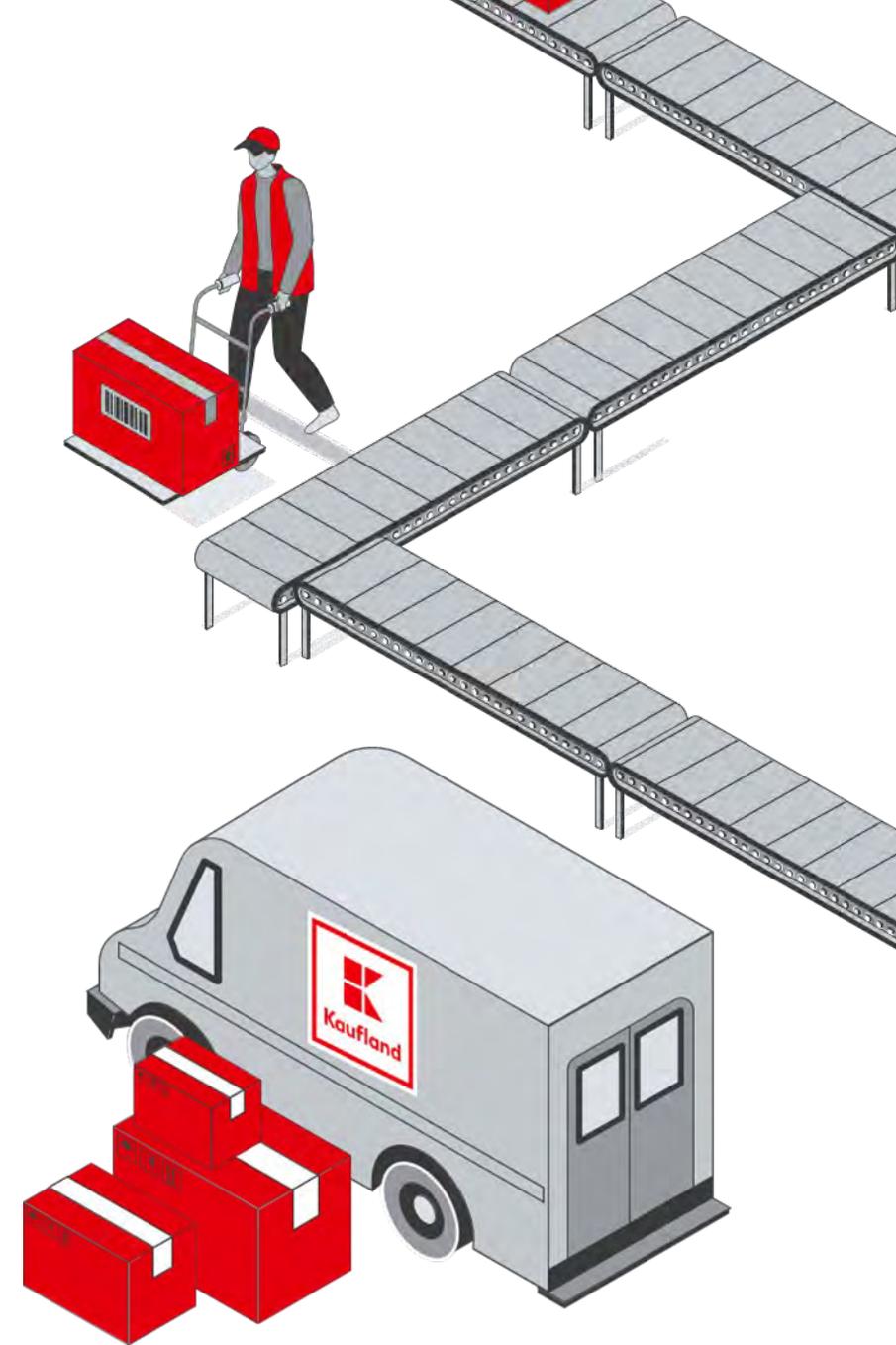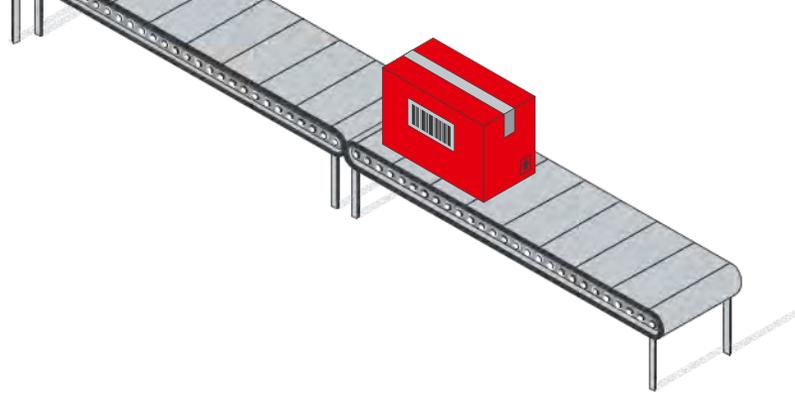# Training: Packaging Process Kaufland private label

Brand Management/
Quality Management/Purchasing

Heilbronn, 10 October 2022
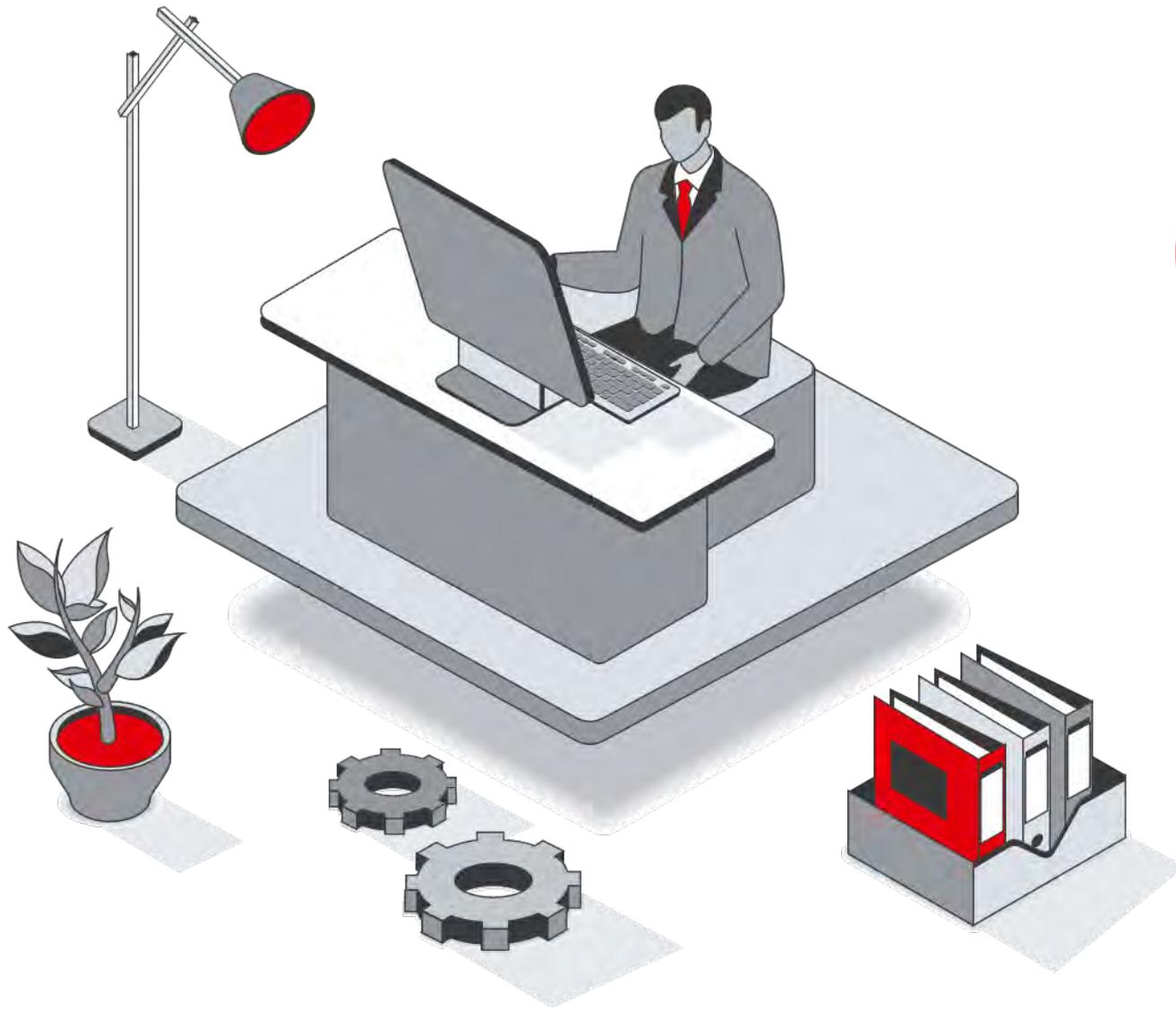
Agenda

01
# Introduction

Our private label: Best quality at the lowest price

This promise is perceived directly in the product, which is why only selected products are awarded the own brand label.

Our private label:Importance of the packaging design

- The packaging design of our Kaufland private label is extremely important

- Every Kaufland own brand has its own look that visually brings the brand to life

- The goal is to ensure a consistent and competitive appearance to make it as easy as possible for our customers to navigate through our stores and product assortments

- As a supplier, you are an important partner and a key interface in our packaging development process. So we would like to present the process to you in this training document.

Comment: If you have already worked together with us in the past, you will notice that the process presented here differs from the previous process in some areas
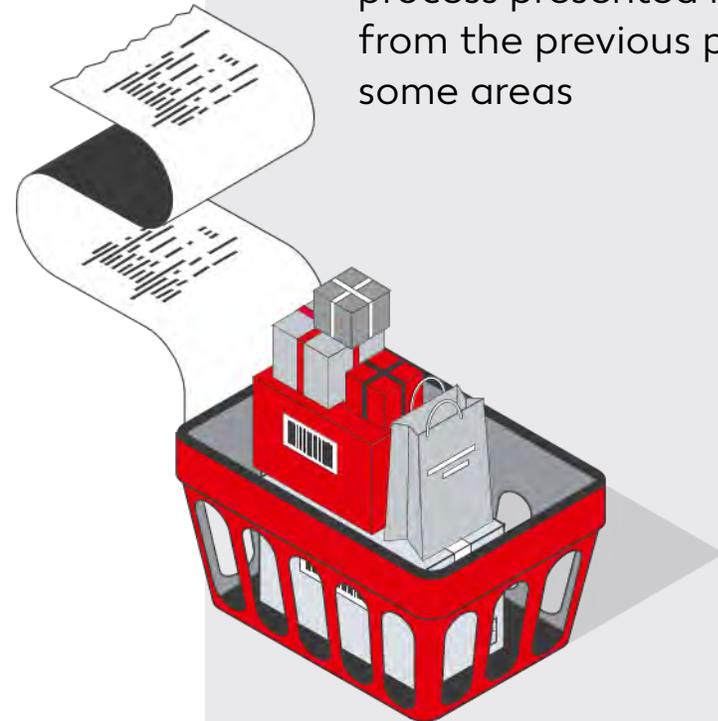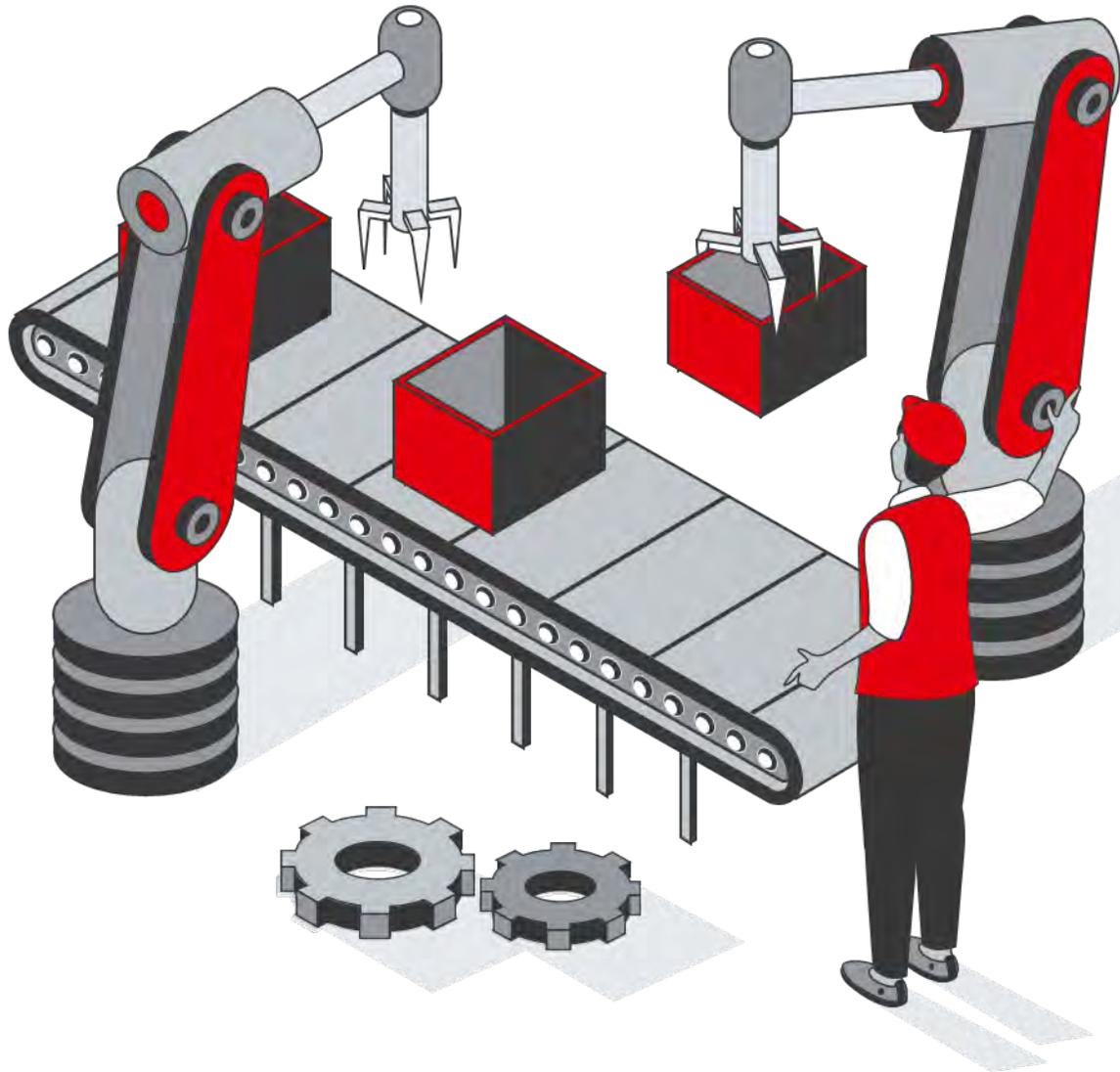
02
Packaging Process

Home

Interfaces involved in the process and their general responsibilities

Kaufland

Purchasing	Quality Mgmt	Brand Mgmt

Purchasing: Overall responsibility for the smooth execution of the project from the call for tenders through to delivery and launch

Quality Management: Responsible for ensuring quality and compliance with product legislation

Brand Management: Responsible for ensuring a consistent own brand architecture and for developing packaging designs

Supplier

Sales	Test institute	Printer
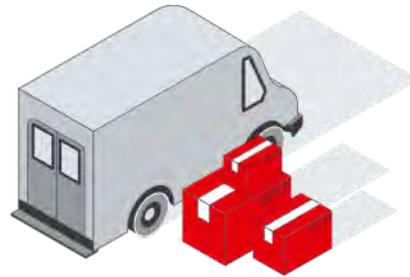
**The supplier is the distributing company**

and is responsible for:

- Delivery of products under specified conditions
- Ensuring marketability
- Ensuring benchmark conformity and high quality of all products and packaging

Test institute: Responsible for ensuring the legally sound implementation of packaging, including any **translations**

Printer: Responsible for producing high-quality packaging

Creative agency

Responsible for developing packaging design and master concepts in consideration of the K brand guidelines and style guides
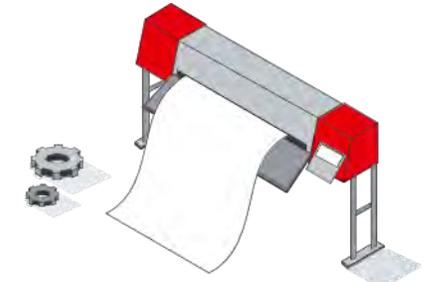
Pre-press agency

Responsible for developing printable final artworks of all packaging in consideration of the

K brand guidelines and style guides; as well as ensuring optimal print quality

All packaging projects must

use **the pre-press agencys nominated by Kaufland**.No own repros may be used.

The key changes at a glance

01

New supplier responsibilities

- Marketability check with accredited test institute
- Management of required translations by an accredited test institute
- Generation of the GTIN (exception: meat/fish articles)
- Definition of separation and disposal information based on available overview

02

Communication and collaboration

- Direct communication with the repro
- Supply of cutting dies and print specifications
- Entry of the delivery date with new packaging in Status 7 and subsequent status change

03

Standardized escalation and complaints concept

- Performance measurement
- Automatic escalation to Purchasing, Quality Management, Brand Management interfaces
- Systematic complaints process in Wave in case of a lack of print quality

04

Procedural changes

- Direct mailing of the sample to the repro if necessary
- Parallel arrangement of the institute review and printing review – consolidated feedback to the repro
- No change to content after Status 2 – otherwise the job needs to be cancelled

The correct and timely completion of the tasks in Wave is critical for the quality of the ongoing process. The defined timings apply.

!
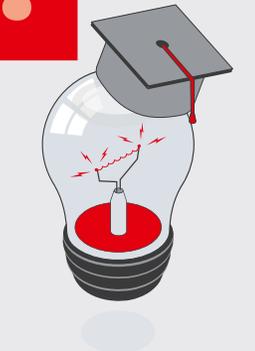
General definition of supplier role

Tasks

- **The supplier is the distributing company!**
- Delivery of products under specified conditions
- Ensuring legal and qualitative requirements
- Marketability check with accredited test institute
- Generation of the GTIN (exception: meat/fish articles)
- Supply of all documents for the packaging layout
- Management of necessary translations (with test institute)
- Ensuring the accuracy of all documents
- Benchmark conformity of the product and packaging, as well as forwarding information to Purchasing and the pre-press agency
- Direct collaboration with the pre-press agency nominated by Kaufland when developing the packaging – as defined in the process
- Ensuring packaging and print quality in line with specifications
- For near-food, beauty and household: Recipe owner

Non-tasks

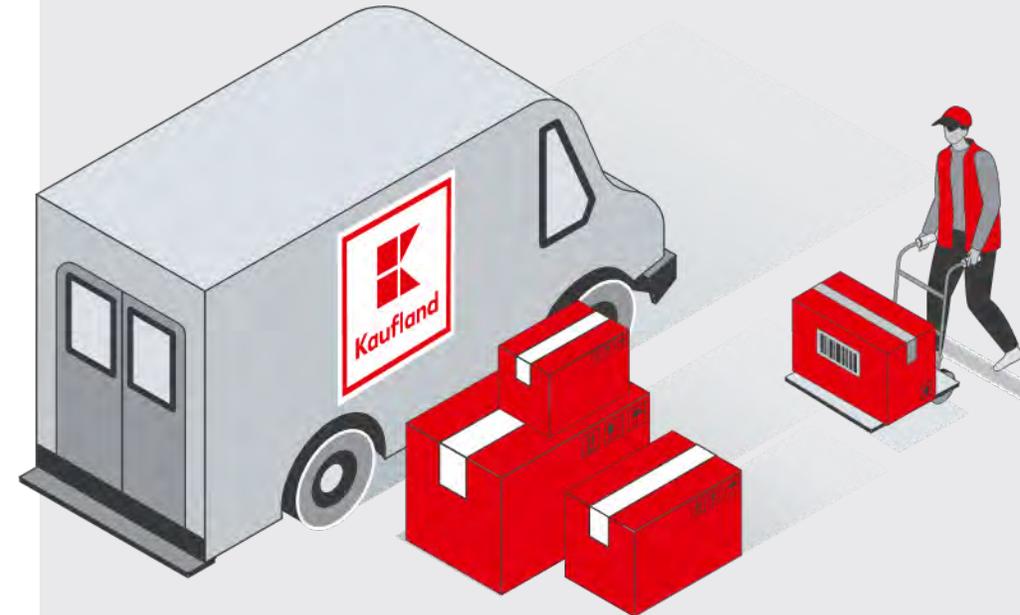- Design
- Photography
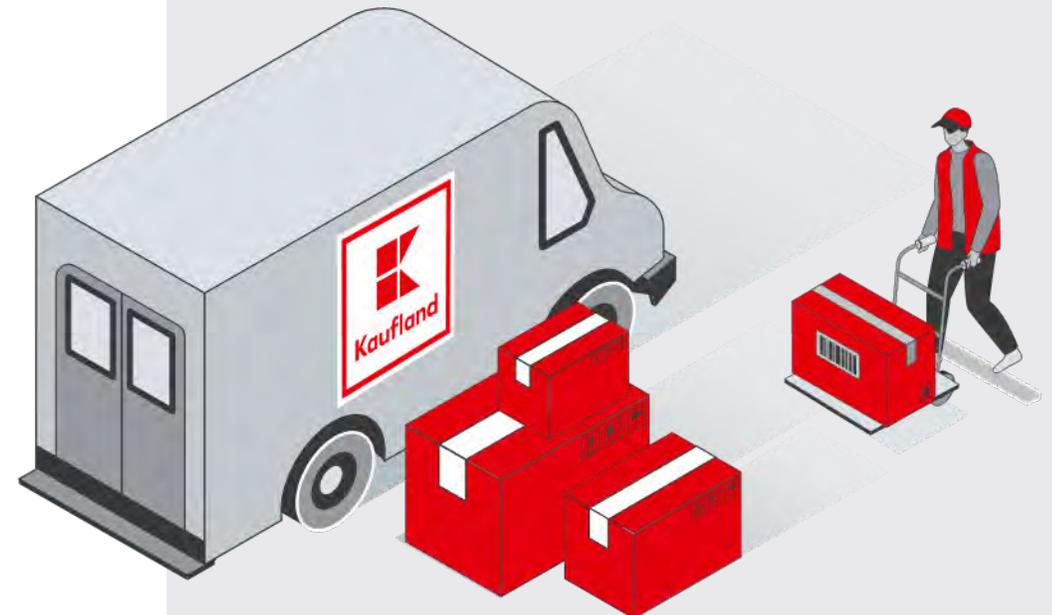
Addendum – master agreement:

Information on Kaufland pre-press agencys

The **Kaufland Brand Manager** responsible for the project determines the **pre-press agency** to be used for the project during the **briefing**. Relevant contact details can be found in the briefing.

The supplier is essentially **prohibited** from using its own repro, see "Addendum to call for tenders – Kaufland brands".
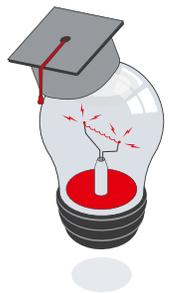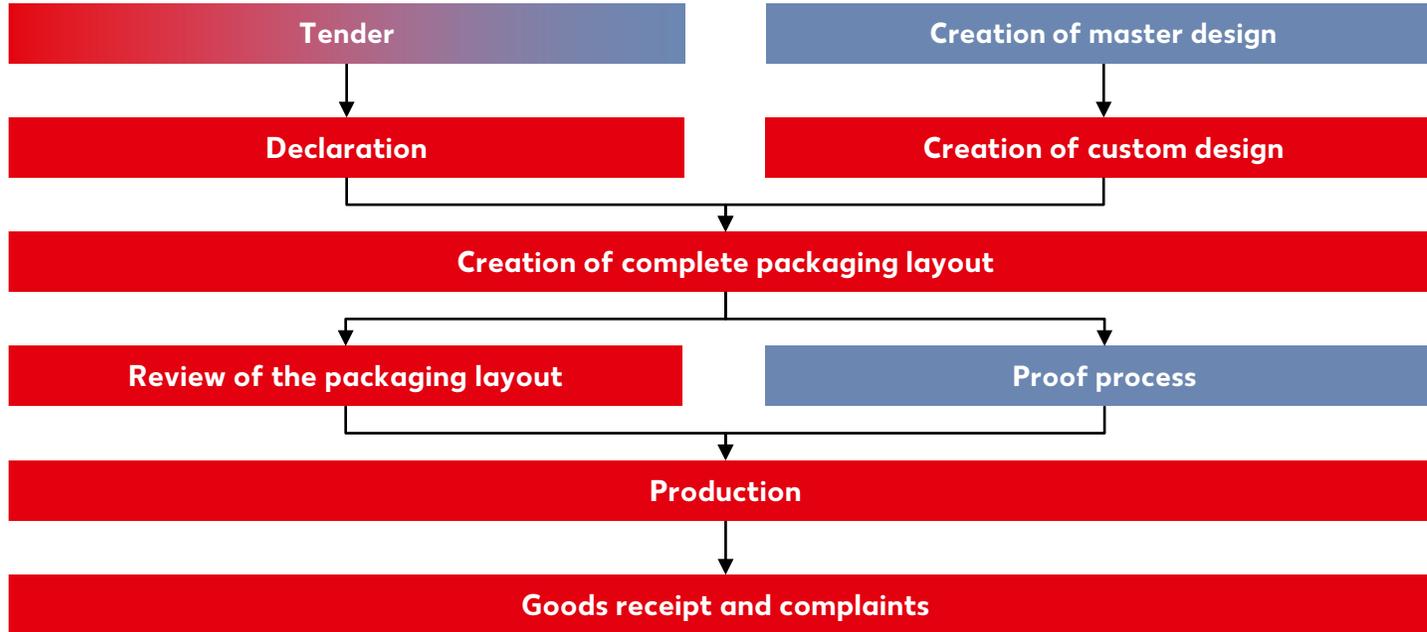
Changes in the master agreement

- Confirmation by an accredited testing institute that the contractual products comply with all relevant legal requirements in the countries of sale notified by Kaufland, that the contractual products are marketable in these countries of sale and that the labels of the contractual products comply with the legal and official regulations of the respective country in terms of data and language. The confirmation must be submitted to Kaufland upon request.

- Addition: The supplier generates GTINs and notifies Kaufland of these as part of the packaging layout.

- Addition: The supplier is obliged to provide Kaufland or the service providers commissioned by Kaufland with all information required for the preparation of the packaging draft. The timings agreed between the parties are decisive for this (as indicated in the Kaufland supplier training and the artwork management system). The supplier communicates and works independently with the service providers commissioned by Kaufland in selected process steps

General process steps

```
┌─────────────────────────────┐    ┌─────────────────────────────┐
│           Tender            │    │   Creation of master design  │
└──────────────┬──────────────┘    └──────────────┬──────────────┘
               ↓                                   ↓
┌─────────────────────────────┐    ┌─────────────────────────────┐
│         Declaration         │    │   Creation of custom design  │
└──────────────┬──────────────┘    └──────────────┬──────────────┘
               └─────────────────┬─────────────────┘
                                 ↓
┌───────────────────────────────────────────────────────────────┐
│              Creation of complete packaging layout              │
└──────────────┬─────────────────────────────────┬──────────────┘
               ↓                                   ↓
┌─────────────────────────────┐    ┌─────────────────────────────┐
│   Review of the packaging   │    │        Proof process         │
│           layout            │    │                              │
└──────────────┬──────────────┘    └──────────────┬──────────────┘
               └─────────────────┬─────────────────┘
                                 ↓
┌───────────────────────────────────────────────────────────────┐
│                           Production                            │
└───────────────────────────────┬───────────────────────────────┘
                                 ↓
┌───────────────────────────────────────────────────────────────┐
│                 Goods receipt and complaints                    │
└───────────────────────────────────────────────────────────────┘
```
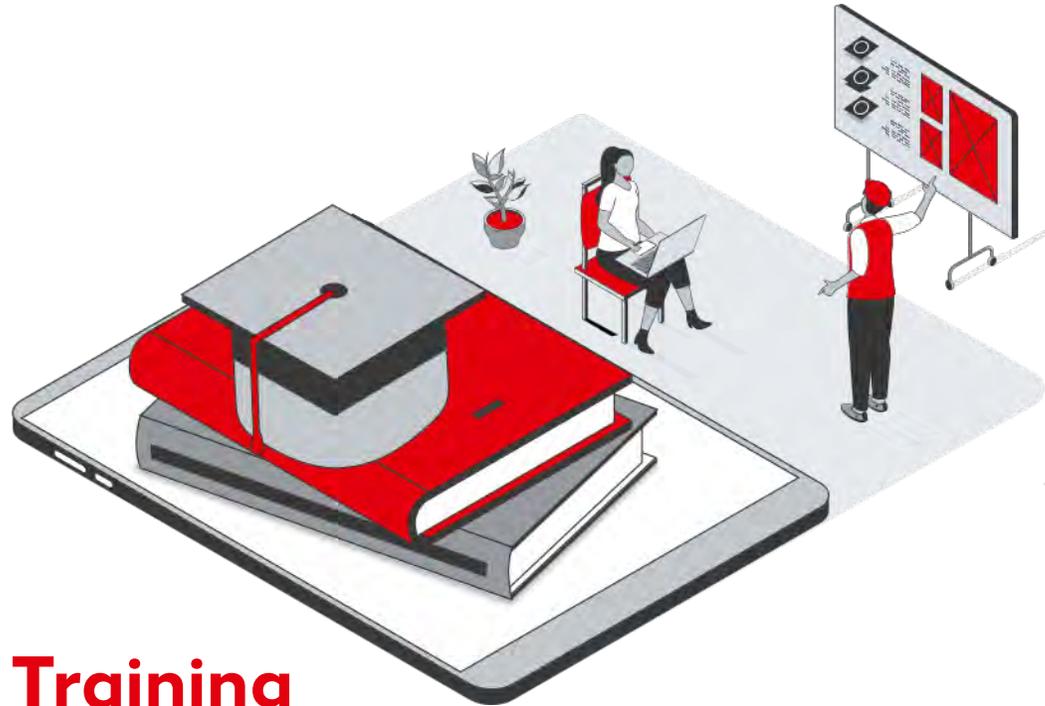
■ Process steps with supplier involvement

Changes to actual process

- Mandatory use of **packaging PSP** in addition to the product PSP
  - → Processed either via the packaging PSP as
- Excel file or via the NEO program
- **Procedural separation** of the internal responsibilities **between BM/QM**
- **Parallel declaration** and **creation of custom design** in a new workflow in Wave
- **Proof creation** and **review** by **pre-press agency**
- New **system-based complaints process** for print variations (roll-out at later date)
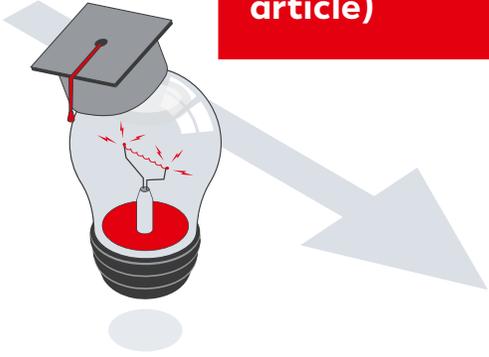
Process schedule

Introduction

04/10/2022

Full process launch (incl. adjusted system connection)

Please note: Old and new process will be in use at the same time in some cases (depending on the article) **!**

Training

10/10/2022

03

Sub-process: Tender

Interfaces involved in the process and their general responsibilities

Kaufland			Supplier			Creative agency	Pre-press agency
Purchasing	Quality Mgmt	Brand Mgmt	**Sales**	Test institute	Printer		
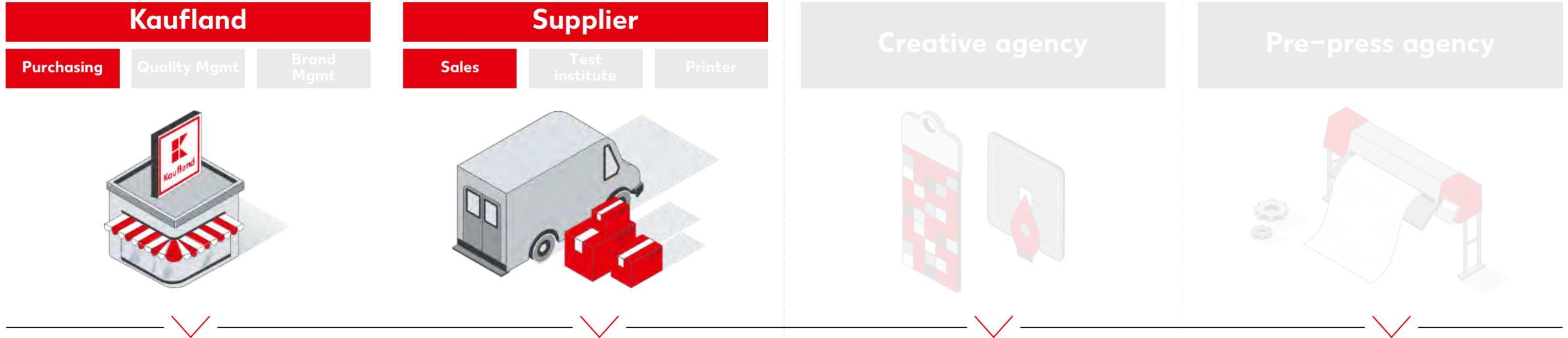
Output

- Contract – responsible: Supplier (in cooperation with Purchasing)

After contract award:

- Supply of product samples (incl. packaging) – responsible: Supplier
- Delivery of correct cutting dies for all individual packaging components and trays – responsible: Supplier (https://kaufland–artwork.com//index.php?act=hom–fil.downloadfile&data–dir=mand_1%2Fapp&filename=Requirements+Dieline_CAD_DE.pdf)
- Transmission of the correct printer specifications – responsible: Supplier
- Generation and delivery of GTINs – responsible: Supplier

Process

Tender

Master design

Purchasing & supplier

PARALLEL

BM

Creative agency

Process

| Purchasing & supplier	BM	QM	Creative agency
	Master design development		Master design development
Call for tenders & award			
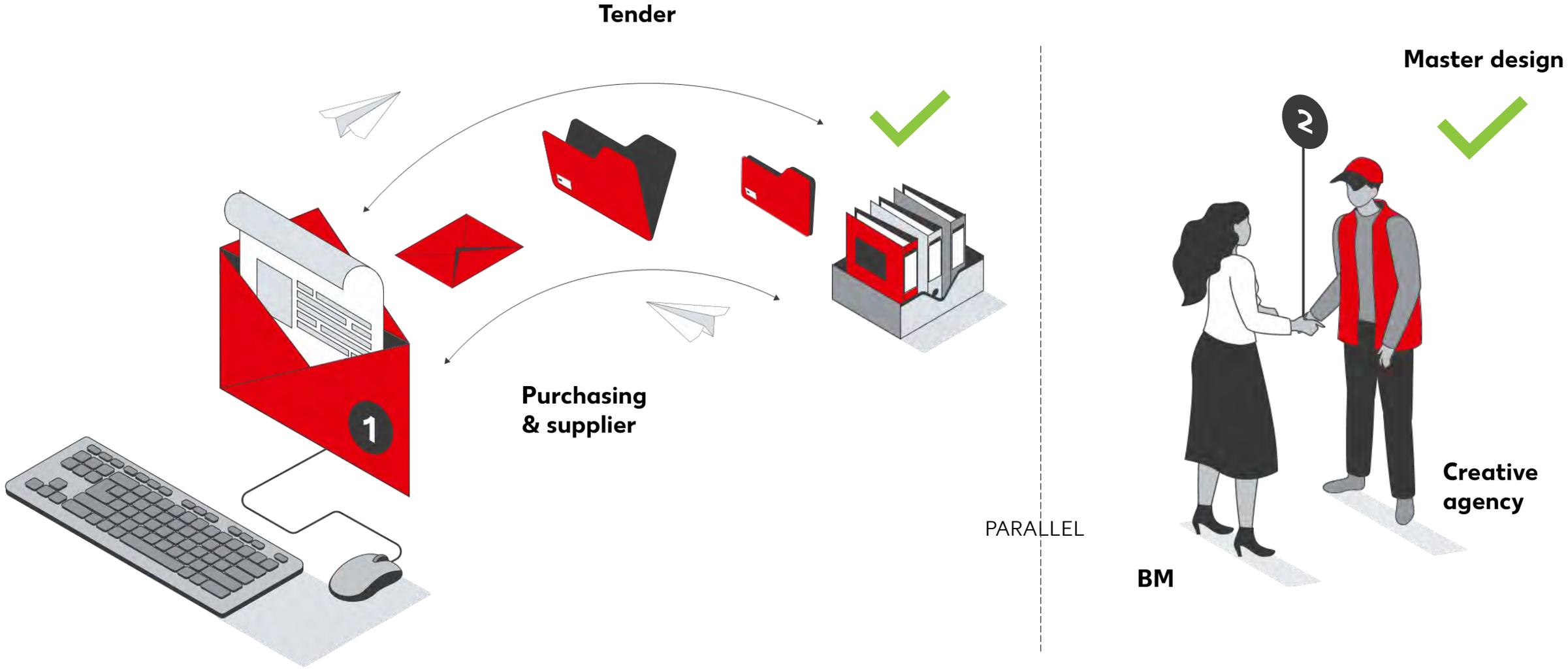
Addendum: GTIN generation

GTIN – responsible: Supplier

- A **new GTIN** is required for the following **changes** to the article:

- New article, new language cluster, changed language cluster allocation, grammage change, change of supplier, relaunch of packaging, brand change, recipe changes serious
Please note: for any special cases (example: deposit in the beverage area), always consult purchaser.

- All notes on GTIN creation are summarized here: https://www.gs1.org/

- The GTIN field in Wave = mandatory field for the supplier (if no change –>enter old GTIN – if necessary, coordinate with the respective purchasing contact person Kaufland)

- Please note: the GTIN specified must be identical to the GTIN specified in the item passport (responsibility: supplier – **except meat / fish items**).

- Excursus equalized / non–equalized goods: For equalized goods, the supplier creates a GTIN. For non–equalized goods, the GTIN will continue to be created by Kaufland.

Addendum: Responsibility for Kaufland PSP documents

Accurate information in the PSP documents is essential for the execution of the project!
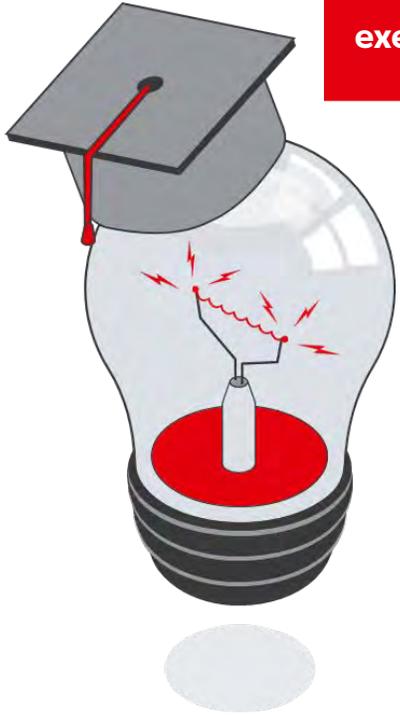
The PSP packaging and PSP part 2 (declaration) are part of the master agreement and must always be covered by the contents and criteria of the packaging creation/layouts.

Complete and correct information in the PSP documents is critical for the subsequent process

Missing information or confirmations in the PSP documents unnecessarily delay the downstream activities

Retrospective changes or inconsistencies lead to unnecessary delays and potentially even the cancellation of the project

Any changes must be coordinated with Kaufland

Addendum: Responsibility for PSP packaging/separation and disposal information

Responsibility:
- The separation and disposal information is independently defined by the respective supplier
- If ambiguities exist, the relevant Kaufland contact is briefly consulted

Application:
- The separation information is used for packaging with several components made of different materials that also need to be disposed of separately
- The disposal information is used for single-component packaging or packaging with several components that cannot or should not be separated by consumers

Your Kaufland Starter Pack provides more extensive documents on the topic of separation and disposal information
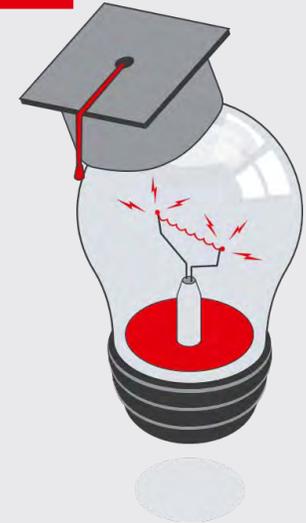
Beispiel zum Trenn- und Entsorgungshinweis: K3-Joghurtbecher

Packaging consists of:

- Plastic cups
- Cardboard casing
- Aluminum blank

– **All components can be easily separated by hand and consist of different mono materials**

– **Application of the separation notice for all components individually**

04

Sub-process: Declaration and Custom Design Implementation

Overview of project participant interfaces

Kaufland	Supplier	Creative agency	Pre–press agency

| Purchasing | Quality Mgmt | Brand Mgmt | Sales | Test institute | Printer | | |
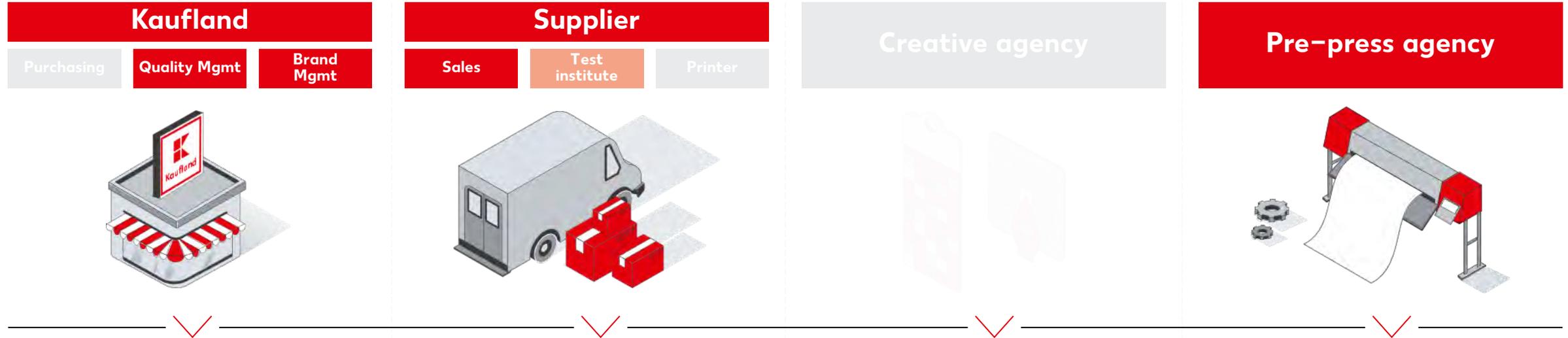
Output

- Final, signed product specification for product (PSP product part 2 – responsible: Supplier)

- Final, signed product specification for packaging (PSP packaging – responsible: Supplier)

- Translations of the declaration in the national language by a test institute appointed by the supplier (for international articles) – responsible: Supplier)

- Packaging layout (= custom design implementation based on the design master approved by Kaufland) – responsible: Repro)

- Marketability by a test institute appointed by the supplier (or, in exceptional cases, by the supplier's QA) – responsible: Supplier

Process

Result of the process step:

- Pre-press agency creates the entire packaging layout

1

Kaufland QM: Finalization of the product specification declaration and endorsement
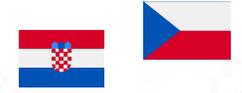
Declaration and endorsement

QM

2

TI: Translation

Supplier: Review and supply of translations and dispatch of printing data
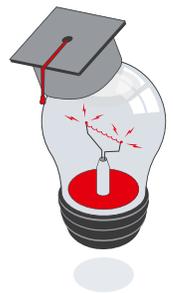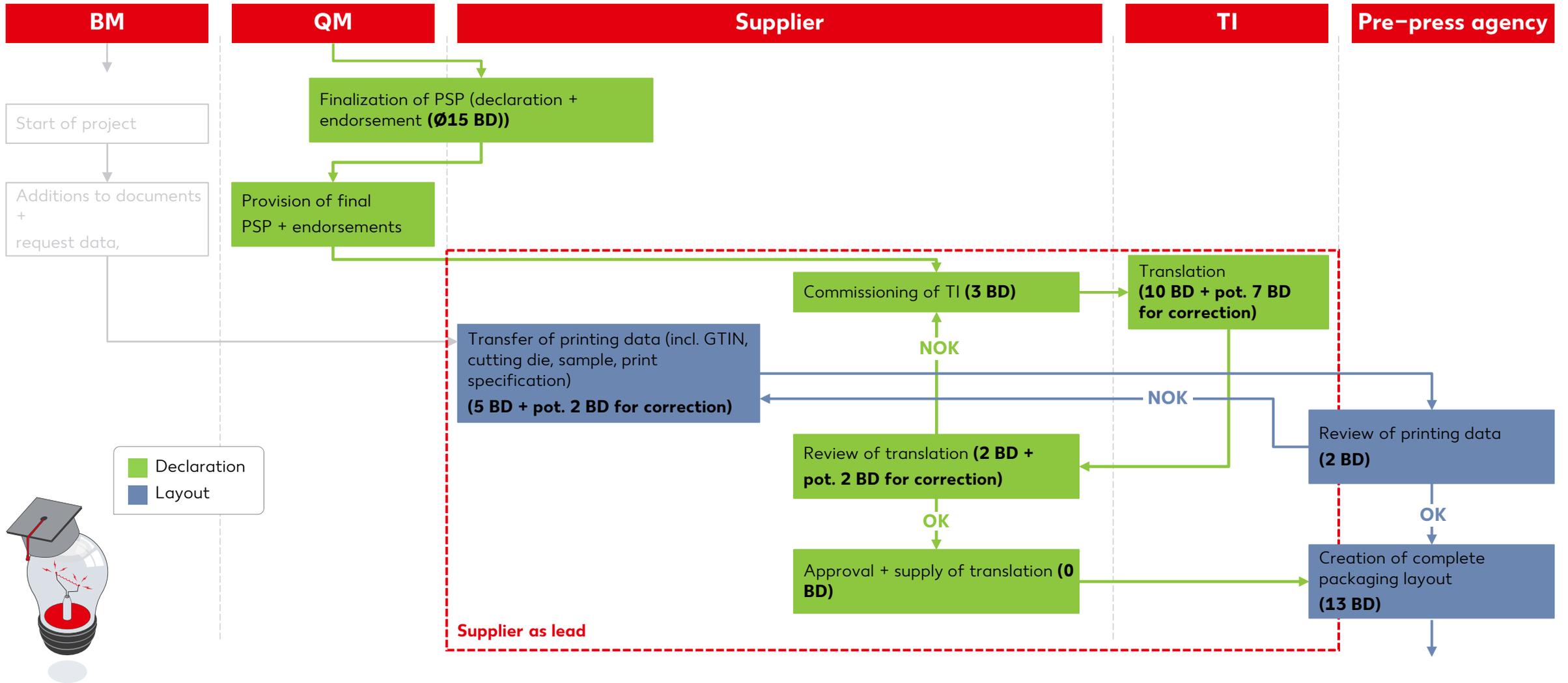
Lieferant

PI

3

Pre-press agency: creates packaging layout

Pre-press agency

Process

Supplier tasks vs non-tasks

Tasks	Non-tasks

Declaration

- Selection of the test institute (if necessary/decision in Status 2 in Wave by Kaufland Quality Management)

- Commissioning of the translation in all contractually agreed national languages

- Review of the texts prior to transfer to Kaufland

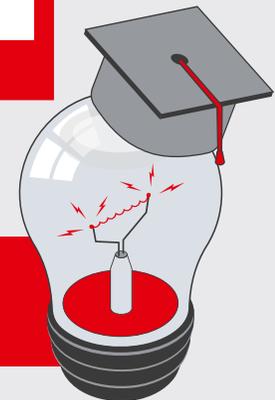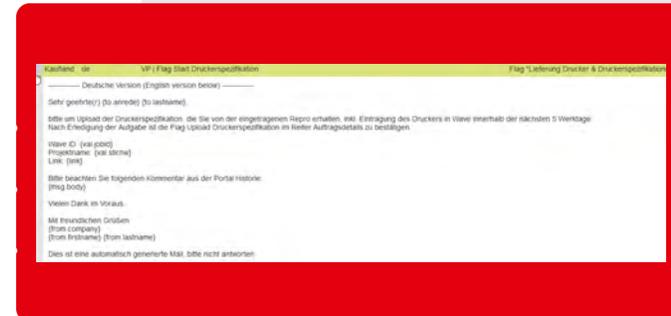- Strict compliance with the defined process and timings, particularly tracking compliance with the timing by the test institute

Custom design implementation

- Supply of the required data, information and documents

- Direct collaboration and communication with pre-press agency based on the process requirements

Custom design implementation

- Use of own repro

- Design development

- Photography

Strict compliance with the defined process and timings!Observance of the tasks in the Wave notifications
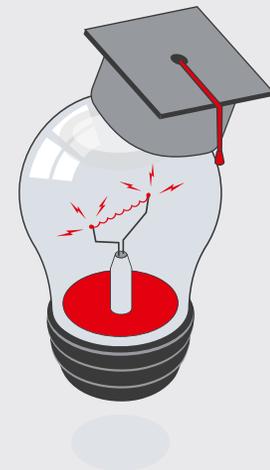
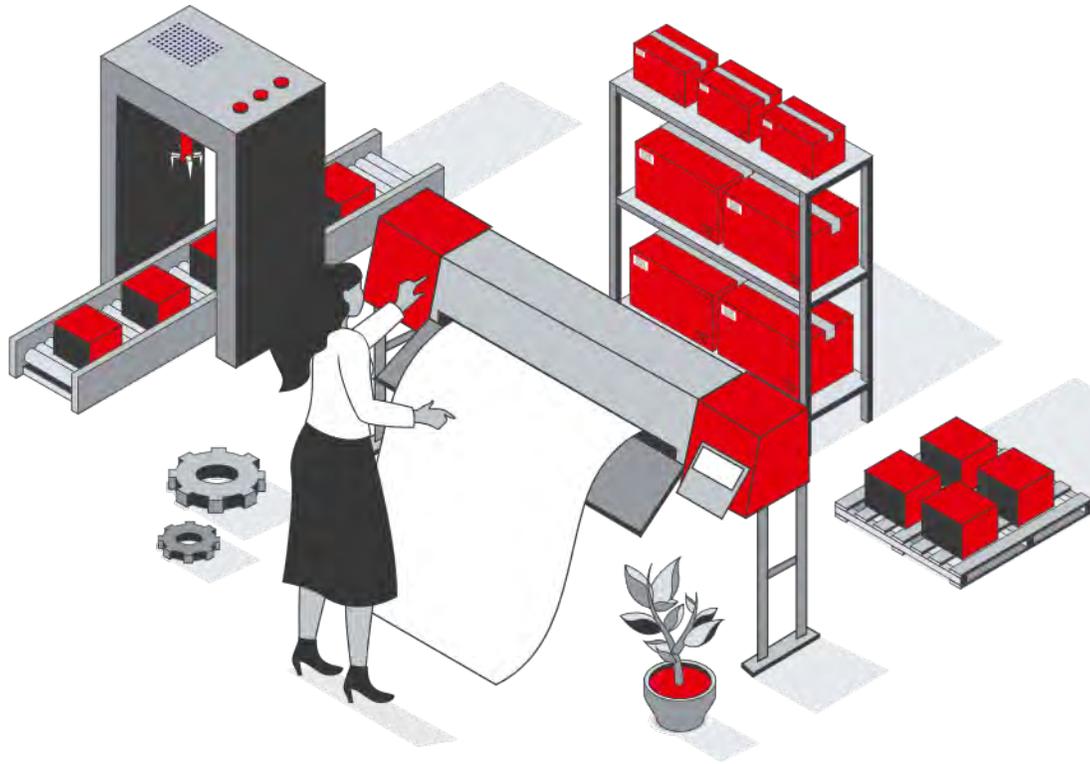# Addendum: Commissioning a test institute – translation for international language cluster

- Collaboration with a test institute **(not a translation agency)** is mandatory!

- After commissioning the translations, please send your test institute the **standardized translation table** for use. This ensures a smooth package creation process. The link to the template is contained in the relevant Wave notification for the article ("Beauftragung Übersetzung" [Commission Translation] flag).

  ➢ Please fill in the translation table with the texts (German + English) agreed in PSP part 2 (declaration). *English* is the source language for translation into the national languages at most test institutes. If no English texts are available, this translation can also be commissioned from the test institute.

Addendum: Commissioning a test institute – translation for international language cluster

- If texts that have been reviewed and approved by a test institute are already available, please also include these in the aforementioned translation table.

- "ROMANIAN" and "MOLDOVAN" must have a consolidated translation in a language cluster. Legally required differences must be noted in the declaration (e.g. **Ingredients**: xxx (MD: yyy), etc.)

Please review the translations supplied by the test institute for any queries, comments, or options and respond to these before sending the translations to Kaufland (e.g. missing QUID information, etc.).
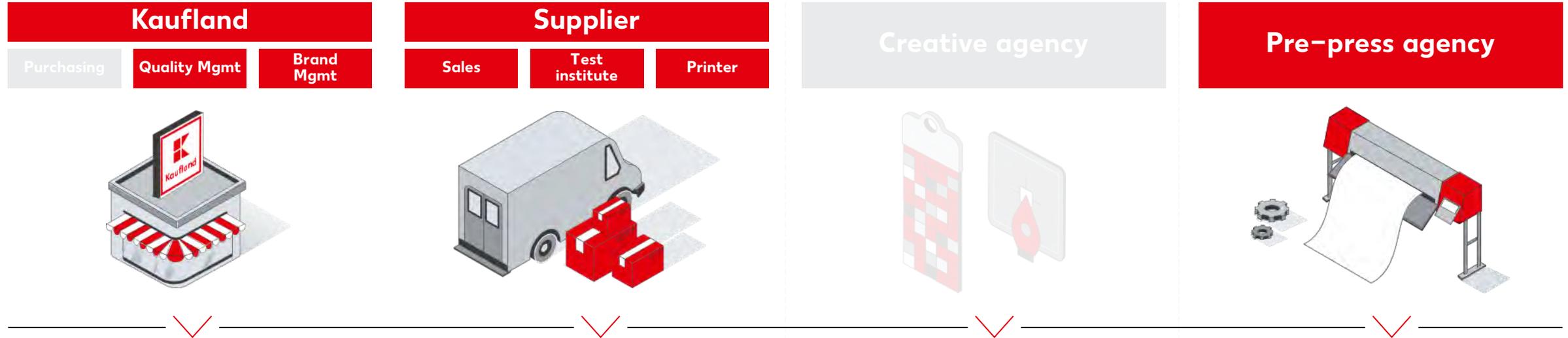
05
Sub-process: Creation of complete packaging layout

Overview of project participant interfaces

Kaufland			Supplier			Creative agency	Pre–press agency
Purchasing	Quality Mgmt	Brand Mgmt	Sales	Test institute	Printer		

Output

- Printable final artworks for the packaging (= complete layout, incl. final pictures and texts) – responsible: Repro

- Marketability certificate and approval by the test institute – responsible: Supplier

- Approval for printing by the supplier's printer

- Colour–accurate proof – responsible: Repro

- Specification of the actual delivery date

Supplier tasks vs non-tasks

Tasks

- **Strict compliance with the defined process and timings**

- Depending on the process chain, involvement of a test institute to carry out the packaging check – **a marketability certificate must be presented for these articles prior to approval**

- Review of the packaging with a focus on the following aspects:

- Was the cutting die used correctly – was the layout correctly aligned
  - Were all texts transferred correctly
  - If necessary: Were all translations integrated correctly
  - Does the packaging meet the print specifications
  - Is the packaging marketable
  - Has the layout been correctly developed in terms of printing aspects and is it printable

- Direct collaboration and communication with the Pre-press agency if corrections and adjustments are necessary

- Final marketability approval

Non-tasks

- Use of own repro

- Development of the final artwork

- Evaluation of the design

- Response to specific design questions

- Implementation of design-specific changes – without consultation with Kaufland (Brand Management)

- Request for changes that do not comply with Kaufland specifications, which violate applicable law and guidelines of seal owners
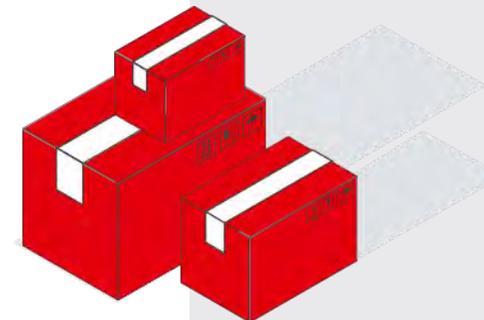
Addendum: Test institute – marketability review

- International articles must be reviewed by a test institute. (One-time check in the first correction loop is sufficient, afterwards you can ensure the correct implementation of the changes by yourself)

- To minimize the number of correction loops, the review by you and your test institute takes place when the layout is first prepared.

   Please pool the corrections by the test institute and your corrections in the first correction step and pass these on to Kaufland

   No correction round takes place before transfer to the test institute!

- You review the test institute's test report and only pass on your desired corrections to Kaufland. You do so by transferring the corrections in the Dalim Viewer in Wave. You also enter your own corrections in the Dalim Viewer in Wave.

- The APL (Approval Loop) in Wave gives you three options for confirming the review:

  - Green: no corrections

  - Orange: minor corrections that need to be implemented according to the review report for the marketability to apply (no further review by the test institute necessary)

  - Red: major corrections, the article is "not marketable" according to the review

Please ensure clear wording in the corrections!

Open questions must be clarified with the test institute before they are forwarded to Kaufland.

Prozessverlauf

1 **Kaufland BM:**
Review of the packaging layout

BM

2 **Lieferant:**
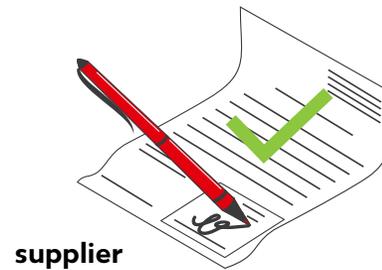**Review of the packaging layout and dispatch to TI**

supplier

3 **TI:**
Review of the packaging layout and issuance of the marketability certificate

TI

5 **Kaufland QM: Review certificate and check packaging**

QM

4 **Supplier:**
Confirms marketability

supplier

Process

Creation of complete packaging layout

Process

X

Major TI corrections

Supplier

TI

Process

Creation of complete
packaging layout

BM	QM	Supplier	Pre-press agency	TI

Review packaging layout

Supplier as lead
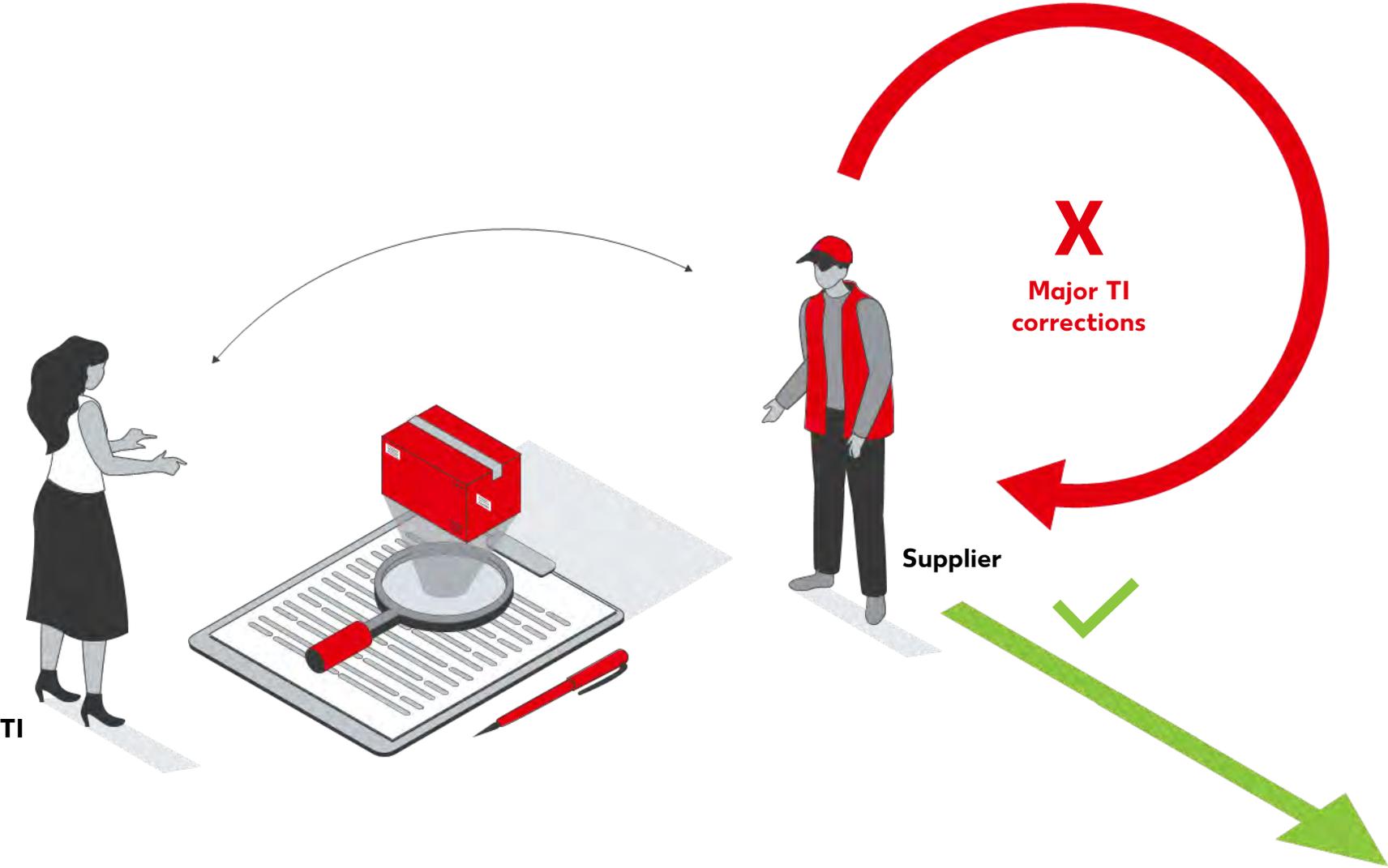
Forward packaging layout

Review packaging layout **(2 BD)**

Transfer packaging layout to test institute **(2 BD)**

packaging layout

OK

Review of TI requests for change **(2 BD + if nec. 3 BD for correction)**

Dispatch (+ review) **correction (2 BD)**

Implementation of correction **(2 BD + if nec. 2 BD for correction)**

NOK

Process

X
Minor TI corrections

Supplier

TI
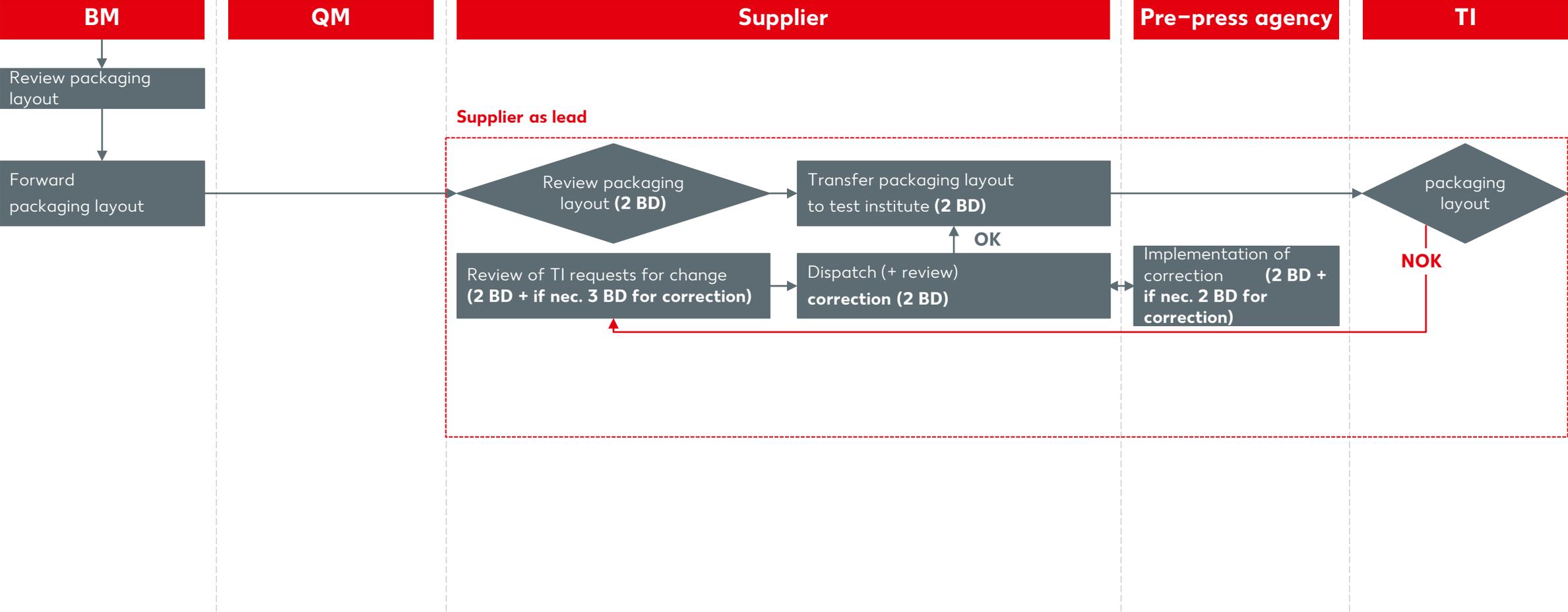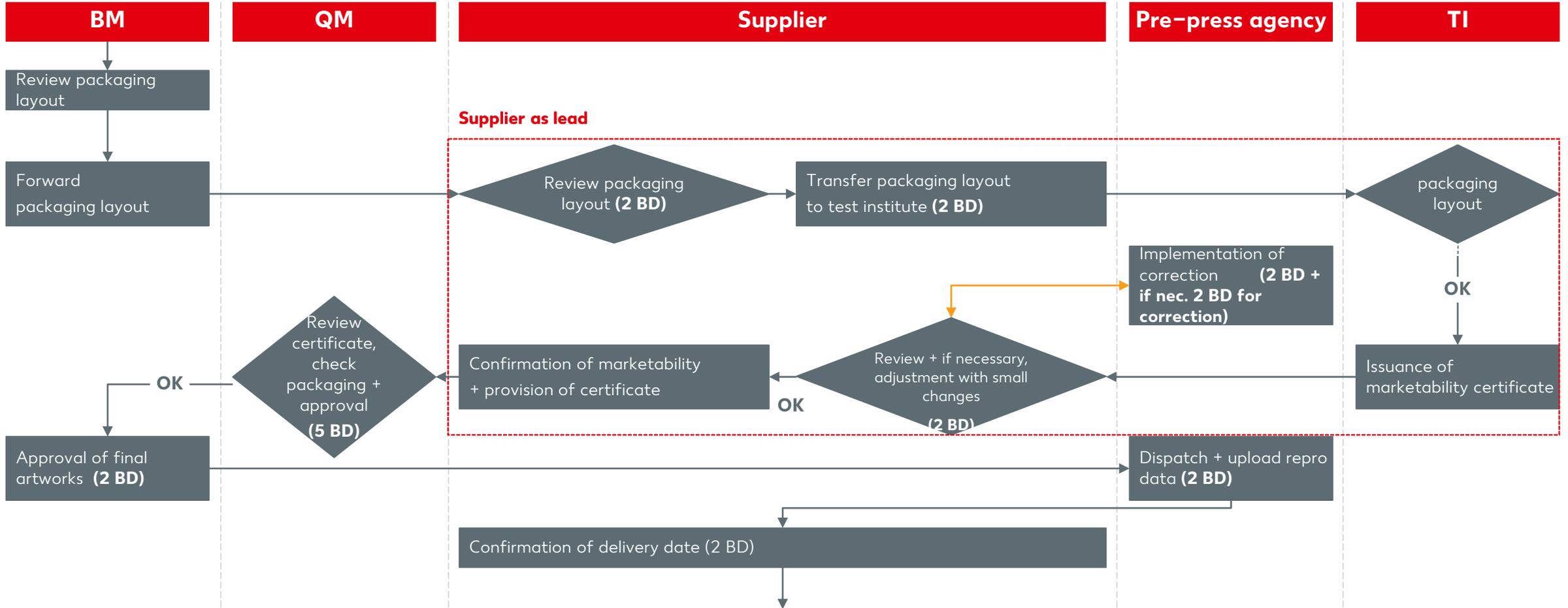
Process

Addendum: Proof process
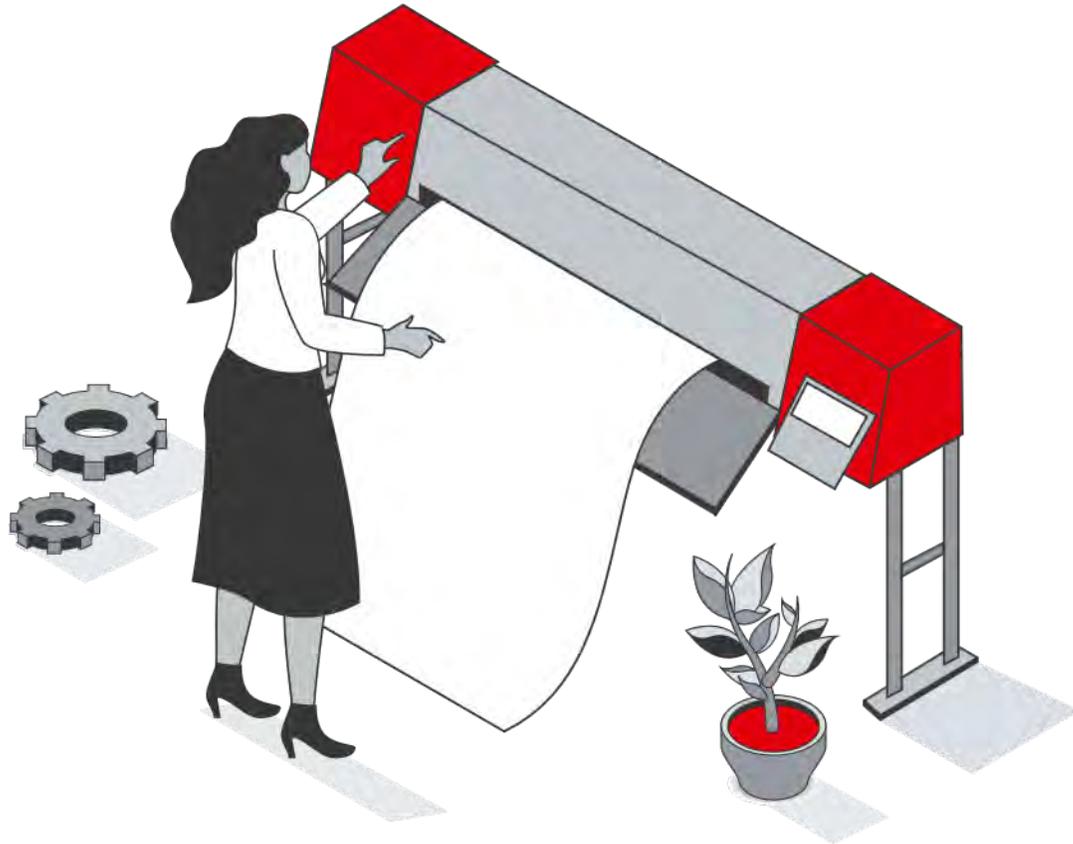
The **pre-press agency** is entirely responsible for the **creation, review and approval of proofs**.

Depending on requirements, the pre-press agency will provide the supplier or the printer with a final **proof as a binding print reference** as part of all projects.

This proof, together with any colour charts, is the sole reference and must be used as a print template.

The creation and dispatch of **counterproofs** by the supplier or the printer is **not necessary.** Counterproofs are not inspected or approved by the pre-press agency or Kaufland.
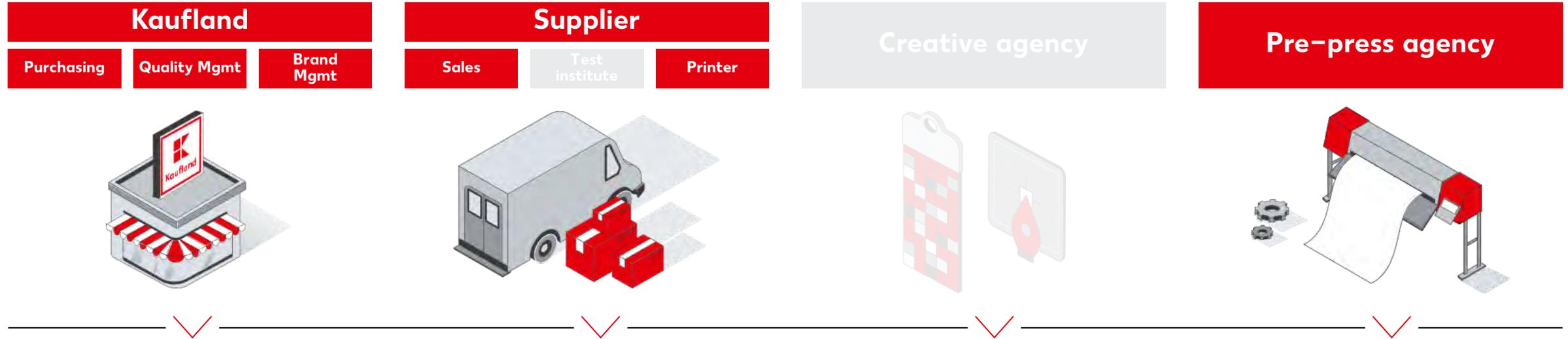
Comment – exception: If a counterproof is desired, this is explicitly and expressly requested.

06

Sub-process: Production and Goods Receipt

Overview of project participant interfaces

Kaufland			Supplier			Creative agency	Pre–press agency
Purchasing	Quality Mgmt	Brand Mgmt	Sales	Test institute	Printer		

Output

- Compliance with the indicated and coordinated delivery date

- Provision of the product sample of the relevant Kaufland own brand article. Note: pre–press agency also requires the product master for review – responsible: Supplier

Supplier tasks vs non-tasks

Tasks

- **Strict compliance with the defined process and timings**
- Dispatch of the first production sample to the responsible purchaser is identical to the current process
- Dispatch of the final product sample to the responsible pre-press agency
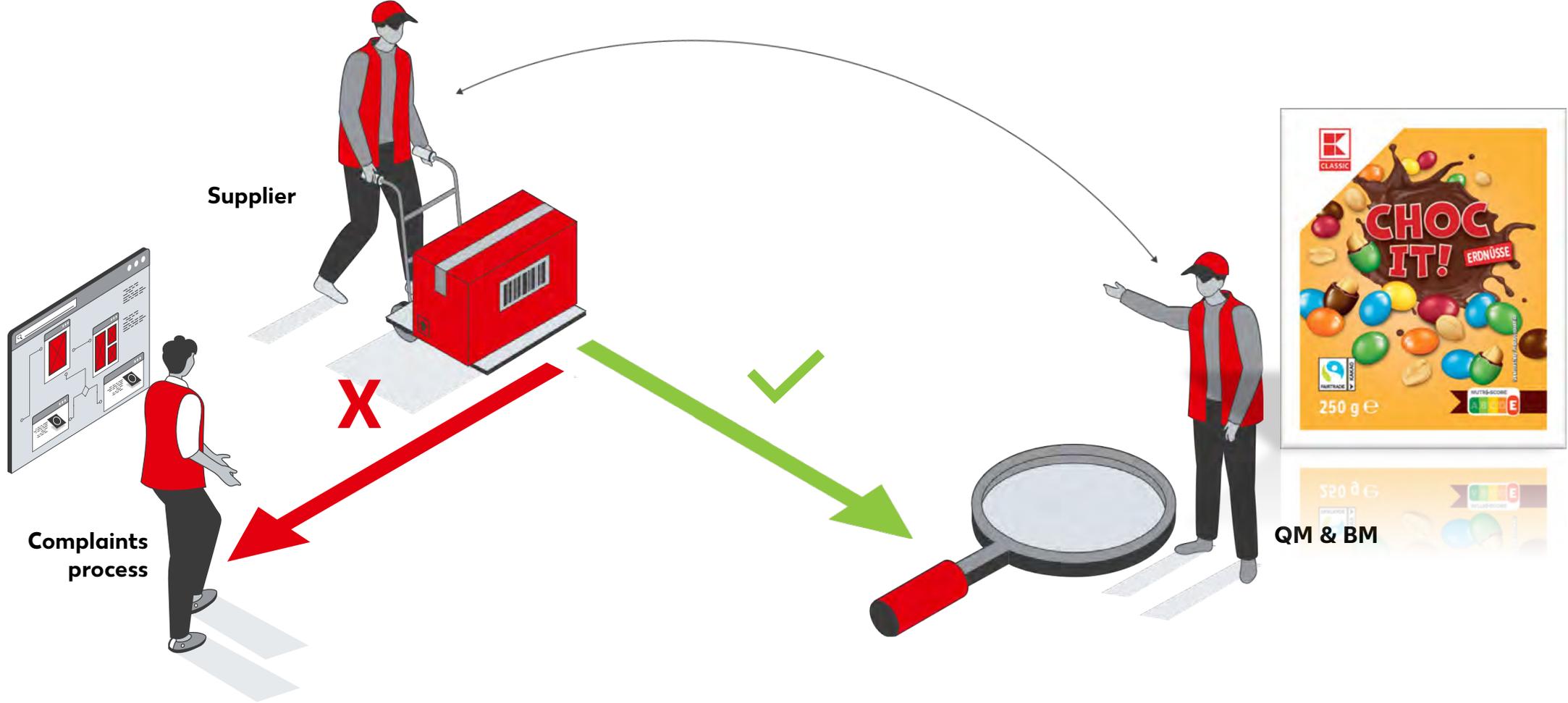- Dispatch of necessary analysis results of the first production, if requested

Non-tasks

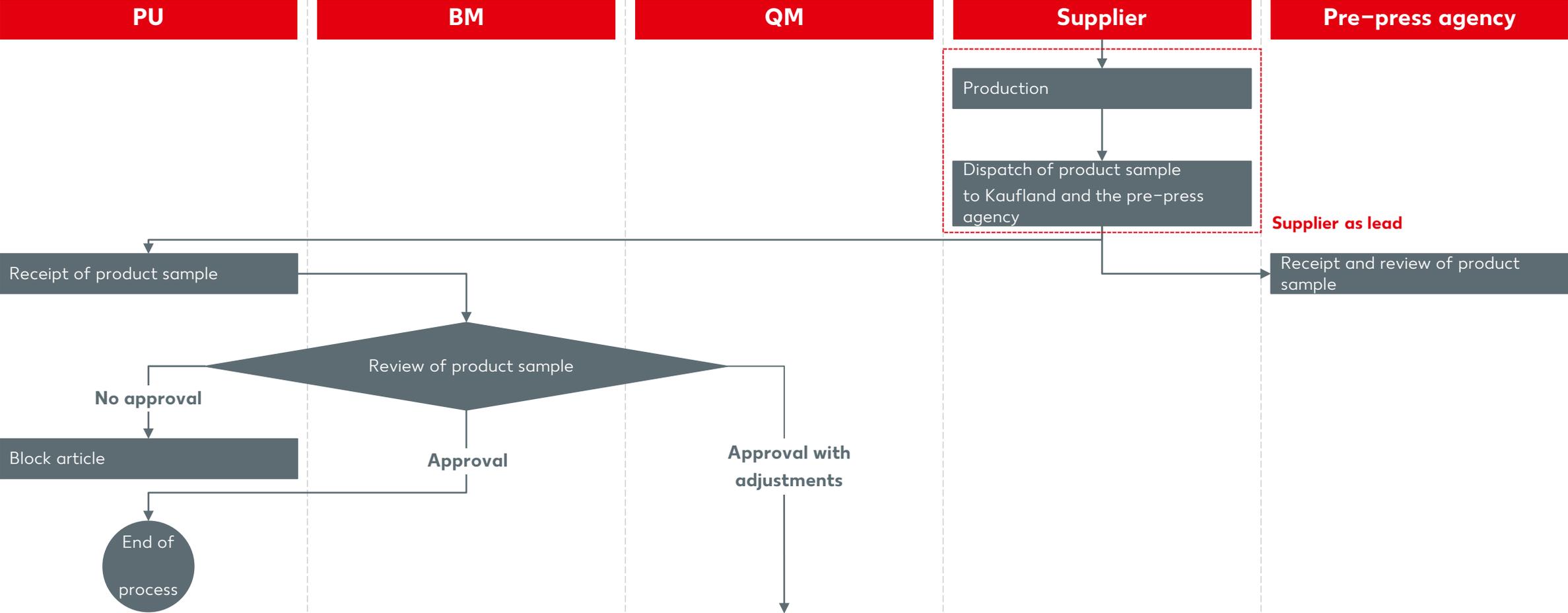- Participation in the incoming goods inspection

Process

Process

PU	BM	QM	Supplier	Pre-press agency

Production

Dispatch of product sample to Kaufland and the pre-press agency

Supplier as lead

Receipt of product sample

Receipt and review of product sample

Review of product sample

No approval

Approval

Approval with adjustments

Block article

End of process

Addendum: Dispatch product sample

- Product samples are reviewed by BM and the pre-press agency

- Various points are checked, e.g. finish, opening aids, print quality, colour implementation, readability of the texts

- Decision on approval/non-approval and, where applicable, start of the complaints process

Please ensure the timely dispatch of the final product samples to Kaufland and the pre-press agency!

07
Complaints process
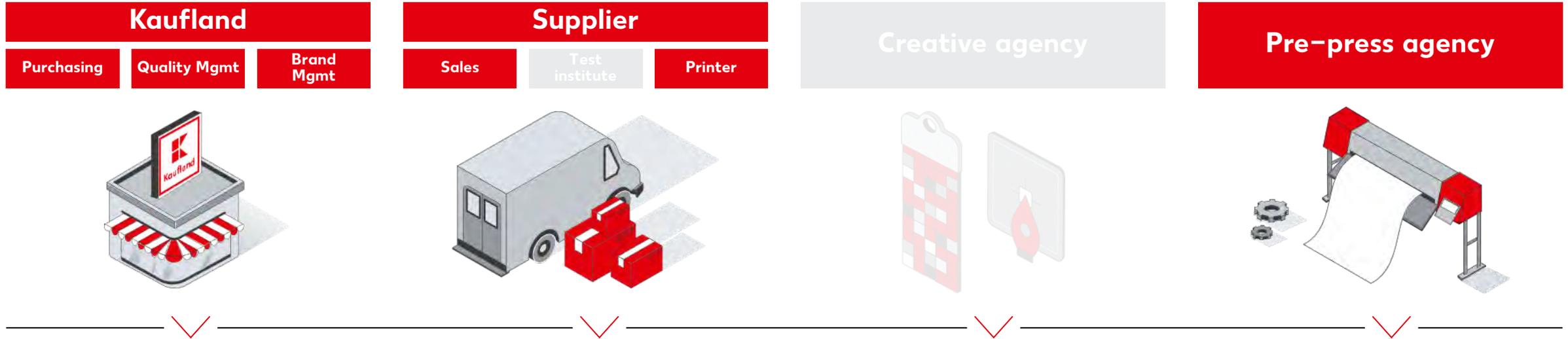
Home

Overview of project participant interfaces
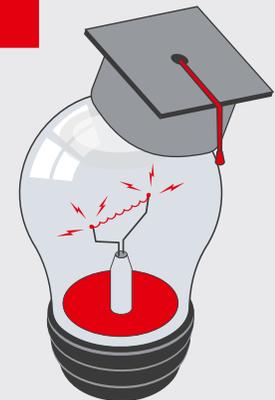
Note: Roll-out at a later date

Kaufland			Supplier			Creative agency	Pre-press agency
Purchasing	Quality Mgmt	Brand Mgmt	Sales	Test institute	Printer		

Output

- Printing optimizations to the packaging layout for a perfect print result

- Renewed provision of the product master of the relevant Kaufland own brand article. Note: pre-press agency also requires the product sample for review – responsible: Supplier

Supplier tasks vs non-tasks

Tasks

- **Strict compliance with the defined process and timings**

- Handling of adjustments due to poor print results (poor execution by printer or improved printing presentation) in collaboration with the pre-press agency

- Renewed dispatch of the production sample to the responsible purchaser is identical to the current process

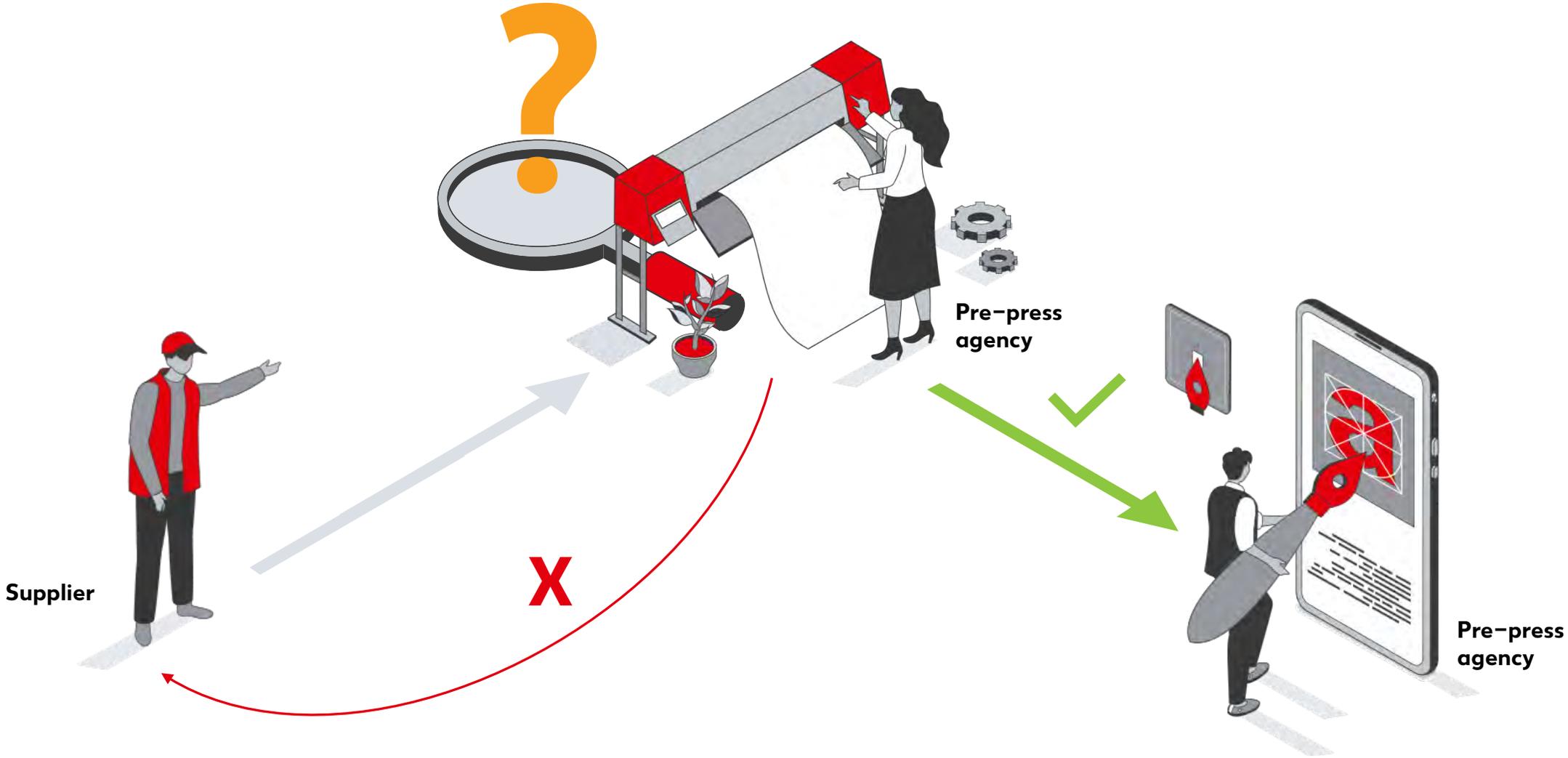- Dispatch of the final product sample to the responsible pre-press agency

Non-tasks

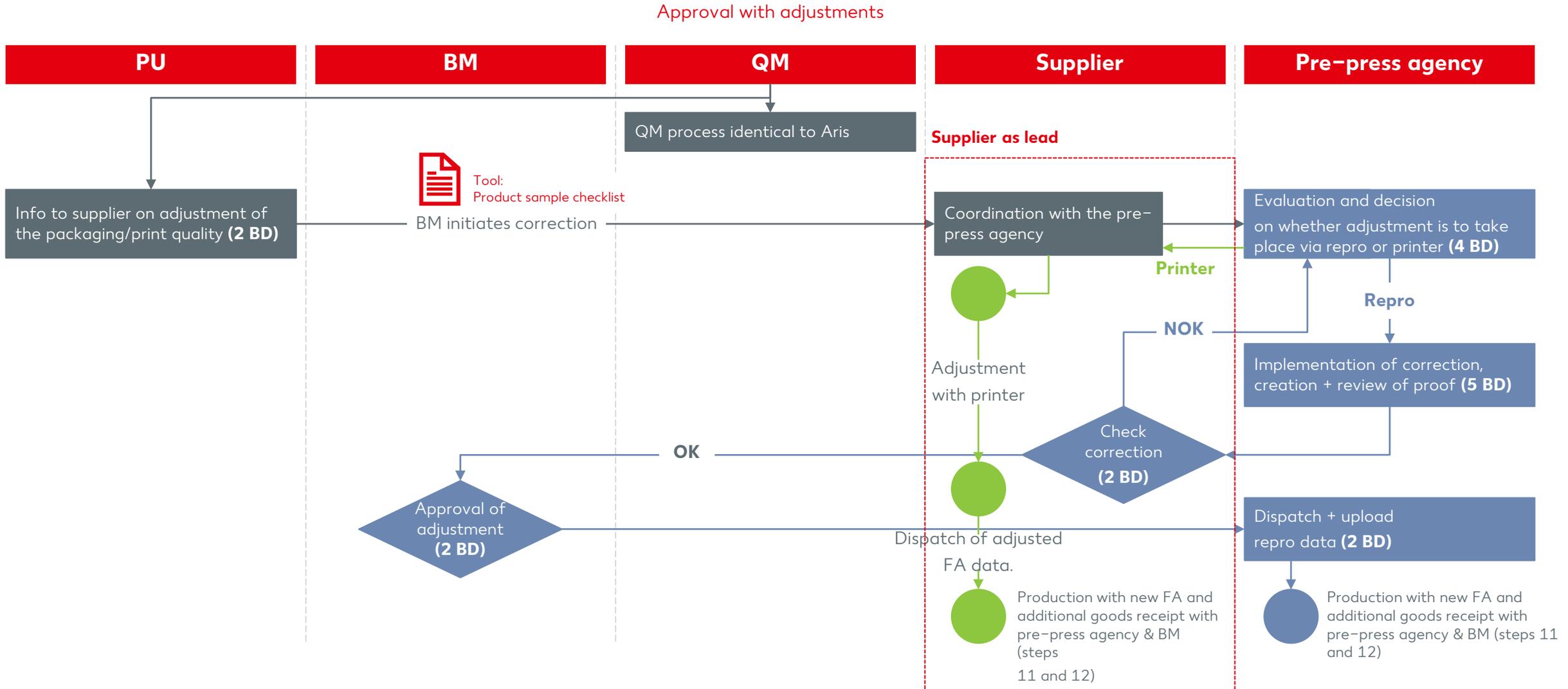- Participation in the incoming goods inspection

Process

Process

Approval with adjustments

PU	BM	QM	Supplier	Pre-press agency

QM process identical to Aris

Supplier as lead

Tool:
Product sample checklist

Info to supplier on adjustment of the packaging/print quality **(2 BD)**

BM initiates correction

Coordination with the pre-press agency

Evaluation and decision on whether adjustment is to take place via repro or printer **(4 BD)**

Printer

Repro

Adjustment with printer

Implementation of correction, creation + review of proof **(5 BD)**

NOK

Check correction **(2 BD)**

OK

Approval of adjustment **(2 BD)**

Dispatch of adjusted FA data.

Dispatch + upload repro data **(2 BD)**

Production with new FA and additional goods receipt with pre-press agency & BM (steps 11 and 12)

Production with new FA and additional goods receipt with pre-press agency & BM (steps 11 and 12)

08

Escalation Process

Objectives

1
Ensure the new **'time to market'**

2
Ensure the **responsibilities**

of all process participants

3
Timely **management**

of any challenges

Premises of the escalation process

Escalation process

Various escalation levels with final escalation via the responsible Purchasing department

Ensure timings with external process participants by various departments

Information on delay is automatically sent to the escalation body by the system

Escalation levels

On process day X	Escalation by	Escalation to	Example
+1	System	External representative	Wave → Supplier
+2	Downstream external body	External representative	Repro → Supplier
+3	Internal operational department	External representative	BM/QM employee → Supplier
+4	Next internal level of hierarchy	External representative	BM/QM/TL → Supplier
+5	Purchasing negotiator	External representative	Purchasing → Supplier

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Contacts

Project contact – daily operations

For **design-specific questions** that may arise, the primary point of contact is the relevant representative at the **pre-press agency**. If you contact us in writing, please contact it directly via Wave.

Secondly, if absolutely necessary, the **Kaufland Brand Manager** responsible for the specific project, can be consulted **on design-specific questions**.

In case of open points, such as **questions on declarations and translations or issues concerning the test institute** please contact the **relevant** representative at **Kaufland Quality Management.**

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System-based Processing – WAVE

General process steps

Tender	Creation of master design

Declaration	**Creation of custom design**

Creation of complete packaging layout

Review of the packaging layout	**Proof process**

Production

Goods receipt and complaints
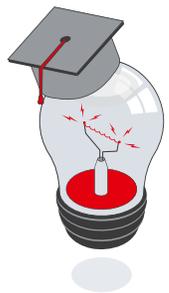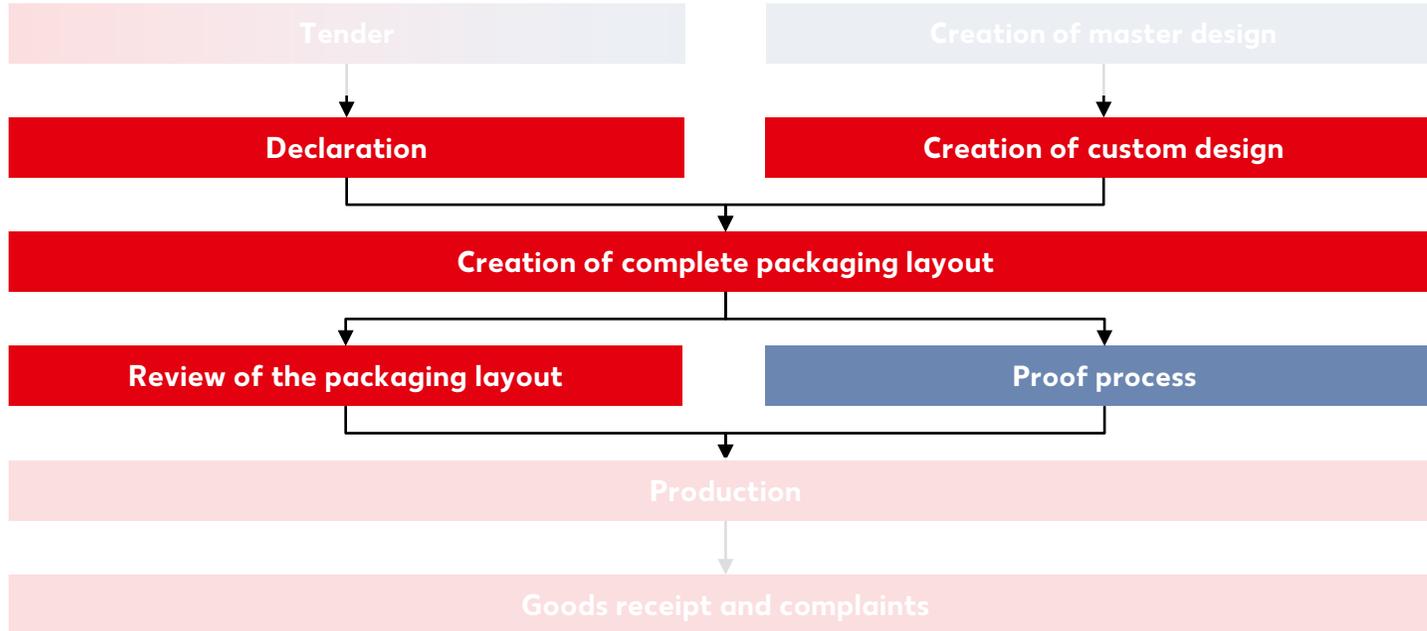
🟥 Process steps with supplier involvement

A new workflow that considers the following points was developed in WAVE for the new process:

- **Procedural separation** of the internal responsibilities **between BM/QM**

- **Parallel declaration** and **creation of custom design** in a new workflow in Wave

- **Proof creation** and **review** by **pre-press agency**

- New **system-based complaints process** for print variations (roll-out at later date)

Adjusted workflow in Wave

NEW
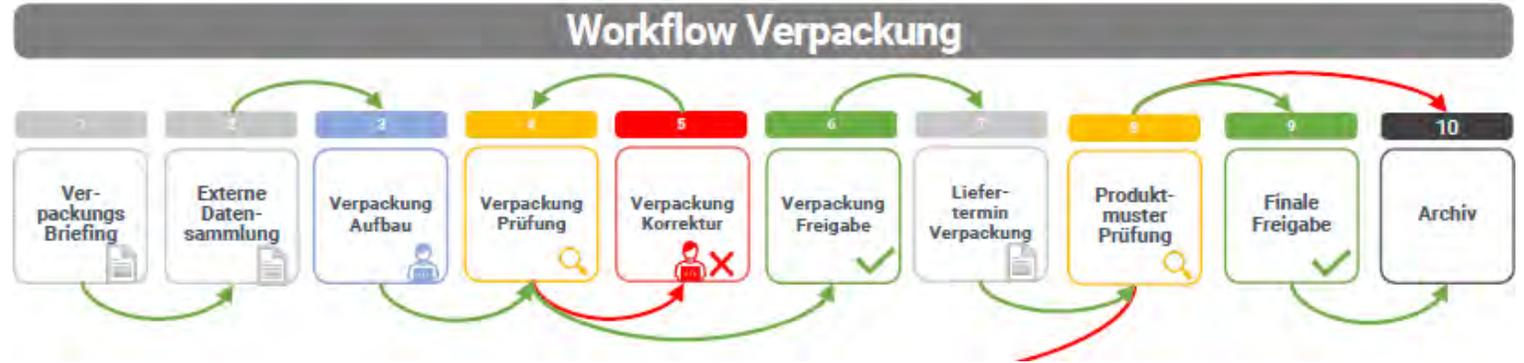
OLD

Separation of responsibilities with new reasons for adjustment
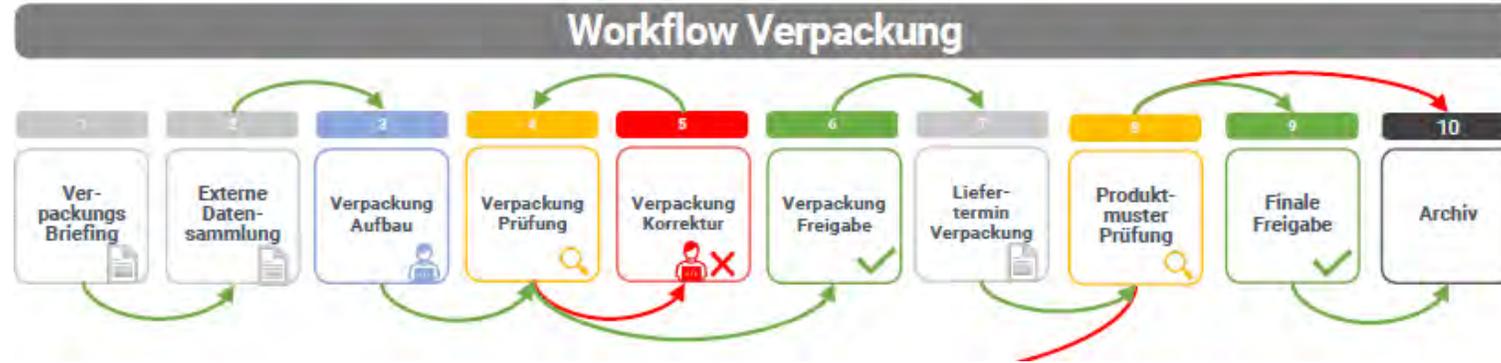
BM

- New articles/change of supplier INT
- New articles/change of supplier NAT
- Relaunch design
- Tray
- Change of printer/CAD adjustment
- Fast Lane 1 – minor changes
- Fast Lane 2 – OBE (top film labels) with repro

QM

- Dekla adjustment INT
- Dekla adjustment NAT
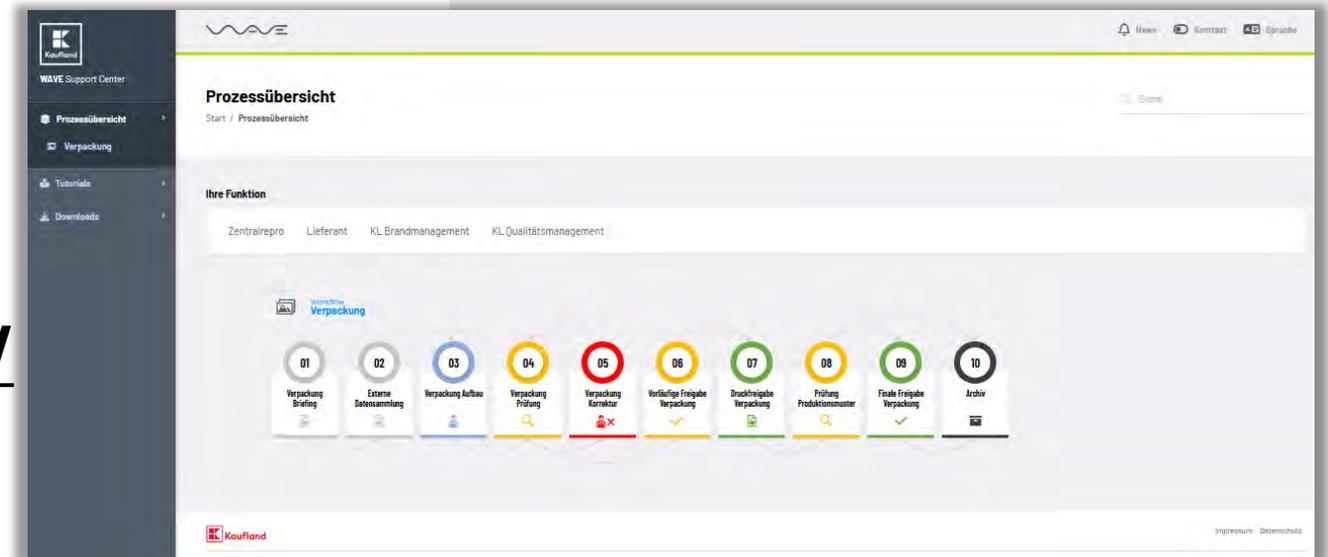- Fast Lane 3 – UBE (bottom film labels) without repro

Wave Support Center

In the future, the Wave Support Center will:

- Visualize the process for all interfaces

- Display the to-do's, filterable by status and role

- Include tutorial videos and files (e.g. flag instructions)

- Additional reference to the Wave process

https://kl-packaging.schwarz/

NEW WAVE PROCESS

Wave Support Center

All status can be filtered in advance by active role or you can choose the direct entry per status

Tutorials and downloads for better understanding

Wave Support Center

Selection of the adjustment reason necessary, then all tasks are displayed

You can also filter by different roles here

FAQ

GTIN

What does GTIN generation mean, so does Kaufland no longer provide them?

I have not yet understood one point: is the barcode generated by us suppliers or is it provided to us?

If the GTIN is generated by the LF, does the LF incur costs?

Yes, the supplier will be responsible for generating the GTIN in the future. Information can be found on page 18 of this training document. There are no additional costs.
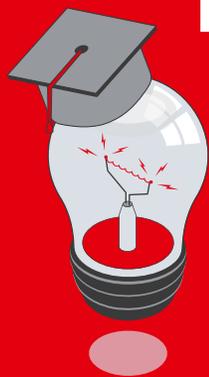
FAQ
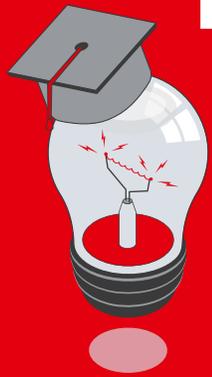
Starter package

Where can we see the starter package?

You will receive the starter package from your Kaufland purchaser.

FAQ

Testing institute

Will Kaufland provide a list of the testing institutes in question?

Do you have testing institutes that you have worked with in the past and have had positive experiences?

In general, you are free to choose the testing institute. We can recommend some testing institutes. You can contact Kaufland Purchasing for this purpose.

Are we as a supplier obliged to commission a commissioned testing institute to translate the packaging texts?

Yes, the translations into the national languages must be commissioned by a testing institute. If you already have texts checked by a testing institute, you can provide them to us in the standardized translation table.

In what form should the translation texts be made available?

The translation texts should be made available in the standardized translation table. You will find this in Wave as a stored file. The link to the template can also be found in the respective wave notification of the article (flag "Assignment of translation").

FAQ
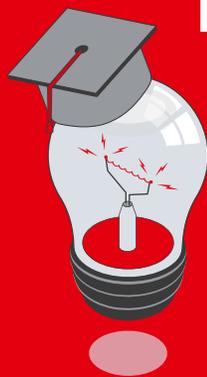
Testing institute

Do we need a certificate from the testing institute for the correctness of the translations?

Yes, as soon as it is an international article. For purely DE articles, the procedure is determined by Kaufland quality management.

Is the deadline for the PI check extended if the layout is not marketable?

If the layout has been classified as not marketable after the check by the PI, press "red" in the APL. The layout will then be corrected and you will receive it again for review. You will then receive the same timing as in the first test round.

5 working days were set for a translation, but the testing institutes usually need 10 days. Can this still be adjusted? Otherwise, an expensive express check would have to be commissioned.

The planned timings for the testing institutes are 10 working days for the translations and then 5 working days for the layout check.

FAQ
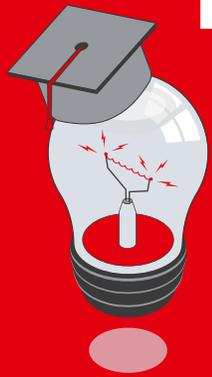
I have a question about the print colors of the packaging. According to your policy, it is necessary to refer to the Kaufland colors for printing. This is generally not easy for all printers and it would be easier to provide Pantone colors. I know it isn't possible and it would be helpful to get the Kaufland colors.cxf files (along with the color card you already provided). Could it be possible to check if it is possible to include this step in your approval process? The.cxf file contains all the color details that the color card does not. These are crucial for the customization of the color you need.

The color cards are only relevant for the brand colors within the own brands such as Kaufland red, K–Favorites colors and K–Bio, all other colors are indicated in Pantone. In general, the following information, which is also common in the printing industry, must be observed:

– The color target for CMYK colors is the target proof

– Color target for special brand colors are the ColourCards, they are indicated with LAB values see color card

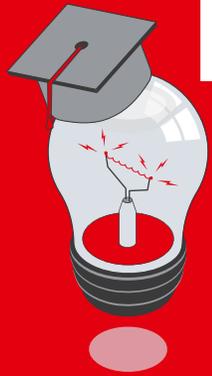– All PANTONE spot colors refer to the Pantone Plus library

FAQ
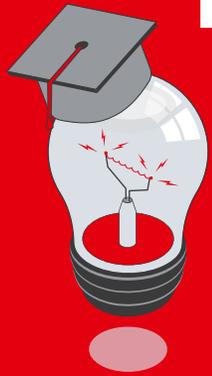
PSP

Is the change of PSP1 and PSP2 handled via the Neo portal or via the Excel files?

This currently still differs from product group to product group. You will receive the information from your responsible Kaufland purchaser.

FAQ

Receipt of product sample

Can the goods only be delivered after approval? So far, we have sent samples, but have already delivered the goods.

The goods may only be delivered after approval. This is already the procedure in today's process. The supplier may not deliver any goods before approval.

Does it make sense to submit the packaging for inspection after printing and before production?

The new process does not envisage sending the packaging to Kaufland before production.

FAQ
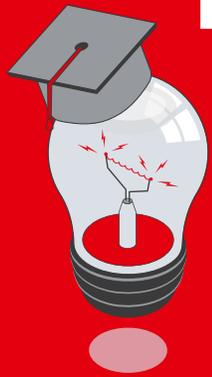
WAVE

Is there a way to view the complete mail history (complete communication) in Wave?

No, the complete process cannot be viewed by suppliers.