived performance.*

The purpose of this requirement is to reinforce the program's intent: to simplify the rack solution for 500 series modules for the customer, not create confusion by becoming another comparison forum. The elimination of competitive comparisons between VPR Alliance modules is also required in order to demonstrate solidarity within the Alliance, especially in the eyes of the customer. Any negative comments or "selling against" other Alliance modules undermines and defeats the purpose of the Alliance and is grounds for removal.