



**Sales and
Service**

Packaging and Freight Damage Improvements

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Cummins Confidential

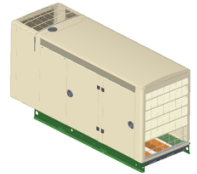
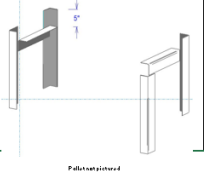
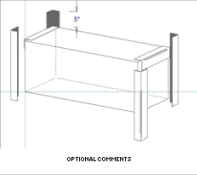
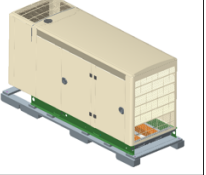
Topics

- Packaging improvements completed
- Freight damage claims process – dealer facing
- Part availability improvements project
- Handling damage reduction project

Packaging Improvements Completed

- Liquid cooled sets had significant shipping damage
- Packaging improved through engineered design
- Implemented in Feb/March 2018



PACKAGING DATA									
PART (Display Single Part)									
	DIMENSIONS (mm)	Length 3016	Width / Diameter 1016	Height 1480	INTERNAL DIMUNAGE (mm)				
UNIT LOAD (As Shipped)									
	DIMENSIONS (mm)	Length 3211	Width 1111	Height 1674	PRIMARY CONTAINER (mm)				

Packaging Improvements Completed

- Air cooled and liquid cooled packaging was tested for adherence to ISTA 3B testing
- Testing was conducted at independent lab – Smithers-Pira
- International Safe Transit Association (ISTA) 3B is a test for packaged products for less-than-truckload (LTL) shipment. It is used to simulate shipping in LTL environment – 13 different tests
- Both product packaging passed comfortably – implying normal LTL handling should not be an issue



Freight Damage Claims Process

- Check for damages and/or shortages before signing the delivery receipt. If damage or shortage is noticed, inspect the freight with the driver.
- Notate any damage or shortage of freight on the delivery receipt. Be as detailed as possible to eliminate any guessing on the carrier's behalf.
- Have the driver sign the delivery receipt acknowledging damage. If driver refuses to sign delivery receipt, notate that as well.
- Take pictures of the damage to the freight through all stages of unloading.
- Concealed damage must be reported to Cummins within 5 days of receipt of shipment.
- Information needed from dealer – Packing slip and package marking will contain this info.
 - Cummins PRO#
 - Cummins PO#
 - Dealer PO#
 - Disposition and location of freight

Freight Damage Claims Process

- Contact your Cummins sales coordinator to inform of damage and decide disposition
 - Repair in house – you will be reimbursed
 - Send to nearest Cummins branch for repair
 - Provide the coordinator all required information and photos
- Decide replacement plan
 - Repair the damage
 - Get a new unit shipped
- Cummins will deal with filing insurance claims and getting reimbursed by the carrier

Part Availability Improvement Project

- Most shipping damage is to external panels
- These panels for all part numbers are in process of being set up at Cummins part distribution centers for quick shipping
- This will significantly reduce the repair lead times currently being experienced.



Handling Damage Reduction Project

- Most shipping damage now seen appears to be due to mishandling freight beyond normal LTL handling
- Starting April'18, Cummins is centrally filing freight claims with carriers
 - This will help identify trends in any specific carrier or routes causing more damage than others
 - Drive improvements as data shows any trends



Q+A