Fresh Direct 101

2/24/17

Purchases:

All orders are sent from Nicole to Rae who creates the following:

1. COLA if needed
2. Item Code
3. Price Posting based on a 1.15 exchange rate
4. Sales Order
5. Purchase Order

Receiving Orders at FDL:

Once FDL receives in the inventory the following is created:

1. Rae creates the invoice from the sales order
2. Adds in the admin charge classified as FD-LIC
3. Sends the wine invoice and the freight invoice to Nicole and Fresh Direct AP
4. Closes the original sales order and adds the item to SO17577. This SO is fulfilled with each order much like a bill and hold. We do this to avoid confusion at FDL – fulfilling each item on independent SO they assume they are separate orders and therefore volume discounts were not given

Depletion of Inventory:

Fresh Direct requests deliveries to their warehouse a few times a week. Ann and Nicole send the official PO to Rae.

1. Rae fulfills the SO and references FD PO number on it
2. Sends to FDL for delivery

Weekly Reporting:

Fresh Direct does not like the Axis report so we created a new report for them.

1. Every Monday they receive Fresh Direct Weekly Statues Update – Importing
2. Every Friday they receive Rae’s spreadsheet of their AP.

Billing:

Fresh Direct is billed off the following rules:

1. .34/case for storage billed to Fresh Direct
2. .10/case billed to FDL and taken off their bill (they are splitting cost with us)
3. Deliveries to Fresh Direct get volume discounts
4. If they receive a Monday delivery over 100 cases they receive an additional .50/case discount on top of normal discounts
5. No monthly Admin billing as they are billed admin on wine inbounding to FDL
6. All taxes are billed back normal
7. They want all billing broken out for them by SKU each month and that is why Rae sends to them (see attached example)