Procurement Questions for Retailers

Procurement

1. How does your organization order food from vendors (e.g., case, pallet, truckload)? Are all your food items ordered in this same manner?

2. Are all your vendors, for the same product, required to supply products with the same packaging, case, and pallet configurations within a truckload? For example, must all canned green bean vendors be able to provide you with a) the same "X"/#300 cans within a case, and/or (b) the same number of cases per pallet, and/or (c) the same number of pallets per truckload for uniformity?

3. Do you ever order food items in less-than-full truckloads?

Distribution

1. Are all food items delivered by vendors to your organization's regional and/or national distribution centers? If not, please provide examples of food items that are delivered directly to your retail locations.

2. When vendors deliver food items to your distribution centers and/or retail stores, is there a minimum or maximum number of delivery stops required for each truckload under your distribution model?

3. Do you require vendors to use a certain type of commercial truck seal for incoming deliveries? If so, would this same commercial seal be required on your own internal fleet of trucks used for deliveries between your distribution centers and retail locations?

4. Would you be able and willing to provide us a general high-level overview of your organization's distribution system?
    a. How many retail locations are serviced from each distribution center?
    b. Is there a maximum radius in mileage used to determine the amount of retail locations serviced by each distribution center?

Contracting

1. Do you pre-approve your vendors before permitting them to bid on purchase orders?

2. Do you require your approved vendors to enter into delivery contracts for a minimum amount of time? If yes, how long are these delivery contracts and do they vary for each of the types of products you procure?

3. Upon new vendor approval, do you limit the initial purchase order quantities until the new vendor can establish themselves with successful on-time deliveries? If yes, would you be willing to explain to us the specifics of your limitations (e.g., how many successful purchase orders or truckloads would need to be satisfied before the new vendor is permitted to operate like other established vendors?)

4. Does your organization have any internal goals or priorities related to establishing business relationships with small or disadvantaged vendors? If so, how would this impact your contracting methods?