

The impact of new regulations and new technology on food logistics

Erik van Dort (Capgemini, the Netherlands) kicked off the conference program with an overview of the latest developments in logistics and areas of improvement. As the most important trends he listed Radio Frequency Identification (RFID), internet-based transportation markets, supplier management and customer order management. Van Dort also discussed with the audience the results of two successful business cases regarding the



“power of collaboration”. In one example, traditional competitors in the cheese industry shared facilities and clients resulting in a seamless supply chain. In the other example, four suppliers in meat, bread, vegetables and frozen food have combined their logistics and technology investments in one distribution center, resulting in one-stop-shopping for their clients and considerable lower costs for their own operations.

Areas for 3PL Provider Improvement: getting better in what you do

Areas for Improvement	Western Europe
Service level commitments not realized	58%
Time and effort spent on logistics not reduced	33
Cost reductions have not been realized	41
Cost “creep” and price increases once relationship has commenced	35
Unsatisfactory transition during implementation stage	28
Inability to form meaningful and trusting relationships	25
Lack of on-going improvements and achievements in offerings	51
Lack of strategic management and/or consultative/knowledge based skills	41
Lack of global capabilities	22



Tracing & Tracking with the assistance of EAN codes is a necessity nowadays for many logistic operators. Despite the introduction of RFID, the bar codes will be around for a long time to come, according to **George Dimitrakopoulos** of GS1 Greece, the global organization dedicated to leading the design and implementation of global standards to improve both the supply and the demand chain. He explained the workings of bar coding and the principles and structure of the EAN128 code system.



Rodios Gamvros (picture left) of Nestle Greece talked to the very interested audience about current and future (EU) legislation and the main consequences thereof for the temperature controlled industry.

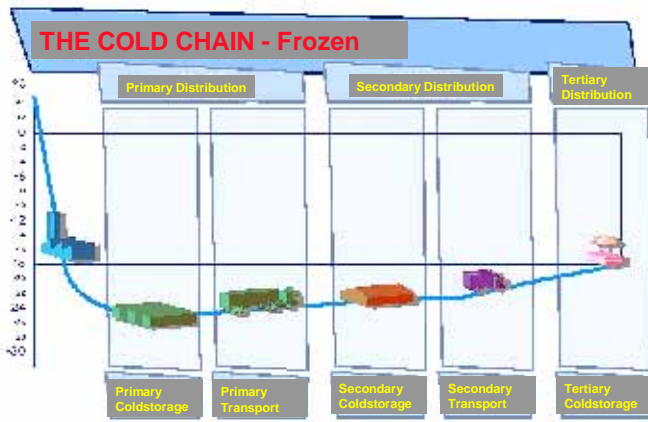
Trucks for refrigerated transport and secondary distribution also have to comply with several legal criteria. Most important are of course maintaining the required temperature and following sanitary instructions, but very often (refrigerated) transport is the weakest link in the food supply chain. **Prof. Sotiris Chatzidakis** (picture right) of the Greek National Technical University is responsible for supervising the quality station in the Athens area. He talked about measurements taken to guarantee safe transportation.



Unilever’s **Haris Fevgas** presented the audience with an overview of the markets this international food manufacturer is involved in and its position. In total, the company’s turnover in Greece is 500 million Euros.

Quality in Cold Chain

Aim: To maintain product quality at every stage until consumer's purchase act



As the person responsible for Finance & Operations, he is well-positioned to also discuss all the requirements and standards Unilever sets for its 3PL partners in the country. They have to comply, for instance, with the Unilever Code of Business Practice and the company's traceability requirements, adhere to local and applicable international safety standards, and have to work with procedures for complaints & incident management, preventive maintenance of equipment and good housekeeping & personal hygiene.

The final part of the conference focused on RF and RFID. **Erik van Dort** gave a short introduction, indicating that identification technology has been around for several years already, for instance in the automotive industry (car keys). However, it was not until some leading international retailers (like Wal Mart, Tesco, Metro, etc.) discovered the benefits of the technology, that it gained momentum in food logistics. The benefits are obvious; but it is not yet certain what the costs will be for all the different links in the chain.

Representatives of **Headwater** Canada (warehouse management software), **Vocollect** United Kingdom (voice recognition) and **Psion Teklogix** Belgium (mobile computing equipment) demonstrated to the audience that new technologies can be very beneficial for logistic service providers. Particularly when it comes to order-pick activities, the accuracy as well as the productivity can be increased with the use of this technology.



The conference ended with an Executives Panel moderated by **Marilena Arghyrou**, editor-in-chief of Forum. Panel members **Michalis Vlazakis** (Mave Logistics), **Haris Fevgas** (Unilever), and **Theo van Sambeek** (WFLO) answered questions from the audience and responded to several statements from the moderator. Main question was how costly and beneficial RFID is going to be for logistic service providers and how and when this technology will apply to the different links in the cold chain.

At the exhibition booths of sponsors BT Souel, Headwater/Vocollect, Psion Teklogix and Munters, participants could gather much information to be used in the daily operation of logistic service providers in the chilled and frozen food industry.

