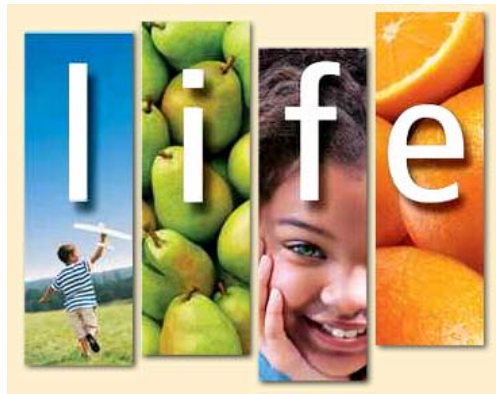


Consumer Brands Packaging, Ingredients, Commodities, Supplier Handbook



SAFEGWAY 
Ingredients for life.™

AVAILABLE AT

suppliers.safeway.com

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WELCOME

Thank you for your interest in exploring business opportunities with Safeway. We are pleased that you are showing interest in doing business with us. Safeway has continually upheld its commitment in providing added value on world-class quality products, combined with award-winning service to all our customers. We are very excited to share this dynamic vision with our business partners as well.

DOCUMENTS REQUIRED FOR NEW SUPPLIER SETUP

Once you have been selected to become a Safeway supplier, please send back the following mandatory documents to your Corporate Sourcing Contact:

1. A completed [W-9](#) form with your company's tax identification number and physical address.
2. A [Broad Form Vendor's Endorsement \(ISO Form CG 2015\)](#).
3. A sample of your company's invoice showing net payment terms.
4. Plant Ingredient Information and Documentation when Applicable.

There may be additional forms required. Please check with your Corporate Sourcing Contact for other prerequisites.

REQUIREMENTS FOR NEW ITEM SET-UP

Product Samples for New Ingredients Items

New items must be reviewed and approved by Safeway's Technical Services Group prior to manufacturing plants ordering. Plant trial of the ingredient may be required.

Requirements for Product Samples

Supplier will be required to send samples to the appropriate Tech Services Manager along with the raw material specification, ingredient listing, certificate of analysis (COA) and nutrient composition. Please do not send any samples without a request from the Tech Services Manager or the sourcing buyer. Samples received without the requested documents may be destroyed.

Cost Changes

Suppliers may not increase cost prices charged to Safeway, unless expressly agreed in writing by Safeway in the applicable agreement between the parties. Provided that such changes are permitted, therein, suppliers must complete a Cost Change Form with a 30-day minimum advance notice to their appropriate Corporate Sourcing Contact (See [Notice of Cost Changes](#)).

Product Changes

No formulation, labeling, or packaging changes may be made without prior approval from Safeway. Suppliers wishing to change production facilities must notify via email their Safeway Corporate Sourcing Contact and the Technical Services Manager. Product changes are also referred to under the Quality Assurance Requirements and Procedures Section.

QUALITY ASSURANCE REQUIREMENTS AND PROCEDURES

Supplier Expectation Manual

All suppliers should read and be familiar with Safeway's Quality Assurance Supplier Expectation manual "A Bridge to Quality". It can be found on the iCiX™ web-site and is designed to provide a PIC Supplier Handbook V.1.2

general overview of the functional programs that to Safeway are expected to have implemented at the plant level. The book is not meant to provide a detailed or definitive outline for the establishment of quality/safety systems, but is meant to prepare the supplier in the event of a Safeway QA Certification audit. Ask your Corporate Sourcing contact

Packaging Samples

- 1) SCHAWK CSR will request samples for printed labels (35 eaches) when they release final material to a printer.
- 2) Printed samples should be sent to Safeway Inc, Attn: Schawk CSR, 5918 Stoneridge Rd, Pleasanton, CA 94588
- 3) Schawk CSR will scan, approve and distribute labels to the Safeway category teams.
- 4) The Schawk shop will coordinate print standards with all printers.

The reasons for sending printed samples are as follows:

1. UPC code scans (checked by Schawk SCR).
2. QA check on print quality done by Schawk.
3. Used to create print standard for every label.
4. Samples distributed to packaging coordinator, packaging file, and category team.
5. Label is needed for new item set up.
6. Two labels are needed for Safeway legal department to file for trademark registration.
7. Some labels are used for display cases.

Packaging General Specifications

The supplier will be contacted by a member of our package engineering group regarding specifications. A specification spreadsheet will be sent to the supplier applicable to the packaging the supplier is providing. The supplier will be asked to fill out the spreadsheet and return it to the package engineering group. Information requested on the spreadsheet includes to following:

- 1) Product description.
- 2) Material type, size, dimensions, tolerances, and tests.
- 3) Applicable performance characteristics and tolerances / tests.
- 4) Printing specifics and tests.
- 5) Applicable regulatory requirements for the materials.
- 6) Shipping / palletization information.

Suppliers will also be asked to provide dimensional part drawings. The preferred method is an electronic CAD file. File types include: ".dwg", ".dxf", and ".eps".

Pallet Label Requirements

The purpose is to ensure consistency in the display of item code, UPC, product identity, quantity, lot code, production date, and bar code formats, to aid in accuracy and speed of receiving and warehousing activities.

All pallets of finished goods, ingredients, and packaging must include a label to identify the material. A minimum of one label per pallet per item is required. The following pages specifies a recommended design layout along with an example. Pallet labels shall be 4" by 6" or a half sheet of letter size paper.

Acceptable bar code symbologies include; Code 39, Code 128, UPC, or I2 of 5. Contact Wayne Steffen (phone 925 944-4516) for approval to use another symbology. The bar code of the Adage item code or UPC must be scannable from a distance of eight feet. Bar codes for dates and lot numbers shall be scannable from three feet. Labels may include other information as long as all Safeway required information is displayed in the proper position on the label.

We expect compliance to these requirements within 90 days. If, after 90 days, pallets of Ingredients, Packaging or Finished Goods do not have the required labels the product will be rejected and this may result in you receiving a handling charge.

If you have further questions, please contact your Corporate Sourcing Contact who is your normal Safeway contact either in Pleasanton or at the plant.

Layout:

<p style="text-align: center;">ADAGE item code</p> <p style="text-align: center;">Bar code of ADAGE item code</p> <p style="text-align: center;">ITEM DESCRIPTION</p> <p style="text-align: center;">Open code date or production date PLUS Bar Code (yyyy-mm-dd)</p> <p style="text-align: center;">Lot # PLUS Bar Code</p> <p><i>Container Quantity</i></p>

Sample:

301087	
	
“BASIC SPECIAL LARGE” CHOPPED ONION	
Production date: <u>2000-07-10</u>	
Lot # <u>K010BUK</u>	
Net Wt. 125 lb.	
Product of <u>U.S.A.</u>	

Product Changes

No formulation, labeling, or packaging changes may be made without prior approval from Safeway. Suppliers wishing to change production facilities must notify via email their Safeway Corporate Sourcing Contact and the technical Services Manager.

Product Changes is also referred to under the Notification of Suppliers Changes Section.

Product Recall or Withdrawal

In the event of a recall or withdrawal, the supplier should immediately notify in writing the Manufacturing Plant and the Corporate Sourcing Contact with the following information:

1. Plant affected
2. Product affected
3. Lot Code / Print Date
4. Delivery Date
5. Reason for the recall
6. Company Contact, phone number, e-mail address

Minimum Acceptable Shelf Life at time of delivery to the Manufacturing Plants

A bill of lading should accompany each shipment. The supplier should identify the lot number(s) and corresponding quantity(ies) of each lot comprising the shipment on the bill of lading. The shipment shall be comprised of a single lot or as few lots as is possible and practical and will be shipped to Safeway on a FIFO basis. Suppliers shall provide the date of manufacture for all materials shipped to Safeway locations. Materials should have at least 50% of the shelf life, when stored at optimal conditions, as stated in the Shelf Life and Storage Requirements section of this specification, remaining when received at a plant. Those materials with less than 50% remaining will be accepted at the discretion of the plant Quality Assurance Department. Any other questions should be directed to your Corporate Sourcing Contact.

PACKAGING DESIGN

Professional, strategically designed packaging that works hand-in-hand with Safeway's branding campaign is critically important to the success of the Consumer Brands program.

In order to maintain our extremely high standards, Safeway employs the Schawk Company as our dedicated pre-press Company along with our creative design vendors.

When commencing work on new items, design changes, line extensions or maintenance programs for your labels, a Safeway project coordinator will contact you to provide details as to the schedules and costs associated with the rollout of package design and production work. The project coordinator will also make sure we have your latest information regarding printing and dieline specifications. Your primary Safeway contacts will continue to be with Strategic Sourcing and you should feel free to contact them with any questions related to ongoing business matters.

An important aspect of our relationship with Schawk is the utilization of BLUE, their electronic project, proofing and data management system. All projects are run through this system allowing for total control over the flow and tracking of information and access of up to the minute scheduling tools by anyone dedicated to the project including our Suppliers and printers. When you are contacted about new design work or product updates you will be instructed on how to access the system and upload your information. The system is quick and easy to use and very intuitive.

We look forward to working with you and to the continuing success of our Consumer Brands partnership.

ORDER PROCESSING AND BILLING INFORMATION

Procedure

1. Manufacturing Plants will submit Purchase Orders to Suppliers.

2. Suppliers must acknowledge receipt of Purchase Orders by fax or phone to the ordering plant as soon as they are received.
3. The certificate of Analysis MUST accompany delivery.
4. If an order is received with a price that is not correct, please contact your Corporate Sourcing Contact to review the discrepancy. Make sure a revised PO is issued before product are shipped.

Contacts

If orders are changed, please contact the Manufacturing Plant and your Corporate Sourcing Contact so paperwork can be updated prior to shipment.

Billing

Your invoice should be mailed as directed on each purchase order.

Shipping Discrepancies

Invoice adjustments will be taken for quantity variances caused by shipment/picking error, shortages, and damaged merchandise assuming the entire load isn't rejected.

Other Deductions

Safeway reserves the right to deduct from outstanding supplier payables for allowances, bill backs, returns, post audits, coupon redemption bill backs, and other receivables. Safeway also reserves the right to demand payment by check on balances past due.

Rebate and other program checks

All Consumer Brands and Safeway Supply Operations rebate or other program checks should be sent to the Lockbox address listed below. These checks should NOT be hand delivered or mailed to the Sourcing Group. Please include sufficient backup with the check to clearly indicate the type of disbursement (e.g. volume rebate, retroactive pricing adjustment, etc.). In addition, please include details as to how the amount was calculated (e.g. on a volume rebate, include period covered, item number, item description, amount per unit and number of units).

LOCKBOX ADDRESS INFORMATION

Safeway
4757 Collections Center Dr.
Chicago, IL 60693

Important Note: Once you have sent your check or rebate, please either fax a copy of the check and supporting documents or email the check number, check amount and supporting documents to your Corporate Sourcing Contact.

Supplier Inquiries and Correspondence

Supplier inquiries regarding Accounts Payable transactions, balances, and discrepancies should be directed to the manufacturing plant.

Supplier correspondence on open invoices should be initiated within six months of the initial invoice date and should reference the relevant invoice(s) by number.

MANUFACTURING PLANTS ADDRESSES AND CONTACT INFORMATION

SAFEWAY PLANT	ADDRESS	PHONE NUMBER
Bellevue Beverage 8275	1500 - 124th Avenue, N.E. Bellevue, WA 98005	425-455-6498
Bellevue Bread 8114	2100 - 120th Avenue, N.E. Bellevue, WA 98005	425-467-6720
Bellevue Milk 8403	1469 - 124th Avenue, N.E. Bellevue, WA 98005	425-455-6470
Bellevue Ice Cream 8485	1747 - 124th Avenue, N.E. Bellevue, WA 98005	425-201-2874
Burnaby Milk 8452	Box 270, 7650 - 18th Street New Westminster, BC V3I 4Y6	604-524-4491
Calgary Bread 8504	201 - 42nd Avenue, S.E. Calgary, AB T2G 1Y3	403-287-4080
Calgary Meat 8686	3440 - 56th Avenue S.E. Calgary, AB T2C 2C3	403-279-2555
Clackamas Bread 8111	9450 S.E. Mangan Way Clackamas, OR 97015	503-557-4101
Clackamas Milk 8404	16800 S.E. Evelyn Street Clackamas, OR 97015	503-657-6423
Clearbrook Frozen Fruit and Vegetables 8515	31122 S. Fraser Way Abbotsford, BC V2T 6L5	604-854-1191
Denver Beverage 8277	6405 Stapleton North Drive Denver, CO 80216	303-320-7960
Denver Bread 8103	4500 Dahlia Street Denver, CO 80216	303-320-7920
Denver Milk 8402	4301 Forest Street Denver, CO 80216	303-320-7940
Edmonton Ice Cream 8457	13944 Yellowhead Trail Edmonton, AB T5L 3C2	780-453-7608
Edmonton Milk 8453	11135 - 151 Street Edmonton, AB T5M 1X3	780-451-0817
Joplin Biscuit 8162	1401 Junge Boulevard Joplin, MO 64804	417-623-2255
Lethbridge Frozen Vegetables & Conc. 8514	131 - 22nd Street N. Lethbridge, AB T1H 3R6	403-328-5501
Los Angeles Bread 8131	3415 S. Boxford Avenue City of Commerce, CA 90040	323-889-4240
Los Angeles Milk 8409	3361 S. Boxford Avenue City of Commerce, CA 90040	323-889-4200
Merced Grocery 8245	2761 Cooper Avenue Merced, CA 95340	209-381-2700
Norwalk Beverage 8273	12844 Excelsior Drive Norwalk, CA 90650	562-921-1017
Phoenix Ice Cream 8487	2434 E. Pecan Road Phoenix, AZ 85040	602-567-1340

Richmond Beverage 8274	1921 San Joaquin Street Richmond, CA 94804	510-559-5500
Richmond Bread 8122	905 South 34th Street Richmond, CA 94804	510-412-2700
San Leandro Milk 8416	2000 Adams Avenue San Leandro, CA 94577	510-613-2900
Taber Juice & Drinks 8512	5115 - 57th Street Taber, AB T1G 1X1	403-223-3566
Tempe Milk 8413	1115 West Alameda Drive Tempe, AZ 85282	480-894-4390
Winnipeg Bread 8502	1525 Erin Street Winnipeg, MB R3E 2T2	204-775-0344
Winnipeg Cheese 8459	1000 King Edward Street Winnipeg, MB R3H 0R2	204-631-4440
Winnipeg Ice Cream 8458	1000 King Edward Street Winnipeg, MB R3H 0R2	204-631-4440
Winnipeg Milk 8454	940 Century Street Winnipeg, MB R3H 0V7	204-633-9527