



ADMINISTRATIVE OFFICE
1191 Huntington Avenue | Wisconsin Rapids, WI 54494
715-424-2712 | FAX 715-421-1885

2406 East 21st Street | Marshfield, WI 54449
715-387-1161 | FAX 715-389-1443

41 Park Ridge Drive | Stevens Point, WI 54481
715-344-4563 | FAX 715-344-4250

SAMPLE Proposal for Order Fulfillment – 2020

SET-UP FEES — Based on starting with 10 SKU's or less, ODC may waive the initial set up/inventory fee. We'll work closely with the Customer and our Customer Solutions rep to set up an integrated system that requires minimum reentry of information. Once everything is set up, inventory related work will fall under the hourly fulfillment charge category noted below. **NEGOTIABLE**

RECEIVING, CHECK IN & STOCKING OF PRODUCT – There are USUALLY no initial charges for general receipt of product. Addressing issues such as damaged product (including photos), shortages, paper work discrepancies, etc. would be invoiced at the hourly fulfillment rate below. ODC will dispose of excess corrugated and other items at customer's request. We will attempt to reuse cartons when practical if requested by the customer.

STORAGE — We start at \$8/month per standard size pallet space (40 x 48 x 50 high) and can negotiate based on volume and weight. Pallets can contain a limited amount of mixed product. If linear or other space needs arise, we can review and provide an alternate pricing program to accommodate specific storage needs. This usually happens as the number of SKU's increases and the number of items stocked for each SKU decreases. Storage charges are invoiced monthly based on pallets in-house on last day of month. **NEGOTIABLE**

PRODUCT ASSEMBLY – Separate quotes for product assembly provided as needed. Details of specs, materials and steps included appear on the quote letters (each quote is separate from this agreement). These are always subject to review or change until we receive actual samples of the product(s) we'll be working with.

PICK & PACK – Pick and pack is slightly different than the product assembly charges noted above and includes pulling and packaging multiple pre-packed items to be packaged as a group outside of the specs listed on the package assembly quotes. These will be billed under fulfillment at that hourly rate.

FULFILLMENT SERVICES – We start at \$24/hour for order intake, pick and pack, processing and coordinating of shipments regardless of where they're shipping or whose account the charges are billed to. Inventory management, cycle counts, physical inventory, special requests and reporting will all be covered under this rate also. **NEGOTIABLE**



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TECHNICAL SERVICES - \$35/hr for database development, templates and forms or other information systems support requested by customer. **NEGOTIABLE.**

PRODUCT CHECKS & REWORK SERVICES – Quoted as needed based on complexity and project needs.

RETURNS –ODC can receive returns and re-enter into inventory/restock at the fulfillment rate (all return charges the responsibility of customer). How to handle inventory changes is worked out with each individual customer.

SHIPPING CHARGES – When using ODC shipping accounts, customer will be invoiced for the published freight charge + 10%. That 10% helps cover weekly fuel surcharges and weekly service charges from the shipping company. It does not include our processing or handling of the orders. There is no mark up when shipping using third party accounts. The time it takes to prep and coordinate third party shipments is billed under the hourly fulfillment rate. We work with all the common carriers (UPS, Spee-Dee, FED EX, USPS, etc) as well as a variety of LTL/trucking carriers.

OTHER CHARGES – Any material/items not included in the specific package assembly quotes but required by the customer will be charged additional and quoted as needed (cartons, labels, pallets, etc.). Label printing would be additional if not included in assembly quotes.

DEADLINES & GUIDELINES –This varies if we're building to stock vs. building to order. More complicated pick and packs take more time and will have to be requested earlier in the day.

INTERNATIONAL SHIPMENTS –. We are reviewing our involvement with any direct to consumer international shipping and are not committing to anything without detailed discussions at this time.

ODC CUSTOMER SERVICE– We've moved away from direct contact with the end-user/purchaser/consumer (retail) for various reasons (we can discuss). We have a dedicated line for our service to our customer.

INSURANCE - ODC has insurance coverage for up to \$25,000 of an individual prospect/customer's inventory. If customer needs an amount greater than that, they have to purchase that on their own.



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INVOICING – Charges will be invoiced monthly. **NEGOTIABLE.**

CLIMATE CONTROL – We are set up for ambient temperature products. Dry food products are OK. We are not currently set up to handle large volumes of temperature sensitive food items (no high volume refrigeration).

PEST CONTROL – We have an IPM Program (Integrated Pest Management) that ensures our facility has effective controls and processes in place to minimize pest activity. Our current provider is Orkin and the program includes both rodent and general pest control with weekly checks conducted.

This document is not all inclusive and is to be used as a starting point for discussion.

REVIEWING THE AGREEMENT - Most of our agreements start effective the first day of the receipt of the first order or product shipment (inventory). We usually set up a six-month trial and review the pricing and terms after that point. If both sides agree, we move forward annually but still review items as needed based on changes to the program or customer needs. Either party can terminate the agreement with a written 30-day notice (or time frame negotiable).

Once we get rolling and have a better feel for consistency of approach/product, volume, efficiencies, etc. we would consider taking a look at a per package cost for some of the services but we find there are always outlying tasks that fall within the hourly category.

For questions and discussion contact:

Becky Krause

Director of Social Enterprises

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