

Fresh Direct GDSN Initiative

Vendor Information Session

November 15, 2017



WORLD
SYNC

freshdirect.

FOODKICK™

Our goal for today

- Kick-Off FreshDirect's Global Data Synchronization Network (GDSN) Program
- Introduce FreshDirect and our GDSN Partners to our Brand Partners
- Outline FreshDirect's GDSN Program and Requirements
- Get commitment from Brand Partners to participate in FreshDirect's GDSN
 - ***We want all our Brand Partners up on GDSN by Dec. 31, 2017***
 - ***Brand Partners' Products on GDSN will have a higher launch priority***

Changing Consumer behavior leads to changing markets

The importance of online channel

- Online grocery sales are growing at 25% per year (Brick Meets Click)
- The number of traditional supermarkets in the U.S. will decrease by 24.6% by 2021 (*Inmar Willard Bishop Analytics*)
- Online grocery sales will grab 20% of market by 2025 representing around \$100 billion (*Food Marketing Institute and Nielson*)
- U.S. grocery market overall to grow at a 3.6% compound annual growth rate (CAGR) in the next five years (IDG)

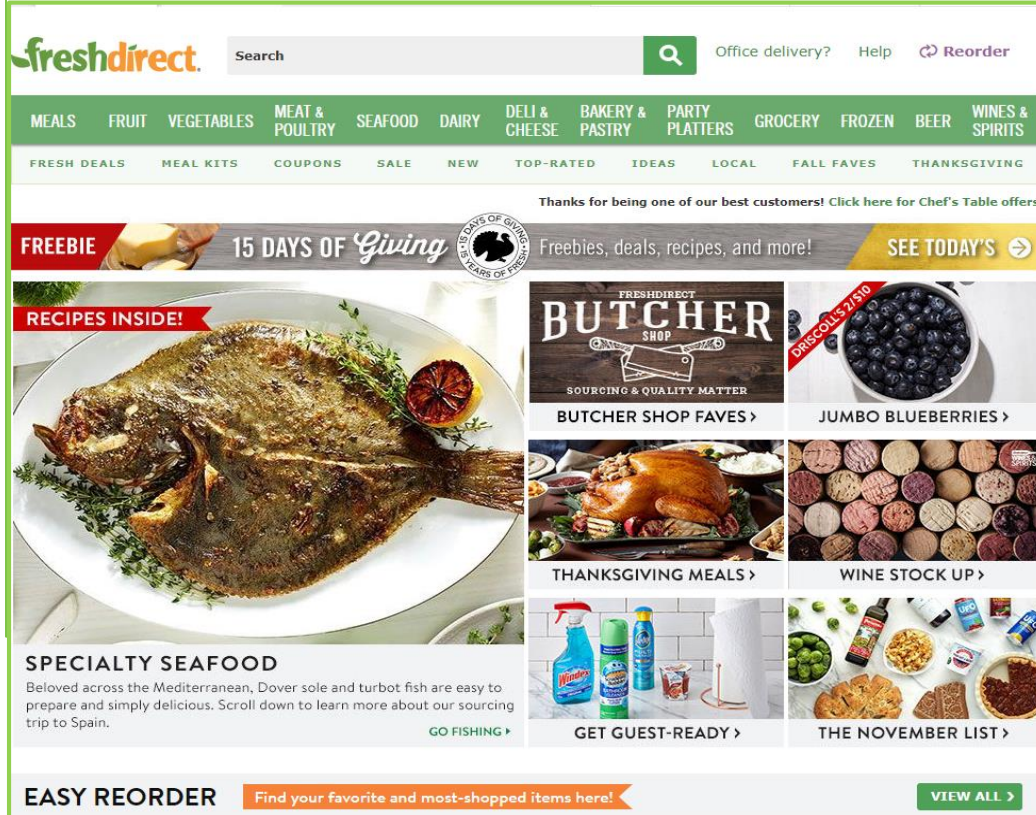
Introducing FreshDirect

- Founded in 1999, first customer orders shipped in 2002 in New York City
- Online Order → Delivery model
- Full Assortment
 - Grocery (center-store, frozen, dairy)
 - Alcoholic Beverages (beer, wine, spirits)
 - Fresh (meat/poultry, produce, seafood, floral)
 - HMR (meals, meal kits, deli, cheese)
- Service Residential and Corporate Office customers
- Markets served NYC, Long Island, Connecticut, New Jersey, DC

Our Two Business Models

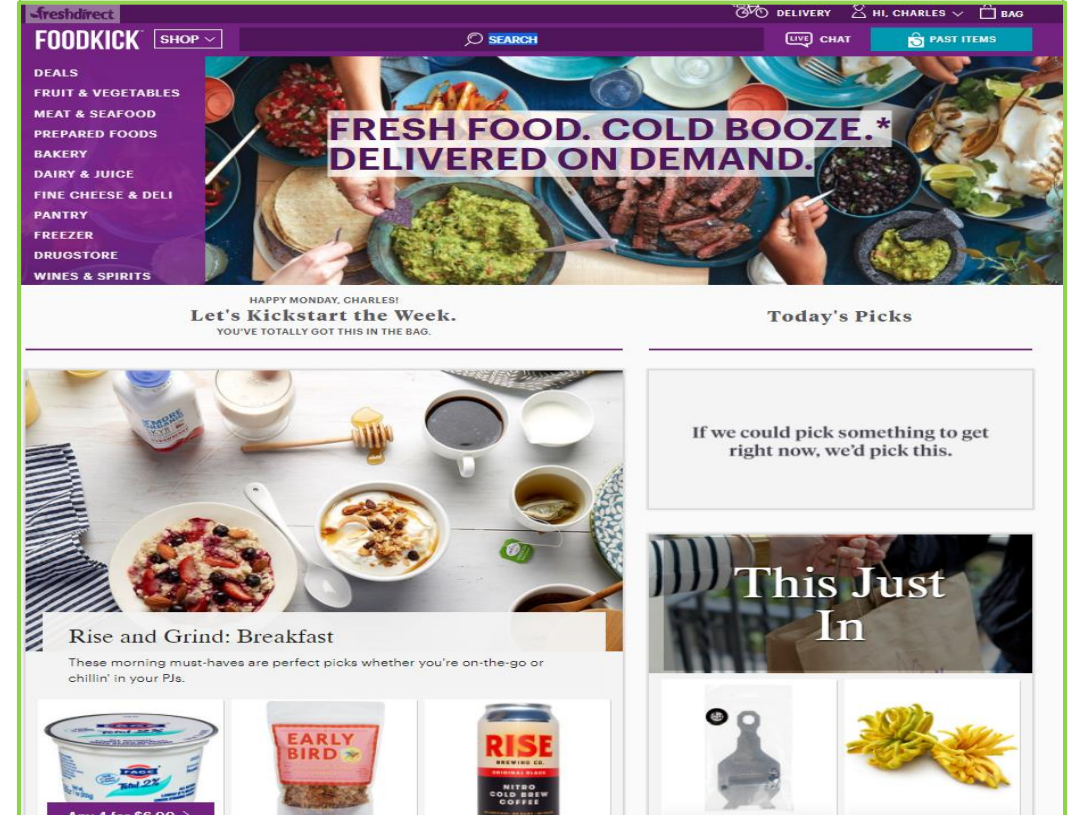
FRESHDIRECT

- Full Assortment to All Markets
- Order for delivery tomorrow (or next 7 days)
- 2-hour delivery window



FOODKICK

- Curated Assortment to Select Urban Markets
- Same day delivery
- 1-hour delivery window



We are Moving to a New Headquarter Campus!

Our new distribution center will allow us to:

- Grow our capacity to serve more customers and orders
- Improve Operations, Controls and Quality
- Significantly Expand product offering in our focus areas (+7-10K SKUs)



1 **amazing location**
3+ LIC assets to a single BX location

2 **almost 2x the sq ft**
From 340,000 to 650,000

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3 **more than 3x the capacity**
From 6K to 19K grocery and from 3K to 5K fresh

Why GDSN Now

- **Streamline New Product Introductions**
 - We'll be adding 7-10K new SKUs next year ... **OPPORTUNITY FOR ALL OF US**
- **Our new facility is highly automated requires accurate master data**
 - GTINs for Auto-Identification
 - Product Structure (Units per Case, Pallet Ti-Hi)
 - Weights (Each, Case, Pallet)
 - Dimensions (Each, Case, Pallet)
- **Provide Consumers a better experience**
 - Images – we need Brand Partners to help us sell their products
 - Ingredients & Nutritional Data
 - Claims (Organic, Kosher, etc,)
 - Contains (FDA Allergen statements)

Our Customers Purchase Decisions Rely on Digital Content

We Rely on our Brand Partners to Help Us Sell Your Products!

All of this information is currently sourced from Barilla via GDSN



Description

Barilla Roasted Garlic is a robust sauce that brings delightful texture to pasta and will surprise and excite your palate with every forkful. We combine traditional roasted garlic, sweet onions, savory chunks of real tomatoes, olive oil, and a blend of oregano, parsley, and black pepper to create a hearty, delicious sauce. (from Barilla)

Claims

- All Natural



(show less)



Ingredients

Tomato Puree (Water, Tomato Paste), Diced Tomatoes, Sugar, Roasted Garlic (Garlic, Sunflower Oil), Dehydrated Roasted Garlic, Salt, Dried Onions, Extra Virgin Olive Oil, Citric Acid, Parsley, Dried Oregano

Nutrition Facts

Serv. Size 1/2 cup (125g)
Servings about 5

Amount Per Serving

Calories 70 Calories From Fat 10

% Daily Value *

Total Fat 1g **2%**

Saturated Fat 0g **0%**
Trans Fat 0g

Cholesterol 0mg **0%**

Sodium 400mg **17%**

Total Carbohydrate 14g **5%**

Dietary Fiber 3g **12%**
Sugars 7g

Protein 2g

Vitamin A 10% Vitamin C 20%

Calcium 4% Iron 6%

** Contains less than 2 percent of the Daily Value of these nutrients.

* Percent Daily Values are based on a 2,000 calorie diet. Your daily values may be higher or lower depending on your calorie needs:
Calories: 2,000 2,500

Total Fat	Less than	65g	80g
Saturated Fat	Less than	20g	25g
Cholesterol	Less than	300mg	300mg
Sodium	Less than	2,400mg	2,400mg
Total Carbohydrate		300g	375g
Dietary Fiber		25g	30g

Calories per gram:
Fat 9 • Carbohydrate 4 • Protein 4

FreshDirect's Requirements for Data Capture via GDSN

GDSN MANDATORY

- Product Categorization
- Product GTINs
- Product Structure
- Weights & Dimensions (all levels) + Units of Measure

GTINS, Weights & Dims			
Each	Inner Pack	Case	Pallet
Each UPC/EAN (GTIN-8/12/13)	Inner UPC/EAN (GTIN-8/12/13)	Case UPC (GTIN-14)	Pallet UPC (GTIN-14)
	Units per Inner	Units per Case	Cases per Pallet Layer
	Inner Packs per Case		Layers per Pallet
Unit Net Weight/Contents	Inner Net Weight/Contents	Case Net Weight/Contents	
Unit Net Contents UOM	Inner Net Contents UOM	Case Net Contents UOM	
Unit Gross Weight	Inner Gross Weight	Case Gross Weight	Pallet Gross Weight
Unit Weight UOM	Inner Weight UOM	Case Weight UOM	Pallet Weight UOM
Unit Dims (W*H*D)	Inner Dims (W*H*D)	Case Dims (W*H*D)	Pallet Dims (W*H*D)
Unit Dims UOM	Inner Dims UOM	Case Dims UOM	Pallet Dims UOM
Unit Volume	Inner Pack Volume	Case Volume	Pallet Volume
Unit Volume UOM	Inner Pack Volume UOM	Case Volume UOM	Pallet Volume UOM

+ FRESHDIRECT MANDATORY

- **Images** — *Image Specs on landing page*
- **Nutrition Panel & Ingredients**
- **Claims/Allergens**

Claims

Organic
Non-GMO
Kosher
Dietetic
Gluten-Free
Halal
Vegan
Vegetarian
No Beef
No Pork

Allergens

Peanuts
Tree Nuts
Eggs
Milk
Fish
Molluscs
Crustacean
Soy
Wheat

- Marketing Content
- Storage/Handling/Shelf Life
- Market Status/Ordering Info

What This Means for US

FRESHDIRECT

- Speed to Market
- Merchants to Focus on Category Management
- Standardized, accurate and high-quality product information
- Always “fresh” data through GDSN pub/sub model
- Reduce data errors & re-work in business processes
- Smoother flow of products from Receipt → Consumer Delivery

OUR BRAND PARTNERS

- Speed to Market
- Efficiency in the new product introduction process
- Participant in GDSN with a critical mass of buyers & sellers
- Opportunity to sell more of your products to our customers
- Opportunity to grow with Fresh Direct
- **Grow your business with the online segment of consumers**

Introducing FreshDirect's GDSN Partners



Aligntrac Solutions

- Certified Solution Partner for 1WorldSync since 2007
- GDSN solutions for suppliers, retailers, distributors
- Receive and/or Send item information via the 1WorldSync data pool
- Integration with company systems (M2M); shields company from GDSN changes
- Matching of active items with items received from suppliers
- Automation of “messaging” suppliers on our data requests



1WORLDSYNC'S MISSION & PURPOSE

To be the **Trusted Global Source**
of **Authentic Product Content** for
Businesses and **Consumers**



Bring Simplicity
& Efficiency



Distribute
& Deliver



Empower
People

25K

Global Companies

40m+

Product Transaction
Exchanges

98%

of Fortune 500

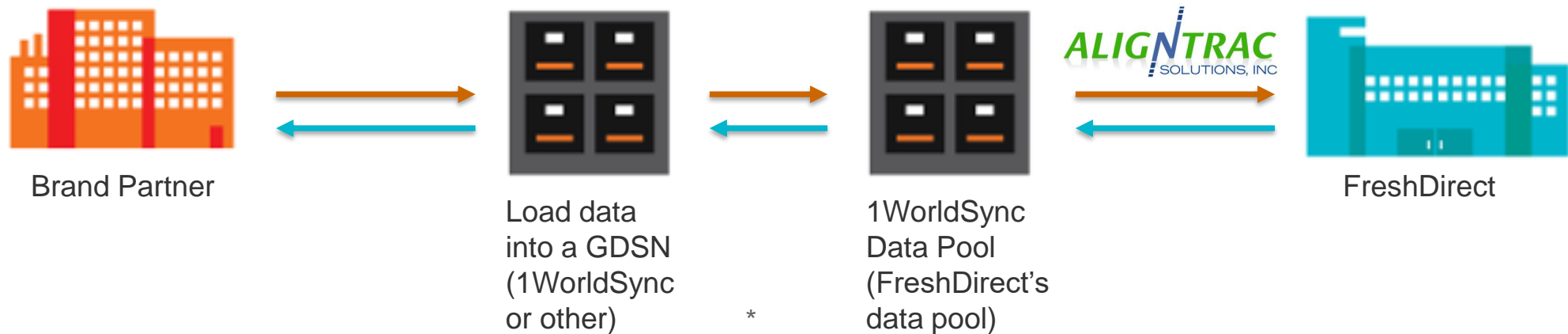
60+

Countries



How GDSN and Data Synchronization Works

- The GDSN is built around the GS1 Global Registry and GDSN-certified data pools
- Supplier enters the information only once in the data pool they subscribe to, for all its customers participating in GDSN
- It operates on the pub-sub model i.e. recipient subscribes to the supplier GLN and supplier publishes to the recipient GLN



Next Steps for GDSN-enabled Brand Partners

1. Visit www.1worldsync.com/freshdirect
 - I. Complete FreshDirect Trading Partner Form to submit your GLN
 - II. Review Implementation Guide, Image Specifications, and Attribute Requirements
2. Publish your full product catalog to FreshDirect
 - I. FreshDirect production GLN **0811102020007**
 - II. For the first publication Suppliers are to publish all products as “Initial Load”
 - III. Complete this by our deadline of December 2017
3. Work with 1WorldSync or your data pool to correct any errors or issues (REVIEW CICs) regarding your publication
4. Maintain your item information within GDSN current

Next Steps for Brand Partners currently not on GDSN yet

1. Determine if your company has a GS1 US company prefix and GLN (Global Location Number)
 - i. Use GEPIR: <http://gepir.gs1.org/> to look up your company GLN or contact 1WorldSync 866-280-4013; businessdevelopment@1worldsync.com
 - ii. If you do not have a valid GS1 US company prefix please work with GS1 US to obtain one: www.gs1us.org
2. Create a Global Trade Item Number (GTIN) for all products
 - i. All products sold to FreshDirect must be barcoded using a valid GS1 US prefix
3. Subscribe to a GDSN certified Data Pool Provider
 - i. To subscribe to 1WorldSync data pool, contact 866-280-4013 or businessdevelopment@1worldsync.com

Primary Contacts

- **FreshDirect**

- Charles Troyer

- T: [917-543-8732](tel:917-543-8732) ; E: ctroyer@freshdirect.com

- **1WorldSync**

- Business Development

- T: 866.280.4013 ; E: businessdevelopment@1worldsync.com

- Technical Support

- T: 866.280.4013 ; E: technicalsupport@1worldsync.com

- **Aligntrac Solutions**

- Technical Support

- T: 888-458-4988 x2; E: support@aligntrac.com

Thank you.

Questions?

