

Tuesday Morning Transportation Service Levels & Load Planning Guidelines

February 2020

This document will outline Tuesday Morning's guidelines for inbound transportation, and clarify what is expected of our Vendor community. There are some terms relevant to this that need to be clearly defined:

Releasing/Routing: Used interchangeably. Releasing/Routing is when the Vendor goes into the MercuryGate tool to notify us a PO is ready for pick up. The Release Date/Routing Date is not necessarily the same as the **Ready Date**.

Ready Date: This is the date the shipment will be ready for a carrier to pick up. Vendors are required to enter this into MercuryGate during the Releasing/Routing process. It does not always equal the Release Date/Routing Date because, for example, a Vendor can route a shipment on Monday and state that it will be "ready" on Wednesday. In MercuryGate, the **Ready Date** appears as the **Early Date**.

Target Week: The Target Week of a PO is defined by Tuesday Morning and corresponds to a specific **Start Ship Date** and **Ship Cancel Date**. Our policy is that the vendor must route on the Wednesday before the **Start Ship Date**, but no later than the **Start Ship Date** itself.

Full Truckloads (FTL) – A full truckload is a single pick up request of 2,600 CUFT or greater; approximately equal to 18 non-stacked, standard size pallets. This is a shipment that takes up 75% or more of a 53' trailer.

Less Than Full Truckloads (LTL) – A shipment that is less than 2,600 CUFT or 18 pallets. This is a shipment that takes up less than 75% of a 53' trailer on its own.

Tuesday Morning's guidelines for load planning are based on the **Ready Date** provided by the Vendor, the **Target Week** set by Tuesday Morning, and whether it is a **FTL** or **LTL** shipment. We have a two-tiered service level target that is based on these three factors:

FTL Shipments will be scheduled to have the pick-up occur **within 5 business days** from the **Ready Date**.

LTL Shipments will be scheduled to have the pick-up occur **within 10 business days** from the **Ready Date**.

Example:

A Vendor enters a shipment with a **Ready Date** of Monday, June 1, 2020. If it is a **FTL** shipment, it will be picked up on or before Friday, June 5, 2020. If it is a **LTL** shipment, it will be picked up on or before Friday, June 12, 2020.

Notes:

- **Ad Events**

GreenCard and Ad Event POs will continue to be prioritized regardless of load size.

- **Early Shipments**

We will continue to allow our Vendors to release/route a PO early (providing a **Ready Date** more than 5 business days before the **Start Ship Date**). For the purposes of the service level target, the 5-day or 10-day pick up window will not begin until the Monday prior to the **Start Ship Date** as based on the **Target Week**.

Using our earlier Example:

A PO has a **Start Ship Date** of Saturday, June 6, 2020. The Vendor provides a **Ready Date** of Friday, May 29, 2020. Our Service level guidelines begin on Monday, June 1, 2020; the Monday of the intended ship week.

If Tuesday Morning requests the Vendor to release/route earlier than that, the **Target Week** should be updated to match the request.

Vendors that release/route early on their own (not at Tuesday Morning's request), may have their shipments picked up early, however, that decision is made at the discretion of Transportation based on capacity and load optimization.

Load Optimization Example: We are currently planning for Week 20 orders. A vendor has a Week 20 and Week 22 order ready on the same day, and combining both loads would make a full truckload. We would pick up the Week 22 order even though it's early to optimize the load.

- **Accurate Information**

It is critical that Vendors enter accurate information into MercuryGate. Incorrect data prevents us from optimizing loads and will cause delays in picking up. If we are unable to pick up due to a Vendor-caused issue, our Service level begins when we have accurate information. Examples of Vendor-caused issues:

1. Shipment not ready for pick up on the **Ready Date** provided.
2. Incorrect pick up address entered
3. Pallet/carton count, CUFT, or weight entered incorrectly

Example:

A Vendor routes a **FTL** shipment for 24 pallets and the carrier is assigned to pick up on Monday. When the carrier arrives, the Vendor actually has 26 pallets, 2 more than will fit on the truck. A 2 pallet shipment is a **LTL** shipment, and the 10-day service level is determined by the date we found out, not from their original **Ready Date**.