

# Food Transparency in the 21<sup>st</sup> Century

Bristol Farms newf~~O~~und market



Team XYZ

Bristol Farms  
GOOD • FOOD • MARKET

"As long as I am leading the company, we will be a trendsetter. When it comes to ***transparency*** for the consumer, we are pushing to stay on the cutting edge of the products they look for. Sometimes those products come with complex stories, which makes transparency very difficult. This is where technology can really help us!"

**Adam Caldecott, CEO, Bristol Farms & Lazy Acres Natural Market.**



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# How do you define Transparency?

Transparency has many different definitions, but according to the FMCG sector -  
**“Transparency is defined by a brand or retailer who provides detailed information about precisely what is in a product and exactly how the product was made.”**

## *What do consumers mean by transparency?*

Question: How do you determine whether a brand or manufacturer is being transparent?



### Gender

Male shoppers (76%) place more importance on transparency than female consumers (70%).

### Generation

Younger Gen Z (74%) and Millennial shoppers (79%) are more concerned than Gen X (63%) or Baby Boomer (70%) consumers.

### Education/Income

Shoppers with a degree (77%) and higher incomes (80%) place more importance on transparency.

### Family

When shoppers have children in their household (79%), they're more likely to place importance on transparency.

### Location

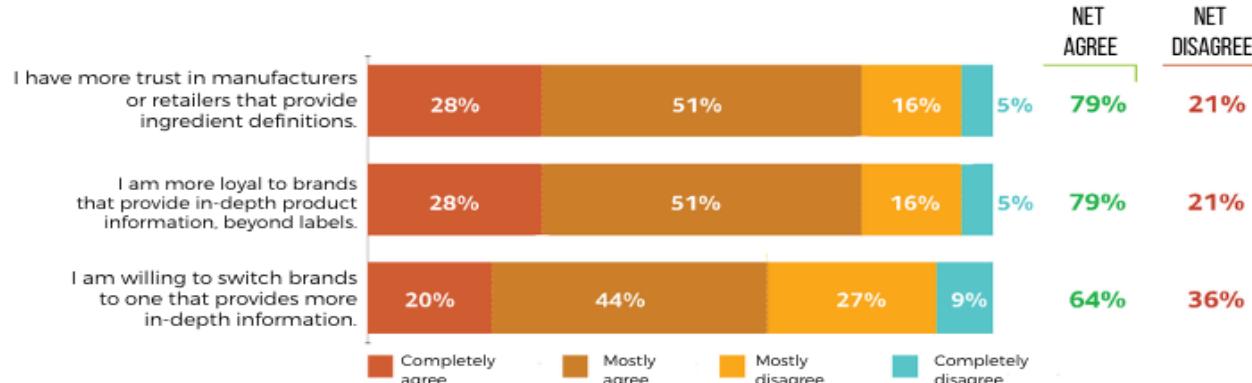
Urban residents (80%) focus on transparency more than those who live in small towns or the countryside (66%).



# Is Transparency Important to You?

## Shoppers: Transparency is a matter of trust

Consumers were asked if they completely agree, mostly agree, mostly disagree or completely disagree with the following statements.



Source: FMI, Transparency, Health & Well-Being, 2022

For 78% of those consumers, their desire to be informed is tied to their families' health and well-being, while 69% said it's linked to environmental concerns.

## Shopper Response

The FMI/ NielsenIQ survey defined transparency for respondents as "providing detailed information such as what is in your food and how it was made." When asked how much transparency matters to them, 72% of shoppers said it was either important or extremely important when deciding which food brands and retailers to support.

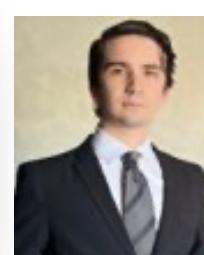


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# Meet Our Team



Eat Well, Live Well.



**Susanna  
Mkrtchyan**

District Human  
Resources Leader

**Whitney  
DeMille**

R&D  
Scientist

**An  
Lam**

R&D  
Scientist

**Gil  
Salazar**

SVP, Information  
Technology

**David  
Danenhower**

Supply Chain  
Specialist

**Erick  
Velasquez**

Director, Consumer  
Outreach

Team XYZ



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## Bristol Farms Customer Profile

- Foodies
- Health Conscious
- Progressive & Trendy
- Environmentally Conscious

## What Do Bristol Farms Customers Look for?

- Look for Premium/High-Quality Products
- Locally Sourced
- Organic / Healthy Products
- Unique Specialty Products
- Products that align to family values



## Trendsetting Ideas

- Central Kitchen Concept
- Innovative Food Court
- Theater of Retail Approach
- High-End Meat / In-Store Butcher
- Leverage Local Suppliers

## Differentiation & Value Proposition

- Responsible Partner in the Community and Environment
- Friendly, Passionate, and Knowledgeable Staff
- Fresh / High Quality Value
- Products Sourced from Local Suppliers



# Bristol Farms: A Peek Inside



**"The Cookie"**



**"Fresh Organic Produce"**



**"Full-Service Butcher Shop"**



**"Exquisite Cakes"**



**"Café"**



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# Bristol Farms Summary

- In today's competitive landscape, shoppers seek authentic food retailers that share their values. Bristol Farms knows this!
- 95% of shoppers trust that the food they buy from the grocery store is safe.
- Health and Wellness tops consumer values.
- Bristol Farms can meet consumers needs by seeking ways to promote cutting edge products in their store with a high degree of confidence in the information provided from suppliers. These products have complex stories that need to be told.

Solving the transparency challenge can help Bristol Farms become a strong indispensable ally with its customers.

65% percent of shoppers avoid negative ingredients

- Low Calorie
- No allergens
- Low Carb
- Low Fat
- Low Sugar
- No added hormones
- Low Sodium

59% want "less processed" food

- No artificial ingredients
- No HFCS
- No trans fats
- Non-GMO
- No preservatives
- Natural
- Gluten-Free
- Organic

Source: FMI



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# What is the difference between traceability and transparency?

## Traceability



### Jif Recall

Date: May 2022  
Cause: Salmonella  
Lot Code: 1274425  
Span: 49 Products  
Total Illness: 21  
# of Hospitalizations: 4  
# of Deaths: 0

### Vodka Boycott

Russia invaded Ukraine in Feb 2022. As a result, many consumers demanded Russian made Vodka be pulled from retailer shelves across the U.S. Retailers struggled to identify Country of Origin.

**What if technology could solve for these traceability challenges?**

Transparency is a retailer's responsibility to communicate and provide visibility to shoppers who are focused on sourcing ethics, such as sustainably caught seafood, hormone-free chicken, or cage-free eggs.

Traceability relates to food safety and recalls so retailers know exactly where an impacted item is and can take swift appropriate action.

—Troy Prothero  
VP, Product Management—Supply Chain Solutions,  
Symphony RetailAI



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# Traceability Challenges: Farm to Fork

## Bristol Farms / Industry Challenges

### Central Kitchen – (Bristol Farms & CPG)

1. Meeting government regulations – FSMA traceability preventative laws evolve and change
2. Ingredient Sourcing – Changes or substitutions of ingredients required to develop products change the NFP
3. Challenged to bring/ develop products to meet evolving consumer demand

### Supply Chain (All of Industry)

1. Manual Paper trail
2. Lack of detail required
3. Lack of Technology

### Consumer Facing (All of Industry)

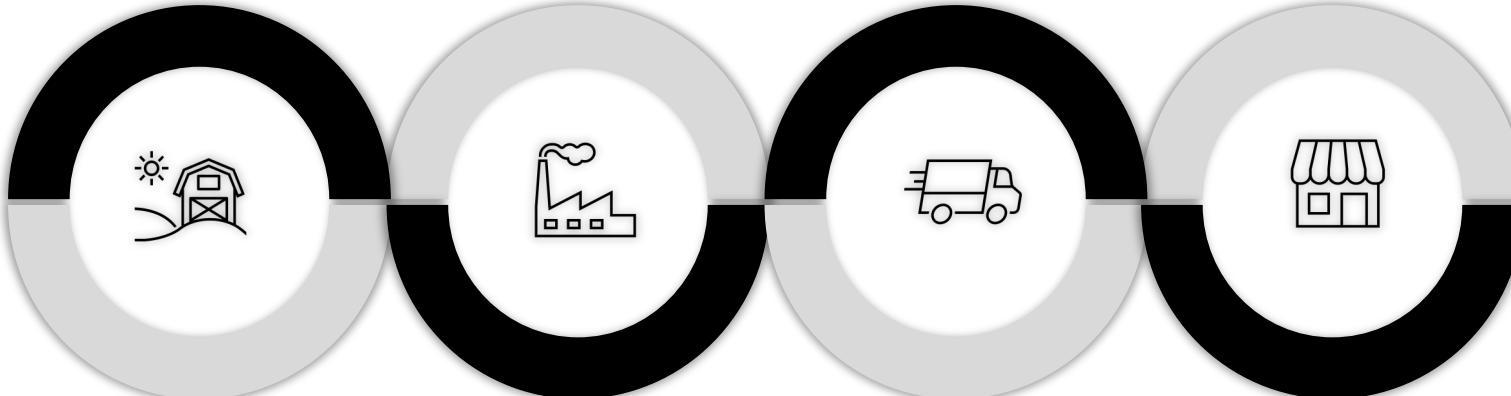
1. Consumers look to the retailer to solve their problems
2. Loyalty / CRM – Many industry players lack the ability to connect with consumers
3. Inconsistent Systems



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# Traceability Challenge: FSMA 204

The Disruption to the food industry is substantial as FSMA 204 will require that all players in the food service industry (Grower, Shippers, Packers, CPGs and Retailers) enhance their distribution record keeping practices while enhancing their traceability solutions ultimately bringing transparency to the consumer. The biggest challenge will be in the distribution / supply chain areas as it is the single most complex process in the food delivery chain. Compliance of FSMA 204 is required by January 2025. Are you ready?



## Farmer / Grower

- Crop / Harvest Dates
- Non-Crop/Harvest Dates
- Partner with CPGs and Manufacturers to maintain product traceability
- Track product lot distribution
- Maintain legible records
- **Provide records within 24 hours**
- Increase in costs

## CPG / Manufacturing

- Designated as first receiver
- Required to partner with farms to manage on-farm activities
- Maintain legible and stored records
- Traceability Records
- **Provide records within 24 hours**
- Increase in costs

## Distribution / Supply Chain

- Biggest obstacle to improving outbreak response – too complex
- Demand for simplified traceability across distribution channels
- Opportunity for single-solution standard
- Increase in costs
- **Provide records within 24 hours**

## Retailers

- Retailers are the face of the food industry
- The law expects retailers to lead the compliance charge
- Recalls start and end with the retailer as consumers look to retailers for confidence
- Consumers demand full product transparency from retailers
- Increase in retail pricing
- **Provide records within 24 hours**

How many of you believe FSMA 204 will be a challenge for the food industry?

How many of you have considered FSMA 204?

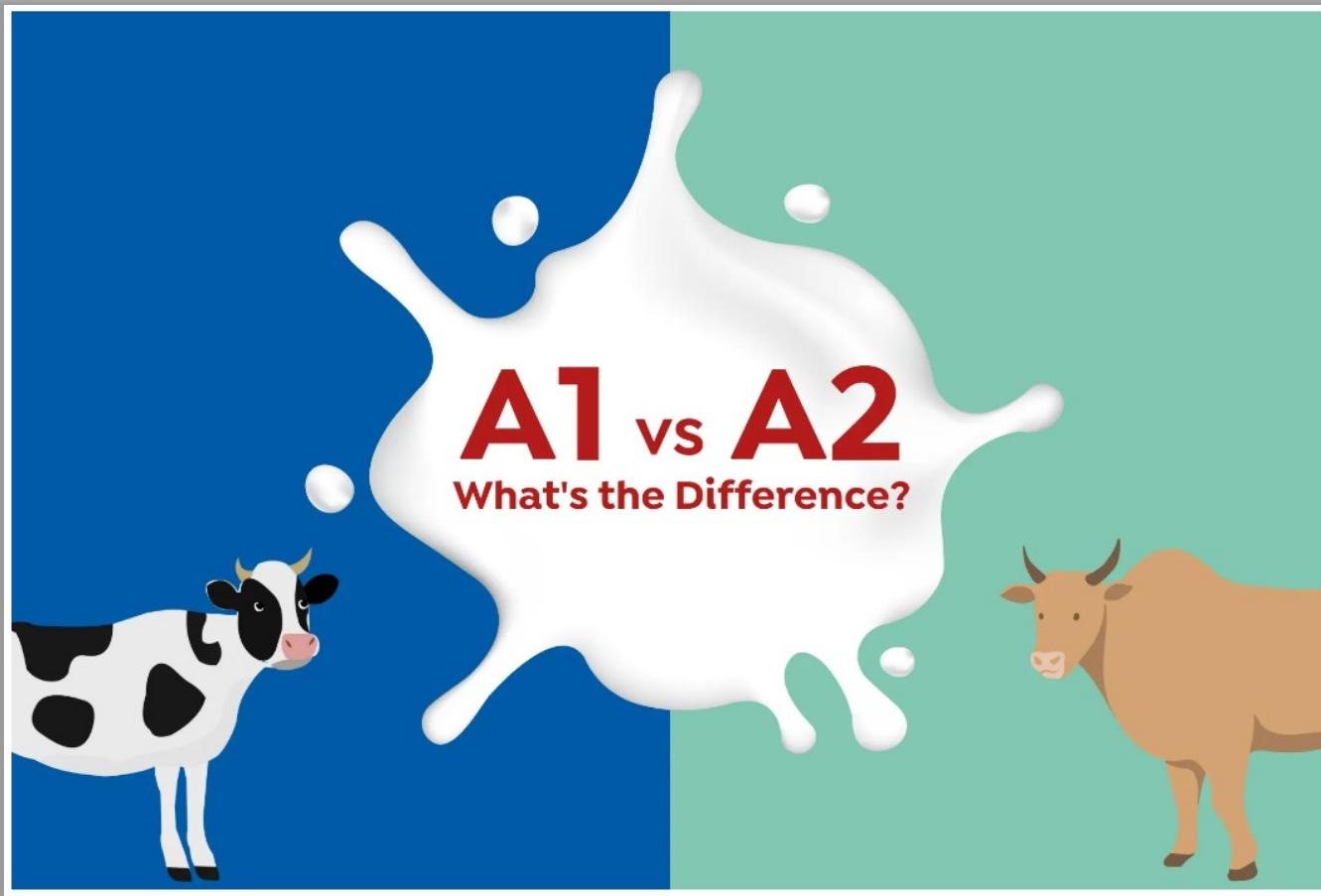
How many of you are nervous about FSMA 204?

How many of you have identified solutions to solve FSMA 204?



# Transparency Challenge : The Case of Milk

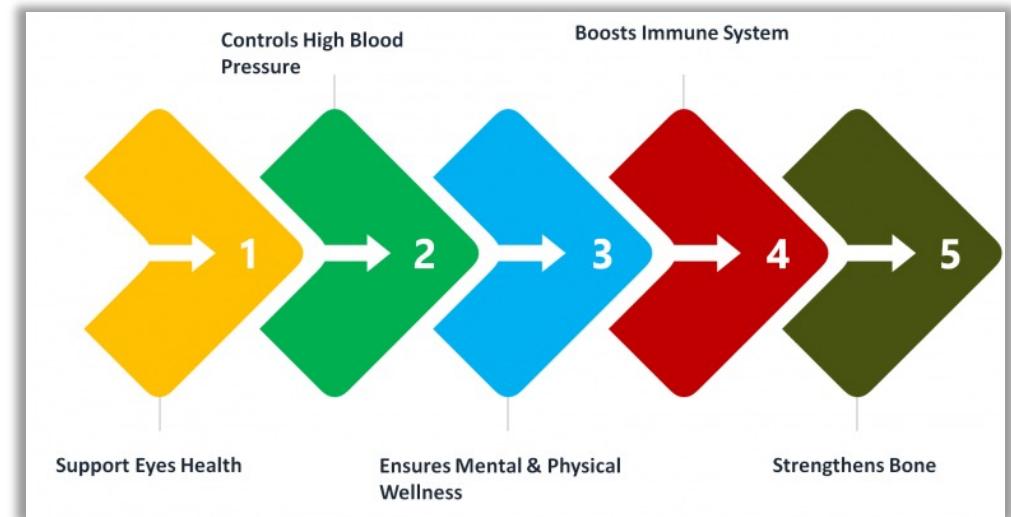
## Do you know the Difference?



VS.



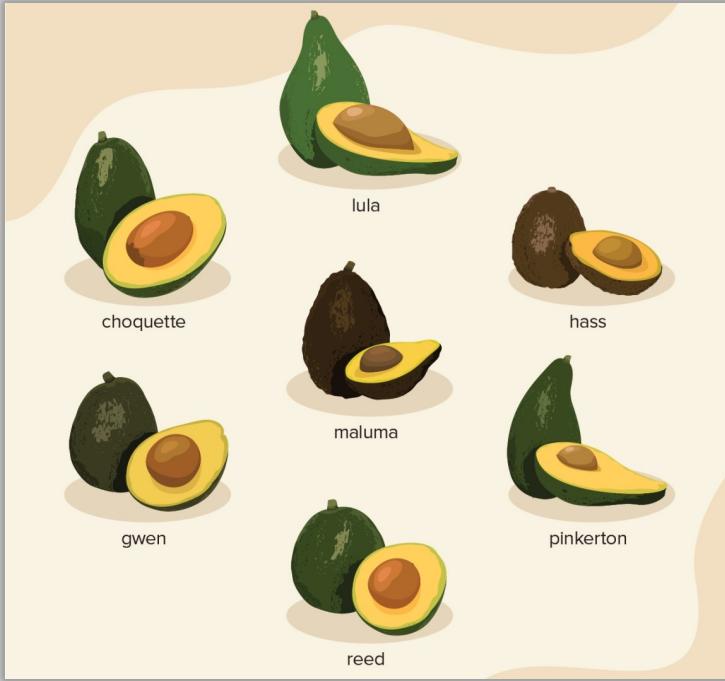
Main Difference: Easy to Digest



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# Transparency Challenge: The Case of Avocados

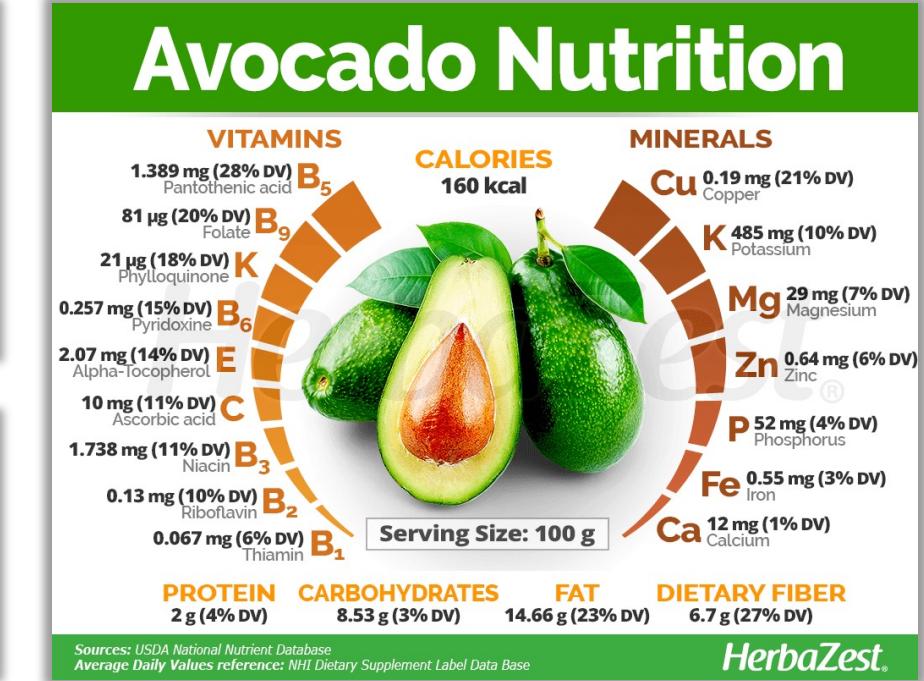
Are all Avocados created equally?



We know that not all Guacamole is created equally!



All these values change by region!



This is one of many transparency challenges in our Industry



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# Traceability and Transparency : The Current Landscape

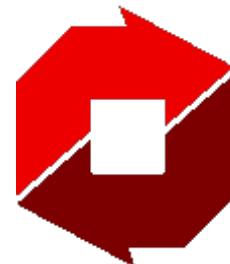


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# Traceability and Transparency : A Closer Look



iFoodDS



ReposiTrak



invafresh

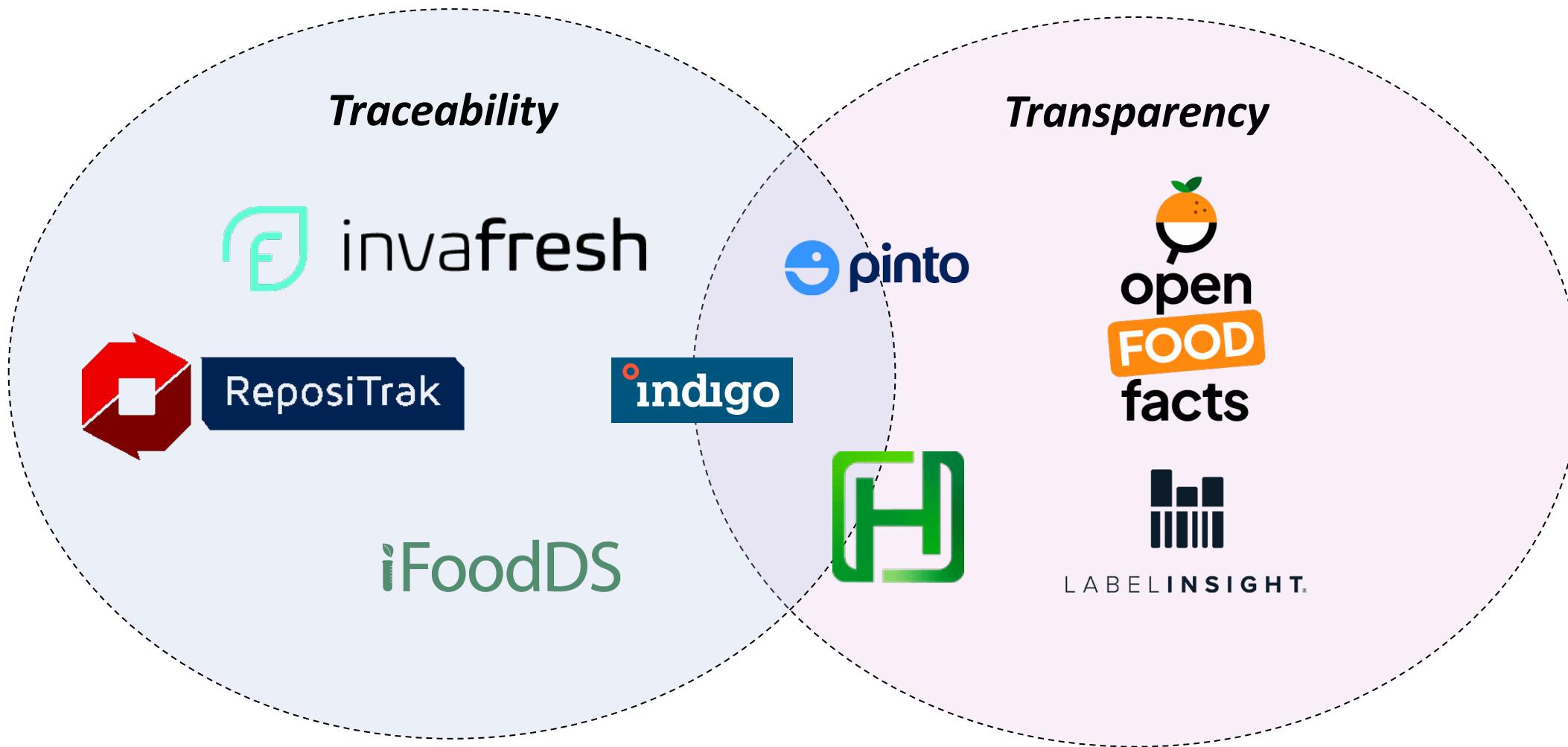


LABEL INSIGHT®



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# The Traceability and Transparency Spectrum



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# Traceability and Transparency: Using Pinto at Bristol Farms

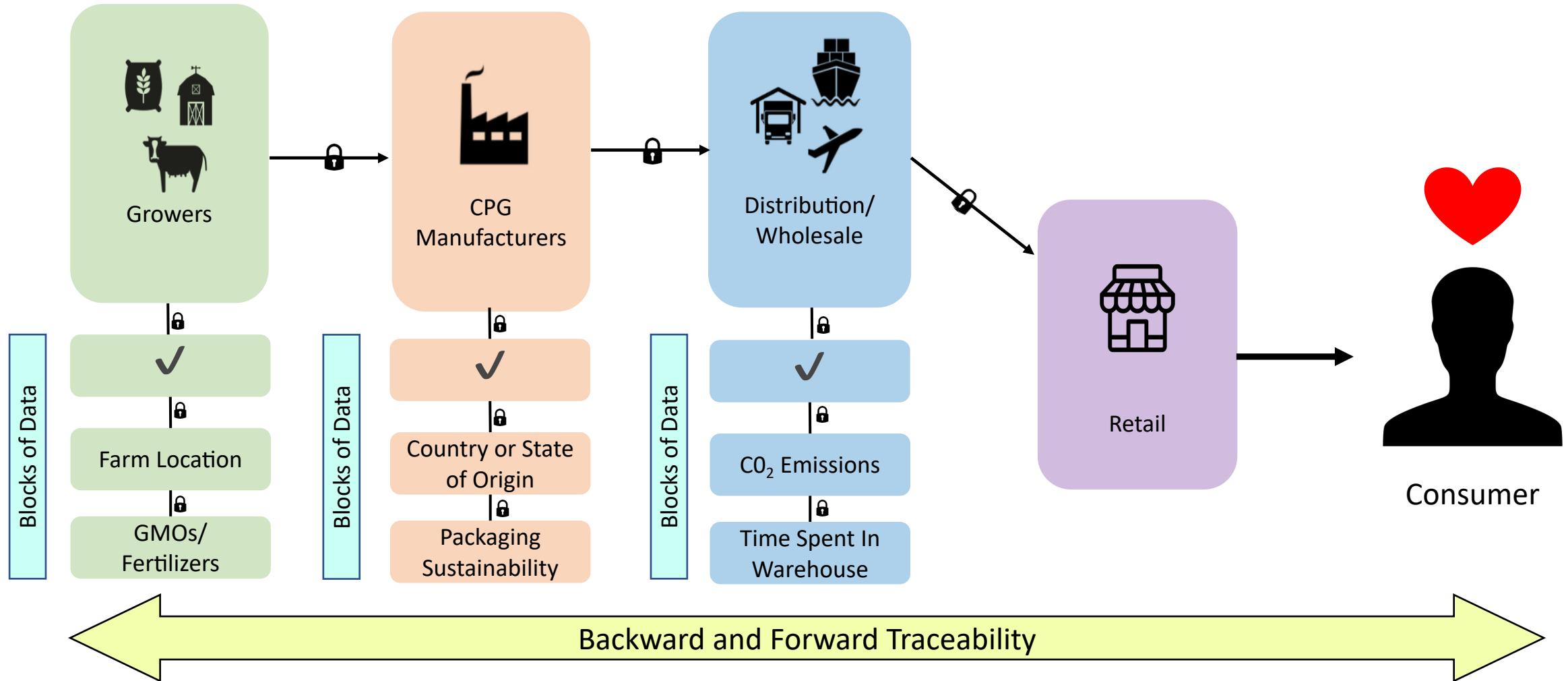


<b>Lifestyle &amp; Diet Tags</b> <span style="color: green;">✓</span> Computed data tags covering key lifestyles and diets like Keto, Paleo, Gluten Free, Vegan, and more.	<b>Health Condition Tags</b> <span style="color: green;">✓</span> Computed data tags covering key health conditions like Heart Health, Diabetes Health, Kidney Health, Low FODMAP, and more.	<b>Ingredient Preference Tags</b> <span style="color: green;">✓</span> Computed data tags covering key ingredient preferences like No Added Sugar, Lactose-Free, Whole Grains, and more.
<b>Nutrition Preference Tags</b> <span style="color: green;">✓</span> Computed data tags covering key nutrition preferences like Plant Protein, Healthy Fats, Nutrient Dense, and more.	<b>FDA Nutrient Claims</b> <span style="color: green;">✓</span> Computed data tags covering full FDA nutrient content claims, such as High Protein, Low Sodium, Heart Healthy, and more.	<b>Sustainability Tags</b> <span style="color: red;">?</span> Data tags covering key sustainability preferences like biodegradable packaging, country of origin, ingredient sourcing, and more.
<b>Product Categorization</b> <span style="color: green;">✓</span> Full categorization and taxonomy information for every product.	<b>Warnings &amp; Instructions</b> <span style="color: green;">✓</span> Product warnings and instructions, including usage, preparation instructions, intended customer, and more.	<b>Pack &amp; Case Data</b> <span style="color: green;">✓</span> Complete datapoints and images covering the item pack and case.
<b>Weights &amp; Measures</b> <span style="color: green;">✓</span> Full product measurement data, including weights, dimensions, and relevant planogram data.	<b>Supply Chain Data</b> <span style="color: red;">?</span> Robust supply chain data, including manufacturer info, distributor info, product origin info, and more.	<b>Stylized Imagery</b> <span style="color: green;">✓</span> Stylized imagery showing the item in various marketing formats.



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# Building Transparency and Traceability through Trust (Blockchain)



# **Problem Summary:**

## **Solving for Transparency &**

## **Traceability**

# 01

## PROBLEM SOLUTION

Third-Party Platforms

# Problem Solution 1 : Third-Party Platforms



# Bristol Farms

# Problem Solution 1: Third-Party Platforms



## Advantages

- Leverage companies who already have pieces of data available
- Lower investment in data collection efforts
- Robust amounts of data available
- Innovation / Advancement investment driven by solution provider

## Disadvantages

- Where do you start? Complex and daunting
- High subscription costs
- High cost to aggregate and integrate
- No simple way to serve data up to consumers
- Requires Enterprise Data Warehouse Expertise – Talent is difficult to source



# 02

# PROBLEM SOLUTION

Rely on Government

# Problem Solution 2: Rely on Government



The government will eventually take a stand as we have seen with FSMA. Do we wait?

## Advantages

- Influence standards – National / International
- Deep Pockets
- Ability to influence the industry to come together
- Drive alignment through incentive-based programs
- Drive alignment through fines to drive compliance

## Disadvantages

- They know very little about our industry
- They act before they think when imposing new legislature
- They move at a snail's pace when it comes to driving substantive change
- Politics can influence direction causing alignment challenges



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# 03

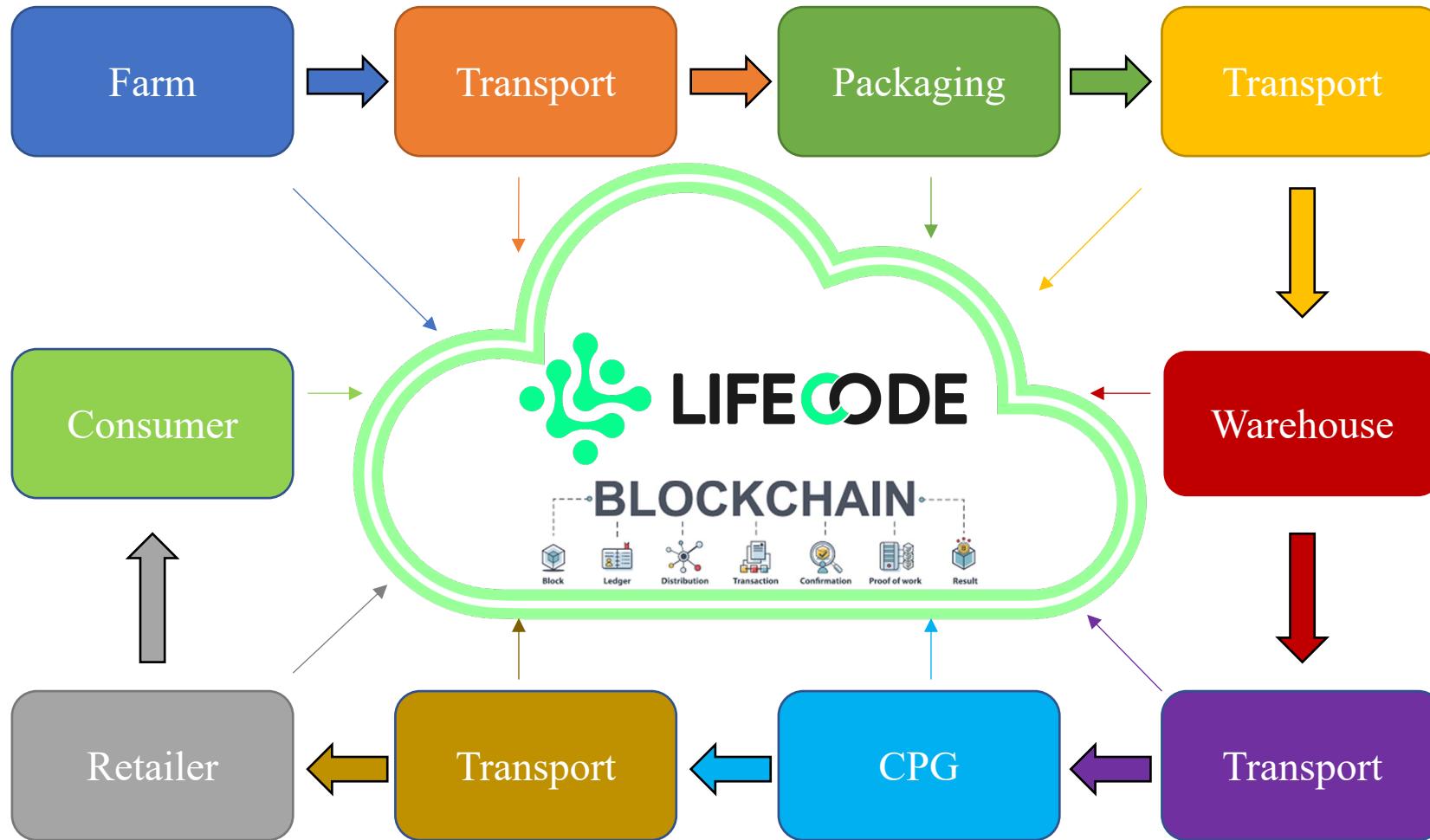
## PROBLEM SOLUTION

Life Code, An Enterprise Blockchain Technology



LIFE CODE

# Problem Solution 3: Life Code Explained



## Life Code

- Life Code is a Cloud-Based Data Platform built on Blockchain
- Life Code Aggregates Data From Across the Food Supply Chain
  - Direct from other data Sources
  - Direct from 3<sup>rd</sup> party data sources
- Acts as a Data Integration Hub
- Data integrity is insured through Blockchain
- Customized Mobile User Interface
- Retailers can select which data attributes they want
- Consumers can access data attributes that retailers enable through Life Code mobile app

## LEGEND



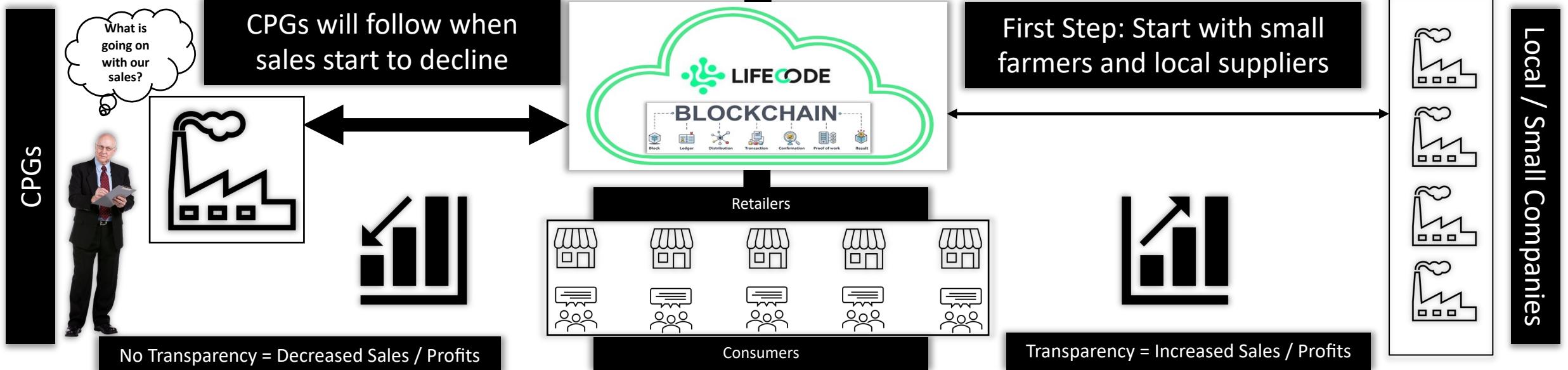
Product  
Movement



Data  
Movement



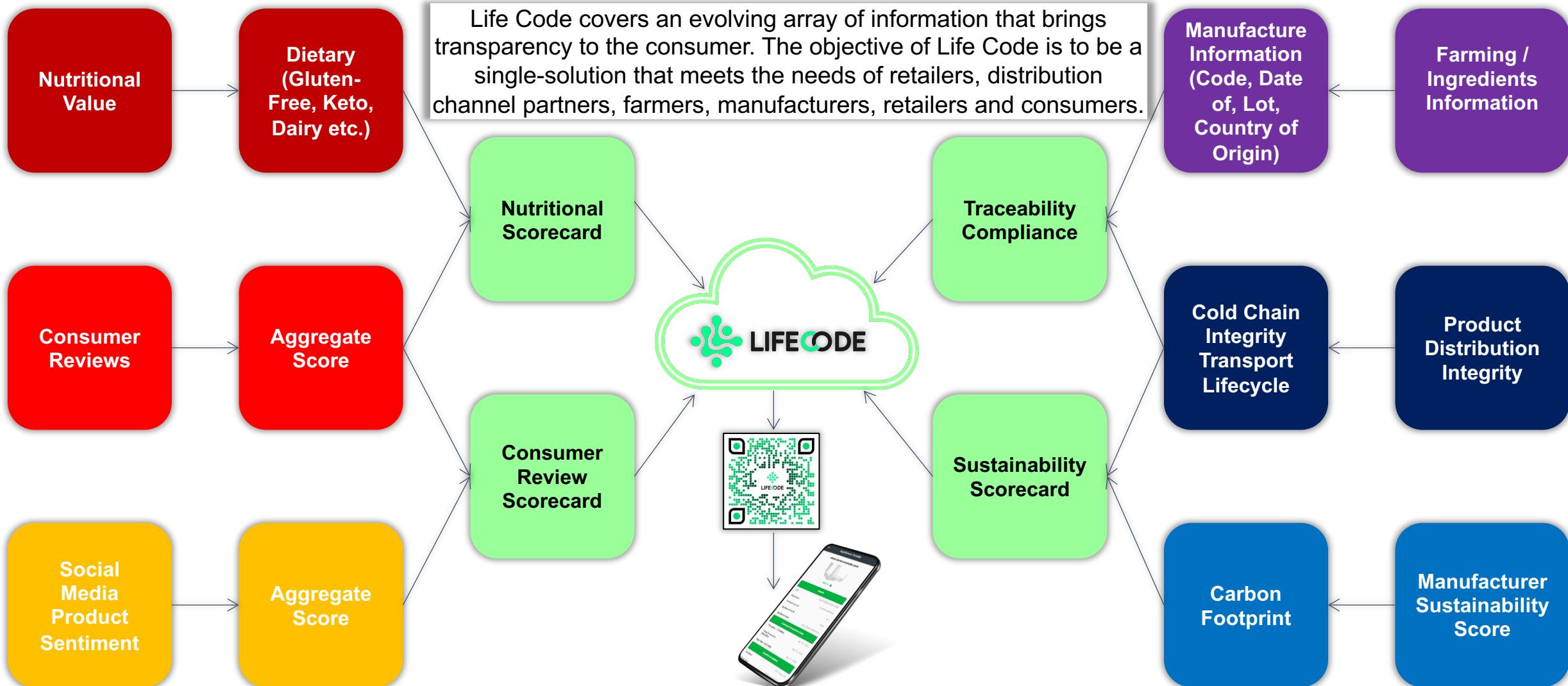
## Problem Solution 3: Life Code “In the Making!”



# Bristol Farms

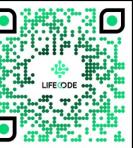
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# Problem Solution 3: Life Code Applied



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# Problem Solution 3: Life Code Applied



## A Simple Product QR Code Scan

Jif Recall

LIFECODE  
Product Information

Production Date: 02/08/23  
Lot Code: KB02824  
Batch Code: 02/08/23  
Best if used by: 10/08/23  
Product Code: 55 000 55 : 57  
UPC: 5150025530  
Product Status  
**RECALL**  
Call (800) 555-1212

2022 Jif Recall

Solved

Vodka

LIFECODE  
Product Information

Product: Stolichnaya Vodka  
Lot Code: KB02344  
Distilled Date: 02/08/23  
Country of Origin: Russia  
Product Code: 45 234 445 : 27  
UPC: 42314534533  
Country of Origin  
**Russia**

Russia / Ukraine

Solved

The Case of Milk

LIFECODE  
Product Overview

Nutritional Rating 3.8  
Sustainability Rating 2.7  
Consumer Rating 2.9

LIFECODE  
Product Overview

Nutritional Rating 4.7  
Sustainability Rating 4.9  
Consumer Rating 4.5

Scan QR Code and Learn about A2 Milk

Solved

LIFECODE  
Product Education

Comparison

LIFECODE  
Product Overview

Description Value  
Calories 120  
Fat / Lipides 10g  
Saturated Fat 1.5g  
Cholesterol 0mg  
Sodium 45mg  
Carbohydrate 7g  
Sugars 1g  
Protein 1g  
Vitamin C 15% DV  
Calcium 2%  
Iron 4%  
Serving Size 84g

The Case of Avocados

LIFECODE  
Product Overview

Description Value  
Calories 140  
Fat / Lipides 12g  
Saturated Fat 2.5g  
Cholesterol 0mg  
Sodium 75mg  
Carbohydrate 9g  
Sugars 5g  
Protein 2g  
Vitamin C 20% DV  
Calcium 3%  
Iron 6%  
Serving Size 84g

Correct Nutritional Information

Solved



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# Which Solution Do You Choose?

## Show of Hands

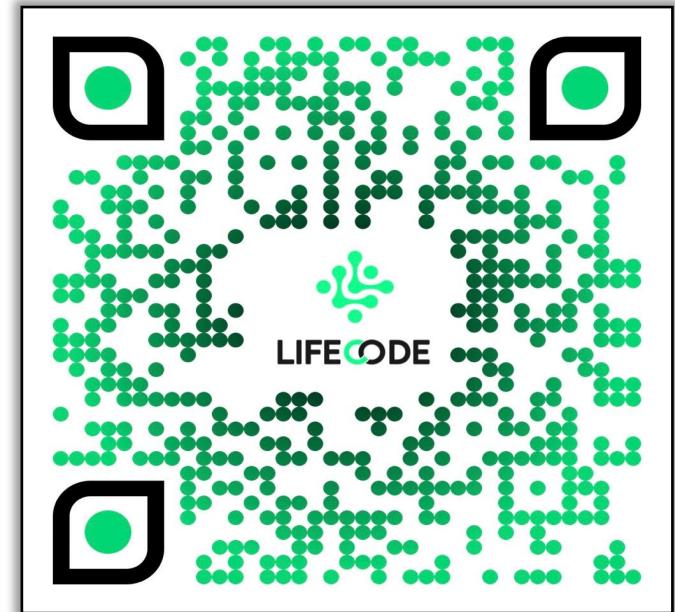
### #1 – 3<sup>rd</sup> Party Solutions



### #2 – Rely on Government



### #3 – Life Code



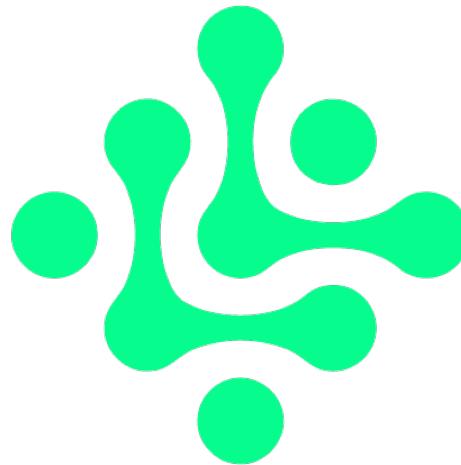
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# Welcome

Adam Caldecott  
CEO, Bristol Farms & Lazy Acres Natural Market

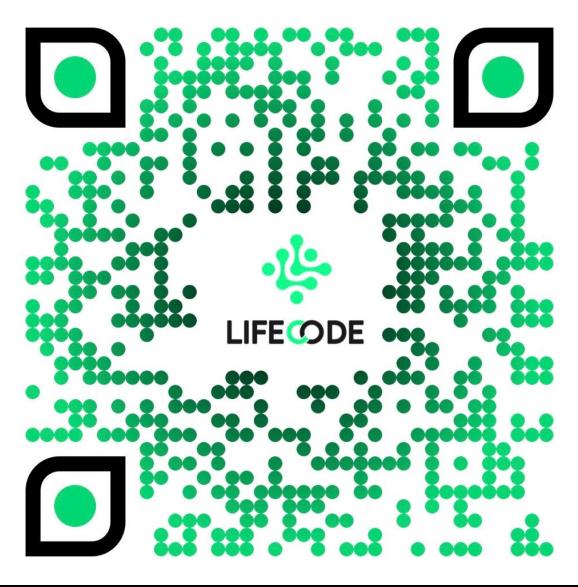


TEAM XYZ - Choice



LIFE CODE

The word "LIFE" is in large, bold, black capital letters. The letter "O" in "CODE" is replaced by a green circle, which is partially overlaid by a black circle, creating a stylized double "O" effect.



Thank You!

# 04

## Additional Considerations

Life Code, An Enterprise Blockchain Technology

# Additional Considerations:

## First Mover Advantage

### Advantages:

- Establish strong brand recognition
- Strengthen Customer Loyalty
- Time to develop economies of scale and improve product or service
- Establish their product as industry standard
- Value created could present a high cost for customers to switch brands

## Go it Alone

### Advantages:

- Aligns to trendsetting vision
- High decision-making power
- Control Speed / Control Plan / Control Vision
- Less coordination / collaboration with external entities – razor focus

## Partner Approach

### Advantages:

- Shared risks and costs
- Access to new knowledge and expertise
- Leverage strengths of each partner
- Shared resource approach – Divide and conquer
- Improves widespread adoption of transparency through Life Code

## Partner with Government:

The government wants to play a bigger role in the food transparency challenge. They can provide significant financial support to aid in the funding of an industry-wide solution that focuses on dramatically improving traceability and transparency across the food chain. The government can influence adoption through incentives and/or fines for non-compliance. The government can also play a role in aligning the platform to other international regulatory standards.

