

SUPPLIER UPDATE

August 28, 2020



We need your help with complete product data.

Foodstuffs South Island is progressing rapidly towards rolling out a comprehensive online retail presence.

In a survey conducted by KPMG published in 2018¹, 23% of consumers have abandoned a purchase due to lack of information, 41% wanted to know that the product is responsibly sourced and 50% of consumers are willing to pay up to 10% more for local produce.

Please take the time to update your product data via GS1 or the eXchange Products page, so we can tell your product's story.

Images

Quality product images are essential for Foodstuffs to effectively sell your goods via our multiple channels.

We're working hard on our online shopping platforms for you and our preferred industry portal to share your product images with us is **GS1's MediaLibrary**.

GS1 has a special limited offer of One Month FREE for new users. We encourage you to take this up! Click for more details.

1. FMCG and retail value chains. The future of supply chain data. Mar 2018, KPMG

Foodstuffs Packaging Principles

During the early COVID Alert Levels our focus was to ensure that we had stock and that our stores were safe. Customers were accepting of packaging, so demand for sustainable options became a secondary focus. The mood is now changing. We're refocusing on our 2025 packaging principles. We ask for your support as we progress towards this timeline.

We've come up with 10 key things to think about:

- Specification 1 remove and reduce unnecessary packaging.
- Specification 2 simplify and reduce the weight of packaging.
- Design for reuse where appropriate, design packaging to be reusable.
- Reduce plastics use fibre based renewables where you can.
- Plastics selection where plastics are necessary, prioritise clear plastics type 1 and 2.
- Recycled content specify the maximum amount of postconsumer recycled content feasible.
- Bio plastics Use only home compostable bioplastic when there is minimal risk of them entering the recycling system.
- Avoid hazards Avoid or minimize the use of products that are
 potentially hazardous to the environment or human health
 including: heavy metals in packaging, inks and pigments; elemental
 chlorine for bleaching paper; Phthalates and Bisphenol A (BPA) in
 food packaging.
- Educate consumers include messaging in product design to advise consumers the correct method of post-use disposal.
- Sustainable suppliers communicate the desire that all suppliers adopt the packaging principles to improve the environmental performance of their packaging.

Between us, we can make a real difference to our environment, our health and our nation's prosperity.





Our New World South Island markets continue to trade exceptionally well.

Market share and turnover are both in excellent shape and we thank you for your continued effort to maintain supply.

Our team have just completed our 2021 promotional plans and these will be with you this week. We're updating our New World "Strategy on a Page" and "Ways of Working" documents, which we'll send separately in the coming days.

There are a few changes of ownership coming up:

- New World Rolleston will be changing hands from Monday 19th October. Glenn and Tracey Anderson (New World Stoke) will be taking over the store from Roy and Lynne Bridgman who are off to enjoy a well-earned retirement.
- Glen and Melissa Steele (New World Kaikoura) will be taking over at New World Stoke from Monday
 12th October
- Kerry and Sally-Anne Tull (Four Square Cheviot) will be joining the New World Group taking over at **New World Kaikoura** from Monday 5th October.

We'll send the normal detailed notifications on each of these changes in the coming weeks.

Exciting news! Next week, New World Northside in Oamaru will change its name to **New World Waitaki**. Why the change? The name Northside doesn't mean much to customers whereas Waitaki is the local river and region. It's a name locals and all Kiwis can relate to.

All other details remain the same for the store. We're planning lots of noise to celebrate this change, so reach out to Greg, Tineke and the team to get involved!

Thanks again and as always, we really appreciate your support.

on the spot

We're making inroads into the rollout of our On the Spot scanning system. By the end of this week we'll have 41 sites up and running.

The information that we're able to gain from the data is invaluable and as a group this will assist with our ranging decisions and promotional reviews.

The scan data is now available to suppliers through <u>Nielsen</u>. With OTS being the biggest independent convenience channel in the South Island, that information can be really beneficial to you too.

We have a new addition! We will welcome **On the Spot Challenge Springfield** to the group on Monday the 31st August, 2020.

Visit us at www.Onthespot.co.nz to find out more about our stores.



For any questions about conducting business with Foodstuffs South Island, call the Supplier Support Team on 0800 555 985, or email us at suppliers@foodstuffs-si.co.nz

Pams Pantry

We like to experiment with new store formats so in 2019 we opened Pams Pantry. We've learned a lot about what would be required for this format to be successful in the future. However, we've made the decision that the **Pams Pantry** concept won't be rolled out at this stage.

Unfortunately, Pams Pantry Amberley isn't financially viable as a stand-alone store at current turnover. As a result, we will be closing the store with their last day of trading on Sunday 6th September.

The Pams Pantry team have done a great job and we'd like to thank them for their support and cooperation during this time.

