



Guidelines for Suppliers

Labelling of logistics transport units

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1. Introduction

It is an objective of the HOFER Group to ensure the transparency of physical load carriers and to receive notification of them within the scope of the electronic supplier notification (ASN). For this reason, we recommend that suppliers affix transport labels and include the applicable SSCC1 information when submitting an ASN. The technical details and options for submitting the electronic supplier notification to HOFER are described in separate documents.

The creation of pallet labels by the supplier is subject to the GS1 Standard according to the Logistics Label Guideline², version dated September 2019. This HOFER documentation is based on the standards defined by GS1 and also includes chapters with additional, more detailed specifications for the logistics processes applied by the HOFER Group S/E. Pallet labels which are generated by the suppliers within the future Manhattan SE/AS Portal are already subject to the GS1 Logistics Label Guideline and the internal guidelines issued by HOFER KG.

The current version of the “**GS1 Logistics Label Guideline**” can be accessed here:

https://www.gs1.org/docs/tl/GS1_Logistic_Label_Guideline.pdf.

This GS1 document is the basis for all supplier specifications and is also supplemented by HOFER-specific guidelines within this document.

Scope of validity

iLPN labels are only to be created by the supplier if the ASN is transmitted via EDI, or the approval for the transmission of an Item Level ASN in the Manhattan SE / AS Portal has been granted by HOFER KG. If the Manhattan SE/AS Portal is used to transmit an LPN level ASN, the label from the Manhattan SE/AS Portal must be attached to the pallets. For deliveries via HUB constructions such as FOB, the logistics service provider takes on the affixing of the pallet labels and the ASN transmission according to the communicated specifications.

The iLPN labels are required for those warehouses that have gone through the associated software transition. The following scope of validity has been defined:

- Rietz region, Hofer Straße 1, 6421 Rietz
 - All deliveries from **21 September 2020**

Further dates regarding the system transition of the remaining Austrian warehouses and companies of the HOFER Group S/E will be added once they are known and communicated to the business partners with sufficient lead time.

The gradual procedure for the update means that during a transition period, the notifications must be created for individual warehouses but not yet for distribution centres that will be migrated at a later stage. Once the transition of the entire HOFER Group S/E has been completed, the notifications will be mandatory for all. If requested by the supplier, an iLPN can also be created and attached for warehouses that have not yet been transitioned to the new systems.

¹ Serial Shipping Container Code

² https://www.gs1.org/docs/tl/GS1_Logistic_Label_Guideline.pdf

2. General specifications for labelling

- The labelling is verified by each business partner responsible for putting the transport unit into circulation. *[GS1 Logistics Label Guideline - Chapter 3.2]* This chapter applies to the supplier and also to the associated logistics provider (palletisation).
- Each load carrier must be marked with its own label. Düsseldorf pallets, which are grouped together on one Euro pallet, must each be provided with a separate label and accordingly announced in the ASN.
- Essentially, the label information needs to be easily identifiable and the data legible/barcode scannable. Pallet labels are to be attached on top of the wrapping film to ensure legibility. Crumpling of the label - especially the barcode - must be avoided.
- If partial pallets are stacked, a separate label must be attached for each article or for each intermediate pallet. Mixed pallets are not permitted. Partial pallets are also to be transmitted in the ASN with the correct quantity per iLPN.
- Every label must contain clear pallet identification in the form of an SSCC. *[GS1 Logistics Label Guideline - Chapter 6.4]* Details on the SSCC are described later in the document.
- As described in *[GS1 Logistics Label Guideline - Chapter 7]* regarding the specifications of the GS1 Standard, the full label is expected to be in at least DIN A5 format (148mm x 210 mm) to ensure that all necessary information is presented in a sufficient size. If a label is generated in DIN A6 format, the SSCC barcode must be displayed with the greatest possible width.
- To ensure optimum contrast and help simplify production processes, the labels are to be printed in black text on a white or yellow background.
- At least two identical transport labels need to be affixed to each pallet — one on the narrow side and one on the broadside to the right. Furthermore, the label is to be placed as high as possible but at least at a height of 400-800mm from the base. Should this height not be achievable due to the pallet being too low, it must be placed as high as possible. *[GS1 Logistics Label Guideline - Chapter 8.1]*
- The label also needs to be positioned so that the printed barcode is displayed horizontally on the stacked pallets. *[GS1 Logistics Label Guideline - Chapter 6.3]*
- For deliveries to the HOFER distribution centres, it must be ensured that the date is displayed in the preferred format of the destination country (Austria = DD.MMM.YYY). Should this not be possible for the supplier, the date may also be displayed in a deviating format according to the format specified in the title. *[GS1 Logistics Label Guideline - Chapter 6.2.1]*
- The information on the label (BBD, etc.) must be displayed in German but can also be specified additionally in English. *[GS1 Logistics Label Guideline - Chapter 6.2.1]*

3. Information on the labels

Generally, information on the labels may vary according to the merchandise being transported and the types of business transactions.

3.1 Overview of data

As a minimum, the following details are expected to be displayed on pallet labels:

- 1) Supplier / sender
- 2) Pallet identification (NVE/SSCC)
- 3) Order GTIN of the items contained (CONTENT / INHALT (EAN/GTIN))
- 4) Quantity (QUANTITY / MENGE)
- 5) Shelf life (BEST BEFORE / MHD) - if applicable
- 6) Batch number (BATCH / CHARGE) - if applicable
- 7) Pallet identification as a barcode (NVE/SSCC)

The following information is not compulsory but does help to support logistics processes and it therefore recommended to be provided on the label:

- 8) Recipient
- 9) HOFER order number
- 10) Delivery date
- 11) Item name and description
- 12) Weight
- 13) No. of pallets and numbering of current pallets (e.g. pallets 1-10)
- 14) Order GTIN of the item as a barcode

3.2 Specifications

Ad 1) Supplier

The supplier details enable transparency concerning the exact origin of the merchandise and is expected to be entered in the free text box on the label. *[GS1 Logistics Label Guideline - Chapter 5.3]*

Ad 5) Shelf life

In the case that the merchandise contained in a transport unit displays different dates, the earliest date needs to be specified. *[GS1 Logistics Label Guideline - Chapter 4.6]*

Presentation in the form of a barcode is not required separately.

Ad 6) Batch number

In the case that the merchandise contained in one transport unit displays different batch numbers, it is not necessary to specify this information. *[GS1 Logistics Label Guideline - Chapter 4.7]*

If statutory regulations have been defined for tracing batches of the items contained in the country of the receiving HOFER distribution centre, it needs to be ensured that pallets are stacked according to batch and all labelling details are correct.

Presentation in the form of a barcode is not required separately.

Ad 7) Pallet barcode (SCC)

The pallet barcode provides the decisive information for receiving and storing the merchandise. The related specifications are provided in chapter 4.

Ad 8) Recipient

The recipient can be defined as the relevant HOFER distribution centre. The Global Location Number (GLN) can also be provided but is not compulsory. *[GS1 Logistics Label Guideline - Chapter 5.2]*

In the case of cross-docking of pallets, the final destination of the merchandise (e.g. store number) also needs to be specified. *[GS1 Logistics Label Guideline - Chapter 5.5]* This means that the supplier putting the merchandise into circulation, the transshipment platform, and the final recipient are all displayed accordingly.

Ad 9) HOFER order number

In order to speed up the acceptance of merchandise in the warehouses, the HOFER order number should be specified in the free text box on the label. *[GS1 Logistics Label Guideline - Chapter 5.8]*

Ad 12) Weight

It is recommended to specify the exact weight and weight unit (kilogram) in the free text box. *[GS1 Logistics Label Guideline - Chapter 5.9]*

4. Exact specifications for barcodes

- All data — as contained in a barcode — must also be specified below the relevant symbol in legible form. The data should be legibly printed at a minimum height of 3 millimetres. *[GS1 Logistics Label Guideline - Chapter 6.3]*
- As per the GS1-128 Standard, all information in the barcode is to be prefaced using an Application Identifier (AI). These 2-digit numerical prefixes identify the meaning and format of the subsequent information and are essential for further processing. *[GS1 Logistics Label Guideline - Chapter 6.3]*

4.1 Serial Shipping Container Code (SSCC)

- HOFER KG defines that the pallet barcode must be displayed in the form of the GS1 Standard SSCC (*Serial Shipping Container Code*). *[GS1 Logistics Label Guideline - Chapter 3.1]*
- For coding, the one-dimensional GS1-128 (Subset C) format with a minimum width of 105mm is defined.
- The SSCC needs to be displayed on the label as a separate barcode. A combination of the SSCC with other information in the form of a joint barcode, as described in *[GS1 Logistics Label Guideline - Chapter 6.3]*, should be avoided.
- In the case of multiple barcodes on one label, the SSCC must appear in the bottom barcode. *[GS1 Logistics Label Guideline - Chapter 6.3]*

4.2 Layout

- The recommended height for the barcode of min. 32mm applies to all barcode symbols appearing on the label, in particular the SSCC.
- The X module defines the width of the most narrow element within a barcode symbol. The X module recommended for the GS1-128 standard is 0.495mm. *[GS1 Logistics Label Guideline - Chapter 6.3]*
- Barcodes need to contain light coloured boxes (quiet zones) on all sides, which must correspond with the minimum X module width of 10X. *[GS1 Logistics Label Guideline - Chapter 6.3]*

6. Approval of pallet labels

The supplier is obliged to obtain prior approval of pallet labelling by HOFER KG. Every layout generated by the supplier is initially checked and approved by HOFER KG, and all changes to the layout must also be communicated to and approved by HOFER KG. The supplier then receives an approval number which is only valid for that particular supplier and label, and which enables the supplier to use the pallet labelling for the delivery to the intended HOFER KG region. In the case of changes to the label, it is necessary to resubmit the layout to HOFER for renewed checking and approval.

The approval of pallet labels is issued via the HOFER KG group mailbox for our business partners: businesspartner@hofer.at

7. Final information

The current guidelines pursue the objective of achieving a joint step towards a transparent supply chain as well as the availability of logistics information for the optimum benefit of all business partners.

These specifications will apply equally for all business partners and all deliveries within Austria as of **15 February 2020** with reference to the scope of validity stated in section 1. We reserve the right to publish amended specifications with adequate lead time and to provide information on updated guidelines at any time. The validity in other countries of the HOFER Group S/E will be communicated separately.

If our employees have to prepare the pallet label due to the failure of the supplier or logistics service provider to supply a useable label, the additional efforts will be charged for every transport unit. The billing of additional effort will become effective for all deliveries as of **21 September 2020**. From this point, we reserve the right to refuse unlabeled or incorrectly labeled pallets or to charge the additional expenses.

Contact person: businesspartner@hofer.at