

Lyric Consignment Management Guide

How to handle Lyric consignment

This inventory management guide provides you with instructions on how to optimize and control your Lyric consignment inventory. The proper management and use of your Lyric consignment

inventory will ensure that you have Lyric devices available to fit to your Lyric patients. For any questions regarding the information in this guide, please contact your Phonak Representative.

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Consignment stock overview & expectations

Consignment stock overview

Phonak offers Authorized Lyric Offices consignment stock of Lyric devices. Consignment inventory presents an unique opportunity for Authorized Lyric Offices to grow your Lyric business with a lower level of financial investment than is typically required for other types of hearing instruments.

All Lyric devices remain the property of Phonak until fit by a Certified Lyric Fitter. Lyric devices must be stored in accordance with the instructions on the packaging. Consignment inventory for Authorized Lyric Offices will be replenished based on your trial and subscription activity (device usage).

By providing timely syncing of fitting data, you help Phonak to supply the devices needed by patients in subscription. In addition

Inventory reconciliation

In the event that the discrepancy between the Authorized Lyric Office inventory level and the stock that was provided by Phonak exceeds 5%, the office will compensate Phonak for the cost of the lost inventory above the 5% discrepancy at \$124 per device. The inventory reconciliation will be calculated by Phonak every quarter.

We also ask that you make a good-faith effort to minimize manual orders (except in the case of marketing events for which

Proper device usage

Every Lyric device is identified by a serial number. When fitting a Lyric device, it is important that you verify that the serial number selected in the Phonak Target™ fitting software matches the serial number on the product packaging.

Every Lyric device has a "use by" date which is a suggested date by which you should fit the Lyric device to provide the optimal days of wear for your Lyric patient. When selecting a Lyric device

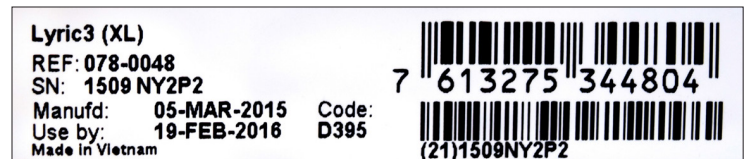
to these efforts, Phonak representatives will conduct periodic scans of Lyric inventory in your office. The Authorized Lyric Office agrees to allow scanning of all devices located in the office regardless of Lyric model or version.

Every Authorized Lyric Office must have its own account number to fit Lyric. If a practice has multiple Authorized Lyric Offices that fit Lyric, Authorized Lyric Offices shall not share inventory with any of its other locations or with any other authorized Lyric Office. In the event that a patient who purchased a subscription at one Authorized Lyric Office is fit at another Authorized Lyric Office location within the practice, that patient should be fit as a tourist case per the instructions in the Lyric ALPS fitting guide in Target. In this case, replenishment for the tourist case will be guaranteed.

extra inventory may be needed). In the event a manual order has been placed, Phonak will verify inventory levels with the Authorized Lyric Office either by phone or through an inventory scan.

Phonak may request the return of Lyric devices in your consignment stock. If an Authorized Lyric Office fails to return the devices, the office will be charged \$124 per lost device.

in Target/ALPS, it is important to use the devices that appear at the top of the inventory list, as these devices are closest to their "use by" date



What causes missing devices

Offline/online fittings (synchronization)

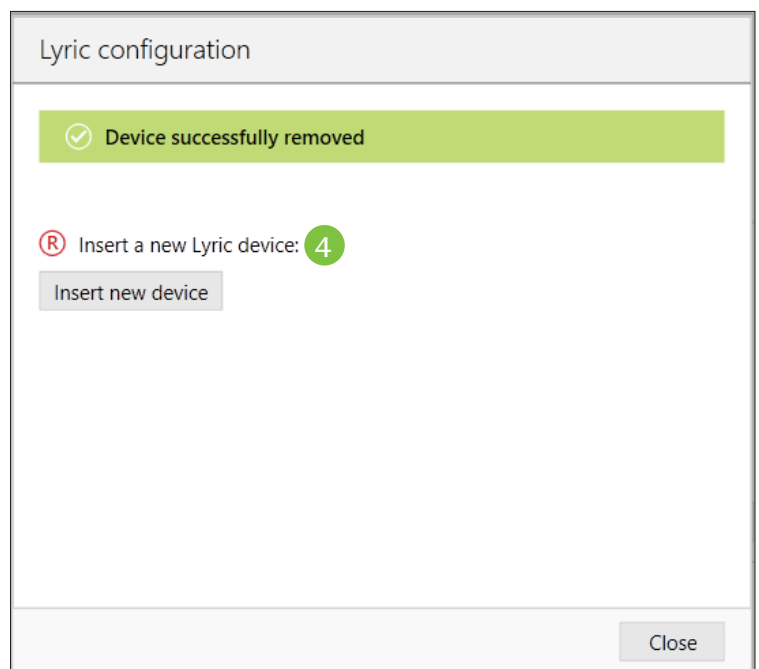
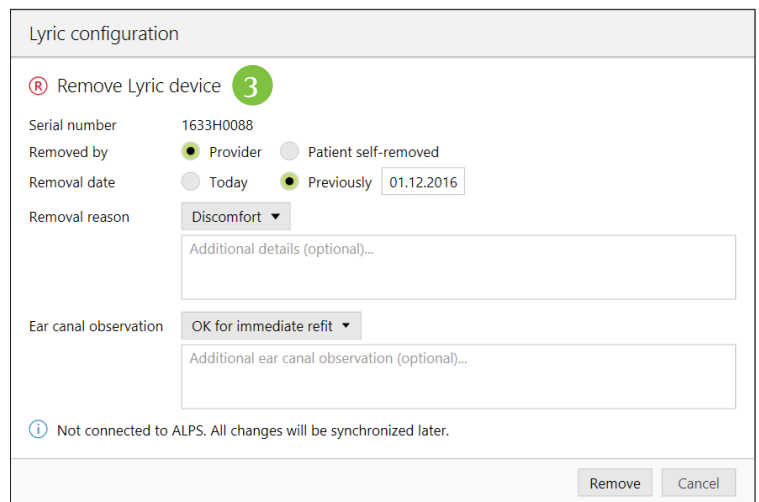
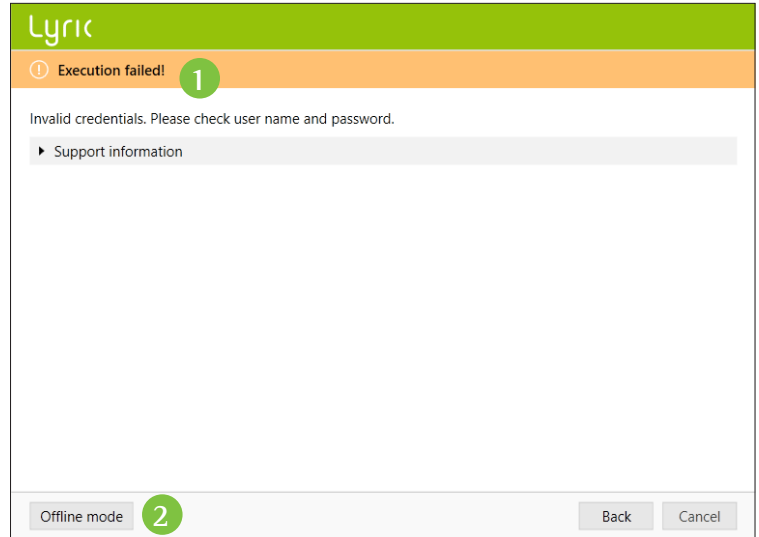
Lyric Providers are required to use the Authorized Lyric Partner System (ALPS) in conjunction with Phonak Target software when working with Lyric patients (i.e., initiating a new trial, programming and fitting Lyric devices in subscription, cancelling a trial, and renewing a subscription).

There may be occasions when you have a patient set up in Phonak Target/ALPS, however, due to various reasons (such as a temporary loss of internet connection or computer problems) you will have one or more sessions where you have to work offline. **1** This means that the new data you have in Phonak Target will not be synced with ALPS.

Click the [Offline mode] button after the error message appears to continue with your fitting. **2**

Removing a device in offline mode works the same way as removing a device in online mode. **3**

You are now asked to insert a new device. **4**



What causes missing devices (continued)

Enter the serial number **5** as well as the code that is shown on the Lyric package. **6** Enter the measured insertion depth. **7** If needed, the fitting parameters can be changed.

Once you are able to connect Phonak Target to ALPS, you will be notified by an orange exclamation point and see a [Fitting not saved to ALPS] **8** message by each patient that was fit offline. Please be aware that every single Lyric device needs to be registered. If you fail to sync any offline fitting activity and register a Lyric device, the occurrence of missing devices in your office is increased and the efficiency and accuracy of your auto replenishment will be impacted.

As soon as Phonak Target is connected to ALPS again, you are then able to synchronize any fitting and device data by selecting [Sync to ALPS]. **9**

A green check mark will indicate that the synchronization has been successful. **10**

Lyric configuration

R Enter device information

Model: Lyric 2/3

Serial number: 1349NYP A0 **5**

Code: C390 **6**

Seal size: XL **7**

i Phonak Target is not connected to ALPS. All changes must be synchronized later.

Select Cancel

Doe John

Lyric ID: P000087661

Session 2 16.06.2014 15:13

R No audiogram **L** No audiogram

Lyric SN: 1349NYP A0 Lyric

i Fitting not saved to ALPS **8**

Lyric

i Synchronize offline changes

Change	Serial number	Date	Reason	Sync status
R Removal	1633H00L5	26.10.2016	Discomfort	⊖ Pending
R Insertion	1633H00L8	26.10.2016		⊖ Pending

9 Sync to ALPS Cancel

Lyric

i Synchronize offline changes

Change	Serial number	Date	Reason	Sync status
R Removal	1633H00L5	26.10.2016	Discomfort	✓ Synced
R Insertion	1633H00L8	26.10.2016		✓ Synced

✓ Successfully synchronized. **10**

i One or more device changes could not be synchronized to ALPS! Click "Continue" to view the current device selection.

Continue Cancel

What causes missing devices (continued)

There are cases when synchronization of offline fitting data is not possible and Target may tell you that the serial number you reported is not in your stock. **11** This may be due to the following two reasons: It could be that the serial number was entered incorrectly or that the device you are fitting wasn't registered in your stock. Based on this, the serial number and device information will not be transmitted to Target or ALPS and not removed from your consignment inventory.

Please make sure to report any serial numbers that are not transmitted and/or removed from stock to Phonak so that they can be properly removed and replaced in your stock.

In order to proceed with your fitting, select [continue]. **12** You will receive an alert about a data conflict between ALPS and Phonak Target showing that there is no serial number in Target/ALPS (as nothing was transferred).

It is important to remember that any fitting session that you worked on in offline mode is stored on your desktop only and not in Target. The data of the offline session is shown in a log file on your desktop. As soon as a patient session is synchronized, the session information can be deleted from the log. **13**

In the event that a patient was previously fit in offline mode that was not synchronized to ALPS, there may be a mismatch of fitting data if the patient is seen by another fitter on a different fitting computer. Attempting to perform a synchronization after may not work as there is newer fitting data available.

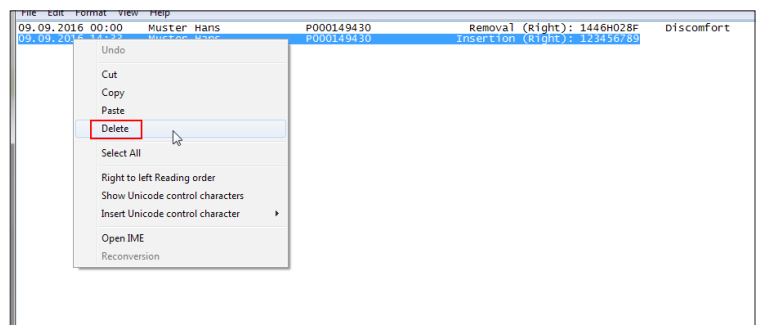
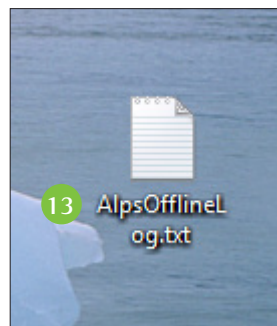
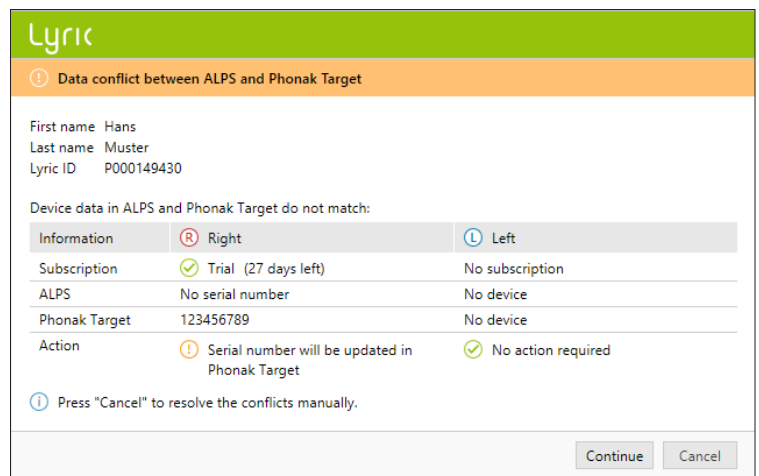
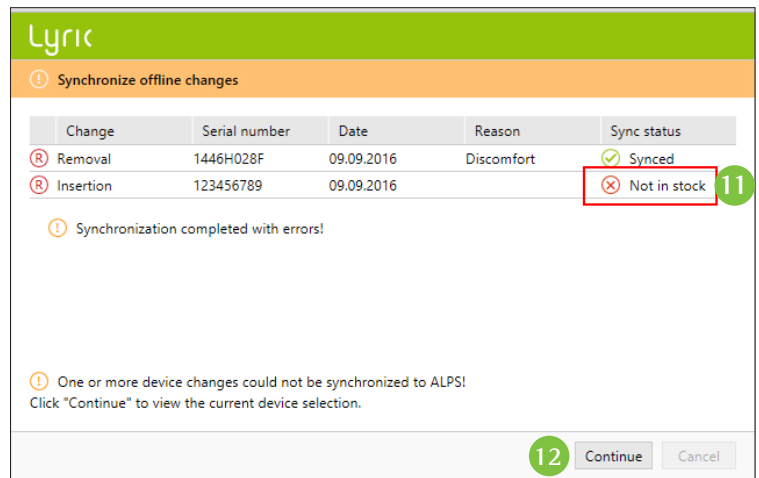
Remember: Whenever you fit offline, auto-replenishment cannot replace the device that was used as the information about the use is not transferred to our auto replenishment system.

Wrong serial number selected

In the event that a wrong serial number has been selected in the system, it is important to report this device information mismatch to Phonak. It may be possible, based on the fitting activity of the specified Lyric device, to return the serial number to your consignment stock.

Expiration date reminder

A reminder about the Lyric devices in your consignment stock and use by date is to be included in the weekly e-mail notification (Refer to Desktop Fitting Guide Target 5.0 ALPS).

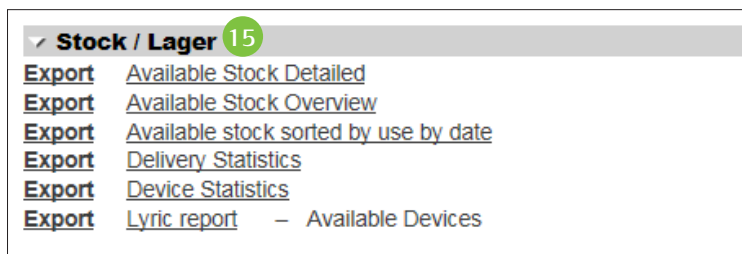
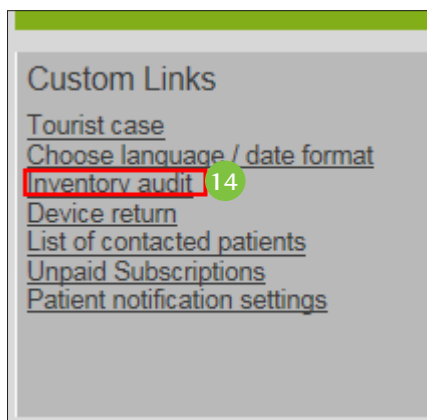


Performing an in-office consignment inventory audit

Phonak representatives will visit your office for a scan/audit of your consignment stock. You may perform an inventory audit of your own to check the status of your consignment stock in ALPS under [Inventory audit].¹⁴

Alternatively, you may also find an overview over your stock in [Reports], [Stock / Lager].¹⁵

Please note: if the consignment audit shows Lyric devices that you do not have on your shelf, the devices may be "en route" to your office. Lyric device shipments take approximately 1-2 days to arrive. If you do not receive the Lyric devices in question, please contact Lyric Customer Service.



Placing a manual order

There may be an occasion when you need to order extra stock. Our customer service team is happy to assist you in this process. However, we have a system in place that automatically replenishes your stock based on your fitting activity. In the event that you run out of devices, please check the following before placing a manual order:

A. Are there any offline fitting sessions that have not been synced to ALPS? (Check Desktop Logs). If yes, it is important to sync those fitting sessions to remove any Lyric devices from your inventory.

B. Have you performed an in-office consignment inventory audit? An internal audit at your office may help identify which serial numbers are missing. If you find any serial numbers that are missing, call Customer Service and we will be able to update the status of the serial numbers so that devices that have been used are removed from your inventory and replenished.

If you are still unable to locate Lyric devices after completing these steps, please call Customer Service so that we may support you in correcting your inventory.

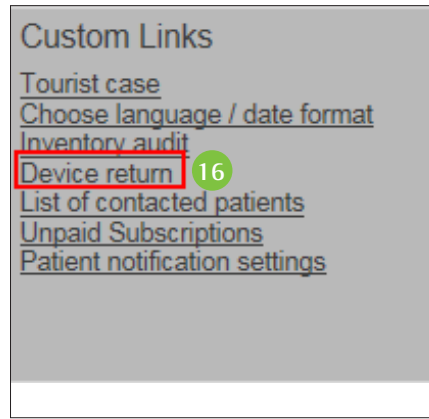
Returning a Lyric device

There may be a case when you need to return a Lyric device to Phonak (i.e return requested by Phonak, soon to expire devices, devices that are dead on arrival). If you need to return a Lyric device to Phonak, please go to ALPS and choose select the [Device Return] process. **16**

Choose the appropriate reason for return, select the correct serial number and choose [select]. **17**

Print the device return form and send the device with the form to Phonak using the appropriate device return shipment packaging. If you do not have the appropriate packaging, please call Phonak to place an order. **18**

Remember: Never throw away Lyric devices that are no longer able to be fit to a patient. These devices must be returned to Phonak accordingly so that we may update your consignment stock appropriately.



Device return

Return Reason **17**

Return Reason	Serial number	Device size	Side	Short description	Use by
<input checked="" type="checkbox"/> None	1625NY1VC	M		Lyric3 (M)	13/05/2017
<input type="checkbox"/> New (Overstock)	1625NY1VK	M	R/L	Lyric3 (M)	13/05/2017
<input type="checkbox"/> Dead on Arrival	1625NY1V6	M	R/L	Lyric3 (M)	13/05/2017
<input type="checkbox"/> Wrong Delivery	1633H00GX	L	R/L	Lyric3 (L)	19/08/2017
<input type="checkbox"/> Expired	1633H00G1	L	R/L	Lyric3 (L)	19/08/2017
	1633H00G2	L	R/L	Lyric3 (L)	19/08/2017

Device return

Device return **18**

DeviceReturn-Name 0000025780

Return Reason Dead on Arrival

Serial number	Device size	Side	Short description	Use by
1625NY1VC	M	R/L	Lyric3 (M)	13/05/2017

Life is on

At Phonak, we believe that hearing well is essential to living life to the fullest. For more than 70 years, we remain true to our mission by developing pioneering hearing solutions that change people's lives to thrive socially and emotionally.

www.phonakpro-us.com/Lyric