



**Walmart Stores, Inc.**

**“Best in Class”**

**Fresh Shell Egg Program**



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## Executive Summary

### Walmart “Best in Class” Fresh Shell Egg Program

Walmart Stores Inc, the world’s largest retailer, is committed to providing fresh shell eggs to consumers at affordable prices by setting goals to meet “Best Practices” and reduce environmental impact while encouraging category growth. By following this program suppliers will provide Walmart with a product that meets or exceeds the government requirements for food safety, animal husbandry, shipping requirements, and sustainability.



# I. Egg Specifications

## Summary

Walmart Fresh Shell Egg specifications provide requirements to suppliers certified by the USDA. These requirements include brand names and product description. All brands names available for use at Walmart must be listed. Product description will include the following:

- A. General Information
- B. Grade
- C. Weight
- D. Age
- E. Packing and Packaging
- F. Code Dating
- G. Handling and Storage

These specifications will also include requirements not certified by USDA but are the responsibility of the plant management such as:

- ⇒ HACCP Programs
- ⇒ Biosecurity
- ⇒ Case Labeling
- ⇒ Other labeling information required by State Egg Laws
- ⇒ Minimum Code life received at the DC's
- ⇒ Pallet Standards

These specifications will be closely monitored and reviewed. Plant facilities, equipment, and all processing operations must comply with the information outlined in this document.



## Egg Specifications – Grade AA

### Grade AA Shell Egg Specifications

Date Issued: \_\_\_\_\_

Shell Eggs supplied to Wal-Mart Stores (applicable brand names include Country Creek, Sunny Meadows, Wilcox, Olympia Valley, Radlo Foods, Sunny Farms, Wagon Trail Farmers Market, Peach Country Farmers Market, Big River Farmers Market, Ozark Farmers Market, LoneStar Farmers Market, LakeShore Farmers Market, Hudson Valley Farmers Market, Township Farmers Market, Sun Valley Farmers Market, California Farmers Market, Mountain Range Farmers Market, Oceanside Farmers Market, Southwest Farmers Market, Farm Fresh, Sparboe Farms, Sparboe's Best, County Post, First Light Egg Farm, Herbruck Farms, Great Eggs and Great Day Farms) shall be U.S. Grade AA as outlined in the current edition of the Regulations Governing the Voluntary Grading of Shell Eggs, 7 CFR, Part 56 and the U.S. Standards, Grades, and Weight Classes for Shell Eggs, AMS56, and should conform to the following specifications:

Revision #: \_\_\_\_\_

Revision Date: \_\_\_\_\_

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Plant facilities, equipment, and all processing operations must comply with a minimum of all USDA requirements.

### I. Product Description

- A. General: All shell eggs (white and brown) produced for Walmart, with the exception of Jumbo's and "specialty eggs", must be inspected by a USDA Grader and must meet the following Walmart specifications:
- Jumbo's are not subject to USDA grading. Jumbo's should be at a maximum of 7% checks/cracks at origin.
  - All shell eggs must be washed, sanitized, and dried according to USDA guidelines.
  - Shell protection (oil treatment) is optional.
  - "Specialty eggs" are not subject to USDA grading. Specialty eggs will be classified as Sparboe's Best, Sparboe Farms Cage Free Brown, Sparboe Farms Omega, Land O Lakes, Smart Balance, Eggland's Best, Cage Free Eggland's, Free Roam, Free Range, Cage Free, Vita Eggs, Great Day Naturals, Nature's Harmony, Born Free, Davidson's Pasteurized Egg (Produced From USDA Grade A or Grade AA), Farmers Harvest, Huevos de Calidad and Great Day Farms brands. (These eggs must be graded by the processing plant to USDA quality specifications, but are not required to carry the shield).
  - Organic eggs are also classified as "specialty", but they must meet the requirements of the USDA National Organic Program certification and bear that seal.



A combination of In-Line / Off-Line production will be allowed in the following manner:

- \*\* At least 80% must come from In-line production. The exceptions are brown eggs and "Specialty Eggs". These eggs are allowed to come from Off-Line production. Any deviation from this must be documented in writing to the Walmart for approval.
- \*\* However, a goal must be put into place to move to 100% In-Line production for future everyday supply. The exceptions are the holidays (Easter, Thanksgiving and Christmas), brown eggs, and "Specialty Eggs".

B. Grade: Lot average shall not be less than the following standards:

C. At Origin

90% AA Quality

No individual case may contain less than 83%AA Quality.

The balance (10%) may be within the next lower grades. Within this tolerance (10%) not more than 5% may be checks. Individual cases may not exceed 8% checks.

D. At Destination

72% AA Quality

No individual case may contain less than 62% AA Quality.

The balance (28%) may be within the next lower grades. Within this tolerance (28%) no more than 7% may be checks. No individual case may contain over 10% checks for suppliers that deliver to a warehouse.

E. Weight: All product shall meet USDA minimum weight requirements for the applicable size. It is permissible to pack the next larger size of eggs into cartons (for example, large eggs packed in medium cartons) provided they are not intermingled in the same carton with the lower marked weight class.

F. Age: All eggs must be of current production from in-line facilities and must be packed within 24 hours of the day of lay. All others must be packed within 168 hours (no more than 7 days old).

G. Packing and Packaging:

1. Cartons – Eggs shall be packed in new consumer size packages bearing Walmart's approved brand name(s) and the USDA official grade mark except for Jumbos and "specialty eggs". All federal regulatory information must be stated on cartons.

\*\*Additionally, any other labeling information required by State egg Laws must be present.

- a. All Egg Cartons must meet specifications listed in Exhibit II.
- b. Cases – All Eggs must be shipped in cases that meet the specifications listed in **Exhibit II**. After filling, each case shall be fully taped across the length of the top and extending down each end by at least 2.5 inches. Tape may be gummed or plastic, 1.75" – 3" wide. Bottoms of cases are to be stapled, taped or glued.



**\*\*Meeting all of the SFI certified case requirements is the responsibility of the supplier and packing location, not USDA.**

Case Labeling – The case must be labeled / printed on a minimum of 1 side – **Exhibit III**. Each shipping label must be clearly identified with:

- Brand of the SKU
- Product Description
- Name and address of packer or distributor
- Grade and size
- UPC Number
- Case Pack Quantity
- Case Stock Number (this is usually the last 5 digits of the UPC)
- Best by Date or Use by Date or Exp. Date or Sell By Date as applicable
- "Keep Refrigerated" statement
- The font and size of the print may vary, but all fonts must be large enough to see from a distance.
- The product description needs to be the largest print on the case.
- The print must be dark enough that it can be clearly read.
- Label must be color coded so the different sizes can be easily identified
- Labels must be visible on all pallets.

**\*\*Meeting all of the Case Labeling requirements is the responsibility of the supplier and packing location, not USDA.**

H. Code Dating: Cartons must bear the Julian pack date as required by USDA. Additionally, cartons must bear an expiration (Exp) date not to exceed 24 days (including date of pack) in Arizona. Cartons outside of Arizona must bear an expiration (Exp) date not to exceed 30 days. The expiration date is to be shown as follows:

Exp 8-3-07  
or  
Exp Aug 3-07  
or  
Best By 8-3-07  
or  
Best by Aug 3-07  
or  
Use By 8-3-07  
or  
Use by Aug 3-07  
or  
Sell by 8-3-07  
or  
Sell by Aug 3-07

"Specialty Eggs" and Brown Shell Egg cartons may bear a "Use Before", "Use By", "Best Before", "Best if Used by" date not to exceed 45 days (including date of pack), in all states that will allow it under USDA requirements.

For Alaska, eggs can have a "Use By" Date, therefore they can be packed with 45 days.



\*\* Grade AA eggs must have at least 17 days of shelf life in Arizona and 20 days in other states when they arrive at the warehouse unless approved by Walmart. Keep in mind that the 17 or 20 days is actually counted the day after it arrives since those eggs would have already missed billing that day, therefore when they reach the DC they must have 18 days in Arizona and 21 days outside of Arizona.

I. Handling & Storage: All processed eggs at the packing facilities must be stored at temperature between 38°F and 45°F.

\*\* All processed eggs must be transported at temperature (air temperature) between 38°F and 42°F.

Eggs on a pallet must be within 1 day of each other and the oldest eggs must be on the top layers of the pallet.

## II. Other Requirements:

\*\* A. HACCP: All suppliers must use a HACCP program for established standards and controls for the following areas;  
Pre-Processing:

- Feed, Chickens, Housing, Vaccination, Pest (flies, beetles, etc.) and Rodent Control.

\*\* B. Biosecurity: Suppliers must have a strict policy regarding visitors to production facilities according to HACCP.

For Example:

- Clean shoes, sanitized hands, and special clothing for laying area. Visitors may not be connected with the raising of chickens due to possible spread of disease.

\*\* C. GFSI Certification for all shell Egg Processing facilities

- See [www.GFSI.com](http://www.GFSI.com) for list of recognized schemes

Walmart Stores, Inc. will perform audits periodically at the farms / plants as well.

Traceability is very important – we must have on record your procedures and we should be working towards being able to trace to the house/flock/production location in the future. Suppliers must have the ability to perform product tracking (trace back) whenever necessary.

Suppliers must be compliant with the Bioterrorism Act of 2002, for traceability of feed grain sources and manufactured feed going to all chickens.

Suppliers must be willing to submit to annual (or more frequent) on-site inspections as determined by Walmart.

Fines for No Dates, No or Incorrect UPC's, Wrong Brand Labels or Loose Eggs, etc.,--any non stop sale reason for stores not being able to sell the product will result in a \$25 fine plus the cost of the product.

(\*\*) **Not certified by USDA. Responsibility of plant management.**





### III. Laser Egg Etching

We are adopting new freshness and traceability guidelines that will require eggs to be laser etched with Use by Date, Grade, Size, USDA plant code, Julian pack date. The laser etching technology and process must be scientifically validated to demonstrate the structural integrity and safety of the egg is not compromised by the process. Potential laser etching technology must be approved by Walmart Food Safety before implementation in plant. We expect that all commodity eggs will meet this standard within 18 months, and that 100% of the shell eggs sold to Walmart will meet the standard within 24 months. Below are the specifications for Laser Egg Etching.

#### Specifications

The shell of each individual egg shall be permanently etched to a depth no greater than 20 $\mu$  (20 microns) to leave an imprint on the egg shell which is in vertical alignment with the egg. This etching should occur using an approved laser radiant energy source without application of any foreign material or chemical etching reagent.

:

#### Diagram of Marks



1. The Freshness Tag and the Egg Grade and Size will be expressed as follows:
  - a. "Expires or EXP", "Sell By" or "Use By"
  - b. Grade AA, Extra large = AAX
2. The Logo will be 30mm wide and 10mm high and will be as directed by Walmart.
3. The Tagline will be as directed by Walmart.
4. The Trace Code will be embedded with the following data:
  - a. The egg's origin, born date, grade and size, feed identification data, claims, origin of pullet farms and grow-out facilities.
  - b. The recall status of the egg.
5. Each egg's profile is to be stored in a secured web based data-base and made accessible to Walmart via the World Wide Web, for Walmart's review, use and publication, in any manner whatsoever, as determined in its sole discretion.
6. Certification by the egg producer that the marking does not infringe any patent including without limitation, the United States Patent No. US 7,951,409 B2.



## Egg Specifications – Grade A

### Grade A Shell Egg Specifications

Date Issued: \_\_\_\_\_

Shell Eggs supplied to Wal-Mart Stores (applicable brand names include Country Creek, Sunny Meadows, Wilcox, Olympia Valley, Radlo Foods, Sunny Farms, Wagon Trail Farmers Market, Peach Country Farmers Market, Big River Farmers Market, Ozark Farmers Market, LoneStar Farmers Market, LakeShore Farmers Market, Hudson Valley Farmers Market, Township Farmers Market, Sun Valley Farmers Market, California Farmers Market, Mountain Range Farmers Market, Oceanside Farmers Market, Southwest Farmers Market, Farm Fresh, Sparboe Farms, Sparboe's Best, County Post, First Light Egg Farm, Herbruck Farms, Great Eggs and Great Day Farms) shall be U.S. Grade A as outlined in the current edition of the Regulations Governing the Voluntary Grading of Shell Eggs, 7 CFR, Part 56 and the U.S. Standards, Grades, and Weight Classes for Shell Eggs, AMS56, and should conform to the following specifications:

Revision #: \_\_\_\_\_

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### I. Product Description

- A. General: All shell eggs (white and brown) produced for Walmart, with the exception of Jumbo's and "specialty eggs", must be inspected by a USDA Grader and must meet the following Walmart specifications:
- Jumbo's are not subject to USDA grading. Jumbo's should be at a maximum of 7% checks/cracks at origin.
  - All shell eggs must be washed, sanitized, and dried according to USDA guidelines.
  - Shell protection (oil treatment) is optional.
  - "Specialty eggs" are not subject to USDA grading. Specialty eggs will be classified as Sparboe's Best, Sparboe Farms Cage Free Brown, Sparboe Farms Omega, Land O Lakes, Smart Balance, Eggland's Best, Cage Free Eggland's, Free Roam, Free Range, Cage Free, Christopher Eggs, Vita Eggs, Great Day Naturals, Nature's Harmony, Born Free, Davidson's Pasteurized Egg (Produced From USDA Grade A or Grade AA), Farmers Harvest, Huevos de Calidad and Great Day Farms brands. (These eggs must be graded by the processing plant to USDA quality specifications, but are not required to carry the shield).
  - Organic eggs are also classified as "specialty", but they must meet the requirements of the USDA National Organic Program certification and bear that seal.



A combination of In-Line / Off-Line production will be allowed in the following manner:

\*\* --At least 80% must come from In-line production. The exceptions are brown eggs and "Specialty Eggs". These eggs are allowed to come from Off-Line production. Any deviation from this must be documented in writing to the Walmart for approval.

\*\* However, a goal must be put into place to move to 100% In-Line production for future everyday supply. The exceptions are the holidays (Easter, Thanksgiving and Christmas), brown eggs, and "Specialty Eggs".

B. Grade: Lot average shall not be less than the following standards:

C. At Origin

90% A Quality

The balance (10%) may be within the next lower grades. Within this tolerance (10%) not more than 5% may be checks. Individual cases may not contain less than 85% Grade A quality and not over 15% B quality. No individual case may contain over 8% checks.

D. At Destination

82% A Quality

The balance (18%) may be within the next lower grades. Within this tolerance (18%) no more than 7% may be checks. Individual cases may not contain less than 72% Grade A quality and not over 18% B quality. No individual case may contain over 10% checks for suppliers that deliver to a warehouse.

E. Weight: All product shall meet USDA minimum weight requirements for the applicable size. It is permissible to pack the next larger size of eggs into cartons (for example, large eggs packed in medium cartons) provided they are not intermingled in the same carton with the lower marked weight class.

F. Age: All eggs must be of current production from in-line facilities and must be packed within 24 hours of the day of lay. All others must be packed within 168 hours (no more than 7 days old).

G. Packing and Packaging:

1. Cartons – Eggs shall be packed in new consumer size packages bearing Walmart's approved brand name(s) and the USDA official grade mark except for Jumbos and "specialty eggs". All federal regulatory information must be stated on cartons.

\*\*Additionally, any other labeling information required by State egg Laws must be present.

2. All Egg Cartons must meet specifications listed in **Exhibit II**.

3. Cases – All Eggs must be shipped in cases that meet the specifications listed in **Exhibit II**. After filling, each case shall be fully taped across the length of the top and extending down each end by at least 2.5 inches. Tape may be gummed or plastic, 1.75" – 3" wide. Bottoms of cases are to be stapled, taped or glued.

**\*\*Meeting all of the SFI certified case requirements is the responsibility of the supplier and packing location, not USDA.**



4. Case Labeling – The case must be labeled / printed on a minimum of 1 side. Each shipping label must be clearly identified with:

- Brand of the SKU
- Product Description
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or  
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or  
Use by Aug 3-07  
or  
Sell by 8-3-07  
or  
Sell by Aug 3-07

“Specialty Eggs” and Brown Shell Egg cartons may bear a “Use Before”, “Use By”, “Best Before”, “Best if Used by” date not to exceed 45 days (including date of pack), in all states that will allow it under USDA requirements.

For Alaska, eggs can have a “Use By” Date, therefore they can be packed with 45 days.

**\*\*** Grade A eggs must have at least 20 days of shelf life when they arrive at the warehouse unless approved by Walmart. Keep in mind that the 20 days is actually counted the day after it arrives since those eggs would have already missed billing that day, therefore when they reach the DC they must have 21 days.

I. Handling & Storage: All processed eggs at the packing facilities must be stored at temperature between 38°F and 45°F.

**\*\*** All processed eggs must be transported at temperature (air temperature) between 38°F and 42°F.

Eggs on a pallet must be within 1 day of each other and the oldest eggs must be on the top layers of the pallet.



II. **Other Requirements:**

- \*\* A. HACCP: All suppliers must use a HACCP program for established standards and controls for the following areas;  
Pre-Processing:
  - Feed, Chickens, Housing, Vaccination, Pest (flies, beetles, etc.) and Rodent Control.
- \*\* B. Biosecurity: Suppliers must have a strict policy regarding visitors to production facilities according to HACCP.  
For Example:
  - Clean shoes, sanitized hands, and special clothing for laying area. Visitors may not be connected with the raising of chickens due to possible spread of disease.
- \*\* C. GFSI Certification for all shell Egg Processing facilities
  - See [www.GFSI.com](http://www.GFSI.com) for list of recognized scheme

Walmart Stores, Inc. will perform audits periodically at the farms / plants as well.

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Suppliers must be compliant with the Bioterrorism Act of 2002, for traceability of feed grain sources and manufactured feed going to all chickens.

Suppliers must be willing to submit to annual (or more frequent) on-site inspections as determined by Walmart.

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#### Specifications

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#### Diagram of Marks



1. The Freshness Tag and the Egg Grade and Size will be expressed as follows:
  - a. "Expires or EXP", "Sell By" or "Use By"
  - b. Grade AA, Extra large = AAX
2. The Logo will be 30mm wide and 10mm high and will be as directed by Walmart.
3. The Tagline will be as directed by Walmart.
4. The Trace Code will be embedded with the following data:
  - a. The egg's origin, born date, grade and size, feed identification data, claims, origin of pullet farms and grow-out facilities.
  - b. The recall status of the egg.
5. Each egg's profile is to be stored in a secured web based data-base and made accessible to Walmart via the World Wide Web, for Walmart's review, use and publication, in any manner whatsoever, as determined in its sole discretion.
6. Certification by the egg producer that the marking does not infringe any patent including without limitation, the United States Patent No. US 7,951,409 B2.



## II. Food Safety

### Summary

The purpose of the Walmart Egg Safety requirements is to provide the safest egg possible to the consumer. To accomplish this, Walmart has placed requirements that are above the industry and government standards on its suppliers.

While the egg industry in general does a good job of producing safe eggs there are additional avenues that have been included in the program that will enhance egg safety at an economically feasible cost. Included in these specifications are the new FDA Guidelines for Egg Safety as well as additional recommendations to enhance the program. These requirements will decrease the likelihood of a food borne illness from Walmart eggs although it will not totally remove the chance of one occurring.



## II. Walmart Fresh Shell Egg Safety

**Suppliers must comply with the following guidelines and the 7 Step Food Safety Program.**

**Guidelines:**

- A.) Buy chicks and young hens only from suppliers who monitor for Salmonella bacteria.
- B.) Establish rodent, pest control, and other measures to prevent the spread of bacteria throughout the farm by people and equipment;
- C.) Test the poultry house for Salmonella enteritidis. If the bacteria is detected, a representative sample of the eggs must be tested over an 8-week time period (4 tests at 2 week intervals). If any of the four egg tests is positive, the producer must further process the eggs to destroy the bacteria, or divert the eggs to a non-food use.
- D.) Clean and disinfect poultry houses that have tested positive for Salmonella enteritidis.
- E.) Refrigerate eggs at 45 degrees Fahrenheit during storage and transportation, beginning no later than 36 hours after the eggs are laid.
- F.) APPI Approved Feed Sources – Any animal by product feed source must be supplied by an APPI supplier. APPI – Animal Protein Producers Industry.

**7 Step Food Safety Program:**

- 1.) All birds used in the production of Walmart eggs will be sourced from hatcheries and breeder flocks that are NPIP (National Poultry Improvement Plan) monitored for Salmonella contamination. The complying hatcheries are to issue a Form 9 report that accompanies the delivery of day old chicks to the farm, "U.S. Se Enteritidis Clean" status.
- 2.) All facilities that will be used to produce Walmart eggs will have a strict "Restricted Access" policy enforced. No unauthorized or unaccompanied visitors will be allowed on the premises. All service personnel will be required to complete disinfection procedures and utilize proper protective clothing and footwear. Farm and plant should be maintained Bio-secure.
- 3.) There will be a Rodent / Fly Control Program in effect at each facility. This is the most important aspect to protect the chickens from being exposed to Salmonella. The utilization of a professional agency for this purpose and/or the utilization of an in-house program are acceptable but all programs will be verified and records kept on all rodents caught.
- 4.) **For CAGED and NON CAGED layers in the Walmart egg program, suppliers will use the following vaccination program during the growing period, with the first live given between day 1 and day 3 from hatch.**
  - a. Requirements are two live vaccines of Salmonella typhimurium (USDA licensed live, avirulent Salmonella typhimurium vaccine) plus a killed "Se Bacterin".
- 5.) The cartoned eggs produced for the program will be kept at 45 degree F in the egg coolers until picked up, thereby preventing any possible bacterial proliferation. The USDA Food Safety Inspection Service will verify the program. The facilities/layers used in this program will be monitored for contamination by utilizing bacterial cultures that are analyzed by a FDA approved lab. The following ages and times should be used for environmental testing:

**Caged Layers Age/Time**

At chick placement – chick box paper testing  
14-16 weeks  
40-45 weeks  
55-60 weeks for Cage Free and Organic  
Post Molt (if molted, when flock reaches 50% of lay samples should be taken)  
60-65 weeks (if not molted)

- 6.) A flock record and portfolio containing all the validated information will need to be maintained for each flock as an individual record.
- 7.) Testing can be more frequent if desired. Test environmental swabs of manure belts, pits, floors (cage free) and slats using the FDA protocol. If a positive is indicated during any environmental test, one of the following options must be followed:

**Caged Layers**

- 1.) Divert all the eggs from this flock for use in Walmart supply for the life of the flock.
- 2.) Divert all the eggs until the final (4<sup>th</sup>) egg sample is completed and all four egg test are negative or go to 3.
- 3.) Do organ (heart, liver spleen, and cecal tonsils) sample testing at the rate or ratio of 100 females for each 100,000 females per house within 7 days of environmental positive. If organ tests are negative, eggs can be used per FDA guidelines.

**Non-Caged Layers**

- 1.) Divert all eggs from this flock for use in Walmart supply for life of the flock.
- 2.) Do organ sample testing of 20 females per 10,000 females within 7 days of environmental positive. If negative on organ test then follow the FDA egg test protocol. If found negative then eggs can be used.
- 3.) Retest environment monthly for life of flock and if found environmental positive redo the organ and FDA test.



## Supplier High Five Checklist – Egg (Liquid or Shell)

Supplier: \_\_\_\_\_

Facility: \_\_\_\_\_

Yes No Not Asked

### High Five No. 1 – Audits & Certifications

- Does the supplier have GFSI certifications or 3<sup>rd</sup> party audits for all processing facilities?..... ☐ ☐ ☐

### High Five No. 2 – Recalls & Traceability

- Does the supplier have a recall and traceability program in place?..... ☐ ☐ ☐
- Are mock recalls conducted at least annually?..... ☐ ☐ ☐
- Are products traceable back to raw materials and beyond?..... ☐ ☐ ☐

### High Five No. 3 – Hazard Analysis Critical Control point (HACCP) Program

- Does the supplier have a HACCP Program in place?..... ☐ ☐ ☐
  - If not, has a risk assessment been conducted?..... ☐ ☐ ☐
- Is there a validated pasteurization step in the process?..... ☐ ☐ ☐
- Does the supplier have strict product and storage temperature controls in place?..... ☐ ☐ ☐
- Does the supplier maintain a strict biosecurity?..... ☐ ☐ ☐

### High Five No. 4 – Pathogen Monitoring & Analytical Testing

- Does the supplier have Salmonella flock/environmental testing?..... ☐ ☐ ☐
- Does the supplier have a Feed Monitoring Program in place?..... ☐ ☐ ☐
  - If yes, does the supplier conduct analysis of the product?..... ☐ ☐ ☐
- Does the supplier conduct annual testing of all water sources used in their operations?..... ☐ ☐ ☐
- Does the supplier conduct microbial testing of the finished product?..... ☐ ☐ ☐
  - If yes, is pathogen testing included?..... ☐ ☐ ☐

### High Five No. 5 – Regulatory Compliance

- Does the supplier have the required state business licenses in place?..... ☐ ☐ ☐
- Is all product provided to Walmart clearly labeled with the Country of Origin?..... ☐ ☐ ☐
- If the supplier is providing organic/Kosher product is an Organic/Kosher Certification available?..... ☐ ☐ ☐
- Does the supplier comply with the Federal Egg Rule (September 8, 2009)?..... ☐ ☐ ☐

### Notes/Corrective Actions

*Please contact the Food Safety Team if you have any questions 479-273-8054*

### When completing the supplier high five checklist, keep the following points in mind:

#### Audits & Certifications

- (1) At a minimum suppliers should have a current food safety audit in place for ALL operations that they use to supply Walmart or Sam's Club; if they supply private brand product, they must be Global Food Safety Initiative (GFSI) certified

#### Recalls & Traceability

- (1) ALL suppliers are required to have a Recall & Traceability Program in place
- (2) The program should be tested AT LEAST annually
- (3) Suppliers should be able to account for all product sent to Walmart or Sam's Club and trace it back to raw material receiving and beyond

#### Hazard Analysis Critical Control Point (HACCP) Program

- (1) A HACCP program is required by the USDA

#### Microbiological & Analytical Testing

- (1) Suppliers are required to have annual water quality reports on file for all water sources used in their operations
- (2) Suppliers of products that have been associated with foodborne outbreaks (i.e. leafy greens, tomatoes, peppers, nuts, melons, herbs, mushrooms, green onions & sprouts) should have a pathogen monitoring program in place

#### Regulatory Compliance

- (1) Walmart requires suppliers to register ALL packhouse and cold storage facilities that provide product to Walmart or Sam's Club
- (2) All produce must be labeled with the country of origin. This can be placed on the exterior carton or PLU stickers for bulk product or on the product label if one is present.
- (3) All suppliers of organic produce MUST be able to produce an organic certificate from a USDA approved audit firm

#### Good Manufacturing Practices (GMP's) ; Always follow these basic GMPS's when visiting our supplier's facilities

- (1) Remove ALL jewelry (this includes watches, necklaces, earrings, etc.) and any items you may have in your shirt pocket (i.e. pens)
- (2) Do not chew gum, eat or drink when in processing areas
- (3) Dress appropriately (no open-toed shoes, skirts, ties, scarves)
- (4) When wearing your hairnet, ensure that it covers ALL of your hair
- (5) If you need to cough or sneeze when in the processing area, you should be sure to do so in your shoulder or in the crook of your arm
- (6) Always follow all food safety rules our suppliers inform you of



### III. Animal Welfare

#### Summary

Animal Welfare has been, and continues to be, an important concern for Walmart and its' consumers. In April of 2002, Walmart, in conjunction with FMI, exclusively adopted the United Egg Producers (UEP) Animal Care Certified (ACC) program for the production of eggs.

Between 2002 and 2008 Walmart required their suppliers to exclusively follow the UEP ACC program. In 2008 Walmart made the decision to allow other animal care programs in the production of eggs as well. Walmart currently allows UEP ACC or USDA Process Verified Program (PVP).

For the 2011 Bid, we will continue to support either UEP ACC, USDA PVP Animal Welfare programs, or equivalent as approved by Walmart, with the understanding that any alternative model must meet or exceed UEP ACC guidelines.

With that said, there is a lot of industry focus around alternative housing systems, such as Enriched Colony housing. At this time, the science to validate this or other alternate approaches is outdated or non-existent. So, while we do not endorse the Enriched Colony, or other approaches to animal welfare, we do encourage all shell egg suppliers to actively investigate and test alternatives that not only provide for better animal welfare, but also are more efficient production models than what is in use today.



## IV. Carton / Case / Pallet Specifications

### Summary

Egg packaging serves two purposes; protects eggs during transportation from the farms to the consumer and communicates essential information about the eggs.

How does it protect?

1. By shielding the eggs from mechanical damage
2. By cushioning eggs during handling, loading and transportation of eggs
3. By providing an armor of protection against exposure to temperatures that cause deterioration of quality and contamination

How does it communicate?

1. By using labels to communicate facts such as quality descriptions, size and weights
2. By containing information that informs the consumer of who produced the egg, the expiration date and how to store them properly

Walmart has requested that we construct packaging specifications that if followed, will allow them to supply a “best in class” egg program. The specs provided allow this opportunity by covering the following:

- Quality control program for carton and cases
- A detailed list of all materials utilized in egg packaging supplied to Walmart
- Required measurements of egg packaging materials
- The functionality of egg cartons
- A guarantee of packaging supplier capacity
- Commitments to environmental improvements
- Labeling requirements that meet or exceed the State and Federal levels



#### IV. Carton / Case / Pallet Specifications

Walmart maintains the highest standards of quality for all packaging items used in their stores. The following procedures and conditions have been established to ensure that all Walmart fresh shell eggs are made to specification. With a goal of providing the highest quality products to the consumer, all egg packaging suppliers are required to meet the following specifications in their written guideline:

##### 1. Cartons

1. Carton suppliers will develop and maintain a written quality control program that addresses all information in **Exhibit IV**. Each supplier will submit these programs to Walmart for their review and approval. The approved programs will be followed and enforced at all times. With notification, the supplier will allow representatives of Walmart to make plant inspections and review procedures.
  - a. Carton Quality Control programs must include criteria to cover the following:
    1. Carton dimensions with tolerances
    2. Carton weights with tolerances
    3. Printing procedures and quality expectations
    4. UPC Label Placement and Adhesiveness
    5. Label/Artwork Placement
    6. Lock tab measurements and closure ability
    7. Materials
      - a. Foam – resin type, requirements, explanation of raw materials, quality of raw materials, recyclable materials and ink type/composition
      - b. Pulp – explanation of raw materials, ONP minimum value, recyclable/reclaimed materials and ink type/composition, sizing amounts and tolerances
      - c. PET – resin type, requirements, explanation of raw materials, quality of raw materials, recyclable materials and ink type/composition
    8. Bundle weights with tolerances
    9. Bundle dimensions with tolerances
    10. Tolerances and correction procedures for quality concerns which may include but are not limited to:
      - a. Grease spots, flashing, ink smearing, cold cracks, scorching, tearing etc...

##### 2. Shipping Cases

1. All shipping cases must meet the following criteria:
  - a. Cases must be stamped with and meet each suppliers 40 ECT criteria unless otherwise instructed
  - b. Must be "C" flute
  - c. Gap flaps must be no larger than 1/2" with a 1/8" tolerance
  - d. Must contain Walmart required art file - see **Exhibit V**
  - e. Must be SFI certified and labeled accordingly
  - f. Must contain moisture resistance adhesive

##### 3. Functionality/Testing

Egg cartons and shipping cases must meet the needs of the product to be packed, meet the needs of the machinery used in production, withstand the stresses of transportation and meet the needs of the final consumer. To accomplish this, all cases and cartons will be required to pass a random annual quality standards test.

1. Testing procedures – see **Exhibit VI**.



4. Supplier Capacity
  1. The source of capacity is each suppliers own production. Secondary sources cannot be utilized without prior approval.
5. Sustainability
  1. Efforts should be made to use Recyclable and Post Consumer materials whenever available.
  2. Efficiencies, innovation and modification for new products are encouraged.
  3. Strive for continual improvement of elements included in the Walmart Scorecard. The metrics of the scorecard include: Greenhouse Gas; Material Health and Safety; Product / Package Ratio; Cube Utilization; Transportation; Recycled Content; Recovery Value; Renewable Energy; and Innovation.
6. Pallets
  1. Walmart requires that all pallets shipped into Walmart DC's meet or exceed the Grocery Manufacturers Association (GMA) Grade "A" pallet standards. Fines or charge-backs may be enforced for pallets that fail or do not meet the below requirements.
    - a. Minimum pallet standards
      1. Width: 40" Length: 48"
      2. Material: GMA Group 3 or 4, hardwood, clean saw
      3. Grade: Grade A, 4-way, flush and non-reversible
    - a. Sound material – free of knots
    - b. Minimum 7 top boards, Minimum 5 bottom boards, 3 stringers
    4. No missing or broken boards on top or bottom
    5. No double stringers, patched boards or metal repair plates
    6. All stingers are solid, not broken and/or having cracks which are not continuous and not visible from three sides are allowable
    7. Pallets are not required to be bleached white but should be clean and odor free. Clean pallets are free of debris and stains, but discoloration due to aging is acceptable
    8. No cracks on the top or bottom boards greater than 1/8" wide and 15" in length
    9. No exposed splinters greater than 3 inches in length
    10. No tapered breaks with a depth of greater than 1" along a 10" or more run. If at the 10" distance, the depth is less than inch, the pallet is good. The pallet is unacceptable if the 1" depth runs the entire length of board.
    11. Nail heads or nail points are not to exceed 1/8" exposure from the surface of the wood. Pallets will not be rejected because of exposed nails unless the top or bottom board surface between nail head and stinger has to be destroyed
    12. No partial footings. Partial footings occur when ¼ of a stinger board width or length that connects it to a bottom board has been removed or when securing nail shanks are exposed in the stinger.
  - b. Alternative Pallet Materials
    1. Walmart supports the use of alternative pallet materials such as plastic, metal, etc.; however, all alternative materials must be approved by Warehouse Administration.
  - c. Approved Pallet Poolers
    1. Chep, IGPS and PECO



## V. Sustainability

### Summary

Sustainability is the capacity to endure. The need for practices and policies that support an environmental, economic, and socially sustainable world are necessary now more than ever before. The population growth and depletion of our natural resources are outpacing the Earth's ability to sustain it.

Walmart is asking its suppliers to answer 15 questions that are divided into four areas; energy and climate, natural resources, material efficiencies, and people and community.

First and foremost, all suppliers should meet and try to exceed the requirements of federal, state, and local laws and regulations concerning the environment, health, safety, wages, hours and human rights of employees. Establishing a corporate social responsibility policy and participating in Walmart's packaging scorecard are things that can be accomplished rather quickly, within one year would be reasonable. Measuring energy, water consumption, waste, and GHG emissions are elements that will require more time. It would not be unreasonable to measure the elements stated above, set reduction goals, and disclose to the Carbon Disclosure Project within 5 years.



## V. Sustainability

1. At all times meet or exceed the requirements of federal, state, and local laws and regulations concerning the environment, health, safety, wages, hours, and human rights of employees.
2. Establish a comprehensive Corporate Social Responsibility Policy (CSR) that covers the economic, social, and environmental aspects of sustainability as well as provides for provisions to measure, record and maintain actionable items in the policy.
3. Measure and record energy, Greenhouse Gas (GHG) emissions, water usage, and solid wastes through industry accepted methods. (LCA's, carbon footprint calculations, energy audits, etc.)
4. Publicly set reduction goals for energy, GHG emission, water consumption, and waste.
5. Participate in WMT's packaging scorecard
6. Disclose GHG emissions to the Carbon Disclosure Project (CDP).
7. Maintain ethical and sustainable purchasing guidelines for raw materials and equipment and explore applicable product certifications and/or standards.



## VI. Recall Policy

### Summary

Walmart Stores, Inc. is committed to using the “Best Practices” in developing a clear, concise level of communication with suppliers during a period of withdrawal or recall of product from the distribution chain.

Each supplier will provide Walmart with an outline detailing procedures with a flowchart of events and key contacts during an event.





## Product Removal Procedures

### Terminology

- **Recall:** A recall is a notice to all consumers that a product should be returned by them to a store for a refund or, in some cases, a repair, and is issued by, or in cooperation with, a regulatory agency (e.g. CPSC, NHTSA) for safety/health reasons and is communicated to the public by press release or other means such as phone calls, emails or mail.
  - Food/Pharmacy Class I: A probability exists that the product could cause serious health consequences or death.
  - Food/Pharmacy Class II: There is a remote possibility of adverse health consequences from the product or the resulting condition is temporary or medically reversible.
  - Food/Pharmacy Class III: The product will not or is not likely to cause adverse health consequences, but does not comply with a regulatory requirement.
- **Withdrawal:** Merchandise is removed from stores/clubs for quality, legal, safety, or compliance reasons, but consumers are not advised to return the product for a refund or repair.
  - Quality Issues: examples: poor color, incorrect UPC, packaging defect
  - Legal Issues: Allegation of patent infringement, pending lawsuit
  - Safety Issues: examples: sharp edges, choking hazard, lead exceeding CPSIA limits or as determined by the Compliance Team or supplier
  - Compliance Issues: examples: VOC limits, EPA labeling, not allowed to be sold in specific areas. Federal or State regulations prohibit the sale of an item.
- **Pull and Hold:** Merchandise is pulled from the sales floor and held at store level until disposition can be determined.
- **Return:** Change in modular, deleted merchandise, overstock adjustments, inventory control, seasonal changes, etc.
- **Hazardous Waste (HazWaste):** A product that contains a chemical that poses a risk to health or the environment and is going to be disposed of.

### Retail Link Product Removal Basic Information

- Product Removal form captures supplier contact, product, and disposition information
  - Product Removal form is created and submitted by the supplier. Buyer or Recall Managers may create it if supplier cannot.
  - Product Removal form must be completed every time product is removed from stores or clubs
    - Product Removal form does not have the ability to relate specific quantity returns from different stores/clubs.
  - Recall/Withdrawal messages are drafted and sent to stores/clubs by the Recall Managers
  - Store to Return Center returns are communicated to stores by the Return Center Accounting group.
  - Buyers send Inventory Return instructions to store/clubs when shipping directly to supplier or when managed at store/club level.
- ➔ If the supplier chooses to destroy the merchandise, it must first be determined if the product would be considered a Hazardous Waste prior to submitting the Product Removal request.
- Supplier may be required to submit a TCLP for full RCRA metals results to the Recall Manager.
    - TCLP (Toxicity Characteristic Leaching Procedure) is a test that determines if the product may meet the EPA's definition of toxicity. It measures how much of a potentially hazardous substance may leach into the soil or ground water if placed into a landfill.
  - The RCRA (Resource Conservation and Recovery Act) metals that must be tested for are: Arsenic, Barium, Cadmium, Chromium, Lead, Mercury, Selenium and Silver
  - Supplier will be required to submit UPCs for review to determine appropriate disposition
  - Complete the product removal for HazWaste products before creating the product removal for non-HazWaste products.



- Buyers must approve the Product Removal
  - Prior to the Return Center beginning their process.
  - Recalls and withdrawals may be processed prior to receiving the buyer's approval.
- Average time to get Product Removal through approval process is 1 – 3 days, depending on the type of return and availability of individuals to sign off.
  - Product Removals for returns should be submitted 2 weeks in advance to ensure return can start when required.
  - Stores/Clubs need 30 days to process merchandise through the Return Centers.
    - this is recommended timeframe to ensure execution at store level
  - Return Centers need an additional 30 days to receive/process merchandise against supplier
  - Stores/Clubs need at least 2 weeks to process merchandise to the supplier or to destroy the merchandise and to file the claim.

## Product Removal Form Process

### 1. To begin, select Create New

- a. All lines with a Red asterisk must be completed prior to going to the next screen.

### 2. Product Removal Classification drop down box:

- a. Not Available—form will default to this if no classification is selected
  - i. Do NOT select this option for recalls and withdrawals.
  - ii. This option must be used for Returns that are being sent directly to the supplier or destroyed at store/club level.
  - iii. The buyer is responsible for communicating the information to stores.
- b. Withdrawal
- c. Return—changing a modular, deleting merchandise, accepting overstock, inventory control, making a seasonal change, etc and the merchandise is being returned via the Return Centers.
  - i. The Return Center Accounting group will send the message to the stores.
- d. Class I Recall
- e. Class II Recall
- f. Class III Recall
- g. CPSC Recall
- h. NHTSA Recall

### 3. Enter the UPC(s) and click on “Get My Items”.

- a. Enter the 13-digit UPC, using proceeding zeros. The check digit is not included.
  - i. Entering the UPC number ensures all Item Numbers associated with that UPC will be pulled by the system.
  - ii. The Return Centers go by Item Number, so it is important to capture all applicable Item Numbers in the Product Removal Form.
  - iii. Product description information is pulled from the Item File and appears in the “Product to Be Removed” Box. Remove any items not associated with the product removal.

### 4. Hazardous Waste (HazWaste) Product

- a. Merchandise that is considered to be Hazardous Waste by the supplier will have limited disposition options.
- b. The Product Removal form for HazWaste merchandise should be on unique product removal forms and must be completed first.
- c. Select only stores or clubs where the merchandise is considered to be HazWaste.
- d. The only dispositions available are “Supplier arranged HazWaste pickup” or “Wal-Mart arranged HazWaste pickup”.



**5. Select product distribution: All Locations, Select Locations or All Locations Excluding**

- a. If the "Select Locations" option is chosen, a screen opens where the store numbers can be entered.
- b. If you select the All Locations Excluding option, you will enter the locations that need to be taken off the list.
  - i. Store numbers can be copied and pasted from an Excel spreadsheet into the form for your convenience.
  - ii. Store numbers must be comma delineated
- c. Enter all stores/clubs that are traisted or have sold the merchandise. Entering stores/clubs with on hands will not give us an accurate store list.

**6. Return & Credit Instructions drop down box:**

Option	When to use...
Return Center	<ul style="list-style-type: none"> <li>Only when all merchandise is going through the Return Center.</li> <li>Stores/Clubs should have 30 days to send product to the RC.</li> <li>The Return Centers require 30 days after the Store End Date to scan, palletize and consolidate the final product to ready for shipment.</li> <li>The Return Center carriers require an additional 2 weeks for final delivery.</li> </ul>
Return to Supplier	<ul style="list-style-type: none"> <li>Each store will return the merchandise directly to the Supplier.</li> <li>Stores/Clubs should be given at least 2 weeks to ship merchandise and file their claim.</li> </ul>
Hold for Pick-Up	<ul style="list-style-type: none"> <li>Used when the supplier will retrieve the merchandise.</li> </ul>
Destroy	<ul style="list-style-type: none"> <li>Destroyed at Store/Club level.</li> <li>Stores/Clubs should be given at least 2 weeks to destroy merchandise and file their claim.</li> <li>Not applicable for merchandise that is considered potential Haz Waste without prior approval from WM Compliance</li> </ul>
Supplier Arranged HazWaste Pickup	<ul style="list-style-type: none"> <li>Supplier will arrange for an authorized HazWaste hauler to retrieve the merchandise from each location.</li> <li>Stores/Clubs should have 30 days to file their claim. This is contingent upon when the HazWaste hauler visits their location.</li> </ul>
Wal-Mart Arranged HazWaste Pickup	<ul style="list-style-type: none"> <li>Wal-Mart will arrange for an authorized HazWaste hauler to retrieve the merchandise from each location.</li> <li>Stores/Clubs should have 30 days to file their claim. This is contingent upon when the HazWaste hauler visits their location.</li> </ul>

- a. The appropriate form will open based on the option selected in the drop down box.
- b. Import items must be handled through the Return Center so stores receive credit for the merchandise, unless other arrangements have been agreed between supplier and buyer.

**7. Sales Restrictions**

- a. Product will not scan at cash registers
- b. Walmart Stores: the restriction applies to the UPC, NOT item number.
- c. Sam's Clubs: the restriction applies to the item number.
- d. System cannot recognize date codes, model numbers, colors, etc.
- e. Used for all Recalls and Withdrawals when entire UPC is being removed



#### 8. Submit

- a. Once you hit the Submit button, the information is emailed to the Recall Manager, Buyer, DMM, GMM, and Replenishment Manager.
- b. The information does NOT go directly to the stores/clubs.
  - i. The Recall Manager drafts the recall/withdrawal message and sends it to the stores/clubs.
  - ii. The buyer sends the return message when merchandise is sent directly to the supplier or destroyed.
  - iii. The Return Center sends a message to Walmart Stores for all product removals being shipped via their facilities.
    1. The Return Center Admin group also updates the systems used by the Claims Associates to process the product removal.

#### Additional Actions Needed From Buyers and Suppliers

- Contact the Recall Manager PRIOR to the announcement of a regulatory recall (i.e. CPSC, NHTSA, Class I Food/Pharmacy) or if the supplier is communicating with a government agency about the possibility of a recall
- Use the Product Removal Form to remove products from stores/clubs.
- Buyers should approve any pending product removals after reviewing and confirming the information. Monitor the pending and on hold product removals frequently.
  - Recalls and withdrawals may be processed prior to receiving the buyer's approval.
- Understand that product withdrawals for safety related reasons will be reported to the CPSC by the Wal-Mart Product Safety Team. The supplier contact will be copied when the notification is sent.
- Place omit traits to help prevent merchandise from going back into stores/clubs.
- Cancel lines on PO's that have shipped and cancel POs that have not shipped.
- Communicate with modular planners, replenishment, etc to stop reorders or placement on modulares.
- When a product or product package is altered due to any of the following reasons, a new UPC number MUST be assigned to the altered product. Refer to the UPC Toolbox issued in August 2010 for additional information.
  - Regulatory Changes
  - Product Safety – recall or withdrawal of your product or a competitor's product for a safety reason (i.e. a competitor announces a voluntary recall based on a feature that may pose risk and your product has the same feature so you change your product to be proactive);
  - Formulation Change – change of color, formulation, or core composition of a product that would potentially alter any regulated portion of the product;
  - Packaging – change in product size or package statement of size affecting how product would be regulated (i.e. adding 20% more product to the container of a product that has regulated size limit in some areas);
  - Design Changes – changes made due to patent or trademark infringement or alleged infringement;

#### Product Removal Contacts

- On Call Food/Pharmacy Recall Coordinator
  - Office 479-644-9606
  - Email: [Foodreca7@email.wal-mart.com](mailto:Foodreca7@email.wal-mart.com)
- Melodia Lammey, General Merchandise Recall Coordinator
  - Office 479-204-8815, cell 479-721-3743
- Return Center Returns Hotline
  - 479-277-2969



## Exhibit I FOOD SAFETY REQUIREMENTS

In order to be considered as a potential supplier for Walmart or Sam's Club, the following expectations and criteria must be met. The requirements must be provided to the Walmart Home Office Food Safety & Health department for approval prior to being given an approved supplier agreement. Failure to comply with the requirements listed below will make your company ineligible to supply to Walmart or Sam's Club. Please read the supplier definitions below to determine how your company will be categorized.

**Private Brand Supplier** – A supplier that manufactures a product at their own facility that is sold as a Walmart or Sam's Club branded item, that carries a "Distributed by Walmart" or "Distributed by Sam's Club" legend on the label, or is sold at the Sam's Deli.

**Non-Private Brand Supplier** – A supplier that manufactures a product of their own brand at their own facility. This includes suppliers that deliver products locally or regionally. These products will **NOT** be sold as a Walmart or Sam's Club branded item.

**Distributors** – A supplier that sells products made by other companies to retail facilities. They do not manufacture products but may warehouse or repack them.

**Suppliers who use Co-packers** – A supplier whose product is manufactured by another facility. They do not manufacture the products at their facility but may warehouse or repack them.

Although there are some requirements which apply to all suppliers regardless of type, each categorization listed above has type specific requirements which must also be met. The general requirements in addition to the type specific requirements are listed below. Please note that Local, State, FDA and USDA inspections will not be accepted in the place of a food safety assessment. It is strongly suggested that all companies take the time to review the requirements and prepare for the food safety assessments.

## Food Safety Requirements – by supplier type

### ***Private Brand Supplier Requirements***

#### ***Food Safety Assessment***

Walmart has aligned with GFSI (Global Food Safety Initiative) and requires all private brand suppliers, regardless of the inherent food safety risks associated with their products, to obtain full GFSI certification. For more information on GFSI and a complete list of recognized schemes, please visit [www.mygfsi.com](http://www.mygfsi.com).

#### ***iCiX (International Compliance Information Exchange)***

iCiX is a tool used by many groups within Walmart for facility, product, incident and recall management. It is also used for product admissibility, classification details, and is a way to share documents between suppliers and retailers. All private brand suppliers are required to register their corporate site along with every facility which manufactures product sold at Walmart or Sam's Club with iCiX. To register, please visit [www.icix.com](http://www.icix.com) or call (877) 888-4249 for assistance.



Suppliers are expected to submit all of the required documentation for their products and operations through this internet-based program. Documentation submitted through channels other than iCiX will not be accepted. Additional instructions on required document uploads will be provided upon registration completion. If your company is already registered with iCiX, please be sure to verify that all facilities making product for Walmart and/or Sam's Club are registered and that you have granted viewing rights to "Walmart – Global Food."

## ***Non-Private Brand Supplier Requirements***

### ***Food Safety Assessment***

- **GFSI** - Walmart has aligned with GFSI (Global Food Safety Initiative) and requires all suppliers of high-risk products to obtain full GFSI certification annually. High-risk food suppliers include bottled water, dairy, deli, meat, seafood, frozen products containing the previously listed items as well as products produced for infants or immune-compromised adults. For more information on GFSI and a complete list of recognized schemes, please visit [www.mygfsi.com](http://www.mygfsi.com).
- **Approved Third-Party Audit** - Suppliers of low-risk products are required to supply an annual third-party food safety audit with corrective actions. Low-risk food suppliers include shelf-stable grocery and bakery items. Please review the third-party food safety audit requirements to ensure your current audit company is approved to conduct audits for the products you produce. If you have never had a third-party food safety audit, please review the Third-party food safety audit requirements for a list of approved audit companies that can conduct an audit at your facility.

For further clarification of audit requirements and to confirm that your product is high- or low-risk, please contact the Walmart Food Safety & Health department at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com).

### ***iCiX (International Compliance Information Exchange)***

iCiX is a tool used by many groups within Walmart for facility, product, incident and recall management. It is also used for product admissibility, classification details, and is a way to share documents between suppliers and retailers. All non-private brand suppliers are required to register their corporate site along with every facility which manufactures product sold at Walmart or Sam's Club with iCiX. To register, please visit [www.icix.com](http://www.icix.com) or call (877) 888-4249 for assistance.

Suppliers are expected to submit all of the required documentation for their products and operations through this internet-based program. Documentation submitted through channels other than iCiX will not be accepted. Additional instructions on required document uploads will be provided upon registration completion. If your company is already registered with iCiX, please be sure to verify that all facilities making product for Walmart and/or Sam's Club are registered and that you have granted viewing rights to "Walmart – Global Food."





## **Distributors**

### **Food Safety Assessment**

Walmart requires that all facilities which manufacture product sold in our stores or clubs obtain a food safety assessment annually. As a distributor, you must disclose all manufacturing facilities that you source products from. Large distributors will disclose this information during iCiX registration (see section on iCiX below). The facilities must meet the requirements outlined above for their specific facility type. Walmart will not accept any product from a facility that does not meet the specified requirements. In addition, suppliers that warehouse product at their own facility or use a third party warehouse will also need to obtain a Distribution Center and Transportation Audit for each warehouse.

**Distributors who Warehouse High-Risk Food Items** Distributors who warehouse high-risk products must obtain a Storage & Distribution Audit from one of the GFSI scheme holders. High-risk food items include bottled water, dairy, deli, meat, seafood, frozen products containing the previously listed items as well as products produced for infants or immune-compromised adults. For a list of accepted audits, please contact Walmart Corporate Food Safety at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com). **\*\*Please note that if you repack items, you must complete the audit requirements for Non-Private Brand Suppliers\*\***

**Distributors who Warehouse Low-Risk Food Items** Distributors who warehouse low-risk products must obtain a Distribution Audit from an approved audit company. Low-risk food items include shelf-stable grocery and bakery items. For a list of accepted audits, please contact Walmart Corporate Food Safety at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com). **\*\*Please note that if you repack items, you must complete the audit requirements for Non-Private Brand Suppliers\*\***

For further clarification of distributor audit requirements and to confirm that your items are high- or low-risk, please contact the Walmart Food Safety & Health department at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com).

### **iCiX** (*International Compliance Information Exchange*)

iCiX is a tool used by many groups within Walmart for facility, product, ingredient and recall management. It is also used for product admissibility, classification details, and is a way to share documents between suppliers and retailers. All Distributors as well as all facilities they source product from are required to register every facility which manufactures product sold at Walmart or Sam's Club with iCiX. To register, please visit [www.icix.com](http://www.icix.com) or call (877) 888-4249 for assistance.

Distributors are expected to submit all of the required documents for their facility through this internet-based program. Documentation submitted through channels other than iCiX will not be accepted. Additional instructions on required document uploads will be provided upon registration completion. If your company or a company you source product from is already registered with iCiX, please be sure to verify that all your warehouses and the company's facilities that you source product from for Walmart and/or Sam's Club are registered and that you have granted viewing rights to "Walmart – Global Food."



## ***Suppliers that use Co-packers***

### ***Food Safety Assessment***

Walmart requires that all facilities which manufacture product sold in our stores or clubs obtain a food safety assessment annually. As a supplier that utilizes a co-packer, you must disclose all manufacturing facilities that make your products. Non-private brand suppliers using a co-packer will disclose this information during iCiX registration (please see details on iCiX below). You must also submit a passing food safety assessment for each facility you utilize. The facilities must meet the requirements outlined above for their specific facility type. Walmart will not accept any product from a facility that does not meet the specified requirements. In addition, suppliers that warehouse the co-packed product at their own facility or use a third party warehouse will also need to obtain a Distribution Center and Transportation Audit for each warehouse.

**Suppliers who Warehouse High-Risk, Co-Packed Food Items** Suppliers who warehouse high-risk products must obtain a Storage & Distribution Audit from one of the GFSI scheme holders. High-risk co-packed food items include bottled water, dairy, deli, meat, seafood, frozen products containing the previously listed items as well as products produced for infants or immune-compromised adults. For a list of accepted audits, please contact Walmart Corporate Food Safety at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com). **\*\*Please note that if you repack items, you must complete the audit requirements for Non-Private Brand Suppliers\*\***

**Suppliers who Warehouse Low-Risk, Co-Packed Food Items** Suppliers who warehouse low-risk products must obtain a Distribution Audit from an approved audit company. Low-risk food items include shelf-stable grocery and bakery items. For a list of accepted audits, please contact Walmart Corporate Food Safety at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com). **\*\*Please note that if you repack items, you must complete the audit requirements for Non-Private Brand Suppliers\*\***

For further clarification of audit requirements for suppliers that use co-packers and to confirm that your items are high- or low-risk, please contact the Walmart Food Safety & Health department at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com).

### ***iCiX (International Compliance Information Exchange)***

iCiX is a tool used by many groups within Walmart for facility, product, ingredient and recall management. It is also used for product admissibility, classification details, and is a way to share documents between suppliers and retailers. Suppliers that use co-packers are required to register with iCiX. To register, please visit [www.icix.com](http://www.icix.com) or call (877) 888-4249 for assistance.

These suppliers are expected to submit all of the required documents of their company through this internet-based program. Documentation submitted through channels other than iCiX will not be accepted. Additional instructions on required document uploads will be provided upon registration completion. If your company or your co-packer is already registered with iCiX, please be sure to verify that your company, all your warehouses (if applicable), and your co-packer(s) that produces product for Walmart and/or Sam's Club are registered and that you have granted viewing rights to "Walmart – Global Food."





## **Food Safety Requirements – all supplier types**

All suppliers, regardless of your supplier categorization (Private Brand, non-Private Brand, Distributor or Suppliers that use Co-packers), must meet the following :

### ***FDA Bioterrorism Registration***

Suppliers will need to ensure that all facilities that provide product to Walmart and/or Sam's Club have registered with the FDA and have a current FDA bioterrorism registration number. Each facility that is approved and issued a vendor number is required to have an individual FDA registration. This does not apply to USDA-inspected facilities. To ensure Compliance, suppliers will provide this information in their Member Profile in iCiX.

### ***Product Registration***

Certain states have product registration requirements above and beyond Federal registration requirements. It is the supplier's responsibility to be familiar with the laws and regulations in every state in which their products will be sold. Suppliers will be asked to upload proof of registration into the iCiX system. Unless otherwise directed, suppliers are responsible for completing and submitting all registration forms and paying all registration fees on or before the annual deadline.

### ***Import Requirements***

Suppliers importing products will be required to comply with additional food product and inspection requirements in order to ensure products comply with all regulatory requirements for the retail markets in which the products will be sold. For additional information on requirements for import suppliers, please contact the Walmart Food Safety & Health department at [supaudit@wal-mart.com](mailto:supaudit@wal-mart.com).

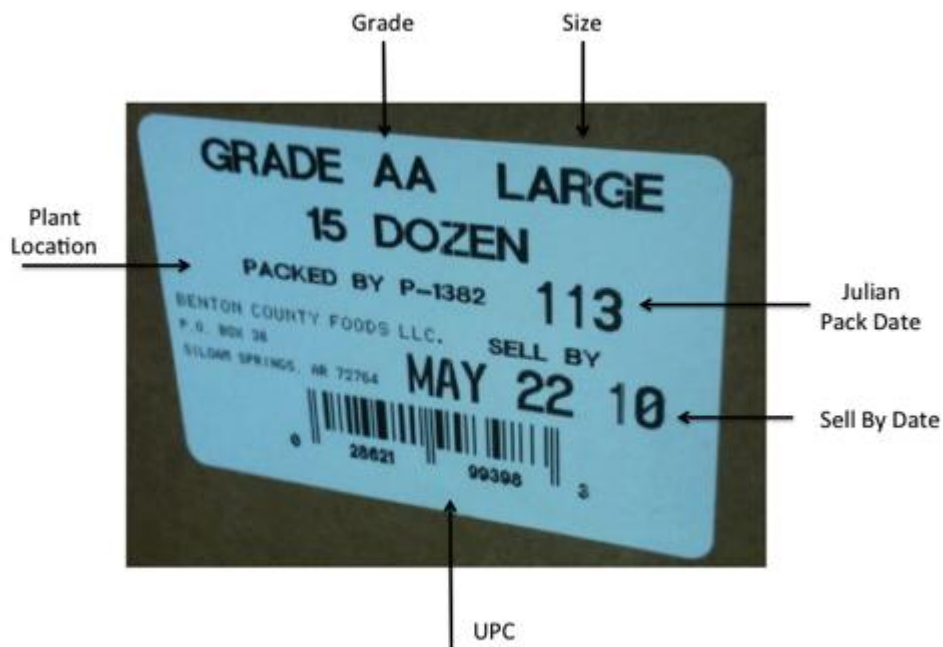


## EXHIBIT II CARTON SPECIFICATIONS

<b>Egg Carton Specifications</b>								
<b>Brand</b>	<b>Type</b>	<b>Carton Dimensions</b>	<b>Carton Weight (grams)</b>	<b>Carton Weight tolerance (grams)</b>	<b>Cartons per Bundle</b>	<b>Bundle Weight (lbs)</b>	<b>Bundle Weight tolerance (lbs)</b>	<b>Bundle Cube</b>
<b>Pactiv</b>	2 x 6 Mastervue	11.63 x 3.93 x 2.66	47	5	250	25.9	2.8	12 x 19 x 34
	2x6 Mastertop	11.94 x 3.97 x 2.66	43	5	250	23.7	2.8	12 x 19 x 35
	3 x 6	11.63 x 5.88 x 2.70	61.8	5	230	31.3	2.5	12 x 26 x 34
	Master Jumbo	11.87 x 4.22 x 2.91	56	5	200	24.7	2.2	13 x 20 x 35
	Twin 6 Masterduo	11.63 x 3.93 x 2.66	47	5	250	25.9	2.8	12 x 19 x 34
	Edge	11.625 x 4.062 x 2.625	33	3	170	12.4	1.1	na
<b>Dole</b>	2 x 6 ProTek	11.625 x 4 x 2.75	15.7	2	250	8.7	1.1	35.75 x 47.25 x 35.25
	3 x 6 ProTek	11.687 x 6 x 2.75	25.3	2	200	11.2	0.9	37.75 x 47.25 x 35.25
	Jumbo ProTek	11.875 x 4.25 x 3	18.5	2	200	8.2	0.9	36.5 x 47.25 x 35.25
	Split - 6 ProTek	11.75 x 4 x 2.75	15.8	2	250	8.7	1.1	35.75 x 47.25 x 35.25
	8 Egg ProTek	7.81 x 4 x 2.75	11.3	2	200	5.0	0.9	na
	24 Egg ProTek	11.625 x 7.937 x 2.75	32.1	3	125	8.8	0.8	na
	36 Egg ProTek	11.73 x 11.625 x 2.75	54	3	na	na	na	50 x 39.75 x 35.5
<b>Ematec</b>	2 x 6	11.692 x 4 x 2.75	55	5	210	25.5	2.3	33.5 x 11.69 x 8.11
	3 x 6	11.692 x 6.06 x 2.75	74	5	200	32.6	2.2	33.5 x 11.69 x 12.05
	Jumbo	12.09 x 4.27 x 3	65	5	200	28.7	2.2	32.3 x 12.09 x 8.55
<b>Zellwin</b>	2 x 6	11.63 x 3.93 x 2.66	55	5	140	17.0	1.5	
	3 x 6	11.63 x 5.88 x 2.70	66	5	156	22.7	1.7	
<b>Hartmann</b>	2 x 6 Hartvue	11.75 x 4 x 2.75	55	5	125	15.2	1.4	41 x 9.5 x 11.5
	2 x 6 Harttop	11.75 x 4 x 2.75	55	5	125	15.2	1.4	42 x 9.5 x 11.5
	3 x 6	11.75 x 6 x 2.87	80	5	100	17.6	1.1	39 x 12.5 x 11
	Jumbo	11.875 x 4.5 x 3	61	5	125	16.8	1.4	41 x 10.5 x 12
	Twin 6	11.75 x 4 x 2.75	55	5	125	15.2	1.4	39 x 9.5 x 11.5
<b>Interplast</b>	2 x 6 UTF	11.56 x 4 x 2.9	42	3	100	9.3	0.7	12 x 11.75 x 26.5
	2 x 6 BiFold	11.81 x 4 x 2.7	36	3	100	7.9	0.7	13 x 11.75 x 26.5
	2 x 3 UTF	11.93 x 4 x 2.7	45	3	200	19.8	1.3	14 x 11.75 x 26.5
	3 x 6	11.84 x 6 x 2.71	57	3	100	12.6	0.7	15 x 11.75 x 26.5
	2 x 4	7.875 x 4 x 2.7	na	3	100	#VALUE!	0.7	16 x 11.75 x 26.5
	24 ct BiFold	11.9 x 8.1 x 2.6	41	na	50	4.5	#VALUE!	17 x 11.75 x 26.5
<b>UFR</b>	2x6 EggSight	11.75 x 4 x 2.7	53	4	150	17.5	1.3	48 x 9.5 x 11.8
	2 x 6 Meister Top	11.75 x 4 x 2.8	57	4	150	18.8	1.3	48 x 9.5 x 11.8
	3 x 6 EggSight	11.75 x 5.9 x 2.7	78	6	150	25.8	2.0	48 x 13 x 11.8
	Eco Jumbo	11.75 x 4 x 2.7	53	4	150	17.5	1.3	48 x 9.5 x 11.8
	Jumbo 2 x 6	11.9 x 4.4 x 2.9	62	5	135	18.5	1.5	48 x 10.2 x 12
	Double Six	11.9 x 4 x 2.7	56	4	140	17.3	1.2	48 x 12 x 3.17

EXHIBIT III  
CASE SPECIFICATIONS

<b>Case Specifications</b>						
<b>Case Dimensions (Avg Case)</b>	<b>Case Weight (ECT)</b>	<b>Min % Recycled Material</b>	<b>Max flaps gaps</b>	<b>Flap gap tolerances</b>	<b>Case adhesive</b>	<b>Flute required</b>
<b>11.75 x 11.75 x 13.1875</b>	<b>40</b>	<b>50</b>	<b>3/8"</b>	<b>1/16"</b>	<b>Moisture Resistant</b>	<b>C</b>
<b>12 x 12 x 13.75 Auto Packer</b>	<b>40</b>	<b>50</b>	<b>3/8'</b>	<b>1/16"</b>	<b>Moisture Resistant</b>	<b>C</b>





## EXHIBIT IV QUALITY CONTROL PROGRAM

### Carton Supplier Quality Control Program Information

1. Company Name.
2. Locations and Address Information.
3. Primary Contact.
4. Company/Products Description.
5. Provide data which reflects capacity and availability at each location.
6. Provide a die line for each carton with measurements (include measurements for lock tabs, hinges, cell design, posts, holes, flaps, etc.).
7. Provide a spreadsheet that details the carton type, dimensions and tolerances, weights (in grams) and tolerances, bundle counts, bundle weights with tolerances, and bundle dimensions and tolerances.
8. Please list your printing procedures with detailed quality expectations.
9. Provide your UPC label application procedure.
10. Provide your QC measures for UPC targeting/placement.
11. Provide your QC measures for UPC adhesiveness.
12. Please list your procedures for artwork and label placement.

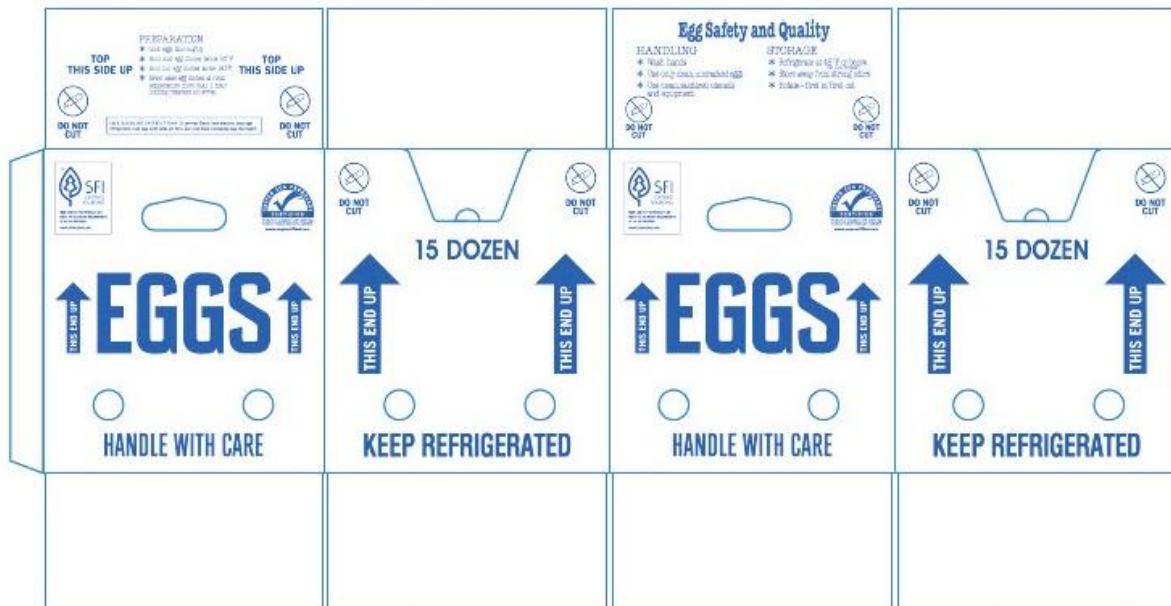


#### EXHIBIT IV QUALITY CONTROL PROGRAM

13. Please detail your QC measures for artwork and label placement.
14. Detail your materials used to produce your carton. Include the makeup of the raw materials, origin, and quality value of each.
15. Describe the use of recycled/reclaimed material in your products and availability.
16. Provide details of the ink used in printing your products and include any regulations. Is the ink sustainable? Why or why not?
17. Provide a detailed list of quality/functionality or cosmetic issues that may occur with your product. Then, provide a list of processes that addresses each concern, and provide an estimated timeline for correction.

EXHIBIT V  
SHIPPING CASE LABEL ART FILE

CARTON I.D. SIZE: 11-3/4 x 11-3/4 x 13-3/16





## EXHIBIT VI TESTING PROCEDURES

The test samples shall comprise normal egg cartons containing actual, pre-verified (checked for integrity by an approved party) product packaged inside a unitizing shipper (case). The product shall be oriented inside the packaging exactly as it will be shipped, and all closure methodology shall be analogous to the methods currently in use.

The following transportation simulation tests shall be performed yearly as a quality control measure to determine the effectiveness of the packaging materials to prevent product damage.

TEST	SPECIFICATION	LEVELS
Random Vibration	ASTM D4169 <i>Truck – Assurance Level II</i>	Vertical, 120 min Long side, 120 min
Incline Impact	ASTM D880	Long side, 1.7 m/s Short side, 1.7 m/s
Top Surface Compression	ASTM D4577 <i>Constant Static Load</i>	Simulated 3m stack Minimum 24 hours

More information on the specific methodologies can be seen in the next section of this report.

EXHIBIT VI  
**TESTING PROCEDURES**

**TEST METHODOLOGY**

Cartons and shippers shall be filled and sealed, as for shipment, and conditioned to approximately 40° F (uncontrolled humidity) prior to testing to prevent spoilage. Cases for the stacking strength (compression) test shall be conditioned to ambient laboratory conditions.

Random Vibration  
ASTM D4169  
Truck – Assurance Level II



**Description:**

The egg shipper shall be filled and sealed, as for transport, and place vertically (bottom down) on the vibration platform and subjected to the random vibration profile defined below for a time of **120 minutes**.

Freq. (Hz)	PSD (g <sup>2</sup> /Hz)
1	0.00005
4	0.01
16	0.01
40	0.001
80	0.001
200	0.00001

**Grms 0.52**

Incline Impact  
ASTM D880



**Description:**

The test samples shall be positioned on an incline impact tester and one (egg carton) long side shall be impacted, followed immediately by a short side. The impact velocity should be minimum 1.7 m/s (+ 0.2 m/s, velocity should not fall below).



## EXHIBIT VI TESTING PROCEDURES

### Random Vibration (2)

ASTM D4169

Truck – Assurance Level II

#### **Description:**

The egg shippers shall be filled and sealed, as for transport, and placed on a long side on the vibration platform and subjected to random vibration for a period of **120 minutes**.

### Stacking Strength

ASTM D4577

Static Load



#### **Description:**

Each empty, sealed fiberboard carton evaluated shall be subjected to a static force applied to the top surface of the case. The force shall be equal to a three meter (118 inches) high stack of similar packaged, and shall be maintained without failure for a period of 24 hours.

An example calculation is as follows;

$$\text{Load} = [(118 / \text{Ht}) - 1] * \text{Wt}$$

*Ht = Overall package height, in inches*

*Wt = Gross package weight, in pounds force*

$$\text{Load} = [(3 / \text{Ht}) - 1] * \text{Wt}$$

*Ht = Overall package height, in meters*

*Wt = Gross package weight, in kilograms*

## PASS / FAIL DETERMINATION

Prior to beginning each test sequence, percentages shall be developed as a baseline requirement for pass/fail determination. For example, a failure rate (egg breakage) of 5% may be established to be acceptable for the vibration tests. Following the test, the eggs should be inspected for breakage, and the rate of breakage should remain below 5% each year. Any deviation from the acceptable rate of failure would be cause for inspection, as the test methodology would remain the same from year to year, implying that the packaging had, in some fashion, been modified to decrease its effectiveness.