

Retail Operator / General Manager	Sales – New Car	Sales - Pre-Owned	Business Manager (F&I)	Service	Parts & Accessories	Administration
Date:	January 1 st , 2015	Source:	Parts Logistics Wesley Neal Strategic Planning and Business Development Manager (201)307-4240		Replaces:	M-32-0814-M0610
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BMW Motorrad Parts Logistics

Dealer Bulletin

Subject: Parts Claims Policy

This bulletin serves as a comprehensive update to BMW Group's Parts Claims Policy and replaces bulletin M-32-0814-M0610 in its entirety. Please check DCSnet for future updates.

Parts Manager feedback on order quality is a key component to BMW Group's Continuous Improvement initiatives. If BMW Group isn't aware we're making errors, we can't prevent future ones. Parts Manager feedback via the claim process is essential to bridge that gap.

Please note any parts returned to BMW Group must be approved prior to their return and they must comply with all policy requirements. Returned parts that don't comply will be returned to your dealership. Please help us minimize these occurrences.

1. General Guidelines

1. All claims must be in original BMW Group packaging with all RDC and supplier labeling intact. Removal of or tampering with original BMW labeling will result in return of the claimed item without credit.
2. Parts should be carefully packaged for return to preserve the original condition of the part as you received it.
3. **On damaged sheet metal and glass claims, mark the damaged area with tape or grease pencil for easy identification at the Regional Distribution Centers (RDCs).**
4. All claims must be shipped to your facing RDC, transportation charges prepaid; please do not ship parts to the RDC "freight collect"; they will be returned to you. Requests for freight cost reimbursement may be submitted through the Application for Authorization (AFA) process within 30 days of invoicing.
5. Do not consolidate multiple claims. Each claim packing slip is processed separately at the RDCs, and must be packaged separately for shipment. **Mixing multiple claim packing slips within a single box or cage will delay your credit and may result in its rejection.**
6. Associate the shipment to the contents by noting the BMW Group claim number in the reference field of the BMW Group or carrier bill of lading (available on CenterNet).

UPDATE!

7. All centers, including those with unattended delivery, are responsible for maintaining proof of shipment and delivery documentation for freight being returned to an RDC.
8. All approved claims of damage, mispick, and overage should be returned to your facing RDC within twenty (20) days of packing slip generation. (RDC inspected items and carrier damage must be claimed on the day of receipt).

2. Claim Submission

Claims may be submitted in DCSnet through Parts > Returns > Returns and Claims > Claims.

Please **contact Dealer Services** for assistance or claim rejection questions.

1. Choose the appropriate claim type and order reason from Section 4 below.
2. A valid BMW delivery number and delivery item number is required for all claim types. Invalid delivery numbers or previously entered part number and delivery number combinations will be rejected by the system.
3. If you received the same part number on two separate deliveries or delivery lines, **reference the correct delivery and item number in your claim.**
4. The quantity field should be populated **with the claimed quantity**, not the quantity ordered or received.
5. The parts system purges claims ninety (90) days after a packing list has been generated. Be sure to track claims to ensure receipt of credits.

UPDATE!

Check your claim status and “To Do List” to identify issues and avoid processing delays. Take note of the following points regarding the submission and review process:

- Claim status will change from “**Sent to BMW**” to “**In process**” no later than the morning after submission. **Any delay in the status update indicates an issue.**
 - Once successfully created (“**In process**”), your claim will be reviewed by BMW Group and approved or rejected within four (4) business days.
6. Claim-related error messages will be sent directly to your Error Log.

3. Claim Time Frames

RDC and Supplier Claim Time Frames (business days from invoice)		
	Normal Orders	RDC Inspection Items
Shortage	5	Date of Receipt
Mis-pick		
Damage		
Lifestyle defect, concealed damage, factory mis-pick, tools		365
Tool Warranty Claims		365
Defective or mis-manufactured		60
TEC returns		As posted in TEC bulletin
Entire HU Shorted (Assume Carrier Claim)		Date of Invoice

To simplify the Parts Managers' role in the claim assessment process, the RDCs work closely with the carriers and Dealer Services to accurately determine root cause and responsibility.

If you're unsure whether an error was caused by the carrier or RDC, **please submit a carrier claim in DCS within the time frames in section four (4)**. If this process is not followed and the damage is determined to be carrier-caused, the carrier will not accept the claim after the fact.

Do not wait for a response from the carrier prior to submitting a carrier or shortage claim.

4. Claim Types

	Application	Order Type / Order Reason
Mis-pick Return	Received wrong item – return incorrect item.	YR20/BL3
Mis-pick Keep	Received incorrect item – keep incorrect item.	YR21/BL3
Mis-pick Unknown Return	Received wrong item/unknown part number – return incorrect item.	YR22/BL3
Overage Return	Received quantity greater than invoiced quantity – return excess quantity.	YR23/BL1
Overage Keep	Received quantity greater than invoiced quantity – keep excess quantity.	YR24/BL1
Shortage	Invoiced item not received.	YR25/BL2
Damage	Defective, mis-manufactured, RDC caused damage.	YR26/BM1
Carrier Damage	RDC inspected items; shipping container damaged.	YR26/BM3
STYLD	Defective lifestyle.	YR26/BM6
TEC	TEC return (per posted bulletin).	YR26/BM2

Shortage: Parts invoiced and included on your shipment content list but not physically received should be claimed as short. All shortage claims will be verified prior to approval. Before submitting a shortage claim, please perform the following checks:

- Examine all packages thoroughly; ensure small items are not discarded with packing materials or left in cages or totes.
- Verify contents of your handling unit (HU) against shipping content list (SCL) contents.
- Compare box and piece count to carrier delivery receipt.

Important!

- If the carrier has shorted a package, file a claim according to the carrier damage and loss claim time frame. **For attended deliveries, it is the responsibility of the center to ensure any carrier shortage is noted on the carrier bill of lading.** BMW Group will not be responsible for lost packages that are signed for as received at your center.

UPDATE!

- An appeal to a rejected shortage claim may be submitted through your local Dealer Services Representative **within five (5) days of rejection.**

Mis-pick: Shortage of an item which was ordered and invoiced and subsequent receipt of a wrong item. This includes RDC picking errors and factory mis-boxed or mis-labeled parts.

Once your claim is approved and a packing slip generated, the incorrect part must be returned.

When submitting a mis-pick claim:

- Submit your claim using the delivery number and delivery item number for reference.
- Enter the actual mis-picked quantity in the quantity field.
- For YR20 and YR21 claims, enter the part number received in the field provided.
- For YR22 (mis-pick unknown) claims, enter dummy number “0000555555” in the field provided for the part received. Include a brief description of the part received in the comment field. When the part received is for a brand model you are not authorized to carry, include the actual part number received in the claim comments.

Overage: Receiving a quantity greater than that which was ordered and invoiced. Return once your claim is approved and a packing slip is generated.

If you receive a part that was intended for another center, please contact a Dealer Services Representative for required paperwork. Unless otherwise instructed, please return these parts with an authorized AFA form to your facing RDC indicating they were not intended for your center.

Please **do not forward** parts to the intended recipient unless instructed to do so by a Dealer Services Representative.

Damage: Includes damaged, defective, or mis-manufactured items.

All damage claims should be submitted through DCS.

RDC Inspection Items: Select items are subject to special handling at the RDCs to prevent damages. These items must be carefully removed from the packaging and inspected immediately upon receipt. Retain original packaging until inspection is complete and items are deemed satisfactory.

Damage claims must be submitted on date of receipt. Approved claim items must be returned to the RDC in the original shipping box or container with all labeling and packing materials in place. These items include:

Sheet Metal and Windshields; are inspected prior to shipment and specially packaged with unique components and unique serial numbers (small silver labels). The serial number must be provided when claiming an RDC inspected item; failure to do so will result in processing delays or claim rejection.



New!

Molding: All damaged parts with a “Molding Queue Inspected Part” label on the exterior shipping box need to be inspected and claimed date of receipt. These parts have to be returned in the original shipping box.

Defective Parts: When submitting a defect claim, the word “defect” should be included in the comment field. A description of the defect must be provided.



Important!

Items that have been installed, connected, plugged in, or that do not power up or operate properly, must be submitted through the warranty program.

Carrier Damage:

All attended deliveries where mishandling is evident must be noted on the carrier copy of the Bill of Lading (BOL). **Failure to note damage on the carrier delivery notice, or failure to submit carrier damage claims within time frames, will result in claim rejection.**

Dedicated Delivery Carrier Claims: Claims must be submitted **by 3p.m. day of receipt.**

Damaged part must be returned to the RDC for inspection. RDC inspection labels and pick tags must remain intact. Products found to have had these labels removed will be returned without credit.



UPDATE!

FedEx Carrier Claims: Claims must be submitted via DCSnet within five (5) **business days of invoice.** The FedEx tracking number must be the first thing in the claim comments, followed by the serial number (if applicable), and a specific description of the damage.

RDC Damage: Damage that occurs due to improper packaging at the RDC. The following are examples of RDC caused damages:

- Insufficient packing material within RDC shipping container.
- Over-stuffed shipping box.
- Poor packing composition (i.e., heavy parts mixed with light parts).
- Parts placed in or bent to fit into inappropriate packing.
- Molding or fragile items insufficiently protected.

Please be as specific as possible when describing the cause of damage. The RDCs need to know how the damage occurred in order to prevent future occurrences.

In the event you receive a part that is not in usable condition and has been returned from another center, please submit your damage claim via DCS. Be sure to include the comments “prev. ret.”.

All labels must remain intact. Do not remove labeling to attempt to identify the returning party.


 UPDATE!

Return Requirements for Damaged Goods.

Return approved damage claims to your RDC unless a field scrap certificate is generated.

Those centers without dedicated delivery may hold most approved damage claim items for inspection and scrapping on site, witnessed by a BMW Group field representative.

When scrapping on site is authorized, a scrapping certificate will be generated in lieu of a packing slip. Fax the BMW **field representative** signed scrapping certificate to Dealer Services for validation and credit release. The following items are ineligible for scrapping on site and must be returned:

- Items damaged as a result of previous dealer returns.
- TEC claims.
- Any item identified for return in the BMW Group comments on your packing slip.


 UPDATE!


 IMPORTANT!

Repair of Damaged Goods

If a defective or damaged part is repairable, BMW Group will reimburse up to one third of the center cost of the part. **Submit a AFA form the date of receipt with the part number, stating “Pending Repair Decision”. You then have 30 days to decide to repair the part, or to return it.**

Please contact Dealer Services at (610) 365-3017 for authorization of repairs exceeding one third of center value. See Bulletin M06 09 03 for more details on Sheet Metal Repair Policy.

Misuse of the repair program may result in claim rejection or future eligibility.

Miscellaneous Claims

Kits; with missing, damaged, or wrong components available separately should be purchased to complete the kit. BMW Group will reimburse the center for the replacement component. Please contact Dealer Services for assistance.

Direct Ship; please contact Dealer Services for assistance with any claim where a valid ATLAS delivery number is not available.

Warranty Tools; claims are for replacement of defective tools damaged within one year of purchase. Tools damaged due to excessive or incorrect use will not be accepted. Claims should be submitted using order type YR26 with order reason BM1.


 New!

Submit your claim against the original order of the tool to be claimed. Provide new order information for the replacement tool in the dealer comments.

IMPORTANT!**UPDATE!**

AFA Form; all requests involving the following should be submitted on an AFA Form, with a copy of the parts invoice and other supporting documentation.

- Repair of damaged part.
(Damage notification on date of receipt / Decision within 30 days)
- Reimbursement for freight.
(Within 30 days of invoice)
- Any return involving special circumstances (contact Dealer Services for guidance).
(Within 30 days of invoice)
- Coded/Codable parts
(Within 30 days of invoice)

AFA requests submitted without required documentation may be rejected. Do not return parts via AFA without prior Dealer Services authorization.

Miscellaneous Billing credit; the following credits will appear under miscellaneous billing:

- Repair cost reimbursement.
- Freight or handling reimbursement.
- 24/7 key handling reimbursement.
- Any credit/debit not directly associated with a valid BMW part number.

Keys/CAS/EWS Coded Parts Claims; coded parts are not returnable unless due to BMW Group error.

All coded parts claims must be submitted via DCS within thirty (30) days of invoice. Order types YR20-YR26 should be applied based on the error. Return parts to either Nazareth or Stockton RDC.

Coded Parts	Coded Parts
c/o BMW of North America, LLC	c/o BMW of North America, LLC
3819 ProLogis Parkway	931 Runway Drive
Easton, PA 18045	Stockton, CA 95206