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INDUSTRY VIEWPOINT

Traceability: How much is enough?

No doubt about it. Traceability has worked its way into the spotlight and has become a mainstream topic for everyone involved in the fresh produce industry, from "field to fork" as they say. Traceability in other segments of the agricultural products industry (i.e., livestock and dairy) has long been the norm, but for the fresh produce industry, this is a much newer issue.

WaudWare Inc., like many other companies that support businesses in the produce industry, has been receiving many more requests for information on how we can help produce companies manage traceability — and how far businesses need to go to deal with it. Here is our take.

It's a delicate balance. On one hand, businesses not only need, but want to provide traceability on the products they buy and sell. On the other hand, they must also minimize the financial impact that traceability has on their operation. Produce businesses, like many others involved in the food industry, are challenged by low profit margins. While there are many ways a produce business can improve the tracking of what came in and went out, it's up to each business owner to decide "how much is enough?"

Smaller farms and packinghouses, if well-organized, can be proficient at traceability by labeling products as they arrive with a date code or unique identifier, and then making note of what products went out on customer orders. For businesses like these, computerization is not required. This type of manual tracking system however can be outgrown easily with steady or cyclical volume increases and/or the addition of new products. It doesn't take much for a manual system to become unmanageable.

It's at this point a computerized system should be considered, using one of two approaches.

Basic labeling

If you're committed to traceability and decide to go with basic labeling, here's how the process works.

• Enter the information you wish to track (potentially the field or area that the product came from, what kind of product, date picked, date packed, and other relevant information).

• Store the information in a computer tied to some kind of identifier (lot code, Julian date, etc.).

• Print stickers with this identifier (and any other desired information).

• Label the product at either the item level, case level or pallet level.

When you ship the product to customers, the next step would be to record the identifier (lot code, etc.) that you shipped to each customer.

This process will provide basic traceability. If, down the road, a customer calls with a problem, you can look back at the order, see the lot code, where the product originated and who else the product was shipped to in that time period. Then you can notify the vendor and/or your production people. While basically effective, this is a labor-intensive process, AND there is no guarantee you haven't missed notifying a customer or two.

Complete inventory system

The optimum way to implement traceability in any business (coming from a software company that's naturally somewhat biased) would be to:

• Record the products as they arrive into your inventory system and capture all of the information listed previously (field, area grown, vendor, etc.)

If you sell the product in the form that you receive it, then the system will be able to keep track of which lot codes went to which customers.

If you pack or repack product, the complexity increases because you need to keep track of the inputs that were used to make intermediate or final output items.

For example, let's say you purchase cantaloupes and then you peel and cut them into chunks. Those chunks become another item, which should have a lot identifier that can be tracked to the original cantaloupes. Continuing on, let's assume you take those cantaloupe chunks and mix them with pineapple and melon chunks, grapes, and syrup to make fruit salad. The fruit salad would have another lot identifier in the system. The system would automatically keep track of the fact that the fruit salad came from a number of different inputs. If a fruit salad customer called with a problem, your inventory system has tracked all the information you need to quickly and easily identify all the customers who received the product affiliated with the problem.

As well, you would be able to notify all the vendors of all the items used in the fruit salad. Attempting to keep track of individual inputs like these without using a computer system would be virtually impossible.

As you can see, a produce business can go from a simple manual system if its needs are not complex, to a basic labeling-only system, to a full inventory system to keep track of everything. While industry associations and government agencies here and abroad continue to study the issues surrounding traceability, Canadian produce businesses need to be vigilant in whatever traceability process they use and reactive to changing regulations.

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