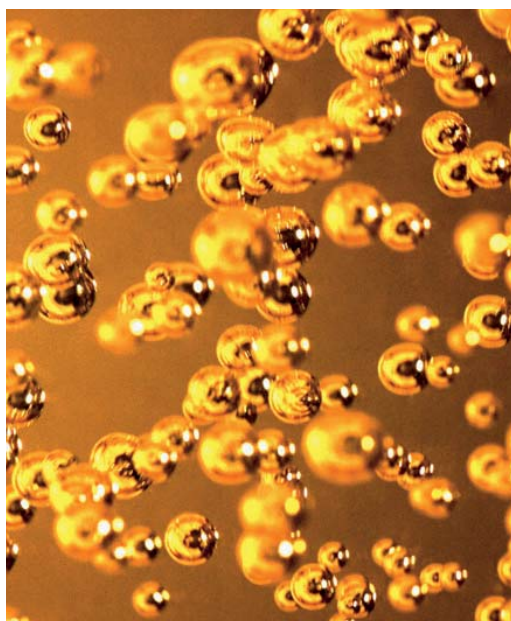


PIVOVARY STAROPRAMEN a.s.

TRACEABILITY (DCI+)



PIVOVARY STAROPRAMEN

Pivovary Staropramen is part of the InBev Company, the biggest beer brewing company in the world. Its tradition of beer brewing dates back to 1366. InBev is ranked No. 1 or No. 2 in twenty key international beer markets. Its portfolio comprises over 200 beer brands (Beck's, Stella Artois, Letce, Brahma, etc.). InBev runs breweries in 30 countries.

In the Czech Republic, the Pivovary Staropramen Company is the second-largest beer brewer with a domestic market share of 15%. It currently operates three breweries in total. Two of them are located in Prague - Smíchov Staropramen brewery and Braník brewery, the third is the Ostravar brewery in Ostrava. The company has a portfolio of the following brands – the national Staropramen, Braník and Stella Artois brands, regional brands – Ostravar, Měšťan ad Vratislav, completed by Czech beer specials – Velvet and Kelt. For them who likes Belgian beer specials there are brands like Hoegaarden White, Hoegaarden Forbidden Fruit, Leffe Blond, Leffe Bruin or cherry Belle-Vue Kriek.

SITUATION BEFORE PROJECT START

Admission of the Czech Republic into the European Union brought about new rules and regulations for the Czech business entities, especially in the food processing industry. Practice has shown that the functioning of domestic food market may be threatened in cases, when it is not possible to ascertain food origin. It was essential to create a comprehensive traceability system in food processing businesses in order to enable the performance of targeted and exact measures to protect consumers and hence, to prevent possible more widespread market disturbance in case of problems with food safety. Since January 1, 2005 all food industry businesses in the EU member states have had to introduce comprehensive systems and procedures for production traceability (pursuant to EU regulation no. 178/2002). This regulation, however, does not have impact on the food industry only, but also on all suppliers of this industry, transportation, distribution, and, last but not least, wholesale and retail of food products, too. The Pivovary Staropramen Company, however, was not motivated by the mere fulfilment of the requirements of EU regulations, but primarily by the effort to provide its customers (domestic and foreign store chains) with highest quality possible services in this area, especially regarding exactness and timely manner of delivery of required data. Therefore, the company set itself a goal to refine the current traceability system so that it will be able, at a given moment, to identify without delay exact movement of products towards individual customers and hereby to prevent possible subsequent distribution of incorrect products towards the end consumer.

SOLUTION

In the competition of many foreign companies, the AIMTEC Company was the successful one, who submitted a comprehensive bid both for a software solution (own product DCI+) and the necessary hardware equipment enabling product packing and subsequent automated labelling of individual packages during the preparation of final products shipping. The project was divided into several stages following after each other. The goal of the first stage was to ensure automated packing and labelling of finished products on non-keg lines in the production plants of Pivovary Staropramen. The second stage focuses on the implementation of the DCI MySite information system that will provide, together with the already installed hardware equipment, traceability of finished products in all company plants. Subsequently, within the last project stage, processes from first and second stage will be applied to keg lines, too. The whole process is based on the tracking of handling units – containers (pallets) identified by a bar code.

First, a fully automated wrapping machine wraps each pallet with finished products into a protective foil. Subsequently, labels with bar codes (EAN 128) are attached to each pallet automatically, together with a unique SSCC number complying with international standards and requirements of the parent company – InBev. Upon label sticking, the applicator scans the bar code, by which it imports all information about the pallet and its content into the DCI MySite system. From this moment, the system records, what exactly was produced and is ready for shipment. This fully automated process is capable of preparing up to 100 packages (pallets) within one hour to be received to the primary warehouse of finished products. The DCI MySite system (by means of Intermec RF terminals) subsequently controls the transfer of finished products from production into primary distribution warehouses and also performs all following warehouse operations, as receipt to warehouse, repacking, stocktaking. Final stage supported by the DCI system is shipping directly to customers or transfer to additional distribution warehouses. All orders for these operations are imported to DCI in real time via interface from the SAP business information system. The whole procedure has to be very effective and problem-free, because on daily basis dozens of trucks ready for distribution are to be loaded. In addition to monitoring and control of Pivovary Staropramen own products movements, the DCI system also records receipts and distribution of products from the Belgian parent company InBev in the Czech Republic.

BENEFITS

The biggest benefit for Pivovary Staropramen is additional progress in improving services for the end customer, who should not receive bad quality products thanks to the traceability system and its use. The traditional beer brewer is able, at any time, to track exact and actual information about the movement of its products from the line, through large warehouses, to individual sales points, and in case of need, to hold, in timely manner, the required production part and withdraw it from circulation.



Significant benefits from the introduction of the DCI+ system:

- Improved quality of services provided to customers of the Pivovary Staropramen Company
- Immediate and exact information about finished products and their movement towards the end customer - consumer
- Possibility to track and specify information about possible defective products and hence, to withdraw only a given production part from circulation
- Fulfilment of the requirements for a traceability system of the EU regulation and the InBev parent company – the largest beer brewer in the world
- Control of primary distribution warehouses with finished products (receipt, receipt to warehouse, repacking, issue, stocktaking)