



Packaging Requirements

State Farm® Packaging Requirements

To best serve our diverse group of customers, the State Farm distribution system has developed into a supply chain which begins with you, our vendors, and then includes centralized distribution centers who ship ordered products directly to our policyholders, agents, and department customers. A key component in making this supply chain as efficient and effective as possible hinges on vendor compliance with the State Farm packaging requirements.

Packaging

Packaging specifications will be detailed in the body of the State Farm Purchase Order. Our distribution process requires packaging of products for various reasons:

1. Protection of the products while being handled, stored, and distributed by the supplier, the State Farm Distribution Warehouse and Document Storage, and finally, the end user
2. Quantity verification and inventory control

If you require further clarification, please refer to your copy of our purchase order or contact the appropriate State Farm contact.

Types of Packaging

Various types of packaging are used for convenience and practicality, based on the type of product involved. This packaging process is required for storage, handling, and distribution at the user level, such as various operations in our warehouses and local agent or employee operations.

Special Requirement

In some cases, because of the intended use of the product, special packaging specifications may be required. Good examples are renewal inserts, envelopes, and policy issuance forms. These are machine inserted into envelopes, thus, requiring flat storage. Special instructions will be provided, and packaging will need prior approval.

Product Identification

The box and/or package must be labeled identifying the product, State Farm item number, quantity in State Farm unit of order, and purchase order number.

Carton Requirement

The majority of merchandise purchased will be stored and handled more than once. Therefore, the quality of carton construction and strength becomes a major factor. The quality of cartons used must meet the specifications in compliance with item 222 of the National Motor Freight Classification Rules. The Interstate Commerce Commission and various tariff bureaus will make periodic field inspections of shipments in transit to see if all cartons used have the certificate exposed. The certificate must indicate the gross weight limitations and bursting test strength. This certificate, which is stamped on all cartons meeting these requirements by carton manufacturers, should not be covered by an improper fold, label, or tape.





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Carton Labeling

All cartons will include a label that can be easily seen from a distance of at least 20 feet. The label shown contains State Farm units of order per carton, State Farm item number, brief item description (except for checks and drafts), and State Farm purchase order number. Type size should be a minimum of 14-point type and each individual carton must be labeled. The cartons should be loaded on the pallet so that the labels are exposed. Items that carry serial numbers should have the serial number labeled on the exposed side of the cartons along with the State Farm item number.

Carton Sizes and Weights

The quantity specified on the purchase order will determine the size and weight of the carton and contents. Cartons should not exceed fifty (50) pounds. Cartons over 50 pounds will not be accepted without notice. Carton size, item quantity per carton, and carton quantity per pallet must be uniform for the entire order. The same carton specification is required on repeat orders. All cartons should be complete carton quantities. A short carton will be accepted but must be prominently labeled, "SHORT CARTON." If you require further clarification, please refer to your copy of our purchase order or contact the appropriate buyer. All cartons are to be loaded on expendable pallets. The product should be secured to the pallet with nylon strapping or steel bands or shrink wrapped or stretch wrapped. Stacking of cartons should be secure enough to keep the pallet contents uniform. Keeping the same amount of product on each layer is a requirement.

Palletizing

Pallet Specifications Pallets must be 40 inches by 48 inches with four-way entry, no substitutes. Deck boards should run across the 40-inch dimension and stringers should run across the 48-inch dimension. The pallet conditions must be such that it can be safely raised to the height of a 26-foot-high storage rack. The total weight of the pallet and the contents must not exceed 2,400 pounds. Pallet height may be reduced, if necessary, but the dimension of the pallet cannot be reduced. The same consistency and quality rules apply when palletizing, as with packaging and carton requirements. Since a majority of our merchandise will be redistributed, it is important that the pallets and cartons be sturdy enough to withstand multiple handling and shipments. To fully utilize our rack storage, the pallet height, including contents and pallet combined, should be as close to, but not greater than 64 inches high. The illustration shows our rack storage, which graphically demonstrates the reasons for these requirements.

Bar-Coding

What Is It?

A bar code is a machine-readable pattern of alternating bars and spaces representing characters and numerals

Why Is It Used?

Scanning bar-coded information is the fastest and most accurate method of gathering data for computer input. It is essential for its use in the handling of materials within the State Farm distribution system.

Where Are We Using It?

We use bar codes in all of our warehousing functions, i.e., receiving, stock put away, inventory, picking, and shipping.

What Code To Use?

We use Code #3 of #9, or #39, as it is commonly called, in all our operations. To be compatible, it is necessary that all suppliers use Code #39 for the labels on cartons being shipped to any State Farm location.

Code 39 (also known as **Alpha39**, **Code 3 of 9**, **Code 3/9**, **Type 39**, **USS Code 39**, or **USD-3**) is a variable length, discrete [barcode](#) symbology defined in [ISO/IEC 16388:2007](#).



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What Information Should Be Bar-Coded?

The purchase order number and State Farm item number must be identified in both alpha/numeric and bar-code symbology. Please review the sample shown and contact the appropriate buyer if you need additional information. Compliance with State Farm packaging, labeling, and palletizing requirements and strict adherence to weight limitations is mandatory! This will enable personnel at our two distribution centers to ensure that materials are received and disbursed to our end users and policyholders in a timely and efficient manner. In keeping with the guidelines mentioned in this brochure, distribution center personnel will be making buyers and their management aware of vendors and products that do not meet those guidelines and then let the buyer take one of the appropriate responses listed below:

If the vendor does not follow State Farm packaging guidelines, the vendor has the following options (unless otherwise stated in the applicable agreement):

- A. The vendor can send personnel to State Farm within 24 hours to correct the shipment.
- B. The State Farm contact may ask the Receiving area to correct the error. The Receiving area will then file a Vendor Discrepancy Report with the buyer listing the time and dollars allocated to correcting the error. The State Farm contact may then deduct the appropriate charges from the vendor's invoice.
- C. The shipment may be returned to the vendor for corrections.

State Farm Bloomington, IL

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