

# VendorOperationsGuide

## Specialized Shipping Guide

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## Section 10 Specialized Shipping Guide

### Franchise Consolidation HUB

#### Introduction

The Company has partnered with global third-party logistics provider DB Schenker to manage the flow of goods from Asian ports of origin to the Malaysia Multi-Country Consolidation (MYMCC) HUB. The HUB acts as a cross-dock facility for the consolidation and distribution of goods to our Franchise Partners across the globe. The implementation of the global consolidation HUB allows us to bypass our U.S. distribution network, reduces handling and improves lead times to our Franchise Partners.

At this time, products flowing through this HUB will include products shipping from the below countries. Other countries may be added to this model at a later date.

- China
- Hong Kong
- Indonesia
- Philippines
- Taiwan
- Thailand
- Vietnam
- India
- Pakistan
- Bangladesh
- Sri Lanka
- Nepal

Only Purchase Orders with the prefix “089” will ship through the HUB and are referred to as “Hub International Orders.” All other orders shipping to the U.S. will not be impacted at this time. This section is intended to detail requirements that are specific to International Orders and supplement the requirements laid out in the rest of this Guide.

#### Purchase Order Requirements

International Orders will be placed on a separate purchase order and not mixed with purchase orders going to the United States. International and U.S. Orders will be placed at the same time to ensure minimum production order quantities are met. Order volume will remain consistent, however the quantities will be divided between International and U.S. purchase orders. Purchase terms will remain the same as already negotiated and be consistent for International and U.S. Orders. The Company does not accept Minimum Order Amount (MOA) or related charges.

The Vendor will deliver all International Orders to DB Schenker at the origin port and the Vendor must upload all associated documents into DB Schenker's booking system (known as "SCOUT"). All purchase order types will continue to be managed through either the OpenText or Infor Nexus portal.

### **Shipping Requirements**

International Orders must ship complete. Split-shipping is not allowed. The *line* of a Purchase Order ("PO") must never be split-shipped across more than 1 container. Any Vendor disregarding this rule will be subject to a **chargeback of \$500 per incident**. Purchase orders going to the HUB are already planned for the Company's Franchise Partners. The HUB is not an inventory holding location so the quantity shipped needs to match the quantity ordered. You will not be allowed to ship over the quantity on the purchase order. Additionally, short shipping of requested quantities is not allowed. If you ship less than the purchase order requested quantity, the balance will either be canceled or re-written to a new purchase order. Master pack variances will also not be allowed. The master pack size and quantity shipped must match the PO.

Shipments are required to be physically loaded by the DB Schenker SO (Shipping Order), the Company's Purchase Order, and Purchase Order Line number. If a carton is damaged in-transit to DB Schenker, the Vendor has the option of sending new packaging materials to DB Schenker to re-package on their behalf at the Vendor's expense. The Vendor may be charged back for any storage related fees that are incurred due to the re-packaging. Additionally, costs incurred by DB Schenker for labeling cartons that are missing proper carton labels will be charged back to the Vendor.

### **Early/Late Shipping**

Our on time shipping policy has changed for import vendors to improve accuracy and efficiency. The handover date (HOD)/last approved ship date is now aligned with the end of the ship window, with the start of the ship window being **10 calendar days ahead of the Handover Date**. The expectation is that all containers and shipments are to be collected by the handover date.

-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	Handover Date
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To support U.S. Customs requirements, the ship date will match the purchase term listed on your PO. The purchase term listed on your PO is the point where transfer of ownership between the manufacturer and the Company takes place.

Please note, SCOUT will not allow the Vendor to book delivery outside of the shipping window. The Vendor will need to collaborate on the PO to adjust the

purchase order ship date accordingly. Early/late shipping penalties will be assessed per the same guidelines as U.S. orders.

### **Order Booking**

Order booking for International Orders will be done through the DB Schenker web portal SCOUT. SCOUT will be used for order booking for International Orders only. Purchase order management and ship date change requests will continue to be done through the Order Management System of Record website.

For International Orders, Vendors will need to book delivery of the goods with DB Schenker 21 days prior to the ship date. This timeframe is the same as it is for U.S. orders. Vendors first need to book an order in SCOUT before generating a shipment plan in OpenText. The booking number provided in SCOUT must be provided in the shipment plan.

International Orders must be booked for the quantity on the PO. Quantity variances will not be accepted on the booking. You will need to contact your Merchandising team to change the quantity. In order to change any ship date, Vendors must make requests in Order the Management System of Record website. Please reference the DB Schenker user materials for more information regarding SCOUT and order booking. For SCOUT related questions, contact the Schenker origin office for support and, if unable to resolve, then escalate to the MYTPP MCC:  
[MY.dl.KUL.MYTPP-MCC.CB@dbschenker.com](mailto:MY.dl.KUL.MYTPP-MCC.CB@dbschenker.com).

### **Quality Assurance**

Non-agented Vendors are required to complete an outbound quality inspection (One report per PO) three days prior to shipping the product. This inspection does not need to be done by a third party, but should follow the criteria outlined in the Quality Assurance Inspection Report Template. If no issues are discovered during the outbound inspection, keep the report on file for future reference if requested. You do not need to send this report to us.

If an issue is discovered and the shipment does not meet acceptable quality standards for that product, defects should be noted on the Quality Assurance Inspection Report Template, an email must be sent to [qa-supply-chain@crateandbarrel.com](mailto:qa-supply-chain@crateandbarrel.com), and the shipment held at the factory pending Merchandising team review. The subject line of the email must include the Vendor name and PO number. The Merchandising team will review issues with the Vendor and do one of the following:

- Approve shipment
- Request shipment be corrected prior to shipping

- Cancel the shipment and chargeback the Vendor
- If an issue is discovered after reaching the HUB and it is not approved to ship to the franchise partners by Merchandising, the product will be returned to the Vendor to be corrected.

Direct all Quality Assurance questions to [qa-supply-chain@crateandbarrel.com](mailto:qa-supply-chain@crateandbarrel.com).

### **Documentation**

The Vendor must upload all documents for each PO to SCOUT. Required documents the Vendor must upload include:

For Container Freight Station (CFS) shipments:

- Country of Origin Certificate (COO)
- Commercial Invoice
- Packing List

Failure to submit documents on time will result in up to a \$500 charge per incident.

Note that, if an order is managed on Infor Nexus, the Infor Nexus generated Commercial Invoice and Packing List are the required versions to be uploaded in SCOUT.

For Container Yard (CY) shipments:

- Country of Origin Certificate (COO)
- Commercial Invoice
- Packing List
- 7-Point Container Checklist Partners
- Photos of Container Loading

Failure to submit documents on time will result in up to a \$500 charge per incident.

Note that, if an order is managed on Infor Nexus, the Infor Nexus generated Commercial Invoice and Packing List are the required versions to be uploaded in SCOUT.

Consignee and Notify Party on All International POs should be:

Euromarket Designs Inc C/O Schenker Logistics (Malaysia) Sdn. Bhd.  
D28, Jalan DPB 3, Pelabuhan Tanjung Pelepas  
81560 Gelang Patah, Johor, Malaysia

More information regarding the documentation requirements for International Orders can be found in the DB Schenker user materials.

**Payment Request Process**

The payment process follows procedures laid out in Section 18, with the following exceptions:

- 1) A Forwarder's Cargo Receipt (FCR) is required to be uploaded to the Infor Nexus Invoice Folder in lieu of a Bill of Lading.
- 2) The Proof of Delivery Party selected within Infor must be Buyer, as opposed to DB Schenker, any other logistics service provider, or any other party. This ensures quicker payment processing.

**Guidelines for Ship Direct from Vendor Orders**

We have partnered with fabric inc. (formerly RevCascade) to host our ship direct to customer program. fabric inc. offers a single, centralized dashboard with automated step-by step vendor onboarding guides as well as simplified product and inventory management.

**Fabric Inc. Overview/Support**

- URL: <https://marketplace.copilot.fabric.inc/auth/login>
  - Use the same credentials you previously used for RevCascade
- Vendor Integration questions: Brittany Johnson- [brittany.johnson@fabric.inc](mailto:brittany.johnson@fabric.inc)
- Vendor Success Team: non-technical Vendor questions, set up and portal questions, ongoing training and support
  - Katie Dosen - [Katie.Dosen@fabric.inc](mailto:Katie.Dosen@fabric.inc)
  - Shakilla Wright - [Shakilla.Wright@fabric.inc](mailto:Shakilla.Wright@fabric.inc)
- [Vendor Support Process](#)
- Technical support and questions: Orders, Shipping, Portal, Invoices, Inventory, Support, Troubleshooting, Reporting/ Notifications
  - [Submit a ticket via marketplace platform](#)
  - If you are unable to login to the marketplace application or require a password change, email [support@supportfabric.zendesk.com](mailto:support@supportfabric.zendesk.com)
- CBH Drop Ship Customer Service: [directshipcs@crateandbarrel.com](mailto:directshipcs@crateandbarrel.com)

**Orders**

- Vendors must work with fabric inc. directly to determine whether their orders will be placed through EDI with fabric inc. or through the fabric inc. web portal.
  - For Vendors who also ship to CBH for stock orders, fabric inc. EDI is its own platform and is not integrated with CBH EDI for stock orders.

- If going through EDI via fabric inc., Vendors must download a PDF of the packing slip
- Orders must be processed daily
- Once an order is received, Vendors must fulfill the order within 24-48 hours
- Orders must be closed prior to invoicing.
- Vendor order acceptance- vendors must accept orders in fabric when received. If this does not happen, visibility is lost and subject to cancellation

### **Inventory**

- Vendors must be able to update their inventory data on a daily basis
- If the inventory is "0" at time of launch, it will not go live on the website
- Vendors must provide reasonably accurate ETA. If needed, ETAs must be updated daily
- Crate does not currently allow backorders on drop ship items.

### **Shipping – Parcel Shipments**

- EDI vendors can use the packing slip and return verbiage outlined in the [Packing Slips for EDI Vendors](#) doc. Non EDI vendors use packing slip information in fabric's portal
- No rush delivery will be accepted.
- Advise the Company whether items will be shipping separately or together.
- Vendors should use the Company's FedEx account to ship orders. Vendor accounts may be used based on business needs, however, only one shipping account may be used per Vendor.
  - The merchant teams will load the FedEx account number into the vendor's fabric inc. account
- Oversized items are not eligible to ship on the CBH FedEx account
- If the Vendor is printing shipping labels using their own system, they should give our customer number as a reference to FedEx.
- If a customer signature is required, the Company must be informed.
- fabric Inc. has split shipping capabilities if the Vendor does not.

### **Returns**

- Vendors must accept damaged returns.
- Vendors must have terms in place to handle returns. If Vendors would like the product returned to them, a blanket RA# is preferred.
- Alternately, Vendors can provide a quarterly allowance (calculated as a % of actual shipments) in lieu of accepting returns.

**Payments and Invoicing**

- Orders must be closed before invoicing in order to receive payment on time.
- Vendors must have 1 purchase order per order and 1 invoice per purchase order.
- Invoice number cannot be greater than 15 characters.
- No restocking fees will be accepted.
- [fabric PO Invoice Payment Troubleshooting](#)

**Web Images and Samples**

- We will use our own photography for web images if Vendor photography does not align with the Company's guidelines.
- If Vendor photography will not be used, Vendor must supply samples to the Company for photography. These samples can be returned to the Vendor after the photo shoot is complete.

**Guidelines for Made to Order (MTO)****Orders and Inventory**

- Orders are sent to OpenText and must be acknowledged within 7 days
  - MTO orders are displayed in Blue font. This color indicates the shorter production lead times.
  - Updates to MTO orders are displayed in Green font.
- Vendors are required to manage the container building process on our behalf. When there are challenges based on timing or quantities Vendors must work closely with our Global Transportation Department on the best method of shipment (container size, 3rd party consolidation or etc.).
- We must be notified 3 months in advance of any upcoming Vendor holidays so that we can adjust the lead-time we are quoting to customers.
- Crate and Barrel only: For initial orders there will need to be an MOQ of 10 units or lower until there can be a 6 month sales read and this can be re-evaluated.

**Shipping and Lead Times**

- All of our orders must be shipped complete and on time per ship date on the PO (both stock and MTO).
- There is a 10-day window in which our goods can ship; 5 days prior and 5 days post the ship date. Utilize this full window to ship PO's complete.
- Ship per the Company's guidelines, found in our Vendor Operations Guide.
- Planning must be looped in on any changes or issues with stock orders due to MTO.



**Replacement Parts and Swatches**

- Any replacement parts needed due to Vendor fault (above and beyond normal replacement parts ordered through usual process) must be sent via Fed-Ex to the Company (paid by the Vendor).
- Any damaged units need to be replaced in the most expedited manner possible (expenses paid by the Vendor).
- Vendors must provide up to 150 units (varies by brand) sales aids for stores of 8"x8" wood, metal or upholstery swatches free of charge, depending on the product being brought in. The Company will create a chargeback to recoup the cost of the swatches.

**Guidelines Canada Vendors**

This section is for vendors in and providing orders for only our CBH stores located in Canada. We appreciate your partnership and your continued support for our CHB Canada business. All information provided in this document is subject to change at any time.

**Shipping**

It is important you clarify your MOQ or dollar threshold for free shipping when discussing purchase quantities and terms with the Merchandising team.

If we do not meet your MOQ requirement(s) or dollar amount threshold which was determined at Vendor set up for you to pay for shipping, you will need to reach out to our Transportation department for routing instructions to ship your items to our Cross dock locations.

*All shipments must flow through our Crossdock locations as indicated on the Purchase orders, unless you have made prior arrangements with the Merchant and Planner.*

All Shipments require a packing slip. If you do not provide a packing slip with each shipment you will be charged back \$500 per missing packing slip.

**Canada Locations****Corporate Canada Location Address:**

Crate and Barrel Canada Corporate /6060 Burnside Court Unit #2 Mississauga, ON L5T 2T5

**CBH Store Locations:**

- Store 351  
Yorkdale Shopping Centre

3401 Dufferin Street Dock #  
24 Toronto ON M6A 2T9

- Store 353  
Southcentre Mall  
100 Anderson Road SE  
Calgary, AB T2J 3V1
- Store 356  
Square One Shopping Centre  
95 Square One Drive  
Mississauga, ON L5B 0E2
- Store 359  
Southgate Centre  
Unit 836 Southgate Centre  
5015- 111 Street NW  
Edmonton AB T6H 4M6
- Store 361  
Oakridge Centre  
650 W 41st Ave 601  
Vancouver, BC V5Z 2M9

Canada Cross Dock Locations:

- 370 Yorkdale Crossdock  
6060 Burnside Court Unit #2  
Mississauga, ON L5T 2T5
- 371 Calgary Crossdock  
#1722 118 Ave. NE  
Calgary AB T3K 0R1
- 372 Delta Vancouver Crossdock  
Unit 2 - 7553 Progress Way  
Delta, BC V4G 1E7

**Merchandising Samples & Testing:**

Refer to CBH Vendor Operations guide. Section 3 Product Requirements Sample Procurement and Shipping Procedure. Sample(s) are required for photography and development.

All samples are to be shipped to our corporate headquarters in Northbrook the address is below to the attention of the appropriate Merchant team:

Crate and Barrel  
1250 Techny Road  
Northbrook, IL  
60062 USA

Ship samples in the most cost effective manner - Samples are time sensitive and should be sent upon approval. Please follow the operations guidelines when providing samples.

**Canada Purchase Order Management****Purchase Orders (PO) Details:**

1. The Merchandise Planning team manages and oversees all purchase orders.
2. Purchase Orders will be sent in PDF Format via Email from the planning team
3. Once POs are sent, the Vendor should confirm receipt and acknowledge details of the POs. Once POs are shipped, vendors should provide Crate & Barrel tracking information.
4. Vendor will notify the planning team of any changes/updates or delays of POs .
5. Any questions or concerns regarding POs can be directed to the appropriate planning team.

All shipments flow through our Crossdock locations as indicated on the Purchase orders, unless you have made prior arrangements with the Merchandise Planning team

*Note: Canadian Business does not use EDI to transmit purchase orders directly to vendor*

**Canada Invoicing**

Follow all processes outlined under the Domestic Invoicing Processing in the Vendor Operations Guide Section 11 Invoicing and Chargebacks.

Send all Canada Invoices to email [CAexpense@crateandbarrel.com](mailto:CAexpense@crateandbarrel.com).  
*Payment will be disbursed after invoices are reviewed and approved.*

**Product Requirements****Canada requirements for labeling in French**

As a Canadian retailer, we require packaging to be bi-lingual in French and English, if you do not have your product translated in English and in French language, please ensure that you call this out to your Merchant contact.

**Packaging & UPC Code Requirements**

Please refer to section 4 on Company Brand Labeling in the main CBH Vendor Operations Guide for information on UPC/Barcodes and packaging requirements. We kindly request that you ensure the safe arrival of all goods. Any goods that arrive broken or damaged will be free of charge to us and new products will need to be sent properly to ensure safe arrival. We encourage you to reach out to our team and our packaging team to work through proper packing to ensure the safe arrival, especially with Food items in breakable jars, and containers. Please refer to Section 5 Packaging Requirements in our main Vendor Operations Guide for the Furniture and Housewares Packaging Guidelines.

**Vendor Photography Requirements**

Crate and Barrel requires all vendor photography submitted to meet specific image requirements. To be approved for use, the image(s) need to meet the following requirements which include file size, file type, and color space. The images will also be reviewed for styling, lighting and environment (if applicable) to be sure they meet brand standards.

If you do not have vendor photography which meets the requirements outlined in our [CBH Vendor Photography requirement document](#) you will need to refer back to our Sample Requirements section CBH Vendor Operations guide Section 3 Product Requirements Sample Procurement and Shipping Procedure for shipping samples for photography. If you have any questions after reviewing this material please reach out to your merchandising partner.