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Federated Accelerated Sales & Stock Turn

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Federated Department Stores, Inc.

2001
Vendor Standards Manual

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Introduction

Federated Department Stores has made a **total commitment** to Industry-wide technologies that utilize **Universal Product Code (U.P.C.), Electronic Data Interchange (EDI), and Internet Technologies**. Through the use of this technology, our vendors and our retail divisions can both realize significant sales increases, cost reductions, stock turn increase, and mutual profitability.

This manual includes **all vendor requirements to do business with us:**

1. MARK YOUR MERCHANDISE WITH QUALITY **VENDOR GENERATED U.P.C. TICKETS**.
2. PROVIDE US WITH A TIMELY AND ACCURATE **ELECTRONIC U.P.C. / EAN CATALOG**.
3. SEND OR RECEIVE **EDI PURCHASE ORDERS.**
4. PROVIDE **OUR RETAIL** ON YOUR U.P.C. TICKETS.
5. PROVIDE **VICS FLOOR READY HANGERS** FOR ALL HANGING MERCHANDISE.
6. PACK YOUR MERCHANDISE ACCORDING TO OUR **PACKING** INSTRUCTIONS.
7. TRANSMIT A TIMELY AND ACCURATE EDI **ADVANCE SHIP NOTICE** INCLUDING YOUR **UNIQUE UCC-128 SHIPPING CONTAINER LABEL NUMBERS**.
8. FOLLOW OUR **ROUTING GUIDE** INCLUDING USING ONLY **APPROVED CARRIERS**.
9. SEND US **EDI INVOICES AND RECEIVE EDI REMITTANCE ADVICE.**
10. SEND CARRIERS AN **EDI MOTOR CARRIER LOAD TENDER / BILL OF LADING**.

This Federated manual applies to these retail operating subsidiaries:

- **Bloomingdale's**
- **Macy's East**
- **Rich's / Lazarus / Goldsmith's**
- **Customer Fulfillment Centers**
- **The Bon Marche**
- **Macy's West**
- **Burdines**
- **Stern's**

HOW TO GET STARTED

Attention New Vendors - You must implement the **10 steps above**. If you do not have your technology program in place please **contact QRS**, our third party partner in technology, at **(800) UPC-TALK** (800-872-8255) to get started. We expect all shipments to Federated to be in compliance with the basic industry standards outlined in this manual.

HOW TO USE THIS MANUAL

This manual is intended as an **overview** of our merchandise technology, quick response, distribution, transportation and accounts payable policies.

This **document should be distributed** to the appropriate individuals within your organization.

This manual has been updated for 2001. The **shaded sections** highlight **significant additions or changes** from the 2000 version.

THIS MANUAL DOES NOT APPLY TO: Bloomingdale's by Mail (Bloomingdale's.com), Macy's by Mail (Macys.com) or Fingerhut. See separate manuals available on our web site at: *www.fdsnet.com*

SPECIAL NOTES:

FURNITURE, BEDDING AND RUG VENDORS: This manual applies to all families of business including furniture, bedding, and rug vendors tracked on our reservation and delivery system, RDS.   For **additional** information pertaining specifically to this FOB be sure you have the **Federated Furniture Packing & Quality Standards Manual** or the **Federated Bedding Packing and Quality Standards Manual available at** *www.fdsnet.com*

FMG DOMESTIC PRIVATE LABEL VENDORS: This manual applies to all FMG domestic private label purchases with the **exception of the Accounts Payable** section. Please see special instruction on page 33.

FDSNET.COM

FDS_Net_ is our Internet web site for vendors to communicate with Federated. FDS_Net_ is your primary source to answer all vendor inquiries. All future business notifications including FASST Manual, Routing Guide, EDI mapping guides will **ONLY** be communicated to registered FDS_Net_ users. To access FDS_Net_, please visit our web site at: **www.fdsnet.com**. To view secured account information and receive Email communications, you must be a registered FDS_Net_ user. To become a registered FDS_Net_ user, go to our web site at **www.fdsnet.com**, click on **Register** under the **FDS**_Net_ **Profile** section. Click on **NEW User** and complete the form. FDS_Net_ provides the following for our vendors:

1. OPEN access to our **Routing Guide**, **Approved Carrier List**, **EDI mapping guide**, **Key Contact List** with e-mail addresses and phone numbers, **Store listing** with 'ship to' addresses, the **FASST** Vendor Standards Manual, the **Furniture** Packing and Quality Standards Manual, the **Bedding Packing and Quality Standards Manual, Accounts Payable addresses**, VICS Floor Ready **Hanger Guide**, **UCC-128 label placement**, **UCC-128 label format**, Family of Business **(FOB) descriptions for UCC-128 label**, **U.P.C. ticket format** guide, **U.P.C. placement** guide, **retail price marking** guide, and the **U.P.C./EAN catalog data entry** form.

2. ABILITY to **set up** and **administer** selected **EDI information. Startup forms** for all EDI documents, **Version Migration**, and **Vendor Information Changes** are in the **EDI** section of the **FDS**_Net_ home page.

3. SECURED access to your account's **Chargebacks and RTVs, Status of Invoice, Status of Invoice by PO, Trial Balance, Check Detail, Check Detail by Division, Last Two Checks, Multiple PO, PO Lookup, Receipt Lookup**, **Accounts Payable Forms**, and **Shipment Audit information**.

4. **FDS**_Net_ **Shipping** is the required method of submitting overweight routing and / or shipment pick-up requests where Federated is the carrier. Users must enroll as Shipping Contacts to submit overweight shipment requests, request shipment pick-ups, check shipment status, and make shipment changes.

In addition:

1. FDS_Net_ is also able to send you information regarding all **Expense Offset deductions** via e-mail. This provides you with feedback on any non-compliance issues, allowing you to correct future shipments and avoid additional charges. To receive automatic notification of Expense Offsets, click onto **questions** under the **Talk To Us** section and click on the **exo@fdsnet.com** to send a message.

2. If you have technical questions about FDS_Net_, please click onto **questions** under the **Talk To Us** section of our home page, or call our Internet Help Desk at (513) 782-1499. If you do not have Internet access call QRS at (800) UPC-TALK (800-872-8255).

3. For more general information about Federated Department Stores Inc., visit the **Federated** Internet home page at: **www. federated-fds.com**

4. Other Web sites to visit:
    www.vics.org   (Voluntary Inter-industry Commerce Standards)
    www.uc-council.org   (Uniform Code Council)
    www.nrf.com   (National Retail Federation)
    www.qrs.com   (QRS Corporation)

Industry Standards

Below is a listing of **important documents** that you will need in order to implement the retail industry standards. In addition, you may want to attend the **UCC EC User Group conferences** held twice a year, usually in May and October. For more information on the user conferences or publications, call the Uniform Code Council at (800) 543-8137.

Your U.P.C. catalog should be created following the specifications in the Uniform Code Council **"U.P.C. Data Communication Guideline For General Merchandise and Apparel"**. Be sure to obtain the **National Retail Federation (NRF) Standard Color & Size Code Handbook**. For more information call the NRF at (202) 783-7971.

Your U.P.C. tickets should be created and affixed following the specifications in the Uniform Code Council **"U.P.C. Marking Guidelines for General Merchandise and Apparel"** and the **"U.P.C. Symbol Location Guidelines Manual".**

Your EDI documents should be created and transmitted in a timely manner following the current **"VICS EDI"** guidelines and the Federated mapping guide. If you do not have EDI capabilities, contact the Uniform Code Council at (800) 543-8137 or QRS at (800) UPC-TALK (800-872-8255) for information on how to get started. For a copy of our EDI mapping guide visit our web site at: **www.fdsnet.com**

Your EDI ship notice document should be created following the specifications in the **Uniform Code Council "VICS EDI Ship Notice / Manifest (856) Guideline"** and the Federated EDI mapping guide. For more information call the Uniform Code Council at (800) 543-8137. If your company needs help getting started with EDI Ship Notices or any other EDI document call QRS at (800) UPC-TALK (800-872-8255).

Your UCC-128 Shipping Container Label should be created following the specifications in the Uniform Code Council **"Application Standard for Shipping Container Codes"** and the UCC-128 section in this manual**.** For more information call the Uniform Code Council at (800) 543-8137.

Your shipments should be prepared following the VICS "**Voluntary Guidelines for Floor Ready Merchandise**". To obtain a copy of this document, please visit the VICS web site at: **www.vics.org**

Your barcodes (UCC-128 & U.P.C.) should be created following the specifications in the Uniform Code Council **"UCC Guidelines for Producing Quality Symbols".**

QRS

QRS is our third party partner in technology. **QRS** can **provide assistance** to retailers, manufacturers, and carriers who need help **implementing industry standard technology**. For more information visit their web site *(**www.qrs.com***) or call **(800) UPC-TALK** (800-872-8255). We require that you use the QRS **14 point quality assurance edits** on your U.P.C. catalog to insure accuracy and avoid Federated expense offsets.

Hanger Re-Use Program

FRM Services has been selected as our **hanger re-use partner** in an effort to collect and re-use VICS Floor Ready hangers. The application of re-used VICS hangers is **cost effective** as well as **environmentally responsible**. For more information call **FRM** at (800) 422-1600.

U.P.C./EAN Assignment & Catalog Requirements

1. Assign U.P.C. / EAN **NUMBERS** at the product **ID (Vendor Style #), color,** and **size** level for all product sold to Federated.

2. Your U.P.C. / EAN **CATALOG** MUST INCLUDE a minimum of: **U.P.C. / EAN number**, the **product ID**, the **product description**, **NRF Color** and **Size** codes and descriptions. If your product has no color, use "000 no color". If your product has no size, use "00000 no size". If we must correct **your catalog** or our **SKU file**, an expense offset will be assessed.

3. ONCE YOU HAVE ASSIGNED **SIZE RANGES** AND COMMUNICATED YOUR U.P.C. / EANs TO US, SIZE RANGES **CANNOT BE ALTERED** (S - M - L CANNOT BE CHANGED TO 5 - 7 - 9, ETC.) If you change size ranges an expense offset will be assessed.

4. The data in your **U.P.C. / EAN catalog** must exactly match your **LINE LIST**, **YOUR TICKET** and **ALL OTHER PRINTED MEDIA.** This includes colors, sizes and your PID (including single spaces, special characters or zeros. No leading spaces.) If your data does not match **exactly**, an expense offset will be assessed.

5. Provide your **U.P.C. / EAN catalog electronically (in English language)** a minimum of 10 days before market. If your U.P.C. / EANs are not loaded accurately and on a timely basis an expense offset will be assessed. **YOUR U.P.C. / EANs MUST BE IN OUR CATALOG BEFORE WE CAN WRITE AN ORDER.**

6. When you assign a **discontinue date** to a product in your U.P.C. Catalog, it automatically feeds to our order entry system and PREVENTS US FROM PURCHASING THE PRODUCT. Therefore, the discontinue date should **ONLY** be used when you are absolutely sure that you will never manufacture or sell the product again. If your U.P.C. / EAN requires modification of the discontinue date, an expense offset will be assessed. No discontinue date = 00 00 00.

7. **U.P.C. / EAN catalog** data must be provided through our third party service provider, **QRS.** Call QRS at (800) UPC-TALK (800-872-8255), or for a **direct 832 transmission,** call EDI Support at (678) 474-3595.

8. Federated has begun loading **List Cost** and Manufacturer **Suggested Retail** from QRS and direct 832 transmissions. In addition, we are loading **'extended data elements'** and **'product description codes'.** Required data elements are listed on page 5.

9. For those vendors with **under 100 U.P.C. / EANs**, you can now enter your U.P.C. / EANs through the Internet – Call QRS at (800) UPC-TALK (800-872-8255). (Or, Federated will manually enter your U.P.C. / EANs for you at $5.00 per U.P.C. / EAN, using the U.P.C. Data Entry form on Appendix A).

10. Federated systems are equipped to utilize the International / European Article Numbers **(EAN)** as well as U.P.C. numbers. Use U.P.C. or EAN. **DO NOT USE BOTH.**

11. Although industry standards require a 30 month (fashion merchandise) and a 48 month (non-fashion merchandise) waiting period before reusing U.P.C.s or product ID's, Federated strongly recommends that you **never re-use U.P.C.s or PIDs**. In addition, once a U.P.C. or PID is assigned to a product it **MUST** remain the same for the life of the product. ". If we must correct **your catalog** or our **SKU file**, an expense offset will be assessed.

12. U.P.C. / EAN codes **must** be assigned for all **gift with purchase (GWP)** and purchase with purchase **(PWP)** items. These U.P.C.s must be **included in your U.P.C. / EAN catalog**, as well as all EDI documents. You must **ticket all GWP and PWP** items with the assigned U.P.C. / EAN for auditing, Point Of Sale scanning, and scanned inventory purposes.

U.P.C./EAN Assignment & Catalog Requirements (Continued)

13. U.P.C. / EAN codes **must** be assigned for **collateral** (cosmetic testers, display fixtures, brochures) items. These U.P.C.s must be **included in your U.P.C. / EAN catalog and your EDI ship notice**. **U.P.C. ticketing is not required** for **collateral** items. (Note: Non-ticketed collateral items must be packaged in separate cartons or a separate inner package marked "COLLATERAL". Or send collateral directly to our stores, see page 28 for more information.)

14. Our EDI systems are **NOT EQUIPPED TO UTILIZE PRE-PACK OR SET-PACK U.P.C.S**. All EDI documents must be traded at the selling unit U.P.C. level unless otherwise instructed.

15. U.P.C. number assignment, ticketing, and the electronic catalog are current requirements for Furniture, Bedding, and Rugs tracked on our RDS system. You must assign one "stock" U.P.C. number for each furniture item offered via custom order. Please see the Furniture and Bedding Manuals available at *www.fdsnet.com* for more information.

16. We are working on enhancing our U.P.C. catalog to include images. Please continue to visit our web site at: *www.fdsnet.com* to keep up with current information on this program.

17. If you sell Federated the same merchandise in **two different departments** or as **regular merchandise and consignment**, you must assign and ticket the merchandise with two product ID's as well as two unique U.P.C. codes. The product should be clearly marked to distinguish between the two families of business. In addition, this distinction should be reflected in the "PID description" in your U.P.C. catalog.

18. Federated's new portable order entry system, **FedBuy Express**, allows for the download of your **Vendor Line List** without re-keying. See Appendix H for a complete list of fields.

19. Federated requires the following **U.P.C. / EAN Catalog Data Elements**. These elements are applicable **ONLY if they apply to the product** you are selling to Federated. (Example: the "warranty" field would only be applicable if your product has a warranty)

Vendor Level:	Product Level:	U.P.C. / EAN Level:
Vendor Name	Selection Code	Size Code /Size Desc. (Short & Long)
Vendor Account Number	Selection Code Description	Color Code / Color Desc. (Short & Long)
Currency Indicator	Product ID (PID)	Fabric Description
	Product Desc. (Short & Long)	Country of Origin (Manufacturing)
	Image (Future)	Published Cost
	Image Desc. (Future)	Manufacturers Suggested Retail
	Trade Name (label / brand)	U.P.C. / EAN Type (pre-pack, set pack,
	Warranty	GWP, PWP, collateral)
	Hazardous Material Class	Record Change / Alter Date
	Point of Origin (Shipping)	Discontinued Date
		Cancel Date
		Booking Date
		Availability Date
		Seasonal Availability Flag
		Minimum/Maximum Order Quantity
		Re-order Flag
		Lead Time
		Manufacturers Pack Size
		Weight / Cube / Dimensions

Call QRS at (800) UPC-TALK (800-872-8255) for information on the use of extended data elements including **IMAGES**

If you do not supply the required U.P.C. / EAN data elements, an expense offset will be assessed.

EDI Requirements

It is our intention to **eliminate all paper media** by trading business documents electronically via VICS EDI. You must send or receive any of the documents listed below or an expense offset will be assessed:

1. Federated can **receive** the following EDI documents:

   214 / 212 Transportation Carrier Shipment Status (from the carrier)
   810 Invoice
   824 Application Advice (for EFTs)
   832 U.P.C. Catalog Data from Vendor or QRS
   850 / 855 Inbound Purchase order
   856 Advance Ship Notice
   997 Functional Acknowledgment

2. Federated can **send** the following EDI documents:

   820 Remittance Advice / Payment Order / EFT
   831 Application Control Totals (for EFTs)
   846 Inventory Data
   850 Outbound Purchase Order (including Bulk & Release)
   852 Sales Data (Sales only - no on-hands)
   997 Functional Acknowledgment

3. Federated requires that vendors send the 204 / 211 Bill of Lading to all freight carriers. Contact your carrier for mapping specifications and details.

4. The following EDI documents are slated for development in the 2001 time frame.

   860 / 865 Purchase Order Change

5. The following EDI documents are slated for development in the future.

180 Request for Return Authorization	830 Planning Schedule
812 Credit / Debit Adjustment	879 Price Change
816 Organizational Relationship	889 Promotional Price Change

6. **All Federated EDI documents are traded at the U.P.C. (or EAN) level, therefore you must be 100% vendor U.P.C. (or EAN) marked and provide us your U.P.C. catalog electronically before trading EDI. U.P.C. / EANs in your EDI transmissions must match U.P.C. / EANs on your product.**

7. Each is the only Federated accepted unit of measure. Each = U.P.C. = consumer selling unit (ex: a pair of shoes, a package of pillow cases, a three piece set, all = each).

8. In April 2001, Federated Department Stores will move to the VICS 4030 standards for all EDI documents.

For further information on our EDI program, please visit our web site at: *www.fdsnet.com* This site includes: our **EDI mapping guides**, the ability to **maintenance your contact information** and **change your EDI Vendor profile**.

Internet

Internet / Web-based Technology in General

We are investigating the use of Internet Technology to enhance our information exchange with our Vendors. Please continue to visit our web site, *www.fdsnet.com,* to keep up with current information on this program.

XML Requirements For "Order Status Tracking"

Federated Department Stores has expanded our technology to include a web-based initiative to become more collaborative with our vendors via e**X**tensible **M**ark-up **L**anguage (**XML**) communication. XML is a flexible way for partners to share real-time information over the Internet.

As of February 1, 2001, Federated can receive the following **order statuses via XML** documents:

- Purchase Order Accepted: **Received** and acknowledged a PO into Vendor system
- Pick ticket (work order) **Created**: Allocated inventory against an existing PO
- Pick ticket (work order) **Packed**: Allocated inventory is packed into cartons
- Pick ticket (work order) **Complete**: Work order is ready to ship

The information above is then **provided to our merchants** via our internal, web-based Purchase Order tracking system, the **Pipeline**. By providing this information to us, via XML, you will receive fewer inquiries from our merchants as your information will be available on their desktop. (Please call Federated Logistics and Operations at 201-422-7306 for more information about our XML program)

There are numerous ways in which XML documents can be created and transmitted. For XML schema definitions and the XML Start-up form, please visit our web site at: *www.fdsnet.com* As industry standards are developed, Federated Department Stores will adhere to the standards.

G.C.I. (Global Commerce Initiative)

Federated is a member of the G.C.I., which is working on establishing web-based global commerce standards. We encourage vendor participation in the GCI. For more information please visit their web site at: *www.globalcommerceinitiative.org*

Direct to Consumer (D2C)

Federated Department Stores is actively establishing **EDI Direct to Consumer (D2C) programs** with our vendors. D2C will produce increased sales, improved customer satisfaction and increased efficiencies for FDS and the vendor. The Federated EDI D2C program is based on the VICS "Direct to Consumer Commerce" guidelines dated January 1998, available at ***www.vics.org***

Program Overview

The FDS D2C program is designed to **provide customers with a vast number of product not normally carried by Federated Department Stores** (odd sizes, unique colors, secondary assortments, etc.). The EDI D2C program will allow customers to purchase merchandise through either **Point of Sale (POS) terminals** in our stores, **kiosk** devices, or on-line through the **Internet**. Once a D2C sale is made, an EDI order will be generated and sent to the vendor to be fulfilled. The vendor then ships the product to the customer on a timely basis and provides FDS with an EDI ASN (indicating the shipment has been made) followed by an EDI invoice.

FDS D2C REQUIREMENTS:

1. Vendor must use **VICS version 4010 or higher for EDI**.

2. Vendor must supply **U.P.C. catalog extended data elements** required for D2C.

3. Vendor must be able to **ship the product to the customer within 48 hours** of receiving the EDI order, or less. If shipments are late to customers, an expense offset will be assessed.

4. **Freight and handling charges** assessed by the vendor **must be lower** than the current FDS logistics costs.

5. The enclosure sent with the merchandise must contain the **FDS selling division**, the **FDS reservation number**, the **gift message** when appropriate and the **FDS customer service telephone number**.

For more information on our program, be sure you have received the **Federated D2C Manual** available at ***www.fdsnet.com***, or call our D2C office at (770) 908-3562. The office is open Monday through Friday 8am - 5pm EST.

CPFR

Federated supports the VICS **C**ollaborative **P**lanning, **F**orecasting, and **R**eplenishment (**CPFR**) initiative. The mission of CPFR is to create collaborative relationships between buyers and sellers through co-managed processes and shared information. By integrating demand and supply side processes CPFR will improve efficiencies, increase sales, reduce fixed assets and working capital, and reduce inventory for the entire supply chain while satisfying consumer needs.

For more information on CPFR, please obtain a copy of the **CPFR Voluntary Guidelines** at the CPFR web site, ***www.cpfr.org*** The CPFR Guidelines explain the business processes, supporting technology, and change management issues associated with implementing.

Quick Response Requirements

Our **QR Requirements** for Replenished merchandise are intended to **speed your merchandise to our stores**, **maximizing sales** for both of us, while **improving customer service**.

To be considered for our Quick Response program you must:

U.P.C. / EDI / Floor Ready

1. **Mark** 100% of your **merchandise** with **vendor U.P.C. / EAN,** and our **retail price** when required.

2. Provide your **U.P.C. / EAN catalog via QRS**.

3. Receive an **EDI Purchase Order**.

4. Send a carton level EDI **Advance Ship Notice (ASN) / Manifest** with a valid **UCC-128 label**.

5. Receive our **EDI Sales** Data and **Inventory** Data.

6. Provide **VICS floor-ready hangers**, if merchandise is displayed hanging in our stores.

Replenishment

1. Have **merchandise available** for Quick Response to achieve a **95%** or greater **fill rate** (units).

2. Be able to **ship complete in 48 hours** or less. Late orders, substitutions, incomplete orders are not acceptable.

3. All replenishment orders are "**ship and cancel**", i.e. no back orders, unless otherwise specified.

4. **Set goals and objectives seasonally** for Quick Response with our merchants and planners.

5. Work with Federated merchants to **validate merchandise assortments**. Partner with merchants to develop strategies that maximize return on inventory.

6. Using our EDI Sales & Inventory Data, and merchant projections, **accurately forecast** future merchandise needs. **Maintain shelf stock** at the U.P.C. / EAN level in accordance with Federated's needs.

7. As a general rule all replenishment is managed on our **internal** Inforem system, however, on a limited basis we will consider **vendor managed inventory** (VMI) programs.

8. **Cost price increases** for ongoing Replenishment programs must be communicated to our merchants in writing 2 months in advance of the increase, and be reflected on the purchase orders you receive from us, or we will not honor the new cost.

For more information regarding Quick Response, call (212) 494-5902, (212) 494-5931, or (212) 494-5932.

1ST @ FDS

Federated has launched "**FIRST at Federated**". **F**ind **I**t **R**eplenished **S**ell it **T**oday, or **FIRST**, is a technology based merchandising initiative. Our intent is to apply retail technology to the merchandising process to become more **proactive**, to implement true **consumer responsive strategies** and to be more **collaborative** with our vendors. Results show that we can increase sales, improve in-stock rate, and increase our stock turn all at the same time by applying technology effectively.

Gift Registry

Federated has developed a national Gift Registry system which utilizes the **vendor U.P.C. catalog**. This system revolutionizes our wedding and gift business by allowing our customers to purchase gifts for any registrant, in any store, regardless of where the initial registration took place. The gift registry system uses **U.P.C. bar codes** and **scanning technology** to **register gift selections** as well as to update the preference list each time a customer makes a purchase. **The system descriptions are driven by the vendor supplied U.P.C. catalog information**. Our mutual customers will see your product information exactly as it appears in your U.P.C. / EAN catalog so **customer friendly descriptions are very critical**. If your product descriptions require modification an expense offset will be assessed.

EDI Sales

It is Federated policy that **all sales information** will be provided to our vendors upon request via the EDI Sales (852) transaction. No other type of selling information, such as printed reports, faxed information, or phoned in sales will be provided. We are investigating the ability to provide sales via our web site, please visit *www.fdsnet.com* for future information.

Color / Size Analysis

Federated is currently installing a new **Enterprise Data Warehouse** which will hold merchandise information at the U.P.C. level by door.

This new warehouse will eventually provide the ability for us to **analyze purchases**, **receipts**, and **sales** by **color and size** to the **location** level. It is our intent to corporately analyze this data in order to provide our merchants, as well as our vendors, with aggregated color and size information to make better purchase decisions.

The end result of this process will be to better understand our customers' purchasing patterns and to make better initial buying decisions.

What does this mean to our vendors? We will be able to provide you with selling information to help you better project your size ratios and therefore ship us the sizes we need by door.
Please continue to visit our web site at *www.fdsnet.com* to keep up with current information.

Purchase Order Verification

1. You must receive a **valid EDI purchase order** (PO) from our buyer (all Federated divisions have the ability to send EDI POs). If you have not made arrangements to receive EDI Purchase Orders, please call the Federated Division EDI primary contact listed on our "Federated Department Stores Corporate Technology Contact List" available on our web site, ***www.fdsnet.com*** (Do not accept paper orders, phone orders, worksheets or verbal commitments).

If you accept any PO other than EDI, an expense offset will be assessed.

2. Our **PO terms and conditions** apply to all purchases. For a copy of our terms and conditions, please visit our web site at: ***www.fdsnet.com***

3. **Verify the accuracy of all purchase order details** including ship and cancel dates, cost price, payment terms, etc. Do not ship your merchandise until you verify that all discrepancies on the PO have been corrected through receipt of an EDI retransmission or a new printed copy. If you send us inbound POs you must verify that cost price changes are completed by the buyer.

4. In the event that you **ship us before the ship date,** and we accept the merchandise, an expense offset of $50 plus 10% of the cost price of the shipment will be assessed. Your shipping window can be verified on our web site at ***www.fdsnet.com*** by clicking on "FDS Query". Register on-line in the **FDS*Net* profile section** of the site to view this secured account information.

5. In the event that you **ship us after the cancel date,** and we accept the merchandise, an expense offset of $50 plus 50% of the cost price of the shipment will be assessed. Your shipping window can be verified on our web site at ***www.fdsnet.com*** by clicking on "FDS Query". Register on-line in the **FDS*Net* profile section** of the site to view this secured account information.

6. In the event that you **ship us merchandise that does not appear on our purchase order** by **style, color or size,** and we accept the merchandise (**substitutions to the purchase order**), you will be charged an expense offset of $50 plus **50%** of the substituted merchandise. If you send us inbound POs you must include collateral U.P.C.s on your transmission, you will be charged an expense offset of $1 per unit for collateral not included on your inbound PO.

7. In the event that you **ship us more merchandise that appears on our purchase order** / **store,** and we accept the merchandise (**overages to the purchase order**), you will be charged an expense offset of $50 plus **50%** of the over shipped merchandise.

8. **If you request changes** (ex: ship / cancel dates, style substitutions, etc.) to a PO, you must receive a re-transmission of the order from our buyer in order to verify that your requested changes were entered in to our system.

Ticketing Requirements

1. All merchandise shipped to a division of Federated Department Stores **MUST INCLUDE A U.P.C. -or- EAN TICKET**. If your merchandise is received without a U.P.C. ticket an expense offset will be assessed.   The U.P.C. code must be **visible** and **easily accessible** for scanning. Do not place U.P.C.s inside waistbands, inside packaging, etc.

2. **Do not ticket with both U.P.C. and EAN**; use one or the other. **Each item must contain** only **one** U.P.C. or EAN **bar code**. If you use both, an expense offset will be assessed.

3. **Do not ticket with 'secondary' bar codes** (U.P.C., I 2/5, 128, etc.). If you use secondary bar codes, an expense offset will be assessed.

4. **Do not use ISBN** (book numbers) on non-book items. If you use ISBN numbers, an expense offset will be assessed.

5. You should have an **_ongoing_ U.P.C. bar code quality control program** in place that ensures ANSI A or B printing quality when scanning with a 6 mil aperture. If the quality of your barcode prohibits scanned auditing, scanning at point of sale or scanning of our financial inventory, an expense offset will be assessed.

6. Create your U.P.C.s based on the UCC specifications. A 100% nominal 'version A' U.P.C. format bar code should be **1.25" in length** (including quiet zone), and **1.0" in height**, with the narrowest bar or space width of **13 mil** (**+ or - 4 mil**).

7. **YOUR U.P.C. MUST BE SECURELY AFFIXED TO YOUR MERCHANDISE**.

*   For garments use a **_plastic swift-attach device_** (or sewn on label, or fused string attachment) **affixed to the left sleeve / side** of most items. (Do not loop strings around buttons or use strings attached with pins or strings looped through button holes.)
*   For handbags and belts use a plastic **_'loop-lock'_** attachment device, do not use looped strings.
*   For sunglasses and jewelry, use a **_rat tail_** or **_dumbbell_** ticket securely affixed to the left temple.
*   **Never insert loose tickets** into items such as **wallets**. Your U.P.C. must be affixed to a non-removable portion of the item, not the box.
*   See the Federated ticket placement guide, Appendix D, for more details.

> **Special safety note**:   **Do not use** safety pins, straight pins, or pins of any type on any merchandise in any category for any reason.   An expense offset will be assessed for any merchandise received with pins (except men's & young men's folded dress shirts & folded woven sport shirts).

8. If **fabric damage** is a concern, swift-attach the ticket through the sewn-in label in the neck, or the waistband, or where visible and easily accessible.

9. Most merchandise **requires our retail** on the U.P.C. ticket (see Appendix B). **The ticket retail must match our retail**. Ticket retail, when required, is provided via the EDI Purchase Order, the printed order, the buyer, or by contacting the Federated ticketing office at (513) 782-1301.

Ticketing Requirements (continued)

10. **Our retail must appear in Zone 6** (1" x 1 1/4") of the standard apparel hangtag U.P.C. ticket. Our retail can be printed or you may use a plain white pressure sensitive ticket with black ink. **OR**, **if our retail** is the same as your manufacturer's suggested retail price (MSRP) and you use a **perforated Zone 7**, and label retail as "MSRP", "MSR", or "Manufacturers Suggested Retail", leaving a **blank Zone 6**. If Zone 6 or Zone 7 retail is not our retail, an expense offset will be assessed.

11. If you sell **jewelry** or **watches** or other products too small to apply a standard U.P.C. hangtag ticket, small specialty tags may be applied. However, all tickets require a scannable bar code, human readable U.P.C. / EAN number, the PID and retail if required.

12. If you sell **packaged product**, the hangtag requirements do not apply. However, the package requires a scannable bar code, human readable U.P.C. / EAN number, the PID and retail if required.

13. If you sell **second quality, irregular** merchandise, or **close-out** assortments to Federated in any family of business, you must re-ticket the merchandise. The new ticket should include a unique U.P.C. / EAN number as well as a unique product id (PID) to identify and track this merchandise separately from the regular merchandise.

14. If you sell Federated **boxed / packaged** merchandise that can be displayed / sold in or out of the packaging you must ticket **both** the **item and the package**. No piggy backs.

15. If you sell Federated **Lamps**, our preferred method of ticketing and packaging is to provide one U.P.C. / EAN for the lamp with the base and shade packed in one carton. If you have any questions about lamps and U.P.C. / EAN, call (513) 782-1222.

16. If you sell Federated **Tabletop** (china, glass and silver) or other merchandise **sold in both sets and eaches** you must provide U.P.C. tickets for the **set**, as well as each **component** of the set. Example: wine glasses **sold in a set** of 4, or **by the stem**, would require **one U.P.C. on the outside** of the package which represents the set and a **unique U.P.C. on each stem** which represents the **single selling unit**. If the merchandise is to be sold to the customer **"only as a set"** (not open stock), **only one U.P.C. ticket** on the outside of the package is required. If you have any questions regarding how your merchandise will be sold, please contact the buyer.

17. If you sell Federated merchandise that is **packaged in multi-packs but only sold as eaches**, each unit must be marked with a U.P.C. and the outer carton must also be marked with the "each" U.P.C.s. Example: wine glasses, packed 4 to a carton sold only by stem would require one U.P.C. per stem and the same U.P.C. 4 times on the outside of the carton.

18. If you sell Federated **2-piece, 3-piece or 4-piece garments**, etc., the **top garment** must be marked with **one (1) full detail ticket** including the U.P.C.. The **additional garments** must be marked with a **ticket** which includes the **PID (style #), color, size and vendor / label name**. **ALL tickets** must clearly state "**2-piece, 3-piece or 4-piece garment**", etc.

> This applies **to garments only**, not accessories attached to a garment (ex: a hat attached to a toddler set on a frame). Accessories can be noted on the ticket (ex: 2-piece garment + hat). Accessories must be **swift attached, not pinned** to the base garment.

Ticketing Requirements (continued)

19. If you sell Federated products in **sets** (ex: salt & pepper, etc.), one (1) piece must be marked with a full detail ticket including the U.P.C.. The **additional pieces** must be marked with a **ticket** which includes the **PID (style #), color, size and vendor / label name**. **Additional tickets** must clearly state "**2-piece, 3-piece, or four-piece set**", etc.

20. If you sell Federated **children's "sleepwear"**, you will be required to place an "**OK for sleeping**" label on all sleepwear that meets Consumer Product Safety Commission's (CPSC) Standards for Children's Sleepwear. You will be notified via e-mail when this becomes a requirement six months prior to ship date.

21. All labels applied directly to the product such as Metal, Paper, China, Glass, Silver, Plastic, or Wood must include a **removable adhesive** so the product is not damaged. These labels must also include a perforated Zone 7. If your label damages your product, an expense offset will be assessed to restore the product. If the product cannot be refurbished, an expense offset of 100% of the cost price of the product will be assessed.

22. If your garment includes extra items such as **extra buttons**, **special care instructions**, **extra beads or sequins**, other **promotional tags**, they should be **swift-attached** with the **U.P.C. hangtag** (per the placement guide in Appendix D), **OR** attach the extra items to the U.P.C. hangtag without covering any information needed by our customers or our sales associates. Accessories such as hats or gloves must be swift attached to the garment, not pinned.

23. If you currently **do not have U.P.C. / EAN capabilities**, Federated can provide you our in-house U.P.C. tickets for a service charge. For more information contact the Federated ticketing office at (513) 782-1301. **(NOTE: Our in-house tickets should be considered a temporary solution. All vendors must mark with an industry standard vendor U.P.C. bar code. Vendor U.P.C. ticketing and the U.P.C. / EAN catalog are required before trading EDI documents.)**

24. The Federated ticketing office can supply you with **retail only** tickets for a service charge, or you may print our retail in Zone 6 of your U.P.C. ticket. For more information, call (513) 782-1301.

25. Federated recommends including the **U.P.C.** and / or **PID** number and / or **bar code** on the **sewn-in care label**. This allows for permanent merchandise identification and will assist the retailer and the vendor with returns, as well as re-ticketing. Please contact your garment label maker or U.P.C. ticket supplier for more information on how you can achieve this.

VICS Hanger Requirements

All merchandise which is **displayed hanging in our stores** must be shipped to our distribution centers in **conveyable cartons** on a **VICS approved and tested floor ready hanger. DO NOT PRINT LOGOS ON HANGERS OR PLACE SIZE STICKERS OR SIZE DONUTS ON HANGERS. See Appendix G for more details on hangers.**

If your garment is **displayed folded in our stores**, per your agreement with our buyer, you must **place SIZE STRIP indicators** on the folded product (example: <u>size tape</u> affixed to folded jeans stating "34 long", or to folded sweaters stating "S", "M", "L"). **Size dots are not acceptable.**

Special care should be taken when tagging fabrics that could be damaged by size strips such as: Cashmere, Chenille, Corduroy, Merino Wool, Microfibre, Mohair, Velour. Use appropriate lightweight adhesive, or do not tag. Size strips are recommended but not required for: folded dress shirts, folded woven sport shirts, Men's Designers, Men's Tailored Dress Slacks, Women's Designers and Women's Bridge. **Size strips are the only indication our stores will have that your product is to be displayed folded, not hanging.**

1. **ALL TOPS** must be shipped on the **clear VICS approved hanger**. An expense offset will be assessed if not used.

2. **ALL BOTTOMS** must be shipped on the **clear VICS approved "pincher type" grip hanger.** An expense offset will be assessed if the old bottom hanger is used.

3. **ALL WOMEN'S SUITS** must be shipped on the **clear VICS approved "suit" hanger.** An expense offset will be assessed if the wrong hanger is used.

4. **ALL BRAS, PANTS, & SLIPS** must be shipped on the **clear VICS approved "intimate apparel" hanger with no logos.** An expense offset will be assessed if the wrong hanger is used(all other intimate apparel must be displayed on a clear VICS Top hanger).

5. **ALL OUTERWEAR** must be shipped on the **clear VICS approved "coat " or "leather coat" hanger**. An expense offset will be assessed if the wrong hanger is used.

6. **ALL INFANTS AND TODDLERS (through 5T)** must be shipped on a **white "kids" hanger, with no logo** (ALL OTHER KIDS MUST BE SHIPPED ON **CLEAR VICS HANGERS**).

7. **ALL MEN'S SUITS AND SPORTSCOATS** must be shipped on **a wishbone-style wood or black plastic hanger** (pant bar if needed) as per current agreement with buyer.

8. If you sell **multi-piece garments** (except suits, pajamas and two-piece swimwear) to Federated, you must use both a **top and a bottom hanger** connected by the coordinate loop (drop down "extenders" may be used to better display bottom garments). An expense offset will be assessed for any multi-piece garment not shipped using both a top and bottom hanger.

9. **DO NOT USE SIZE INDICATORS ON HANGERS**, except in **Men's suits** / **sport coats** (use black sizers w/ white lettering) and in **infants** and **toddlers** up to 5T (use child proof sizers).

10. **DO NOT PRINT LOGOS ON HANGERS, OR PLACE SIZE STICKERS, SIZE DONUTS, OR FOAM INSERTS ON ANY HANGER.**

11. **Federated has discontinued the use of Vendor hangers in Men's, Women's and Children's apparel as of 2/01/01. This move to 100% clear VICS hangers will simplify our store operations and create a cleaner looking presentation for your product. "Henry" (face-out) hangers may be used for display purposes.** An expense offset will be assessed if you do not ship hanging merchandise on clear VICS hangers.

Clear VICS hangers are not used in: Men's / Young Men's suits and sports coats (wood or black plastic), Infants and Toddlers (white plastic), and true Women's Designers (black velvet).

Presentation Standards

1. **All merchandise must be received in a condition ready for immediate placement on our selling floor**. Be sure to follow the appropriate presentation standards listed below. (If your merchandise is not shipped floor ready, an expense offset will be assessed).

2. Your **U.P.C. / EAN** must be placed on the item so that it is **clearly visible** to our customers and sales associates.

3. If you sell Federated non-garment products that are displayed hanging (ex: socks, ties) the **hanging devices must be plastic**. DO NOT USE PAPER or CARDBOARD hanging devices. Paper or cardboard hanging devices do not withstand selling floor wear and tear. If you use paper or cardboard hanging devices, an expense offset will be assessed.

4. If your merchandise is **sized**, be sure that the size (8, 10, 12, S-M-L) is clearly visible on your ticket or package (**no smaller than a 18 point bold font**).

5. The VICS Floor Ready Committee is currently working on **standardizing color coding for size indication on garment hangtags** (ex: red = MEDIUM). Once finalized and approved by VICS, Federated will require vendors to utilize these color codes IF the vendor color codes for sizes. Please visit the VICS web site for updated information.

6. If your merchandise requires **retail**, be sure to print the retail price clearly **(no smaller than an 18 point bold font)**.

7. RETAIL AND CONSUMER SIZE ARE CRITICAL PIECES OF INFORMATION FOR OUR MUTUAL CUSTOMERS. ENSURE THAT **PRICE** AND **SIZE** ARE PRINTED **CLEARLY** AND **BOLDLY** ON **YOUR TICKET**.

8. If your garment is **displayed folded in our stores**, per your agreement with our buyer, you must **place SIZE STRIP indicators** on the folded product (ex: size tape affixed to folded jeans stating "34 long", or to folded sweaters stating "S", "M", "L"). **Size dots are not acceptable.**

    Special care should be taken when tagging fabrics that could be damaged by size strips such as: Cashmere, Chenille, Corduroy, Merino Wool, Microfibre, Mohair, Velour. Use appropriate lightweight adhesive, or do not tag. Size strips are recommended but not required for: folded dress shirts, folded woven sport shirts, Men's Designers, Men's Tailored Dress Slacks, Women's Designers and Women's Bridge. **Size strips are the only indication our stores will have that your product is to be displayed folded, not hanging.**

9. If you sell products such as **sheets**, **bed pillows**, **comforters**, **blankets**, **"Bed in a Bag"**, or any other non-garment that has a **SIZE**, you must **clearly indicate the size** (ex: QUEEN, KING) on the product (no smaller thant 18 point bold font). The size indicator must be clearly visible to our customers and sales associates from the fixture on the selling floor. **We require size marking on at least 2 sides of the product**. An expense offset will be assessed if your product is not size marked.

10. If your **product requires description**, you must provide the appropriate descriptive information on your product so that it is clearly visible to our customers and sales associates (ex: a fitted sheet could read: "Fits Mattresses Up To 14 Inches Thick"). An expense offset will be assessed if your product is not described.

11. If you sell Federated product that is **displayed in the package** (where actual product is not visible), you must provide an **image** (photograph or line drawing), along with a **complete description** on the outside of the package (ex: a picture frame would require: a photo image of the picture frame, "8 x 10 inches", and "black wood" descriptions). An expense offset will be assessed if your product does not include an image.

Wrinkle Prevention

1. **Cover each HANGING garment** with a **clear**, dry cleaning style poly propylene plastic (1 mil) bag, **ONLY if necessary**, **to prevent wrinkling or soiling**. (Bags are not required except to prevent wrinkling and soiling).

2. **Cover each FOLDED garment** with **clear** plastic bags, **ONLY if necessary**, **to prevent wrinkling or soiling**.

3. Merchandise should be packed **'flat'** in cartons. If the merchandise must be folded, use no more than one fold, at the bottom of the garment.

4. Place garments **lengthwise** in cartons.

5. **Bundle hangers** with string, twine or rubber bands to prevent shifting **ONLY** if needed to prevent wrinkling (do not use metal or tape). Alternate top and bottom carton placement approximately every 6 hangers to eliminate excess bulk, maximize cube, and prevent shifting.

   DO NOT ATTACH TOPS AND BOTTOMS OF 2-PIECE GARMENTS WITH RUBBER BANDS. 2-PIECE GARMENTS SHOULD BE ATTACHED USING ONLY THE COORDINATE LOOP LOCKING THE BOTTOM HANGER THROUGH THE LOOP OF THE TOP HANGER.

6. **DO NOT OVER PACK CARTONS!**

7. **DO NOT UNDER PACK CARTONS!**

8. Place **cardboard or tissue** between alternating bundles **ONLY** if necessary to **prevent crushing and reduce shifting of contents**.

9. **Delicate items should be placed on top to prevent crushing**.

10. If improper carton handling during transportation could cause wrinkling, use "THIS END UP" labeling.

11. Lay garments front side facing up. Close all buttons / zippers / hooks, if necessary, to prevent wrinkling.

12. An expense offset will be assessed if your merchandise requires pressing.

Unnecessary Material Guidelines

Federated recognizes the need to include certain packing and/or protective material on products to ensure first quality goods reach our selling floor. However, a considerable amount of waste and additional expense is being incurred to remove material that is "unnecessary". When this condition occurs, an expense offset will be assessed.

Carton Level

1. **No bands, straps, staples or string** should be placed around exterior of shipping container / carton(s).
2. **No shrink wrapping or plastic covering** should be placed on the exterior of carton(s) which adversely affects our ability to scan the UCC-128 label or which will interfere with our sortation system.
3. **No empty merchandise boxes** are to be used as "fillers".
4. **No metal or tape** to bundle hangers within cartons.
5. **No extensive tissue, paper, cardboard** or other material is to be used to "cube" or "fill-up" under-packed cartons (use a smaller carton).

Unit Level

1. **No safety pins, straight pins, or pins of any type**, in any category of merchandise, for any reason (except men's and young men's folded dress shirts and folded woven sports shirts).
2. **No size indicators of any type on HANGERS** (except men's suits / sports coats and infants / toddlers up to size 5T).
3. **No tie backs or clips** of any type, in any category of merchandise.
4. **No removable inserts** (foam, cloth or otherwise) on bottom hangers (except for leather, velvet and other fine gauge fabric).
5. **No foam coverings** or "foamies" on top hangers **that will be visible** when merchandise is displayed on the selling floor.
6. **No tissue, paper, cardboard** or other material placed **INSIDE garments**, in pockets or sleeves, or folds, or wrapped around hangers that will **fall off** while garment is on display on our selling floor OR that **requires removal** at point of receipt. (Note: plastic and cardboard collar inserts, and covering to protect leather and velvet products are okay).
7. **No plastic or other coverings** on buttons and other embellishments (unless it is necessary to protect).

Electronic Article Surveillance (EAS)

We are investigating the use of vendor supplied electronic article surveillance tags to help us prevent theft in our stores. This program, also known as Source Tagging, is under review and may be implemented in the near future. Please continue to visit our web site at **www.fdsnet.com** to keep up with current information on this program.

Carton & Packing Requirements

1. **All merchandise** shipped to a Federated distribution center **must be packed** in **conveyable cartons.** Hanger packs and oversized cartons may be used for **suits, sportcoats and outerwear coats**. An expense offset will be assessed for any merchandise not shipped in conveyable cartons**, except leather coats and long outerwear**. (Furniture, Bedding and Rug vendors refer to the **Furniture Packing and Quality Standards Manual** or the **Bedding Packing and Quality Standards Manual** for Big Ticket carton requirements.)

2. All **breakable products** (china, glass, etc.) must be packed to prevent breakage during normal shipping and handling. The cost price of items received broken due to poor packing will be deducted from invoice payment.

3. Follow carton size requirements, as follows:
DO NOT SHIP ANY SINGLE CARTON SMALLER THAN OUR MINIMUM DIMENSIONS.

	Minimum	Maximum		Minimum	Maximum
Length	9"	36"	Height	3"	30"
Width	9"	27"	Weight	5 lb.	50 lb.

Our carton size requirements apply to all packages shipped to a Federated distribution center, including collateral, GWPs, PWPs and samples.

4. If your **entire shipment for a PO / store** is "lighter" than our minimum, or **one product** is "larger" or "heavier" than our maximum, no expense offset charge will be assessed.

5. Do not ship **multiple cartons for the same PO / store** which are below the minimum size and weight. The smaller cartons must be placed in a larger carton meeting our requirements. The UCC-128 bar code label must be placed on the outside of the larger carton only, and represent the entire contents of the larger carton.

6. Carton width must allow hangers to fit squarely in the carton, not at an angle.

7. Use a **shipping carton** that **fits the garment**. Ideally merchandise should be packed 1/4 inch below the top of the carton, and 1/8 inch from the sides of the carton.

8. **Do not over-pack** or **under-pack** the carton.

9. **Carton strength** should be a minimum of 32 ETC (edge test crush) to prevent crushing during transit. Large or heavy cartons may require a higher ETC.

10. **Seal cartons securely with security / reinforced tape**. Do not place bands, straps, or string on cartons as they may damage our sortation equipment. All cartons should be sealed with tamper proof, reinforced tape. **All openings** on **all sides** of the carton, including edges **must be sealed using the "H" method**.

11. We encourage the use of 'environmentally friendly' packing materials whenever possible (recyclable and/or biodegradable).

Carton & Packing Requirements (continued)

13. Do not use empty "merchandise" boxes as fillers.

14. If you **shrink wrap** shippable cartons for security purposes, be sure that it is applied in a manner that does not cover the UCC-128 label or adversely affect our ability to scan your UCC-128 labels. Also be sure that the shrink wrap is **securely affixed** to your cartons so it does **not interfere with our conveyor system**.

15. Make sure each carton contains merchandise for **only one purchase order** and **one store**.

Masterpack

In the event that your carton size does not meet our **minimum size requirement by store** (i.e. too small to be conveyable), you may package multiple stores for one purchase order in one carton. To masterpack follow the steps below:

1. Inner cartons / packages must be **separate for each store**.

2. Each inner carton / package must include a **UCC-128 shipping container label**. Do NOT place a UCC-128 on the outside of the masterpack.

3. **Write "Masterpack"** on the outside of the master carton on all six sides.

4. You must provide one consolidated Ship Notice which represents the entire shipment and includes inner carton level information.

No Post-Distro / Bulk Order Shipments

1. **All merchandise** shipped to a Federated distribution center must **be distributed and packed by branch store location**, per the purchase order (EDI or paper). If merchandise is shipped in bulk and requires post-distribution an expense offset will be assessed.

2. The ASN must be provided with the store distribution. You must contact the buyer if the distribution has not been provided when the order is ready to be picked.

Full Container Shipments

All merchandise shipped to a Federated distribution center in 'full containers' are subject to **all requirements** specified in this manual.

No Pallets

All merchandise shipped to a Federated distribution center must be 'floor loaded' and **not on pallets**, unless directed by the Federated Transportation Office or the Federated Logistics Distribution Center. If you are instructed to palletize your shipment, each carton must include a UCC-128 Shipping Container Label.

Samples

This manual applies (including EDI POs, Ticketing, ASN, and EDI Invoice) to all "Samples" sent to our merchants via our distribution centers. 'No Cost / No Retail' Samples can be sent, freight paid, directly to our buying offices.

Ship Notice Requirements

Federated Department Stores has implemented 'crossdock' programs at all distribution facilities to speed your merchandise to the selling floor. This program utilizes the **EDI Ship Notice, UCC-128 labels**, as well as **'floor ready' merchandise** to eliminate redundant manual data entry as well as handling. Your merchandise will move directly from the inbound truck via our sortation system onto the outbound store delivery truck. This is possible only when your merchandise is **100% floor ready** and your **shipments** are **consistently accurate**.

1. **Before you begin sending an 856** to any division of Federated, you must enroll on our web site at *www.fdsnet.com* **Testing may not begin until you are providing 100% vendor U.P.C. / EAN marked shipments and provide us your U.P.C. / EAN catalog**. You will receive an expense offset for all shipments to Federated until you are informed that you are an approved production Federated EDI ship notice vendor, or if we place you back in test.

2. **All shipments** to Federated Distribution Centers **require a VICS EDI Ship Notice** in **advance** of appointment scheduling.

3. **Your Ship Notice must be transmitted to us and be received in our system before your delivery appointment can be scheduled.**

4. All approved direct to store shipments require ASNs (except non U.P.C. bulk food items).

5. **If your distribution facility is in close proximity (less than 24 hours) to any of our distribution centers, or if you ship by air, you must transmit your ship notices to our "HOT" MAILBOX**. For more information regarding mailbox assignment, contact (513) 782-1222.

6. If you transmit to our **REGULAR MAILBOX**, your ship notice transmission must be in our mailbox by **8:00 PM EST** (Macy's East, Rich's / Lazarus / Goldsmith's, Bloomingdale's, Burdines, Stern's, Customer Fulfillment Centers) or **11:00 PM EST** (Macy's West, The Bon Marche) **prior to your shipment pick up.**

7. We require **a consolidated VICS 856 Ship Notice** with carton level information for **every shipment** to a Federated Distribution Center. (However, the industry standard for merchandise shipped by **small package carriers** (example: RPS, UPS) requires **one 856 per carton. The tracking number should be the number used in the REF BM segment of the ship notice, except where instructed.)**

8. Any shipment moving via UPS (United Parcel Service) must provide Package Level Detail information. UPS offers information and free shipping software on their web site at *http://www.ups.com / busssol / solutions / office.html* If you have any questions. Please contact UPS at (770) 453-1424. Ask for a Federated Department Stores Project Consultant.

9. A **separate ship notice must be provided for each bill of lading**. In the case of multiple truck loads, each truck load requires a unique BOL and a separate ship notice. Your BOL number must match the BOL number in the 204 and 856 or an expense offset will be assessed.

Ship Notice Requirements (continued)

10. If you **masterpack**, you must provide **one consolidated ship notice** which represents the entire shipment and includes inner carton level information.

11. **Most Federated Divisions use more than one Distribution facility**, therefore you must generate and transmit a **separate EDI Ship Notice for each facility / shipment**. For a copy of our FTO Routing guide visit our web site at: ***www.fdsnet.com***

12. Your Ship Notice must be **100% accurate** and include **all Federated required segments** (ship to location, bill of lading number, purchase order number, carton count, etc.) and match your shipment. Do not include U.P.C.s for quantities **not shipped**. Do not include U.P.C.s that are backordered and **not shipped**. If your Ship Notice does not match our mapping specifications an expense offset will be assessed. All Federated EDI documents, including ASNs, are traded at the U.P.C. (or EAN) level. **The U.P.C. / EANs in your ASN must match the U.P.C. / EANs on our purchase order and on your product or an expense offset will be assessed.**

13. Based on our experience with hundreds of trading partners, we **strongly recommend** the **'scan and pack'** method of ship notice creation. If your ship notice does not match the carton contents at the U.P.C. level, an expense offset will be assessed.

14. Never transmit the same UCC-128 number on more than one ASN unless a re-transmission is requested by Federated. In the event that a replacement is sent, it must be identified as a replacement by assigning the purpose code of '07', duplicate, in the BSN01 segment or an expense offset will be assessed.

15. If **you experience system problems** that prevent you from transmitting a timely 856, **contact our Electronic Commerce (EC) Office** at (513) 782-1222. If no 856 will be transmitted, you must provide packing slips either by express mail or fax to the receiving facility (an expense offset will be assessed).

16. If you install a **new Ship Notice system** or make any **changes** to your current system, you must contact our EC Office at (513) 782-1222.

17. For a copy of the Federated EDI Mapping guide, visit our web site at: ***www.fdsnet.com***

18. Once you are an approved production 856 Ship Notice vendor with Federated, and are able to **re-transmit an 856 immediately upon request,** you may **discontinue preparing and sending packing slips** with your shipments. Until you send Federated production Ship Notices you must prepare packing slips, Big Ticket RDS vendors must supply their packing slips to the receiving facility in advance of the delivery appointment.

19. Each is the only Federated accepted unit of measure. Each = U.P.C. = consumer selling unit (ex: a pair of shoes, a package of pillow cases, a three piece set, all = each).

20. Your ASN must accurately reflect the **'ship to' store number** (DO NOT TRANSMIT ALPHA CHARACTERS, ONLY NUMERIC STORE NUMBERS) as indicated in our Purchase Order. If your ship notice does not match the P.O. store numbers, an expense offset will be assessed. Please refer to the "Federated Department Stores Technology Contact List" for the correct store numbers by ship to distribution center available on our web site at: ***www.fdsnet.com*** See our Routing Guide for ship-to instructions for special FOBs (ex: Fine Jewelry).

UCC-128 Label Requirements

1. **All shipments** to Federated Distribution Centers **require UCC-128 (SSCC-18) Shipping Container labels**.

2. Your **UCC-128 data must be included in your ship notice transmission**.

3. You should have an *ongoing* UCC-128 bar code **quality control program** in place that ensures ANSI A or B print quality when scanning with a 10 mil aperture. Be sure to use **"smudge-proof" labeling / ink** and **high quality paper** products. For best results, the correct combination of **paper, ink / ribbon and printer type** should be chosen based on your method of shipping so that your labels arrive at our distribution centers in a scannable condition. An expense offset will be assessed if your label arrives torn, ripped or damaged.

4. Create your UCC-128 Shipping Container label based on the UCC specifications. If you use the 4" by 6" label format your UCC-128 bar code should be **3.02" in length**, **1.25" in height**, with a **.25" quiet zone** on each side. Only use UCC / EAN-128, subset C bar code symbology with the narrowest bar or space width of **20 mil** (**+ or - 4 mil**).

5. **Every UCC-128 number** you generate **must be unique** (across shipments, across divisions, across distribution centers, across departments, over time). NEVER REPEAT CARTON NUMBERS. Although industry standards state UCC-128 numbers should not be re-used for 1 year, Federated strongly recommends that you never re-use UCC-128 numbers, and that you disable the ability to generate duplicate labels in your system. If you send us cartons with duplicate UCC-128 numbers you may not be paid on time. In addition an expense offset will be assessed.

6. Your **UCC-128 label must be placed** on the **longest side** of the carton (see Appendix F). If your system or other customers require the placement of the UCC-128 label on the front of the carton, **you must also place a duplicate label with the exact same code on the long side of the carton**. Your second label does not require full detail, only the bar code and the 20 digit human readable UCC-128 number.

7. If your **carton is under 4 ½"** in height place the UCC-128 label **on the top** of the carton. Be sure that the label is placed so that the bar code is scannable, i.e. not on a seam or the corner of the carton, no closer than 1.25" from any edge

For **Furniture and Bedding**, see our Packing & Quality Standards Manuals available on our web site at: ***www.fdsnet.com*** Improper placement will result in an expense offset.

8. **Do not affix UCC-128** shipping container labels to your cartons **until you are in production with the ship notice**. An expense offset will be assessed if you are not providing both the UCC-128 label and the corresponding pack data in your production EDI 856 Ship Notice.

9. If you are a vendor providing the ASN without the UCC-128, when you are ready to provide the UCC-128 contact the EC Office at (513) 782-1222. Do not affix a UCC-128 Shipping Container Label to your carton until you are providing pack level detail to your ASN transmission.

10. **DO NOT COVER PRODUCT INFORMATION WITH THE UCC-128 label where the shipping carton is also the display (selling unit) carton on the selling floor (examples: toaster ovens, glassware sets, cookware sets, etc.).** To avoid expense offsets, use removable UCC-128 labels, shrinkwrap cartons before applying the UCC-128 labels, or design your packaging to provide a space for the UCC-128 that does not interfere with selling floor display.

UCC-128 Label Requirements (continued)

11. If you sell Federated Lamps, or any other product that **requires multiple cartons** for one **selling unit / U.P.C. code**, please call (513) 782-1222 and listen to the options to determine the technical contact for your account who will assist you with specific instructions regarding **UCC-128 label requirements**.

12. Do not cover your UCC-128 label with tape of any type. Covering the label with clear tape creates 'reflection' which causes your label to be unreadable.

13. Federated transmits the Family of Business (Product Group), Department number, and name in the second REF segment of the 850 Purchase Order document. An example of how data will transmit is:

<center>REF*DP*0060MNS SPRTSWR</center>

Please refer to the 850 EDI Mapping Guides for additional information

14. Federated supports a move toward the use of the **FIDX** UCC-128 label for the **Furniture and Bedding** family of business. Please contact the American Furniture Manufacturers Association (AFMA) at (336) 884-5000 for further information on the FIDX label. For additional information pertaining to label placement for Furniture and Bedding, see our Packing and Quality Standards Manual at our web site: **www.fdsnet.com**

Shipping Label Requirements

All shipping labels, (UCC-128 or manual), require the **following information:**

1. Ship from (Company name & address)

2. Ship to (Division name c/o distribution center name and address)

   example: Macy's East c/o Secaucus FL Distribution Center
   500 Meadowlands Parkway
   Secaucus, NJ 07094 (No abbreviations)

3. Purchase order number (use a minimum 20 point bold font)

4. Department number (use a minimum 20 point bold font)

5. The FOB (Product Group) description should be placed below "Mark for" and "Store Number" on the UCC format in 'Zone H' using a minimum 12 point bold font, 30 point bold font is recommended. The FOB description will be provided in the EDI 850 or see Appendix E.

6. Store number (Use minimum 30 point bold font) and store name (No abbreviations)

7. Human readable UCC-128 20 digit code

Non-UCC-128 labels requires the **following additional information**:

1. Numbers 1 through 6 above

2. Number of cartons by store/lot # (1 of 5, 2 of 5 etc.)

Vendor Integrity Audit Program

Federated is using technology to move merchandise faster through the pipeline, receiving merchandise using the ASN and paying vendors with EDI invoices. Therefore, **vendors must make every effort to ensure that shipments are 100% accurate**. Our **Vendor Integrity Audit Program** randomly checks shipments received at Federated Logistics facilities.

1. Federated **requires that our vendor's Ship Notice be 100% accurate, AT THE CARTON LEVEL,** and has therefore instituted an accuracy standards audit program to ensure compliance. This includes a **scanned audit function** that **compares the U.P.C.s contained within the carton** to the **U.P.C.s on your corresponding Ship Notice**, as well as a review of the vendor's floor ready compliance. When audit results indicate errors**, Federated will discontinue the use of your Ship Notice** to process receipts. In addition, an expense offset will be assessed for each shipment processed manually until resolution is obtained. **(NOTE: THE U.P.C.s ON YOUR PHYSICAL MERCHANDISE MUST MATCH THE U.P.C.s TRANSMITTED ON YOUR SHIP NOTICE, AT THE CARTON LEVEL)**

2. Federated Logistics is committed to maintaining a high degree of accuracy while continuing to move merchandise to the selling floor as quickly as possible through the use of our crossdock program. This is possible only when the merchandise is **100% floor ready** and the **accuracy of a vendor's shipments remains consistently high**.

3. The success of our crossdock program provides benefits to the vendor by reducing the amount of time the merchandise spends in the distribution center, allowing the merchandise to move to the selling floor faster.

4. Your goal should be 100% accuracy on all shipments. For more information regarding our accuracy program, visit our web site at: ***www.fdsnet.com***

5. Your audit results will be available through our web site, ***www.fdsnet.com***

6. If your ASN does not match your shipment an expense offset will be assessed.

Return to Vendor

Un-ordered Merchandise

1. **Unauthorized substitutions, invalid orders, canceled orders, early shipments, past cancellation date shipments, over shipments, and duplicate shipments** will be shipped back to the vendor. Federated may re-consign these shipments to a specified carrier to be delivered to your company for disposition.

2. If **un-ordered merchandise IS NOT accepted**, an expense offset will be assessed in addition to 7% of the cost value of the return, plus transportation.

Central Return Centers

1. Federated Department Stores operates a series of **Central Return Centers (FOBs)**. These CRCs are responsible for the **consolidation of most returns to vendors** from all stores. CRCs reduce the number of shipments per return.

2. Merchandise that is deemed to be sub-standard (**defective, damaged**, **unsaleable, unmerchantable**) by our customers or merchants will be returned to the vendor. Sub-standard merchandise **shipped to or for Federated stores outside of the continental United States** will be subjected to additional handling costs.

3. **Seasonal and stock adjustment returns** will be arranged by the Federated division merchants and the vendor on a one on one and as needed basis.

4. All consolidated returns **including seasonal and stock adjustment returns** processed through our CRCs will be assessed a consolidation charge of 7% of the return value, plus transportation.

5. An additional expense offset of $50 plus $1 per item will be assessed for **RECALLED** merchandise that is pulled from our stores.

Central Return Center Addresses:

Location:	Serving:
3880 North Mission Road Los Angeles, CA 90031	Bloomingdale's CA, Bon Marche, and Macy's West
11 Perina Blvd Cherry Hill, NJ 08003	Bloomingdale's Northeast, FLA Stores, Midwest Stores, Burdines, Macy's East, R/L/G, and Stern's
524 Meadowlands Pwky Secaucus, NJ 07094	Macy's East (Fine Jewelry Only)
170 O'Farrell Street San Francisco, CA 94102	Macy's West (Fine Jewelry Only)

Customer Fulfillment Centers - Central Return Center Addresses:

4401 Sarr Parkway
Stone Mountain GA 30083

3919 Channel Drive
West Sacramento CA 95691

Please note: Effective for 2001, you may receive individual returns directly from our stores rather than consolidated returns from our Central Return Centers.

Transportation Requirements

Every effort should be made by your company to **accumulate shipments FROM your single shipping location TO one Federated distribution facility** in order to meet our weight minimum -or- our minimum of **1,000 cubic feet**. This will allow us to utilize contract carriers and expedite your merchandise to our selling floor.

General Instructions

1. **Accumulate shipments** for multiple divisions of Federated **FROM your single shipping location TO one Federated distribution facility** to meet our minimum weight / cubic feet requirement of 2,000 pounds or 1,000 cubic feet.

Hayward =	Macy's West (NW)
Los Angeles =	Macy's West (SW), Bloomingdale's (SW)
Sacramento =	Customer Fulfillment (W)
Secaucus =	Macy's East (NE), Macy's West (Midwest), Bloomingdale's (NE), Rich's / Lazarus / Goldsmith's (Mid West)
Stone Mountain =	Rich's/Lazarus/Goldsmith's (SE), Macy's East (Mid South), Cust. Fulfillment (E)
Tampa =	Macy's East (FLA), Bloomingdale's (FLA), Burdines (all)
Tukwila =	The Bon Marche (all)
Wayne =	Stern's (all), Bloomingdale's (Pool Stock)

    For more details, see our Routing Guide online at ***www.fdsnet.com***

2. **FDS*Net* Shipping is the required method of submitting overweight routing requests** and / or request shipment pick-ups where Federated is the carrier. **FDS*Net* Shipping** is located on the Federated web site at: ***www.fdsnet.com*** To register for a user ID and password, click on the **Register** link under **FDS*Net* Profile**. Registration confirmation and instructions to use **FDS*Net* Shipping** will be e-mailed to you. Printable training materials are also available by clicking on the "Training Info. For Shipping Contact" on FDS*Net* home page. For more details, please see the Federated Routing Guide, available on the web site at: **www.fdsnet.com**

Vendors who do not use FDS*Net* Shipping to submit these requests will be subject to an expense offset.

3. In order to receive a delivery appointment, an **EDI 214 / 212** is required from the carrier on all shipments. **Carriers assigned by FTO will meet this requirement.**

4. For Vendors shipping prepaid, a list of EDI carrier trading partners (carriers that meet our technology requirements) are now available on our web site at: ***www.fdsnet.com*** Do not use any other carriers. **Vendors using a carrier not able to meet our EDI requirements will be subject to an expense offset**.

5. Do not ship merchandise **before our ship date** or **after our cancel date**.

6. All orders must be shipped **distributed and marked by store**. If you have a purchase order that is not distributed **by store** contact the buyer. An expense offset will be assessed for all shipments which require manual distribution at our facility.

Transportation Requirements (continued)

7. **Do not ship RETAIL merchandise directly to our stores. We will refuse merchandise shipped direct to a store unless approved in advance by Federated Transportation Office (FTO).** In the event that unapproved shipments are inadvertently accepted in our stores, an expense offset of one half of the cost price of the merchandise will be assessed.

8. **NO COST - NO RETAIL merchandise or COLLATERAL,** as well as **SUPPLIES and FIXTURES** may be shipped **vendor freight paid** directly to our stores. EDI 214 / 856 transmissions are NOT required for these shipments. Contact FTO for information.

9. **Accurate** and **specific** information prevents misdirection of shipments and helps us trace a shipment as it moves.

10. If you have **problems arranging a carrier pickup**, call FTO at (770) 913-4608.

Bill of Lading Instructions

1. Federated requires that vendors follow the Bill of Lading standards published by VICS. Please visit the VICS web site at: ***www.vics.org***

2. **Ship your merchandise** to the **"ship to" address** designated in our **FTO routing guide**. The 'ship to' address must accurately reflect the division name and the distribution facility name. (ex: Macy's East c/o Secaucus Federated Logistics Distribution Center) For a complete listing, please see the Federated Routing Guide located on our web site at: ***www.fdsnet.com***

3. **The shipment weight and cube should be calculated based upon destination - not division**. When shipping to a Federated distribution facility which receives for more than one Federated division, each division should be on a **separate Bill of Lading** with a **separate Ship Notice.** The TOTAL shipment to one Federated facility should be combined to maximize the total weight and cubic feet for that shipment.

4. Provide the following **itemized details for your shipment on Bill of Lading**:

   - Unique Bill of Lading Number
   - Division Name and ship to address.
   (Macy's East, c/o Secaucus Federated Logistics Distribution Center)
   - Purchase order number(s). (Every order on the shipment must be listed.)
   - The number of cartons associated with each order on that specific shipment.
   - Total number of cartons on the shipment. (The total number of cartons tendered to the carrier must match the number of cartons noted on the Bill of Lading.)
   - Indicate freight terms: Prepaid or Collect.
   - Appointment and authorization number (applies to all Truckload shipments - issued by FTO)

This information must be accurate and complete for every shipment and must exactly match the information transmitted on your ASN. Incomplete, inaccurate, missing, or information that does not match the ASN will result in an expense offset.

5. The Bill of Lading number presented with the physical shipment must be the **exact Bill of Lading number** reflected in all of your **EDI documents** including the Ship Notice (856), the Motor Carrier Bill Of Lading (204 / 211) and the Invoice (810).

Transportation Requirements (continued)

6. In the case of **truckload shipment**, every truckload must have its own **unique Bill of Lading** reflecting the exact contents of that trailer. The Bill of Lading number for volume shipments must be communicated to FTO no later than the day of pick-up. The Bill of Lading number given to FTO for movement of the merchandise must exactly match that transmitted on your ASN.

7. All cartons and weights shipped **via an LTL carrier** on one day, from one location, to one receiving facility, for one Federated division must be combined on one **Bill of Lading and transmitted on the ASN.**

Routing Instructions

1. **Check our routing guide** (For a copy of the Federated Routing Guide visit our web site at: ***www.fdsnet.com***) to verify whether the volume you are shipping (by weight or cube) meets the trailerload (overweight / cube) requirements. **Every effort should be made to accumulate orders for any one Federated distribution facility to reach a minimum of 1,000 cubic feet. Submit routing request via FDS*Net* Shipping for routing if the volume of your shipment meets these requirements. An authorization with specific carrier and pick up information will be emailed back to you.**

2. Due to shipping location and or type of merchandise shipped, some vendors may receive instructions from FTO specific to their location and / or commodity. These shipping instructions will take precedence over the Routing Guide. Any vendor with questions as to which instructions to follow should call FTO at (770) 913-4608.

3. **When shipping to a Federated distribution facility which receives for more than one Federated division**, each division should be on a separate Bill of Lading. The shipment **weight and cube** should be calculated based on **DESTINATION - not division**. While each division should be on a separate Bill of Lading, the TOTAL shipment to one FEDERATED FACILITY should be combined to maximize the total weight for that shipment.

4. **Do not ship your merchandise by air freight** (pre-paid or freight collect), unless you have received an **authorization number** obtained through FTO. Call (770) 913-4608 for authorization numbers. An expense offset will be assessed for all unauthorized air freight.

5. **Do not ship your merchandise by small package carrier** (pre-paid or freight collect), unless you have received an **authorization number** obtained through FTO. Call (770) 913-4608 for authorization numbers. An expense offset will be assessed for all unauthorized small package shipments.

EDI / Carrier Requirements

1. Provide an **EDI 204 / 211**, Motor Carrier Bill of Lading / Load Tender document, to all freight carriers for all shipments. The common data in your 204 / 211, 856 (Advance Ship Notice), and the actual shipment must be the same. Your shipment must be presented intact to the carrier. An expense offset will be assessed for all shipments where no 204/211 is received.

2. All carriers delivering shipments to any Federated Logistics distribution center are required to provide an accurate and timely EDI 214 / 212 in order to obtain a delivery appointment. A list of EDI 214 carrier trading partners is available on the Federated web site, ***www.fdsnet.com*** An expense offset charge will be assessed for all shipments that do not meet this requirement.

Transportation Requirements (continued)

3. Carrier technology requirements and applicable expense offset are outlined in the FDS Carrier Standards Manual, which may be found on our web site at: ***www.fdsnet.com***

4. A list of carriers that meet our technology requirements is available on our web site at: ***www.fdsnet.com*** You must use an approved FDS carrier or an expense offset will be assessed.

Freight Invoicing Instructions

1. Do not pre-pay freight and add freight charges to merchandise invoices. Merchandise invoices which contain freight charges will be paid net of freight.

2. Shipments made on a **freight collect** basis must follow our instructions provided in the FTO Routing Guide.

3. Any freight invoice which has **not received prior approval** will be **returned unpaid** to the vendor.

4. Freight invoices should be sent to FTO at the address as noted on our web site, ***www.fdsnet.com***

Other Requirements

1. The **Commercial Zone freight allowance** applies to Federated divisions headquartered within New York and New Jersey (Macy's East, Bloomingdale's, Stern's). It is applied on all apparel shipped within New York and New Jersey. The charge partially offsets the expense of distribution of merchandise to store locations. There is a $.50 per piece charge for garments over $10.00 cost and $.25 per piece charge for garments that are under $10.00. The charge appears in the **freight column on the vendor check** using the invoice number as the document number.

2. **All orders** shipped to Federated **must be shipped complete**. If you ship subsequent shipments on a purchase order, you must ship 'freight pre-paid', or you will be assessed for the full freight expense plus a processing fee.

3. **All samples** shipped to Federated **must be shipped 'freight pre-paid'**, or you will be assessed for the full freight expense plus a processing fee.

4. All deviations from the standard routing instructions must be individually authorized by the Federated Transportation Office prior to shipment. **BUYING OFFICES ARE NOT AUTHORIZED TO ISSUE ROUTING INSTRUCTIONS**. All routing deviations will be issued an authorization number which must be noted on the Bill of Lading or Airbill.

5. Any inquiry for items older than 12 months will incur a research fee of $25 / item (per claim number). A letter will be sent informing you of that policy and asking if you still want the item(s) researched.

Accounts Payable Requirements

EDI Invoices

Federated Department Stores is dedicated to **paying all merchandise invoices on time**. It is our intent to utilize technology to eliminate redundant data entry as well as paper documents by effectively utilizing **EDI invoices** as well as **EDI Remittance Advice** documents**. This section does not apply to FMG private label (non EDI) purchases. See page 33 for further details.**

1. **Before you begin sending an 810** to any division of Federated, you must first enroll in our test program. Enroll on our web site at: ***www.fdsnet.com*** or contact our Accounts Payable EDI office at (513) 782-1222. Testing may not begin until you are providing 100% vendor U.P.C. marked shipments and your U.P.C. / EAN catalog. You will receive an expense offset for all paper invoices until you are informed that you are an approved production Federated EDI invoice vendor.

2. All merchandise shipped to Federated requires a VICS EDI invoice.

3. Your Invoices must be 100% accurate and include all Federated required segments. Do not include U.P.C.s for quantities not shipped. Do not include U.P.C.s that are backordered and not shipped. (We recommend that you balance your ASN and invoice media prior to transmission.)

4. Your Bill of Lading number must be included in your 810 document in the CAD07 and CAD08 segments and must match the BOL number in the 204 and the 856. Failure to provide the bill of lading number will result in an expense offset assessed per invoice.

5. **Each** is the only Federated accepted unit of measure. Each = U.P.C. = consumer selling unit (ex: a pair of shoes, a package of pillow cases, a three piece set, all = each).

6. Accounts Payable will contact you should your **810 fail** our edits. **Corrected invoices**, either via EDI or in paper, must be submitted to ensure payment.

7. When discount is transmitted as an allowance an expense offset will be assessed. Discount should be reflected in the cost of the merchandise in the IT 104 segment.

8. Send only one invoice per location, per ASN / BOL / selling location. An expense offset will be assessed when multiple invoices are transmitted for the same ASN / BOL / selling location.

9. The expected method of invoicing is one invoice per location / PO / BOL. If shipping in bulk, there must be a one-to-one relationship between the shipment / ASN and invoice when sending a consolidated invoice using store location 99. Multiple shipments / ASNs for a consolidated invoice or more than one consolidated invoice for a single shipment / ASN will result in an expense offset.

10. Invoices transmitted to the wrong Federated Division mail box will result in an expense offset.

11. Transmitting incorrect Purchase Order terms that require manual correction will result in an expense offset assessed per invoice.

12. Duplicate invoices for the same shipment will result in an expense offset.

13. If you do not have EDI capability, visit our web site at ***www.fdsnet.com*** for a complete listing of our Accounts Payable invoice mailing addresses.

Accounts Payable Requirements (continued)

EDI 820 Remittance Advice / Electronic Funds Transfer

Federated is now transmitting the **EDI 820 Remittance Advice**. This is a requirement for all vendors and is our preferred method of communicating remittance advice. We will no longer supply paper reporting effective 8/01/01. If you are not capable of receiving the 820, or continue to require paper remittance advice, an expense offset will be assessed. Before you begin receiving an 820, you must first enroll on our web site at: *www.fdsnet.com* or contact our Accounts Payable EDI Office at (513) 782-1222.

Federated also offers the **Electronic Funds Transfer (EFT)**. For more information visit our web site at: *www.fdsnet.com* or contact our Accounts Payable EDI Office at (513) 782-1222.

Accounts Payable Inquiries

Federated is now utilizing technology to communicate, resolve issues, process and pay for merchandise, in our continuing effort to become a paperless environment.

Federated Accounts Payable is launching a new FDS*Net* function called **AP FORMS**. This site allows our vendors the ability to electronically send Accounts Payable inquiries. Once the vendor has accessed A / P Forms, the following forms are available: copy requests, expense offset disputes, invoice non-payment / POD disputes, invoice shortage disputes, RTV proof of return requests, and RTV shortage disputes.

This new "paperless" service and detailed instructions are available at our web site, *www.fdsnet.com*, and is available only to FDS*Net* registered vendors.

Check Deductions

If you have questions regarding **deductions from a Federated check**, visit our web site at: *www.fdsnet.com* For additional information, contact one of the three areas below:

1. **THE BUYER** - Work with the buyer if you have questions regarding **advertising**, **cost price differences**, **markdown allowances**, **early / late shipment deductions**, **substitutions / overages to order, or canceled purchase orders.**

2. **FEDERATED TRANSPORTATION (FTO)** - Work with our FTO if you have questions regarding **freight deductions** or **FTO expense offsets**.

3. **ACCOUNTS PAYABLE** - Work with our Accounts Payable office if you have questions regarding **unpaid invoices**, invoices with **shortage DMs**, **discount deductions**, **RTV proof of returns**, **differences on RTVs** , **expense offset** deductions, **RTV handling charges**, **pre-ticketing service charges**, or **expense offset deductions**. Our web page menu will guide you through the appropriate inquiry you may have. Again, all information regarding the following deductions can be submitted through our web site using **A / P Forms**:

Copy requests	Invoice shortages	RTV differences
Invoice non-payment	RTV proof of returns	RTV handling charges
Expense offset deductions		

   With the addition of the paperless program, all paper correspondence is subject to a $20.00 processing fee.

Accounts Payable Requirements (continued)

Proof of Delivery Requests on Unpaid Invoices

1. Accounts Payable will request proof of delivery (POD) on invoices for which no record of merchandise receipt can be found. Vendors / factors will receive notification of a POD request with a "DM-NEED POD" by document number on the check remittance approximately 45 days from the invoice date. **POD documentation should not be sent prior to receiving a request and to ensure timely disposition, POD must be requested 6 months from original request date.**

2. When requested, a valid POD should be sent to A/P for research. Visit our web site at *www.fdsnet.com* to send document electronically. To ensure timely disposition, the POD must be received within 3 months of the original request date or the POD may be denied.

3. A valid POD is defined as a freight bill stamped and signed by a representative of a Federated distribution center. The freight bill must include the purchase order number, carton count, and the name of the Federated division the shipment was designated for. If there are multiple P.O.s on the shipment, the carton count must be provided by P.O.

Vendor Address File

The Accounts Payable vendor address file is maintained using the address included on your current invoices. Changes due to mergers, acquisitions, chapter 11 filings or company closings **must be communicated via e-mail** from a senior officer of your company. The following information must be included in the e-mail:

- Federated subsidiaries that you do business with, or that the change will affect.
- Your company name and DUNS number.
- Old parent company name and new parent company name.
- Old company address and new company address.
- Statement of what is taking place (i.e. merger, etc.) and effective date of change.
- The e-mail should be sent to *vendorchanges@ fdsnet.com*
- Any written notification for any changes in the above categories should be sent to:

> Federated Department Stores
> Payable Attn: Vendor Masterfile Control Office
> P.O. Box 415741
> Cincinnati, OH 45241-5741

Note: Please be sure that any invoices sent to us after the effective date of the changes reflect the new information.

FMG Special Vendor Instructions

If you receive Federated Merchandising Group (FMG) master contracts, be sure you have received the **FMG Merchandise Accounts Payable Addendum**. This addendum includes important requirements which you must follow regarding: purchase order verification, vendor services, vendor invoice criteria, proof of delivery request, as well as correspondence.

If you are an FMG domestic private label (non-EDI) vendor and have not received a copy of the FMG Merchandise Accounts Payable Addendum please visit our web site at: *www.fdsnet.com*

Note: DO NOT MAIL FMG INVOICES TO CINCINNATI P.O. BOXES. All invoices for FMG must be directed to: FMG, Attn: Merchandise A/P, 11 Penn Plaza, 6th Fl, New York, NY, 10001

Expense Offset Policy

Our expense offset policy is intended to **recover the** redundant **cost** incurred by Federated due to shipments that do not meet our standards. Below you will find a complete listing of non-compliance issues, their effective date and the expense offset charge.

U.P.C. TICKETING EXPENSE OFFSET CHARGES   **MIN CHARGE $50 per receipt**

NON-COMPLIANCE	EXPENSE OFFSET
Merchandise not U.P.C. marked	$25 plus 50 cents per unit
Poor Quality U.P.C. tickets (ANSI D/F)	$25 plus 50 cents per unit
U.P.C. tickets or other **items** affixed improperly (pins, string, etc.)	$25 plus 50 cents per unit
No / wrong retail on U.P.C. tickets (where required)	$25 plus 50 cents per unit
U.P.C. missing human readable data	$25 plus 10 cents per unit
Ticket format not industry standard / secondary bar code used	$25 plus 10 cents per unit
Incorrect color coding for size indication	$25 plus 10 cents per ticket effective with VICS Standards
Full Detail In-house tickets supplied	$25 plus 30 cents per ticket
Retail Only Tickets supplied	$25 plus 20 cents per ticket
No / wrong multi piece garment / set tags	$25 plus 20 cents per unit
Label adhesive damages product	$25 plus restoration or 100% cost of product
Big Ticket merchandise not U.P.C. marked	To be determined
Big Ticket outer carton not U.P.C. marked (Zone E of UCC-128)	$5 per carton
Other U.P.C. related problems	Charges assessed by incident

TECHNOLOGY EXPENSE OFFSET CHARGES   **MIN CHARGE $50 per receipt**

NON-COMPLIANCE	EXPENSE OFFSET
U.P.C. / EAN CATALOG / SKU FILE	
U.P.C. / EAN not on catalog at time of order entry/receipt	$250 per incident (plus $5 per U.P.C. / EAN key entered)
Keying charge for **advanced** U.P.C. / EAN catalog data entry	$5 per U.P.C. / EAN key entered
U.P.C. / EAN cat. / SKU File requires corrections (by data elements)	$250 per incident plus $5 per field
U.P.C. / EAN catalog changes after order entry /late	$250 per incident plus $5 per U.P.C. / EAN field changed
Line list doesn't match U.P.C. / EAN catalog	$250 per incident plus $5 per U.P.C. / EAN field changed
UCC-128	
No UCC-128 Label, 128 pack data in 856, Non-Prod 856	$7.50 per carton, effective 5/1/01
Poor quality / unscannable UCC-128 label	$7.50 per carton, effective 5/1/01
UCC-128 Bar-code located incorrectly on cartons	$5 per carton
UCC-128 format not correct	$5 per carton
No / wrong FOB on UCC-128 label	$1 per carton, effective 8/1/01
UCC-128 label covers product information	$1 per carton, effective 8/1/01
Duplicate 128 numbers used on UCC-128 label	$5 per carton
EDI	
No / Unusable Ship Notice this shipment -856	$7.50 per carton, effective 5/1/01
Late Ship Notice - 856	$5 per carton
856 replacement transmission not identified as replacement	$5 per pack number, effective 8/1/01
Correctable Ship Notice Errors (bad store #, zero unit U.P.C.s, invalid)	$250 per incident
Does not send / receive an EDI Purchase order 855 / 850	$250 per purchase order
EDI document not 4010 compliant	$50 per transmission

TRANSPORTATION EXPENSE OFFSET CHARGES

NON-COMPLIANCE	EXPENSE OFFSET
Used a carrier not authorized on our routing guide/ purchase order confirmation for your shipping point	$50 plus full freight charges
Did not notify FTO for trailer load (overweight / cube) authorization when your shipment met the trailer load criteria	$50 plus full freight charges
Did not use FDSNet Shipping to submit overweight routing requests	$200 per Bill of Lading
Failed to notify the trailer load office of any changes to the orig. called in weight, cartons, cube, PO no., or BOL no. on a trailer load shpmnt.	$50 plus full freight charges
Ship air freight without authorization from our FTO	$50 plus full freight charges
Shipped merchandise directly to one of our stores without authorization from our FTO instead of the 'ship to' address	$50 plus full freight charges
Does not provide VICS standard EDI BOL 204 / 211 to carrier	$100 per Bill Of Lading
Failed to consolidate same building shipments	$50 plus full freight charges
Does not provide the Carrier Shipment Status message - 214	$200 per freight bill
FTO generated 214 - carrier unable to provide 214	$200 per freight bill
Merchandise shipped to wrong receiving facility	$50 plus full freight charges
Merchandise shipped direct to store and returned	$50 plus full freight charges
Multiple shipments on one order	$50 plus full freight charges
BILL OF LADING ERRORS	
No BOL or Inaccurate/Insufficient detail on BOL	$200 per BOL, effective 8/1/01
BOL information provided to carrier does not match BOL on 856	$200 per BOL, effective 8/1/01

2/13/01
FEDERATED

Expense Offset Policy (continued)

DISTRIBUTION EXPENSE OFFSET CHARGES　　　　　**MIN CHARGE $50 per receipt**

NON-COMPLIANCE	EXPENSE OFFSET
SHIPPING ERRORS	
Merchandise shipped to wrong receiving facility	$250 per receipt plus $5 per carton plus freight
Merchandise shipped early & received	$50 plus 10% cost of the merchandise
Merchandise shipped late or against canceled P.O. & received	$50 plus 50% cost of the merchandise
Merchandise shipped with subs to P.O. or Direct to Store & received	$50 plus 50% cost of the merchandise
Merchandise shipped with overages to P.O. & received	$50 plus 50% cost of the merch.; collateral $1 / unit
Shipping & Handling returned after store receipt (recalls)	$50 plus $1 per unit plus RTV expense
Un-ordered / Defective merchandise returned	$150 per receipt plus transportation
Un-approved GOH shipment	$25 per receipt plus 20 cents per piece
Unauthorized bulk shipment	$25 per receipt plus 30 cents per piece
PALLET	
Shipped on pallet	$150 per receipt
PACKAGING ERRORS	
Cartons sealed with bands, straps, string, or not sealed correctly	$25 per receipt; 50 cents per carton
Unauthorized container used	$25 per receipt; 50 cents per carton
External carton smaller than 9x9x3 (5lbs)	$25 per receipt; 50 cents per carton
Cartons larger than 36x27x30 (50lbs)	$25 per receipt; 50 cents per carton
Carton strength not sufficient	$25 per receipt; 50 cents per carton
Multiple purchase orders/stores per carton	$25 per receipt; 50 cents per carton
CARTON IDENTIFICATION ERRORS	
Carton not # coded, missing store name / #, dept. #, P.O. #, FOB	$1 per carton effective 8/1/01
MASTERPACK ERRORS	
Outer carton not lbd masterpack, inner carton not lbd by store	$150 per receipt
FLOOR READY ERRORS	
No / incorrect VICS floor ready hanger in garment	$25 per receipt plus 50 cents per unit
Hanger shop, changed in store by FDS associate	$25 per receipt plus 25 cents per unit
Hanger in box, not on garment	$25 per receipt plus 25 cents per unit
Non-garment hanging device not plastic	$25 per receipt plus 25 cents per unit
Unnecessary Packing materials / size rings / pins (see page 18)	$25 per receipt plus 25 cents per unit
Merchandise received in poor condition / wrinkled	$1 per item
No / wrong size strip tape on garment	$25 per receipt plus 25 cents per unit
No / wrong size indicator on packaged product	$25 per receipt plus 25 cents per unit
Size indicator not on 2 sides	$25 per receipt plus 25 cents per unit, effective 8/1/01
No image on outer package	$25 per receipt plus 50 cents per unit, effective 8/1/01
Product description missing from outer package	$25 per receipt plus 50 cents per unit, effective 8/1/01
ACCURACY ISSUES	
Removed from 'crossdock' moved to manual processing	$10 per carton
Removed from 'crossdock' moved to audit	$25 per receipt plus 25 cents per unit, effective 8/1/01
Shipment and ASN does not match	$25 per a shipment plus 50 cents per a unit

RETURN TO VENDOR HANDLING CHARGE

NON-COMPLIANCE	EXPENSE OFFSET
Un-ordered Merchandise	7% Plus transportation
Defective/damaged / unsaleable return	7% Plus transportation
Stock (Consolidated) Returns	7% Plus transportation

ACCOUNTS PAYABLE EXPENSE OFFSETS

NON-COMPLIANCE	EXPENSE OFFSET
Does not provide Invoice Electronically - 810	$25 per invoice, effective 8/1/01
Does not accept EFT's	To be determined
Does not include accurate BOL in 810	$10 per invoice, effective 8/1/01
Fails to cease submitting paper invoices when 810 goes live	$10 per invoice, effective 8/1/01
Does not follow Invoice format for printed invoices	$10 per invoice, effective 8/1/01
Does not receive Pay order/remittance advice - 820	$10 per check, effective 8/1/01
Request for research on item over 12 months old	$25 per aged item / claim number
Unauthorized direct to store shipment	50% of cost price of goods
Discount transmitted as an allowance	$10 per invoice, effective 8/1/01
Multiple invoices for same selling location / PO / BOL	$10 per invoice, effective 8/1/01
Duplicate invoice sent	$10 per invoice, effective 8/1/01
Transmitting invoices to wrong Federated Division mailbox	$10 per invoice, effective 8/1/01
More than 1 invoice using store 99 for same shipment / ASN	$10 per invoice, effective 8/1/01
Incorrect terms transmitted on invoice requiring correction	$10 per invoice, effective 8/1/01

Miscellaneous Policies

Vendor Hiring Policy

Federated (and its subsidiaries and divisions) will seek to decline to do business or sharply reduce the level of business done with any vendor that extends an offer of employment to, employs, hires or otherwise engages the services of any person who, at the time such offer of employment is extended or within 180 days prior thereto, is a Federated buyer, buyer-equivalent level or higher. Should a vendor wish to discuss job opportunities with any Federated employee the vendor should obtain written permission from the Chairman or President of the employees subsidiary or division prior to any discussions taking place.

Conflict of Interest - Gift Giving and Acceptance

Federated's associates should not request or accept from Federated's vendors (or prospective vendors), and Federated's vendors (or prospective vendors) should not offer or provide to Federated's associates, gifts, gift certificates, discounts, gratuities or any other item of value (including services) of any nature, other than that which is normal and casual within the framework of the associate's business activities. Any deviation from this policy could result in the termination of both the associate's employment with Federated and the vendor's (or prospective vendor's) relationship (or prospective relationship) with Federated. Any questions on the policy should be referred to Federated's General Counsel.

New Store Opening Policy (In the U.S.)

The benefits of expanding into new markets are shared with our vendors. It is Federated's policy that new store opening costs be shared with our vendors as well. Therefore, we will add an additional 5% discount to each invoice pertaining to the opening inventory for all new stores. New store openings for Federated stores outside of the continental United States will be subjected to additional discounts.

All new store invoices will be paid **30 days after the store opening**.

Stores Outside the Continental U.S.

Due to the perpetual nature of special handling, freight, shipping, ticketing and other logistics efforts associated with moving goods to Puerto Rico, we will be taking an additional 4.5% discount on all invoices on an ongoing basis for this location and other Federated stores outside of the continental United States.

Miscellaneous Policies (continued)

Forced and Child Labor / Unsafe Working Conditions

Federated has a strict policy prohibiting the use of forced or child labor in the manufacturing of the merchandise that it purchases. Federated requires as a condition of doing business that all vendors be in compliance with the Fair Labor Standards Act, the Occupational Safety and Health Act, and other applicable laws for merchandise produced in the United States. Federated also requires strict compliance with the laws of the country where the merchandise is produced, pertaining to these subjects, when the merchandise is manufactured outside of the United States. All vendors are required to sign and return a letter indicating that they have received and understand the policy and that they are in compliance. You will receive our policy and letter from our Buyer. Failure to return a signed acknowledgment will result in the suspension of Federated's business with your company in accordance with the provisions stated therein.

In addition each vendor must transmit the PID segment at the order level in every EDI ASN sent to Federated signifying compliance to the Fair Labor Standards Act. Please refer to the Federated mapping guide for specifics.

Vendor Liability Insurance

Vendor shall obtain and maintain, at its sole cost and expense, comprehensive general liability insurance coverage of not less than $1 million per occurrence for bodily injury and property damage with not less than a minimum aggregate of $2 million in coverage. Such insurance shall provide coverage with respect to all customary liability, including product liability and contractual liability. The latter shall specifically include coverage of vendor's indemnification obligations to purchaser. Vendor agrees that such insurance shall be provided pursuant to policies that specify that said insurance is primary, names purchaser and its affiliated companies as additional insureds and that such coverage may be neither terminated nor reduced below the above limits without 30 days prior notice to purchaser. Vendor further agrees that it shall provide certificates evidencing such insurance and vendor's compliance with the foregoing requirements upon purchaser's request.

Purchase Order Terms and Conditions

Our General Terms and Conditions of Purchase Orders govern all purchase orders and similar documentation utilized for merchandise procurement by each of the operating subsidiaries and divisions affiliated with Federated Department Stores. Be sure you have a current copy dated 2/2/98 or later. For a complete copy of the Federated purchase order terms and conditions visit our web site at: *www.fdsnet.com*

Federated Department Stores
UPC CATALOG DATA ENTRY FORM

Fax, Mail or Overnight to:

Federated Department Stores
Attn: MIO Department
151 West 34th Street
11th Floor
New York, NY 10001
(212) 494-2625 Fax (212) 494-1840

Note: - **This form is only to be used by vendors with a total UPC count of less than 100 UPC's.**
- **You will be accessed $5 / UPC for manual data entry.**
- **You can avoid the $5 / UPC charge by entering the UPC's yourself via the QRS / Internet**
  If you have more than 100 UPC's , call QRS at 800-UPC-TALK

Vendor Name: _____

PAGE _____ OF _____ (10 max)

Vendor Contact:_____ **Vendor Telephone:**_____ **Date:** _____

Directions:
1) Follow UCC & NRF Standards and The FASST Plan Manual.
2) Avoid using special characters (i.e. ",#~*-) or spaces in Product/Style numbers.
3) Avoid using special characters in Product/Style Name/Description, Color Description or Size Description fields.
4) NRF Size and Color Codes are required for merchandise that has NRF-assigned Size and Color Codes.

Type or Print Legibly

	UPC NO. *12 Digit Numeric* EAN NO. *13 Digit Numeric*	STYLE NO. (PID) *Up to 20 Characters*	STYLE NAME/ DESCRIPTION *Up to 20 Characters*	NRF COLOR CODE *3 Digit Numeric*	COLOR DESCRIPTION *Up to 10 Characters*	NRF SIZE CODE *5 Digit Numeric*	SIZE DESCRIPTION *Up to 10 Characters*
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

INFORMATION ON THIS FORM <u>MUST MATCH</u> YOUR UPC TICKETS, LINE LISTS, ETC.   **Date Completed by Federated:**_____

FEDERATED DEPARTMENT STORES
RETAIL PRICE MARKING REQUIREMENTS BY FAMILY OF BUSINESS

$ REQUIRES A RETAIL PRICE $	DOES NOT REQUIRE RETAIL PRICE
APPAREL	**CENTER CORE**
*MEN'S / YOUNG MEN'S APPAREL *MEN'S / BOY'S FURNISHINGS *WOMEN'S / JUNIOR APPAREL *COATS / FURS *ALL SWIMWEAR *INFANTS / CHILDREN'S APPAREL *INTIMATE APPAREL	*SHOES *COSMETIC / FRAGRANCES
CENTER CORE	**TABLETOP**
*WOMEN'S / MEN'S / KIDS	*CHINA / FLATWARE PLACE SETTINGS / HOSTESS / SERVER / COMPLETER SETS *OPEN STOCK *STERLING *STEMWARE
ACCESSORIES	**OTHER HOME STORE**
*OPEN SELL COSMETICS *COSMETIC ACCESSORIES *JEWELRY(FASHION / BRIDGE / FINE) *HOSIERY	*COOKWARE SETS *LUGGAGE *FLOOR CARE *LAMPS *HOME TEXTILES (SHEETS ,TOWELS ETC.) *FLOOR COVERINGS *BULK FOOD *BEDDING *FURNITURE *ELECTRONICS
TABLETOP / DECORATIVE ACCESS	
*DECORATIVE ACCESSORIES / GIFTS *CHRISTMAS TRIM *SERVERWARE / HOLLOWARE *CHINA OPEN STOCK "EVERYDAY" PATTERNS *SILVER / CHINA / CRYSTAL GIFTWARE *PROMO FLATWARE SETS-20 PCS OR MORE	
HOUSEWARES	
*DINNERWARE / FLATWARE / GLASSWARE OPEN STOCK & SETS *GADGETS / KITCHEN ACCESSORIES *CUTLERY SETS / OPEN STOCK *COOKWARE - OPEN STOCK *PERSONAL CARE / SMALL ELECTRIC'S	
TEXTILES	
*BATH ACCESSORIES *KITCHEN TEXTILES / TABLE LINENS *DECORATIVE PILLOWS	
OTHER HOME STORE	
*PICTURE FRAMES *STATIONERY *GREETING CARDS / GIFT WRAP *PACKAGED FOOD / CANDY *CALENDARS / BOOKS / PUZZLES *CLOSET SHOP / NOTIONS *ELECTRONICS ACCESSORIES	

All merchandise shipped to Federated Department Stores must include an industry standard "UPC A" (or EAN) barcode ticket. Place our retail in Zone 6, or your manufacturers suggested retail in Zone 7 of the UPC ticket. *This listing is intended to be used as a general guide. If you have any questions regarding whether your merchandise requires a retail, contact the buyer.

Do not retail ticket product for the Fulfillment centers.

Ticketing Requirements

UPC TICKET FORMAT

Zone	Description
Zone 1	- Merchandise Identification (PID)
Zone 2	- Vendor Information
Zone 3	- UPC Version A Symbol
Zone 4	- Consumer Information
Zone 5	- Size / Dimension
Zone 6	- Space for Retail Price (1" x 1.25")
Zone 7	- Manufacturer's Suggested Price

VENDOR LOGO

2365OLT   NAVY

68912-01   945#   APL 27#
TFO-17   11509-P

0 12345   67890   5

65% Polyester
45% Wool   **34 LONG**

MANUFACTURERS
SUGGESTED
RETAIL PRICE   **$125.00**

- Merchandise Identification Product ID (PID)
- Vendor Identification
- UPC Symbol Version A
- Consumer Information
- Space for Retail
- Manufacturer Suggested Retail Price

Size / Dimension

Min. Size: 1.0" x 1.25"

UPC TICKETS ZONE FORMAT

UPC SAMPLE TICKET

VENDOR LOGO

2365OLT   NAVY

0 12345   67890   5

65% Polyester
45% Wool   **34 LONG**
REGAL

MANUFACTURERS
SUGGESTED
RETAIL PRICE   **$125.00**

Note: These tickets are samples only. Your UPC ticket should be created based on the Uniform Code Council guidelines.

VENDOR LOGO

2365OLT   NAVY

0 12345   67890   5

65% Polyester
45% Wool   **34 LONG**
REGAL

$125.00

SAMPLES OF ACCEPTABLE UPC TICKETS

U.P.C. Ticket Placement & Attachment Requirements

| Item Requirement	Ticket Placement	Attachment
Belts	Through buckle or on belt	'Loop-lock' or sewn in
Bottoms all FOB's (Shorts/ Pants / Jeans / Skirts)	Left side	Swift attached or sewn on joker
Boxed / pkg sold IN box (Cosmetics / Housewares)	On back of the box / package	Sticker or preprinted on box
Boxed / sold OUT of box (Frames / Gifts / Watches)	On back of the box AND on the merchandise	Removable sticker on item & sticker or preprinted on box
Cooking utensils / Gadgets	On the back or on card	Stickers or printed on card
Dresses	Left sleeve	Swift attached
Dresses sleeveless	Left side	Swift attached
Furniture / Bedding	See Furniture & Bedding Addendum	
Gloves - not boxed	Through the vendor label	Swift attached
Hair Accessories on cards	Bottom of card	Sticker or printed on card
Hair Accessories loose	Around or on item	Rat tail, dumbbell or sticker
Handbags	Through handle or zipper	'Loop-lock'
Handbags - Clutch	Through inner label or zipper	'Loop-lock" or sewn in
Hats	Through sweatband or vendor label	Swift attached
Jewelry on cards	Bottom of card	Sticker or printed on card
Jewelry loose / Watches	Around the item	Non-removable rat-tail or dumbbell
Ladies suits	Left sleeve	Swift attached
Men's casual shirts	Left sleeve	Swift attached
Men's dress & woven sports shirts folded / packaged (**Integrated Hang Tag**)	Through placket on front 2nd button hole from top	Swift attached through garment do not ticket package
Men's dress & woven sports shirts folded / packaged (**Separate Promotional & UPC Tags**)	Promo tag through placket on front 2nd button hole from top; UPC tag through center button hole on back	Swift attached through garment do not ticket package
Men's suits & sport coats	Left sleeve	Swift attached or sewn on joker
Outerwear all FOB's (Coats)	Left sleeve	Swift attached
Robes	Left sleeve	Swift attached
Scarves	Through the vendor label	Swift attached
Shoes	Front of box, bottom right corner	Sticker or printed on box
Socks	On band	Sticker or printed on band
Sunglasses	Left arm of glasses	Non-removable rat-tail or dumbbell
Swimwear	Left side	Swift attached
Ties	Through the vendor label	Swift attached
Tops hanging - all FOB's	Left sleeve	Swift attached
Tops folded - all FOB's	Through the vendor label in neck	Swift attached
Towels	Corner	Swift attached or sewn on
Umbrellas - not boxed	Through the handle	'Loop-lock'
Wallets	Securely attached to product not attached to box	Sewn in or 'Loop-lock'

UCC-128 Family of business (FOB) description

USE THIS TABLE OR DATA TRANSMITTED TO YOU IN THE EDI PO

WOMEN'S APPAREL — Departments

Better Sportswear
068, 072, 094, 100, 101, 102, 103, 106, 107, 108, 111, 112, 113, 114, 116, 117, 118, 120, 122, 126, 177, 194, 679, 680, 704, 705, 732, 736, 751

Women's World
757, 801, 814, 815, 821, 824, 878, 879, 880, 887, 888, 889, 890, 892, 893, 894, 896, 897, 898, 899

Moderate Sportswear
096, 121, 125, 128, 129, 134, 135, 136, 137, 155, 191, 192, 697, 804, 805
070, 076, 092, 152, 153, 154, 156, 157, 159, 171, 193, 669, 727

Petite Sportswear
075, 088, 132, 140, 142, 143, 144, 146, 147, 149, 151, 485, 678, 677, 681

Swimwear
078, 138, 235, 438

Juniors
200, 201, 202, 206, 207, 211, 212, 213, 215, 217, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 231, 233

Ladies Suits
098, 196, 197, 198, 199

Dresses
145, 162, 164, 165, 166, 167, 170, 172, 173, 180, 184, 195, 685, 690, 817

Petite Dresses
071, 178, 179

Ladies Coats
053, 185, 186, 187, 188, 189, 230

MEN'S / KIDS — Departments

Men's Sportswear
058, 059, 060, 073, 527, 539, 542, 543, 544, 547, 548, 549, 551, 555, 556, 557, 558, 560, 561, 562, 563, 564, 565, 584, 588, 700, 807

Men's Furnishings
062, 064, 509, 522, 523, 525, 531, 532, 533, 534, 536, 537, 538

Young Men's / Contemporary
499, 541, 550, 552, 553, 559, 566, 568, 572, 576, 579, 580, 581, 582, 595, 874

Men's Clothing / Pants
501, 503, 504, 505, 506, 507, 511, 512, 513, 524, 526, 528

Men's Shoes
406, 407, 412

Toddlers
421, 422, 424, 426

Boys 4-7 Sportswear
065, 430, 466, 467

Boys 8-20
066, 473, 484, 491, 492, 493, 494, 495, 496, 497, 498

Girls 4-16 Wear
425, 427, 428, 437, 439, 441, 442, 451, 452, 455

Infants
411, 414, 415, 416

Kids Accessories
109, 480, 486

CENTER CORE — Departments

Women's Shoes
056, 057, 305, 313, 314, 315, 339, 355, 381, 382, 383, 385, 386, 388, 390, 391, 394, 395, 396, 405, 529
069, 261, 317, 318, 319, 322
256, 280, 283, 286, 287, 288, 289, 291, 292, 293, 294, 295, 296, 734, 740, 742, 744, 746, 747, 748, 793, 794, 795, 798, 813

Hosiery / Socks
(see above column)

Fashion Accessories
256

Dress Accessories
327, 328, 329, 330, 331, 332, 333, 334, 335

Handbags
054, 303, 306, 307, 309, 310, 311, 312, 444, 450, 454, 637

Robes / Sleepwear / Loungewear
052, 237, 240, 241, 248, 255

Slippers
320

Cosmetics
067, 232, 275, 323, 324, 337, 340, 347, 348, 356, 357, 358, 359, 361, 362, 363, 364, 365, 366, 367, 368, 370, 371, 373, 374, 377, 399, 570, 589, 590, 591, 592, 594, 596, 597, 599, 619, 621, 624, 639, 640, 643, 648, 651, 661

Cosmetics Accessories
375, 379

Fragrances
290, 299, 301, 341, 342, 344, 346, 349, 350, 351, 353, 354, 384, 387, 593, 647, 662, 663
604

Lingerie / Foundations
086, 245, 251, 252, 246, 247

Small Leather Goods
326, 417

HOME — Departments

Home Textiles
089, 090, 091, 514, 518, 519, 600, 601, 602, 603, 605, 606, 608, 609, 611, 612, 613, 614, 615, 617, 618, 787, 788, 822
061, 655, 666, 682, 683, 684, 686, 687, 688, 689, 691, 693, 695, 873

Housewares
632

Tabletop
620, 622, 623, 625, 627, 628, 629, 650, 783, 875, 876, 881, 649
886

Food
766, 767, 785, 786

Christmas Trim
642

Gifts
636, 641, 780

Cards & Wrap
761, 784

Frames
699

Toys
753, 806
60

Notions
755

Floor Coverings
631, 635, 645, 652, 653, 654, 656, 657, 658, 659, 660, 664, 665, 668, 820, 826, 883, 884, 885

Furniture
(see Floor Coverings column)

Bedding
671

Luggage
752

Stationery
762, 882

Visit our web site at: **www.fdsnet.com** for an updated listing of this document.

UCC-128 SHIPPING CONTAINER LABEL FORMAT & PLACEMENT

Zone A

From:
Best Vendor
1234 Main St.
Cincinnati, OH
45241

To:
Macy's East
c/o Secaucus Federated Logistics DC
500 Meadowlands Parkway
Secaucus, NJ 07094

Zone B

Zone C

SHIP TO POSTAL CODE
(420)   07094

CARRIER:
Best Carrier

B/L NUMBER:
853930

Zone D

Zone E

PO: 1234567
DEPT: 354

Zone G

For: MACY'S EAST
ST#: **0003**
HERALD SQUARE
FRAGRANCES

Zone H

SERIAL SHIPPING CONTAINER
(00)   1   0028028   0000015259   4

Zone I

SAMPLE OF ACCEPTABLE UCC-128 LABEL

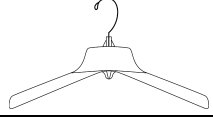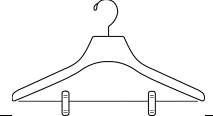This label is a sample only. Your UCC-128 label should be created based on the Uniform Code Council guidelines.
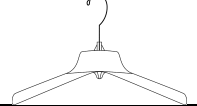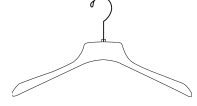
Bars must cover this line

1.90 inches

1.38 inches
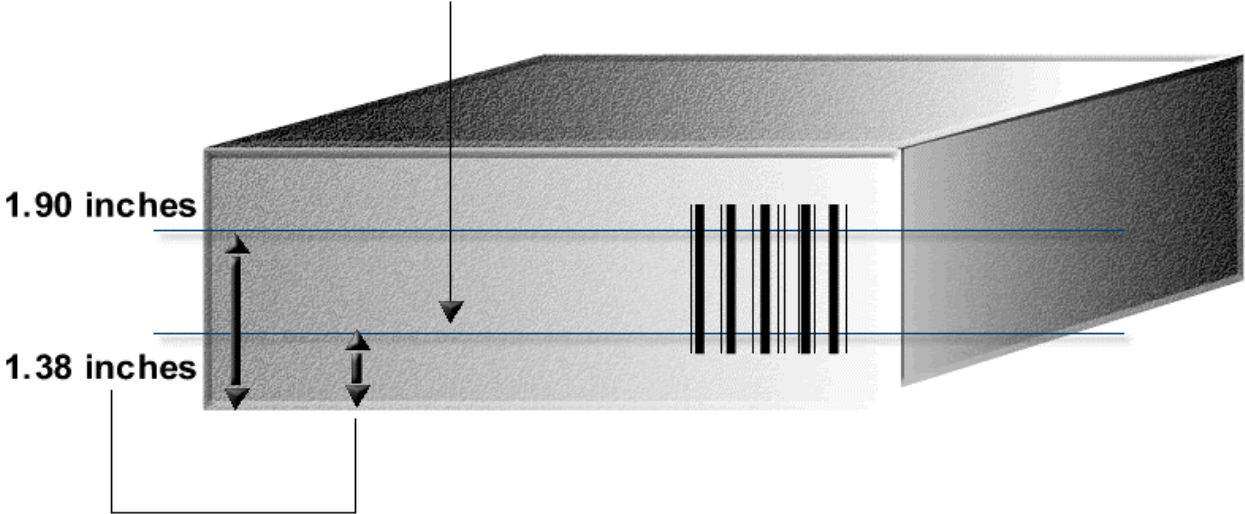
2001 VICS Floor Ready Hanger Program

(**All merchandise displayed hanging** in our stores, **including sweaters**, must be **shipped on a Floor Ready Hanger**.)
This list is intended to be used as a general guide. If you have any questions regarding hanger requirements, contact the buyer.

Family of Business / Examples	Hanger Description	Style Number	Hanger Style
TOP (use hanger size appropriate for product) Tops, Blouses, Dresses, Robes, Sleepwear Women's jackets, 2-piece Pajamas (w/ slip tape), 1-piece Swimwear, Intimate Apparel Daywear	19" Top 17" Top 15" Top 12" Top	479 484 485 498	
BOTTOM (use hanger size appropriate for product) Bottoms, Pants, Skirts, Shorts, 2-piece & Strapless Swimwear, Men's Swimwear	14" Bottom 12" Bottom 10" Bottom 8" Bottom	6014 6012 6010 6008	
JACKETS (optional alternate to style #484) Women's Jacket	17" Top	3328	
WOMEN'S SUITS Women's, Juniors, Missy Suits	17" Suits	494	
COATS (use hanger size appropriate for product) Outwear Coats and Jackets	17" Coat 15" Coat	3329 3316	
LEATHER COATS (designed to prevent product damage, optional alternate to style #3329 & 3316) Men's & Women's Leather Coats	19" Leather 17" Leather Long hooks only	396 393	
INTIMATE APPAREL Intimate Apparel (Bras / Pants / Slips) Clear, No Logos	10" Intimate	GS-19	

Infants / Toddlers through 5T sets on frames	Use white plastic molded hook, set frame hanger in common use today, or as per current agreement. No Logos.
Infants / Toddlers through 5T separates	Use white plastic molded hook hanger in common use today, or as per current agreement. No Logos.

Men's / Young Men's Sportcoats and Suits	Use wishbone style wood hanger or black plastic hanger (pant bar if needed) as per current agreement.
Women's Designers	Black velvet

All denim pants or shorts are displayed flat / folded (unless other wise instructed by the buyer) and are to be shipped flat with no hanger.
Use a combination of the top and bottom hangers for all 2 piece Men's, Women's, and Children's (over 5T) coordinates / sets, except suits. Clear plastic extenders may be used.
Use mini-gards (style MG-W) on top hangers to prevent garment slippage or damage to fine fabrics if necessary.
Bottom hangers are available with clear "rubberized" / crease-free padding to prevent garment damage if necessary.
DO NOT USE SIZE INDICATORS ON HANGERS (except infants / toddlers through 5T, Men's Suits and Sportcoats)

Approved Suppliers	Product	East Coast	West Coast
A & E Products (Batts, WAF)	Hangers	800-655-0214	800-462-3843
FRM (A&E)	Re-Used Hangers	800-422-1600	800-422-1600
Randy Hangers	Hangers	800-689-7710	800-689-7710
Mainetti	Hangers	800-419-9555	800-419-9555
Plasti-Form	Hangers	800-738-7396	800-283-0010
Signal Industries	Mini-gards	800-642-2023	800-642-2023
Uniplast	Hangers	800-225-0058	800-225-0058

FEDERATED
VENDOR LINE LIST LAYOUT

Field Name	Cobol	VB
1) Vendor Duns Number This is the Duns # of the Vendor	9(11)	Double
2) Vendor Name This is the Name of the Vendor	X(35)	String
3) Line Number If the Vendor has no lines, then default to 0	9(03)	Integer
4) Line Description If the Vendor has no lines, then default to "All Lines"	X(30)	String
5) Category Number If the Vendor has no categories, then default to 0	9(03)	Integer
6) Category Description If the Vendor has no categories, then default to "All Styles"	X(30)	String
7) PID This is the Vendor's Style	X(20)	String
8) PID Description This is the Vendor's Style Description	X(30)	String
9) UPC If the Vendor does not have an U.P.C., then default to 0	9(13)	Double
10) Retail Price This is the Retail Price for the item	9(07)V99	Currency
11) Wholesale Price This is the Wholesale Price for this item	9(07)V99	Currency
12) NRF Color Number This is the standard NRF Color Number	9(03)	Integer
13) Vendor's Color Description This is the Vendor's Color Description for the NRF Color Number	X(30)	String
14) NRF Size Number This is the standard NRF Size Number	9(05)	Long
15) Vendor's Size Description This is the Vendor's Size Description for the NRF Size Number	X(30)	String

This line list must be saved as a CSV Comma Delimited file