

SHOPKO®

Vendor Partnership Manual

**Section 10 – Distribution & Domestic
Transportation**

What's New

*No changes have occurred in this chapter
since our last update in
July 2017*

Lean Logistics is now known as
“Blue Jay Transportation Management System” or TMS in this chapter

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1. Statement of Purpose

Shopko Stores Operating Co., LLC recognizes the need to maintain a strong vendor partnership. The Shopko Distribution and Domestic Transportation Vendor Partnership Manual has been designed to support that goal by providing a comprehensive source of information that provides the vendor with the basic policies and procedures for conducting business with Shopko. By stating the company's requirements clearly, we hope to help our vendors successfully meet Shopko's established standards. This manual outlines the following policies and procedures; purchase order information, merchandise preparation, packaging, carton labeling, shipping, electronic data interchange and invoicing requirements. Each vendor is expected to satisfy all of the requirements outlined in this guide when shipping merchandise to Shopko distribution centers and stores. Deliveries will be audited to ensure the requirements listed in this manual are being met. Any non-compliance may result in vendor deductions (chargebacks) to recover additional costs associated with excessive handling and/or processing of merchandise. (See Chapter 15; Non-Compliance). This manual contains new material and supersedes all previously issued instructions. The success of these policies and procedures is dependent on mutual and regular communications between Shopko and the Vendor. We encourage our Vendor partners to work closely with our Vendor Services Coordinator to develop a thorough and expeditious plan to comply with these policies and procedures. If after consulting this manual, you have questions regarding the requirements, please contact your assigned Vendor Services Coordinator.

2. Carton Specifications

2.1 Packing

The three types of packing or ordering used by Shopko:

Plan 1 merchandise (direct to store)
Plan 2 merchandise (mixed SKUs)
Plan 4 merchandise (standard pack or DC replenished)

2.1.1 Over-packing

The practice of over-packing, or putting multiple masters of multiple SKUs in one larger carton, is acceptable. Over-packing can save on freight and handling. The following requirements must be observed:

- A label stating “OVERPACK” on the outside of the carton.
- Purchase Order number and DC address on the outside of the carton.
- No SKU, no UCC 128, or other markings on the outside of the carton.
- If re-using cartons, remove or black out all previous labeling and carton markings.
- All master case requirements for the SKUs contained inside must be maintained.

2.1.2 Display Packs

Display packs (or pre-packs) are used effectively at Shopko. This practice is efficient for seasonal sets of apparel and other fashion items of mixed color, size, or style.

2.2 Carton Construction

2.2.1 Material

The physical appearance and structural integrity of the shipping carton is as important to our customer as the commodity itself. The supplier is responsible to ensure proper packaging to protect their product as it moves through the supply chain. The supplier is responsible to ensure that the packaging can sustain the distribution environment from manufacturer all the way to the store shelf, to include box clamps, trailer vibration, and high speed conveyor.

2.2.2 In General:

- Cartons must be of a corrugated material - not boxboard or chipboard.
- Cartons that will hold more than 40lbs of merchandise must meet a minimum of 200lb burst strength.
- Cartons that will hold less than 40lbs of merchandise must meet a minimum of 175lb burst strength.
- The preferred style is a Regular Slotted Container (RSC).
- Inner cartons must be of a lightweight corrugated material - not boxboard or chipboard.
- Inner cartons must meet a minimum of 125lb burst strength.

2.2.3 Furniture

- Double-wall corrugated material is recommended but not required at this time.
- Cartons should meet edge crush test (ECT) strength of 48lbs.
- All general construction requirements are in effect, PLUS the following for inner packaging:
 - Empty areas within the package must be filled with polystyrene, corrugated blocks or other material to fill voids.
 - All corners should be reinforced.
 - Liner boards are acceptable for use reinforcing sides of cartons.
 - Hardware bags should be stored in such a manner to prevent movement and breakage within the package.

2.3 Dimensions

2.3.1 Carton Size Limitations

In general, Shopko has no carton size limitations. However, our DCs are highly conveyORIZED and every effort should be made to meet conveyable merchandise dimensions below.

2.3.2 Conveyable Merchandise

In order to make maximum use of our high speed conveyor systems, Shopko strongly prefers cartons meeting the following size and weight guidelines:

- Maximum weight of carton is 70lbs
- Minimum weight of carton is 1lb
- Maximum carton dimensions are: 42" long x 24" wide x 30" high
- Minimum carton dimensions are: 9" long x 6" wide x 3" high
- It is preferred that one dimension of the carton be at least 1.5x that of the other dimensions to avoid "perfect cubes" which do not sit well on a high speed conveyor.

2.4 Additional Considerations

- All cartons containing glass, plastic, or ceramic items (including bottles) must have dividers or partitions to protect merchandise from breakage and crushing.
- Cartons containing articles packed in plastic or polybag for use at point-of-sale require a warning printed on the bag to caution consumers that the bag is not a toy. See Chapter 3; Terms & Conditions related to the purchase order for full details.
- All cartons must be sealed with reinforced or plastic tape.
- Sealing tape must be 2 inches wide and used on all open sides to properly seal cartons.
- When practical, glued cartons will be acceptable.
- All straps and bands must be either plastic or a material other than metal.
- No cartons are to be sealed using staples unless specifically approved by Shopko.

3. Carton Labeling and Other Loading Instructions

The distribution center's internal operating systems require the capture of the PO number, carton quantity by sku/style/manufacturing number, and carton pack quantity, prior to processing a receipt. The following instructions are for the various types of shipments to the DCs.

3.1 Direct to Store

- Mail merchandise invoices to:
 - Shopko Stores Operating Co., LLC
 - ATTN: Accounts Payable
 - PO Box 19045
 - Green Bay, WI 54307-9045
- A separate packing list must be created for each store and must be attached to and noted on the Bill Of Lading (BOL) for LTL shipments. Parcel shipments do not require a Packing List.
- The packing list must list:
 - Each Store #
 - Purchase Order #
 - Quantity of cartons, and weight on a by Purchase Order, by Store basis
- The packing list must be in or on the cartons.
- The Bill Of Lading (BOL) must list:
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described.
 - Temperature-sensitive merchandise – Must also include freeze-point information.
 - Correct store address
- Consumer Product Safety Improvement Act (CPSIA) certification must be included with the shipment, physically or electronically.
- Cartons must be labeled with:
 - Store #
 - Purchase Order #
- Cartons must be loaded by Purchase Order #.
- If ASN, required elements of the carton-level UCC128 label:
 - FROM: Vendor name and address
 - TO: Shopko's "ship to" location number and address
 - SHIP TO POST: Postal code (420 barcode and human readable) of the Shopko "ship to" location

- PO: Shopko's Purchase Order number
- FOR: Shopko's "ship for" location number (91 barcode and human readable)
- SSCC-18: Serial Shipping Container Code (barcode and human readable)
- Please include the following information, if available (noted in italics):
 - PO: Carton sequence, number, gross weight of carton
 - CARRIER: Carrier name, Bill Of Lading (BOL) number, pro number
 - FOR: Shopko's "ship for" address

UCC128 Label with Detailed Field Level Requirements for Direct To Store

FROM Vendor Address	TO Shopko's Location #, and Address
SHIP TO POST "Ship To" Zip Code and Human Readable Representation	CARRIER <i>Carrier Name</i> <i>Pro #</i> <i>Bill Of Lading (BOL) #</i>
PO	Shopko's Purchase Order # <i>Carton sequence, carton quantity, weight</i>
FOR Shopko's Location # Barcode and Human Readable Representation	Shopko's Location # & Address
SSCC-18	SSCC-18 Barcode and Human Readable Representation

Shopko's UCC128 Label for Direct To Store

FROM ABC INC. 1234 Barcode St. Anywhere, WI 55555	TO ShopKo Distribution Center 999 1717 Lawrence Drive De Pere, WI 54115
SHIP TO POST (420) 54115 	CARRIER Best Freight PRO: 2895769860 B/L : 853930
PO: 422210	QTY: 120 Carton 1 of 18 Weight: 7LBS
FOR (91) 0105 	ShopKo Stores, Inc. 0105 125 South State Street Oram, UT 84058
SSCC-18 (00) 0 0052177 513895717 2 	



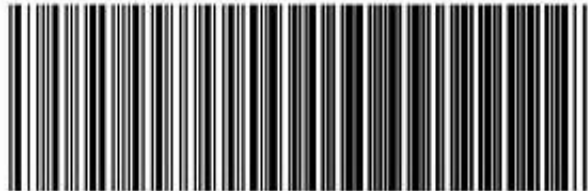
3.2 Mixed-Pack (packed by store thru the DC), ASN with Carton-level UCC 128 Label

- Mail merchandise invoices to:
 - Shopko Stores Operating Co., LLC
 - ATTN: Accounts Payable
 - PO Box 19045
 - Green Bay, WI 54307-9045
- The Bill Of Lading (BOL) must list:
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described
 - Temperature-sensitive merchandise – Must also include freeze-point information
 - Correct store address
 - Shopko load ID provided by the Shopko Transportation Department via TMS, **COLLECT SHIPMENTS ONLY**
- Consumer Product Safety Improvement Act (CPSIA) certification must be included with the shipment, physically or electronically.
- Shopko recommends that vendors supply trailer seal and note seal numbers on all Bills Of Lading.
- Cartons must be loaded by Purchase Order #.
- If a single trailer contains cartons for all DCs, cartons must be segregated by DC. Shipment position within the trailer will be provided when the pick-up is scheduled.
- Label should be placed on the long side of the carton.
- All shipments to Shopko must have an EDI 856 Advanced Ship Notice (ASN) with an UCC/EAN-128 bar code label on every carton that is pre-distributed (multiple item numbers for a particular store).
- Required elements of the carton-level UCC128 label:
 - FROM: Vendor name and address
 - TO: Shopko's "ship to" location number and address
 - SHIP TO POST: Postal code (420 barcode and human readable) of the Shopko "ship to" location
 - PO: Shopko's Purchase Order number
 - FOR: Shopko's "ship for" location number (91 barcode and human readable)
 - SSCC-18: Serial Shipping Container Code (barcode and human readable)
- Please include the following information, if available (noted in italics):
 - PO: Carton sequence, number, gross weight of carton
 - CARRIER: Carrier name, Bill Of Lading (BOL) number, pro number
 - FOR: Shopko's "ship for" address

UCC128 Label with Detailed Field Level Requirements for Mixed Pack

FROM Vendor Address	TO Shopko's Location #, and Address
SHIP TO POST "Ship To" Zip Code and Human Readable Representation	CARRIER <i>Carrier Name</i> <i>Pro #</i> <i>Bill Of Lading (BOL) #</i>
PO	Shopko's Purchase Order # <i>Carton sequence, carton quantity, weight</i>
FOR Shopko's Location # Barcode and Human Readable Representation	Shopko's Location # & Address
SSCC-18	SSCC-18 Barcode and Human Readable Representation

Shopko's UCC128 Mixed Pack Shipment Label Example

FROM ABC INC. 1234 Barcode St. Anywhere, WI 55555	TO ShopKo Distribution Center 999 1717 Lawrence Drive De Pere, WI 54115
SHIP TO POST (420) 54115 	CARRIER Best Freight PRO: 2895769860 B/L : 853930
PO: 422210	QTY: 120 Carton 1 of 18 Weight: 7LBS
FOR (91) 0105 	ShopKo Stores, Inc. 0105 125 South State Street Orem, UT 84058
SSCC-18 (00) 0 0052177 513895717 2 	

3.3 Mixed-Pack (packed by store thru the DC), Non-ASN

- Mail merchandise invoices to:
 - Shopko Stores Operating Co., LLC
 - ATTN: Accounts Payable
 - PO Box 19045
 - Green Bay, WI 54307-9045
- A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier.
 - LTL – Paperwork tends to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mail or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under DC Locations)
 - Parcel shipments do not require a Packing List.
- The detailed packing list must list:
 - Purchase Order #
 - Quantity of cartons by store number on a purchase order basis
- The Bill Of Lading (BOL) must list:
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described
 - Temperature-sensitive merchandise – Must also include freeze-point information.
 - Correct store address
 - Shopko load ID provided by the Shopko Transportation Department via TMS, **COLLECT SHIPMENTS ONLY**
- Consumer Product Safety Improvement Act (CPSIA) certification must be included with the shipment, physically or electronically.
- Shopko recommends that vendors supply trailer seal and note seal numbers on all Bills Of Lading.
- Cartons must be marked with:
 - Purchase Order #
 - DC Location #
 - Store Location #
- Cartons must be loaded by Purchase Order #.
- If a single trailer contains cartons for all DCs, cartons must be segregated by DC. Shipment position within the trailer will be provided when the pick-up is scheduled.

3.4 Standard Pack (Master Pack or DC replenished), ASN with Carton-level UCC 128 Label

- Mail merchandise invoices to:
 - Shopko Stores Operating Co., LLC
 - ATTN: Accounts Payable
 - PO Box 19045
 - Green Bay, WI 54307-9045
- A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier.
- The detailed packing list must list:
 - Purchase Order #
 - Vendor Style #
 - Total weight
 - Quantity of cartons by Style/Manufacturing #, on a purchase order basis
 - Carton pack quantity by item
 - Shopko SKU # is required for all apparel merchandise
- The packing list must be attached to and noted on the BOL
 - LTL – Paperwork tends to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mail or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under DC Locations)
 - Parcel shipments do not require a Packing List.
- The Bill Of Lading (BOL) must list:
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described
 - Temperature-sensitive merchandise – Must also include freeze-point information.
 - Correct store address
 - Shopko load ID provided by the Shopko Transportation Department via TMS, **COLLECT SHIPMENTS ONLY**
- Consumer Product Safety Improvement Act (CPSIA) certification must be included with the shipment, physically or electronically.
- Shopko recommends that vendors supply trailer seal and note seal numbers on all Bills Of Lading.
- Apparel merchandise cartons must be labeled "pre-ticketed" and/or "pre-hung" if applicable.
- Cartons must be packed by Shopko SKU/UPC according to the Shopko purchase order. Quantity in carton and any inner pack quantity (if applicable) must be clearly labeled on the outside of the carton.

- Cartons must be loaded by:
 - Purchase Order #
 - Vendor Style/Manufacturing # and further segregated by Shopko SKU/UPC
- If a single trailer contains cartons for all DCs, cartons must be segregated by DC. Shipment position within the trailer will be provided when the pick-up is scheduled.
- Label should be placed on the long side of the carton
- Case level UCC/EAN-128 bar code label must be used for shipments that are standard case pack shipped to the Distribution Center. A sample label is shown below.
- Required elements of the carton-level UCC128 label:
 - FROM: Vendor name and address
 - TO: Shopko’s “ship to” location number and address
 - SHIP TO POST: Postal code (420 barcode and human readable) of the Shopko “ship to” location
 - PO: Shopko’s Purchase Order number; Shopko SKU, style number, size & color (as applicable) and case pack quantity
 - FOR: Shopko’s “ship for” location number (91 barcode and human readable)
 - SSCC-18: Serial Shipping Container Code (barcode and human readable)
- Please include the following information, if available (noted in italics):
 - PO: Carton sequence, number, gross weight of carton
 - CARRIER: Carrier name, Bill Of Lading (BOL) number, pro number
 - FOR: Shopko’s “ship for” address

UCC128 Label with Detailed Field Level Requirements for Standard Pack

FROM Vendor Address	TO Shopko’s Location #, and Address
SHIP TO POST “Ship To” Zip Code and Human Readable Representation	CARRIER <i>Carrier Name</i> <i>Pro #</i> <i>Bill Of Lading (BOL) #</i>
PO	Shopko’s Purchase Order # SKU, Style, Size and Color, Quantity <i>Carton sequence, carton quantity, weight</i>
FOR Shopko’s Location # Barcode and Human Readable Representation	Shopko’s Location # & Address
SSCC-18	SSCC-18 Barcode and Human Readable Representation

Shopko's UCC128 Standard Pack Shipment Label Example

From: ABC INC. 1234 Barcode St. Anywhere WI 55555		To: SHOPKO D C # 0999 1717 LAWRENCE DR. De Pere WI 54115	
Ship to Postal Code: (420) 54115 		CARRIER Best Freight PRO: 2895769860 B/L:853930	
PO: 422210 SKU: 04812345 Carton 1 of 71	Style: 01274001 Color: Ivory QTY: 120	Size: 6 Weight: 7 LBS	
FOR: (91) 0999 		DC0999 1717 LAWRENCE DR. De Pere, WI 54115	
SSCC-18  (00) 0 00 52177 513895717 2			

3.5 Standard Pack (Master Pack or DC replenished), ASN with no label or other carton level label

- Mail merchandise invoices to:
 - Shopko Stores Operating Co., LLC
 - ATTN: Accounts Payable
 - PO Box 19045
 - Green Bay, WI 54307-9045
- A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier.
- The detailed packing list must list:
 - Purchase Order #
 - Vendor Style #
 - Total weight
 - Quantity of cartons by Style/Manufacturing #, on a purchase order basis
 - Carton pack quantity by item
 - Shopko SKU # is required for all apparel merchandise
- The packing list must be attached to, and noted on the BOL
 - LTL – Paperwork tends to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mail or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under DC Locations)
 - Parcel shipments do not require a Packing List.

- The Bill Of Lading (BOL) must list:
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described
 - Temperature-sensitive merchandise – Must also include freeze-point information.
 - Correct store address
 - Shopko load ID provided by the Shopko Transportation Department via TMS, **COLLECT SHIPMENTS ONLY**
- Consumer Product Safety Improvement Act (CPSIA) certification must be included with the shipment, physically or electronically.
- Shopko recommends that vendors supply trailer seal and note seal numbers on all Bills Of Lading.
- Cartons must be marked with:
 - Vendor Style/Manufacturing # (Shopko SKU # is required for all apparel merchandise or any other merchandise that does not have a unique Style/Manufacturing #)
 - Description, color/size when applicable
 - Case pack
 - Purchase Order #
 - DC Location #
- Apparel merchandise cartons must be labeled “pre-ticketed” and/or “pre-hung” if applicable.
- Cartons must be packed by Shopko SKU/UPC according to the Shopko purchase order. Quantity in carton and any inner pack quantity (if applicable) must be clearly labeled on the outside of the carton.
- Cartons must be loaded by:
 - Purchase Order #
 - Vendor Style/Manufacturing # and further segregated by Shopko SKU/UPC
- If a single trailer contains cartons for all DCs, cartons must be segregated by DC. Shipment position within the trailer will be provided when the pick-up is scheduled.

3.6 Standard Pack (Master Pack or DC replenished), Non-ASN

- Mail merchandise invoices to:
 - Shopko Stores Operating Co., LLC
 - ATTN: Accounts Payable
 - PO Box 19045
 - Green Bay, WI 54307-9045
- A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier.
- The detailed packing list must list:
 - Purchase Order #
 - Vendor Style #
 - Total weight
 - Quantity of cartons by Style/Manufacturing #, on a purchase order basis
 - Carton pack quantity by item
 - Shopko SKU # is required for all apparel merchandise
- The packing list must be attached to and noted on the BOL
 - LTL – Paperwork tends to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mail or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under DC Locations)
 - Parcel shipments do not require a Packing List.
- The Bill Of Lading (BOL) must list:
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described
 - Temperature-sensitive merchandise – Must also include freeze-point information.
 - Correct store address
 - Shopko load ID provided by the Shopko Transportation Department via TMS, **COLLECT SHIPMENTS ONLY**
- Consumer Product Safety Improvement Act (CPSIA) certification must be included with the shipment, physically or electronically.
- Shopko recommends that vendors supply trailer seal and note seal numbers on all Bills Of Lading.
- Cartons must be marked with:
 - Vendor Style/Manufacturing # (Shopko SKU # is required for all apparel merchandise or any other merchandise that does not have a unique Style/Manufacturing #)

- Description, color/size when applicable
- Case pack
- Purchase Order #
- DC Location #
- Apparel merchandise cartons must be labeled “pre-ticketed” and/or “pre-hung” if applicable.
- Cartons must be packed by Shopko SKU/UPC according to the Shopko purchase order. Quantity in carton and any inner pack quantity (if applicable) must be clearly labeled on the outside of the carton.
- Cartons must be loaded by:
 - Purchase Order #
 - Vendor Style/Manufacturing # and further segregated by Shopko SKU/UPC
- If a single trailer contains cartons for all DCs, cartons must be segregated by DC. Shipment position within the trailer will be provided when the pick-up is scheduled.

4. Pallets & Slip Sheets

To minimize freight expense and carbon emissions, Shopko is requesting Vendors to be cognizant of their loading techniques and maximize cube capacity. Exceptions to the standard shipping policy must be verified prior to shipping.

- Heavy, bagged, or bulk goods should be palletized. Examples: laundry detergent, pet food, or bottled water.
- There are no maximum height or weight restrictions for palletized loads, however;
 - Pallet height should not exceed the inner height of the trailer, usually 96”.
 - Pallets must support the weight of the product being shipped.
- Pallet exchange programs are not accepted without specific instructions from the Shopko Logistics Department. Please contact your Vendor Services Coordinator for approval.
- Pallets must be of good quality, in good repair, and meet or exceed the Grocery manufacturer’s Association (GMA) Grade A pallet standards. 40” x 48” is the standard dimension.
- **Double stack whenever possible.**
- Multiple PO’s and multiple SKU’s must be combined on a single pallet when applicable.
- All Distribution Centers have slip-sheeting capabilities and the use of slip sheets is encouraged in the interest of the environment.
- Merchandise stacked on pallets or slip sheets shall be stacked in a manner that maximizes the trailer cube but does not damage the product or crush the master case. The Vendor is responsible for ensuring the freight is blocked or braced at loading to ensure product does not shift during transit.
- No overhanging product; merchandise shall be stacked on a pallet in such a manner as not to overhang any edge of the pallet. Obtain approval for special cases.
- All pallets shall be taped, strapped, or stretch-wrapped to prevent merchandise from shifting during transit. Shopko Stores strongly discourages the gluing of cartons together to form pallet stacks and may charge back for lost efficiencies in receiving.

4.1 LTL Shipments

Vendors shipping on LTL Carriers must palletize shipments. No authorization is needed.

4.2 Truckload Shipments

- Collect Shipments – Failure to input accurate data, i.e., linear feet, cube, weight, etc., into TMS SIM Portal, may result in a non-compliance chargeback. It is required that all shipments are prepared to utilize the trailer efficiently.
- Multiple PO’s must be combined on a single pallet.
- Shipments with Shopko SKU quantities of less than a full pallet must be combined on a minimum number of pallets.

5. Temperature Sensitive Merchandise

In order to maintain the integrity of temperature sensitive merchandise, the BOL must include freeze-point information. It is recommended that the Carrier arrive to the DC's during regular business hours. Security Guards will only allow drop trailers during normal business hours.

6. UPC/Product Coding

6.1 UPC/Product Code

The UPC/Product Code is the 12 or 13 digit number used for product identification. It is composed of a unique vendor and product identification number. The vendor number is uniquely assigned by the Uniform Code Council (UCC). The product number is vendor assigned and should uniquely define each item to the lowest level of merchandise detail. Shopko requires a UPC on all products to point of sale scanning.

6.2 Assignment of UPC

- All merchandise purchased by Shopko for resale – with some agreed-to exceptions, must be assigned a unique UPC. Shopko may issue chargebacks for non-compliance.
- UPC must be assigned by the manufacturer to identify merchandise unique to the SKU level.
- UPC information must be communicated to the Buyer prior to the placement of the first order for that item.

6.3 Use of UPC

Shopko uses UPCs to identify merchandise throughout the sales cycle. Currently at point-of-sale, the bar-coded UPC tag is scanned, allowing price look-up and immediate capture of sales data to the Shopko SKU level. Therefore, the Vendor is to physically associate the proper UPC barcode with each saleable unit of merchandise. UPC is also to be used to identify merchandise in communications with suppliers, especially those transmitted via EDI. Ideally, UPC will be on outbound documents, e.g. purchase orders, sent to the supplier and will be expected on inbound documents, e.g. invoices and advance ship notices (ASN).

7. Consumer Product Safety Improvement Act

Shopko expects all vendors to comply with the Consumer Product Safety Improvement Act of 2008 (HR4040) by providing certification of all applicable safety standards for each item. This certification must be provided for each shipment of these items to Shopko. The certification can be provided to Shopko physically with the shipment or made available electronically.

8. Routing – Distribution Center Shipments

8.1 Logistics Web Portal

BlueJay Transportation Management is Shopko's Transportation Management System (TMS) which is a SaaS based technology.

With the exception of direct to store shipments, it is required for all Vendors, who are authorized to ship under collect freight terms, to enter accurate ready-to-ship freight information into TMS Supplier Inbound Management (SIM) portal 72-hours (3-business days) prior to the purchase order cancel date.

- Failure to utilize the SIM portal will result in a non-compliance chargeback.
- ALL collect shipments; Parcel, LTL, and Truckload, with the exception of direct to store, must be communicated using SIM portal. Direct to Store shipments, please refer to - Routing – Direct to Store
- Notification must be provided with a minimum of 72-hours, (three full business days, Mon-Fri, 0800-1630 Central other than the published holidays) in advance of the cancel date. The cancel date is defined as the last day of the Purchase Order shipping window.
- If a PO cancel date falls on a weekend or holiday, then the cancel date will be interpreted as the prior business day.
- **Weight and Volume (cube) must be accurately stated in the SIM Portal. Weight and Volume fields in the SIM Portal can be overridden and updated. To avoid non-compliance chargeback expenses, please ensure accuracy before submitting.**
- Password and Instructions for the BlueJay TMS (SIM) portal will be issued upon receipt of completed Vendor Set Up Form.
- If unable to access the SIM portal, please contact your Vendor Service Coordinator.

8.2 Routing and Loading Instructions

The routing instructions, as stated in this manual, must be followed for all Freight Collect shipments to Shopko facilities. Any deviation must have express authorization from the Shopko Transportation Department. Routing instructions can only be obtained from Shopko's Transportation Department.

Shopko Buyers and Inventory Analysts are NOT authorized to issue routing instructions.

1. Vendors must request routing at least 72 hours (3 full business days, Mon-Fri, 0800-1630 Central other than the published holidays) prior to the cancel date on the Purchase Order. If the Vendor fails to notify Shopko prior to the 72-hour window, the Vendor will need to contact their assigned Vendor Services Coordinator.
Please note: "Ready Date" or "Planned Ship Date," **can** fall on any date within the ship-cancel window on the purchase order. Due to capacity constraints in the trucking industry, it is preferred to have order ready to ship on the front end of the "Ship/Cancel" window. **When a "single date" window is stated on the Purchase Order, that is also the READY date, and it must be met.**
2. TMS optimization can benefit both Vendor and Shopko. It can save time, expense and carbon emissions within the Supply Chain. The TMS will build truckloads with multiple shipments from multiple Vendors (Aggregate Shipments). Failure to provide accurate information, i.e., planned ship date, linear space (feet), freight class (NMFC), pieces/cartons, lading (pallets), weight (lbs.), and volume (cubic feet); could cause disruption to our shipping process. For this reason, the Vendor will be subject to a chargeback of the FULL (un-discounted / published rate) freight charges.

3. Once the purchase order is entered into the SIM Portal, the TMS will determine the most cost effective mode of transportation and assign the appropriate Carrier. **It is the Vendor's responsibility to check the SIM Portal to receive the routing instructions.**

Note: BlueJay TMS can be customized so that an alert will be sent to your users when a carrier has been assigned to the shipment.

Note: BlueJay TMS does not state carrier mode of transportation.

 - i. Parcel: All parcel shipments will be assigned to UPS, SCAC = 0UPS. **Vendor must contact UPS when shipment is ready for pickup.**
 - ii. LTL: **Vendor must contact LTL Carrier when shipment with collect payment terms is ready for pickup.** List of Shopko contracted LTL carriers and their SCAC can be found in section titled Less than Truckload (LTL) Shipments. When contacting an LTL Carrier, Vendor **must share the Lean Load# with the Carrier.**
 - iii. Truckload: Assigned Carrier will be contacting the Vendor to arrange a pick-up appointment.
 4. Shopko requires carriers to utilize 53' trailers. If Carrier's equipment is unable to safely and legally access Vendor's facility, it will be vendor's responsibility to ship merchandise prepaid.
 5. A Purchase Order can ship to multiple Distribution Centers. In most cases, separate routing instructions will be listed for each DC destination. If you do not receive all notifications prior to cancel date, send an email to the appropriate Vendor Services Coordinator.
 6. Shopko utilizes multiple shipping techniques to minimize freight expense:
 - a. **Consolidated Shipments:** Shopko will frequently choose to ship PO's together that had been originally ordered for 2 or more different destinations. (For example – we may have ordered 100 widgets for our Omaha, NE DC (998) and 100 widgets for our Boise, ID DC (997). We may choose to have both orders (all 200 widgets) delivered to our Omaha DC on the same load).

Consolidated orders will be recognized in the LeanLogistics system. Bills of Lading for each separate order must be included with the Master Bill of Lading.
 - b. **Aggregate Shipments:** Truckload carriers will have shipments from multiple vendors delivering to one distribution center.
7. Only one Lean load# should ship per Bill of Lading, per Distribution Center, per day. If Vendor has more than one load#, please notify the appropriate Vendor Services Coordinator assigned to your company.
 - a. Ship multiple PO's on single Bill of Lading.
 - b. Any changes in the planned ship date, linear space (feet), freight class, NMFC item number, pieces/cartons, lading (pallets), weight (lbs.), volume (cubic feet), of the shipment can be made **prior** to the carrier accepting the load. Once the load has been assigned to a Carrier, Vendor will need to notify their Vendor Services Coordinator to request any changes. Failure to follow this instruction will result in a chargeback for the FULL (un-discounted / published rate) freight charges incurred. In addition, a \$200 administration fee may be applied.
8. If a Carrier fails to pick up merchandise within the shipping window, **DO NOT CONTACT THE CARRIER.** Vendor must notify the appropriate Vendor Services Coordinator via e-mail to avoid an early/late shipment chargeback. The email message must include the PO# and destination Distribution Center.
9. WEIGHT, CUBIC FEET, and LINEAR SPACE (FEET), are determining factors that the TMS uses to determine the mode of transportation. Therefore, accurate data is mandatory.

Determining Linear Space (Length of trailer space, in feet, that the order will require.)

 - a. **Floor Loading:** Cube divided by 60 = Linear Feet. The SIM Portal will accept fractions of a foot.
 - b. **Palletized Loading: (utilizing standard 48" x 40" pallet)**

Non-Stackable Pallets: Number of pallets x 2 = linear feet.

Example: Units: 8, Width: 40, Length: 48, Height: 72, Stackable: 1, Weight: 2000

Units are not turnable

Keep pallets side by side using width of 40. Number across: 2

Base Linear Feet: $(48/12) = 4$

Linear Feet after accounting for 2 wide in Trailer = $(4/2) = 2$

Linear Feet after Stacking: $(2/1) = 2$

Linear Feet for all Units: $(2*8) = 16$

Final Linear Feet = 16

Stackable Pallets: The number of feet will equal the pallet count.

Example: Units: 8, Width: 40, Length: 48, Height: 42, Stackable: 2, Weight: 2000

Units are not turnable

Keep pallets side by side using width of 40. Number across: 2

Base Linear Feet: $(48/12) = 4$

Linear Feet after accounting for 2 wide in Trailer = $(4/2) = 2$

Linear Feet after Stacking: $(2/2) = 1$

Linear Feet for all Units: $(1*8) = 8$

Final Linear Feet = 8

Pinwheel: Pallets can be placed in a “pinwheel” formation (one lengthwise and one sideways) in the trailer and proper blocking and bracing should be used to ensure merchandise is delivered without damage on 4-way pallets.

Pinwheel Non-Stackable = # of pallets x 1.67' = linear feet.

Example: Units: 8, Width: 40, Length: 48, Height: 72, Stackable: 1, Weight: 2000

Units are turnable

Turn pallets resulting in width of 48. Number across: 2

Base Linear Feet: $(40/12) = 3.33$

Linear Feet after accounting for 2 wide in Trailer = $(3.33/2) = 1.67$

Linear Feet after Stacking: $(1.67/1) = 1.67$

Linear Feet for all Units: $(1.67*8) = 13.33$

Final Linear Feet = 13.33

Pinwheel Stackable = the number of feet would equal the pallet count times 0.84 feet.

Example: Units: 8, Width: 40, Length: 48, Height: 42, Stackable: 2, Weight: 2000

Units are not turnable

Keep pallets side by side using width of 40. Number across: 2

Base Linear Feet: $(48/12) = 4$

Linear Feet after accounting for 2 wide in Trailer = $(4/2) = 2$

Linear Feet after Stacking: $(2/2) = 1$

Linear Feet for all Units: $(1*8) = 8$

Final Linear Feet = 8

- c. Enter the number of pallets into the “Lading” column in the entry form. If there are multiple SKU’s listed, enter the number of pallets on the first line. (Number of pallets by SKU is unnecessary.)
- d. If you require assistance in calculating the dimensions of the shipment, contact the Vendor Services Coordinator assigned to your company.

Merchandise stacked on pallets or slip sheets shall be stacked in a manner that maximizes the trailer cube but does not damage the product or crush the master case. The Vendor is responsible for ensuring the freight is blocked or braced at loading to ensure product does not shift during transit.

Multiple PO's must be combined on a single pallet.

No overhanging product; merchandise shall be stacked on a pallet in such a manner so as not to overhang and edge of the pallet. Obtain approval for special cases.

All pallets shall be taped, strapped, or stretch-wrapped to prevent merchandise from shifting during transit. Shopko Stores strongly discourages the gluing of cartons together to form pallet stacks and may charge back for lost efficiencies in receiving.

10. LTL SHIPMENTS: *PRODUCT DESCRIPTIONS* are critical to ensure that all LTL shipments are rated correctly and do not suffer delays. The Bill of Lading must contain an accurate product description including merchandise class, weight, shipment dimensions, and NMFC item number. Failure to describe the commodity with the appropriate NMFC item number on the BOL will result in a non-compliance chargeback. The deduction assessed will be the FULL (undiscounted/published rate) freight charge.
11. Do not ship Prepaid and Add. Freight charges will be deducted from merchandise invoices regardless of the circumstances.
12. If vendor changes origin of shipping or adds a new origin of shipping, it is required that the Buyer and Vendor Services Coordinator are contacted with a minimum of 30 days written notification. Failure to notify Shopko will result in chargeback for any excessive freight expense above and beyond normal expense from previous shipping origin.

8.3 Accessorial Charges

Shopko will not be responsible for accessorial charges on any shipment. Any accessorial charges will result in a non-compliance chargeback. Accessorial charges include but are not limited to, detention, truck ordered/not used, re-weigh fees (LTL), sort and segregate fees (LTL), inside pick-up (LTL), lift gate service (LTL), declared value (parcel), wrong address fee (parcel), etc.

8.4 Prioritizing Shipments

It is recommended that shipments to Shopko Distribution Centers be shipped on the same day. If Vendor is unable to ship Shopko's Purchase Order(s) complete to all Distribution Centers on the same day, prioritize to ship first to the Distribution Center farthest from origin.

8.5 Partial Shipments, Backorders, Overshipments

Partial shipments, backorders, and overshipments will not be accepted without the respective Buyer's written authorization, unless specifically authorized on the face of the Purchase Order. All authorized backorders will arrive on a prepaid basis; FOB Shopko's dock. Refer to Terms and Conditions – found in Chapter 3: Terms & Conditions of Purchase Order of this Manual for detailed information.

8.6 Small Package/Parcel Shipments & Hundredweight

All collect shipments with destinations to Shopko Distribution Centers must be entered into the SIM Portal. If you are instructed by Shopko's Transportation Department to ship parcel, please ensure that you are familiar with shipping via UPS. www.ups.com (SCAC – OUPS)

To obtain Shopko's UPS shipping account number, contact your Vendor Services Coordinator. Third Party shipments will also require a Shopko UPS shipping account number to complete the transaction. Shopko Buyers and/or Business Analyst are not authorized to provide any UPS shipping account numbers.

All Vendors who are instructed to ship UPS are required to follow these instructions. Non-compliance will result in a chargeback. The deduction assessed will be the FULL (un-discounted / published rate) freight charge.

Assistance for preparation of UPS shipments can be obtained at www.UPS.com, or by contacting your local UPS representative.

UPS Shipping Instructions:

1. All parcel shipments are to be shipped using UPS (www.ups.com)
2. All UPS shipping labels must be a “smart” label. The smart labels produced by UPS WorldShip®, UPS Internet Shipping, and UPS Online Compatible Vendor shipping systems include bar codes and routing codes that help ensure accurate routing and prompt delivery of your shipments. In addition, the use of smart labels allows fast access to tracking and delivery information. Any accessorials applied by UPS due to handwritten label will be charged back to the vendor in addition a \$200.00 administrative fee may be applied.
3. The shipment routing is determined from information supplied by the Vendor. A chargeback may apply for any shipment misrouted due to inaccurate information, i.e., incorrect cube or weight calculations, etc.
4. Any changes in the planned ship date, linear space (feet), freight class, pieces/cartons, lading (pallets), weight (lbs.), volume (cubic feet), of the shipment can be made **prior** to the carrier accepting the load. Once the load has been assigned to a Carrier, Vendor will need to notify their Vendor Services Coordinator to request any changes. Failure to follow this instruction will result in a chargeback for the FULL (un-discounted / published rate) freight charges incurred. In addition, a \$200 administration fee may be applied.
5. Once the purchase order is entered into the SIM Portal, the TMS will determine the most cost effective mode of transportation and assign the appropriate Carrier. It is the vendor’s responsibility to check the SIM Portal to receive the routing instructions.
6. UPS Third Party Billing Account Number: To obtain UPS account number by Division e.g., Optical, Fixtures, Store Supplies, Merchandise, Signs, Pharmacy, you will need to submit your request via E-mail. Please see [Shopko Logistics Contacts](#) for the email address assigned to your company.
7. Do not declare a value on shipments.
8. Do not request same day pick-up.
9. Do not ship with Saturday delivery requirements; Shopko DC’s are closed.
10. Do not ship prepaid and add. Invoices will be paid short regardless of circumstances.
11. Air shipments need to be authorized by Shopko Transportation Department. Failure to obtain authorization will result in a chargeback. The deduction assessed will be the FULL (un-discounted / published rate) freight charge.
12. Mixed cartons of more than one Purchase Order are acceptable, but must be clearly marked. In order to minimize the number of cartons shipped, please place smaller cartons into a larger carton when possible. Each Inner Carton, within the Master Carton, can only contain one Purchase Order number. Please refer below on how to use the UPS reference fields.
13. Failure to provide the required information to UPS in the correct format may result in a chargeback. The deduction assessed may be the FULL (un-discounted / published rate) freight charge.
14. Failure to follow routing instructions will result in a chargeback for FULL (un-discounted / published rate) freight charges incurred. In addition, a \$200 administration fee may be applied.

UPS Reference Fields

Shipment Reference Field One:

(Note: Please use Shipment Reference Field, not Package Reference Field)

Enter the Shopko Purchase Order number in the UPS Shipping System. The Purchase Order number must be clearly indicated on all shipping documents, manifests and carton labels. Shopko's Purchase Order number is a 9-digit number or a 9-digit number with one alpha character. The alpha character represents a distribution center. Example: 012345678 or 012345678A (**A**= DePere, WI; **B**=Omaha, NE; **C**=Boise, ID). Each character of the Purchase Order number is valid even if it is a zero. Do not add any preceding information to the field such as "P.O. #", "PO", etc.

Mixed carton shipping: Enter all Purchase Order numbers separated by commas.

Shipment Reference Field Two:

Enter Shopko load number.

Mixed carton shipping: Must denote the number of cartons within the Master Pack.

Reference Field One Examples:

Plan 1 merchandise (direct to store)	Correct Format: 012345678 Incorrect Format: 012345678-0113
Plan 2 merchandise (mixed sku's)	Correct Format: 012345678A (B) (C)
Plan 4 merchandise (flow through DC)	Correct Format: 012345678A (B) (C)

8.6.1 Hundred Weight (CWT) Calculation

In order to minimize cost, Shopko participates in UPS's Hundredweight Service. Shopko may ask you to prepare your packages to meet the requirements of shipping using this service. We are asking in advance for your cooperation in preparing your shipment to meet these requirements when applicable.

- Hundredweight is defined as an order over 200 pounds with each carton averaging 15 pounds (or 14 cartons).
- Shopko will ship a freight collect order up to 500 pounds (or 34 cartons).

8.6.2 Dimensional Weight Calculation Dimensional Calculations for UPS Ground Package:

Length x Width x Height (in inches)

250

8.7 Less than Truckload (LTL) Shipments

All collect LTL shipments with destinations to Shopko Distribution Centers must be entered into the SIM Portal.

All LTL Shipments must be palletized.

The BOL for LTL shipments must contain the shipment dimensions (Length, Width, Height)

The BOL for LTL shipments must contain the pallet weight as a separate line item.

Example:

Cod fee: Prepaid <input type="checkbox"/> Collect <input type="checkbox"/>		COD amount: \$		Customer check OK for COD amount? Yes <input type="checkbox"/> No <input type="checkbox"/>							
No. shipping units	Kind of package	No. pieces	Unit of measure	HT	Description of articles, special marks and exceptions	NMFC item number	Class	Weight (lb) Subject to correction	Shipment dimensions		
									Length	Width	Height
1	CTN	25	CTN		CLOTHING, NOI 6 BUT < 8 PCF	04988005	125	500	40	48	70
					Pallet Weight			50			
1		25			GRAND TOTAL			550			

A typical LTL shipment would be greater than 200 pounds up to 2000 pounds billable weight and under 300 cubic feet per Distribution Center. Once the purchase order is entered into the SIM Portal, the TMS will determine the most cost effective mode of transportation and assign the appropriate Carrier. Any changes in the planned ship date, linear space (feet), freight class, pieces/cartons, lading (pallets), weight (lbs.), volume (cubic feet), of the shipment can be made **prior** to the carrier accepting the load. Once the load has been assigned to a Carrier, Vendor will need to notify their Vendor Services Coordinator to request any changes. Failure to follow this instruction will result in a chargeback for the **FULL** (un-discounted / published rate) freight charges incurred. In addition, a \$200 administration fee may be applied.

Accurate **PRODUCT DESCRIPTIONS** are critical to ensure that all LTL shipments are rated correctly. The Bill of Lading should contain an accurate product description including merchandise class, weight, freight terms, shipment dimensions, and NMFC item number. Providing this information helps to ensure that all shipments are processed without delays, rated correctly, and avoids weight and research charges. Failure to describe the commodity with the appropriate NMFC item number on the BOL will result in a non-compliance chargeback. The deduction assessed will be the **FULL** (undiscounted/published rate) freight charge.

Vendors shipping from the following zip code ranges need to refer to **Consolidator Shipments**:

State	3-Zip Range	Zone 2
California (CA)	900 - 930	
New Jersey (NJ)	070-077, 079	077-078, 080, 085-089
New York (NY)	100-104, 110-116	105-109, 117-118
Washington (WA)	980 - 984	

To contact Shopko's contracted LTL Carriers for pick-ups / tracking order:

Carrier	SCAC	URL	Centralized Customer Service #
UPS Freight	UPGF	www.upsfreight.com	1-800-333-7400
LME	LKVL	http://www.lme4me.com/	1-800-888-3435
YRC	RDWY	www.yrc.com	1-800-610-6500
USF Reddaway	RETL	www.reddawayregional.com	1-888-420-8960
USF Holland	HMES	www.hollandregional.com	1-866-465-5263
ABF	ABFS	www.abfs.com	1-800-610-5544

8.7.1 Shipping Requirements:

1. The Shopko Transportation Department must be notified of any changes in the planned ship date, linear space (feet), freight class, NMFC item number, pieces/cartons, lading (pallets), weight (lbs.) or volume (cubic feet) of the shipment **prior** to routing a Carrier for pick up.
2. The shipment routing is determined from information supplied by the Vendor. A chargeback may apply for any shipment misrouted due to inaccurate information, i.e., incorrect cube, mis-stated NMFC item number, or weight calculations, etc.
3. A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier.

Packing Lists tend to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mail or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under DC Locations)

4. Each shipment must have a separate Bill Of Lading (BOL). The following items must be clearly and accurately noted in the body of the Bill Of Lading (BOL):
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described
 - Temperature-sensitive merchandise – Must also include freeze-point information.
 - Correct DC address
 - Carrier Departure Time
 - Shopko load ID provided by the Shopko Transportation Department via TMS SIM portal, **COLLECT SHIPMENTS ONLY**
5. Vendor schedules the pickup directly with the Carrier.
6. Merchandise must be available and picked up on or before the cancel date.

Please note: "Ready Date" or "Planned Ship Date," **can** fall on any date within the ship-cancel window on the purchase order. Due to capacity constraints in the trucking industry, it is preferred to have order ready to ship on the front end of the "Ship/Cancel" window.
7. If a Carrier fails to pick up merchandise within the shipping window, **DO NOT CONTACT THE CARRIER**. Vendor must notify the appropriate Vendor Services Coordinator via e-mail to avoid an early/late shipment chargeback. The email message must include the PO# and the destination Distribution Center.
8. All shipments must be released at lowest value.
9. Failure to follow routing instructions will result in a chargeback for FULL (un-discounted / published rates) freight charges incurred. In addition, a \$200 administration fee may be applied.

10. Shipper Load and Count: If Vendor loads on stretch-wrapped pallets; Carrier will sign BOL for the number of pallets, NOT the quantity of cartons. Carrier's Driver will alter BOL and state number of pallets, "**said to contain**" quantity.
11. If conditions are not conducive for a Carrier to appropriately count, the carrier will not be held responsible for any shortages. Carrier will notify Shopko in such cases. When pallet arrives to Shopko facilities, Vendor will be responsible for BOL carton count and packing list piece quantities. Any shortages will result in a freight claim against the Vendor regardless of markings on Bill of Lading.

8.8 Consolidator Shipments

A typical Consolidator shipment would be greater than 200 pounds up to 5000 pounds billable weight and less than 300 cubic feet per Distribution Center that originate from the following zip ranges:

State	3-Zip Range	Zone 2
California (CA)	900 - 930	
New Jersey (NJ)	070-077, 079	077-078, 080, 085-089
New York (NY)	100-104, 110-116	105-109, 117-118
Washington (WA)	980 - 984	

It is the responsibility of the Vendor to contact the Consolidator the day the routing instructions are received to confirm the pickup ready date, time, and total number of pallets. If shipment is palletized, drivers will only be accountable for counting pallets, not pieces.

The Consolidator will provide Vendor with a confirmation number.

8.8.1 Shipping Requirements:

1. For shipments originating in the States / Zip Codes listed, with Washington an exception, Shopko's freight terms are FOB Collect - Consolidator (Vendor is responsible for freight charges to Consolidator.) Pick up and handling costs will be charged back to the Vendor. **Shopko reserves the right to direct a shipment greater than 5000 pounds through a consolidator;** however, the billable weight for these shipments will be capped at **5000-pound rate**.
2. Once the purchase order is entered into the SIM Portal, the TMS will determine the most cost effective mode of transportation and assign the appropriate Carrier. It is the vendor's responsibility to check the SIM Portal to receive the routing instructions.
 - i. The TMS will forward the Vendor shipment information to the Consolidator
 - ii. **It is the responsibility of the Vendor to contact the Consolidator the day the routing instructions are received to confirm the pickup ready date, time, and total number of pallets. The Consolidator will provide Vendor with a confirmation number.** The pickup will be performed by the Consolidators drayage carrier. These carriers operate similar to an LTL carrier and will make pickup **on** the ready date – not by appointment. In addition, the drayage carrier will arrange pickup within 48 hours. If shipment is not ready when carrier arrives, Vendor will be assessed for any fees imposed by the carrier. Please refer to Chapter 15; Non-Compliance of this manual.
 - iii. **Vendor can choose to deliver the shipment directly PREPAID to the Consolidator.** Vendor will be responsible for arranging a delivery appointment with the Consolidator. (Note: Vendor is still required to enter shipment information into the SIM Portal.)
3. Consolidator Shipments must be tendered on separate Bills Of Lading (BOL) with separate manifests/packing lists by Distribution Center. This is **EXTREMELY IMPORTANT**. It ensures that the merchandise arrives at the proper Distribution Center. Failure to provide separate BOL may result in a chargeback.

4. If you are instructed by Shopko's Transportation Department to ship through a Consolidator, use the following Consolidators as listed below by state.

Origin States	Consolidator FOB collect from:	Email and Phone #
New Jersey (zip code: 070-077, 079, 077-078, 080, 085-089) New York (zip codes: 100-104, 110-116, 105-109, 117-118)	TI Logistics 9 Hackensack Bldg 43 Kearny, NJ 07032	Website: www.thetrianglegroup.com Customer Service: 201.299.3910 Option #6 Shopko CSR: NOrtega@thetrianglegroup.com Director of CS: JCaputo@Thetrianglegroup.com Linehaul: 201.299.3910 X122 Nancy Canovas – Linehaul NCanovas@Thetrianglegroup.com
California (zip codes: 900-930)	Performance Team Freight Systems 12816 Shoemaker Santa Fe Springs, CA 90670	shopkogt@performanceteam.net 562-741-1345 www.performanceteam.net
Washington (zip codes: 980-984)	Port Logistics Group 3711 142 nd Ave East Sumner, WA 98390	scampbell@portlogisticsgroup.com 253-891-7718 http://www.portlogisticsgroup.com/

5. If a carrier fails to pick up merchandise within the ship window, DO NOT CONTACT THE CARRIER. Vendor must notify the appropriate Vendor Services Coordinator via e-mail to avoid an early/late shipment chargeback.

8.9 Collect Truckload Shipments

A truckload shipment is typically a shipment greater than 2000lbs (billable weight) or greater than 300 cubic feet per Distribution Center.

Once the purchase order is entered into the SIM Portal, the TMS will determine the most cost effective mode of transportation and assign the appropriate Carrier. It is the vendor's responsibility to check the SIM Portal to receive the routing instructions. The Carrier will contact the Vendor to arrange a pick-up appointment.

Please note: "Ready Date" or "Planned Ship Date," **can** fall on any date within the ship-cancel window on the purchase order. Due to capacity constraints in the trucking industry, it is preferred to have order ready to ship on the front end of the "Ship/Cancel" window.

Order must be ready at time of Carrier appointment. Any detention will be assessed to the Vendor. Additionally, if order is not available to the Carrier, Vendor may be required to ship entire order with prepaid freight terms.

Shopko utilizes multiple shipping techniques to minimize freight expense:

- a. **Consolidated Shipments:** Shopko will frequently choose to ship PO's together that had been originally ordered for 2 or more different destinations. (For example – we may have ordered 100 widgets for our Omaha, NE DC (998) and 100 widgets for our Boise, ID DC (997). We may choose to have both orders (all 200 widgets) delivered to our Omaha DC on the same load). Consolidated orders will be recognized in the LeanLogistics system. Bills of Lading for each separate order must be included with the Master Bill of Lading.

- b. **Aggregate Shipments:** Truckload carriers will have shipments from multiple vendors delivering to one distribution center.

If you have any questions in how to prepare the paperwork to ship, please contact your assigned Vendor Services Coordinator.

8.9.1 Shipping Requirements:

1. Any changes in the planned ship date, linear space (feet), freight class, NMFC item number, pieces/cartons, lading (pallets), weight (lbs.), volume (cubic feet), of the shipment can be made **prior** to the carrier accepting the load. Once the load has been assigned to a Carrier, Vendor will need to notify their Vendor Services Coordinator to request any changes. Failure to follow this instruction will result in a chargeback for the FULL (un-discounted / published rate) freight charges incurred. In addition, a \$200 administration fee may be applied
2. All shipments to the wrong location will be charged an expense offset. The deduction assessed will be the FULL (un-discounted / published rate) freight charge.
3. Vendor must consider the amount of trailer space the shipment will require when calculating linear space and cubic feet. If you require assistance in calculating the dimensions of the shipment, contact the Vendor Services Coordinator assigned to your company.
4. A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier. Packing Lists tend to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mail or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under DC Locations)
5. The shipment routing is determined from information supplied by the Vendor. A chargeback may apply for any shipment misrouted due to inaccurate information, i.e., incorrect cube, linear feet or weight calculations, etc.
6. If Carrier fails to pick up merchandise within shipping window, DO NOT CONTACT THE CARRIER. Vendor must notify the Shopko Vendor Services Coordinator via e-mail to avoid an early/late shipment deduction. The email message must include the PO# and the destination Distribution Center.
7. Shipper Load and Count: If vendor loads on stretch-wrapped pallets; Carrier will sign BOL for the number of pallets, NOT the quantity of cartons. Carrier's driver will alter BOL and state number of pallets, "**said to contain**" quantity.
8. If conditions are not conducive for a Carrier to appropriately count, the carrier will not be held responsible for any shortages. Carrier will notify Shopko in such cases. When pallet arrives to Shopko facilities, Vendor will be responsible for BOL carton count and packing list piece quantities. Any shortages will result in a freight claim against the Vendor regardless of markings on Bill of Lading.

If there are any questions concerning routing, please contact the appropriate Shopko Vendor Services Coordinator.

8.10 Non- Merchandise Shipments

Non-Merchandise Collect Freight is defined as Store Supplies, Fixtures, Printed Items, or Signing, that are planned and routed through Shopko's Transportation Department.

All collect shipments to any Shopko facility must follow the shipping instructions as outlined in this manual. For additional information: nmship@spectrumamericasc.com or 920-337-2582.

At this time, Non-Merchandise shipments cannot be entered into the SIM Portal. To obtain an electronic copy of the Routing Request Form, send request to nmship@shopko.com. Failure to follow all shipping instructions will result in a chargeback. Deduction assessed may be the FULL (un-discounted / published rate) freight charge and an administrative fee of \$200.

8.11 Prepaid Freight

Prepaid Freight is defined, as the shipper owns the full freight payment responsibility.

The DC's will schedule the appointment for no more than 5 business days from the time of the call, unless a vendor requests a certain date beyond the 5 business days.

Driver assist with unloading is required. If the driver is unable to assist with the unloading, Shopko's Receiving Office can provide you with the phone number of a Lumper Service. Driver may also contract an unloading service. This discussion will happen at the time the appointment is scheduled.

Please be advised:

1. A valid photo ID is required for all visitors in order to gain access into a Shopko Distribution Center
2. Failure/Refusal to assist with unloading or use of a lumper service may result in a delay or cancellation of the delivery appointment.

Prior to the Vendor's Carrier of choice receiving a delivery appointment, the Vendor or the Carrier will need to provide the required information:

A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier.

LTL – Paperwork tends to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mail or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under DC Locations)

- Purchase Order Number(s)
- Carton quantity by Style Number/SKU Number
- Carton pack quantity (if carton quantity differs from original order, packing list must be faxed)

The Bill of Lading (BOL) must list:

- All Purchase Order #s
- Total Carton Count
- Cube of shipment
- Weight of Shipment
- Shipment Dimensions (Length, Width, Height)
- Freight classification and National Motor Freight Classification item number (NMFC #)
- Freight terms must be accurately described
- Temperature-sensitive merchandise – Must also include freeze-point information.

- Correct DC address
- Carrier Departure Time

Any appointment given without the required data will be considered “unconfirmed”. If the required information is not received within four hours from the time the “unconfirmed” appointment was scheduled, the appointment time will be cancelled and assigned to another Shipper.

Vendor will be responsible for all accessorial charges. Accessorial charges include but are not limited to, detention, truck ordered/not used, re-weigh fees (LTL), sort and segregate fees (LTL), inside pick-up (LTL), lift gate service (LTL), declared value (parcel), wrong address fee (parcel), etc.

All shipments to the wrong destination will be charged an expense offset.

To schedule an appointment please call the appropriate DC listed below: We strongly encourage vendors to call the DC up to 3 days in advance to secure a delivery appointment. Shopko Distribution Center hours of operation may vary based on business needs.

****Please note: Shopko DC’s have a strict appointment policy. You must be early or on time. If carrier arrives 15 minutes late for their scheduled appointment, the Shopko DC’s will do their best to receive them on that date or refuse the shipment. If shipment is refused, the appointment will need to be rescheduled.

Late, missed, or rescheduled appointments have a direct impact on Shopko’s productivity. Shopko reserves the right to suspend or deny scheduling of inbound deliveries for any carrier for non-compliant behavior,

8.12 Distribution Center Locations

Distribution Center	Address	Phone	FAX	Email
Shopko DC 999 (“A”)	1717 Lawrence Dr DePere, WI 54115	920-337-2899	920-337-2890	DC999Connect@SpectrumAmericaSCS.com
Shopko DC 998 (“B”)	10808 South 132 nd St Omaha, NE 68138	402-331-6550	402-331-8772	DC998Connect@SpectrumAmericaSCS.com
Shopko DC 997 (“C”)	1001 E. Gowen Rd Boise, ID 83716	208-344-8119	208-387-3432	DC997Connect@SpectrumAmericaSCS.com

Additional Note: Shopko is a certified C-TPAT participant. Therefore; all drivers and visitors will be required to present valid photo identification at all Shopko facilities.

8.13 Bill Of Lading (BOL) Terms

The governing standard trucking business rules for Bill Of Lading (BOL) terms have changed to state: "If freight terms are not specifically stated on a Bill Of Lading, the terms will be "Prepaid" ". The Bill Of Lading must specifically state "To Be Prepaid" or "To Be Collect". If the terms on a collect shipment are misstated, Shopko will not reimburse the freight charges. Please note for Collect shipments that there will be times when the Vendor will receive one Lean Load# with instructions to ship multiple DC's under this load#. A Master Bill of Lading will be required indicating the destination per data with underlying Bills of Lading for each DC shipment. The Master Bill of Lading will require the Destination DC noted as consignee.

1. Every Bill Of Lading must have a unique number.
2. Every Purchase Order on the shipment must be clearly and accurately noted in the body of the Bill Of Lading.
3. All collect shipments must have their own Bill Of Lading. The Bill of Lading must list:
 - All Purchase Order #s
 - Total Carton Count
 - Cube of shipment
 - Weight of shipment
 - Shipment Dimensions (Length, Width, Height)
 - Shopko load ID (Lean Logistics load ID) provided by the Shopko Transportation Department via TMS, Lean Logistics' SIM Portal, **COLLECT SHIPMENTS ONLY**
 - Freight classification and National Motor Freight Classification item number (NMFC #)
 - Freight terms must be accurately described
 - Temperature-sensitive merchandise – Must also include freeze-point information.
 - Correct DC address
 - Carrier Departure Time
4. In the event the shipment requires more than one trailer, each trailer's Bill Of Lading (BOL) must reflect the exact contents of that trailer.
5. In the case that the BOL specifies Shipper Load – Driver Count, Vendor must provide the Carrier an opportunity to perform the necessary task. If Carrier is not extended the courtesy to validate the carton count, the Carrier has been instructed to notate this on the BOL and will request Vendor to initial. Any shortages will result in a freight claim against the Vendor regardless of markings on Bill of Lading.
6. Shipper Load and Count: If vendor loads on stretch-wrapped pallets; Carrier will sign BOL for the number of pallets, NOT the quantity of cartons. Carrier's Driver will alter BOL and state number of pallets, "said to contain" quantity. In addition, if conditions are not conducive for a Carrier to appropriately count, the Carrier will not be held responsible for any shortages. Carrier will notify Shopko in such cases. When pallet arrives to Shopko facilities, Vendor will be responsible for BOL carton count and packing list piece quantities. Any shortages will result in a freight claim against the Vendor regardless of markings on Bill of Lading.

Shopko recommends that Vendors supply a trailer seal to the Carrier and note the seal number on the Bill of Lading.

8.14 Packing List

A detailed specification of packed goods prepared by the Vendor must accompany all orders and be stapled to the Bill of Lading. A packing list must be created for each DC and must be attached to and noted on the Bill Of Lading (BOL). "Packing list is attached" should be noted on the Bill Of Lading. Notations stating that an envelope or miscellaneous documents or paperwork is not sufficient proof that a detailed packing list was given to the Carrier.

LTL – Paperwork tends to not follow the LTL shipment. To avoid any chargebacks that may be a result of lost paperwork, it is recommended that Vendor either e-mails or fax a copy of the Packing List to the appropriate DC. (Contact info can be found under [DC Locations](#))

9. Routing - Direct to Store Shipments

All collect shipments; shipping direct to any Shopko store, need to be authorized in advance by Shopko's Transportation Department. Shipping without authorization may result in a chargeback. Deduction assessed may be the FULL (un-discounted / published rate) freight charge and an administrative fee of \$200.

At this time, DTS shipments cannot be entered into the Lean Supplier SIM Portal. Please contact the appropriate Vendor Services Coordinator. (See Shopko Logistics Contacts).

9.1 Collect Small Package/Parcel Shipments

Parcel shipments are defined as:

- Shipments under 100 pounds billable weight* and 15 cartons or less, use UPS
- Shipments 101-200 pounds billable weight* and 30 cartons or less, use UPS
- Shipment 201-500 pounds billable weight* and 50 cartons or less, use UPS
- Shipments greater than 500 pounds or over 50 cartons, contact the appropriate Vendor Services Coordinator. (See Shopko's Logistic Contacts)

UPS Shipping Instructions:

1. All parcel shipments are to be shipped using UPS (www.ups.com)
2. All UPS shipping labels must be a "smart" label. The smart labels produced by UPS WorldShip®, UPS Internet Shipping, and UPS Online Compatible Vendor shipping systems include bar codes and routing codes that help ensure accurate routing and prompt delivery of your shipments. In addition, the use of smart labels allows fast access to tracking and delivery information. Any accessorials applied by UPS due to handwritten label, will be charged back to the vendor in addition a \$200 administrative fee may be applied.
3. UPS Third Party Billing Account Number: To obtain UPS account number by Division e.g., Optical, Fixtures, Store Supplies, Merchandise, Signs, Pharmacy, Printed Items, you will need to submit your request via E-mail to the appropriate Logistics contact. Please see Shopko Logistics Contacts for the email address assigned to your company.
4. Do not declare a value on UPS shipments.
5. Do not request same day pick-up.
6. Do not ship with Saturday delivery requirements, unless authorized to do so.
7. For all collect shipments originating from Canada to Shopko Stores, e-mail the appropriate Shopko Vendor Services Coordinator. (See Shopko's Logistic Contacts)
8. Air shipments need to be authorized by Shopko Transportation Department. Failure to obtain authorization will result in a chargeback. The deduction assessed will be the FULL (un-discounted / published rate) freight charge.
9. Mixed cartons of more than one Purchase Order are acceptable, but must be clearly marked. In order to minimize the number of cartons shipped, please place smaller cartons into a larger carton when possible. Each Inner Carton, within the Master Carton, can only contain one Purchase Order number. Please refer below on how to use the UPS reference fields.
10. Failure to provide the required information in the correct format may result in a chargeback. The deduction assessed will be the FULL (un-discounted / published rate) freight charge.
11. Assistance for preparation of UPS shipments can be obtained at www.UPS.com, or by contacting your local UPS representative.

UPS Reference Fields

- Shipment Reference Field One: (Note: Please use Shipment Reference Fields, not Package Reference Fields)
 - Enter the Shopko Purchase Order Number. The Shopko Purchase Order number is a 9-character field. Each character of the Purchase Order number is valid, even if it is a zero. Do not add any preceding information to the field such as “P.O. #,” “PO,” etc.
Correct Format: 012345678 Incorrect Format: 012345678-0113
 - Mixed carton shipping: Enter all Purchase Order numbers, separated by commas.

- Shipment Reference Field Two:
 - Enter Vendor Name. The Vendor name must be the name of the Vendor whom Shopko purchased the order, NOT, the 3PL shipping the order on behalf of the Vendor. The only exception to this requirement is in the case of mixed cartons (over-packing.)
 - Mixed carton shipping: Must denote the number of cartons within the Master Pack.

9.2 Collect LTL & TL Shipments

Contact the appropriate Shopko Vendor Services Coordinator (See Shopko Logistics' Contacts)

- **Shipper Load and Count:** If vendor loads on stretch-wrapped pallets; Carrier will sign BOL for the number of pallets, NOT the quantity of cartons. Carrier's Driver will alter BOL and state number of pallets, “said to contain” quantity. In addition, if conditions are not conducive for a Carrier to appropriately count, the Carrier will not be held responsible for any shortages. Carrier will notify Shopko in such cases. When pallet arrives to Shopko facilities, Vendor will be responsible for BOL carton count and packing list piece quantities. Any shortages will result in a freight claim against the Vendor regardless of markings on Bill of Lading.

9.3 Shopko Logistics Contacts

Logistics		
Carton specifications, labeling, pallet questions	DCStorage@SpectrumAmericaSCS.com	920-337-6220 ext 2602
Vendor Services Coordinator		
If your company name begins with:	E-Mail	Phone
A,C,K,M,R,S,T,U,V,W,X,Y,Z	1-routing@SpectrumAmericaSCS.com	920-337-2897
B,D,E,F,G,H,I,J,L,N,O,P,Q	2-routing@SpectrumAmericaSCS.com	920-337-2598
Lean Logistics SIM (Supplier Inbound Management) Portal		
Customer Support		866-959-5326
Non-Merchandise Shipments		
Supplies, Fixtures, Signs	nmship@SpectrumAmericaSCS.com	920-337-2582
Distribution Centers		
Boise, ID (997) (C)	DC997connect@SpectrumAmericaSCS.com	208-344-8119
Omaha, NE (998) (B)	DC998connect@SpectrumAmericaSCS.com	402-331-6550
DePere, WI (999) (A)	DC999connect@SpectrumAmericaSCS.com	920-337-2899
Consolidators/Transloaders		
The Triangle Group – NJ/NY Consolidator	www.trianglenetwork.com/softweb	201-332-6666
Performance Team Freight Systems Southern CA Consolidator	www.ptgt.net/softweb	562-741-1348
Port Logistics Group – WA Consolidator	http://www.portlogisticsgroup.com	253-891-7718
EDI Transactions		
EDI procedures and requirements, testing information, and Advanced Ship Notification (ASN)	EDI@Shopko.com	