



Redistribution Center (RDC) Supplier Compliance Manual

SYSCO RDC Supplier Compliance Manual

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Pre-Requisites

There are 3 major pre-requisites for becoming an RDC Supplier. A supplier must be:

1. BSCC Corporate Billed
2. a Member of the iTrade Network with the ability to meet BSCC's electronic trading requirements; and
3. RDC priced

BSCC Billed Requirements

As a pre-requisite to becoming a RDC Supplier, the Supplier must be compliant with BSCC Corporate Billed requirements. Contact the BSCC Billing Department for more information (see Appendix A).

Traditional Trading Documents Requirements

As a pre-requisite, an RDC Supplier must be a signed member of the iTrade Network and have the ability to receive and send required documents electronically. iTrade Network and eSupplier Solutions will assist you in meeting BSCC's specification requirements. All required fields must be returned on all inbound documents. An RDC Supplier must also have the ability to receive electronic purchase orders (850), create electronic acknowledgements (997), generate multiple electronic confirmations (855) and invoices electronically (810). Additional details concerning the ASN 856 will be provided later in the manual. Appendix A on page 13, provides contact information of the eSupplier Solutions Specialist who will assist you with trading document requirements for the RDC.

RDC Pricing Requirements

As a pre-requisite, a supplier must reach agreement with SYSKO on the Supplier Adoption Savings achieved going through the RDC. Contact your BSCC Category Operations Manager for more information regarding RDC Pricing (see Appendix A).

Service Level Requirements

The SYSKO Service Level requirement is defined as the fulfillment of a purchase order *without* substitutions. The following requirements are necessary to ensure that SYSKO is able to maintain its service level commitments to customers:

Shipment Readiness

- Supplier will be held accountable for 100% fill rate of original quantity ordered.
- As is standard procedure at SYSKO Operating Companies, short shipments will incur freight charges. Short shipments must be transmitted electronically via 855 confirmations. To ensure changes can be processed through all systems, it is recommended the supplier notify the replenishment analyst

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through electronic communication of any occurrence of product shortage 72 hours prior to pick-up date. Freight charges will be incurred if less than 48 hours prior notification is given.

Purchase Order

- A purchase order must not be split over multiple shipments (whether by multiple truckloads, multiple railcars, multiple containers, or a combination of any).
- Multiple purchase orders are acceptable on a single truckload or rail car.
- The Supplier must ensure that the correct Purchase Orders are loaded on the designated truck.

Backorders

- Backorders and substitutions are not accepted.
- A supplier must notify the Replenishment Analyst regarding fulfillment of previously backordered product.

Product Days to Processing (Lead Time)

- The Supplier is required to have all product ready within the agreed timeframe to process an order (the number of order process days that lapse between an order placement and pickup at the supplier's supply point) for each adopted location.
- The Supplier must notify the appropriate Replenishment Analyst at least 30 days prior to any changes in lead time.

Order Exceptions

Order exceptions refer to situations when the flow of the order is altered due to extenuating circumstances. Examples of this include, but are not limited to constrained product, return or recall of defective product, direct shipments to Operating Companies, drop shipments, etc. Suppliers must comply with the following requirements:

Return Authorization

- A return request must be acknowledged within 24 hours and approved by the Supplier via email.
- A return request can be initiated by OPCO personnel or the Operations Claim Coordinator.
- Sysco will coordinate with the Supplier the return of product. In the event the product is returned due to quality issues, it is the responsibility of the Supplier to pick up the product either from the RDC or an Operating Company.

Direct Shipments to SYSCO Operating Companies

- Specified shipping date or shipping window must be adhered to.

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- Shipment will have exact quantity ordered. SYSCO will not accept backorders, overages, shortages, or substitutes.

Drop Shipments to Customers

- Specified shipping date or shipping window must be adhered to.
- Shipment will have exact quantity ordered. No backorders, overages, shortages, or substitutes will be accepted.
- Shipments of multiple purchase orders must not be consolidated in a single shipping carton.
- BSCC does not maintain a DUNS number for our 415,000+ customers. Please refer to the eSupplier Solutions Guide provided by your designated ESS Contact for details regarding DUNS requirements.

Transportation Requirements

Freight Terms

SYSCO's freight terms for products purchased by the RDC are FOB Shipper's Dock, Shipper Load, Count and Seal.

Shipper Load and Count

Suppliers are required to seal all trucks prior to the truck leaving their ship point. Suppliers are responsible for:

- Loading correct case quantity
- Ensuring integrity of all loaded cases
- Adequate shelf life as provided by Sysco
- Securing the load
- Sealing all shipments prior to the truck leaving the facility

In the event that a truck arrives at a supplier's facility sealed, the supplier must note and record the seal number of the seal that is being broken, and record the new seal number on the Bill of Lading.

Detention at Supplier's Dock

- SYSCO expects loading time not to exceed two (2) hours.
- Where feasible, for those Suppliers requiring additional loading time on a regular basis, a Drop Trailer program may be implemented. The Drop Trailer program depends upon volume requirements and will be determined during the readiness call between Sysco and the supplier.
- A detention charge, identified by Supplier Ship-Point, will be assessed to Suppliers if they continually exceed a reasonable amount of loading time.

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- The industry standard for detention charges, after the two hour allowable loading time, is \$60.00 per hour chargeable in 15 minute increments. In the event of a carrier arriving late for scheduled appointment, all detention charges will be automatically waived.

Rail or Inter-modal Shipments

- All railcars are to be loaded based on the published loading guidelines provided by the local railroad that services the individual shipping facility.
- All railcars are to be inspected by the supplier's shipping facility prior to loading to insure the car is clean with no holes and/or strong odors.
- All refrigerated or frozen rail cars are required to have a TTR (Temperature Tracking Recorder).
- The supplier is required to include a placard which indicates the side of the rail car to be used for unloading. This is usually the same side the supplier uses to load.
- Once the car is loaded, a copy of the Bill of Lading (BOL) must be faxed to the RDC at (540) 631-2303.

In the case of rail or inter-modal shipments from Supplier's plants or Distribution Centers, the supplier will email a shipment notification to:
IBFRTRYL@Corp.Sysco.Com

Bill Of Lading

Every shipment to the RDC must be accompanied by a Bill of Lading (BOL) that complies with U. S. Department of Transportation (USDOT) regulations. The following data should be referenced in the Bill of Lading:

- SYSCO Purchase Order Number
- Supplier's Name
- Bill To Address
- Ship to Address
- Customer Number – Supplier's SYSCO Customer number
- Sales Order Number – Supplier's Sales Order number that relates to the SYSCO Purchase Order
- Ship Date
- Estimated Arrival Date
- Bill of Lading Number
- Seal Number
- Product Code
- Qty Shipped per Item and Total Load
- Product Description
- Weight per Item and Total Weight Shipped (Net Weight for Catch-Weight items)
- Pallet Count
- Carrier
- Load Temp (maintain at)
- Lot Number

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- Load Number – Supplier’s unique Load Number identifier
- Country of Origin for Imported Products – COOL is mandatory on the BOL
- Carrier Obligation Responsibility – Freight Terms (FOB Buyer’s Truck Shipper Load, Count, and Seal)

Overages, Shorts and Damages (OS&D) Procedure

The following description of SYSCO’s OS&D procedure provides a brief overview of the procedure and what Suppliers can expect when there is an OS&D claim.

1. RDC will receive product against the purchase order.
2. If OS&D is confirmed, the RDC will initiate OS&D claim. RDC Receiver will photograph and document any damages for claim processing.
3. RDC Transportation will make an assessment to the cause of damage, notify the responsible party, and complete the OS&D report.
4. Follow-up on OS&D will be completed by the RDC. Expectations are:
 - Overages – A/P or Transportation calls Supplier/Broker and informs about overage – the RDC agrees to buy or may initiate a Return Authorization.
 - Shortage – A/P or Transportation calls Supplier/Broker for authorization to deduct or will file a claim against the carrier. In the event of an RDC shortage that causes a warehouse out the supplier will expedite delivery of product at supplier’s expense.
 - Damages – A/P or Transportation informs Supplier/Broker and Carrier of damaged product who will submit authorization for RDC to file claim along with details to destroy, dump, or return the product.

RDC Electronic Requirements

Advance Ship Notice (ASN) (EDI 856)

The Advance Ship Notice (ASN or EDI 856) is a transaction used to confirm the configuration of a shipment of goods as well as additional information relating to the shipment. This transaction will describe the shipment at the pallet level, and will include such information as lot numbers, pack dates, expiration dates, and net weight of catch weight items. Complete and accurate ASN’s will ensure quick and efficient receipt of your products.

- The ASN is required to be received prior to shipment’s arrival at the RDC. It is recommended that the ASN be transmitted as the load is sealed at your dock.
- Various levels of LPN label configurations will be tested during implementation.
- The ASN must accurately provide all required information about the incoming shipment. This information may include, but is not limited to the following ASN elements:

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Advance Ship Notice (ASN) (EDI 856) Requirements

Requirement	Description
Unique Shipment Identification Number	Unique ASN number
SYSCO Purchase Order Number	Sysco Purchase Order sent to the supplier. This appears at the header level.
SYSCO Purchase Order Number Line Item Sequence	The sequence of line items on the ASN must be the exact line item indicator as the Purchase Order (850).
SYSCO Order Control Number	Order control number (OC#) is a unique number assigned by BSCC for all orders.
SYSCO Uniform Vendor Code (SUVC)	The 6-digit number assigned to the Supplier by SYSCO to represent the Supplier in SYSCO's systems.
Ship-From Name	Supplier's Name.
Ship-From Address	Supplier's Address.
Global Location Number	The GLN provides a standard means to identify trading parties and locations to support the requirements of electronic commerce. More information may be obtained by visiting the Uniform Code Council site on GLN at http://www.ucc-council.org/ean_ucc_system/pdf/GLN_0205.pdf
Ship To Information	The physical address where the PO's are being shipped to.
SYSCO Uniform Product Code (SUPC)	The SYSCO 7-digit number corresponding to the Supplier's item number assigned to the Supplier's item by SYSCO.
SUPC Pallet Quantity	An item may span multiple pallets, but the quantity should reflect the actual quantity per LPN per pallet.
Lot Number	Lot# or batch# must be included on the pallet level ASN. If there are multiple lots on a pallet of product, multiple lot numbers must be provided in the ASN.
Manufacture Date	If the product has a Manufacture Date printed on the case or inner pack, it must be included on the ASN.
Expiration Date	If the product has Expiration or Use By Date printed on the case or inner pack, it must be included on the ASN.
Net Weight	If the product is a catch weight item (sold by the pound) the net weight of the product on the pallet must be included in the ASN.

Operational Requirements

Load Quality

- All loads should be secured and stabilized in such a way to eliminate product damage during transit.
- Stretch wrap should cover all the product and extend halfway down the physical pallet securing all product to the pallet.
- Corner boards may be incorporated to eliminate crushing product when stacking pallets.
- Multiple stacked pallets may be stretch wrapped together to reduce load shifting.
- Glue or tape cannot be used to stabilize cases since it will interfere with SYSCO's de-palletizing equipment.
- Pallets may be pinwheeled to improve stability of the load while in transit.

Packaging Requirements

- Case dimensions for a single SKU must remain constant. No variable case dimensions (length, width or height) will be accepted.
- Cases (lids and flaps) must be clean and properly secured.
- Integrity of the case must be intact (damage rules apply).
- The supplier will inform their designated Supply Chain Operations Analyst within 30 days of any packaging changes affecting ti/hi or length, width, and height.

Pallet Specification

CHEP pallets are required. CHEP provides the quality needed to be successful, while offering value throughout the entire supply chain. Only in the event of an approved exception will the RDC accept pallets meeting the following specifications:

1. 48" x 40" 100% Hardwood Grade A Pallet
2. Four-way entry, flush non-reversible
3. Top deck coverage - 82%, Bottom deck - 57%
4. Minimum capacity 2800lbs with uniform distributed load

All non-CHEP pallets must be approved by SYSCO prior to the supplier entering into redistribution and will be considered one way disposable pallets.

Failure to meet these standards will result in a per pallet fee for labor and replacement pallet.

Slip sheeted products will also be assessed a fee to provide a quality pallet required for distribution.

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Pallet Composition

- All pallets will be built to agreed upon Ti / Hi specifications.
- There should not be product overhang on the pallet.
- Lot controlled items may have a maximum of two lot/expiration dates per pallet.
- All SKUs on a Purchase Order in quantities of one tier/layer or greater must be placed on their own pallet.
- Individual SKUs ordered in less than tier/layer quantity may be mixed on a pallet with other less than tier/layer SKUs. The items must have a unique LPN for each case and like items should be grouped together on the pallet.

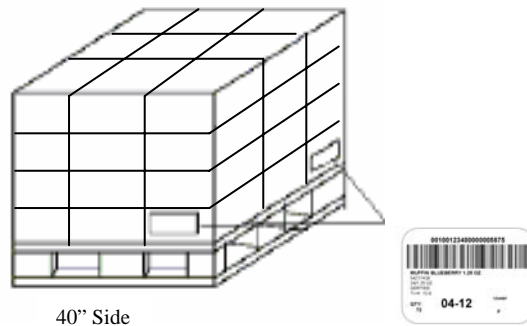
Pallet Labeling

License Plate Number (LPN) Labels

- All pallets will be labeled with an SSCC-18 Serial Shipping Container Code encoded in the UCC/EAN-128 symbology. This number will be scanned at receiving to match the product to data contained on the 856 – Advance Shipping Notice. Bar code must be of scannable quality to be accepted.
- The data element requirements for each LPN can be found in Appendix B on Page 14.
- Each pallet of a single SKU will have 2 License Plates Labels. When facing the front of the pallet (40” side), the LPN will be affixed underneath the stretch wrap to the lower right hand corner of the front side and right side of the pallet as shown in the diagram below.
- The ucc identification that is used for ASN transmission should be unique to each supplier. Please contact <http://www.uc-council.org> for information regarding your identification number.

Diagram 1: LPN Location on Pallet

Pallet Quantity



- LPN labels should be a minimum 4” height and 6” length and yellow in color.
- A sample LPN label must be provided to designated SYSCO Supply Chain Operations Analyst for approval prior to the Supplier entering redistribution.
- More information regarding specifications of the barcoding standard prescribed for this label may be found at http://www.uc-council.org/ean_ucc_system/pdf/SSCC.pdf

Case Identification

Global Trade Item Number (GTIN)

- Each case must be bar coded on at least 2 sides with a UCC compliant 14-digit GTIN according to SYSCO's Standard Product Identification and Bar Code Requirements.
- The following two bar code symbologies are acceptable by SYSCO for encoding the SCC-14 GTIN:
 1. The ITF-14 (interleaved 2-of-5) bar code
 2. The UCC/EAN-128 'Fixed Content Shipping Containers' standard (Application Identifier 01)

More details on these standards may be found at: <http://www.barcodes.gs1us.org>

- GTIN bar code may be on affixed labels or preprinted on the shipping container.
- All bar codes must be tested for scanability and printability. Having a verification process will assure the print quality of the bar code symbol.
- The supplier is responsible for testing its bar codes; either in house or the supplier can opt to contract an outside source to perform this testing.
- Bar codes should attain a grade C or higher when verified.
- In addition to the bar code, each label must also contain the same GTIN printed in human readable, numeric form.
- All bar codes on the same package (case or unit) must be identical. For SYSCO Brand products, this must be the SYSCO assigned GTIN.
- The Supplier may also choose to imprint the expiration date bar code directly on the case using the correct Application Identifier (AI) code and UCC/EAN-128 symbology. This should not be a separate bar code - it should be contained in the bar code.
- Catch weight product requires UCC/EAN-128 bar code symbology and the packaging indicator must be "9". The use of the appropriate AI (application identifier) to encode the case weight is required.
- See Appendix C page 15 for an example of a bar coded GTIN label with human readable code.

Catch Weight Labels

- All cases containing catch weight (non-fixed weight) products must have bar coded catch weight labels indicating the total weight of the product in the case affixed on at least two sides.
- All catch weights must be expressed in pounds and must be rounded off to two decimal places.
- The label must be bar coded according to the UCC/EAN-128 'U.S. – Product Measurements' standard for net weight (Application Identifier 3202). More details on this standard may be found at – <http://www.barcodes.gs1us.org>.

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Catch Weight Labels (cont'd)

- In addition to the bar code, the same catch weight must also be printed in human readable, numeric form on the label. The application identifier must precede the catch weight and must be included in parentheses.
- The Supplier may also choose to imprint the expiration date bar code directly on the case.

Minimum Product Shelf Life

All products purchased by the RDC must have 80% or more shelf life remaining at the time of receipt at the RDC.

Data Validation Requirements

Suppliers must provide valid SKU and ship point data. Suppliers will be provided with a snapshot of their data from SYSCO to validate accuracy and update if incorrect. If the data is found to be invalid and the Supplier did not correct, the Supplier is liable and may be charged for the expenses incurred by Sysco.

Required Documentation

The following documents are required to be provided by the supplier prior to the supplier's entry into the RDC:

- Customer Pick-Up Agreement
- Recall Policy
- Example of Case Labels with Lot/Date Code Formatting and Breakdown (See Appendix D on Page 16)

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Appendix A: Contacts

For questions regarding the requirements in the RDC Supplier Compliance Manual, please contact your BSCC Contact, Category Operations Manager, or Supply Chain Operations Analyst.

Supply Chain Operations

Phone: 281-584-6843 Fax: 281-584-5050
SUPPLIERCOMPLIANCE@CORP.SYSCO.COM

Coding & Standards

Phone: 281-584-2838 Fax: 281-584-2710
CODING&STANDARDS@CORP.SYSCO.COM

eSupplier Solutions

Phone: 281-584-2833 Fax: 281-584-2710
SYSCO.EDI@CORP.SYSCO.COM

Category Operations

Phone: 281-584-5118 Fax: 281-584-5000
CATOPS@CORP.SYSCO.COM

BSCC Billing Admin

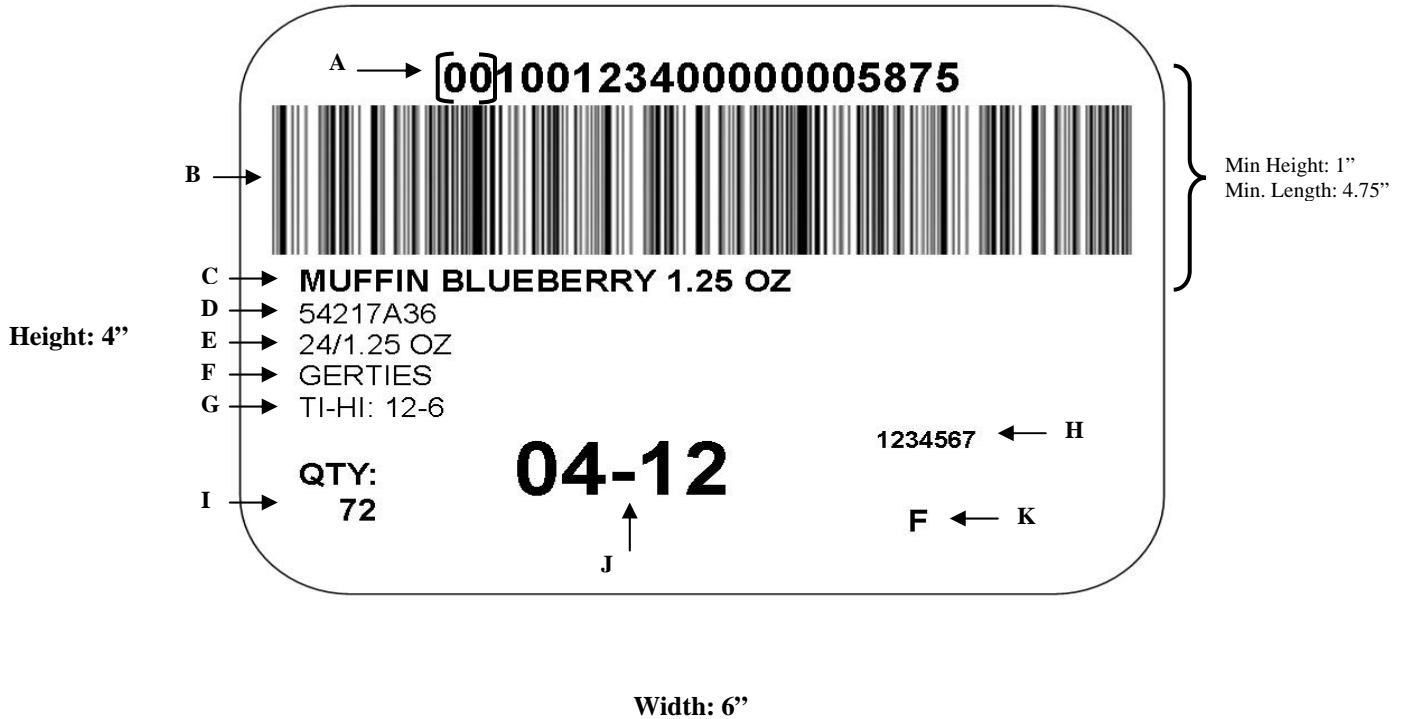
Phone: 281-584-2339
CBILL@corp.sysco.com

Baugh Supply Chain Cooperative (BSCC)

1390 Enclave Parkway
Houston, TX 77077

DUN & BRADSTREET Number: 0510996610000

Appendix B: EAN/UCC-128 LPN Label



LPN Data Elements

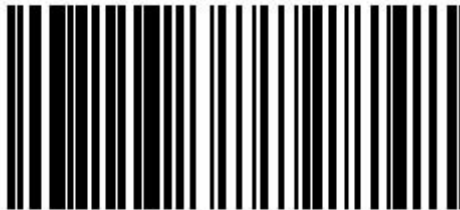
Data Element	Example	Description
A. Numeric Human Readable Bar Code Translation	(00)10012340000005875	The application identifier (00) must precede the License Plate Number and must be included in parentheses.
B. Bar Code		EAN/UCC 128 symbology for LPN. 20 digits. Links to ASN. 1 st 2 digits: Application identifier – always begins with 00. 3 rd Extension Digit UCC Manufacturer ID Shipping Container #:Unique number for LPN. Each LPN must consist of a different SC#. Check Digit - UCC Standards (Uniform Code Council) calculates number. http://www.uc-council.org

LPN Data Elements (cont'd)

C. Product Description	Muffin Blueberry 1.25oz	Text description of product
D. Manufacturer ID	54217A36	Supplier's ID to reference product
E. Pack/Size	24/1.25oz	Pack and Size of product
F. Brand	Gerties	Product brand
G. Ti/Hi	12-6	Vendor Pallet Ti Hi
H. SUPC	1234567	SYSCO Uniform Product Code. 7 digits.
I. Quantity	72	Quantity of item on pallet
J. Ship Date	04-12	Date product is shipped on
K. Storage Code	F	F=Freezer C=Cooler D=Dry

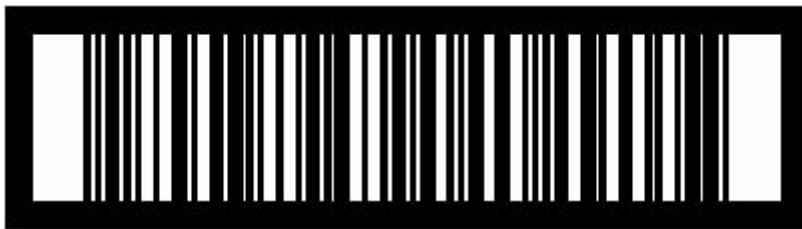
Appendix C: Sample GTIN Labels

Sample of UCC/EAN-128 bar code, Application identifier 01



(01) 90614141000411

Sample of ITF-14 bar code Placement of labels on a pallet



1 06 14141 00041 5

Appendix D: Sample of Case Labels



- A-Manufacture Product Code
- B-Brand, Pack, Size, Description of the Item
- C-Lot
- D-Pack Date

Lot and Date Explanations

- Lot- D0131B
 - D = Year. In the example above the year is 2005. Every year we increase the letter by one. 2006 will be an E. Once we run out of letters, we start the alphabet over again.
 - 01= The first two numbers are the month of production in MM format.
 - 31= The third and the fourth numbers are the day of production in DD format.
 - B= The Production Plant.

- Date- All of our items are coded as the pack date with a Julian Date Code format.
 - 5= The last digit of the year. In this case, it is 2005.
 - 031= The 31st day of the year.
 - This Julian Pack Date equals 01/31/05.