

## Trading Partner Performance Management Work Group

Date: 15-August-2007

CR #: 07-000283

This is a GSMP **Call-to-Action** to recruit users from all industries and from everywhere in the world to bring their expertise, commitment, and contribution to a new GSMP work area.

The information herein gives a general description of the new work area and the **Work Group (WG)** that is being formed to accomplish the work. For information on how to join this work area, please refer to Section 12 below.

### 1. Objective/Scope of the Trading Partner Performance Management WG

Many retailers and manufacturers engage in joint performance scorecarding initiatives in their ongoing trading relationships. To date, the means of calculating metrics values and communicating results has been proprietary. As the availability of data increases and scorecards proliferate, the diversity of measurements, systems and access approaches adds costs and hampers collaboration. GS1 standards based performance management is needed to yield the value and productivity that trading partner scorecards can provide.

The Global Commerce Initiative (GCI) Global Scorecard offers one starting point for a set of industry measures. Used most often for benchmarking corporate performance against peer companies, the GCI Scorecard is heavily weighted towards supply chain measures.

The New Generation Sales Call pilot, a joint project of Procter & Gamble, J.M. Smucker Co., Wegmans Food Markets and Oracle, provides another set of inputs to the standard measure set. The pilot selected common measures that indicated opportunities for growth or issues that could lead to disruptions. The companies then jointly set goals to be achieved for each measure, and shared results on a weekly and monthly basis.

Finally, there are a set of measures not used in either of the initiatives, but that are commonly used in the retail and consumer goods industries. Gross margin return on inventory (GMROI) is an example of this last group that has been included for completeness.

Standards are needed in two areas:

- 1) Comprehensive, unambiguous metrics definitions.
  - a) Companies need to have enough standard metrics types available to represent diverse performance measurement requirements. They must include revenue, margin, market share, inventory, logistics, data quality, product quality, order management, invoicing and payment.
  - b) Definitions need to be precise enough that independent companies working with the same underlying data will derive the same metrics result.
- 2) Standard communications mechanisms:
  - a) Both goals and measures need to be shared at whatever level of detail makes sense for the trading relationship.
  - b) Both manufacturers and retailers need to be able to submit measurement data to be used in the scorecard.

- c) A standard format for messages allows each company to use its own technology (if desired) to aggregate, display and analyze results.

The Performance History BMS was designed to support VICS CPFR programs by transmitting the data needed to generate CPFR metrics exceptions, alerting users to service level, delivery and related issues. This work group's objective is to enhance the Performance History BMS Version 2.0.2

1. Extend the List of Metric Type Codes
2. Add the Ability to Transmit Goal Values
3. Extend Additional Party Identification List
4. Extend Additional Item Identification List
5. Allow Metric Time Scope to be Specified
6. Allow Ranks to be Specified
7. Add Parameters for Complex Measures

A pilot will be conducted to ensure quality and implementation of the enhanced BMS.

## 2. Scope Constraints of the Trading Partner Performance Management WG

GSMP WGs and BRGs must adhere to the GS1 Standards Development Methodologies to assure their scope and deliverables, upon which the work of the other GSMP groups depends.

Generally, the team must operate within the following context:

- Develop documents that capture the business and technical requirements
- Develop documents that capture the additional considerations and concerns that were discussed during the group's calls and physical meetings.

This work effort is based off of Change Request: **07-000283**.

## 3. Expertise Required

This is a call for business information and business information technology experts for the **Trading Partner Performance Management WG**. The experts should represent trading partners from both sides of the trading relationship, third parties, and solution providers to have proper representation on the WG. The intent is to have balanced membership from the **Retail and Consumer Product Goods** user community to define and establish proper global standards with the clear intention of implementation of these

## 4. Distribution for Call to Action

Please circulate this **Call to Action** packet by forwarding it to your email distribution lists. GSMP WG is open to broad participation from any industry group, company, or region. All **'Call to Action'** packets are posted in the:

- eRoom at: <http://eroom.uc-council.org/eRoom/facility/GSMPCallToAction>
- GS1 website at: [http://www.gs1.org/services/gsm/involve/call\\_to\\_action.html](http://www.gs1.org/services/gsm/involve/call_to_action.html)

It is also distributed via a GSMP Community email announcement.



## 5. Timeline:

A kick off/introductory conference call will fully brief all participants of objectives and WG/BRG activities. The first call will be held on **29-August- 2007** from **1100–1200 EDT / 1700-1800 CET**. The overall duration of this group effort is expected to be approximately **Nine – Twelve Months**.

## 6. Participants:

### Known Participants:

- Project Manager: **John Ryu, GS1 Global Office**
- Sponsor: **Anders Grangard, GS1 Global Office**
- Chair: **Matt Johnson, Oracle**
- GS1 Business Unit Manager: **Anders Grangard, GS1 Global Office**
- GS1 Contact: **John Ryu, GS1 Global Office**

### GS1 Member Organisations (MO) Participants:

Name	Company
Tan Jin Soon	GS1 Singapore
Scott Brown	GS1 US

### Supplier Participants:

Name	Company
Kraig Adams, Marie Perry	Coca-Cola
Lori Bigler	J.M Smucker Co.
Joe Wisdo	Johnson & Johnson
Frederic Herzer	Motorola
Beth Scheid	Procter & Gamble

### Retailer Participants:

Name	Company
Todd Schilling	Best Buy
Jeff Bornino	Kroger
Brooke Fan	Safeway
Marianne Timmons	Wegmans

### Data Pool Participants:

Name	Company
Not Applicable	

**Other Participants (Transportation, Logistics, Associations, Governmental etc.):**

Name	Company
Mark Bieler	Daymon Associates
Matt Johnson	Oracle

## 7. GSMP Process:

For complete information regarding the GSMP (including access to the GSMP Manual), please refer to the website at: <http://www.gs1.org/services/gsmg/overview/>.

## 8. Sessions

The WG/BRG is responsible for scheduling meetings to accomplish their work. Sessions are defined as face-to-face or physical meetings and teleconferences. All GSMP Sessions include the necessary Anti-Trust cautions as defined by GS1 legal counsel. The Anti-Trust cautions is located on the GS1 website at: [http://www.gs1.org/services/gsmg/support/gs1\\_antitrust.html](http://www.gs1.org/services/gsmg/support/gs1_antitrust.html).

## 9. Face-to-Face Meetings

The Process Manager schedules face-to-face meetings with reasonable advance notice to allow for proper planning. Face-to-face meetings will cover 2 or 3 days per meeting and will be held in order to speed up the work as much as possible. Participants are expected to cover their own expenses related to travel, accommodation, and time for the physical meetings. Face-to-face meetings will be arranged in GS1 GO locations: **Brussels, Belgium** or **Princeton, NJ, USA** or may be hosted by participant companies or Member Organizations

There will be a face to face meeting on 1, October 2007 during the GSMP San Diego Meeting.

## 10. Teleconferences

**Trading Partner Performance Management WG** teleconferences will occur every **2<sup>nd</sup> and 4<sup>th</sup> Wednesday from 11:00-12:00 EDT or 17:00-18:00 CET**. The kick-off (first) teleconference is scheduled for **(29-August-2007)**.

### Teleconference Information

US Dial-in Number: 877.864.7187

International Dial-in Number: 720.348.8446

Meeting Room Number: \*8363455\* (Press the \* Key Before and After Number)

## 11. Agendas and Minutes

GSMP eRoom facilities will be used to support this WG/BRG. The Process Manager is responsible for preparing all agendas and minutes.

**Agendas must include:**

- Review of the agenda.
- Approval of previous meeting or call minutes.
- Discussion of all pending issues and action items.

**Meeting minutes should record:**

- The original agenda
- Members, participants, guests, and staff present
- Requests for notation
- Decisions, resolutions, and action items.

## 12. How to Apply

Apply for membership by completing the GSMP Membership Application on the GSMP web site:

<http://www.gs1.org/services/gsmg/involve/>

In section 3 of the Membership Application, please select the **Trading Partner Performance Management WG**.