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MEDIA RELEASE

Australian retail industry way behind in EPC technology

Traditionally, Australians have a reputation for being early technology adopters but when it comes to EPC, we are way behind.

Scott Needham, Managing Director, Leadtec, says, "To date no major Australian retailer has committed to EPC technology, despite the fact that US retailer Wal Mart is currently adopting the new platform." Scott will discuss the topic at the Impetus conference in October – proposing an innovative, yet practical approach to get the Australian retail industry up and running with EPC.

So, why aren't Australian retailers taking up EPC technology?

Scott says the main problem is that Australia has already been successful in the past in creating supply chain systems in the form of Scan Packing/EANway. So, most Australian companies can't see the point in making further investment in a system that for the most part does the job.

"We estimate that over 5000 vendors in Australia have implemented comprehensive scan packing systems and processes with an investment of \$250 million," he says. "Australia's success with scan packing systems means that the move to EPC will be more incremental than a great leap forward. This doesn't mean, however, that we should not be taking the next step forward."

The key, says Scott, is to not "throw the baby out with the bath water" but to build on Australia's existing scan packing paradigm to gain the best benefits of EPC.

"The prevailing opinion is that adopting EPC will mean a complete overhaul of the supply chain system, but this need not be the case. Traditional SSCC labels can be used in conjunction with EPC-RFID labels; retail communities can begin implementing EPC Information Services without all trading partners adopting the labelling; and traditional "license plate" information from SSCC labels can be captured from shipment notices and loaded into an EPCIS platform.



“Combining the old and the new will provide improved supply chain visibility across all levels of the supply chain process. Since the RFID tags are stored centrally, all parts of the supply chain can access the information at any time. You don’t get this with traditional scan packing systems, which only provide information to the retailer and supplier.

“It will also allow retail communities to adopt EPC standards at their own pace. Our hope is that this incremental approach will allow retail communities to more quickly adopt EPC so that they can begin to reap the long term financial and productivity gains to be made from it.”

Leadtec has begun offering its customers a number of solutions that will enable them to adopt the EPC paradigm. These will leverage existing scan packing solutions to populate EPC Information Systems and make the transition from SSCC labelling to RFID a much smoother process.

About Scott Needham – Managing Director, Leadtec

Scott Needham is Managing Director, Leadtec. Since taking over the reins of the business from his father in 2001, he has completed four major acquisitions and become a Telstra partner through an outsourcing agreement to manage the telecommunication giant’s EDI networking services. Over the past five years, Scott has grown the business by around 200 per cent. The company currently has an annual turnover of \$7.0 million.

“I’m passionate about my business and the potential it has,” Scott says. “I love learning and closely follow the global economy, emerging markets and the opportunities these present.”

Scott’s next goal is China – a market ripe for the specialised e-commerce solutions his company develops for the supply chain industry. He is particularly interested in growing his business in the health industry, and in the future plans to launch a business in the health industry.

About Leadtec – Leader in business to business solutions

Leadtec is a leading business to business solutions provider. Specialising in EDI messaging, catalogue synchronisation and scan packing/logistics, we offer simple solutions for vendors to connect to, and meet, the EDI messaging and scanpacking requirements of partners.

More than 1,000 businesses trust Leadtec to manage their e-commerce needs and boost efficiencies within the supply chain. By using proven methodologies to capture new trading relationships, we keep you ahead of your competitors and responsive to new market entrants.

Leadtec partners with industry specialists to offer premium products and services, resulting in reliable and certified solutions. We are the only Australian company to offer a full supply chain services suite.