

TRANSMISSION OF PURCHASE ORDERS

THE OBJECTIVE:

Wakeferns objectives are to allow Wakefern category managers to electronically transmit purchase order information to the vendor or broker. The end objective is to allow Wakefern category managers to devote more time to merchandising and working with the sellers' representative.

WAKEFERNS ADDITIONAL OBJECTIVES:

To improve accuracy of order placement by transmitting purchase order data from Wakeferns computer to the vendor or brokers computer.

To accomplish true accuracy, the vendor and the broker should be able to receive the orders directly into their order entry systems, eliminating any manual order placing errors.

To improve consistency and timeliness associated with purchase order delivery.

WAKEFERN CAPABILITIES

Wakefern has developed and included in the purchase order transmission the following capabilities:

- 1.) Promotions
- 2.) Allowance Value
- 3.) Mode of collection; Off Invoice; Bill back; etc.

COMPUTERIZED ACCEPTANCE/REJECTION ADVICE (TRANSACTION SET 997)

This is a **critical message**. Without this message, purchase order transmission would not be practical. The sender must have assurance that the addressee has received the purchase orders.

RE-TRANSMISSION OF PURCHASE ORDERS

Wakefern can re-transmit purchase order data if the vendor or broker has a need for re-transmission.

PURCHASE ORDER TRANSMISSION FREQUENCY

In order to accommodate various lead-times, Wakefern is transmitting as per the attached schedule.

ROUTING OF PURCHASE ORDER TRANSMISSION

Wakefern is using a third party to handle UCS communications. The third party is Sterling Commerce. Usage of a third party is within the UCS standards and it is transparent to our UCS partners.

HANDLING OF PROBLEMS

- 1.) Purchase order is not able to be process by your system: *Call Wakefern EDI Department.*
- 2.) Transmission problems: *Call Wakefern EDI Department.*
- 3.) Purchase order contains incomplete information to fill the order: *Call the Wakefern buyer in the appropriate division.*
- 4.) General UCS problems: *Call Wakefern EDI Department.*

TRANSMISSION OF INVOICES

OVERVIEW

Processing of the invoice data is fully computerized. Human intervention is used only when exception exists.

INVOICE TRANSMISSION OBJECTIVES:

- 1.) To computer process and computer pay vendors invoices.
- 2.) To computer reconcile invoice data to purchase orders and receivings.
- 3.) To use invoice data to facilitate buying and receiving of product.

To make the three objectives readily obtainable and reliable, we ask our UCS Partners to consider the following:

1.) Timing of invoice transmission:

Transmit invoice data as soon as the product is shipped. We would like to receive the invoice data before product arrival as often possible. The reason for this request is that Wakeferns computer reconciles the invoice data to Wakeferns purchase order data and provides the buyer with an exception report which identifies quantity, list cost and allowance differences.

- 2.) Transmit one invoice per purchase order and only for items shipped. If this is not possible, all invoices for one shipment should be transmitted at the same time.
- 3.) Use meaningful allowance or charge codes that properly identify your business intent. Vague codes could lead to incorrect information being provided to the category managers and also opens the door to audit questions.

Note: Vague codes will be programmatically interpreted to always protect Wakeferns interests.

TRANSMISSION FREQUENCY

Because we use a third party to handle our transmission needs, you can transmit invoice data to us anytime 24 hours a day and 7 days a week.

HANDLING OF PROBLEMS

- 1.) Transmission problems (communication code problems, etc.): *Call Wakefern EDI Department*
- 2.) Acceptance/Rejection problems: *Call Wakefern EDI Department*

Note: See following Text Message procedure.

ACCEPTANCE/REJECTION MESSAGES

It is very important that the vendor has in place a program which tracks and reports any invoice transmission that was not electronically acknowledged by Wakefern within 24 hours from transmission time. We will generate acknowledgments after each polling from our third party mailbox. We will also generate text messages (864) for invoices that are rejected and it is your responsibility to follow-up on all rejected invoices.

The vendor should not rely on their accounts receivable system to report outdated invoices. UCS/EDI standards place the burden of proof of delivery on the sender of data.

TEXT MESSAGES (864)

- A. UPC does not exist in Wakeferns Item Master. *Call Wakefern procurement analyst with proper UPC.*
- B. Incorrect Remit to Duns #. : *Call Wakefern EDI Department*
- C. Invoice out of Balance. *Fix and resend. If you need further assistance, call Wakefern EDI Department*
- D. Invalid PO # or PO Prefix. *Fix, confirm and then resend.*
- E. Invalid Invoice Date. *Correct and resubmit.*

RE-TRANSMISSION OF INVOICE DATA

It is impossible for Wakeferns Accounts Payable department to process invoice data outside the UCS transmission once the vendor goes live (paperless) with invoice transmission without a great deal of added cost.

Consequently, we are asking our UCS partners to develop the capability to retransmit invoice data in case we should encounter internal problems with the original transmission.

On the other hand, you should be in a position to electronically re-transmit all invoice data for all your invoices that were not previously transmitted or which were not transmitted successfully and not acknowledged.

Note: These requirements are not part of UCS standards.

TESTING OF INVOICE TRANSMISSION

After contacting the Wakefern EDI department and you have set up your system to meet our requirements, you will be instructed to send in a test invoice.

- 1) The sender should review the output for any missing data; does the transmitted data agree with the invoice data the sender intended to send.
- 2) The EDI department will review the output for compliance with UCS standards and for missing or incorrect Mandatory and/or Conditional segments or Data Elements.
- 3) The EDI department will instruct the vendor on where the data needs to be corrected and will instruct the vendor send another test invoice to verify that the incorrect data has been corrected.

LIVE (PAPERLESS) INVOICE TRANSMISSION

We will review the EDI invoice until such a time that both parties agree to stop sending paper copies. The transmission will be turned paperless after the sender and Wakefern mutually agree to turn off sending paper copies.

If you have a transmission problem and cannot re-transmit a correct invoice, a \$35 penalty will be imposed as per our Accounts Payable policy for processing an invoice manually.

OVERVIEW-USAGE OF INVOICE SEGMENTS AND DATA ELEMENTS

Wakefern is enforcing the latest UCS versions in effect at the time of invoice data receipt and Wakefern is always enforcing compliance with UCS standards.

Non-compliance with the UCS standards could result in late and/or incorrect payments.

Non-compliance with the UCS standards will result in negative productivity on the part of Wakefern personnel.

Any unclear data transmission will be taken to Wakeferns best interests. All vague allowance and charge codes will be automatically interpreted to protect Wakeferns interests.

Wakefern Food Corporation
EDI Information Fact Sheet

Communication Parameters and Transaction sets supported

Current Sender Receiver ID's

X - 12 Standard

X12 Version 003040, 003050, 003060, 004010:

<u>Segment</u>	<u>Definition</u>	<u>Wakefern Sending</u>	<u>Wakefern Receiving</u>
ISA 05	Qualifier	01	Your Qualifier
ISA 06	Sender ID	006972418	Your Sender ID
ISA 07	Qualifier	Your Qualifier	01
ISA 08	Receiver ID	Your Receiver ID	006972418
GS 02	Sender / Receiver Code	9085273379	Your Sender Code
GS 03	Sender / Receiver Code	Your Receiver code	9085273379

UCS Standard

UCS Version 003040, 003050, 003060, 004010:

<u>Segment</u>	<u>Definition</u>	<u>Wakefern Sending</u>	<u>Wakefern Receiving</u>
ISA 05	Qualifier	08	Your Qualifier
ISA 06	Sender ID	9258130000	Your Sender ID
ISA 07	Qualifier	Your Qualifier	08
ISA 08	Receiver ID	Your Receiver ID	9258130000
GS 02	Sender / Receiver Code	9085273379	Your Sender Code
GS 03	Sender / Receiver Code	Your Receiver Code	9085273379

Transaction Sets Supported:

810	X12 Invoice
850	X12 Purchase Order
852	X12 / UCS Product Activity Data
855	X12 / UCS Purchase Order Ack.
856	X12 / UCS Advance Ship Notice
864	X12 / UCS Text Message
875	UCS Purchase Order
879	X12 / UCS Price Change
880	UCS Invoice
888	X12 / UCS New Item Information
889	X12/UCS Promotional Announcement

EDI DATA TRANSMISSION/RECEIVING SCHEDULE

ADVANCED SHIP NOTICE (856) RECEIVING SCHEDULE

ALL DIVISIONS	4:00AM	MONDAY-THURSDAY
	1:00PM	SUNDAY

UCS II (879 & 888) RECEIVING SCHEDULE

ALL DIVISIONS	4:00AM	MONDAY-THURSDAY
	1:00PM	SUNDAY