Creating Value for the Consumer and Gaining Supply Chain Efficiency

HOW TO IMPLEMENT END-TO-END TRACEABILITY

CASE STUDY

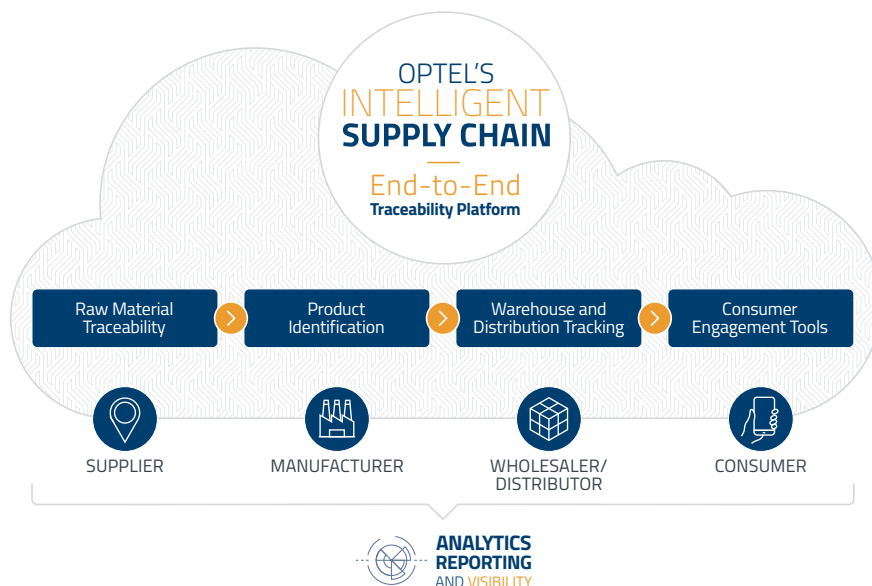## Real-life example from the cosmetics industry

ABOUT THE CLIENT

Our customer is the fourth largest beauty company in the world, with annual income of over 10 billion USD. They sell personal care and cosmetics products in more than 70 countries. Their supply chain is complex, and they buy raw materials from hundreds of smallholders worldwide. They wanted to implement end-to-end traceability to optimize their supply chain efficiency and visibility, as well as their product authenticity and quality, and to connect directly with the final consumer.

OBJECTIVES

Develop full supply chain traceability for a popular moisturizing product in order to:

- Digitize raw material traceability flow, simplifying its logistical and sustainability controls

- Ensure the authenticity of the finished product through serialization

- Bring visibility to the business steps of the product supply chain as a way to optimize eventual recall management

- Interact directly with the end consumer

OPTEL'S INTELLIGENT SUPPLY CHAIN
—
End-to-End Traceability Platform

| Raw Material Traceability | › | Product Identification | › | Warehouse and Distribution Tracking | › | Consumer Engagement Tools |

SUPPLIER — MANUFACTURER — WHOLESALER/DISTRIBUTOR — CONSUMER

ANALYTICS REPORTING AND VISIBILITY

THE SOLUTION

This solution is an example of what an end-to-end solution can look like, although each client and supply chain is different.

1. Raw material traceability

2. Serialization and aggregation implementation at manufacturing sites

3. Warehouse and distribution solution

4. Chatbot and connection with final consumer

5. Cloud platform for complete visibility and BI analytics

STEP (1)

RAW MATERIAL TRACEABILITY

Powerful solutions for data collection and analysis, providing qualitative and quantitative data to track and authenticate raw materials.

- Register farmers on OPTEL's GeoTraceability platform
- Serialize bags with preprinted tags
- Associate families with their respective deliveries
- Register inputs and outputs from business entities
- Associate the finished product batch with the raw material traceability data
- Centralize data on a Web platform
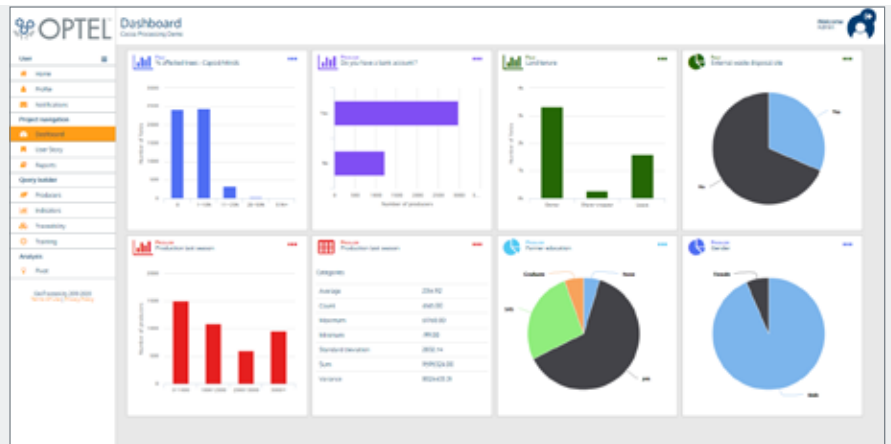
STEP (2)

PRODUCT IDENTIFICATION

- The serialization and aggregation implementation process involves assigning a unique ID to every item and tracing the parent-child relationship during packaging and shipping operations.

PLANT-LEVEL SOFTWARE: SOLUTION FOR LINE MANAGEMENT

Sending identification data via network to OPTEL's plant-level software (OPTEL's Open SiteMaster).

- Serial number requisition and batch parameter inputs
- Equipment assignment on lot definition
- Centralization of serialization and aggregation information from multiple lines
- Batch data sent to the cloud-based Verify Platform solution

Secondary packaging

Tertiary packaging
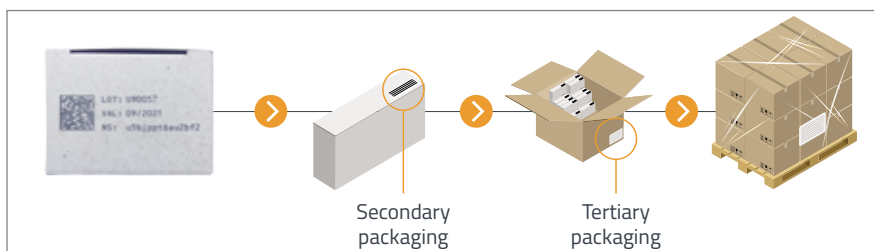
STEP (3)

WAREHOUSE AND DISTRIBUTION SOLUTION: REGISTRATION OF ENTRIES, EXITS AND PICKING

- System notification of shipping events
- Rework pallet and case aggregation
- Replacement of damaged labels without losing aggregation data
- Marking of products as destroyed and QA sampling
- Checking product status
- Verification of existing aggregation status and children

Verify Platform generates serial numbers and centralizes all your data on its cloud-based platform.

Open SiteMaster receives the serial numbers, manages batch production and compiles batch reports. It can receive data directly from your ERP.

The Manual Print Station (MPS) is responsible for serialization and aggregation at multiple packaging levels.

Kompano is a warehouse serialization solution used to rework, pick and pack, receive, ship and destroy serial numbers during logistics operations.

STEP (4)

RECEIVE AND DISPENSE PRODUCTS (CONSULTANT AND STORE) – THE PRODUCT EXPLORER APPLICATION

- Access via any browser (computer or mobile device) to notify product reception
- Check product status to ensure position and authenticity
- Notify dispensed products
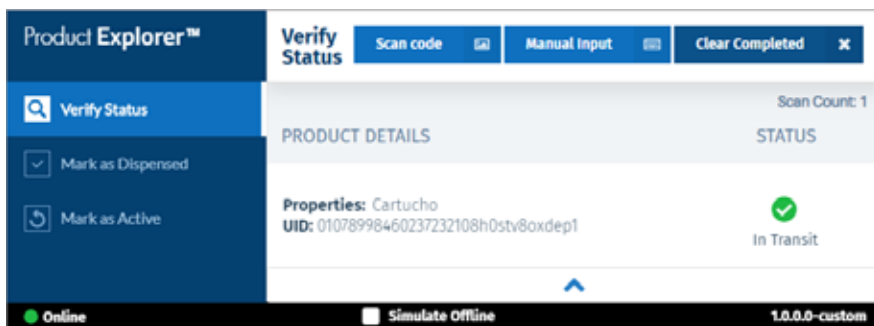
Product Explorer is a Web application used on computers and mobile devices to record the receiving and sale of items.

STEP ⑤

CHATBOT – INTERACTION WITH THE FINAL CONSUMER

OPTEL's chatbot is a personalized and agile consumer engagement tool that allows your brand to connect directly with the final consumer. This connection provides strong analytics and a direct communication channel for marketing activities.

- Interaction with the final consumer through the product code
- Authentication, technical info, customer service and link to purchase section
- Sharable info about the producers who participated in the product lot
- Product status, batch and expiry date

STEP ⑥

CENTRALIZED VISIBILITY – VERIFY PLATFORM CLOUD SOLUTION

The cloud-based Verify Platform software is the link to provide full visibility along the supply chain. This configurable and scalable solution is designed to help improve operations and provide strong supply chain analytics.

CONCLUSION

The implementation of the first phases of OPTEL's Intelligent Supply Chain® started in 2019 with positive preliminary results. The project implementation was completed in 2020 and will keep running in 2021 and beyond. OPTEL and the client are building a long-term partnership based on mutual trust and are working toward the same goal of improving transparency, efficiency and sustainable practices in the global supply chain.

CONTACT US

To learn more about OPTEL's traceability solutions, contact us at **optelgroup.com/contact/**

HAVE QUESTIONS?

Chat with us: **optelgroup.com**