

Food & Beverage Labeling Facts



The Food & Beverage Industry faces new challenges brought on by stronger FDA regulations and ever growing customer demands. Label-related risks are driving manufacturers to improve existing technologies that increase supply chain visibility, enhance recall capabilities and quickly implement regulatory changes—a competitive edge in the Food & Beverage Industry.

Label-related Corporate Risks and Pain Points

In the past, labeling was a tactical necessity, but now, due to pressure from the FDA and customer demands, it has become more than a corporate risk, it has become a strategic opportunity. The label on a product represents the “data of origin” necessary for expedient shipments and the roadmap in track and traceability. Throw mislabeling and related errors into a supply chain and you have certain disasters resulting in inefficient recalls, serious fines and a tainted brand reputation.

Mislabeling

Wrong labels or incorrect/incomplete data (whether on carton, case, or pallet) impact the bottom line. Heterogeneous labeling systems arise over time due to “home-grown” IT solutions or acquisitions, incurring a loss in efficiency and accuracy over the entire enterprise.

Emerging Standards

As companies and countries strive to find safer and better standards, such as GS1, most are not prepared to adopt new guidelines, label warnings and multiple languages. Emerging standards allow more information to be stored on the label; a key strategy for both business and governmental standards in the future.

Customer and Regulatory Fines

A supply chain is only as strong as its weakest link; if a non-compliant label is produced, it can trigger regulatory recalls and fines.

Food Recalls/Track and Traceability

One reason for the negative impact of a major product recall is how long it can take to identify and find the tainted

product, and then complete a recall cycle. In extreme cases companies cannot survive the impact of a major recall. There is a solution that solves these issues and saves the Food & Beverage companies millions of dollars per year.



MISLABELING CAN BE COSTLY.

Average cost of production downtime due to mislabeling errors is \$100k/hr. One major manufacturer spent more than \$300k/yr to cover mislabeling fines.

Designed with the enterprise-level company in mind, Loftware’s robust label design tool, powerful centralizing print server and “no coding required” intelligent business filters ensure a seamless integration for hundreds of clients across the industry.

DO YOU BUDGET FOR FINES?

Some Loftware customers previously budgeted an average of \$200K/yr before implementing a solution.



Minimizing the Risks with Loftware



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Design for Quality Control

Solutions for: **Mislabeled, Compliance, and GS1**

The best-in-breed barcode labeling solution starts with a label management tool that is robust, efficient and possesses the ability to design labels that meet both regulatory and customer-specific requirements. Loftware offers a "smart" design template tool that supports the latest standards and requirements in addition to enabling flexibility for quick design without impacting upstream systems.

Loftware "smart" templates have the flexibility for multiple label formats, printers and languages. With constant design changes, last-minute edits and ever-changing standards, one solution with one management tool solves it all.

Centralize to Manage High Volume Output

Solutions for: **Compliance, Traceability**

A company's labeling ecosystem must easily handle accurate output of labels at a high volume without fail. Managing an enterprise supply chain requires a single source of input and output that is accurate; getting the right label to the right printer at the right time. Loftware ties together your disparate label information and efficiently handles high volumes of requests. Centralize your label source with Loftware and manage recalls efficiently, providing more visibility to your supply chain.

Automate to Ensure One Source of Truth

Solutions for: **Mislabeled, Compliance**

It is essential for any enterprise system to build a print lifecycle that has automation, empowers existing systems

and drives labels from various data sources. Loftware seamlessly drives labels from applications such as ERP, WMS, and SCM directly to your output devices. Avoid manual processes which are



A New Standard

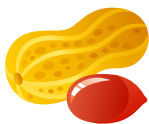
The Foodservice GS1 US Standards Initiative reduces waste and inefficiencies in the supply chain. GS1 Standards provide:

- One step forward, one step back tracking
- Entire supply chain follow-through
- Accurate records
- Improved product information for customers
- Foundation for food safety and traceability

The goal is to have 75% of the food-service industry (measured by revenue dollars) using GS1 standards by 2015.

error prone and improve performance with pre-built Business Logic Filters (customer requirements, languages, file formats, etc.). Adding this kind of intelligence to your system with Loftware takes away the heavy lifting and makes your labeling system agile to last minute compliance changes.

The cost of a FOOD RECALL



2009 Peanut salmonella outbreak costs \$1B. Peanut Corp. of America goes under and 714 people infected.



2006 Spinach E. coli outbreak costs \$350M. Sales remain down 15% and 3 fatalities.



Check out enterpriselabeling.com, a blog devoted to labeling issues across all industries.



Food & Beverage Case Studies

Scan this QR code or go directly to our [Food and Beverage Industry page](#) to learn more.



SAP® Case Study:

Beverage manufacturer needed a seamless and scalable labeling solution with SAP

A European confectioner company acquired a new bottling facility in North America, requiring an immediate solution to their existing SAP systems globally. The new facility processed over \$100,000 an hour worth of product, which made finding the right solution critical to their operations—there couldn't be any interruption to operations.

This customer required: an immediate solution; zero interruption to production; seamless integration to existing SAP solutions hosted in Europe; and scalable to grow with the company.

Loftware quickly went in, set up the Loftware Print Server Premier Solution and got them running smoothly with a custom interface, zero coding changes, automatic notifications of printing status, and lower maintenance thanks to the LPS menu tool.

Oracle® Case Study:

Flavorings manufacturer needed centralized labeling solution for multiple languages

A European manufacturer needed to replace incompatible and custom business applications and labeling solutions with Oracle Warehouse Management. A centralized labeling system was necessary to drive the development and printing of all labels throughout the global operation.

The customer had specific requirements: support for 43 different languages; a centralized ability to drive regional label compliance issues and standardize its existing printer family; and an overall solution with built-in redundancy for uninterrupted labeling in the event of a failure.

Loftware's solution resulted in meeting all of the customer's requirements for broad language support, redundancy, compliance, validation, and universal printer driver compatibility saving hundreds of thousands in fines and building in scalability for new business.

For more in-depth research into the issues Food and Beverage manufacturers are facing, download [Loftware's "Food and Beverage Labeling GS1" white paper](#).

