

Introduction to Trading with Foodstuffs

Foodstuffs South Island Limited (FSSI) is a co-operative company operating in the South Island of New Zealand. Opening a trading account with us will give you access to sell your products to member stores within our banner groups: New World, PAK'nSAVE, Four Square, Raeward Fresh, Henry's, and On the Spot. You can also sell products to approved Trent's Wholesale customers. If your products have sufficient volume of sales, you may apply to have them ranged in our Distribution Centres. Setting up a trading account with Foodstuffs does not compel any member of the Foodstuffs Group to purchase your products.

Our Charge Through facility centralises invoice processing and allows you to receive a single payment for deliveries across our stores and approved Trent's customers. All deliveries to Foodstuffs members, Trent's customers, and Distribution Centres must be invoiced to Foodstuffs. We will charge the transaction through to our members and customers.

All Purchase Orders from Foodstuffs and our stores will be sent to you for processing via our Foodstuffs eXchange (FSX). You need to acknowledge and confirm your orders online, including the quantities you can deliver, prior to the goods arriving in store. Invoices can be sent via the eXchange as well. This requires training and confirmation by us that you understand the requirements. If you have not been approved for eXchange invoices, you must submit Invoices to Foodstuffs for payment via email PDF or on paper.

Please note that as we scan paper invoices, we cannot accept handwritten documents for processing.

Terms of trade

Ordinary Terms – Settlement Discount

In line with the standard practice in the New Zealand grocery industry, our Ordinary Payment Terms are:

- 2.5% settlement discount
 - This discount is deducted by us from the statement at the time of payment
 - You don't need to show this on your invoices
- Payment will be made by the last trading day of the month following the date of the invoice
 - Ensure we receive **all** your invoices no later than 10 working days after the end of the month

The Settlement Discount is for both the transfer of the "del credere" risk from you, the vendor, to FSSI, and covers the administration costs involved in providing the Charge Through facility. Our settlement discount applies to all transactions, whether for retail or wholesale delivery.

Special Terms

The Merchandise Operations Manager is responsible to negotiate terms which may differ from the Ordinary Terms. For example, if you require payment more frequently. Contact the [Merchandise Operations Manager](#) to discuss this further.

Trade Pricing

Your pricing must be given as a national list price, with trade terms to reflect the purchasing discounts you offer. Initial pricing is required with your product information (see below). We have a national procedure for advising future price changes. These are available to view on line at:

<https://suppliers.foodstuffs.co.nz/processes-and-guides/changing-your-list-price/>

Purchasing Terms

If you offer us purchasing terms of trade, please submit these to the Merchandise Operations Manager for approval. Before sending them to us, please read the national Foodstuffs requirements, available on line at:

<https://suppliers.foodstuffs.co.nz/processes-and-guides/changing-your-trading-terms/>

Summary of requirements

Food and Product Safety

At Foodstuffs, we are committed to selling products which are safe for our customers to consume and use. All new vendors must complete our Food Safety Compliance pack. You can download this from our website:

<https://suppliers.foodstuffs.co.nz/become-a-supplier/product-safety-and-compliance/>

In line with standard business practice and regulatory requirements, all goods supplied to Foodstuffs, our Members, and Trent's customers must be of acceptable quality.

Product Information

All products we buy and sell must be set up in our master data file (National PIM). Products we purchase for resale must have a GS1 compliant barcode on the retail unit. Contact GS1 New Zealand for more information about assigning and managing barcode numbers: www.gs1nz.org

You can submit information on **new products** and **product updates** directly to the National Product Information Management team via GS1's **ProductFlow** service and Foodstuffs **Products**, available through the Foodstuffs eXchange.

- Please ensure that any new product is set up in the National PIM before you present it to our stores or to FSSI head office.
- Our category team has a structured process for new product introductions to ensure we can get the best speed to market for your product launch. You can find out more on our website: <https://suppliers.foodstuffs.co.nz/processes-and-guides/supplier-engagement/ranging-at-foodstuffs-south-island/>
- For presentations direct to stores, we recommend that you present your **new product** information to us at least **6 weeks** before your launch date.
- **Product changes**, such as price, carton configuration, etc., must be advised at least **6 weeks** prior to the effective date of the change.
- The barcode number (GTIN) of the product is a universal way for us to identify and talk about your product range and request information updates.

Priced Delivery Docket or Packing Slip

All deliveries to Foodstuffs Distribution Centres, Members and Trent's Customers must be accompanied by a priced delivery docket or packing slip. This document must not be a Tax Invoice, so do not include your GST number or the words "Tax Invoice" on the docket. Please attach a copy of your delivery docket to your account application so that we can verify it complies with the IRD requirements for Charge Through.

The document must not be handwritten and must include:

- Your trading name and address
- Date of delivery and Purchase Order number if you received one
- Unique docket number which is the same as, or is referenced on, the relevant invoice
- Member/Customer name and number
- Quantity, description and price of goods delivered
- The docket must be priced at the unit level, extended at each line, and totalled

For your own protection, we recommend that you get a recognisable signature as proof of delivery of the goods, and we suggest that the dockets be retained for a minimum of 6 months.

GST Invoice

We can only process your transactions for payment if they comply with the IRD requirements for GST invoices. Therefore, please ensure that all invoices submitted for payment include the following information:

- Your trading name and address (this must be the same as shown on the delivery docket)
- Your GST number and the words " Tax Invoice"
- Date of invoice (pricing applied as at the date of Purchase Order)
- The merchant being CHARGED is Foodstuffs South Island Limited
- The trading name of our retailer and the address where the goods are delivered

- Foodstuffs Member number or Trent's Customer number
 - This is 4 digits for SAP stores and 6 digits for all other customers
 - A list of members in each banner can be found in the Foodstuffs eXchange
- Invoice Number and Delivery docket number
- Purchase Order number if for a SAP store or Distribution Centre (only one invoice per purchase order)
- Quantity, description and price of goods delivered - each line priced and extended
 - If you apply a discount across the invoice, then reflect this in the line price of each item
- Invoices should be sub totalled, GST content added as a separate amount, and the invoice totalled to include GST

If you are sending us paper invoices, please ensure they A5 size or larger, and not handwritten.

Send your invoices at least once per week to our accounts payable team:

By email PDF to: scandunedin@foodstuffs-si.co.nz
Or by post to: Accounts Payable
Foodstuffs South Island Ltd
Private Bag 4705
CHRISTCHURCH 8140

Credit Note

Credit Notes are issued by you for pricing or delivery errors, stock and crate returns, or damaged stock. They must have the same details as listed above for GST invoices. The credit note must also contain:

- A Credit Note Number
- The Returns Purchase Order Number (RPO) or Credit Note Request (CNR)

Do not include Credit Note Lines on your invoices, as we cannot process these. You must issue a separate Credit Note for the amount claimed on the RPO or CNR.

If you dispute the claim, you must advise us in writing with your detailed explanation and a copy of our CNR. Your notification that you are disputing our claim must be received by us within 90 working days from the date the CNR was raised. We cannot resolve any disputed claims after this 90-day period.

Email any claim disputes to one of the following email addresses:

Disputed claims for Distribution Centres & Trent's:

Invoice.verification@foodstuffs-si.co.nz

Disputed claims for SAP Retail Stores:

Accountancyservices@foodstuffs-si.co.nz

Statement

Send us your statement monthly or weekly, depending on the payment frequency you have agreed with us.

Monthly Payment frequency: Your statement includes all transactions for the respective month. Ensure we receive it by the end of the first week of the new month.

Weekly Payment frequency: Your statement includes all transactions for the respective week, to be received by midday Wednesday in the following week. Statement weeks run Monday to Sunday.

All statements need to include:

- Your trading name and address (the same as that used on the delivery docket and invoice)
- Statement date and period covered
- That the merchant being charged is: Foodstuffs South Island Ltd, Private Bag 4705, Christchurch 8140
- The opening balance on your statement matches the closing balance from the previous statement

- List all invoices and credit notes in numerical sequence showing number, date, and total of charge or credit (GST inclusive)
- List all payments received, including settlement discount
- List any adjusting journal entries
- Closing balance, being amount due this period

Send your statements to:

By email PDF to: accounts.payable@foodstuffs-si.co.nz

Or by post to: Accounts Payable
Foodstuffs South Island Ltd
Private Bag 4705
CHRISTCHURCH 8140

We cannot process your statement if you subdivide it into various categories, or issue separate statements for individual stores or delivery addresses.

If we have not received an invoice listed on your statement, then we will request a copy. If you don't provide the copy within the next payment period, we will request again. Invoices older than 90 days will not be processed without the written permission of the member who received the goods.

eCommerce

All our SAP enabled member stores and Distribution Centres will submit their purchase orders to you for processing via the Foodstuffs eXchange. This convenient online portal gives you a view of all your orders from Foodstuffs stores nationwide. You can print, download in XML format, and process your orders using a web browser and internet connection. All orders you receive must be confirmed at the eXchange prior to delivery. By request, you can also follow the process using B2B integration, or generate e-Invoices via the website.

Our eCommerce team will advise you of your login details, and can provide telephone training if you need it. Full documentation including user guides and helpful hints are available online after login.

Payment Process

Payment by Direct Credit: Payment will be made by direct credit. Your trading account application includes your bank account details, and we will use these to pay your account. You will receive, prior to the date of credit on your bank statement, our remittance advice advising you of payment details. Please retain this to enable you to identify the make-up of the amount credited to your account.

Delayed Payment: If we are unable to pay your account on the due date because we didn't receive requested information (such as invoice copies), we will still apply the agreed settlement discount.

Contacts for queries

Vendor Support and eCommerce

For all general supplier queries, including eCommerce enquiries and assistance with the Foodstuffs eXchange, Product setup, product listings through National PIM, and member/customer number queries.

Email: suppliers@foodstuffs-si.co.nz

Phone: 0800 555 985

Merchandise Operations Manager

David MacKenzie

Email: david.mackenzie@foodstuffs-si.co.nz

Phone: (03) 353 8791

Accounts Payable

Rhonda Cullen

Email: rhonda.cullen@foodstuffs-si.co.nz

Phone: (03) 353 9215

Refer to our website for the most up to date information about our processes: <https://suppliers.foodstuffs.co.nz>

Checklist for account application

- Completed [Application for Charge Through Account](#)
- Product Trade Price List and Purchasing Terms offered
- Sample Tax Invoice
- Sample Priced Packing Slip
- Completed [Compliance Pack](#), including:
 - Declarations and Food Safety certificates as required for your products,
 - Product Recall registration

Send your completed account application

By email PDF to: suppliers@foodstuffs-si.co.nz

Or by post to: Vendor Support
Foodstuffs South Island Ltd
Private Bag 4705
CHRISTCHURCH 8140