

TIP 0305-07

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Purchase order

Scope

The necessity and purpose of a purchase order.

Safety precautions

No safety precautions apply.

Content

Purchase orders must be clear, complete, and thoroughly understood before they are issued to the manufacturer.

Before the manufacturer of a flexo folder gluer/rotary diecutter is selected, a written quotation should be obtained. This should be examined *line by line* to make sure that the information is accurate and the intent is understood. There may be changes from the original quotation, alternate options, and other verbal agreements which must be put into writing in a revised quotation. This prevents disagreements when the machine is delivered or at the time of payment. *No purchase order should be issued without making reference to the original and/or revised quotation.*

When the purchase order is issued, the following actions are recommended:

1. Request a firm delivery date from the manufacturer. An item must comply with safety standards and contain UL number registration to the electrical code.
2. Ask the manufacturer for the name of the person to contact when there are questions. Machinery manufacturers, as well as box manufacturers, have personnel changes; knowing the "inside representative" makes extra phone calls and letters unnecessary.
3. Include the name of the purchasing company and/or delivery site contact, since many purchasing department employees are not familiar with details of the machine despite the fact that their names appear on the purchase order.
4. Include references to all documentation to be provided by vendor (i.e., manuals, drawings, parts lists, etc.) and to whom such documents should be sent.
5. Include any company specific safety requirements vendor must meet.
6. Include reference to any acceptance requirements vendor must meet.

TIP Category: Automatically Periodically Reviewed (Ten-year review)

Because of changing purchase prices, the increasing number of available options, movement of personnel, and the close attention given to costs by manufacturer and purchaser, it has become increasingly important to give extra attention to all aspects of the quotation and purchase order.

Keywords

Documents, Purchase orders

Additional information

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Working Group:

David Vollick, Smurfit-Stone Container Corp., Chairman

Stephen Schmidt, Copar Corp.

Rick Croker, Georgia-Pacific Corp.

Allen Hamilton, Norampac

Ron Rhoades, Temple-Inland Packaging Corp.

