

SHOPKO®

Vendor Partnership Manual

Section 19 – Furniture Standards Guide

(For Furniture Vendors Only)

What's New

*No changes have occurred in this chapter
since our last update in
January 2018.*

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1. STATEMENT OF PURPOSE

This section outlines specific policies and procedures for all Shopko furniture suppliers. Every furniture vendor is expected to satisfy all requirements outlined in this section as well as all other Sections of this manual when shipping product to Shopko. Any non-compliance may result in vendor deductions (chargebacks) to recover additional costs associated with below service standards, damaged merchandise, and/or termination of the relationship. Please contact your Shopko Merchant with any questions concerning these requirements.

2. OVERVIEW

All suppliers are required to comply with the instructions, purchase order terms, and the logistical and transportation standards contained here and elsewhere on our [vendor website \[http://www.shopko-vendors.com/\]](http://www.shopko-vendors.com/). These instructions are applicable to all shipments regardless of who is responsible for the freight charges, type of product, or the terms of purchase. Compliance failure may create an additional and unnecessary freight cost, unacceptable delays in transit time, and / or unnecessary labor cost, which will be passed on to the supplier in the form of an offset chargeback for noncompliance.

Guides, standards and supporting web documents are issued or revised as necessary. The changes that are made are changes that have been identified and developed to address specific business needs. Any changes will appear in Chapter 19 of the [Shopko Vendor Partnership Manual](#). Updates are referenced at the beginning of the chapter with a corresponding date. This manual is updated in January and July but critical changes that will immediately affect our business relationship will be inserted and referenced as needed. We encourage all our vendors to check this manual periodically throughout the year to ensure they are using the most up to date information available.

We would ask that you please distribute the URL to this Manual to all personnel within your organization who are responsible for order, quality and logistics compliance.

3. PRODUCT INFORMATION

3.1 Imports/Private Brand

An Import Calculation Sheet must be submitted and approved for any item before it will be set up and ordered. The accuracy of this information is critical to product approval. This sheet must include all fields required plus packaging quality information for the item. It must contain both carton dimensions and item assembled dimensions. Each supplier partner should check for an updated form bi-annually since shipping metrics change often. Please refer to Chapter 12 of the Vendor Partnership Manual; Imports, for more information.

3.2 Domestic RTA Vendors

A Vendor SKU set up form must be submitted and approved for any item before it will be set up and ordered. The accuracy of this information is critical to product approval. This sheet must include all fields required including packaging information for the item. It must contain both carton dimensions and item assembled dimensions. Please contact your Shopko Merchant for more information.

4. PRODUCT SAMPLE

4.1 Imports/Private Brand

A final approval sample for each item must be reviewed and approved at our Shopko Concept Store. The sample must exactly represent the quality, finish, material, size and style of the actual item that will be shipped to our stores. The accuracy of this sample is critical to product approval. If changes are requested by the Shopko Merchandising team, a revised sample must be approved before any orders will be issued for that item. Please refer to Chapter 8 of the Vendor Partnership Manual; Product Regulatory & Quality, for more information.

4.2 Domestic RTA Vendors

An approved sample for each item must be reviewed and approved at our General Office. The sample must exactly represent the quality, finish, material, size and style of the actual item that will be shipped to our stores. The accuracy of this sample is critical to product approval. If changes are requested by the Shopko Merchandising team, a revised sample must be approved before any orders will be issued for that item. Please contact your Shopko Merchant for more information.

5. PURCHASE ORDER COMPLIANCE

5.1 Import/Private Brand

- Based on final sample and quote approval, Shopko will work to provide adequate lead times for all orders based on the country of origin. Upon receipt of an order, a supplier has 5 calendar days to communicate any issues on the order pertaining to but not limited to shipping dates, quantities or pack size issues. Shopko expects to receive a confirmation that each order has been received and accepted. Upon acceptance or after the 5 days have elapsed, there will not be any date extensions or any other changes that will affect timing or quantities on the order.
- If a supplier becomes aware of any issues before the ship window that could delay any order they need to contact the Buyer immediately to discuss the issues. The Buyer will work to attempt to resolve issues in the best interest of the needs of Shopko business. We cannot discuss any revisions to an order once it has entered its shipping window.
- Any order that fails to ship before the close of the ship window may be assessed an offset charge of 1% for each late day to offset lost sales and margins. As a result of late orders, we reserve the right to review all future orders and/or unit commitments to determine if they need to be reduced or delayed due to late order receipts.

5.2 Domestic

- Based on final sample and quote approval, Shopko will work to provide adequate lead times for all orders. Upon receipt of an order, a supplier has 5 calendar days to communicate any issues on the order pertaining to but not limited to shipping dates, arrival/delivery dates, quantities, or pack size issues. Shopko expects to receive a confirmation that each order has been received and accepted. Upon acceptance or after the 5 days have elapsed, there will not be any date extensions or any other changes that will affect timing or quantities on the order.
- If a supplier becomes aware of an issue that could delay an order and affect their ability to meet Shopko's ship window or arrival/delivery window, they need to contact the Buyer immediately to discuss. The Buyer will work to attempt to resolve issues in the best interest of the needs of Shopko business. Shopko cannot approve any revisions to an order once it has entered its shipping or arrival/delivery window.
- Any order that is early or late as described in the Shopko's Vendor Partnership Manual, Chapter 15 Non- Compliance; 2.1 Early/Late Shipment Penalties will be penalized. As a result of late orders, we reserve the right to review all future orders and/or unit commitments to determine if they need to be reduced or delayed due to late order receipts.

6. FURNITURE QUALITY STANDARDS

6.1 All Merchandise

- Must be free of structural finish and tailoring defects due to improper construction, faulty materials and workmanship.
- Packaging must meet or exceed the current railroad, motor freight and or industry specifications to insure sufficient protection to the merchandise during normal handling.
- Damage due to insufficient packaging will not be acceptable e.g., corners, and edges.

6.2 Upholstered Furniture

1. Frames must be free of any knots and splits that would weaken it structurally.
2. All joints must be properly fitted and tight.
3. Cushions are to be flush with the front of the merchandise and must fit properly from side to side.
4. Skirts must be properly lifted and secure in transit.
5. Skirts are to be evenly centered and uniform in height.
6. All covers should be free of pulls, mis-weaves and off-shade color streaks.
7. All patterns and stripes must match as closely as possible unless our Buyers have agreed upon railroading.
8. All loose threads, lint and dust should be removed before shipping.
9. All exposed wood should be properly finished in accordance with case goods standards.
10. Zigzag springs must be firmly anchored and laterally secured in at least two points in seat back.
11. Hand tied coil spring platform should be secured with at least six-way-tie and double knot at each spring with good quality twine.
12. All springs in both seats and backs must be so fastened that there will be no noise in service.

6.3 Case Goods

1. All case goods must be free of lifting veneer, season splits, warping or splintered and ragged edges.
2. Finished surfaces must free of nicks, scratches, season splits, foreign material, and abnormal blemishes, unsightly burn-ins, runs and bubbles.
3. Veneered tops should be matched for color, uniformity and free of chip outs and other defects and imperfections due to improper manufacturing processes.
4. All pieces in any particular cutting of a group must be uniform and consistent in color.
5. Doors must be properly aligned to insure proper opening and closing.
6. Clearance distance around doors and drawers must be uniform.
7. Drawers must have a free running action and not bind at any point.
8. Joints and seams must be closed and tight.

9. Backing material must be of good quality material, securely fastened to insure stability of the case.
10. Marble and glass must not be chipped, cracked or scratched and must fit properly.
11. Table slides must work freely and smoothly and be properly aligned and secured to the bottom of the table.
12. All table leaves should be pre-fitted at the factory and the grain matched to the table as closely as possible. The holes and pins are to be in line and center of the top square so that the table top forms a tight and even seam when closed.
13. Factory repairs such as patches and burn-ins will be accepted only if they are indistinguishable.
14. All case goods must be predrilled and pre-fitted for hardware where hardware is not attached by factory.

6.4 Metal

1. All metal fabricated items should have evenly flowed welds, with welding slag removed and properly cleaned.
2. Any unit in, which the weld is burned in too deeply, leaving an unsightly and uneven weld, will be rejected.
3. Any piece having paint peeling or chipping due to improper application or cleaning will be refused and returned to the liable vendor.
4. All pieces must be properly assembled to insure squareness and leveling.
5. All pieces must have proper quantities of leg tips or glides securely attached to item or already installed.
6. Mesh table tops and seats must be free of oil residue.

6.5 Bedding

1. Independent coil systems must be permanently encased, with individually pocketed coils so that each coil acts independently without affecting other coils.
2. Coils need to be bound for unitized construction so there is no coil shifting.
3. Continuous coil systems must have all corners filled with sufficient padding so that no coils protrude through quilting.
4. Must have coil support between the border rods, for proper support to the side walls.
5. Must have unitized upholstery and no lumping or shifting of upholstery materials.
6. No loose grid on the box springs.
7. No bent or loose steel span on box springs.
8. No misaligned corners on mattresses or box springs.
9. No bent border wires on mattresses or body depressions.
10. No dirty, torn or faded covers on box springs or mattresses.
11. Quilting or needle pattern needs to match on box springs and mattresses.
12. All vendors, which manufacture pillow top bedding must construct, pillow top so that no shifting will occur.
13. The construction of the binding on the pillow top must be even with binding on the mattress.

14. Ensure all stitching of binding and quilting is done properly so that no seams or patterns pull apart.

15. Bedding with excessive odor due to the manufacturing process and about which the customer complains will be returned to the vendor.

7. FURNITURE PACKAGING STANDARDS

These are minimum standards; however, each supplier should use packaging to best protect their product so it is received in perfect condition by our customers.

7.1 All Merchandise

- **Minimum standards**
 - Under 150 lbs.: ISTA 1A Standard
 - Over 150 lbs.: ISTA 1B Standard
 - Buyer could determine specific items or categories that would require ISTA 3A standards.
- Packaging quality for each item must be declared on the Import Calculation Sheet and approved by the Buyer. Every item shipped to Shopko must include a customer instruction manual which includes contact information for the supplier's customer service center.
- Any piece having a finished surface directly under the center seam of the carton will have a clearly printed warning on the top or on the side of the carton stating that care should be used in penetrating the center seam. The product should also be protected by a layer of cardboard or other material under that seam.
- The instructions for opening and handling the carton will be pre-printed on the carton. Example: open this end; cut bands; lift this end up; and truck from this side.
- Where parts are separated in the carton, a warning to the customer must be located on the outside of the carton.
- Any parts contained in a hidden compartment or part of a 'KD' design must have the location clearly marked and also be outlined in the instruction manual provided.
- Cartons should not be banded together in any way for shipping to our distribution centers.
- All tape or glue used to seal cartons must be able to withstand shipping and weather conditions.

7.2 Upholstered Furniture

1. Wrapped in minimum of four or six mil ply gusset bags and stapled at the bottom of the merchandise.
2. Plastic shrink wrap merchandise reinforced with cardboard sleeves on all corners and sides.
3. Merchandise wrapped in plastic bags reinforced on the inside with bubble plastic wrap and corner sleeves.
4. Legs need to be protected by bubble plastic wrap or strips of cardboard/brown paper.
5. Containers need cardboard lining on bottom and foam blocks on the sides to hold the merchandise in place.

7.3 Case Goods

1. Pack in cartons of proper size and strength based on the size, weight, and bulkiness of the merchandise.
2. Attach at the base to a wooden pallet or corrugated riser to provide stability and to minimize movement.
3. Protect edges, corners, and tops against carton rubbing by use of corrugated corner blocks or felt liners.
4. Pack to eliminate wood to wood contact within a carton.
5. Pack marble with foam, stabilizers, and place in wooden crate or carton of the appropriate strength.
6. Chairs packed in cartons with protective wrapping taped around them.

7.4 Ready to Assemble

1. Pack in cartons of proper size and strength based on the size, weight, and bulkiness of the merchandise.
2. Pack to eliminate wood to wood contact within a carton.
3. Packing must include spacers between all components to protect from shifting during shipment.

7.5 Bedding

1. Wrapped in minimum four mil plastic bags with a double boot at the bottom of the mattress and box spring.
2. All plastic bags should be sealed several inches beyond the bottom and top of the mattress and box spring so that the seal will not tear.

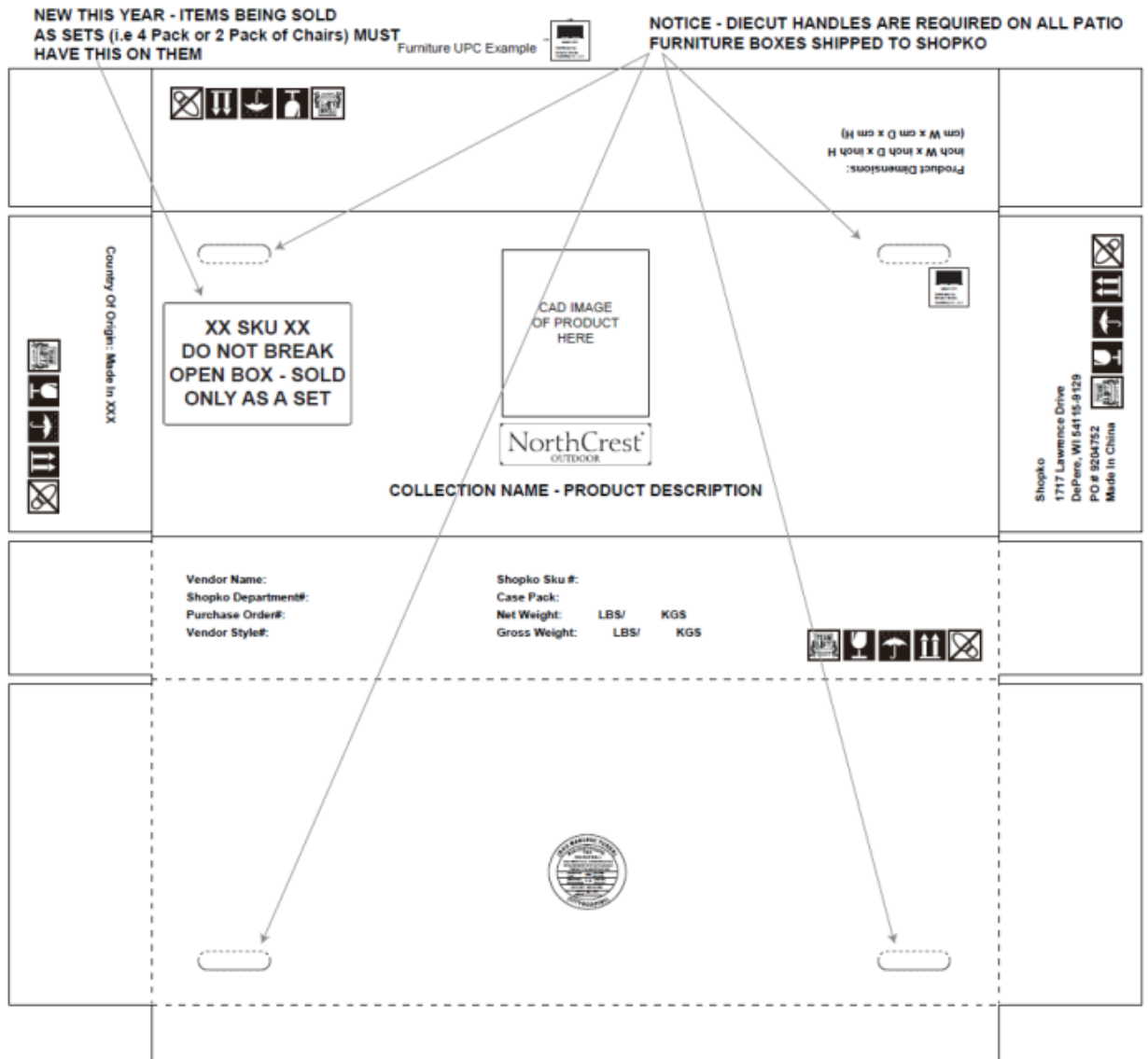
7.6 Patio Furniture

1. Instruction Manuals and Carton Markings

Manuals: All vendors are required to send an electronic copy of the instructions manual to Shopko's product team for review and approval when their product requires assembly.

Carton Markings: All vendors are required to send a CAD image or photo of all carton markings to Shopko's product team for approval.

See image detail below.



8. PRODUCT IDENTIFICATIONS

8.1 Imports/Private Brand

Suppliers should refer to Chapter 12 of the Vendor Partnership Manual; Imports, for required carton markings and labels. Additionally, furniture cartons must include a scanable UPC label. If any item includes multiple cartons to complete the assembly, each carton must include a bright color label that clearly identifies “Box 1 of 2” etc.

8.2 Domestic

Suppliers should refer to Chapter 10 of the Vendor Partnership Manual; Distribution and Domestic Transportation, for required carton markings and labels. Additionally, furniture cartons must include a scanable UPC label. If any item includes multiple cartons to complete the assembly, each carton must include a bright color label that clearly identifies “Box 1 of 2” etc.

9. PRODUCT COMPLIANCE AND TESTING

9.1 Imports/Private Brand

All new items and shipments are subject to testing and pre-shipment inspections as determined by Shopko. Suppliers should refer to the Product Regulatory & Quality Manual which can be obtained by contacting the Manager of Product Regulatory & Quality at 920-429-7496.

All items shipped to Shopko as direct import or as a Shopko private label must be tested as outlined in the Manual. Suppliers must complete testing far enough in advance of the ship date since no order extensions will be granted for testing delays.

Items selected for pre-shipment inspections require suppliers to submit tech packs and swatches for each new item. That information must be approved by the Buyer and Manager of Product Regulatory & Quality before being forwarded to the overseas inspection company.

Purchase Orders will not be scheduled for shipment until a Product Approval Letter (P. A. L.) has been issued.

9.2 Domestic

As a domestic vendor, all product testing and product inspections are to be completed in accordance with all applicable Federal and State regulations, rules, limitations, standards, bans, etc. Additionally, all products must be in compliance with Industry Standards.

10. EXHIBITS

Furniture Compliance Agreement

Furniture Compliance Agreement

By signing below, Vendor agrees to comply with the terms, conditions, requirements and expectations as set forth in the Furniture Standards Guide Section of the Shopko Vendor Partnership Manual. In addition to the remedies outlined in the Vendor Acknowledgment, Shopko reserves the right to terminate its relationship with Vendor, if Vendor fails to comply with any of the Shopko Furniture Standards or other Vendor Partnership Manual terms.

Vendor: _____
[Print or type Vendor's full legal name]

By: _____
[Signature of Vendor's authorized representative]

Name: _____

Title: _____

Date: _____