Supply Chain Partnership Guide

Inbound Routing

Revised Effective: May 2020

Welch Allyn, Inc
4341 State Street Rd.
Skaneateles Falls, NY 13153

Welch Allyn, Inc
7865 North 86th Street
Milwaukee, WI 53224

Welch Allyn, Inc
Tijuana, Mexico
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Our Mission

Every day, around the world, we enhance outcomes for patients and their caregivers.

Our Values

LEGAL & REGULATORY

A – OSHA Statement – The OSHA Hazard Communication Standard requires Manufacturers, Importers, and suppliers to label containers of toxic substances or hazardous chemicals with the chemical name and hazard warning. Material Safety Data Sheets (MSD’s) for these substances for all shipments are required.

B – HAZARDOUS MATERIALS – Items that are hazardous need to meet the regulated requirements (i.e.- Department of Transportation (DOT), International Air Transport Association (IATA), etc) of hazardous materials. The purchased parts that are classified hazardous must be packaged, marked, labeled, classified, and shipped according to the regulated rules and requirements.
INBOUND SHIPPING & ROUTING INSTRUCTIONS

The following instructions apply to ALL merchandise shipped to Welch Ally. Compliance with these instructions is MANDATORY. Failure to follow these instructions shall be an agreement to pay all excess transportation charges, plus an administrative fee.

**Shipment Preparation**

I. **Purchase Orders/Procurement Card Orders** – All purchase orders and procurement card orders specify the “Ship to” location to which orders are to be shipped. Merchandise MUST be shipped exactly as ordered.

II. **Packaging Requirements** – Packaging MUST conform to the freight carrier’s requirements to withstand normal transportation hazards. Claims that develop due to improper packaging will be charged back to the shipper.

III. **Marketing Requirements** – Every article of freight MUST be fully identified with the following information, in addition to the packing slip requirements specified in our Supplier Compliance Policy, attached hereto.
   A. Supplier’s name and complete shipping address.
   B. Our complete “Ship to” address
   C. If ordered on our procurement card, complete Welch Allyn procurement Reference Number, and name of the Welch Allyn employee authorizing the shipment.
   D. If ordered on our purchase order form – our complete purchase order Number.
   E. Item number and quantity in each carton.
   F. “Of” lot numbering (eg 1 of 2, 2 of 2).

IV. **SHIPMENT PREPARATION & DELIVERY** - Our goal is to build mutually beneficial business relationships with our suppliers by being specific about our needs and promptly paying your invoices. This Supplier Compliance Policy ensures uniformity in shipping and invoicing procedures. In Choosing suppliers with whom to do business, we look for those who can best meet our requirements. We expect all of our suppliers to work with Welch Allyn efficiently and profitability and will comply with our standards of excellence.

A. **PACKING SLIPS:** Requirements A-E below pertain to all Welch Allyn locations EXCEPT Welch Allyn de Mexico (refer to Shipping Instructions to Welch Allyn Mexico). Every shipment must be accompanied by a packing slip affixed to the outside of the lead carton. All packing slips must show the following:

   1. Welch Allyn Purchase Order Number, Part Number and Quantity Shipped.
   2. Each Itemized Line on the Purchase Order or JIT Delivery Schedule should represent one itemized line on the packing Slip
   4. Suppliers Invoice or Packing Slip Number.
   5. Pro-card purchases must show Ship to Attention Line and Welch Allyn Reference Number.

B. **INCOMING DELIVERIES:**

   1. Cartons must have consistent pack quantities per Welch Allyn Purchase Order Unit of Measure
2. Cartons must not exceed 40 lbs each without prior approval from appropriate Welch Ally buyer.
3. Appropriate Buyer must be notified of over and/or under shipments prior to shipping.
4. Shipments must be delivered within the delivery window +5 days early to 0 days late of the ETA date.
5. All Shipments must be shipped according to the Welch Allyn Shipping and Routing Instructions.
6. Purchase Order Number or credit card Reference Number must appear on all shipping labels.
7. Truck Shipments must be palletized (where applicable) per packing instructions

C. **PACKING BEST PRACTICES:**
1. Material must be palletized within the perimeter of the pallet, in order to avoid damage. No items should overhand the edge of the pallets.
2. Reduce the height on the configuration of the pallets for heavy materials to prevent the material from collapsing due to excess of weight.
3. Maximum pallet dimensions should be 40”x48”x52” height.
4. Use corner board protectors to prevent the material from collapsing and protect from damage.
5. Stretch film must be tied to wooden pallet and wrapped a minimum of 3 turns around the load.
6. No loose cartons on top of pallets.
7. Place labels with legend DO NOT DOUBLE STACK on four sides of the pallet.
8. Pallets used to ship internationally must be heat treated to ISPM 5 standard and be marked accordingly. Pallets must be in good condition with no broken or loose boards.
9. Refer to Palletizing Best Practices section at the end of this document.

D. **INVOICES:** When required, all Invoices must meet the following requirements:
1. Only ONE copy of the invoice required.
2. Invoice must clearly state:
   a. Correct Purchase Order Number and Welch Allyn Part Number.
   b. Correct terms as specified on the Purchase order.
   c. Breakdown of quantity by Part number.
   d. Total cartons shipped.
   e. Name of the contact person at Welch Allyn that negotiated the PO.
   f. Invoicing must be in the same Unit of Measure as corresponding Purchase Order or JIT Delivery Schedule Report.
   g. Each itemized line on the invoice must represent one and only itemized Line from the Purchase order.
3. Welch Allyn Invoices must be emailed to:
   apamerica@welchallyn.com
4. Freight Charges may not be billed on merchandise invoices. No charges will be paid which are not on the Purchase Order. Under no circumstances is Welch Allyn to be billed for service charges, insurance charges, handling charges, nor documentation fees.
5. Payments via EFT (electronic funds transfer) is preferred.
Carrier Selection

V. **Parcel Carrier:** All shipments weighing less than **400 lbs.** chargeable weight are to be routed via Ground where package size and weight limitations are within the standards set out by the carrier. Individual packages on these shipments should not exceed 40 lbs. each. Packages of less than 40 lbs. each should be consolidated whenever possible into over packs not exceeding 40 lbs.

VI. **LTL:** For shipments from 400 pounds to 10,000 pounds and where shipments occupy 750 cubic feet or less of carrier’s equipment, ship via the Less Than Truckload (LTL) carriers noted in this guide based on your origin state and the freight destination. Shipments should be palletized to dimensions not exceeding 52”H and a 42”x48” footprint. Packages should not overhang the edge of the pallet.

VII. **Truck Load:** For all shipments which exceed 10,000 pounds, or which Equate to 10 Pallets or more, please call your Purchasing Agent for routing instructions.

VIII. **AIR FREIGHT SHIPMENTS WHEN CHARGES ARE TO BE ABSORBED BY WELCH ALLYN.**

1. All airfreight shipments to be pre-approved by a Welch Allyn representative. Unauthorized air shipment costs will be charged back to the shipper.
2. If Welch Allyn Skaneateles or Tijuana/San Diego shipment, Welch Allyn’s FedEx account number **MUST** be entered in the appropriate space on the airway bill. In addition, our Purchase Order Number or Procard Reference Number must be entered on the AIRWAY BILL.
3. If Welch Allyn Milwaukee shipment, Welch Allyn UPS account number **MUST** be entered in the appropriate space on the airway bill. In addition, our Purchase Order Number or credit card reference number must be entered on the AIRWAY BILL.

IX. **Freight Terms**

A) For all Welch Allyn EXCEPT ProTrans:
Freight should be shipped **Freight Collect, Third Party Billing to:**

**Welch Allyn (USD) / WCAL01**
c/o Data2Logistics
PO Box 61050
Fort Myers, FL 33906

For Welch Allyn carrier ProTrans:
Freight should be shipped **Freight Collect, Third Party Billing to:**

**Third-Party Billing**
PROTRANS
P.O. Box 42069
Indianapolis, IN 46242

X. **Carrier Selection – Product of US Origin:**

A) **Parcel carrier (refer to buyer for account number) - FedEx**
B) **LTL: per origin/destination tables below**
C) **Truckload and Air – contact you purchasing agent**
LTL CARRIER CONTACT INFORMATION

Inbound LTL to Welch Allyn, Skaneateles Falls, NY will use:

Origin States: CT, DE, MA, MD, ME, NH, NJ, NY, OH, PA, RI, VT

SAIA

Vendor Inbound scheduled on line at www.Saia.com or through Corporate Customer Service 1-800-765-7242

Origin States: All Other

Main Freight

Primary Manifreight Contacts to schedule pick up –

Primary contact and after hours: Brian Gallagher
Phone #: 518.769.4666

Brian Gallagher <brian.gallagher@mainfreightusa.com>

Operations/secondary back up:

Lisa Gaetano <lisa.gaetano@mainfreightusa.com>
Phone: 518.389.4126

All LTL I/B to Welch Allyn, San Diego, CA will use ProTrans:

ProTrans

Customer Service / pick – ups

Phone: (888) 744 - 7669

E-Mail: optimizops@protrans.com

All LTL I/B to Welch Allyn, Milwaukee, WI will use FedEx LTL:

FedEx Freight - Economy

1.800.218.5058 for Premier LTL Customer Service

FreightFOC@fedex.com
How to Fill Out a Bill of Lading:

The bill of lading is a critical document in the shipping process. A bill of lading is required for all non parcel shipments and serves as a receipt and a contract. A properly completed bill of lading legally shows the carrier has received the freight as described, and is obligated to deliver that freight, in good condition, to the consignee.

The information on the bill of lading is important. It provides direction to carrier personnel throughout the route of the shipment – the ORIGIN, piece count, billing instructions and special handling requirements. Any changes to a bill of lading, such as re-consignment or reversal of terms, always require a shipper-approved, corrected bill of lading.

Consider the following items before filling out a bill of lading.

1. Know who is responsible for paying the freight charges-the shipper, the consignee or a third party (shipper prepaid (PPD); consignee-collect (COL); third party – PPD).
2. Know how your merchandise is described according to the NMFC (National Motor Freight Classification).

Filling out the Bill of Lading:

1. Consignee: Enter the name, address and ZIP code for the customer receiving the shipment.
2. Shipper: Enter the name, address and ZIP code for the shipper tendering the freight to carrier.
3. Date: Enter the pick update of the shipment.
4. Shipper’s number: Enter shipper’s number, if applicable.
5. Bill of Lading Number: Enter the bill of lading number, if applicable.
6. PO Number: Enter the purchase order number, or reference number (required).
7. Number of Packages: Enter the number of handling units in the shipment. If shipment is unitized the number of unites and the number of cartons on each unit MUST be listed.
8. Hazardous materials: If the commodity being shipped is a hazardous material (as defined by DOT), identify this on the Bill of Lading.
9. Kind of packaging: description of articles, special marks and exceptions: Enter the name of the commodity and its description. If known, please provide the NMFC number of the commodity. This field should also be used to provide the proper four-digit UN Number for hazardous materials, as well as any special handling or protective service instructions.
10. Weight: Provide the weight for each commodity being shipped including packaging and pallet/skid weight.
11. Class of Rate: Provide the appropriate NMFC class for the commodity being shipped.
12. Freight charges: Denote freight charge responsibilities (i.e. Collect, prepaid or 3rd party).
13. Shipper: Denote your company’s name and sign your name on the “per” line of the section.
14. Carrier/per: The pickup driver will provide the carrier’s name and signature. Insist that driver sign his full name, not just initials.
15. Total number of pieces: Driver to denote number of pieces and date received. This should be as specific as possible. (example: 40 cartons on 2 pallets)
16. Buyer Contract Information.
Shipping Instructions to Welch Allyn Mexico

In addition to Shipping Instructions noted above, there are additional specific requirements for shipments destined to Welch Allyn Mexico.

Welch Allyn utilizes a Third Party Warehouse for this location and the ship to address for all items shipping to Welch Allyn Mexico, regardless of ship method is:

Welch Allyn Mexico  
C/O BLS  
2001 Sanyo Avenue  
Building 1, Suite C  
San Diego, CA 92154  
MXWELALL2471TIJ = MID number.

Acceptance of the shipments by BLS will be conditional, subject to Welch Allyn physical verification of the goods when they arrive in Mexico.

Your product will be crossing through US and Mexican Customs. This will include inspection of the product before being delivered to Welch Allyn de Mexico. It is imperative that the counts as well as packing slip information are accurate.

Packing slip must include the following information:

1. Purchase List (outside of the box)  
2. Purchase Order Number  
3. Welch Allyn Part Number  
4. Number of boxes  
5. Individual box quantities  
6. Description of goods  
7. Gross Weight  
8. Original Manufacturer  
9. Country of Origin

Mexican Customs also requires specific information to be on the Package Label per below:

1. The information must be presented in Spanish or English (not both) and be printed at least 1.5 cm high.  
2. If the package is less than 32 square cm, the text height must be at least 1 cm high.  
3. The information that is required on the Package Label includes:  
   a. Name or generic name of the product  
   b. Quantity – unless obvious- can be seen.  
   d. Box Numbering – Box 1 of 3, 2 of 3, 3 of 3 etc.

NOTE: SAMPLE SHIPPING LABEL BELOW IN ENGLISH AND SPANISH – USE EITHER ENGLISH OR SPANISH OR SPANISH VERSION BUT NOT BOTH.
Key Note: Accurate identification of products: Improperly identifying materials and / or inaccurate count exposes Welch Allyn to fines, penalties, and even confiscation of product by Mexican customs. Suppliers are responsible for accurate representation of their products; therefore, any costs incurred will be the suppliers’ responsibility.

Key Note: Wooden Pallets:

1) Wooden pallets must be Internationally Heat Treated or fumigated with methyl bromide.
2) Must have the symbol identifying this printed on the pallet itself.
   See: appendix: Packaging Requirements.
3) Plastic pallets are permitted

Mexican Customs, will not allow any pallets into their country that do not follow this guideline. Any pallets not marked properly will be detained and repackaged. Any additional cost for repackaging will be billed to Suppliers.

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<thead>
<tr>
<th>ETIQUETA DE IDENTIFICACION</th>
<th>IDENTIFICATION LABEL</th>
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<tr>
<td>Num. de Parte</td>
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<tr>
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<td>Description</td>
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<tr>
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<td>Quantity</td>
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<tr>
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<tr>
<td># de Cajas Caja de</td>
<td>Number of Boxes box of</td>
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<tr>
<td>Fecha de expiracion</td>
<td>Date of Expiration</td>
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<td>Notas</td>
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INTERNATIONAL SHIPMENTS (US IMPORTS)

FILLING OUT IMPORT DOCUMENTATION:

Please fill out the commercial invoice when shipping into Welch Allyn US locations with the following information.

*It is vital this information is filled out completely to clear US Customs and US Food Drug Administration (FDA) release (when applicable).*

Information needed:

1. Welch Allyn Purchase order number (on all international documentation).
2. Complete and clear description of the item being shipped.
3. Harmonized Tariff code verified by Welch Allyn procurement team.
5. The declared value will be the price Welch Allyn will agreed to pay for the goods supplied.
6. Samples that are being shipped must include the commercial value of the parts for US Customs purpose.
7. All documents supplied must be in English
8. Medical Device Listing Number (if applicable)
9. FDA Product Code (if applicable)
10. 510K (if applicable)
11. Full name and address of the manufacturer
12. Shipper and Consignee’s contact name and telephone number just in case questions arise.

If you have questions regarding the data needed on the commercial invoice please contact your Commodity Manager or Purchasing Agent.

It is vital that the product packaging contain Country of Origin marking in accordance with US Customs regulations. This COO marking must agree with statements contained in the Commercial Invoice for this shipment.
<table>
<thead>
<tr>
<th>Receiving Company</th>
<th>TRANSPORTATION MODE</th>
<th>SELECTED CARRIER/FREIGHT FORWARDER</th>
<th>CUSTOMS BROKER</th>
<th>REQUIRED DOCUMENTS</th>
<th>INCO terms</th>
</tr>
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<tr>
<td>Welch Allyn</td>
<td>&gt;100lbs originating in Europe</td>
<td>Expeditors</td>
<td>Expeditors</td>
<td>Commercial Invoice, Packing List, Airway bill or Bill of lading</td>
<td>FCA Origin</td>
</tr>
<tr>
<td>Welch Allyn</td>
<td>&gt;100lbs originating all locations other than Europe</td>
<td>Ceva Logistics</td>
<td>Ceva Logistics</td>
<td>Commercial Invoice, Packing List, Airway bill or Bill of lading</td>
<td>FCA Origin</td>
</tr>
</tbody>
</table>
Palletizing Best Practices:

Standard Pallet

Pallet can be approached from the front, back or either side and move it more easily. And, limits pallets exposure to damage.

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Standard Pallet

Wooden Pallets without Bottom Boards are Not Recommended:

Without the bottom boards the weight is not distributed evenly. The stringers can turn in or warp compromising the side-to-side strength.

International Pallet

International shipments must meet ISPM 15 wood packaging requirements and have this branding visible.

More details can be found on this US Government website:
Proper Pallet Building

Column Stack increases the top-to-bottom compression strength.

Interlocking Stack provides increased stability. Stack cartons corner-to-corner and edge-to-edge.

Proper Pallet Building

Stacking A Pallet:
- To maximize carton strength, stack the pallet vertically;
- Secure cartons to the pallet with banding, shrink-wrap, stretch-wrap or breakaway adhesive;
- Place cartons squarely on the skid with no overhang;
- Be sure the top surface is flat;
- Add sheets of cardboard between layers for additional strength;
- Limit the height of cartons to 48 inches.
Additional Packaging Used in Pallet Build

- Corner boards can be used to support square of the skid.
- Stretch-wrap tight and several rounds applied.
- Banding used to secure product to the skid.
- Shipments that have corner protectors typically have a 50% reduction in damages.

Use of Corner Boards to support the square of the skid