



# DSD Vendor Guidelines



## Contents

Vendor Parking .....	3
Vendor Dress Code and Name Badges .....	3
Safety Information.....	3
General Information.....	4
Receiving.....	5
Receiving Hours.....	5
Receiving Guidelines.....	5
Delivery and Check in of Vendor Product.....	5
Conflict Resolution .....	6
Receiving Methods.....	6
SBT (Scan Based Trading).....	6
UCC 128 Label Receiving.....	7
Vendor Scan.....	7
Receiver Scan.....	8
Nex.....	8
Vendor and Store Contact Information .....	9
Vendor .....	9
Store.....	9
Vendor Service Requirements and Sales Floor Standards .....	10
COOKIE/CRACKER VENDORS / SPECIALTY FOODS VENDORS .....	10
BREAD AND SWEET GOODS VENDORS.....	10
SALTY SNACKS VENDORS.....	10
POP VENDORS.....	10
BEER AND WINE VENDORS .....	10
DAIRY AND FROZEN VENDORS .....	11
Stocking Guidelines.....	11
Grocery and Dairy Only.....	11
Items Two High or More, Case Stocking .....	12
Hand-Stacked Items in Grocery.....	12
Baskets .....	12



Bale Items.....	12
Shelf Conditioning– Sell Back Blocking: Frozen Foods Only.....	12
Pulling Cardboard .....	13
Spinning Labels.....	13
Cleaning Shelves and Moldings .....	13
Maintain Planogram Integrity .....	13
Product Rotation .....	14
Shelf Tags.....	14
All Grocery, Dairy, Frozen DSD sections.....	14
Tag Location.....	14
Exceptions .....	14
Filling Holes.....	14
Promotional Activity, Displays, and Signs .....	15
DSD Back Stock Guidelines .....	15
Close Dated Product Procedures.....	16
MILK.....	16
EGGS.....	16
All other DSD Dairy Products .....	16
All DSD Cookies and Crackers and Salty Snacks .....	16
All Other Grocery Product.....	16
Alcohol .....	17
Non-Compliance with Vendor Guidelines.....	17



## Introduction and Meijer Business Rules

This guideline outlines Meijer policies for vendors that deliver or service product at a Meijer Store location.

- **Components of Service Level**
  1. Professionalism
  2. Merchandising
  3. Backroom Conditions
  4. Vendor Escalation
  5. Store Escalation
  6. State Level Merchandising Guidelines

## Vendor Parking

Any vendor who is not making an actual “delivery” of product to our stores must park in the main parking lot away from the building leaving the closest parking spaces for our customers and entering the building through the main entrance. The area just outside of the receiving door, a space of 20 ft by 20 ft is always to remain clear.

## Vendor Dress Code and Name Badges

Your representatives that work in Meijer stores represent not only your Company, but also Meijer. It is important that they project a positive image to our customers. Our customers expect us to be clean, well groomed, and have a neat appearance. Meijer has standards of dress for all our Team Members and we expect the same from your representatives.

- Shirts and blouses must be appropriate for retail atmosphere. We prefer shirts with a Corporate Logo or collar shirts. Jeans, slacks, pants, walking shorts and skirts must be clean and in good condition.
- Vendors are required to wear vendor company name tags; this includes part-time and weekend merchandisers.
- Open toed shoes and sandals cannot be worn due to the number of foot hazards that may be present (i.e. pallets, M-carts, Hi-lo wheels, etc.).
- Coats need to be hung in designated areas in the backrooms and not on the sales floor.
  - Wear Name Tags
  - No ear buds on the floor

## Safety Information

The backroom receiving areas of our stores are very busy with rolling carts, hi-lo's, powerful balers and compactors. Safety is a top priority at Meijer, and we appreciate your support in maintaining a safe workplace. Vendors must work within the Meijer Safety Guidelines.



- No one under the age of 14 should be in backrooms, receiving areas, loading docks or ramps.
- Use ladder flat tops.
- Dispose of used razor blades in proper containers.
- Do not climb on pallet racks or M-carts.
- Must be 18 to use balers or compactors.
- No Vendor is authorized to use a Meijer Hi-Lo, Power Jack, or Walkie Stacker.
- Cell phone use restricted to company/business related needs.
  - All personal calls/texts should be handled off the sales floor

## General Information

- There is a code of **confidentiality** when dealing with Meijer costs, retails, and Meijer business practices. These must not be shared with a Meijer competitor.
- Eating and drinking are not allowed other than in designated break rooms. Smoking is not allowed in the store or in store break room.
- All Vendors must sign in and out at each Meijer store.
- Vendors must provide their own box cutters.
- The backdoor receiver must inspect boxes or containers before being removed from the building.
- Vendors must clean up after themselves on sales floor and backrooms. This includes returning displaced product to its correct location.
- No gifts or samples are to be given to any Meijer Team Member.

These Meijer policies and dress standards are to be covered with all of your Team Members/Associates that call on Meijer stores. Thank you in advance for representing both of our Companies in a professional manner. We appreciate the service and support your Company provides to Meijer.



## Receiving

### Receiving Hours

Each store may have varied receiving hours so please check with each store for exact hours.

Below are some examples of what they may be:

**M-F 5:00 a.m. – 1:00 p.m.**

**Sat 5:00 a.m. – 1:00 p.m.**

Note: Only exception to 5AM start time are those stores that are located in a city with a noise ordinance.

You are expected to deliver product within those established hours.

- Any exceptions must be approved through corporate

Any UCC 128 vendors authorized to deliver after hours must leave all paperwork attached to the product/pallet.

SBT vendors are authorized to deliver 24 hours, 7 days a week.

### Receiving Guidelines

We have established receiving guidelines that will assist both you as a Vendor and Meijer in processing your check-in as quickly as possible.

- Scheduling and merchandising commitments from the vendor's route supervisor, merchandisers, and delivery persons have been established. If your delivery is going to be outside normal receiving hours, please see the Common Area Team Leader, Grocery Team Leader or Foods Lines Team Leader for approval.
- There will be a designated DSD Check In area. Any vendor waiting to be checked in must wait outside of this area or near their truck. The area just outside the door must remain clear.
- Vendors are allowed to use electronic clipboards or eSignature handheld devices to capture a Meijer team member signature as proof of delivery. These signatures will NOT bind the receiver to either product quantities or pricing. The devices will be used for the sole purpose of proof of delivery.

### Delivery and Check in of Vendor Product

1. The Vendor will deliver all products through the back door.
2. The vendor will stop at the Receiver's desk and place all products in the designated check in area. This will be indicated by a blue box painted on the receiving area floor.
3. The vendor back stock area should be condensed by the vendor and ready to hold the new orders prior to receiving.



4. The vendor back stock area must be free of trash or empty boxes.
5. All credits/returns of outdated, damaged or other authorized returns must be completed prior to processing a store delivery.
6. After the check in process is completed, a DSD Final Receiver will print for you to take.

## Conflict Resolution

In the unlikely event there is a difference in viewpoints between the Backdoor Receiver and the Vendor, all concerns should be brought to the attention of the Common Area Team Leader, Grocery Team Leader or Foods Lines Team Leader. They are considered the first line of authority and their decision is to be adhered to. This applies to concerns of the Vendor or Meijer Team Members. If the outcome of the situation is not satisfactory for either party, the concerns need to be taken to the Store Director.

All Vendor concerns, at store level, should be forwarded to the Vendor's Home Office. If no change is experienced, the Store Leadership should contact the Replenisher responsible for this Vendor's product by emailing the Help Line with details. For critical issues, such as ad out of stocks, the team leader should contact the Internal Customer Call Center at ext. 18888.

## Receiving Methods

### SBT (Scan Based Trading)

SBT is a supply chain program in which Meijer pays a vendor when items are scanned through the checkout registers, rather than upon receipt. SBT vendors deliver product to Meijer under a specific contract, referred to as an SBT protocol agreement.

Under SBT, no receiving is performed at the backdoor nor is any paperwork (i.e. invoices, delivery receipts) processed. There is also no need to prepare credits for outbound product.

SBT vendors can deliver product 24 hours a day, 7 days per week. If a vendor arrives outside the normal posted receiving hours, then the driver should ring the service bell outside the grocery receiving area. There is also a phone box at the receiving door. The vendor should dial 611 to reach the manager in charge. The manager in charge will open the receiving door for the vendor.

Delivery of SBT product must be done through the receiving doors. Any exceptions due to special business requirements must be approved by Meijer corporate Operations staff.

Outbound product must also go through the receiving doors. To protect the assets of both Meijer and the vendor, the manager in charge or backdoor receiver must inspect carts/boxes before they are removed from the store.

Please check with your Buyer or the Meijer Vendor Management Department for more information on how to become a scan-based trading partner.

Payment is made based on scan sales; no invoicing is required.



## UCC 128 Label Receiving

UCC 128 DSD receiving utilizes a bar code system to reduce the amount of time Meijer and the vendor spend on the receiving process. Meijer receives based on the UCC 128 data, with no detailed check in. Another industry terms for this process is "license plate" receiving.

A UCC 128 vendor must have EDI capability for the 856 ASN transaction as well as the technology to produce UCC 128 labels. A UCC 128 vendor must first pass a verification process to achieve audited receipt production status.

UCC 128 vendors are responsible to transmit PO quantities to Meijer via the EDI 856/ASN transaction. The ASN must be received by Meijer, allowing enough time to process the data, before product is delivered to the store.

At the time of delivery, the backdoor receiver enters the PO number shown on the vendor's paperwork and scans the UCC 128 labels. The ASN data associated with the UCC 128 label contains the case or pallet detail necessary to complete the receiving transaction. Once all cases/pallets have been scanned, and all required audits are completed the vendor can proceed with their delivery routine.

Please check with your Buyer or the Meijer Vendor Management Department for information on how to become a UCC128 trading partner.

Invoices must be sent electronically into Meijer, and payment will be based upon receipt of invoice against received quantity.

## Vendor Scan

Vendors not on SBT, NEX or UCC 128 receiving methods, or who are exempt for legal reasons, are required to use the Vendor Scan receiving method.

After signing in using the Sign-In/sign-Out system, the vendor should ask the receiver for a handheld Symbol unit. The vendor would then scan each item in the delivery and enter the shipped quantity.

Vendors performing receiver scan are **NOT** permitted to use scan sheets. Actual scannable product UPC's will be scanned to validate accuracy against our store product database.

After entering all the item information, the vendor enters the invoice totals. If no discrepancies are found the order is ready for the receiver to audit. If there is a quantity discrepancy the vendor must review the information entered and make the necessary corrections. If there is a cost discrepancy the vendor compares the line item invoice cost to the cost in the Meijer system. The vendor should then enter the Vendor Cost into the Symbol to capture the cost discrepancy. This cost discrepancy will then be routed to the appropriate Meijer Buyer for resolution. The vendor and Meijer receiver are not responsible for resolving cost issue. Once any quantity discrepancies have been captured, the order is ready for the receiver to audit.

During the audit process the system will select one or more items for audit. The receiver will verify the count entered by the vendor matches the actual delivery. When the audit is completed the order is finalized.

The vendor is expected to be in the store until the audit is completed and the order is finalized.

Payment is made based off of store generated purchase order and receipt of product.





## Receiver Scan

Vendors that are legally not able to be processed as Vendor Scan, or vendors specifically authorized by Meijer, may be processed using Receiver Scan. With Receiver Scan the Meijer receiver will detail check in an order by scanning the vendor product. Cost discrepancies will be captured and passed onto the Buying office for resolution.

Payment is made based off of store generated purchase order and receipt of product.

For Vendor or Receiver Scan a weekly statement will need to be email; [DSDSTMT@Meijer.com](mailto:DSDSTMT@Meijer.com)  
Statement should be Sunday – Saturday

- Statements should be for one week of delivery's, reference W/E date on statement.
- Statement should show your invoices and credits separate, reference dates (don't net credits and invoices)
- Statement should be sorted by store in numerical order.
- Statement should have totals and a Grand Total for the chain.

## Nex

Nex receiving requires the vendor to send an EDI 894 transaction to Meijer prior to product arriving at store. The EDI 894 transaction is processed by Meijer and a purchase order is created in the store receiving system. At the time the EDI 894 data is processed invalid or ineligible UPC's will be identified and excluded from the PO. Cost discrepancies are captured and sent to the Meijer buyer for resolution.

When the driver arrives at the store the receiver will notify the driver if the captured order is ready to be received. The receiver will audit the order to verify vendor accuracy and complete the receiving.

Payment is made based off of receipt to product.

Discrepancies in payment must be filed individually; and must include a copy of your invoice, the Meijer DSD copy and any other supporting documentation pertaining to the claim. All challenges must be submitted on the Claims Management System (CMS) within the Accounts Payable Query Application within 90 days from receiving payment.



## Vendor and Store Contact Information

### Vendor

It is important that Meijer stores know how to contact someone from your company at all times. Please be sure each store has the following information on hand for your company. Be sure to keep this information updated with the store.

Company Name:

Representative name and phone/cell number or pager number:

Week-End contact name and phone/cell number or pager number:

Delivery Times:

Service Schedule:

### Store

When certain situations arise, e.g. late deliveries due to equipment break down, merchandiser arrival time change etc. it is important that you contact the store team to keep them informed of the changes.

Here are the extensions that the following Team Leaders can be reached. Please dial the specific store and use the following extensions to reach the appropriate member of the store team.

Team Member	Extension
Grocery Team Leader	601
Foods Lines Leader	621
Common Area Team Leader	663
Store Director/ Manager in Charge	611
GM/ Service Lines Team Leader	622
PI Team Leader	634
Receiving Clerk	639



## Vendor Service Requirements and Sales Floor Standards

Every morning, we ask that Vendor sections have all products level blocked and be neat in appearance by the specified category set time.

We ask that each area follow the specified set by time to best meet our guest needs.

### Cookie/Cracker Vendors/Specialty Food Vendors

Major DSD suppliers should have initial fills completed by 8:00 a.m., with replenishment throughout the day to ensure in-stock conditions for our Guests. Examples of Major DSD suppliers would be Mondelez, Keebler, and Serv-U-Success, and Kehe.

Other cookie suppliers should be filled and maintained with in-stock conditions provided for our Guests at all times. Examples of these DSD Vendors would be Pepperidge Farm, Archway, and Voortman.

### Bread and Sweet Goods Vendors

Major Bread suppliers should have initial fills completed by 8:00 a.m. with replenishment throughout the day as needed. This includes the off days when a pull-up person typically services the bread. Examples of Major Bread suppliers would be Perfection, Interstate, Earthgrains, and Nickels.

Other companies that service more than one Meijer Store should be set by 10:00 a.m. This includes Pepperidge Farm, Koeplinger, and Brownberry.

### Salty Snacks Vendors

Salty Snack suppliers should have initial fills completed by 8:00 a.m. with replenishment throughout the day as needed.

### Pop Vendors

Pop Vendors/Merchandisers should have initial fills completed by 8:00 a.m. each morning with replenishment throughout the day as needed.

### Beer and Wine Vendors

Beer sections should be set and in-stock daily by 8:00 a.m. Wine should be set and maintained and in stock. \*Note that certain state laws prohibit Vendors from stocking alcoholic beverages. If you have questions, please contact a Grocery Area Team Leader.

- Shelves need to be re-conditioned and packed out for afternoon and evening coverage. Foods leadership will have discretion to adjust set time.
- Beer needs to be re-conditioned by 4pm for afternoon coverage during weekdays.
- Beer needs to be reconditioned by 1pm for afternoon coverage during weekends.
- Stocking priority should be work liquor cage 1<sup>st</sup> and Backstock 2<sup>nd</sup>. Please refer to state level merchandising guidelines to determine
- Leave all “out of stock” as holes, regardless of your company’s policy or procedure. It is acceptable to remove tag on item and spread out on adjacent items until reset in completed for discontinued items.
- Product needs to be first in first out.



## Dairy and Frozen Vendors

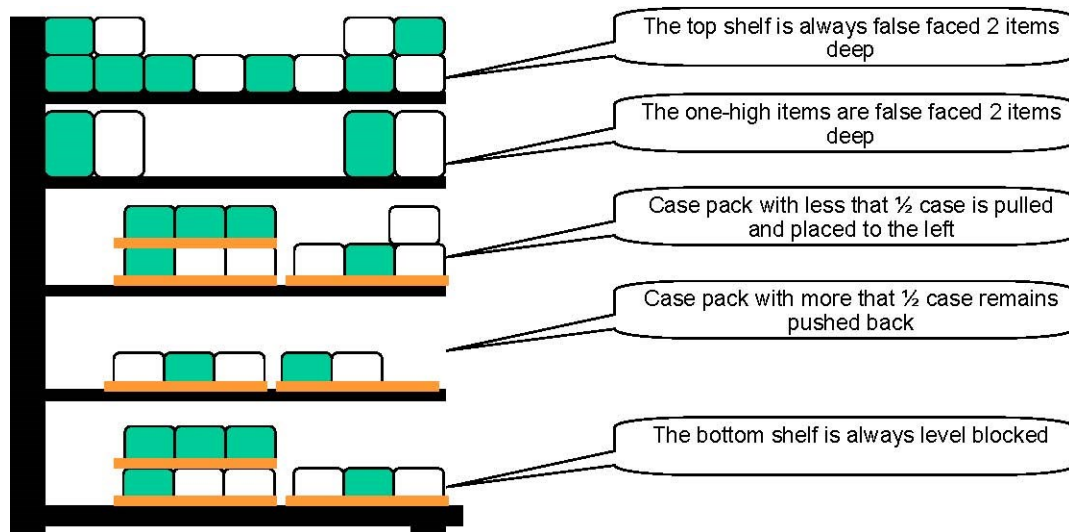
Dairy and Frozen should be stocked by the Vendor on days of deliveries by 8:00 a.m. or some other pre-arranged agreement. On non-delivery days, Meijer personnel assigned to these categories will stock Vendor sections as part of their work assignment.

## Stocking Guidelines

In order to stay consistent and effective as a company in our Foods Departments, Meijer has implemented the following guidelines to be adhered to when stocking products in our Foods department.

Our goal is to fill shelves with an adequate amount of product with a good presentation and in the most cost-efficient method. These procedures will control the amount of time being used on stocking, blocking and spinning labels.

**Condition shelves according to the new shelf conditioning policy-** Meijer will not be requesting the store vendors to “false face” product. We are requesting that all DSD Vendors use “Level Blocking” in Grocery department and “Sell Back” stocking in the Frozen department to achieve a consistent appearance through the store. Please see Grocery Team Leader for specific questions.



## Grocery and Dairy Only

We should never pull cans from the back of a tray and stack on top of the front of a tray to make the shelf look full.

**"Pulling forward" is the operation used on single layer items and for inventory control purposes.**

Single Layer Items: When the front case is sold, the case directly behind should be pulled forward to maintain a dress edge and cover the shelf. This procedure is also used for single layer hand stacked sections. For hand stacked sections, the product needs to be pulled forward 2 units deep.



## Items Two High or More, Case Stocking

When stocking multiple layer cases, the product should be blocked down into level full layers. The odd case is placed in the back, or on top layer.

## Hand-Stacked Items in Grocery

This area should be displayed in the same manner as case stacked items. Full layers with the partial row left in back when stocking. The stock left in front should not be built up high enough to block the view of the order writer from identifying low inventory.

When stocking cereal, all products should be placed vertical on the shelf with all additional rows stacked horizontally on top. This enables the guest to see the boxes instead of UPC codes.

In Grocery and Dairy, “Level Blocking” needs to be used through-out these areas.

## Baskets

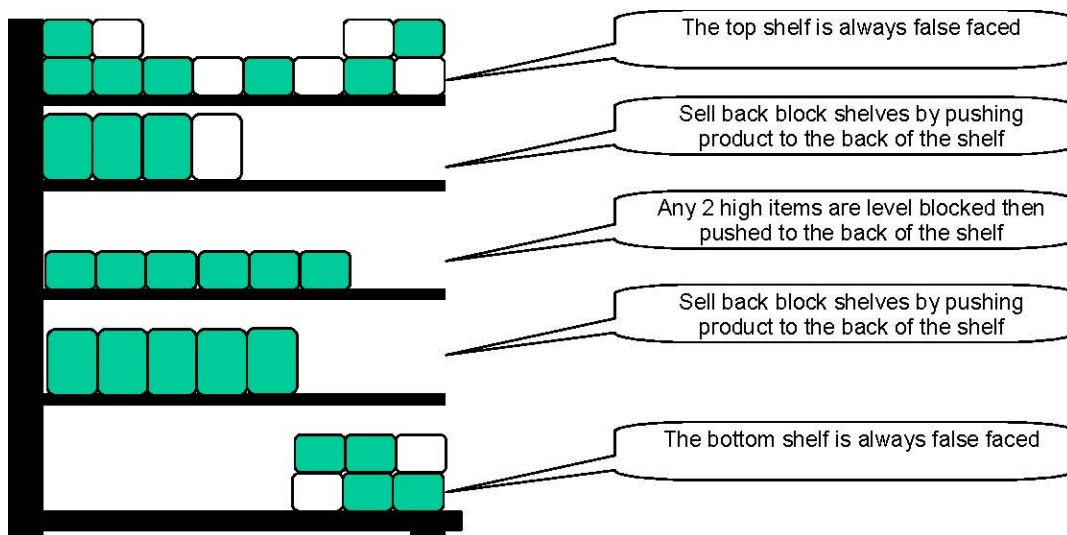
Bagged items: Care should be taken in placing items in baskets, so the fronts of the packages are visible, and damage does not occur.

Canned items: Care should be taken when dumping into baskets, so product is not damaged. (Maintain level layers in baskets.)

## Bale Items

All over-wrapped bale items; such as pet food, cat litter, flour and sugar must have the over-wrap removed and should be hand stacked.

## Shelf Conditioning– Sell Back Blocking: Frozen Foods Only



Boxed items in the Frozen Food upright freezers should be stocked with the laid down boxes on top of the standup boxes. This allows the product to be pulled down during the day and helps keep product rotated. In multi deck cases product is pulled forward on the top and bottom shelves only. All other shelves product is pushed to the back as far as possible.



## Pulling Cardboard

Guidelines: For pulling cardboard on a 12-pack or smaller tray: when the tray becomes half-empty or less, the cardboard should be pulled.

Example: 12-pack tray – 6 or less, pull cardboard

6-pack tray – 3 or less, pull cardboard

4-pack tray – 2 or less, pull cardboard

When pulling cardboard on single layer items, the loose cans, boxes, or glass items should be placed on the front of the shelf and the case directly behind should be pulled forward.

When pulling cardboard on double or triple stacked items, the loose cans or boxes should be placed on top of the front tray.

When pulling cardboard on double or triple stacked glass items, care must be taken to avoid damage. In most situations, the loose glass items are placed on the shelving in between the bottom cases, or on the front of the shelf. (Do not remove cardboard if glass items have to be double stacked without cardboard.)

## Spinning Labels

In an effort to upgrade our Grocery Department's shelf appearance and product identification, the decision was made to spin labels to improve the appearance on end displays and aisle stock.

End displays must have all labels right side up, with the front of the label turned to face the consumer.

All items that are single layer stacked must have all labels right side up, with the front label turned to face the consumer.

Items that are double and triple layers high in the aisle require only the bottom layer to face the guest and be right side up. All remaining trays are to be stocked without spinning labels or turning product right side up.

It is not necessary to spin labels in the following sections-

Tub margarine, Refrigerated Biscuits, Yogurt, Cottage Cheese, Dips. Frozen Juices and Whipped Toppings.

## Cleaning Shelves and Moldings

Please see the Grocery Team Leader to set an established weekly cleaning day. Dirty shelves and fixtures reflect on your company and product as it does on Meijer. Cleaning supplies can be obtained from the receiving team member

## Maintain Planogram Integrity

The Meijer approved planogram must be followed by all vendors. Do not change product shelf positioning if it does not follow the planogram. Be sure to watch how high product is stacked on the top shelves to make sure the product is not stacked higher than established height standards.



## Product Rotation

Maintain proper product rotation during your normal stocking

## Shelf Tags

Meijer sets high standards in providing pricing integrity to our Guests. We ask that all efforts be made to ensure that our Guests can easily find the price on products through marking or shelf tags.

Shelf tags should be displayed throughout the departments according to these guidelines. If a tag is missing meet with the Order writer to ensure that a tag is printed.

## All Grocery, Dairy, Frozen DSD sections

**Tag Location** - Tag each item on the lower left-hand corner of the product, on the shelf tag molding based on the planogram.

## Exceptions

**Wine Section** –On the wine, place all tags in the upper left-hand corner of bin.

## Filling Holes

Do not fill holes with another item. Leave all out of stock items as holes regardless of your company's policy and procedures. No exceptions.

In the case of seasonal or long-term out of stocks, such as, vegetables, the Buying, and Merchandising Area will issue special instructions for the affected section.

Discontinued items – if an item has been discontinued and the section is waiting for a reset, upon approval from the team leader, it is acceptable to pull the tag and to spread out on adjacent facings until the reset occurs.

Non-planogrammed Vendor Sections - Holes should not be left in non-planogrammed vendor section, such as, bread where sections have designated space.



## Promotional Activity, Displays, and Signs

- Stores receive their display plans six weeks prior to the start of the ads so be sure to work closely with the Grocery Team Leaders to get your displays secured.
- Once you have secured a display, there are certain criteria to follow up on before the display is built.
  1. Be sure you have adequate inventory to build display
  2. Determining the location of the display within the department
  3. What type of display will be built, and the equipment needed to build it (i.e. decks, baskets, easels, etc....)
  4. Follow safety rules for displays (see the Grocery Team Leader for these)
  5. Agree on a time to build the display. Large displays are often built ahead of an ad break, or during off peak hours to not impact our guests shopping in the store.
  6. Adjust your merchandising schedule to maintain the additional display space.
- Be sure all displays have a printed ad sign. No handwritten signs are allowed.
- All items with a temporary reduced retail must be signed

## DSD Back Stock Guidelines

Meijer asks that all of our vendors remember that we want to be in stock on all items at all times but space in our back rooms is very limited. Because our space is so limited, we ask our DSD vendors to keep their back stock organized and to a minimum and follow these guidelines.

- All vendors should meet with each store's Grocery Team Leader to determine how much back stock would be expected on a regular basis.
- Back stock placement will be determined by the Grocery Team Leader and reviewed with the vendor.
- All back stock should be sorted so that all like items are together in the backroom.
- DSD back stock should be labeled by vendor name when stored on M-carts, pallets or pallet racking.
- Sale items should be sorted and separated from regular stock items so that the sale items are easily located for replenishment.





- Back stock should be continually condensed and organized to the smallest footprint or number of pallets or M-carts.
- DSD vendors will not use grocery L-carts or flat tops for the storage of back stock.
- All DSD back stock or product that Meijer Inc. has signed for ownership of must be stored inside the locked doors of the store. (Meijer owned product cannot be stored on vendor owned trailers.)
- Maintain appropriate levels of backroom inventory- Do not use your assigned backroom storage space for excessive inventory.
- Quantities should not exceed sales needed before the next scheduled delivery. Maintain the back stock in a neat and orderly fashion.
- Once the Ad is over, any Ad residue that does not fit into your back-room storage area must be credited and removed from the store.

## Close Dated Product Procedures

### Milk

Milk must be marked down four days **prior** to the expiration date. Milk should be reduced in price up to 50%, using the incentive to buy process attaching the ITB label over the product's UPC barcode. Any product that is not sold prior to 10PM of the expiration date must be written off and destroyed.

### Eggs

Eggs must be marked down four days **prior** to the expiration date. Eggs should be reduced in price up to 50%, using the incentive to buy process attaching the ITB label over the product's UPC barcode. All eggs not sold prior to 10PM of the expiration date must be written off and destroyed.

### All other DSD Dairy Products

These should either be removed from the store via (excluding milk and eggs) DSD credit or removed with no credit in the case of SBT Vendors.

### All DSD Cookies and Crackers and Salty Snacks

These should be pulled six (6) days prior to the expiration date and returned to the vendor for credit via the DSD credit system.

### All Other Grocery Product

If it is open code dated, it should be pulled by midnight at the end of the day prior to the expiration date printed on the package. DSD product should be returned to the vendor for credit. D.C. product should be recorded and sent to the Reclamation Center. Meijer/Private Label product should be marked down (as required to move the product) prior to the expiration date. Once the product is expired, the items should be recorded and disposed of.



## Alcohol

If open code dated, pull by midnight at the end of day prior to expiration date printed on package.

**Refer to the State and Category Specific Alcohol laws for disposition of outdated alcohol products.**

## Non-Compliance with Vendor Guidelines

DSD Vendors are subject to a penalty of reduced or cancelled promotional activity or a monetary fine for excessive noncompliance issues. The penalty or fine will be determined by the Buyer/Replenisher team and approved by the leadership in Meijer Merchandising. Penalties and fines will vary based on the severity of the noncompliance and the size of the vendor.

Factors that will lead to a vendor penalty or fine for non-compliance with Meijer Guidelines:

- Inadequate Service Frequency
- Timeliness of Service
- Excessive Out of Stocks
- Improper Stocking/Rotation Procedures
- Improper Planogram Compliance

When repeated noncompliance issues are reported by the store(s) to the Buyers and/or Replenishers, the Buyer/Replenisher will follow up with store personnel and the vendor representative. If it is determined by the Buyer/ Replenisher team and Meijer Merchandising that a penalty or fine is appropriate, this will be communicated to the vendor representative.

Vendors are encouraged to notify the Buyer or Replenisher when they have challenges at store level that would hinder them with meeting the expectations as stated in the Vendor Guidelines. The vendor is required to cover the concern with a Store Leadership person before leaving and note to whom they spoke with on both the sign out log, and in any correspondence with Buyer/Replenisher.