



Vendor Partnership Manual

Section 4 – Logistics/Transportation

What's New

PLEASE REVIEW THE FOLLOWING AREAS IN THIS SECTION: THERE HAVE BEEN CHANGES MADE SINCE NOVEMBER 2008

1. Prepaid Shipments----- 2

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Routing FOB/Collect Inbound Order

Using the Werner S.M.A.R.T. System (<http://smart.wernervas.com>)

All FOB/collect shipments greater than 15 cases, with a total shipment weight greater than 250 lbs., must be routed using the Werner S.M.A.R.T. system. Pamida suppliers must call the Pamida/Werner Value Added Services (V.A.S.) Customer Service Team @ 1-888-248-2458 or email pamida@wernervas.com and obtain a login, password and instructions on how to use the sight. Werner VAS Customer Support for is available 7:00am to 5:30pm CST Monday through Friday.

Routing requests must be submitted into the Werner S.M.A.R.T. system at least 72 business hours before the Not After Date on your Pamida purchase order (P.O.) with a pick up date on or after the Not Before Date and on or before the Not After Date. Failure to comply may result in an early/late charge back.

Accurate cube, weight and actual ship quantity information is critical to optimal routing. Failure to provide accurate information could result in a chargeback. As well as any additional freight cost.

Werner VAS has 72 business hours to route an order. Once an order(s) has been routed, Werner VAS will send an email confirmation to the address associated to the login used to request routing of the order(s). Please read the instructions provided in this email carefully and insure the Werner VAS Tour# listed is noted on your Bill of Lading (BOL). Failure to comply may result in a charge back.

If 72 business hours have past and you have not received notification, please contact the Pamida/Werner Value Added Services (V.A.S.) email pamida@wernervas.com.

If a carrier fails to pickup merchandise as scheduled, the supplier must notify the Pamida/Werner Value Added Services (V.A.S.) email pamida@wernervas.com immediately to avoid a late shipment penalty.

Changes made to the P.O.(s) must be communicated to your Pamida Merchant Team and updated in the RETEK system. Werner VAS will receive the changes over night. Once routing has been accepted, further changes will not be allowed in Werner S.M.A.R.T.

If a supplier ships a FOB/collect order via an unapproved carrier, the supplier will be assessed a penalty for the full un-discounted freight charge plus a \$200 Administration Fee.

Calculating Linear Feet and Cube

Linear feet, weight and cube are crucial to optimizing our transportation resources.

Linear feet can be calculated by taking the length of your pallet/skid in feet and multiplying it by the number of pallets/skids you plan to ship. Divide by 53 (the length of our trailers) and divide by 2 if product is stackable.

Cube can be calculated by multiplying the carton length, width and height. Then multiply the sum by the total cartons to be shipped and then divide by 1728.

If you are approved to ship on pallets, please be sure to include this additional cube and weight when requesting routing in Werner S.M.A.R.T.

Routing Parcel/Small Package Shipments

Shipments of 15 cases or less, with a total shipment weight of 250 lbs. or less and a single case cube that does not exceed 3 cubic feet are considered parcel/small package. Please use www.fedex.com "Third Party" Pamida account number # **197379677** to ship Pamida's FOB/Collect "small package" shipments. To aid in processing time at our DC's, Pamida requires that if there is PO #, that it is entered in "Reference Field 2".

To keep freight cost down, it is acceptable to combine smaller packages into larger master cases. Please mark these larger cases "MASTER CASE" and insure the carton label informs our D.C.'s of the contents.

Back Orders

Pamida/Werner VAS does not accept back orders. If you are unable to ship our P.O. complete to all D.C.'s on the same day, the balance/back order must be shipped prepaid at the supplier's expense.

Prepaid Shipments

Suppliers shipping prepaid are strongly encouraged to use Pamida's approved carriers. These carriers provide mutual logistics efficiencies, known compliance to Pamida's inbound performance standards and participate in our drop trailer program. Prepaid shipments must ship on or after the Not Before Date and on or before the Not After Date. Failure to comply may result in an early/late charge back.

Prepaid shipments transported on an unapproved carrier may be delivered to Pamida's D.C.'s by appointment only. This will be a live unload with driver assist. The purchase order number, carton quantity by style number, and carton pack quantity information is required to obtain a delivery appointment. (See "**Pamida Distribution Centers (D.C.'s)**" on page 4-5 for contact information needed to schedule a delivery appointment). Please note all prepaid shipments on the Bill of Lading (BOL).

For prepaid shipments that require a live unload, the supplier or carrier must contact the Distribution Centers for an appointment at least 5 calendar days in advance of the live unload. Failure to comply may result in a refusal of delivery.

Pamida's Approved Carriers

Omaha, NE DC#410

Hill Brothers Transportation (HLBO)
 Werner Enterprises (WENP)
 Dilts Trucking (DLTS)
 Merit Transportation (MROY)
 Magnum (MGNL)
 Stan Koch and Sons (KSTS)
 Freemont Contract Carriers (FRCI)
 Midwest Coast Trans (MWCT)
 Seward Motor Freight (SEMF)
 USF Holland (HMTF)
 UPS Freight/ Overnite (UPGF)
 Roadway (RDWY)
 Hub Group (HCKN)
 Roehl Trucking (ROEV)
 Sky Way Transportation
 Knight Transportation

ABF Freight Systems (ABFS)
 Beatrice Motor Freight (BEAM)
 Contract Freightier (CTRQ)
 Cornhusker Motor Lines (COHM)
 Covenant Transport (CVEN)
 Fed Ex National (FXNL)
 J. B. Hunt Trans (JBHT)
 Schneider National (SCNN)
 Sharkey Transportation (SHKE)
 Yellow Freight (YFSY)
 Swift Transportation (SWFT)
 Alliance Trucking
 Performance Team/Triangle (GLTN)
 Vyhnalek Trucking

Lebanon, IN DC #450

Werner Enterprise (WENP)
 John Veriha (VRJT)
 Sharkey Transportation (SHKE)
 V&S Midwest Carriers (VSMW)
 Magnum (MGNL)
 ABF Freight Systems (ABFS)
 Yellow Freight (YFSY)
 Freemont Contract Carriers (FRCI)
 J. B. Hunt Trans (JBHT)
 Schneider National (SCNN)
 UPS Freight/Overnite (UPGF)
 Covenant Transport (CVEN)
 Hub Group (HCKN)
 Alliance Trucking
 USF Holland
 Fed Ex National (FXNL)
 Knight Transportation

PLEASE NOTE: Pamida contracted rates do not apply to prepaid vendor shipments.

Point of Entry (POE) Orders

Port of Entry (POE) shipments must be approved in advance by Pamida's Import Manager at (402) 935-7566. Suppliers must call (402) 935-7568 or email pamidaimports@pamida.com at least seven days before a vessel's arrival for routing instructions. Please be prepared to provide the following:

- Supplier name

- Pamida Purchase Order (P.O.) Number(s)
- Vessel name, voyage number, and estimated arrival (E.T.A.)
- Port and terminal vessel will arrive at
- Copy of the ocean Bill of Lading (BOL) listing the container(s) and container(s) seal number(s). As well as the cube and weight of each container.
- Detailed packing list for each container which includes; the P.O. number, item number, item description and quantity of each item.

Upon arrival it is the Supplier's responsibility to validate US Customs clearance and secure an ocean carrier release prior to forwarding to the designated trans-loader.

Goods Routed to Our Consolidators

Pamida uses three third party consolidation centers. These consolidation points are used as an economic alternative; combining our smaller shipments into truckloads to our D.C.'s. Currently Pamida uses domestic consolidation points in Ellenwood, GA, Santa Fe Springs, CA (Performance Team), and Jersey City, NJ (Triangle Network).

If Pamida's order(s) for both D.C.'s will occupy less than 45 linear feet and 2500 cube of a 53 foot trailer and the ship point is within the zip codes listed below, the order(s) will be routed to our consolidator.

TRIANGLE-Jersey City, NJ

- New Jersey: All Zip Codes
- New York: 100-119
- Pennsylvania: 170,171, 173-176, 179, 180-187, 189-191, 193-196
- Delaware: 197-199
- Maryland, Rhode Island: 010-027, 028-029
- Connecticut: 060-069
- New Hampshire, Maine, Vermont: 036-038, 044-049, 050-058

PERFORMANCE TEAM-Santa Fe Springs, CA

CA- 900-919, 920-931, 940-952

SECO-Ellewood, GA

All zips in NC, SC, GA, FL, AL, MS and TN

PLEASE NOTE: All freight routed to Triangle and Performance Team is prepaid to the consolidator. Our consolidators will pick up our goods unless the supplier contacts them and arranges an alternate delivery. To insure on time pick up, **Pamida strongly encourages the use of our consolidators for pick ups.** Pamida pays the freight to the consolidator and then charges back the supplier this discounted freight cost.

Orders routed to our consolidators must include a Master Bill of Lading (MBOL) addressed to the consolidator and a separate Bill of Lading (BOL) for each final destination.

Consolidator Name and Address	SCAC	
Triangle Network Inc 84 Harbor Dr. Jersey City, NJ 07305 (201) 332-3333	TTPJ	
Performance Team (PT) 11204 Norwalk Boulevard, Santa Fe Springs, CA 90670 (562) 345-2200	PFEG	

Shipping Hazardous Materials

All vendors must be in compliance with the Federal Department of Transportation (DOT) 49 CFR, Subchapter C regulations governing the shipment of hazardous materials. This includes the classifying, packaging and labeling of any hazardous materials shipped. As well as the proper shipping documents and trailer placards required on all hazardous shipments to Pamida D.C.'s, stores and Store Support Center. The vendor must also provide training for employees shipping hazardous materials in accordance with 49 CFR, Part 172, Subpart H.

Material Safety Data Sheets -Pamida requires that vendors supply an OSHA compliant Material Safety Data Sheet (MSDS) to their Pamida Merchant Team before a new item(s) first purchase order (PO) can be approved.

Bill of Lading (BOL) Instructions

The following Bill of Lading (BOL) instructions apply to all Pamida shipments. With the exception of parcel/small package shipments 15 cases or less, with a total shipment weight of 250 lbs or less and a single case cube not exceeding 3 cubic feet shipping FedEx. Manifest and packing lists are not acceptable as a BOL.

1. Pamida requires a complete and separate BOL for each destination.
2. A separate manifest/packing slip must be created for each DC and must be attached to and noted on the bill of lading.
3. The BOL must have the full ship to address including the DC or Store location number.
4. Vendors may combine multiple purchase orders (P.O.'s) leaving on the same day for the same DC on one BOL.
5. If a purchase order (P.O.) requires more than a single trailer, each trailer must have a unique BOL and BOL number.
6. Collect shipments routed in the Werner S.M.A.R.T. system-<http://smart.wernervas.com/> must have the VAS Tour/Load I.D. # noted on every BOL.
7. A BOL number must be unique to one shipment from one origin and one destination. **Do not** combine multiple customers on one BOL.
8. Purchase order (P.O.) numbers must be listed only once on the BOL, showing the number of cartons and weight for each P.O.
9. BOL must show total carton count, total weight of the shipment and NMFC #'s. For palletized shipments, the BOL must show a separate line on the BOL for the weight of the pallet(s) and the total lading weight (the sum of the product and pallet weight).
10. A Master BOL consigned to the consolidator is required in addition to an individual BOL per DC. The ship to portion of the Master BOL must state Pamida c/o (Consolidator's name) and the consolidator's full address.
11. All trailers must be sealed by the supplier and seal# indicated on BOL.
12. If freight terms are not specified on the Bill of Lading (BOL), the terms are Prepaid. The Bill of Lading must specifically state Prepaid or Collect. If the terms on a collect shipment are misstated, Pamida will not reimburse the freight charges.
13. From Oct. 1st to April 1st, freezable product may not be dropped on our D.C.'s lots and the BOL must be stamped "FREEZABLE PRODUCT" to alert our D.C.'s. If the supplier does not to comply resulting in loss of product, the supplier must replace lost product at no cost and pay freight charges to re-ship.
14. Goods routed to our consolidators must provide a Master Bill of Lading (MBOL) addressed to the consolidator and a separate Bill of Lading (BOL) for each final destination.

Failure to with comply with Bill of Lading instructions will result in a charge back.

Vendor Loading and Carton Counts

Due to difficulties verifying actual piece count on stretch-wrapped pallets or slip sheets, drivers will sign for the number of pallets or slip sheets rather than the number of cartons. The supplier will be responsible for the actual piece count on the Master Bill of Lading (MBOL) and Bill of Lading (BOL), unless the stretch-wrap has been tampered with and noted on the BOL at the destination.

Any charges for accessorial services performed at the supplier's facility at the supplier's request are the responsibility of the supplier. This includes loading, sorting, excessive wait time (2 hours for truckload, 1 hour for LTL), truck ordered and not used, etc.

Driver Loading / Unloading Charge

If you require a driver to load or unload at your facility – with no assistance – a “Driver Load” charge will be issued against your company.

Slip Sheets / Pallets

Pamida's Distribution Centers (D.C.'s) have slip sheeting capabilities.

Pamida discourages the use of CHEP pallets. Pallet exchange programs must be approved by Pamida's Traffic Department (402-596-7735) prior to shipping. Failure to comply may result in a charge back and Pamida will retain the pallets at no charge to Pamida.

Pamida Distribution Centers (D.C.'s)

Pamida is serviced by two Distribution Centers (D.C.'s) in Omaha, NE and Lebanon, IN. Store support is divided geographically between these DC's.

Distribution Center Name and Address	DC #	Contacts
Pamida DC #450 185 N. Mount Zion Road Lebanon, IN 46052	0450	Main# (765) 483-5440 Delivery Appointments-(765) 483-5429 or FAX- (765) 483-5420 Email: DC450@pamida.com
Pamida DC #410 and Returns Center #427 c/o Shopko DC 10808 S. 132 nd Street Omaha, NE 68138	0410	Main# (402) 331-6550 Delivery Appointments-(402) 331-6550 ext. 3006 or FAX-(402) 331-8772 Returns Center-(402) 331-6550 ext. 3072 Email: DC998@shopko.com

Pamida Stores Operating Co. LLC reserves the right to refuse or return any shipment if Pamida is unable to process and the supplier is liable for any freight and handling charges.

Direct to Store (D.S.D) Shipments

Direct to Store (D.S.D.) shipments 15 cartons or less, with a total shipment weight of 250 lbs or less and a single case cube not exceeding 3 cubic feet should be shipped FedEx “Third Party”, Pamida account number **197379677**.

Direct to Store shipments up to 2000 lbs and 300 cubes; should be shipped UPS Freight. Please call **1-800-333-7400** for pick up.

Pamida Stores Operating Co. LLC reserves the right to refuse or return any shipment if Pamida is unable to process and the supplier is liable for any freight and handling charges.

Carrier Detention Charges

Any detention charges incurred by Pamida due to the supplier's loading practices will be charged back to the supplier.

Carton Packing and Marking Instructions

Required Carton Markings for Domestic Shipments

Pamida DC# , Address, City, State and Zip

PO#

Case Pack

Vendor Product# or Pamida Item #

Required Carton Markings for Import/POE shipments

END

SIDE

Vendor:

Pamida

Pamida Dept. #

10808 South 132nd Street

PO#

Omaha, NE 68138-3905

Vendor Product#

PO#

Pamida SKU#

Carton #

Case Pack

Made in _____

Net Weight

Gross Weight

Apparel merchandise cartons must be labeled "pre-ticketed" and/or "pre-hung" if applicable. For full details, please refer to the *Pamida Floor Ready Section of the Manual*.

Packing and Loading Requirements

In order to achieve maximum handling efficiencies, the following conveyable weight, size and quality requirements were established for both master and inner pack cartons:

- Maximum carton weight cannot exceed 70 lbs. or less than 1 lb.
- Carton dimensions cannot exceed 42" long, 24" wide, and 30" high or less than 9" long, 6" wide, and 3" high.
- Cartons must be of a corrugated material - not boxboard or chipboard.
- Cartons weighing more than 40lbs must be a minimum of 200lb test.
- Cartons weighing less than 40lbs may use 175lb test.
- The preferred style is a Regular Slotted Container (RSC).
- All cartons containing glass or plastic bottles or glass or ceramic items must have dividers or partitions to protect merchandise from breakage and crushing.
- Cartons must be packed by SKU/UPC according to the Pamida purchase order. Quantity in carton and any inner pack quantity (if applicable) must be clearly labeled on the outside of the carton.
- A clear and scannable UPC code must be on every saleable item in each carton.
- 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.
- No cartons are to be sealed using staples unless specifically approved by Pamida.
- Cartons must be loaded by Purchase Order #.
- If a single trailer contains cartons for all DC's, cartons must be segregated by DC. Shipment position within the trailer will be provided when the pick-up is scheduled.

Pamida's UCC128 Standard Case-Pack Shipments

Required Information:

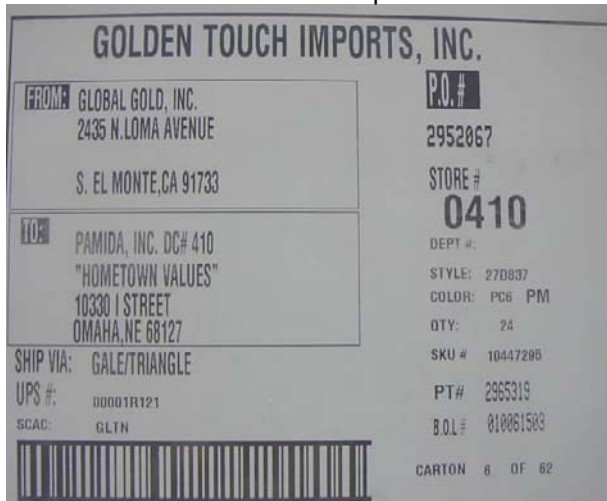
- FROM: Vendor name and address
- TO: Pamida's "ship to" location number and address
- SHIP TO POST: Postal code (420 barcode and human readable) of the Pamida "ship to" location
- PO: Pamida's purchase order number; style number, size & color (if applicable) and quantity
- FOR: Pamida's "ship for" location number (91 barcode and human readable)
- SSCC-18: Serial Shipping Container Code (barcode and human readable)

Please include the following information, if available:

- PO: Carton sequence, SKU number, gross weight of carton
- CARRIER: Carrier name, bill of lading number, pro number
- FOR: Pamida's "ship for" address

PLEASE NOTE: Labels must be placed on longest side of each case.

UCC128 Standard Label Example



Carrier/Freight Invoices

Pamida Stores Operating Co. LLC will pay the freight on a carrier invoice only. Freight on a merchandise invoice will not be paid. Please insure all freight invoices are mailed directly to:

Pamida Store Operating Co. LLC
Attn: Transportation
8800 F. Street
Omaha, NE 68127

Claims

When filing a claim with a carrier for overs, shorts and damages, Pamida's D.C.'s will not retain merchandise with a value of <\$100.

Returns Center

Pamida's Return Center at our DC's is the consolidation point used to analyze and efficiently process the customer returns.

EFFECTIVE July 1st, 2008 – Consolidating defective and recalled merchandise thru our Returns Center will no longer be allowed. Please consult your Pamida Merchandise Team to negotiate the proper terms to dispose or return these goods at the stores level.

As per the "Terms and Conditions of a Purchase Order", Suppliers are responsible for the full recovery at cost of every returned item + a 10% handling fee (5% if supplier allows merchandise to be salvaged) and all in and outbound freight.

Advanced Shipping Notification (A.S.N.)

ASN Suppliers are required to be compliant within 90 days of being notified they have been selected. Once testing has been completed and a supplier is ASN enabled, all Pamida purchase orders (P.O.'s) will require an ASN 856 transaction listing the details of each item based on EDI requirements.