Redistribution Network

Supplier Compliance Manual

August 2019
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I. Introduction

Sysco’s Mission
To market and deliver great products to our customers with exceptional service.

Vision
To be our customers’ most valued and trusted business partner.

A History of Innovation
Sysco was founded in 1969 and became a public company in 1970 based on the premise that the foodservice industry was ripe for a more expansive distribution system that combined national reach with local service. Since its inception, Sysco has continued to innovate by developing its own strong brands, adopting technology to improve supply and delivery systems, and initiating business practices that create strong customer loyalty.

Redistribution Network Philosophy
The Sysco Redistribution Network was created to streamline our Supply Chain by further rationalizing transportation lanes, reducing inventory, and adding operational efficiencies into our Operating Companies.

Adoption into the Redistribution Network is dependent upon agreement to comply with the requirements outlined in this document as they enforce the efficiencies critical for operating the Redistribution Supply Chain. These guidelines lay the groundwork for an enhanced, mutually beneficial partnership with a select supplier community.

The purpose of this manual is to communicate Sysco’s policies, processes and expectations as they relate to redistribution. Sysco considers the communication and understanding of our compliance requirements for the redistribution network a critical element in the success of our relationships. Suppliers not adhering to the requirements explained and documented herein will be subject to a penalty fee associated with the infraction.

Pre-Requisites for Entry into the Redistribution Network
Suppliers must complete the following pre-requisites as well as adhere to Sysco’s operational and compliance requirements in order to be considered for adoption into the Redistribution Network.

SMS Corporate Billing Requirements
As a pre-requisite to becoming a Distributed Supplier, the Supplier must be compliant with SMS Corporate Billing requirements. Contact your Sysco Business Center Representative for more information.

Contractual Membership with iTrade Network
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 Data Services-eSupplier Solutions will assist you in meeting Sysco’s specification requirements.
All required fields must be returned on all inbound documents. An RDC Supplier must have the ability to receive EDI 850 purchase orders, generate multiple EDI 855 confirmations and EDI 810 invoices. For more information regarding traditional trading document requirements contact the e-Supplier Solutions Department.

A Supplier must reach agreement with Sysco on the Supplier Adoption Savings and costing structure to be applied through the RDC. For more information regarding RDC costing requirements contact the Supply Chain Services Department.

Additional Prerequisites

The following additional documents are required, by the Supplier, prior to entry into the redistribution network for each supply point:

- Request For Data (RFD) – Required attributes for items distributed through the Redistribution Network.
- Recall Documentation – Supplier’s recall procedures
- Example of Non-Sysco Branded Case Labels with Lot/Date Code Formatting and Breakdown – A description of how Sysco Operations would read the lot and date codes on a Supplier’s case.
- Supplier Contact Information – Listing of Supplier contact names for designated business areas.

II. Data Management

GTIN / Barcode Requirements

Sysco requires a GTIN barcode on all cases that are shipped to any Sysco or SYGMA warehouse facility in the USA or Canada. This includes Sysco branded product, proprietary customer brands and supplier branded items. The following points outline Sysco’s barcode specifications.

As referenced in GS1’s website [www.gs1us.org](http://www.gs1us.org), the Global Trade Item Number (GTIN) is the foundation of the GS1 System (formerly the EAN.UCC System) for uniquely identifying trade items, which include both products and services that are sold, delivered, and invoiced at any point in the supply chain.

GTIN Barcode Symbology

Sysco only accepts ITF-14 (Interleaved 2 of 5) or UCC/EAN-128 symbology to encode the 14 digit Global Trade Item Number (GTIN). Refer to GS1 website [www.gs1us.org](http://www.gs1us.org) for additional information.

- ITF-14 (Interleaved 2 of 5) - typically used for direct printing on corrugate
- UCC/EAN-128 - In addition to the GTIN, specific information can also be encoded in GS1-128 barcodes such as Best Purchased, Before Date, Batch/Lot Number, Serial Number, and the GS1 System’s Serial Shipping Container Code (SSCC).

The combination of unique identification and standardized data content make GS1-128 barcodes invaluable for sharing rich data content between trading partners across wide sectors in the value chain, bringing retailers, healthcare providers, manufacturers, and logistic service providers together to collaborate and improve the value chain.
GTIN Barcoding Placement/Labeling

- The supplier is responsible for ensuring that the printed bar code is accurate, scans properly and complies with GSI standards on all production runs. Barcode numbers or symbols that are found to be inaccurate according to Sysco’s and GSI guidelines must be corrected at the supplier's expense.
- Plain (unprinted) outer corrugate boxes require brand specific product labels with a GS1 compliant bar code applied to at least two sides of the case (adjacent or opposite) with a GS1 compliant GTIN (Global Trade Item Number).
- Partial print boxes utilizing labels or ink jet printing require a product label with a GS1 compliant bar code applied to at least two sides of the case (adjacent or opposite) with a GS1 compliant GTIN (Global Trade Item Number).
- Total print boxes (dedicated and specific to one item) with no labeling or marking require barcodes printed on all four sides.
- Four-sided barcodes will continue to be Sysco’s optimal desire.

GTIN Barcoding Specs

- Sysco requires a unique GTIN when there have been changes to a formulation, a pack and/or size.
- GTIN barcodes must be tested with using a verifier to validate manufacturers’ symbols meet the level of quality set forth by the general GS1 specifications.
- GTIN barcodes must attain a grade C or higher when verified.
- GTIN barcodes must be printed to accepted specifications (i.e. size, color, etc.).
- All barcodes on the same package (case or unit) must be identical. For Sysco Brand products, the Sysco assigned GTIN must be encoded in the barcode, not the supplier’s GTIN.
- Variable weight product requires the UCC/EAN-128 barcode symbology. The correct indicator required for variable weight product is “9”. The appropriate AI (Application Identifier) to encode the case weight is required. All AIs must be enclosed in parentheses in human readable form. The parentheses are not encoded in the barcode symbol.

UPC Barcoding

- All inner packages intended for resale must be bar-coded on at least one side with a UPC. This requirement applies to any interior product that Sysco’s distribution facility could split for resale if they choose.
- Bulk bags, tubs, and pails are considered units of product. The UPC-A barcode is required.
Excluded from this requirement are those items that cannot be split (i.e. bulk pack, assortment, one inner unit only) and those for which regulatory requirements prohibit splitting, such as certain chemical products. The barcode symbol to use in this instance is the UPC-A. The GTIN-12 (12-digit UPC) is composed of:

- Supplier's GS1 Company Prefix
- Supplier's Item Reference Number

Sysco’s specifications are based on input from our supplier community including GS1 US, IFDA’s EFR Standard Product Identification Committee, and barcode printing equipment companies regarding the marking of barcodes on total print boxes and partial print boxes including interior primary packaging.

For specifications related to size, placement and magnification of the barcode, please contact GS1 US at [info@gs1us.org](mailto:info@gs1us.org) or by phone at 937-435-3870. For suppliers in Canada, please contact GS1 Canada at [info@gs1ca.org](mailto:info@gs1ca.org) or by phone at 416-510-8039.

For further assistance, contact Data Services – Master Data Management. Questions related specifically to Sysco brand product packaging should be directed to Sysco Packaging Graphics at [syscopackaging@corp.sysco.com](mailto:syscopackaging@corp.sysco.com)

Note:
- ITF-14 = The GS1 system’s only use of Interleaved 2 of 5. It is only used to encode the GTIN
- Any of the GTIN data structures may be used, as long as they are expressed as 14-digits

**Example of ITF-14 (Interleaved 2 of 5) barcode**

ITF-14 symbol with bearer bars on the top and bottom of the symbol, commonly used for general purpose inkjet and thermal transfer printing.

ITF-14 symbol with bearer bars on all four sides of the symbol, commonly used for printing utilizing
Example of UCC/EAN–128 barcode with application identifier 01

(01) 0 0614141 999996 (17) 100101 (10) 123ABC (21) 1234567890

- When GS1-128 symbology is used to encode a GTIN, the Application Identifier of (01) is required and precedes the GTIN
- Ability to string together (concatenate) multiple fields (Here, the GTIN plus Sell By/Expiration Date, Batch or Lot Number, and Serial Number)

**Note:** The supplier is required to send notification 30 days prior to any new GTIN changes. The notification should be sent via email to Data Services – Master Data Management.
**Data Integrity**

- Data drives Sysco’s operational and transportation efficiencies for the Redistribution Network. It is imperative that data provided by the Supplier be validated systematically and physically.

<table>
<thead>
<tr>
<th>Business Rule</th>
<th>Description</th>
<th>Formula for Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overhang - extends over pallet</td>
<td>The calculated surface area of the pallet must be less than 2,100 square inches.</td>
<td>Shipping TI x Case Length x Case Width</td>
</tr>
<tr>
<td>Surface Area coverage too low</td>
<td>The calculated surface area of the pallet must be greater than 1,250 square inches.</td>
<td>Shipping TI x Case Length x Case Width</td>
</tr>
<tr>
<td>Pallet Height</td>
<td>The calculated pallet height must be no greater than 110 inches for dry shipments or no greater than 100 inches for cooler/frozen shipments. For any temperature zone, the total pallet height must be greater than 35 inches. Pallet and liftoff height is considered when performing this check.</td>
<td>Shipping Hi x Case Height + 9 (pallet + liftoff)</td>
</tr>
<tr>
<td>Gross and Net Weight</td>
<td>Gross weight must always be larger than Net Weight.</td>
<td>N/A</td>
</tr>
<tr>
<td>Storage Zone and Temperature</td>
<td>Storage zone (Dry, Cooler, Frozen) must correspond to appropriate minimum and maximum temperature.</td>
<td>N/A</td>
</tr>
<tr>
<td>Guaranteed Shelf Life</td>
<td>MFG shelf life &lt;=30 days will require 80% remaining shelf life at time of receipt. MFG shelf life &gt;30 days will require 50% remaining shelf life at time of receipt</td>
<td>N/A</td>
</tr>
</tbody>
</table>
**Packaging Change Notification**

- The Supplier is required to send notification 30 days prior for the following:
  - New configurations/packaging changes
  - Length, Width, Height changes
  - TI or HI changes
  - Lot/Date Code Formatting and Breakdown changes. (A description of how Sysco Operations would read the lot and date codes on a Supplier’s case.)
- Suppliers not providing advance notification, will be subject to a non-compliance fee.
  - This notification should emailed to: 000-SCOPS-GROUP@Corp.Sysco.Com
- All Sysco brand SUPCs must comply with current Sysco Packaging Graphic Standards, as well as all federal, state and local regulatory labeling requirements.
- Case dimensions for a single SKU must remain constant by ship point. No variable case dimensions such as length, width, height, TI or HI will be accepted.

PLEASE NOTE: Packaging artwork is required to comply with the Sysco Brand Revitalization Initiative and FDA Nutrition Labeling updates.
III. Replenishment

Service Level Requirements

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

- All purchase orders placed within the specified days for processing should adhere to 100% fill rate. Days for processing will be provided by the Supplier or a negotiated value between Sysco and the Supplier.
- Any shortages that will impact service levels: The supplier will be responsible for shipping product from any supplier ship point at the supplier’s expense to Sysco facilities in need of product. This includes overnight shipments to Sysco facilities or end customers as necessary.
- Any shortages where the product is unavailable: The supplier must provide the explanation for the shortage on company letterhead at the time of order confirmation, emails are not acceptable for unavailable product. This letter must be sent to the Supply Planner and will be used to communicate to our Operating Companies and end customers.
- The supplier is required to complete the form below and email it to their Supply Planner when product shortages occur: Supplier MUST inform of recovery date, reason for outage and any substitute SUPC available.

<table>
<thead>
<tr>
<th>Supplier Name</th>
<th>RDC Affected</th>
<th>Current SUPC</th>
<th>Current SUNC</th>
<th>Item Description</th>
<th>Will the incoming PO be filled? (Y/N)</th>
<th>ETA to RDC/Whse</th>
<th>Sub or Replacement SUPC</th>
<th>Sub or Replacement SUNC</th>
<th>Ship Pt</th>
<th>Sub SUPC currently set up (Y/N)</th>
<th>Sub Active or Inactive (A/B)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>RHD SYSCO BEAN LIMA GREEN MED FCY</td>
<td>177</td>
<td>4110209</td>
<td>3341</td>
<td>RHD SYSCO BEAN LIMA GREEN MED FCY</td>
<td>Y</td>
<td>03/27/10</td>
<td>331838</td>
<td>10/23</td>
<td>19</td>
<td>N</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

Purchase Order Process

- A purchase order must not be split over multiple shipments; whether by truck, rail, container, or a combination of any.
- Multiple purchase orders are acceptable on a single truck, rail car, or container.
- The Supplier must ensure that the correct purchase orders are loaded on the designated truck, railcar, or container. The carrier is responsible for comparing the Bill of Lading with the load tender/dispatch to make sure the correct purchase is picked up. Sysco will coordinate with the Supplier for return of product. In the event the product is returned for quality issues, it is the responsibility of the Supplier to pick up the product either from the RDC/Forward Warehouse or an Operating Company.
- Purchase Orders may be adjusted up until 48 business hours prior to pick up/shipment date.

Backorders and substitutions are not accepted.
A Supplier must notify their designated Supply Planner regarding fulfillment of previously unavailable product.

**Product Day to Processing (Lead Time)**

The Supplier is required to have all products ready within the agreed timeframe for processing an order for each adopted location.

The Supplier must notify the designated Supply Planner at least 30 days prior to any changes in lead time.

**Ship Point Change Notification**

The Supplier must notify the appropriate Business Center, Supply Planner, and the Supply Manager no less than 60 days prior to transitioning to a new facility. Supplier will need to ship at their own cost to Sysco upon failure to meet the 60-day requirement.

**Minimum Product Shelf Life**

Guaranteed Redistributed Shelf Life (GSL) is the amount of life left on a product at the time of receipt at the redistribution facility. Products purchased by the redistribution facility are required to have the below manufacturer’s shelf life or more at time of receipt.

- MFG shelf life \(\leq 30\) days will require 80% remaining shelf life at time of receipt
- MFG shelf life \(>30\) days will require 50% remaining shelf life at time of receipt

Example for calculating Guaranteed Redistributed Shelf Life:

A product with 365 days of Manufactured Shelf Life should have 183 days of Guaranteed Redistributed Shelf Life left at the time of receipt \((365 \times 50\% = 183)\)

A product with 30 days of Manufactured Shelf Life should have 24 days of Guaranteed Redistributed Shelf Life left at the time of receipt \((30 \times 80\% = 24)\)

Product arriving below the inbound shelf life requirements will be subject to a non-compliance fee.

**Order Exceptions**

Order exceptions refer to situations when the flow of the order is altered due to extenuating circumstances. Examples include, but are not limited to; constrained product, return or recall of a defective product, direct shipments to Operating Companies, drop shipments, etc.

Suppliers must comply with the following requirements:

**Direct Shipments to Operating Companies**

- Specified shipping date or shipping windows must be adhered to.
- Shipments must have exact quantity ordered. Backorders, overages, shortages, or substitutions will not be accepted.
Drop Shipments to Customers

- Specified shipping date or shipping windows must be adhered to.
- Shipments must have exact quantity ordered. Backorders, overages, shortages, or substitutions will not be accepted.
- Shipments of multiple purchase orders must not be consolidated in a single shipping container.

**IV. Transportation**

**Freight Terms**

Sysco’s freight terms for products purchased by the redistribution facility are FOB Shipper’s Dock. Our requirement is shipper’s load, count and seal.

It is standard procedure for all Sysco managed freight short shipments to incur freight charge backs.

**Shipper’s Load, Count, and Seal Requirements**

- Load the correct item and case quantity.
- Ensure all loaded cases are in good condition.
- Secure the load to minimize shifting and maintain case integrity.
- Ship with sufficient shelf life as agreed to by Sysco and the Supplier.
- Seal all trucks prior to the truck leaving the supplier’s shipping facilities. Notate seal information on the Bill of Lading.
- All refrigerated or frozen trucks, rail cars are required to have a Temperature Tracking Recorder.
- In the event that a truck arrives at a Supplier’s facility sealed, the Supplier must record the seal number that will be broken and record the new seal number on the Bill of Lading.

It is not the carrier’s responsibility to seal the load or complete any other Supplier responsibilities as noted above.

**Bill Of Lading**

- A Bill of Lading (BOL) is required to accompany every shipment complying with the U. S. Department of Transportation regulation, 49 CFR Part 373 Subpart A

Sysco also requires the following information be provided on the BOL:

- Sysco Purchase Order Number
- Supplier’s Sysco Customer Number
- Supplier’s Sales Order Number that relates to the Sysco Purchase Order Number
- Ship Date
- Estimated Time of Arrival
Log on to the Voluntary Interindustry Commerce Solutions (V.I.C.S.) website at http://www.vics.org to see a standard Bill of Lading form. For more information regarding Bill of Lading requirements see https://www.transportation.gov/ or by contacting Sysco’s National Inbound Transportation Center.

**Country of Origin Labeling Requirements**

Effective September 30, 2008, covered commodities sold by retailers will have to comply with the rule in 7 CFR, Part 65. A copy of this rule can be reviewed at http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5070926.

- Country of Origin, as described in the above referenced rule, must be declared on ALL affected products that your company supplies to any Sysco company. Country of Origin must be legible, conspicuous, and must appear on the master case as well as any interior packages if the interior package is labeled for retail sale. The Country of Origin declaration must meet the appropriate requirements as stated in the proposed regulation. (Please note, existing requirement for “wild” or “farmed” designation of Seafood items is still in effect.)

- All inbound Bills of Lading and invoices accompanying the affected commodities must identify, by line item, the Country of Origin. At the very least, if you cannot provide the Country of Origin information on both invoice and Bill of Lading, it **must** appear on the Bill of Lading. (Please note existing requirements for “wild” or “farmed” designation for Seafood items are still in effect.)

Ensure that all affected products your company ships from 9/30/08 forward are marked in accordance with the direction provided above. In addition, information/paperwork accompanying the load must be compliant as described. Be advised that products in the affected categories that do not exhibit proper labeling or paperwork by the effective date may be rejected.

The final interim rule provides much detail about products exempt from the rule. Note that the Redistribution Centers request compliance on items covered by the rule.

An explanation of the exempted products can be found at: http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5071922

The full rule can be found at:
Carrier Appointment Requirements

Pick-up Appointments at Supplier’s Facility

- Carriers will only use Sysco purchase order numbers to make appointments for RDC/forward warehouse loads. Carriers will not have ability to use any other confirmation, release, or Supplier order number to set up appointments.

Delivery Appointments at a Sysco redistribution Facility

- Freight being delivered to the RDC Facility is only done on an exception basis.
- All delivery appointments to RDC must be approved by RDC.
- Appointment requests must be completed by email 72 hours prior to the delivery date. Reference Section VIII for the appointment request email address.

Detention at Supplier’s Dock

- Loading time is not to exceed two hours
- A detention charge will be assessed if the Supplier’s ship point exceeds the allotted loading time of two hours.
- After the two hours allowable loading time, a fee of $60/hour, chargeable in 1 minute increments will be assessed, up to a maximum of $480.
- In the event that a carrier is more than 30 minutes late for a scheduled appointment, all detention charges will be automatically waived.
- Suppliers requiring additional loading time on a regular basis may request a Drop Trailer program provided that the supplier meets established volume requirements and receives approval from Sysco.
- Detention charges will apply for Drop Trailers in the event the carrier does not have access to pick up the trailer or if the trailer is not loaded at the designated appointment time.
- The table below shows when detention charges will begin to accrue based on the type of facility and type of loading.
<table>
<thead>
<tr>
<th>Type of facility</th>
<th>Carrier is...</th>
<th>Detention charges begin...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appointment</td>
<td>Drop</td>
<td>At the later of appointment time or arrival time, if trailer not ready</td>
</tr>
<tr>
<td></td>
<td>Early</td>
<td>120 minutes after appointment time</td>
</tr>
<tr>
<td></td>
<td>On time</td>
<td>120 minutes after arrival time</td>
</tr>
<tr>
<td></td>
<td>Less than 30 minutes late</td>
<td>120 minutes after arrival time</td>
</tr>
<tr>
<td></td>
<td>More than 30 minutes late</td>
<td>Not eligible for detention</td>
</tr>
<tr>
<td>FCFS</td>
<td>Drop</td>
<td>At arrival time if trailer not ready</td>
</tr>
<tr>
<td></td>
<td>Live</td>
<td>120 minutes after arrival time</td>
</tr>
</tbody>
</table>

**Detention Verification Process**

Detention Incurred at Supplier Facility – Sysco Inbound Logistics Time Verification Process

In the event a carrier is detained at a supplier facility while loading, the carrier will open a detention event with Inbound Logistics requesting payment for time detained.

The following process will be adhered to when a carrier files for detention:

- Sysco will send via email a request to the supplier asking for validation of the detention incurred by the carrier.
- A confirmation of the appointment, arrival and departure times should be returned to Sysco within 2 business days.
- If the supplier does not respond within the 2 business days, the carrier will be paid the detention charges as requested.
- All detention costs approved by the supplier will be recovered from the supplier via a deduction.
- Costs associated with requests for validation that do not receive a supplier response will be recovered from the supplier via a deduction.
**Rail / Intermodal Policy**

**Item / Ship Point Analysis**
- Sysco will provide our Supplier Partner a recommended list of SKUs for a railcar / intermodal container conversion analysis
- Sysco and Supplier will review the analysis then agree on an optimal SKU selection to ship via rail / intermodal container
  - Analysis and agreement includes:
    - Maximum number of SKUs per rail car
    - Product TI/Hi `s
    - Product temperature
- Sysco and Supplier will agree to packaging specifications required for railcar / intermodal container transport:
  - Box and Product Specifications
  - Packaging ECT Value of 40 or greater, or a burst strength (Mullen) equivalent
- Sysco and Supplier will agree on the Origin Ship Point
  - Supplier will provide the following:
    - Plant or 3rd party facility name
    - Address
    - Contact information (phone and email)
    - Hours of service
    - Name of the Rail carrier that will be serviced by the facility
      - Rail Carrier Contact information (phone and email)
      - Rail Carrier Hours of service
- Case dimensions for a single SKU must remain constant by ship point. No variable case dimensions such as length, width, height, TI/Hi will be accepted
- Sysco and Supplier will agree to order in an established “unit of measure” (cube or weight)
- Sysco and Supplier will agree on the railcar / intermodal container size designated for the lane
- Sysco and Supplier will agree on an “Order Days to Process” lead-time for railcar / intermodal container orders
- Sysco and Supplier will agree on using one of the following for all rail / intermodal container shipments:
  - Pallet type: Grade A White Wood, PECO, CHEP, or iGPS
  - Slip Sheet
    - Frozen Loads must have a paper slip-sheet
    - No plastic slip-sheet on reefer loads

**Operational Compliance Requirements**
- Packaging
  - Corrugated boxes must have 40 or greater ECT rating or a burst strength (Mullen) equivalent
  - Can Strength: Can strength must be sufficient throughout the entire transportation process. Deviations from can strength must be communicated and agreed upon with Sysco Quality Assurance.
  - Base Box: 6/#10 can body should be constructed with base weight steel of 103#. The ends should be made of steel with a base weight of 107# or 112#.
  - Temper: 6/#10 cans should be constructed with T5 metal for the body and ends
  - Metal Tinplate: 6/#10 cans for low acid food should have .10/.20 body tinplate and TFS (Tin Free Steel) ends. 6/#10 cans for high acid foods should have .50/.20 body tinplate and .75/.20 end tinplate
Pallet / Slip Sheet Specifications

- Sysco will accept the following pallet types: Grade A White Wood, PECO, CHEP, or iGPS
- Sysco specifications for Grade A White Wood
  - Overall pallet construction
    - Dimensions – 48”x40”
      - Tolerances = -.5”, +1”
    - Weight capacity 3,000 lbs.
  - Construction details:
    - Top boards
      - Minimum of 7 boards for top coverage
      - Front and back boards minimum 5” wide
      - Middle boards minimum 3.5” wide
      - All boards minimum .5” thick
      - No gaps between boards greater than 3.5”
    - Bottom boards
      - Minimum of 5 boards
      - All boards minimum of 3.5” wide
      - All boards minimum .5” thick
    - Stringers / support rails
      - Minimum of two side rails and at least one middle support rail
      - Minimum 1” thick
      - Minimum 3” tall
      - Minimum length to fully support both front and back top boards
  - Pallet openings
    - Front and Back - Minimum 3”
  - Sides - Minimum 2”
- All pallet types should be 48x40
- Pallets should be in good condition and of sufficient strength for handling products
- Pallets should be free of defects, exposed nails and/or broken boards
- Palletized units must provide unit to unit contact
- The use of four way pallets in doorways is recommended
- Slip Sheet
  - Slip sheets should made of fiberboard, solid kraft board, or corrugated material
  - Frozen Loads must have a paper slip-sheet,
  - No plastic slip-sheets on reefer loads
  - Slip sheets must be able to withstand tearing during movement of the load when used in varying temperature and humidity conditions which may include ambient, refrigerated, and frozen
  - Match strength to weight of load
  - Tape or secure slip sheet lip up against the load to prevent damage
  - Double slip sheet doorway units to facilitate unloading from either door, with slip sheet flaps out on both sides of the pallet in order to aid unloading at either door
  - Minimum slip sheet lip exposure of 4 inches on two adjacent sides
• Stretch Wrap
  - Supplier is required to stretch wrap all layers of pallets with a minimum of three wraps around the pallet including the pallet base
  - Stretch wrap should be a minimum of 2.5 ML thick
• Loading and Bracing Railcars / Intermodal Containers
  - Supplier must ensure that loading is properly distributed, secured and blocked in compliance with the AAR Intermodal Loading Guide for Products in Closed Trailers, Containers, and Railcars
  - Supplier should take documented photographs from the start of the loading process through closing the door
  - Supplier is required to include a placard on the exterior of the car which indicates the side of the rail car to be used for loading and unloading
• Required Supplier General Loading Principles:
  ▪ Suppliers are required to place an item detailed bill of lading on the last pallet by the door on all intermodal containers
  ▪ Ensure the load is tight crosswise and lengthwise in the railcar/intermodal container
  ▪ Load cases together that combine well into a bonded load pattern
  ▪ Load pattern should have proper weight distribution
  ▪ Do not overload car weight
  ▪ Do not load more than 60% of the cargo in half the length of the railcar
  ▪ Load cases of similar characteristics together
  ▪ Use dunnage, separators and dividers as necessary
  ▪ Do not use center void fillers against sidewalls of railcar / intermodal container
  ▪ Do not load damaged products
  ▪ Do not ship loose cases (except if used for dunnage)
  ▪ Use strapping to secure double stacked pallets from shifting
  ▪ No product over or under hang on pallets
  ▪ Case labels should face outwards to easily identify product
  ▪ Do not stack pallets / cases too high blocking air flow
  ▪ Do not stack product tight against the door where it impedes the door from opening
  ▪ Doorway protection is required using sliding door box cars
  ▪ Heavy Bolt Seal is required
• Dunnage
  ▪ All dunnage used will be at the Supplier’s expense
  ▪ Types of Acceptable Dunnage
    ▪ Corrugated Void Fillers and Panels
    ▪ Air Bags
    ▪ Strapping
    ▪ Cases are acceptable dunnage only if they are not stacked on their sides
  ▪ Under hang spaces on units/pallets must be filled with dunnage
• Air Bags
  ▪ Airbags are required to be level 3 or 4 for railcars / intermodal containers
  ▪ 4-6 psi = Dry Load
  ▪ 6 psi = Refrigerated Load
  ▪ 8 psi = Frozen Load
  ▪ Use an air gauge to insure proper pressure
  ▪ Add buffer sheets to protect airbags
  ▪ Air Bags are required to be 1 inch off the floor
  ▪ Air Bags should not be higher than the product

• Temperature Tracking Recorder (TTR)
  ▪ Supplier is required to place on all railcars / intermodal container that require refrigeration at their expense
  ▪ Only Sysco Sensitech TempTale RF devices can be used
  ▪ The appropriate TTR unit should be loaded taking into account temperature and length of trip to ensure tracking through receipt.

• Impact Recorders
  ▪ Supplier is required to place an impact recorder on the container at their expense (either inside or outside) Supplier must notify Sysco of the Impact Recorder location
  ▪ Supplier is required to load a pre-paid postage return shipping box on the rail car. Sysco will use this shipping box to ship back the impact recorder to the Supplier.

Purchase Order Requirements
• Sysco will create purchase order within the specified “Days to Process” established
• Sysco will place orders to full capacity of railcar / intermodal container dimensions
• Supplier must adhere to 100% fill rate
• Supplier is required to have all products ready within agreed timeframe for processing an order
• Supplier must notify the Sysco Supply Planner a minimum of 30 days prior to any changes in order processing lead-time
• Supplier is required to meet Sysco’s specified departure “PO Ship Date” within +/-1 day

  If Supplier cannot accommodate specified departure “PO Ship Date”, Supplier will communicate & document “why” to Sysco 72 hours after order placement. Communication should be sent to scimrailteam@corp.sysco.com & rdcinboundcoordination@corp.sysco.com

• Supplier can load multiple Sysco purchase orders on a single railcar / intermodal container so long as the combination is not prohibited by applicable food safety transportation regulations; however single purchase orders MUST NOT be split over multiple shipments

• Shortages
  ▪ Product availability is not a reason to delay rail car shipments, any inventory issues require escalation to Sysco’s Replenishment team as soon as identified.
  ▪ Supplier is required to communicate cuts or shorts to Sysco’s Replenishment team (scimrailteam@corp.sysco.com) 48 hours or sooner prior to specified departure “PO Ship Date”
• Supplier will be responsible for shipping product from any supplier ship point at the supplier’s expense to Sysco facilities in need. (This includes overnight shipments to Sysco facilities or end customers as necessary)
• Any shortages where the product is unavailable nationwide: The supplier must provide the explanation for the shortage on company letterhead at the time of order confirmation. This letter must be sent to the Supply Planner and will be used to communicate to our Operating Companies and end customers.

Ship Point Change Notification
• The Supplier must notify the Corporate SMS Department, Supply Planner, and the Supply Chain Manager no less than 60 days prior to transitioning to a new facility. Supplier will need to ship at their own cost to Sysco if fail to meet the 60-day requirement.

• Sysco may request movement from rail mode to over-the-road mode of transportation due to unforeseen circumstances. Sysco may request Supplier to deliver at Supplier established rates.

Transportation Requirements
• Supplier is responsible for the timely ordering and placement of the railcar / intermodal container at their loading facility
• Supplier is responsible for securing correct Rail Car Dimension designated for the lane
  • Issues securing or placing car should be e-mailed to: rdcinboundcoordination@corp.sysco.com
• Supplier is required to inspect all railcars / intermodal containers at their shipping facility prior to loading to ensure they are clean, in appropriate sanitary condition, free of visible evidence of pest infestation, have no structural or mechanical defects, have no strong odors, and are in suitable condition to safely transport a load to its destination without thereby causing the load to be or become unsafe or adulterated at any time during the transportation operations
• Supplier should reject railcars / intermodal containers that are not suitable for transport and email Sysco Transportation at rdcinboundcoordination@corp.sysco.com
• Supplier assumes formal responsibility to ensure the refrigerated railcar / intermodal container meets suitable requirements for the Sanitary Transportation of food products
• Supplier must ensure proper temperature settings for product in refrigerated cars, ensure doors are “locked” and sealed properly
• Supplier and Rail Carrier must maintain effective temperature control throughout the loading and transportation of refrigerated food products
  • Once Supplier has loaded, locked and sealed rail car, the Rail Carrier assumes ownership of the cold chain monitoring until the rail car is opened at the Sysco facility
  • Rail Carrier must maintain and document the railcar’s refrigerated unit temperature in order to demonstrate they maintained required temperature conditions during transport. Any discrepancy or violation of the cold chain are required to be communicated to the Sysco facility while product is in transit.
  • At any time, Sysco may also ask the Rail Carrier for proof that temperature conditions were maintained during transit. Rail Carrier must provide the information via e-mail.
• For leased railcars, Sysco is not responsible for any condition or adverse occurrence during the transportation operations. If temps are out prior to unloading, the supplier, rail provider and/or car leasing company are responsible.
• Supplier must ensure all products shipped are sanitary, unadulterated and damage free.
• Supplier must ensure that product and purchase orders are aligned to the correct railcar / intermodal container, and rail routing on Waybill is a correct match to the final RDC destination.
• Sysco’s Purchase order MUST appear on the Waybill.
  • Supplier must contact the Rail Carrier to determine where and how to enter the Sysco purchase order on the waybill.
• Railcar shipments will move under a direct bill to Sysco RDC – Collect as payer of freight.
• Freight Terms are FOB Shipper’s Dock. Supplier to notate on Bill of Lading, “Shipper Load, Shipper Count, and Shipper Seal.”
• Seal number must be recorded on the Bill of Lading.
• Supplier must e-mail a copy of the item detailed Bill of Lading to the appropriate RDC listed below:
  • Sysco Northeast Redistribution Center 1000 Baugh Drive – Front Royal, Virginia 22630
    ▪ 177-RailBols-DL@baughne.sysco.com
    ▪ Phone: 540-631-2300
    ▪ Operations Fax: 540-631-2304
    ▪ Transportation Fax: 540-631-2307
  • Sysco South Redistribution Center 12421 NW 173rd Street – Alachua, Florida 32615
    ▪ 184-RailBOLS-DL@baughse.sysco.com
    ▪ Phone: 386-418-8500
    ▪ Operations Fax: 844-764-1649
    ▪ Transportation Fax: 844-764-1646
• Supplier must email a copy of the item detailed Bill of Lading, Car number, and Waybill number to scimrailteam@corp.sysco.com and rdcinboundcoordination@corp.sysco.com.
• Supplier is required to email their Sysco Supply Planner the boxcar # when the PO ships.
• Carrier and drayman will comply to Sysco’s service level requirements to obtain an appointment for delivery consistent with all applicable DOT hours of service and governing transportation regulations for safe transportation and delivery, adhere to the appointment times provided (+/- 30 minutes) or will be considered a late/no show load absent reasonably unforeseeable and non-preventable cause.
• Any request for demurrage should be sent to the local RDC via email:
  • Sysco Northeast Redistribution Center: 177-RailBols-DL@baughne.sysco.com
  • Sysco South Redistribution Center: 184-RailBOLS-DL@baughse.sysco.com
• Supplier is responsible for any detention charges at the origin.
INDEMNIFICATION AND INSURANCE:

Supplier agrees to defend and fully indemnify Sysco and its affiliated entities and their respective officers, directors, employees and agents (collectively, “Indemnitees”) from and against any and all claims, damages, losses and liabilities whatsoever, regardless of the form or nature of the same and including reasonable attorneys’ fees and related costs and expenses, arising from or in any way related to the suppliers breach of this agreement, its negligent acts/omissions or willful misconduct, or its failure to comply with its obligations under all applicable statutes and regulations governing the sanitary transportation and delivery of food products intended for human or animal consumption, including but expressly not limited to the Food Safety Modernization Act and the Final Rules promulgated thereunder by the United States Food and Drug Administration.
Supplier shall and shall cause its contracted carrier (if applicable), at its own respective cost, to maintain insurance policies providing: worker’s compensation coverage meeting or exceeding the applicable statutory minimums in the jurisdictions governing each of its employees assisting in performance under this Agreement; employer’s liability insurance in the minimum amount of One Million Dollars ($1,000,000) per accident; commercial general liability insurance in the minimum amount of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) annual aggregate; bodily injury and property damage automobile liability insurance (or as to Supplier, contingent auto liability insurance) covering any auto, or all owned, non-owned and hired vehicles in the amount of at least One Million Dollars ($1,000,000) combined single limit per occurrence, or such greater amount as may be required by applicable governing statutes or regulations; and all risk, broad form cargo liability insurance (or, as to Supplier, contingent cargo liability insurance) in the minimum amount of One Hundred Thousand Dollars ($100,000) per container or truckload shipment. Sysco shall be named an Additional Insured as its interests may appear on all commercial general liability and auto liability insurance policies required of Supplier or Supplier’s contracted carrier hereunder. Upon request, Supplier shall provide Sysco with certificates of insurance for all such coverages. Notwithstanding the foregoing, rail carrier insurance requirements will be subject to the applicable rail carrier’s cargo policy.

V. Operations

Pallet Requirements

Sysco accepts the shipment of products on CHEP, approved one-way Grade A white wood, and PECO for all products and iGPS pallets for non-frezer products. The expectation is that our supplier partners evaluate each of these options and select the most efficient and cost-effective pallet solution for our collective overall supply chain.

- One way Grade A white wood
- PECO
- iGPS
- CHEP
- Other Sysco approved lease service providers
- Suppliers not shipping on one of the required pallets types will be charged a non-compliance fee, $25.00 per pallet, to move product onto a Sysco spec pallet.

Sysco specifications for Grade A White Wood
Overall pallet construction

- **Dimensions – 48”x40”**
  - Tolerances = -.5”, +1”
- **Weight capacity 3,000 lbs.**

Construction details:

- **Top boards**
  - Minimum of 7 boards for top coverage
  - Front and back boards minimum 5” wide
  - Middle boards minimum 3.5” wide
  - All boards minimum .5” thick
  - No gaps between boards greater than 3.5”

- **Bottom boards**
  - Minimum of 5 boards
  - All boards minimum of 3.5” wide
  - All boards minimum .5” thick

- **Stringers / support rails**
  - Minimum of two side rails and at least one middle support rail
  - Minimum 1” thick
  - Minimum 3” tall
  - Minimum length to fully support both front and back top boards

- **Pallet openings**
  - Front and Back - Minimum 3”
  - Sides - Minimum 2”

48x40 Block Pallet Inspection Criteria
FOLLOWING CONDITIONS MUST BE REMOVED FROM THE PALLETS:

1. CONTAMINATION due to product spills, animal droppings, or sticky substances
2. ALL PROTRUDING NAILS on the top and bottom deck
3. ALL SHINERS which stick outside the perimeter of the pallet
4. ALL EXPOSED NAILS in the top and bottom deck load boards (hammer down)
5. ANY TWISTED BLOCK which protrudes outside the perimeter of the pallet
6. ALL DEBRIS (shrink wrap, cardboard, slip sheets, stickers, staples, tape, etc.)
7. ANY LOOSE MATERIAL (gravel, dirt, cebavics, etc.)
8. ANY LOOSE OR SPLINTERED WOOD which can be removed by hand with minimal effort
**Pallet Composition**
- All pallets should correspond to the TI/HI values provided by the Supplier.
- There should be no product overhang on the pallet.
- Case labels should face outwards to easily identify the product.
- Lot controlled items may have a maximum of two lot/expiration dates per pallet.
- All SKUs on a purchase order in quantities of one layer or greater should 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.
- Failure to follow pallet composition guidelines will be subject to a non-compliance fee.

**Load Quality**
- All loads must be secured and stabilized.
- Stretch wrap must cover all cases and extend halfway down the pallet, securing all cases to the pallet itself.
- Corner boards may be incorporated to eliminate crushing product when stacking pallets.
- Multiple stacked pallets may be stretch wrapped together to reduce load shifting.
- For RDC loads; Glue or Tape must not be used to stabilize cases.
- Lighter products should be placed on top of heavier products.
- All dunnage used to brace shipments will be at the Supplier’s expense.
- To prevent puncturing, it is strongly suggested that slip sheets be placed between bagged food items and the pallet.
- All product shipped must be sanitary, damage free and properly secured. This includes product packaged within the case.
- Failure to comply will result in an OS&D claim.
VI. Claims

Disposition Process for Insufficient Shelf Life & Mis-Shipped Product

- A disposition request will be initiated by Sysco.
- Response with disposition and a return authorization number must be provided within 24 hours of receipt of notification from Sysco.

The options for disposition of product with insufficient shelf life are limited to the following:

- Pickup of the product
  - Return authorization number is required with this request for disposition and product must be picked up in a 2 week timeframe, by the Supplier.
  - Authorization for destruction of product.
  - Sysco reserves the right to recoup the cost of destruction for large quantities of product or product that requires special processes and/or equipment.
- Authorization to donate product to an organization/entity of Sysco’s choice.

Overages, Shortages, and Damages (OS&D) Notification

- Sysco will contact Suppliers within one calendar week of receipt regarding overage, shortage, or damage claims.

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.

- Sysco will receive product utilizing the Bill of Lading.
- If OS&D is confirmed, Sysco will initiate an OS&D claim. The RDC/Forward Warehouse Receiver will photograph and document any damages for claim processing.
- Sysco Transportation will make an assessment of the cause of damage, notify the responsible party, and complete the OS&D report.
- Follow-up on OS&D will be completed by Sysco.

- Overages – Accounts Payable or Transportation will email Supplier/Broker to confirm the overage and Sysco will either agree to buy or may initiate a Return Authorization.
- Shortage – Accounts Payable or Transportation will email Supplier/Broker for authorization to deduct or will file a claim against the carrier. In the event of a shortage, the Supplier will expedite delivery of product at Supplier’s expense.
- Damages – Accounts Payable or Transportation will email Supplier/Broker and Carrier of damaged product and requests an authorization for Sysco to file claim along with disposition instructions.
- Response to OSD claim email request must be within fourteen (14) business days from email date. No response within the fourteen (14) business days will be taken as authorization to deduct for shortage(s) and damage(s).
• Damaged cases, miss-shipped cases, and overage cases that Sysco RDCs cannot keep will be donated or destroyed 14 calendar days after receipt date if Sysco has not heard back from you concerning disposition of the product.

VII. Quality Assurance

Case Labeling

• Non-Sysco Branded Items: For identification purposes, Sysco requests that all non-Sysco branded products comply with FDA/USDA/FSIS Food Product labeling requirements.
• Sysco Branded Product: For identification purposes, Sysco branded product must contain the Sysco logo, Product Description, Product Number, Product Name, Net Weight, Count/Size and Storage & Handling, and GTIN Barcode in addition to any FDA/USDA/FSIS Food Product labeling requirements.

Product Temperature Control

Sysco is firmly committed to providing safe, wholesome, and high quality products for all of its customers. Accordingly, the following temperature controls are mandatory.

Suppliers are responsible for the following:

• Assuring and documenting that trailers are to be pre-chilled to appropriate temperatures to maintain the product temperatures in specification prior to loading.
• Assuring and documenting that the actual product temperatures are in specification at the time of loading.
• Assuring that the reefer is set properly, maintaining the proper temperature, and is operational while the trailer is on the supplier premises up through departure.

TTR Requirements (Time Temperature Recorder)

Sysco Merchandising Services, its Operating Companies and Regional Distribution Centers require Sensitech RF Temp Tale TTRs on vehicles transporting specified refrigerated and frozen products. One TTR is required to be placed on product(s) associated with each P.O.

Please see the below Sensitec contact information for ordering the correct TTR unit.

Inbound loads not adhering to the below TTR requirements will be subject to a non-compliance fee.
Inbound Placement Instructions

**FILL OUT THE TEMPTALE® RF LABEL**
Write the PO number on the TempTale RF monitor label.

**START THE TEMPTALE RF**
Start the TempTale monitor by pressing and holding the green Start button for 3 seconds or until a sun icon 🌞 is visible in the upper left hand corner of the LCD confirming the TempTale was started properly.

**PREPARE THE TEMPTALE RF**
Remove the protective paper from the foam tape strips on the back of the green instruction card.

**PLACE THE TEMPTALE RF**
Place the monitor on the last pallet loaded, at eye level. Add a green Monitor Enclosed label directly above it.
# Cold Chain Monitoring Program - Inbound

## Sysco Custom Catalog Numbers

<table>
<thead>
<tr>
<th>Supplier Part Number</th>
<th>Description</th>
<th>Low</th>
<th>High</th>
<th>Low Alarm Cumulative</th>
<th>High Alarm Cumulative</th>
<th>Graph Length</th>
<th>Start Delay</th>
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<tr>
<td>RF7000-03-011</td>
<td>Refrig RTE, Pasteurized Crabmeat, Gmdb Beef, CVP Refrig Poultry</td>
<td>26 F</td>
<td>40 F</td>
<td>N/A</td>
<td>240 Min</td>
<td>10 Days 0 Hours</td>
<td>30 Min</td>
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<td>RF7000-04-011</td>
<td>Portico Raw Mollusca Shell</td>
<td>35 F</td>
<td>45 F</td>
<td>240 Min</td>
<td>120 Min</td>
<td>10 Days 0 Hours</td>
<td>30 Min</td>
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<td>RF7000-05-011</td>
<td>Frozen 53 Day</td>
<td>N/A</td>
<td>15 F</td>
<td>N/A</td>
<td>240 Min</td>
<td>53 Days 8 Hours</td>
<td>60 Min</td>
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<td>RF7000-06-011</td>
<td>Frozen 26 Day</td>
<td>N/A</td>
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<td>N/A</td>
<td>240 Min</td>
<td>26 Days 16 Hours</td>
<td>60 Min</td>
</tr>
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<td>RF7000-07-011</td>
<td>Produce 40 Day</td>
<td>32 F</td>
<td>55 F</td>
<td>240 Min</td>
<td>N/A</td>
<td>40 Days 0 Hours</td>
<td>30 Min</td>
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<td>RF7000-08-011</td>
<td>Produce 10 Day</td>
<td>32 F</td>
<td>45 F</td>
<td>240 Min</td>
<td>240 Min</td>
<td>10 Days 0 Hours</td>
<td>30 Min</td>
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<td>RF7000-09-011</td>
<td>Specialty Beef</td>
<td>26 F</td>
<td>40 F</td>
<td>120 Min</td>
<td>120 Min</td>
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<td>30 Min</td>
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<tr>
<td>RF7000-11-011</td>
<td>Butter</td>
<td>32 F</td>
<td>45 F</td>
<td>N/A</td>
<td>253 Min</td>
<td>16 Days 8 Hours</td>
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<td>RF7000-12-011</td>
<td>C-Bot Critical Limit</td>
<td>32 F</td>
<td>38 F</td>
<td>N/A</td>
<td>240 Min</td>
<td>10 Days 0 Hours</td>
<td>30 Min</td>
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<td>RF7000-13-011</td>
<td>Produce 20 Day</td>
<td>32 F</td>
<td>45 F</td>
<td>240 Min</td>
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<td>26 Days 0 Hours</td>
<td>30 Min</td>
</tr>
</tbody>
</table>

## Sensitech Contact Information

**Customer**
- Reports, Analysis
- Notifications
- General Program Questions
- Order Placement
- Monitors, Readers, Labels, Brackets, Return Systems
- TTRF Hardware Support
- Download Questions
- Installation / Training
- ColdStream, SensiGuard & FSPM Web Support

**Program Manager**
- Andres Preciado
- apreciado@sensitech.com
- 978-720-2821

**Client Services**
- clientservices@sensitech.com
- 800-843-8367
- 978-720-2650

**Support Services**
- support@sensitech.com
- 800-843-8367

**Account Manager**
- Todd Thompson
- tthompson@sensitech.com
- Ofc 830-368-4034
- Cell 713-582-5409

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**Product Recall**

Communications and Expectations:

In the event of a recall initiated by the Supplier, Sysco Corporate Quality Assurance requires a copy of any recall notification that your company forwards to any affected Sysco Operating Company or any of its subsidiaries. This notification should be in compliance with the procedures outlined below.

1. Vendor Communications
   A. It is the recalling firm’s primary responsibility to notify their respective regulatory agencies and consignees, in this case the Sysco Operating Companies, which received the affected product. Sysco Quality Assurance requires a copy of any recall notification that the supplier forwards to any affected Sysco Operating Company or any of its subsidiaries. The information (operating company & item specific) should be ascertained and communicated to Sysco Quality Assurance as soon as possible (preferably simultaneously with the Sysco Operating Companies receiving the information, but certainly as soon as possible thereafter.)
   
   Please be advised, we are not asking your company to notify Sysco Quality Assurance in lieu of your responsibility to contact the Sysco Operating Companies. Instead, we are asking that you notify Sysco Quality Assurance in addition to notifying the Sysco Operating Companies affected by any product recall.

   B. The recalling firm must clearly communicate the following information:
      1. Sysco Operating Companies involved
      2. SUPC # and item description
      3. UPC/GTIN # if available
      4. Amount of product shipped to each Sysco Operating Company and on what purchase orders and dates
         a. Any product that was shipped to forwarding or 3rd party warehouses that may supply Sysco
      5. Identification/date/lot/etc. codes and instructions to read these codes (Pictures are preferable)
      6. Recall Classification (Class I, II, III, etc.)
      7. Reason of recall
      8. Depth of recall (Is end user contact required?)
      9. Explanation of risk
      10. Indication if a Regulatory Agency was contacted, and which agency
      11. Confirmation if report has been filled with the FDA Reportable Food Registry and ICSR # if applicable
      12. Instructions, which should include product hold/disposition (return/destroy)
      13. Name and contact information of supplier contact(s) including:
         a. Accounts Payable Billing
         b. Recall Subject Matter Expert to answer questions pertaining to the recall.
2. Internal Communications
   A. Sysco Operating Companies must forward all market action (product recall) information to Sysco Quality Assurance in the event that they are notified of a market action (product recall) by a source other than Sysco Quality Assurance.
   B. Sysco Quality Assurance will guide the involved parties through the recall process, confirm all pertinent information from the recalling firm, and re-communicate applicable information out to all potentially impacted Sysco Operating Company Recall Teams.
      i. Should the recalling vendor refuse to provide appropriate recall/withdrawal information, it may be necessary for Sysco Quality Assurance to issue a hold and/or recall notice to Sysco Operating Companies regarding product they may have received.
   C. All Internal Roles and Responsibilities are further outlined in the Sysco Product Recall Standard Operating Procedure.

3. Regulatory Communications
   A. When at all possible Sysco Quality Assurance will manage all communication with regulatory agencies (i.e. uploading information to the Reportable Food Registry, providing consignee lists to regulatory agencies etc.)
      i. In the event a regulatory agency should contact a Sysco Operating Company, the Sysco Operating Company will comply with all requests and follow the Regulatory Visit Reporting Protocols.

4. Customer Communications
   A. The affected Sysco Operating Company Recall Teams will compile the appropriate information to properly notify customers and upload the information into the Instant Recall System. The Instant Recall System, will systematically notify customers via e-mail, facsimile, SMS text messaging, automated calling, human follow up calling and hard copy mailings (certified mail in the U.S. and International First Class mail in Canada).
      i. Customers will be notified of the details of the recall and shipping details (reason for recall, SUPC#s, product descriptions, case counts).
      ii. Customers will be provided an avenue to report any affected case counts in their possession that require replacement, credit or returning.
   B. Customers also have the ability to communicate product complaints which are tracked through the Product Discrepancy Notice System. These customer complaints are investigated by Sysco Quality Assurance and Merchandising. Upon assessment of severity/impact could result in further market actions or recalls, should it be determined that such recourse is necessary.

5. External Communications
   A. During any recall activity the Sysco Corporate External Communications Department should be consulted and will manage any communications (including social media) to media or other external parties. Under no circumstances should communications be sent to external sources without being reviewed and approved by the Sysco External Communications Department.
Sysco Regulatory Market Action (Recall) Fees & Charges Statement

January 2018

In order to recoup Sysco’s administrative and physical handling costs associated with product recalls, or any other similar action whereby product is held or brought backwards through the system, due to quality or food safety / security reasons the following schedule of fees and charges will be instituted. Note that this policy covers both Sysco operating companies and any Sysco re-distribution centers that carry recalled products.

1) **Operating Company Administrative Fee.** There will be a charge to the supplier of $1,000** for each operating company or re-distribution center involved in a product recall. This charge includes time/cost involved with receiving the withdrawal/recall, researching purchases, checking inventory, handling incoming shipments, running custom reports, notifying internal sales/warehousing and front desk personnel, coding and processing customer credits, completing government reporting, satisfying government effectiveness checks etc.

2) **Customer Notification Fee.** There will be a charge to the supplier of ($12.50-$15.00**) depending on the size of the event) per customer for every customer notified, even if the customer has no product to return or destroy a $1000** setup fee will be added per campaign. This fee covers, amongst other things, the establishment of the affected customer list, phone contact, faxes, and/or priority/registered mail costs.

3) **Recall Updates and Expansion.** There will be a charge to the supplier of $6.00** for any additional updates or expansion providing that Human follow-up is required.

4) **Product Handling Fee.** There will be a charge to the supplier of Sysco’s AP cost plus $7.50** per case for any product in inventory at the operating company or re-distribution center. If product is shipped back to the supplier, the supplier is responsible for the freight charges, inbound and outbound, associated with these returns.

5) **Customer Product Return/Credit Fees.**
   a. Sysco will charge suppliers for product destroyed by customers based upon AP cost plus $7.50** per case handling fee.
   b. Any cases returned to the operating company will be subject to a charge of AP cost plus $15.00** per case Product Handling fee.

6) **Dump/Disposal Fees.** There will be a charge to the supplier for any costs associated with disposing of affected product. This would include but not be limited to costs such as rendering the product inedible, disposal fees for hazardous waste, taking the product to a landfill, obtaining extra onsite dumpsters, etc.
7) **Special Handling Fees.** There will be a charge to the supplier for any fees resulting from supplier or regulator decisions related to recall/withdrawal such as fees for longer term storage of product (> 2 weeks). A $60.00**/warehouse man hour charge will be assessed for product handling requested after routine business hours.

8) **Miscellaneous Fees.** It is possible that customers will use recalled product as an ingredient in a further processed product. In that case, a customer may request reimbursement for additional product affected by the recall, packaging costs, labor costs, and other associated costs. If these fees are reimbursed by Sysco, Sysco must seek reimbursement from the recalling firm for these costs.

** U.S. Dollars
VIII. Contact Information
For questions regarding the requirements in the Sysco Supplier Compliance Manual, please contact the following:

**Sysco Northeast Redistribution Center**
**1000 Baugh Drive – Front Royal, Virginia 22630**
Phone: 540-631-2300
Operations Fax: 540-631-2304
Transportation Fax: 540-631-2307
Delivery Appointment Email: RDCschedVA@corp.sysco.com

**Sysco South Redistribution Center**
**12421 NW 173rd Street – Alachua, Florida 32615**
Phone: 386-418-8500
Operations Fax 844-764-1649
Transportation Fax: 844-764-1646
Delivery Appointment Email: RDCschedFL@corp.sysco.com

**SMS Corporate Billing – Supplier Conversions**
000-BSSCCorpBillingDept@corp.sysco.com

**Data Services – Master Data Management**
SBSDataServicesMaterial@sbs.sysco.com

**Data Services – eSupplier Solutions**
Phone: 281-493-8266
000-ESS-GROUP@corp.sysco.com

**National Inbound Transportation Center NITC**
After Hours Support 281-253-5641
Individual planner information is listed on each load tender.
000-NITCPlanners@corp.sysco.com

**Supply Chain Services**
000-SupplyChanservices_3_1_16@corp.sysco.com

**Supply Chain Operations**
000-SCOPS-Group@Corp.Sysco.com

**SGS**
Sysco_PKG_Questions@sgsco.com

**Sysco Corporate Office**
Phone: 281-584-1390
www.Sysco.com
Sysco Quality Assurance Contacts
Sysco Quality Assurance:
Fax: 281-584-1240
RegulatoryCommunications@corp.sysco.com

Regulatory and Technical Services Team
000-QA-RTS@corp.sysco.com

Sensitech Inc.
Phone 978-720-2650
800-843-8367
Clientservices@sensitech.com
800 Cummings Center, Suite 258X
Beverly, MA 019

Forward Warehouse:

LINEAGE LOGISTICS
4000 W. MILITARY - TX 78503
Email: freezergroup@loopcoldstorage.com

OHL-FOND DU LAC
122 KOHLMAN RD, PO BOX 1535 – WI, 54937
Jeanne Halfmann
Phone: 920-907-9230
Email: jhalfmann@ohl.com
Fax: 920-907-9280

OHL-KENT
20607 59TH Place South – WA 98032
Jose Guerrero
Phone: 206-327-2592
Email: jguerrero1@OHL.com

OHL-MIRA LOMA
3285 Deforest Circle – CA 91752
Email: sysco_ontario@ohl.com
Fax: 951-685-1164

OHL-PASADENA
4331 Underwood - Ste. 200 – TX 77507
Veronica Meza
Phone: 832-261-3011
Email: vmeza@ohl.com
Fax: 281-474-3387

OHL-ROMEOVILLE, IL
1101 TAYLOR ROAD – IL 60446
Email: romeovillesysco@ohl.com
PREFERRED WHSE-CHICAGO COOLER
4464 W. 44TH STREET – IL 60632
Phone: 708-514-3373
Fax: 773-254-9501

PREFERRED WHSE-CHICAGO FROZEN
2500 S DAMEN AVENUE – IL 60608
Phone: 773-847-1800
Email: a4orders@pfsl.com

PREFERRED WHSE-JACKSONVILLE
1780 WEST BEAVER STREET- FL 32209
Phone: 904-301-1400
Email: b6ship@preferredfreezer.com or b6rec@preferredfreezer.com

PREFERRED WHSE-LBF
4901 Bandini Blvd – CA 90058
Phone: 323-263-8811
Email: a9orders@preferredfreezer.com

PREFERRED WHSE-RAYNHAM
571 PARAMOUNT DRIVE_ MA 02767
Kim Thomas
Phone: 508-977-0333
Email: kthomas@preferredfreezer.com

PREFERRED WHSE-SAN LEANDRO
400 POLAR WAY- CA 94577
Email: c7shipping@preferredfreezer.com or c7receiving@preferredfreezer.com
Phone: 510-352-3900
Fax: 510-352-3902

PREFERRED WHSE-VERNON
3200 E. WASHINGTON BLVD – CA 90023
Phone: 323-261-4500
Email: b5orders@preferredfreezer.com

SIERRA PACIFIC
340 SOUTH FIRST ST – CA 95363
Chris Murphy
Phone: 209-534-1704
Email: patterson@spwg.com

US COLD STORAGE-MINOOKA
601 TWIN RAIL DRIVE – IL 60447
Phone: 815-290-4431
Email: syscominooka@uscold.com