

Wal-Mart toughens delivery deadlines for suppliers

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* Suppliers prodded to deliver within 4-day period

* Those that miss delivery window could face penalty

SAN FRANCISCO, Feb 9 (Reuters) - Wal-Mart Stores Inc <WMT.N> is imposing new delivery requirements on its suppliers aimed at making sure merchandise does not arrive in its U.S. distribution centers either too early or too late.

As of Feb. 1, companies delivering goods to Wal-Mart warehouses need to have their merchandise arrive within a four-day window leading up to a "must arrive by date," or a MABD.

Suppliers that are consistently early or late in delivering goods and now miss the window could face a penalty.

"Those suppliers which have an ongoing record of missing this designated 4-day delivery window, they'll have 3 percent of the cost of goods deducted from the invoices for each delivery that doesn't arrive on time," said company spokesman Dan Fogleman.

Fogleman said there was no incentive in place prior to implementing the new rules to encourage suppliers to get their merchandise to its distributions centers on time.

"This helps ensure the steady flow of freight through the system so that the stores are stocked appropriately, but at the same time you're not warehousing a lot of things and handling them multiple times," he said.

MABD are used by other retailers, and Fogleman said Wal-Mart's new policy is in line with late charges imposed by competitors. Fogleman said there is an appeals process if there are extenuating circumstances that hamper a delivery. (Reporting by Nicole Maestri; Editing by Gary Hill)