



Case study
**BASF uses
TraceTracker technology
for the S.E.T. Initiative**

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BASF Nutrition Ingredients

BASF Nutrition Ingredients is a global leading supplier of food - and feed ingredients offering products of outstanding quality produced with modern, state-of-the-art technologies. BASF also combines technical services and scientific expertise to meet the highest demands and to deliver the best value to the customers. Premium formulations are a key strength that has made BASF a leader in the industry.

For animal nutrition, BASF offers the feed and pet food industries one of the broadest ranges of feed additives, including vitamins, carotinoids, digestibility enhancers, preservatives, enzymes and ensiling agents. Their products can be used for all important species of farm and domestic animals.

BASF Nutrition Ingredients is a global business unit of BASF, the world's leading chemical company. BASF's full portfolio ranges from chemicals, plastics, performance products, agricultural products and fine chemicals to crude oil and natural gas.

Benefits of TraceTracker perceived right from the start

Product safety and efficiency are at the center of all of BASF's activities. In 2004, when approached by one of their customers to participate in a whole-chain traceability pilot program using TraceTracker, BASF didn't hesitate. The project set out to trace the salmon value chain from the farmer to the retailer, passing through fish feed and its ingredients and additives (which was where BASF came in).

**“We knew this
was the future.”**

During this project, BASF saw the potential **benefits** of traceability immediately: **enhanced safety, brand protection, recall management.** "We knew that this was the future," remembers Cristian Barcan, Project Manager at BASF Nutrition Ingredients.

They promptly expanded their use of TraceTracker Global Traceability Network (GTNet[®]) to more products and to other locations.

Differentiation ... and beyond

Once a larger number of sites and ingredients were connected to the GTNet, BASF began to see how their products' traceability was a differentiator with potential customers. The business unit's sales force found that the ability to affirm that their products were fully and transparently traceable – and in fact, the possibility to demonstrate it with just a few clicks on a computer – set them well apart from so many other companies in the global marketplace.

Cristian Barcan elaborates: "Once we saw that we could differentiate so well thanks to traceability, we started looking for other applications that could build upon the backbone of the GTNet."



Cristian Barcan,
*S.E.T. Project
Manager,
BASF Nutrition
Ingredients*

Barcan and his colleagues had been studying ways to respond to the growing demand for sustainable processes and ecologically-efficient products. They realized that the GTNet gave them the information they needed to measure the rapport between cost and environmental impact; and to evaluate, with concrete data, which product or method is more sustainable and more ecologically-efficient than the others. It was in this way that TraceTracker became one of the enablers of BASF's S.E.T. Initiative.

All set for sustainability, eco-efficiency and traceability

The S.E.T. Initiative was designed by BASF Nutrition Ingredients to help their customers be more successful while promoting sustainable development.

S.E.T. stands for Sustainability, Eco-efficiency and Traceability. "These three values safeguard our future, allow us to use the Earth's resources in the best ecological and economical manner, and bring transparency to the value chain," notes Cristian Barcan, adding, "Most companies say they are sustainable and eco-efficient these days: but at BASF we can actually *prove* it."

The S.E.T. Initiative combines the **measurement of sustainability** (using an eco-efficiency analysis tool) with **traceability**, which provides transparency across a complete value chain. For example, CO₂

emissions are measured as part of the eco-efficiency chart, and the cold chain is surveilled through temperature monitoring at critical points across the supply chain.

TraceTracker's GTNet is of course a key part of S.E.T. Beyond the whole-chain traceability it enables, the GTNet also serves as the foundation for data collection and analysis.

As a result of the S.E.T. Initiative, BASF Nutrition Ingredients can say that their products provide *measurable* sustainability; and then so can their clients.

By blending ecology with economy in deploying whole-chain traceability, BASF Nutrition Ingredients is meeting the demands of consumers and market players and in turn, enabling its own suppliers, producers and retailers to differentiate *their* offer. The S.E.T. Initiative ensures high quality products and increases consumer safety, while at the same time helps to protect the environment.

Several S.E.T.-compliant pilot projects were launched in Q4 2007, and complete BASF-to-retailer chains will be up and running by the end of 2008; all players expect the results to prove the concept.

"People desperately want their food to have a label they can trust."

"Food safety is on everyone's minds today," says Barcan, "Just last week, a friend who knows I work in this industry stopped me in the supermarket to ask what kind of chicken I buy. People desperately want their food to have a label or a certification they know they can trust. We intend to answer that call."

TraceTracker and BASF

BASF and TraceTracker have been working successfully together for years. It is a partnership built on mutual benefit and open exchange.

Barcan sums it up in these words: "We know that the challenges of food safety cannot be met without a whole-chain traceability network, and we are convinced that TraceTracker provides the best technology in the world for that."

Beyond the exciting S.E.T. Initiative, BASF and TraceTracker have other compelling projects in the works.