

Inside this issue:

ECRA Board outlines annual Business Plan	1
Retail Ready Packaging—A year on from the introduction of the Toolkit	1
On Shelf Availability	2
Sustainability	2
Dimensioning work progresses	2
Highlands 2008	2
New ECR Europe Shrink Report	3
GS1 Data Quality Framework	3
RFID Website	3
GS1net	3
GS1 DataBar Introduction	4
ECR Updates from Overseas	4
ECRA Publications	4
Supply Chain Capability Development Program	5
New Board Members	5
ECRA Board	5
Contact ECR Australasia	5

ECRA Board outlines annual Business Plan

Over the past six months, the Efficient Consumer Response Australasia (ECRA) Board has developed a robust three year strategy supported by an annual business plan. The strategy was outlined in the September edition of ECR Extra and is available to view at www.ecraustralasia.org.au.

It was developed through an accelerated meeting schedule to thoroughly review ECRA's progress to date and to set down a clear plan for the future.

The business plan supports the strategy and provides detail on the work activities and project streams that will be undertaken by industry for industry. Project and work activities rely on the valuable and essential input from industry participants and are often supported on a pro bono basis from a number of consultant organisations.

Our Vision

Working together in the Supply Chain for total customer satisfaction.

Our Mission

To drive the adoption of a cost effective, efficient and consumer focused supply chain through industry-wide collaboration.

Business Plan 2007—2008

Implement Concepts

Retail Ready Packaging
On-Shelf Availability
Shrink/loss prevention
Sustainability
Support Data Synchronisation & Data Quality Framework through collaborative activities with GS1, including but not limited to
- Dimensioning
- DataBar

Educate & Communicate

Increase awareness and promote ECR principles
SCCD program
Breakfast seminars
ECR Extra
Factsheets
Annual Publication
AFGC / NZFGC Annual Conferences
Develop academic partnerships

Measure Effectiveness

Tracking study – 2008
ECR Effectiveness Assessment
- Self Assessment
- Annual review

Delivering Results

Strong industry engagement
Effective stakeholder relations
Strong alliances

Retail Ready Packaging — a year on from the introduction of the toolkit

Easy to access and free to download, the toolkit offers a practical, commonsense guide to the issue of developing long term sustainable solutions. To obtain your copy simply visit www.ecraustralasia.org.au and follow the links to the Retail Ready Packaging Toolkit.

For further information contact Samantha Blake at the AFGC Secretariat (samantha.blake@afgc.org.au or 02 6273 1466).

Seasons Greetings

ECR Australasia would like to take this opportunity to wish all readers a joyous Christmas and a prosperous New Year.



Highlands 2008

The AFGC 2008 Highlands Senior Executive Forum for AFGC members and invited retailers and other guests will be held at Sheraton Mirage Resort and Spa on the Gold Coast in Queensland from Wednesday 7 May—9 May 2008.

Further information will soon be available on the AFGC website: www.afgc.org.au or by contacting Mischelle Mehnert at the AFGC Secretariat (mischelle.mehnert@afgc.org.au or 02 6273 1466).

On Shelf Availability

Following an initial response to an industry wide survey on On-Shelf Availability (OSA), participation rates have been boosted by the commitment from Woolworths, Coles Group, Metcash, Progressive and Foodstuffs to engage with their vendor community on the very important issue of reducing out of stocks.

On-shelf availability continues to be an area of key focus for the food and grocery industry in Australia and New Zealand.

Despite a number of initiatives to improve OSA and the relentless pursuit to reduce out of stocks, there is little information within the Australasian context to determine if we are winning the war.

Recently the ECRA Board sought to identify the current status of OSA and identify underlying concerns affecting this top of mind issue.

Completing a web survey is the first step in an industry project aimed at achieving a world class performance in this area. The project is being facilitated by Accenture and an ECRA working group.

This is a crucial opportunity to review the current status of OSA as an industry. Its success depends on comprehensive responses from the food and grocery businesses. To take part in the survey please click on the following link: <http://www.ecraustralasia.org.au/survey.php>.

If you have already completed and submitted a response to the survey please disregard this request, and thank you for your contribution.

Should you require any further information, or have any questions, about the survey, please contact Samantha Blake at the AFGC Secretariat (samantha.blake@afgc.org.au or 02 6273 1466) or Marek Rucinski at Accenture (marek.rucinski@accenture.com) or Anisa Makalic at Accenture (anisa.makalic@accenture.com).

Sustainability

ECRA has moved to broaden its work on behalf of the food and grocery industry. "Sustainability" is something of a buzzword, but the ECRA board has commissioned work to pinpoint how it can help deliver practical ideas.

It has decided to concentrate initial work in the areas of transportation and packaging/waste. This work will complement other tools already available to industry. It will include development of ECRA's role as an information broker, helping to disseminate ideas and best practice guidelines for the consideration of industry.

Further decisions will be taken in early 2008.

Dimensioning work progresses

As part of the dimensioning survey, GS1 New Zealand also undertook a survey of items in the New Zealand supply chain to complement the data in Australia. Results were similar to those found in Australia - 14% of the sample had dimension errors beyond the 4% tolerance: Height 9%, Width 3%, Depth 3%.

For further information or this work stream contact Samantha Blake (samantha.blake@afgc.org.au or 02 6270 9012).

GS1net

The most recent facts on GS1net industry status indicate Australasia is at the forefront of adoption of standards.

- Over 143 companies (incl. 8 NZ) are already registered with GS1net
- 1200 companies (incl. 160 NZ) are currently migrating to GS1net from EANnet.
- Synchronising over 300 fields of data including price
- 1340 companies currently participating (1280 suppliers) within Australasia.
- All of the *Retail World* Top 100 Suppliers are registered on GS1net / EANnet.
- 140 grocery suppliers are GS1net Ready™
- 91 suppliers are GS1net Live™ with at least one retailer
- Participating in the current GDSN certification event.
- GS1net is the first GDSN certified data pool to successfully host synchronisation of both item and price.

New ECR Europe Shrink Report

A new ECR Europe report on loss prevention has been released recently. The report, **Effective Retail Loss Prevention – 10 Ways to Keep Shrinkage Low**, was authored by Adrian Beck, Reader in Criminology, University of Leicester.

The report begins to identify the key characteristics of low shrink retailers – their policies, practices, procedures, approaches and philosophies of those companies that successfully keep shrink low.

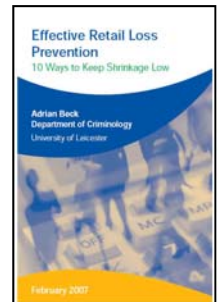
The study identified 10 key factors which were considered to be influential in creating a low shrink environment within an organisation. These have been classified into strategic, cultural and operational level factors.

A copy of the report can be downloaded free of charge from the following website <http://www.ecrnet.org>.

ECRA is establishing a new working group to assess causes of product loss along the Australian and New Zealand supply chains. The first task is to review and update ECRA work of five years ago.

Product loss (shrinkage) is estimated to be around 1.8 per cent of total sales. The ECRA working group will have a particular focus on administrative issues such as poor documentation as a significant factor behind shrinkage.

This means there may be savings of potentially tens or even hundreds of millions of dollars available if these errors can be rectified.



GS1 Data Quality Framework

The Data Quality Framework Version 2 has been written and revised with input from many retailers, manufacturers, industry associations, certification bodies and others.

The objective of this new version of the Data Quality Framework is to enable companies to take a practical approach to the implementation of a Data Quality Management System (DQMS). Version 2 incorporates the self-assessment and self-declaration chapter developed by AIM, Capgemini and GS1. Additionally, a KPI model for master data is now included as a way to effectively assess the quality of the information. The KPI model also provides validation to a proper implementation of a Data Quality Management System.

The **Data Quality Framework** can be downloaded from http://www.gs1.org/docs/gdsn/gdsn_data_quality_framework.pdf.

If you would like further information on data quality and the framework contact GS1 Australia. National Number 1300 366 033 or www.gs1au.org.

RFID Website

A dedicated Radio Frequency Identification (RFID) website has been launched to raise awareness of the technology among the public. The objective of the new website is to inform consumers and consumer organisations about the benefits of RFID with a focus on Electronic Product Code (EPC). The site, sponsored by GS1 EPCglobal, provides easy to read information on what is possible with the technology; how it works; and some frequently asked questions and answers.

It is the intention of the site to communicate the benefits and potential of the technology, addressing not only the technology itself but how it can be used and the manner in which they will affect people's lives. www.discoverrfid.org.

Publications

ECR Australasia publications are freely available to all AFGC, NZFGC, Board member companies and participating organizations.

Available publications are:

- A Guide to Collaborative Loss Prevention (electronic copy on CD only)
- A Guide to Demand Forecasting within the Grocery Industry
- A Guide to KPI Development within the Grocery Industry
- The Profit Impact of ECR
- A Guide to Efficient Replenishment & Reducing "Stock Outs" Within the Grocery Industry
- Efficient Product Movement
- Data Integrity & Synchronisation
- From Barcode to Electronic Code
- Product Introduction and Delisting, improving the supply chain efficiency and effectiveness.
- 2006 Food and Grocery Industry Tracking Study
- Retail Ready Packaging – A focus on shelf ready packaging an industry toolkit.

If you have any ideas as to how the resources of ECRA could be improved please email samantha.blake@afgc.org.au with your comments. Please also forward this email to your colleagues and trade partners so they too can benefit from these resources.

GS1 DataBar™ Introduction

GS1 Global Office has announced a global sunrise date of January 2010 for all scanning systems to read GS1 DataBar (previously referred to as Reduced Space Symbology) codes on trade items.

GS1 DataBar was designed to answer the business needs in the fresh produce and health-care sectors; however it can also help organisations comply with growing global concern over traceability, bioterrorism and increased international regulations for the establishment and maintenance of records.

The GS1 Databar family consists of seven symbols, the following site provides details on each: http://gs1au.org/assets/documents/products/gs1_system/datacarriers/p_gs_dc_databar_symbolsumm.pdf.

There are not plans to discontinue the EAN/UPC bar code.

Further information is available from Samantha Blake at the AFGC Secretariat (samantha.blake@afgc.org.au or 02 6273 1466) or Rachel Kairuz at GS1 (rkairuz@gs1au.org).

ECR Updates from overseas

ECR Europe

"Creating sustainable shopping value" will be the theme for next years ECR Europe Forum and Marketplace to be held in Berlin. This is in a sense a return to the ECR basic principle of fulfilling consumer wishes better, faster and at less cost, but at the same time introduces the current hot topic of sustainability. The theme mentions shopping value rather than shopper value. The difference is subtle—one defines the action, while the other describes the actor. However, ECR Europe will go beyond focussing on the person for whom we create value to a focus on how we create value and what shopping value is.

Information, program and registration details will be available shortly from the following link www.ecrnet.org.

International Commerce Review

The International Commerce Institute is the link between global thought leaders in academia, retailing and the consumer goods business.



Recently the new issue of *The International Commerce Review* was published.

It includes interviews with Nestle CEO Peter Brabeck-Letmathe and outgoing Ahold CEO Anders Morberg, different perspectives on the supply chains of the future, and debate about the future implementation of RFID.

For further detail visit <http://www.ecr-institute.org>.

ECR Asia

The 10th Annual ECR Asia Pacific Conference and Exhibition was held during October at the Raffles City Convention Centre in Singapore. Further details should be available shortly at <http://www.ecrasia.com>.

ECR AUSTRALASIA BOARD

The ECR Australasia Board comprises senior executive representatives from food and grocery retailers, wholesalers and suppliers. The full membership of the Board is:

Andrew Cummings
(Chairman)
Clorox Australia Pty Ltd

Richard Brown
Coles Group Ltd

Steve Anderson
Foodstuffs (South Island) Ltd

Gary Tempany
Metcash Trading Ltd

Mark Brosnan
Progressive Enterprises Ltd

Peter McClure
Fonterra Brands (NZ) Ltd

Pete Manuel
Procter & Gamble Australia
Pty Ltd

Lindsay Mouat
Unilever (NZ) Australasia

Ian McDonald
Woolworths Ltd

Sarah Kennedy
Healtheries of NZ

Michael Watt
The Wrigley Co Pty Ltd

New Board Members Welcomed

Two new appointments were formally welcomed to the ECRA Board on Wednesday 14 November.

The Board extends a warm welcome to Sarah Kennedy (CEO, Healtheries of NZ) and Michael Watt, MD, The Wrigley Co).



Sarah Kennedy
Chief Executive Officer
Healtheries of NZ



Michael Watt
Managing Director
The Wrigley Co Pty Ltd

Supply Chain Capability Development Program

The first successful client to complete the Supply Chain Capability Development (SCCD) program is Nick Trease (Coca Cola Amatil). The ECRA Board, University of Wollongong and Accenture extends their congratulations on his successful completion of the program.

The SCCD program, certified by ECRA is primarily designed for those involved in inventory management and replenishment functions for retailers and suppliers. The program meets a range of industry challenges and works on common standards and consistent and definable processes; it is a unique, tailored approach for supply chain professionals. The program is a completely flexible and can be completed on line in 50 hours through any internet enabled computer.

The curriculum focuses on developing basic inventory management and forecasting skills delivered through six core topics:

- Statistics, Probability and Spreadsheet simulations - 3 hours
- Supply Chain Fundamentals – 10.5 hours
- Inventory Management – 13 hours
- Forecasting and Planning – 15 hours
- Performance Metrics – 4.5 hours
- Process Integration and Knowledge Application – 4 hours

To learn more or to sign up, please contact either Accenture's Amrish Bhatia (amrish.s.bhatia@accenture.org) or Samantha Blake (samantha.blake@afgc.org.au).

Contact ECR Australasia

Russ Neal
Manager ECRA
russ.neal@afgc.org.au

Samantha Blake
ECRA Secretariat
samantha.blake@afgc.org.au

C/- Australian Food & Grocery Council
Locked Bag 1, Kingston ACT 2604
Ph: (61 2) 6273 1466
Fax: (61 2) 6273 1477

Lindsay Davidson
Commercial Director
New Zealand Food & Grocery Council
PO Box 1925, Wellington NZ
Ph: (64 9) 415 2096
Fax: (64 9) 415 8714
lindsayd@fgc.org.nz

Supporting Organisations
Australian Food & Grocery Council
New Zealand Food & Grocery Council

ECR Australasia is strongly supported by all major Australian and New Zealand retailers and wholesalers. Visit us at: www.ecraustralasia.org.au