

Pallet Quality

was the most significant Logistics Unit issue in both prevalence and impact

(Ranked #1 Logistics Unit issue — across Ambient AND Cold Chain DCs — reflecting second order impacts of widespread pallet availability issues affecting the industry)

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	Stable (S)	1	Stable (S)
Wrapping issues	2	Down (D)	2	Up (U)
Labelling issues	3	Down (D)	5	Stable (S)
Utilisation/Overhang issues	4	Down (D)	3	Down (D)

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 (U)	1	Stable (S)
Wrapping issues	2	Down (D)	3	Up (U)
Labelling issues	3	Down (D)	2	Up (U)
Height issues	4	Down (D)	4	Up (U)
Configuration/TI-HI issues	5	Down (D)	5	Down (D)
Weight issues	6	Down (D)	7	Stable (S)
Utilisation/Overhang issues	7	Down (D)	6	Down (D)

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 (U)	1	Stable (S)
Suitability issues (design, construction, sealing etc)	2	Down (D)	2	Stable (S)

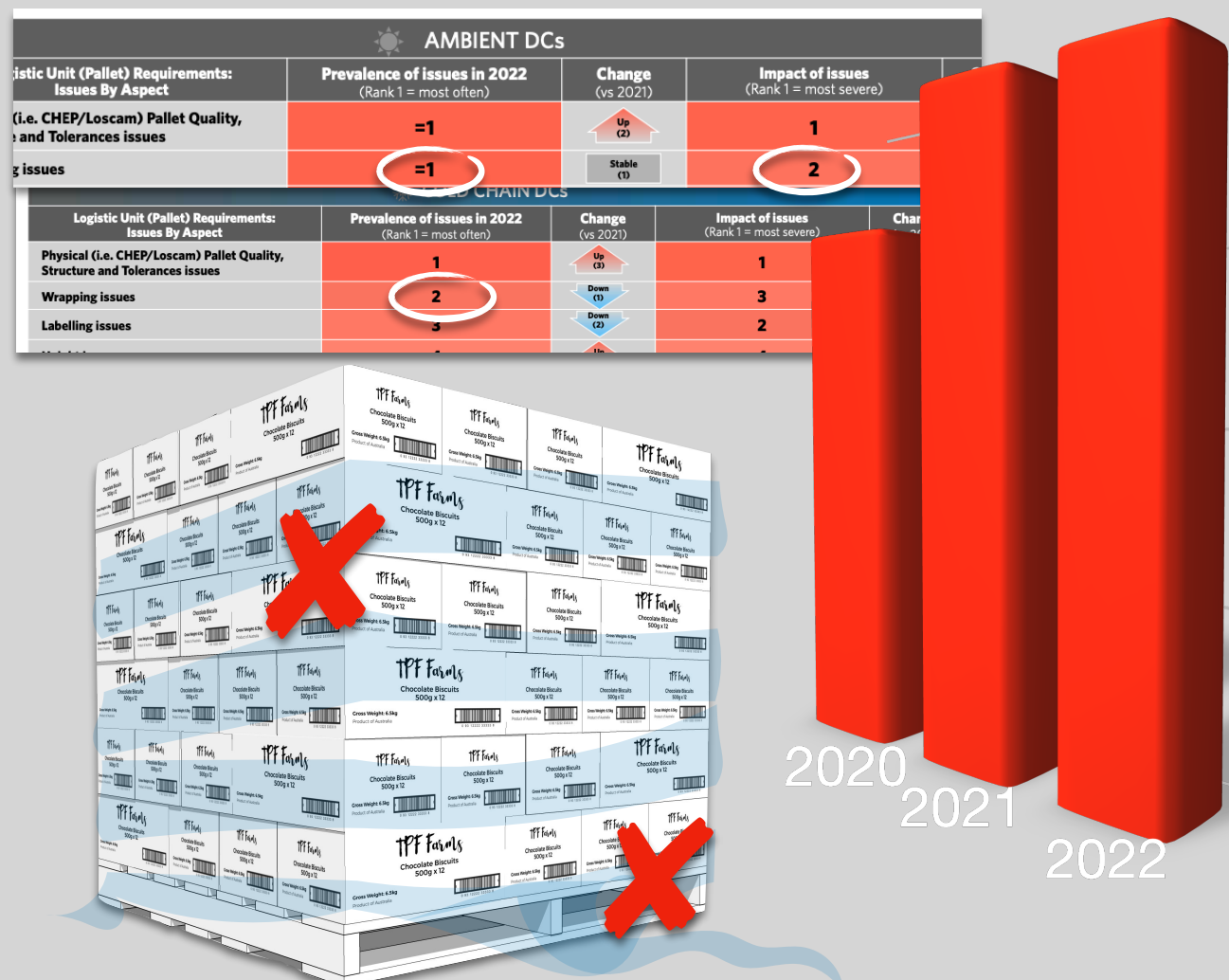
COLD CHAIN DCs				
Trade Unit Requirements: Issues By Aspect	Prevalence of issues in 2022 (Rank 1 = most often)	Change (vs 2021)	Impact of issues in 2022 (Rank 1 = most severe)	Change (vs 2021)
Condition/Damage	1	Stable (S)	1	Up (U)
Suitability issues (design, construction, sealing etc)	2	Up (U)	2	Down (D)



Carton Suitability & Condition/Damage

issues had the highest prevalence and impact of all Trade Unit issues

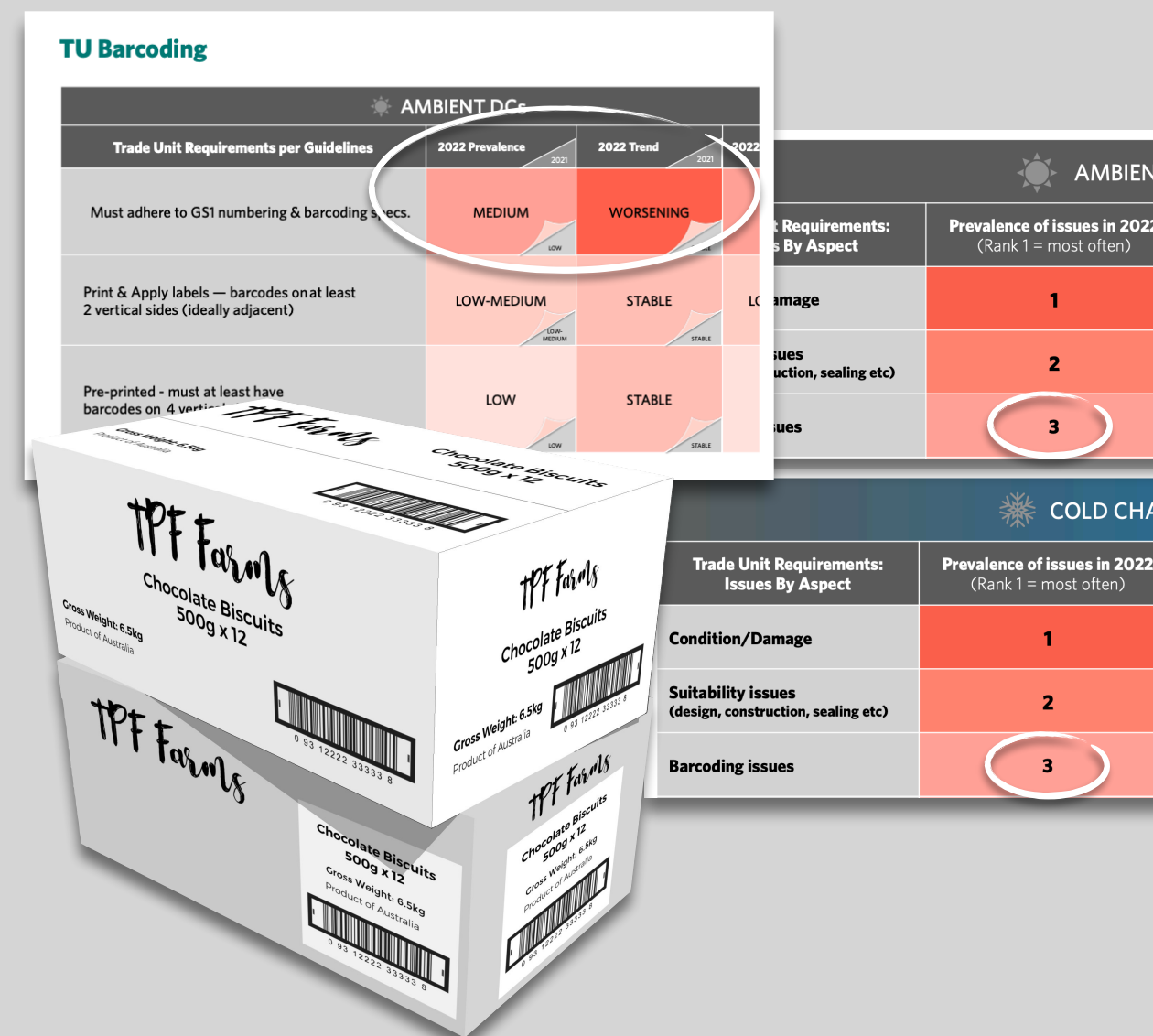
(#1 and #2 Trade Unit issues across both Ambient & Cold Chain DCs - with a "Stable/Worsening" trend)



Pallet Wrapping

issues caused "Medium/High" impact, with a "Stable/Worsening" trend

(Equal #1 Logistics Unit issue across Ambient & Cold Chain DCs, especially regarding loose wrap/tails/dags impacting automation)



Carton Barcoding Issues

remain the #3 issue among Trade Unit issues, with a "Stable/Worsening" trend

(Equally impacting both Ambient & Cold Chain DCs)

Industry Snapshot: Inbound Compliance

As identified in the TPF's most recent Perfect Delivery Survey of Retailers...

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	

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	

Data Misalignment Issues continued to have a "High" impact on Ambient DC operations for all retailers

(The disconnect in supply chain product data between Supplier and Retailer Warehouse Management Systems — highlighted in earlier reporting by the AFGC & GS1 Australia — continued to impact costs, efficiency and safety through 2022)

Pallet Labelling Issues

did not improve through 2022, with Retailers all noting significant concerns with labelling compliance

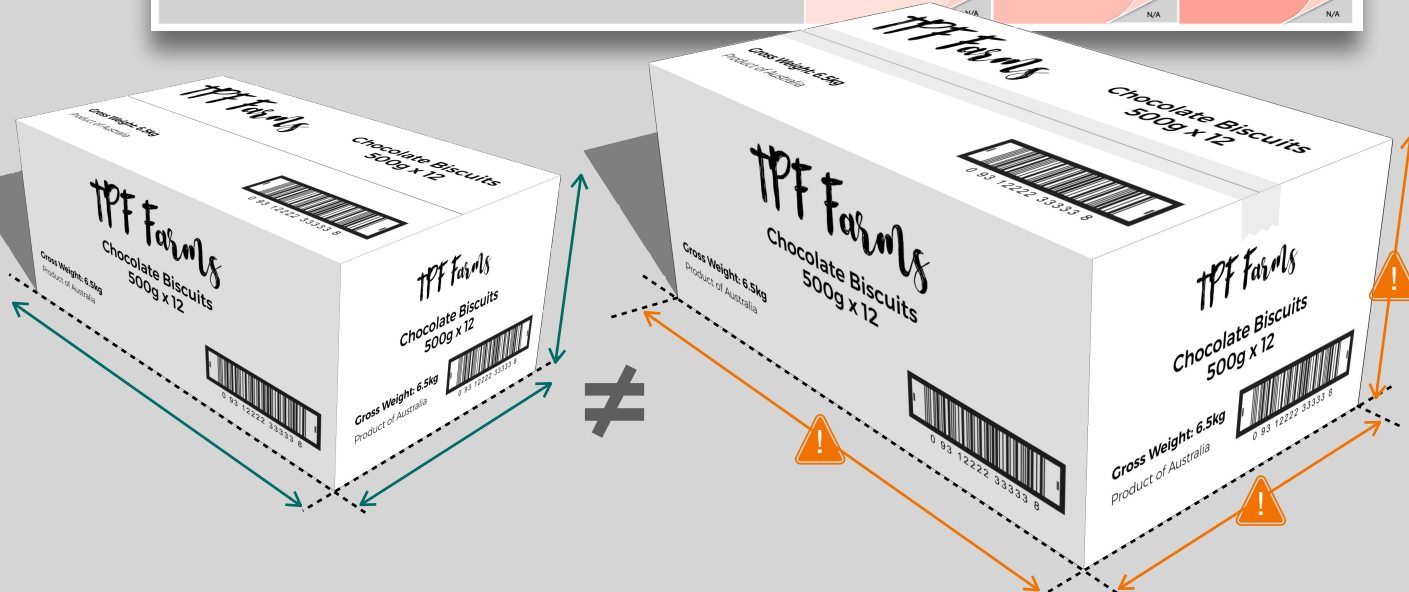
(This was ranked as the #3 Logistics Unit issue with "Medium-High" prevalence, "Medium" to "High" impact, and a "Worsening" trend through 2022)

COLD CHAIN DCs				
	2022 Prevalence	2022 Trend	2022 DC Impacts	
Misaligned or Incorrect Min/Max (Shelf-life)	LOW-MEDIUM	STABLE	MEDIUM	
Misaligned or Incorrect TlxHI	MEDIUM	STABLE	HIGH	

AMBIENT DCs				
	2022 Prevalence	2022 Trend	2022 DC Impacts	
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	

TlxHI Misalignment Issues had a "High" impact for Cold Chain DCs

...and Product Dimensions misalignment/accuracy issues showed a "Worsening" trend year over year



Keen to learn more?

Find these insights and more in the AFGC's Perfect Delivery Report 2022 (March 2023):

www.afgc.org.au/industry-resources/trading-partner-forum-resources