

# Trading Partner Forum

## Perfect Delivery Report 2022

ANNUAL RETAILER REVIEW OF PERFORMANCE  
AGAINST KEY DELIVERY REQUIREMENTS

MARCH 2023



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## Introduction

Welcome to the Australian Food & Grocery Council's (AFGC) fourth annual *Perfect Delivery Report*. The report provides a qualitative assessment of supplier deliveries into retailer distribution centres (DCs) through the 2022 calendar year, as measured against the industry-aligned requirements outlined in the *Common Delivery Guidelines for Industry* guide. This annual assessment is provided by the three major supermarket retailers, covering their ambient and cold chain DC networks. For the first time, this year's report has also been expanded to include metrics relating to supply chain data quality and alignment.

The *Common Delivery Guidelines for Industry* (CDGfI) document originated within the AFGC Trading Partner Forum's (TPF) *Perfect Delivery* work-stream, composed of representatives from Woolworths, Coles, Metcash and the supplier community. The goals of working together on Common Delivery Guidelines are:

- ▶ to align non-competitive requirements for deliveries across the three retailers wherever practical;
- ▶ to reduce complexities and inefficiencies for suppliers; and
- ▶ to facilitate better quality, easier-to-receipt loads into retailer DCs for mutual benefit.

The CDGfI document (version 1.4, October 2022) is available to view or download from the AFGC website at:

<https://www.afgc.org.au/industry-resources/trading-partner-forum-resources/the-perfect-delivery-program>

Updated in 2022, the CDGfI reflects the key areas of commonality and alignment across the retailers with respect to inbound deliveries of product from their suppliers. It is designed to codify, clarify, and align areas where there has historically been divergence and fragmentation. It provides a solid basis upon which suppliers can prepare product for delivery into the major retailers, and mitigates the risk of rejection or the need to rework loads, pallets, or trade units.

The CDGfI document focusses specifically on delivery requirements for which clear, unambiguous agreement has been reached across the retailers. In particular, the common requirements regarding Trade Units (cartons), Logistics Units (pallets), Advance Shipping Notifications (ASNs) and delivery on time windows. It uses easy-to-understand language and diagrams to support implementation.

The CDGfI is further complemented by various tools — including One Page Guides, Checklists, and more — for use with despatch teams at suppliers or their 3PL's DCs. Please refer to the Resources section of this report for more information.



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## This Report

The annual *Perfect Delivery Survey* was completed by the three major Australian retailers through early 2023. Surveys were prepared by the TPF Secretariat and completed by each retailer for their Ambient and Cold Chain DC networks, separately. Findings from the surveys are discussed in this report at industry level — i.e. not disclosing any specific retailer's responses, but rather as an aggregated, synthesised whole. As responses have been necessarily consolidated, it should be noted that for any specific finding the responses may have varied by retailer (e.g., one retailer may rank an issue as "high" impact, another as "medium" and another as "low" — giving an average of "medium") therefore results reflect the overall perspective, not that of any single retailer. Notably, however, the majority of responses indicated broad consistency in assessment across the three retailers.

Readers should also note that the level and granularity of supply chain compliance measurement and reporting systems varies somewhat by retailer, therefore quantitative data has been supplemented with qualitative data where necessary. It is recommended that the report be viewed as guidance towards the prevalence, impact and trend relating each aspect of the Perfect Delivery requirements outlined in the *Common Delivery Guidelines for Industry* rather than as 'hard data'.

The intent of this report is to illustrate levels of compliance achieved by suppliers from the retailer perspective, highlighting priority issues, opportunities and key focus points for collaboration and improvement. While it is recognised that suppliers and retailers will have varying capabilities across the performance metrics, the report should help to ensure that trading partners are better informed to discuss and then work together to address these matters for mutually beneficial outcomes.

## Executive Summary

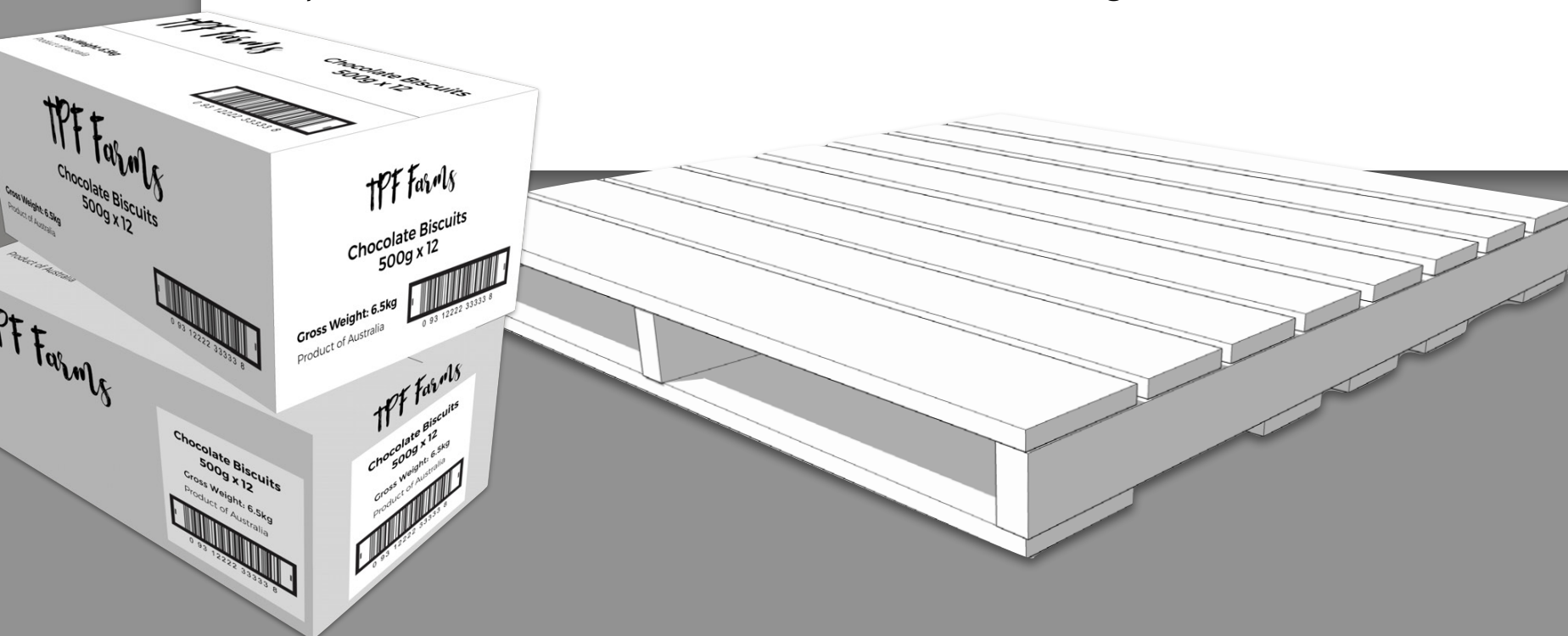
The *Perfect Delivery Report 2022* provides a consolidated retailer perspective of the current status of supplier deliveries into their Ambient and Cold Chain DC networks (per the requirements outlined in the *Common Delivery Guidelines for Industry*) and on supply chain data quality and alignment between supplier and retailer. The report looks at prevalence (how often), impact (severity), and the trend of issues that retailer DCs observed throughout the 2022 calendar year.

For Trade Units (shippers/cartons), Ambient and Cold Chain DCs again very clearly identified three issues as being most prevalent and most impactful: **(1) damages and condition of trade units being received; (2) trade units being unsuitable (e.g., poor design, poor construction, poor sealing); and (3) issues relating to non-compliant barcoding of trade units.**

For Logistics Units (pallets), both Ambient and Cold Chain DCs uniformly reported **pallet quality issues** as their most prevalent and impactful concern — stemming from widespread issues with pallet availability that plagued the industry throughout 2022 (which in turn prompted changes to de-hiring, and deferred the repair/reconditioning of pallets). For Ambient DCs, issues of **pallet wrapping** and **pallet labelling** were equally prominent and impactful on their operations (driven in part by these requirements becoming more stringently monitored with the expansion of automated DCs).

Beyond these three issues, problems relating to pallet configuration/utilisation, to T1xH1, and to slip-sheeting were the next most prevalent among Logistics Unit concerns; again, these results are consistent with the degree to which non-compliance in these areas detrimentally impacts upon automated DC operations, which were expanded in 2022.

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## Executive Summary *(continued)*

Within the area of data quality and alignment, all retailers reported a clear disconnect between retailer and supplier data — particularly with data relating to product dimensions, min/max shelf life, and TlxHI. These issues were reported to be particularly prevalent within the Ambient DC network (responses include ‘medium/high’ impact, “worsening” trend) and represent a significant opportunity for improvement going forward.

Legacy supply chain impacts of the pandemic response (including those relating to shipping, resourcing, vehicle and driver availability, pallets) continued to provide significant challenges across Trade Unit, Logistics Unit, ASN provision, and Delivery Window performance in 2022. While retailers and suppliers worked closely to mitigate these issues and to provide accommodations and workarounds wherever practical, the impacts have been evident throughout the year; for example, all retailers noted that delivery on time performance was — and remains — well below expectations.

Once again, the industry challenges experienced through 2022 further highlight the need for retailers and suppliers to provide timely and accurate information to each other, including current or emerging compliance issues the retailer is experiencing with deliveries and actions that suppliers are taking to manage the issues being experienced. Proactive, open communication of issues between suppliers and retailers has been shown to deliver significant benefit, especially during periods of uncertainty and volatility.

Collaborative engagement across the industry — including cooperation facilitated by the AFGC through the Trading Partner Forum — has been expanded through the second half of 2022 and into 2023, and is expected to grow further through the year. Focused activities have been developed to help address the priority issues identified in this report, and the TPF Executive Committee and Working Groups will be closely monitoring the impacts of this activity.

## Participating Retailers

The *Common Delivery Guidelines for Industry* and this ensuing report into performance against those *Guidelines* have been developed in conjunction with Coles Group, Metcash and Woolworths Group as members of the Trading Partner Forum (a forum of the AFGC).

Whilst much of the content will be applicable for consideration with other retailers in Australia, readers should check with retailers other than Coles Group, Metcash and Woolworths Group in relation to the content herein.



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## Report Sections

The report investigates performance into retailer DCs, against the specific requirements captured in the *Common Delivery Guidelines for Industry (v1.4)* document, and is focused primarily on the retailer-observed prevalence, impact and trend relating to each requirement as outlined.

*Specifically, the report considers the following areas:*

<b>Section 1: Trade Units - TU (Cartons, Shippers)</b>	<b>Page 6</b>
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▶ <u>TU Suitability (Design, Construction, Forming &amp; Sealing)</u>	<u>Page 7</u>
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<b>Section 2: Logistic Units - LU (Pallets)</b>	<b>Page 11</b>
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▶ <u>High level review of Data Quality &amp; Alignment issues</u>	<u>Page 21</u>
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## Section 1: Trade Units — TU (Shippers)

### High Level Review:

The following tables provide insight regarding the prevalence (how often), the impact (how severe), and general trend of issues experienced by retailers regarding inbound deliveries of Trade Units (cartons, shippers) throughout 2022.

Consistent with the past two surveys, both Ambient and Cold Chain DCs reported that issues relating to damages and the general condition of inbound trade units were highly prevalent and were of greatest impact within retailer DCs, as were issues relating to the general suitability of the trade unit for the product (poor design, construction, sealing etc). Retailers noted several contributing factors relating to the prevalence of these issues; refer detail on pages 7-8.

Relative changes in issue rankings versus 2021 results are indicated by symbols in the Change column within each tables, and the 2021 rank is shown within brackets.



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### ☀️ AMBIENT DCs

Trade Unit Requirements: Issues By Aspect	Prevalence of issues in 2022 (Rank 1 = most often)	Change (vs 2021)	Impact of issues in 2022 (Rank 1 = most severe)	Change (vs 2021)
Condition/Damage	1	Up (2)	1	Stable (=1)
Suitability issues (design, construction, sealing etc)	2	Down (1)	2	Stable (=1)
Barcoding issues	3	Stable (3)	3	Stable (3)
Declarations and Symbols issues (on pack labelling)	4	Stable (4)	5	Down (4)
Gross Weight issues	5	Stable (5)	4	Up (5)

### ❄️ COLD CHAIN DCs

Trade Unit Requirements: Issues By Aspect	Prevalence of issues in 2022 (Rank 1 = most often)	Change (vs 2021)	Impact of issues in 2022 (Rank 1 = most severe)	Change (vs 2021)
Condition/Damage	1	Stable (1)	1	Stable (1)
Suitability issues (design, construction, sealing etc)	2	Up (3)	2	Down (=1)
Barcoding issues	3	Down (2)	3	Stable (3)
Gross Weight issues	4	Stable (=4)	4	Stable (=4)
Declarations and Symbols issues (on pack labelling)	5	Down (=4)	5	Down (=4)

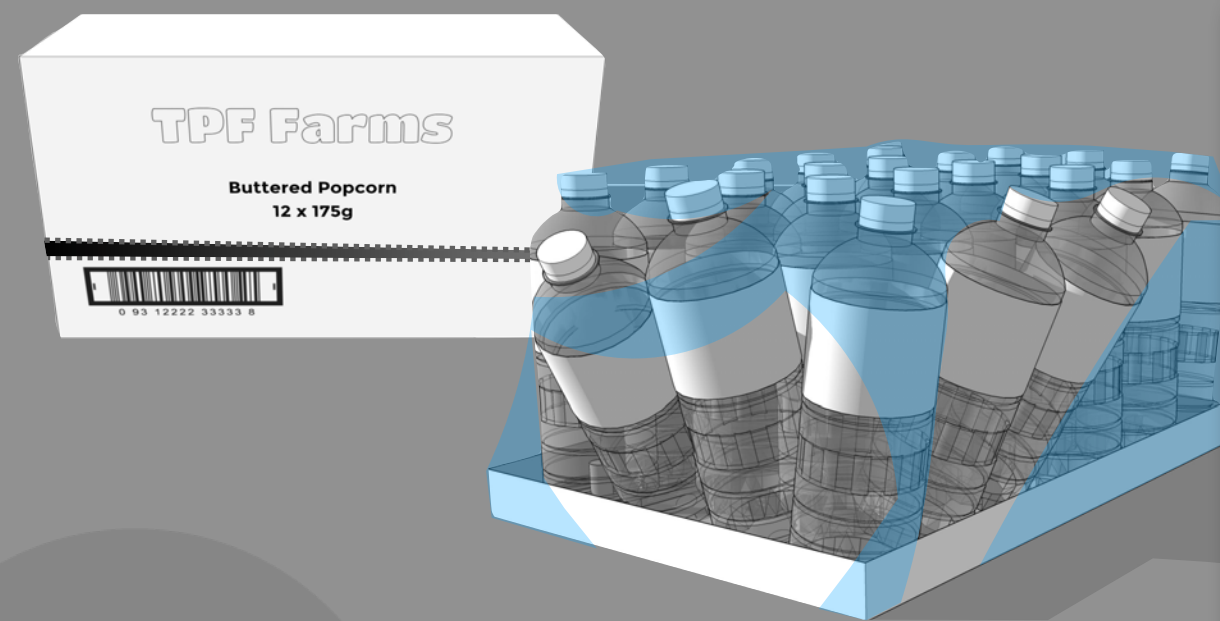
The following sections explore related aspects of the issues retailers are encountering in more detail. Note in tables that 2021 results are included in brackets for reference.



## TU Suitability (Design, Construction, Forming & Sealing)

☀️ AMBIENT DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Fit for purpose — appropriate design to product type	MEDIUM	STABLE-WORSENING	HIGH
Safe to handle for team members	MEDIUM	STABLE	MEDIUM
Sealed effectively to prevent damage/loss	MEDIUM	STABLE-WORSENING	MEDIUM
Sufficiently robust to withstand handling	MEDIUM	WORSENING	MEDIUM
Easy to Open/Replenish	LOW	IMPROVING	LOW

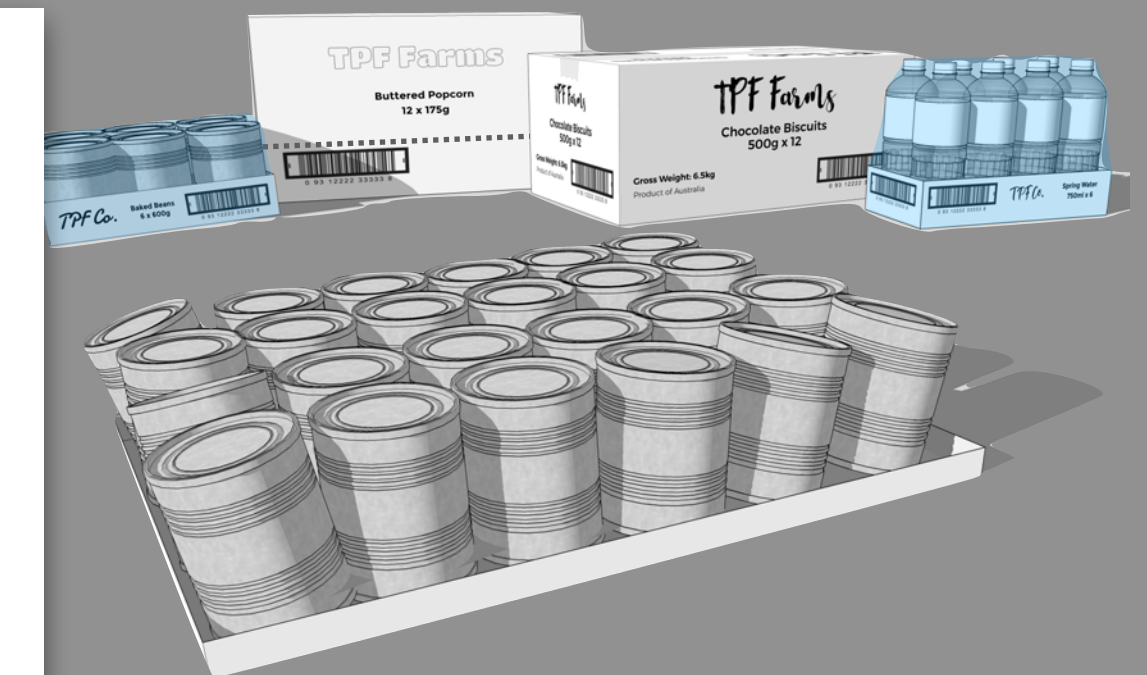
❄️ COLD CHAIN DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Fit for purpose — appropriate design to product type	MEDIUM	STABLE-WORSENING	MEDIUM-HIGH
Safe to handle for team members	MEDIUM	STABLE-WORSENING	MEDIUM-HIGH
Sealed effectively to prevent damage/loss	MEDIUM	STABLE-WORSENING	MEDIUM-HIGH
Sufficiently robust to withstand handling	MEDIUM	STABLE-WORSENING	MEDIUM
Easy to Open/Replenish	LOW-MEDIUM	STABLE	LOW



### Retailer Callouts:

- ▶ Retailers uniformly noted a negative trend with respect to Trade Unit Suitability in 2022. Generally, suitability issues were reported as having medium-high DC impacts and a stable-to-worsening (or worsening) trend across most measures.
- ▶ Retailer concerns in this area were exacerbated by a greater reliance upon Trade Unit suitability to support increasingly-automated DC operations (noting that the requirements are not new, but that compliance to those standards has become more important).
- ▶ One retailer noted particularly that many trade units within the cold chain were not suitable to withstand temperature-controlled environments and moisture/humidity, becoming weak and unsafe for team members to handle (especially shelf-ready packaging).
- ▶ One retailer noted also that a perceived increase in off-shore production and a focus on sustainability initiatives (e.g., reducing cardboard grades) had led to weaker, less robust packaging that cannot withstand the rigours of an automated supply chain.

[Common Delivery Guidelines](#) Reference: **Page 8 — TU/Carton Suitability: Design, Construction**





## TU Condition/Damage

☀️ AMBIENT DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Must be Saleable & Safe	LOW	STABLE	MEDIUM
Must not be crushed or leaking	MEDIUM	WORSENING	HIGH
Must not be moisture-affected or unsanitary	LOW	STABLE	MEDIUM
Must be readily Identifiable	LOW	STABLE	MEDIUM
Must be free from staples, nails, metal strapping	LOW	STABLE	MEDIUM
Must be within acceptable shelf life range	LOW	STABLE	HIGH
Must be within acceptable temperature range	LOW	STABLE	HIGH

❄️ COLD CHAIN DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Must be Saleable & Safe	LOW-MEDIUM	STABLE	MEDIUM
Must not be crushed or leaking	MEDIUM	STABLE-WORSENING	MEDIUM
Must not be moisture-affected or unsanitary	MEDIUM	STABLE-WORSENING	MEDIUM
Must be readily Identifiable	LOW-MEDIUM	STABLE	MEDIUM
Must be free from staples, nails, metal strapping	LOW	STABLE	LOW
Must be within acceptable shelf life range	MEDIUM	STABLE	MEDIUM-HIGH
Must be within acceptable temperature range	LOW-MEDIUM	STABLE	HIGH



### Retailer Callouts:

- ▶ All retailers identified that Trade Units being delivered damaged or in an otherwise unfit condition remained a considerable problem throughout 2022 — particularly with respect to crushed and/or leaking packaging (exhibiting a worsening trend).
- ▶ One retailer noted that vehicle availability issues had led to an increase in double- and triple-stacking where trade unit design may not support this — driving an increase in crushed and leaking cartons. Suppliers and 3PLs should consider this potential impact.
- ▶ One retailer also noted that pallet wrapping tension was observed to be a significant factor in trade units arriving damaged and/or with open perforations; suppliers have been wrapping at high tension to improve pallet stability, but are damaging and deforming cartons. Retailers suggest that education is needed regarding maintaining pallet stability without comprising trade unit integrity.

[Common Delivery Guidelines Reference: Page 9 — TU/Carton Condition/Damage](#)





### TU Barcoding

☀️ AMBIENT DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Must adhere to GS1 numbering & barcoding specs.	MEDIUM <small>LOW</small>	WORSENING <small>STABLE</small>	MEDIUM <small>MEDIUM-HIGH</small>
Print & Apply labels — barcodes on at least 2 vertical sides (ideally adjacent)	LOW-MEDIUM <small>LOW-MEDIUM</small>	STABLE <small>STABLE</small>	LOW-MEDIUM <small>MEDIUM-HIGH</small>
Pre-printed - must at least have barcodes on 4 vertical sides	LOW <small>LOW</small>	STABLE <small>STABLE</small>	LOW <small>MEDIUM</small>

❄️ COLD CHAIN DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Must adhere to GS1 numbering & barcoding specs.	LOW-MEDIUM <small>LOW</small>	STABLE <small>STABLE</small>	MEDIUM <small>LOW-MEDIUM</small>
Print & Apply labels — barcodes on at least 2 vertical sides (ideally adjacent)	LOW-MEDIUM <small>LOW</small>	STABLE <small>STABLE</small>	LOW-MEDIUM <small>LOW</small>
Pre-printed - must at least have barcodes on 4 vertical sides	LOW <small>LOW</small>	STABLE <small>STABLE</small>	LOW <small>LOW</small>



**Retailer Callouts:**

- Expansion of automated DCs among retailers is continuing to drive focus in this area, as reliable and compliant trade unit barcoding is critical to effective identification within DCs. Manual workarounds and human intervention have historically allowed for mitigation of poor barcoding, but such interventions are not practical in automated environments.
- Retailers have reported a stable-to-worsening trend in overall compliance in this area, particularly in Ambient DC networks.

*Common Delivery Guidelines Reference: [Page 9 — TU/Carton Barcoding](#)*



### TU Gross Weight

☀️ AMBIENT DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence	2022 Trend	2022 DC Impacts
Gross weight is not to exceed 16kg	LOW	STABLE	LOW-MEDIUM

❄️ COLD CHAIN DCs			
Trade Unit Requirements per Guidelines	2022 Prevalence	2022 Trend	2022 DC Impacts
Gross weight is not to exceed 16kg	LOW	IMPROVING	LOW



**Retailer Callouts:**

- ▶ Retailers noted that this issue is not as prevalent as in past years, and is showing a generally improving trend (“we do not see this issue very often”).

*Common Delivery Guidelines Reference: Page 8 - TU/Carton Gross Weight*

### TU Symbols & Declarations

Granular data not available, but low prevalence and impact overall.

The requirements regarding symbols and declarations are not systematically audited across all retailers at a level that facilitates reporting here. Consensus across the three retailers is that non-compliance in this area is generally very low, and that this subsection of issues ranks last among the reported trade unit issues, behind gross weight concerns (#5 for prevalence and impact, across both Ambient and Cold Chain DC networks).

*Common Delivery Guidelines Reference: Page 10 — TU/Carton Symbols, Declarations*

Trade Unit Requirements per Guidelines
SKU Description: on at least two vertical sides (ideally adjacent)
Consumer Unit Description (incl. flavour/variant): at least two vertical sides vertical (ideally adjacent)
Consumer Unit Size & Quantity eg 6x500ml - at least two vertical sides (ideally adjacent)
Gross Weight declaration must appear on at least two vertical sides (ideally adjacent)
Caution Lift Symbol (if TUs 10-16kg): at least two vertical sides (ideally adjacent)
Storage/Temp Markings: at least two vertical sides (ideally adjacent)
Recycle Mark/ Symbol: at least 1 side
All human-readable text legible from 1.5 metres





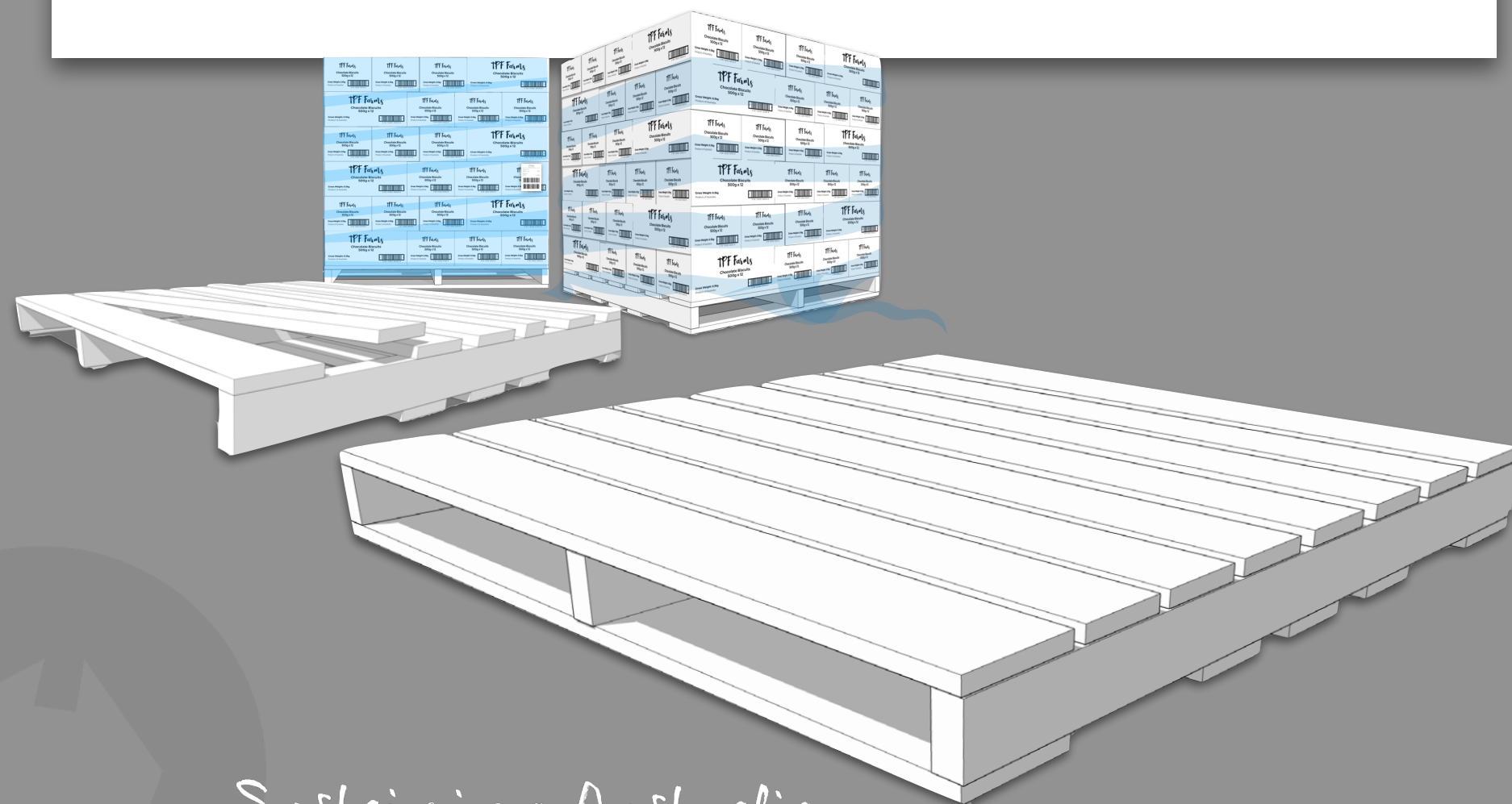
## Section 2: Logistic Units (LU)

### High Level Review:

The following tables provide high level insight regarding the prevalence (how often), the impact (how severe), and general trend of issues experienced by retailers regarding inbound deliveries of Logistics Units (pallets) throughout 2022.

For both Ambient and Cold Chain DCs, three types of non-compliance issue were clearly identified as the most prevalent or most frequently encountered: pallet quality issues, pallet wrapping issues and pallet labelling issues. Of those, the two biggest DC impacts were from pallet quality and pallet wrapping issues (within Ambient DCs) and pallet quality and pallet labelling issues (within Cold Chain DCs).

Relative changes in issue rankings versus 2021 results are indicated by symbols in the Change column within each tables, and the 2021 rank is shown within brackets.



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☀️ AMBIENT DCs				
Logistic Unit (Pallet) Requirements: Issues By Aspect	Prevalence of issues in 2022 (Rank 1 = most often)	Change (vs 2021)	Impact of issues (Rank 1 = most severe)	Change (vs 2021)
Physical (i.e. CHEP/Loscam) Pallet Quality, Structure and Tolerances issues	=1	Up (2)	1	Up (2)
Wrapping issues	=1	Stable (1)	2	Up (4)
Labelling issues	=1	Up (=3)	5	Stable (5)
Utilisation/Overhang issues	4	Down (=3)	3	Down (1)
Configuration/Ti-Hi issues	5	Stable (5)	6	Down (3)
Slipsheet issues	6	New	4	New
Height issues	7	Stable (7)	7	Stable (6)
Weight issues	8	Down (6)	8	Stable (8)
Corner-post issues	9	Stable (8)	9	Down (7)

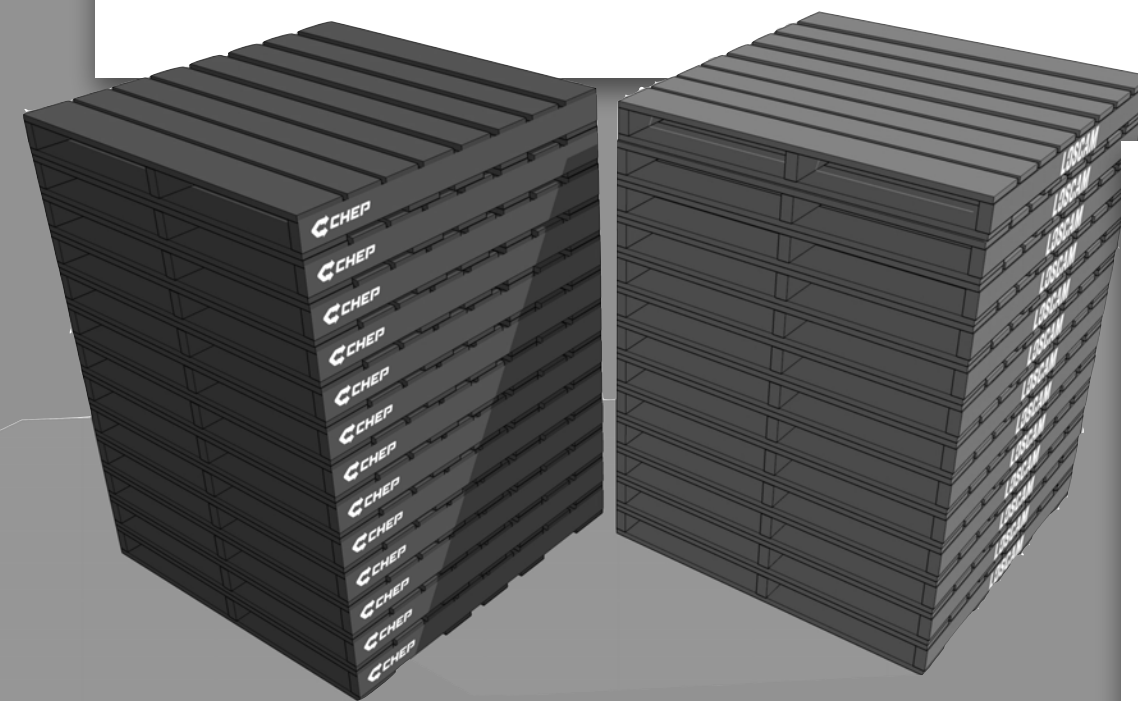
❄️ COLD CHAIN DCs				
Logistic Unit (Pallet) Requirements: Issues By Aspect	Prevalence of issues in 2022 (Rank 1 = most often)	Change (vs 2021)	Impact of issues (Rank 1 = most severe)	Change (vs 2021)
Physical (i.e. CHEP/Loscam) Pallet Quality, Structure and Tolerances issues	1	Up (3)	1	Stable (1)
Wrapping issues	2	Down (1)	3	Up (5)
Labelling issues	3	Down (2)	2	Up (4)
Height issues	4	Up (7)	4	Up (6)
Configuration/Ti-Hi issues	5	Down (4)	5	Down (2)
Weight issues	6	Down (5)	7	Stable (7)
Utilisation/Overhang issues	7	Down (6)	6	Down (3)
Slipsheet issues	8	New	8	New
Corner-post issues	9	Stable (8)	9	Stable (8)

The following sections explore related aspects of the issues retailers are encountering in more detail.

## Physical Pallet Quality, Structure & Tolerances

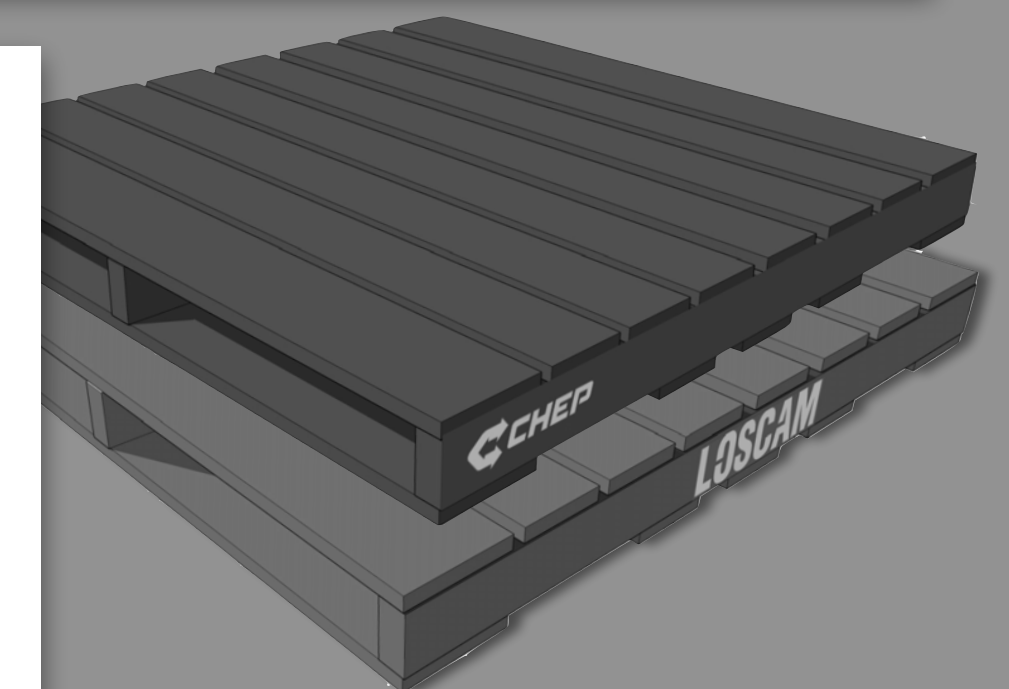
☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Pallets must be square (no twists) & conform to Aust. pallet dimensions	MEDIUM	WORSENING	MEDIUM
Lead board widths are to be 150 mm and intermediate boards 95 mm	MEDIUM-HIGH	WORSENING	HIGH
Bearers must be intact and no boards should be missing or loose	MEDIUM	WORSENING	HIGH
Boards should not have excessive cracks, splits or holes outside tolerances	MEDIUM-HIGH	WORSENING	HIGH
Pallets should have correct tunnel widths of 180 mm	MEDIUM	WORSENING	HIGH
Lead board pushback (or leading edge variation) should not exceed 15 mm	HIGH	WORSENING	HIGH
Nails should not be protruding by more than 1 mm above boards or be loose	LOW	WORSENING	MEDIUM
Pallets must be contamination free from (dirt, debris oils, chemical etc)	LOW-MEDIUM	WORSENING	LOW

❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Pallets must be square (no twists) & conform to Aust. pallet dimensions	MEDIUM	STABLE-WORSENING	MEDIUM
Lead board widths are to be 150mm and intermediate boards 95 mm	MEDIUM	STABLE-WORSENING	MEDIUM
Bearers must be intact and no boards should be missing or loose	HIGH	WORSENING	HIGH
Boards should not have excessive cracks, splits or holes outside tolerances	HIGH	WORSENING	HIGH
Pallets should have correct tunnel widths of 180 mm	LOW-MEDIUM	STABLE-WORSENING	LOW-MEDIUM
Lead board pushback (or leading edge variation) should not exceed 15 mm	MEDIUM-HIGH	WORSENING	MEDIUM-HIGH
Nails should not be protruding by more than 1 mm above boards or be loose	LOW-MEDIUM	WORSENING	LOW-MEDIUM
Pallets must be contamination free from (dirt, debris oils, chemical etc)	LOW-MEDIUM	STABLE-WORSENING	LOW-MEDIUM



### Retailer Callouts:

- ▶ Widespread and persistent issues with pallet availability through 2022 (continuing on from similar issues in 2021) had significant, detrimental impacts upon pallet quality standards into all retailers. Impacts ranged from heightened safety risks (e.g., risks of falls from height) to disruption of automation (e.g., increased rejection of pallets from automated systems, increased inversions, etc) and cancellation of production shifts.
- ▶ As pallet scarcity increased and supply from pallet providers could not be maintained, changes were made to standard pallet dehirng processes (deferring repair/reconditioning) and deficient pallets remained in circulation; suppliers were driven to accept lower standards of pallet from pallet providers to avoid disrupting supply of product into retailers. All retailers reported high impacts and worsening trends across the board.
- ▶ Following significant, sustained escalation and advocacy at senior levels, pallet availability and quality had improved by early 2023, and the 2022 trends shown above are not expected to be reflected in the 2023 Perfect Delivery Survey and Report.



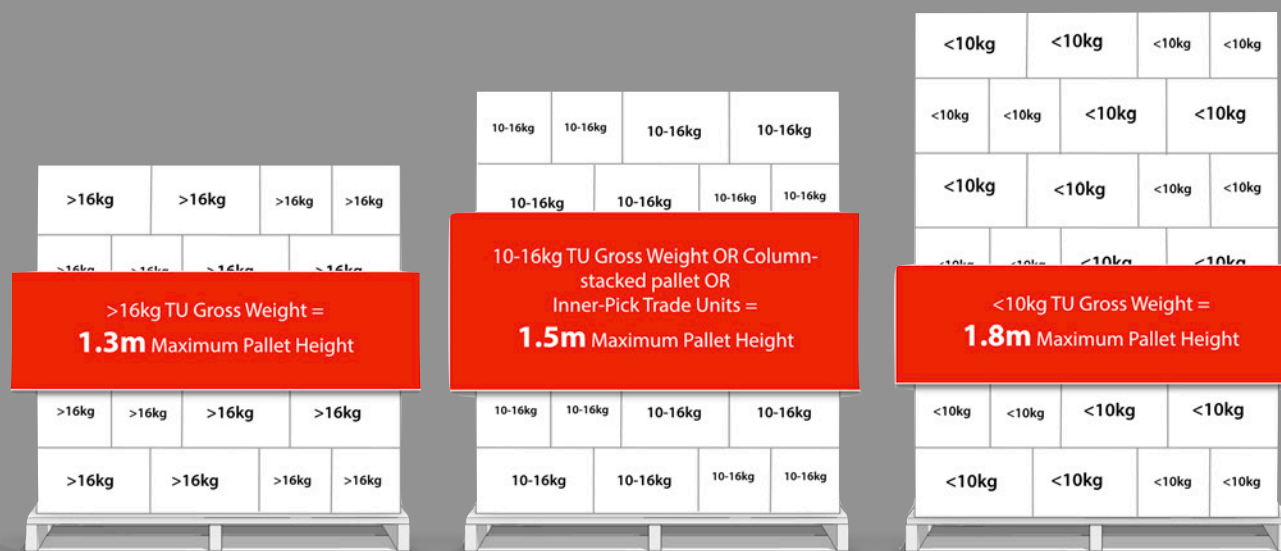
[Common Delivery Guidelines](#) reference: **Pages 13-14 — LU/Pallet Quality, Structure & Tolerances**



## Pallet Height

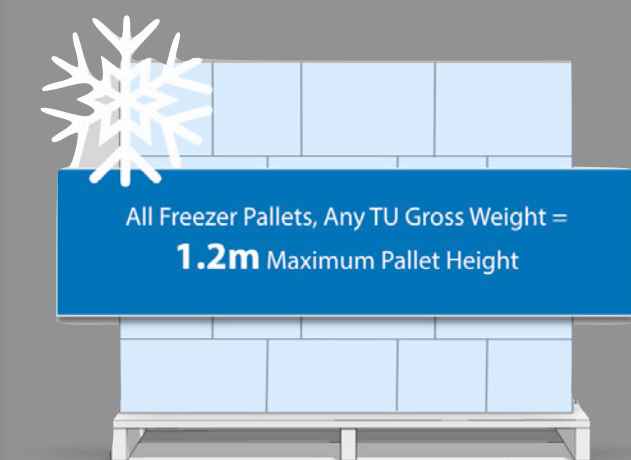
☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Where TUs weigh < 10kg and are NOT column stacked or inner picked, then maximum pallet height is 1.8m	LOW <small>LOW-MEDIUM</small>	STABLE <small>STABLE</small>	MEDIUM <small>MEDIUM</small>
Where TUs weigh 10kg-16kg (OR < 10kg but column stacked or inner picked), then maximum pallet height is 1.5m	LOW <small>LOW</small>	STABLE <small>STABLE</small>	MEDIUM <small>MEDIUM</small>
If TUs > 16kg are permitted by agreement, then maximum pallet height is 1.3m	LOW <small>LOW</small>	STABLE <small>STABLE</small>	MEDIUM <small>LOW-MEDIUM</small>

❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
FROZEN DC or CHILLED DC where specified (eg Americold) Requirement: Pallet Height must not exceed 1.2m	MEDIUM <small>LOW</small>	STABLE-WORSENING <small>IMPROVING</small>	HIGH <small>MEDIUM-HIGH</small>
CHILLED DC (where not specified otherwise) Requirement: Where TUs weigh less than 10kg and are NOT column stacked or inner picked, then maximum pallet height is 1.8m.	LOW-MEDIUM <small>LOW</small>	STABLE <small>STABLE</small>	MEDIUM <small>LOW-MEDIUM</small>
CHILLED DC (where not specified otherwise) Requirement: Where TUs weigh 10kg-16kg (OR less than 10kg but are column stacked or inner picked), then maximum pallet height is 1.5m.	LOW-MEDIUM <small>LOW</small>	STABLE <small>STABLE</small>	MEDIUM <small>LOW-MEDIUM</small>
CHILLED DC (where not specified otherwise) Requirement: If TUs exceeding 16kg are permitted by agreement, then maximum pallet height is 1.3m.	LOW-MEDIUM <small>LOW</small>	STABLE <small>STABLE</small>	MEDIUM <small>LOW-MEDIUM</small>



### Retailer Callouts:

- ▶ Retailers have noted generally a low to low-medium prevalence of pallets exceeding maximum height through 2022.
- ▶ The issue has remained stable (not improving, not deteriorating) in most instances, and the issues continue to cause moderate impact to retailer DCs (and a high impact, medium prevalence, and stable-to-worsening trend among freezer pallets specifically).
- ▶ One retailer reported a noticeable increase through 2022 of freezer pallets exceeding 1.2 metres height, impacting their DC operations and putting excess pressure on available storage locations; suppliers in this category should liaise closely with their retailers to identify and resolve issues in this area.

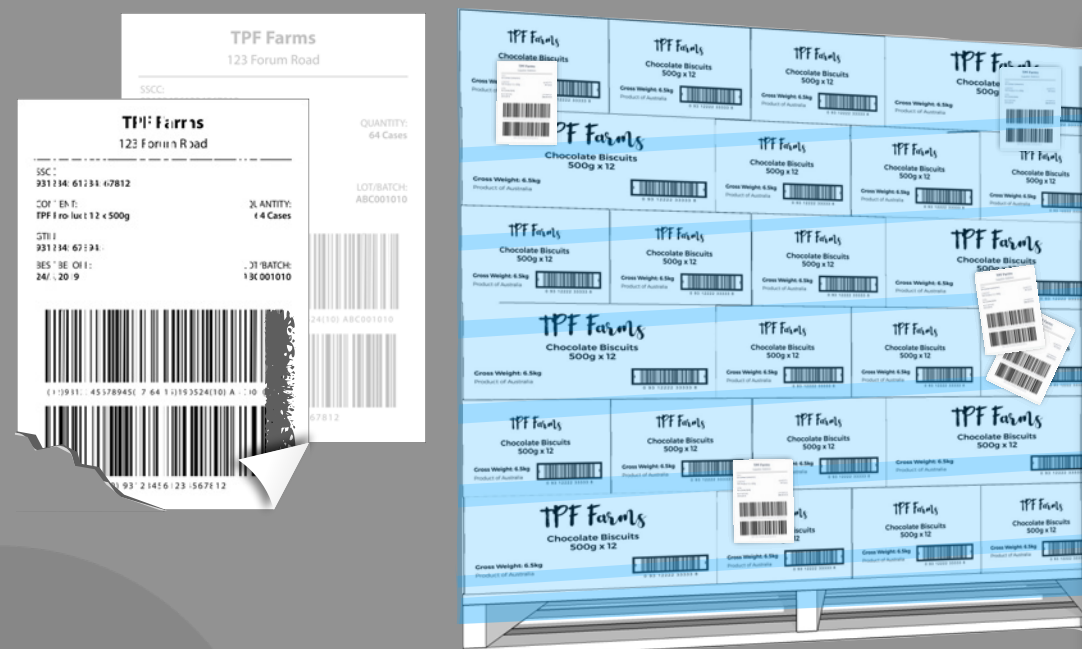


[Common Delivery Guidelines](#) reference: **Page 15 — LU/Pallet Height**

## Pallet Labelling

☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Must adhere to GS1 numbering and barcoding specifications	MEDIUM <small>LOW</small>	STABLE <small>STABLE</small>	HIGH <small>MEDIUM</small>
SSCC labels must accurately reflect product contained on the pallet	LOW <small>LOW-MEDIUM</small>	IMPROVING <small>STABLE</small>	MEDIUM <small>MEDIUM-HIGH</small>
SSCC numbers must be unique - not been used in the previous 12 months anywhere	LOW <small>LOW</small>	STABLE <small>IMPROVING</small>	HIGH <small>MEDIUM-HIGH</small>
SSCC numbers must be applied in matching pairs - one each pallet fork entry side	LOW-MEDIUM <small>LOW-MEDIUM</small>	STABLE <small>IMPROVING</small>	HIGH <small>MEDIUM-HIGH</small>
SSCC labels must be correctly positioned on pallet	MEDIUM <small>MEDIUM-HIGH</small>	STABLE <small>IMPROVING</small>	MEDIUM <small>MEDIUM</small>
No more than one SSCC pallet label pair should be applied to a pallet (unless a pallet of mixed SKUs)	MEDIUM <small>LOW-MEDIUM</small>	WORSENING <small>IMPROVING</small>	HIGH <small>MEDIUM</small>
Label print quality must be to a high standard and high decodability, with no print defects	MEDIUM <small>MEDIUM</small>	WORSENING <small>IMPROVING</small>	HIGH <small>MEDIUM</small>

❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Must adhere to GS1 numbering and barcoding specifications	MEDIUM-HIGH <small>LOW-MEDIUM</small>	STABLE <small>STABLE</small>	HIGH <small>MEDIUM</small>
SSCC labels must accurately reflect product contained on the pallet	MEDIUM <small>LOW-MEDIUM</small>	STABLE-WORSENING <small>STABLE</small>	HIGH <small>MEDIUM-HIGH</small>
SSCC numbers must be unique - not been used in the previous 12 months anywhere	LOW <small>LOW-MEDIUM</small>	STABLE <small>STABLE</small>	MEDIUM-HIGH <small>MEDIUM</small>
SSCC numbers must be applied in matching pairs - one each pallet fork entry side	LOW-MEDIUM <small>MEDIUM</small>	STABLE <small>STABLE</small>	MEDIUM-HIGH <small>MEDIUM</small>
SSCC labels must be correctly positioned on pallet	MEDIUM <small>MEDIUM</small>	STABLE <small>STABLE</small>	MEDIUM <small>LOW-MEDIUM</small>
No more than one SSCC pallet label pair should be applied to a pallet (unless a pallet of mixed SKUs)	MEDIUM <small>LOW-MEDIUM</small>	STABLE-WORSENING <small>IMPROVING</small>	MEDIUM <small>LOW-MEDIUM</small>
Label print quality must be to a high standard and high decodability, with no print defects	MEDIUM-HIGH <small>LOW-MEDIUM</small>	STABLE-WORSENING <small>IMPROVING</small>	MEDIUM-HIGH <small>MEDIUM</small>



### Retailer Callouts:

- ▶ As retailers expand their automated DC operations (e.g., automated pallet infeeds and automated pallet transport) and rely heavily on ASNs and Express Receipt for supply chain efficiency, the critical importance of compliant, reliable SSCC pallet labelling is magnified. Retailers are directing renewed focus on SSCC pallet labelling compliance through 2022/2023.
- ▶ Retailers have noted significant opportunities to drive improvement in SSCC pallet labelling compliance, with issues in multiple areas showing Medium-High prevalence, Medium-High to High impact, and Worsening trend through 2022

*Common Delivery Guidelines* reference: [Page 17 – LU/Pallet Labelling](#)

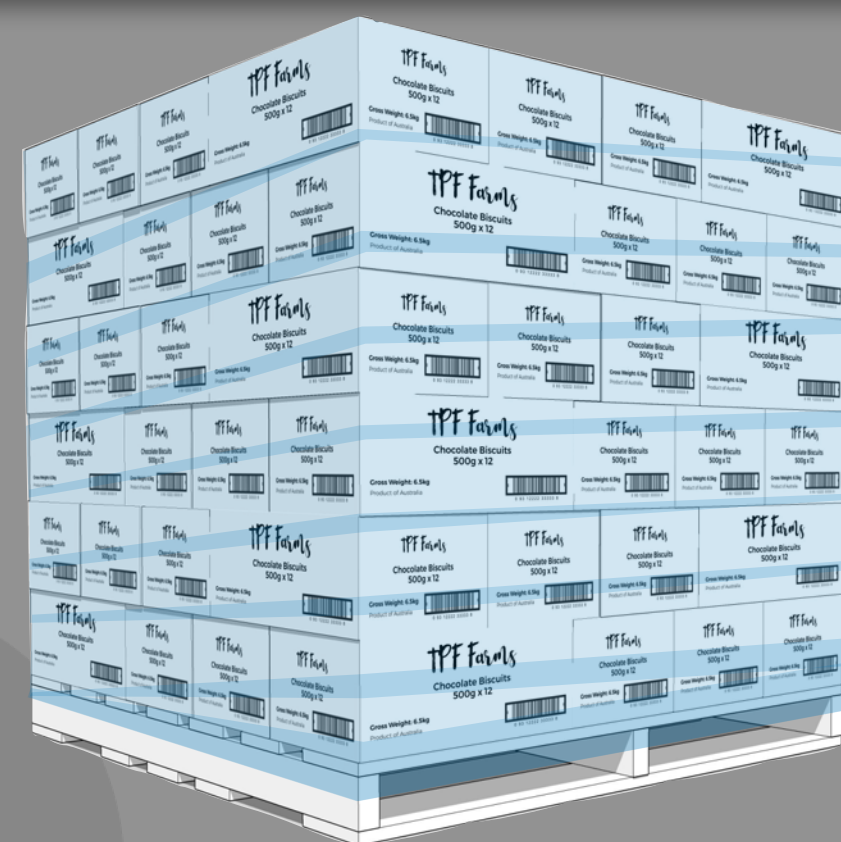




## Pallet Wrapping

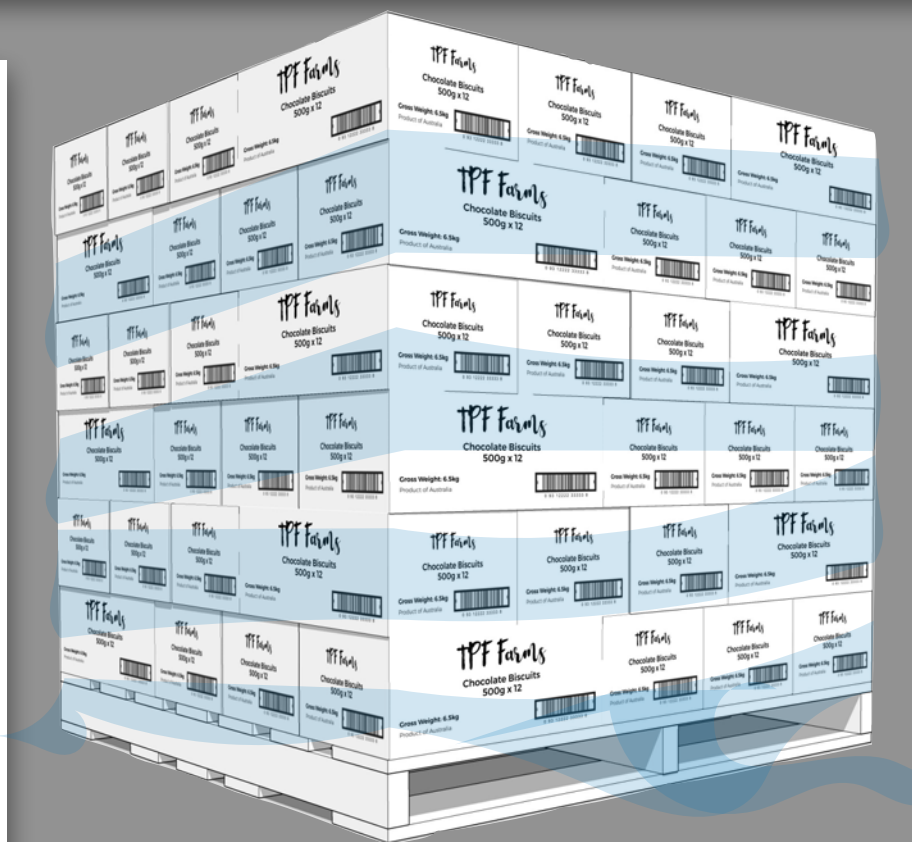
☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Stretch-wrap applied with sufficient tension, and passes, to adequately secure the product	MEDIUM-HIGH <small>LOW-MEDIUM</small>	STABLE <small>STABLE</small>	MEDIUM-HIGH <small>MEDIUM</small>
Stretch-wrap must be secured to the top 30-50% of the wooden pallet (and not more than 50%)	MEDIUM-HIGH <small>MEDIUM-HIGH</small>	STABLE <small>STABLE</small>	MEDIUM-HIGH <small>MEDIUM</small>
Stretch-wrap must have no loose, trailing ends or 'tails'	MEDIUM-HIGH <small>MEDIUM</small>	WORSENING <small>WORSENING</small>	HIGH <small>MEDIUM</small>
Opaque/black stretch-wrapping is not to be used	LOW <small>LOW</small>	IMPROVING <small>STABLE</small>	MEDIUM <small>LOW-MEDIUM</small>
Nylon or string wrapping is not to be used	LOW <small>LOW</small>	IMPROVING <small>STABLE</small>	MEDIUM <small>LOW</small>

❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Stretch-wrap applied with sufficient tension, and passes, to adequately secure the product	MEDIUM-HIGH <small>LOW-MEDIUM</small>	STABLE-WORSENING <small>STABLE</small>	MEDIUM-HIGH <small>LOW-MEDIUM</small>
Stretch-wrap must be secured to the top 30-50% of the wooden pallet (and not more than 50%)	MEDIUM-HIGH <small>MEDIUM-HIGH</small>	STABLE <small>STABLE</small>	MEDIUM-HIGH <small>MEDIUM</small>
Stretch-wrap must have no loose, trailing ends or 'tails'	MEDIUM-HIGH <small>MEDIUM</small>	STABLE-WORSENING <small>WORSENING</small>	MEDIUM-HIGH <small>MEDIUM</small>
Opaque/black stretch-wrapping is not to be used	LOW <small>LOW</small>	IMPROVING <small>STABLE</small>	LOW <small>LOW</small>
Nylon or string wrapping is not to be used	LOW <small>LOW</small>	IMPROVING <small>STABLE</small>	LOW <small>LOW-MEDIUM</small>



### Retailer Callouts:

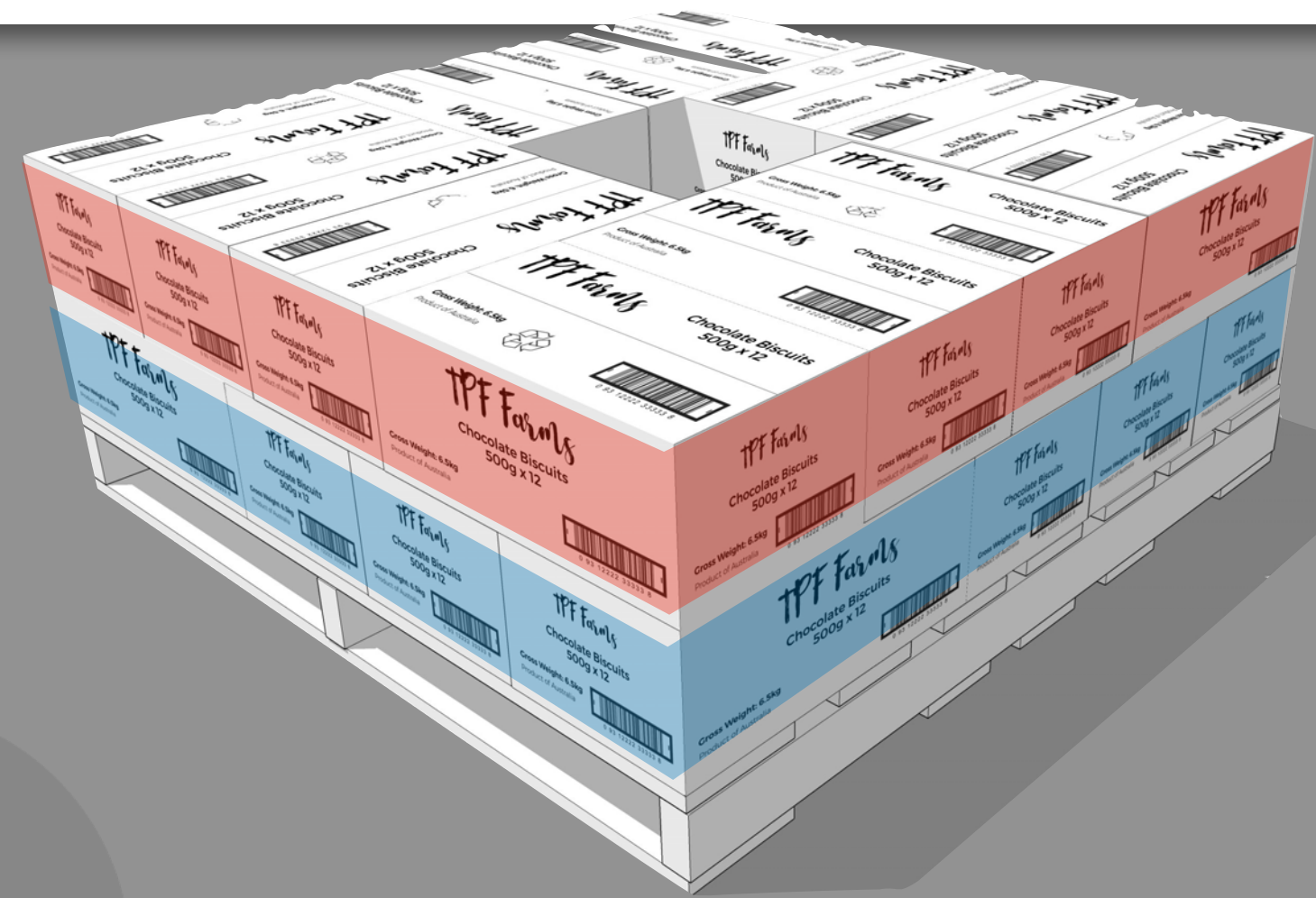
- As the automation of retailer DCs is significantly expanded, and automated pallet infeeds and pallet transport become more prevalent, the impacts of non-compliant pallet wrapping likewise becomes more salient.
- Retailers have all noted either medium-high to high impacts — and medium-high prevalence — of wrapping issues, with the majority of automated infeed rejections attributable to 'overhang' triggered by pallet profile sensors (often due to loose, unsecured wrapping).
- As noted in the Trade Unit section, issues with over-tension of pallet wrapping are also causing more damaged, leaking trade units.
- Additionally, issues of poor/insufficient wrapping pose a risk to safe handling, necessitating rewrapping of supplier pallets at retailer DCs.
- Positively, issues of non-standard wrapping methods (black/opaque wrap, string, netting etc) are infrequent and show an improving trend.



### Pallet Configuration / Ti-Hi

☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Pallet TI-HI delivered by supplier must be correct, matching Retailer PO	MEDIUM <small>LOW-MEDIUM</small>	STABLE-WORSENING <small>WORSENING</small>	MEDIUM-HIGH <small>MEDIUM-HIGH</small>

❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Pallet TI-HI delivered by supplier must be correct, matching Retailer PO	MEDIUM <small>LOW</small>	STABLE-WORSENING <small>STABLE</small>	MEDIUM-HIGH <small>MEDIUM-HIGH</small>



#### Retailer Callouts:

- ▶️ Retailers reported an overall deterioration in accuracy of Ti-Hi's throughout 2022: prevalence of this issue increased during the year, across both Ambient and Cold Chain networks, and trends were stable-to-worsening in both environments.
- ▶️ Retailers noted that consistent, accurate TIxHI information is critical for both safety and efficiency — particularly with respect to pallet putaway and retrieval (e.g., safe storage of pallets within designated storage location and pick slot). Prevalence has increased through 2023, and DC impact remains medium-to-high in both Ambient and Cold Chain DC environments.
- ▶️ TIxHI alignment has been identified as a focus area for education/awareness activity through 2023, to drive improvement.

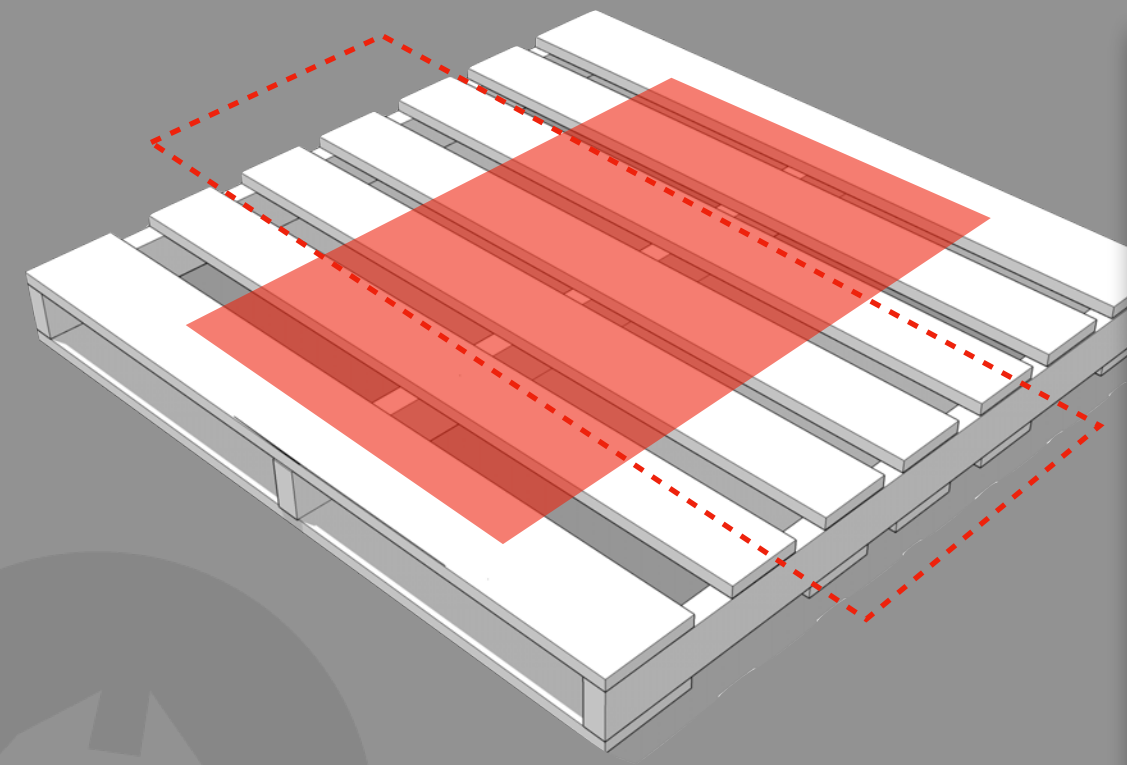
*Common Delivery Guidelines* reference: **Page 15 — LU/Pallet Configuration & TI x HI**



### Pallet Utilisation and Overhang

☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Product must not exceed perimeter of the pallet	MEDIUM	STABLE	MEDIUM-HIGH
Product should not underutilise the pallet dimension to the extent that stability is compromised	MEDIUM	STABLE	MEDIUM-HIGH

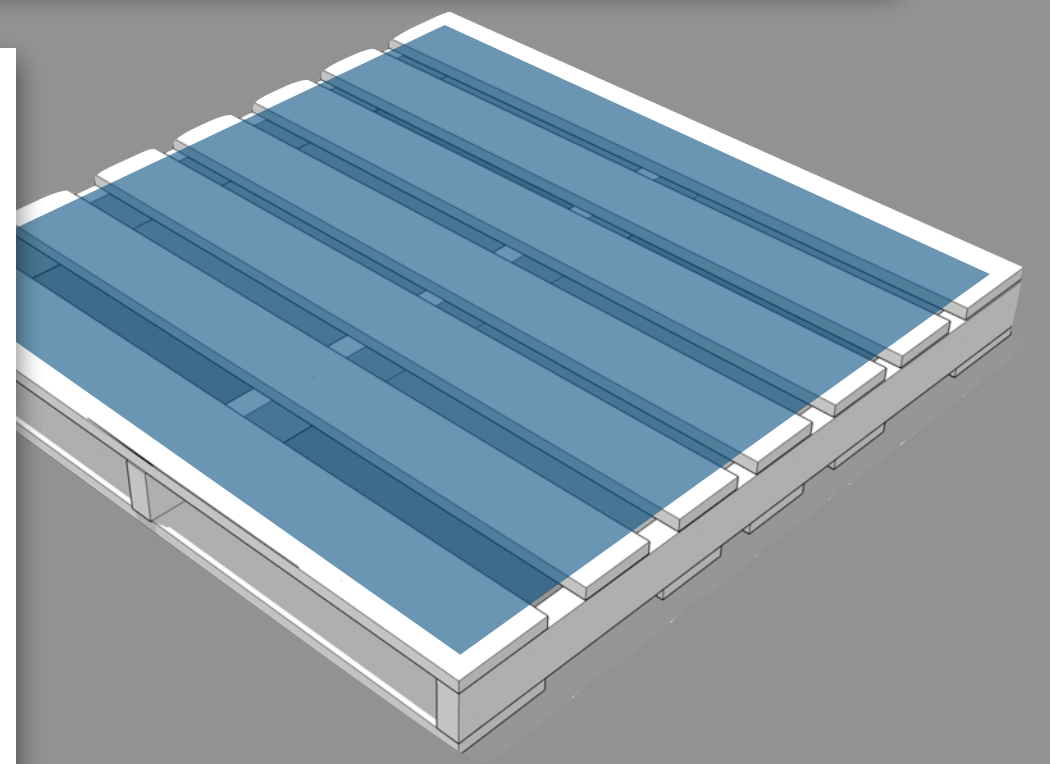
❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Product must not exceed perimeter of the pallet	LOW-MEDIUM	STABLE	MEDIUM
Product should not underutilise the pallet dimension to the extent that stability is compromised	LOW-MEDIUM	STABLE	MEDIUM



#### Retailer Callouts:

- ▶ Pallet utilisation — especially overhang — is becoming a more critical area of compliance checking for retailers in both automated and manual DCs. In automated DCs, a very significant percentage of pallet infeed rejections are caused by 'overhang', as identified by pallet profile scanners.
- ▶ In Ambient DCs, these issues were reported with medium prevalence and medium-to-high DC impact through 2022, an increase versus 2021.
- ▶ Suppliers should consider checking with retailers whether their product range is impacted by utilisation/overhang issues — e.g., reports of stock protruding outside of the pallet footprint, or shifting in transit, or products using pallet space inefficiently (requiring more pallets than necessary).
- ▶ Note that individual retailers have indicated an increasing focus on the avoidance of sub-optimal pallet configurations (e.g., pallet configurations that result in a hollow centre or 'chimney'), and are expected to further refine expectations in this area going forward.

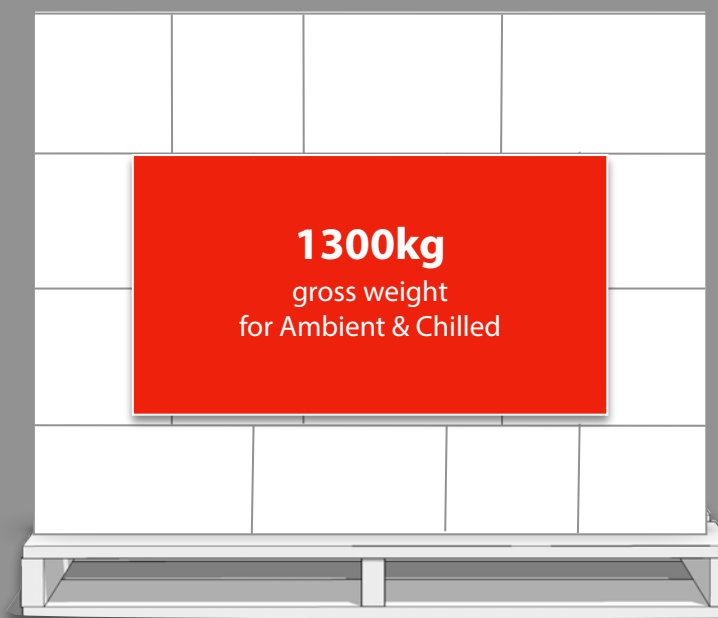
*Common Delivery Guidelines* reference: **Page 16 - LU/Pallet Utilisation & Overhang**



## Pallet Gross Weight

☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
AMBIENT DCs Gross weight of pallet is not to exceed 1300kg	LOW <small>LOW</small>	STABLE <small>STABLE</small>	MEDIUM <small>MEDIUM-HIGH</small>
CHILLED DCs Gross weight of pallet is not to exceed 1300kg	NA <small>NA</small>	NA <small>NA</small>	NA <small>NA</small>
FROZEN DCs AMBIENT DCs Gross weight of pallet is not to exceed 1000kg	NA <small>NA</small>	NA <small>NA</small>	NA <small>NA</small>

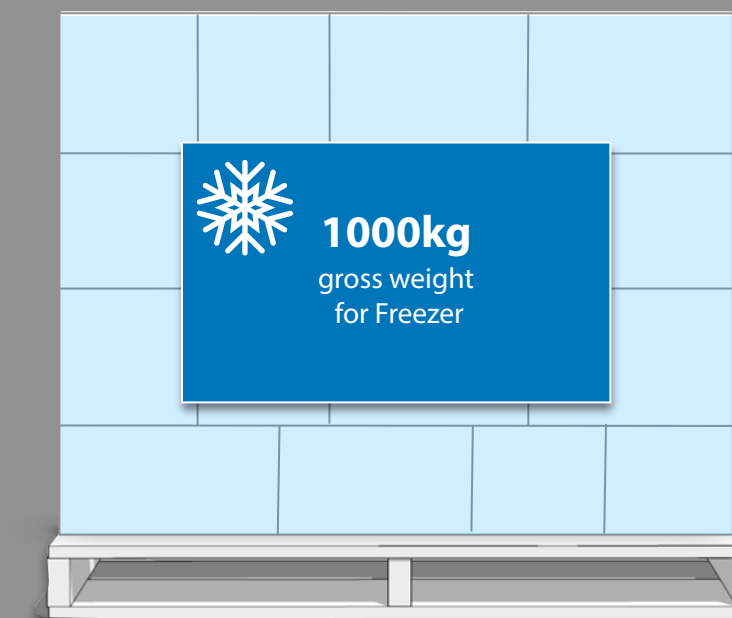
❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
AMBIENT DCs Gross weight of pallet is not to exceed 1300kg	NA <small>NA</small>	NA <small>NA</small>	NA <small>NA</small>
CHILLED DCs Gross weight of pallet is not to exceed 1300kg	LOW <small>LOW</small>	STABLE <small>STABLE</small>	LOW <small>MEDIUM</small>
FROZEN DCs AMBIENT DCs Gross weight of pallet is not to exceed 1000kg	LOW <small>LOW</small>	STABLE <small>STABLE</small>	LOW <small>MEDIUM</small>



### Retailer Callouts:

- ▶ As per the previous year, pallet weights generally of low prevalence and low impact through 2022.

*Common Delivery Guidelines* reference: **Page 15 - LU/Pallet Weight**





## Pallet Corner Posts and Slipsheets

☀️ AMBIENT DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Only cardboard corner posts are allowed - not plastic or metal	LOW <small>LOW</small>	IMPROVING <small>STABLE</small>	LOW <small>LOW</small>
All Slipsheets must: <ul style="list-style-type: none"> <li>Be made from solid cardboard for safety and ease of disposal.</li> <li>Be of at least the following grade/thickness:                             <ul style="list-style-type: none"> <li>1mm for solid cardboard</li> <li>2mm for corrugated cardboard</li> </ul> </li> <li>Be no larger than the pallet footprint (1165mm x 1165mm.)</li> <li>Not be made from any non cardboard materials (i.e. paper, plastic, masonite, wood etc.)</li> <li>Not be glued to cartons.</li> <li>Not be folded.</li> <li>Not be formed to have sides, either as a base, walls or tray.</li> <li>Not be used as a formed pallet lid.</li> <li>Not consist of more than one part per layer.</li> <li>Not have any holes.</li> <li>Not be secured to the pallet</li> </ul>	MEDIUM <small>N/A (NEW)</small>	STABLE <small>N/A (NEW)</small>	HIGH <small>N/A (NEW)</small>

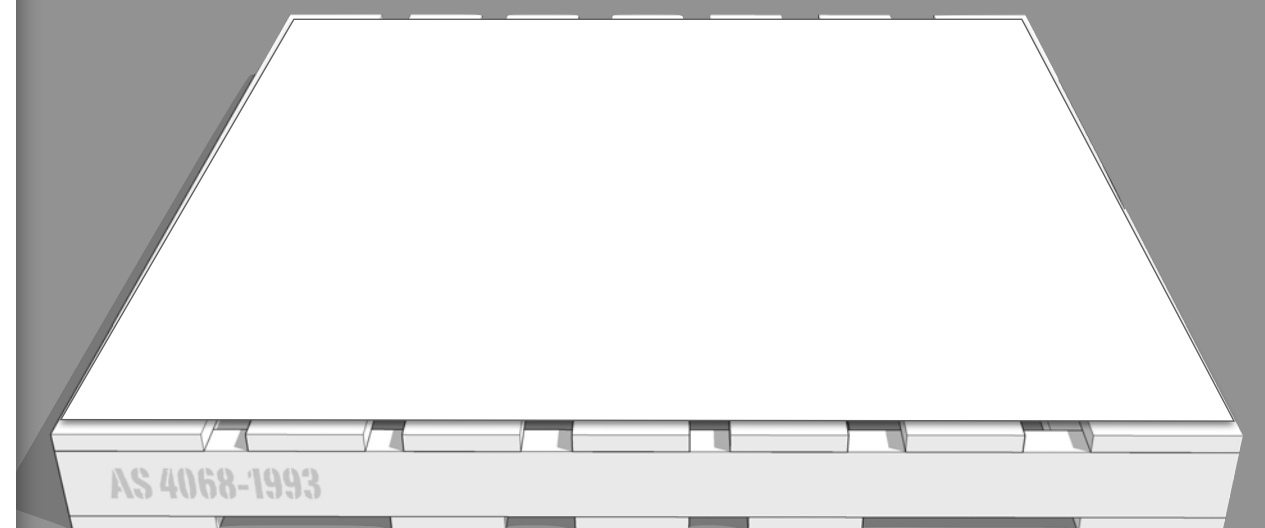
❄️ COLD CHAIN DCs			
Logistic Unit Requirements per Guidelines	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Only cardboard corner posts are allowed - not plastic or metal	LOW <small>LOW</small>	STABLE-IMPROVING <small>STABLE</small>	LOW <small>LOW</small>
All Slipsheets must: <ul style="list-style-type: none"> <li>Be made from solid cardboard for safety and ease of disposal.</li> <li>Be of at least the following grade/thickness:                             <ul style="list-style-type: none"> <li>1mm for solid cardboard</li> <li>2mm for corrugated cardboard</li> </ul> </li> <li>Be no larger than the pallet footprint (1165mm x 1165mm.)</li> <li>Not be made from any non cardboard materials (i.e. paper, plastic, masonite, wood etc.)</li> <li>Not be glued to cartons.</li> <li>Not be folded.</li> <li>Not be formed to have sides, either as a base, walls or tray.</li> <li>Not be used as a formed pallet lid.</li> <li>Not consist of more than one part per layer.</li> <li>Not have any holes.</li> <li>Not be secured to the pallet</li> </ul>	MEDIUM <small>N/A (NEW)</small>	STABLE <small>N/A (NEW)</small>	MEDIUM <small>N/A (NEW)</small>



### Retailer Callouts:

- ▶ Regarding Corner Posts, all retailers reported that this issue was of low prevalence and low impact through 2022, and that the compliance trend is generally improving relative to previous years.
- ▶ Regarding Slipsheets, newly-aligned requirements were only added to the *Common Delivery Guidelines for Industry* in October 2022 (version 1.4), and granular data has not yet been captured across the three retailers to support detailed reporting here. However, all retailers have reported that Slipsheet issues in general are both prevalent and impactful — particularly in automated DCs with auto-depalletising — and ranked the impact of this issue as #4 among LU/Pallet issues.

[Common Delivery Guidelines](#) reference: **Page 16 - LU/Pallet Corner Posts** and **Page 18 - LU/Pallet Slipsheets**



## Section 3: Advance Shipping Notices

### High Level Review:

Advance Shipping Notices — or ASNs — are an important part of all three retailers’ supply chain operations and provide valuable forward visibility of inbound orders. In a majority of cases, ASNs can also allow for Express Receipt of loads by the retailer (wherein a full load can be received by scanning just a single SSCC label associated with an ASN) improving vehicle turnaround times and reducing transport costs. These processes rely upon timely and accurate ASNs and accurate, compliant SSCC pallet labelling.

Several requirements for ASNs are included in the *Common Delivery Guidelines for Industry* document, with the retailers’ assessment of 2022 performance against the requirements captured in the adjacent table:

### Retailer Callouts:

- ▶ Retailers noted the issue of ASNs not being transmitted well in advance of vehicle arrival at their DCs, which has a high impact on operations where receipt relies on the ASN being in the retailer system prior. This has been identified as a worsening trend in 2022, particularly for Ambient DCs.
- ▶ Retailers also noted that accuracy of ASNs had not improved through 2022, and was still causing high impact at DCs.
- ▶ While both issues are likely impacted by increased volatility around transport availability (causing late changes to POs and ASNs, late despatch advice, etc) they represent a key opportunity to address with renewed focus in 2023.

[Common Delivery Guidelines](#) reference: **Page 19 — Common Requirements for Advance Shipping Notices (ASNs)**

### AMBIENT DCs

ASN requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Must meet minimum EANCOM2002 standard for ASN messaging alignment	LOW	STABLE	LOW-MEDIUM
Must have existing EDI capability (i.e PO/POA/Invoice) and be live on the retailer’s eTrade platform	LOW	STABLE	LOW-MEDIUM
ASN messaging implementation must be tested/ validated by retailer’s eTrade/ eCommerce team	LOW	STABLE	LOW-MEDIUM
ASNs must accurately reflect the products (GTIN/SKU, quantity etc) on the relevant PO	LOW	STABLE	HIGH
ASNs must accurately reflect details such as delivery location (GLN etc)	LOW	STABLE	MEDIUM
ASNs must be sent and received well in advance of vehicle arrival at retailer DC	MEDIUM-HIGH	WORSENING	HIGH
ASNs cannot be split across multiple vehicles: one ASN per vehicle only	MEDIUM	STABLE	HIGH

### COLD CHAIN DCs

ASN requirements per Guidelines	2022 Prevalence 2021	2022 Trend 2021	2022 DC Impacts 2021
Must meet minimum EANCOM2002 standard for ASN messaging alignment	LOW	STABLE	LOW-MEDIUM
Must have existing EDI capability (i.e PO/POA/Invoice) and be live on the retailer’s eTrade platform	LOW	STABLE	LOW-MEDIUM
ASN messaging implementation must be tested/ validated by retailer’s eTrade/ eCommerce team	LOW	STABLE	LOW-MEDIUM
ASNs must accurately reflect the products (GTIN/SKU, quantity etc) on the relevant PO	MEDIUM	STABLE-WORSENING	HIGH
ASNs must accurately reflect details such as delivery location (GLN etc)	LOW-MEDIUM	STABLE	MEDIUM
ASNs must be sent and received well in advance of vehicle arrival at retailer DC	MEDIUM	STABLE	MEDIUM
ASNs cannot be split across multiple vehicles: one ASN per vehicle only	LOW-MEDIUM	STABLE	HIGH



## Section 4: Data Quality & Alignment

### High Level Review:

As noted in prior analysis involving GS1 Australia, the Trading Partner Forum, and participating suppliers, considerable opportunity exists to improve alignment of supply chain product data between retailers and suppliers (and also between suppliers and the National Product Catalogue, and between retailer core systems and retailer DC systems).

The Perfect Delivery Survey reflects some of this misalignment (all retailers noted a medium-to-high impact of data misalignment affecting both their Ambient and Cold Chain DC networks, and a medium prevalence of these issues in Cold Chain DCs) though note a lower prevalence in Ambient DCs and a slightly improved trend among Cold Chain DCs.

### Retailer Callouts:

- ▶ Retailers continue to note medium-to-high impacts of data misalignment generally (specific issues follow in subsequent tables).
- ▶ Retailers and suppliers have requested expanded, retailer-agnostic and TPF-led education surrounding data quality issues and impacts, to drive awareness and improvement against the existing industry baseline.

☀️ AMBIENT DCs			
	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Supply Chain data is misaligned between Supplier and Retailer's core system (ERP, ordering system)	LOW <small>N/A (NEW)</small>	STABLE <small>N/A (NEW)</small>	MEDIUM <small>N/A (NEW)</small>
Supply Chain data is misaligned between Supplier and Retailer's DC WMS (Warehouse Management System)	LOW <small>N/A (NEW)</small>	STABLE <small>N/A (NEW)</small>	HIGH <small>N/A (NEW)</small>

❄️ COLD CHAIN DCs			
	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Supply Chain data is misaligned between Supplier and Retailer's core system (ERP, ordering system)	MEDIUM <small>N/A</small>	STABLE <small>N/A</small>	MEDIUM <small>N/A</small>
Supply Chain data is misaligned between Supplier and Retailer's DC WMS (Warehouse Management System)	MEDIUM <small>N/A</small>	STABLE-IMPROVING <small>N/A</small>	MEDIUM <small>N/A</small>

## Supply Chain Product Data Quality & Alignment — Detail

☀️ AMBIENT DCs			
...	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Misaligned or Incorrect Min/Max (Shelf-life)	MEDIUM	STABLE	MEDIUM-HIGH
Misaligned or Incorrect TlxHI	MEDIUM	STABLE	MEDIUM-HIGH
Misaligned or Incorrect Physical Dimensions (Height/Width/Depth)	MEDIUM	WORSENING	MEDIUM-HIGH
Misaligned or Incorrect Gross Weight	LOW	STABLE	MEDIUM
Other Supply Chain Data Misalignment	LOW	STABLE	MEDIUM

❄️ COLD CHAIN DCs			
...	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Misaligned or Incorrect Min/Max (Shelf-life)	LOW-MEDIUM	STABLE	MEDIUM
Misaligned or Incorrect TlxHI	MEDIUM	STABLE	HIGH
Misaligned or Incorrect Physical Dimensions (Height/Width/Depth)	LOW	STABLE	MEDIUM-HIGH
Misaligned or Incorrect Gross Weight	LOW	STABLE	MEDIUM
Other Supply Chain Data Misalignment	LOW-MEDIUM	STABLE	MEDIUM

### Retailer Callouts:

- ▶ Within the broader category of data quality, the specific issues encountered with greatest frequency by retailers centre around Min/Max (shelf-life), TlxHI, and Dimensions — with each also causing medium-high to high impacts at retailer DCs.
- ▶ Retailers have identified that errors/misalignment regarding product dimension data (in Ambient DCs) showed a worsening trend across 2022 — causing a deterioration in trust regarding stated dimensions and an established workflow that trade units are manually remeasured at all DCs, independent of the received dimension data.
- ▶ All retailers have recently nominated Min/Max misalignment and TlxHI misalignment as two priority focus areas for 2023, and the Trading Partner Forum will be working with retailers and suppliers to support development of education/best practice resources in these areas. Expanding this focus to the issue of Dimensions misalignment appears warranted, given the findings of this survey and report.



### Supply Chain Product Data Quality & Alignment — Overview

☀️ AMBIENT DCs			
	2022 Prevalence	2022 Trend	2022 DC Impacts
Supply Chain data is misaligned between Supplier and Retailer's core system (ERP, ordering system)	LOW	STABLE	MEDIUM
Supply Chain data is misaligned between Supplier and Retailer's DC WMS (Warehouse Management System)	LOW	STABLE	HIGH

❄️ COLD CHAIN DCs			
	2022 Prevalence	2022 Trend	2022 DC Impacts
Supply Chain data is misaligned between Supplier and Retailer's core system (ERP, ordering system)	MEDIUM	STABLE	MEDIUM
Supply Chain data is misaligned between Supplier and Retailer's DC WMS (Warehouse Management System)	MEDIUM	STABLE-IMPROVING	MEDIUM

### Supply Chain Product Data Quality & Alignment — Detail

☀️ AMBIENT DCs			
...	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Misaligned or Incorrect Min/Max (Shelf-life)	MEDIUM	STABLE	MEDIUM-HIGH
Misaligned or Incorrect TlxHI	MEDIUM	STABLE	MEDIUM-HIGH
Misaligned or Incorrect Physical Dimensions (Height/Width/Depth)	MEDIUM	WORSENING	MEDIUM-HIGH
Misaligned or Incorrect Gross Weight	LOW	STABLE	MEDIUM
Other Supply Chain Data Misalignment	LOW	STABLE	MEDIUM

❄️ COLD CHAIN DCs			
...	2022 Prevalence	2022 Trend	2022 DC Impacts
	2021	2021	2021
Misaligned or Incorrect Min/Max (Shelf-life)	LOW-MEDIUM	STABLE	MEDIUM
Misaligned or Incorrect TlxHI	MEDIUM	STABLE	HIGH
Misaligned or Incorrect Physical Dimensions (Height/Width/Depth)	LOW	STABLE	MEDIUM-HIGH
Misaligned or Incorrect Gross Weight	LOW	STABLE	MEDIUM
Other Supply Chain Data Misalignment	LOW-MEDIUM	STABLE	MEDIUM

## Section 5: On Time Delivery

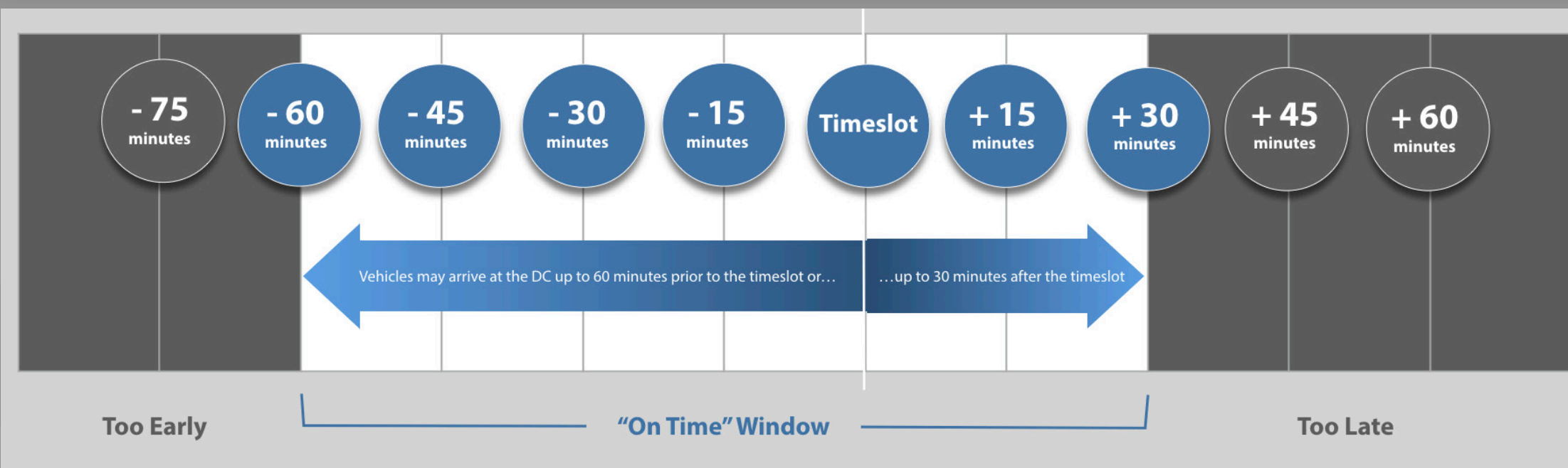
### High Level Review:

Across Coles, Metcash and Woolworths, suppliers are expected to deliver each order within its “On Time” window. This On Time period is universally defined as a 90 minute window around a scheduled timeslot: specifically, the On Time window begins 60 minutes prior to the scheduled timeslot, and ends 30 minutes after that timeslot.

Legacy supply chain impacts of the pandemic response (relating to shipping, resourcing, vehicle and driver availability, pallets, inventory levels) added significant challenges to meeting delivery timeslots through much of 2022. Although some suppliers have worked closely with retailers to try to mitigate these issues, the widespread impacts have been evident; all retailers noted that delivery on time performance was — and remains — well below expectations.

Retailers reported that the majority of timeslot misses are late rather than early, and noted also that communication is often not received regarding the delayed vehicle (leaving DC Receiving staff unable to reallocate resources and shuffle bookings). Retailers advised in their survey feedback that a focus on proactive supplier communication of late deliveries would assist retailers to better manage labour and subsequently improve vehicle turnaround times.

[Common Delivery Guidelines](#) reference: **Page 21 — Common Expectations for DIFOT/On Time Delivery**



AMBIENT DCs			
Timeslot window requirements	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Deliveries must not arrive at the DC <b>more than 60 minutes prior AND no more than 30 minutes</b> after their timeslot.	MEDIUM <small>N/A (NEW)</small>	STABLE <small>N/A (NEW)</small>	MEDIUM <small>N/A (NEW)</small>
Deliveries must not arrive at the DC <b>more than 60 minutes prior</b> to their timeslot.	MEDIUM <small>LOW-MEDIUM</small>	STABLE <small>STABLE</small>	MEDIUM-HIGH <small>MEDIUM-HIGH</small>
Deliveries must not arrive at the DC <b>more than 30 minutes after</b> their timeslot.	HIGH <small>MEDIUM</small>	STABLE <small>WORSENING</small>	MEDIUM-HIGH <small>HIGH</small>

COLD CHAIN DCs			
Timeslot window requirements	2022 Prevalence <small>2021</small>	2022 Trend <small>2021</small>	2022 DC Impacts <small>2021</small>
Deliveries must not arrive at the DC <b>more than 60 minutes prior AND no more than 30 minutes</b> after their timeslot.	MEDIUM <small>N/A (NEW)</small>	STABLE-WORSENING <small>N/A (NEW)</small>	MEDIUM <small>N/A (NEW)</small>
Deliveries must not arrive at the DC <b>more than 60 minutes prior</b> to their timeslot.	MEDIUM <small>LOW-MEDIUM</small>	STABLE-WORSENING <small>STABLE</small>	LOW-MEDIUM <small>MEDIUM-HIGH</small>
Deliveries must not arrive at the DC <b>more than 30 minutes after</b> their timeslot.	MEDIUM-HIGH <small>MEDIUM</small>	WORSENING <small>WORSENING</small>	HIGH <small>HIGH</small>



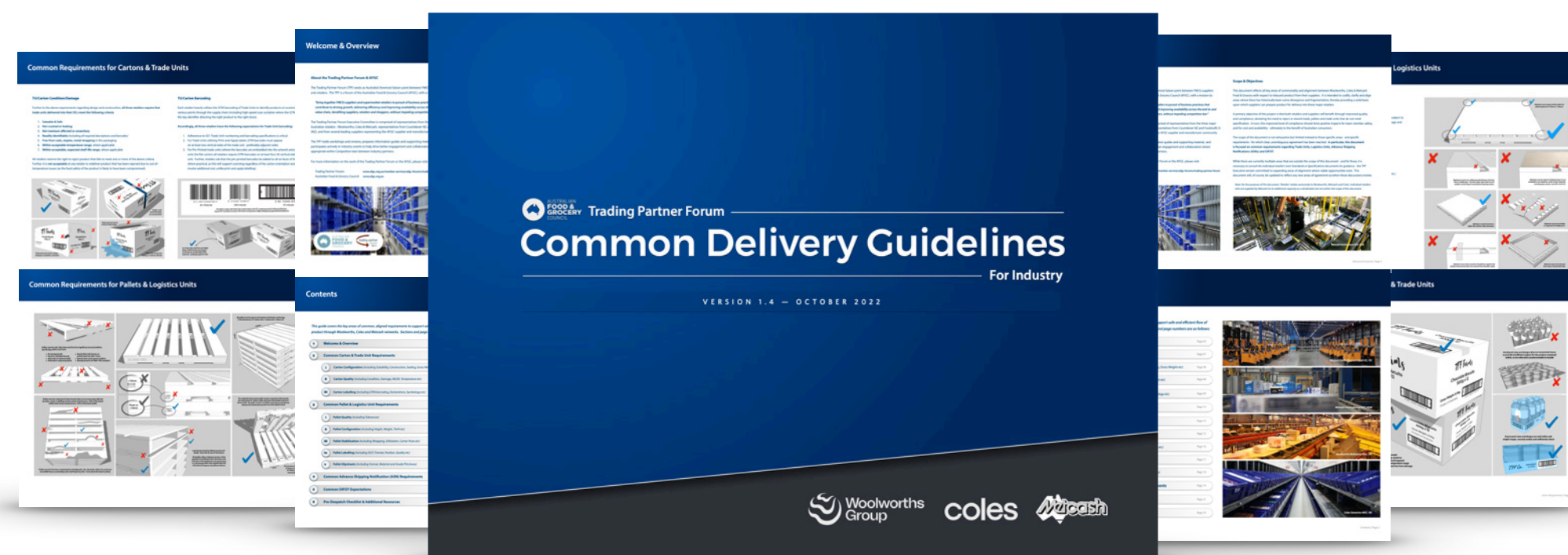
## Resources

### Common Delivery Guidelines for Industry

The *Common Delivery Guidelines for Industry* document has been produced by representatives of Woolworths, Coles, Metcash and the supplier community, with the goal of aligning non-competitive requirements for deliveries across the three retailers wherever practical, in an effort to reduce complexities and inefficiencies for suppliers, and in turn facilitate better quality, easy to receipt loads into retailer DCs for mutual benefit.

The *Guidelines* document reflects all key areas of commonality and alignment across the retailers with respect to inbound deliveries of product from their suppliers. It is intended to codify, clarify and align areas where there has historically been divergence and fragmentation, thereby providing a solid basis upon which suppliers can prepare product for delivery into these major retailers — mitigating the risk of rejection or the need to rework loads, pallets or trade units.

The *Guidelines* focus specifically on aligned delivery requirements regarding Trade Units, Logistics Units/Pallets, Advance Shipping Notifications (ASNs) and DOT windows. With easy-to-understand language and diagrams to support implementation, this is an invaluable tool for your supply chain.



### Common Despatch Toolkit

The Common Despatch Toolkit (soon to be expanded in 2023) comprises a suite of simple to use resources, including:

#### Pallet Despatch Checklist Posters:

The posters are intended to be displayed in despatching DC as a visual reference, highlighting issues that can easily be visually checked prior to despatch. They are quick reference and reinforcement tools to assist staff involved in production, pallet preparation, despatch and transport. They articulate core requirements associated with pallet quality, utilisation, wrapping, carton integrity, and SSCC labelling. Posters can be downloaded and printed in any size from A4 up to A0.

#### One Page Reference Guides:

The One Page Guides (OPGs) are intended as simple reference tools to help staff easily understand key requirements associated with pallet quality, utilisation and wrapping, carton integrity, SSCC labelling, multi-coded pallets and more. As with all resources on this page, these guides are free to download for internal distribution, poster printing and/or use in training sessions as needed. Additional OPGs are being developed through 2023, in partnership with all retailers.

#### Pre-Despatch Checklist Tool:

The tick-box pre-despatch checklist is an operational document which staff at supplier or 3PL DCs may use prior to despatching goods to a retailer DC. It offers simple reminders of the basic checks prior to despatch — useful to implement if problems have been occurring and the retailer and supplier wish to place extra emphasis on getting the basics right.

**Access the Guidelines and other resources at our TPF website (and look out for new materials coming in 2023):**

<https://www.afgc.org.au/industry-resources/trading-partner-forum-resources/the-perfect-delivery-program>

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