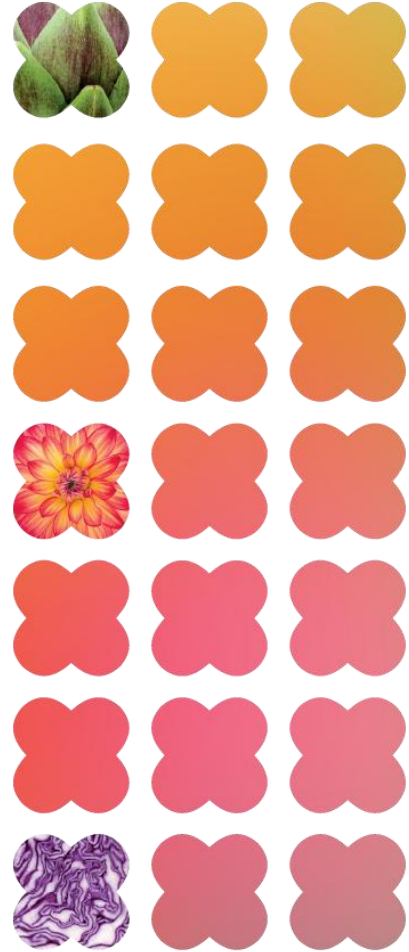


FSMA 204 FINAL RULE

PROPOSAL FOR AN ALTERNATE METHOD FOR PROVIDING TRACEABILITY LOT CODE

December 16, 2025



Capturing Traceability Lot Code

- One of the single biggest barriers to implementation FSMA 204 data gathering is the capture of the Traceability Lot Code in distribution centers and warehouses. IFPA, Food Marketing Institute, International Foodservice Distributors Association, National Association of Wholesaler-Distributors and Global Cold Chain Alliance all have raised this as an issue.



Capturing Traceability Lot Code

- The Order to Cash processes utilized today ensure the correct product is selected, shipped and invoiced.
 - Manual paper based – 95% - 98 % order pick accuracy
 - RF Scan at time of order assembly - 98% - 99% order pick accuracy
 - Use PTI Voice Pick Code – 99.4% - 99.8 % order pick accuracy
- The accuracy of capturing Traceability Lot Code will be below the above accuracy levels as processes are designed for correct item, not the correct TLC.



Capturing Traceability Lot Code

- Sortable spreadsheets submitted using the 3 methods
 - Manual paper based
 - RF Scan at time of order assembly
 - Use PTI Voice Pick Code

will not capture the correct lot number with 100% accuracy due to human errors. (i.e. scanning another case on a pick from pallet, scanning the same label multi times, etc.)



Capturing Traceability Lot Code

- Additional step(s) required to capture Traceability Lot Code will slow down the order picking process
 - Additional labor will be required (8,000,000 hours & \$250,000,000 annually)
 - Additional material handling equipment will be required
 - Additional facility space will be required as facility size is often determined by throughput productivity per person during peak outbound volume shifts



Capturing Traceability Lot Code

- Using a Warehouse Management System to calculate Traceability Lot Code will:
 - Not require additional labor Not require additional material handling equipment
 - Not require additional facility space
 - Ensure the correct Traceability Lot Code is included in the electronic sortable spreadsheet with no false negatives



Capturing Traceability Lot Code

- IFPA proposal to use a Warehouse Management System (WMS) to calculate the TLS shipped to each store or restaurant is based on the following:
 - Only for last mile deliveries (from a distribution center to a restaurant or retail food establishment)
 - Assumes detailed receiving where the TLCs and quantities are verified per pallet
 - Every pallet move in the distribution center is confirmed on the WMS
 - Good inventory control practices
 - Cycle counts
 - Verifying empty slots daily



Capturing Traceability Lot Code

- IFPA proposed to conduct pilots to prove the accuracy of our proposed method
- FDA will be invited to observe the pilots
- FMI and IFDA will be invited to observe the pilots

