

Change History			
Version number	Author	Date	Summary of changes
1.0	Diego Mombelli		First version
2.0	Grégory MALET	22/02/2016	Revised financial control & limits Revised sign off value
3.0	Grégory MALET	11/03/2019	Revised airfreight management

- When shipping raw materials, as a general rule, we should always negotiate a delivered landed price into Jinhua or Tianjin for a Chinese.
- For outside of China, we have a Free On Board (FOB) price.
- When a supplier is late and Air freight or express freight is required, it will be at their costs.

Finished items from LBU to LBU

- When we ship products from one Colart LBU to another LBU, the receiving LBU will pay for the freight cost
- If the sending LBU is in China then China pays the in country freight and the other LBU pays FOB cost.

Finished goods from MBU to LBU

- When shipping the finished goods from MBU to LBU, the receiving LBU pays the shipment cost.
- If the MBU is late on its confirmed date to ship product to LBU (or another MBU) and air freight is requested to avoid out of stock and service issue then the MBU will incur the cost of air freight.
 - In the case of a say Le Mans providing components or finished products to china, if Le Mans are late then they will pay the cost of airfreight to china.
 - If the resulting assemblies are late from CTAM, CTAM will still incur the cost of the airfreight back to the LBU
- If MBU is in China then China pay the in country freight and the purchasing LBU pays FOB cost.
- If the LBU has run out of stock and requests urgent delivery due a change in demand or forecast then the CBU will pick up the cost of the air freight
- If air-freight is required to satisfy the requirements of a launch, air-freight expenditure will be charged to the relevant department as follows:
 - delays in production or lack of availability of products will be charged to MBU site responsible.
 - delays in receipt of artwork will be charged to Marketing group.

Finished goods from LBU to Customer

- Free freight is defined according to minimum order value defined in commercial policy. Please refer to the Commercial policies on SharePoint.
- All costs for serving customers will be allocated to commercial business units. Supply Chain department could made specific transport customer analysis if CBU request.
- As a standard policy, special delivery conditions such as "time sequenced - just in time delivery" , special vehicle requests etc, should be avoided as they drive additional costs to service customers and bring additional overheads and complexities. If required these should be approved by the commercial general manager & controller
- If we are rushing to support an urgent customer request being executed inside normal lead times e.g. Genesis where paint markers were front end loaded then the market will pick up the cost of the air freight, again 2 quotes for this should be provided and approved by the local commercial GM

