

Drop Ship Operations Manual

Nordstrom and Nordstrom Rack

Last Update: 01/30/2023

Replaces all existing supplier certification information

This Drop Ship Operations Manual (“Manual”) for Nordstrom, Inc. or one of its affiliates sets forth the policies and procedures for suppliers operating as a drop ship supplier on or in connection with Nordstrom and Nordstrom.com.

Please note that the information in this manual is updated periodically and can change without notice. We do not recommend that you print any section of this manual. Please refer to the online version of the manual (Nordstrom.com Vendor Compliance Manual and the Nordstrom.com Drop Ship Operations Manual) found at www.nordstromsupplier.com to make sure you have the most current information available.

IMPORTANT NOTE: THIS DOCUMENT CONTAINS DATA CLASSIFIED AS CONFIDENTIAL TO NORDSTROM. ITS CONTENTS MAY NOT BE DISCLOSED TO ANY THIRD PARTY, IN WHOLE OR IN PART, FOR ANY PURPOSE WITHOUT THE EXPRESS WRITTEN PERMISSION OF NORDSTROM

TABLE OF CONTENTS

Drop Ship Operations Manual	1
1 Drop Ship Program Overview	1
1.1 Participation And Partnership.....	1
1.1.1 Success Criteria	1
1.2 CommerceHub	1
1.3 Performance Standards	2
1.4 SLA (Shipping Service Level Agreement)	2
1.4.1 SLA Expectation by Channel	2
1.5 Warehouse Standards	3
1.6 Carrier Selection Standards	4
1.7 Shipping Standards	5
1.8 Returns standards.....	6
1.8.1 Refusals, Undeliverable Items and Direct from Customer Returns	6
1.8.2 Restocking Fee Payments.....	6
1.8.3 Lost Items	6
1.9 Price standards.....	7
1.9.1 Hidden Charges	7
1.9.2 Discrepancies	7
1.9.3 Assortment	7
2 Packaging.....	8
2.1 UPC Barcode Standards	9
2.2 Pack Slip standards	9
3 CommerceHub	10
3.1 Data Exchange.....	10
3.1.1 Functionality	10
3.1.2 CommerceHub Account Setup.....	10
3.2 Onboarding Expectations.....	11
4 Inventory and Order Management.....	11
4.1 Operational Expectations.....	11
4.1.1 Supplier Accountability.....	11
4.2 Inventory Management.....	12
4.2.1 Standards	12

4.2.2	Safety Stock	12
4.3	Order Management	12
4.3.1	Standards	13
4.3.2	Guidance	13
4.3.3	Understanding Critical Dates	14
4.3.4	Transmission Errors and File Failures.....	14
4.3.5	Cancellations.....	15
4.4	Invoice / Payment.....	15
4.4.1	Business Processing	15
5	Appendix	16
5.1	List of Tables	16
5.2	List of resource articles.....	17
5.3	Contacts	18
5.4	Process Overviews	19
5.4.1	Customer Order.....	19
5.4.2	Customer Return	19
5.4.3	Refused And Undeliverable Packages	19
5.4.4	Customer Provides Invalid Ship-To Address.....	19
5.4.5	Invoicing Process	19
5.5	Frequently Asked Questions.....	21

1 DROP SHIP PROGRAM OVERVIEW

1.1 PARTICIPATION AND PARTNERSHIP


In this fulfillment method, Nordstrom sends customer orders placed on the website to the supplier. The supplier ships the goods directly to the customer. Through collaborative relationships with suppliers, customers have a wider selection with better value – including additional styles, sizes, and colors.


1.1.1 Success Criteria

To be successful, each supplier participant is expected to have a clear understanding of the operational and technical requirements outlined in this manual.

Business process standards include, but are not limited to:

- Ability to comply with all requirements of the program.
- Ability to maintain accurate inventory reporting to avoid cancellations and adverse customer experiences.
- Ability to select and ship the correct items to the correct location.

 **IMPORTANT** Account contacts must be up to date in CommerceHub for anyone managing drop ship on behalf of a supplier. All users will receive communications from CommerceHub and Nordstrom using these contacts.

 **RESOURCE** Account contact information is found in CommerceHub on [Account Users page](#)

1.2 COMMERCEHUB

Nordstrom uses CommerceHub, a third-party platform used to exchange drop ship order and inventory data between Nordstrom and suppliers. Suppliers must have a separate CommerceHub account setup for Nordstrom and Nordstrom Rack.

Benefits of the platform include:

- No setup, data, and transaction fees.
- Flexible integration.
- Reduction of oversell with automated inventory decrementing.
- Transparency into performance, inventory, and orders.



NOTE Costs incurred by using a third-party VAN or EDI partner are paid by the supplier.

1.3 PERFORMANCE STANDARDS

Suppliers are responsible to monitor and meet program performance metrics.

Falling below expectations may result in being taken off the website and/or being exited from the Drop Ship Program.

Table 1.3 1 Performance Expectations

Category	Requirement
Cancellations	Minimize cancellations and maintain a Fill Rate of 98% or higher for orders received.
Ship On Time	Orders need to ship on time 97% or higher.
ASN Timing	Send ASNs the same day as shipment.
Invoice Timing	Send invoices within 1 business day of shipment.
Excessive Backlog	Avoid backlog that exceeds daily shipping capacity.
Untimely Communication	Respond to customer-impacting escalations within 24-hours if not sooner.



BEST PRACTICE Review scorecards often and correct performance errors in a timely manner.



RESOURCE To learn more about scorecards and how your score is calculated, see the CommerceHub article: [Using Scorecards](#).

1.4 SLA (SHIPPING SERVICE LEVEL AGREEMENT)

In the Drop Ship Program, an SLA refers to the number of days between CommerceHub order create date and carrier pickup. Nordstrom identifies an order as shipped once the ASN is received in CommerceHub.

1.4.1 SLA Expectation by Channel

Suppliers need to ship on time to meet expected delivery dates and ensure a positive customer experience. It is the suppliers' responsibility to track and manage ship on time performance.

- **Nordstrom:** Orders need to ship within **1 business day** of CommerceHub order create date.
- **Nordstrom Rack:** Orders need to ship within **2 business days** of CommerceHub order create date.



COMPLIANT



NON-COMPLIANT



NOTE

All reference to time is using Pacific Standard Time (PST).

1.5 WAREHOUSE STANDARDS

Suppliers need to ensure their warehouse(s) are fully able to ship within the program expectations.

Table 1.5 1 Warehouse Requirements

Category	Requirement
Manage Warehouse Closures	<ul style="list-style-type: none"> All warehouse changes and closures lasting longer than 1 business day must be scheduled in Dsco. Please notify dropship@nordstrom.com minimum 30 days in advance. Urgent closures must be communicated to Nordstrom immediately. Supplier items will be taken offline as needed during the closure. Please notify dropship@nordstrom.com
Tracking Capabilities	Must have capability to track shipments and transmit tracking within the ASN.
ASN Standards	<ul style="list-style-type: none"> All suppliers must transmit a tracking number within the ASN. All shipments must have one ship notification per package. Tracking number provided must populate the sub-bill of lading field: (REF*BM segment) and the PRO number field (REF*CN segment). ASN must be transmitted and received in CommerceHub the same business day the order ships. Shipping tracking must contain the correct/valid carrier tracking information transmitted in the document's BOL field. It must contain PO #, customer #, and the carrier's 4-character SCAC code.
Escalations	Respond to customer-impacting escalations within 24-hours.



COMPLIANT

Ship-from warehouse must be located within the contiguous United States.



NON-COMPLIANT

Drop ship orders cannot be fulfilled from warehouses located in Alaska, HI, or US Territories.

1.6 CARRIER SELECTION STANDARDS

Nordstrom provides a third-party carrier billing account number to cover shipping costs. Supplier will be expected to meet requirements on its use.

Table 1.9 1 Carrier Requirements

Category	Requirement
Carrier Accounts	<ul style="list-style-type: none"> Suppliers are required to have their own shipping carrier account with both UPS and FedEx. Both carriers are required to allow Nordstrom to use CommerceHub Rate Shopping functionality. Billing accounts must be used exclusively for drop ship orders. Suppliers need to have an audit in place to ensure the correct billing account is used over time. Prior written approval is required to utilize supplier billing account instead of Nordstrom’s billing account (uncommon).
Expedited Shipping	Must be prioritized and shipped ahead of ground orders on the same day the customer places order on the Nordstrom website.



COMPLIANT

Supplier is the ‘shipper of record’, whether using Nordstrom’s third-party billing account or their own.



NON-COMPLIANT

Nordstrom does not approve suppliers to bill Collect, or Prepaid billing.



IMPORTANT

Nordstrom reserves the right to decline reimbursement if suppliers use the incorrect billing account.



BEST PRACTICE

- The third-party billing accounts for Nordstrom and for Nordstrom Rack are unique. It is important to use the correct one.
- Supplier needs to contact carrier directly for assistance.
- For all FedEx ground shipments, please use Home Delivery (Ground), code [FEHD](#).

1.7 SHIPPING STANDARDS

Suppliers are expected to comply with all shipping requirements.

Table 4.5 1 Shipping Requirements

Category	Requirement
Prioritization	Suppliers should prioritize Nordstrom orders.
UPS Label	Include PO number on first reference line on UPS label and do not enter a Declared Value.
Shipping Late Orders	Nordstrom asks suppliers to upgrade orders on their own carrier account to meet customer promise if shipped late.
Misrouted Shipments	Shipments that are misrouted due to supplier error must be resolved at supplier's expense.
Upgraded Shipping	Supplier may receive upgraded level of service during specific times of the year and must ship per indicated on the PO.
Multi-piece Orders and Split Shipments	POs with multiple items should be combined in one shipment to the customer when possible. Nordstrom notifies customers that their packages may arrive separately in the event items are unable to be combined.
Expedited Orders	<ul style="list-style-type: none"> In-stock drop ship orders must be out of the warehouse on the same day the purchase order is available for pick up prior to 12:00pm PST. Next Day Air Saver and Second Day Air ship methods must be prioritized and shipped ahead of ground orders on the same day if the order is sent by 12:00pm PT. Next Day Ship - select ship "SAVER" or "PM" delivery, not AM delivery.
Ground Shipments	<ul style="list-style-type: none"> NO signature required unless specifically requested by Nordstrom during item setup process. All in-stock merchandise is to be received by the customer within 3-6 business days from the time of the purchase order based on Drop Ship program SLA expectations.
Costs	Nordstrom does not pay handling fees, drop ship fees, pick-pack fees, labor costs and/or any other costs incurred during the fulfillment stages.

1.8 RETURNS STANDARDS

Returns will be consolidated, and non-defective merchandise will be sent back to the supplier monthly via Open RA # (Returns Authorization Number).

Open RA # Requirements:

- An annual, non-expiring open RA # is required to be on file with Nordstrom.
- If an open RA # is not provided or doesn't meet requirements, Nordstrom will assign default RA # NORDDIRSUB.
- Must be 2-12 characters, alpha numeric, and no special characters.
- Suppliers must have a returns address on file within the United States.

1.8.1 Refusals, Undeliverable Items and Direct from Customer Returns

These types of returns need to be processed by the supplier and accepted by Nordstrom in CommerceHub within 2 days of receiving the order in the warehouse. Once a return is approved, supplier should then issue a credit memo to Nordstrom and return items into their stock.



CONTACT

For shipments that are returned for any other reason, please process those returns by partnering with Nordstrom by emailing the Drop Ship Operations team (ndirdsops@nordstrom.com)



RESOURCE

- Processing returns using the CommerceHub platform: [Returning an Order](#)
- Using file uploads to process returns: [Required Onboarding Fields](#)

1.8.2 Restocking Fee Payments

Payment can be requested by the supplier for each sellable return item.



IMPORTANT The fee is not to exceed **\$2.50 an item**.



CONTACT

Send requests and inquiries to merchap@nordstrom.com

1.8.3 Lost Items

Nordstrom incurs the costs involved for the replacement of lost items when supplier can provide proof of delivery. Suppliers must cooperate with Nordstrom Drop Ship Operations by providing tracking information, assisting in researching and resolving carrier claims and recouping the claim dollars.

Reductions will be taken on invoice for returns.



CONTACT

POD requests may be submitted in writing to the Claims Department at our Cedar Rapids Fulfillment Center:
7700 18th Street S.W., Cedar Rapids, Iowa 52404,
fax (319) 846-4095.

1.9 PRICE STANDARDS

Suppliers will negotiate costs and payment terms with their respective Nordstrom Buying Office. The supplier is responsible for providing Nordstrom with current and updated costs as they change.

1.9.1 Hidden Charges

There are no hidden charges permitted. Supplier warrants that the wholesale price to Nordstrom is complete, and no additional charges of any type shall be added without Nordstrom's express written consent.

Such additional charges include, but are not limited to: Shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, crating, and any additional handling fees. Supplier will provide advance notice to Nordstrom of any tax changes to its wholesale price.

1.9.2 Discrepancies

If supplier notices a cost discrepancy, they must not hold or cancel orders from being shipped to the customer without authorization from Nordstrom. The supplier must notify Nordstrom immediately to correct the price. Purchase orders with incorrect cost can be corrected in the invoicing process downstream.

1.9.3 Assortment

Assortment needs to maintain the appropriate margin. Drop ship retail thresholds vary by category and are re-evaluated periodically.

2 PACKAGING

The quality packaging of drop ship items is a supplier's responsibility, whether done from an internal or third-party team.

Table 2.1 1 Packaging Requirements

Category	Requirement
Costs	Supplier is responsible for costs associated with packaging and meeting Nordstrom requirements.
Pack Slip	Suppliers are required to insert a pack slip (Nordstrom only, not applicable to Nordstrom Rack).
Box Condition	Supplier must provide and ship merchandise in a new, plain corrugated box with no visible branding.
Polybag	All items must be individually polybagged/sealed with a UPC.
Polybag Condition	Supplier must provide new, clear polybag for all merchandise.
Packing Material	Packing material should be placed around the inside of the shipping carton if product will shift significantly during transit. Avoid excess packaging by using materials that maximize protection while minimizing environmental impact.
Weight	Maximum Box Weight: 150 lbs. Maximum Box Size: 165 in. combined length + girth.
Length	Length + (2 x width) + (2 x height). • Determining Length: Measure longest side of package rounding to the nearest inch.
Product Instructions and Warranties	Product instructions and warranties are acceptable. This information should be disclosed from the supplier and reviewed by Nordstrom during the onboarding process.
Carrier Labeled Boxes and Exterior Branding	FedEx/UPS boxes are not permitted for use in shipping to customers. Boxes cannot contain Supplier's name, logo, promotional, marketing material or inserts of any kind, without Nordstrom's written permission. Contact for permission: Onboarding or Operations (post-activation).



TIP

Measuring Girth: Measure the width of the package rounding to the nearest inch. Multiple this number by two. Measure height of the package rounding to the nearest inch. Multiple this number by two. Add these 2 numbers together and this is the girth.

2.1 UPC BARCODE STANDARDS

Nordstrom and Nordstrom Rack require a UPC barcode sticker on all merchandise. It must be attached to the outside of each selling unit's polybag.

Table 2.2 1 UPC Barcode Requirements

Category	Requirement
UPC Placement	Items must have a UPC barcode sticker attached to the outside of each selling unit's polybag.
UPC Hangtag or Label	A UPC hangtag or UPC label is also required attached to each item inside the polybag.
UPC Barcode	<ul style="list-style-type: none"> • UPC Barcode (scannable and readable). • VPN or Style. • Description (from PO). • Color (from PO). • Size.
Attachments	No retail attached to the item (UPC hangtag/label) or outside of the polybag.

2.2 PACK SLIP STANDARDS

CommerceHub's platform automatically generates packing slips for suppliers on each order that comes into your account. These slips can be easily exported as PDF documents for you to print and use when packing your orders. All packing slips generated by the CommerceHub platform have been pre-approved by Nordstrom.

Table 2.3 1 Pack Slip Requirements

Category	Requirement
Approval	If a supplier wants to create their own pack slip, it must be approved by Nordstrom prior to use.
Costs	Suppliers are responsible for all costs associated with design and implementation.
Pack Slip Detail	<ul style="list-style-type: none"> • Nordstrom Name (May be included in the bill to information). • Nordstrom Phone: 888.282.6060. • Nordstrom Email: orders@nordstrom.com. • Customer Name and Address. • PO Number (must be 12 digits). • UPC/EAN Information. • Item Description. • NO product pricing on pack slip. • NO address other than the customer's address on the packing slip.
Placement	Pack slip must be included on the inside of the shipping carton.

CommerceHub Pack Slip Example:

(Insert Nordstrom Logo Here)		CREATE DATE Retailer_create_date
NORDSTROM.COM Nordstrom Customer Order Number: consumer_order_number PO Number: po_number		
SOLD TO: Bill_first_name + Bill_last_name Bill_company / Bill_attention Bill_address_1 Bill_address_2 Bill_city, Bill_state Bill_postal	SHIP TO: Ship_first_name + ship_last_name Ship_company / ship_attention Ship_address_1 Ship_address_2 Ship_city, ship_state ship_postal	
Item prices and full order details are available online at Nordstrom.com/myorder , by calling toll-free 1.888.282.6060 or emailing us at orders@nordstrom.com .		
PRODUCT	DESCRIPTION	QTY
UPC/EAN: Line_item_upc or ean SKU: Line_item_sku	Style Name/Color/Size: line_item_title /line_item_color / line_item_size Personalization: line_item_personalization	Qty: line_item_quantity
Return or exchange items at your local Nordstrom store or via mail (see directions below). For a prompt refund, enclose this form with your return.		
Start your return online. -Find your Nordstrom Customer Order Number above or in your confirmation email. -Go to Nordstrom.com/returns and print a prepaid shipping label. -Drop off your return at any USPS location.		
		TOTAL QUANTITY IN PACKAGE: line_item_quantity (shipped)

3 COMMERCEHUB

3.1 DATA EXCHANGE

CommerceHub builds technology to make it easier to share, see, and make sense of the information around consumer products. Specifically, for drop shipping, they've built a platform that streamlines the exchange of inventory, orders, shipment, and invoice data, while building analytics and management tools to help both retailers and suppliers succeed in their trading partnerships.

3.1.1 Functionality

CommerceHub can send and receive data in almost any combination of file format (CSV, Excel, EDI, JSON) and transport protocol (SFTP, AS2, API).

3.1.2 CommerceHub Account Setup

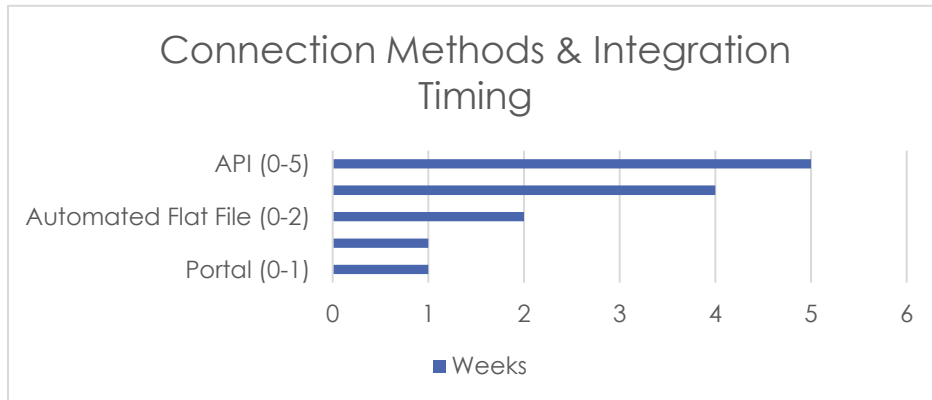
Onboarding Process

- | | |
|--------|---|
| Step 1 | Your retailer will send you an email inviting you to connect to CommerceHub. |
| Step 2 | After you click on the "Accept Invitation" link, you'll be invited to complete your CommerceHub profile. |
| Step 3 | Next, you will test Your Data & Connection.
You'll create and run tests against your inventory, order, shipment, and invoice data. By the time your testing is complete, your CommerceHub account is ready to go live. |
| Step 4 | Go Live – Once you have completed onboarding and testing your retail partner will send a notification so they can begin receiving your inventory data and passing orders to you. |

3.2 ONBOARDING EXPECTATIONS

Nordstrom expects suppliers to complete the onboarding process within 30 business days. Onboarding can be as quick as supplier participation in the process. The integration method may delay the process depending on the suppliers' current capabilities. Rough estimates of integration method timing are provided below. Note that use of third-party solutions to connect with CommerceHub can increase onboarding times for each of the following methods by several weeks.

Table 3.2.1 Connection Methods & Integration Timing



RESOURCE

- [The Basics](#)
- [The Platform Portal](#)
- [DSCO Data Schema](#)

4 INVENTORY AND ORDER MANAGEMENT

4.1 OPERATIONAL EXPECTATIONS

It is important to follow Nordstrom expectations and requirements to avoid unnecessary cancellations, risk coming off the website, and/or being removed from the program.

4.1.1 Supplier Accountability

Nordstrom requires timely communication to resolve all escalations.

Table 4.1.1.1 Supplier Accountability Requirements

Category	Requirement
Daily Responsibility	Manage orders, inventory statuses, and file failures daily in CommerceHub.
3rd Party Management	Suppliers using a third-party VAN or EDI partner are still responsible for all aspects of account management and CommerceHub activities. Supplier needs to resolve file and transmission errors in real time.



CONTACT

Supplier customer service agents work with Nordstrom. All Nordstrom customer inquiries should be forwarded to dropship@nordstrom.com.

4.2 INVENTORY MANAGEMENT

Item availability is controlled by the supplier and thresholds are set in their system.

4.2.1 Standards

Table 4.2 1 Inventory Management Requirements

Category	Requirement
Oversell	Maintain accurate inventory in CommerceHub daily to prevent overselling and order cancellations. Pull orders daily, fulfill and send updated inventory quantities after.
Out of stock	<ul style="list-style-type: none">Out of stock UPC/ EAN need to be updated with a “0” quantity in CommerceHub. Inventory file needs to be sent a minimum of 1x per day.If an order is placed for an out-of-stock item, an updated inventory file must be sent for the UPC / EAN in question.
Thresholds	Set thresholds on your inventory to avoid overselling and cancellations as needed. Send an updated Inventory file at minimum 1 time per-day . Set thresholds to avoid overselling.
Assortment	Review assortment often to remove low performing items and notify Buying Office. Supplier and Buying Office should have a good idea of what is available for sale on the website and if it aligns with brand strategy.
Availability	Partner with Buying Office regarding inventory availability for selected assortment.

4.2.2 Safety Stock

Implementing safety stock is not required, however, Nordstrom strongly suggests it for certain scenarios:

- High order volume (i.e., Anniversary Sale & Holiday).
- Supplier pulling from general stock with other retailers.
- Supplier DC(s) require safety stock level to be used.

4.3 ORDER MANAGEMENT

Nordstrom sends **Ship by Date** on all orders along with the **Expected Delivery Date**. Suppliers can extract Ship by Date from CommerceHub and see it directly in the portal.

The CommerceHub Fulfillment page is a powerful tool for suppliers to quickly identify and ship their pending orders through the portal.



RESOURCE Customize your Fulfillment page article: [Fulfillment Page](#)

4.3.1 Standards

Suppliers are expected to own the management of their orders and proactively report any issues or blocks to shipping orders. This means daily monitoring of CommerceHub and not waiting for prompts on late orders from Nordstrom.

Table 4.3 1 Order Management Requirements

Category	Requirement
Ship by Date	Orders need to ship on or by Ship By Date in CommerceHub.
Supplier Contact List	Suppliers are automatically notified from CommerceHub as soon as orders are late, and it is the supplier's responsibility to ensure contacts are up to date in CommerceHub to receive these notifications.
Delays in Shipping	Drop Ship Operations (dropship@nordstrom.com) should be notified immediately if shipping is delayed for any reason.
Cancellations	Orders showing open past Ship By Date in CommerceHub are subject to cancellation by Nordstrom on behalf of the supplier without further notice.
Back Order	Nordstrom does not permit holding an order open until replenished stock, or backorder is available.

! IMPORTANT Suppliers should always check order status prior to shipping.



NOTE

Nordstrom has the right to refuse payment of invoices and any shipping expenses to suppliers that ship on a cancelled order.

4.3.2 Guidance

- New orders generate automatically and are transmitted to CommerceHub every 5 minutes (7 days a week). Supplier should be monitoring CommerceHub daily, Monday – Friday.
- When managing orders, Nordstrom recommends suppliers pull orders during off-hours (weekends & increased frequency during events / sales), decrement inventory, and resend updates when supplier warehouse is closed.
- Consider adding staff and working weekends to accommodate website traffic during high volume times. This includes Nordstrom Anniversary Sale (July – August) and Holiday (November – December).

4.3.3 Understanding Critical Dates

- **Ship By Date:** Calculated based on order create date in CommerceHub and supplier SLA. The SLA drives the delivery window and expected delivery date to the customer at checkout. Order cutoff time is 5:00pm PST Monday thru Friday, meaning orders created after that time will be moved to the next business day.
- **Expected Delivery Date:** Promise date to customer as shown at checkout on the website when order is placed. Program standard delivery window is 3-6 business days from order create date.

Table 4.6 1 Nordstrom 1 Business Day SLA Shipping Chart

Order Created	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Ship By Date	Tuesday	Wednesday	Thursday	Friday	Monday	Tuesday	Tuesday
Ship By Date (order create >5pm)	Wednesday	Thursday	Friday	Monday	Tuesday	Tuesday	Tuesday

Table 4.6 2 Nordstrom Rack 2 Business Day SLA Shipping Chart

Order Created	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Ship By Date	Wednesday	Thursday	Friday	Monday	Tuesday	Wednesday	Wednesday
Ship By Date (order create >5pm)	Thursday	Friday	Monday	Tuesday	Wednesday	Wednesday	Wednesday

If suppliers are shipping late, Nordstrom expects suppliers to upgrade shipping on their account to meet customer promise date.

4.3.4 Transmission Errors and File Failures

Real time data flow failures and warnings should be corrected in real time as they are happening.

IMPORTANT

Incorrect data may result in cancellations and an inaccurate inventory picture. Nordstrom reserves the right to deny payment if an order was cancelled due to unknown ASN error, where order status did not reflect shipped at the time of cancellation.

CONTACT

- Notify Drop Ship Operations (dropship@nordstrom.com) immediately for any technical issues with ASN transmission where orders are shipped, and still showing open in CommerceHub to avoid unnecessary cancellations for orders that appear late.
- Suppliers need to work with CommerceHub (support@dsc.io) directly to resolve issues.

RESOURCE

About the CommerceHub Pipelines Page: [New Pipelines Page](#)
Go to the [Pipeline Exceptions](#) page to resolve real time data flow failures and warnings.

4.3.5 Cancellations

If items are unavailable to be shipped, they must be canceled the same day as order create date in CommerceHub. Suppliers need to select the appropriate cancel codes when order and or order line-items cannot be fulfilled.

Cancellation Types:

- **Line-item:** One or more items are not available. Cancel unavailable item(s), and ship remainder of PO.
- **Entire Order:** None of the items are available for shipment, cancel entire order.
- **Invalid ship-to address: International, APO, FPO, DPO, PO Box or US Territory** addresses need to be cancelled immediately. Drop ship doesn't allow shipping to these locations.



NOTE

Cancelled order status in CommerceHub automatically generates a customer email notification.

Go to support articles below for additional information:



RESOURCE

- Cancelled Orders: [Canceling Orders](#)
- Cancel Codes: [Cancel Codes](#)
- Cancelling Line Items: [Cancelling Line Items](#)
Cancelling Entire Orders: [Cancelling Entire Order](#)

4.4 INVOICE / PAYMENT

Invoices can be managed directly through CommerceHub. Suppliers can upload their invoices to CommerceHub and the CommerceHub platform will handle the rest of the transmission to the retailer in the retailer's specified format.

4.4.1 Business Processing

Invoices will be paid according to the applicable commercial terms minus cost of any merchandise returned to Supplier (*plus restocking fee of \$2.50 flat rate).



IMPORTANT There is a **12-month** time limit on all inquiries.



CONTACT

Accounts payable questions regarding invoice status, check information and claim copies should be directed to our AP website (<http://portal.nordstrom.com>). Access to the AP website can be obtained by contacting Web Admin (web.admin@nordstrom.com).



RESOURCE

For additional information on payment terms, please refer to Nordstrom Purchase Order Terms and Conditions on www.nordstromsupplier.com.

5 APPENDIX

5.1 LIST OF TABLES

Table 1.3 1 Performance Expectations	2
Table 1.5 1 Warehouse Requirements.....	3
Table 1.9 1 Carrier Requirements	4
Table 2.1 1 Packaging Requirements	8
Table 2.2 1 UPC Barcode Requirements	9
Table 2.3 1 Pack Slip Requirements	9
Table 3.2 1 Connection Methods & Integration Timing	11
Table 4.1.1 1 Supplier Accountability Requirements.....	11
Table 4.2 1 Inventory Management Requirements.....	12
Table 4.3 1 Order Management Requirements	12
Table 4.5 1 Shipping Requirements	5
Table 4.6 1 Nordstrom 1 Business Day SLA Shipping Chart	14
Table 4.6 2 Nordstrom Rack 2 Business Day SLA Shipping Chart.....	14
Table 5.2 1 Contact List.....	18

5.2 LIST OF RESOURCE ARTICLES

CommerceHub Platform

[The Basics](#)
[The Platform Portal](#)
[DSCO Data Schema](#)
[Best Practices](#)
[Account Users page](#)

Performance

[Using Scorecards](#)
[Fulfillment Page](#)
[New Pipelines Page](#)
[Supplier Expectations Overview 2022](#)

Cancel

[Canceling Orders](#)
[Cancel Codes](#)
[Canceling Line Items](#)

Returns

[Returning an Order](#)
[Required Onboarding Fields](#)

5.3 CONTACTS

Table 5.2 1 Contact List

Department	Responsibilities	Contact Information
Drop Ship Operations	Manage customer order experience, supplier fulfillment performance and compliance. Inquiries related to warehouse closures, operational/shipping delays, PO cancels, customer returns, Dsco PO status discrepancies	Email: dropship@nordstrom.com Hotline: (206) 454-5600
Drop Ship Onboarding	<ul style="list-style-type: none"> • Help get setup on the Drop Ship Program after Buying Team submits a new request. • Review minimum requirements, create CommerceHub account, test and manage inventory. 	Email: dsonboarding@nordstrom.com
NMG Drop Ship	Inquiries related to: “Why is my item not live?”, assortment, cost/price, shipping SLA and RTVs	Shoes Email: nmgdropshipshoes@nordstrom.com Apparel Email: nmgdropshipapparel@nordstrom.com Accessories/At Home Email: nmgdropshipacchome@nordstrom.com Designer/Beauty/Merch Projects Email: nmgdrpshpdsrbtymrchprjs@nordstrom.com
Buying Office	Owns assortment, item setup, sales, and forecasting.	Email: Suppliers should have contact info for their individual teams
Accounts Payable	Invoicing, charges, and re-stock fees.	Website: http://portal.nordstrom.com Email: merchap@nordstrom.com
CommerceHub Technical Support	Technical support including data transmission errors, Dsco PO status errors, EDI/API	Website: http://app.dsco.io Email: support@dsco.io Support Page: https://support.dsco.io/hc/en-us

5.4 PROCESS OVERVIEWS

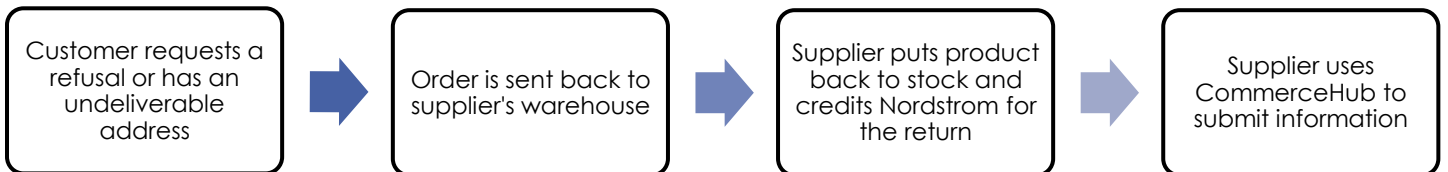
5.4.1 Customer Order



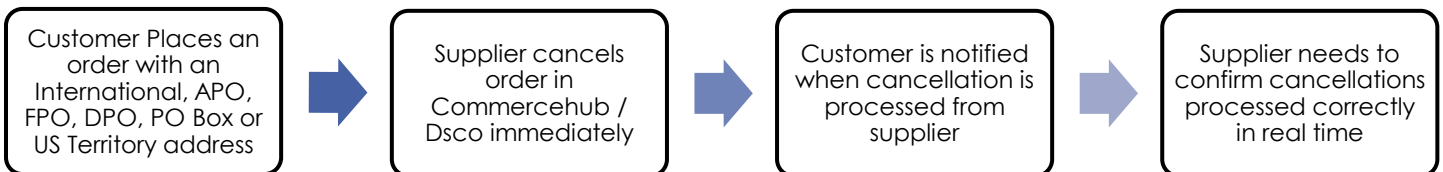
5.4.2 Customer Return



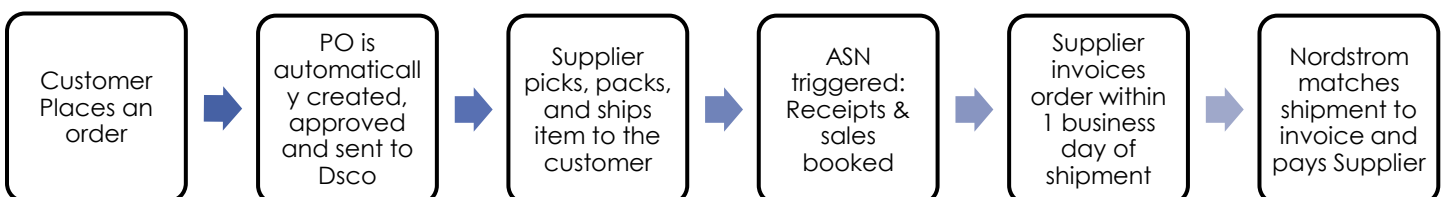
5.4.3 Refused And Undeliverable Packages



5.4.4 Customer Provides Invalid Ship-To Address



5.4.5 Invoicing Process



5.5 FREQUENTLY ASKED QUESTIONS

Are Suppliers notified if an order is cancelling?

Suppliers will get an auto-generated email from CommerceHub when orders become late.

An order is at risk to cancel when it ages beyond the SLA date. This is because the customer will not likely get their order by the date it was promised. CommerceHub will send out emails to suppliers for those orders. Suppliers may receive an email from Drop Ship Operations, but it would be a courtesy and not guaranteed.

Can a cancelled order be “re-set” or “un-cancelled”?

No, a cancelled order cannot get backed out of a cancel. For this reason, it is important to ensure orders are updated completely. If a supplier ships but never updated CommerceHub – or ships an order already cancelled – then those orders cannot be updated after the fact and remain cancelled.

How are contact names updated for an account?

Suppliers will need to go into CommerceHub and update the Account Users page to add and/or remove the contacts they want to receive communications from both CommerceHub and Nordstrom. It is important to include the teams that can respond to questions about the status of orders and run of daily operations. To update your page, go to this location: <https://app.dsco.io/account/users>

What does it mean if an order is partially shipped?

This means that this is an order that has multiple items, but not all items in the order have an ASN attached. Each item must have an ASN attached, even if that is the same for all items.

The impacts are that the customer has not been billed (only a hold on their method of payment), the order remains open (impacting supplier’s performance for Ship on Time) and the order is at risk to cancel as it continues to remain open.

What do we do with International or APO orders?

Drop Ship does not ship to International, APO, FPO, DPO, PO Box or US Territory. This means those orders will need to cancel.

How often will a supplier get a “Direct From Customer Return” back to their warehouse?

This is on rare occasions. If this happens often, contact Drop Ship Operations.

Will we get advance notice of returns coming back to the warehouse?

No, suppliers will *not* be notified in advance. Packing slips will be included with the following information: style #'s, quantity and cost. Note that no order # information will be provided.

What time zone should we be shipping in?

All time referenced in this manual is in Pacific Standard Time (PST). The default time zone in the CommerceHub portal is UTC. **Nordstrom recommends suppliers change the CommerceHub portal time zone to PST to align.**

To do this, you will need to update your CommerceHub General Settings under Dates & Times. Here’s how: [Retailer Account Settings.](#)