SUPPLY CHAIN CONFERENCE

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April 30 - May 2, 2017
Paradise Point Resort & Spa
San Diego, CA
How to Implement Fresh Produce Traceability and Reduce Operating Costs

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Making Traceability Work for You

1. Background on PTI

2. Leveraging PTI:
   - Distribution Center efficiencies
   - Store labor reduction
   - Supply chain transparency
   - Sales increases

3. How your company can implement traceability of fresh produce efficiently
Produce Traceability Initiative

- 2006 Spinach Recall
  - E. coli in 1 packing house
- Trace-back and trace-forward took too long
  - (+ 6 weeks)
- Entire Spinach category was recalled
- Over 200 sick
- 5 deaths

Kyle died after drinking a spinach smoothie in 2006

5 weeks after the contaminated spinach entered the supply chain
Produce Traceability Initiative

PTI was created in response to the 2006 USA Spinach Crisis that had a huge *human, economic* and *consumer confidence* impact.
Produce Traceability Initiative

PTI is a voluntary initiative created by the U.S. Produce Industry; the growers, packers, shippers and buyers, to implement a more effective whole chain traceability process.
PTI Objectives

To make trace back investigations and recalls quicker and more surgical

Speed - 24 to 48 hours

Accuracy - Identify which companies are not involved
- Recall only the affected product
Produce Traceability Initiative

- First industry led traceability initiative

- Alignment with other fresh traceability initiatives
  - Case labeling
  - Key Data Elements
    - GTIN
    - Lot Number
    - GS1 Standards
  - Critical Tracking Events
Since 2011 – The rules have changed

Colorado farmers arrested in listeria outbreak that killed 33

Walmart settles with Cantaloupe victims from Colorado outbreak

Kroger settles listeria lawsuit

USA Today

The Denver Post

Ohio Standard
Making Traceability Work for You

Today, over 55% of all fresh produce cases are labeled with barcoded case labels that adhere to the standards outlined in the Produce Traceability Initiative (PTI).
PTI starts with your supply side trading partners. Some suppliers who have invested and implemented the PTI have improved visibility of their internal supply chain.

- Improved field to sales communications for inventory and order fulfillment.
- Improved accuracy of available product inventory
- Reduced “cut to cool” time.
- Reduced multiple labeling systems.
- Improved accuracy of loading and order fulfillment.
Retailers have taken advantage of PTI

1. A large regional grocery retailer has used PTI to enable an integrated Receiving and Quality Assurance process

- Created an application that scans PTI label and instructs receiver on QA steps
- Inbound product flows directly from receiving to reserve or pick slot
- QA steps are based on product and supplier history
- Instant communication with buyer for issues
Retailers have taken advantage of PTI

2. National retailer used the PTI label to validate rating of supplier at point of sale
   - Created an application that scans PTI label and instructs store merchandiser on which label to display at POS for consumer messaging
   - Validates traceability to store level
Retailers have taken advantage of PTI

3. National retailer used the PTI label in DC receiving process
   - Scans PTI label to verify product being received
   - SSCC label is scanned and used as WMS license plate if present
   - Planning on integrating ASN
Retailers have taken advantage of PTI

4. National retailer using the PTI label at the store level - potential benefits beyond traceability
   - Scans PTI label to verify product harvest date for freshness program and inventory verification
   - Date information is also inhuman readable form
   - Improves supply chain visibility
   - Added the PLU or UPC to the PTI label to improve merchandising process
   - Planning for use of the ASN and SSCC18 for produce and include PTI data to improved receiving efficiencies
Wholesalers have taken advantage of PTI

- Used the PTI label in the picking and delivery process
- Scans PTI label to verify correct product being picked
- Scanning PTI label at time of delivery to confirm delivery
- Virtually eliminated claims for shortages
Your next steps

- Look for and measure the benefits your company can achieve from the implementation of PTI

- Form a project team and start the PTI implementation process for your business
Your next steps

- Talk to your IT people or system providers about what it will take to implement PTI in your business

- Learn from others who have implemented traceability
Your next steps

• Talk to your suppliers about what they are doing and what you can learn from them.

• Engage in a pilot with a small group of suppliers
Your next steps

- Start today!
The PTI vision:
Supply chain-wide adoption of electronic traceability

Start Here for PTI Success

The Produce Traceability Initiative (PTI) outlines 7 milestones to implementing case-level electronic traceability in the produce industry. On this website you will find the tools and resources you need to implement PTI requirements within your company. If you’re just getting started with PTI implementation, check out the GS1 US company prefix pricing information here and take a look at the milestone specific resources here.

Next Step: PTI Checklists

If you’re already on your way with PTI implementation, here are two checklists to help you facilitate further progress: Checklist for growers/packers/shippers and Checklist for receivers/buyers.

Join the PTI Buyer Working Group!

To address the remaining implementation challenges for the PTI, the Leadership Council is calling on all buyers supporting the initiative to join the newly forming PTI Buyer Working Group. Learn more here.

Leadership Council Implementation Updates

PTI Leadership Council companies share their implementation status. Click here.

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