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# Supplier Guidance Global Requirements

## Version 3.0

This document represents minimum operational standards and requirements that Suppliers must comply with to ensure safety, security, and streamlined operations. Requirements are subject to change periodically. Additional guidelines may be required in order to meet specific regional or customer needs.

Document located at [www.starbucks.com/suppliers](http://www.starbucks.com/suppliers).



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## 1.0 Introduction

Starbucks Supplier Guidance documents were prepared by Starbucks Global Sourcing and Supplier Relations in accordance with Starbucks business standards, policies and practices. The information provided in this Global Requirements document is intended to provide guidance to both current and potential Suppliers by outlining the core Requirements that are fundamental to our business. These Requirements are supported by our Standard Terms and Conditions and/or additional contract (including purchasing documents). Failure to meet the requirements outlined here may result in the collection of damages and eventual termination of the relationship.

As we streamline and enhance the manner in which we purchase and sell our products and services, the Starbucks Supplier Guidance documents will be periodically updated and refined to reflect the most current information.

Suppliers have 24/7 access to the information at [www.starbucks.com/suppliers](http://www.starbucks.com/suppliers). Suppliers of Starbucks are expected to adhere to the information provided and are responsible for staying informed and up to date as periodic changes are made to the information. Procedural and operational updates are effective 30 days after they are published.



## 2.0 Policies and Procedures

### 2.1 Supplier Code of Conduct

We expect our Suppliers to comply with Starbucks Supplier Code of Conduct and specific Standards as listed at [www.starbucks.com/suppliers](http://www.starbucks.com/suppliers), including:

- Our general [Supplier Code of Conduct](#) that applies to all Suppliers
- Our supplemental [Standards for Manufactured Goods and Services](#) that includes specific social responsibility requirements for Suppliers of manufactured goods and services

### 2.2 Supplier Status and Conduct

#### 2.2.1 Anti-Bribery

Starbucks is committed to the highest ethical standards in all business interactions. To support these high standards, Starbucks Suppliers must not exchange bribes or kickbacks of any kind to influence business decisions or secure any improper advantage.

Suppliers shall comply with all applicable anti-bribery laws and regulations, including the Foreign Corruption Practices Act (FCPA) and the U.K. Bribery Act. Specifically, Suppliers must not directly or indirectly give or accept anything of value, or make payments, promises, or offers that would improperly impact, or could be perceived to improperly impact business transactions with government officials or individuals in the private sector.

#### 2.2.2 Confidentiality

Due to the highly competitive nature of the coffee and foodservice industry, Starbucks requires its Suppliers to maintain—in the strictest confidence—all technical, business and economic information which they may receive during the course of transacting business with Starbucks. Suppliers shall sign a Starbucks Confidentiality and Non-Disclosure Agreement (see [www.starbucks.com/suppliers](http://www.starbucks.com/suppliers)).

#### 2.2.3 Workplace Harassment

Our Starbucks Mission and Principles incorporates providing a great work environment and treating each other with respect and dignity. Starbucks strictly prohibits harassment on the basis of sex, race, color, national origin, religion, sexual orientation, physical disability, mental disability, age, veteran status, marital status or any other characteristic protected by applicable law. This prohibition applies to all partners, Suppliers or customers engaged in company business.

If Starbucks becomes aware of a situation in which a Supplier may have violated this policy, Starbucks will promptly notify the Supplier and request that appropriate responsive action be taken. Similarly, if a Supplier is aware of inappropriate actions made by a Starbucks partner, the misconduct should be reported immediately by calling the Starbucks Audit Line (see the *Supplier Guidance – Global Reference* document).



## 2.3 Quality

Although each supplier selection process is unique, Starbucks has key expectations of all Suppliers, regardless of size, location or product/service provided.

### 2.3.1 Quality Control - General

Suppliers are responsible for maintaining high levels of quality in their facilities, materials and employees. Quality control programs, defective material control processes and other business practices of Suppliers may need to be reviewed by Starbucks to determine the Supplier's ability to provide products and services that consistently meet or exceed Requirements.

We believe quality should be built into the entire business process from development through delivery and expect suppliers to proactively take responsibility for the quality of their products and services. We work closely with our Suppliers to develop product specifications and service Requirements prior to authorization.

### 2.3.2 Quality Control - Food

1. Suppliers shall strictly comply with Starbucks *Standards for Food Suppliers* at all times. A copy of the requirements and standards referenced in this section are available at [Starbucks.com/Suppliers](https://www.starbucks.com/suppliers). Additional requirements and/or specifications may apply, depending on the nature of the product.
2. Suppliers shall be able to demonstrate compliance with Starbucks *Standards for Food Suppliers*, preferably by sharing its Global Food Safety Initiative (GFSI) benchmarked scheme audit report, or by sharing food safety audit reports that are reasonably acceptable to Starbucks.
3. Production facilities may be audited by a third-party auditor appointed by Starbucks. The audit will assess the Supplier's compliance with Starbucks Food Standards. The Supplier shall bear the cost and expense related to such audit.
4. Starbucks reserves the right to conduct quality and/or food safety assessments and/or audits of any of the company facilities supplying Starbucks branded, non-branded or custom-made products. This may include assessment and audits of companies that sell ingredients, components and/or materials to the Supplier. Onsite audits and/or inspections may be announced or unannounced.
5. More information is available at [Starbucks.com/Suppliers](https://www.starbucks.com/suppliers).

### 2.3.3 Quality Control – Non-Food

1. Suppliers shall strictly comply with Starbucks *Standards for Non-Food Suppliers* at all times. A copy of the requirements and standard referenced in this section is available at [Starbucks.com/Suppliers](https://www.starbucks.com/suppliers).
2. Starbucks reserves the right to conduct quality audits and/or inspections of any facility supplying Starbucks branded, non-branded or custom-made products. Onsite audits and/or inspections may be announced or unannounced.
3. More information is available at [Starbucks.com/Suppliers](https://www.starbucks.com/suppliers).



#### **2.3.4 Product Inspection and Acceptance**

Incoming goods may be inspected and tested by Starbucks or its distributors for conformance to specifications. Nonconforming goods are placed on hold which may result in delay of payment until the issues are resolved, or rejection/non-payment if issues are not resolved. Product disposition will be determined based on the extent of the nonconformity.

### **2.4 General Policies**

#### **2.4.1 Commencement of Work**

Starbucks may provide sales or quantity forecasts for the convenience of the Supplier. Such forecasts are for planning purposes only, and do not constitute Orders or binding commitments on behalf of Starbucks. Suppliers must have a valid purchase document before the production of goods or commencement of services. This includes artwork, drawings, prototypes, molds or any other product or service for which the supplier expects payment.

#### **2.4.2 Risk Management / Insurance**

Seller must maintain Commercial General Liability Insurance (Public Liability) including coverage for products liability and completed operations, with a per-occurrence limit of not less than US \$1 Million and a general aggregate limit of not less than US \$2 Million. U.S. and Canada Suppliers shall include Starbucks as an Additional Insured on such policies. Upon request, Seller will provide a certificate of all required insurance coverage to Starbucks.

#### **2.4.3 Subcontracting**

Starbucks prefers to contract with the direct source of its products or services unless outsourcing or subcontracting is approved in writing. This approval does not apply to the purchase of component parts and raw materials, or when the Supplier is a known reseller. Suppliers should discuss individual situations with the Authorized Starbucks Representative to be certain.

#### **2.4.4 Product Withdrawal**

Starbucks has procedures in place in the event a product withdrawal becomes necessary. These actions may be taken in consultation with the Food and Drug Administration (FDA) or the Consumer Product Safety Commission (CPSC). Starbucks will direct these activities and expects full cooperation from any Supplier whose product is involved in such action.

#### **2.4.5 Nonconformance to Purchase Documents**

All goods and services are expected to conform to requirements, schedules, quantities, specifications, scope of work, prototype, sample, proof, cut sheets, and/or drawings approved by Starbucks and referenced by the Order. Nonconforming products or services may be rejected or require specific remedies, including the reimbursement of price and/or the cost of handling, freight, storage, rework or additional services needed to dispose, replace, re-perform or bring the product or service into compliance.



#### **2.4.6 Use of Logos, Trademarks, Promotions and Advertising**

Very specific standards govern the reproduction and use of Starbucks logos and marks, including color, size and application. The Authorized Starbucks Representative shall communicate these standards to the Supplier as needed.

Starbucks controls the rights to its trademarks and designs which cannot be reproduced in any form without a license. Starbucks does not allow the use of its name, logos, products, stores or other images in Supplier advertising, annual reports or other printed, video or audio communications. If there is a compelling advantage to Starbucks to participate in a Supplier project, it may approve a Supplier's request for such use. Any such request and justification shall be submitted to the Authorized Starbucks Representative for consideration.

#### **2.4.7 Unsolicited Samples**

Starbucks is actively engaged in developing products and ideas of its own. While we are interested in new ideas, we have to preserve our own flexibility and ability to innovate. Under no circumstances should samples be sent to Starbucks unless specifically requested by an Authorized Representative. If unsolicited samples are sent to Starbucks, neither their receipt nor acceptance obligates Starbucks in any way. Unless Starbucks enters into a written contract or agreement with the Supplier, Starbucks does not agree to keep unsolicited information confidential and does not agree to compensate the Supplier in any way for the information or idea.

Subject to any valid patent rights, Starbucks expressly reserves the right to develop products, technology, ideas and materials similar or identical to those that a Supplier may submit. We request that samples not be manufactured with the Starbucks name, trademark or logo unless licensed. To avoid inadvertent infringement, we require that any samples, materials, dies, printing plates or similar items that are used to create unsolicited samples with unauthorized marks be destroyed.

### **2.5 Business Processes and Procedures**

The following section outlines the Requirements for some of the most common day-to-day activities. Prior to commencement of work, the Authorized Starbucks Representative shall identify to each Supplier specific commodities or services that may have special procedures, product development, or intellectual property requirements.

#### **2.5.1 Raw Materials and Supplies**

Starbucks is not responsible for raw materials or supplies purchased by the Supplier beyond what is required to fulfill current open purchase orders or blanket agreement releases. Exceptions must be authorized in writing by the Authorized Starbucks Representative.

#### **2.5.2 Hazardous Materials**

Suppliers must identify any hazardous material sold to Starbucks and supply a Material Safety Data Sheet (MSDS, OSHA form 20, IMDG certificate or equivalent). The MSDS must be provided to the Authorized Starbucks Representative prior to the first shipment of any new or revised item in order to ensure product shippers and handlers have the required information.





### 2.5.3 Invoice Detail Minimum Data Required

The following data must be present on invoices submitted to Starbucks regardless of method of submission:

- Supplier name
- Supplier remit-to address
- Bill-to name and address of Starbucks legal entity
- Invoice number (unique)
- Invoice date
- Invoice amount (currency indicated)
- Description of product or service
- Amount by invoice line item

For billing against a PO (BPO, BPA or standard), the PO number, release number, PO line number and shipment number are required.

For non-PO billing, the name of the Starbucks partner requesting the goods or services is required.

### 2.5.4 Order and Shipment Confirmation

Orders received must be acknowledged (quantity, pricing, and/or dates confirmed) within 48 hours of receipt. For Suppliers set up to transact via the Starbucks Supplier EDI program (either fully integrated EDI or the Starbucks Active Orders Portal) acknowledgement must be received via EDI.

For Suppliers set up to transact via the Starbucks Supplier EDI program (either fully integrated EDI or the Starbucks Active Orders Portal) the advanced ship notice (ASN) must be sent and received by Starbucks on the same day as the shipment departs for its destination.



## 3.0 Packing and Shipping Requirements

As we strive to achieve Starbucks mission within the context of our supply chain, we recognize the value of reliable and well-coordinated relationships with our Suppliers. This section of the *Supplier Guidance-Global Requirements* communicates Starbucks operational expectations. By diligently working together with our Suppliers toward high standards of quality, efficiency and operational excellence, we will enable an even stronger, more valuable operational partnership between our organizations.

The packing and shipping Requirements included in this section apply to all products shipped to a Starbucks regional distribution center (RDC) or consolidated distribution center (CDC) unless specifically called out as an exception. At the discretion of the Starbucks Authorized Representative, the same or similar Requirements may apply to products shipped to any other Starbucks location, such as a customer or a retail location.

### 3.1 Operational Requirements

#### 3.1.1 Terms of the Order

Suppliers must ensure that shipments meet all terms of the order, including, but not limited to:

1. Ship the correct quantities
2. Ship the correct items in good condition
3. Ship to the correct location
4. Ship and/or deliver on time

If the freight terms for the shipment call for Starbucks to manage the freight and control the transportation, then the Supplier shall ensure that an appointment is booked to pick up the goods and that the goods are ready to be shipped according to the date on the order.

If the freight terms for the shipment call for the Supplier to manage the freight and control the transportation, then the Supplier is required to request a dock appointment and be prepared to deliver shipments by the date listed on the order.

#### 3.1.2 Case Requirements

1. Each case may contain only one type of item (SKU) associated with one lot and one Order.
2. All components that comprise a SKU must be packaged together.
3. When a standard full case quantity has been established for an item, all cases must have the full quantities of inner packs and items/units (no partial cases).
4. All products must come in a sealed case that contains and protects items in shipment, storage and reshipment without the use of additional packaging.
  - a. Use only materials that are environmentally safe and free of chlorofluorocarbons (CFCs).
  - b. The following materials shall not be used in the packaging of cases:
    - Polyvinylchloride (PVC, #3 resin code), including labels, cap closures, etc.
    - Biodegradable plastics (made by adding a biodegrading additive to petroleum-based plastic)



- Expanded polystyrene (also referred to as foam, STYROFOAM™, or EPS, #6 resin code)
  - Polycarbonate plastic, which contains BPA (included in resin code #7, Other)
  - Grease resistant coatings which contain perfluorocarbons, such as PFOA or PFCs
5. Depending on the channel of distribution and/or how the item is sold, additional packaging requirements may be applicable (e.g. items that will be distributed via parcel shipments require higher packing standard than for standard Starbucks store deliveries).
  6. For deliveries to all regions except EMEA the maximum weight for a case that contains more than one unit is 70 pounds (lbs.). For deliveries to EMEA the maximum weight for a case that contains more than one unit is 23 kilograms (kg).
  7. Larger sized and/or heavy items such as, but not limited to, furniture and equipment must be packaged to enable them to be safely and stably stacked, and must be protected from movement within the outer packaging.
  8. Some unusual types of items may not require a case in order to be sufficiently stable and protected in transit and/or storage. These items are to be packaged in whatever way is customary and suitable for containing and protecting the item. Specific Requirements may be communicated separately to address these items.

### 3.1.3 Palletizing Requirements

1. Unless shipped as parcels or full container load international shipments, all shipments must be palletized unless otherwise approved by the Authorized Starbucks Representative.
  - a. Slip sheets and floor loading can only be used if approved in writing by the Authorized Starbucks Representative.

**NOTE:** Unless otherwise indicated, all requirements regarding palletizing product apply to product stacked on slip-sheets or floor loaded.
  - b. Shipments to these 3 Asian DCs must always be palletized:
    - Singapore Regional Distribution Center
    - Wai Gao Qiao Regional Distribution Center
    - Futian Regional Distribution Center
2. Package, palletize and secure all items in shipments so that they can withstand any normal transportation and handling without damage. Corner boards and/or airbags are recommended and may be additionally required for heavy products such as liquids.
3. Whenever possible, all items on a pallet should be identical (same SKU and lot and shipped against the same Purchase Order). If a mixed pallet is created, product must be physically separated on the pallet (e.g. use a slip-sheet) to ensure that the same items, lots and orders are grouped together and can be immediately and unmistakably identified. See requirements section *Special Labels - Warning Labels* for specific labeling Requirements for mixed pallets.
  - a. A maximum of 2 Purchase Orders is acceptable on one pallet (mixed) as long as both Purchase Orders are physically separated by means of a slip sheet and clearly indicated on the pallet label.
  - b. A 2-lot maximum of the same item are allowed on one pallet, but require physical separation by slip sheet and each must be clearly indicated on the pallet label



4. When shipping in full pallet quantities, all tiers on the pallet must contain the same number of cases.
5. Whenever possible, build pallets so that they can be double-stacked without causing damage to the product (see section referring to *Special Labels – Warning Labels* requirements, for pallets that cannot be double-stacked).
6. Cases cannot over-hang the pallet edges. Minimize under-hang of cases on pallets.
7. Build pallets to maximize the quantity of product that can safely and stably fit on the pallet while remaining under the height specifications indicated in **Table 1**.

### 3.1.4 Pallet Specifications

Pallet specifications are based on the destination region and DC type. Pallet specifications must comply with the Requirements shown in **Table 1**, unless otherwise specified and approved by the Authorized Starbucks Representative.

**NOTE:** Additional requirement apply to pallets shipping to a U.S. Store Development DC and will be sent to the supplier by the Store Development team

**Table 1. Pallet Specifications**

Specification Type	North America Latin America	EMEA	Asia Pacific
Maximum pallet stack height measured from floor to high point of pallet	RDCs: 53 in. (135 cm) CDCs: 84 in. (213 cm)	RDCs: 160 cm	RDCs: 190 cm
			<b>Greater China</b> RDCs & CDCs: 2.2 m
Pallet size and construction requirements	GMA 4-way <sup>1</sup> ○ 40 in. x 48 in. ○ 100 cm x 120 cm ○ 50 lb. max weight  Int'l air freight <sup>4</sup> ○ under 160cm height	United Kingdom ○ UK Standard <sup>2</sup> ○ 100 cm x 120 cm (39.37 in. x 47.25 in.)  All other EMEA Countries ○ Europallet <sup>3</sup> ○ 80 cm x 120 cm (31.5 in. x 47.25 in.)	<b>Asia Pacific</b> GMA 4-way ○ 40 in. x 48 in. ○ 100 cm x 120 cm ○ Softwood pallet boards or higher grade
			<b>Greater China</b> GMA 2-way or 4-way ○ 40 in. x 48 in. ○ 100 cm x 120 cm ○ Softwood pallet boards or higher grade

1. Grocery Manufacturers Association (GMA) 40 in. x 48 in. 4-way flush pallet is the most common size stringer pallet (new and used).
2. UK, Industrial or EUR 3 pallet as specified by the European Pallet Association (EPAL) and EN 13698-2.
3. Europallet as specified by the European Pallet Association (EPAL) and EN 13698-1.
4. International Air freight palletized shipment cannot exceed 160CM in height, including the pallet.



### 3.1.5 Pallet Quality

1. Pallets are required to be wooden respectively GMA Grade A, UK Standard, EURO pallet Standard or better standards and dimensions. Pallets must be un-modified from the pallet’s original construction.
2. Use of rented pallets requires an authorized exception by an Authorized Starbucks Representative. Starbucks will not pay charges associated with rented pallets.
3. Pallets shall be clean, free of damage (including splinters and exposed nails) and free of odors.
4. Pallets shipped into or out of the U.S. shall be compliant with the International Standards for Phytosanitary Measures No. 15 (ISPM 15) and “heat stamped” (see *Supplier Guidance - Reference* under Acronyms and Definitions). Pallets shipped into Greater China must be stamped “IPPC” (International Plant Protection Treaty). IPPC stamp not required for intra China shipments.

### 3.1.6 Loading Requirements

1. For sealed trailers and containers, secure the product to ensure that it remains stable and free of damage through any normal means of transportation. For sealed shipments, the Supplier shall be responsible for the condition of product upon arrival at destination, unless an unusual event such as an accident en route has been noted.
2. It is the responsibility of the Supplier to provide any blocking and bracing equipment used to ensure that freight is secure for transport.
3. Configure pallets to maximize capacity, stabilize product and distribute weight in the trailer or container.
4. See the *Cargo Security* section for Requirements on sealing truckloads and containers.

### 3.1.7 Perishable and Refrigerated Products

1. Products must be maintained at specified temperatures, depending on categorization of an item, as indicated in **Table 2**.

**Table 2. Temperature Requirements for Perishable and Refrigerated Products**

North America Temperature Range (°F)	Minimum	Target	Maximum
Ambient/Room Temperature	N/A	70°	N/A
Refrigerated	34°	36°	41°
Frozen	-10°	0°	10°
Chocolate	35°	55°	74°
Specified Fishery Products	34°	36°	40°



EMEA Temperature Range (°C)		Minimum	Target	Maximum
Ambient/Room Temperature		N/A	+18.0°C	N/A
Refrigerated		+0.1°C	+2.0°C	+4.0°C
Frozen		-23.0°C	-18.0°C	-15.0°C
Temperature Sensitive (chocolate, fruit or other products)		Per agreement with Starbucks	Per agreement with Starbucks	Per agreement with Starbucks
Greater China (°C)				
Product Category	Temperature Requirement			Comments
	During Storage	Delivery		
		Prior to Loading	During Transport	
Frozen	<= -23°C to -12°C	-12°C (max)	<= -23°C to -12°C	Freezer must be set to -18°C
Chilled	0°C to 5°C	0°C to 5°C	0°C to 5°C	
Temperature	18°C to 22°C	18°C	5°C to 25°C	

- For non-ambient shipments, the Supplier must notate the specific product temperature requirements on the BOL/AWB/CMR (e.g. "Product must remain between X and X degrees"). Clear terminology on the legal document regarding product and performance expectations for the carrier is critical. For non-ambient shipments to or within EMEA, temperatures must be notated in degrees Celsius.
- For non-ambient shipments, the Supplier must ensure that the trailer has stabilized at the target temperature prior to loading. This requirement is to ensure that the equipment being used to transfer freight is capable of maintaining the target temperature.
- For non-ambient shipments, the Supplier must ensure the product is within the temperature range listed above at the time it is loaded into the trailer.
- The Supplier must apply a Starbucks-approved temperature monitoring device to the outside of a case on the last pallet loaded of each PO at the time of shipping. If there are multiple POs going to the same destination one device may be used.
- The Supplier shall validate that the equipment being used to transfer the freight is suitable for the product type being shipped. If the trailer is not suitable for transport, the Supplier has the ability to reject the trailer.
- Drop shipped product may require additional or different Requirements which will be confirmed by the Authorized Starbucks Representative.

### 3.1.8 General Labels for Pallets, Cases and Inner Packaging (See Table 3)

- China & Asia Pacific (CAP) – Contact Starbucks CAP regulatory team to ensure the inner pack and outer carton requirements are fulfilled. See Starbucks *Supplier Guidance – References* (Table 1).



2. Labels shall be designed and positioned on the pallet, case and inner packaging so the required information is easily accessible and can be correctly identified. (e.g. case labels facing “out” and right-side-up on the pallet).
3. Each case must have at least 1 Case label.
  - a. Starbucks prefers 2 identical case labels/data on 2 adjoining sides of the case when possible
4. Pallet shipping labels must be applied outside or between layers of stretch wrap, may not have any creases or folds over the barcode, and may not cover up any data on the case.
5. Labels must be clear and legible, with a minimum font size of 12 points. Information may be directly printed and/or inkjet printed onto a case if all of the information Requirements have been met. English is the standard for labels, but for some specific markets Starbucks may request additional language(s). Local language is allowed for deliveries to consolidated distribution centers (CDCs).
6. Each data point on the label must include a “header” that precedes the information contained on the label (i.e. “Production Date” would precede “01-SEP-2017”. See example in **Figure 1**).
7. Some specific Markets/products may require additional or different information as communicated by the Authorized Starbucks Representative.
8. Inner Packaging – For items manufactured exclusively for Starbucks, include the same information that is printed on the case labels on any inner packaging that is used for shipment (excluding display packaging). Note that Starbucks may identify additional label requirements during the label approval process.
  - a. The Inner Pack GTIN bar code is required on these labels (not the case GTIN).

**Table 3: Product Case and Pallet Shipping Label Data Requirements**

**NOTE:** Intl shipments do not require GTIN or SSCC Bar codes

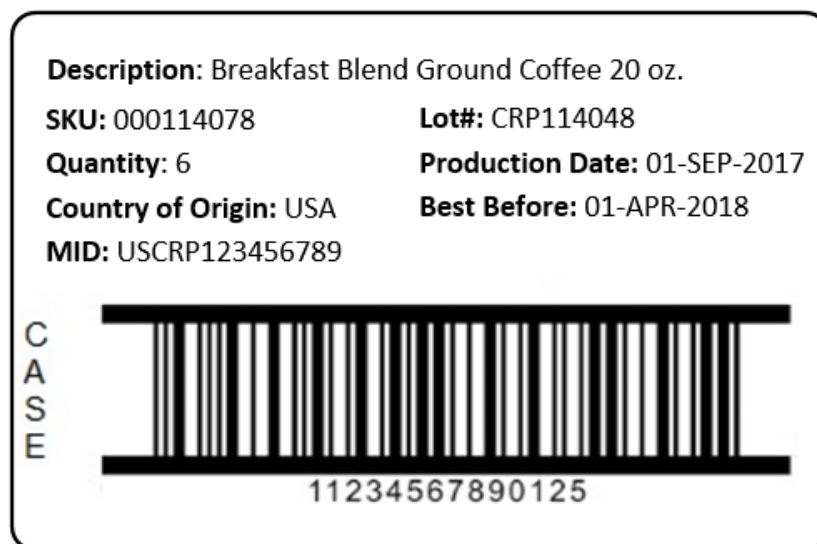
Data	Description	Pallet Shipping Labels	Product Case Labels
GTIN Bar Code	The GS1-compliant ITF-14 formatted case GTIN barcode (see section 3.1.11)	n/a	Required
SSCC Bar Code	The GS1-compliant 18-digit SSCC barcode (see section 3.1.11)	Required	n/a
Order#	Order Number (standard PO, blanket-release combination, or delivery ID [DID] number) * Unless otherwise communicated, the Order Number should not be listed on the case label when the goods are shipped on a pallet	Required	*Situational
SKU	The Starbucks item number/SKU number, provided on the order	Required	Required
Description	The Starbucks description of the SKU, provided on the order	Required	Required



Lot	The lot number/code for the item	Required for perishable	Required for perishable
Production Date	Date the lot was manufactured Format: DD-MMM-YYYY (e.g. 05-SEP-2017) Some markets in EMEA require numerical format: (DD-MM-YY)	Required for perishable	Required for perishable
Expiration Date OR Best Before	Format: DD-MMM-YYYY (e.g. 05-SEP-2017) Some markets in EMEA require numerical format: (DD-MM-YY)	Required for perishable	Required for perishable
COO	Country of origin for the item produced in this manufacturing facility (see section 3.1.12)	Required	Required
MID	Manufacturer Site ID. Number assigned by Starbucks for the specific facility where the goods were manufactured	Required	Required
Quantity	Pallet label: XX Cases, XX Units Case label with no Inner Pack (IP): XX Units Case label with IP: XX IPs, XX per IP, XX units per case	Required	Required

**Figure 1.** Example Label – Case label for a perishable product (not actual size)

This is an example of the information required on a Case label for a perishable product. The format is not a requirement, but all data shown, including “data field labels” must be present. The example below is printed on white label stock, so Bearer Bars are only required above and below the GTIN barcode. The product is palletized, so the PO number is on the pallet label, not the case label.



### 3.1.9 Barcoded Universal Product Code Labels

1. Some items are required to have the GTIN/Universal Product Code (UPC) or other identifying number barcoded in a standard format on the individual item.





2. When requested by the Authorized Starbucks Representative, products must be labeled at the item level (smallest product or sellable unit) with GS1- compliant standard barcodes, in either EAN-13 or UCC-12, unless otherwise directed by the Authorized Starbucks Representative. Truncated barcodes may be authorized when space is limited on the package.
3. Supplier UPC labels may be used in certain circumstances when approved by the Authorized Starbucks Representative. When suppliers provide UPC/GTINs to Starbucks, the UPC/GTIN must comply with GTIN rules (i.e., check digit validation).

### 3.1.10 GS1 Barcodes – GTIN and SSCC

1. Starbucks requires GS1-compliant Global Trade Item Number (GTIN) barcodes on cases and inner packs and LPN (SSCC) barcode labels on pallet shipping labels to ensure accurate receiving and meet our customer’s requirements.
  - a. Some sellable units also require UPC/GTIN bar code labels.
2. Suppliers are expected to keep current and conform to barcode standards published by GS1. See the GS1 website at [www.gs1.org](http://www.gs1.org) for information on current barcode requirements and standards for GTIN bar codes and SSCC barcodes.
3. Starbucks and its associated Brands will provide GTINs for each packaging level (Each/sellable unit, Inner pack, and Case) to suppliers for the labeling of items where they are exclusively manufactured for or by Starbucks. For items that are deemed to be ‘off the shelf’ or the supplier retains the proprietary ownership for recipes or specifications, the Supplier must provide and label the item with their appropriate GTIN. For the purpose of this document ‘off the shelf’ is defined as an item where no changes are being made to the basic formulation or specification of the item to fit Starbucks specific requirements. For example, Starbucks would not provide a GTIN for a pack size change requested of the supplier if the product is made available to other customer in the same format.
4. GS1 GTIN barcodes are applied based on the destination of the shipment as shown in **Table 4**.

**Table 4. Usage of GS1 GTIN Barcodes**

North America and Latin America	EMEA	Asia Pacific
<input type="radio"/> Inner packs <input type="radio"/> Fixed quantity cases	<input type="radio"/> Inner packs <input type="radio"/> Fixed quantity cases <input type="radio"/> Fixed quantity pallets	<input type="radio"/> Inner packs only

5. License plate barcodes must be included on each logistic unit. License plate barcodes contain a serial shipping container code (SSCC) number to uniquely identify each logistic unit (e.g. pallet or container) and to facilitate tracking of shipments with a random set of contents. Upon request, Supplier shall send electronic files containing the data related to the SSCC18 number by means of Electronic Data Interchange (EDI).
  - a. Ensure the SSCC bar code is on each pallet label.
  - b. SSCC may apply to the case when shipping unpalletized and uncontainerized; see the Authorized Starbucks Representative for details.



- The size of the barcode varies based on the application. A “limited space option” may be available, but barcodes should meet the “standard” minimum size listed in **Table 5** whenever possible.

**Table 5. Minimum Size Specifications for Barcodes**

Barcode Type	Minimum Width	Minimum Height
GTIN: Item	See the Authorized Starbucks Representative	
GTIN: Case and Inner Pack	122.43 mm (4.82 in.)	31.15 mm (1.25 in.)
SSCC: License Plate	77 mm (3.05 in.)	31.75 mm (1.26 in.)

### 3.1.11 Special Labels - Warning Labels

Warning labels are intended to provide information to support correct handling and accurate receipt. The Supplier should design, size, color and position these labels to enable them to be immediately visible and unmistakably clear. Types of warning labels include:

- Mixed Pallet Labels** – Label pallets that contain mixed product (SKU, Lot and/or Order) as a mixed pallet. Also indicate the different product that is contained on the pallet.
- “Do Not Double-Stack” Pallet Labels** – Label pallets that cannot be double-stacked with warning labels to prevent double-stacking by anyone handling the product.
- Fragile Labels** – Label cases and pallets that contain fragile items with a “Fragile” label.

### 3.1.12 Country of Origin

Suppliers are responsible for ensuring that their product is marked with the country of origin (COO) (e.g. the country where the product being received was manufactured) according to the laws of the country into which the product is being delivered. For example, products for the U.S. must meet U.S. laws and regulations as stated in the 19 U.S.C. 1304, and any other applicable special marking Requirements as identified in 19 CFR 134.43.

Product packaging on an outer retail case must be marked with the COO on both the case and on the individual items. Prior to commencing shipment, Suppliers shall contact the Authorized Starbucks Representative regarding COO marking Requirements.

Upon request, Suppliers are required to provide additional documentation to support the need for country of origin information.



## 3.2 Transportation and Shipping

### 3.2.1 Cargo Security

1. The Supplier shall maintain container and trailer integrity to protect against the introduction of unauthorized material and/or persons into the Starbucks supply chain.
2. The Supplier shall not fumigate containers and/or trailers unless other requirements are specified by Starbucks in advance.
3. All Suppliers and the third parties with whom they conduct business shall have, at a minimum, the following container and trailer security measures in place:
  - a. **Container Inspection** – Written procedures to verify the physical integrity of the container structure prior to packing shall include a seven-point inspection process to be completed on all containers and trailers (refer to Starbucks Container Seven-Point Inspection Guide, or reference [www.cbp.gov](http://www.cbp.gov) for C-TPAT Importer Security Criteria).
  - b. **Seals** – At the location where loading occurs, the Supplier shall affix a high-security seal to all full load containers/trailers that meet or exceed PAS ISO 17712.
    - Suppliers shall record seal numbers as required by the BOL/AWB/CMR section (handwritten seal numbers are not acceptable).
    - At each transfer of custody in the entire supply chain there must be verification that the seal is intact, and whether it exhibits evidence of tampering along the route.
    - If the seal is removed in-transit by anyone (including government officials), a replacement seal must be affixed to the container/trailer and the seal change must be documented on the BOL/AWB/CMR.
    - When a seal is broken, the provider/Supplier must immediately notify Starbucks at [cargosecurity@starbucks.com](mailto:cargosecurity@starbucks.com) to communicate:
      1. the number of the broken seal;
      2. who broke the seal; and
      3. the number of the replacement seal affixed to the container/trailer.
  - c. **Container/Trailer Storage** – Containers/trailers must be stored in a secure area to prevent unauthorized access and/or manipulation.

Procedures must be in place for reporting and neutralizing unauthorized entry into containers or container storage areas.

In the event of a suspected security event (Greater China excluded), the Supplier shall advise Starbucks of the event details via the cargo security email box at [cargosecurity@starbucks.com](mailto:cargosecurity@starbucks.com) (include the identifying container/trailer number in the subject line of the email), and/or via other forms of communication appropriate for the circumstances (Greater China – contact your primary sourcing contact). The load will then be immediately halted within the supply chain and will not be received while the event is being investigated.

**NOTE:** Additional security measures are detailed in *Supplier Guidance - Expectations / Supplier Security Protocol*.



### 3.2.2 Freight Terms – Global (Excluding North America)

1. Starbucks uses Incoterms 2020<sup>®</sup> freight terms for all shipments, unless specified otherwise on the Order. Information about Incoterms<sup>®</sup> is available from the International Chamber of Commerce website at [www.iccwbo.org](http://www.iccwbo.org).
2. The Supplier is responsible for compliance with freight terms, specified shipment, or arrival dates and named places described on each Order. Any questions about the terms or dates listed on an Order should be directed to the Authorized Starbucks Representative.
3. For shipments to be turned over to Starbucks at or near origin (Incoterms 2020<sup>®</sup> EXW, FCA, FAS, FOB), a Starbucks-nominated Cargo Management Service (CMS) provider will accept the booking, collect and forward all relevant shipping and commercial documents, including Verified Gross Mass (VGM), and secure transit for the goods from the named place to final destination.
4. For shipments to be turned over to Starbucks control at the port of discharge or any other defined place (Incoterms 2020<sup>®</sup> CFR, CPT, CIP, CIF, DAP), the Supplier shall be responsible for all transit times and for shipping to the named place as specified by the Incoterms 2020<sup>®</sup> and any other special instructions included on the shipment Order.
5. For shipments to be turned over to Starbucks control at destination (Incoterms 2020<sup>®</sup> DDP), the Supplier shall be responsible for all transit times, shipping and customs/import documentation and delivery to final destination as specified by the Incoterms 2020<sup>®</sup> and any other special instructions included on the Order.
6. In all cases, the Supplier is responsible for arranging the shipment and the schedule to meet each ship date or arrival date at the final destination and the named place stated on the Order.

### 3.2.3 Freight Terms – North America

In lieu of Incoterms 2020<sup>®</sup>, Starbucks may use three other freight terms for shipments within or between the U.S. and Canada. Purchase orders shall list the named place where Starbucks agrees to assume risk of loss and take title to the goods (a.k.a. “origin” address for Third Party, or a “destination” address for Freight Prepaid, and Prepay and Add). These three terms and their definitions include:

#### **Freight Prepaid**

1. The Supplier shall be responsible for paying the freight carrier for the cost of transporting goods from the Supplier location to the destination (named place).
2. If the goods cross the U.S./Canada border, the Supplier is the Importer of Record and shall be responsible for clearing customs, including preparing all documents and paying all duties, taxes, brokerage fees and/or any other related costs.
3. Transportation costs shall be negotiated with the Authorized Starbucks Representative and are embedded in the total costs. Transportation costs are not invoiced to Starbucks, either as a line item on a product invoice or as a separate invoice.

#### **Prepay and Add**

1. The Supplier shall be responsible for paying the freight carrier for the cost of transporting goods from the Supplier location to the destination (named place).



2. If the goods cross the U.S./Canada border, the Supplier is the Importer of Record and shall be responsible for clearing customs, including preparing all documents and paying all duties, taxes, brokers fees or any other related costs. The Supplier shall invoice Starbucks for the transportation costs.

### Third Party

1. Starbucks shall be responsible for paying the freight carrier for the cost of transporting goods from the Supplier location (named place) to the destination.
2. If the goods cross the U.S./Canada border, Starbucks is the Importer of Record and shall be responsible for clearing customs and paying all duties, taxes, broker fees or any other related costs. The Supplier shall be responsible for preparing all customs documents and providing the necessary documents to the carrier and customs broker.

**NOTE:** For **Freight Prepaid** and **Prepay and Add** terms, Starbucks may recommend a specific carrier, but will normally leave carrier selection to the Supplier.

### 3.2.4 Booking Requirements – International

When booking international shipments of Starbucks-managed freight, please refer to the appropriate CMS provider's booking Requirements. The key booking Requirements include:

1. Supplier must book at least 14 days prior to the Ready-to-Ship date as listed on the Purchase Order.
2. Supplier must follow the CMS booking instructions, including the use of the online booking tool.
3. Supplier must provide the required documents no later than 2 business days after the estimated time of shipment.
4. For any questions on shipping Green Coffee, Finished Goods, and Tea & Botanicals from Asia/India to North America, please contact David Barnes with Expeditors at [david.barnes@expeditors.com](mailto:david.barnes@expeditors.com).
5. For any questions on shipping Green Coffee, Finished Goods, and Tea & Botanicals from Central and South America, Europe or Africa to North America, please contact Marcelo Silva with DSV at [Marcelo.Silva@us.dsv.com](mailto:Marcelo.Silva@us.dsv.com).
6. Starbucks contacts: Michael Higgins at [mhigging@starbucks.com](mailto:mhigging@starbucks.com) for Green Coffee and Morgan Wilson at [morwilso@starbucks.com](mailto:morwilso@starbucks.com) for Finished Goods and Tea and Botanical if further instructions are needed. For any questions for drayage or air freight shipping contact Brian Mitchell at [brmitche@starbucks.com](mailto:brmitche@starbucks.com). For Global Logistics escalations contact Caroline Korn at [ckorn@starbucks.com](mailto:ckorn@starbucks.com).
7. Refer to sections relating to small parcel shipments.

### 3.2.5 TMS Booking Requirements – Intra U.S./Canada

1. For all booking requirements, Supplier shall utilize the appropriate SOP and/or SOW as provided by authorized Starbucks representative.



### 3.2.6 Booking Requirements – Intra Asia

When booking intra-Asia shipments of Starbucks-managed freight, the Supplier shall abide by the following Requirements:

1. Supplier shall book at least 14 days prior to the Ready-to-Ship date listed on the Purchase Order.
2. Supplier must provide the required documents to the CMS provider no later than 1 day prior to the Estimated Time of Departure.
3. Refer to sections relating to small parcel shipments.

## 3.3 Shipping Documentation – General Requirements

### 3.3.1 Shipping – Hazardous Materials

1. The Supplier shall include a Material Safety Data Sheet (MSDS), OSHA Form 20, IMDG certificate or equivalent with any shipment that contains hazardous material.
2. A 24-hour emergency contact must be notated on the BOL, AWB, CMR and other relevant transportation documents for all hazardous material shipments.
3. For deliveries to or within North America, the appropriate hazardous material numbers (United Nations or North American) must be notated on the BOL, AWB, CMR and all other relevant transportation documents.
4. The proper hazardous materials identification number should be included on all paperwork for HAZMAT shipments. This requirement is in addition to the requirement of supplying the MSDS, OSHA Form 20, IMDG certificate or equivalent.

### 3.3.2 Delivery and Shipping Documentation

1. A shipping document (i.e. Packing List for North America or Delivery Note for EMEA) shall accompany each shipment and meet the following requirements:
  - a. Each PO must have a separate shipping document.
  - b. The language standard on delivery and shipping documentation is English although local language is acceptable for deliveries to Consolidated Distribution Centers (CDCs).
  - c. The shipping document must be accessible as the delivery is unloaded, preferably attached to the upper right-hand corner of the upper right-hand case of the leading pallet.
  - d. All shipping documents must include specific information based on the receiving region, as shown in **Table 6**:



**Table 6. Information Required on Shipping Documents**

Data Element	N. America & Latin America	EMEA	Asia Pacific
"Ship From" name, address and contact	X	X	X
"Ship To/Sold To" name, address and contact	X	X	X
PO Number	X	X	X
Manufacturing Site ID Number (assigned by Starbucks)	X	X	X
Country of Origin /Manufacture	X	X	X
Starbucks Item Number	X	X	X
Total Shipment Quantity in the unit of measure listed on the PO	X	X	X
Total Number of Cases (or units) Per Item	X	X	X
Ship Date	X		
Supplier Name and Address	X		
Item Description (as listed on the PO)	X	X	X
Expected Delivery Date		X	X
Gross Weight per Item (kg)	X	X	X
Total Volume per Item (CBM / m <sup>3</sup> )	X	X	X
Lot Codes	X	X	X
Production Dates	X	X	X
Expiration / BB Dates	X	X	X

X = Required

Blank = Optional, but required if specified by the Authorized Starbucks Representative

Date format is DD-MM-YYYY unless otherwise approved

2. Bill of Lading (AWB for air freight) must accompany each shipment and must include specific information based on the receiving region, please refer to the appropriate SOP and/or SOW.
3. For EMEA only, road shipments (including containers transported by road) transporter shall provide a completed CMR document, mentioning Starbucks PO number, booking reference, pallet/colli number, gross weight and any other relevant information such as temperature and ventilation requirements. Transporter shall provide minimal 2 copies (transporter and receiver copy).
4. For shipments within North America with freight terms of "Third Party" *only*, Suppliers shall add "Third Party Billing" to the BOL and include the following information on the BOL and the commercial invoice or customs invoice:
  - a. Starbucks SB Number



- Shipments managed by Starbucks will contain an SB Number. This number is a required reference on the BOL for the Carrier.

b. Freight billing address:  
Starbucks Coffee Company  
c/o US Bank Freight Payments  
1000 East Warrenton Road, Suite 350  
Naperville, IL 60563

5. Delivery appointments for both Starbucks TMS tendered shipments must be included on the BOL as provided by Starbucks TMS. Delivery appointments must be taken directly from the load confirmation provided by the transportation provider.

### 3.3.3 Commercial Documentation – International Border Crossings

1. These Requirements are subject to change at any time, based on specific country requirements / regulations.
2. Suppliers who are the importer of record are responsible for meeting all customs and clearance Requirements for the country of import.
3. If Starbucks is the importer of record, the Supplier must prepare and complete proper commercial documentation that meets the Requirements of the country of import and any additional Requirements as listed in corresponding SOP and/or SOW. All documentation must be signed by the Supplier or the shipper.
4. Unless the freight terms require the Supplier to assume risk until the destination is reached, the complete document package must be submitted to Starbucks, its custom clearance agents and the receiving warehouse no later than 48 hours prior to departure for airfreight, and 48 hours after departure from the country of export for all other freight types.
5. For shipments into Canada, paperwork is submitted no later than the time of shipment departure. Starbucks recommends that documentation is provided to customs no later than 4 hours prior to the expected border crossing.
6. The standard contents of the commercial documentation packet are based on the receiving region, as listed in **Table 7**.





**Table 7. Commercial Documentation – Packet Contents**

Data Element	N. America & Latin America	EMEA	Asia Pacific	China
Commercial Invoice or Customs Invoice	1 Copy	1 Copy	1 Copy	1 Copy
Packing List	1 Copy	1 Copy	1 Copy	1 Copy
Bill of Lading	1 Copy	3 Copies Total (2 originals + 1 copy)	3 Copies Total (2 originals + 1 copy)	1 Copy for SWB (tel-released) or a whole set of BOL originals
Origin Certificate (if required for product)	1 Copy	2 Copies Total (1 original + 1 copy)	1 Copy	1 Original
Health Certificate (if required for product)	1 Copy	2 Copies Total (1 original + 1 copy)	1 Copy	Products containing ingredients from animals (i.e. dairy, eggs): 1 original + 1 copy
Load Plan (by container with clearly marked pallet and container numbers)	1 Copy	1 Copy		1 Copy
Generalized Systems Preference (GSP) Certificate (Far East air shipments only)	1 Copy	2 Copies Total (1 original + 1 copy)		
EUR1 Movement Certificate or preferential origin statement on invoice (for products with Swiss preferential origin if applicable)		2 Copies Total (1 original + 1 copy)		
Fumigation Certificate (for container shipments originating outside EMEA and U.S./Canada only)		1 Copy		
CMR (for intra EMEA road shipments, including containers)		Minimal 2 copies (transporter and receiver copy)		
Non-Wood Packing Material Certificate if applicable. Must have 2 IPPC stamps on wooden pallets/ packages confirming wood has been treated per Requirements.	1 Copy			1 Copy (if certificate)
Certificate of Analyses (if required for product in specific markets).		1 Copy		



### 3.3.4 Commercial Invoice Requirements – International Border Crossings

1. A commercial invoice or customs invoice is required for all shipments crossing international borders.
2. If a commercial invoice is not generated because there is no sale involved (e.g. product/samples provided at no charge), a customs invoice must be prepared in lieu of a commercial invoice when the product will cross an international border. The customs invoice must contain all the information required on a commercial invoice. The value of the product must be based on “fair market value” or the price that would be paid if the item were offered for sale. It is acceptable to show on a customs invoice, “Value for Customs Purposes Only.”
3. Requirements for commercial invoices vary, based on the region or country of import. Any additional or different Requirements for a specific country or shipment will be communicated by Starbucks prior to the shipment.
4. The standard elements of a commercial invoice are listed below. If the item is a “gift pack” with multiple components, the item information (i.e., item, price, weight, tariff code, country of origin) must be listed for each component.

#### **Shipment Information**

- a. Name of Supplier/Shipper
- b. Physical Address of the Supplier/Shipper
- c. Ship-to Name and Address (consignee) (see Canada note below)
- d. Ship-from Location Name and Physical Address
- e. Sold-to Name and Address (see Canada note below)
- f. Port of Loading and Unloading (if applicable)
- g. Supplier’s Invoice Number and Date
- h. Starbucks or Purchaser’s PO Number
- i. Case Marks and Numbers
- j. Number of Cases
- k. Total Invoice Value and Currency
- l. Total Invoice Quantities
- m. All charges on the products, itemized by name and amount, including freight, insurance, commissions, containers and cost of packaging
- n. All products and services furnished for the production of the products not included in the itemized price (e.g. assists and tooling), except design, artwork, or engineering plans or sketches done in the importing country
- o. Terms of Payment
- p. Any other transportation-related information (e.g. Vessel Name, BOL Number, Mode)
- q. Name of responsible individual at the supplier/shipper who has knowledge of the transaction
- r. Freight Terms (Incoterms® unless otherwise specified in the PO)
- s. Packaging Type (cases, bags, etc.)
- t. Page Number (e.g. 1 of 2)

#### **Item Information**

- a. Starbucks Item number (if assigned)



- b. Description as listed on PO. This must be a complete description that clearly states what the item is, including the chief material the item is made from and how the item is used, in order to meet Customs Authority Requirements.
- c. Unit of Measure as listed on PO
- d. Net Weight of each item
- e. Gross Weight of each item
- f. Unit Price and Extended Value
- g. Currency
- h. Name and physical Address of Manufacturer
- i. Country of Origin/Manufacture
- j. Tariff Code
- k. Serial Number (if applicable)

### **Country and Region-Specific Requirements**

- a. For shipments entering the U.S., add (to the Commercial Invoice or as an attachment):
  - i. Manufacturing Facility FDA Registration Number, Name and Address (food items only)
  - ii. Food Contact Packaging Type and material (e.g. glass bottle; mylar pouch; plastic bag) – (food items only). Declaration must also be provided for any machinery and parts thereof, that manufactures or serves food or beverages, whether the item comes in to contact with the food or beverage.
  - iii. Products containing wood must include certification per US EPA regulation, TSCA Title VI; if products do not contain wood, the commercial invoice must have a negative statement, i.e. "This Shipment does not contain composite wood products."
- b. For shipments into Canada purchased by a Starbucks distributor under "Third Party" freight terms:
  - i. Sold-to Name and Address will not be an entry on the invoice
  - ii. Consignee will be entered as "Starbucks C/O" and Ship-to address will be purchaser's address
- c. For shipments from an EU country to a non-EU country, add the following statement:
  - i. "For export supply: 0% VAT / Exempt from VAT According to Art. 146(1)(a) of the VAT Directive"
- d. For shipments between EU countries and part of the VAT area, add the following statement:
  - i. "For intra-community supply: 0% VAT / Exempt from VAT According to Art. 128 VAT Directive"
- e. For shipments to the UAE, add (to the commercial invoice or as an attachment):
  - i. Manufacturer's Name, Address, City, State/Province, Country (all items)



### 3.4 Customs and Import Clearance

When Starbucks is the importer of record (freight terms: EXW, FAS, FCA, FOB, CFR, CPT, CIP, CIF, DAP, or Third Party), Supplier shall send the correct customs documentation to the Starbucks-appointed CMS provider and the provider will work directly with the customs broker.

When the supplier is the importer of record (freight terms: DDP, Freight Prepaid or Prepay and Add), the Supplier should make the necessary arrangements with a customs broker to clear the shipment through customs and pay any clearance and duty-related charges.

In case of DDP shipments into EMEA, the Tax and Customs team must be contacted (via +31 (0)20 3077000) to provide guidance on how to handle the import VAT.

The supplier is responsible for following the importing country's customs laws and regulations when generating documents, marking products, and shipping product, regardless of who is the importer of record.

#### 3.4.1 Authorized Customs Brokers

Refer to **Table 8** in the *Supplier Guidance – References* document for a list of authorized customs brokers.

#### 3.4.2 Customs – Importer Security Filing

1. An Importer Security Filing (also called "ISF" or "10+2") shall be made by a Starbucks customs broker on all shipments entering the United States via ocean carrier. Compliance is mandatory and is required by Customs. All Starbucks Suppliers shall provide information to the Starbucks CMS provider to support this process.
2. Starbucks ISF Violation Policy:
  - a. U.S. Customs and border protection has required all importers to file an Import Security Filing (ISF) since the start of the program in 2009. Starbucks thereby requires all vendors to supply an importer security form in order to file a timely transmission to customs. This rule applies to all shipments to Starbucks Corporation regardless of the Freight Terms. Our assigned Freight Forwarders files the ISF on behalf of Starbucks from the information provided on the vendor ISF form. It is essential to provide the form with the Freight Forwarder completely, correctly and on time. We have instructed all our freight forwarders not to accept vendor shipments without the proper ISF submission.
  - b. Importers are legally responsible to ensure that these data elements are filed with CBP by the required timeline or can expect penalties of up to \$10,000 per shipment (\$5,000 per violation).
  - c. If Starbucks Corporation is charged with a violation due to the lack of submission or incorrect data on the form a chargeback will be issued for the amount of the violation.
  - d. As a reminder, the following occurrences will be considered violations by CBP, and therefore subject to penalty:
    - Late ISF Submission: An ISF Transmission will be considered late if not filed at least 48 hours before loading on a vessel that is destined for the U.S. The penalty amount for a Late ISF Submission is \$5,000 PER VIOLATION.



- Inaccurate ISF Submission: An ISF Transmission will be considered inaccurate if the information provided to CBP is false and/or incomplete. The penalty amount for an Inaccurate ISF Submission is \$5,000 PER VIOLATION. This includes providing the correct Automated Manifest System (AMS) Bill of Lading Number at time of ISF Submission, which is a common pitfall for ISF filings. We require that you confirm with the Freight Forwarder that you have the correct AMS Bill of Lading Number when filing the ISF.
  - Late Amendment to an Existing ISF Submission: An amendment to an existing ISF will be considered late if not filed at least 24 hours before the vessel arrives within the limits of a U.S. Port. Accordingly, it is imperative that importers immediately forward any requested changes to an existing ISF submission for timely updating to CBP. Late amendments also include incorrect updates to a “Flexible” ISF Submission. The penalty amount for a Late Amendment to an existing ISF Submission is \$5,000 PER VIOLATION.
- e. Additional information on ISF (ISF Frequently Asked Questions and the Customs Bulletin for ISF Penalties and Mitigation Guidelines) is available at:
- U.S. Customs and Border Protection Website – [www.cbp.gov](http://www.cbp.gov)
- Please review the above information and direct any of your questions or comments to Marshall Smith, director of customs, [marsmith@starbucks.com](mailto:marsmith@starbucks.com).
3. Whenever Starbucks is the importer of record into the U.S. or is the ultimate consignee for cargo entering the U.S., Supplier must provide additional data elements to enable ISF compliance. This requirement applies to all freight terms and to Supplier-managed freight.
  4. In order to comply with the ISF process, Suppliers shall work with Starbucks approved carriers and/or customs brokers to provide ISF data.
  5. Supplier shall include a complete and accurate Manufacturing Site Identification (MID) number at the time of booking. Failure to do so may result in missed security filings. Supplier should contact the Starbucks CMS provider at origin for additional directions if needed.

### 3.4.3 U.S. Customs – 24-Hour Rule

Carriers of containerized and bulk ocean freight are required to present timely and accurate information to U.S. Customs regarding the shipped cargo at least 24 hours before loading on a vessel making a call on a U.S. port. Compliance with the rule is mandatory and all Starbucks Suppliers must provide information when necessary to support this program. Supplier may contact the CMS provider at the port of loading with questions regarding the 24-Hour Rule.

### 3.4.4 Preferential Import Scheme – Documentation Required

Supplier may be requested to provide documentation in order for Starbucks to qualify for preferred tariffs at the moment of import into the country of destination. The requested documentation is normally a Proof of Preferential Origin, such as but not limited to:

1. Movement Certificates EUR.1
2. Invoice Statements



3. Certificates of Origin Form A
4. Free Trade Agreement Certification

## 3.5 Carrier and Shipping Modes

### 3.5.1 Carrier Selection

1. For Starbucks-managed freight terms, Supplier will be responsible to validate shipment and set pick-up appointments within the required lead-time to allow for necessary carrier transit time. If the transit time is uncertain, please confirm with your carrier or the contacts listed in this section before a booking is made. Any accessorial, detention, or expedite amounts charged to Starbucks as a result of the Supplier's noncompliance will be charged back to the account of the Supplier.
2. For Supplier-managed freight terms, the Supplier is responsible for allowing adequate transit time to meet the "Arrival Date Final Destination" stated on the PO and verifying the transit time at the time of dispatch. (See **Table 8** below for specifics by mode)
  - a. **Air Freight - Supplier-managed with Supplier using their own forwarder.** Supplier would need to send documents to FedEx Trade Networks (FTN) for customs clearance as soon as the air freight departs. FTN would handle the customs clearance and Supplier would need to manage delivery to the DC/final destination
    - FTN Broker Info:
      - FedEx Trade Networks Transport & Brokerage, Inc.
      - Contact: Kerri Cappa ([kerri.cappa@fedex.com](mailto:kerri.cappa@fedex.com))
      - 2820 B Street NW, #101
      - Auburn, WA 98001
      - Tel: 253-561-0554

**NOTE:** Incoterms change to DDU in this scenario only.

- b. **Air Freight – Supplier-managed with Supplier using a Starbucks approved forwarder.** Supplier will book with Starbucks' freight forwarder and all charges until arrival at final destination are to be prepaid by the Supplier. Upon arrival, the standard process will follow with Starbucks to have copies of the documents to complete the customs clearance and delivery.

**NOTE:** Incoterms do not change in this scenario to DDU in this scenario only.

- c. **Ocean Freight – Supplier-managed with Supplier using their own carrier.** Supplier will be responsible to manage full shipment under DDP (Delivered Duty Paid) terms. Starbucks



Transportation and Compliance will not be the consignee for these shipments due to strict ISF requirements to protect Starbucks' ISA status with US Customs.

- Supplier must be Importer of Record (IOR)
- Incoterms change to DDP for this scenario.
- Duties and Taxes – Payment to be negotiated between Starbucks Sourcing and the Supplier.

**Table 8. Supplier Requirements for Supplier-managed International Air and Ocean Freight.**

Mode	Origin Services	Documentation pre-alert to Starbucks Broker	Destination Customs Clearance	Deliver to DC
<b>Air</b> (Supplier freight forwarder)	Supplier	Supplier	Starbucks	Supplier
<b>Air</b> (Starbucks freight forwarder)	Starbucks	Starbucks	Starbucks	Starbucks
<b>Ocean</b> (Supplier freight forwarder)	Supplier	Supplier	Supplier	Supplier

### 3.5.2 EMEA Carriers

Contact the EMEA Transportation Department in Amsterdam at Telephone: +31 (0)20 3077000.

### 3.5.3 Asia Pacific Carriers

Refer to the Starbucks Coffee Company Asia Pacific Routing Guide for Inbound Logistics for Starbucks-designated carriers. For a copy of this guide, contact the Asia Pacific Transportation Department in Hong Kong via telephone at (852) 2283 1130.

### 3.5.4 North America Carriers – Shipments Within or Between the U.S. and/or Canada

1. Starbucks-managed LTL, full truckload, intermodal and temperature control shipments – Contact the appropriate Regional Starbucks Transportation Team in **Table 9**.

**NOTE:** Regional Contact is based on Shipment Origin

**Table 9. Starbucks North American Regional and Temperature Contact List**

Inbound Transportation	Contact Email	SLA	Escalation
<u>Supplier / Coman Inbound to Starbucks</u> <ul style="list-style-type: none"> <li>• Order Change Requests/Processing</li> <li>• Supplier Shipper Portal questions</li> <li>• Appointments / Reschedules</li> <li>• Track and Trace</li> <li>• Disposition</li> <li>• Proof of Delivery (POD) requests</li> <li>• General transportation inquiries</li> </ul>	Monitored: Mon – Fri 8am PST – 4pm PST Choose based on ORIGIN State (see map) <a href="mailto:InboundTransportationWest@starbucks.com">InboundTransportationWest@starbucks.com</a> <a href="mailto:InboundTransportationEast@starbucks.com">InboundTransportationEast@starbucks.com</a> Nationwide <a href="mailto:TempControlTransportation@starbucks.com">TempControlTransportation@starbucks.com</a>	2 hours	<ul style="list-style-type: none"> <li>• West Coast: Sara Hill <a href="mailto:sahill@starbucks.com">sahill@starbucks.com</a></li> <li>• East Coast: Spencer Hawn <a href="mailto:shawn@starbucks.com">shawn@starbucks.com</a></li> <li>• Temp Control: Spencer Hawn <a href="mailto:shawn@starbucks.com">shawn@starbucks.com</a></li> </ul>



Mass Order Create (MOC)	<a href="mailto:InboundStarbucks@mytmc.com">InboundStarbucks@mytmc.com</a>	2 hours	<ul style="list-style-type: none"> <li>West Coast: Sara Hill <a href="mailto:sahill@starbucks.com">sahill@starbucks.com</a></li> <li>East Coast: Spencer Hawn <a href="mailto:shawn@starbucks.com">shawn@starbucks.com</a></li> <li>Temp Control: Spencer Hawn <a href="mailto:shawn@starbucks.com">shawn@starbucks.com</a></li> </ul>
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Specialty Trans Ops	Contact Email	SLA	Escalation
<u>Afterhours TransOps</u> Starting Friday 2PM to Sunday 7:30PM (PST)	<a href="mailto:AfterhoursTransportation@starbucks.com">AfterhoursTransportation@starbucks.com</a>	2 hours	<a href="mailto:TransportDataAdmin@starbucks.com">TransportDataAdmin@starbucks.com</a>
<u>Starbucks Shipper Portal</u> <ul style="list-style-type: none"> <li>Registration / Login Issues</li> <li>Add/Remove users from 'Reminder to Validate' report</li> </ul>	<a href="mailto:PortalSupport@starbucks.com">PortalSupport@starbucks.com</a>	2 hours	<a href="mailto:TransportDataAdmin@starbucks.com">TransportDataAdmin@starbucks.com</a>
<u>Ship To Location Updates</u> <ul style="list-style-type: none"> <li>New Ship-to location create</li> </ul>	<a href="mailto:TransportDataAdmin@starbucks.com">TransportDataAdmin@starbucks.com</a>	2 hours	<a href="mailto:TransportDataAdmin@starbucks.com">TransportDataAdmin@starbucks.com</a>

Figure 2. Origin State Map – Transportation Regional Contact (as referenced in Table 9)



- Parcel shipments, except to/from/within Canada** – All parcel shipments, except to/from/within Canada, are shipped via FedEx. Suppliers must validate all parcel shipments within the required lead time. Suppliers are divided into two categories (all Suppliers, independent of category, must contact their Authorized Starbucks Representative to initiate this process):





- a. Frequent shippers are those Suppliers expected to ship more than 25 small parcel shipments per day from a shipping location. Frequent shippers will be assigned a unique account number to use for shipping on behalf of Starbucks.
  - b. Infrequent shippers are those Suppliers expected to ship less than 25 small parcel shipments per day from a shipping location. Infrequent shippers are required to use the Starbucks supplier shipping portal to generate a shipping label.
  - c. Starbucks will provide Suppliers with a field requirements reference guide by shipper type. Failure to comply with the requirements outlined in this document may result in the chargeback of freight costs.
3. **Parcel Shipments to/from and within Canada** – All Canadian parcel shipments should be shipped via Purolator or FedEx, depending on supplier account setup. The PO number must be listed in the “Reference” field.
  4. **Air Freight** – For all air freight shipments exceeding FedEx or Purolator weight and size limits originating in the U.S. or Canada, Suppliers must contact their assigned Starbucks Planner to initiate the expedite approval process.

### 3.5.5 Shipping Mode Selection

For Starbucks-managed shipments, the appropriate mode will be selected based on pre-determined criteria.

## 3.6 Delivery Appointments – Supplier Managed Freight

1. Supplier shall book dock appointments with the destination location (RDC, CDC or construction site) as early as possible but no less than 24 hours in advance of the due date. This may be extended to 3 business days during the peak season (September 1 through December 15). Emergency air shipment appointments will be accepted with one business days’ notice. Deliveries without appointments will generally be refused and any detention charges that result will be charged directly to the Supplier’s account.
2. The PO number and number of pallets in the shipment are required before a dock appointment time will be assigned.
3. All delivery appointments at an RDC must be made via email. Contact the specific CDC for their preferred method. DC phone numbers are listed on the PO. RDC emails and additional resources are provided in *Supplier Guidance – Reference* document. Contact the Authorized Starbucks Representative for more information.
4. Shipments arriving more than 30 minutes after the scheduled appointment are considered late. The receiving distribution facility (DC) can refuse late deliveries and require that a new appointment be scheduled. Any detention charges that result will be charged to the account of the Supplier if the shipment has Supplier-managed freight terms on the PO. Arriving early does not guarantee early unloading.
5. Dock appointments for ocean shipments to Asia Pacific will be made by the local DC, based on the unloading schedule and free storage period to arrange haulage. Usually it will take 5 business days on average to transport shipments from port to a DC.



### 3.7 Supplier Performance – Packing & Shipping Requirements

Failure to meet the Requirements outlined in this *Supplier Guidance* document, or any other Requirements communicated by an Authorized Starbucks Representative will be considered non-compliant unless explicit formal authorization for exception is granted by the Authorized Starbucks Representative. Suppliers are responsible for meeting all Requirements.

To rectify instances of non-compliance, Starbucks may:

1. Return the product to the Supplier using a Starbucks transportation provider; and/or
2. Elect not to pay for unusable product; and/or
3. Charge the Supplier for all costs associated with the non-compliance, such as:
  - a. Costs to rework product to bring it into compliance
  - b. Costs to handle and dispose of unusable product
  - c. All transportation costs associated with non-compliant product
  - d. All associated storage costs
  - e. All associated administrative and processing costs
  - f. If applicable, transportation related accessorial costs

The Authorized Starbucks Representative will provide Suppliers with detailed information about the instance of non-compliance, as well as the resulting actions taken.



## Revision History

Date	Versions
May 2014	Starbucks Supplier Guidance - Requirements, Version 1.0
December 2014	Starbucks Supplier Guidance - Requirements, Version 2.0
March 2015	Starbucks Supplier Guidance - Requirements, Version 2.1
June 2015	Starbucks Supplier Guidance - Requirements, Version 2.2
March 2016	Starbucks Supplier Guidance - Requirements, Version 2.3
October 24, 2016	Starbucks Supplier Guidance - Requirements, Version 2.4
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May 1, 2017	Starbucks Supplier Guidance - Requirements, Version 2.6
October 5, 2017	Starbucks Supplier Guidance - Requirements, Version 2.7
February 8, 2018	Starbucks Supplier Guidance - Requirements, Version 2.8
April 27, 2020	Starbucks Supplier Guidance - Requirements, Version 2.9
December 7, 2020	Starbucks Supplier Guidance - Requirements, Version 3.0