

Domestic Footwear & Accessories Logistics Guide

Contents

Section	Topic
----------------	--------------

1.0	Statement of Purpose
------------	-----------------------------

2.0	Purchase Order (PO) Requirements
------------	-----------------------------------------

	2.1 General Instructions
--	--------------------------

	2.2 Merchandise Configuration Types (Packing & Ticketing Methods)
--	-------------------------------------------------------------------

3.0	Carton Packing
------------	-----------------------

	3.1 General Carton Packing Instructions
--	-----------------------------------------

	3.2 Master Carton Packing Method
--	----------------------------------

	3.3 Accessories Packing Method (eTail Direct)
--	-----------------------------------------------

	3.4 Accessories Packing Method (DSW Retail)
--	---------------------------------------------

4.0	Carton Specifications
------------	------------------------------

	4.1 Carton Construction and Design Requirements
--	-------------------------------------------------

	4.2 External Carton Labeling Requirements
--	-------------------------------------------

	4.3 Examples of External Carton Label Placement
--	-------------------------------------------------

	4.4 Inbound UCC-128 Label Requirements
--	----------------------------------------

	4.5 Printed UCC-128 Label Information
--	---------------------------------------

	4.6 UCC-128 Examples
--	----------------------

5.0	Transportation Routing Requirements
------------	--------------------------------------------

	5.1 General Routing Requirements
--	----------------------------------

	5.2 Domestic Routings
--	-----------------------

	5.3 Scheduling Merchandise Pick-Up
--	------------------------------------

	5.4 Trailer Loading Requirements (All Shippers)
--	-------------------------------------------------

	5.6 TMS, (Transportation Management System), Information
--	----------------------------------------------------------

	5.7 TMS Overview of Instructions
--	----------------------------------

	5.8 TMS Vendor Enrollment
--	---------------------------

	5.9 TMS PO Validation Business Rules
--	--------------------------------------

6.0	Inbound Shipping Documentation
------------	---------------------------------------

	6.1 General Bills of Lading Information
--	-----------------------------------------

	6.2 General Packing List Information
--	--------------------------------------

	6.3 Third Party Terms Information
--	-----------------------------------

Domestic Footwear & Accessories Logistics Guide

Contents

Section	Topic
----------------	--------------

7.0 Electronic Data Interchange (EDI) Requirements	
-----------------------------------------------------------	--

- 7.1 General Information
- 7.2 Electronic UPC Catalog (832)
- 7.3 Electronic PO (850)
- 7.4 Electronic Shipment Notice/Manifest (856)
- 7.5 Electronic PO Change Request – Buyer Initiated (860)
- 7.6 Functional Acknowledgment Message (997)
- 7.7 EDI Message Formats

8.0 Payment Process	
----------------------------	--

- 8.1 General Information
- 8.2 Vendor Invoice Instructions
- 8.3 Vendor Invoice Format Requirements

9.0 Vendor Chargeback Policy	
-------------------------------------	--

- 9.1 General Information
- 9.2 Schedule of Chargeback Expense

10.0 Contact List	
--------------------------	--

11.0 Glossary of Terms	
-------------------------------	--

- 11.1 General Information
- 11.2 Table of Terms & Definitions

1.0 Statement of Purpose

DSW, Inc. ("Company") recognizes the important role our vendors play in achieving our goal of being the retailer of choice for branded footwear by satisfying customer expectations concerning selection, convenience and value. We believe building strong partnerships with our vendors allows us to ensure customer expectations and/or requirements are met for the success of our vendors and our company.

In addition to maintaining strong vendor partnerships, our Company utilizes current supply chain technology to improve merchandise flow from point of origin to sales floor. This provides our customer with the typical sale price found at specialty retailers and department stores. With an emphasis on technology, it is more important than ever that we work together with our vendors.

For these reasons, we have developed the DSW, Inc. Domestic Vendor Logistics Guide ("Guide") to outline policies and procedures which vendors need to understand and follow in order to work with the Company. The Guide is a comprehensive reference source for merchandise which provides the vendor with the basic policies and procedures for conducting business with the Company. The intent of this document is to assist our vendors in successfully meeting the Company's standards governing business transactions.

The Guide outlines the following policies and procedures; purchase order ("PO") information, merchandise preparation, packaging, shipping, and electronic data interchange ("EDI") requirements. Each vendor is expected to satisfy all of the requirements outlined in the Guide when shipping merchandise to the company's distribution center. Merchandise deliveries will be audited to ensure Guide requirements are being met. Any non-compliance discovered by the Company may result in vendor chargebacks to recover the additional costs associated with excessive handling and/or processing of merchandise.

This Guide contains new material and supersedes any information you may have received under separate cover. When changes are made to any of the requirements contained within the Guide, you will be notified in advance of the new expectation and compliance deadline. **Your receipt of the Guide in its entirety or any components, via electronic or manual method, implies your acknowledgement and acceptance of the Company's requirements contained therewith in.**

1.0 Statement of Purpose (cont'd)

The success of these policies and procedures depends upon mutual and regular communications between the Company and vendor. We encourage you to work closely with the Company to develop a thorough and expeditious plan to comply with these policies and procedures. If after consulting the Guide you have questions regarding the requirements, please contact the Company's Vendor Relations team (see Section 10). Additional copies of the Guide can be accessed via the Internet at: <http://dswshoes.com/Vendor-Compliance.do>.



2.0 Purchase Order (PO) Requirements

2.1 General Instructions

- Company buyers will provide vendors with an initial hard-copy PO specifying the following information:
 - Business unit name (DSW, DSW Leased, & eTail)
 - Vendor name
 - Company buyer's name
 - Season of item purchased (i.e. "FA07" = Fall 2007)
 - Item order, delivery, start-ship, and cancellation dates
 - PO number
 - PO commercial and freight terms (terms used to specify invoice and freight payment methods)
 - Vendor item style number and color description
 - Unit cost (Company cost for the item), added to PO at point of sale.
 - Size run and packing instructions
 - Prepack code
- Sample PO form:

PO # 38786		APPROVED		DSW Inc.		Vendor Copy		Page 1 of 3				
DSW Inc. 4150 E. Fifth Avenue Columbus, Ohio 43219 Phone (614) 237-7100		Business Unit: DSW Department: 1020 Mens Boots Vendor: Vendor#: Purchase Agreement Per:		Order Date: 26-JUL-2007 Ex Factory / Start Ship: 16-AUG-2007 Delivery Date: 27-AUG-2007 Cancel If not Shipped Before: 24-AUG-2007		FOB: WAMN Terms: Net 30 days Ship Complete Or Cancel: YES Buying Agency Agreement: NO		Pre Ticket: NO EDI: NO Buyer: Order based on approval of confirmation samples of each shoe color: NO in size. Ticket and tag at NO CHARGE: Note /digit SKU# must be marked on the product inside the right shoe. NO				
Bill To: DSW-Attn: Accounts Payable Department 3241 Westerville Rd Columbus, OH 43224		Ship To: DSW DC 4150 East Fifth Avenue Columbus, OH 43219		Vendor Instructions:								
PO Totals		Unit Cost	\$80,518.68	Cases	206	Pairs	1236					
Item Information												
ESN	7 Digit SKU	Item Description	Vendor Style	Vendor Color	Unit Cost	Class	Sub Class	Color Code	Vndr Pack	DSW Pack Code	Cases	Pairs
00000000166275	4832176	4308 INSPIRED MOC TOE BT	4308	ABSEIL	\$68.88	0020	0070	230	9806-1	9806-1	25	150
00000000166276	4832176	4308 INSPIRED MOC TOE BT	4308	ABSEIL	\$68.88	0020	0070	230	9806-1	9806-1	25	150
00000000166278	4832184	4310 INSPIRED MOC TOE BT	4310	NEW TAN	\$68.88	0020	0070	210	9806-1	9806-1	25	150
00000000166279	4832184	4310 INSPIRED MOC TOE BT	4310	NEW TAN	\$68.88	0020	0070	210	9806-1	9806-1	25	150
00000000166273	4832044	4307 ORIGINAL MOC BT MESH	4307	WALNUT	\$59.38	0020	0070	210	9806-1	9806-1	25	150
00000000166273	4832044	4307 ORIGINAL MOC BT MESH	4307	WALNUT	\$59.38	0020	0070	210	9806-1	9806-1	25	150
00000000166272	4832036	4305 ORIGINAL MOC BT MESH	4305	CREAM	\$59.38	0020	0070	250	9806-1	9806-1	3	18
00000000166272	4832036	4305 ORIGINAL MOC BT MESH	4305	CREAM	\$59.38	0020	0070	250	9806-1	9806-1	3	18
00000000166270	4831888	4300 EVOLVED PLN TOE BT	4300	BLACK	\$64.13	0020	0070	001	9806-1	9806-1	25	150
00000000166270	4831888	4300 EVOLVED PLN TOE BT	4300	BLACK	\$64.13	0020	0070	001	9806-1	9806-1	25	150
Pack Information												
DSW Prepack Code	Size/Dim	08.0	08.5	09.0	09.5	10.0	10.5	11.0	11.5	12.0	13.0	Total
9806-1	M	1	1	1	1	2						6
9806-1	M						2	1	1	1	1	6

IMPORTANT NOTICE TO ALL VENDORS: This Purchase Order ("PO") is subject to Buyer's General Terms and Conditions of Purchase, the vendor requirements and Guidelines, and the RV Domestic Footwear & Accessories Logistics Guide (collectively, "Terms"). By accepting this PO, the vendor acknowledges receipt and agrees to be bound by the terms and conditions of this PO and Terms. If you do not agree with the terms of the PO or the terms, do not accept or fulfil this PO. If this PO is a written confirmation of a verbal order, Vendor agrees that these Terms control. Different or additional terms proposed by the Vendor are expressly rejected and shall not be part of the transaction.

For additional information concerning this PO or logistics compliance, please visit the DSW Vendor website at: <http://www.dswinc.com/Vendor.do>. POs can be validated 5 days prior to "Start Ship" date. For validation, please e-mail DSW's Domestic Transportation department at: traffic@dswinc.com or call (614) 238-4069. PO routing requests can be obtained via the Vendor website, e-mail, or faxed request. Requests via fax can be sent to (614) 238-4212, Attn: DSW Domestic Transportation.

2.1 General Instructions (cont'd)

- Vendors must provide the Company buyer with the correct vendor style and color number/description of the merchandise for entry into the Company PO system within **20 business days** following receipt of PO by the vendor. This information can be forwarded to the Company via e-mail or fax.
- Additionally, the Company will request that all UPC enabled vendors establish a data trading agreement that allows the use of the vendor's UPC codes for PO merchandise. Associates from the Company's MIS department will contact the vendor's IT/MIS department to request permission from the vendor to access their UCP catalog (GXS, QRS, etc) data. For details on how to set up these relationships, please see the MIS contacts found in Section 10.
- POs sourced to a vendor with an established UPC trading relationship with the Company will not be marked by the buyer as a "Preticket" order. All merchandise will need to be labeled with the vendor's UPC tag. Exceptions to the UPC tag requirement need to be approved, in writing, by the appropriate Company buyer prior to merchandise shipment.
- UPC enabled vendors must ensure the transmission of corresponding UPC codes for PO items within the same time period (see Section 7, Para 7.2 for details).
- Following receipt of vendor style and color number/description of merchandise, the Company will forward to the vendor one of the following as an approved PO: 1- hard copy via fax/mail or 2 – EDI PO via EDI system (for EDI enabled vendors only). These are the only documents to be used for the fulfillment of a Company's order. The approved PO will contain the following information (not inclusive):
 - Company style number (added to PO after receipt of vendor item description, color description, style, and color number)
 - Company SKU (POS/Barcode) number (added to PO after receipt of vendor item description, color description, style, and color number)Hard copy POs will include all appropriate signatures (i.e. Company) indicating the order has been entered into the Company PO system.
- Company may request that merchandise be shipped pre-ticketed by the vendor using Company retail price tickets (typically non-EDI vendors). Preticketing instructions are found on the PO and in the PO Comments section. Any questions concerning preticketing requests should be directed to the Company buyer.
- EDI enabled vendors need to ensure all shoe boxes are labeled with a valid UPC bar-coded tag. Non-EDI vendor need to ensure all merchandise is either labeled or ticketed with a Company provided retail price ticket when applicable.

2.1 General Instructions (cont'd)

- When preticketing merchandise, the Company will supply all retail price tickets prior to merchandise shipment. Questions concerning price tickets and/or placement instructions need to be addressed to the appropriate Company buyer.
- Any exceptions to PO preparation or packing instructions/specifications need to be approved, in writing, by the appropriate Company buyer prior to merchandise shipment.
- Vendor style and/or color substitutions are not permitted without the prior approval of the Company.
- Terms and Conditions of Purchase are outlined on the reverse side of the PO. Additional copies of the PO terms and conditions can be obtained by visiting the Company's vendor website at: <http://dswshoes.com/Vendor-Compliance.do>.
- The Company uses three buying unit designators to identify the responsible entity for PO sourcing:
 1. **29** – indicates DSW stores
 2. **41** – indicates DSW leased stores
 3. **58** – indicates eTail Direct
 4. **65** – indicates DSW leased stores

The Company buyer is responsible for indicating the correct buying unit on the PO.

- Vendors may request additional copies of orders (hard copy or EDI) from the appropriate Company buyer.

2.2 Merchandise Configuration Types (Packing & Ticketing Methods)

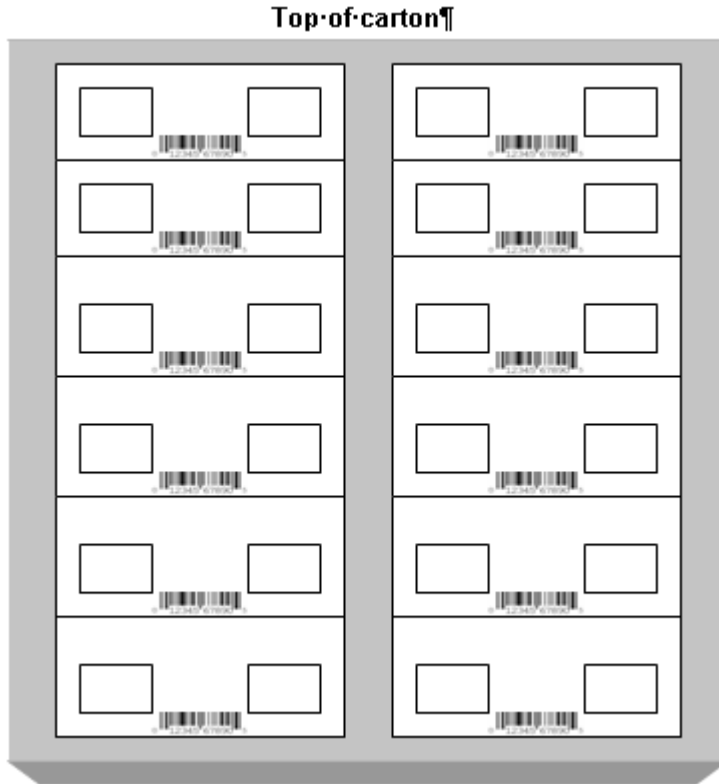
- The Company specifies two types of merchandise configuration methods: 1 – *prepacked/musical* (solid style & color, assorted sizes) or *solid size/solids* (single style, color, & size). The Company PO will indicate merchandise configuration method on the PO in the Pack Code and Size Run sections. Questions concerning specific merchandise configuration will need to be forwarded to the Company buyer prior to merchandise shipment.
- Merchandise from different orders, styles, or colors cannot be configured in the same shipping carton and may be subject to chargeback.
- Vendors receiving orders without any merchandise configuration instructions need to notify the appropriate Company buyer immediately.

3.0 Carton Packing

3.1 General Carton Packing Instructions

- Any exceptions to PO carton packing instructions need to be pre-approved by the Company buyer.
- Vendors cannot mix POs, styles, or colors within cartons without the Company buyer's authorization.
- Cartons need to be packed using a single merchandise configuration method as indicated on the PO (prepacked or solid sized). Additional instructions regarding carton packing methods are outlined in Section 2, Para 2.2 of this Guide.
- Cartons need to be packed using the standard total pair quantities specified on the PO. The standard carton quantity will be specified as the sum of all individual pairs from the "*Pack Information*" section of the PO (see Section 2, pg 2-1). Questions concerning this quantity should be directed to the Company's sourcing buyer.
- Any remaining merchandise ("*end of run*") which cannot be packed using the standard carton quantity needs to be packed solid style, color, and/or size into a non-standard quantity carton.
- Any merchandise which is ordered as vendor preticketed or uses UPC labels cannot be shipped in the same carton as non-ticketed or non-labeled merchandise. These goods will need to be placed into a separate carton by style, color and/or size. The carton needs to be marked "MISSING PRICE TICKETS" or "MISSING UPC LABELS" in bold, 36 pt font.
- All orders are to be shipped complete to minimize risk of chargebacks to the vendor and processing delays. Any request for partial shipment of merchandise will need to be pre-approved by the Company buyer.
- Merchandise purchased as closeout (i.e. Closeout, Closeout-Take all) may be packed into cartons using either a prepacked or solid merchandise configuration method (Musical or Solid). While using a combination of merchandise configuration for these orders, mixing of styles or colors within a carton is not permitted without Company buyer authorization.
- For merchandise using the Company's retail price ticket or vendor UPC label, individual cartons are to be placed upward in the carton so that the retail price ticket vendor or UPC bar-coded label is visible for scanning upon opening the carton (see example below)

- Example of carton opening for process



3.2 Master Carton Packing Method

- When merchandise is purchased that does not meet minimum carton size or weight requirements (see Section 4.1 for details), cartons can be “master packed” (carton w/i a carton) for ease of shipping and handling. **Master packed cartons cannot contain multiple POs, styles, or colors.**
- The following guidelines outline the acceptable method to be used for “master packed” merchandise:
 - Identify the outside of the master carton by writing or labeling “MASTER CARTON” on the outside of every master carton, (all four sides and top of case).
 - All master cartons must contain only one PO and SKU, (style and color), combination, do not mix PO's or SKU's.
 - All master cartons must have a visible sequence, (e.g. 1 of 10, 2 of 10...10 of 10), and the inner cartons must also have a numbered sequence.

3.2 Master Carton Packing Method (cont'd)

- Outer carton must have all information as described in section 4.2, in addition, each master carton label must have describe the contents, (i.e. inner units = 4 cartons), with the PO number and the SKU number, (style and color acceptable if the Company SKU is not provided).
- Inner carton must have all of the appropriate information as described in section 4.2, (i.e. PO number, SKU, etc.).
- Inner cartons must be made of conveyable cardboard; use of non-corrugated shipping containers is not acceptable.
- The master carton must comply with the minimum requirements set forth in section 4.1.
- For additional assistance, please contact the Company Vendor Compliance department with any questions concerning master carton packing (see Section 10).

3.3 Accessories Packing Method (eTail Direct)

- eTail Direct (BU 58) requires all accessories vendors to follow the packing guidelines listed below for merchandise being shipped to eTail Direct's fulfillment center.
- Each unit must be individually packaged. Vendors are responsible for placing each individual product in a box or poly bag.
- Each individually packaged item must be marked with a unique scannable label prior to packing.
 - The label must have a unique barcode to identify the appropriate merchandise information (Vendor style, color and size).
 - All vendors identifying their product using UPC bar-coded labels need to place the label on the outside of the package. For vendors shipping UPC labeled merchandise and not exchanging UPC data with eTail Direct, please contact bTs IT for assistance in establishing this relationship (see Section 10).
 - Vendors not having EDI capabilities will need to establish a UPC-A labeling solution which incorporates eTail Direct's internal SKU number for the merchandise. For assistance, please contact the eTail Direct team (see Section 10).
 - Vendors using a SKU labeling solution will need to place the bar-coded labels on the outside of the package.
- Any exceptions to these eTail instructions need to be pre-approved by the appropriate eCommerce Buyer within DSW Direct.

3.4 Accessories Packing Method (DSW Retail)

- DSW Retail (BU 29) recommends that accessories vendors to follow the packing guidelines listed below for merchandise being shipped to DSW Retail's distribution center.
- For Handbags/Backpacks
 - All handbags/backpacks require hard ticket to be attached using a nylon locking loop. Price ticket must show DSW Retail SKU, "Compare at" price and DSW retail price.
 - If using internal hangtags on handbags/backpacks, place DSW Retail's self adhesive price label the back of the vendor hangtag covering the vendor's UPC barcode.
- Gifts
 - Gifts will require a self adhesive price label to be applied showing DSW Retail SKU, "Compare at" and DSW retail price.
 - Price labels should be placed on the bottom of the box or the back of the item over the vendor's UPC barcode. Labels need to be placed on the package in manner which does not obscure merchandise description or usage information.
 - If you have any questions on the placement of the ticket, please call DSW Retail's Merchandising or Vendor Relations teams (see Section 10).
- Hosiery
 - Hosiery will require a self adhesive price label to be applied showing DSW Retail SKU, "Compare at" and DSW retail price.
 - The self adhesive price label should be applied over the vendor's UPC barcode. When applying, do not cover the vendor's suggested retail.
 - If you have any questions on the placement of the ticket, please call DSW Retail's Merchandising or Vendor Relations teams (see Section 10).
- Slippers
 - All slippers/sandals in bags with handles require hard ticket to be attached using a nylon locking loop. Price ticket must show DSW Retail SKU, "Compare at" price and DSW retail price.
 - Slippers/Sandals on hangers may require either a self adhesive price label or hard ticket attached using a nylon locking loop applied showing "Compare at" and DSW retail price.
 - Slippers package in shoeboxes will require a self adhesive price label to be applied showing DSW Retail SKU, and "Compare at" price.

3.4 Accessories Packing Method (DSW Retail cont'd)

- Athletic Socks and Shoe Trees
 - Athletic socks and shoe trees will require a self adhesive price label to be applied showing DSW Retail SKU, "Compare at" and DSW retail price.

4.0 Carton Specifications

4.1 Carton Construction and Design Requirements

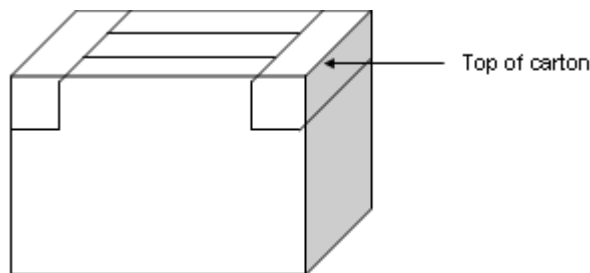
- **Corrugate** – Vendors should use a regular slotted container (RSC) with a minimum burst strength rating of 200 lbs (90.91 kg) and edge crush test (ECT) strength rating of 32 lbs (14.55 kg). Corrugate of higher standards is acceptable for use with Company merchandise.

- **Carton Size** – Vendors must comply with the dimensions outlined below:

	Length (Largest Dimension)		Width		Height (Smallest Dimension)	
	CM	IN	CM	IN	CM	IN
Minimum	41	16	30.5	12	20.3	8
Maximum	86.3	34	71.1	28	61	24

Note, the Company's Vendor Relations team must approve any exceptions to the above dimensions prior to shipment

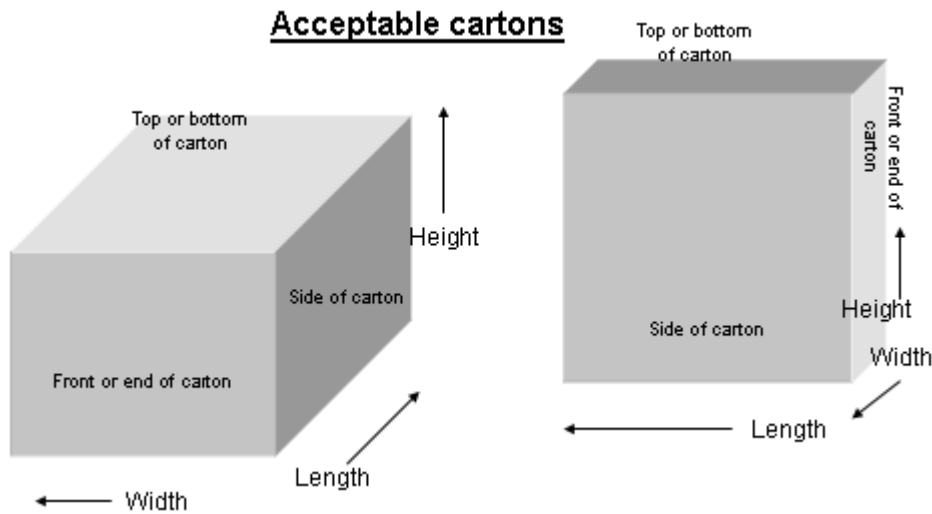
- **Minimum Carton Weight** – Weight cannot be less than 5 lbs (2.27 kg).
- **Maximum Carton Weight** – Weight cannot exceed 60 lbs (27.27 kg).
- **Carton Openings** – All carton openings must be located on the top and bottom of the carton (the top and bottom of the carton must be the largest surface areas of the carton). Cartons not meeting this requirement may be subject to chargeback.
- **Carton Closures** – All carton closures must be securely fastened with tape covering the entire length of the opening, extending over the ends a minimum of 7.62 cm (3 in). Any method can be used for carton closure, the below example uses the preferred “3-way” tape method.



Carton sides should be secured using an adhesive type sealant (i.e. glue, tape, etc) as stapling is not as durable as an adhesive type. If cartons experience a high rate of bursting during transit (>3 occurrences), the Company may mandate a specific carton closure method.

4.1 Carton Construction and Design Requirements (cont'd)

- **Banding, Strapping, Individually Shrink Wrapped Cartons, or String/Wire Tying** – Use of banding, straps, shrink-wrap, string, or wire is not an accepted a means of carton closure. Vendors need to remove of all such materials prior to releasing shipment for transportation to the Company. If you have situations where this method is required, please contact the Company's Vendor Relations team (see Section 10).
- **Carton Design** – Carton design should use a rectangular construction, as these are standard RSC containers. A square-shaped carton can be used as well (see examples below):



- For assistance regarding carton requirements, construction, and/or design, please contact the Company's Vendor Relations team (see Section 10).

4.2 External Carton Labeling Requirements

- Vendors are free to use any preexisting external carton labels, using an applied or pre-printed, self-adhesive format. For approval, please forward a copy of the label you wish to use to the Company's Vendor Relations team: **DSW**

4150 East 5th Ave

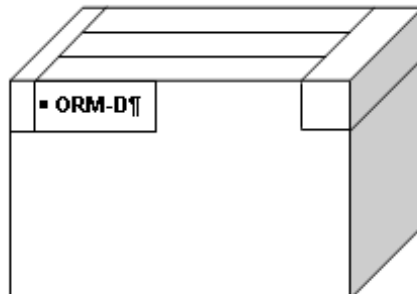
Columbus, OH 43219

Attn: David Widdifield, DSW Logistics

- All vendors are required to use external carton labels (self-adhesive or pre-printed), as outlined in this Section, prior to shipping to the DC.
- In order to assist in the visual identification of orders, vendor should apply a business unit label, self-adhesive or pre-printed, to the length sides of the carton next to the UCC label. These labels can be of any geometrical shape (i.e. square, triangle,..) or printed directly on the carton. The below table lists all Company business unit names and numbers:

Business Unit Name	Business Unit Number	Indicated on PO or EDI PO (850)
DSW	29	PO & EDI PO
DSW Leased	41	PO & EDI PO
DSW Leased	65	PO & EDI PO
eTail Direct	58	PO & EDI PO

- Any carton containing personal care items (i.e. cologne, nail polish, or other flammable material) will need to be labeled as "**ORM-D**" in bold print within a rectangle that is .25 in (64 cm) larger on all sides than the print font. These labels should be placed on the sides of the carton for easy identification (see example):

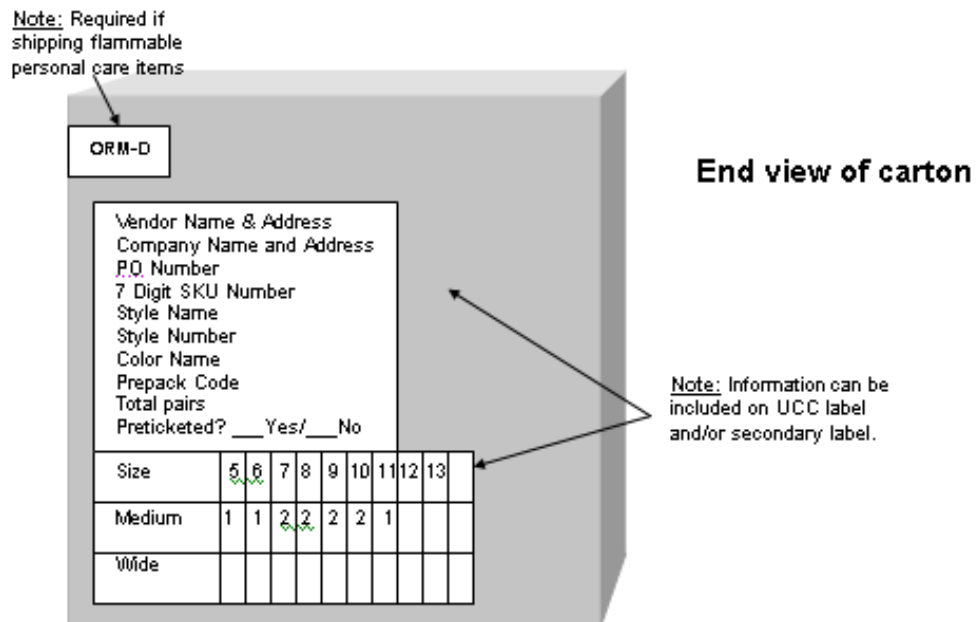
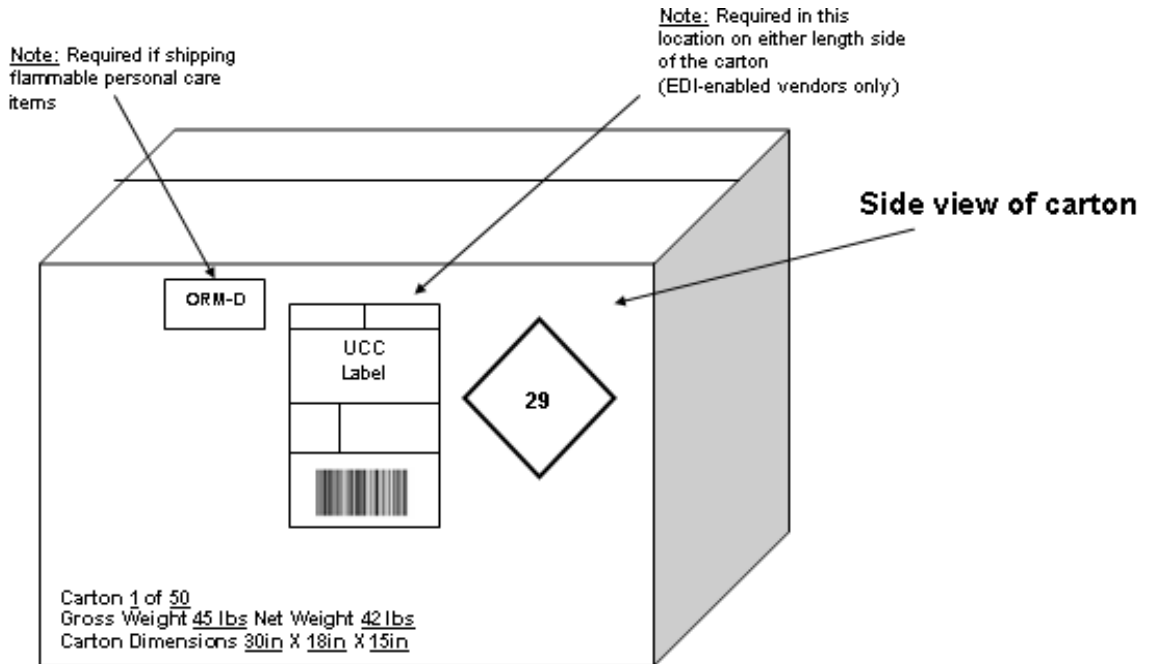


4.2 External Carton Labeling Requirements (cont'd)

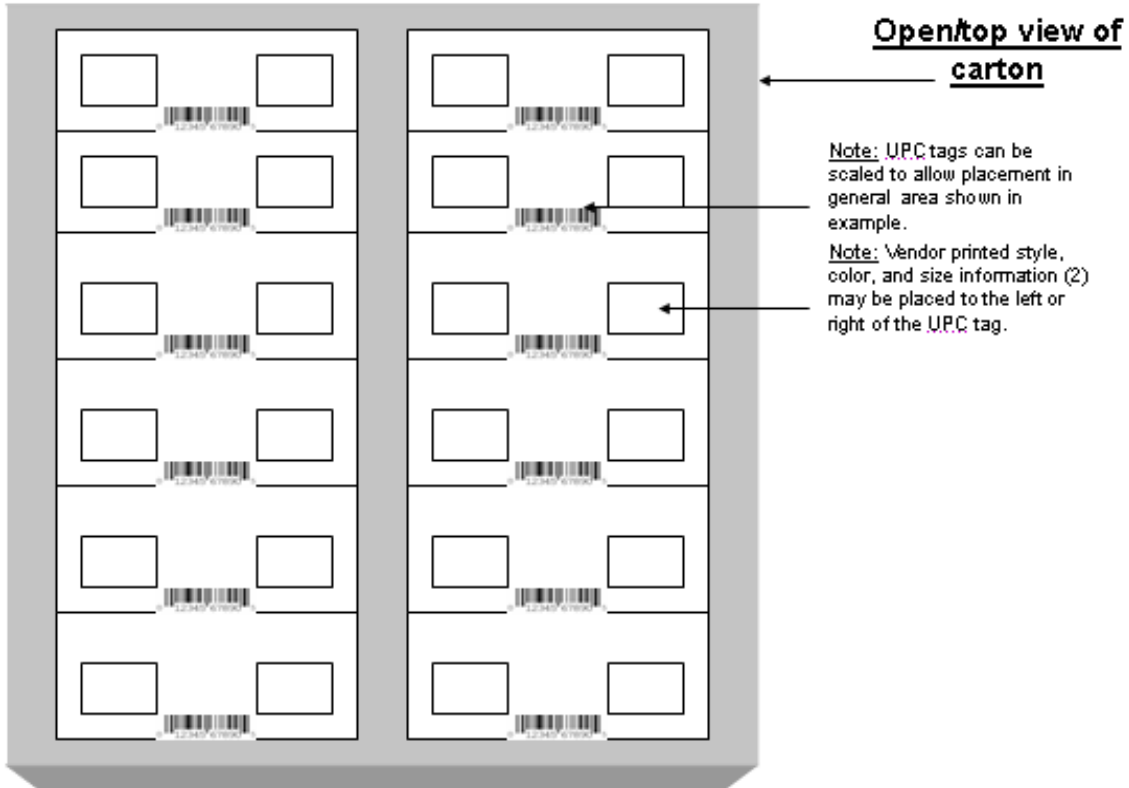
- The below external carton label information is to be applied or printed on the ends of each carton. This label information may contain both optional and required elements, usage requirements are listed next to the individual element. ***Please note: information provided on the external carton label is dependent on PO information provided by the Company buyer and/or the EDI PO.***
 - Vendor name (required)
 - Company name (required)
 - Company PO Number (required)
 - Company 7-digit SKU number (optional – per PO or EDI PO, if items 5-7 are present)
 - Company or Vendor Style Description/Number (required – per PO or EDI PO)
 - Company or Vendor Color Description (required – per PO or EDI PO)
 - NRF Color Number (optional – per PO or EDI PO, if item 6 is present)
 - Company Prepack Code (optional – per PO or EDI PO)
 - Company Size Run (required – per PO or EDI PO)
 - Total carton pair quantity (required)
 - Preticketed ___ Yes, ___ No (optional – per PO instructions)
 - Carton sequence ___ of ___ (required)
 - Gross Weight of carton (optional)
 - Net Weight of Carton (optional)
 - Carton dimensions ___X___X___ (optional)
- Any questions concerning the information contained on the external carton label or its placement should be forwarded to the Company's Vendor Relations Team (see Section 10).

4.3 Examples of External Carton Label Placement

- With the use of a range of carton dimension, the below examples are suggested placement of external carton labels. Only the **UCC label is required** to be placed as specified below.



4.3 Examples of External Carton Label Placement (cont'd)



4.4 Inbound UCC-128 Label Requirements

- **UCC-128 labels are only required for all vendors conducting business with the Company via electronic data interchange (EDI)**
- Each carton must use an UCC-128 carton label similar to examples provided in this section. Vendors are free to use existing UCC-128 carton labels as long as they have been pre-approved by Vendor Compliance. For approval to use existing labels, please forward copies of each label you wish to use to the Company's Vendor Relations team (see Section 4.2 for mailing address).
- All vendor cartons require UCC-128 labels to be applied prior to shipment of merchandise regardless of PO terms, location, or status.

4.4 Inbound UCC-128 Label Requirements (cont'd)

- A single unique UCC-128 bar-coded carton label must be affixed to the length side of each carton. The label format should follow the Company's suggested sample format (see Section 4.5). The main bar-code (SSCC-18) should meet the **minimum** standards of:



- The printed SSCC-18 bar code must be formatted using a standard UCC-128 format and it must consistently scan as either ANSI (American National Standards Institute) "A" or "B" quality.
- A standard 4in x 6 in (10.15 cm x 15.25 cm) label is recommended for use on all cartons. If the suggested label cannot be used due to carton size, please contact Vendor Compliance for assistance prior to shipment of merchandise.

4.5 Printed UCC-128 Label Information

- The following information is required to be printed on the UCC-128 label
 - Ship from: Vendor name and address as specified on EDI PO
 - Ship to address (*DSW Retail DC*):
 - DSW Distribution Center
 - 4150 E.5th Ave
 - Columbus, OH 43219
 - Ship to address (*eTail Direct FC*):
 - eTail Direct Fulfillment Center
 - 4150 E.5th Ave
 - Columbus, OH 43219
 - Ship to postal code: (420) 43219
 - Carton series number: x of x
 - Company PO number as specified on EDI PO
 - Company SKU as specified on EDI PO (can be on secondary label)
 - Company prepack code as specified on EDI PO (can be on secondary label)
 - Company size run & quantity per size as specified on EDI PO (can be on secondary label)
 - Company business unit as specified on EDI PO. Below listing indicates Company business

4.5 Printed UCC-128 Label Information (cont'd)

- units utilizing EDI: **29 = DSW orders**
- 41 = DSW leased orders**
- 58 = eTail Direct**
- 65 = DSW leased orders**

-20 digit SSCC18 barcode using UCC-128 format


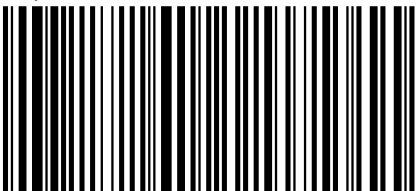
Detailed explanation of 20 digit carton ID:

Carton ID - (00) 0 0012345 123456789 0

- First 2 digits (00): package type (UCC format)
- Third digit "0": container type (pallet or carton)
- Fourth through tenth digits "0012345": vendor or UCC number
- Eleventh through nineteenth digits "123456789": carton id
- Twentieth digit "0": check digit

4.6 UCC-128 Examples

- The following UCC label examples are the Company's **suggested** format; vendors are free to use preexisting UCC labels which may meet the UCC labeling requirements. For additional assistance, contact the Company's Vendor Relations team (see Section 10).
- UCC-128 Shipping Carton Label (DSW DC)

SHIP FROM: My Shoe Company 15127 N.E. 24th, #333 Redmond, WA 98052	SHIP TO: DSW Distribution Center 4150 East 5th Avenue Columbus, OH 43219
SHIP TO POSTAL CODE: (420) 43219	Prepack Cde: 9812
	Carton 1 of 250
PO# :53488	
SKU# :5220564	
Size : 6 6.5 7 7.5 8 8.5 9 10 11	
QTY : 1 0 1 2 2 2 2 1 1	
CTN QTY: 12 PR	Buying Unit: 29
(00) 1 0028028 300055055 8	
	

4.6 UCC-128 Examples (cont'd)

- UCC-128 Shipping Carton Label (eTail FC)

SHIP FROM: My Shoe Company 15127 N.E. 24th, #333 Redmond, WA 98052	SHIP TO: eTail Direct Fulfillment Center 4150 East 5th Avenue Columbus, OH 43219
SHIP TO POSTAL CODE: (420) 43219 	PREPACK CDE: 9998 Carton 1 of 150
PO# : 12345 SKU# : 1234567 Size# : 9.0	UPC Code:  0 12345 67890 5
CTN QTY: 12 PR	Buying Unit: 58
(00) 0 0077468 365412581 2 	

5.0 Transportation Routing Requirements

5.1 General Routing Requirements

- Overview: The Company's Transportation department ("Transportation") will route all shipments when the Company is the responsible party for payment of freight charges. The vendor's copy of the Company purchase order should reflect the correct commercial and freight related terms for the merchandise. If there are any discrepancies in freight terms, please contact the appropriate Company buyer. Shipment routings not authorized by the Company may result in chargebacks to the vendor including non-payment for transportation services rendered. Please use these guidelines to determine how to properly route Company shipments.
- Company-controlled domestic routing: A PO is classified as "Domestic" if the merchandise originates in the United States or if the Company is not the importer of record with U.S. Customs. Domestic PO's, (originating within the United States), routed by the Company are designated using the freight term "FOB named point" within the United States and indicate that the Company is responsible for freight payment using such language as "Freight Collect to DSW". **The Company will not be responsible for charges associated with the movement of merchandise from or to a port of entry (drayage, pier pick-up, etc).** Any charges related to these movements will be at the vendor's expense. Under the freight terms of "FOB named point", the Company owns the merchandise while in-transit, accepts liability for loss or damage in transit, and pays the standard freight charges. Standard freight charges are paid for the method of transportation agreed upon by the Company and as stated on the PO. Vendors will be expected to pay for any freight charges incurred as a result of non-compliance with PO terms. Vendors shipping Domestic POs need to meet the conditions of this Section and should refer to Section 5.2, Domestic Routings, for transportation instructions.
- Vendor-controlled routings: For POs coded either as Incoterm 2000: DDP Destination ("Delivered Duty Paid") or FOB DC (U.S. Uniform Commercial Code), the vendor owns the merchandise in-transit, accepts liability for loss or damage in transit, bears and pays the freight charges, and can select its own transportation provider. Vendors shipping POs meeting these conditions are exempt from the instructions outlined in Section 5.2 of this Guide; however, notification of the shipment status and delivery estimated times of arrivals are preferred. Please contact Transportation at traffic@dswinc.com, or by fax at (614) 872-1559 or by calling (614) 872-1558 for further instructions about merchandise visibility.

5.1 General Routing Requirements (cont'd)

- Vendor-controlled routings, (modified for full containerized goods): From time to time vendors may have full containers of merchandise for the Company; however, the FOB is listed as “named point” within the United States to a location other than vendor’s DC. Transportation will alter the FOB point to “a DSW Consolidator” or “Columbus, OH Rail Yard” thereby reducing the cost to vendor and decreasing the throughput to the Company. The vendor MUST contact Transportation prior to vessel arrival at the pier to request a specific routing form (“Routing Request Form”) (see section 5.2 for further details). Vendor must also direct vendor’s broker to E-mail the Deliver Order and other clearance documents to Trans_IB_Ocean@dswinc.com. Other “consolidator” E-mail addresses may be required if the final transfer point is NOT Columbus, OH. For more information please contact Transportation at Traffic@dswinc.com, or call 614-872-1558.
- Company is a participant to C-TPAT, (Customs Trade Partnership Against Terrorism), therefore, the “origin” seal must appear on the Delivery Order. If seal is does not match the original from origin and vendor or vendor’s broker can not provide acceptable circumstance, (e.g. customs inspection at point of entry), container may be refused prior to local pick-up and/or may be subject to customs inspection and/or PO cancellation. Domestic shipments with missing or “altered” seal, may be subject to inspection and/or delayed delivery or refusal prior to delivery at final destination.
- Company is Sarbanes-Oxley, (SOX), compliant, so any alteration to the amount of cartons shipped that deviates from the cartons requested must be accounted for by the vendor/shipper within 24 hours after shipment has departed vendors/shippers facility. Failure to notify Transportation in writing to traffic@dswinc.com or by fax to 614-872-1559, may result in a charge back and/or return of merchandise at vendor’s expense.
- Direct shipments to stores are prohibited, unless specifically stated on the PO. All routing instructions for these shipments are the responsibility of the Company buyer. If you have questions, contact the Company’s main office at (614) 237-7100 or the buyer’s direct number.
- The Company expects all orders to ship complete within 5 business days from the stated “Start Ship” date listed on the PO. Any partial orders or orders shipped from multiple vendor locations MUST be identified at the time the vendor contacts Transportation.

5.1 General Routing Requirements (cont'd)

- Purchase Orders for the same Business Unit, (BU), may be combined on the same Routing Request Form, however, a separate form **MUST** be used for individual BU's, (e.g. DSW - **BU 29**; Value City Department Store Footwear - **BU 10**; SteinMart Footwear - **BU 41**; Gordman Department Store Footwear - **BU 65**; and DSW E-Tail Direct - **BU 58**).
- Separate Routing Request Forms may be combined as separate attachments on to the same e-mail to traffic@dswinc.com.
- Vendors needing routing instructions for international orders (i.e First Cost, Letter of Credit,..) need to contact the Company's Import/Export office at (614) 238-5672

5.2 Domestic Routings

- **General Routing Instructions:**

1. **All requests for routing need to be submitted via a Routing Request form.** To request a form, Transportation has created three simple methods using the following communication form: 1 – e-mail, 2 – fax, or 3 – Internet. Use of any of these methods is acceptable when requesting a routing form and PO validation. Transportation **prefers** that all communications be conveyed through e-mail so that there is a recorded and searchable record.
To request a form via **e-mail**, please send requests to: traffic@dswinc.com. To request a copy via **fax**, please send request to: **(614) 872-1559**. If requesting a copy via **Internet**, please use the Company's vendor website address: <http://dswinc.com/Vendor-InboundTrans.do>. Please address any additional questions to the Company's Domestic Transportation department via phone at (614) 872-1558.
2. A routing request can be placed 5 business days prior to the "Start Ship" date on the PO, **provided merchandise is available and ready for packing into shipping cartons.** This will ensure that Transportation has the available capacity to meet the delivery requirements set forth in the PO as well as validate merchandise priority. If the PO contains priority merchandise, Transportation may route the shipment using an expedited service provider. If the routing request is tendered and the merchandise is not in vendor's possession and causes a delay in the pick-up, a partial pick-up or a "truck ordered, not used", vendor may be charged back to actual cost from the carrier and will be subject to additional charge-backs as outlined in Section 9.2.

5.2 Domestic Routings (cont'd)

3. Shipment validation may be obtained 5 business days prior to PO "Start Ship" date based on merchandise priority and availability. Vendors are encouraged to request routing as soon as possible as long as vendor is in possession of the merchandise. The Company expects that all shipments be requested in full no later than 5 business days past the "start ship" date on the PO.
 4. Merchandise pick-ups are scheduled following PO validation and according to merchandise availability date and time. **All requests are scheduled for pick-up within 48 hours (2 business days) following the acceptance of the request and/or shipper's ready date.** Transportation can be contacted via phone at (614) 872-1558, Monday through Friday 8 am to 4 pm (EST) or anytime via e-mail/fax.
 5. If merchandise is not available for pick-up after arrival of carrier, any detention, trailer not used, or any other related charges may be charged to the vendor. Vendors need to notify Transportation immediately if merchandise will not be available on the scheduled pick-up date.
 6. Any merchandise that is shipped without obtaining routing from Transportation may be subject to return at the vendor's expense. This may include merchandise that is shipped on a pick-up not ordered by the Company.
 7. Transportation's routing policy adherence improves production and distribution efficiencies while enhancing the Company's ability to maintain an acceptable freight discount program. Failure to comply with routing instructions may result in vendor chargebacks for excessive freight charges incurred. Transportation MUST verify all orders; failure to contact Transportation before shipping may result in partial or full non-payment of freight charges.
- Use "plain text" or "rich text" format for e-mailed requests, messages using hypertext mark-up language (HTML) format could be blocked by the Company's anti-virus software.
 - Send the Routing Request Form as an attachment to the message, not as the original message.
 - Purchase Orders shipping from multiple locations must be noted in the comments of the Request, otherwise, there may be a delay scheduling a pick-up

5.3 Scheduling Merchandise Pick-Up

- **General Pick-up Scheduling Instructions:**
 1. The following information must be provided to Transportation on the Routing Request Form located at Company's vendor website address: <http://dswinc.com/Vendor-InboundTrans.do>:
 - a) Vendor name and shipper/3PL name, origin address, contact name, phone number, and pick-up requirements.
 - b) Destination address, contact name and phone number, and desired delivery requirements (previously provided on the Routing Request Form).

5.3 Scheduling Merchandise Pick-Up (cont'd)

- c) For each PO number or reference number:
- 1 PO number / Reference number
 - 2 Total number of cartons
 - 3 Number of pairs or units
 - 4 Total cubic feet
 - 5 National Motor Freight Classification ("NMFC") item number and class description of freight (i.e. NMFC 28160 Shoes, Class 100)
 - 6 Total pallet spaces (if applicable)
 - 7 Total weight
 - 8 Carton dimensions in inches if total cube is not calculated
 - 9 Special merchandise requirements (i.e. hazardous material, lift-gate, inside pick-up, etc)
 - 10 Time when merchandise will be ready for pick-up (the vendor or carrier must be in possession of merchandise at the time of the request)
 - 11 Shipping hours, including any down time
 - 12 Method of pick up, (drop trailer or live load)
 - 13 Hazardous material (i.e. perfume, nail polish, etc) requirements must be clearly noted prior to pickup.
2. Each merchandise pick-up request will be verified against the PO for accuracy. No merchandise pick-up will be authorized for a shipment until all issues or discrepancies have been resolved.
 3. The Company will confirm the designated carrier with the vendor contact specified on the Routing Request Form via e-mail only. The Company selected carrier will contact shippers without email capabilities via phone.
- Transportation requests MUST be initiated during regular business hours at least 48 hours prior to the required ship date to ensure available capacity to meet the delivery requirements set forth in the PO. Transportation requests can be submitted via phone to Transportation any time Monday through Friday from 8 a.m. to 4 p.m. (EST). E-mailed requests can be submitted 24 hours a day, 7 days per week.
 - Failure to provide sufficient lead-time or changes to load information after the initial pick-up call *could delay* the timeliness of the pick-up and result in a late delivery. It is essential that the information provided in the Routing Request Form be accurate and complete. Any delays or inefficiencies resulting from inaccurate details provided by the supplier may result in chargebacks.
 - Any additional carrier charges incurred by the Company due to vendor related pick-up delays and/or refusals may be charged back to the vendor.

5.3 Scheduling Merchandise Pick-Up (cont'd)

- In the event of problems with the assigned carrier (late or missed pick-up, poor service, etc.), Transportation needs to be contacted immediately for assistance. A transportation specialist can be reached at (614) 872-1558 Monday through Friday from 8 a.m. to 4 p.m. (EST).
- Special requirements for small parcel shipments: If requested by the Company to ship via a small parcel carrier, the vendor must forward the PO number(s) and tracking number(s) to Transportation via e-mail or fax. Failure to do so will result in a chargeback of all freight costs to the vendor.

5.4 Trailer Loading Requirements (All Shippers)

- All shipping locations responsible for loading trailers with Company merchandise must meet the requirements outlined in this section. Failure to follow any and all of the requirements herein may result in a chargeback.
- Vendors/shippers are responsible for the loading of merchandise onto trailers. Any additional charges for loading a trailer (i.e. lumber fee, warehouse equipment fee, etc) will be at the vendor's expense or may be charged back at actual invoice amount from carrier.
- Trailers need to be loaded by PO. When shipping multiple PO's, merchandise needs to be staged horizontally within the trailer when loading using a visible separator between each PO. Separators can be of any type of durable material such as slip-sheet, thick plastic, corrugated cardboard, or other material. It is recommended that pallets not be used as separators. Furthermore, any E-Tail Direct PO's must be loaded on the tail of the trailer, (full truck-loads only), with a special note on the BOL, "E-Tail Direct PO(s) loaded last".
- When shipping POs with and without a corresponding EDI ASN on the same trailer, all **non-ASN** merchandise will need to be located in the front ("nose") of the trailer. This will expedite trailer unloading and merchandise receipt processes.

5.4 Trailer Loading Requirements (All Shippers, cont'd)

- All orders are to be “floor loaded” on trailers, unless otherwise noted in writing. The Company does not participate in a pallet exchange program with its vendors or carriers. If an order is authorized for pallets, for ease of movement, the Bill of Lading (“BOL”) MUST indicate “loose” pieces and NOT mention pallets or skids in any manner. In addition, inclusion of the pallet weight and pallet cube is prohibited unless pallet is part of the shipment. *Note – small cartons containing accessories/gifts/novelties are exempt from this requirement.* To include the pallet weight and/ or pallet cube on BOL may result in a chargeback. The vendor is expected to allow the carrier the ability to count the merchandise without obstruction from items such as tape or shrink-wrap. Any changes in weight due to a palletized shipment may result in higher freight charges. Differences in standard freight charges will be the vendor’s responsibility. Any palletized shipments without authorization may be subject to chargeback. When pallets are required, build them at least 84 inches in height not exceeding 96 inches overall, use the fewest possible pallets, and when 84 inches cannot be attained consider double stacking pallets.
- All loads need to be secured in order to prevent carton shifting during transit. Orders delivered with loose and/or damaged cartons may be subject to chargeback.
- Security seals are required on all full truck-load (“TL”) shipments with seal numbers annotated in the appropriate section of the BOL.
- All shipments must use the Company as the final destination. Alternate shipment destinations need to be authorized by the Company buyer and/or Transportation personnel. All requests for alternate destinations need to be submitted, in writing, prior to shipment departure from vendor’s facility. All orders must ship complete as specified on the PO. Any back ordered merchandise shipped after initial pick-up will be shipped as “freight prepaid” at vendor’s expense. Any requests to split ship an order or specific item must be authorized by the Company buyer.
- The carrier’s agent must verify merchandise carton or pallet counts when shipment is picked-up for any less than truck-load shipments or consolidation, otherwise, vendor is responsible for carton counts, (must use a security seal prior to the carrier’s departure from vendors/shippers facility.
- Additional merchandise is not to be added to pick-up after carrier arrival. Any merchandise not part of the original pick-up appointment must have its own pick-up appointment, unless, written instructions are issued by Transportation.
- Vendor shipments do not need to be insured or have value declared after being loaded onto trailer. The Company assumes responsibility for the merchandise upon completion of trailer loading.

5.5 Shipment Delivery Requirements

- All deliveries to the DC are scheduled as “drop trailer” receipts. Trailers are unloaded based on a first in/first out (FIFO) method.
- Any live deliveries need to be schedule 48 hours prior to the delivery appointment. The DC reserves the right to refuse live deliveries for a given date based on the inbound volume. For live delivery appointments, vendors must call (614) 872-1516, or e-mail ReceivingAppointmentsDSW@dswinc.com.
- If the vendor selects a carrier that requires a live unload, the shipment may be refused. The vendor will then need to make alternate arrangements to locate a facility that will trans-load the merchandise and drop a trailer at the DC.
- **The DC does not accept air containers, pallets, or other air cargo equipment.**

5.6 TMS, (Transportation Management System), Information

- DSW Inc will be migrating all manual routing requests and approvals to an online format hosted by Sterling Commerce, an AT&T Company, (“Sterling”). Company’s cut-over plan will commence in early 2008, and vendors will be contacted by DSW Transportation prior to enrollment. The website for Vendor interaction with Company PO is secured and a login and password will be issued at least two weeks prior to enrollment. The Sterling TMS is designed to be as easy and efficient as possible, but there is required interaction by Vendor, or Vendor’s agent in order to validate Company PO’s. The intent is to have a simple, non cumbersome interaction and exchange of information. The process should actually take less time then the current manual methods and vendor will receive instant feedback on acceptance or issues. More detailed information will be posted at the DSW Vendor Portal, <http://dswinc.com/Vendor-InboundTrans.do>, toward the end of November, 2007.

5.7 TMS Overview of Instructions

- Approximately two weeks prior to enrollment, Vendor will be asked to review a contact sheet and fill out all vendor and third party shipping information, [to be used only for the TMS enrollment, [no information will be used outside of DSW Transportation]. A detailed process and procedural guide book will be provided to Vendor to include screen shots, frequently asked questions and support numbers. At any time prior to and after enrollment, Vendor may go to Company’s Vendor Portal to access the Vendor Contact Information Form, (available mid-November), and submit to DSW Transportation, (traffic@dswinc.com). ****Note – All TMS related instructions will be posted separately near late November, 2007**
- Vendor will access all open PO’s through the secured web address <https://www.sterlingwebforms.com/webforms>.

5.7 TMS Overview of Instructions (cont'd)

- Sterling webforms are similar to e-mail accounts with "Inbox", "Drafts", "Outbox" and "Deleted" folders.
- PO's must be entered one at a time and the process will take between 1 to 5 minutes per PO.
- More detailed information will be posted at the DSW Vendor Portal, <http://dswinc.com/Vendor-InboundTrans.do>, toward the end of November, 2007.

5.8 TMS Vendor Enrollment

- Vendor enrollment will take approximately one hour, and during this time, vendor contact information will be reviewed, step-by-step instructions will be reviewed and Vendor will have an opportunity to ask questions.
- Once enrolled, DSW Transportation will test with Vendor by reviewing the first PO or two for procedural accuracy, then "Go Live" with Vendor on the next PO shipment.

5.8 TMS Vendor Enrollment (cont'd)

- More detailed information will be posted at the DSW Vendor Portal, <http://dswinc.com/Vendor-InboundTrans.do>, toward the end of November, 2007.

5.9 TMS PO Validation Business Rules

- **Business Unit 29, DSW INC:**
 1. TMS will compare the entered "Ready To Ship Date" entered into the Sterling Webform against the Company's Start Ship and Cancel date for each PO.
 - a. If the "Ready To Ship Date" falls within the Company's Start Ship and Cancel, the PO will pass validation.
 - b. If the "Ready To Ship Date" falls outside of this window, Vendor will receive a message that the issue has been sent to DSW for review.
 2. Check Event Codes:
 - a. Company uses internal event codes to override certain SKU quantity conditions.
 - b. All PO shipments are based upon a "route once" and complete philosophy at the "SKU" level, (Vendor Style/Color).
 3. Check SKU Quantity:
 - a. If Vendor is requesting ALL SKU's ordered, then apply a tolerance of +/- 5% per SKU
 - b. If Vendor is requesting less than all SKU's ordered, then apply a tolerance of +/- 2% per SKU.
 - c. If Vendor is requesting less than the specified tolerances, then Vendor will receive a message that the issue has been sent to DSW for review.

5.9 TMS PO Validation Business Rules (cont'd)

4. Request Denied or Delayed:
 - a. If Vendor's request does not pass any one of the validation stages, a message will be sent to the appropriate team at DSW for review.
 - b. If Company accepts the condition, a revised PO will be issued to Sterling Webforms.
 - c. Vendor to check with in 48 to 72 hours for PO update.
 - i. If PO is not reloaded with the changes to SKU quantities or dates within 48 hours, Vendor may contact Vendor's Sales or Customer Service departments for further instructions.
 - ii. If PO is not reloaded with the changes to SKU quantities or dates within 72 hours, Vendor may call 614-872-1558 or e-mail traffic@dswinc.com for follow-up.
- **Business Unit 41, Stein Mart Footwear ONLY:**
 1. TMS will compare the entered "**Ready To Ship Date**" entered into the Sterling Webform against the Company's Start Ship and Cancel date for each PO.
 - a. If the "Ready To Ship Date" falls with in the Company's Start Ship and Cancel, the PO will pass validation.
 - b. If the "Ready To Ship Date" falls outside of this window, Vendor will receive a message that the issue has been sent to DSW for review.
 2. Check Event Codes:
 - a. Company uses internal event codes to override certain SKU quantity conditions.
 - b. All PO shipments are based upon a "route once" and complete philosophy at the "SKU" level, (Vendor Style/Color).
 3. Check SKU Quantity - **NO PARTIAL PO's ACCEPTED:**
 - a. If Vendor is requesting ALL SKU's ordered, then apply a tolerance of +/- 2% per SKU
 - b. If Vendor is requesting less than all SKU's ordered, or less than total SKU's on order, then Vendor will receive a message that the issue has been sent to DSW for review.
 4. Request Denied or Delayed:
 - a. If Vendor's request does not pass any one of the validation stages, a message will be sent to the appropriate team at DSW for review.
 - b. If Company accepts the condition, a revised PO will be issued to Sterling Webforms.
 - c. Vendor to check with in 48 to 72 hours for PO update.
 - i. If PO is not reloaded with the changes to SKU quantities or dates within 48 hours, Vendor may contact Vendor's Sales or Customer Service departments for further instructions.
 - ii. If PO is not reloaded with the changes to SKU quantities or dates within 72 hours, Vendor may call 614-872-1558 or e-mail traffic@dswinc.com for follow-up.
- **Business Unit 65, Gordman's Department Stores' Footwear ONLY:**
 5. TMS will compare the entered "**Ready To Ship Date**" entered into the Sterling Webform against the Company's Start Ship and Cancel date for each PO.
 - a. If the "Ready To Ship Date" falls with in the Company's Start Ship and Cancel, the PO will pass validation.
 - b. If the "Ready To Ship Date" falls outside of this window, Vendor will receive a message that the issue has been sent to DSW for review.
 6. Check Event Codes:
 - a. Company uses internal event codes to override certain SKU quantity conditions.
 - b. All PO shipments are based upon a "route once" and complete philosophy at the "SKU" level, (Vendor Style/Color).

5.9 TMS PO Validation Business Rules (cont'd)

7. Check SKU Quantity - ***NO PARTIAL PO's ACCEPTED:***
 - a. If Vendor is requesting ALL SKU's ordered, then apply a tolerance of +/- 2% per SKU
 - b. If Vendor is requesting less than all SKU's ordered, or less than total SKU's on order, then Vendor will receive a message that the issue has been sent to DSW for review.
8. Request Denied or Delayed:
 - a. If Vendor's request does not pass any one of the validation stages, a message will be sent to the appropriate team at DSW for review.
 - b. If Company accepts the condition, a revised PO will be issued to Sterling Webforms.
 - c. Vendor to check with in 48 to 72 hours for PO update.
 - i. If PO is not reloaded with the changes to SKU quantities or dates within 48 hours, Vendor may contact Vendor's Sales or Customer Service departments for further instructions.
 - ii. If PO is not reloaded with the changes to SKU quantities or dates within 72 hours, Vendor may call 614-872-1558 or e-mail traffic@dswinc.com for follow-up.

6.0 Inbound Shipping Documentation

6.1 General Bills of Lading Information

- BOLs must be faxed, no later than 24 hours after pick up, to (614) 872-1559. **BOL's must have the driver's signature, PRO number, seal number, and the trailer number visible.** Any changes and or additions due to overflow or creating the BOL before loading must be clearly marked. Please note that packing lists are not to be faxed to this number (see Section 6.2 for packing list submission instructions).
- Any costs associated with the merchandise or transport must not be shown on the BOL.
- Different Business Units, (BU), must have separate BOL's, (e.g. DSW - BU 29, Value City Department Store Footwear - BU 10, Stein Mart Footwear - BU 41, Gordmans Department Store Footwear - BU 65, and DSW E-Tail - BU 58), and may be consolidated on a master BOL.
- All individual BOLs must be consolidated into a master BOL. This master BOL will list all individual BOL numbers shipped and have copies attached to the master BOL.
- Shipment cube must appear clearly on Bill of Lading, failure to do so may result in chargeback for any excessive costs.
- Vendor direct shipments (routed by TL or LTL) need to have copies of a legible, signed BOL faxed to (614) 872-1559 within **24 hours** of scheduled pick-up.
- Consolidated shipments (LTL) for CA, MA, MO, & NJ require a legible, signed copy of the BOL faxed to (614) 872-1559 within 24 hours of scheduled pick-up. All shipments must have any and all packing lists attached to the original shipper's BOL.
- Consolidated shipments (TL) for CA, MA, MO, & NJ require a legible, signed copy of the BOL faxed to (614) 872-1559 within 24 hours of scheduled pick-up. All shipments must have any and all packing lists attached to the Original shipper's BOL.

6.1 General Bills of Lading Information (cont'd)

- Vendors can use any existing pre-formatted BOL as long as the following information is provided:
 - Name and address of shipper, including phone number (*shipping facility preferred*)
 - Name and address of ship to location
 - Unique BOL number
 - Date of shipment (date of carrier pick-up, not date BOL was written)
 - PO number
 - Freight terms (all terms are “FOB Origin – Collect” unless written exception has been authorized by the Company buyer, or Transportation)
 - Total carton and pair quantities shipped
 - Total weight of shipment
 - National Motor Freight Classification (“NMFC”) commodity description of freight (i.e. NMFC 28160 Shoes, Class 100)
 - Driver or carrier’s agent signature
- Any questions pertaining to BOL requirements will need to be forwarded, via e-mail or phone, to the Company’s Domestic Transportation department (see Section 10).

6.2 General Packing List Information

- **The Company no longer requires the use of packing lists to accompany the shipment to delivery.** Packing lists should be included as part of the trailer BOL documentation packet.
- The packing list (or shipment manifest) provides detail information concerning the shipment at the item level. Each packing list should needs to list the shipment by PO, style, color, size, and total quantities per item. Without this detail, receipt of your merchandise could be delayed and chargebacks may be assessed.
- Vendors can use any existing pre-formatted packing list as long as it provides the following detail:
 - Ship from (vendor) name, address, and phone number (shipping facility preferred)
 - Ship to name, address, and phone number (Transportation’s physical address)
 - BOL number(s) (if available at time of merchandise pick-up)
 - Ship date (date of carrier pick-up, not BOL date)
 - PO number
 - Vendor item style, color and size
 - Individual carton quantity (i.e. casepack = 12 pr)
 - Total cartons per item (listed by style and color)
 - Total cartons
 - Total weight
 - Delivery date (per PO)

6.2 General Packing List Information (cont'd)

- Each PO number should be listed on a separate packing list to ensure accuracy when confirming packing list information at the Company's DC.
- Any questions pertaining to the packing list requirements should be forwarded, via e-mail or phone, to the Company's Domestic Transportation department (see Section 10).

6.3 Third Party Terms Information

- The Company does not use the term **"third party prepaid"** on inbound shipment documentation. Any and all vendor documents and systems using this term will need to replace "third party prepaid" with "collect". Any shipment sent noted as "third party prepaid" may result in a chargeback.
- Transportation must approve exceptions to the above requirement in writing.

7.0 Electronic Data Interchange (EDI) Requirements

7.1 General Information

- The Company **requires** all vendors exchange business documents via EDI. These documents include; purchase orders (850 PO), purchase order changes (860 POC – Buyer Initiated), advance shipment notices (856 Shipment Notice/Manifest), universal product codes (832 Price/Sales Catalog) and transaction acknowledgments (997 Functional Acknowledgement). Vendor can contact the Company in order to establish an EDI system for business to business communications. In some instances, specific vendors and/or merchandise types may be exempted from this requirement by the Company.
- All vendors must complete the Company's online EDI survey within 10 days from notification by Company personnel requesting the exchange EDI business data. Vendors can access the EDI survey using the Company's vendor website: <http://www.dswshoe.com/EDI/Survey>. This information is crucial for the set up of EDI relationships between the Company and vendor.
- The Company realizes that many of our vendors have existing EDI relationships with other customers. If there are any specific vendor EDI trading partner agreements ("TPA") outside of the survey, please contact bTs IT (see Section 10). The Company will work with the vendor to ensure that these requirements are maintained while meeting the Company's EDI objective.
- The Company will assist vendors in the development, testing, and transmission of EDI messages to and from the vendor and Company. Vendors in an EDI test status will process and ship Company merchandise using the hard copy PO. After successful EDI certification, vendors will process and/or ship Company merchandise using EDI generated documents only (i.e. 850, 856, 860, etc). The vendor **is not** to use faxed copies of the Company's PO for processing, routing, and shipping, merchandise. Any questions concerning a vendor's EDI status or use of emailed/faxed orders should be directed to either bTs IT or Merchandise Support departments (see Section 10).
- The Company utilizes electronic data interchange ("EDI"), VICS X12 Format standard version 4010 for the transmission and receipt of data using the following messages:
 - 832 (Price/Sales Catalog)
 - 850 (Purchase Order)
 - 856 (Shipment Notice/Manifest)
 - 860 (Purchase Order Change Request – Buyer Initiated)
 - 997 (Functional Acknowledgement)

7.1 General Information (cont'd)

- The Company processes vendor transmissions once an hour, 24 hrs/day, 7 days/week. Vendor files are posted to the Company's merchandise system upon successful receipt and processing.
- Vendors receiving a failed transaction notification pertaining to an **inbound** message (i.e. 850, 860,..) will need to submit a request, via e-mail, to MIS for re-transmission of the failed file within 24 business hrs of the notification. If the failure concerns **outbound** message (i.e. 856, 997,..) to the Company, please resend all new transmissions using a new Interchange Control Header ("ISA") number for the failed file. Notification of these failures will occur through the generation of a detailed 997 with rejected "R" status.
- Going forward, additional EDI transaction messages will be included for exchange of information between the Company and its vendors. The following EDI transaction sets (not inclusive) are scheduled for development in the future:
 - 204 (Load Tender)
 - 210 (Freight Invoice)
 - 211 (Bill of Lading)
 - 212 (Trailer Manifest)
 - 214 (Shipment Status)
 - 215 (Motor Carrier Pick-Up Manifest)
 - 810 (Invoice)
 - 820 (Payment)
 - 852 (Inventory Movement/Product Activity)
 - 855 (Vendor PO)

7.2 Electronic UPC Catalog (832)

- The Company will establish a UPC data trading relationship with all UPC enabled vendors. Once this relationship is established, all orders sourced by the Company's buyers are to be labeled with the vendor's UPC tag. Shipments delivered missing the UPC tags may be subject to chargebacks specified in Section 9 of this guide.
- The Company uses the vendor's UPC catalog service provider (i.e. GXS or QRS) to retrieve UPC codes for the entry, receipt and processing of vendor merchandise.
- All UPC data accessed by the Company must match item style descriptions contained on corresponding POs (hard copy or electronic).

7.2 Electronic UPC Catalog (832 cont'd)

- UPC enabled vendors are required to update their online UPC catalogs with all UPC codes related to PO items within **20 business days** from receipt of the Company's PO. Vendors will need to advise the Merch Support Assistant of the vendor style name/number, NRF color codes, and pack codes as well as confirm the UPC codes are available in the on-line catalogue (QRS or GXS). This information is used for entry of the vendor's item into the merchandise system and the completion of an approved PO. Items missing UPC codes and/or style, color, pack code information will delay the entry and transmission of a PO (EDI PO or hard copy) and can be subject to chargebacks specified in Section 9. Vendors requesting exemption from this requirement will need to contact the Company's Merchandise Support team (see Section 10). Incorrect or missing UPC codes at time of delivery of merchandise to the Company's DC are subject to chargebacks (per Section 9).
- The Company follows the VICS industry standard requiring a 30 month waiting period for fashion merchandise before reuse of existing UPC product codes. Any questions or concerns regarding this requirement should be directed to the Company's bTs IT or Merchandise Support teams (see Section 10). Additionally, bTs IT and Merchandise Support personnel need to be notified via e-mail within **24 business hours** following the completion of the UPC update (see Section 10).

7.3 Electronic PO (850)

- The Company uses an 850-transaction set for the processing, routing, and shipping of merchandise. This message will not be generated until after receipt of the vendor's UPC (832) codes for corresponding PO items and entry into the Company's merchandise system. Missing or invalid UPC codes will delay the transmission of 850 messages
- Vendors are required to acknowledge the receipt of all DSW 850 transmissions, within **72 business hrs**, through the use of the electronic Functional Acknowledgement message ("997"). Any 850 transmissions not acknowledged by the vendor within the time frame may be subject to chargebacks specified in Section 9.
- The exact vendor style/color number and description contained in the 850 item data must be used when sending a corresponding 856 message to the Company.
- UPC data contained in the 850/860 item data must be used when sending a corresponding 856 message to the Company. Any missing/incorrect data or style/color substitutions may be subject to chargeback per Section 9 of the Guide.
- Once a vendor has been placed in a "production" status for the 850, processing, routing, and shipping of Company merchandise needs to be initiated using the 850. Vendors in a **production** status for the 850 message are not to use copies of orders submitted via e-mail or fax unless approved by the Company. Any orders approved and submitted using one of the previously mentioned methods will need to be validated upon receipt of corresponding 850 messages.

7.4 Electronic Shipment Notice/Manifest (856)

- The Company uses an 856 transaction set for the receipt and processing of vendor merchandise. Additionally, an EDI-enabled vendor must also produce a hard copy representation of this message as part of the shipping documentation requirements (see Sections 5 & 6).
- Vendor item style/color number and description contained in corresponding 850 or 860 transmissions **must** be used on the 856 message.
- Any 856 message transmitted to the Company which fails to validate when compared to corresponding 850/860 message may be subject to chargeback as specified in Section 9.
- 856 messages can be transmitted to the Company at any time during order fulfillment. The Company's requires all ASN transmissions to be sent **48** hrs prior to delivery of merchandise to the Company's facilities or named shipping point. Additionally, ASN messages can be transmitted at the time merchandise is released to transportation provider. Any 856 message received after delivery of merchandise to the Company's facilities or named ship point will be subject to the chargebacks specified in Section 9.
- An 856 transmission can reference multiple 850/860 transactions.
- The Company **requires** a single ASN per shipment and location. Any vendor shipping from multiple locations will need to create a corresponding ASN reflective of the shipment from a specific location.
- Upon successful translation of an 856 transmission, the vendor will receive the Company's Functional Acknowledgement message ("997"). Vendors failing to receive a 997 message from the Company will need to notify bTs IT.

7.5 Electronic PO Change Request – Buyer Initiated (860)

- The Company uses an 860 transaction set for the transmission of changes made to a previously transmitted 850 message. This message is generated upon modification and approval of the order in the Company's merchandise system. Vendors in a **production** EDI status for 860 transaction sets are not to accept any order changes submitted via e-mail, fax, or telephone unless authorized by the Company. Any changes approved and submitted using one of the previously mentioned methods will need to be validated upon receipt of corresponding 860 messages. .
- Vendors are required to acknowledge the receipt of all DSW 860 transmissions, within **72** business hrs, through the use of the electronic functional acknowledgement message (997). Vendors receiving a failure notice on any part of an 860 transmission need to contact MIS immediately (see Section 10).
- An 860 message is the only approved method to change a valid production 850 message. Manually faxed change request messages are not to be used by an EDI-enabled vendor unless approved by the Company.

7.6 Functional Acknowledgment Message (997)

- The Company uses a 997 transaction set for the acknowledgement of vendor and Company EDI transmissions.
- Vendors will need to generate a 997 message for each Company inbound file received within **72** business hrs.
- The Company will generate a detailed 997 message for each vendor inbound file. All Company generated 997 messages need to be reconciled or researched (for rejection notices) within **24** business hrs.
- Missing vendor inbound 997 messages may be subject to chargeback as specified in Section 9.
- Vendors failing to receive a Company 997 message must contact the Company's bTs IT personnel immediately (see Section 10).

7.7 EDI Message Formats

- Vendors can obtain copies of the Company's EDI message specifications as well as EDI survey form via e-mail or fax (see Section 10).
- Vendors can also obtain copies of these documents via the Company's vendor website:
<http://dswinc.com/Vendor-EDI.do>.

8.0 Payment Process

8.1 General Information

- The Company processes all vendor invoices from one central location. Payment remittance is within the established payment terms as stated on the PO.
- Vendors must verify the accuracy of all PO details including size run(s), unit cost(s), quantity(s), payment terms, and the like. Do not ship an order until any and all discrepancies on the PO have been resolved. PO corrections need to be submitted to the vendor in writing as proof of the correction by the Company buyer (cost and payment terms are not reimbursable).
- Any proof of deliveries ("POD") requests need to be directed to the Company Accounts Payable via e-mail, fax transmission, or mail.

8.2 Vendor Invoice Instructions

- Listed below is DSW, Inc. billing requirements. Please review the instructions with all personnel involved with invoicing, and update your billing system accordingly. Your compliance with these requirements will assist our company in expediting payments for your company's invoices.

A. The **ORIGINAL** invoice must be:

1. Mailed to: **DSW, INC**
ATTN: A. P. MERCHANDISE
810 DSW Drive
COLUMBUS, OHIO 43219

NOTE: DO NOT place any info under the address as the Post Office scans by the last line and it will nullify their scanning system.

DO NOT include the original invoice with the merchandise shipment.

2. Mail the invoice on the date of shipment.

IMPORTANT: Duplicate, faxed, or photocopy invoices are unacceptable.

- B. Prepare only **ONE** original, legible invoice per Purchase Order, per shipment. Shipments made directly to store locations should be billed by store.

- C. Each invoice must identify the following information:

1. Our **Five/Six-digit purchase order number**, (buyers name if for sample)
2. **Invoice Number** (please use non-repetitive, unique numbers).
3. **Date of invoice** (shipment date).
4. **Payment terms**, as per purchase order agreement.
5. Your **A.P. Vendor #: 9464** must be included in the vendor address section of the invoice.
6. **Store Number**, if merchandise is shipped direct to store locations.
7. Item detail as per purchase order, including style, description, size, color, **quantity, unit cost, total units, and total cost. Only one P.O.# to an invoice**
8. Number of cartons shipped, and case pack quantity, if available.
9. **If you are shipping to stores rather than Warehouse, please provide your shipment tracking # on each invoice as this will avoid any debit memos due to non-receipt**

8.2 Vendor Invoice Instructions (cont'd)

- Under EOM terms, invoices dated on or after the 20th of the month will be paid as though received the first day of the following month. Vendor compliance in adhering to these invoicing procedures is appreciated. Listed below is the Accounts Payable contact, should you require additional information:

Accounts Payable Hotline

PH 614-872-1339

Fax 614-872-1620

e-mail accountspayable@dswinc.com

- Invoice must be for a valid PO received via mail or hand-delivery. The transmission of sales orders via EDI, fax, phone, or verbally are not considered as valid POs. All POs must be signed by an authorized representative of the Company, per the Terms and Conditions of Purchase located on the reverse side of the order.
- Do not send invoices to any other department or individual.
- Send only one original invoice per PO, per shipment. Duplicate, faxed, or photocopies of the original invoice are not acceptable.
- Any handwritten invoice changes, carbon copies/duplicate PO shipment BOLs, or packing lists are not acceptable as the original invoice.
- All paper invoices must be sent in a single envelope, having form feed perforations removed and grouped by PO.
- Do not include the original invoice with merchandise shipment.
- Invoices are paid based on the PO cost, or the invoice item cost, whichever is lower. Cost differences are not refundable

8.3 Vendor Invoice Format Requirements

- The below information is required to be included on each invoice. Any missing information may be returned for correction and the vendor may be charged back.
 1. Non-repetitive, unique invoice number (Note: The invoice number must appear on each page of a multi-page invoice and the invoice number must not recycle within a minimum of 18 months.)
 2. The Company name (i.e. DSW leased, or Value City)
 3. Company Buyer
 4. The Company PO number
 5. Invoice date (Note: The date must be the same as your date of shipment)

8.3 Vendor Invoice Format Requirements (cont'd)

6. Vendor payment terms
 7. Store Number (only applicable if merchandise is shipped direct to Company's store location)
 8. Vendor name
 9. "Remit To" address which includes **A.P. assigned Vendor number**
 10. Item cost detail, per PO, listing unit cost and total cost in U.S. dollars
 11. Item detail, per PO, listing vendor style name/number, description, size, color, and quantities
- Total merchandise cost in U.S. dollars, and if a multi-page invoice, indicate total merchandise cost on the last page.
 - Subtotal all non-merchandise charges with a description of each charge.
 - Page number for each page of a multi-page invoice.
 - BOL numbers, carton count, and pair count by PO number for each shipment.
 - Chargebacks, allowances and concealed unit shortages will be deducted from invoices.

9.0 Vendor Chargeback Policy

9.1 General Information

- The purpose of chargebacks is not to create revenue for the Company, but to recover operating expenses incurred for correcting vendor errors. This policy creates a means of feedback, ensures cost recovery, supports the goals of the Company, and allows everyone to share in the success of the Company.
- To request Company supporting documentation (i.e. photos, etc) related to a chargeback, please provide vendor personnel contact information to the Company's Vendor Relations team via email (see Section 10). Be sure to include the following information:
 - Name of Contact
 - Title
 - Mailing Address
 - Phone Number
 - Fax Number
 - E-mail Address
 - PO number
 - Deduction type (DM11, DM5, etc)

Once this has been received, supporting documentation regarding the chargeback will be sent within 72 business hrs.

- Vendors exhibiting an improvement in overall performance over a **90-day** period (from date of chargeback issuance) may be eligible for a chargeback reduction or reversal. Based on the vendor's previous performance history and the severity of the error, the Company will determine if a refund of a previous chargeback is warranted. If the vendor's performance does not warrant a full refund, the Company may issue a reduced amount of the chargeback.
- Vendors can initiate a chargeback review petition anytime prior to the completion of a 90 day performance review period. However, no refunds will be issued during this time without proper documentation from Company representatives and the vendor.
- Vendors failing to petition for a chargeback review after **180** days from date of chargeback issuance are not be eligible for any refunded amounts. **Any questions or concerns pertaining to chargeback issuance, negotiation, and/or refunds need to be directed to the Company's Vendor Relation team (see Section 10).**
- All vendor shipments delivered in error will be documented and be subject to the chargebacks as provided in Section 9.2. Additionally, a single vendor shipment with multiple errors may have each occurrence individually documented and charged back in accordance with Section 9.2.



9.2 Schedule of Chargeback Expense

NON-COMPLIANCE ISSUE	CHARGEBACK EXPENSE
Purchase Order Errors	
Failure to comply with PO preparation or packing instructions or specifications	\$.25 per unit of merchandise, plus Company cost incurred per PO
Return-to-Vendor Handling Expenses	
Defective/damaged/un-saleable merchandise	\$150, plus all Company costs incurred per PO
Packaging Errors	
Bands, straps, wire or other material wrapped around the carton (non-conveyable carton)	\$5 per carton in error (minimum \$50)
Merchandise not in corrugated boxes	\$5 per carton in error (minimum \$50)
Multiple POs packed into a carton	\$25 per carton in error (minimum \$50)
Multiple styles and/or colors packed into a carton	\$25 per carton in error (minimum \$50)
Style/color/size substitutions not previously authorized by Company buyer	\$5 per carton in error (minimum \$50)
Too large or too small corrugate or use of unacceptable corrugate	\$5 per carton in error (minimum \$50)
Unauthorized container used (i.e. air container)	\$150 per PO/shipment, plus \$15 per carton
UCC Carton Labeling Errors	
Duplicate UCC-128 number used	\$5 per carton in error (minimum \$50)
No UCC-128 label on carton	\$7.50 per carton in error (minimum \$50)
UCC-128 Bar-code located incorrectly on cartons	\$5 per carton in error (minimum \$50)
UCC-128 barcode format not industry standard or poor quality label (unusable label)	\$5 per carton in error (minimum \$50)
Carton/Case Content Labeling Errors	
Printed carton marks missing/incomplete/incorrect/not legible	\$5 per carton in error (minimum \$50)
Merchandise Ticketing Errors	
Incorrect retail price tickets	\$150, plus \$.20 per unit
Incorrect UPC label	\$150, plus \$.20 per unit
Missing retail price tickets	\$150, plus \$.20 per unit
Missing UPC label	\$150, plus \$.20 per unit
Retail tickets placed incorrectly	\$150, plus \$.20 per unit
UPC labels placed incorrectly	\$150, plus \$.20 per unit
Shipment Notification Errors	
No/Late/Unusable EDI ASN (856) transmission	\$7.50 per carton (minimum \$500)
No/Late/Unusable EDI Functional Acknowledgement (997) transmission	\$100 per EDI message
No/Late/Unusable EDI UPC (832) data	\$5 per carton (minimum \$500)



9.2 Schedule of Chargeback Expense (cont'd)

NON-COMPLIANCE ISSUE	CHARGEBACK EXPENSE
Transportation Routing Errors	
Failure to notify Transportation of changes on domestic routing prior to shipping that result in unnecessary transportation expense.	\$150 plus the difference between standard freight cost and actual freight costs incurred per shipment.
Merchandise routed without the Company notification (Company controlled freight)	Minimum \$500, plus Company cost incurred per PO/shipment
Merchandise routed without the Company notification (Vendor controlled freight – no visibility)	Minimum \$250, plus Company cost incurred per PO/shipment
Multiple shipments sent per PO.	\$100 plus the difference between standard freight cost and actual freight costs incurred per shipment.
Unauthorized attempt to deliver or live unload PO at DC without Company's approval.	Refusal of shipment and/or \$150 per occurrence plus all fees incurred to resolve or process shipment error.
Unauthorized routing used for domestic shipment.	\$150 per occurrence plus freight cost difference.
Transportation Shipping Errors	
Company controlled shipments shipped after cancellation date specified by PO without Company's approval	\$150 per occurrence
Detention of the Company routed carrier, or canceling carrier after dispatched for pickup.	\$100 plus actual carrier charges incurred.
Failure to make merchandise available for shipping by scheduled pick-up date	\$100 per occurrence plus the difference between standard freight cost and actual costs incurred per shipment.
Failure to sort or load trailer properly by PO	\$1 per carton, plus Company cost incurred per PO
Shipments picked up 5 days after delivery date specified by PO without Company's approval	\$150 per occurrence
Vendor controlled merchandise received after the PO's cancel date (subject to cancellation)	\$250, plus all freight charges
PO & Shipment Documentation Errors	
Failure to properly reference PO/Dept on small parcel shipment paperwork.	\$20 plus full freight cost incurred by Company per shipment.
Failure to provide any and all required company documentation as specified in the Vendor Logistics guide or PO terms within 60 days	\$100 per missing document
Faxing packing lists to the Company	\$50 per document.
Incomplete/incorrect Commercial Invoice	\$150.00 per invoice.
Multiple invoices per PO/shipment	\$150 per occurrence.
No BOL or inaccurate/insufficient detail on BOL.	\$150 per occurrence.
Packing list information missing/incomplete/incorrect	\$50 per occurrence.
Request for research on payment deductions over 6 months old	\$100 per aged PO/Debit Memo number.



10.0 Contact List

Department	Name	Title	Email	Phone
DSW Imports	Lynda Berg	Import/Export Manager	lyndaberg@retailventuresinc.com	(614) 238-5672
DSW Inc Transportation	Transportation Coordination	Routing	traffic@dswinc.com	(614) 872-1558
DSW Inc. IT & EDI	bTs IT	EDI Development	edi@btservices.com	(614) 238-4058
DSW Merchandise	DiAnne Richardson	Merchandise Support Manager	diannerichardson@dswinc.com	(614) 872-1214
DSW Merchandise & EDI	Vicki Latorre	EDI Coordinator	vickilatorre@dswinc.com	(614) 872-1215
DSW Vendor Relations	Carrie Turley	Inventory Control Manager	carrieturley@dswinc.com	(614) 872-1532
DSW Vendor Relations & EDI	Dave Widdifield	Logistics Systems Manager	davidwiddifield@dswinc.com	(614) 872-1530
DW Inc. Finance	Scott Whitehead	Director, Finance	scottwhitehead@dswinc.com	
eTail Direct	Michele Etgen	Merchandise Support Manager	micheleetgen@etaildirect.com	(614)872-1804

11.0 Glossary of Terms

11.1 General Information

- This Guide contains many Company terms and acronyms, which may be unfamiliar to the reader. The purpose of this section is to provide the reader with a clear definition of the terms or acronyms found in this document, which may not otherwise be defined in this Guide. This table is not inclusive of all terms and acronyms used in this Guide. Please contact Vendor Compliance when additional assistance is necessary to ensure compliance with this Guide.

11.2 Table of Terms & Definitions

Term	Definition
ANSI	American National Standards Institute
Barcode	Code consisting of a group of printed and variously patterned bars and spaces and occasionally numerals designed to be scanned and read into computer memory for identification purposes.
BOL	Bill Of Lading – preformatted form provided by shipper used to detail specific shipment information including number of items, sales order number, carrier/trailer identification, etc.
Close-out	Merchandise purchased from the vendor, which is part or their entire existing style inventory.
Corrugate	Material used for the construction of merchandise cartons
Drop-trailer	Trailer left at the delivery location for future unloading.
EDI	Electronic Data Interchange - computer-to-computer exchange of business documents between companies, using a public standard format.
Floor-loaded	Manner of trailer loading in which merchandise is loaded onto the floor of a trailer absent of pallets.
Free Carrier (FCA)	Incoterm 2000 term of sale used primarily to indicate international orders.
Free On Board (FOB)	Term of sale indicating that seller will deliver to the Company at seller's expense, and seller assumes all responsibilities up to place of delivery including insurance, risk of loss, etc.
Live-delivery	Trailer unloading method that requires merchandise to be received at date and time of delivery to location.
LTL	Less Than Truckload – term used to describe a shipment of merchandise, which is too small for the use of a single trailer.
MBOL	Master Bill Of Lading – used to consolidate several BOL numbers into a single number.
Musical	Purchase order type instruction that requires merchandise to be packed into carton using assorted sizes.

11.2 Table of Terms & Definitions (cont'd)

Term	Definition
ORM-D	Otherwise Regulated Material-Dangerous - consumer commodity packaged and distributed in a form intended for sale through retail sales agencies for consumption by individuals for purposes of personal care or household use. May contain An aqueous solution containing 24 percent or less alcohol by volume and no other hazardous material.
PO	Purchase Order.
POS	Point Of Sale.
Prepack	Term used to describe a unit of shipment using an assorted size configuration of the merchandise.
Pretagged	Term indicating that merchandise is labeled with a standard UPC-A barcode.
Preticketed	Term used to indicate merchandise is ticketed with a retail price ticket.
SKU	Stock Keeping Unit.
SLC	Shipper Load & Count.
Solid	Purchase order type instruction that requires merchandise to be packed into carton using a single size or vendor designated prepack.
SSCC	Serial Shipping Container Code.
TL	Truck Load - term used to describe a shipment of merchandise, which must use a single trailer.
UCC	Uniform Code Council.
UPC	Universal Product Code.
VICS	Voluntary Interindustry Commerce Standard.