

# Supplier requirements for Denner Logistics





# Changes valid from 01.01.2025

Date	Page / Section	Change	Version	Ву
01.01.2025	P11/S4	Requirements delivery note	V1	Distribution Centre (DC)
01.01.2025	P 15 / S 6	For a delayed delivery of goods on special offer CHF 1.50 per traded unit (TU) will be charged (minimum charge is CHF 100).	V1	DC
01.01.2025	P15/S6	For a delayed delivery of goods on special offer CHF 15 per half pallet will be charged (minimum charge is CHF 100).	V1	DC



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# 1 Introduction

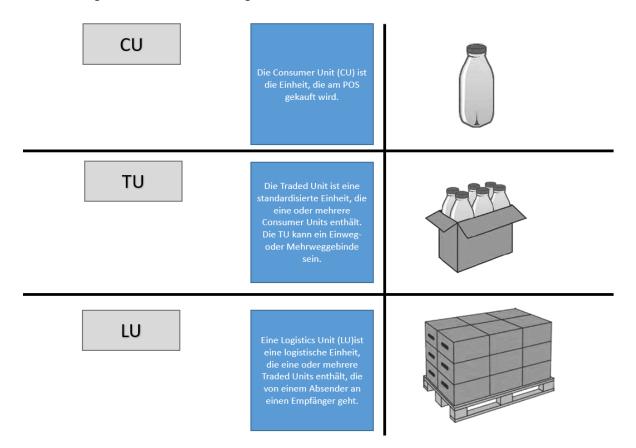
## 1.1 Basic principle

Deliveries that do not comply with the requirements in the document will be sent back or processed at the expense of the sender.

The supplier is responsible for ensuring that the goods meet the legal requirements and that no legal standards are ignored, in particular those of the EU.

## 1.2 Terminology

The following terms are used for the logistics units:





## 2. Traded unit

For manual handling, each traded unit (TU) must not exceed the gross weight of 15 kg (according to the Swiss National Accident Insurance Fund (Suva), occupational health and safety regulations in Switzerland). A TU may be a single-use or multi-use container. The specified weight limit must be observed for the respective multi-use containers.

## 2.1 Requirements for the TU

The single-use container of a TU can be individually tailored to the CU in accordance with the following rules. These requirements apply to all types of single-use packaging such as plastic or cardboard boxes, paper outer packaging, shrink wrapping, shelf-ready packaging, etc. For multi-use containers, Section 4.3 Container and pallet exchange should be observed.

#### 2.1.1 Dimensions

- We recommend using a base area suitable for the base module so that best use can be made of
  the pallet area. The primary objective in composing the pallet load is to protect the product and
  ensure optimum use of capacity, as well as low transport and storage costs.
- A TU layer must use as much of the pallet base area as possible. The dimensions of the TU layer must be a maximum of 1200 x 800 mm and a minimum of 1050 x 600 mm.

## 2.1.2 Stability

- The supplier is responsible for ensuring that the incoming pallets bearing one item type are sturdy enough that the single-use containers in the bottom layer are not squashed or damaged.
- The top of the TU or the lid must be securely sealed. We recommend using adhesive paper tape, interlocking, adhesive spots, etc.
- It must be possible to stack the single-use container with containers of the same type and with other types of TU, without causing any damage. The other types of TU may be single-use containers or returnable containers. The priorities between an arrangement according to needs and sensible stacking must be weighed up (e.g. heavy at bottom, light at top).

#### 2.1.3 Pallet formation

Bonded stacking (using overlapping brick pattern) is generally preferred. All types of intermediate layer should be avoided. If, however, intermediate layers are used to stabilise the load, the following rules must be followed:

- Cardboard intermediate layers must not deviate from the base area of the TU layer. They must be
  made of one piece without perforations and must not be made of paper or corrugated cardboard.
- The height of the TU layer must be the same throughout; i.e. all TUs need to be stacked evenly. A mixed format (upright/horizontal) is not permitted. The TU should, in principle, be stacked on its largest face (horizontal).
- The spaces between the TUs must not be filled with padding material.
- The individual TU layers must not be stuck together to stabilise the pallet.
- Every TU layer should have the same quantity. (Deviations are permitted in the top layer.)



#### 2.1.4 Disposal

• The packaging must be easy to separate out into the common recycling elements (cardboard, PET or PE) for disposal.

#### 2.1.5 Modification of existing TUs

- Packaging that leads to complaints in practice must be modified.
- Packaging modifications must be made in collaboration with Denner Purchasing and Logistics.
- In principle, suppliers must brief Denner Purchasing on packaging modifications. Purchasing will then forward all packaging modifications (size, weight, type of packaging, intermediate layers, pallet layout, etc.) to Denner Logistics for approval.

## 2.2 Labelling the TU

The prescribed content for the TU label has been reduced to a small number of mandatory fields. The remaining information has been designated as optional fields.

If an article does not have a price label on the product, the price does not need to be stated on the TU label either. If the product is labelled with a price, the price should be indicated on the TU label.

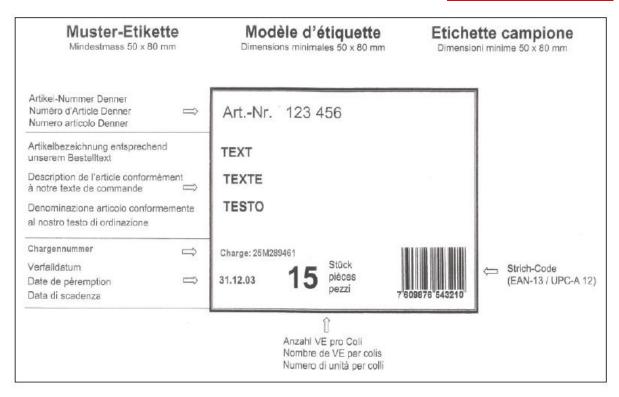
#### 2.2.1 Contents

Information on TU	Option
Denner article number	Mandatory
Sales price per CU in CHF	Optional
Number of CUs per TU	Mandatory
Article designation	Mandatory
Best-before date	Mandatory
Supplier article number	Optional

#### 2.2.2 Layout

The layout of the TU label is DIN A7 landscape (mandatory for multi-use containers and others). However, a mandatory format is not prescribed for use on cardboard. Direct printing on cardboard is permitted. For direct printing, legibility must be ensured for printed barcodes (print quality is important).





#### 2.2.3 Barcode

Barcode labels must follow the GS1 standards: www.gs1.org. Approved for TUs: GS1-128 and ITF-14.

#### 2.2.4 Assignment of numbers

The assignment of GS1 numbers for traded units is ensured by the brand owner. The brand owner generally labels the traded unit with their own GTIN (Global Trade Item Number).

In particular, it must be noted that:

- The GTIN (EAN13) of the consumer unit and the GTIN (GS1-128) of the traded unit must not be identical
- The different variants of the traded unit (number of consumer units per traded unit) must be assigned separate GS1 numbers. A CU/TU change requires a new TU GTIN from the brand owner.



# 3. Logistics unit (LU)

# 3.1 Logistics unit label

# 3.1.1 Logistics unit

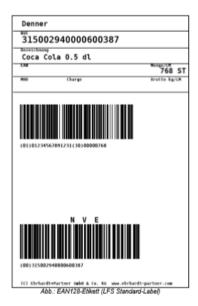
A simple logistics unit (LU) is a logistics unit that contains traded units with a single article, single batch and single best-before date and moves from a sender to a recipient.

### 3.1.2 Contents of the LU label

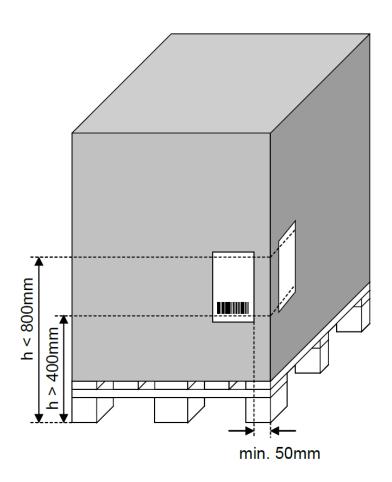
Information on LU	EDI	Not EDI
Company name and sender	Mandatory	Optional
SSCC with AI (00) as barcode (incl. short text)	Mandatory	Optional
SSCC with AI (00) as text (in large clear text)	Mandatory	Optional
BBD (best-before date) *	Mandatory	Optional
Batch/lot number *	Mandatory	Optional
Article designation	Mandatory	Mandatory
Denner article number	Mandatory	Mandatory
TU/LU ratio	Mandatory	Mandatory
CU/TU ratio	Optional	Optional
LU gross weight (incl. pallet) or one weight article: net weight of goods on LU with GS1-AI(3103)?	Mandatory	Optional
Recipient (Denner Distribution Centre)	Mandatory	Mandatory



## 3.1.3 Contents of the LU label



## 3.1.4 Placement of LU label





#### 3.1.5 Barcodes

#### **Barcodes:**

Logistics units must be labelled with barcodes using a GS1-128 barcode (applies only to electronically linked suppliers). <a href="https://www.gs1.org">www.gs1.org</a>

#### Barcode quality:

Black on a white background gives the best contrast (minimum barcode quality B according to GS1 standard). The label background must be white.

# 4. Delivery note

## 4.1 Delivery note

#### 4.1.1 Introduction

For a correct article & quantity check, we are dependent on complete, clear delivery notes. The delivery notes must therefore be able to show the following features.

## 4.1.2 Content of delivery note

Information on delivery note	Variant
Quantity TU per Denner article number	Obligatory
Delivery note number	Obligatory
Denner article number	Obligatory
Order number	Obligatory
Delivery address	Obligatory
Delivery date	Obligatory
Number CU per TU	Obligatory
Article description	Obligatory
Best before date per article	Obligatory
Supplier article number	Optional

# 5. Container

This section covers all the containers that Denner accepts.

#### 5.1 Pallets

The EPAL exchange criteria for EUR pallets apply to the pallet quality. Until further notice, Denner will also accept UIC pallets (world pallets) for exchange.

https://www.epal-pallets.org/eu-en/load-carriers/epal-euro-pallet/



A mechanical pallet check is conducted at goods receipt. The settings for the mechanical pallet check correspond to the settings for automated checks of EUR/EPAL pallets in delivery and storage systems (recommendations of GS1 Switzerland, see <a href="www.gs1.ch">www.gs1.ch</a> "Einstellwerte für automatisierte Kontrollen von EUR/EPAL-Paletten in Förder- und Lagersystemen" [Settings for automated checks of EUR/EPAL pallets in delivery and storage systems]).

#### 5.1.1 Pallet requirements

- Pallet height max. 1.80 m (incl. pallet)
- Pallet weight max. 1000 kg (incl. pallet)
- EPAL dimensions: 1200 mm x 800 mm x 144 mm
- The load must not protrude from the pallet (module-appropriate packaging units)
- Only one article per pallet (pallets placed on pallets/filled pallets stacked on filled pallets are OK)
- Only one batch per pallet (same best-before date per pallet)
- Pallet is wrapped/covered in stretch film. Stretch film is wrapped up to max. below pallet top edge.
- Cavities between the pallet blocks must be clear.
- The pallets must be delivered ready for storage (straight, no defects, etc.). In the event of
  deviations from this, Denner AG reserves the right to reject the delivery and request a new,
  correct delivery within 24 hours.
- The support profiles of Düsseldorf half pallets must be at least 3 mm thick.
- The ends of the film must be neatly affixed or heat-sealed to the unit load. There must be no protruding ends of film.
- Attached items such as papers, labels, etc. must be secured to the pallet and must not be attached with any loose sections.

## 5.2 Displays

#### 5.2.1 Display requirements

- The only display sizes are: ½ pallet on Düsseldorf pallet or
   ¼ displays on dolly (www.container-centralen.de)
- Dolly wrapped in bundle of four, swivel castors on the outside (movable as block of four)
- Without dolly adapter pallet
- Half-pallet display not placed on EURO pallet
- Exterior label shows contents (Denner article number and designation, quantity of sales units per article on bill of materials)
- Heavy goods placed at the bottom (low centre of gravity), goods presentation starts max. 30 cm from ground (risk of tipping)
- Transport unit incl. load carriers max. 1.80 m high, individual layer within the displays optimally filled, preferably no empty spaces
- Transport-compatible display structure
- Cardboard structure must be securely attached to display load carrier. Example: displays attached to dolly using strapping tape (e.g. Strapex). Edge protection to prevent damage (see figure)



## 5.3 Container and pallet exchange

- As a rule, no single-use pallets are accepted or exchanged. The supplier will be billed for the work and expenses incurred in disposing of single-use pallets.
- Denner will treat faulty and heavily soiled pallets as a single-use pallet and these will not be exchanged.
- Euro pallets are generally exchanged 1:1 at the time of delivery. Exceptions to this must be approved by Denner AG in advance. In this case, the supplier would be put on an exception list.
- The driver must sign to confirm correct exchange.
- Denner also accepts CHEP pallets, which are not exchanged 1:1. The CHEP rules apply here in addition. www.chep.com
- Pallets from the organisation "Le Palette Rouge" are not accepted.
- Denner AG is a partner of the Migros returnable equipment organisation (MTM). All Migros container movements are to be entered in TGIS and carefully managed.
  - The debit of the MTM container in the TGIS must be entered per date of the effective goods receipt date at DENNER. In case of loading in advance, the booking must be executed with "outgoing in future" – with date of delivery day.
- Containers from other suppliers must first be approved by Denner AG. These containers are sorted and collected and can then be picked up as a group by the supplier.



# 6. Billing for non-compliance

In the event of non-compliance with the Denner logistics requirements, the delivery will be rejected and/or the goods will be returned at the suppliers' expense.

A new delivery that complies with the requirements must be made within 24 hours. Additional costs incurred by Denner will be billed to the supplier.

Complaints are recorded on the delivery note. The supplier may request a photo for individual cases.

Charge (CHF/quantity)	Problem recorded	Calculated unit
CHF 50	Delivery note missing/inadequate This is used if documents are missing (delivery note). This is used if the Denner article number or Denner order number is missing from the delivery note and clarification is required.	Delivery
CHF 250	Goods delivered to wrong address This is used if goods have to be moved to the correct address and a delay leads to goods being out of stock	Pallet (LU)
CHF 100	Pallet – re-stacking This is used if wooden pallets are defective and/or do not meet the EPAL exchange criteria (e.g. single-use pallets) or if the quality of stacking means that they need to be re-stacked (slanted, unstable, too wide, etc.). (Settings for automated checks of EUR pallets in delivery and storage systems)	Pallet (LU)
CHF 100	Pallet – pallet too high This is used if pallets that are too high are delivered (>1.80 m) and need to be restacked.	Pallet (LU)
CHF 150	Mixed pallets This is used if different articles are delivered on the same pallet. Requires repacking to ensure a single item per pallet.	Pallet (LU)
CHF 50	Shrink-wrapping film incorrect or attached documents not fully secured. This is used if:  - The film needs to be removed and the pallet re-wrapped.  - The film is too low, protrudes beyond the top edge of the wooden pallet into the cavity in the wooden pallet.  - The end of the film is wrapped around the block.  - The film end is not neatly affixed or heat-sealed if there is excess film.	Pallet (LU)



	- There are attached items such as papers, labels, etc. on the pallet and they are not fully attached, meaning that part of them is loose. (Settings for automated checks of EUR pallets in delivery and storage systems)	
CHF 120 per hour	Price labelling as agreed in the contract with Denner Purchasing is forgotten or of an unusable quality. Re-labelling required.	According to work required.
CHF 120 per hour	Partially faulty goods:  - This is used if only some of the goods are faulty and the usable proportion needs to be separated out.	According to work required.
CHF 500	Entire delivery rejected? (Supplier can still check the quality and inform goods receipt department)	Delivery
CHF 1.50 (min. CHF 100)	For a delayed delivery of goods on special offer.	TU
CHF 15 (min. CHF 100)	For a delayed delivery of goods on special offer.	Half pallet
CHF 25 per pallet	Returns to the supplier that are not picked up on schedule.	Pallet LU

# 7. Connection slot management

From 01.01.2024, the carrier must make a booking in the "Tradelink" slot management tool for all deliveries to a Denner distribution centre.

As part of the digitization of processes, carriers book their delivery slot in the Denner logistics locations. This results in shorter delivery and waiting times and better distribution of deliveries.

All information about the use of Tradelink can be found in the link below to the Tradelink Help Centre with explanations in German and English:

#### TradeLink Help Center (intercom-help.eu)

If you have not yet received an access link to the tool, please forward the requested information such as (e-mail address of the transport partner) to noreply\_wareneingang@denner.ch.

# 8. Miscellaneous requirements

- Delivery is made on the agreed date (fixed date) in accordance with the agreed order process.
- Partial deliveries only in consultation with the ordering party.
- For wine deliveries, the vintage must also be declared on the delivery note.
- Our electric low-lift pallet trucks can be used for loading/unloading.
- Minimum ramp height 1.30 m and maximum door height 4 m.
- If the date or quantity for an order cannot be adhered to, a written notification of this must be
  provided within 48 hours of order receipt. If no notification is received, the order is considered
  confirmed.



# 9. Specifications for Mägenwil Distribution Centre

#### 9.1 Introduction

The Mägenwil Distribution Centre is Denner's largest logistics site. The Mägenwil Distribution Centre is currently the only logistics site that uses an automated high-bay warehouse. An automated high-bay warehouse only works if the delivery quality is good, which means that compliance with the logistics requirements in sections 4 and 5 is very important.

Non-compliance with the requirements in this section is subject to the same charge as the other existing supplier requirements.

#### 9.2 Checks at admission into warehouse

Various checks are made during the inward warehousing process before a unit load can be stored in the high-bay warehouse. These checks ensure safety and quality and prevent potential added expense or damage in the automated high-bay warehouse.

#### Checks at admission into warehouse:

- Weight check: Weight of the unit load is measured
  - o Maximum weight 1000 kg (incl. load carrier)
- Profile check: Measurement of the dimensions of the unit load (width, length and height)
  - o Maximum height: 1800 mm
  - Maximum tolerance for width: 30 mm from load carrier
  - o Maximum tolerance for length: 30 mm from load carrier
- Board check: Board of the load carrier is checked for damage (missing or broken boards)
- Cavity check: Cavity in the load carrier is checked for potential objects or twisted pallet blocks
  - o Maximum tolerance for cavity: 10 mm from top edge of all pallet blocks
  - o Maximum tolerance for twisted pallet blocks: 10 mm
- ID check: Unit load is checked for an ID (present and warehoused)

#### 9.3 Foil

The shrinkage may only be delivered in transparent foil. No black/coloured foiling!

→ This makes scanning more difficult when feeding into the high-bay warehouse.

#### 9.4 Requirements and billing for non-compliance

The requirements and charges for non-compliance with the requirements as stated in this document also apply to the Mägenwil specifications.





# 9.5 Quality defect and effect

Quality defect	Effect
Delivery note missing	Goods receipt process cannot be opened. Delivery cannot be accepted. Work is required for clarification.
Delivery note incomplete	Order cannot be identified due to missing information. Work is required for clarification.
Load carrier defective	Defective load carrier cannot be stored in the automated high-bay warehouse due to a risk of tipping and breakage. The load carrier must be replaced to enable storage. Expenses are incurred for processing.
Single-use pallet	The automated high-bay warehouse detects a single-use pallet as standards are not met, and does not allow storage. The load carrier must be replaced to enable storage. Expenses are incurred for processing.
Poor-quality stacking	The unit load cannot be stored in the automated high-bay warehouse because it is too wide or because stability of the load unit cannot be guaranteed. Expenses are incurred for processing.
Unit load is too high	A unit load that is too high cannot be stored because the height of the shelving spaces is limited. Expenses are incurred for processing.
Film is so torn that new shrink wrapping is required.	Torn film wrapping does not ensure that the unit load is stable.  The torn film wrapping protrudes when the profile is checked and storage is therefore not permitted. Expenses are incurred for processing.
Film is shrink-wrapped too low	The cavity check checks for obstructed cavities in the load carrier to prevent damage from an object in the cavity when the load unit is accepted into the high-bay warehouse. Film that is wrapped too low triggers a notification that there may be something in the cavity during our cavity check for entry into storage. In addition to processing expenses, maintenance time is also incurred in the storage process.
Film end wrapped around block	The cavity check checks for obstructed cavities in the load carrier to prevent damage from an object in the cavity when the load unit is accepted into the high-bay warehouse. Film that is wrapped around the block triggers a notification that there is something in the cavity during our cavity check for entry into storage. In addition to processing expenses, maintenance time is also incurred in the storage process.
Film ends not neatly heat- sealed or affixed / loose paper attachments	Films ends that are not attached neatly to the unit load protrude from the unit load. Apart from that, loose ends of film get caught on light reflectors, light sensors, etc. and therefore cause a fault or may result in damage. Storage is not possible and there are therefore expenses incurred for processing work.
Rejection of a delivery	The work required to meet the delivery quality is too high and the delivery is therefore rejected.