METCASH TRADING LIMITED

PACKAGING, BARCODE & LOGISTICS SPECIFICATIONS

Version 1.5 – February 2016

Version Control

Version	Date	Description of Change	Author(s)
1.0	Aug 2008	Document published	Michael Haire
1.1	Nov 2012	'What do I need to do to use EDI with Metcash?' section added (p.32)	Jennifer Yi
1.2	May 2013	- Hyperlink to Metcash Buyers removed (p.28) - 'Note' section regarding SCP (Single Case Pick) added (p. 28)	Jennifer Yi
1.3	Jul 2013	'Glue requirements between layers' section added (p.28)	Philip McNally
1.4	Jan 2016	- 'Should I do anything different when a new line is being delivered?' (p. 22) - 'Should I do anything different with changes to packaging?' (p. 22) - 'Amended Glue Requirements' (p. 28)	Jennifer Yi
1.5	Feb 2016	- 'Case Characteristics' (p.29)	Leigh McWhirter

Overview

The purpose of this document is as a reference point to ensure that our four key areas of compliance below are achieved by all involved in the supply chain:

1. Packaging that enables efficient stock movement and provides product and employee protection throughout the supply chain.

2. The use of GTIN's to identify the retail unit and each level of packaging in barcodes.

3. The use of SSCC's in Logistics/Pallet labels as well as other bar coded information where applicable.

4. The use of EDI for purchase orders, delivery advices and logistic data.

The packaging, barcode and logistics specifications outlined in this document represent the minimum required standard for doing business with the Metcash group of companies today and will become increasingly important as we move to a more complex distribution network. A number of barcode requirements, such as trade unit and logistics labels are "Core Competencies" to conducting business with Metcash Trading Limited (Metcash) in the future. Compliance with these requirements is vital to ensure products move through our supply network in a safe and cost effective manner to our retail customers. You will need to be achieving the first 3 areas successfully with barcodes that scan first time every time before the benefits of EDI can be obtained.

To achieve a cost effective flow of goods, packaging and barcode specifications must consider the needs of manufacturing, distribution and retail operations. The objective is to have scannable barcodes and accurate logistics master data to support cost effective movement and protection of product through the supply chain minimising the safety risk imposed on those that handle the goods.

In January 2007, Metcash undertook a review of electronic (EDI) ordering protocols. Metcash participated in the industry review of retail standards that was focused on improving messaging alignment. As a result, Metcash has requested all trading partners to adopt the EANCOM2002 messaging standard.

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Where do I start if I am a new supplier to Metcash?

New suppliers to Metcash should familiarise themselves with this document and distribute it to relevant parties within their company including all factories that manufacture their goods for them & even the designer of their packaging. Please use the Supplier Checklist (Appendix A) as a quick check for all the main requirements that are detailed in this document.

Metcash & barcodes

Barcodes and EDI are the technologies for improved supply chain communication. Any company serious about exploiting the concepts and practices of supply chain management must be barcode and EDI compliant.

Metcash utilises a number of barcode scanning methods in our distribution centres:

- Hand-held radio-frequency scanners
- Vehicle-mounted radio-frequency scanners
- Scanning of products during put-to-light sortation
- Scanning of product during voice sortation
- Scanning products during routine inventory maintenance
- Scanning of products during picking process
- Scanning of products for processing by automated storage and retrieval systems (ASRS)

Some of the benefits of barcodes are:

- Faster and more accurate recording and tracking of information internally as well as globally
- Significant time savings in picking, shipping, receiving and selling goods
- Reduced errors from clerical and data entry which can be a significant source of costs and other related problems

With the development of automated scanning processes throughout the supply chain, it is increasingly important that bar codes are printed in accordance with GS1 standards. Printing a good quality bar code that complies with GS1 standards and which is scannable at all points through the supply chain costs no more than printing a bar code that is not scannable.

Adoption of these recommendations will bring improved business efficiency and effectiveness for all companies within the supply chain. Metcash seeks to minimise supply chain costs and will readily discuss bar code issues with suppliers to find the most cost efficient solution to achieving 100% first time scan rates for both retail units and trade units.

Why is packaging so important to Metcash?

Packaging has the ability to reduce the cost of doing business. Good packaging can:

- Minimise cubic storage requirements and therefore maximise storage capacity in the warehouse

- Minimise in-store handling when receiving stock and filling store shelves with products and therefore minimise labour costs

- Minimise potential damage to the retail units as they travel through the supply chain and therefore maximise the sales

Packaging also allows for other requirements to be achieved such as:

- Maintain health and safety of the team members handling the products and trades units through the use of handles and warning labels

- Complying with government legislation for specific labeling to be displayed

- Ease of replenishment with the carton size being aligned to the Rate of Sale

- Accurate display of product information through barcodes that enables automated product identification and improved efficiency

New lines

Do I need to provide a sample?

All products that will be ranged require a pre-shipment sample to be provided to the National Buyer. This is to include a sample of the trade unit (carton/unit) that the stock will be packed in. If an actual sample cannot be supplied, then photos or artwork of the product and the cartons may suffice. All product barcodes and trade unit barcodes require a GS1 verification report. The actual product (just packaging if the barcode is not attached to the product) and trade unit sample will need to be provided to GS1 in order to obtain this.

Do I need to provide any data?

For every unique product Metcash requires specific data to be able to order, store, pick, transport and merchandise your goods. This includes but is not limited to:

- Barcode numbers for each level of packaging including logistics units

- Product description

- Quantity of retail units in each level of packaging.

- Cubic dimensions & weight of each level of packaging (retail unit, inner, outer, layer and pallet

- Cost data, trading terms, rebates, etc.

- If it is a Dangerous Good (DG) it requires a Material Safety Data Sheet (MSDS). The MSDS needs to be supplied to Metcash along with the Chemwatch number. This number is issued by Chemwatch once the MSDS is loaded on their website. Email the electronic copy to: *msds@chemwatch.net*. The MSDS can also be uploaded onto GS1net for live GS1net suppliers with Metcash.

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When does the Metcash need the data and the sample?

Metcash requires the data and the samples before the first order is placed. Products cannot be received into Metcash distribution centres before the data is loaded into Metcash host systems.

How is it to be provided to Metcash?

Most of the data will be included in the New Line spreadsheet (new line spreadsheet is a UBF form this data should all be on the UBF form) that the Category manger will provide you with, but you may need to supply supplementary spreadsheets or word documents for documents such as the MSDS and the artwork or photos of the packaging. GS1net will be promoted as the future communication tool for product data.

GS1 Australia

Who is GS1?

GS1 Australia is a not-for-profit organisation that locally administers the global multi- industry system of identification and communication for products, services, assets and locations - the GS1 System. GS1 Australia is a branch of the international organisation known as GS1. GS1 consists of 105 national member organisations driven by a membership of more than a million companies across 155 countries. The GS1 System standards are developed to improve the efficiency and visibility of the supply and demand chains globally and across multiple sectors. GS1 assists more than 24 industry sectors globally with approximately 15,000 company memberships in Australia alone across a minimum of 18 industry sectors.

GS1 Australia was created to help Australian business enterprises become more efficient; their fundamental role is to allocate GS1 numbers and barcodes, maintaining internationally accepted trading standards. This, in turn, allows Australian organisations to adopt world's best practice supply chain management techniques. GS1 provides companies with a barcode prefix in order to create GTIN's for use in barcoding their products. A GTIN (Global Trade Item Number) is a barcode number that is made up of the GS1 allocated prefix, an item reference and check digit – it is not the actual barcode.

What do I do if I'm not a GS1 member?

Any company can become a GS1 member. Once you are a member you can obtain a company prefix that will allow you to allocate a barcode number to a unique product that you supply us with. If you are an Australian based company seeking to become a member, GS1 can be contacted on 1300 366 033 or by logging on to their website www.gs1au.org. If you are company based outside Australia, you must contact the local GS1 branch in your country. The global website for the organisation to find this out is www.gs1.org.

What is a GS1 Verification Report?

A GS1 verification report is produced by GS1 after they assess the barcode on a product or on the trade unit sent in to them by you. Metcash requires an electronic copy of this report (scanned into a computer and sent as a JPEG is acceptable) to verify that the barcodes being printed meet the global standard. ISO Barcode Verification Reports (BVRs) are uploaded onto GS1net by our live GS1net trading partners. Suppliers who are not live with us on GS1net are required to submit a BVR with the new line form. A new line will not be loaded without a BVR.

Metcash will accept an interim verification report for new products to market. However, Metcash must receive a final verification report within 6 weeks based on the first production run. A verification report is required for each level of packaging, i.e. retail unit, Inner and Outer for all new lines, re-listed lines and all GTIN changes to currently listed lines. Manufacturers are responsible for obtaining verification reports for SCA & BCF branded products.

For the logistics label barcodes (including SSCC's), it is acceptable that a verification report be issued on one 'representative' sample label.

GS1 Accredited Suppliers can issue their own Verification Report. Metcash will not accept GS1 Verification Reports if they are not in English. Suppliers, who are not able to obtain this, may request Metcash to obtain the report from GS1 Australia on their behalf – there may be a charge for this service.

Metcash will not accept verification reports if the report is more than 12 months old.

Retail barcodes

What is a Retail Unit?

A retail unit (also known as a retail trade item) is any item upon which it is intended for sale at the retail POS. This can be a single item or a carton of goods such as a carton of beer that is sold to the consumer directly.

How do I allocate a GTIN (barcode) to my retail product?

Before commencing barcode allocation, it is suggested that you either visit the GS1 Australia website www.gs1au.org/products/gs1 system/allocating numbers or contact GS1 on 1300 366 033. It is the responsibility of GS1 to allocate suppliers a range of numbers for GTIN's.

However, some simple rules are as follows:

- Always assign separate GTIN's to every different variation of a product. This includes every size, style, grade, colour, etc.

- Any change to trade items such as weight, description, etc., may require the allocation of another GTIN (the link above will identify if this is required)

- When allocating GTIN's, GS1 recommends that no significance is created within the GTIN itself

- Remember that the final digit (check digit) in the barcode is not allocated by you – it is calculated by a formula. Calculator available online or downloadable from GS 1's website www.gs1au.org/membership/check digit calculator/

- Ensure that the format of the barcode is a GS1 approved type (more detail on this in the next section).

- Obtain the 'barcode dimensional size gauges' from GS1 to help achieve the appropriate dimensions for retail unit barcodes, as well as barcodes on trade units (provided in transparent sheets to be laid over the top of artwork or pre-shipment samples to check height, width, light margins, location, etc.).

- Do not re-use a deleted GTIN until a minimum of four years after the date that you last issued the item into the market place. (If companies wish to extend the period of time before a GTIN is re-used, beyond the minimum of four years, this is perfectly acceptable.) This includes any GTIN, no matter the level of packaging it relates to.

- Use the prefix that GS1 has allocated your company and sequentially allocate the next 3 digits starting from 000 (without creating any relationship with the product itself) then add the check digit.

NB: Companies that were issued a seven digit GS1 prefix prior to 1996 will have a five digit reference number.
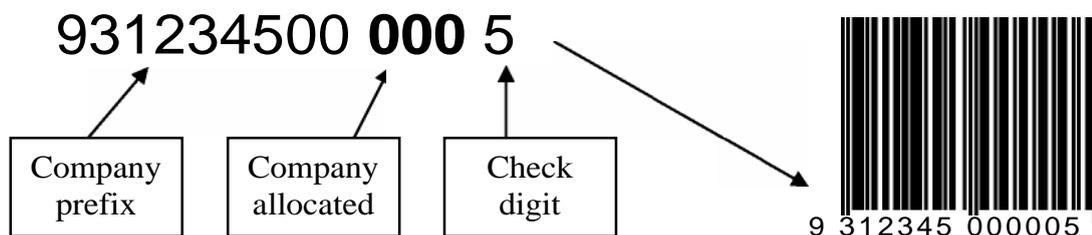
931234500 **000** 5

| Company prefix | Company allocated | Check digit |

9 312345 000005

Figure 1: Allocating a GTIN-13 number to be represented in an EAN-13 barcode

What type of barcode do I select in the computer software for the retail unit?

There are many different barcodes, many of which are used internally within warehouses without any issues. Different types of barcodes are referred to as symbology and the number that is encoded into them (using GS1 standards) is referred to as the GTIN (Global Trade Item Number) formally known as a TUN (Trade Unit Number). The only barcode symbologies that GS1 has approved for use in the global market are known as:

- **EAN -13 / 8** Symbology

- (UPC-A / E Symbology - used by North American & Canadian companies)

- **ITF-14** Symbology (Interleaved Two of Five – 14)

- **GS1-128** Symbology (formally known as UCC/EAN-128 Symbology)

The number (formed by the prefix allocated by GS 1) that is encoded into the above symbologies can be referred to as GTIN-8, GTIN-12, GTIN-13 or GTIN-14. (An SSCC number is not referred to as a GTIN.)

The two most common retail barcode symbologies in Australia are the EAN-13 and the EAN-8 as shown on the next page. For your retail product, you need to select the type that matches the quantity of digits in your GTIN - either 13 or 8. The 8 digit barcode is only used for very small retail products and is only available upon application to GS1 Australia.

Figure 2: *EAN-13 barcode & EAN-8 barcode*

Where should I put the barcode on the retail product?

The barcode should be displayed in such a way that the height is not reduced (truncated), the magnification meets the minimum requirement and does not exceed the maximum, and the light margins are not encroached by any wording, logos, or colouring.

It must be located:

- away from packaging flaps, seams, ripples & undulations either underneath or above if clear plastic,

- away from the corners of blow-mould cases and not hidden behind the product, and;

- on a smooth, flat surface, and should not curve around corners.

If the product is round, then the barcode must be located along the flat edge of the curved area in ladder format (also known as portrait format). GS1 recommends that only one barcode should be visible for items intended for POS with the exception of large or bulky items. The preferred placement for the barcode symbol is the lower right hand side of the back of all products. Light margins and edge rule must be taken into account.

How big does the retail barcode need to be?

An EAN- 13 & an EAN-8 need to be a minimum of 80% magnification. The diagram below shows the dimensions of an EAN-13 at 100% magnification with required light margins for this size. The maximum size for an EAN-13 is 200% and 100% for an EAN-8. The 'GS1 barcode size gauge' transparencies (available from GS1) are extremely helpful in determining the size of your barcodes. If the EAN-13 barcode is to be used in a warehouse environment (example: your trade unit can be sold at the retail level like a case of beer), then the barcode must be a minimum 150% and up to 200% in magnification.
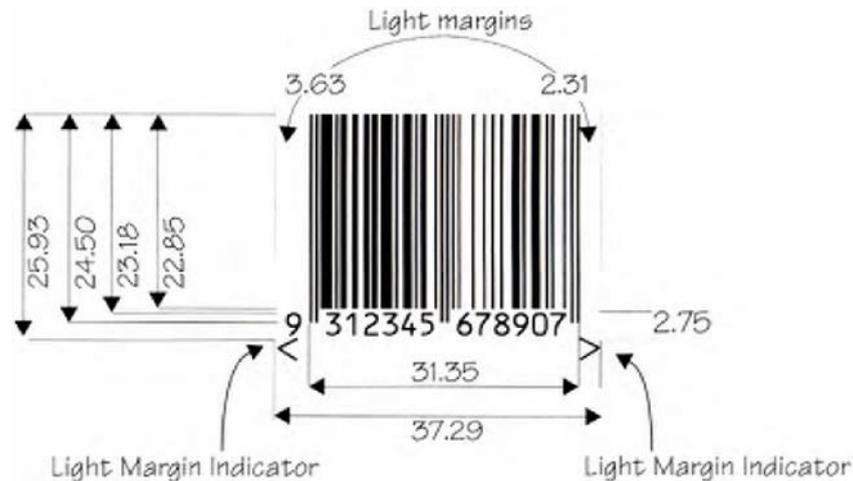
Figure 3: Dimensions in millimetres of an EAN-13 at 100% magnification (image not to scale)

What is a light margin & how big does it have to be on the retail unit?

The light margin of the barcode (also called the quiet zone) is a solid, light area before the first bar and after the last bar. The light margin area enables the scanner to recognise the beginning and the end of a barcode. Where possible allow more than the minimum specified light margin space.

Light margins of less than the minimum may fail to scan. Keep light margins clear of any colours or graphics. There are minimum specified light margins for all GS1 barcodes and these are directly related to the magnifications. The 'GS1 barcode size gauge' transparencies (available from GS1) are extremely helpful in determining the light margins required for your retail barcodes and for your trade unit barcodes.

When do I need to change the retail GTIN (barcode)?

Generally a separate unique GTIN is required for every new version of a trade item and for every variation of a retail item. However, there are cases when a GTIN does not need to be changed. The following table outlines the requirements & recommendations from GS1 (please refer to www.gs1.org/gtinrules for more detail).

Proposed Change	Change GTIN
Change in quantity of contents (including promotions with extra contents).	Yes
Product feature changes that alters the use or presentation.	Yes
Weight change – Declared.	Yes
Weight change – Not declared.	No
Item name or brand change.	Yes
Significant item description change.	Yes
New label for same item.	No
Ingredient formula change not impacting consumer declaration.	No
Change in packaging type: - When two or more different pack types of the same item remain in the market place at the same time and differ by more than 20%. E.g. If new packaging is replacing old packaging (and especially if this changes the product dimensions)	Yes

PROMOTIONS		Change GTIN
	- Money back competition offer (manufacturer source not affecting retail price).	No
	- Free gift attached (unless this does not affect the net weight or dimensions of the trade item or consumer item).	Yes
	- Free gift available (E.g. Send barcode away for prize).	No
	- Extra or reduced contents (such as "20% more").	Yes
	- The description of the promotional item differs in any way from that of the same standard item.	Yes
	- Price change is specified on the pack.	Yes

Does the retail barcode need to be Black & White?

The barcode does not have to be black & white, but by using other colours, this reduces the tolerance that the barcode has to other flaws and can increase the chance of the barcode failing other GS1 standards. The preferred colour for any barcode is matt black bars on a solid matt white background. Dark bars on a solid light background are also acceptable. Colours in the red spectrum are not suitable at all because scanners use a red light and as a result, will see the bars as neutral. The white background includes the light margins.

Can the retail barcode be used instead of a trade unit barcode?

There are two scenarios in which the trade unit may carry a retail barcode/GTIN:

1. The trade unit is also designed to be sold at the retail level, or

2. The retail unit is too large/heavy to pack multiples into another level of packaging.

Both of these examples would use an EAN-13 type barcode to represent the GTIN-13 number, but the first example would require a unique GTIN- 13 to be encoded into the barcode.

Whenever a product is packed into another carton of identical units, the next carton must have a unique GTIN for that level of packaging. This situation requires the same symbology to be used that is traditionally used on retail-only products – the EAN-13 or the UPC-A in the USA & Canada. This is very common with products such as cases of beer or cartons of cigarettes in which the consumer can either purchase the single pack or single bottle instead of the carton quantity.

If the product is very large or very heavy it is suggested the product not be packaged together with more units to form an Outer carton. In this example, the retail GTIN doubles as the trade unit GTIN physically. You do not need to create a unique GTIN or use a different symbology.

When either of the above described examples occurs, some modifications need to be made to the EAN- 13 barcode so it can be used in a warehouse environment. The barcode must be enlarged to 150% - 200% magnification and must be located so the base of the bars in the barcode is exactly 32mm from the base of the product packaging. The barcode still requires light margins, height, colouring, etc., to meet GS1 standards. It is preferable for the barcode to be displayed on 2 adjacent sides of the carton.

Retail labeling

What needs to be printed on the retail product (or packaging) to identify it?

The mandatory fields that Metcash require are:
- Brand name
- Description of the product
- Saleable unit identifier
- Number of saleable units in the carton

The description should be detailed and include the 'product, variant, size' etc. For example, if you supply breakfast cereal, the product needs to say more than just "Cereal". It must include liquid weight or size, the type or flavour, the pack quantity and any extra information that describes the product in more detail.

What other retail labeling is required?

Other labeling additional to Metcash's specifications are any regulatory requirements. This may include, but is not limited to, Dangerous Goods (refer to the Australian Code for the Transportation of Dangerous Goods by Road & Rail – 7th Edition revised November 2007) signage, shelf-life values (packed-on date, use-by date, best-before date, etc.), temperature marking for refrigerated products, weight warnings for cartons over 10kg and directions or medical and environmental advice. Product shelf-life values must be included if appropriate.

All products supplied to Metcash must comply with all relevant Commonwealth and State legislation including the relevant product safety and information standards. To find out about product safety and information standards refer to the appropriate State and Commonwealth government departments. It must be emphasised that any "claim" on the product is supported by the appropriate facts.

Retail packaging

What sort of retail packaging should I use to sell the product in?

Packaging is specific to the type of product and should suit the product's weight, size, presentation and handling characteristics. The main consideration from a supply chain perspective is to consider how it will be packed for movement throughout the entire supply chain to:

- Minimise the potential for theft, tampering, and products becoming loose.

- Minimise the cost of transporting the product from the manufacturer onto the shelf through packaging that fits well when packed, therefore minimising the amount of space required in the carton, and using the appropriate sized carton for the retail product.

- Avoid compensation claims for 'damaged in transit' & 'lost in transit' caused from packaging deficiencies. Use padding, blow-mould or hard plastics cases, and stoppers, dividers or partitions to reduce product movement during transport.

Trade unit barcodes

What is a trade unit?

A trade unit (also known as a non-retail trade item) is any item upon which it is not intended for sale at the retail POS. This can be a carton that is the Inner, Outer or Shipper level of packaging.

How do I allocate a barcode to a carton (Inner or Outer) of product?

A method by which a GTIN can be assigned for use on a trade unit is illustrated below. This method adds an extra digit to the front of the retail unit's GTIN and then recalculates the check digit to form the carton GTIN.

93 3041100 012 3

**Retail Unit
GTIN-1 3**

9330411000123

**Trade Unit
GTIN-14**

29330411000121

Country Code:
93 means the number
has been assigned by
GS1 Australia

Company Numbers:
Unique for a company

Item Number:
Unique for an item

Check Digit:
Calculated from
preceding numbers
using a formula

2 93 3041100 012 1

Logistical Variant: **Country Code Company Number Item Number**
Any number from
1 to 8

Check Digit:
Re-calculated from
preceding numbers

When allocating GTIN's in either of the formats described in the following section, GS1 recommends that no significance is created within the GTIN itself. Data is linked via a database to the GTIN, thus no level of understanding is required within the number itself; i.e. there is no need to try and make a product number sequence align with a GTIN numeric sequence.

~ Suggestion: prefix 1 for the Inner and 2 for the Outer, etc. ~

Note: For information on creating a GTIN-14 number where the barcode of the retail product carries a GTIN-8 number, please refer to the GS1 Australia website http://www.gs1au.org/assets/documents/info/technical/tfs_allocating_nonretail_gtin.pdf *or contact GS1 Australia on 1300 366 033.*

The GTIN-14 number can be represented in either an ITF-14 or a GS1-128 barcode.

Note: If choosing to represent the GTIN-14 number in a GS1-138 barcode, an Application Identifier (A1) **01** must precede the number. The A1 01 identifies that the following number is a GTIN with a fixed length of 14 digits.

(0 1) 1 9 3 1 2 3 4 5 6 7 8 9 0 4

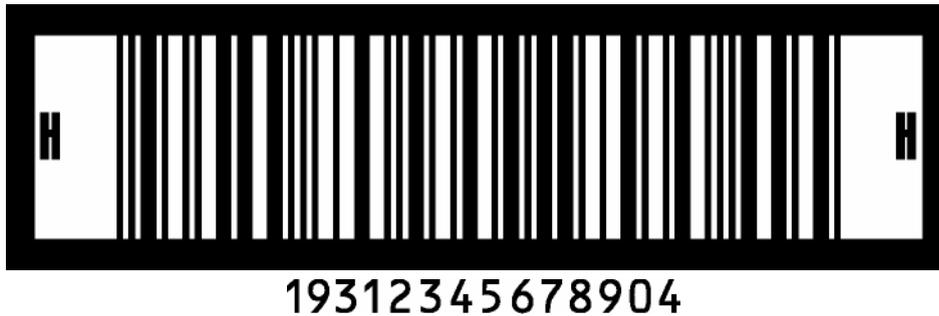**Figure 4:** *A GTIN-14 with an AI represented in a GS1-128 barcode*

Figure 5: *A GTIN-14 number represented in an ITF-14 barcode*

What type of barcode do I select in the computer software?

You first need to decide which barcode type (symbology) is more suitable to your needs. Use the following guide to assist you in this process:

- Will the trade unit ultimately be sold at the retail point of sale?

If YES, then the barcode choice must be the EAN-13 symbology

- Will the item only be used in the supply chain and never sold at the retail point of sale?

If YES then the barcode choice can be the ITF-14 or GS1-128 symbology.

- Is the barcode for the trade unit (Inner or Outer cartons) going to be printed directly onto the cardboard carton?

If YES, then use the ITF-14 symbology.

- Do you need to add extra information such as batch numbers or use-by dates into the barcode?

If YES, then use the GS1-128 symbology.

The same number (GTIN-14) can be used in both barcodes types as can be seen below.

Note: If you have a zero as the first digit in the barcode – please speak with GS1 to ensure you have used the method correctly (Ph: 1300 366 033 or Web: [www.gs1au.org).](http://www.gs1au.org)

09312345678907

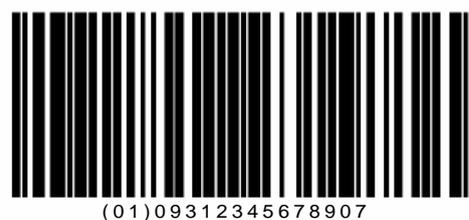**Figure 6:** *ITF-14 barcode*

(01)09312345678907

Figure 7: *GS1-128 barcode*

Where should I put the barcode on the trade unit?

Productivity and scanning accuracy improves considerably when the barcode location is predictable.

Metcash requests that the barcode be located on at least 2 adjacent sides of all cartons. The aim should be to always exceed 2 adjacent sides. There is generally no additional cost in printing barcodes on all available sides.

Cartons without space for barcodes on adjacent sides can use opposite sides. Visibility of all barcodes, pre-printed or as labels must be 100% on finished goods. No partially hidden barcodes are acceptable such as under packing tape, plastic wrap & strapping, or solely on the base of a trade unit.

The barcode can be positioned anywhere along the face of the carton ensuring that the lower edge of the vertical bars of the barcode is exactly 32mm from the lower edge of the base of the carton. Including margin areas the barcode should be located no closer than 19mm from both vertical edges of the carton.

For cylindrical trade units the barcode should be positioned in a 'portrait' format, also known as "ladder style orientation". The ladder style is mandatory for a curve with a small diameter such as a broom handle, and recommended for larger diameters such as 20 litre oil drums. In this situation, (and with other products that do not have a flat base) the base of bars in the barcode do not need to be 32mm from the base of the item.

Figure 8: *Barcode location on cartons – labels or pre-printed*

How big does the trade unit barcode need to be?

In an automated scanning environment 50% is the minimum acceptable magnification for a GS1-128 barcode or an ITF-14 barcode. Minimum barcode height for either of these types of barcode is 32mm. Anything less than these guidelines causes read problems due to vibration on conveyor systems, speed past static readers, etc.

To ensure efficient scanning of the barcode in any environment, printing the barcode at 100% magnification is highly recommended.
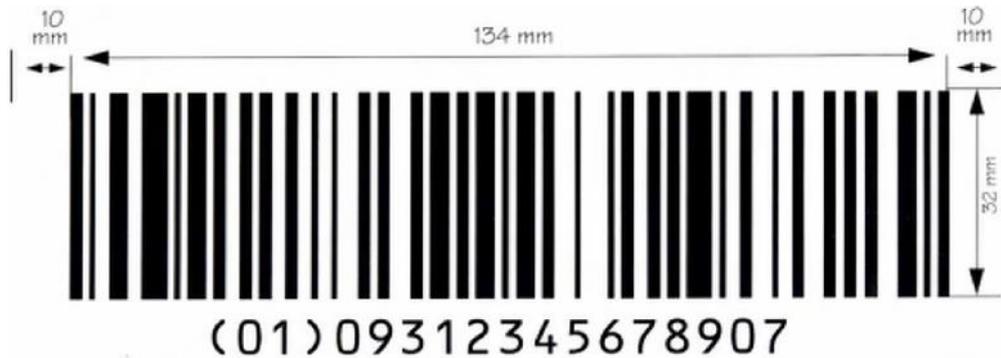
Figure 9: *GS1-128 barcode dimensions at nominal (100%) magnification (not to scale)*

If an ITF-14 barcode is chosen, a magnification less than 62.5% should not be printed directly on corrugate cardboard.

The border (bearer bar) surrounding the bars assist with the print quality of the ITF-14 barcode (on cartons and labels). When a stereo (a print roller with a rubber stamp face) is produced, the border will help apply equal pressure when producing the barcodes. It also highlights any misprinting heads easily as the black border will be broken (this border is not mandatory).

Figure 10: *Nominal (100%) Magnified ITF-14 Barcode (not to scale)*

When do I need to change the barcode?

Typically the trade unit barcode only needs to be changed whenever the retail barcode is changed, but there are circumstances where the trade unit barcode does need to be changed when the retail barcode does not.

If the content quantity changes in the trade unit then the trade unit barcode number must also be changed. The same methods used in creating a GTIN-14 apply in changing the prefix and will create a unique number. For example: if you had a carton of 20 units and you changed it to 15 units then you could change the original prefix number from **2** 931234567 890 7 to **3** 931234567 890 **8**. Please ensure that Metcash is notified as per industry agreed standards.

Trade unit labeling

What needs to be printed on the carton to identify it?

Human readable (as opposed to machine readable e.g. barcodes) information on trade units must be in English. The following requirements must be printed on at least two adjacent sides (not handwritten) of <u>every</u> level of trade unit packaging:

- Product description (includes product, variant & size as printed on the retail unit).
- Supplier details and/or Brand name.
- Quantity of retail units within.
- Total gross weight of the trade unit.
- Shelf-life values (if applicable)
- Warning and advisory symbols or labels (if applicable).

*Note: retail unit quantities printed on the carton should not reflect manufacturing quantities. For example: a pack of 12 chocolate bars is ONE retail unit, therefore if a carton has 6 of these retail units packed within, the labeling should state **6**, not 72 chocolate bars.*

The following information is not mandatory but it is desired by Metcash to be printed on the trade unit:

- The optimum pallet stacking configuration on the top of the trade unit (outer only)

What other labeling is required for the trade unit?

When labeling a trade unit, the governmental legislation that controls the retail labeling needs to be taken into account. This may include, but is not limited to Dangerous Goods diamonds and spill clean-up directions.

A warning label must be placed on as many sides as practical (at least two adjacent) of the package, preferably with one of the labels positioned within 10cm of the gross weight information, so team members can assess the risk of moving the load. Ideally it will be placed close to the barcode as well.

The size of warning labels should always be larger than a standard business card and aim to be as large as practical. Warning labels should be located in a clear position on the package which:

- Does not bend the labels over the edges of the package.
- Does not place the labels over seams, closures or sealing tape.
- Does not cover over the barcodes or other labeling.

The label can be a black and white sticker or incorporated into the packaging design as a pre-print. If black text does not provide a contrast to the package, an alternative colour must be used. A black border must be used to highlight the warning within the packaging if a black & white design is used.

Trade unit packaging

What should the trade unit be made of?

Whether cardboard, plastic bag or plastic wrap is used; the trade unit should be constructed with sufficient strength to move through the supply chain from the trading partner to the store shelf without losing its contents or allowing damage to the product. The packaging should not only be designed to protect the product – but to also protect those that need to handle it.

There are no unique specifications regarding logistical packaging material, provided that:

- It is sufficiently robust & stable when stacked in a container or on a pallet.

- The contents are easily accessible when required, yet will not open unexpectedly.

- It will not deform or collapse when lifted from the weight of its own contents.

- It includes partitions and/or padding, etc., if required to avoid product movement.

- It is tailored to the shape of the contents to minimise the contained air space.

Note: It is preferable that materials used in trade unit packaging are made from recycled product and are recyclable.

The dynamic forces of transport, and the pressure of cartons and pallets stacked on top of the trade unit, need to be considered when designing packaging. Packaging must be strong enough to hold the product weight, accounting for exposure to external environments such as moisture and transport conditions.

Hazardous goods require appropriate packaging (and labeling). Refer to Code of Dangerous Goods and Hazardous Substances Australian Standards. Aerosol trade units should be designed to be opened without the use of a sharp tool (e.g. use tape to seal the trade unit or use perforated cardboard). Sharp items must have a durable protective shield over the sharp tip within the retail unit packaging to protect against personal injury.

Inners refer to a level of packaging containing multiple retail units packaged as a discrete unit inside another level of packaging, known as an Outer and then Shipper. Inners must meet the entire trade unit packaging (and labeling) requirements. Cardboard Inners are preferred to plastic bags. For plastic bags, ensure they are tight, do not tear easily and minimise the air space contained. Ensure that the retail barcode is not visible from the next level of packaging if clear plastic bags are being used (red or black plastic prevents the retail barcode being read).

Products such as shovels or items where the shape does not match the packaging require additional packaging to ensure the contents remain stable and arrive in good condition without causing harm to those that need to handle the item.

How many retail units should I put in a trade unit?

The appropriate retail unit quantity in a trade unit depends on the product Rate of Sale (ROS) and consideration of:

- Dimensions.

- Weight.

- Strength.

- Air space minimisation (air space leads to instability and damage when stacked)

- In store shelf capacity

Metcash may request pack quantities be adjusted to align with rates of sale.

Note: Do not use padding (such as foam pieces or air-bags) to fill unnecessary vacant space in cartons. The carton size should be redesigned or the contents repacked so product movement and vacant space are minimised.

Pallet labeling

How do I label a pallet?

Pallet labeling is made up of a few specific requirements. Historically this has focused on the Purchase Order number for Metcash, but as we move into a more electronic process, it will focus on the SSCC number.

The label that is placed on pallets can be referred to as a 'logistics label' and contains a SSCC number that is presented in a barcode (GS1-128 symbology).

When delivering stock on pallets, our strict requirement is for one product per pallet (if not one product per pallet each product must have its own SSCC label) for ease & efficiency of processing. Each pallet of a delivery should be labeled following the guidelines detailed in the following paragraphs. Products must be delivered in standard full trade units, normally an Outer (unless requested otherwise from Metcash). If the quantity ordered is not equivalent to a full trade unit, please contact Metcash before confirming the order & we will change the order quantity to align with the Outer quantity.

Should I do anything different when it is a new line being delivered?

All products that are new to Metcash operations must have a label on the pallet stating 'New Line" for the first delivery into each site.

Should I do anything different with changes to packaging?

Metcash's automation system is sensitive to changes in packaging. If there are any changes to primary or secondary packaging such that the case DIMENSIONS or GRAPHICS change in **any** way then Metcash needs to be notified so that the automation system can be updated. A sample case should be supplied prior to the first delivery. This requirement includes SHORT TERM promotional packaging changes and changes of supply location where there are differences in packaging. The first delivery of changed packaging should be clearly labelled "PACKAGING CHANGE"

Where does the label have to be on the pallet?

A pallet must have a minimum of one logistics label placed on the forklift access side of the pallet. It is to be placed in a vertical position (not crooked, creased or on an angle of more than 5 degrees from vertical). It is to be placed at least 50mm in from the right-hand side of the pallet for ease of scanning. Metcash prefers the lowest carton on the right. The logistics label should not bridge across two cartons. For all pallets the logistics labels should be located between 400mm and 800mm from the surface on which the pallet stands and no closer than 50mm from the vertical edge. Barcodes shall be in picket fence orientation on logistics unit. The bars and spaces shall be perpendicular to the base on which the logistic unit stands. In all cases, the SSCC shall be placed in the lowest portion of the label.
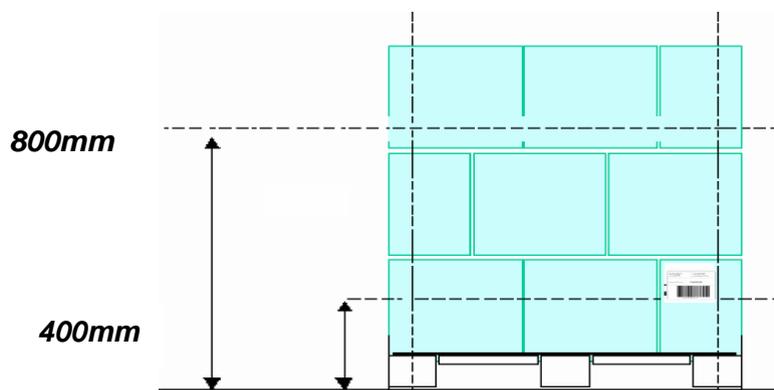

Figure 11: *Location of the pallet (logistics) Label*

Figure 12: *Example of the correct positioning of the pallet (logistics) Label*

If the pallet is being stretch-wrapped for stability during transportation the pallet (logistics) label **MUST** be applied to the **OUTSIDE** of the wrap.

If the pallet is being secured by another method (plastic or string tie, glue, etc) the pallet label **MUST** be applied (if possible) to a single carton on the right-hand bottom side of the pallet. The label should not be struck across two cartons and barcodes on the label should not be directly over other barcodes on the carton as this may result in scanning problems:

If you are delivering a multi-stack of pallets that have been individual stretch-wrapped the pallet (logistics) label **MUST** be applied to the **OUTSIDE** of the wrap of each pallet.

If you are delivering a multi-stack of pallets that are not individual stretch-wrapped, but the stack has been stretch-wrapped into a single unit for stability during transportation the pallet (logistics) label **MUST** be applied (if possible) to a single carton on the right-hand bottom side of the pallet.

If the pallet (logistics) label is bigger than the height of a carton (assuming the pallet only has a single layer of stock on it) then the label **MUST** be applied with the barcodes visible on the side of the carton and the top part of the label folded over the top of the carton:

What is included in a pallet label?

The minimum requirements for a pallet of stock of a "fixed weight" product (e.g. 1.25 litre soft drink) are illustrated below:

- Supplier details

- SSCC number – **AI (00)** – Always represented in a barcode on the label.

- GTIN of the product – **AI (02)**

- Product description

- Code-date information – use-by-date **AI (17)**, best-before-date **AI (15)** or packed-on-date **AI (13)** – this is a requirement if it appears on the retail unit

- Carton quantity on pallet **AI (37)**

- Batch number **AI (10)** - this is a requirement if it appears on the retail unit

The type of barcode used in a pallet label must always be the GS1-128 symbology.

What does a pallet label (also known as SSCC label or Logistics label) look like?

SUPPLIER PTY. LTD.

SSCC NUMBER

(00)393006753147066152

DESCRIPTION

1.25 X SOFT DRINK (PK 12)

ITEM NUMBER	QUANTITY
09300675001151	**48 CARTONS**

BEST BEFORE (dd/mm/yy)	BATCH NUMBER
28/09/08	**M8092**
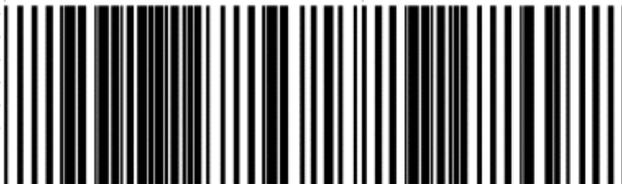
(02)09300675001151(15)080928(37)048(10)M8092
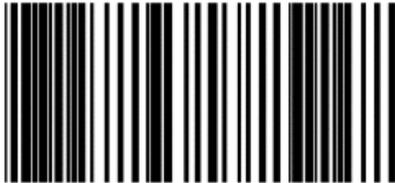
(00)393006753147066152

Figure 13: *SSCC Label for fixed-weight product (portrait layout)*

The minimum requirements for a pallet of stock of a "variable weight" product (e.g. a random-weight 3kg leg ham) are illustrated below:

- Supplier details

- SSCC number – **AI (00)** – Always represented in a barcode on the label.

- GTIN of the product – **AI (02)**

- Product description

- Code-date information – use-by-date **AI (17)**, best-before-date **AI (15)** or packed-on-date **AI (13)** – this is a requirement if it appears on the retail unit

- Carton quantity on pallet **AI (37)**

- Batch number **AI (410)** - this is a requirement if it appears on the retail unit

- Total net weight of the stock on the pallet (not including the wooden pallet itself) **AI (310n)** – the "n" represents the number of decimal points in the weight e.g. 22.78kg would be **AI (3102)**

```
SUPPLIER PTY. LTD.

3KG LEG HAM R/W                    QUANTITY - 48 CARTONS
                                   NET WEIGHT - 563.25 KG

PRODUCTION ID.
M-8092-4E-19:55

SSCC
(00)393006753147066152
                          (02)09300675001151(15)080928(37)048(3102)56325
ITEM NO.
09300675001151

BEST BEFORE (dd/mm/yy)

28/09/08
                                   (00)393006753147066152
```
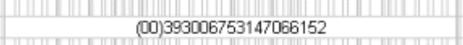
Figure 14: *SSCC Label for variable weight product (landscape layout)*

How do I allocate the Serial Shipping Container Code (SSCC)?

- The SSCC should be handled as an 18-digit non-significant number uniquely identifying the unit to which it is attached.

- The company responsible for the marking of the logistic unit is responsible for issuing the SSCC.

- The SSCC can be re-used after 12 months have elapsed from the time of issue providing the original logistics unit is no longer in existence.

The format of the SSCC is:

(00) 3 93 0067531 4706615 2

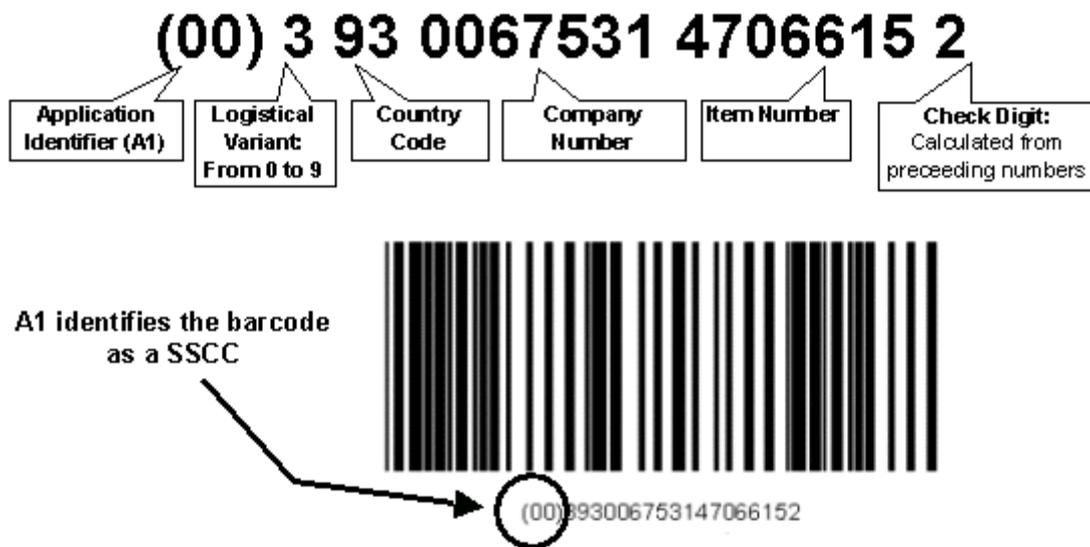| Application Identifier (A1) | Logistical Variant: From 0 to 9 | Country Code | Company Number | Item Number | Check Digit: Calculated from preceeding numbers |

A1 identifies the barcode as a SSCC

(00)893006753147066152

Figure 15: Serial Shipping Container Code (SSCC) represented in a GS1-128 barcode

NB: Company number and serial reference can vary – either seven or nine digit company number and either seven or nine digit serial reference number.

Are there any technical specifications for SSCC number?

- The SSCC barcode must always have a single unique number.

- The SSCC number must always be presented in a GS1-128 symbology.

- Concatenation* must not be used with the SSCC number.

- The light margins must not be infringed by text or logos and are a standard width.

- The SSCC barcode should be displayed at a magnification between 50% & 100%.

- The SSCC barcode must meet the minimum 32mm height requirement.

- The Human Readable Interpretation of the information presented in the barcode shall be no less than 3mm high, clearly legible, and preferably located below the bar code symbol.

*Concatenation is a term that means various data elements can be contained sequentially within a barcode. E.g. Item #, qty, Use by Date, Batch #.

What dimensional requirements are there in the pallet label?

For the actual label, the standard A6 format (105mm x 148mm) is sufficient for most requirements, but this can be made smaller as shown in the example. The width of the label should remain constant at 105mm, while the height of the label may vary if more room is required.

What are the requirements for shelf-life identification?

Date marking provides valuable information to consumers on the quality of the product they are purchasing. Specifically, it offers a practical guide to consumers on the estimated length of time during which a product will retain certain expected characteristics relating to quality. For some food, the date mark will also indicate the period of time it will remain safe to eat.

Food Standards Code Standard 1.2.5 regulates date marking of packaged foods and applies to all packaged food that has a shelf life of two years or less and is for retail sale or for catering purposes.

Standard 1.2.5 requires food to be date marked with the prescribed statement 'Best Before' unless the food needs to be eaten within a certain period for health or safety reasons. In this circumstance the prescribed statement 'Use By' date must be applied.

Previously, 'Use by' and 'Best Before' date marking could be used interchangeably on food labels. Restricting the 'Use-By' date to certain foods is expected to make it easier for consumers to understand date marking. It will enable them to distinguish between products that need to be consumed by a certain time for health or safety reasons and those that do not. It is the manufacturer's responsibility to determine which date marking term should be used on their foods.

Note the standard requires 'Best before' and 'Use By' dates to be distinguishable and expressed in chronological order (day, month, year) in uncoded numbers, other than the month which may be in letters.

Where the 'Best-Before' or 'Use-By' date is *not more* than three months, the Best Before or Use By date can consist solely of the day and the month. For example, 'Best Before 3 Dec'.

Where of the 'Best-Before' or 'Use-By' date is *more* than three months, the Best Before or Use By date can consist solely of the month and the year. For example, 'Best Before Dec 08'

Pallet stacking

What's the best way to stack a pallet so my stock doesn't get damaged?

Pallet configuration (how boxes are stacked on the pallet) should optimise pallet space and as a result, improve supply chain efficiencies by maximising the number of cartons held on a pallet; hence less pallet storage space would be required and transport costs reduced. Ideally the optimum pallet stacking configuration should be printed on the top of the carton. Each layer should face the opposite direction to the one before to provide extra stability.

An unsteady pallet of stock can pose a huge safety risk to anyone handling it, and restacking costs for unsafe pallets will be recovered from the Supplier.

Figure 16: *Multi-directional pallet stacking*

Suppliers should consider various options for the number of retail units in the trade unit and the shape and profile of the trade unit to provide good pallet stability, stacking strength and utilisation.

Product MUST NOT overhang the sides of the pallet. Overhanging stock needs to be restacked on arrival and this costly process can be easily avoided if it is packed correctly prior to shipment. If a single item is wider than a pallet, discuss handling requirements with the National Buyer.

It is important that pallet-stack patterns for each unique product are consistent. This makes it easier to receive and process if the method and quantity is consistent.

All stock on the pallet must be secured with plastic wrapping (or similar) to stop the stock from shifting, cartons from being dislodged and maintain a steady-load in shipment when being moved. The top layer of the pallet must be secured with shrink-wrap, string or non-metallic ties. Metal strapping MUST NOT be used to secure the pallet. Where shrink-wrap is used to secure the pallet it must cover the top part of the wooden pallet to bind the bottom layer of product to the pallet and help stabilize the load.

Glue requirements between layers

Where layers are bonded to another layer using glue, a PVA (cold water-based glue) is required to bind the cartons to each layer. In order to avoid glue being transferred the glue must be used that is dry and solid after curing, e.g. PVA glue "lock and pop". Stick/tacky glue is **not** acceptable. There are no temperature requirements as the boxes are not exposed to artificially increased or reduced temperatures. The glue should be applied in droplets of between 3-5mm in diameter. Where cartons are glued to the cartons on the layer underneath the bond must not withstand the force of its own weight otherwise this will require too much force from a person to move a carton and may result in injury to the person or damage to the goods. You need to ensure that the glue gives way before the cardboard tears.

Glue-bonded cartons within a layer

The cartons within one layer MUST NOT be bonded to each other using glue or any other method other than shrinkwrap or non-metallic ties.

Use of slipsheets and other pallet stabilizing tools

Some suppliers use different types of slipsheets either on the base of the pallet, in between the layers on the pallet and on top of the pallet. These suppliers need to consider their reasons for using slipsheets and remove them where possible. Suppliers sometimes quote HACCP requirements for having slipsheets in between the layers on the pallet. It is recommended that this requirement is verified as the "four layers of separation" rule is generally satisfied by the product packaging and outer carton.

If absolutely required the slipsheet should be of a consistent nature e.g. 3mm thick cardboard. Consultation should be made with the cardboard manufacturer for correct board type and grade relative to the weight of the contents. Slipsheets such as plastic, paper, masonite or collapsed empty cartons are NOT ACCEPTABLE and can present incidental hazards and sustainability challenges regarding their disposal.

If absolutely necessary the preference will be for slipsheets to be under the bottom layers of cartons only. Slipsheets MUST NOT overhang the pallets.

Other stacking stabilizing tools e.g. vertical and/or horizontal cardboard angle "irons" are NOT ACCEPTABLE.

Case Characteristics

Cases handled in the SCP system are to meet the minimum requirements for automatic handling such as
min/max dimensions, quality of package and package type.

Min/max dimensions:

Cases to be handled within the system are restricted by the following dimensions:

Depalletising Robots/Singulation Conveyor

	Length (mm)	With (mm)	Height (mm)	Weight (Kg)	Height/Width
Maximum Dimension	600	400	4520	25	1.7
Minimum Dimension	150	150	45	.05	

Palletising Robots/Tray Conveyor System

	Length (mm)	With (mm)	Height (mm)	Weight (Kg)	Height/Width
Maximum Dimension	600	400	4520	25	1.7
Minimum Dimension	120	120	45	.05	

Note*: Minimum length and minimum width is on either dimension. For example, if a case has dimension 110 x 150, then it is not able to be used as one dimension is less than 120mm.

Height to Width Ratio

The maximum height to width ratio indicated above is dependent on the characteristics of individual product cartons. Products with a large height to width ratio may tip over when being conveyed in the system. This factor also depends on the centre of mass of the product.

The goal will be to convey all cases in the original orientation and cases with a higher than 1.7 height/width ratios will be tested to see if they can be handled upright in the system. If testing confirms a case is too unstable for upright transport, then it must be flagged for laying down on its side during manual depalletising (if the dimensions and the SKU allow for it per table above). These flagged SKUs need to be configured accordingly at the teach-in station so that the pack pattern generator can calculate with the correct case orientation. The cases are then conveyed and palletised on their side.

Delivery requirements

Metcash have quite specific delivery requirements that need to be adhered, to ensure safety, accuracy and service of the business to our team and our customers. In all cases deliveries are to arrive in cartons and on pallets or in containers (unless specifically requested to do otherwise). Logistics labels that include SSCC barcodes should be displayed. These will be used in conjunction with the EDI Despatch Advice (was Advanced Shipping Notice – ASN) and associated EDI transactions to be introduced with our Suppliers moving forward. We will be doing SSCC without ASN receiving initially.

Note: Metcash does generally not accept 'back orders'. If stock cannot be supplied and is still required, it will be ordered again in the next order until supplied. Contact your National buyer to ascertain his/her requirement regarding back orders.

Is there a standard pallet I have to use?

Metcash has in place a pallet-hire-transfer arrangement and can transfer pallet-hire liability according to these arrangements for pallets that meet the required standards such as Chep or Loscam.

All products on a pallet intended for Metcash's distribution centres must be on an Australian Standard pallet (1165 x 1165mm) that is in a good condition. For more detail regarding the specifications of an Australian Standard pallet for use in Australian Pooling Systems, reference should be made to the Australian Standard, AS4068 1993 Flat Pallets for Materials Handling.

The maximum pallet height for full pallet locations in Metcash distribution centres is generally 1.8 metres including the pallet. The gross pallet weight should be limited to 1,100 kg including the pallet (exceptions must be approved by the buyer).

What condition is acceptable for pallets?

The top-deck boards must be complete and be rigidly fixed to the bearers. Of particular importance is the location and condition of the bottom-deck boards. These five boards must be complete, continuous, not warped, without knots, and be securely fixed to the bearers. The boards must conform to the dimensional tolerances of the Australian Standard, for use in Australian Pooling Systems.

Common pitfalls that reduce efficiencies within Metcash's distribution network are:

- Cracks in boards
- Loose boards
- Nails protruding
- Bottom boards crooked
- Gap between lead board and second board too small.

How do I deliver pallets to Metcash warehouses?

Our warehouses require very specific delivery requirements to be met in order to process stock in an accurate, efficient, cost effective and safe manner. You must ensure you have:

- Confirmed the order (qty, delivery date, & pricing).
- Appropriately labeled & stacked the product on (acceptable) pallets.
- Issued correct documentation.
- Booked the delivery in.

What documentation is required?

Every PO and delivery should arrive with the Metcash Delivery Notification sheet and an invoice or ASN in sufficient detail for receipt checking to the physical delivery. When we commence EDI ordering with you, this process will be changed and will be further communicated to you.

Do I need to book in the DC delivery for a specific time slot?

All supplies require an appointment number for receipt into our distribution centres. Bookings are made through our stock controllers with the details provided on the order. All PO's are to be confirmed. All PO numbers, and quantity of pallets/cartons per PO being delivered, should be quoted at the time of booking. Once a PO is confirmed, it is expected that the right stock, in the right quantities, will arrive at the right time. Any variation of this must be communicated with Metcash immediately.

It is the responsibility of the Supplier to ensure that all purchase orders have been booked in for receipt a minimum of 24 hours before the due date provided on the PO. It is the responsibility of the Supplier to ensure the goods are delivered within the time slot given at time of booking. Deliveries are accepted a half hour either side of their delivery time.

Who do I discuss lead times, delivery location and delivery confirmations with?

You must discuss lead times for stock delivery, which locations you will be delivering to, and how to confirm an order/delivery with the National Buyer during your ranging discussions. This should all be confirmed prior to Metcash placing any orders and should remain the same for every subsequent delivery. Any changes such as lead time reductions or extensions must be discussed well in advance of any change being required.

What do I do if I cannot meet any of the above requirements?

If any part of the above requirements cannot be met for any delivery, then contact must be made with Metcash to discuss alternate arrangements and agreements. Use the shortcut on page 25 to find the relevant National buyer to contact.

Please note: - Re-stacking costs or poor labeling in DC's due to a breach of these requirements will be recovered from the supplier unless agreed prior to receipt.

Electronic Data Interchange (EDI)

What is EDI?

Simply, EDI is computer-to-computer data exchange. It relies on accurate master data from the point of production right through to the point of sale. Electronic transfer of data from one computer to another through the use of standards improves the flow of business information. The GS1 System (which includes GTIN's) is used in EDI messages to convey data accurately between manufacturers, wholesalers, transport companies, & retailers. This data can include cost prices, minimum order quantities, barcodes, dimensional data and much more. The data can be encoded to be unique to the person receiving it or broadcast across all your trading partners.

How will this help my business?

There are five main areas of benefit to suppliers through the use of EDI with trading partners. These benefits are not just related to selling the goods to the retailer. It also has benefits when utilised with the manufacturer and transport companies. EDI:

- Reduces administrative tasks such as order confirmations, delivery confirmations & invoice reconciliations.

- Eliminates the human-error aspect in all involved transactions from point production right through to point or sale.

- Increases efficiency of order processing, updating master data with business partners & communication of order changes.

- Improves staff availability for higher priority tasks or reduces overall labour costs.

- Reduces overall cost of doing business with a paperless system (e.g.: no postage cost for invoices, no internal picking sheets, no physical storage of paper orders, etc.).

What do I need to do to use EDI with Metcash?

We will be initiating EDI with our suppliers in a planned rollout to ensure issues are minimised. When Metcash contacts your company to set up the link between us, the requirements will be explained. Metcash is basing its EDI standard on a subset of UN/EDIFACT, EANCOM 2002. This is the standard being adopted by the major retailers in Australia and is supported by GS1. Having your systems aligned with this standard will make systems integration much easier.

Metcash will be actively engaging our trading partners in EDI protocols. For the latest EDI guidelines please visit http://www.metcash.com and from the Supplier tab select eCommerce, then eTrade or you can use the following link to access the page directly: http://www.metcash.com/supplier-information/ecommerce/etrade.

Appendix A

NB: This page is best viewed as a printed checklist.

METCASH Supplier Checklist

Requirements: M = Mandatory Please tick or write N/A in boxes	EA		Inner		Outer	
Barcode Check	Req	OK	Req	OK	Req	OK
Have you provided us with the GS1 verification report for each level of packaging of every item?	M		M		M	
New Line						
Have you provided us with a packaged product sample & a sample of each level of packaging?	M		M		M	
Have you supplied us with all the master data for the product? This includes the accurate dimensions, Qtys, GTIN's, etc., as supplied via the Universal Item Submission Form.	M		M		M	
For dangerous/hazardous goods, have you provided us with the Material Safety Data Sheet (MSDS) and is the MSDS loaded on the Chemwatch website? msds@chemwatch.net)	M					
Retail & Trade Unit Labeling						
Do details displayed on retail unit include: Description with product, variant & size as applicable?	M					
Do the details displayed in English on 2 adjacent sides on all trade units include: product, variant, size, brand/supplier, supplier product ID, retail quantity, gross weight and any applicable warning labels or Dangerous Goods labels?			M		M	
Is avoidable air space within the packaging minimised? Air space could lead to packaging being crushed and/or product being damaged, which can also cause pallets to tip over in the racking.	M		M		M	
Does the packaging enable the product to move through the supply chain from the Supplier to the store shelf without losing its contents or allowing damage to the product?	M		M		M	
Will the product be packed and delivered in consistent packaging every time (quantity, carton dimensions, and professional & unique labeling)?			M		M	
Risk Assessment						
For sharp or hazardous goods, are appropriate labels, advisory statements, and declarations displayed, and is suitable protective packaging used to protect the product and the	M		M		M	
Are the cartons/products stable when stacked on a pallet or in the container?					M	
Delivery Check					Req	OK
Have you confirmed the Purchase Order quantities and supply date with us?					M	
Does the weight of the full pallet (Pallet incl.) not exceed 1,100 Kg & height of a pallet, not exceed 2.0m?					M	
Do the actual pallets used for delivery comply with the Australian Standards?					M	
Does the stock not overhang the edges of the pallet?					M	
Does the load satisfy the general principles to secure loads against the forces specified under each states load restraint regulations as outlined in the NTC "Load Restraint guide" – 2nd Edition?					M	

Glossary of Terms

AI – Application Identifiers. Used in GS1-128 barcodes to identify the content purpose.

ASN – Advanced Shipping Notice. Used upon despatch of order to advise the SCAG of stock arriving.

Check Digit – The final digit in a barcode that verifies if the previous digits have been read accurately through a mathematical calculation.

Consumer Unit – Also known as a Retail Unit. An item intended for sale to the consumer at the retail point of sale.

DC – Distribution Centre.

DG – Dangerous Goods.

EDI – Electronic Data Interchange of electronic business documents such as a purchase order.

GLN – Global Location Number, a number (that includes the GS 1 company prefix) that specifies a particular location e.g. a store or a DC.

GS1 – The global company that administers barcodes. Formally known as EAN & UCC.

GS1 Company Prefix - The unique numbers allocated by GS 1 to every company responsible for numbering.

GTIN – Global Trade Item Number. Previously referred to as an APN, EAN, UPC, or TUN.

Import – Products SCAG sources from overseas

Indent – Products supplied from overseas not sourced by SCAG.

Inner – A level of packaging that is contained inside the Outer/Shipper. This level of packaging can also be referred to as an Intermediate Unit.

ISO – International Standards Organisation.

Ladder Style – This generally refers to the orientation in which the barcode is located on the product or label, but it can also refer to the orientation that the printer prints the bars. The orientation is Portrait against that backing (as opposed to Landscape).

Light Margin – The clear area to the left and the right of the bar code also called the "quiet zone".

Magnification – The magnification describes the actual size of the bar code when compared to the nominal size. Percentages are commonly used to identify what size the barcode is such as 80% or 130%.

MSDS – Material Safety Data Sheet.

OH&S – Occupational Health and Safety.

Outer – A level of packaging that may contain multiple Inners or Retail Units and can be packed in multiples insides a Shipper.

Pallet Label – Also referred to as a Logistics Label or a SSCC Label. An adhesive label that is attached to the pallet of goods that contains a SSCC barcode and human readable information.

Picket Fence Style - This generally refers to the orientation in which the barcode is located on the product or label, but it can also refer to the orientation that the printer prints the bars. The orientation is Landscape against the backing (as opposed to Portrait).

PO – Purchase Order.

POS - Point of Sale. The point at which the consumer can purchase retail goods.

Quiet Zone – See Light Margin.

ROS – Rate of Sale.

Retail Unit - Also known as a Consumer Unit. An item intended for sale to the consumer at the retail point of sale.

Shipper – A level of packaging that contains multiple Outers with multiple Inner contained inside that.

Shrink Wrap – Also referred to as Stretch Wrap, a method of securing trade (or retail) units onto a pallet.

Slip-Sheets – Separator usually made from Corrugated Fibre Board for use in containers instead of pallets. **SSCC** – Serial Shipping Container Code. Unique identification number of a logistics unit as an 18 digit number made up using the GS 1 company prefix.

Symbology - Term used to identify a barcode language, also known as a data carrier.

Trade Unit – This refers to any level of packaging that the goods can be supplied in: Inner, Outer or Shipper.

WH&S – Workplace Health & Safety.

Contact List

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