



Supply Chain Vendor Onboarding

January 2022



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CVS Health Supply Chain Overview



Inventory Management

Maintains efficient levels of inventory in our stores and DCs to support sales goals and uphold customer service targets

Inbound Transportation

Center of excellence that monitors and manages optimal delivery of product to our DCs.

Supply Chain Performance

Ensures our Supply Chain is operating at the highest levels of effectiveness via a suite of SCP programs.

EDI

Facilitates B2B e-commerce via Electronic Data Interchange

Reverse & Redistribution

Ensures the proper handling and disposition of non-saleable supply chain returns and aged inventory

Additional Support

For additional support, Resources and documentation, please refer - www.cvssuppliers.com

New Supplier Setup

STIBO MDM System empowers CVS Suppliers with self-serve capabilities to self-onboard, enrich and manage their data.

- ✓ [Stibo CVS Suppliers Portal](#)
- ✓ [New Agent First time log in](#)
- ✓ [Supplier Onboarding Training](#)
- ✓ [STIBO - Supplier Worksheet](#)
- ✓ [Supplier Maintenance Training](#)
- ✓ [Clarify Process Supplier Onboarding](#)
- ✓ [STIBO EDI Worksheet](#)
- ✓ [FAQ Link](#)
- ✓ [New User Request](#)
- ✓ [Additional Vendor # Request](#)

- ✓ [Indemnification Agreement](#)
- ✓ [Product Liability](#)
- ✓ [CVS General Supplier Policy](#)
- ✓ [Supplier Onboarding](#)

New Item Setup

Following resources provide insights and guidance to New Items Setup -

- ✓ [CVS Suppliers Site](#)
- ✓ [Domestic New Item Form](#)
- ✓ [Product Liability Requirements](#)
- ✓ [Hazardous Waste Compliance](#)
- ✓ [Display Guidelines](#)
- ✓ [Packaging Requirements](#)

Inventory Management Department

The Inventory Management team is responsible for maintaining efficient levels of inventory in our stores and our distribution centers to support sales goals and maintain customer service targets. This is accomplished by the following functions:

- Demand Planning – responsible for total forecast (regular, promotional, and seasonal) accuracy
- Supply Planning – responsible for product ordering and flow throughout supply chain

Our Blue Yonder Forecasting & Replenishment system is utilized by the Inventory Management team to forecast the correct quantities needed for our stores. This forecast is used, in a time-phased manner, to maintain sufficient inventory in our distribution centers by creating purchase orders for our suppliers to fulfill. It is critical that we have the most accurate information from our suppliers to forecast and order effectively.

Our suppliers should provide the following information. In the event of changes, it is our suppliers' responsibility to communicate with CVS to ensure purchase order accuracy:

- Order fulfillment lead-time for each of our distribution centers
- Required buying minimums / ordering constraints for each of our distribution centers
- Item master data
 - Case pack, UPC, item cost, case dimensions
- Proactive product availability communication
 - Timely communication to CVS for any PO that was not filled in total (cut report)
 - Providing recovery dates for products experiencing supply disruptions

Specific Inventory Management questions should be directed to your Planner.

Inbound Transportation Department

The Inbound Transportation team oversees and manages freight for Suppliers with Collect Freight Terms. As a center of excellence, our goal is to deliver product into our DCs on-time and in the most optimal way possible.

Supporting our supplier partners, we procure freight solutions for over 18 distribution centers, 9500+ store locations and various other business units. Utilizing a combination of 3PL Logistics companies, asset-based trucking providers, and backhauling via our own Private and Dedicated fleets, we aim to provide quality service on-time and at the best price.

To make certain our suppliers understand transportation expectations, please review the information found at:

<https://www.cvssuppliers.com/logistics>

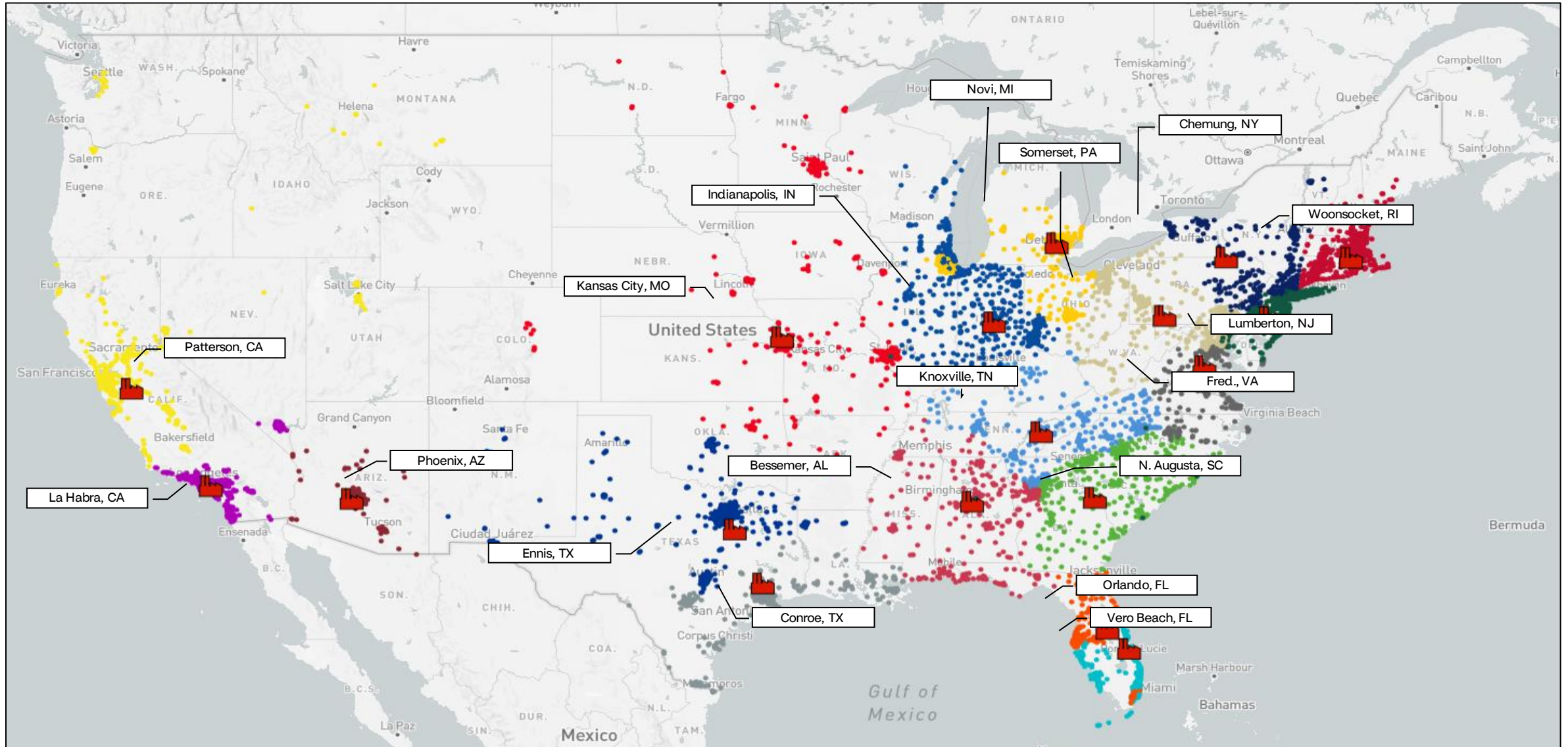
If a supplier would like us to manage their freight and become a Collect supplier, a freight review must be completed. You can request a freight review by emailing TransportationStrat@CVSHealth.com

All Inbound Freight & Backhaul inquiries should be directed to the following emails based on the destination state:

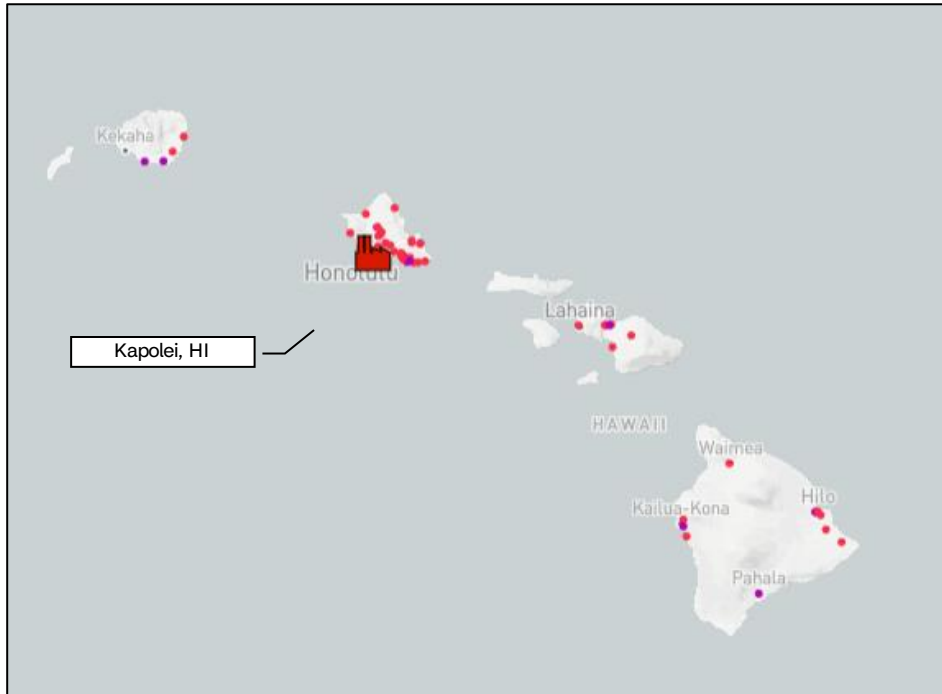
Destination State	Region	Contact
WI, IL, IN, MI, KY, OH, WV, VA, MD, DE, PA, NJ, NY, CT, RI, MA, VT, ME, NH	cvsEast	cvsEast@CVSHealth.com
AK, HI, WA, OR, CA, NV, ID, UT, AZ, NM, CO, WY, MT, ND, SD, MN, IA, NE, KS, MO, OK, AR, TX, LA	cvsWest	cvsWest@CVSHealth.com
MS, TN, AL, GA, SC, NC, FL, PR	cvsSouth	cvsSouth@CVSHealth.com

All CVS Health Imports information can be found at: <https://cvssuppliers.com/import-suppliers>

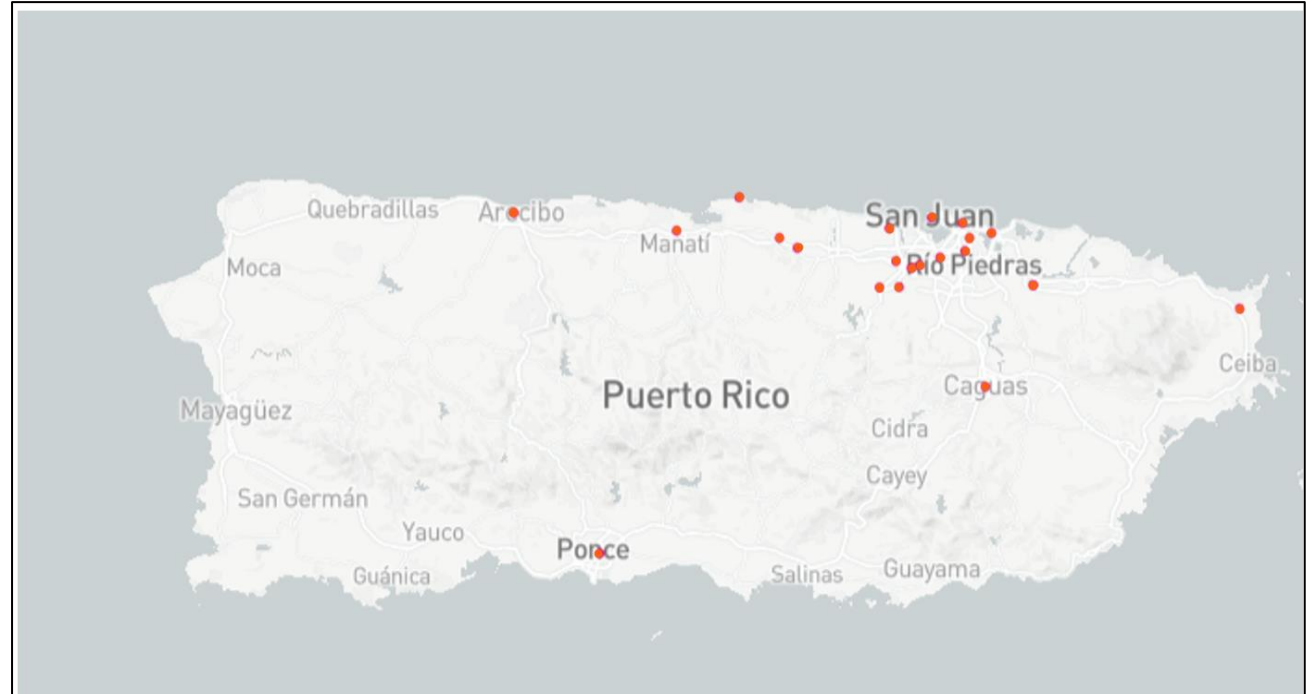
CVS Distribution Network



CVS Distribution Network



Hot Pink-Red = Hawaii serviced
Purple = La Habra serviced, presumably by UPS. (Non-retail)



Orange = Orlando serviced



Packaging – Carton requirements

CVS does not review/approve carton labels prior to shipping. The following requirements provide information to ensure your labels are compliant:

- ✓ **One label per carton**
- ✓ **Size / Placement:** No size requirement. Placement on any one side (not top of carton)
- ✓ **Formatting:** No specific format required. The information can be provided on a label and/or imprinted on the carton
- ✓ **Content:**
 1. Supplier Name
 2. CVS Item Number
 3. Product Description
 4. Case Pack
 5. Weight (required for 10 lbs & over)
 6. UPC Numbers and Barcodes:
 - Each carton must contain the ITEM (12-13 digits) or CASE (14 digits) UPC numbers and scannable barcode
 - If you presently have a CASE UPC/Barcode on the cartons, ensure the CASE UPC numbers were provided on the New Item Form. Questions can be directed to the Item Coordinator Data Management Team IC_DSDTeam@CVSHealth.com
 7. Expiration Date - as applicable
 - Expiration Dates must be in a readable date format (i.e.. MM/DD/YYYY)

Carton Label sample

This is a generic label and is not intended to be used as a template

Shipper Info	Supplier Name	
	Address City, State Zip Code	
Item Info	CVS Item Number 123456	<i>Number of units or inner pcks</i> <i>Required for 10 lbs and over</i> <i>Required date format 00/00/0000</i>
	Product Desc Product Description	
	Case Pack 24 pcs per case	
	Weight 10.5 lbs	
	Exp Date 00/00/0000	
Case UPC / GTIN-14 <i>if currently exists</i> <i>on your cartons</i>	 0 00 12345 60001 2	<i>ensure the existing Case UPC</i> <i>has been provided to the Merchant</i> <i>Team via the New Item Form</i>
Item UPC / GTIN-12 <i>required if a Case</i> <i>UPC is not available</i>	 0 12345 67890 5	

Palletization

CVS does not review/approve pallet labels prior to shipping. In addition to providing carton label described on the previous slide, all pallets must contain two pallet labels, one on any two sides of the pallet, upper or lower corners

- ✓ Suppliers currently providing ASN data – refer to the pallet label sample. The pallet label must contain all components
- ✓ Suppliers NOT providing ASN data – the pallet label must contain the information highlighted in green.

Detailed guidelines on Packaging and Pallet Requirements can be found at - [CVS Supply Chain Routing Guide](#)

Questions about ASN transmission should be directed to - EDI_ASN_Onboarding@CVSHealth.com

Pallet Label sample

This is a generic label and is not intended to be used as a template

Ship From Location	Company Name	CVS Distribution Center	Ship To Location
	Street address City, State, Zip	Street Address City, State, Zip	
Purchase Order #s	Purchase Order Number (s)		
Serial Shipping Container Bar Code (total of 20 #s) <i>SSCC # is required only for suppliers currently providing ASN data</i>	(00) 0 00 12345 55555555 8  SSCC # (see below example)		
	 (00) 0 0123456 000000001 8 Application Identifier Extension Digit GS1 Company Prefix Serial Number Check Digit GS1 Prefix or Serial Number based on length of GS1 Company Prefix		
	Application Identifier (AI) - "00" indicates the SSCC-18 data structure will follow		
	Extension Digit - no defined logic/used to increase capacity of the Serial Reference		
	Company Prefix #s - 7-10 digits. Serial Reference #s - 6-9 digits		
	Serial Reference - assigned by holder of GS1 Company Prefix, unique identifier of shipping container (16 digits)		
	Check Digit - Use Modulo 10 algorithm to calculate. Use a free Check Digit Calculator offered by bar Code Graphics		

Supply Chain Performance

Our Supply Chain Performance (SCP) Program is a critical component to achieving our customer service objectives and remaining competitive in the industry. The following is a snapshot of the SCP programs. Program details are available in the Supply Chain Performance Programs

Instructions <https://cvssuppliers.com/document-library/supply-chain-performance>

Performance Metric	Definition	Penalty
OTIF (On Time and In Full)*	PO delivery in accordance with the original STA date and original PO items/quantities	Percent of noncompliant PO cost based on monthly performance (0%, 1.5%, 3.0%)
Appointment Integrity	Prepaid shipments - carrier's ability to honor DC delivery appointment(s). Failure triggered by one of the following events (<i>do not include weekends or holidays</i>): 1. Arrival beyond 30 minutes of scheduled appointment, 2. Cancellation or Reschedule request with less than 24 hours prior to delivery, or 3. Failure to arrive for scheduled appointment.	\$275 per occurrence, no max
Packing List & Bill of Lading	Adherence to shipping document requirements. Failure triggered by one of the following PL or BL was missing or inaccurate	\$100 per load / per document
Small Parcel*	Adherence with case limits for small parcel/ground deliveries into the CVS DC network: 1. Prepaid Delivery: 15 Cases 2. Collect Delivery: 30 Cases	\$5 per case over the limit, up to \$150
ASN (Advance Ship Notice)*	1. Missing ASNs (includes either of the following scenarios) a) Failure to send an ASN with DC shipment/delivery within two calendar days after the scheduled appointment associated with receipt of inventory, or b) Failure to send an ASN in a readable format (997 Rejection)	Missing/Failed ASN - \$100 per PO
	2. Late ASNs Failure to send an ASN by the calendar day prior to the scheduled appointment associated with receipt of a DC shipment/delivery.	Late ASN - \$75 per shipment/delivery
	3. Inaccurate ASNs Failure to meet all CVS technical specifications for readable ASNs	Inaccurate ASN - \$50 per shipment/delivery

*Facilitated through a vendor portal designed to enable suppliers to fully manage their performance. For portal access, please contact SupplyChainPerformance@CVSHealth.com with the following information: Company Name / Company Vendor Number(s) / Contact Name / Email Address / Phone Number

EDI

CVS requires that all retail suppliers utilize electronic data interchange (EDI) to conduct business-to-business electronic commerce. The following documents are mandatory:

Doc ID	Purpose	Vendor Type	Comments
830	Planning Forecasting	Warehouse	CVS provides 12 weeks of future receipt information with the expected date to be received at the DC
850	Purchase Order	Warehouse Only	CVS will generate a PO for testing purposes.
860	Purchase Order Changes	Warehouse Only	Any PO modifications are communicated to the supplier.
856	Advanced Shipment Notice	Warehouse Only	CVS requires an ASN for each PO. ASN testing should be completed before the first PO is created. ASNs are not sent directly to CVS, but to our logistics partner, Descartes (ZZ/CVS856ASN)
810	Invoice	Warehouse & DSD	CVS will require a test invoice from our new suppliers.
812	Invoice Adjustments	Warehouse & DSD	CVS Accounts Payable may make deductions to your invoice.
824	Invoice Error Notification	Warehouse & DSD	CVS will communicate invoice errors.
864	Text Message	Warehouse & DSD	Throughout the year, CVS may send broadcast messages to our suppliers.
997	Acknowledgements	Warehouse & DSD	We expect to send and receive acknowledgements for various documents.

Our EDI team can be reached at EDIMAIL@cvshealth.com

EDI 810 (Invoice) questions can be directed to EDIAPMailbox@cvshealth.com


EDI 856 (Advanced Shipment Notice) questions can be directed to EDI_ASN_Onboarding@cvshealth.com

Syncrofy

✓ Purpose

The platform empowers Suppliers by providing visibility to –

- EDI Transactions
- PO Changes & Delivery
- ASN data and related acknowledgements
- Order Lifecycle Views



Order Lifecycle Views

- Order Summary Page
- Navigating between Documents and Orders
- Shipment Nodes on the Order Timeline
- Order Information Tab
- Shipment Tab
- Viewing Receiving Information

✓ **Benefits**

- Expanded Search option enables Suppliers to view all documents related to an order.
 - In the image to the right, we can view PO, PO Change, ASN and Invoice for Order #4695462

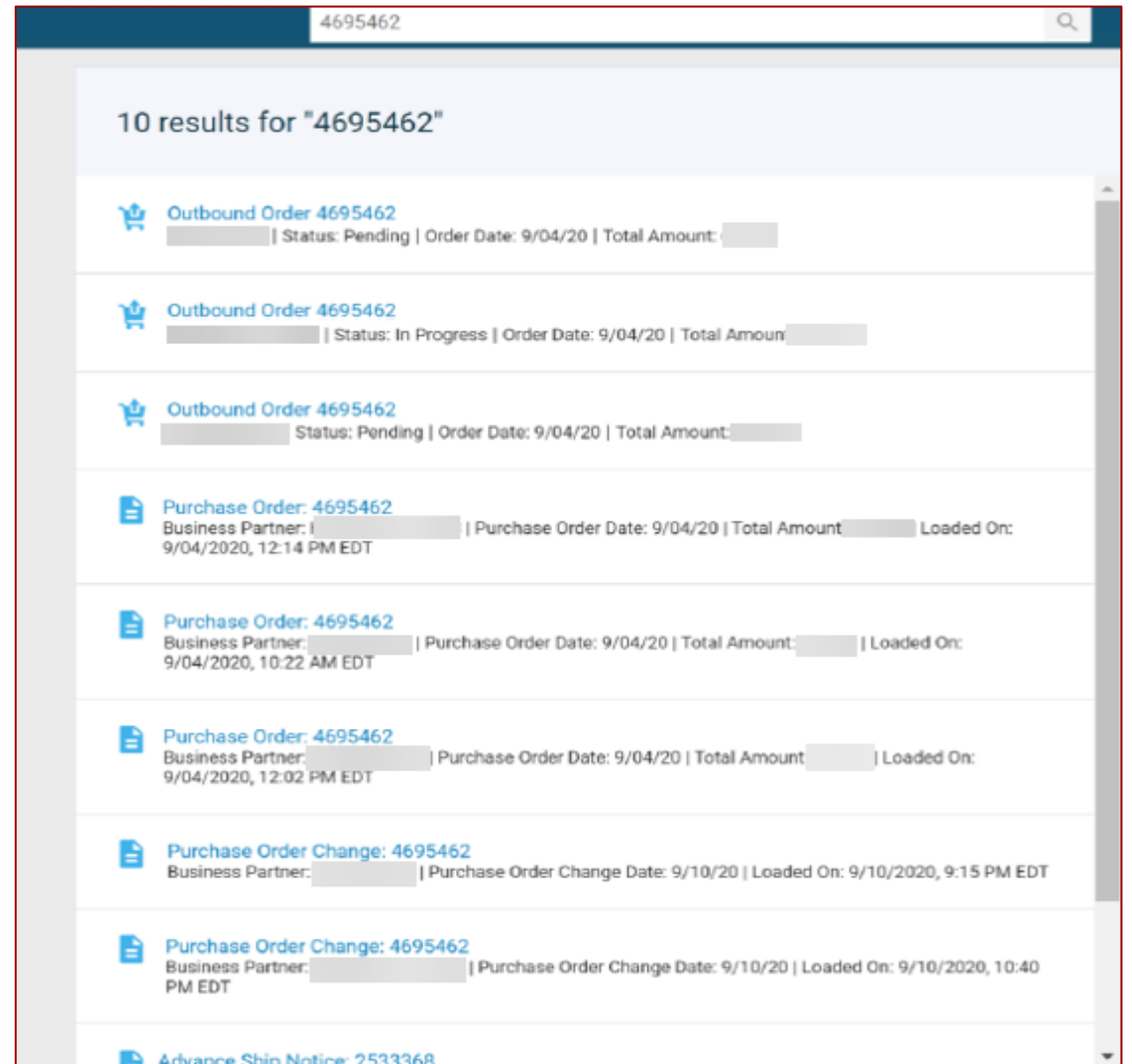
✓ **Requesting access**

- Email EDI_ASN_ONBOARDING@CVSHealth.com with following details -
 - Vendor Name and Number
 - Email address

✓ **Usability guide**



Syncrofy Job Aid



Reverse and Redistribution Department

The Reverse and Redistribution team ensures the proper handling and disposition of non-saleable supply chain returns and aged inventory while minimizing the amount of enterprise profit loss and reimbursement requests.

The team's responsibilities include the oversight and execution of the following:

- ✓ Merchandise Credit and Return Authorizations (MCR's)
- ✓ Management of our Unsalable Policy
- ✓ Aged Inventory Management / Display Disposition
- ✓ Markdown Mitigation and End of Lifecycle Strategies

Reverse and Redistribution inquiries can be directed to the following managed email addresses:

- ✓ Merchandise Credit and Return Inquiries: EOL_Team@CVSHealth.com
- ✓ Unsalable Policy / Aged Inventory Inquiries: ReturnGoodsMail@CVSHealth.com
- ✓ Invoice Detail and Vendor Dispute Inquiries: VendorReconciliationRequest@CVSHealth.com
- ✓ Return for Credit (RFC) Requests: RFCRequest@CVSHealth.com

Supplier Resources

Supply Chain documents and forms can be found by using the following links

- ✓ [CVS Suppliers Site](#)
- ✓ [New Supplier Setup](#)
- ✓ [Supplier Onboarding](#)
- ✓ [Direct Store Delivery/SBT](#)
- ✓ [CVS Routing Guide](#)
- ✓ [Supply Chain Performance Page](#)
- ✓ [CVS Health Fiscal Calendar - 2022](#)
- ✓ [CVS Health DC Holiday Closure Dates - 2022](#)
- ✓ [CVS Health Distribution Center DC Codes and Addresses](#)