

RETAILER PERSPECTIVES AND EXPERIENCES

Animal Identification and Traceability

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Cargill is an international producer and marketer of food, agricultural, financial and industrial products and services. Founded in 1865, our privately held company employs 160,000 people in 67 countries.

We help customers succeed through collaboration and innovation, and are committed to sharing our global knowledge and experience to help meet economic, environmental and social challenges.



SSAFE'S MISSION

The mission of SSAFE is to identify, support and facilitate activities that address the association of animal health, wildlife, agriculture, fisheries and beverages with food safety, human health and environmental sustainability on a global basis. This is done in support of our vision “for all people to have access to a **Safe Supply of Affordable Food Everywhere**”.

SSAFE's stakeholders represent the food, beverage and pet food industries, animal health and nutrition, foodservice operators, academia, and non governmental agencies.



• Objectives

This paper will discuss consumer expectations as viewed by retail food businesses with specific regards to various food safety and quality related attributes, including traceability and animal identification.

TRACEABILITY:

COMPLIANCE & BUSINESS DRIVERS

- **Traceability may force increased costs on the industry. On the surface these requirements do not necessarily provide an off-setting, revenue generating consumer benefit.**
- **How can a company approach traceability in a manner that will capture the benefits beyond the obvious compliance-related ones?**
 - Consumers will consider traceability worth paying for when linked with another feature that they value.
 - Traceability has potential significant added value when used in conjunction with other capabilities, for example: Country of Origin labeling or Identity Preservation programs.

Animal Traceability

- Must have the capability throughout the animal production and food chain
- Must be based on relevant OIE and Codex Alimentarius standards
- Must consider risk assessment
- Should include consultation between Veterinary authorities and the animal/food industry

WHY IS THE ABILITY TO TRACE YOUR PRODUCTS IMPORTANT?

- Protect and Build Brand Recognition
- Ensure Food Safety

Perceived Value

- Origin of the animal (Country of Origin)
- Health of the animal
- Animal husbandry practices
- Animal welfare
- Feed sources

Consumer Expectations

- Consistent quality
- Consistently safe
- Origination of the product
- TRUST

What is Needed

- International standards
- Harmonized
- Science-based
- Publicly held-OIE and Codex
- National systems should be transparent to OIE and Codex standards
- Company programs should be aligned with OIE and Codex



North America:

- Favors new value delivery to drive growth
- Anti-terrorism food security emerging as a driver
- Export programs driven by Asia, especially Japan

Europe:

- Traceability and labeling regulations, retailers driving refinement of existing systems
- Emerging emphasis on chemical and toxin residues
- Emerging emphasis on environmental protection

Regulations vary by region

Latin America:

- Systems driven primarily by Europe
- Legal & illegal GMOs, meat and feed contamination incidents driving traceability and IDP interest

Asia:

- Japan continues to lead demand for greater supply chain control
- Emerging emphasis on chemical and toxin residues



Traceability & Food Safety



WHY IS THE ABILITY TO TRACE YOUR PRODUCTS IMPORTANT?

Food Safety: Traceability programs are risk management tools.

- Traceability is becoming a requirement of many customers due to the need to comply with increasing global regulations
- Traceability can help to protect company names and brands (e.g. from food safety incidents).
- The value depends on the perceived risk associated with the food in question or the market/geography in which the company is playing

TRACEABILITY & FOOD SAFETY :

- Traceability is becoming a requirement of many customers due to the need to comply with increasing global regulations.
- Consumers perceive traceability as essential to ensure integrity and safety of the food supply
- Retailers will deliver and drive adoption and refinement of animal identification and traceability systems

TRACEABILITY & FOOD SAFETY : **FOOD SAFETY INCIDENTS**

- Highly publicized food safety incidents and recalls can damage your brand – sometimes irreparably. Traceability can help to protect your company names and brands.
- How well you react in these situations can make or break your company.
- Traceability plays a key role in how well a company contains a problem and determines the root cause.

TRACEABILITY & FOOD SAFETY : **FOOD SAFETY INCIDENTS**

- **Company traceability programs should be able to determine:**
 - When a product was made.
 - What location a product was made at.
 - The quantity of a product produced.
 - Where the product was shipped to.
 - What ingredients went into it.
 - Who had access to the product throughout it's production and distribution.

Traceability & Brand Recognition



TRACEABILITY & OPPORTUNITY COSTS

Traceability to quickly and efficiently trace product and limit its distribution saves revenue by:

- Preventing or limiting the amount of out of specification product that makes it to the customer/consumer.
- Preventing or limiting the amount of out of specification product that you will have to replace.
- Increasing customer/consumer confidence in your company's systems.
- Maintaining customer relationships & consumer confidence.

ONE STEP FORWARD AND ONE STEP BACK: HOW FAR DO WE ACTUALLY GO?



ONE STEP FORWARD AND ONE STEP BACK: HOW FAR DO WE ACTUALLY GO?

Considerations for implementing a traceability system:

- What is the goal of the system?
 - *Compliance with regulations*
 - *Compliance with customer requirements*
 - *Creation of new product value*
 - *Combination of multiple goals*
- What level of specificity is required?
 - *Categories/types of product*
 - *Lots/batches of product*
 - *Individual product items*
- How much of the supply chain should be included?
 - *Sources of raw materials*
 - *Internal production processes*
 - *Distribution from my facility to my customer*
 - *Distribution through my customer and beyond*





Thank You



www.cargill.com



www.oneworldonehealth.org



www.ssafe-food.org



www.foodsystemsleadership.org