



GS1 Logistics Label Group

Minutes of the Logistics Label Group

TO: GS1 Transport & Logistics
FROM: Isabelle Chatagnier – GS1 France
SUBJECT: Meeting held on 25TH October 2006
DATE: 3 November 2006

ATTENDEES	REGRETS
Elin BOGER – LINJEGODS (SCHENKER)	Jean-François FUSCO – AEXDIS
Heide BUHL – GS1 GERMANY	Fabrizio GIACCHINO – PROCTER & GAMBLE
Isabelle CHATAGNIER – GS1 France	
Leen DANHIEUX – GS1 BELGIUM & LUX	
Henk DE WOLDE – FIRMENICH	
Benoît MEYER – SCHENKER SA	
Jean-Marc ORS – GEFECO	
Guy PEEREBOOM – GS1 GO	
Alain PREMOLI – GEODIS SOLUTION	
Thomas SCHULTE – DHL EXEL SUPPLY CHAIN	
Yuliya SHEVCHENKO – GS1 GO	
Eric SIEBERING – FM LOGISTIC	
Alain TARDY – GS1 France	
Pierre-Jean TAVERNE – STEF TFE	
Knut VALA – GS1 NORWAY	

The meeting convened at 10.15 is

Note: This summary focuses on the main subjects discussed and conclusions made at the meeting. It is not intended to be a complete record of the meeting or discussions that took place.

1. Introduction

Pierre Georget, CEO GS1 France, welcomed members to the meeting.

Pierre made a presentation on the structure of GS1 France's activities in different sectors and shared the findings of the survey on the use of GS1 standards, in particular, on the logistics units. This survey was performed by GS1 France in 2006, the complete presentation is enclosed.

2. Anti-trust & Logistics Forum

Yuliya Shevchenko, Project Manager, GS1 GO, reminded us of some points as:

- GS1 Anti-trust caution ;
- Structure of GS1 Logistics Forum and subgroups. A new initiative of GS1 in the Logistics sector.

GS1 Logistics Forum was created to address the topics of supply chain interoperability and visibility of operations.

The first meeting took place on January 23rd & 24th 2006, and the second on June 20th 2006.

This group is composed of different participants (GS1 members and supply chain participants).

The GS1 Logistics Forum created two working groups: the Logistics Business Model group, and the Logistics Label group.

Today, on October 25th, we hold the first meeting of the Logistics Label group.

The objective is to address topics related to GS1 Logistics Label with particular focus on the transportation subjects. It will address the routing information on the Logistics Label, initial labelling and relabelling, benefits of use of the SSCC in transportation and carrier operations.

The group will work on the practical aspects of use of the SSCC in transport and warehousing operations and will build on the harmonisation of the European logistics label (HELL) initiative.

The GS1 Logistics Business Model Group is working on the development of generic business model for transportation and warehousing from Master Data alignment until financial settlement to address operational interoperability of participants of the supply chain. The kick off event took place in Amsterdam on October 26th 2006.

NB: all information and guidelines remain at your disposal on the web site:

www.gs1.org/sectors/transportlogistics.

3. Agenda approval

- Overview of HELL initiative (Leen Danhieux – GS1 Belgium) ;
- Examples from GS1 on the current use of Logistics Label (Heide Buhl – Senior Project Manager – GS1 Germany) ;
- Routing information on the GS1 Logistics Label – Basis for discussion (Knut Vala – Technical Manager – GS1 Norway) ;
- Initial Labelling and Relabelling (Isabelle Chatagnier – Project Manager – GS1 France) ;
- Scope and Objectives for the group (Jean-Marc Ors – GEFECO - & Isabelle Chatagnier) ;
- Scope and Objectives for the Logistics Label group (Round Table discussion) ;

- Communication (Guy Peereboom – GS1 GO)
- Action Points and Next Steps.

The agenda for the meeting was approved.

4. Overview of the Harmonisation of European Logistics Label (HELL).

Leen Danhieux made a brief description of the HELL project. She explained its background, time frame and who are the participants. The first traceability workshop took place in 2004.

The HELL project was initiated in February 2005 (national guideline) and run till October 2006. The deliverables of the HELL are: 1. Guidelines; 2. Educational Software; 3. Migration Plan; 4. Follow up/Continuation.

The main focus is the guidelines, which contain the following:

- the general rules for label generation in compliance with the GS1 specifications ;
- the definitions of pallet types ;
- the identification of logistics units ;
- the data elements on label ;
- the technical requirements for label formats (better format to use), and additional information (additional label on the SSCC for additional data) ;

Leen also shared that GS1 Austria initiated the project on the Educational Software. It is a web based tool to help companies to create the Logistics Label based on the specific criteria for the data on label. Currently this is the draft project, and once it is approved, the tool is intended to be registered on the GS1 MO's web sites. The potential date for approval is November 7th 2006.

The Migration Plan will encompass that all MOs eliminate divergences between the national and the European guidelines and arrive at one harmonised guidelines. The harmonised guidelines will be made available on each GS1 MOs web site.

The users will get more familiar with the new guidelines. That is to say, each user can use a checklist for their labels (guidelines), and proceed to different operations such as checking the compliance of their labels with the standard, the quality of the traceability, the request of their partners...

The RAF (Rapid Action Force) guarantees a follow-up, the continuation of the project, and offers good opportunities to maintain the network cooperation.

5. General remarks on the GS1 Logistics Label

Heide presented an overview of the situation in Germany. As the specifications GS1 standards are comprehensive to accommodate different possibilities, they are also complex.

Therefore the national GS1 organisations have developed their national recommendations.

She took the example of a typical logistics label containing three sections:

- 1st section: free format information,
- 2nd section: text information and human readable interpretation of the bar codes symbols (SSCC code, GTIN code, a notification "Best before" and a Lot number),
- 3rd section: bar codes symbols.

The SSCC is **the** mandatory field for all GS1 Logistics Labels.

Each logistic unit has its own identification number, which is represented by an AI (00).

Generally, it is sufficient for all logistics applications.

The efficiency of the SSCC is its combination with EDI. SSCC and EDI support the routing process. However not all the partners are ready to use EDI, or can not use EDI due to their structure. In this case, the scanning of the SSCC without EDI is not fast enough, or fails. As the conclusion, Heide outlined, that the use of the SSCC on the GS1 Logistics Label with EDI

to support all logistics applications should be the ultimate goal. But for today, as full EDI integration is not yet the state of the art, we need to define the common solution for routing requirements to overcome the current technical gap.

6. Routing information on the GS1 Logistics Label

Knut shared the Norwegian experience on the use of the GS1 identification system and talked about the need of routing information on the label, and the HELL label.

In 1989, transporters in Norway had still their own label systems. The need was identified to move to use of one common label system.

Knut described a standard logistics label used in Norway with mandatory information. GS1 Norway recommends a minimum information on the GS1 logistic label with the consignor (supplier) and consignee (warehouse) addresses in clear and the SSCC code and the bar code symbol. Routing and carrier information are optional. Transport instructions are sent via EDI. Nevertheless, the optional information (routing and carrier) are very useful for the traceability and make things more practical. Same case regarding transport optional information, such as the total number of transport units in consignment, gross-weight, stacking weight, temperature, are very useful for trucks' loading operations.

In some cases, Knut showed that partners create a new label including transport information and a new SSCC on the transport unit without destroying the initial label. Then, the transport unit has two labels with two SSCCs. This practice doesn't follow rules of GS1 standards and this creates a real problem to ensure a proper traceability in the supply chain.

After, Knut shared a real case from Norway of Varner, huge retailer company in Scandinavia in the area of clothes. This company uses the GS1 system since a long time. All the product codes are identified (by GTINs) in China and are sent (with SSCC code for transport) in big containers shipped by boat to Europe and dispatched between about 1000 stores identified by GLN. The communication is done by EDI and EANCOM.

Both companies and carriers benefit from use of the GS1 standards. Benefits for the company are efficiency and speed, also company can sue the same identification: SSCC and GS1 Logistics label with all carriers. For carriers it creates also possibility to compete with other transporters and to win new businesses.

7. Initial labelling & Relabelling

Isabelle drew the plan of the partners in the supply chain. Because the flow of goods is more or less complex, it is recommended to use the SSCC code combined with the electronic communication EDI.

The transporter or carrier and the logistic service provider must be included also as the partners to achieve the traceability across the supply chain.

It is necessary to define the rules for the transport information including data in free text and in bar coded format on the logistic label. The basis should be the GS1 General Specifications and the Harmonisation of European Logistics Label work.

Isabelle drew attention to the important issues:

- One label versus numerous labels. The Transport information can be known at the label creation or later. So, sometimes it is possible to put transport information in the same label and in the same section (supplier section); sometimes each label section (supplier section and carrier section) can be applied at different point of time, as the relevant information becomes known.
- Parcels delivery via platforms/hubs with consolidation (groupage) of goods. In some

cases, transport units are consolidated (groupage) at the platform/hub to optimise loading of the trucks and ensure efficient delivery of goods. In this case, carrier creates a new label with a new SSCC on a new transport unit. The new SSCC is never known by a supplier and a customer. Then, this transport unit goes to another platform and is deconsolidated in order to be delivered to the final point of delivery /to consignee. The transport processes in the operations of the parcels delivery must taken into account.

The objectives are:

- To avoid numerous labels on the logistic unit from different carriers ;
- To avoid duplicate information in different labels ;
- To facilitate the routing ;
- To have a common and precise rules to put data;
- To ensure traceability of the logistic unit.

Commonly agreed and well defined rules will allow to meet the above objectives and will foster better integration of data from data capture and will improve communication between the suppliers, receivers, LSPs and carriers.

8. Scope & Objectives - Proposal

Isabelle and Jean Marc presented proposal for the scope and objectives for the group.

The overall scope is the GS1 Logistic Label with particular focus on the FMCG sector and on the transport information. It is necessary to create a strong link between all the partners in the supply chain and to address the most frequent scenarios such as cross docking and parcels delivery.

The strategic objectives are:

- Use a common logistic label for the road traffic and reduce costs in the supply chain ;
- Ensure a systematic tracking and reduce delivery time ;
- Harmonize and simplify procedures with carriers ;
- Increase the international exchange between shippers, carriers, consignee and logistic service providers.

The objectives of Logistics Label group are as following:

- Work with key partners to develop and optimise the use of global standards ;
- Promote Best Practice implementation with carriers ;
- Promote the use of SSCC with carriers ;
- Develop the Best Practice guidelines (transport label and EDI message).

The timeline for the Logistics Label workgroup is two years. The project will define a project charter, a project plan, and define a meeting schedule.

9. Round table discussion

The main points expressed by participants were:

- The need to have one and only one agreed and harmonised guideline for all elements of the Logistics label
- Focus on transport information, in particular, routing information of the Logistics label
- Focus on transport/carrier label
- To minimise the relabelling, and multiple labels usage
- To define the rules for using SSCC with carriers
- Address /review/ EDI messages between logistic service providers and carriers. For efficiency, SSCC should be used in conjunction with the EDI data transmission.
- The need to have standard, common and minimum transport information for intermediaries/carriers, who do not yet use EDI.

- To precise in the future guideline, how do the users to send transport information (already contained in the label) by EDI with EANCOM and XML messages.
- The need to address other modes of transport, such as Air, Ocean/Maritime and the linking part of identification and communication for the flow of goods when they move from one mode of transport to another (e.g. combination of maritime and road transport).
- Role of customs and customs operations at the cross-border point in the international transportation
- To agree on content of required information on logistics label to avoid error by multiple labelling

10. Communication Objectives

Guy Peereboom addressed the need to have a communication on the Logistics Label group. He highlighted that for an efficient communication, we have to take into account the following:

- Provide background to creation of the group
- To define well the objectives for the group: both short- and long term. The objectives should be SMART and limited to maximum 3 objectives.
- To define the target audience: what companies and whom in the companies we need to address.
- To define message that we need to communicate and what are the potential results.
- To define the communication channels (newspaper, web site, ...)
- What is the timeframe and sequence

Guy shared with the participants the proposed communication to work first on the European harmonization of the Logistics label used in multimode transport taking into account the requirements of the rest of the world. Participants were asked to provide their feedback as the follow up.

11. Action points and next steps

• **Next meetings:**

- November 20th : Conference-call from 11h00 to 12h00.
 - Validation of the minutes
 - Validation of the project plan & meeting schedule
 - Discussion about transport information in the logistic label based on a proposal document
- December 11st & 12nd: GS1 Logistics Forum meeting in Bonn, Germany.
 - 2 days session :
 - 1st day : Logistics Forum
 - 2nd day : Working groups- Logistics Label Meeting and LL session