



# Tesco reaps the benefits of playing it safe

As one of the world's top 3 retailers, Tesco produce over 6,000 own label products and work in partnership with over 1000 manufacturing partners. Tesco have found the formula to reduce product development costs and lead times whilst simultaneously meeting the stringent challenges of producing modern, own label food products.

In order to achieve this Tesco had to adopt new radical methods of work which involved a complete rethink of the product specification process. A new philosophy involving closer relationships with suppliers and deployment of a "right first time" approach were integral to Tesco's success.

## Challenges

In a world of increasing product complexity, reducing or regularising key ingredients such as salt and sugar, providing traceability on recipes and accurate information on nutrients, allergens and ingredient country of origin, all create numerous opportunities for error. Add to that the Tesco business drive for lower product costs and reduced timescales and it was clear that they had a formidable task on their hands.

Tesco addressed these issues at two levels: firstly by building a comprehensive database of information in order to ensure legal compliance and to provide an accurate source of information for food intolerance claims and product due diligence enquiries. Secondly, Tesco required a web-based environment for themselves and their suppliers to allow collaboration on all aspects of product development with the inclusion of important checks and validations to pre-empt mistakes. RedSky IT was selected as the chosen business partner to develop this system using its Creations software as the basis for the fully integrated IT solution.





### **TESCO meets the challenge of legal compliance and brand protection**

Tesco worked with RedSky IT to create the world's first brand protection system to hold all information required for a due diligence defence. Details of all Tesco suppliers and their manufacturing sites are now recorded centrally and the system provides facilities for site audit, visit management and product scorecards. The system also allows access to the details of all products, the supplier who produced them and pre and post launch test information carried out on the products. The system is called Creations Brand Protection.

Electronic systems negated the need for Tesco to re-key information from the paper specifications into other systems, both to generate label copy for artwork production and to provide data on ingredient searches and customer enquiries. Aside from the obvious time reductions that the electronic system yielded, it is also now possible to carry out a rigorous validation of the data in the specification, therefore ensuring greater accuracy and fewer errors. The generation of an electronic extract for label copy enabled Tesco's

design houses to simply cut and paste critical "back-of-pack" information directly into their systems, therefore further saving time, and reducing errors.

The system also allows Tesco to search for products containing a specific ingredient and those free from specific allergens. This means that Tesco are now better able to respond to customer enquiries quickly and efficiently, whilst also allowing them to respond rapidly to food safety issues.

### **Simple procedures and one truth information**

Building on the RedSky IT Brand Protection system, the latest phase of development allows for a collaborative website where suppliers can enter product specification and label copy information, request it to be checked and validated online and can fully collaborate with Technical Managers. The design of the specification system is clear and extremely user-friendly. It is designed to work and look like familiar paper based forms.

The system known at Tesco as the Technical Library addresses both simple and complex products. The system can handle multi-packs and multi-size products which in the past have proven to be a challenging technical issue. Suppliers can now enter specification information 24 hours a day from anywhere in the world. Tesco Technical Managers access the very same specification information and can authorise the release of label copy for artwork, prior to full completion of the specification. This section of the specification is then locked at which point, further changes are prohibited. The supplier continues to complete the remaining data entry required while the artwork house completes the packaging design.

The RedSky IT systems that underpin the new methods of working at Tesco have enabled them to deliver impressive results. Tesco's customers can be safe in the knowledge that behind the scenes there are rigorous systems and processes of work in place, in order to ensure that Tesco claims are accurate and products are correctly described. Another little example of the Tesco motto "every little helps!" in action.