



*Building a Tradition of Quality*

*To Leave a Legacy of*

*Excellence*

## **Billing Policy at Smucker's Meats**

Farmers who are selling portions of a carcass can bill for the carcass in a variety of ways and the following are a number of successful options that already work for many of our customers.

1. 1 work order 1 bill – Farmers can make it easy for their customers to purchase meat by helping to administrate the billing details. Some farmers will take orders for portions of a carcass and submit 1 order to us with all options accounted for. We will enter it as one order but instruct our personnel to divide the portions out equally and label (A,B,etc). The order and all portions will have one name attached to it but divided equally so that the farmer can bill their customers one time with a bill that includes the cost of the carcass and cost of processing. This option requires more work from the farmer or individual selling the meat as they have to do more of the instruction and invoicing administration. If a farmer is dealing with many customers who are new to purchasing meat as a portion of the carcass, this is a good way to start so that the customer is not confused or overwhelmed with the complexities of submitting cutting instructions.
2. Multiple work orders 1 bill – Some farmers want to make billing easy for their customers but also give them the option to choose their own cutting instructions. A farmer would give us the names of the individuals who are getting the portions of a carcass and we would create the appropriate number of work orders per the cutting instructions supplied by the different customers. All work orders are cut to the individual specifications but all orders are billed to the farmer who will then bill the customer one time with an invoice for the cost of the carcass and the cost of processing. This option works well for farmers who are selling to customer that have experience ordering carcass portions and know what they want but still gives the farmer control in administrating the invoicing process.
3. Multiple work orders multiple bills – Farmers who have an established but diverse client base may find it simpler to supply a carcass for processing and assign who is to get



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each portion and let the customer take it from there. The customer in this case would need to pay the farmer for the carcass portion they are purchasing and then pay us separately for our processing services. This option requires the least amount of administration from the farmer and puts more responsibility on the customer.

If you have questions about these options or would like more information, please contact us and we can help you find the option that works best for your marketing model.

Billing options that we do not offer are,

1. Receiving payment for the farmer - Our bookkeeping is not setup to handle payments from customers that then need to be paid to the farmer. We will only bill for our processing services and any payment for the actual carcass portion will need to be paid directly to the farmer.
2. Holding payment for the farmer - If a customer picks up finished product at our facility and doesn't have direct contact with the farmer but wants to leave payment for the farmer, we will not accept or hold payment that is designated for the farmer.

We will hold finished product at the request of a farmer who wants to receive payment in full before releasing products to the customer. Arrangements can be made to coordinate the release of product when the farmer has been paid in full but we will need to have all arrangements made and understood before processing has begun. We are unable to hold this product indefinitely and if product is here after 14 days of completion notification, alternate storage or delivery options will need to be pursued.