



Released September 2016

JEWELLERY

AMERICAN SWISS
S T E R N S
1896

MAT & MAY

FOSCHINI

DELIVERY CONFORMANCE GUIDELINE MANUAL FOR JEWELLERY

LOCAL SUPPLIERS

*This Delivery Guideline Manual replaces all previous Delivery Guideline Manuals
published prior to September 2016*

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1. INTRODUCTION

In order to achieve the speed to market and operational efficiencies, TFG relies on the co-operation of our suppliers to deliver their merchandise into our distribution centres according to TFG standards and procedures.

Upon accepting a purchase order, all suppliers agree to deliver according to TFG regulations detailed in the manual. This manual will detail TFG delivery guidelines and assist in the execution of perfect deliveries into TFG Distribution Centres (DCs); therefore, it is the suppliers' responsibility to ensure all information is reviewed thoroughly and that all delivery requirements adhered to for each and every TFG purchase order.

Delivery Conformance is the measurement of a suppliers' performance based on the delivery of their stock into the DC according to the following TFG requirements:

- **Order Bookings (not applicable to International Suppliers)**
- **Carton Information**
- **Carton Specification**
- **Carton Packing**
- **Invoice & ASN Accuracy**
- **Ticketing**
- **Product Quality**

If any of the above requirements are not met, suppliers will be marked for non-conformance and also attract monetary penalties to recover costs incurred by DCs. Delivery conformance reports are published on a weekly basis detailing performance for orders delivered into TFG DCs. There is also a consolidated delivery conformance report at the end of each month detailing performance on orders delivered for that particular month. The monthly delivery conformance score obtained feeds into the supplier's scorecard and contributes 20% towards supplier's final score.

NB: It is very important that suppliers notify TFG of any changes in contact details by emailing DeliveryConformance@tfg.co.za to ensure reports are published to correct details.

This particular manual is only relevant to local suppliers for the following trading divisions:

- **American Swiss**
- **Sterns**
- **Foschini Jewellery**
- **Mat & May**

A local supplier is defined as those suppliers who deliver directly into the relevant TFG DC. **International suppliers** are those suppliers who deliver to the TFG's nominated freight forwarder.

Ideally, this manual is to be used by the following people, and will therefore be the responsibility of the Managing Director to ensure a copy is distributed to each area of business:

- **Merchandise Manager**
- **Production Engineer/Technologist**
- **Quality Manager**
- **Dispatch Manager**

For further information or any clarification on any procedural matter, please contact

deliveryconformance@tfg.co.za

This Delivery Guideline Manual replaces all previous Delivery Guideline Manuals.

2. APPOINTMENTS

2.1 SUPPLIER DELIVERY INTO DC

Below is the distribution centre physical address where appointed orders need to be delivered:

DC - Jewellery
342 Voortrekker Road
Parow East
Cape Town
7501

Prior to making a booking for delivery into the DC, supplier needs to adhere to the following requirements:

A minimum of **48 hours** prior to delivery date, the DC needs to be contacted to arrange an appointment time. This can be done via email and telephonically the **Central Number: (021) 938 1002**, OR to;

Lurlane Fortuin Tel: (021) 937 4521 lurlanef@tfg.co.za Fax: (021)938 1480

Jowene Sampson Tel: (021) 938 1492 jowenes@tfg.co.za Fax: (021)938 1480

Upon making a booking, the following information is required:

- **Supplier Name**
- **Supplier Contact Details**
- **Trading Division as it appears on the Purchase order**
- **Number of cartons to be delivered**
- **Value of parcel per trading division**
- **Any other details relating to delivery**

Once an appointment is confirmed, supplier needs to **email or fax** a copy of the delivery manifest to the DC immediately. The manifest must be sent to the DC **before 12:00 PM** (see **APPENDIX B** for Delivery Manifest Template)

Please take note of the following:

- It is the supplier's responsibility to ensure all information submitted to the DC is accurate as this will be used to book capacity.
- DC reserves the right to reject any other deliveries that have not been appointed.
- All deliveries are for the suppliers own cost
- Should a supplier be unable to keep their appointment date, the supplier must contact the trading division to arrange a new delivery date. The supplier will need to receive an updated purchase order stating the new delivery date before proceeding with a new appointment.
- The supplier must then inform the DC of the amended date and arrange a new appointment time.
- Should the supplier not be able to deliver according to their appointment time, the DC must be duly informed to find out if the DC can accommodate in a new time slot.

2.1 TFG DELIVERY TERMS

ALL suppliers please note the following:

- **No deliveries will be accepted after 13:00**
- The DC **WILL NOT** accept deliveries without a pre booked appointment
- Due to the large volumes being delivered into the DC at any given point, the DC will only sign and accept the delivery manifest and not the delivery note or invoices
- Please take note that the DC cannot accept any part deliveries. A new order number will be required for any part deliveries and this must be arranged with the merchandise teams prior to delivery.
- Upon delivery into the DC, the main reception area entrance may NOT be used for any deliveries or collections. TFG Distribution Centre loading dock has **2 special delivery bays** allocated for this purpose.
- All suppliers are required to have their copy of a Manifest or triplicate book as a Proof of Delivery (POD).

3. PACKING

Each parcel must have a copy of the suppliers manifest attached to the outside of the carton/parcel and marked INVOICE/PACKING LIST (See **Appendix B**). This ensures that we are able to verify that all orders listed are actually in the parcel.

American Swiss, Mat & May, Foschini and Sterns merchandise must not be placed in the same parcel/carton. Each parcel must be clearly marked on the outside.

- American Swiss
- Sterns
- Foschini Jewellery
- Mat & May

The Distribution Centre will not be held responsible for any listed orders, if there is no manifest enclosed.

3.1 CARTON/PARCEL INFORMATION

The full quantity of each order to be packed in a plastic bag with the Purchase Order printout attached to the bag. Where quantity ordered cannot fit into 1 plastic bag, the supplier needs to ensure that a photocopy of the Purchase Order printout is placed in all plastic bags used. All cartons/packets/parcels must then be securely closed and marked with the following information:

- **Order number**
- **Product number**
- **Number of units**
- **Payment days for replenishment orders**

3.2 REPLENISHMENT ORDER

It is important that replenishment orders are clearly marked as “**REPLENISHMENT ORDER**”. Please ensure the following requirements are adhered to before despatching orders for delivery to TFG Distribution Centre:

- Fine jewellery invoices must be attached to the plastic bag
- Watch invoices must be attached to the outside of the carton
- Under no circumstances will opened parcels be accepted by the DC
- All plastic bags/orders to be packed into a new cardboard carton/box or plastic container.

NB: This is an insurance requirement and cannot be changed without the Insurer's consent.

3.3 CARTON / PARCEL DETAILS

Each cardboard carton/box or plastic container must be weighed, and weight recorded on documentation:

- Each carton / box or plastic container to include a copy of the packing list (i.e. the list of all orders included) – see **APPENDIX B**.
- Address / Mark all cartons/boxes or plastic containers as **TFG RETAIL**. Please do not mark cartons/boxes or plastic containers for Foschini Group, American Swiss, Mat & May, Sterns or Foschini.
- Ensure that the carton/box or plastic container is completely filled.

CARTON MARKING- Watches only

Supplier Name

P/I _____ P/O _____

Model _____

Customer Ref : _____

Qty _____ Pcs

C/No. _____ Weight _____ Kgs

- P/I = Proforma Invoice number
- P/O = Purchase Order that you receive with the tickets/stickers/labels
- Model = Supplier Model number
- Customer Ref = TFG style number on Purchase Order.

4. PACKAGING

4.1 CARTON REQUIREMENTS

The following carton specifications have been established to maximise the product flow through our automated facilities:

Carton Dimensions	Length (cm)	Breadth (cm)	Height (cm)	Maximum Weight per carton (KG)
Maximum Dimensions	69	38	42	18.5

4.2 CARTON SPECIFICATIONS

The following carton specifications have been established to maximize the product flow through our automated facilities:

Table: ECT Requirements Guidelines

CARTON WEIGHT (max gross mass)		MIN EDGE CRUSH TEST VALUE (ECT)	
Kg	LBS	kN/m	Lbs per inch
0 - 10	Up to 22	4.9	28
10.1 – 15	22.1 to 33	5.5	31
15.1 – 18.5	33.1 to 44	7.4	42

ECT TEST METHOD: FEFCO No.8 (European Federation of Corrugated Board Manufacturers) or ASTM – D 2808 -69 (American Standards) or ISO 3037 (International Standards Organisation)

This is a measure of the strength of the corrugated board and the aim of the test is to ensure that strong cartons are used that will ensure that product is not open to damages, losses and theft. The ECT process is performed as follows:

- Samples are randomly selected to be tested within each DC
- Inner undamaged flaps are selected and sent to TFG ECT lab for testing
- Sample size of 100mmx25mm is tested in accordance with FEFCO and ISO 3037 standards.
- Factors such as humidity and handling are taken into account upon calculating the ECT result
- Should a sample fail, the sample is retested and results recorded accordingly
- If the sample fails this is captured on Warehouse management system and will reflect on the supplier's weekly delivery conformance report.
- Monetary penalties will be levied against supplier
- 20% of all orders delivered into each DC are tested.

Suppliers are required to ensure their carton suppliers are fully aware of the above specification to be able to provide you with a board grade that is sufficient to meet the required TFG standard. Should you require any samples to be tested please have them sent to:

ATTENTION: ECT
40 Junction Road
Tygerberg Business Park
Parow Industria
Cape Town
7535

- Please include contact details to enable us to send you the results.
- Results will be sent to suppliers within 2 days of receiving the sample to be tested

Please note the following

- **Each supplier is responsible for the quality of packaging** and therefore will be held responsible for damages, concealed shortages and claims resulting from inferior packaging.
- Cartons cannot be over / under packed as they may collapse during transit.
- Each supplier is responsible for the quality of packaging and therefore will be held responsible for damages, concealed shortages and claims resulting from inferior packaging.

5. INVOICING

Each order must be on a **separate** invoice detailing the following information:

- Invoice Number
- Purchase Order Number
- Promotion (e.g. Valentine's Day or Mother's Day if applicable)
- Product Number
- Supplier Reference
- Number of units
- Transfer Number if applicable
- Diamond Weight as measured by the supplier
- *Replenishment orders must indicate seven or two day payment on invoices

6. CARTON/PARCEL INFORMATION

All cartons/packets/parcels must be securely closed and marked with the following information:

- Order number
- Product number
- Number of units
- Payment days for replenishment orders
- Replenishment orders must be clearly stated as "REPLENISHMENT ORDER"
- Fine jewellery invoices attached to the order
- Watch invoices on outside of carton
- Under no circumstances will opened parcels be accepted by the DC

7. TICKETING, PACKING AND PACKAGING

7.1 GENERAL

Approximately 3 weeks prior to delivery date, the price tickets and copies of purchase order for each style will be dispatched to suppliers.

If the tickets **are** not received within ten days prior to delivery date, the relevant buying department's Buyer or buyer's clerk must be contacted before dispatching the merchandise. Once the tickets are received by the supplier, please ensure that the tickets correspond to the merchandise and that sufficient tickets have been sent

Please note that if there are shortages in the number of tickets received, please immediately contact Jenean (021) 938 1519 or Brendon (021) 938 1750

Please note that tickets are white with back print

The supplier is required to ticket each item with the correct ticket in the correct position as identified in the manual

7.2 JEWELLERY TICKET POSITIONS (see APPENDIX A for illustration)

- Rings – on shank (sets)
- Studs – through butterfly or post
- Hoops – through butterfly or post/through jump-ring of shepherd's hook
- Chain – through bolt-ring
- Pendants/charms – through bale (for pendants without chain)

7.3 JEWELLERY PACKING AND PACKAGING (see APPENDIX A for illustration)

1. Suppliers are required to adhere to the requirements below:
 - Individual items must be placed into individual clear plastic bags
 - No jewellery is to be wrapped in tissue paper prior to being placed in their plastic bags
 - **Important:** Staple bags in quantities of 5 or 10 with all tickets facing the same direction in the front of each plastic bag
 - Tickets must be clearly visible for scanning purposes within the DC

- Merchandise sent off without tickets, are to be placed in a separate bundle
- All jewellery on plastic stands must be wrapped in bubble wrap to ensure safe transport. A ticket must be placed on the stand and on the outside of the bubble wrap.
- Indicate the quantity of units on the stand on the outside of the bubble wrap

7.4 LOOSE DIAMONDS

Foschini Group Jewellery complies with the diamond guarantee known as the KIMBERLEY PROCESS. This warrants that all diamonds supplied have been purchased from legitimate sources not involved in funding of conflict, in compliance with the United Nations Resolutions.

Diamonds supplied by **American Swiss, Foschini or Sterns** are to be removed, put into a separate parcel and marked for the attention of the loose diamond apartment

**THE LOOSE DIAMOND DEPARTMENT
4th FLOOR
STANLEY LEWIS CENTRE BUILDING
340 VOORTREKKER ROAD
PAROW EAST
7501**

NB: No loose diamonds will be accepted by the DC.

7.5 WATCHES

Suppliers are required to adhere to the requirement below:

- Supplier will receive 2 tickets per item
- One ticket must be placed on the case back of the watch
- The second ticket must be placed on the outside of the bubble bags, tins, or package
- Ensure that the ticket on the outside corresponds with the ticket on the case back
- All tickets on the packaging must be visible for scanning
- Instruction Manuals/Guarantees/c-clip must be placed inside the tin/ pouch
- The watch must be placed in a bubble bag on the outside of the tin/pouch
- The bag/bubble wrap should be sealed by means of staple or tape

7.6 EYEWEAR

Suppliers are required to adhere to the requirement below:

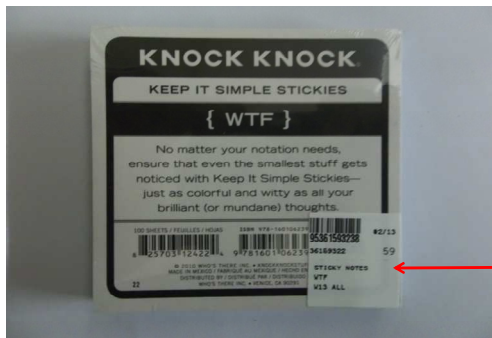
- Supplier will receive 2 rattail tickets per item

- 1 rattail ticket to be affixed to the packaging (cut off the tail) and the other rattail ticket to be affixed to the sunglass ticket which will be secured to the left arm/temple - as explained by the Mat & May buying department. Refer to Page 14
- Ensure that the ticket on the sunglass arm corresponds with the ticket on the packaging

7.7 MAT & MAY

Suppliers are required to adhere to the requirement below:

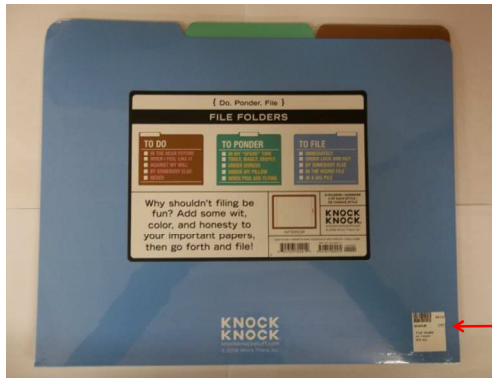
- Refer to the ticketing instruction (Annexure 3)
- Tickets will be sent to suppliers to ticket stock prior to delivery. Some suppliers will receive swing tags.
- Suppliers to attach the swing tag to the merchandise as per the instruction.
- In the case where the suppliers are issued with rattail tickets, the tail must be cut off (if the ticket is attached to a flat/square item) see instruction.
- All bags to be stuffed with tissue paper
- All swing tags to be applied by a loop lock (supplier own cost)



- Sticky note pad:
- Label placement – bottom right hand corner.
- Use a rattail ticket and cut off the tail



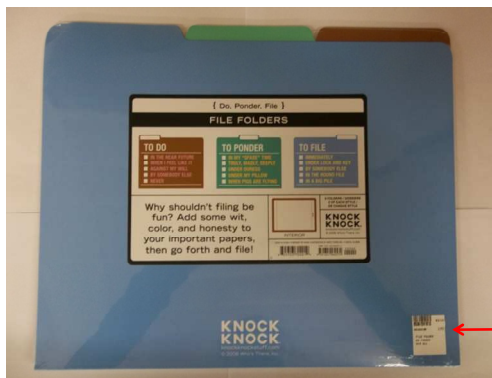
- USB port:
- Label placement - bottom right hand corner of the inner carton.
- Label placement - on the USB lead (using a Rat-tail label)



- File Folder:
- Label placement – bottom right hand corner.
- Use the rattail ticket and cut off the tail



- Wallet & swing tag:
- Label placement - bottom right hand corner of the inner carton.
- Label placement – ticket to be placed in the bottom right hand corner of Mat & May swing tag

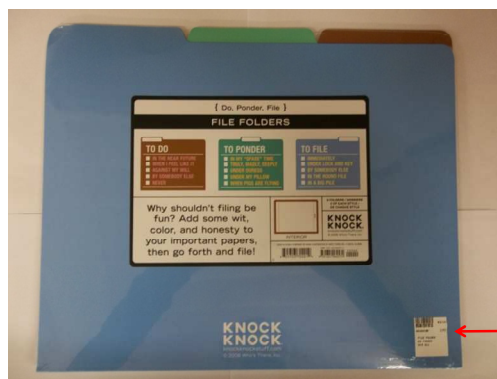


- File Folder:
- Label placement – bottom right hand corner.
- Use the rattail ticket and cut off the tail



- Wallet & swing tag:
- Label placement - bottom right hand corner of the inner carton.
- Label placement – ticket to be placed in the bottom right hand corner of Mat & May swing tag





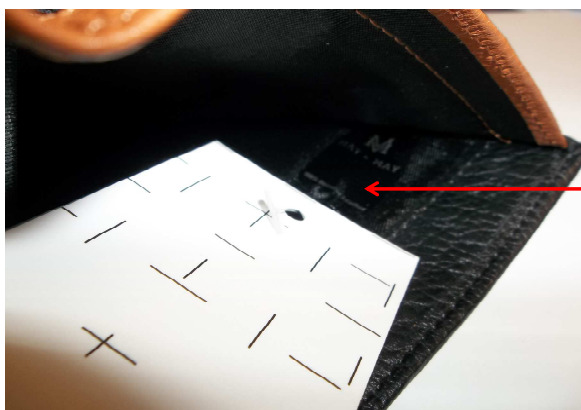
- File Folder:
- Label placement – bottom right hand corner.
- Use the rattail ticket and cut off the tail



- Wallet & swing tag:
- Label placement - bottom right hand corner of the inner carton.
- Label placement – ticket to be placed in the bottom right hand corner of Mat & May swing tag



- Eyewear
- Label placement to be secured to the left arm/temple.



- Wallet:
- Swing ticket should be attached to the wash care label
- Ticket placement should be on the swing ticket :bottom right hand corner.

8. CARTON SEALING

Suppliers must use only branded tape to seal each carton with taping creating an “H” pattern on both the **top and bottom** of the carton by sealing across all of the major and minor flaps. **No clear, non-branded or brown tape may be used.**



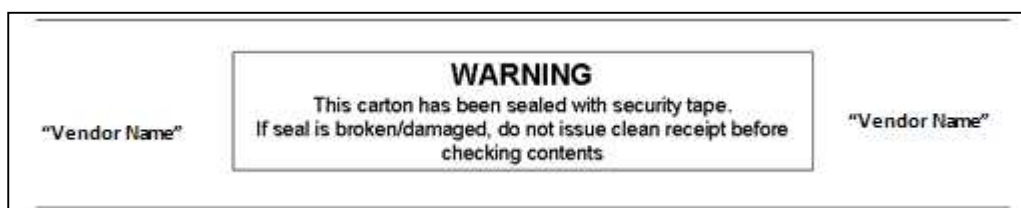
Fig 7.1: Carton to be sealed in H-Pattern on both top and bottom sides

This tape should be 2.83 inches/7.2 cm in width to ensure proper carton closure and minimize carton tampering in transit.

- **NB: Where applicable, metal plates should be applied in all 6 sides of carton, strapped and metal sealed on the outside. Plastic containers to be securely sealed with a metal seal on the outside.**

The branded tape must contain enough glue to ensure proper carton seal on all edges. Please do not use clear tape or any other material to reinforce branded tape as this will increase chances of pilferage resulting in short deliveries into our distribution centres.

Suppliers are required to use **only branded tape** when sealing cartons for delivery to TFG Distribution Centre. This is to ensure that tape is unique to supplier and not easily accessible to minimise pilferage. All tape must be branded as per specifications below:



- The **branded tape** must contain enough glue to ensure proper carton seal on all edges. Please **do not use clear tape or any other material to reinforce branded tape** as this will increase chances of pilferage resulting in short deliveries into our distribution centres.
- This tape should be **2.83 inches/7.2 cm** in width to ensure proper carton closure and minimized tampering on cartons in transit.

8. RETURN TO VENDOR (RTV)

Suppliers are responsible for collection and transportation of merchandise being returned at their expense.

Any orders returned will be at the supplier's expense. The DC will contact the Supplier for collection and make a collection booking.

The RTV will state reasons for returns, with instructions to either:

- Replaceable (return to DC).
- Not replaceable (do not return to the DC)

8.1. REPLACEABLE (RETURN TO DC)

TFG will inform the supplier of the replacement instructions. The replacement must be delivered to the DC within the agreed upon time. A new purchase order number needs to be obtained for any part RTVs PRIOR to delivery into DC. Returned Merchandise must be **RE-INVOICED** stating:

- The RTV No.
- Order number.
- Product No.
- Suppliers reference number.
- Unit cost price.
- Units.

Contact numbers and department for queries:

For Quality Related problems, please contact QC **(021) 937-4047**

For Incorrect Ticketing, Invoicing or Packaging, please contact the Distribution Centre **(021) 938-1469 OR (021) 938 1750**

8.2. NOT REPLACEABLE

Merchandise that has been rejected by American Swiss, Mat & May, Foschini or Sterns should not be returned to the DC.

A credit note must be passed and sent to Accounts Payable Department quoting the following information from the RTV:

- The RTV number.
- The Order No.
- The Product number
- The number of units.

- Unit cost

9. PAYMENT

Suppliers are required to adhere to the requirement below:

- All merchandise must be delivered “**CARRIAGE PAID**” to the destinations stated on the Purchase Order using the suppliers arranged mode of transport.
- All packing slips and invoices must quote the TFG order number.
- The supplier’s invoice (s) must be issued in the name of the supplier as recorded on the TFG purchase order.
- The supplier’s invoice (s) and statements must be made out in the name of:
“Trading Division Name”/ A Division of Foschini Retail Group (Pty) Ltd.
(Invoice (s) and statements that are invoiced incorrectly will be returned to the supplier for re – invoicing, which will result in a delay in payment).

All statements and invoices must be sent to:

Foschini Retail Group (Pty) Ltd.,
 BO BOX 6020
 Parow East
 Cape Town
 7501

- Please note that original invoices must be sent as per TFG requirements.
- The DCs are not permitted to accept faxed or email copies of invoices from suppliers.
- The following instructions concern delivery to one of the Foschini Group Distribution Centres.

10. DC CONTACT LIST

10.1 APPOINTMENTS & DELIVERY MANIFESTS:

Central Number: (021) 938 1002

Lurlane Fortuin

Tel: (021) 937 4521

lurlanef@tfq.co.za

Fax: (021) 938 1480

Jowene Sampson

Tel: (021) 938 1492

jowenes@tfq.co.za

Fax: (021) 938 1480

10.2 QUALITY CONTROL:

Alison Adams	Tel: (021) 937 4047	allisona@tfq.co.za
Adielah Isaacs	Tel: (021) 937 4047	adielahi@tfq.co.za

10.3 TICKETS, INVOICES OR PACKGING:

Luzel Steyn	Tel: (021) 938 1469	luzels@tfq.co.za
Brendon Miller	Tel: (021) 938 1750	brendonm@tfq.co.za

APPENDIX A: QUALITY ASSURANCE - PACKAGING MANUAL

RINGS:

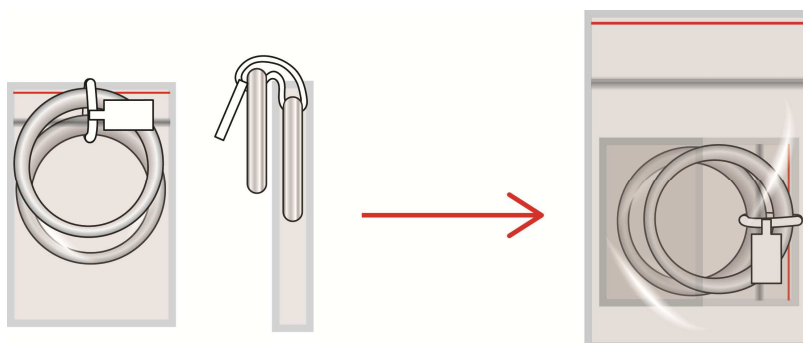
Single rings:

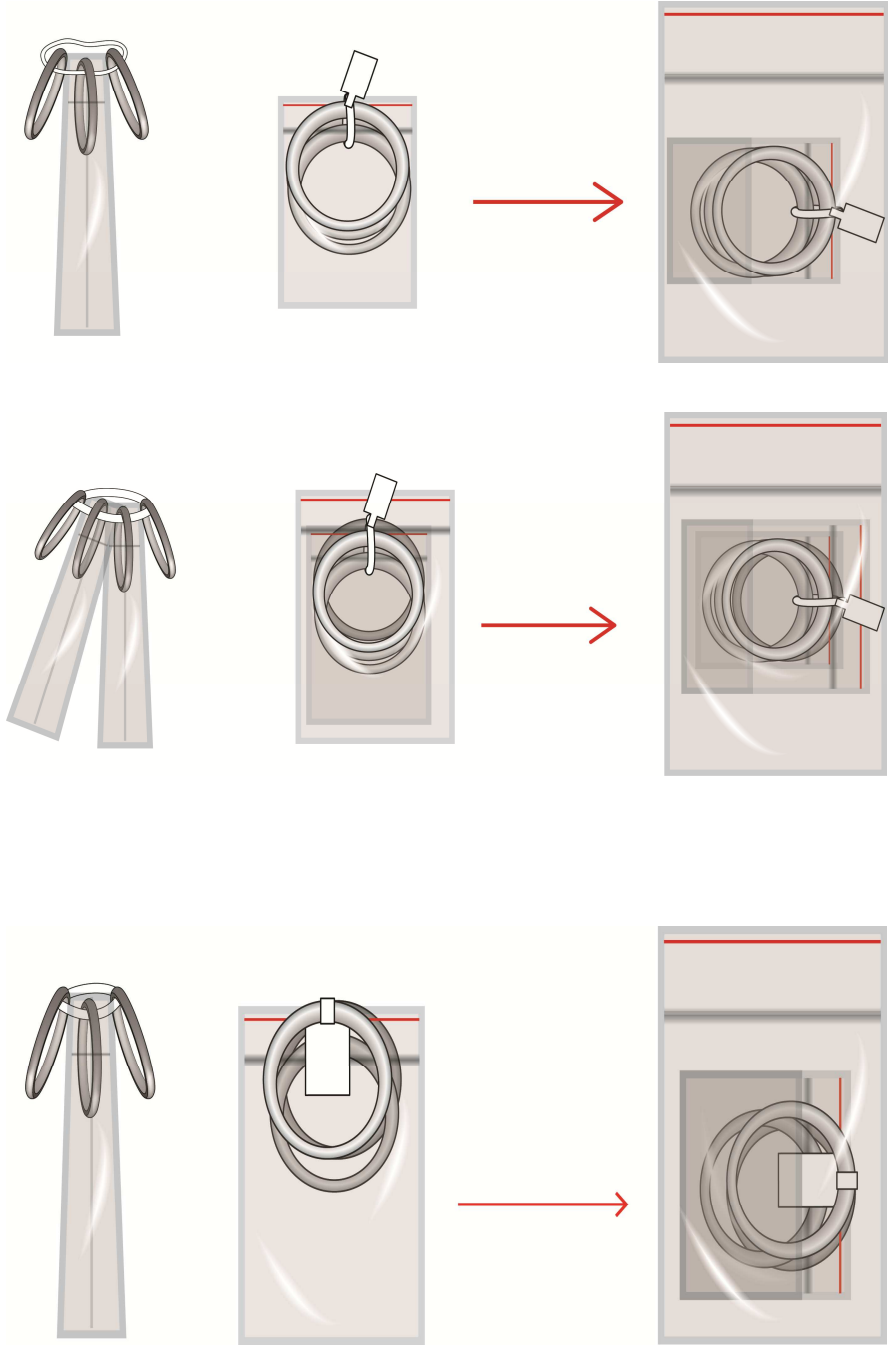
Rings should be placed individually in a zip lock bag.



Multi rings:

The centre ring should be placed in a bag with the other rings on each side, all the rings should then be placed in a bigger bag. Tickets should be visible and able to be scanned easily through the packet.



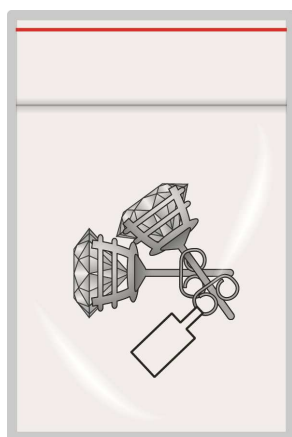


EARRINGS:

Stud earrings

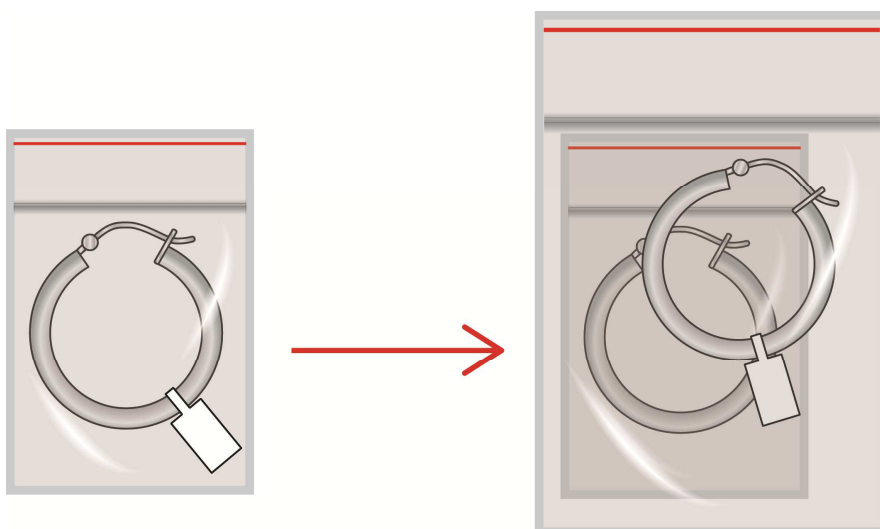
Both earrings can be placed in the same bag as long as they are not loose (place the stem of one earring through the butterfly of the other)

Note: studs can also be packaged like the hoop earrings below



Hoop Earrings

One earring should be placed in a small bag which is then placed with the second earring in a bigger bag.

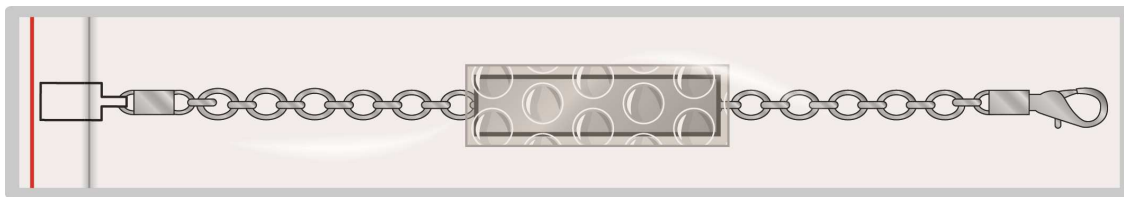


BRACELETS:

Minimum length:

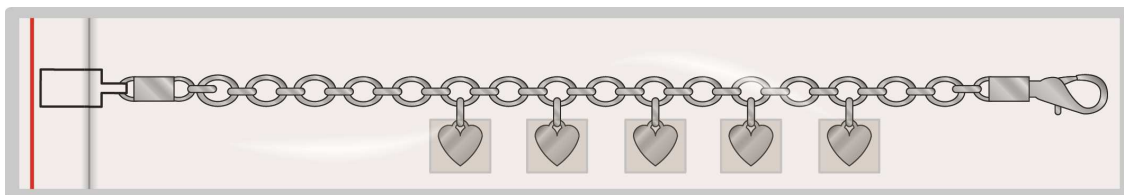
Bracelets should be placed in a zip lock bag with one end sealed in the top of the bag.

ID bracelets- the ID disc should be wrapped in bubble wrap



Charm Bracelets:

Each charm needs to be in a small bag or wrapped in self adhesive cling wrap/plastic.



BANGLES:

Bangles should be placed individually in a zip lock bag.

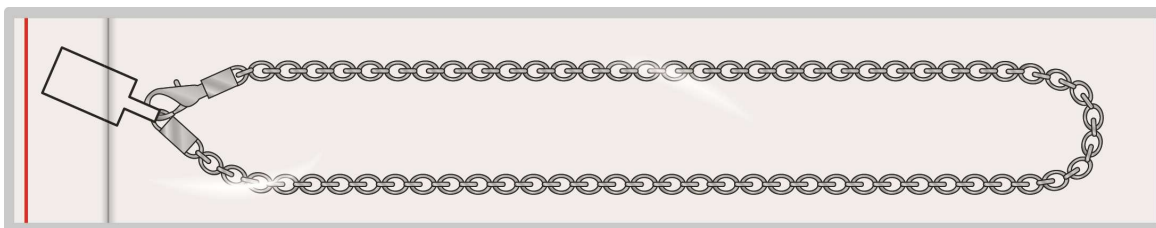


CHAINS:

Chains:

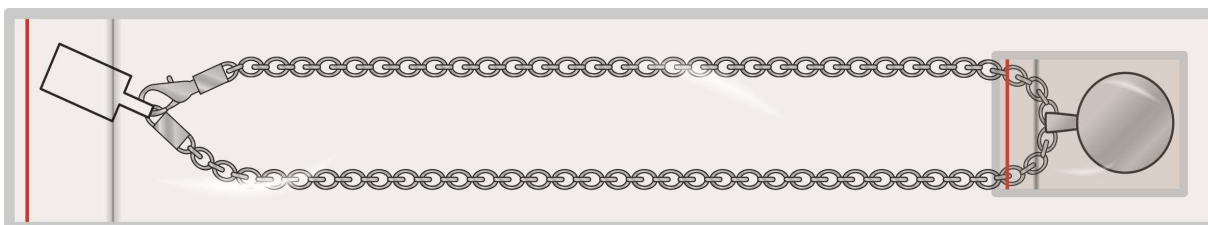
Chains should be placed in a zip lock bag with one end sealed in the top of the bag.

Note: Staples may be used to keep the chain in place

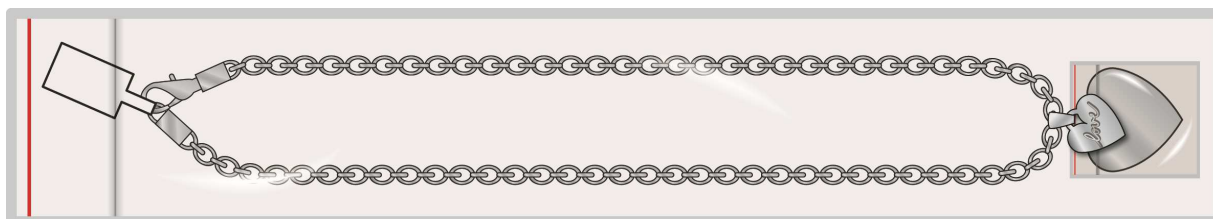


Chains with single pendants:

The pendant needs to be enclosed in a small zip lock bag. Then the chain is to be placed in a larger bag with the clasp and end fastened in the zip/ lock of the bag.

Chains with multiple pendants:

One of the two pendants needs to be enclosed in a small zip lock bag. Then the chain is to be placed in a larger bag with the clasp and end fastened in the zip/ lock of the bag.

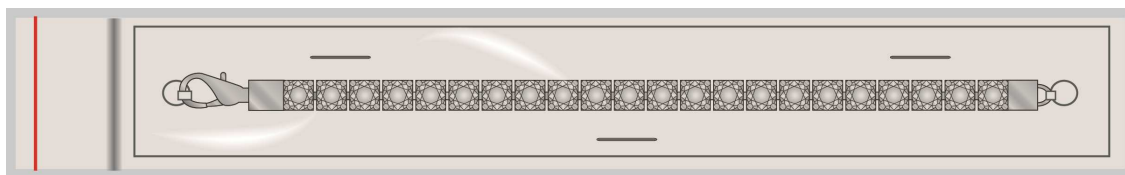


HIGH VALUE MERCHANDISE:

To be specified by buyer

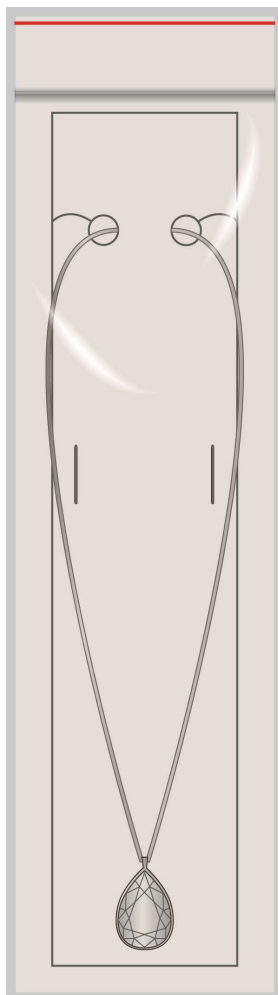
Bracelets:

Bracelets should be secured to cardboard and then placed into the Zip lock bag. Staples may be used to keep the item in place.



Chains with pendants:

Chains with pendants should be secured to cardboard and then placed into the Zip lock bag. Staples may be used to keep the item in place. The pendant can also be placed in a zip lock bag to reduce damage and scratched to the item



APPENDIX B: PACKING LIST TEMPLATE FOR LOCAL SUPPLIERS

PACKING LIST FOR LOCAL SUPPLIERS				
FOSCHINI GROUP JEWELLERY PACKING LIST				
Exporter/Shipper (Name & physical address)				Date:
Tel: Fax: Email:				
Importer/Consignee (Name & physical address)				Invoice Number:
Tel: Fax: Email:				
Shipment Type:		Country of origin:		Country of destination:
Carton Number:	Style Number:	Order Number:	Quantity (PCS):	Weight (KG):
Signature			Date	Remarks