

For Immediate Release

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GS1 Launches Unique and Innovative Global Traceability Standard

More than a million GS1 member companies worldwide are expected to profit from a new global standard defining traceability as a business process independently from the choice of enabling technologies. GS1 thus opens the door for mass implementation of flexible and interoperable track and trace systems across companies, industries, supply chains and economies. Consumers and businesses will benefit from improved availability of timely and accurate data resulting from cost-efficient alignment of customer and supplier traceability systems.

Brussels, 08/02/06 – At a dedicated session of the 5th CIES International Food Safety Conference held in Paris, GS1 launched the Global Traceability Standard, a revolutionary business process standard describing traceability as a business process independently from the choice of enabling technologies. It defines minimum traceability system requirements applicable to companies of all sizes, and across different industry sectors and geographies, as well as the corresponding GS1 standards used within information tools. Over one million companies operating in more than 140 countries use GS1 standards. The new standard allows even more businesses to connect using GS1 standards.

From an information management point of view, implementing a traceability system within a supply chain requires all parties involved to systematically associate the physical flow of materials, intermediate and finished products with the flow of information about them. This requires a holistic view of the supply chain, which is best attained by deploying a common process and standards to organise identification and recording of traceable items, and to communicate information about them. GS1's neutrality and universal acceptance around the world makes it uniquely positioned to appropriately respond to traceability system design and implementation requirements.

Taking into account differences imposed by diverse legislative and business requirements and diverging expectations in terms of enabling technologies, a GS1 team composed of 73 industry experts from 18 countries has succeeded in producing a global business agreement on generic requirements and a common way to describe the traceability process. The need for such a standard emerged after an increase in legislation relating to traceability and growing concerns over counterfeiting worldwide.

The value of the traceability on a consumer level...

The most known benefit of traceability is to identify and locate defective products and remove them from the supply chain, thus reducing not just their negative economic impact, but also preserving consumers' trust in the good functioning of quality and safety systems. There is however more to traceability than that. It helps validate the presence or absence of attributes important to consumers (e.g. organic foods, non-allergenic cosmetics, sugar free products) and has also become a tool in fighting product counterfeiting and protecting brands. Traceability has also become an important component of the protection against bioterrorism.

...and the value of a global standard at a business level

While businesses recognise the value of traceability, they do not want multiple, potentially conflicting, traceability systems and they do not want to increase costs unnecessarily. Businesses also recognise that an individual company is only one partner in the supply chain and that a chain is only as strong as its weakest link.

The new standard meets these demands in every way. It is built on best practices and meets the core legislative and business need to cost-efficiently trace back (one step down) and track forward (one step up) at any point in the supply chain. No matter how many trading partners and business process steps are involved and how many national borders have been crossed.

Quotes from the GS1 Team that collaboratively designed the Standard

Dee Calversbert, Nestlé: "A global traceability process standard helps enable a consistent approach to traceability throughout the supply chain".

Olivier Mouton, Carrefour: "The GS1 Global Traceability Standard is the result of a collaborative effort on a global scale. The benefits are now available to all GS1 users, regardless of their line of business, place of business or size of business".

Hans Kraft, Syngenta: "Because the crop protection market is highly regulated, because of the industry commitment for safety and quality, and because of the FAO code of conduct, that defines not only our responsibilities but also how products are identified, traceability is one of our priorities. Often is traceability combined with other processes, which leads to numerous interpretations and most importantly loss of essence of what traceability really is. The GS1 Global Traceability Standard brings us back to the real meaning and value of traceability and is therefore indispensable in our business."

Mark Nelson, Grocery Manufacturers Association (USA): "For GMA's members, one of the benefits of the Global Traceability Standard is the fact that it's based on the common language of GS1 standards and existing

business practices between manufacturers and retailers. This makes it easier when an issue arises to focus on the real issues instead of the process.”

Yves David, Casino: "The reason why we want to implement standardisation and traceability in our supply chain processes is twofold. First, we have learned through experience that both standardisation and traceability are enablers for progression of a supply chain, which leads to benefits for the consumer, retailer and supplier. Second, we strongly believe that a supply chain is only as strong as its weakest link. It is therefore of paramount importance that every item within a supply chain is traceable at any time and at any place."

Jane Proctor, Canadian Produce Marketing Association: "A common understanding of how products can be traced as they move along global supply chains has never been more important. The GS1 Global Traceability Standard provides the necessary foundation on which individual industry standards for traceability will be built”.

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About GS1

GS1 is a leading global organisation dedicated to the design and implementation of global standards and solutions to improve the efficiency and visibility of the supply and demand chains globally and across sectors. It is a neutral, not-for-profit standards and services organization. GS1 has 101 Member Organisations driven by a membership of over one million companies who in turn do business in more than 140 countries.

GS1 offers a diverse portfolio of products, solutions and services, including the GS1 System of standards, which is the most widely used supply chain standards system in the world. The organisation's portfolio ranges from GS1 BarCodes and GS1 eCom (electronic commerce tools) to next generation technologies and solutions such as GS1 GDSN (Data Synchronisation), GS1 EPCglobal (using RFID technologies) and Traceability.

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The GS1 Global Traceability Standard brochure is available from:
http://www.gs1.org/docs/traceability/GS1_traceability_brochure.pdf.