



# Vendor Compliance Program Update 2025

## Agenda:

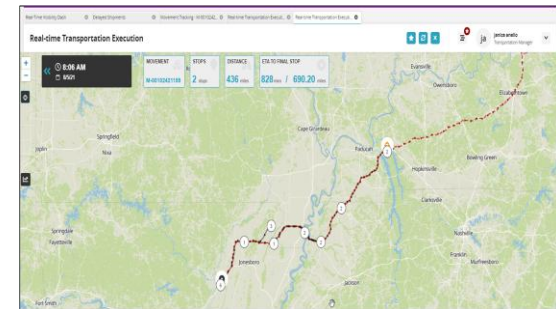
- Leadership Update (5 min)
- Review Changes (15 min)
  - ORAD 90% → 93%
  - Updated Fee Schedule
  - Near Real-time Location Updates
  - Near Real-time Temperature Updates
- Q&A (30 min)

# Kroger VC Program Updates

## The Reason for Change?

Through the Vendor Compliance Program, Kroger believes that there is true value creation for not only our customers but also our suppliers as we continue to become a more connected and compliant supply chain. To continue our supply chain successes, Kroger has updated its VC program that will only enhance our ability to provide fresh, full products to our customers.

- Proactive Receiving Operations
- End-to-End Supply Chain Visibility of the Products
- Dynamic Supply & Demand Planning
- Increasing visibility of inbound products will only enhance Kroger & Suppliers ability to stay agile
- Opportunities for improved QA communications between Supplier and Kroger



# Kroger VC Program Updates



## What is Changing?

- Effective January 1<sup>st</sup>, 2025, Kroger ORAD compliance threshold will increase from 90% to 93%.
- Effective January 1<sup>st</sup>, 2025, an updated enterprise-wide, compliance fee schedule for inbound deliveries to all DCs will be implemented.
- Effective May 1<sup>st</sup>, 2025, Kroger will require near real-time location updates on all inbound deliveries to Kroger DCs.
- Effective November 1<sup>st</sup>, 2025, Kroger will require near real-time temperature updates on all inbound deliveries to Kroger DCs

## ORAD 90% → 93%

### Measurement Review

- Any supplier that achieves a 93% or better *\*On-Time Delivery* percentage for during the current 4-week reporting period will be exempt from ORAD Compliance Fees for that period.
  - *\*On-Time Delivery*: PO is gated-in at the Kroger DC on the ORAD.
  - This exemption will be assessed at the end of the period.
  - Loads that arrive after midnight of the ORAD but are still within the Kroger DCs' receiving hours for the previous day, will be considered on time.
  - "All or none."

### Vendor Managed v. Kroger Managed Review

- Vendor Managed Loads:
  - Scheduling appointment within sufficient lead to meet ORAD
  - Meeting ORAD
- Kroger Managed Loads:
  - Vendor's final pickup appointment time must be sufficient for KM carrier to meet ORAD
  - Product must be ready for pick-up

# Kroger VC Program Updates



<b>INBOUND LOAD FEE SCHEDULE</b>		
<b>Fee</b>	<b>Rate</b>	<b>Description</b>
\$200	Per Shipment	*No Packing List, No BOL, NO POs on BOL, or Packing List & BOL errors
\$ 500	Per PO	Case Labeling Errors
\$ 500	Per PO	Case Pack Errors
\$500	Per PO	UPC not on Product, Incorrect UPC, UPC scan not legible, UPC not on file
\$ 500	Per PO	Not Provided or Improper Hazardous Material Labels or Shipping Papers
\$500	Per PO, plus handling costs	Short Dated Product or Mixed dates on a pallet
\$500	Per PO, plus handling costs	Shipping Overage or Wrong Product
\$500	Per PO, plus handling costs	*Freight Shifted/Damaged or Product Overhanging over Side of Pallet
\$500	Per Shipment, plus handling costs	*Pest/Odor/Hazardous Material Spill
\$ 100	Per pallet, plus handling costs	Damaged, Poor Quality or Incorrect Pallets
\$200	Per shipment	*Late to a scheduled delivery appointment by more than 30 minutes (Gate-in)
\$200	Per Shipment	*No Scheduled Delivery Appt

### FAQs:

- \*No Vendor Charges on Kroger Managed Loads
- Per shipment charges
- “Plus, handling costs”
- Supplier visibility
- How will this be charged?
- Claims process?
- Fred Meyer Requirements
- Pallet Quality Specs
  - Standardized
  - Page 21 & 30

# Inbound Location & Temperature Data

## In-Scope

All POs tendered through One Network or Itrade that are greater than 10,000 lbs. or 750 cube.

## Out of Scope

- Small Parcel
- Direct Store Delivery
- Produce, Meat, & Floral Suppliers are not required to send temperature data to One Network

## Actions

- Visit [kroger.onenetwork.com](https://kroger.onenetwork.com)
- Select preferred integration method
- One Network team will reach out to you

## Requirements

- Data must be sent every 15 minutes.
- Preferred Vendor Connection-Direct via API.

## LOCATION & TEMPERATURE DATA FEE SCHEDULE

Fee	Rate	Description
\$100	Per PO, \$10,000 CAP per period	90% of POs must send Location data every 15 minutes to Kroger via One Network ( <b>Effective May 1, 2025</b> )
\$100	Per PO, \$10,000 CAP per period	90% of POs must send Temperature data every 15 minutes to Kroger via One Network ( <b>Effective Nov 1, 2025</b> )

- Vendors are exempt from charges if lane is Kroger Managed
- Location Data can be sent to One Network from any telematics provider via EDI or API
- 90% compliance is measured the same as ORAD calculation
- Select consolidators

## Q&A

- Vendor Compliance Questions? [vendorcompliance@kroger.com](mailto:vendorcompliance@kroger.com)
- One Network Information? [partnersuccess@onenetwork.com](mailto:partnersuccess@onenetwork.com)
- One Network Technical Support? [edisupport@onenetwork.com](mailto:edisupport@onenetwork.com)

Email Submission for Post Webinar  
Communication

