



THE GLOBAL LANGUAGE
OF BUSINESS



CASE STUDY



“Achieving traceability means being responsive to our retailers’ requests to identify our produce at the case and pallet levels with the use of GS1 Standards.”

—ADRIAN ABBOTT,

Director of Operations, JemD Farms



JEMD FARMS

Greenhouse grower leads the way with GS1 Standards and the Produce Traceability Initiative to achieve whole chain traceability

CHALLENGE

JemD Farms maintains close relationships with its major U.S. retail customers and is very responsive to their needs and requests. Therefore, this large North American greenhouse grower was eager to demonstrate its commitment to food safety, enhance its reputation for innovation, and improve business operations by implementing all Produce Traceability Initiative milestones, achieving traceability across 100 percent of its operations by 2012.

SOLUTION

JemD Farms, partnering with GS1 US™ Solution Partner, HarvestMark®, implemented case-level traceability, using GS1 Standards for end-to-end visibility from greenhouse to retailer. During harvest and packing, JemD receives precise production information about produce destined for its distribution centers, enabling it to collaborate more closely with retailers, prioritize shipping as needed, and better balance production and shipments with customer demand. Every case that is shipped – both inbound and outbound – is uniquely identified and labeled for tracking forward to the retailer and tracing back to the greenhouse.

BENEFITS

- The traceability solution gives JemD Farms the visibility and information to decisively manage inventory and satisfy retailers’ needs better, easier and quicker.
- Ahead-of-the-curve adoption of traceability further establishes JemD Farms’ positive reputation with its retailers and enhances its brand reputation for forward-thinking solutions.
- Produce traceability extends JemD Farms’ strong commitment to food safety by enabling the company to respond to a recall or withdrawal within seconds, using its information management system.

“Our progressive retailers are conducting more and more business electronically with fewer manual transactions. Increased automation calls for standards-based barcoding; it’s a clear indication of where the industry is going, and we plan to always be in the forefront.”

—JIM DIMENNA, *President, JemD Farms*

RESPOND TO RETAILERS

JemD Farms (JemD), a produce company that provides retailers and consumers with a year-round supply of fresh fruits and vegetables from widespread greenhouse operations, is the first and only Canadian- and Mexican-owned greenhouse company on the North American continent. JemD is committed to ethical and environmentally sound growing practices, food safety and produce traceability. As an entrepreneurial operation, JemD is focused on “what’s next” and “what’s important” to the marketplace.

JemD is at the forefront of the Produce Traceability Initiative (PTI), a voluntary, industry-wide effort designed to help achieve supply chain-wide adoption of electronic traceability for every case of produce. (Learn more about the PTI at www.producetraceability.org.)

This greenhouse grower is ahead of the curve on completion of all seven PTI milestones for greenhouse-to-retailer traceability.

“Food safety has always been a top priority for us,” says Adrian Abbott, Director of Operations for JemD Farms. “Achieving traceability means being responsive to our retailers’ requests to identify our produce at the case and pallet levels with the use of GS1 Standards.”

While all of JemD’s produce comes from high-tech greenhouses in Mexico and Canada, the vast majority of it is shipped to U.S. retailers from distribution centers (DCs) in Texas, Georgia, and Michigan as well as from Canadian centers.

JemD President Jim Dimenna, one of 31 industry leaders on the PTI Leadership Council, maintains close relationships with the company’s retailers, meeting with them frequently to stay on top of what’s important for them. “PTI compliance is a frequently discussed topic,” explains Dimenna. “Our progressive retailers are conducting more and more business electronically with fewer manual transactions. Increased automation calls for standards-based barcoding; it’s a clear indication of where the industry is going, and we plan to always be in the forefront.”

RESPOND IN SECONDS

In 2011, JemD assigned internal resources for planning and implementing traceability, following the PTI framework of milestones. “It soon became apparent that we needed an

experienced partner, which led us to HarvestMark,” says Abbott. JemD wanted a traceability solution that would work across borders, across business functions, and was scalable – working well in its small greenhouses as well as in the 230-acre operation in Mexico.

Most of the greenhouses had separate inventory management systems that did not link with JemD’s primary systems. “We needed an information management solution that worked across all platforms. We knew HarvestMark could help us with PTI compliance and equip us with the needed business intelligence tools for better managing our inventory,” says Abbott.

“JemD is one of our first clients on a large scale to comply with all PTI milestones, which is significant for them and their retailers,” explains Elliott Grant, CMO at HarvestMark. “They now have the standards and processes in place that support better and faster decisions when fulfilling orders. And in the event of a recall, they now have shipment data that will allow them to trace back and track forward in seconds.”

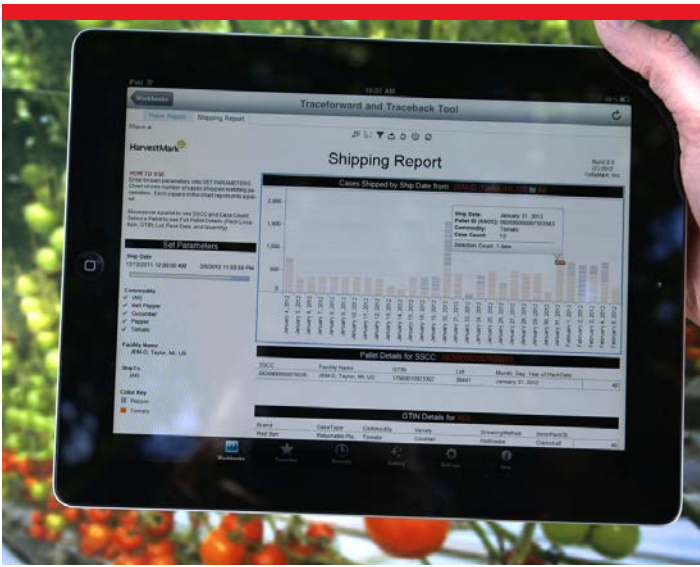
Working with the JemD team, HarvestMark planned, designed and implemented the traceability solution, starting in the Georgia DC, working with all greenhouses and DCs, and ending with the Canadian DC. “Every grower packs a little differently,” says Grant. “So we tailored each implementation to not only achieve traceability, but, do so as efficiently as possible.”

HarvestMark tested the system in each location, made any modifications, and rolled it out throughout JemD in just a few months. Abbott adds that JemD employees easily learned the new traceability process and system. “With HarvestMark, we conducted workshops, explaining the change to our employees and why it was important for our company. We asked everyone to do their part – no broken links in the process. They quickly accepted the challenge. The new scanners and system are quite easy to use with intuitive screens for input with drop-down menus.”

VISIBILITY TO MANAGE INVENTORY

As produce is harvested, JemD packers apply GS1 DataBar™ barcodes encoded with GS1 Global Trade Item Numbers® (GTINs®) to individual items like red peppers. “The GTIN includes our company’s [GS1] Company Prefix and the item reference number,” says Abbott. “When scanned at checkout, it’s identified as a JemD red pepper.”

Individual produce may be packed in “clam shells,” packages, or cases for shipment to one of JemD’s distribution centers. In some of the smaller greenhouses, PTI-compliant case-level labels with GS1-128 barcodes are applied by hand; in larger locations, the process is automated. Each barcode contains the container item’s GTIN and lot number, which includes the greenhouse’s unique identification number.



“We’re always striving for that moment of equilibrium when supplying produce ... Having the necessary production and shipping information is helping us save time. When a half-day or a day is gained, finding that ‘equilibrium’ is greatly enhanced.”

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All PTI-labeled cases come into one of JemD’s centers for sorting and consolidating into pallets for shipment to retailers’ distribution centers. “If we build a pallet made up of 100 cases of tomatoes and 100 cases of peppers from two different lots, we can link the mix of produce and lot numbers to a GS1 Serial Shipping Container Code (SSCC),” explains Abbott. “We adopted a PTI hybrid pallet label, which has the SSCC encoded in the GS1-128 barcode and other barcodes containing the GTINs, lot numbers and quantities on the pallet.”

As case and pallet labels are printed and scanned, all information is stored for retrieval as production, shipping and track-and-trace reports. “The value of our traceability system is how it ties our operation together,” says Abbott. “We’re now able to capture real-time information at the product and greenhouse levels.”

As an example, Abbott can now see how many cucumbers are packed from a shift and how many are expected to arrive at the DC along with the associated details like sizes. “Before the traceability system, we might know that they packed and shipped 50 pallets of cucumbers, but wouldn’t fully understand the mix until the shipment arrived,” explains Abbott. “Now, we know 12 to 24 hours in advance that 50 pallets of cucumbers were packed and shipped, and we know the mix breakdown of small, medium and large cucumbers. With this information, we can plan to unload the small ones, which are more perishable, earlier in the day to get to retailers.

The traceability system gives us the visibility to manage our inventory more easily and we’re able to satisfy our retailers’ needs better and easier ... and quicker!”

MOMENT OF EQUILIBRIUM

“Our business is fast-paced and unpredictable,” says Abbott. “A tomato, for instance, has a six- or seven-day window from the time of harvest to when the consumer is enjoying it at home. We must pick and pack the same day and ship to a retailer in a day or two after that.”

Also, retailers may have orders in to JemD three days ahead, but they are subject to change based on any number of factors: consumer demand, seasonality, special promotions, and even the weather. “Orders change a lot from day to day,” says Abbott. “If a customer needs to increase his tomato order, we need an accurate picture of our production on hand to quickly respond.”

To get that accurate picture, HarvestMark developed a “dashboard” for JemD that is continuously updated. It shows details about what’s been produced by location as well as aggregated data across the entire JemD enterprise. “I can also view shipping volumes – how many pallets and cases, what retailers we are shipping to, from which distribution centers, and more,” says Abbott. “We are beginning to fully utilize the reporting capabilities of the HarvestMark platform to give us the business intelligence we need.”

Abbott continues, “We’re always striving for that moment of equilibrium when supplying produce – never lacking what our retailers need or having too much on hand. With products that have short shelf lives, in particular, we have to really manage our inventory. That’s one of the tricks of remaining profitable. Having the necessary production and shipping information is helping us save time. When a half-day or a day is gained, finding that ‘equilibrium’ is greatly enhanced.”

JemD Farms has not been subject to any recalls. Nevertheless, JemD’s 100 percent traceability enables a quick and definitive response. “If we have to pull produce from the marketplace, we can quickly do that ... identify which greenhouse it came from, where the cases were shipped, when and from which lot they originated, where else cases of that product may have gone, and how many,” Abbott says.

“Companies that are shying away from implementing traceability today will look back in the future and say ‘how did we ever do without it?’” Abbott adds. “The PTI is helping our industry move in unison – outlining what needs to be done. And GS1 provides the necessary standards to ensure our industry can work in lockstep.”

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CONTACT US

To learn more about traceability and how GS1 US can support your company, visit www.gs1us.org/fresh_foods and/or contact the GS1 US Customer Service Team at +1 937.435.3870.

ABOUT THE PRODUCE TRACEABILITY INITIATIVE

Sponsored by Canadian Produce Marketing Association, GS1 US, Produce Marketing Association and United Fresh Produce Association, the Produce Traceability Initiative (PTI) is designed to help the industry maximize the effectiveness of current trace-back procedures, while developing a standardized industry approach to enhance the speed and efficiency of traceability systems for the future. The PTI has a bold vision, which outlines a course of action to achieve supply chain-wide adoption of electronic traceability of every case of produce by the year 2012. The PTI website serves as a central resource to provide industry members with extensive education and guidance on implementing these recommendations. www.producetraceability.org

ABOUT JEMD FARMS

JemD Farms is a greenhouse produce company providing retailers and consumers with a 12-month supply of high-quality fresh produce. JemD Farms is the first and only Canadian and Mexican owned greenhouse company in North America. JemD’s reputation for handcrafted, artisan quality assured produce is renowned in North American markets. Today, JemD Farms offers two consumer brands, Red Sun representing its Mexican-grown produce and Golden Sun representing its Canadian-grown produce. www.jemdfarms.com

ABOUT GS1 US

GS1 US, a member of GS1, is an information standards organization that brings industry communities together to solve supply-chain problems through the adoption and implementation of GS1 Standards. More than 200,000 businesses in 25 industries rely on GS1 US for trading-partner collaboration and for maximizing the cost effectiveness, speed, visibility, security and sustainability of their business processes. They achieve these benefits through solutions based on GS1 global unique numbering and identification systems, barcodes, Electronic Product Code-based RFID, data synchronization, and electronic information exchange. GS1 US also manages the United Nations Standard Products and Services Code® (UNSPSC®). www.GS1US.org



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