How to build an industry solution for managing data along supply chains:
simple, scalable and cost efficient

A collaborative approach for and with the industry
Dr. Ulrich Heindl
GTS History

• Founded in 2010
  – Combination of institutional investors and private investors

• Platform launched in 2012
  – Joint development with leading DIY retailers
  – FMCG
  – Certification

• Currently 80,000 organizations using the platform
Competence and Focus

• Global Traceability Solutions
  − Provides complete compliance management and traceability solutions
  − Our core knowledge, plus effective technology enables the design and implementation of compliance management and traceability solutions
  − The capability to span all value chains and product types

• Market focus / areas of expertise
  1. Timber, reducing illegal or unsustainable logging
  2. Raw materials linked to deforestation (palm oil, coffee, cocoa, soya, leather, beef)
  3. Agricultural products
Market environment and position

- Market environment:
  - Full coverage of Unilever’s paper and board packaging material in support of its sustainability strategy
  - Multinational paper and packaging producers share data: Smurfit Kappa, Tetra Pack, DS Smith, Stora Enso, ...
  - PEFC: Radix Tree registers all certification information
  - Germany’s DYI sector implements Due Diligence in Radix Tree
  - Agricultural Industry
  - Textiles

- Position
  - Leading provider of traceability
  - Currently more than 80,000 organizations from primary production to retail on the platform
Good morning,

Last week President Macron announced major farm-to-fork proposals, as he calls for changes to France's food chain. POLITICO's inaugural Agriculture & Food Summit cannot come at a more crucial time for France and Europe, in steering forward the sustainability agenda.
The components of traceability

- Identify and manage links between trading partners
- Manage, consolidate, audit data throughout supply chains
- Share, retrieve & communicate information
- Define the nature and type of data captured and collected throughout supply chains
- Keep record, archive, store data
- Identify parties, items and events
- Label, mark and/or tag products
The starting point of GTS: a common challenge for the industry

- With the introduction of the Timber regulation the wood industry shared common challenges
  - Comply with the requirements of the legislation
  - Prevention of illegally produced and traded wood products entering the supply chain
  - Protection of brand name and reputation
  - Need for operational efficiencies
- The idea developed to create a multifunctional platform:
  - Reduction of implementation costs and –time
  - Multifunctional tools offer solutions within one technical environment
The Platform – accessible for all supply chain players

Stakeholders
- Retail
- Processor
- Trader
- Raw Material Origin

Data Source
- ERP

Data entry
- Automatic Connection
- Automatic Connection
- Manual upload/entry
- Manual upload/entry

Platform

Requests
Roll-out process

Based upon a series of invitations initiated

- End user
  - Inform direct suppliers and stipulate provision of required data within purchase agreements
  - Get direct suppliers on the platform through automated invitation and sign-up process
Roll-out process

Process continued through direct suppliers to their supplier base

- Suppliers
  - Apply buyers policies and stipulate provision of required data within purchase agreements
  - Get subsequent suppliers on the platform through automated invitation and sign-up process
Growth through overlapping supply chains

Data sharing becomes more efficient and synergies develop
Synergy effects of a multifunctional solution

– Company information, as well as product flows are documented
– Multiple functionalities
  • Legality
  • Sustainability
  • Certification
  • Company policies

Data remain in the „ownership“ of the user, users can share data with other users on the platform.
Snapshots of the Platform

• A collaborative platform

• Management of data
  – Company information, products, raw materials
  – Management of relationships between suppliers and customers
  – Aggregation of data and reporting
Snapshots of the Platform

• Validation of:
  – Data availability
    • e.g. Is there a certificate? Is the supply chain completely documented up to the primary product?
  – Data quality
    • E.g. Is the product certified?
• Validation rules are flexible
Snapshots of the Platform

- **Trace and Track Functionality**
  - Direct supplier
  - Country of origin
  - Concession
  - Tree

- **Alert/Traffic Light System**
  - Shows the result of the validation
# Usage model

## Usage of the platform
- Yearly subscription fee

## Consultancy services
- Training
- Integration of business partners in the system
- Data analysis

## Implementation services
- Integration with existing IT infrastructure e.g. ERP
Summary

• Industry has common issues and goals

• Island solutions will not succeed

• Networks are more likely to solve the problems

• The required technology is available

• Blueprint for roll out exists
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