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## Preservation of Product

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### PURPOSE

This procedure ensures the proper identification, handling, storage, packaging, preservation and control of all products intended for resale to prevent damage, deterioration, unauthorized use or loss.

### SCOPE

This procedure applies to production parts and materials intended for resale in all storage controlled by Insulation Supply Company.

### DEFINITIONS

GRN – Goods Receipt Note. This is a document that is generated by Prelude and is used as an aid to receiving and storing incoming product. The GRN number is the same as the InSCO purchase order number.

### PROCEDURES

#### Receive Material

The Warehouse person will perform the following activities:

- Count the packages or cartons as the packages and/or cartons are being unloaded by the delivery vehicle driver.
- Verify package and/or carton count against the bill of lading.
- Acknowledge package/carton receipt by signing bills of lading; include your name, today's date, and the number of packages or cartons verified.
- In the case of carton shortages or damage, the Warehouse person makes a note on the manifest/bill of lading. If there are vendor-count shortages the Warehouseperson makes a note on the packaging slip.

#### Verify Product and Prepare Receiving Paperwork

The Warehouse Person will perform the following tasks:

- Remove packing slips from packages and/or cartons.
- Open each package and/or carton and visually check one package per lot to assure that it matches the vendor packing slip by verifying the following. This shall serve as a visual receiving inspection:
  - Description
  - Size
  - Quantity
  - Color
  - Condition
  - Existence of foreign objects or contaminants

- Locate the lot number, expiration date and manufacturing date (when available) on the package or carton. Write the lot number, manufacturing date, expiration date and number of labels on the packing slip.
- Date stamp the packing slip. If the material does not conform, take the following actions:
- Note the nonconformity on a red tag (i.e. needs certifications, wrong color, etc.)
- Attach the red tag on the affected item or package.
- Segregate the nonconforming material to storage area E110101 (west wall of receiving department) or storage rack B-10 section for nonconforming materials.
- Immediately notify supervisor of the nonconformity and process according to QSP-8.3.101.
- For conforming materials, place an acceptance stamp on accompanying quality documents.
- Enter receiving information into the computer to generate product labels and GRN.
  - Check products listed on supplier shipping documents to assure they fully match the Insko ordering information on the Receiving Screen.
  - Check accompanying quality documents (certifications) for accuracy and completeness by comparing to the Insko requirements listed on receiving screen. This is the best time to verify accuracy of the certification documents because the computer data is most accessible at this stage. If discrepancies are found, place material in storage rack B10 and note the nonconformity on a red tag.

### **Print Identification Labels and Attach Labels to Material Packages and/or Cartons**

The Warehouse Person will label material packages and/or cartons:

- Verify the manufacturing date, the manufacturing lot number, and expiration date correspond to the label on the material.
- If the information is correct, place the authorization stamp on the labels. Otherwise, investigate and correct source of the problem prior to continuing.
- Attach labels to corresponding material.

NOTE: Product identification labels must be clearly legible. The computer generates a unique Insulation Supply Company batch number for each lot of each line item received. This batch number is traceable to the supplier of the material and shall remain permanently affixed to the goods all the way through shipment unless otherwise specified by the customer. Some of our customers resell the materials we provide and prefer that our labeling not be on the packages. In such a case we label the master container or bag and then tag the units in an appropriate fashion.

### **Move Material into Inventory/Warehouse System**

The Warehouse person will place received material into the inventory/warehouse storage system:

- Review the GRN for material warehouse location.
- Move material to proper warehouse location with pushcart (or forklift if size or weight requires it).
- Place labeled material in bins as per the GRN.
- If the bin location shows T01A01 (temporary bin location) on the report, an empty bin must be assigned a different location.

### **Segregate Obsolete Materials**

A report that shows expired or soon-to-expire materials is periodically computer-generated by an IT staff member upon request of the Receiving Supervisor or other warehouse person – typically on a monthly basis. A Warehouse Person moves these materials to the Z location to prevent unauthorized shipment.

### **Look For Signs Of Visible Damage Or Deteriorization**

While it is primarily the job of warehouse personnel to look for signs of damage or deterioration, any employee may notice inventory on the shelf that appears to be damaged, discolored or is otherwise in less-than-excellent condition. All such occurrences are to be reported at once to the Receiving Supervisor or a Quality Assurance person for further investigation and disposition.

### **Labeling And Packaging For Delivery**

Normal packaging consists of good practices using new boxing materials within their specified weight limitations in order to prevent loss or damage during transport to the customer. In addition, there may be contract-specific requirements for packaging such as bar coding or packing for overseas transportation. See picking slip for instructions.

### **Related Procedures**

Customer Consigned Material Control QSP-7.5.109.

### **Records**

Note: Printed versions of this document are uncontrolled. The published Web version (Internet or Intranet) is assumed to be current.

Customer-Furnished Material Report/Certification QF-75 Retain for 7 years

**Revision Notes**

- Revision B excludes processes made obsolete by changes to software and system improvements.
- This procedure has been reformatted to be more readable by the end user.
- This document was formerly titled QSP-15. It was changed to more closely follow the 5 clause structure of AS9100. Although the document number changed we are keeping the same revision sequence.
- Changed title from "Handling, Storage, Packaging, Preservation and Delivery" to Preservation of Product to match section in AS9100.
- Added "Verify Product and" to the section previously titled "Prepare Receiving Paperwork"