

FUNDAMENTAL PRINCIPLES FOR PRODUCT TRACEABILITY

(" Document")

First Edition - August, 2004

I. Product and Container Identification

1. All products should be registered in an industry directory with a unique industry standard identification (ID) code.
2. All packaged products at the smallest storable or lowest saleable unit should have appropriate identification that contains such product's unique product ID and serial number.
3. All refillable containers including mini-bulk and bulk tanks should have a unique or serialized identifier.
4. All bulk and mini-bulk shipments should utilize the product and container identifications referred to in the foregoing subsections of this Section I.
5. All transformed products should be identified as provided in the foregoing subsections of this Section I.

II. Entity Identification.

1. Each location that stores products to be identified under this Document should be registered in the industry directory with a unique industry standard ID code.

III. Product Movement Information.

1. Product movement information should be such that the origin, destination and location/custody of a product can be ascertained.
2. Product movement information should contain the product quantity, in addition to the product and container identification required by this Document.
3. Product movement information should be captured upon movement.
4. Product movement information should be made available upon demand to those parties who have a need for such information and who are authorized in the Data Repository to receive such information.

IV. Data Repository.

1. A neutral third party should be designated to establish a data repository that receives, stores, and releases information accumulated under this Document.
 2. There should be in the repository's charter the responsibility to have policies relating to standards, access, privacy and utilization.
 3. Entities should transmit product movement information to the repository on a daily basis.

V. Training.

1. Participating entities should train their employees and agents as to compliance with the guidelines set forth in this Document.
2. Training materials should be developed by the industry for the implementation of the traceability system.

VI. System Value.

1. Product traceability benefits should include, but not necessarily be limited to, the following:
 - i. Improved product stewardship.
 - ii. Improved inventory management.
 - iii. Improved management of product returns.
 - iv. Improved product recall efficiencies.
 - v. Transaction efficiencies – reduced billing time, reduced paperwork, reduced shrink.

Notes:

Approved by MACA Board of Directors – August 27, 2004