



# MRP FOREIGN SUPLIER MANUAL (FOB)

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## Carton Packing

### Single Sku cartons- Post:

Single Sku cartons for post/ replenishment stock must be packed according to the pack size as shown on the purchase order, this is found directly under the QA Seal No. **[Pack Size]**.

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**Mr Price**

Mr Price a division of Mr Price Group Limited

**PURCHASE ORDER**

VAT Registration 4420116552

**AMENDED NO : 4**

**Destination Branch:** 799  
Mr Price Hammarsdale DC  
ERF 249 Cliffdale  
Keystone Park  
Hammarsdale  
3700  
South Africa


**Supplier:** G00987  

The Good Supplier

**Email Address:**  

Goodsupplier@supply.com

**Terms:** Telegraphic Transfer within 30 days from Sailing  
**Vendor Vatcode:** RSA Exempt  
**Currency:** US DOLLAR  
**Exchange Rate:** 12.60 **Incoterms:** FOB

**Order No:** 4010617000830-1 

**Order Date:** 06/06/2017

**Stage:** Appointment Made **Status:** Closed

**Origin Country:** China  
**Origin Port:** NINGBO

**Delivery Date:** 24/08/2018 (Extended)  
**Extension:** 24/08/2018  
**Reason:** Shipping Delays on Direct Imports  
**Delivery Type:** Pre-Pack  
**Swingtag Date:** 21/08/2017

**Buyer's Name:**

John Smith

  
**Authorised By:**

Jack Chan

  
**Ship By Date:** 16/07/2018

Line	Cat	Item	Description	Colour	Style No	Swing Tag	Qty	Cost (Exc vat)	Cost (Incl vat)	
1	51006	10135	SLIM BULL CHECK BK PRINT	STONE	NEW SKOOL					
			<b>Stock Code</b>	<b>Size</b>	<b>Qty</b>			<b>Cost (excl vat)</b>	<b>Cost (incl vat)</b>	<b>Selling Price</b>
			5100610135078	7-8	496					
			5100610135910	9-10	732					
			5100610135112	11-12	799					
			5100610135134	13-14	973					

End Use = Fashion  
**QA Seal No:** 0199933  

**Pack Size:** 1

**Delivery Total**

Pack Size only affects the Post cartons **not prepacks**.

POST is single size, packed in Pack Size.

The total carton contents can only be in multiple of the Pack Size, any other units that do not make up a Pack size must be removed from the carton and new labels run to ensure the total units in the carton is exactly the quantity on the carton label and complies with the pack size.

Where the units are not divisible by pack size – then remove the units from the carton to balance out pack size.

Pack Size	Description
1	Can be any quantity, each poly bag must have one unit only.
2	Each poly bag must contain 2 units. Carton will contain only poly bags of 2 units each 2, 4, 6, 8, 10, 12, 14 etc
3	Each poly bag must contain 3 units. Carton will contain only poly bags of 3 units each. 3, 6, 9, 12, 15, 18 etc
4	Each poly bag must contain 4 units. Carton will contain only poly bags of 4 units each. 4, 8, 12, 16, 20, 24 etc

In this example the Pack Size is 2. Each poly bag contains 2 units.



### **Prepack and Presort cartons:**

Prepacks must follow **ratio** packing as per the packing list.

When packing pre-packs only one poly bag for the entire carton contents allowed.

Multi Item prepacks are packed the same way. It is important to note that the carton label for the Multi Item Prepack will only show the item number for the first item.





Total units in the carton must equal the Units printed on the carton label.

### Sealing the poly bags

- When using self-adhesive poly-bags you must ensure the “pull strips” covering the adhesive are not put into the carton. If these are detected the order will be sent for rework to remove the loose strips from the cartons, this will be billed to the supplier with the redelivery charge.

### Over and under packing the carton.

- **Over stuffing** a carton distorts the shape and the carton is then not able to move on the conveyor system. Bulging cartons will be sent for rework and penalties will apply.



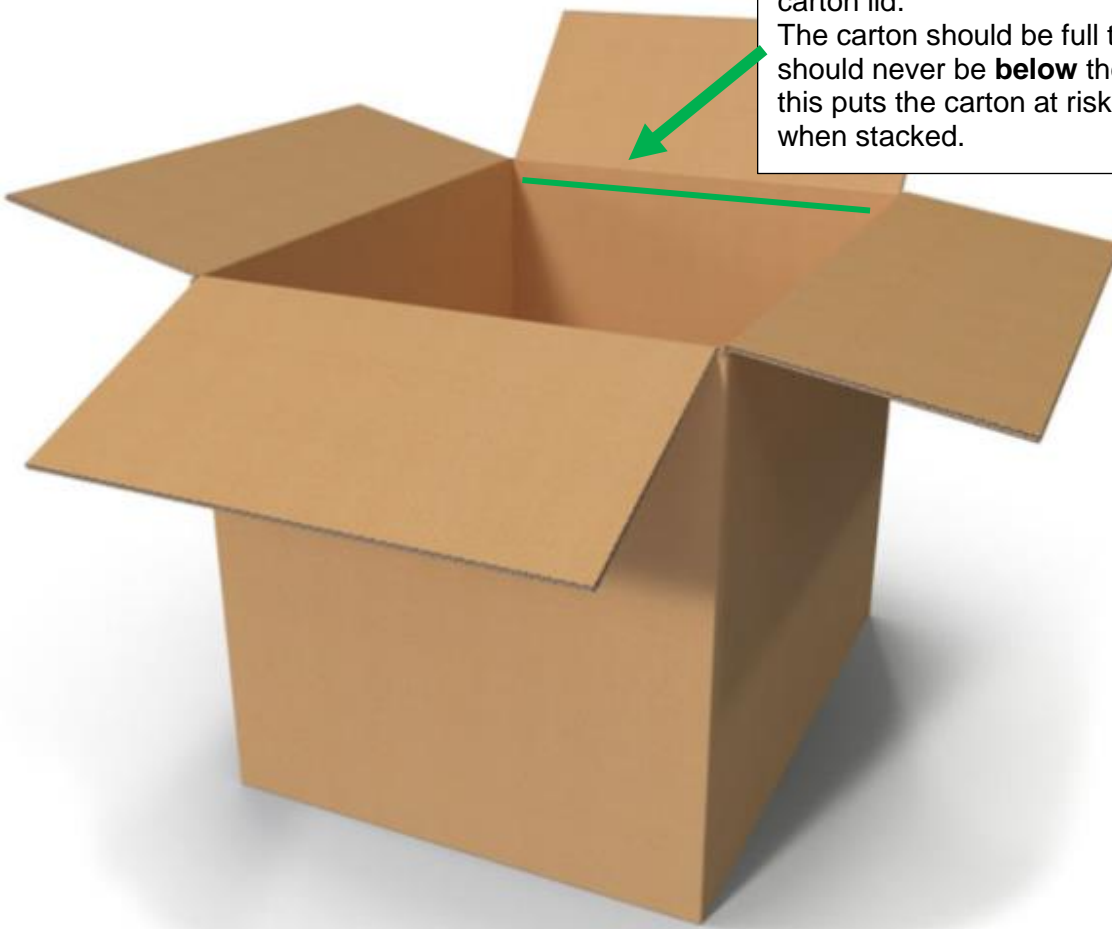


- **Under filling** will lead to cartons collapsing and bursting open. The contents are then at risk. There should not be more than 0.5cm of space from the top of the packed product and the carton lid. This will help prevent the carton from bursting when packing.



The green line indicates 0.5cm below the carton lid.

The carton should be full to the top but should never be **below** the green line as this puts the carton at risk of crushing when stacked.



## Label printing

Check packing instructions for allocations when **preparing** to print labels and not when needing to finalise.

When packing instructions are available then only are you ready to print Carton Labels. Once printed you have a window of 48 hours to finalise. Amendments to quantities during the 48 hour window of printing will require new labels to be printed as the Old labels become **invalid**.

Location Planners to communicate to suppliers on the exceptions.

- To print labels from SupplyIT you will need to download the latest version of web print available, the link to download this application can be found on the SupplyIT website. The label size and printing size and format is very important as there are scanners and cameras that must read these label barcodes while the carton is moving on a conveyor.
- Printer maintenance is critical to print a clear label, keeping the print head clean is very important to get a good quality printed label.
- If the print head is faulty replace it before printing or reprinting.
- If you need to change your label or ribbon roll while you are printing, you must ensure the printer does not give extra labels or short labels.

These are examples of good label printing. There is a good space between the edge of the label and the barcode printing. At least 2mm.  
The print is clear and the format is correct.



- Conveyable or Non Conveyable prints on the carton label depending on:
  - The size of carton dimensions captured in SupplyIT.
  - And weight of the carton captured will also influence Conveyable and Non – Conv printing on the label. See the table below. Anything smaller than the minimum or bigger than the maximum will print Non – Conveyable. Being under 0.9Kg weight or over 21.5Kg weight will also print a Non - Conveyable label.

### Conveyable carton specifications.

		<u>Length</u>	<u>Width</u>	<u>Height</u>	<u>Weight</u>
Prepack cartons	Minimum	23	20	10	0.9Kg
	Maximum	60	45	50	21.5Kg
Post/ Replen cartons	One size	60	40	30	0.9Kg - 21.5Kg

- Be aware that if you try to use another type of printer and not a Datamax printer, the software conversions available on the internet do not produce the correct size / format of printing. This will mean that you will pay penalties for handling, printing and re-delivery charges for all cartons that arrive and do not have the correct size printing or format.
- Only use the **specified** semi-gloss paper and the **specified** ribbon quality (Premium wax).
- Ensure maintenance is done regularly and clean your printers and the printer head, this should happen after each run of labels for a purchase order. (Check the printer manual for cleaning details.)
- Check that the printer head is not blown. This can be done by printing the **TEST** label and checking if there are any imperfections in the print.
- Make sure while the printer is running that it does not start to track to the side and allow the printing to be too close to the edge of the label. There must be a clear 2mm of white label border before the barcode starts on the left hand side of the label.
- Before every order print a **TEST** label as described in the Manual and if there are any imperfections do not run your carton labels until the problem has been rectified. Sending cartons with labels that can't be scanned will result in penalty charges for handling and printing and redelivery.

How a good label should look:



There is a clear white border of at least 2mm to make this a valid scan on the 2D barcode





Label format is correct and printing is clear, no damaged or missing print.

Example of a bad label:

There is not enough clear white border to make this a valid scan on the 2D barcode

The printing is rubbed off and the barcode will not scan.



The 1D barcode has incomplete printing on the bars and will not scan.

#### Example of label **incorrectly printed**:

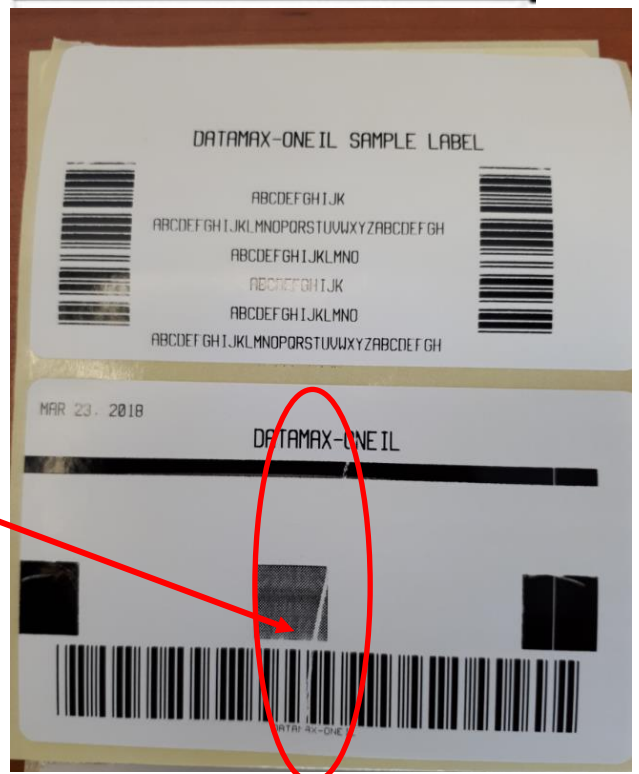
- This label format is incorrect. The 1D barcode is compressed and will not scan.
- The printing is cut off on the left hand side and 2D label is distorted and will not scan.
- The Item number is missing from this label.
- This generally indicates a printer other than a Data Max is being used.



### **Printing a Test or Sample label**

Print a test label as shown in your printer's manual. (Below are examples) If there are errors it means your labels will also have errors and the Distribution Centre will send the cartons away for relabelling at the suppliers expense. The below examples are what is being referred to. The test labels are available on every Data Max, they can differ in style depending on model of printer you have. Below are 3 examples. The reason for the pattern is to be able to identify any areas where the printing may not be clear. This would then affect the read ability on the scanners at the distribution center.

Some examples of test / sample labels that are printed on Data max printers.



Here is an example of a fault in the printing where the print has a fault line through it.

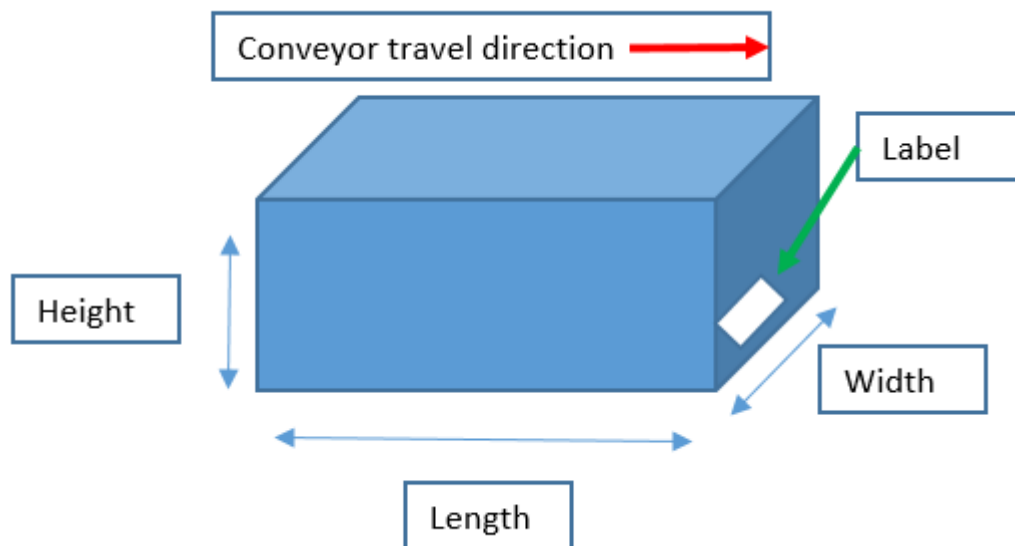
## LABEL DAMAGE

Some tips to help prevent label damage:

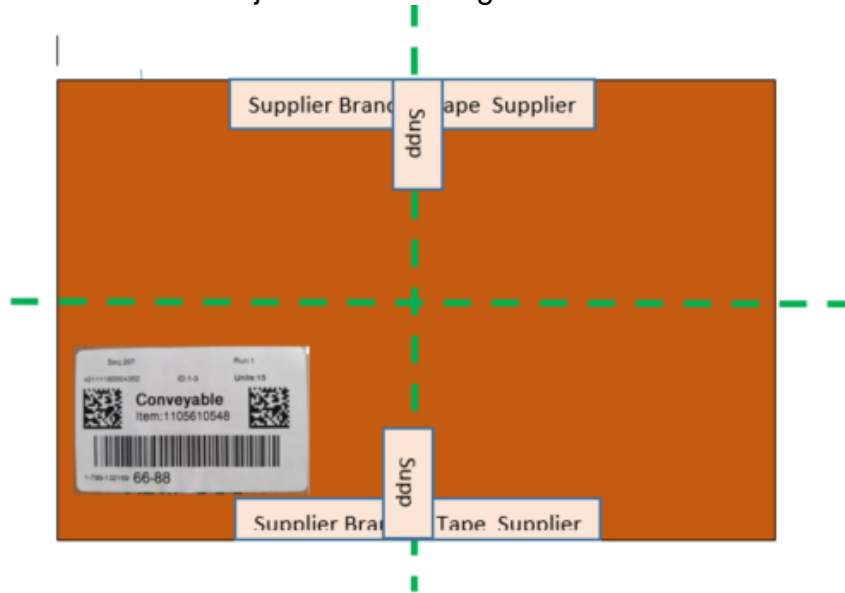
- Don't pack a carton in the container with the label facing the wall, floor or roof of the container.
- Ensure your printer is maintained and the print head cleaned several times a day.
- If you have issues with the semi-gloss paper labels and premium wax ribbon labels being damaged there is a "Dairy Film" label and a resin ribbon that can be used. This costs more but will not be damaged in transit. This would be cheaper than rework and redelivery charges.
- Carton labels can be purchased from **Trader Plus**. The details for this are in the SupplyIT Manual. These are good quality and specifications are managed by Trader Plus.

### Tape and label placement:

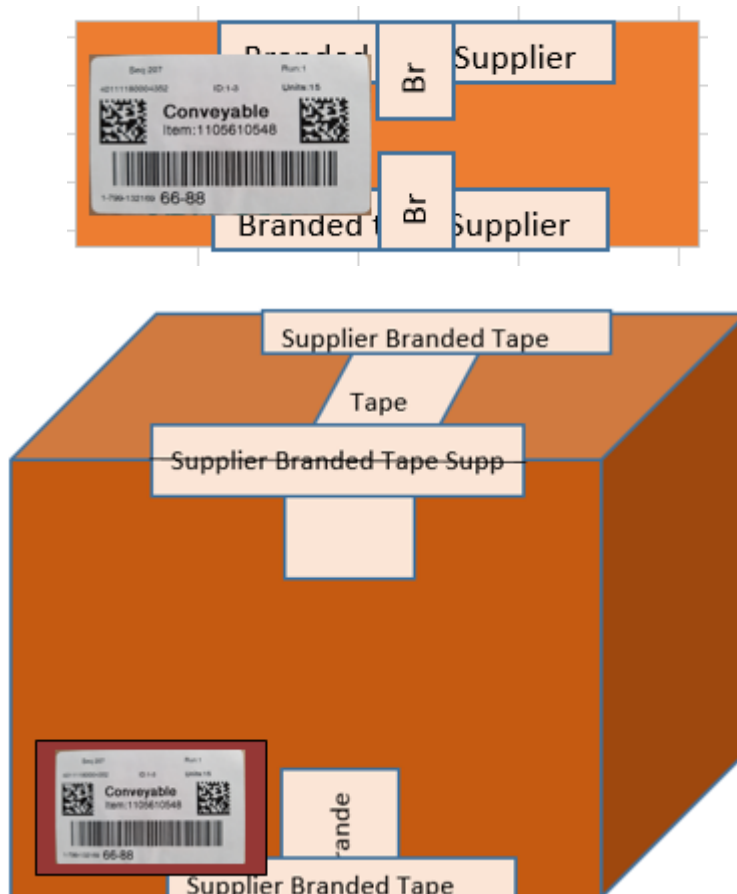
- The placement of the carton label should always be on the **lower left hand corner** of the carton facing you. This is on the side where the width and height of the box is and **not** on the length side. At the Mr Price Distribution Centre the longest side of the carton is **always** considered the length.
- When placing cartons onto the conveyor at the Distribution Centre the carton will always travel laying down on the long side.



- The green dotted lines here are just for a visual guide.



- The label must be 3cm – 5 cm from the edge and bottom of the carton. This is to increase the scan rate and prevent the label being damaged on the carton edges.
- If the carton is the smaller size allowed to be conveyable (23cm X 20cm X 10cm) please ensure you keep the label to the left side of the narrow end and be sure that no tape is covering the label.
- Do not load unlabeled cartons in the container.



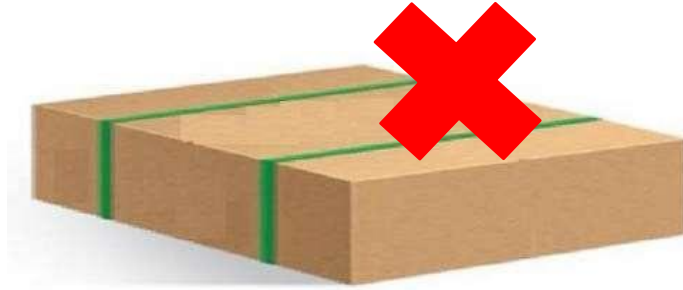




If you have an item that authorised to be Non – Conveyable and the carton is very narrow, you can fold the label over the corner as indicated in the photo. Be sure to fold along the top of the 1D barcode. The 2D barcode will be on the top of the carton and the 1D will be on the narrow front edge.

- Supplier branded Paper tape to be used. Note Buying agent tape may be used.
- Paper tape must not be applied over plastic tape, it does not stick well and the contents are at risk.
- All cartons are to be sealed on both sides (**top and bottom**) with **supplier branded** tape in an H seal.
- No clear tape or “buff tape” may be used.
- Ensure the supplier tape does not cover any part of the label. This prevents the barcode from scanning.
- Only plastic bales for **Home and Sheet Street** can be sealed with supplier branded plastic tape.

Strictly no strapping is allowed on conveyable cartons (Only for non-conveyable heavy cartons), this will incur a penalty charge for handling and redelivery.



Please ensure the label is placed correctly on the carton and must not wrap around the corner of the carton.



Do not place labels on the top of the carton.

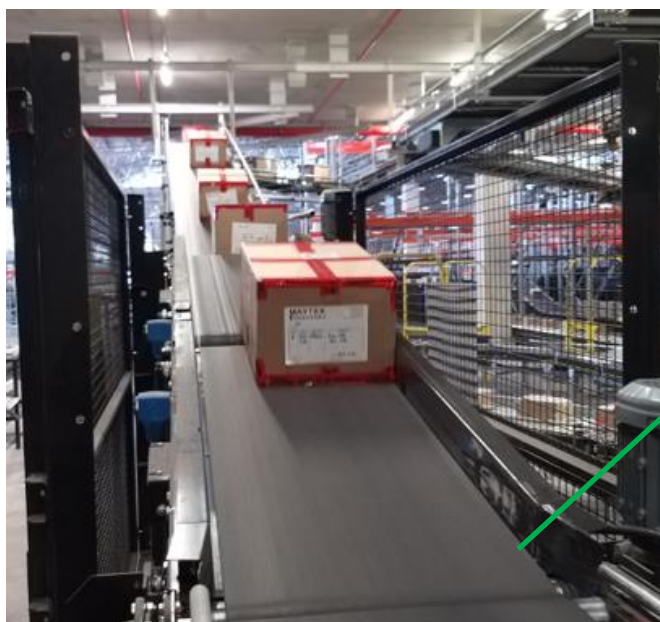


## ► Carton Dimensions and weight:

- **Minimum** size carton **23cm (L) x 20cm (W) x 10cm (H)** will be accepted. This point is very important and severe penalties will be applied if you capture the minimum dimensions in SupplyIT and the carton is actually smaller. If the conveyors cannot detect the boxes then the conveyors will stop while we have to remove the cartons, additional charges for repackaging and redelivery will be passed on to the supplier.
- Conveyable cartons should not be lighter than **0.9kgs** and should not exceed **21.5 kgs**.
- **Maximum** size carton that can travel on the conveyor is **60cm (L) x 45cm (W) x 50cm (H)** exceeding these dimensions makes the carton non-conveyable. Only **prepack** cartons can be 60cm x 45cm x 50cm. Suppliers will require authorisation for non-conveyable cartons for Milady's, Mr Price or Sports apparel from your divisional supply chain manager. Failure to comply will incur a penalty for rework and delivery.
- All **post/ replenishment** cartons containing items that are physically conveyable in size are required to be packed in cartons that are **60cm (L) x 40cm (W) x 30cm (H)**. **Deviation from this must be agreed by Supply Chain manager. See contact list at the end of this manual.**

### Conveyable carton specifications.

		<u>Length</u>	<u>Width</u>	<u>Height</u>	<u>Weight</u>
Prepack cartons	Minimum	23	20	10	0.9Kg
	Maximum	60	45	50	21.5Kg
Post/ Replen cartons	One size	60	40	30	0.9Kg - 21.5Kg



There are some parts of the conveyor system that have size limits for width, length and height.



Cartons are dropped onto moving trays and must comply with size and weight requirements.



## **Finalising Orders:**

### **HOME, SHEET STREET, MILADYS AND SPORT:**

- Follow the steps on SupplyIT to print your carton labels.
- Cartons need to be split on SupplyIT
- Carton dimensions must be added in the correct order on SupplyIT (L x W x H). Please note the length is always the longest measurement.
- They need to Download the labels (Cyber print)
- Then assign the order to Traderplus who will physically print the carton labels or the supplier can then print the labels themselves.
- Be sure to ONLY apply the Finalised run of labels to the cartons.

### **PRICE:**

- Follow the steps on SupplyIT to print your carton labels.
- Please remember that **no changes** can be made to a finalised order so be very sure that your labels are correct and your packing is the same as the packing list and pack size **before** you finalise.
- Carton dimensions must be added in the correct order on SupplyIT (L x W x H). Please note the length is always the longest measurement.
- Printing of Labels needs to happen after AI inspection- to account for bad/rejects to be removed from an order.
- If you do not finalise after printing and a merchant makes a change it can make your run of labels invalid.
- Be sure to ONLY apply the Finalised run of labels to the cartons.



## Inbound Stock Audit Process

All orders arriving at the DC are subject to an audit. The audit is a scan of the price tags from each item found in the carton. The carton is opened and emptied on the work table and each item is scanned and placed back in the carton. When all items have been returned to the carton an automatic email is generated and emailed to the supplier advising what errors were found.

In the example below there were 2 cartons audited:

- Carton 2-799-5868840-94 should have had 24 units of Item Code 5201012958, all 24 units were there but 1 was damaged.
- Carton 2-799-5869177-26 was expecting to find 24 units of Item Code 5202011464 but instead there was 12 units of 5201012974.

This means there are 12 extra of item 5201012974 and 24 short of item 5202011464.

Please refer to the supplier agreement for penalty calculation.

**From:** Astronomix SQL Mail  
**Date:** 2019-02-27 12:00  
**To:** manager@supplier.com  
**Subject:** Notification of audit failure of Order Number: 102091800012345

**This email serves to notify you that the above order has failed our contents audit at time of delivery**

Transfer Number	Item Code	Item Desc	Size Desc	Expected Qty	Count Qty	Damage Qty	Difference
2-799-5868840-94	5201012958	GLASS RED	Each	24	24	1	0
2-799-5869177-26	5201012974	CHAMPAGNE FLUTE	Each	0	12	0	12
2-799-5869177-26	5202011464	WHISKEY BLUE	Each	24	0	0	-24

The payment for the inspected cartons has been amended accordingly and all other carton numbers on this order have been marked "affected" in our system. If any store claims are processed against these cartons the claim will be deemed for your account. These claims for over and under deliveries will be processed weekly, based on the date on which the store raised the query.

Regards,

► **Samples and Scatter covers Applies only to Home and Sheet Street suppliers**

► **Samples:**

- Samples must be very clearly labelled SAMPLES with the **container number** clearly marked on at least 2 sides of the carton.
- See the example below



**Scatter Covers:**

- Any scatter cover which will be filled in SA must not have the carton labels printed and the order must not be finalized.
- Finalising will be done by the secondary supplier in SA.
- You will not need to print the barcoded packing list and hand that over to ACS.
- You can pack as many scatter covers in a carton as you can. (please do not exceed 21Kgs)
- The orders still require price tickets.

Please note we require the below label to be printed and stuck on the scatter cushion cartons by the factory.

This will assist our DC in identifying the scatters cartons.

Colour: Bright Orange

Dimensions: not less than 40mm x 80mm

2 stickers per carton: one on the side and one on the top

**SCATTER COVERS**  
**10208190001112**  
**CALL RECEIVING SUPERVISOR**

\*\*Mr Price Group understands that multiple Suppliers within a Supplier organization are involved in the shipping/transporting and delivery process. It is crucial that all participants understand and adhere to the requirements outlined in this section. It is important that all 3rd parties assisting Suppliers in the production, shipping, transport and distribution of merchandise on behalf of Mr Price Group orders are knowledgeable of and adhere to the requirements detailed in this manual.

It is the Suppliers responsibility to ensure this information is made available to the 3rd party, unless instructed otherwise\*\*

## **Contact List**

### **Mr Price Apparel**

Contact : Sue Samie  
Email : SSamie@mrp.com  
Telephone : +27 31 3108622

### **Mr Price Home**

Contact : Rickey Rossouw  
Email : RRossouw@mrphome.com  
Telephone : +27 31 3108987

### **Mr. Price Sport**

Contact : Veneshree Munsami  
Email : VMunsami@mrpsport.com  
Telephone : +27 31 3108249

### **Miladys**

Contact : Mohammed Mucktoom  
Email : MMucktoom@Miladys.com  
Telephone : +27 31 3135686

### **Sheet Street**

Contact : Rickey Rossouw  
Email : RRossouw@mrphome.com  
Telephone : +27 31 3108987



## Chapter 2 MR PRICE GROUP LIMITED

### Supplier manual acceptance letter

#### DIVISION (please tick where applicable):

MR PRICE ☐ MR PRICE HOME ☐ MR PRICE SPORT ☐ SHEET STREET ☐ MILADYS ☐

All completed applications, along with other requirements must be submitted for **ATTENTION TO THE SENDER OF THE APPLICATION**

#### Company Name:

Company Address:

I, We \_\_\_\_\_ accept the terms

and conditions of this Divisional Mr Price Group Supplier & Quality Manuals on this day\_\_of\_

\_\_\_\_\_20\_\_\_\_\_.

Signature:

**Honorary Chairmen:** L J Chiappini, S B Cohen. **Independent Non-Executive Chairman:** N G Payne

**Executive Directors:** S I Bird (Chief Executive Officer), M M Blair (Chief Financial Officer)

**Non-Executive Directors:** K Getz, M R Johnston, R M Motanyane-Welch, M J D Ruck, S E N Sebotsa, W J Swain, M Tembe, **Alternate Directors:** N Abrams, T A Chiappini-Young, S A Ellis, Prof. L J Ring (USA)

**Company Secretary:** H E Grosvenor