Food Traceability Quick Start Guide

Did you know 64% of food and beverage manufacturers[1] believe that lack of supply chain visibility and flexibility will cause significant issues in the future if not addressed appropriately? This paper is for companies wanting to learn more about enabling supply chain visibility, differences between product tracking versus product tracing and the benefits of traceability.

The Challenge

Traceability is a must for food companies looking to stay competitive, secure customer trust, and ensure brand protection. In today's global supply chain, companies must navigate local and regional regulatory requirements, maintain strict food safety procedures, and constantly monitor their processes to ensure compliance. A company that focuses on meeting minimum traceability requirements within their own four walls will not be able to meet the demands of today's connected supply chains. Supply chain partners must work together to establish guidelines and standards that allow them to share, interpret and process data that is critical to their operations.

Data availability and data accuracy are essential when making business decisions. Poor data leads to faulty decisions. This exponentially increases costs, creates waste and rework. Inaccurate and incomplete data can also lead to potential safety risks, slow recall processes, and loss of consumer confidence.

The Solution :

Digitizing supply chain data and capturing key data elements as products move across the supply chain requires investments in systems, software, hardware and resources. To ensure compliance and data quality, companies will need to employ change management, set KPIs, continuously monitor progress and reset goals as necessary.

For all partners to realize the benefits of end-to-end supply chain visibility, systems must be interoperable. Companies may choose any technology that fits their needs, however, it must be founded in a common language. Industry standards are in place in the food industry that enable interoperability today on a global scale.

[1] *IDC Whitepaper: Global Food and Beverage Industry Trends and Strategic Insights 2021*

Tracking & Tracing Products

Following the progress of a food product from the source is increasingly important to consumers, food retailers, supplier partners, environmental and social welfare advocates. The trend has only accelerated with the pandemic and other disruptions as grocery and foodservice companies want to assure their customers that they can rely on a safe, effective and efficient supply chain.

Food Traceability is the ability to follow the movement of a food product throughout the supply chain both backward (trace) and forward (track). Tracking is about gaining real time insight and tracing is about gaining insights in retrospect (history of the product's journey).

Photo courtesy of Avery Dennison

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PREMIER SOURCE FOR TRACEABILITY EXPERTISE

Benefits of Traceability

1. Recall Readiness and Food Safety: Precise, targeted recalls shorten this time from days to minutes, even if a wide net must still be casted for some products.

2. Reduces Recall Scope: Creates tangible ROI from having to contact less locations and reduce the amount of non-impacted product being discarded.

3. Crisis Management: Having full visibility on product volume at which location by expiration date will help expedite contingency plans when trucks break down and weather-related issues happen.

4. Inventory Management Accuracy: Better stock rotation, reduced mis-picks and out of stocks, faster fulfillment, on-shelf availability, reducing working capital and waste by minimizing on hand inventory.

5. Improved Supply and Demand Planning: Making near real-time decisions on what and how much to produce, better manage LTOs.

6. Reduced Labor: Manual cycle counts, and replenishment ordering could be automated.

7. Improved Quality Assurance Processes: Being able to pinpoint the plant, warehouse, or distribution location where quality issues are originating.

8. Promoting Sustainability: Companies can ensure corporate responsibility, by understanding where and how their products and resources are being utilized.

9. Consumer Transparency: Consumers are demanding more visibility into the products they are purchasing, expressing a preference for products grown organically and using sustainable practices.

In this ever-changing business landscape, companies are working together to realize all the benefits that supply chain visibility can bring. Traceability, sustainability, and inventory management are the focus areas where companies are becoming more collaborative across their supply chains, as they realize they cannot do this alone. Regardless of the technologies selected, if they have a foundation built on industry standards, they will be able to realize whole chain visibility and true ROI.

AIM North America can help. We are a non-profit industry alliance enabling the cooperation of asset tracking technologies; from barcodes to RFID, to IoT and Blockchain. Contact us at
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