

## Import VPXD

**What is VPXD (Vendor Prepared Cross Dock)** VPXD is a replenishment method in which the vendor prepares individual store orders for stores serviced by a specific DC. The orders are then shipped together to the DC then cross docked to the individual stores.

### Cross Dock Benefits

- Eliminates safety stock inventory costs.
- Eliminates the intermediate put-away, transfer and retrieval steps of warehousing.
- Reduces labor and time in handling.
- Reduces the product pipeline.
- Facilitates volume throughput in the distribution centers.
- Enhances volume purchasing.
- Increases product inventory turn rates.
- Increases R.O.I.
- Reduces product damage.

## Vendor Requirements

### Purchase Orders (Webform)

1. All purchase orders will be Store specific and not Distribution Center purchase orders. All cartons making up a store's PO, must either be banded together or on a single pallet.
2. The purchase orders will be transmitted via Webforms. Your Logistics Specialist will need to work with your Lowe's EDI Coordinator to make sure that you are set-up to receive VPXD orders. Please verify with your Lowe's Webforms Coordinator that you are set-up to receive VPXD orders. Your purchase order volume may dramatically increase if you are set-up as a VPXD vendor.
3. The EDI transmission will include a "Ship To" location, which designates which Distribution Center each group of store orders are to be shipped to. A second N1 loop will be transmitted with an "MA" qualifier, designating the final store destination.

### Unitization and Packaging

1. All product must be palletized together by individual store purchase order.
2. All orders must be palletized and shrink-wrapped for small carton product (8" x 42" pallet is preferred).
3. Large carton product must be packaged to facilitate handling by forklift or by squeeze lift material handling equipment.
4. Packaging, cartoning and unitization must be capable of withstanding the normal rigors of transportation. Lowe's has the right to refuse any substandard packaging.
5. Lowe's requires pre-approval by the Lowe's Vendor Logistics Specialist of all unitization/packaging of cross dock product.
6. Each store order must have a packing slip highly visible and firmly attached to at least one side of the carton. Lowe's cannot receive any product without a packing slip. The packing slip may be placed under the last layer of shrink wrap to ensure it stays attached to the product during transit. Do not attach packing slip to the shrink-wrap or to the freight bill as it will get torn off and lost.

### Pallet Requirements

1. To ensure a safe store environment for both associates and customers, pallet dimensions on Vendor Prepared Cross-Dock shipments through the Lowe's Distribution Centers are critical to achieve maximum stacking capacity of the storage racks in the store environment.
2. Dimensional tolerances have been included on each pallet specification to promote maximum vendor compliance while still maintaining a safe construction. (See attached drawings for specifications on 2-way and 4-way pallet designs)
3. The product load must be secured to the pallet with banding or stretch wrap material to prevent load-shift during shipping and handling.
4. To ensure that the vendor's technical staff can easily access the necessary pallet measurements, the detail pallet specifications will be placed on the Internet. Pallet deviations requiring an alternate pallet style or dimension due to product size limitations or for product protection must be approved and authorized by the Merchandising or Vendor Logistics organization.

## Two-Way Entry Pallet Specification

Purpose: To develop minimum 2-way pallet requirements for all Store Direct and Vendor prepared Cross-Dock shipments throughout Lowe's Companies, Inc. The length and width parameters must be strictly followed, to address safety concerns regarding the storage for racked inventory at the store level. The construction of the pallet must be accessible for all forklift equipment to facilitate handling throughout the entire distribution process.

• Pallet Dimensions (L x W):	Length = 42.00 inch (min.) x 48.00 inch (max.). Width = 36.00 inch (min.) x 48.00 inch (max.).
• Pallet Style:	Double Faced Non-Reversible.
• Entry:	2-way entry.
• Lumber Specifications:	Grade III and/or IV hardwood, clean sawn.
• Fastener Requirements	2.00 inch screw shank nails.
• Top Deck Boards (7/pallet):	Outer Boards (2) = 0.625 (min.) x 5.75 x 36.00-48.00 inches. Inner Boards (5) = 0.625 (min.) x 3.75 x 36.00-48.00 inches. Space between boards: 3 inches (max.)
• Bottom Deck Boards (5/pallet):	Outer Boards (2) = 0.625 (min.) x 5.75 x 36.00-48.00 inches. Inner Boards (3) = 0.625 (min.) x 3.75 x 36.00-48.00 inches.
• Runners (3/pallet):	1.50 x 3.50 x 42.00-48.00 inches.

Notice: Pallets requiring an alternative style or dimension due to product size limitations or for product protection, must be reviewed and approved by the Promotional display Specialist or Merchandising Organization at Lowe's Companies, Inc.

Important: If the weight of the pallet load exceeds the capabilities of the above specification, it is the responsibility of the vendor to determine if additional runners or deck-boards are required to safely support the palletized load.

## Four-Way Entry Pallet Specification

Purpose: To develop minimum 4-way pallet requirements for all Store Direct and Vendor prepared Cross-Dock shipments throughout Lowe's Companies, Inc. The length and width parameters must be strictly followed, to address safety concerns regarding the storage for racked inventory at the store level. The construction of the pallet must be accessible for all forklift equipment to facilitate handling throughout the entire distribution process.

• Pallet Dimensions (L x W):	Length = 42.00 inch (min.) x 48.00 inch (max.). Width = 42.00 inch (min.) x 48.00 inch (max.).
• Pallet Style:	Double Faced Non-Reversible.
• Entry:	4-way entry.
• Lumber Specifications:	Grade III and/or IV hardwood, clean sawn.
• Fastener Requirements	2.00 inch screw shank nails.
• Top Deck Boards (7/pallet):	Outer Boards (2) = 0.625 (min.) x 5.75 x 42.00-48.00 inches. Inner Boards (5) = 0.625 (min.) x 3.75 x 42.00-48.00 inches. Space between boards: 3 inches (max.)
• Bottom Deck Boards (5/pallet):	Outer Boards (4) = 0.625 (min.) x 3.75 x 42.00-48.00 inches. Inner Boards (1) = 0.625 (min.) x 5.75 x 42.00-48.00 inches.
• Runners (3/pallet):	1.50 x 3.50 x 42.00-48.00 inches.

Notice: Pallets requiring an alternative style or dimension due to product size limitations or for product protection, must be reviewed and approved by the Promotional display Specialist or Merchandising Organization at Lowe's Companies, Inc.

Important: If the weight of the pallet load exceeds the capabilities of the above specification, it is the responsibility of the vendor to determine if additional runners or deck-boards are required to safely support the palletized load.

**Pallet Labeling**

Each store order must be labeled with an 8" x 11" placard. The placard must include the following information in bold and legible print:

1. The Lowe's Distribution Center that the order is shipping to. Ex: 960– Iredell County, NC
2. The phrase "CROSS DOCK" in bold letters
3. The Lowe's store number in bold letters. ( Ex: store# 404)
4. The Lowe's purchase order number in bold letters. (Ex: P.O. # 12345)
5. The unit/pallet count for that particular store order in bold letters. (Ex: 1 of 2, 2 of 2)
6. The vendor name and shipping origin.
7. The Cross Dock placard must be firmly attached to the product inside of the shrink-wrap.

These placards should be placed on two sides of the pallet to ensure the store recognizes this as a VPXD order and receives the product correctly. This is especially helpful in instances where the product is not normally received on a VPXD basis. This will help decrease the unloading time at our facilities.

**Advanced Shipment Notification (ASN)**

ASN steps must be followed after completing and passing the Pre-Shipment Inspection and before the SI Closing Date, for all ocean, air, and land shipments. System will not prompt vendors to create AMS but vendors need to make sure the inspection is passed before creating the AMS. Vendors are only able to create AMS on or after the inspection end date.

Please follow the steps in the [Shipping and Tracking](#) portion of the TradeStone User guide (pages 40-51) for detailed instructions.

**Vendor Liability**

The vendor will be liable for any extra expense incurred by Lowe's for the following:

1. Extra Distribution Center labor expense due to poor palletization, unitization, and/or loading of the cross dock orders.
2. Extra Distribution Center labor expense due to not labeling and placarding each individual cross dock order.
3. Extra Distribution Center labor expense due to not applying the packing slip to each store order.
4. Not having the cross dock orders ready and available for shipping on the designated ship date.
5. Not faxing the Advance Shipment Notification to the proper Distribution Center as soon as the cross dock order is tendered to the carrier.
6. Duplicate Shipments to the same store location.
7. Concealed shortages within the pallet and/or unit.

**Questions**

Contact the following personnel at Lowe's for information concerning Vendor Prepared Cross Dock shipments.

- International Logistics Specialist for purchase order inquiries
- Inventory Planner regarding product availability
- EDI Coordinator for EDI transmission issues
- Import Admin for billing and payment issues
- IM/Sourcing contact for procedural issues