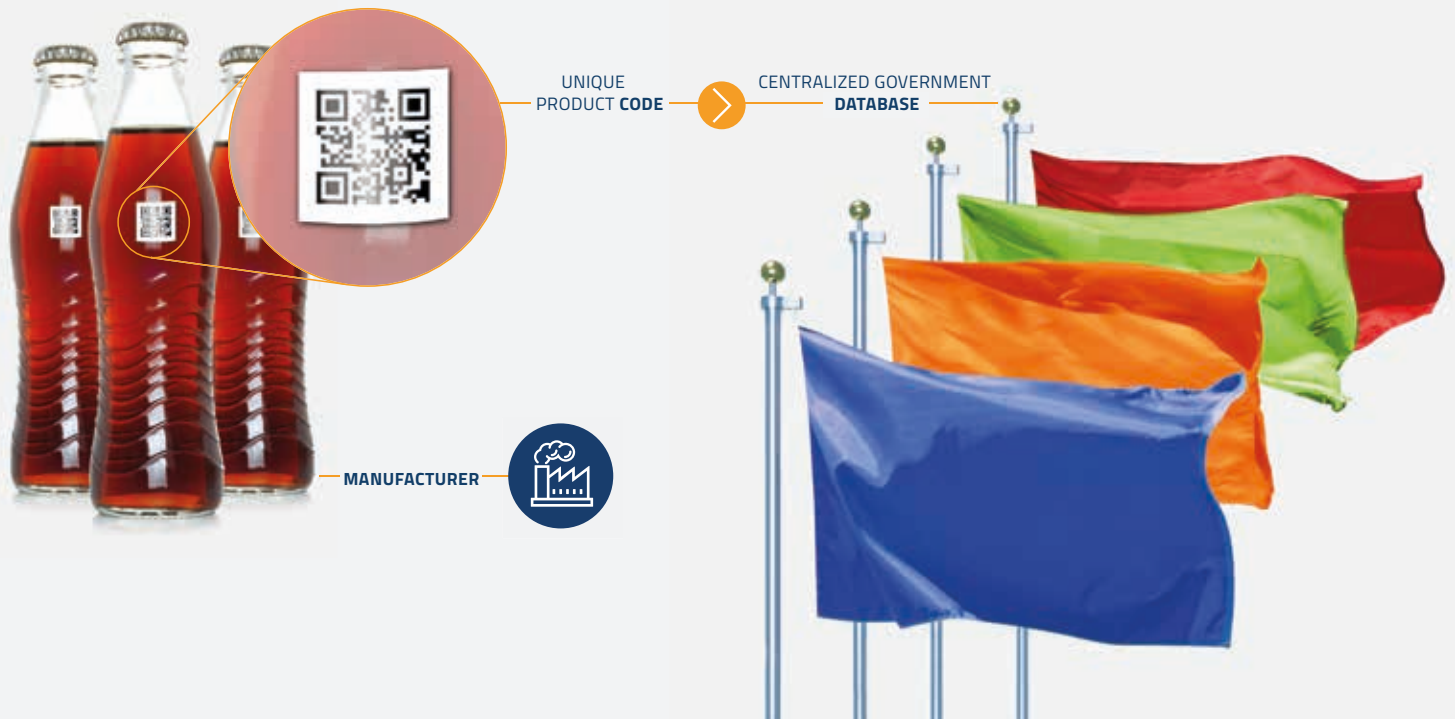


Track & Trace Solution to Comply with Excise Tax on Sugary Drinks

KEY STEPS FOR IMPLEMENTATION SUCCESS

USE CASE



USE CASE FOR BEVERAGE MANUFACTURERS

- Many countries and regions are imposing an excise tax on manufacturers of sugary beverages.
- Sugary beverages usually include soft drinks, energy drinks and other sweetened drinks.
- Government will enforce the tax payment by implementing a Digital Tax Stamp (DTS) program.
- Manufacturers need to be registered and connected to the system and provide product information for tax validation compliance.

THE PROGRAM

Once a government selects a company to implement and operate a DTS system, manufacturers need to equip their production lines to comply with the regulation.

The DTS requires a unique and secure code applied to each product, enabling monitoring and traceability from manufacturer to retailer. The data is stored in a centralized government database.

Government enforces the regulation at the retail level, where inspectors validate the unique product code using an online application on a handheld device, ensuring tax collection and mitigating tax evasion.

WHAT IS AN EXCISE TAX?

An excise tax is an indirect tax levied by governments on goods at the manufacturer level.

CHALLENGES

- The manufacturer needs to identify each item with a unique digital identification (UDI) code connected to the centralized government database.
- The manufacturer needs to print and activate the tax stamp in the form of a machine-readable unique code on every bottle and can.
- Printing of unique codes needs to be suitable for standard high-speed production lines.
- The vision inspection system needs to adapt to various product shapes and sizes.
- The code must be scanned on production lines by the vision inspection system, as well as in retail outlets by inspectors equipped with handheld devices.

THE SOLUTION

In the manufacturing plant

- OPTEL's line equipment sends a request for unique codes to get a defined quantity of serial numbers for the production of a specific product.
- A serialization software program provides the unique codes for the centralized government database.
- The unique codes are issued by the centralized government database and sent to the manufacturer's production line equipment.
- Codes are printed directly on the product or on the stamp.
- The location of codes on products is either at the discretion of the manufacturer or the technology provider, or in accordance with government requirements.
- OPTEL validates the codes with a vision inspection system on the production line.
- These unique codes are shared with the centralized government database, sending EPCIS events:
 - The line equipment sends the "Commissioned" unique codes to the centralized government database.
 - The EPCIS repository confirms receipt of the "Commissioned" product listed in the database.

BENEFITS OF OPTEL'S SOLUTION

Go beyond compliance: Increase your line efficiency and secure your supply chain!

Optimize the serialization implementation in your plant: When you add a unique identification code to each product, you can leverage the resulting data to gain valuable market insights, supply chain visibility and increased efficiency. OPTEL can not only provide cutting-edge track-and-trace technology but can also advise and support you in getting the best return on your serialization investment.

Taking you beyond regulatory compliance, serialization gives you the visibility and data empowerment you need to secure your supply chain.



WHAT IS SERIALIZATION?

Serialization is the process of assigning a unique identifier to each product. The process allows tracking and tracing of a product's journey through the supply chain.

KEY STEPS AND INSIGHTS FOR THE MANUFACTURER

1. Choose a reliable vision inspection and track-and-trace technology provider for your line equipment. You want top-quality equipment to optimize the life cycle and minimize the risk of line downtime.
2. Choose a vendor-agnostic provider capable of connecting to your existing line systems. You will reduce your costs by not having to invest in a new system.
3. To guarantee a successful and cost-effective implementation, make sure to choose a provider that can provide support during and after the process.
4. Leverage the serialization implementation to increase operational efficiency and gain benefits beyond regulatory compliance.



ABOUT OPTEL

- 30 years of expertise in vision inspection systems and traceability
- Expertise with bottling production lines
- Industry-leading track-and-trace solutions
- Full aggregation capability: granular data gathering through the downstream supply chain
- Scalable solutions
- Configurable and vendor-agnostic solutions that connect to your existing systems
- Professional services to support you during and after implementation



OPTEL has become the recognized global leader in digital track-and-trace technologies. Working with top brands and with more than 3,500 solutions deployed around the world, we use market-leading technologies and in-depth knowledge of the manufacturing process to help you achieve your goals. Whether you are looking to comply with regulations or to optimize your supply chain from start to finish, we have a solution that is right for you.

CONTACT US

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



HAVE QUESTIONS?

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