Business benefits of traceability system
at Arcor Group's plants in Argentina

Challenge

Arcor wanted to improve information flow in their supply chain, particularly to integrate all operational processes for efficient business operations. Arcor was seeking a solution to their situation when traceability records were done manually, there was no identification of batches, the process of production units' identification didn't allow to trace down products further during transportation and distribution.

Arcor turned to GS1 Argentina for advice and support when implementing a traceability system that would be able to integrate all supply chain stages and processes from receiving raw materials to production, shipment, and outbound logistics.

Solution

GS1 Argentina worked to implement the traceability system based on GS1 standards that used the GS1 Global Traceability Standard.

• A traceability system was designed that covered all areas of company operations in production and logistics.

• New identification and codification systems with GS1 standards were implemented that included raw materials, semi-finished products, consumer units, and logistic units. Particularly, the Global Trade Item Number (GTIN) and GS1-128 barcodes were applied.

• Online registration in the production line was implemented that enabled detection, location, and selective withdrawal in case of defects.

• Batch management was established.

Benefits

With the implementation of the new traceability system, operational processes have been integrated, and transactional cycles have been updated based on best practices.

- Processes become integrated and data become centralised. Central data repository is in place with historical information about each batch of Arcor products allowing to identify the product and see to whom it was delivered.

- Administration of most of the master data: items, clients, suppliers, warehouses, etc. becomes centralised that helps enhance level of communication and visibility throughout the chain.

- TCO (the total cost of ownership) of software gets reduced.

- Reporting and making information available in real-time becomes faster, providing improvement in response time to attend to requirements, quality incidents, and recall requests.

- Improvements in data management help Arcor increase the quality of their products for customers and consumers.

- The implemented model can be replicated in other company's businesses.

Arcor is a leading Argentina's multinational group that specialises in three business divisions: Consumer Food Products (Food, Confectionery, Chocolates, Ice-creams, Cookies & Crackers, Baked Goods and Functional Products), Agribusiness, and Packaging.

Arcor was founded in 1951 and has ever since become the main food company in Argentina, the first global producer of hard candies and the main confectionery exporter in Argentina, Brazil, Chile and Peru. Arcor has more than 40 production plants in Latin America, produces 3,000,000 kg of products daily.

Arcor develops leading brands reaching people in more than 120 countries through a sustainable management model.

More information

Find out more about Arcor Group
www.arcor.com

For more about GS1 Argentina and traceability standards visit
www.gs1.org.ar

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