Supply Chain Partnership

Inbound Routing Guide

Revised Effective: January 2021

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Our Mission

Every day, around the world, we enhance outcomes for patients and their caregivers.

LEGAL & REGULATORY

A – OSHA Statement – The OSHA Hazard Communication Standard requires Manufacturers, Importers, and suppliers to label containers of toxic substances or hazardous chemicals with the chemical name and hazard warning. Material Safety Data Sheets (MSD’s) for these substances for all shipments are required.

B – HAZARDOUS MATERIALS – Items that are hazardous need to meet the regulated requirements (i.e.- Department of Transportation (DOT), International Air Transport Association (IATA), etc) of hazardous materials. The purchased parts that are classified hazardous must be packaged, marked, labeled, classified, and shipped according to the regulated rules and requirements.
INBOUND SHIPPING & ROUTING INSTRUCTIONS

The following instructions apply to ALL merchandise shipped to Welch Ally. Compliance with these instructions is MANDATORY. Failure to follow these instructions shall be an agreement to pay all excess transportation charges, plus an administrative fee.

Shipment Preparation

I. Purchase Orders/Procurement Card Orders – All purchase orders and procurement card orders specify the “Ship to” location to which orders are to be shipped. Merchandise MUST be shipped exactly as ordered.

II. Packaging Requirements – Packaging MUST conform to the freight carrier’s requirements to withstand normal transportation hazards. Claims that develop due to improper packaging will be charged back to the shipper.

III. Marketing Requirements – Every article of freight MUST be fully identified with the following information, in addition to the packing slip requirements specified in our Supplier Compliance Policy, attached hereto.
   A. Supplier’s name and complete shipping address.
   B. Our complete “Ship to” address
   C. If ordered on our procurement card, complete Welch Allyn procurement Reference Number, and name of the Welch Allyn employee authorizing the shipment.
   D. If ordered on our purchase order form – our complete purchase order Number.
   E. Item number and quantity in each carton.
   F. “Of” lot numbering (eg 1 of 2, 2 of 2).

IV. SHIPMENT PREPARATION & DELIVERY - Our goal is to build mutually beneficial business relationships with our suppliers by being specific about our needs and promptly paying your invoices. This Supplier Compliance Policy ensures uniformity in shipping and invoicing procedures. In Choosing suppliers with whom to do business, we look for those who can best meet our requirements. We expect all of our suppliers to work with Welch Allyn efficiently and profitability and will comply with our standards of excellence.

   A. PACKING SLIPS: Requirements A-E below pertain to all Welch Allyn locations EXCEPT Welch Allyn de Mexico (refer to Shipping Instructions to Welch Allyn Mexico). Every shipment must be accompanied by a packing slip affixed to the outside of the lead carton. All packing slips must show the following:

      1. Welch Allyn Purchase Order Number, Part Number and Quantity Shipped.
      2. Each Itemized Line on the Purchase Order or JIT Delivery Schedule should represent one itemized line on the packing Slip.
      4. Suppliers Invoice or Packing Slip Number.
      5. Pro-card purchases must show Ship to Attention Line and Welch Allyn Reference Number.

   B. INCOMING DELIVERIES:
      1. Cartons must have consistent pack quantities per Welch Allyn Purchase Order Unit of Measure.
2. Cartons must not exceed 40 lbs each without prior approval from appropriate Welch Ally buyer.
3. Appropriate Buyer must be notified of over and/or under shipments prior to shipping.
4. Shipments must be delivered within the delivery window +5 days early to 0 days late of the ETA date.
5. All Shipments must be shipped according to the Welch Allyn Shipping and Routing Instructions.
6. Purchase Order Number or credit card Reference Number must appear on all shipping labels.
7. Truck Shipments must be palletized (where applicable) per packing instructions

C. **Packing Best Practices:**
1. Material must be palletized with in the perimeter of the pallet, in order to avoid damage. No items should overhand the edge of the pallets.
2. Reduce the height on the configuration of the pallets for heavy materials to prevent the material from collapsing due to excess of weight.
3. Maximum pallet dimensions should be 40”x48”x52” height.
4. Use corner board protectors to prevent the material from collapsing and protect from damage.
5. Stretch film must be tied to wooden pallet and wrapped a minimum of 3 turns around the load.
6. No lose cartons on top of pallets.
7. Place labels with legend DO NOT DOUBLE STACK on four sides of the pallet.
8. Pallets used to ship internationally must be heat treated to ISPM 5 standard and be marked accordingly. Pallets must be in good condition with no broken or loose boards.
9. Refer to Palletizing Best Practices section at the end of this document.

D. **Invoices:** When required, all invoices must meet the following requirements:
1. Only ONE copy of the invoice required.
2. Invoice must clearly state:
   a. Correct Purchase Order Number and Welch Allyn Part Number.
   b. Correct terms as specified on the Purchase order.
   c. Breakdown of quantity by Part number.
   d. Total cartons shipped.
   e. Name of the contact person at Welch Allyn that negotiated the PO.
   f. Invoicing must be in the same Unit of Measure as corresponding Purchase Order or JIT Delivery Schedule Report.
   g. Each itemized line on the invoice must represent one and only itemized Line from the Purchase order.
3. Welch Allyn Invoices must be emailed to:
   
   apamerica@welchallyn.com

4. Freight Charges may not be billed on merchandise invoices. No charges will be paid which are not on the Purchase Order. Under no circumstances is Welch Allyn to be billed for service charges, insurance charges, handling charges, nor documentation fees.
5. Payments via EFT (Electronic Funds Transfer) is preferred.
Carrier Selection – US and Canada Suppliers

V. Parcel Carrier: All shipments weighing less than 400 lbs, chargeable weight are to be routed via Ground where package size and weight limitations are within the standards set out by the carrier. Individual packages on these shipments should not exceed 40 lbs. each. Packages of less than 40 lbs. each should be consolidated whenever possible into over packs not exceeding 40 lbs.

VI. LTL: For shipments from 400 pounds to 10,000 pounds and where shipments occupy 750 cubic feet or less of carrier’s equipment, ship via the Less Than Truckload (LTL) carriers noted in this guide based on your origin state and the freight destination. Shipments should be palletized to dimensions not exceeding 52”H and a 42”x48” footprint. Packages should not overhang the edge of the pallet.

VII. Truck Load: For all shipments which exceed 10,000 pounds, or which Equate to 10 Pallets or more, please call your Purchasing Agent for routing instructions.

VIII. AIR FREIGHT SHIPMENTS WHEN CHARGES ARE TO BE ABSORBED BY WELCH ALYN.

1. All airfreight shipments to be pre-approved by a Welch Allyn representative. Unauthorized air shipment costs will be charged back to the shipper.
2. Receiving site’s FedEx account number MUST be entered in the appropriate space on the airway bill. In addition, our Purchase Order Number or Procard Reference Number must be entered on the AIRWAY BILL.

IX. Freight Terms

A) For all Welch Allyn EXCEPT ProTrans:
Freight should be shipped Freight Collect, Third Party Billing to:

Welch Allyn (USD) / WCAL01  
c/o Data2Logistics  
PO Box 61050  
Fort Myers, FL 33906

For Welch Allyn carrier ProTrans:
Freight should be shipped Freight Collect, Third Party Billing to:

Third-Party Billing  
PROTRANS  
P.O. Box 42069  
Indianapolis, IN 46242

X. Carrier Selection – Product of US Origin:

A) Parcel carrier (refer to buyer for account number) - FedEx
B) LTL: per origin/destination tables below
C) Truckload and Air – contact you purchasing agent
LTL CARRIER CONTACT INFORMATION

All LTL Inbound to Welch Allyn, Skaneateles Falls, NY will use SAIA:

SAIA
Vendor Inbound scheduled on line at www.Saia.com or through Corporate Customer Service 1-800-765-7242

All LTL I/B to Welch Allyn, San Diego, CA will use ProTrans:

ProTrans
Customer Service / pick – ups
Phone: (888) 744 - 7669
E-Mail: optimizops@protrans.com

All LTL I/B to Welch Allyn, Milwaukee, WI and Allen Medical, Acton, MA will use FedEx LTL:

FedEx Freight - Economy
1.800.218.5058 for Premier LTL Customer Service
FreightFOC@fedex.com
**How to Fill Out a Bill of Lading:**

The bill of lading is a critical document in the shipping process. A bill of lading is required for all non parcel shipments and serves as a receipt and a contract. A properly completed bill of lading legally shows the carrier has received the freight as described, and is obligated to deliver that freight, in good condition, to the consignee.

The information on the bill of lading is important. It provides direction to carrier personnel throughout the route of the shipment – the ORIGIN, piece count, billing instructions and special handling requirements. Any changes to a bill of lading, such as re-consignment or reversal of terms, always require a shipper-approved, corrected bill of lading.

Consider the following items before filling out a bill of lading.

1. **Know who is responsible for paying the freight charges**-the shipper, the consignee or a third party (shipper prepaid (PPD); consignee-collect (COL); third party – PPD).
2. **Know how your merchandise is described according to the NMFC (National Motor Freight Classification).**

**Filling out the Bill of Lading:**

1. **Consignee:** Enter the name, address and ZIP code for the customer receiving the shipment.
2. **Shipper:** Enter the name, address and ZIP code for the shipper tendering the freight to carrier.
3. **Date:** Enter the pick up date of the shipment.
4. **Shipper’s number:** Enter shipper’s number, if applicable.
5. **Bill of Lading Number:** Enter the bill of lading number, if applicable.
6. **PO Number:** Enter the purchase order number, or reference number (required).
7. **Number of Packages:** Enter the number of handling units in the shipment. If shipment is unitized the number of units and the number of cartons on each unit MUST be listed.
8. **Hazardous materials:** If the commodity being shipped is a hazardous material (as defined by DOT), identify this on the Bill of Lading.
9. **Kind of packaging:** description of articles, special marks and exceptions: Enter the name of the commodity and its description. If known, please provide the NMFC number of the commodity. This field should also be used to provide the proper four-digit UN Number for hazardous materials, as well as any special handling or protective service instructions.
10. **Weight:** Provide the weight for each commodity being shipped including packaging and pallet/skid weight.
11. **Class of Rate:** Provide the appropriate NMFC class for the commodity being shipped.
12. **Freight charges:** Denote freight charge responsibilities (i.e. Collect, prepaid or 3rd party).
13. **Shipper:** Denote your company’s name and sign your name on the “per” line of the section.
14. **Carrier/per:** The pickup driver will provide the carrier’s name and signature. Insist that driver sign his full name, not just initials.
15. **Total number of pieces:** Driver to denote number of pieces and date received. This should be as specific as possible. (example: 40 cartons on 2 pallets)
16. **Buyer Contract Information.**
**Shipping Instructions to Welch Allyn Mexico**

In addition to Shipping Instructions noted above, there are additional specific requirements for shipments destined to Welch Allyn Mexico.

Welch Allyn utilizes a Third Party Warehouse for this location and the ship to address for all items shipping to Welch Allyn Mexico, regardless of ship method is:

```
Welch Allyn Mexico  
C/O BLS  
2001 Sanyo Avenue  
Building 1, Suite C  
San Diego, CA 92154  
```

Acceptance of the shipments by BLS will be conditional, subject to Welch Allyn physical verification of the goods when they arrive in Mexico.

Your product will be crossing through US and Mexican Customs. This will include inspection of the product before being delivered to Welch Allyn de Mexico. It is imperative that the counts as well as packing slip information are accurate.

**Packing slip** must include the following information:

1. Purchase List (outside of the box)  
2. Purchase Order Number  
3. Welch Allyn Part Number  
4. Number of boxes  
5. Individual box quantities  
6. Description of goods  
7. Gross Weight  
8. Original Manufacturer  
9. Country of Origin

**Mexican Customs** also requires specific information to be on the **Package Label per below**:

1. The information must be presented in Spanish or English (not both) and be printed at least 1.5 cm high.  
2. If the package is less than 32 square cm, the text height must be at least 1 cm high.  
3. The information that is required on the Package Label includes:  
   a. Name or generic name of the product  
   b. Quantity – unless obvious- can be seen.  
   d. Box Numbering – Box 1 of 3, 2 of 3, 3 of 3 etc.

**NOTE:** SAMPLE SHIPPING LABEL BELOW IN ENGLISH AND SPANISH – USE EITHER ENGLISH OR SPANISH OR SPANISH VERSION BUT NOT BOTH.
Key Note: Accurate identification of products: Improperly identifying materials and / or inaccurate count exposes Welch Allyn to fines, penalties, and even confiscation of product by Mexican customs. Suppliers are responsible for accurate representation of their products; therefore, any costs incurred will be the suppliers’ responsibility.

Key Note: Wooden Pallets:

1) Wooden pallets must be Internationally Heat Treated or fumigated with methyl bromide.
2) Must have the symbol identifying this printed on the pallet itself.
   See: appendix: Packaging Requirements.
3) Plastic pallets are permitted

Mexican Customs will not allow any pallets into their country that do not follow this guideline. Any pallets not marked properly will be detained and repackaged. Any additional cost for repackaging will be billed to Suppliers.
INTERNATIONAL SHIPMENTS (US IMPORTS)

FILLING OUT IMPORT DOCUMENTATION:

Please fill out the commercial invoice when shipping into Welch Allyn US locations with the following information.

It is vital this information is filled out completely to clear US Customs and US Food Drug Administration (FDA) release (when applicable).

Information needed:

1. Welch Allyn Purchase order number (on all international documentation).
2. Complete and clear description of the item being shipped.
3. Harmonized Tariff code verified by Welch Allyn procurement team.
5. The declared value will be the price Welch Allyn will agreed to pay for the goods supplied.
6. Samples that are being shipped must include the commercial value of the parts for US Customs purpose.
7. All documents supplied must be in English
8. Medical Device Listing Number (if applicable)
9. FDA Product Code (if applicable)
10. 510K (if applicable)
11. Full name and address of the manufacturer
12. Shipper and Consignee’s contact name and telephone number just in case questions arise.

If you have questions regarding the data needed on the commercial invoice please contact your Commodity Manager or Purchasing Agent.

It is vital that the product packaging contain Country of Origin marking in accordance with US Customs regulations. This COO marking must agree with statements contained in the Commercial Invoice for this shipment.
Carrier Selection – International shipments

All airfreight shipments to be pre-approved by a Welch Allyn representative. Unauthorized air shipment costs will be charged back to the shipper.

NOTE: all weights are to be the greater of actual or dimensional weight. Dimension weight is calculated as follows:

\[
\text{dimensional weight (kg)} = \frac{\text{length (cm)} \times \text{width (cm)} \times \text{height (cm)}}{6000} = \text{chargeable weight (kg)}
\]

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<tr>
<th>TRANSPORTATION MODE</th>
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<th>REQUIRED DOCUMENTS</th>
<th>INCO terms</th>
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<td>Expeditors</td>
<td>Expeditors</td>
<td>Commercial Invoice, Packing List, Airway bill or Bill of lading</td>
<td>FCA Origin</td>
</tr>
<tr>
<td>&gt;100lbs originating all locations other than Europe</td>
<td>Ceva Logistics</td>
<td>Ceva Logistics</td>
<td>Commercial Invoice, Packing List, Airway bill or Bill of lading</td>
<td>FCA Origin</td>
</tr>
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Palletizing Best Practices:

REQUIREMENTS FOR WOOD PALLETS

The following provides the general requirements for pallets used for packaging and load unitization of products being shipped to Hill-Rom facilities. These requirements are applicable to new construction and reuse of used pallets.

GENERAL REQUIREMENTS

A. New Pallets

1. Reusable pallets that are: 48” x 40” in size, sizes are specified in order of Length x Width. The width direction is always parallel to the top deck boards. Material cannot be shipped on any other pallet size without prior approval from Hill-Rom.

2. GMA 1A or 1B Grade pallets:
   i. 6 or 7 boards on top, depending on board width
   ii. No less than 4 boards on bottom
   iii. 3 Notched Stringers
   iv. 4-way entry

3. Pallets must have a safe working load of at least 2,200 lbs. (1000 kg).

4. Single use pallets are prohibited.

5. Ship only on pallets that are in good condition, broken and damaged pallets are not acceptable and may be rejected at the seller's expense.

B. Used Pallets

1. The term “Used Pallet” includes any recycled, remanufactured, or repaired pallet that is not made entirely from new lumber. Used GMA 48 x 40 partial 4-way entry stringer pallets are allowed if they meet the following criteria:
   a. Wood Pallets having all deck boards present and securely attached.
   b. “Grade #1” or “A Grade” – a common industry name for a repaired pallet in almost new or near original condition. Broken stringers may have been replaced or repaired with metal plates. All damaged deck boards are replaced, and nail heads are flush. This is a fairly clean pallet that is structurally sound.
   c. “Grade #2” or “B Grade” – another common industry name for a used pallet having two or fewer damaged stringers repaired. All deck boards must be present, repaired, and securely fastened. Some protruding nail heads are allowed.
**C. International Pallets**

1. Must meet General wood pallets requirements above.
2. Must meet ISPM 15 wood packaging requirements and have this branding visible.
3. Supplier must supply a copy of their IPPC certified Heat HT Stamp if shipping material on HT pallets.

**D. Wood Pallet References**

a. Grocery Manufacturers of America (GMA) – Grocery Industry Pallet Specifications
b. ISPM-15 Compliance Heat Treatment (HT)

**REQUIREMENTS FOR PALLET LOADING**

The following provides the general requirements for pallet loading and unitization of products being shipped to Hill-Rom facilities.

**A. Pallet loading**

1. When shipping on pallets, pallet loads cannot exceed 52” this includes the pallet base. Any variance to this requirement needs prior approval by Hill-Rom.

2. The pallet pattern selected must provide the most efficient usage possible. The selected pattern must allow for the pallet load to have **no overhang of the containers over the pallet edges**.

3. Mixed pallet loads must have a “MIXED LOAD” label applied to the exterior of the pallet load.

4. The total loaded pallet weight cannot exceed 2000 lbs. (907 KG)

5. Place labels with legend “DO NOT DOUBLE STACK” on four sides of the pallet

6. Lose cartons placed on top of a pallet is not acceptable.

**B. Pallet Load Securement**

1. When shipping on pallets, all containers must be adequately secured to pallets using either plastic banding or stretch wrap so that the load cannot shift.

2. When banding is the primary method of unitizing the load, the load must be secured with two (2) bands in each direction, the length direction and the width direction.
Non-metallic banding is required for use with corrugated materials. The use of corner boards under the bands is required to prevent damage to the boxes on the top layer of the pallet.

3. Stretch wrap should be clear.

4. When stretch wrapping pallet loads, the stretch wrapping must start below the deck boards of the pallet load and extend up to the top of the load. The stretch wrap must not be so tight that the vertical box edges at the corners of the pallet are excessively deformed. A minimum of 2 wraps should be applied to both the top and the bottom of the pallet. For heavier pallets it is recommended that 3 wraps be applied to both the top and bottom of the pallet. Some products will require corner boards to be used under the stretch wrap on each of the 4 vertical pallet edges to assure that the product maintains vertical stacking.

C. Packaging Performance Requirements
1. All corrugated boxes, pallets, etc., must be of enough strength to withstand in-transit small parcel, LTL, FTL, containers and in-house handling.

2. All corrugated boxes must have adequate stacking strength capabilities to be able to be stacked to the 52” max height requirement.

3. Claims that develop due to improper packaging will be charged back to the shipper.

D. Shipment Preparation Requirements
1. No more than one part number is to be packaged in a primary container. When palletizing loads, if more than one-part number is loaded onto a pallet, special “Mixed Load” labels are to be used.

2. Cartons must have consistent pack quantities per Hill Rom Purchase Order Unit of Measure

3. When possible, individual cartons should weigh no more than 25lbs and cartons must never exceed 40 lbs.

4. Appropriate Buyer must be notified of over and/or under shipments prior to shipping.

5. Each individual part container must have the following marking written or labeled.
   G. Supplier’s name and complete shipping address.
   H. Our complete “Ship to” address
   I. If ordered on our procurement card, complete Hill-Rom procurement Reference Number, and name of the Hill-Rom employee authorizing the shipment.
   J. If ordered on our purchase order – our complete purchase order number.
   K. Item number and quantity in each carton.
L. “Of” lot numbering (e.g. 1 of 2, 2 of 2)