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# Drakes Supermarket and Thomas Foods International collaborate to pilot IBM Food Trust in South Australia

South Australian organisations first in Australia to pilot IBM Food Trust using IBM Blockchain Platform reducing traceability times from three days to three seconds

**SYDNEY, AUSTRALIA. - 18 Mar 2019:** Australia's largest 100% family-owned meat processor, <u>Thomas Foods International</u>, and largest independent grocery retailer, <u>Drakes Supermarket</u> have signed on as members to the blockchain-based food ecosystem solution, <u>IBM Food Trust</u>™. The successful pilot can trace the entire lifecycle of a food product, from region to plate, and update the record in real-time.

The pilot involved tracing the origin of a piece of steak back to one of four individual farms. IBM (NYSE: IBM) Food Trust uses blockchain technology to enable participating retailers, suppliers and growers to collaborate based on a shared view of food ecosystem data to enable greater traceability, transparency and efficiency. This is important as it provides increased data granularity, which is an enabler for several use cases. Firstly; in the event of fast, surgical recalls, customers can quickly identify the amount of product at risk with minimised false positives. Secondly; product differentiation, which allows retailers to prove the provenance and history of an individual cut of meat.

Thomas Foods International (TFI) and Drakes Supermarket have been testing IBM Food Trust for the past three months to deliver improvements in day-to-day operational efficiencies. By removing data silos within the organisations and enabling a high level of data granularity, the pilot has enabled data to be shared across organisations. TFI and Drakes are able to upload data into a shared platform and the life-cycle of the products being traced has been mapped across the organisations, allowing a product to be tracked as it moves through the supply chain.

IBM Food Trust members contribute data to the network. Participants such as TFI can upload their data and share with other organisations within their ecosystem. Organisations within the same supply chain can leverage the information of the partners to establish a single, shared version of truth.

Simon Tamke from Thomas Foods International said: "By maintaining the individual data relating to each product instead of moving to data about grouped products, we are achieving a greater understanding of how each food item is moving through the supply chain. This added level of transparency and verifiability will reinforce customers' and consumers' confidence in the provenance of our product and is made possible by blockchain technology."

"We are pleased with the steady progress of our blockchain collaboration with IBM, while we continue to receive very positive feedback from the industry and customers," he added.

Rupert Colchester, Head of Blockchain at IBM Australia and New Zealand, said: "We see blockchain as a potentially game-changing technology for food traceability. Drakes and Thomas Foods have demonstrated how different players in a single supply chain can securely share data and key events, bridging organisational boundaries for the good of both consumers and the benefit of their own business processes. We expect to see more of this collaboration in the coming year, with groups of partners working together for the benefit of the entire food industry."

"Transparency and traceability are the key to many industries now, and none more so than in the critical issues of food safety and provenance," he added.

Tim Catwright from Drakes Supermarket said: "The greater level of granularity since adopting IBM Food Trust has enabled the traceability of a food package across the supply chain, reducing the time required to identify the origin of a product from days to just seconds."

#### **About IBM Blockchain**

IBM is recognized by Juniper Research as the <u>leading enterprise blockchain provider</u>. The company's research, technical and business experts have broken barriers in transaction processing speeds, developed industry leading cryptography to secure transactions, and are contributing millions of lines of open source code to advance blockchain for businesses. IBM is a leader in open-source blockchain solutions built for the enterprise. Since 2016, IBM has worked with hundreds of clients across financial services, supply chain, government, retail, digital rights management and healthcare to implement blockchain applications, and operates a number of networks running live and in production. The cloud-based IBM Blockchain Platform delivers the end-to-end capabilities that clients need to quickly activate and successfully develop, operate, govern and secure their own business networks. IBM is an early member of Hyperledger, an open source collaborative effort created to advance cross-industry blockchain technologies. For more information about IBM Blockchain, visit https://www.ibm.com/blockchain/or follow us on Twitter at @ibmblockchain.

#### **About IBM Food Trust**

IBM Food Trust uses a decentralised model to allow multiple participating members of the food supply chain – from growers to suppliers to retailers – to share food origin details, processing data and shipping information on a permissioned blockchain network. Each node on the blockchain is controlled by a separate entity, and all data on the blockchain is encrypted. The decentralized features of the network enable all parties to work together to ensure the data is trusted.

As one of the largest and most active enterprise blockchain networks globally in production to date, IBM Food Trust members pioneered a comprehensive governance model for the network to help ensure that the rights and information of all participants will be managed and protected appropriately. The governance model ensures every member abides by the same set of rules. Organisations that upload data continue to own the data, and the data owner is the only one that can provide permission for data to be seen or shared. Important blockchain network management considerations have been addressed, including data entry, membership, interoperability and security and hardware requirements, while providing a consistent way to standardise data. For more information visit <a href="ibm.com/food">ibm.com/food</a>.

## Availability in Australia

After successful partnerships globally with the likes of Carrefour, Pacific International Lines, Wakefern, BeefChain, Dennick Fruit Source, Scoular and Smithfield among others, IBM Food Trust is now available to Australian clients.

It runs on the IBM Cloud and features enterprise-class security, reliability and scalability. The foundation of the technology relies on Hyperledger Fabric, an open source blockchain framework hosted by the Linux Foundation. In addition, the network includes compatibility with the GS1 standard used by much of the food industry to ensure interoperability for traceability systems.

Participants can select from three IBM Food Trust software-as-a-service modules with pricing that is scaled for small, medium and global enterprises, beginning at \$100 USD per month. Suppliers can contribute data to the network at no cost.

- Trace The trace module allows members of a food ecosystem to more securely trace products in seconds to help mitigate cross-contamination, and reduce spread of food-borne illness and unnecessary waste a process that often takes weeks using other methods.
- Certifications The certifications module helps verify the provenance of digitized certificates, such as organic or fair trade. It also enables participants across the ecosystem to easily load, manage and share food certifications digitally, speeding up certificate management by up to 30 percent.
- Data entry and access The data entry and access module allows members to securely upload, access and manage data on the blockchain.

IBM Food Trust is available as a subscription service for members of the food ecosystem to join. For more information on availability, please visit <u>here</u>.

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