

General Carton Requirements

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Instructions and illustrations for proper general shipment packaging.

Labeling

Carton Labeling

- 1. All cartons must be well labeled. The information must be permanently attached to the carton, written directly on the carton, or on a non-removable label attached to the carton. A packing list is not considered sufficient labeling. All carton markings and carton labels must be placed on side of carton, to include GS1-128 labels, all carriers labeling, address labels, etc
- 2. Each carton **MUST** be clearly labeled with the following information:
 - 1. Corresponding purchase order number
 - 2. Corresponding department number
 - 3. Store number and abbreviation applicable to the purchase order
 - 1. Store number for NM stores is 4 digits (1001, 1002, 1003)
 - 2. NMD store number is 4 digits (7088 and 7089)
 - 4. Merchandise division name and number (EDI vendors)
 - 5. Address of consignee as stated on the routing guide
 - 6. Address of vendor/ warehouse "shipped from"
- GS1-128 bar-codes are only 20 digit barcode labels allowed to be affixed to the outside of the carton. Exceptions are alpha numeric, Fedex, UPS and airline labels.
- 4. Carton label placement:
 - 1. Cartons more than 6 inches tall
 - 1. Carton labels must be placed a minimum of 1" from bottom right corner on side of carton
 - 2. Carton label must be minimum of 1.5-3" from side of carton
 - b. Cartons less than 6 inches tall
 - i. Carton label should be placed in the same dimensional area as listed above with the excess of the label folded over the top of the carton
 - ii. Do not cover taped seems with the label
 - c. Palletized cartons should have outward facing labels
- 5. Do not place any labels over the GS1-128 label

GS1-128 SHIPPING CONTAINER LABEL EXAMPLE (Per GS1 US Guidelines)

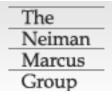
GS1-128 REQUIREMENTS

• Zone A: "From" field must contain vendor name and address.



- Zone B: "To" field must contain NMG ship to address and ASN DC location number per Routing instructions.
- Zone C: Carrier routing barcode or ship to postal barcode
- Zone D: Carrier information
- Zone D: Bill of Lading that corresponds with 856 ASN (if available at time of label generation)
- Zone E: Purchase Order Number found in the 850 BEG03 segment
- Zone E: Department Number found in the 850 DP qualifier REF*DP e02 segment
- Zone E: NMG Division found in the 850 MR qualifier REF*MR e02 segment
- Zone H: Store Number as detailed in the 850 SDQ03 segment
- Zone I: GS1-128 barcode must be 20 digits
- Zone I: GS1-128 carton number should be printed
- All data on GS1-128 label must match 856 Advance Ship Notice/ Manifest
- Label size should be 4" x 6"
- Neiman Marcus prefers a GS1–128 label using subset C and print using 20mil. This allows a barcode just over 3" wide and 1.25" tall.
- Neiman Marcus Direct vendors only that ship 2 boxes for 1 SKU need to apply the GS1-128 to the main components box and label each component box in a way to indicate they are a 1 SKU EXAMPLE: Tabletop Lamp where Box 1 contains BASE and Box 2 contains SHADE. Box 1 containing BASE receives GS1-128 label Box 2 will not have a GS1-128. To indicate they are 1 SKU they should also be marked as "A" and "B"

GS1-128 LABEL PLACEMENT



Size & Weight

Carton Size & Weight

- a. Minimum 2 lbs. and 9x9x3
- b. Maximum 50 lbs. and (L)42x(W)32x(H)36
- c. Apparel Wardrobe 50 lbs. and (L)24x(W)24x(H)48

Cartons should not have bands or straps of any kind, staples or plastic surrounding the carton Cartons that exceed the above requirement that contain a single item must be clearly labeled "Heavy"

Masterpack

Masterpack cartons should only be multi-store packed for approved Neiman Marcus Stores merchandise categories

Inner Cartons

- 1. EDI GS1-128 label should be attached to each inner carton with all proper GS1-128 label requirements.
- 2. Non-EDI
 - 1. PO number
 - 2. Store number
 - 3. Department number

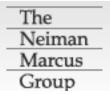
Outer Carton

- 1. EDI Will have the same type of label as a non-EDI order. A non-removable label with the all the requirements listed below under "Non-EDI"
- 2. Non-EDI
 - 1. PO numbers multiple POs can be placed into the "master" carton
 - 2. Department number
 - 3. Store numbers multiple store numbers can be packed into the "master" carton but should be listed under the correct corresponding PO number if multiple POs.
 - 4. Address of consignee as stated on the routing guide
 - 5. Carton must be labeled "Master Packed"

Inner Packaging

<u>Inner Packaging</u> - refers to the protective materials surrounding merchandise packed within a container, whether the container is a vendor box or a re-shipper. All packaged merchandise requires sufficient inner packing (voids filled, proper dunnage and support, etc.) to secure the item and travel in a parcel or freight carrier's environment.

1. Always fill all inner voids with packing materials (dunnage).



- 2. All goods must be separated/protected so they do not rub or strike against other items in the same container.
- 3. The use of Ranpak, Tissue, Peanuts, Air Pillows and Foam as a packing medium is acceptable, but the item must be secured within the carton so it does not 'act about' or 'migrate' toward the sides of the package.
- 4. Hay, straw, snow, newspaper, or printed materials are expressly forbidden for usage as packing material.
- 5. Sharp, narrow, or pointed objects (i.e. table legs, pot handles) must be wrapped and secured in such a way that prevents them from puncturing the carton from within.
- 6. Large or oversize packages must have some sort of reinforcement in the center of the carton to prevent collapse under extreme weight conditions (typical stacking in a ship-alone environment.)
- 7. Some large items should be double-boxed, with a minimum of 3 inches on each side of the interior box, with dunnage on all six sides. Refer to the Requirements by Merchandise type section of this area for more detail.
- 8. Packing Requirement: Cartons with a void of space must be filled with dunnage.
- 9. All cartons must have an insert on top and bottom of the merchandise to prevent from cutting and pilferage.

Carton without Dunnage

Carton with Dunnage

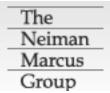
Carton with Insert (Compliant)

Outer Packaging

<u>Outer/Vendor Box</u> - Is Supplier packaging containing selling units of merchandise intended to be inserted into a Neiman Marcus corrugated box for further protection in order to ship. Neiman Marcus Direct will not remove merchandise from the Supplier box in order to improve inner packing. Therefore, the responsibility for providing adequate inner packing lies with the manufacturer or original packer.

- 1. Merchandise must be packed in a new box. No markings other than those of the vendor (carton label/GS1-128 or carton content) and/or box maker should be on the carton. If the Supplier or product logos are printed on the outside of the carton, there must be no indication the package was intended for any product other than the product contained inside. Recycled cartons may not be used to ship merchandise.
- 2. Special handling instructions (i.e. 'Fragile', 'Glass' or directional arrows) must be used and are helpful to Neiman Marcus package handlers. However, the use of these warning signs does not replace the packaging requirements outlined in this document.
- Non-corrugated vendor packaging must be the appropriate size and strength to protect the merchandise contained inside.
- 4. All cartons are required to be sealed with Security Packing Tape
 - a. Top and Bottom of Carton
 - b. H format recommended
 - c. Clear or Solid Color Plastic Tape is NOT Acceptable
 - d. Merchandise shipped in a Re-shipper carton will be exempt from the Security Tape requirement

Examples of Security Packing Tape:



Re-Shipper

<u>Re-shipper</u> - a re-shipper is a package or container that will be used to ship product to the customer's home without further protection or packaging being added. Re-shippers must provide total protection for the parcel carrier's environment as described in the attached guidelines.

Note: All Neiman Marcus Direct Re-Shippers must be transit tested. Please refer to item #20 on transit tests. Also, FED-EX Laboratory Approval Certification(s) must be on file before shipping.

- 1. Neiman Marcus Direct requires any item over 27x27x24 to be packed as a re-shipper (this includes the box dimensions)
- 2. Suppliers that are required to ship in a re-shipper container must clearly marked carton 'Re-Shipper.'
- 3. All merchandise must be packaged by selling unit unless an exception has been granted. For exceptions, please contact your merchant representative to have a prep form completed.
- 4. Supplier must list manufacturing style # and description on the outside of re-shipper carton.
- 5. Supplierr must list Country of Origin on the outside of the re-shipper carton.
- 6. When applicable, the color and size should be listed on outside of the re-shipper carton.
- 7. Re-shipper cartons must be the appropriate size and strength to protect the merchandise contained inside.
- 8. Packaging must be consistent
 - 1. box measurements
 - 2. weight
 - 3. inner packaging
- 9. Cartons must be a double-wall container of corrugated fiberboard construction (Double boxing an item DOES NOT meet the requirement). If the item is produced overseas, then the double wall corrugate box must be at least a 200 Lbs burst strength container.
- 10. Corrugated cartons must meet the minimum specifications of fiberboard corrugated boxes as shown in Item 222 of the National Motor Freight Classification (NMFC) and display box maker certificate on the carton with 'Bursting Test Strength' and/or 'Edge Crush Test Strength' identified. Bursting Test Strength and/or Edge Crush Test Strength must meet National Motor Freight Classification Standards
- 11. Non-domestic cartons often have high moisture content and are consequently very pliable. For this reason, re-shippers from import vendors must strictly adhere to items 6, 7 and 8 above.
- 12. Indirect imports must receive a 100% inspection prior to being forwarded to Neiman Marcus.
- 13. Product contained in a re-shipper carton must be centered and protected by packing materials so there is a minimum of 3 inches between the item and the inner wall of the corrugated box.
- 14. Large or oversize packages must have some sort of reinforcement in the center of the carton to prevent collapse under extreme weight conditions (typical stacking in a ship-alone environment).
- 15. Merchandise must be packed in a new box. No markings other than those of the vendor (carton label/GS1-128 or carton content) and/or box maker should be on carton. If Supplier or product logos are printed on the outside of the carton there must be no indication the package was intended for any product other than the product contained inside. Recycled cartons may not be used to ship merchandise.
- 16. Telescoping boxes may not be used. NMD will accept "full telescope" boxes. A "full telescope" box is when



the full depth (FTD) top slides completely over the bottom providing extra thickness of material on all side and end panels.

- 17. Special handling instructions (i.e. 'Fragile', 'Glass' or directional arrows) must be used and are helpful to Neiman Marcus package handlers. However, the use of these warning signs does **not** supplant the packaging requirements outlined in this document.
- 18. Sealing cartons 2-inch pressure sensitive plastic tape should be used to seal cartons. Although less desirable, paper tape may be used but must be reinforced. All open seams must be taped.
- 19. Sealing cartons Staples must not be used as the only method of sealing a carton, but may be used when covered with the tape.
- 20. Packing Guidelines for Re-Shipper Rugs & Textiles:
 - 1. Must be in a bag of at least 6mil in thickness
 - 2. The ends must be secured shut and taped down to the bag
 - 3. All rugs should be rolled tightly so that the ends are aligned
 - 4. Rugs should be packed tightly into the polybag. All excess material should be taped down. Please see Rug Packaging Training document for further packaging details (click here for <u>Rug Packaging Training Document</u>)
 - 5. Hand Knotted rugs should be folded
- 21. Re-Shippers must be transit tested. Lab Tests must be received by Neiman Marcus Direct Quality Assurance prior to receiving the merchandise. Please see below information regarding transit testing:

Re-shipper Testing

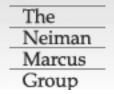
Suppliers are responsible for any cost associated with shipping their merchandise to a lab testing facility. Lab testing does not exempt the Supplier from Neiman Marcus Direct Inner Packing and Vendor Box Packaging requirements.

International Safe Transit Association (ISTA) Transit Tested Program

Certification that provides' recognition of conformance to a standard or specification and clearly validates to all parties that requirements have been met. For further information, visit www.ista.org. Lab Testing Facilities: ISTADomesticLabs.pdf

Neiman Marcus preferred ISTA Testing Facility FedEx Testing Laboratory

To inquire about package testing and evaluation click on the FedEx Packaging Services Application. With this form Neiman Marcus Direct will get a copy of the test results and we will be able to partner with your company on the packaging of your product. Testing procedures & packaging tips can be found on the following link: http://www.fedex.com/us/service-guide/our-services/package-shipment/ FedEx Packaging Services Application: PKG Services Application.pdf



United Parcel Service (UPS) Testing Laboratory

Service to shippers with UPS account. Information may be found on their website at: www.ups-psi.com/packdesign.asp

Rule 181 Testing

This applies to furniture that is fully contained within a corrugated fiberboard shipping container.

For further information regarding rule 181 testing click here Rule181.pdf

For a list of companies who perform 181 testing visit here: Rule 181 Lab Testing Facilities.

Multi Wall Packaging is a recommended Rule 181 testing facility. They will also be able to assist with any of your packaging needs.

Contact Connie Jones at 276-806-9346 or Rob Reynolds at 434-836-7816 for further information. Or visit their website at http://www.multiwall.com.

For further information regarding packaging and lab testing contact our packaging department at 972-401-6792 or email us at <a href="mailto:nm

Information regarding using Ranpak to package different types of items: http://www.ranpak.com

ISTA Testing - Upholstery, Crated, and Palletized Furniture

Upholstery - Upholstery that is packaged utilizing stretch shrink plastic film wrap style must be ISTA lab tested and approved. Visit www.ista.org for further information regarding ISTA testing.

Crated - Furniture that is secured/protected all around with a wooden structure (i.e. crated).

Palletized - Furniture being shipped on a pallet.

Neiman Marcus Direct prefers testing under ISTA 2A for items under 150 IBS and 2B for items over 150 IBS.

*Packaging will be verified to the lab testing document received from the lab. If packaging changes after testing, then retesting MUST be conducted for new packaging.

Pallet

Pallet Requirements

- 1. Standard pallet size should be used. 48 inches long, 40 inches wide, and 3 to 5 inches in height.
- 2. One distribution center per pallet.
- 3. Locations 7010 and 7060 should be palletized on separate pallets.
- 4. A pallet should not be packed taller than 6 feet high, unless the item itself exceeds 6 feet.
- 5. The pallet must be shrink wrapped.