GS1 Australia

The Global Language of Business

Case study

Saving the meat industry over $200 million each year

Traceability



GS1 standards are helping the Australian meat industry to potentially save over 200 million dollars* each year in export costs.

Australia sends over 250,000 tonnes of meat to the United States each year. Until recently, tens of thousands of meat cartons were being rejected and destroyed at the U.S. border.

The reason was a simple, yet critical, part of the shipping process – labels. More specifically, damaged or missing labels referred to as shipping marks.

Shipping marks are unique numbers used to identify products within each carton of meat and recognise the associated health certifications. The shipping marks link each lot of product to the corresponding lot on a foreign inspection certificate, or other foreign certification documents.

Meat export market

To export meat to the United States, the U.S. government requires a unique shipping mark be applied to all cartons. Industry estimates that this represents a cost to the exporter of between 10-15 cents per carton. If the shipping mark is missing or damaged, the inspection officers at delivery cannot accept the shipment. As a result, the exporter is charged with the cost of remarking or destroying the cartons of meat. This action equated to enormous losses for the Australian meat industry.

With assistance from the Department of Agriculture, and after many months of trials and research, it has been agreed between the Australian and U.S. governments that **GS1 barcodes are the simplest and most cost-effective solution** for identification and verification of individual cartons of imported meat, if shipping marks are missing or illegible.

This is officially recognised in the United States Department of Agriculture Food Safety and Inspection Service (USDA FSIS) Directive 9900.5 Rev 1 Label Verification of Imported Meat, Poultry and Egg Products.

- Meat Messaging is used by over 45% of the Australian meat product exported globally
- 24 U.S. Mainland Import Inspection Facilities are registered with Meat Messaging
- Over 44mil cartons uploaded into Meat Messaging
- 76% of eligible Australian meat exporters registered to use Meat Messaging
- Meat rejections to the U.S. more than halved since inception of Meat Messaging

Using GS1 barcoding and standards for the meat industry's Meat Messaging portal provides a common data carrier that is used throughout the world. The portal has delivered enormous savings for Australian meat. It is hoped that eventually barcodes will be the only data carrier required for meat exports, making the process even easier and more cost effective, eventually leading to the removal of shipping marks.

Ian King, CEO AUS-MEAT

AUS-MEAT Limited

Traceability for every carton

To increase the value for meat exporters, Australia's meat industry has developed a unique online tool, the Meat Messaging system. This portal is used for the creation, sending, and receiving of required, and often mandatory, information relating to meat products (including cartons, carcasses, pallets, bulk packs, and containers.) The Meat Messaging System also provides industry in the U.S. with information on the product such as Chemical Lean for each box, Certificate of Analysis, as well as an alternative certificate template that gives the importer information on the shipment at the time of export.

Meat Messaging is based on GS1 standards and used by foreign exporters and U.S. import inspectors to deliver;

- **Traceability** for every carton certified in an import shipment
- **Immediate rectification** of refusal for missing shipping marks
- **Traceback** on sample selection as well as micro chemical residue samples
- **Possible future use** for traceback versus stamping boxes

Major cost reductions

The use of the Meat Messaging portal and GS1 standards has directly resulted in significant cost reductions for the meat export industry. These savings collectively represent more than 200 million dollars annually to the Australian meat industry.

The GS1 barcode is only required to be scanned at the pallet/shipment packaging level, increasing efficiency and significant time saving. At delivery, importers and government officials can access the Meat Messaging portal to verify consignment and product information, with a simple scan of the carton barcodes.

The Meat Messaging portal is administered by AUS-MEAT and managed through a committee comprising of Department of Agriculture, Meat & Livestock Australia, Australia Meat Processor Corporation and Australia Meat Industry Council.

Future possibilities

With the increased uptake of technology, it is anticipated that soon the issues experienced with shipping marks could be eliminated using GS1 barcodes.



Meat carton with US Shipping Mark and GS1 barcode label

" As a large exporter of boxed beef to the US, we were keen to be involved in the proof-of-concept pilots and acknowledge that moving forward, the Meat Messaging portal solution will represent a significant time and cost saving to the Teys company."

John Langbridge
Manager Industry and Corporate Affairs, Teys Australia

Further information

Meat Messaging portal
www.meatmessaging.com
GS1 Australia
www.gs1au.org/traceability

The combination of reduction in direct labour, fewer rejects and reduced product damage has been demonstrated through several projects utilising the industry portal. The use of the industry portal has directly lowered the cost of implementing and accessing export messaging and eMTC technology, as well as greatly improving product inventory and supply chain transparency. These savings collectively represent more than $200 million annually to the Australian meat industry.

* www.meatmessaging.info/docs/mmauindval.pdf

GS1 Australia
Head Office, 8 Nexus Court, Mulgrave VIC 3170
Locked Bag 2, Mt Waverley VIC 3149
T 1300 227 263 | **F** +61 3 9558 9551 | **ABN** 67 005 529 920
www.gs1au.org

GS1 is a registered trademark of GS1 AISBL.
2761_0120

CONNECT WITH US