



The Global Language of Business

Case study

Stream Foods

UK fruit snacks leader Stream Foods improves delivery and invoicing accuracy with GS1 standards and Advanced Shipping Notices

With the increasing popularity of its fruit snacks, Stream Foods is now supplying its products to leading supermarkets, Sainsbury's and Tesco. To comply with customer requirements, the company has started sending Advanced Shipping Notices (ASNs) and implementing GS1 bar codes on its pallet labels.

The Stream Foods Fruit Bowl® range has defined a new category in the UK snack market based on real fruit. The company has maintained its position as market leader by delivering innovative fruit snacks, such as School Bars™ and Fruit Flakes™

Stream Foods, set up in 2000 by two ex-Masterfoods (Mars) marketing executives, Ian Ding and Paul Newberry, has achieved a place in the Fast Track 100 with an annual sales growth of 84 per cent. The company produces more than 20 products and is now the UK market leader in natural fruit snacks, benefiting greatly from the Department of Health's 5 A DAY initiative. In 2007, it was acquired by Wellness Foods for an estimated £15m.

At the heart of Stream Foods' product offering is the understanding from personal experience, that children prefer sweets and crisps rather than fruit. The company designs snacks made from real fruit in a delicious, convenient and affordable form that both kids and parents enjoy and receives its deliveries faster, thereby reducing labour costs and getting goods to customers more quickly.

As a result both companies have succeeded in significantly improving and then maintaining the number of deliveries that are received without any problems, while reducing the number of checks that Tesco performs on receipt of the deliveries.

Proof of delivery and accurate billing

As a small supplier to large retailers, it is important for Stream Foods to know that both its delivery and invoicing are both accurate and on time. This practice strengthens its reputation and relationship with its retailer customers such as Sainsbury's and Tesco.



"With the receipt of Electronic Proof of Deliveries, we are now able to track the progress of our deliveries more efficiently.

Before using EPOD, we used to invoice on the delivery date without having proof of delivery. On some occasions there may have been a problem with a delivery, and we wouldn't find out about it until after we had invoiced because a debit note would have to be raised by our customer."

Jean Hale
Customer Services Manager
Stream Foods.

As a supplier to Sainsbury's, Stream Foods has been receiving Electronic Proof of Delivery (EPOD) messages via Electronic Data Interchange (EDI) from its consolidator. This has improved the processing of its delivery messages and subsequent invoicing as the company no longer has to search for paper delivery notes received in the post.

Now, as a Tesco supplier, Stream Foods has been asked to start sending Advanced Shipping Notices (ASNs) and include Serial Shipping Container Codes (SSCCs) encoded in GS1-128 bar codes on its pallets. This process will be carried out by CEVA Logistics, the consolidator that receives the order directly from Tesco. Stream Foods will then receive EPOD messages from Tesco.

Sainsbury's has been one of the longest-standing exponents of EDI, using it for many years with suppliers such as Stream Foods to raise orders and receive invoices. ASNs, based on the GS1 XML messaging format, are created by Sainsbury's consolidator for Stream Foods orders. Before the shipment is delivered, Sainsbury's will receive an ASN containing information relating to the original purchase order as well as pallet identifications, SSCCs and the corresponding Global Trade Item Numbers (GTINs) identifying the products on the pallets. The ASN gives the SSCCs used in the shipment to link the electronic message to the physical goods received.

When the shipment is delivered, the depot system matches the physical product (by scanning the GS1-128 bar codes) with the ASN, so that any discrepancies and errors can be identified and rectified immediately. Suppliers can then be alerted to any errors through the electronic proof of delivery.

ASN (Advanced Shipping Notice):

Lists the details of a forthcoming delivery of goods in an electronic document

GTIN (Global Trade Item Number):

GS1 key that identifies trade items (products & services)

SSCC (Serial Shipping Container Code):

GS1 key that identifies logistic units

GS1-128 bar code symbols:

Used to encode trade item data for logistics units such as pallets

GS1 XML (eXtensible Markup Language):

Messages which can be used to communicate business transactions between trading partners electronically.

Business benefits

"We receive around three orders a day from both Sainsbury's and Tesco, and although the number of orders isn't large, we invoice daily," says Jean Hale, Customer Services Manager at Stream Foods Ltd. "Through the use of GS1 bar codes and electronic business messages, we have improved our delivery and invoicing process by making it more organised and accurate."

Stream Foods now has an electronic 'paper trail' that accurately details what was ordered, what was sent and what was received by its customers, making it easier and faster to resolve any invoice disputes. With the ASN implementation, the company is also able to invoice its customers accurately and quickly due to the increased visibility of its delivered stock.

The use of GS1 SSCCs and GTINs as unique identifiers for Stream Foods pallets and products allows for a consistent approach when trading with its customers. This makes the process easier and more efficient.

Benefits of ASN implementation for suppliers and retailers:

- Improves visibility of stock
- Fewer invoice and delivery errors
- Less administration
- More efficient process
- Improved customer service
- Enables reallocation of stock
- More accurate forecasting

The implementation of ASNs increases the visibility of goods delivered to retailers. ASN adoption in conjunction with the SSCC pallet label allows automated depots at Tesco and Sainsbury's to receive a delivery from a supplier with very little or no manual intervention, speeding up turnaround times.

Conclusion

"Our adoption of GS1 standards ensures that we have improved visibility of stock that is delivered to our customers," says Jean Hale, Customer Services Manager at Stream Foods.

By receiving an electronic proof of delivery, we eliminate any double-handling. It has certainly made our lives easier by reducing the amount of administrative work needed to rectify any invoice or billing errors."

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