Australian Retail RFID Alliance
Meeting Minutes

Topic: Australian Retail RFID Alliance Workgroup

Date/time: 08/11/2016 9am

Chairperson: Gary Stones

Location: Myer Docklands

Attendees:

- MYER LTD
  - Gary Stones
  - Rod Clarke
  - Lee Ashton
  - Nadia Gunesekere
- GS1 AUSTRALIA
  - Sean Sloan
- PACIFIC BRANDS
  - Michael Donovan
- CROCS AUSTRALIA
  - Paul Knight
- GLOBE INTERNATIONAL
  - Tim Clothier
- NSW (Dial in)
- QLD (Dial in)
- SUPER RETAIL GROUP
  - True Alliance
  - Frank Rome
  - Danny Plucknett

Apologies:

- ANACONDA / SPOTLIGHT
  - Stephen Pike
  - Graham Porter
- APG & Co
  - Elain Vaughan
- ASICS
  - James Gardiner
- Bardot
  - Michael Kret
- Damien Peirce-Grant
- Factory X
  - Alex Hughes
- Fame & Partners
  - Ben Smith
- The Glue Store
  - Mark Boyd
  - Hanesbrands
  - Stuart Forge
  - IFG
  - Rebecca Sullivan
- Kmart
  - Naresh Tackchandani
- NIKE
  - Ben Wright
  - Retail Prodigy
  - Natalie Mallia
  - Skins
  - Grant Feltham
  - Target
  - Adrian Smith

Agenda Topics

<table>
<thead>
<tr>
<th>Discussion</th>
<th>Responsible</th>
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<tbody>
<tr>
<td>Confirmation of Chairperson</td>
<td>Sean Sloan</td>
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<td>Gary Stones appointed as Chairperson</td>
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<td>After 1st Meeting held in Sydney, 93% nominated Gary as Chairperson</td>
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<table>
<thead>
<tr>
<th>The Myer Plan</th>
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<tbody>
<tr>
<td>Why?</td>
<td>Gary Stones</td>
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<tr>
<td>Need to work as a group instead of individually to get better cut through.</td>
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<td>Suggest replicating the success story from EAS Source tagging 6-7 years ago.</td>
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<td>International Retailers already using RFID are coming into Australia.</td>
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<td>DECATHLON RFID enabled in countries they operate and will have a</td>
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competitive advantage from the time their doors open. With their arrival, RFID is expected to be in Australia by July 2017. Setting up RFID could take 1 ½ to 2 years. Need to get started now.

How?
Shared Myer RASCI methodology to assist Retailers involve other stakeholders from within their Company to rally support.

Shared MYER RFID Project Control Group-Action Plan showing internal week by week map.

Who?
Bonds, Sheridan identified as a supplier to start off with, considering they supply to multiple Retailers.

The cost for RFID can be initially shared by Vendor and Supplier.

### The Matrix
Shows different Retailers used by the same Suppliers. This is a good tool to identify which Suppliers to get on board first.

<table>
<thead>
<tr>
<th>Retailer Update</th>
<th>Who?</th>
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<tbody>
<tr>
<td>PACIFIC BRANDS</td>
<td>Michael Donovan</td>
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<tr>
<td>COUNTRY ROAD CLOTHING PTY LTD</td>
<td>Zippy Magdich</td>
</tr>
<tr>
<td>CROC AUSTRALIA PTY LTD</td>
<td>Paul Knight</td>
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<tr>
<td>MYER LTD</td>
<td>Rod Clarke</td>
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A bit of transition work done. Pac Brands early in the OMNI channel journey, picking from stores. Can see RFID benefits for retail/accuracy. Want to be ready and capable for what our Retailers need. Initial focus for Sheridan may be Loss Prevention; not so relevant for Bonds (or lower value items)

Early trials with Target provided tangible results but highlighted a number of key challenges, especially around stakeholder engagement. Preference to trial RFID with Sheridan due to Shrinkage being really high and the ROI. Bonds price points too low and will take too long. Most significant retailers for Sheridan are Myer and Harris Scarf.

Representing the National DC / Online Fulfilment and looking after brands such as MMCO, WITCHERY, COUNTRY ROAD, DAVID JONES, POLITIX, and interested to find out what benefits RFID can add. At least a year and a half away from relocating Head office to Victoria. Priority is DJ’s Warehouse solution with people moving to Victoria. Next 6-12 months is about working out what does the Supply Chain look like?

Interested in RFID but other priorities at the moment.

Interest to see what RFID is all about. Waiting for tipping point to happen to then jump on board. International Company with only 2% of the business in Australia. Stock integrity is a problem and RFID will help. Currently high costs with stocktake and RFID will help bring this down.

Interested not just from Loss Prevention but also from stock control.
To look into the prospect of how RFID can improve the online fulfilment function

GLOBE INTERNATIONAL LIMITED
Interest to keep Management informed with RFID technology and who is involved. More around awareness. Curious to see supplier readiness and tagging in China etc. There would be inbuilt costs that will need to be considered at the negotiation phase. Technology required at the introduction of this concept. Here to gather more information.

SUPER RETAIL GROUP
Interest is more with the Receiving side of things. Looking for next store environment, improved stock counts and cycle counts. Time and resourcing. Into WIFI and moving away from paper base to real time. Still on the journey to improve stocktake in 1 or 2 years with large investment in that space. Information provided by Gary was great to see what long term road map looks like.

From the Loss Prevention side, see it as an added benefit. Invest a lot of time in stocktake approx. 4 days and a huge cost. Stock level accuracy is important for the OMNI space as 24x7 Retail. Business is focused on driving efficiencies.

SRG (Annaconda / Spotlight) - Has indicated an interest from a Loss Prevention and Inventory accuracy aspect
CUE Design- Damien has shown interest
ASICS – Currently tagging in Japan

EPC Guidelines
Need all Retailers to agree to the EPC Guidelines. Endorsement of these global tagging guidelines is critical for the industry and equally critical in terms of GS1’s facilitation of this group.

Business Case Development
ROI Calculator – Step by Step process completed with group
Any company wanting to run through the ROI Calculator, either in conjunction with GS1 or by themselves, please contact Sean

Vendors
Recognised as an important part of the RFID landscape and will assist in educating the group over the journey. Sean to seek from Vendor community a list of topics to be included in the meeting agendas for 2017 and schedule individual vendors to attend and speak on the topic. Eg:
- Running a Proof of Concept
- Typical hardware set up instore
- Typical IT infrastructure needs
- The POS process
- etc

2017 Meeting Dates
Dates are located within the slide deck but will be sent to the group
individually. We will send out default locations to ensure diary dates are set, but these may alter as companies respond to the request to host a meeting on their premise

**Conclusion**

- Encourage other Retailers to join the group
- Universal Standard but any tag supplier can be used. Vendors can be invited to future meetings to give out more information
- Next meeting in February but encourage the group to talk off line and keep ideas alive.

<table>
<thead>
<tr>
<th>Action Items</th>
<th>Owner</th>
<th>Deadline</th>
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<tbody>
<tr>
<td>The Matrix. All Participants to send through a list of commonly used suppliers to Sean Sloan to be updated on the Matrix</td>
<td>All</td>
<td>15/1/2017</td>
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<tr>
<td>EPC Guidelines. AllRetailers need to agree on the EPC Guidelines</td>
<td>All</td>
<td>30/1/2017</td>
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<tr>
<td>Retailers to confirm if able to provide meeting facility for future meetings in Melbourne and Sydney</td>
<td>All</td>
<td>15/1/2017</td>
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<td>All participants are asked to bring along a key trading partner to the next meeting in February Eg. Pac Brands / Harris Scarfe</td>
<td>All</td>
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<td>Meeting schedule / invites to be sent out so that all participants have 2017 dates in their diary</td>
<td>Sean</td>
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**Open Issues:**

**Discussion**

- Broader Communications to industry Eg. PR, industry news

**Conclusion**

**Action Items**

<table>
<thead>
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**Agenda for next Meeting:**

<table>
<thead>
<tr>
<th>Item For Discussion</th>
<th>Owner</th>
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<tbody>
<tr>
<td>Myer update (outcomes from internal stakeholder meetings)</td>
<td>Gary Stones</td>
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<tr>
<td>Vendor session: Running a successful Proof of Concept</td>
<td>Sean Sloan</td>
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<tr>
<td>ROI (Take 2)</td>
<td>Sean Sloan</td>
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<tr>
<td>Retailer Update</td>
<td>All</td>
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<tr>
<td>Supplier Update</td>
<td>All</td>
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<tr>
<td>Related events (globally)</td>
<td>Sean Sloan</td>
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