



VENDOR DIRECT FULFILLMENT (VDF)
SUPPLEMENTAL STANDARDS

Updated July 2021

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1.0 Macy's/Bloomingdale's Vendor Direct-to-Consumer Overview

Macy's, Inc. and its affiliates (collectively, "Macy's/Bloomingdale's") have established a **Vendor Direct Fulfillment (aka "VDF") Program** (also referred to as "drop ship") to provide customers with a vast number of products not normally carried by either the brick and mortar or online stores of Macy's/Bloomingdale's. The items made available via VDF include odd sizes, unique colors, and secondary assortments and, in addition, VDF also permits Macy's/Bloomingdale's customers to make purchases through Point of Sale (POS) terminals in store, via kiosk devices, or by logging onto macys.com or bloomingdales.com. The VDF program permits Macy's/Bloomingdale's and our vendors to increase sales, improve customer satisfaction and enhance efficiency for our mutual benefit.

The Macy's/Bloomingdale's VDF program, which utilizes EDI and other technologies as explained herein. For those vendors unable to trade documents via EDI, a third party service can be used to assist with flexible file exchange options. Vendors interested in participating in the Macy's/Bloomingdale's VDF Program should partner with their merchant contact, or by reaching out to Macys_VDF_NewVendor@Macys.com.

In addition to these Vendor Direct Supplemental Standards, all VDF transactions are also **governed by the Vendor Standards, which include the [Master Purchasing Agreement](#)**, all as posted on macysnet.com. Note that, when utilizing EDI documents, once a customer order is taken, a purchase order (in the case of EDI an EDI 850 Purchase Order) will be automatically generated and sent to the vendor to be fulfilled. The vendor must then ship the product to the customer within two (2) business days unless another time frame is otherwise approved by the VDF program director and provide Macy's/Bloomingdale's with a shipment notification (in the case of EDI an EDI 856 ASN (Advance Shipment Notification)) indicating that shipment has been made to the customer. To complete the transaction, the vendor must submit an invoice (in the case of EDI an EDI 810 Invoice) to Macy's/Bloomingdale's for payment. The material below provides a general overview of certain requirements for vendors that wish to participate in the Vendor Direct VDF program.

2.0 Commerce Hub Requirements

In lieu of an EDI connection, vendors may be required to use the CommerceHub connection for the exchange of VDF documents.

1. Vendor agrees to strictly follow any requirements issued by CommerceHub and applicable to the OrderStream system.
2. Within 1 hour after Vendor receives a purchase order from Macy's/Bloomingdale's Vendor will acknowledge receipt through CommerceHub.
3. During seasonal peak periods determined by Macy's/Bloomingdale's Vendor, through CommerceHub, may be required to send inventory updates multiple times per calendar day.
4. Vendor must ship orders within two (2) business days of Vendor's receipt of any Purchase Order from Macy's/Bloomingdale's.

3.0 EDI Requirements

1. Vendors may use a third-party EDI provider to trade transactions where both EDI and non-EDI formats are supported. U.P.C. or EAN catalog data must be provided electronically via OpenText Catalogue™ (Macy's/Bloomingdale's preferred method) or by an EDI 832 document transmitted directly to Macy's. Contact OpenText at (877) 446-6847 to set up an OpenText Catalogue™ account, or for the direct EDI 832, call Macy's EDI Support Department at edi.support@macys.com. In addition to OpenText Catalog subscription services or EDI 832 submissions, vendors may be required to submit excel based VLL (vendor line list) or smart sheets. These Excel based sheets will be used to build vendor product records and customer facing pages for Macys.com.
2. Vendors must utilize GS1 mapping version 4010 or higher when exchanging documents. [Mapping Guides](#) for required documents may be accessed via macysnet.com.
3. Vendor must be able to retrieve **EDI 850 Purchase Order documents** throughout each business day. PO documents will be transmitted at hourly intervals throughout each day, with the exception of periodic maintenance outages on Sunday. Any variance in the vendor's EDI 850 purchase order pickup schedule must be approved by the Vendor Direct Office (contact Macys_V2C_Ops@macys.com).
4. Vendor must transmit **EDI 856 Advance Ship Notice (ASN)** the same business day that the order ships. EDI 856 documents must contain carrier tracking information, transmitted in the document's BOL field. EDI 856 documents must contain the carrier's 4-character SCAC code (see mapping). **Note:** VDF orders needing multiple cartons to ship will require a single ASN and unique tracking number for each carton.
5. Vendor must transmit **EDI 810 Invoice**. The EDI 810 document must contain the carrier's 4-character SCAC code. Charges for approved Value Added Services must be added to the 810 document in the SAC segments, including the correct qualifier (see mapping).
6. Vendor must transmit **EDI 846 Inbound - Inventory Advice**. EDI 846 documents will be transmitted once per business day unless preapproved by the Vendor Direct Operations office at Macys_VDF_Ops@macys.com (see mapping). Discontinued product lists for items no longer available for VDF must be submitted to the appropriate merchant contact.
7. Vendor must receive **EDI 820 Remittance Advice** (see mapping).
8. Vendor must transmit **EDI 997 Functional Acknowledgement** document for all inbound to vendor transactions (see mapping).
9. Compliance with EDI requirements for Vendor Direct orders are subject to Macy's Expense Offset Policy detailed in the [Vendor Standards](#).

4.0 Shipping Requirements

1. Macy's VDF shipments must be shipped using the UPS account(s) assigned to the vendor – either during the VDF onboarding process or as needed for additional shipping locations, unless specifically approved or directed by V2C Ops. Setup instructions are provided by the VDF Onboarding team (Macys_VDF_NewVendor@macys.com) when vendors are approved for participation in the VDF program.
2. These Macy's VDF UPS accounts must ONLY be used for Macy's or Bloomingdale's Vendor Direct Fulfillment orders. Any shipping charges assessed to Macy's due to vendor non-compliance will be charged back to the vendor as outlined in [Section 10](#).
3. Shipments that are misrouted due to vendor error must be resolved at vendor's expense.

4. Vendors or their 3PL partners must not select any add-on services, package or shipment options unless specifically directed and approved by Macy's V2C Ops. Any charges for unauthorized services or options will not be paid or may be charged back to the shipping vendor as outlined in [Section 10](#).
5. Vendors are required to enter the PO# number in both UPS reference fields when shipping with the assigned UPS account, as outlined in the Billing Instructions section below.
6. Valid UPS Ship label samples per VDF Specifications (sent with UPS account assignment or upon request) will need to be submitted to the VDF Onboarding manager prior to go live.
7. PO "ship to" data may contain up to four ship to lines of data (see 850 mapping guide). These EDI ship to address segments must be mapped as specified to the UPS PLD fields. This will ensure all four lines are present in both the UPS Shipping Label and Branded Packing Slip ship to addresses, and visible to UPS in the appropriate fields to avoid additional surcharges.
8. Vendor's on-time ship rate must consistently meet or exceed 98.5%.

5.0 Other Vendor Requirements

1. Before beginning participation in the VDF program, a vendor must review, sign, and return the Macy's/Bloomingdale's Vendor Direct Fulfillment Agreement, which will be provided during initial contact with your partnering Macy's/Bloomingdale's merchant team.
2. Vendor must ship the complete order to the customer within two (2) business days of receiving the purchase order, unless otherwise specified in writing by Macy's/Bloomingdale's within the Fulfillment Agreement.
3. No product or U.P.C. substitutions are permitted.
4. Orders must be cancelled if the product will not ship within the required two (2) business days, regardless of reason. For EDI Vendors, notification must be sent to the VDF Operations team by emailing Macys_V2C_Ops@macy.com ; Commerce Hub vendors will originate the cancellation notification via the CHUB portal. All vendors must advise to cancel all out-of-stock orders within one (1) business day of receiving the purchase order.
5. If vendor fails to ship or cancel the order within the required time, a late order status inquiry will be sent by the VDF Operations team via email. Failure to respond to an inquiry within one (1) business day may result in the order being cancelled.
6. All VDF deliveries must be accompanied by a Macy's/Bloomingdale's branded packing list enclosed in each carton shipped to the customer. If a vendor is unable to produce the packing list from the data transmitted in the purchase order, the vendor may opt to sign up with a third-party EDI provider, at the vendor's expense. This provider will generate a branded packing list for each order for a nominal fee. Required specifications for this packing slip are provided by the VDF Onboarding Team.
7. Vendor are required to include the Macy's/Bloomingdale's *Internet order number, reservation number and purchase order numbers* as reference on the branded packing slip to assist customer service with shipment tracking and order inquiries.
8. Wholesale cost change requests must be submitted 30 days in advance of the proposed effective date to the appropriate Macy's/Bloomingdale's merchant team using an electronic format (Excel or CSV file) that includes product U.P.C.s, along with current and proposed pricing/proposed effective date. Note that Macy's/Bloomingdale's makes its own retail pricing decisions and reserves the right to assess each cost change request. Vendor must allow a minimum of five (5) business days for cost change information to be reviewed and, if accepted, updated on

Macy's/Bloomingdale's systems. If Macy's/Bloomingdale's agrees to a cost change request, orders placed while the former cost is in effect must be honored.

9. Vendors in the VDF program are reviewed monthly against Federal Trade Commission (FTC) performance benchmarks. Vendors that fall below the FTC standard are subject to review and corrective action, which includes up to probation and/or termination from the VDF program.

6.0 Daily Alerts and Notifications

Vendors may receive automated email alerts/notifications when a key response or acknowledgement has not occurred within the expected time window. Examples of such alerts include EDI 997 functional acknowledgements and order fulfillment confirmations. For any orders that are not able to be shipped, please follow the cancellation instructions and timelines listed above (see *Other Vendor Requirement, item #4*).

7.0 Claims and Returns

1. If UPS returns a customer shipment deemed undeliverable (customer refusal, incorrect/incomplete address), a vendor must contact the VDF Operations Office @ Macys_V2C_Ops@macys.com within one (1) business day. If shipment was returned due to invalid or incomplete address, vendor may be provided a corrected address to re-ship the packages.
2. If a customer contacts a Macy's Customer Service agent stating that s/he received wrong/broken/defective merchandise, the agent may advise the customer to send the order directly back to the vendor via UPS. In these instances, the vendor will receive a charge back against the order.
3. Unless otherwise agreed to, Macy's/Bloomingdale's requires its VDF vendors to accept returns directly from our customers. Customer return confirmations must be sent to the VDF Operations Office at Macys_V2C_Ops@macys.com within two (2) business days. Macy's/Bloomingdale's will credit customer once this confirmation has been received. Any changes or exclusions to such procedure must be negotiated with the vendor, Macy's/Bloomingdale's merchant, and VDF Operations Director prior to signing the agreement.

8.0 Carrier Billing Error Resolution

1. Vendors and their 3PL fulfillment partners must ensure Macy's shipments are accurately billed to the assigned Macy's VDF UPS account at the time of shipping and conduct regular audits of their shipping system settings to quickly identify any non-compliance.
2. In the event that vendor billing errors occur, the vendor must notify Macy's V2C Ops at: Macys_V2C_Ops@macys.com and take necessary steps to resume billing correctly. Error resolution and correct billing **MUST** be confirmed before Macy's will approve billing error resolution.
3. Macy's supports 2 options to resolve shipping charges billed to the vendor due to vendor/3PL error:
 - Macy's Supply Chain will issue a Letter of Authorization for rebilling by UPS for up to the last 60 calendar days of billing.
 - This will incur additional accessorial charges billed to the original shipper account.
 - For this option, the vendor must provide a list of shipments in Excel format for Macy's order file validation and prior billing check.
 - Direct reimbursement at the rates Macy's would have paid for the last 60 days of shipping with Macy's Merchant approval.

- For this option, the vendor must provide full PLD (package level detail) in Excel format for Macy's to accurately estimate the amount Macy's would have been invoiced if billing had been processed correctly.

9.0 Order Invoicing

Vendors and their 3PLs fulfillment partners must ensure Macy's VDF invoices are submitted within a reasonable time frame. Accuracy is the responsibility of the vendor. Any errors in handling fee billing, including missing handling fees, must be submitted on Macysnet APForms, specifically the Invoice Dispute form. All inquiries must be submitted within 60 days from the original shipment. Inquiries submitted after 60 days will be denied.80002469

10.0 VDF Specific Transportation Expense Offsets

In accordance with the [Vendor Standards](#), Vendor shall be responsible for all charges assessed by carrier for unauthorized/additional services, input errors or non-compliance, or vendor's failure to comply with these VDF Supplemental Standards. Such charges shall be offset against amounts owed by Retailer to Vendor, pursuant to the Vendor Standards.

TRANSPORTATION EXPENSE OFFSETS	FREIGHT CHARGES TO SHIPPING VENDOR
<p>All charges assessed by carrier for unauthorized/additional services, input errors or non-compliance. This is not limited to, but may include:</p> <ul style="list-style-type: none"> • Missing/late/duplicate PLD (package level detail) transmission • Address Corrections due to vendor input error, i.e. delivery address different than EDI PO.) • Adult Signature • Indirect/Direct Signature • Declared Value • Use of Macy's VDF UPS account for non-Macy's VDF shipments 	<p>Assessed Fee from Carrier</p>

11.0 Prepaid Freight Billing Instructions

For Macy's VDF orders, Macy's prefers the vendor's bill PREPAID using their assigned VDF account.

To execute this preference, a new shipper profile must be created within your UPS WorldShip station(s) or your proprietary WMS and may require additional data points from UPS. Please contact V2C Ops (Macys_V2C_Ops@macys.com) when you are ready to set this up for assistance in acquiring the necessary information.

Example:

Authenticate Your Invoice Information

In order to complete the setup of WorldShip, you must authenticate your individual account using information from one of your last three Delivery Service Invoices. Please enter an Invoice Number, Charges This Period, Invoice Date, and Control ID and select Submit to continue. Required fields are indicated with *.

Note: If you do not have access to recent invoice information, please contact UPS Technical Support at 1-888-553-1118.

Account Number: 6V60A2

Invoice Number: *

Charges This Period: *

ZIP/Postal Code: 75006

Invoice Date: *
mm/dd/yyyy

Control ID: *
Required if it is present on your invoice

Country: US

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12.0 3rd Party Billing Instructions

If a vendor partner is unable to execute Prepaid freight billing for Macy's VDF Orders, 3rd party billing to their assigned Macy's VDF UPS account should be used. Vendors must ensure that billing for Macy's VDF orders is properly aligned to their Macy's VDF UPS account. Instructions for input into UPS WorldShip, UPS CampusShip and UPS.com are detailed below.

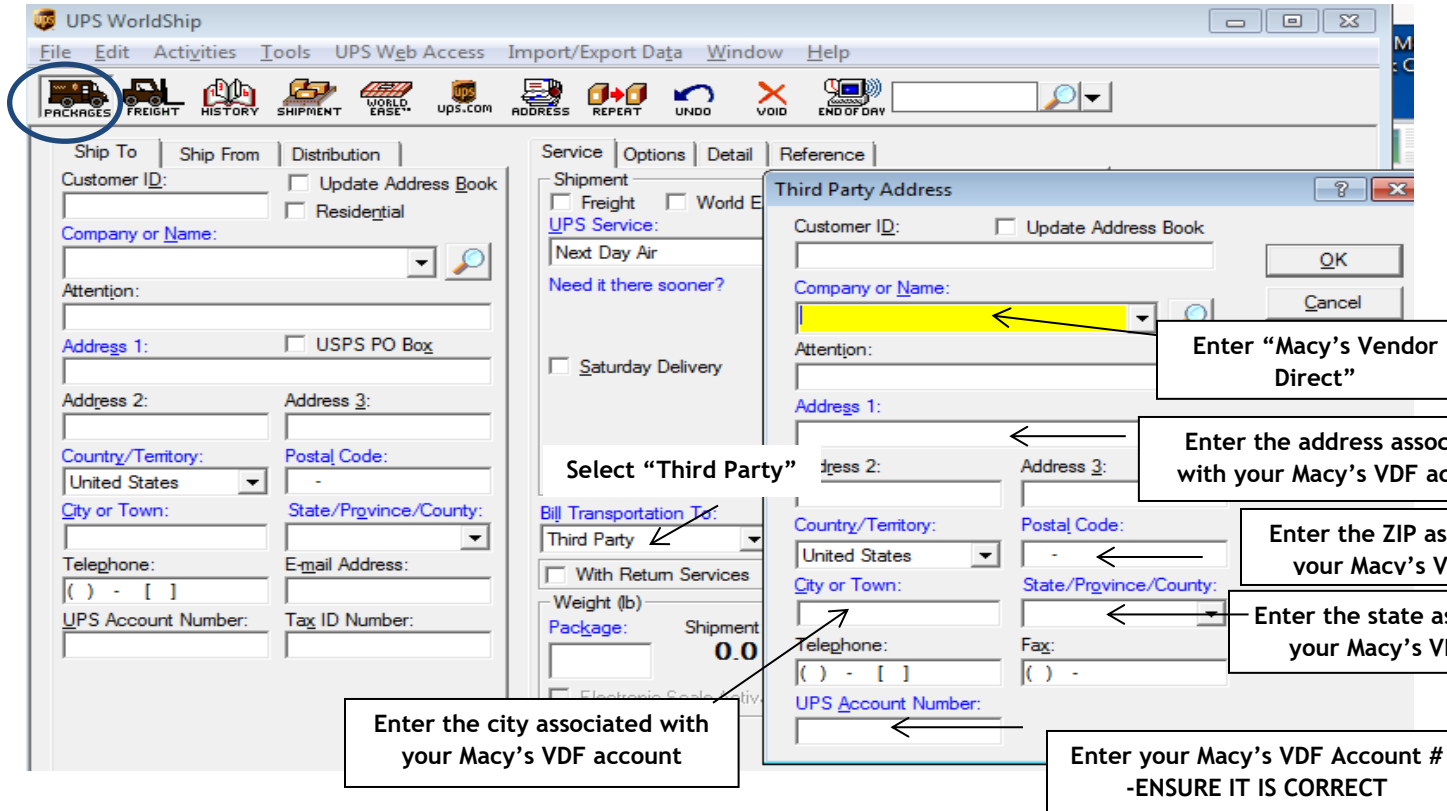
12.1 UPS WorldShip

Step 1. On the "Packages" tab:

In the Bill Transportation To field:

- Select "Third Party".
- Enter Macy's Vendor Direct in the "Company or Name" field.
- Enter the address associated with your Macy's VDF account in the "Address 1" field.
- Enter the ZIP associated with your Macy's VDF account in the "Postal Code" Field.
- Enter the city associated with your Macy's VDF account in the "City or Town" field.
- Enter the state associated with your Macy's VDF account in the "State/Province/County" field.
- Enter your assigned Macy's VDF Account Number.

- Select **OK**.



Step 2. Next select the "Reference tab:

In the **Reference #1** field enter the Purchase Order Number (8 Digits).

In the **Reference #2** field enter the Purchase Order Number (8 Digits).

For assistance in setting up UPS as a carrier using the WorldShip option, please contact UPS at 888-553-1118. UPS will assist you with setting up a new account, ordering supplies, creating shipping labels and scheduling pick-ups.

12.2 UPS CampusShip

When shipping via UPS CampusShip interface to Macy's DC's, the following fields must be completed on the "shipping", Create a Shipment" tab as illustrated:

In the Payment Method for Shipping charges field:

- Select "**Bill a Third Party Account**" for all vendors.
- Enter your Macy's VDF Account Number, which was specified in your VDF contract.
- Enter the ZIP associated with your Macy's VDF account in the postal code field.

In the **Reference #1** field enter the Purchase Order Number (8 Digits)

In the Reference #2 field enter the Purchase Order Number (8 Digits)

Vendors using the CampusShip option can contact UPS Customer Service for assistance at 877-289-6418.

Shipping Resources

Welcome, Greg Hemme | Logout Administration My Settings

Create A Shipment

Begin Your Shipment [Help](#)

Please enter your shipping information below. Required fields are indicated with *.

[Set your preferences](#) to enable **one-step shipping**. ([Don't show this message again](#))

1 Where is this shipment going?

Address Book:
Select One --- or enter a new address below
[Enter New Address](#) [Corporate Address Book](#)

2 Where is this shipment coming from?

5 Would you like to add reference numbers to this shipment?

UPS gives you the option to track your shipments using [references](#) that you define.

Reference # 1 ← Enter PO Number

Reference # 2 ← Enter PO Number

Reference # 3

[Add a bar code for Reference # 1 to my Shipping label](#)

6 How would you like to pay?

Please enter your payment information below. The information you enter will be transmitted using a secure connection. Required fields are indicated with *.

Payment Method for Shipping Charges: Select "Bill a Third Party Account"

Third Party UPS Account Number: Enter your Macy's VDF account number. Ensure it is correct.

Country: United States *
Postal Code : Enter the ZIP associated with your Macy's VDF account.

Save and set as my default Third party account

12.3 UPS.com

When shipping Macy's VDF orders via the UPS.com interface, the following fields must be completed on the "Shipping", "Create a Shipment" as illustrated:

In the Payment Method for Shipping charges field:

- Select Bill a "Third Party Account".
- Enter your Macy's VDF Account Number.
- Enter the ZIP associated with your Macy's VDF account in the Postal Code Field.

In the **Reference #1** field enter the purchase order number (8 Digits).

In the **Reference #1** field enter the purchase order number (8 Digits).

Vendors using the UPS.com option can contact UPS Customer Service for assistance at 877-289-6418.



Create A Shipment

Package **Freight**

Begin Your Shipment [Help](#)

Please enter your shipping information below. Required fields are indicated with *.

[Set your preferences](#) to enable **one-step shipping**. ([Don't show this message again](#))

1 Where is this shipment going?

Address Book:

Select One --- or enter a new address below

[External Address Book](#)

Enter a New Address

Company or Name: *

City: *

Contact: *

State: *

Country: *

United States *

ZIP Code: *

Address Line 1: *

Telephone: *

Ext: *

5 Would you like to add reference numbers to this shipment?

UPS gives you the option to track your shipments using [references](#) that you define.

Reference#1

Reference#2

Enter PO Number

Enter PO Number

[Add a bar code for Reference#1 to my Ship](#)

6 How would you like to pay?

Please enter your payment information below. The information you enter will be transmitted using a secure connection. Required fields are indicated with *.

Payment Method for Shipping Charges: [Check I](#)

[Bill a Third Party Account](#) *

Select "Bill a Third Party Account"

Third Party UPS Account Number: *

Country: *

United States *

Enter your Macy's VDF account number. Ensure it is correct.

Postal Code: *

Enter the ZIP associated with your Macy's VDF account number

Save and set as my default Third party account