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Maximising the Effectiveness of ECRA

The ECRA Board recently commissioned a review of its initiatives with the aim of maximising their effectiveness and identifying relevant future work streams. The review included a desktop evaluation of existing work activities, including communication and education, and analysis of a questionnaire issued to retailers and suppliers in the food and grocery sector to gain an appreciation of the adoption of report recommendations.

The results of this review are detailed in the report *"Maximising the Effectiveness of ECRA."* It outlines a number of success stories, details issues with less traction and summarises potential future work streams.

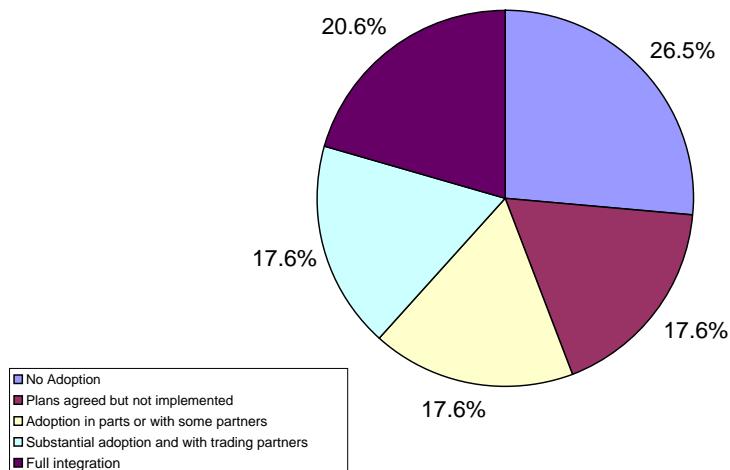
The success stories in terms of full integration included the adoption of industry product movement standards (55.9%); company individual measurement and analysis of stock outs (44.1%); integration of electronic transactional processes into core information systems (30.3%) and synchronisation of item and party data using EANnet (27.3%).

Issues that had the least traction included collaboration on loss prevention (50.0%) the use of cost to serve techniques in joint decision making (35.36%) collaborative innovation with trading partners to decrease environmental and safety pressure on transport and packaging (35.3%) and standard messaging to support CPFR between trading partners (32.4%).

The questionnaire analysis identified the opportunity to further embed ECR practice and principles within organisations and between trading partners. 89% of respondents indicated they are actively working with trading partners to reduce supply chain costs.

However some enablers to progress this work effectively such as distinguishing between commercial and supply chain costs; utilising cost-to-serve (C2S) techniques in joint decision making with trading partners; investment in IT infrastructure and common tools and process for demand forecasting are yet to be fully realised.

Do you distinguish between commercial and supply chain terms?



Maximising the Effectiveness of ECRA cont'd

ECR Asia—8th Annual Conference

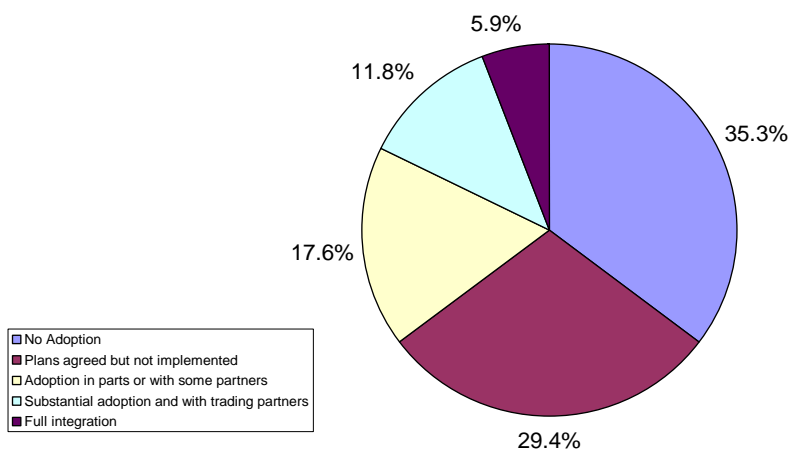
The 8th ECR Asia Conference, 'Adding Magic to the Supply Chain' is scheduled for the 26 to 29 September 2005 in Hong Kong. Further details are available from <http://www.ecrasia.com/>

The Board have reviewed the timely report and are committed to the broad mission of removing costs from the total supply chain and to better satisfy consumer demand. The list of recommendations detailed in the report will be exploited to ensure ECR best practice can be delivered.

ECRA thanks respondents for taking the time to complete the survey questionnaire and provide insight into the applicability of ECR project outcomes and their adoption in your company.

Contact Samantha Blake at the Secretariat (samantha.blake@afgc.org.au) for your copy of the report.

Is the information provided by ABC or similar C2S techniques utilised in your joint decision making processes with your trading partners?



ECR Europe

The 10th Anniversary ECR Europe Conference & Marketplace took place 26-28 April 2005 in the Palais des Congrès in Paris. More than 200 speakers, including the CEO's of leading companies from across Europe and the United States, discussed their experience of ECR in practice and the benefits for their bottom line. The theme this year was 'Better Consumer Value - Growing the Cake Together'.

Conference presentations are available from www.ecrnet.org. The 2006 ECR Europe conference and marketplace will be held from 29-31 May 2006 in Stockholm.

RFID / EPC Seminar

ECR Australasia is holding an early morning seminar to present a **Manufacturers Implementation Planning – RFID/EPC**, an international and local case study from early adopters of the technology.

Stephen David (Director) and Milan Turk (Global Project Director) will provide an opportunity to learn from manufacturing giant Procter & Gamble's implementation planning with RFID/EPC.

Bruce Grant (Project Manager EPC/RFID, Gillette Australia) will also detail activities to trial or implement RFID/EPC technology in Australia.

The seminar will be held on Thursday 14 July, commencing at 7.45am at the Novotel Hotel, Homebush, Sydney. Further details are attached on the registration form at the end of this newsletter.

Readers interested in more information on the technology, its development and application globally should consider attending EAN Australia's **Impetus 2005 Conference "Vision in Progress: Global Standards and RFID"** in Melbourne on 12 and 13 July. EAN has assembled an impressive array of local and international speakers on this highly topical subject. Further information is available at www.ean.com.au

ECRA Adopts Charter

“ECR principles support the belief that business success comes from delighting the consumer through meeting or exceeding their expectations”.

ECR principles support the belief that business success comes from delighting the consumer through meeting or exceeding their expectations.

This can only be done through working together to remove inefficiencies and costs that add little value to the consumer. To ensure clarity around these principles ECR Australasia endorsed a **Charter** aimed at defining, in broad terms, its role and responsibility.

The objectives of ECR Australasia flow from the adoption of a broader mission to both take costs out of the supply chain and better satisfy consumer demands.

They include:

- to deliver benefits to grocery industry

trading partners by working together to better meet consumer needs and add consumer value through the establishment of standard industry practices and the development of successful business approaches;

- to educate industry participants about the benefits of ECR, through pilots, case studies, seminars and reports;
- to liaise with other industries and organisations, both in Australia and overseas, to ensure common solutions to common problems; and
- to take account of global and international standards.

A full copy of the Charter will shortly be available on the ECRA web site.

Product Recall

The increased incidence of product recalls and withdrawals (mainly for labelling of allergens) following the revised Food Standards Code in December 2002 has drawn attention to inefficiency and unnecessary costs for trading partners due to divergent data requirements and inconsistent internal processes.

Recalls and withdrawals impact many areas of both supplier and retailer operations and a collaborative approach to improve practices is likely to deliver significant benefit to all trading partners. ECRA is consequently undertaking a project on the issue of product recalls and withdrawals.

The objective of the project is to reduce inefficiencies and unnecessary costs for suppliers, retailers and wholesalers through support for consistent data requirements and processes for product recalls and withdrawals.

A project team including retailers, wholesalers and suppliers is working towards the development of an enhanced “Product Recall Guide: Packaged Food and Groceries” to reflect agreed data requirements and procedures.

Discussion will also be held with the Government agencies responsible for product recalls, such as FSANZ and TGA, to ensure data alignment with their requirements. A common set of data which meets the needs of all stakeholders will deliver undoubted benefits for them and the consuming public. The project completion is scheduled for September 2005.

For further details contact Harris Boulton at the Secretariat
harris.boulton@afgc.org.au



New Faces on the ECRA Board

The ECR Australasia Board is pleased to announce the appointment of Mr Andrew Cummings (Managing Director, Clorox Australia Pty Ltd) and Peter Tedesco (Chief Executive Officer, Greens Foods Ltd) to the Board.

The new appointments have arisen as a result of the resignations of Mr John Bower (Regional General Manager,

Gillette Australia Pty Ltd), Tony Rowlinson (Chief Executive Officer, SCA Hygiene Australasia Ltd) and Nigel Comer (Managing Director, Heinz Watties NZ Ltd).

ECR Australasia takes the opportunity to thank the resigning members for their invaluable input into the direction of ECR activities in Australasia.

ECRA Supports GCI Global Scorecard

The Global Commerce Initiative Global Scorecard was the basis of ECRA's Australia Grocery Industry Tracking Study 2002.

The web-based Scorecard enables companies to benchmark their performance using a set of global KPIs and provides an overview of global performance.

The GCI is conducting an annual benchmarking exercise between July and

September 2005 and Australasian companies are invited to participate by completing the compliance scorecard for each of their operating units.

The Global Scorecard can be found at: www.globalscorecard.net

Questions or problems can be addressed to Sabine Ritter : sabine.ritter@gci-net.org

Contact ECR Australasia

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Visit us at: www.ecraustralasia.org.au



Manufacturers Implementation Planning

RFID / EPC

Thursday 14 July

Novotel Hotel, Sydney Olympic Park

7.45am - 8.00am	Arrival and Registration
8.00am - 8.05am	ECRA Welcome and Introductions
8.05am - 8.45am	Procter and Gamble - A Manufacturers Implementation Planning - RFID/EPC
8.45am - 9:10am	Gillette Australia - An Australian Case Study
9.10am - 9.30am	General Questions and Discussion
9.30am	Seminar Concludes

A light breakfast will be available from 7.45am onwards

DELEGATES

Name: _____ Name: _____

Position: _____ Position: _____

Company: _____ Company: _____

Ph: _____ Ph: _____

Mobile: _____ Mobile: _____

Email: _____ Email: _____

Please complete your details and fax to the AFGC: 02 6273 1477
or email to: Samantha.blake@afgc.org.au