

## **OVERVIEW**





Industry Issue = rejection of edible meat and meat products into USA due to missing or illegible shipping marks.

- 1. What is the issue?
- 2. MeatMessaging An online cloud industry portal
- 3. MeatMessaging What it is, how it works and implementation
- 4. The Solution to an Industry Problem
- 5. US Export Demo of Pallet Labels Funded by AMPC, TEYS Supply chain
- 6. The Future

## WHAT IS THE ISSUE??





### Import inspection and traceability

- Missing or damaged shipping marks
- Incorrect counts
- Incorrect products
- Variable weights
- Product information

## How do we manage this?

## BENEFITS - U.S. MARKET





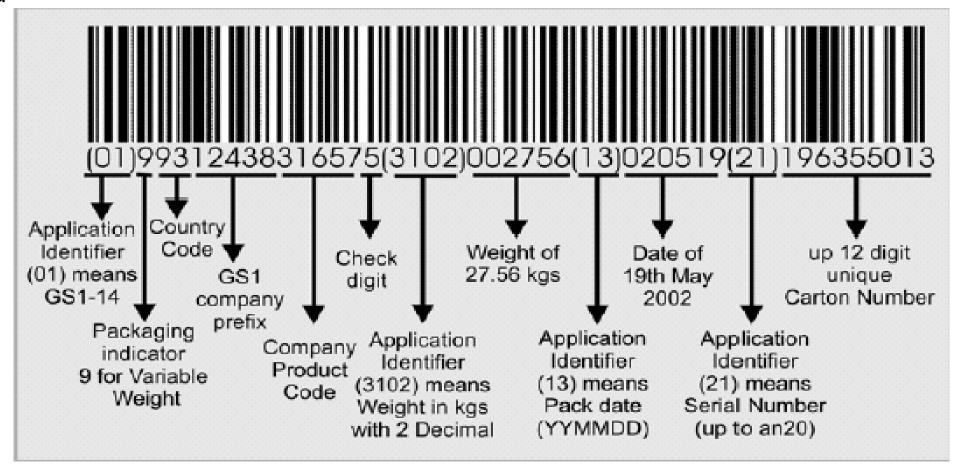
- The cost to the Australian industry for missing or incorrect shipping marks to the USA is estimated at A\$14.5 million per year, in the June 2013 report by D.N Harris & Associates on the technical barriers to trade for Australian red meat prepared for MLA and AMIC.
- The costs to industry for manual preparation of Meat Transfer Certificates is estimated at a cost of A\$25 for the labour component of the MTC. With approximately 175,000 paper MTCs per year. This equates to a cost of \$4.375 million per annum.
- The use of the *MeatMessaging* program based on the underlying GS1 Barcoding, electronic messaging technologies and supply chain standards, can readily reduce these two significant costs (total of A\$18.875 million) to virtually nil (A\$0).
- ➤ Immediate Benefit (Cost Savings) = elimination of ineligible product due to shipping marks not being able to be read and costs associated with the reapplication of these marks.

## BAR CODE (DATA CARRIERS)





- •Representation of numbering that enables automatic capture of data
- •GS1-EAN128 is commonly used in Australian meat industry and throughout the world



## THE ISSUE AND THE eSOLUTION





#### Rejection of edible meat and meat products into USA due to missing or illegible shipping marks.

➤ In 2015, FSIS released notice approving use of barcodes as means of verifying whether containers of imported product with missing/illegible shipping marks are part of a lot certified by accompanying inspection certificate.

In doing so FSIS recognised that:

- Individual barcodes contain a unique identifier that can link shipping unit to health certificate as issued by Department; and therefore;
- Where a shipping mark is missing (or illegible) and the barcode correctly links shipping information to health certificate, the shipping unit is eligible to have the shipping mark reapplied to comply with FSIS requirements.
- ➤ DAWR promptly provided Australian establishments with approval of alternate method to correct missing shipping marks resulting in development of the *MeatMessaging* program.

FSIS NOTICE	81-16	10/24/1
USING BARCODES TO VERIFY ELIGIBILITY OF IMPORTED PRODUCT COMPLETELY ILLEGIBLE SHIPPING MARKS  I. PURPOSE	S WITH MISS	ING OR
A. This notice reissues FSIS Notice 41-15 in its entirety. This notice provides improgram personnel (IPP) for actions to take when they use barcodes as a means on the accompanying foreign inspection certificate.  B. The instructions in this notice apply only to shipping units and certifications from the accompanying foreign expected in a list of foreign establishments eligible to participal entire procedure and a list of foreign establishments eligible to participal entire process. If yet are to follow the notice instead of Part VI, Section (0.2), Leaf Verification of Imported Meat. Poultry and Egg Products.	are part of a lo	er t certified

rnate protocol for managing illegible or missing shipping m

## WHAT IS MEATMESSAGING?





- The *MeatMessaging* program is an **industry owned web-based application** which facilitates the collection, processing and reporting of commercial and regulatory meat product information along the supply chain.
- The system is **based on the GS1 standards for** numbering and barcoding of meat products and the GS1 **EANCOM** electronic message standards.



## AN ONLINE CLOUD INDUSTRY PORTAL





- > MeatMessaging reflects a response to an industry wide problem associated with product shipped to the U.S.A. being deemed ineligible due to missing or illegible shipping marks.
- ➤ **MeatMessaging** has provided the Australian industry with a **electronic solution** for **reducing costs of shipments** into the U.S.A. following FSIS recognition of barcodes as a means of verifying product with **missing** or **illegible shipping marks**.
- MeatMessaging uses the The Meat Buyer's Guide NAMP, AUS-MEAT Trade Description Language (UNECE Bovine Cut Descriptions), Importing Country Label requirements (USDA) and the GS1 Global Standards (for data transfer).

## MEATMESSAGING AND FSIS

SS CC (shipping mark)

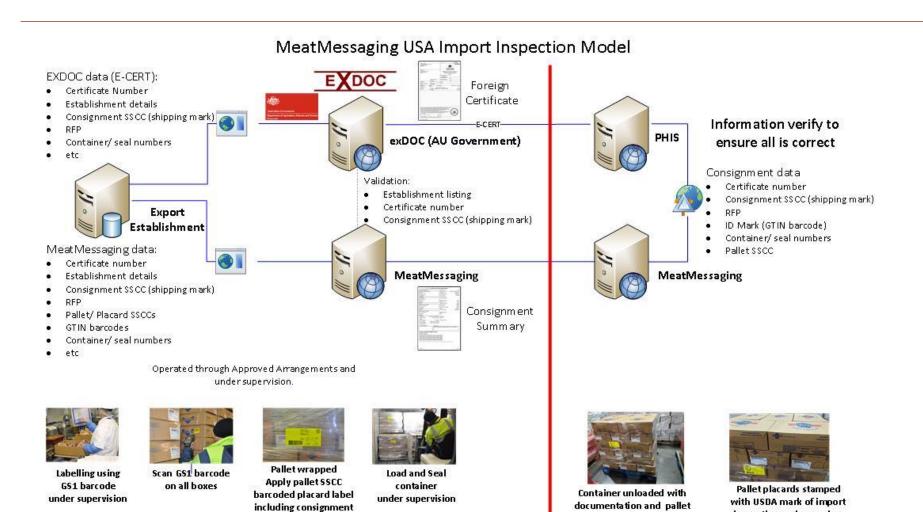
Note: Supervision is conducted by competent

authority of the foreign inspection service

**Australia** 







**United States** 

placards inspected

inspection and moved as

whole consignment to a

US federal establishment for further processing

## WHO CAN USE MEATMESSAGING?





Exporter and Importer users can access *MeatMessaging* directly online or via automated interfaces.

#### > Exporters

- Available to all Australian licensed export establishments.
- Users have to be registered to *MeatMessaging* and have GS1 membership.
- All cartons packed (or received) must have a meat industry GS1 compliant barcode.
- Establishments seeking to use the *MeatMessaging* portal need to register and complete a testing phase including key quality assurance (QA) components within the *Approved Arrangements* reflecting use of *MeatMessaging* which requires approval by the Commonwealth (DAWR).

#### Importers

Any importer and supply chain participant can register/access (current focus on USA).

## IMPLEMENTATION OF MEATMESSAGING





- ➤ Since 2016, 68 establishments (including seven (7) USA importers) have applied to use the portal; including the three (3) largest processors in Australia (15+ establishments).
- Represents in excess of 70% of Australian export capacity.
- ➤ To date, in excess of 3.4 million cartons (representing approx. 10,000 consignments) have been processed through the *MeatMessaging* site.
- Large percentage of establishments are currently going through the steps of developing processes to automatically integrate *MeatMessaging* within their own systems.
  - Some delay with company IT departments integrating within own complex processes.
- Benefits are compelling and all exporters aspire to adapt their IT systems in order to utilise MeatMessaging.

## **MEATMESSAGING - THE PROCESS**





#### > Exporters

- Through their Approved Arrangements, exporters effectively indicate they have used the GS1 barcode and utilised *MeatMessaging* on health certificate.
- Exporters scan all cartons in a consignment at dispatch.
- Progressively build/compile consignment details.
- Once consignment is finalised send message (Status = SENT no longer editable).

#### **Importers**

- Scan one or more cartons at destination port.
- Generate a Standard Validation Report to show the acceptance of the load or any issues to be addressed.
- Reply message is sent (Status = RECEIPTED recipient cannot edit/alter message).
- In the event that there is a missing shipping mark on one or more cartons, the barcode and **MeatMessaging** can be used to determine if the carton(s) were part of the load covered by the 12 health certificate. If YES = eligible for Shipping mark to be reapplied.

## QA MONITORING - CORE ELEMENT





- > The QA Monitoring function of the *MeatMessaging* is a core element.
- > QA Monitoring:
  - is based on a random sample that allows consignment information to be entered and then cartons scanned to match the cartons recorded in the consignment.
  - is utilised as a validation tool for the endorsement of the updated Approved Arrangements for the establishments and reporting to government.
  - enables company QA personnel (as well as third party independent auditors) to conduct monitoring and verification scans of ready to ship consignments.
- QA Monitoring functions can be performed on a mobile device (e.g. Smart Phone or Tablet) using a Bluetooth barcode scanner to scan the cartons directly to the MeatMessaging portal.

## **BARCODE QUALITY**





Training – Barcode quality















## DEMO PROJECT - PALLET LABELS





- Demonstration project treating 24 pallets instead of 700 cartons as the inspection units.
- Pallet footprint configured to US pallet requirements.
- Pallet label used as the inspection placard, no shipping marks on cartons.
- US inspection checked 24 pallet and stamped the 24 pallet.
- Time saving unloading/inspection: 1 person 15 minutes vs 5 people 4 hours.

## DEMO PROJECT – QA MONITORING





- QA monitoring of loads to ensure all loads are always correct
- All barcodes are scannable
- All carton match nominated load



## DEMO PROJECT – PREPARING PALLET





- Cartons configured for US pallet footprint
- Cartons placed on slip sheet
- Machine shrink-wrapped to seal pallet



## DEMO PROJECT - PALLET LABELLED





- Pallet label (placard) with SSCC
- Shipping mark on pallet label





## DEMO PROJECT – LOAD CONTAINER

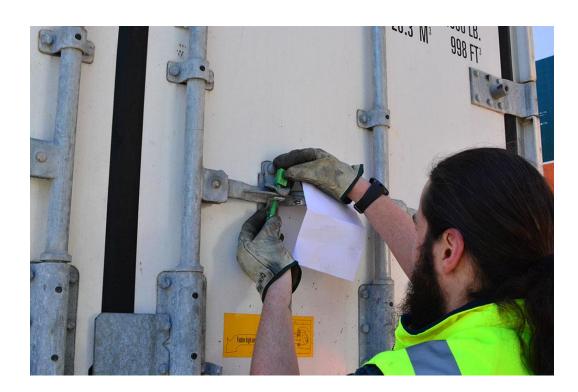




 Load container with slip sheet pallets



Seal container



# DEMO PROJECT – UNLOAD CONTAINER AND INSPECT





- Unload container
- Validating carton for FSIS for the demonstration
- Match every carton to pallet labels and shipment SSCC using Meat Messaging



## DEMO PROJECT – STAMP US INSPECTED





Pallet label stamped US inspected





## FUTURE - MEATMESSAGING eSOLUTION





- Increase in active use of the *MeatMessaging* system as additional Establishments complete integration within their own systems.
- Expansion of product information at a carton level (e.g. provenance, breed) and utilisation of existing information such as chemical lean (CL) values which is of direct interest to supply chain (e.g. Pattie manufacturers).

#### USA Market Benefits

- Short Term = Recognition of pallet shipping marks on a pallet labels.
- **Long Term** = Removal of requirement for shipping marks on cartons and elimination of labour intensive process of applying shipping marks to individual cartons.

#### Other Countries

Recognition of enhanced/visible traceability and product security that esolutions like
 MeatMessaging can deliver regulatory agencies and whole supply chains.

## WHERE TO GET HELP





For Meat Messaging portal – Contact <u>admin@meatmessaging.com</u>

For barcoding – Contact GS1 – Andrew Steele
 Industry Manager - GS1 Australia
 andrew.steele@gs1au.org





