

## Background

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MPI recognizes there are instances when shipping/freight charges cannot be avoided as suppliers may decide to add shipping costs to some part orders. Repair shops are required to consider these costs when deciding which supplier to order from and which part type to order. Each shipping/freight request is reviewed and may not be approved if alternate part sources were available that did not have an associated shipping cost.

## Rules

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1. Shipping/freight charges (including crate, brokerage, duties, etc.) must be approved by MPI prior to ordering the part(s).
  - All parts requiring shipping must be listed in an explanation line below the Shipping line.
2. Repair shops are not permitted to charge markup on shipping costs.
3. Repair shops are responsible for any optional expenses such as rush or expedited delivery, emergency orders or freight insurance.

## Example

A repair shop is placing an order for a grille emblem for their customer's vehicle. The shop has already confirmed that there are no alternate parts available and because they are outside the local distribution area of the closest dealership, shipping costs will be applied. The shop has been provided a quote for the shipping cost of the emblem from the supplier, which they have uploaded to the file for MPI review. The shop proceeds to select the correct long expansion entry, inputs their cost of shipping, and then submits the supplement for approval.

## Parts Autonomy Privileges

No shipping/freight charges will be considered for Parts Autonomy, or supplier of choice decisions made by the shop. All requests are subject to audit and part selection reviews.

## Reference

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See [MPI Parts Business Rules](#), section 2.4.2, for shipping/freight charges and section 1.1 Part Type Definitions.

See [Invoices](#) for requirements of an invoice supplied for the payment of shipping/freight.

## Best Practices

When ordering large or special-order parts be sure to inquire about shipping costs. Shipping may be incurred on these items from the same supplier that would not typically charge shipping for smaller in-stock items.

## Procedure

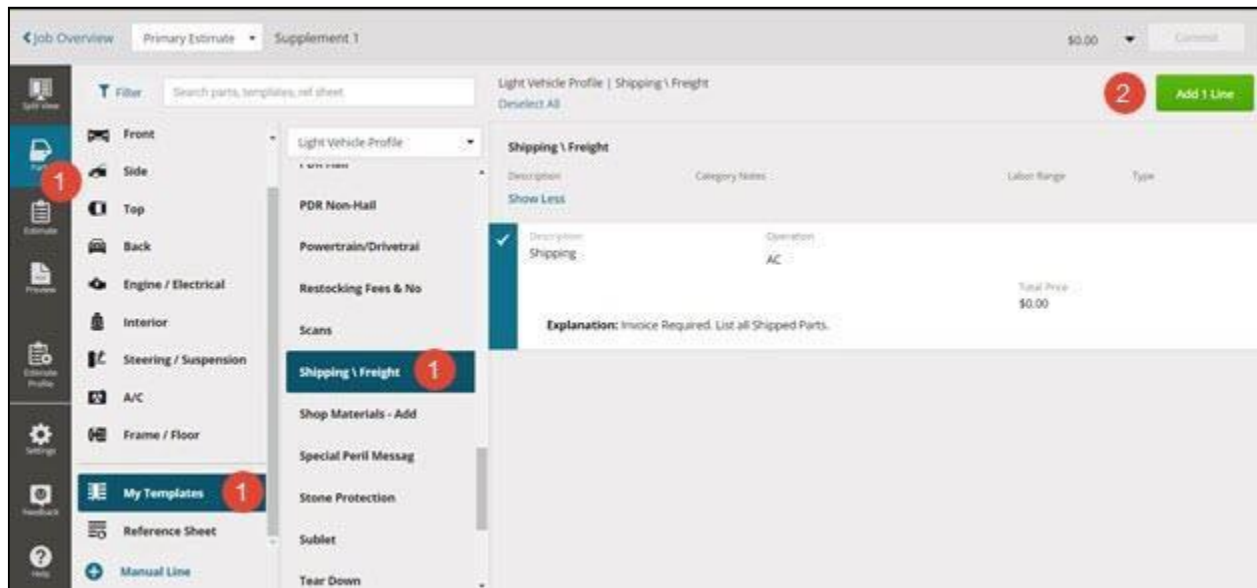
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### Mitchell Cloud Estimating (MCE)

Follow the steps below to add shipping/freight charges to an estimate.

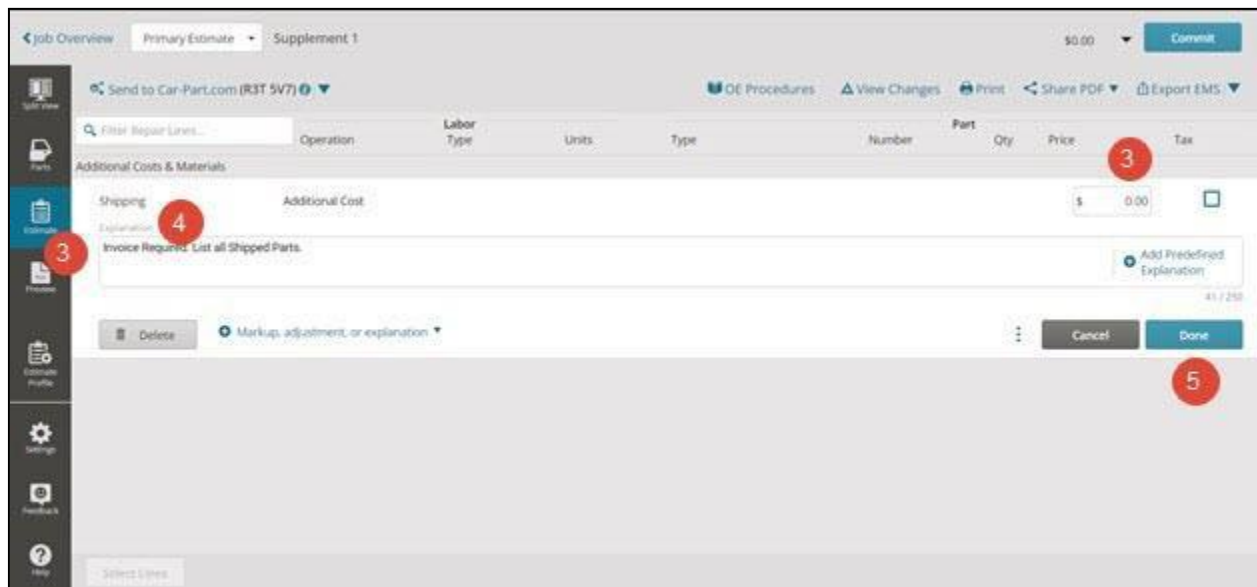
Begin with the estimate open in Mitchell Cloud Estimating.

1. Under the **Parts** tab, select the **Shipping/Freight** category in **My Templates**.
2. Select **Shipping** and click **Add Line**.



## Shipping & Freight Charges

3. From the **Estimate** tab, select the applicable line item and add the pre-tax dollar amount of the shipping/freight charges, as shown on the invoice or quote, in the **Price** field.
4. In the **Explanation** line provided, list all parts that require shipping.
5. Click **Done**.
6. Upload an invoice or quote to support the shipping/freight charge request.



## Revision History

- June 2021 - Updated formatting and added new standard sections (background, examples, parts autonomy privileges, best practices).
- September 2021 – Added Mitchell Cloud Estimating procedures and screenshots.
- June 2022 – Added sub bullet to rule 1 and related steps to procedure.
- August 2023 – Added list of optional expenses to rule 3.