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# WHERE DO WE STAND ON UPC IMPLEMENTATION

by  
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New York, New York

- I. Four topics will be discussed
  - A. Status against program goals
  - B. Public policy issues
    - Price mark legislation
    - Labor union position
  - C. Recent code council actions
  - D. Open issues

- II. Key dates in UPC development
  - 1966 - Kroger Technology Conference
  - 1969 - IMS Test Installation
  - 1970 - AD HOC Committee formed (8/70)
  - 1971 - Code Selection Announced (5/71)
  - 1972 - Code Council Formed (3/72)  
First Number Issues (5/72)  
First U.S. Scanner Test (7/72)
  - 1973 - Symbol Selection Announced (4/73)  
Symbol Specifications Published (5/73)  
First UPC Scanner Announced (10/73)
  - 1974 - First UPC Scanner Installed (6/74)
  - 1975 - 50 Percent Source Symbol Marking (5/75)  
First Price Mark Legislation (6/75)

- III. Status against goals
  - A. Three basic measurers of UPC implementation
    1. Code conversion
      - Membership in UGPCC
      - Use on shippers, paper work

2. Source symbol marking
  - Grocery manufacturers
  - Retailers (private label)
3. Availability of equipment

## IV. Code conversion membership in UPCC

	1972	1973	1974	1975 to Date	Cumulative Total
Manufac- turers	209	578	1582	1284	3653
Retailers	84	62	58	24	228
	293	640	1640	1308	3881

- V. Source symbol marking
  - A. Goal was to have 50 percent of nonvariable weight items source marked by year-end 1974, 75 percent by year-end 1975.
    1. Percentages are on all commodity item movement basis.
    2. 50 percent source mark was economic break-even.
  - B. Progress by manufacturers judged sufficient to meet these goals.
    1. Testing chains report 55-65 percent level on shelf
    2. Nielsen audit shows 58 percent in July

VI. Percentage of items with UPC  
source-marked symbol

	January 1975	March 1975	May 1975	June 1975
	-percent-			
Carbonated beverages	4	6	6	10
Regular coffee	22	30	44	53
Ready-to-eat cereal	80	89	93	93
Margarine	40	49	60	64
Detergents	31	40	49	57
Soluble Coffee	15	25	39	57
Selected canned vegetables	52	57	61	64
Potato chips	42	54	58	67
Frozen fruit juice conc.	13	38	47	53
Wet-type dog food	56	71	78	85
Paper towels	56	62	71	74
Canned beans	28	36	46	52
Selected canned fruit	36	42	48	56
Cleansing tissues	61	73	79	89
Catsup	44	48	56	60
Average	39	47	53	58

Source: A. C. Nielsen

VII. Problem Packages

Classification	Number
Insufficient color contrast	22
Incorrect Modulo check digit	7
Incorrect labels	8
Poor placement of symbol	8
Label damage	3
Severe truncation	3
Printing quality	5
Excessive print gain	6
Insufficient margins	8
Miscellaneous	1
Total	71

VIII. Availability of equipment

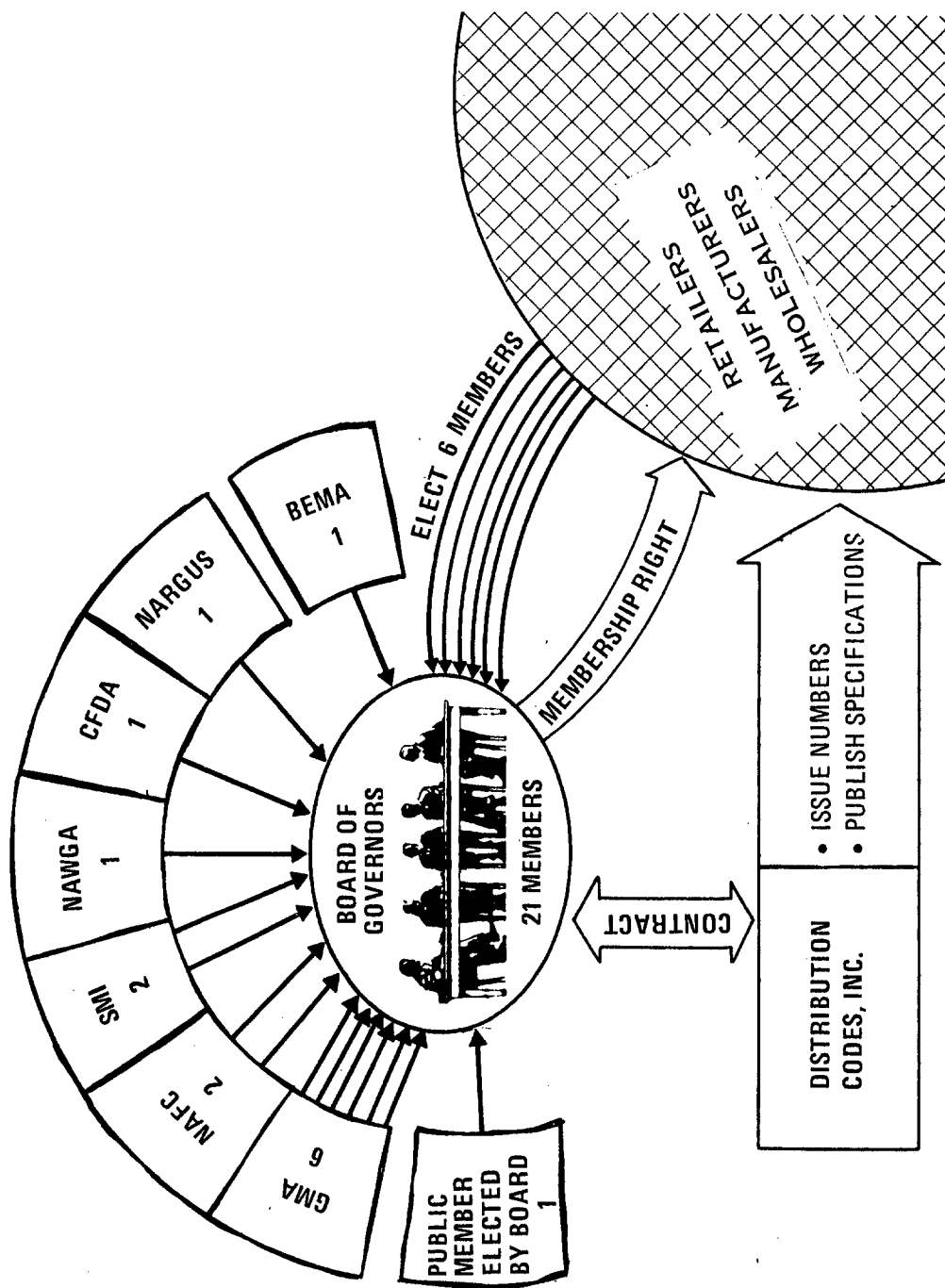
A. Automated checkstands with  
scanners announced by at  
least seven companies

1. Data General
2. ESIS (Bunker-Ramo)
3. National Semiconductor
4. Sperry UNIVAC
5. IBM
6. NCR
7. SWEDA

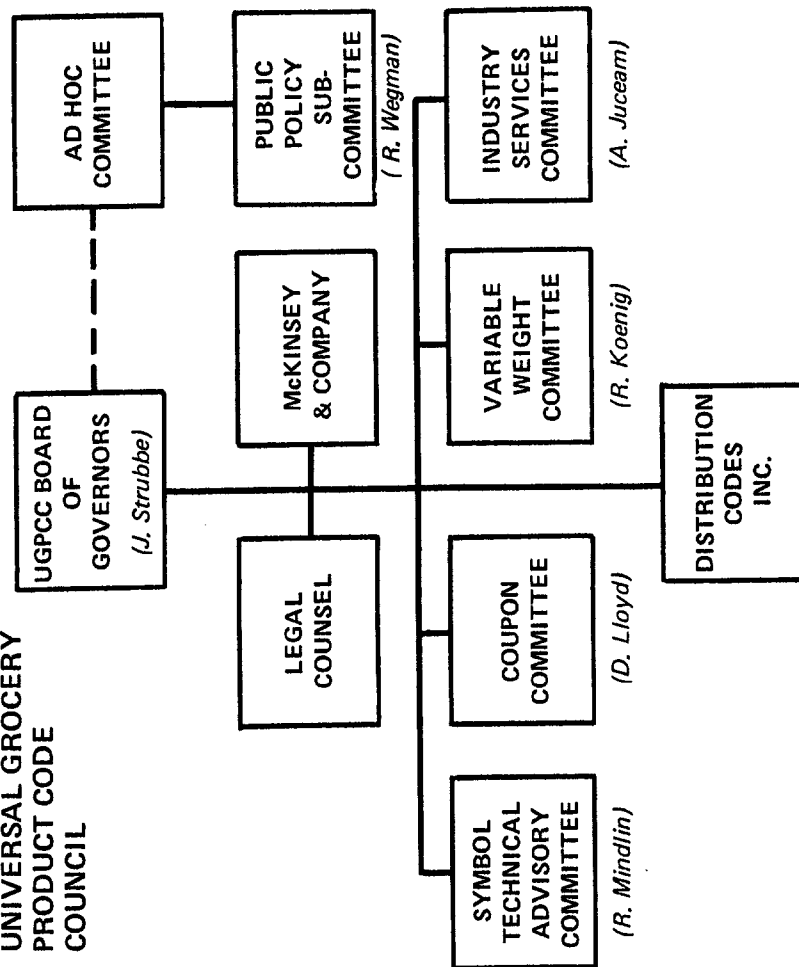
IX. Stores currently testing automated  
checkstand systems.

- A. Associated Grocers Inc.
- B. Borman's
- C. Brockton Public Markets
- D. Chatham
- E. Dominicks
- F. Finast (2)
- G. Foodarama (2)
- H. Gateway Foods
- I. Giant (2)
- J. Hedgedorn's Foodliner
- K. Kroger
- L. Lucky Stores
- M. Marsh
- N. Piggly Wiggly (2)
- O. Ralph's
- P. Roundy's Inc.
- Q. Steinberg's (Canada)
- R. Stop & Shop
- S. Supermarkets General
- T. Tri-city Grocers
- U. Wegman's
- V. Weingarten's (2)
- W. Woodman's Food Markets

X. UNIVERSAL GROCERY PRODUCT CODE COUNCIL



XI. UNIVERSAL GROCERY  
PRODUCT CODE  
COUNCIL



XII. AD HOC Committee - 1970

A. Manufacturers

1. R. Burt Gookin-H.J. Heinz  
(John Hayes)
2. James McFarland-General  
Mills (Thomas Nelson)
3. Gordon Ellis-Fairmont Foods  
(C.D. Satterfield)
4. Arthur Larkin-General Foods  
(Robert Stringer)
5. Gavin MacBain-Bristol-Myers  
(Frederick Butler)

B. Retailers

1. Robert Aders-Kroger  
(Jack Strubbe)
2. William Kane-A&P  
(Dean Potts)
3. Donald Lloyd-Associated  
Stores
4. Earl Madsen-Madsen's
5. James Wyman-Super Valu

XIII. AD HOC Committee - 1975

A. Manufacturers

1. R. Burt Gookin-H.J. Heinz
2. James Ferguson-General  
Foods
3. James McFarland-General  
Mills
4. Gavin MacBain-Bristol-Myers
5. John Suerth-Gerber

XIV. AD HOC Committee - 1975

A. Retailers

1. Jack Strubbe-Kroger
2. Donald Lloyd-Merchants
3. Raymond Wolfe-Oshawa Group
4. Robert Wegman-Wegman's
5. Jack Crocker-Super Valu
6. Alan Haberman-Finast
7. Bert Thomas-Winn-Dixie
8. Joe Danzansky-Giant Foods
9. Ed Schnuck-Schnuck's
10. Steve Barlow-Barlow Foods

XV. Uniform Grocery Product Code  
Council, Inc.

A. Board of Governors

1. Mr. John L. Strubbe (SMI)  
Chairman of UGPCC, The  
Kroger Company
2. Stephen Barlow (NARGUS)  
Barlow Food
3. Mr. Fritz Biermeier (NAFC)  
Supermarkets General Cor-  
poration
4. Mr. K. Marvin Eberts, Jr.  
(GMA) Stokely-Van Camp,  
Inc.
5. Mr. R. Burt Gookin (GMA)  
H. J. Heinz Co.
6. Mr. Alan Haberman (NAFC)  
First National Stores, Inc.
7. Mr. Arthur D. Juceam (GMA)  
Lehn & Fink Products Co.
8. Mr. Robert R. Koenig  
(NAWGA) Super Valu Stores
9. Mr. Robert F. Lee (GMA)  
Johnson & Johnson
10. Mr. Donald P. Lloyd (CFDA)  
Associated Food Stores
11. Mr. Richard J. Mindlin  
(CBEMA) National Cash  
Register Company
12. Mr. William E. Oddy (SMI)  
Jewel Food Stores
13. Mr. James F. Porter (STAC)  
Chase Bag Company
14. Mr. Robert Schaeberle (GMA)  
Nabisco
15. Mr. Robert A. Stringer (GMA)  
General Foods Corporation

## XVI. STAC SUBCOMMITTEES

### CHAIRMEN

1	<b>PRINTABILITY GAGE AND FILM MASTER PRODUCTION</b>	EVERETT SMITH, JR. REYNOLDS METALS CO.
2	<b>CONVERTER PRINTING PROCESS AND QUALITY CONTROL</b>	JOSEPH W. FEENEY INTERNATIONAL PAPER CO.
3	<b>SCANNING, COMPUTER AND RELATED EQUIPMENT</b>	FRANCIS X. BECK, JR. SPERRY UNIVAC
4	<b>IN-STORE EQUIPMENT OTHER THAN SCANNER AND COMPUTER</b>	DAVID C. ALLAIS INTERFACE MECHANISMS, INC.
5	<b>PROBLEM SUBSTRATES AND COLOR, INK AND MEASUREMENT</b>	
6	<b>GRAPHICS AND SYMBOL LOCATION</b>	MAX M. LOMONT QUAKER OATS COMPANY

### XVII. Public Policy Subcommittee

- A. Robert B. Wegman, Chairman  
Wegman's Food Markets
- B. Principals
  - 1. Joseph Danzansky  
Giant Food, Inc.
  - 2. Donald P. Lloyd  
Merchants, Inc.
  - 3. Alan Haberman  
First National Stores
  - 4. R. Burt Gookin  
H. J. Heinz Co.
  - 5. Jack L. Strubbe  
The Kroger Co.
- C. Public Members
  - 1. James Turner  
Consumer Action, Inc.
  - 2. Wayne Horvitz  
Joint Labor-Management  
Council
- D. Trade Associations
  - 1. Thomas Zaucha  
NAFC

- 2. Richard Bragaw  
SMI
- 3. Thomas Wheeler  
GMA
- 4. Gerald Peck  
NAWGA
- 5. Earle Mason  
CFDA
- 6. Thomas Wenning  
NARGUS
- E. Staff support
  - 1. McKinsey & Co.

### XVIII. The subcommittee's responsibilities on UPC.

- A. Providing information on public policy issues to the industry.
- B. Coordinating the industry's response to the public.
- C. Sponsoring research and educational programs as needed.

- D. Expanding dialogue with consumerists, labor, and regulatory agencies.
- E. Organizing legislative efforts at the national and state levels.

- XX. Open issues
  - A. Productivity improvement
  - B. Capital availability
  - C. European compatibility
  - D. Soft savings

XIX. The status of item pricing legislation in the states.

- A. Legislation passed
  - 1. Connecticut
  - 2. Rhode Island
  - 3. California
- B. Legislation still possible
  - 1. District of Columbia\*
  - 2. Massachusetts
  - 3. Michigan
  - 4. New Jersey
  - 5. New York
  - 6. Ohio\*
  - 7. Pennsylvania
  - 8. Wisconsin
- C. Legislation defeated/carried over
  - 1. Alaska
  - 2. Arkansas
  - 3. Colorado
  - 4. Delaware
  - 5. Georgia
  - 6. Illinois
  - 7. Iowa
  - 8. Maine
  - 9. Maryland
  - 10. Minnesota
  - 11. Nevada
  - 12. New Mexico
  - 13. Oregon
  - 14. South Dakota
  - 15. Texas
  - 16. Tennessee
  - 17. Washington

\*Significant chance of action.