# IDENTIFICATION • AUTOMATION • INFORMATION • COMMUNICATION • INTEGRATION

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Merry

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# **THE YEAR** AHEAD

Looking into the future is a job normally reserved for mystics, fortune tellers and ... strategic marketers. I might have gualified for the latter title in a past life but have always approached prediction-making with trepidation. Looking to the future of GS1 in 2008 and beyond, I would start with a focus on two strong forces that will shape our organisation and the needs of our members.

Indeed, these forces have already led to some radical changes in the scope of what GS1 New Zealand does and in the composition of our staff.

First, there is the relentless advance of technology. While usually developed to make the lives of its users more efficient or pleasurable, technology can make life very complex in the short term. For you, the members of GS1 New Zealand, the interconnected and electronic nature of business and trade is now likely to demand greater responsiveness and visibility in your transactions and communication with trading partners. Electronic Data Interchange (EDI), data synchronisation via data pools such as GS1net<sup>TM</sup>, and EPC/RFID are all responses to these demands. However, these technologies are inherently complex and their integration into existing business processes can be challenging. GS1 New Zealand has recruited specialist staff and experts to support your use of these technologies.

The second force comes in the form of rising interest in GS1 standards and services from sectors beyond the traditional. Such interest is having a more subtle impact on our organisation. Both locally and globally, GS1 has had to devote resources to a careful understanding of the requirements of new users in non-traditional sectors, and to undertake some "gap analysis" on current GS1 standards and practices.

Of course, all industries tend to believe that they are unique and in many ways, our analysis has shown this to be the case.

SCAN magazine is produced quarterly for the benefit of GS1 New Zealand members. It has a circulation of approximately 5,700 readers throughout the



# CHIEF EXECUTIVE S2COMMEN 2372947567325102475920154

On the other hand, there can be striking similarities between what initially appear to be distinct sectors. These differences and similarities are celebrated guite deliberately in the annual conference for GS1 New Zealand members: the conference name, "Connecting the Dots", really says it all! We have found working with sectors as diverse as grocery, DIY/hardware, general merchandise, healthcare, primary production, appliance and office products to be challenging and very satisfying.

The two major forces are impacting heavily on the resource requirements of GS1 New Zealand. In financial terms, we are challenged to match needs and resources within the bounds of affordability. In people terms, we must constantly work on keeping our staff up-to-date and in touch with those non-traditional users. We have a key role contributing to the development of global standards on behalf of New Zealand – and this is something we will concentrate even more on over the year ahead. The commitment shown in this area by GS1 staff is truly impressive (eq, conference calls in the middle of the night with Northern Hemisphere colleagues and members).

The year ahead will be challenging and demanding for GS1 New Zealand. We seek to serve our members better, and to create opportunities for you to secure greater efficiency in your supply chains and in the ways you serve customers.

In the meantime, I wish you a relaxed Christmas and New Year period - and a successful and prosperous 2008.

Dr Peter Stevens CHIEF EXECUTIVE

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# a business of growth and challenge

GS1 standards a key tool

OHEN

Living products pose special challenges to their producers. Jornas has grown New Zealand's largest wholesale nursery plant business on meticulous management of those challenges – and GS1 standards are a key tool in this.

Year-round, Jornas works to produce the home garden and house plant varieties in most demand at any particular time, at the right stage of their maturity and in peak condition. The company has 1200 product lines, large and sophisticated production facilities in Christchurch and Auckland, and a customer base of retailers with more than 800 sites nationwide.

Climatic conditions are, of course, critical to living products. Quality and quantity are heavily affected by water, temperature, humidity and sunlight throughout growing and distribution processes. And then there is the impact of weather on public demand for whatever Jornas is delivering, week to week.

It's hard to imagine a business with such unrelenting production, marketing and logistical challenges. No-one wants a punnet of shriveled lettuces or a wilted potted petunia regardless of how much knowledge, time and care have been invested in their production over preceding weeks and months.

"It's action packed," says Jozefa Wylaars, IT Manager for Jornas. "We have so many variables to manage, always with the aim of rolling out the plants we think are going to be in demand at any given time."

# Control

In such a business climate, there are big advantages to Jornas in being able to control many of the key variables. Its production facilities have state-of-the-art irrigation, temperature control and plant monitoring systems: its growing media is mixed in-house and its plant packaging is purpose designed. The company has its own fleet of trucks with special racks for the transport of living products (mainly at night). And not surprisingly, it puts huge effort into continuously collecting and applying data on production and distribution.

"We keep a lot of data and, in fact, we track all our plants through to the end of their life with us, whether that is being sold or dumped," says Ms Wylaars. For this, Jornas has integrated the efficient use of GS1 standard identifiers and bar coding into its production system. GS1 tools are increasingly being put to use also in the company's processes for assembly and dispatch of stock to The Warehouse, Mitre 10, supermarkets and other retail customers nationwide.

To begin with, GTINs\* and corresponding EAN-13 bar codes are allocated to each tray of seedlings scheduled for production. Those schedules are prepared six monthly, in March and September. Bar codes are printed and attached to the plug tray as seeds are planted. Two-to-five weeks later, the seedlings are ready for transplanting into the punnets and, in most cases, these are the containers in which plants are "finished" by Jornas and distributed for sale.

\* GTIN, global trade item number

# Production

Each tray of punnets also has a bar coded label for easy identification throughout the plants' greenhouse growth period (from two weeks to three months). Jornas staff can quickly capture up-to-date data on the varieties and types of plants they have growing at particular times and locations – and of course, retailers often want GS1 bar codes on the trays that are delivered to their door. In some cases, the same labels will be used right through to public point-of-sale.

Within the Jornas operation, a bar code can be scanned several times, starting at the point when seedlings are transplanted into punnets. Scanning provides an accurate picture of what is actually in production and an audit against the six-monthly production schedules. To enable this in carefully-controlled growing environments, staff use hand-held iTouch PDAs from which data is downloaded into a system especially developed for the company's needs five years ago.

"We need to know exactly what is growing in each bay," says Ms Wylaars. "Whatever comes in on the PDAs will override data already in the system. We require a huge amount of data integrity at the point when orders are being matched with what we have in stock and where."

Production processes can be further complicated when some plants are propagated in Christchurch and trucked to Auckland for finishing. With certain varieties, the southern climate is more favourable for propagation whereas demand for finished plants is concentrated in the north. Jornas controls each step including time-sensitive transport over the 800 km journey to Auckland.

# Constant Gardeners

From small beginnings, Jornas has thrived on gardening expertise and entrepreneurship. Case Jornas set up a backyard operation in 1961 and over the next 30 years, Jornas Nurseries became a substantial Christchurch wholesaler of bedding plants. In 1990, Case sold the business to brothers Vince, Pedro and Paul Wylaars who continued its expansion with a move into commercial vegetable production on land at Papanui. Six years ago, Jornas Nurseries established a large, technically– advanced growing facility in nearby Belfast, northern Christchurch.

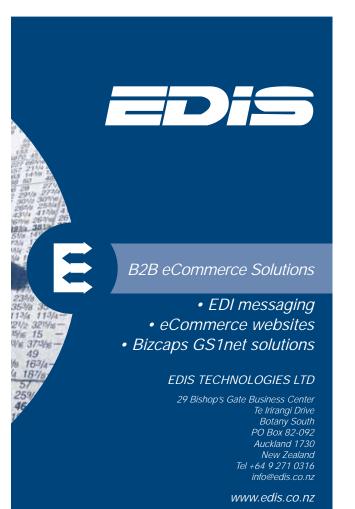
The story has continued this year with a merger between this company and Auckland-based Mt Wellington Nurseries – another entrepreneurial wholesale business formed back in 1980 by plantsman Graham Windross. The business had grown over the years on a 10 ha property in Panama Rd, Mt Wellington, and on a second site in Levin. This July, The Wylaars brothers and Mr Windross took the opportunity to expand further by acquiring the two companies of Zealandia Nurseries. Zealandia, another big name in wholesale nursery markets since the early 1960s, had major facilities in Auckland and Christchurch.

Today, the Zealandia Group trades as part of Jornas. The latter has become a vertically integrated business with its own media-mixing facilities, and packaging manufacture and logistical capabilities as well as a propagation unit, production nurseries and distribution centres variously located in Christchurch, Auckland, Levin, Nelson and Rotorua. Ownership and management control rests with the Wylaars and Windross families.



# Distribution

Staff scan tray labels for the final time as product is loaded onto trucks for distribution to retailers and, of course, handhelds are ideal for this purpose. Consignments are usually loaded in the early evening and transported during the hours of darkness, arriving in time to be on public display when stores open.



This is a major area of improvement focus for Jornas, with plans to introduce SSCCs^ and related bar coding on each rack of up to 100 plants. Under this scenario, one scan only will be needed for a complete record of what is being dispatched – and the time saved can translate into an additional day over which plants are offered in store as saleable stock. The company is also looking at the use of advanced shipping notices (ASN) on EDI messaging to add supply chain efficiency. Increasingly, retailers are asking for such sophistication.

Capturing data on stock that does not achieve sale-ability or becomes surplus to retailer demand is just as important. "We need to be constantly fine-tuning our production and our offering, and at the same time minimizing the level of stock wastage through either mismatch with demand or failure in our growing processes," says Ms Wylaars.

# The future

The company has fundamental reliance on GS1 standardsbased data and on information systems developed for its specific purposes – and Ms Wylaars says extension of both is planned to keep pace with the challenges of Jornas' business growth. The future, she says, will involve wireless connectivity between the PDAs and the company's system, use of the PDAs in stock picking for each order, and perhaps early application of the GS1 DataBar bar codes with a range of advantages for stock production management, distribution and retail sale.

"There's no standing still in this area of our business," says Ms Wylaars. "The increasing flexibility of systems for data collection and processing create more opportunities for us to manage the challenges inherent in production and supply of plants on our scale."

^ SSCC, serial shipping container code



Central Otago has acclaim for its pinot noir. McArthur Ridge Wines seem destined to make it even more the toast of discerning drinkers worldwide. The

new Alexandra-based winemaker's very first vintage has won two silver medals – one at the highly prestigious International Wine and Spirit Competition (IWSC) in London.

"A few years ago, the industry identified pinot noir as the second iconic variety of New Zealand wine and that's proving to be the situation," says Robin Schulz, the founder of McArthur Ridge Wines. "In Central Otago, we have perfect growing conditions with the soil types, cool winters and high sunshine hours."

McArthur Ridge Wines took its first, 2006 vintage to market this year, and Mr Schulz says American and European distributors "can't get enough of it". The company and its vineyard operation are dedicated to pinot noir alone – and they could become New Zealand's biggest producer of the variety, with a target of 100,000 cases per annum from 2010 onwards. The first 191 ha of vines were planted in 2002 and that first vintage has now won silver at both the IWSC and the Air New Zealand Wine Awards, the latter also highly rated in the wine world.

McArthur Ridge Wines is first and foremost an export product, marketed on the wonderful attributes of Central Otago, and on the quality focus applied in vineyard and winery development. The company is applying GS1 bar codes to every bottle and every case that leaves its Alexandra



facility. The labels can, of course, be scanned and used by distributors and retailers from San Francisco to London.

McArthur Ridge will eventually have 235 ha of pinot noir plantings across terraced land previously home to merino sheep, in an area between Alexandra and Clyde. In fact, the vineyard development is an estate of 35 individually-owned vineyards (4 ha the smallest), with each block also having a prime building site. Owners are investing in lifestyle options as well as grape production under contract to McArthur Ridge Wines. Mr Schulz says the entire McArthur Ridge site is 800 ha, with longer term plans to build a 5-star+ hotel, an 18-hole golf course and high quality housing in this stunning location.

The top priority is, however, wine quality. "Pinot noir is very special. It's not actually an easy grape to grow and it requires special expertise in the vineyard and winery," says Mr Schulz. The development takes careful account of the Central Otago climate. It includes three on-site reservoirs drawing water from a nearby farm irrigation scheme and providing the vineyards with up to 1 million cu metres during the course of any six-month period. Some of the water goes into state-of-the-art frost fighting. The vines are covered with a heavy spray that creates a protective ice coating on new growth or fruit during still spring or autumn nights when frost can pose a major threat to harvest quality and quantity.

The new vineyards have reportedly come through their third productive spring in great shape. And the second, 2007 vintage of McArthur Ridge Pinot Noir promises to be even better than the first, says Mr Schulz. All will be revealed when first bottles of the 2007 are released to the market next August.

# Cando in the deep south

Blue ocean, sharks and wild deer. There's plenty for Campbell McManaway to see when he goes to work off the southern shores of Stewart Island.

Campbell, along with partner Viv, is the owneroperator of Cando Fishing Limited, the biggest commercial harvester of kina in New Zealand. Kina roe is regarded a delicacy by some, especially Maori and Pacific Island consumers in Auckland. Bluffbased Cando Fishing harvests around 400 tonnes annually, and extracts the roe for supply to fish shops and supermarkets.

"It's a good life ... every time you jump in the water there's something new to look at," says Campbell. The water is very clear (and cold) and kina are scooped from the bottom at 2-10 metres by free divers. (The shellfish are subject to strict quota allocation and cannot be taken using SCUBA gear.) Cando Fishing operates an especially-built 65-foot steel boat, with several dinghies being used to ferry small teams of divers and to retrieve each net-full of kina.

It's a year-round industry, under the constant dictates of the weather. "You tell me what the weather and sea are going to be like, and I'll tell you when we're going fishing," says Campbell. The voyage from Bluff is around 70 km, usually sailed at night to maximize the daylight hours available on each trip for harvesting kina.

Ideally, that means returning to port every second morning with around 10 tonnes from which the roe is guickly extracted at Cando Fishing's Bluff factory.

The product – placed into oyster punnets and kept cool in polystyrene bins – is sent to market within days or even hours. (Fresh chilled kina, mostly eaten raw, will last up to two weeks.) Cando Fishing has recently begun applying GS1 bar codes to the punnets for their sale in supermarkets – a major development beyond the traditional sale through fish shops. Campbell says he is looking also at export markets in China and Japan where kina is a prized food.

It's a physically-demanding business and always under time pressure. Four hundred tonnes is a lot of shellfish, but only 10-15% of the roe extracted is actually eatable and the rest is dumped. On the other hand, prices received by Cando Fishing are currently good at around \$8 per 100 kg.

For Campbell and his crew, getting a deer on the remote southern side of Stewart Island is an added bonus. The animals are occasionally spotted from the sea and, time and weather permitting, the hunting is good. And what about those sharks? They appear occasionally also, although without the worry they cause divers around the Chathams. "There is the odd white pointer running around here, but they have too many seals to worry about chewing on us," says Campbell.



Advance Climate Technology supplies cooling and heating units with a strong edge in energy efficiency. Little wonder that efficiency in the supply

chain is also a high priority with this Hamilton-based GS1 New Zealand member.

Advance Climate's air conditioners and heat pumps cool and dehumidify in the summer, and warm in the winter at efficiency ratings substantially higher than traditional electric fans and heaters. The Advanz <sup>™</sup> units are manufactured for the company in China and sold in New Zealand through bigname household goods retailers.

It is a fast growing market fueled by the increasing importance of technologies that promote environmental, social and economic sustainability. The total number of heat pumps sold in New Zealand for domestic and light commercial use has risen from 37,000 in 2003 to over 100,000 this year.

That said, Advance Climate Managing Director Wayne Walker believes New Zealanders still lack appreciation of the real



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tool to generate new efficiencies for their customers. For more information contact Andrew Tubb at IBM on 09 359 8623 or andrew.r.tubb@nz.ibm.com

# **Advanz in energy efficiency**

advantages of energy-efficient warmth and cool in the home and workplace – advantages that extend to improved health outcomes for individuals, families and work groups. "Our biggest issue is how to educate the public in what our products can actually do for them," he says.

With the innovative Bill Gallagher, Group Chief Executive of Gallagher Group, as its single biggest shareholder, Advance Climate is planning diversification into the supply of solar power-assisted heat pumps next year and thereafter, into solar power-assisted heat pumps with combined hot water heating systems for domestic use. The latter units, to be marketed under the Advanzsolar <sup>™</sup> brand, could save the average Kiwi household between 30% and 70% of current electricity usage over a 12 month period.

Advance Climate allocates GTINs and bar codes to each product line, with these applied before they leave the factory in Shanghai. Each item has a bar code on its individual package ready for scanning at point-of-sale. Mr Walker says Advance Climate is now pursuing more efficiencies in its Hamilton distribution centre through the introduction of wireless scanners to read the bar coding on pallets and cases.

Whether you are looking to RFID to track stock through the supply chain, gain enhanced visibility or real-time location of valuable assets, the IBM and OATSystems partnership delivers compelling business benefits and ROL

Since 2005, OATSystems and IBM have offered integrated solutions to provide retailers and their manufacturing partners with the ability to gain more visibility and mine real-time data within the supply chain. By analysing the data captured we can deliver a record of inventory and goods moving across the supply chain

Through OATSystems' RFID applications and IBM's RFID infrastructure software, in conjunction with strategic input on business case development and system design, customers globally are already reaping significant benefits

Retailers behind the drive for RFID are aiming for improved stock levels in stores and ultimately increasing sales

7000 apparel products in its department stores. Its initial pilot was developed by IBM, using OATSystems Foundation Suite middleware platform, interrogators from Motorola and RFID hangtags by Paxar. The project resulted in 98.4 percent inventory accuracy and enabled staff to count up to 9000 items in one hour. In addition, the retailer experienced a 25 percent reduction in out-of-stock occurrences of RFID-tagged items.



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# Lifting the Bar –

High quality bar codes can be an integral part of excellence in graphic design. That's the shared view of GS1 New Zealand and Natcoll, the private tertiary education provider which specialises in creative digital technologies. And Natcoll students have proved the point this year with some very thoughtful entries in the first annual "Lifting the Bar" design competition.

Twenty seven diploma students on the Auckland, Wellington and Christchurch campuses of Natcoll offered product label or package designs to be judged under the programme. Each entry incorporated a verifiable bar code as one element of the design, with the intent of producing a label or item of packaging that communicates a brand and has aesthetic value while also being fully functional under the GS1 System.

# GS1 Seminars 2008

# **Bar Code Foundation Seminars**

GS1 bar coding is an important aspect of doing business everyday in thousands of New Zealand companies, large and small. These half-day seminars provide a thorough grounding in the application and use of bar codes – knowledge of value to anyone working with products or supply chains. You learn to:

- correctly create and allocate item numbers and bar codes;
- improve inventory control and supply chain processes within your organisation;
- apply and check the correct technical standards for particular bar codes (type, size, placement etc);
- introduce creative elements to bar coding on product packaging; and
- avoid or overcome bar coding errors that can cost your business heavily.

Please see www.gs1nz.org for seminar details and enrollment forms. Contact Pauline Prince, Events & Sponsorship Manager, on tel (04) 494 1067 or email pauline. prince@gs1nz.org if you require further information or you are interested in sponsoring a seminar. All seminars require a minimum number of registrations, and accordingly the dates above are subject to change or cancellation. It is recommended that you check www.gs1nz.org nearer the time of any particular seminar, or contact Pauline if you would like to be kept advised of any changes.

### We congratulate three winners:

- Dave Herbert (Wellington) – first prize of \$2000 for his box sticker for the Freerangehuman Clothing label box sticker
- Jordan Grant (Auckland)

   second prize of \$1000 for a Catalyst DVD cover
- Nicolaas Van den Broek (Christchurch) – third prize of \$750 for application of a decorated bar code to a Calvin Klein box.





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Six other students received commendations. The prizes and letters of commendation were awarded to Wellington students by GS1 New Zealand Chief Executive Peter Stevens on 13 December. GS1's Shaun Bosson and Bruce Pollock made similar presentations in Auckland and Christchurch respectively. GS1 contributed the funds and held training sessions for students at the three campuses on how to create bar codes that scan with accuracy and efficiency. Final judging was done by Fraser Gardyne of Auckland firm GardyneHOLT.

# **GS1net™ Foundation Seminars**

Data synchronisation of master product data through GS1 net will be increasingly important for suppliers to major retail groups in New Zealand, starting with Foodstuffs, Mitre 10 and The Warehouse Stationery. GS1 net is already extensively used in Australia by Woolworths, Coles, Metcash and others. These one-day seminars are for relationship managers, category managers and database specialists in supplier companies – a sound practical knowledge of data synchronisation is fundamental to their businesses.

### AUCKLAND

Dates: 3 April, 12 June, 4 September, 30 October

Venue: Alexandra Park Greenlane Road West, Epsom Auckland

### WELLINGTON

Dates: 1 April, 10 June, 2 September, 28 October

Venue: GS1 New Zealand head office The Woolstore Design Centre Level 2, 262 Thorndon Quay Wellington

# CHRISTCHURCH

Dates: 2 April, 11 June, 3 September, 29 October

Venue: Intergen offices Te Waipounamu House Level 2, 158 Hereford Street Christchurch

# AUCKLAND

Dates: 28 February, 29 May, 28 August, 23 October

Venue: Alexandra Park Greenlane Road West, Epsom Auckland

# WELLINGTON

Dates: 26 February, 27 May, 26 August, 21 October

Venue: GS1 New Zealand head office The Woolstore Design Centre Level 2, 262 Thorndon Quay Wellington

CHRISTCHURCH Dates: 27 February, 28 May, 27 August, 22 October

Venue: Intergen offices Te Waipounamu House Level 2, 158 Hereford Street Christchurch

"Very interesting ... I learnt a lot."

"Very enjoyable and interesting. Well presented."

"Good Sized group ... not too big. Well facilitated discussion and interaction."

- Feedback from seminar participants in 2007.

"Lifting the Bar" is an important initiative for bringing together the technical and creative aspects of bar code application. "We've always known that designers aren't very keen on having a black and white striped rectangle added to their carefully created graphics," says Dr Stevens. "We sympathise but as the standards body, we could obviously never approve of bar code sizing or colour that are outside the GS1 technical specifications. Rather than seeking to just enforce conventional application of the standards, we take a positive view that creativity and innovative design can encompass the correct technical treatment of bar codes."

GS1 New Zealand and Natcoll will collaborate on the programme again in 2008 with students having the opportunity to really understand the basics of GS1 bar coding and to demonstrate skills that incorporate that understanding.



The EPC/RFID Masterclass is a one-day, interactive hands-on session providing need-to-know details of this technology (without becoming too technical). The session will: provide a good understanding of the fundamentals of RFID; discuss relevant key global standards, particularly the EPC Generation 2 standard and the arrival of EPC-IS (Electronic Product Code -Information Services); review the business processes that are enabled by the technology; and give hands-on experience of RFID hardware and software.

The presenter:

 Dr Erik Sundermann, GS1 New Zealand, Senior Consultant and RFID expert

Seminar details:

- Wednesday 12th March
- 9.00am 5.00pm (lunch provided)
- Venue: Central Christchurch details to follow
- Cost: \$399.00 + gst per person
- Registration details online at www.gs1nz.org

### FOR MORE INFORMATION

For details and registration to attend, contact Pauline Prince on 04 494 1067 or pauline.prince@gs1nz.org

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# Hardware sector looks to GS1 for efficiencies

### By Peter Stevens, Chief Executive

Hardware is a high growth sector of the New Zealand and Australian economies. Recent official data in this country show hardware retail sales up 16% in the September guarter compared with the same period last year. Such growth is spurring the sector into further action on making its supply chains more efficient.

A new industry group has been formed to promote efficiencies and cost reduction through the greater use of GS1 technologies and standards. The Hardware GS1 Action Group (HGAG) has membership from among the major Australian hardware retailer groups, suppliers, and the GS1 organisations on both sides of the Tasman. An invitation has been extended to New Zealand companies for their involvement also. The HGAG will work with all interested trading partners to develop and implement aspects of the GS1 System for more effectiveness and efficiency in business and supply chain processes – aspects that include product identification, automatic data capture, electronic messaging, data synchronisation and product classifications.

HGAG membership is open to all hardware suppliers, buying groups, wholesalers and retailers within the hardware sector Australasia-wide, while some information # technology solution, IT hardware and software suppliers will also be invited to participate. At its first meeting in October the HGAG steering group, under leadership by Mitre 10 Australia, agreed on a charter and initiated four working groups. The core responsibilities of members include:

- providing input and guidance for any group discussion points or documentation developed by the group;
- representing their company position, status or needs with respect to each of the GS1 standards work areas;
- implementation (in their own timeframe) in line with the agreed GS1 standards;
- ensuring appropriate business representation in each of the working groups they choose to participate in; and



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 responding in reasonable timeframes to issues, documentation reviews and work-plan inputs.

The four working groups are: Numbering & Bar Coding; eCommerce (GS1 XML & EANCOM); Global Data Synchronisation; and Product Classifications. The steering group identified two additional work groups likely to be set up in future, one to make progress in hardware with EPC/RFID technologies and the other to help industry members work with solution providers.

In any cross-industry discussions, it is obviously important to ensure that participants do not unwittingly breach competitor collusion provisions of the Commerce Act in New Zealand and/or the Trade Practices Act in Australia. HGAG will largely confine itself to discussing specific technical details of proposed GS1 standards, and the development of fair, reasonable and non-restrictive and non-exclusionary standards and guidelines for the hardware sector. There will also be some information sharing on trials and tests on proposed procedures and standards.

GS1 Australia has committed itself to providing information on GS1 standards, technical advice and website services, along with secretarial and project management resources, and cross-industry liaison. It will also facilitate the hardware sector's input into GS1's international GSMP (Global Standards Management Process).

GS1 New Zealand will actively engage with the HGAG and consult with interested members in this country on the allocation of our time and resources to the HGAG's programme and to other initiatives in the hardware sector on both sides of the Tasman.

Please contact Peter Stevens on 04 494 1050 or peter.stevens@gs1nz.org

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# New Board Member Paul Cressey ONZM

Paul Cressey has been co-opted onto the GS1 New Zealand Board, bringing substantial experience and knowledge of the public healthcare sector to the leadership of this organisation. Mr Cressey has been involved with the management and governance of companies and other organisations in the sector for more than 30 years.

He is currently the Chairman of the Health Information Strategy Action Committee, a Ministerial committee responsible for promoting implementation of this strategy among district health boards and other healthcare providers. The strategy encompasses further standardisation of information on pharmaceuticals and other items, and greater use of ICT across the sector for operational efficiency and improved healthcare outcomes. Mr Cressey is also the Chairman of the

Injury Surveillance Ministerial Advisory Panel, which reports to the Minister of Labour and ACC, and a member of the Ministry of Health's National Systems Development Sector Advisory Group.



A professional pharmacist, Mr Cressey has previously owned and operated pharmacy businesses. For 7 years until 2004, he was the Managing Director of East Health Services Limited, a general practitioner-owned company for



# Verification reports required

Bar code verification reporting has been the norm in the grocery sector since 2001. However Progressive Enterprises has now introduced a mandatory requirement for verification reporting on all products and suppliers.

The biggest impact of this is on GS1-accredited suppliers who previously had only to quote their accreditation number on Universal Buying Forms. Progressive Enterprises now requires reports that verify the quality of each new bar code and that bring New Zealand business practice into line with established Woolworths Australia practice. The reports must be prepared using a format that clearly shows whether or not a bar code complies with minimum GS1 specifications in all key respects.

the provision of primary health care services in the Pakuranga, Howick and Maraetai areas of east Auckland. He has been a member of the Counties Manukau District Health Board since 2001, and was recently re-elected with special interests in improving healthcare access for low income groups and the elderly, and in greater coordination of services to combat diabetes and other common diseases.

This year, Mr Cressey was made an Officer of the New Zealand Order of Merit for services to the Child Cancer Foundation, in recognition of a 25-year contribution in this area. That included his chairmanship of the Child Cancer Foundation NZ for 10 years and of the Ronald McDonald House Auckland Trust over an extended period until 2006. Mr Cressey lives in Half Moon Bay, and retains other leadership roles in the South East Auckland Life Educaiton Trust and local Rotary. His creational interests including sailing.

The accredited manufacturing supplier is asked to complete the report itself on the basis of its own verification processes. The reports can be used for product presentation purposes, at sales meetings and whenever requested by Progressive Enterprises. GS1 New Zealand has software available to assist accredited suppliers to generate their verification reports.

For support in this area, contact Owen Dance at GS1 New Zealand on 0800 10 23 56 or owen.dance@gs1nz.org.

# Label & Track, New Zealand's Next Big Success Story

Sato New Zealand has recently announced the release of Label & Track, its latest traceability solution.

Sato New Zealand Managing Director Paul Ryan describes the product as a breakthrough. "This is a real example of New Zealand innovation beating the global opposition with creativity and a 'can-do' attitude," he says.

Globally the demand for companies to provide product traceability, particularly for food, is growing enormously, fed by consumer concerns about food safety and ethics. Such is the concern around these issues, that a number of countries already demand traceability as an entry requirement – a factor that has, up until now, limited many organisations with regard to the export of their product.

"Global corporations have traceability solutions that are custom built for them at an enormous cost," says Ryan. "Label & Track shrink-wraps those large solutions into an effective package with only 20% customisation required."

For small to medium business wanting to play on the world stage, the launch of Label & Track is the answer to market entry barriers in terms of traceability requirements. Label & Track provides all the important tools for these businesses to compete internationally.

"We're excited to be at the front end of a global launch of a great piece of Kiwi ingenuity, that in turn will help to grow the entire export sector," says Ryan.

### To Contact Sato New Zealand:



Email: sales@satonewzealand.com





# Bar code verification team



# **Michael Pocock**

Michael Pocock recently joined GS1 New Zealand's bar code verification team as a part-technician, in Wellington. Michael is a

student at Victoria University where he has almost finished a Bachelor of Commerce and Administration degree, majoring in Economics and Finance. He is also halfway towards completing the GS1 New Zealand Certificate in Automatic Data Capture Standards and has successfully completed a series of online tests from GS1 Global. When not studying or at work, Michael loves traveling and SCUBA diving – and he also has a daily dose of physical exercise.



# **Mark Edwards**

Mark Edwards also recently joined GS1 New Zealand as a part-time bar code verification technician. Another student at Victoria University, Mark is into his final year of a double degree in Law and History. In his spare time, he keeps fit and is a keen sportsman. Football is a particular passion and Mark plays for the Victoria University Club. His previous work experiences include being a kitchen hand in an Italian restaurant and a mussel processor.

# MOA. a rare type of beer

Beer with breakfast? Moa Brewing Company recommends its Harvest wheat brew with locally-grown cherry flavours. Like all Moa beers, Harvest is fermented in the bottle and made naturally without chemical additives – and this one is brewed especially with breakfast drinking in mind.

"I wanted to make a beer you could drink at breakfast without feeling funny about it," says Josh Scott, brew master and founder of Moa Brewing. Harvest, he says, can really complement a leisurely morning meal of bacon and eggs or poached fish. "People are used to sometimes having a glass of bubbly (wine) with breakfast, so why not a nice beer."

Harvest is one of six products in the Moa range of "craft beers" - a term for describing beer brewed by traditional methods with original ingredients (wheat, hops etc), rather than extracts, and natural carbonation over six months or so. Each bottle is turned by hand and sediment that builts up during the fermentation process is expelled, usually in the fourth month, by gently freezing the bottle neck and opening it to the air for a brief period.

It's much like making a bubbly wine – and Josh Scott knows all about that! He is a winemaker by trade and son of Marlborough wine entrepreneur Allan Scott. Moa Brewing is, in fact, a sideline business for Josh who acquired a passion for craft beers while working in Europe and the



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United States. He returned home and set up Moa Brewing in 2003. The brewery is now located in a former wine barrel hall on Jacksons Road, Blenheim, close to Allan Scott Wines & Estates. (Josh's "day job" is chief wine maker for Allan Scott.) ш

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Moa Brewing continues the strong wine connection in every way. Moa Blanc is a light, year-round wheat beer, while Moa Noir is a dark lager. The range includes a pilsner lager, a hops-based winter ale and a latesummer malt beer. (The latter two are seasonal products, as is Harvest which is targeted mainly at the summer market). Moa beers are distributed throughout New Zealand available, for example, in many supermarkets – and exported to Australia, the US and China. And of course, each of the distinctive 375 ml bottles has EAN 13 bar coding. Moa Brewing regularly sends bottles to GS1 for verification on this key element of their labeling.

> In addition to breakfast drink-ability, Moa products are definitely a rarity among beers for their long shelf life (up to four years). Drinkers may also find they rarely suffer from a hangover due to the natural carbonation and use of original ingredients! "It's not the cheapest beer in the world," says Josh Scott "... but we're sure that the quality is like nothing else made in New Zealand."

# **Professional Services** busy with data synch.

More and more New Zealand firms are getting familiar with the concept and practice of data synchronisation - the continuous sharing of product master data between trading partners. It's sometimes referred to as having "an electronic catalogue on steroids". And in New Zealand and Australia, we now have GS1net<sup>™</sup> as a globally-complaint platform for data synchronisation by GS1 members.

The GS1 Professional Services team is actively supporting three large retailers in this country to roll out the technology to their suppliers, with future benefit to all parties. Here's a progress report on the current projects.

**Foodstuffs** companies went live with GS1net in early November. GS1 New Zealand is now in the process of supporting these companies to migrate suppliers who currently use the old EANnet platform across to GS1net. Preparations are being made to pick up the pace of data synchronisation "on-boarding" activities in early 2008.

### Mitre 10 New Zealand has

communicated with all suppliers on its intentions to roll-out GS1net and the first round of supplier seminars has been held. Mitre 10 has asked its high priority suppliers to become GS1net Ready<sup>™</sup> as soon as possible. The group is also happy

to work with other suppliers who want to be proactive on the data synchronisation front because they clearly see the benefits.

Mitre 10 has decided to keep its initial data set very straight forward – it will not, for example, initially contain product dimensions – because this will hasten suppliers' ability to come on to GS1net quickly. GS1 New Zealand has received at least 20 GS1net registrations to date from Mitre 10 suppliers, with a number of these already at work on their GS1net catalogues. We are also helping Mitre 10 integrate GS1net seamlessly into its business systems.

The Warehouse Stationery group has also completed its initial communication to suppliers, with a first GS1net seminar held on 22 November. Warehouse Stationery suppliers are being asked to on-board as soon as possible. In coming weeks, the GS1 Professional Services team will be following up with each supplier to establish their individual timelines for GS1net.

In general terms, GS1 New Zealand's focus is on helping members overcome issues in their own operations and in the greater supply chain by using GS1net or any other GS1-complaint solution. Our Professional Services capability is far more than a knowledge bank of expert advisors - we will help implement solutions as well as design and recommend them. The team has significant best practice experience in local and international business environments.

> We pride ourselves on ensuring our recommendations and solutions are proven, practical, and independent. For answers to questions on our GS1net projects or any other area of GS1-compliant solutions, please call 0800 10 23 56 (option 1.).

# THREE GOOD REASONS TO TALK WITH US

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# **GS1 for dummies**

will be available for use in New Zealand from

# **GS1** DataBar

# What exactly is it?

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GS1 DataBar is a form of bar code based on a symbology that makes more efficient use of space than do other symbologies. That is, GS1 DataBar bar codes are either smaller than other bar codes or much the same size but capable of encoding much more information. GS1 DataBar used to be known as Reduced Space Symbology or RSS, but the name was changed to avoid confusion with the web search engine called RSS Data Feed. When a GS1 DataBar bar code carries only a GTIN (Global Trade Item Number the correct term for "bar code number"), it can be less than 50% the size of other GS1 bar codes with the same information.

GS1 DataBar can also be used for additional types of information beyond the capabilities of the EAN-13 bar code – information such as serial numbers, lot numbers and use-by dates (all encoded with the appropriate GS1 Application Identifiers). In this situation, a GS1 DataBar bar code can be the same size, or bigger, than an EAN-13 or a GS1-128 bar code but it makes more efficient use of space on a label or other scannable surface.

There is a "family" of GS1 DataBar bar codes. Some are intended for point-of-sale (POS) scanning only while others are for identifying, and carrying data on, items not intended for retail (for example, electrical components or laboratory specimens). DataBar symbols may encode more or less data. Here are the key types.



(01)00614141999996	<ul> <li>GS1 DataBar-14</li> <li>14- digit encodation</li> <li>Used for GTIN - 8,12,13,14</li> <li>Can be used at POS</li> </ul>
(01)00014141999996(10)ABC123(21)321(BA	<ul> <li>GS1 DataBar Expanded</li> <li>Maximum encodation of 74 numeric/41 alphanumberic</li> <li>All GS1 Application Identifiers can be used</li> <li>Can be used at POS</li> </ul>
(01)00614141999996	<ul> <li>GS1 DataBar Limited</li> <li>14-digit encodation</li> <li>Used for GTIN - 8,12,13,14</li> <li>Leading digit is always 0 or 1</li> <li>Not used at POS</li> </ul>
(01)00614141999996	<ul> <li>GS1 DataBar Truncated</li> <li>14-digit encodation</li> <li>Used for GTIN - 8,12,13,14</li> <li>Not used at POS</li> </ul>
(01)00614141999996	<ul> <li>GS1 DataBar Stacked</li> <li>14-digit encodation</li> <li>Used for GTIN - 8,12,13,14</li> <li>Not used at POS</li> </ul>

# What are the main uses for GS1 DataBar?

The more efficient use of space enables this form of bar code to be used in many situations for product identification and traceability - more so than other forms of bar coding. GS1 DataBar can be small enough to fit on many more labels or objects. Pharmaceutical products and fresh produce are two examples – a bar coded sticker can be applied to individual apples, enabling their type and supplier to be identified at POS with advantages to customer and retailer alike.

# Will GS1 DataBar replace other forms of bar code?

Perhaps but only if that is what manufacturers, distributors and retailers want in any particular circumstance. All other GS1 symbologies will remain available. From 1 January 2010, GS1 DataBar and related GS1 Application Identifiers will be made available for all trade item scanning systems. At that time, retail POS scanners should be able to automatically discriminate between the various GS1 bar code symbologies. No big change-out of scanners or printers is expected.



# GS1 networking in Asia Pacific By Tim Doherty, Technical Consultant

The GS1 System is well established in Vietnam, driven largely by the role of that emerging economy as a manufacturer of products for the developed world. GS1 Vietnam has over 7000 member companies, which is significantly more than the number in New Zealand (although the population comparison is 85 million vs 4 million!)

GS1 Vietnam last month hosted people from 11 other GS1 member organisations and Global Office for two intensive days of Asia Pacific technical training sessions. In Hanoi, it became clear that Vietnamese companies see GS1 bar codes as extremely important if they are trading internationally. A locally-produced can of Coca Cola, for instance, will have bar coding up to the standard expected in New Zealand and Australia, with the rest of the label looking very unfamiliar but for its distinctive Coke branding.

GS1 New Zealand's Raman Chhima led a training session on bar code verification – an area in which our leadership is strongly recognised. The session included a focus on cross-border "mutual recognition" of bar code quality. The example was given of a product made in Hong Kong for a Japanese company and sold in New Zealand: We tested the bar codes in Wellington and found they did not pass verification. It seems that while many other countries do have verification processes, the volumes are not great because retailers do not make it mandatory. Greg Rowe from Global Office led a session on GS1 DataBar (see page 17). With much interest around the Asia Pacific region in this new form of bar code, GS1 is putting substantial effort into preparing for its 2010 launch. The sessions also underlined the importance of the new GS1 Traceability Standard as a tool for tracking and tracing items from the raw materials stage to finished product.

The gathering of GS1 people from so many countries in the Asia Pacific region provides huge opportunity for future networking to resolve issues for members. Our new contacts with GS1 China, for example, will be useful in working with Kiwi companies that might face communication problems with manufacturing suppliers in China.

# Logistics recognition for **Bendon**



Lingerie company Bendon has won recognition from the Chartered Institute of Logistics and Transport (CILT) for the excellent design and performance of its Supply Centre at the site of Auckland International Airport. The CILT Award for Supply Chain Innovation was presented to Bendon in October.

The Supply Centre handles all Bendon product destined for the New Zealand and Australian, Pacific Island markets, and for the Gulf States. The operation includes 12 carousels holding core products in the Bendon range for efficient retrieval in response to orders.



# **CRT calls for GS1 bar codes**

# CRT Cooperative, the South Island rural servicing company, is calling on its manufacturer-suppliers to ensure they put high quality GS1 bar codes on all product arriving the 29 CRT merchandise stores.

General Manager, CRT Retail, Aaron Gordon says most of the company's major suppliers do already apply bar codes and it is time for the rest to come on board as well. He recently wrote to more than 600 suppliers requesting that their product always have a correct EAN 13 bar code attached, unless the parties agree this is impractical.

"Accuracy and quality of customer service at point-of-sale can be greatly affected by simple things such as product not having a manufacturer-applied bar code," Mr Gordon has told the suppliers.

CRT has a growing business in rural merchandise, animal feed, fertiliser, fuel, farm finance and real estate throughout the lower South Island. The company is planning a major move to EDI (electronic data interface) for the processing of supplier invoices. The new system will be based on a GS1 standard form for EDI, with suppliers to be given more information in coming months.

At this stage, CRT suppliers can contact GS1 New Zealand's Bruce Pollock, in Christchurch, for advice and support on meeting the bar code requirement (see **Questions?** on the back cover of this SCAN).

Logistics consultant Scott Kerr says the Supply Centre was designed to meet the current and long-term needs of the business – and for this, it combines a number of different technical solutions including the carousels, and conveyor and sortation systems. Mr Kerr says the rigorous "inside-out" approach taken with its design makes the facility somewhat unique in New Zealand.

The automated product handling is closely integrated with Bendon's procurement, sales, distribution, financial and inventory management systems. Mr Kerr, a former GS1 New Zealand Board member, was project manager for the design, development and commissioning of the Supply Centre. Major suppliers on the project were: Diamond Phoenix, Dematic, DSI dcLINK and JD Edwards

# **Questions?**

# Please contact the GS1 New Zealand team



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GS1 New Zealand Territory Manager – South Island

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Bruce is based in Christchurch with responsibility for GS1 relations with members throughout the South Island.

### Vijay Todkar

GS1 New Zealand Territory Manager - Taupo North

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- E vijay.todkar@gs1nz.org

Vijay is based in Auckland with responsibility for GS1 relations with members from Taupo northwards.



### **Tim Doherty**

GS1 New Zealand Verification Services Manager

- **T** 04 494 1066
- E tim.doherty@gs1nz.org

Tim is based in Wellington with responsibility for managing the verification service. Tim also manages the helpdesk for verification or bar code queries on 0800 10 23 56.



### **Esther Hamilton**

GS1 New Zealand Membership Services Administrator (aka "Director of First Impressions")

- **0**4 494 1050
- E esther.hamilton@gs1nz.org

Esther is the "meet and greet" point of contact for members either calling, emailing or visiting our Wellington office.



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