

Metcash Food & Grocery



CHARGE THROUGH & CROSS DOCK Supplier Information

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Charge Throughs –Definition and Qualification

Charge through is a process that allows suppliers to deliver direct to our customers, with all *accounts for those deliveries payable by Metcash. Metcash in turn collects the accounts from the receiving customer of those deliveries.*

To qualify for this process, the supplier must be an approved charge through supplier and the customer must be an approved charge through customer.

Cross Docking- Definition and Qualification

Cross docking is the process of moving goods from the supplier to the customer using the existing customer DC transport, without the need for the warehouse to store the product.

To qualify for this process, the supplier must be an approved cross-dock and charge through supplier and the customer must be an approved charge through customer.

Benefits Of Charge Through System

The benefit to the supplier is in administration in the areas of:

- ❖ Centralised accounting
- ❖ Removing debt control
- ❖ Host support.

The benefit to the customer is also in administration:

- ❖ One payment transaction with Metcash instead of many direct cheques to suppliers.
- ❖ Financial benefits - Where charge through sales are allowable for the purpose of rebate calculation or service fee determination.
- ❖ Purchasing Benefits – Access to a multitude of discounts automatically passed on.

The benefit to Metcash is the strategic value added to IGAD. It assists IGAD to:

- ❖ Align with the market
- ❖ Expand the supply chain
- ❖ Provide a competitive offer and Expand market share

Submitting and Processing Charge Through/Cross Dock Transactions

On a weekly basis all authorised suppliers are to forward to the relevant State Charge Through department the summary list of all charge through transactions since the last summary list was submitted

IGA>D encourages all suppliers to submit their charge through tax invoices in electronic format.

The state charge through department will verify the supplier is authorised and will enter the transactions into the Charge Through system on the mainframe.

If the mainframe rejects any of the customer transactions, a Transaction Rejection Form is to be sent to the Supplier. The form is to be sequentially numbered by supplier and a copy must be retained in the Charge Through department for future reference. If the supplier does not receive a particular number, they will be expected to contact the Charge Through department for a copy.

When the supplier receives a Transaction Rejection Form and still believes the rejected transaction is valid, the supplier will be expected to contact the relevant Charge Through department and explain why. The onus will be on the supplier to then add the rejected transaction to the next applicable Charge Through Summary.

The Charge Through Summary must be received in the state Charge Through department by Wednesday each week. The department will process the summary within 2 working days. Note that in the longer term it is planned to receive all Charge Through Summaries electronically, which will extend the cut-off day for supplier submission by at least 1 day.

Outstanding invoices 3 months and older will not be automatically accepted.

Aged Invoices 12 months or older are not eligible for Charge Through Processing and will be rejected.

Cross-Docking

Cross docking in summary currently works as follows:

- 1) The customer places an order directly with the supplier
- 2) The supplier assembles all customer orders into store ready lots
- 3) The supplier completes the on-line portal entry system for manifests/labels and auto e-mails pending delivery as a result of system entry.
- 4) The delivery is placed in a staging area until the next delivery to the customer
- 5) IGAD adds the applicable cartons to the next customer delivery
- 6) The supplier is paid and the customer is charged using the charge through system.

Supplier Procedures, Requirements and Responsibilities

Once approved as a cross-docking supplier, the supplier is responsible for the completing of the applicable Cross Docking Inwards Sheet.

For deliveries to Laverton Perishables the Cross Docking Inwards Sheet **MUST** be emailed the day prior to delivery to XdockingLavertonPerishable@metcash.com

The supplier must be aware of and comply with the following warehouse requirements before delivering goods for cross docking:

- ❖ Deliveries will NOT be accepted if suppliers are NOT listed on **"Acceptable Supplier List"**
- ❖ All cross docking cartons **must** be clearly marked with the **customer number** and **customer name**.
- ❖ All crossed docked items must be clearly numbered for each customer, i.e.: 1/1, 1/3, 2/3, 3/3 etc
- ❖ All cross docked goods must be delivered with a Cross Docking Inwards Sheet completed correctly and in full
- ❖ A label (automatically created when using the electronic version of the Cross Docking Inwards Sheet) that is displayed inside the Invoice Enclosed envelope **MUST** be provided for each customer order – see the specific section on this in Appendix A
- ❖ Deliveries will only be accepted between agreed hours – **For pre nominated deliveries the next day delivery time is 6am to 11am.**
- ❖ responsibility will be accepted for the receipt of individual products within a carton. **THE WAREHOUSE WILL NOT OPEN INDIVIDUAL CARTONS. THE WAREHOUSE WILL ONLY ACCEPT SEALED CARTONS THAT ARE CORRECTLY LABELLED**
- ❖ Supplier invoices and delivery dockets must be attached to relevant carton/s. **INVOICE NUMBERS MUST BE NUMERIC AND LESS THAN 10 DIGITS**
- ❖ Supplier must gain approval from the warehouse prior to delivery of cartons in excess of 15kg.
- ❖ All deliveries will be subject to the same HACCP and food safety checks as any other delivery.
- ❖ The warehouse will reject any delivery that does not meet the temperature requirements or any other checks.
- ❖ **THE WAREHOUSE WILL REJECT ALL DAMAGED OR UNSEALED CARTONS**

- ❖ The driver will sign against the relevant customer on the Cross-Docking Inwards Sheet when any cartons are rejected.
- ❖ The warehouse will not be responsible for credits/claims made by the customer. Short deliveries within a sealed carton or damaged products within a sealed carton will be claimed by the customer directly with the supplier.

Warehouse Cross-Dock Procedures.

Cross-dock inward sheet will be auto sent to the cross docking area upon completion of manifest. **The delivery must be completed between 6am and 11am next day to secure the pre load requirements.**

- **Note:** ALL drivers must be inducted onto the site and carry proof of induction whilst on the premise.

1/ Report to security gatehouse with "cross dock invoice" and safety vest.

2/ Proceed to perishable despatch area and wait for cross docking personnel to attend to your delivery.

3/ Hand all paperwork to cross dock attendant who will then temperature check, check and unload the stock.

4/ Stock needs to be easily identifiable for each store – All store orders need to be separated if on one pallet. A store's order **MUST NOT** be mixed across multiple pallets.

5/ All stock is to be delivered on Chep or Loscam Pallets where applicable.

6/ On departure from site please report to gatehouse and ensure your vehicle is available for inspection.

Credit Procedure

All credits / claims made by a customer will be forwarded directly to the supplier by the customer.

IGAD / warehouse / Metcash will not be responsible for missing goods within a sealed carton, damaged goods within a sealed carton or out of date stock.

All credit notes should be forwarded directly to the store and listed on the next available Cross Docking Inwards Sheet.

Metcash / IGAD will process full payments for goods delivered and will process credits as they appear on the Cross-Docking Inwards Sheet.

If a customer does not receive a credit from the supplier within 60 days of receipt of goods, the customer will raise a claim against the supplier and forward the same claim to Metcash/ IGAD for recovery from the supplier on the stores behalf.

Payment

Metcash will process payment for cross-docked goods based solely on the information provided on the Cross-Docking Inwards Sheet.

Should any of this information be incorrect or incomplete, State Charge Through department personnel will call the supplier to resubmit correct details.

The supplier is responsible for ensuring that all cross docking transactions appear on the Cross-Docking Inwards Sheet. Suppliers are also responsible for notifying the State Charge Through department and the Accounts Payable department of any unpaid transactions.

Outstanding invoice 3 months and older will not be automatically accepted and will be referred to the State Business Manager-Directs.

DISPUTE RESOLUTION

As Metcash Trading do not hold title of goods the first reference point in the event of a dispute is the State Business Manager - Directs

The State Business Manager – Directs will determine what actions if any are to be taken and will involve the relevant person within the organisation should this be required.

If for whatever reason the dispute cannot be settled at the local level it will then be referred to the General Manger directs who will make the last decision.