



# 7 reasons to implement individual Traceability

## 1. To Prove Provenance

Customer demand for supply chain integrity is growing rapidly. Individual identification is the premier tool in providing an auditable trail. The LWG (Leather Working Group) have added Raw Material Traceability to their protocol, by "incorporating a traceability rating system score that measures a tanners risk by assessing their ability to trace 90% of their raw materials". Apart from satisfying the requirements of customers, there are huge economic gains to be made as well, as outlined below.

## 2. To Manage Claims

If you have ever received a claim, how did you know that the articles in question were indeed yours? How much money has been wasted over the years on "market" claims that could not be challenged because there was no clear evidence of where the product came from?

And importantly, even if a claim is valid, the presence of individual identification is a huge benefit in terms of dealing with the claim. It gives confidence to both sides to negotiate from a position of certainty, rather than doubt and mistrust.

## 3. To Avoid Substitution

One of our customers sent a shipment of 10 pallets of individually identified wet blue to a tannery in Italy. When it arrived, one pallet had no ID, and had obviously been substituted. They were able to discover this only because all the hides had been individually identified. Someone had substituted a pallet of inferior hides for the top grade New Zealand hides that had been shipped. How long had this been going on? No one knows, but once the hides were individually identified they were able to discover it and take action.

The tannery that sent those hides told us that in one week they did a survey of 9,000 hides that had been stamped with our stamper, and could positively identify all but 7 hides at the grading point. That is better than 99.9% retrieval rate with our stamper.



## 4. To Manage Contract Processing

A surprising number of our Gibson Bass stamper customers offer contract processing. Keeping different supplier's material separate in a tannery can be a real problem. It can result in sending drums away half empty, which is a huge waste of resources and drum capacity. Contract tanners who have individual identification, and therefore been able to fill drums and accurately separate their commission hides from their own hides, have gained enormous efficiencies.

## 5. Stock Control

Stocktaking is an essential part of running a business, to work out how much profit or loss you are making. But stocktake in a tannery is an accountant's nightmare. There is no other industry in the world that has an SKU (stock-keeping unit) of the value of a hide, skin or split, that does not have it individually identified and its location recorded.

With an efficient modern individual identification system, you can not only know exactly how many pieces are in each drum, but which ones they are. The benefits of this to the economic efficiency of the tannery are considerable.

## 6. Hide Quality Improvement

Dr. Gerhard Wolf of BASF: "

*Raw stock is the single most important and valuable resource in the production of leather. Every attempt to increase the added value by upgrading low-quality leather brings immediate benefits".*

The leather industry's greatest area of waste is hide and skin damage. Any improvement in hide and skin quality eliminates waste. The "double whammy" effect of poor quality hides and skins is that they cost more to process but they sell for less. This is a massive economic cost to the industry. To see how a strategy of hide improvement can be instigated, [contact Joe Gibson.](#)

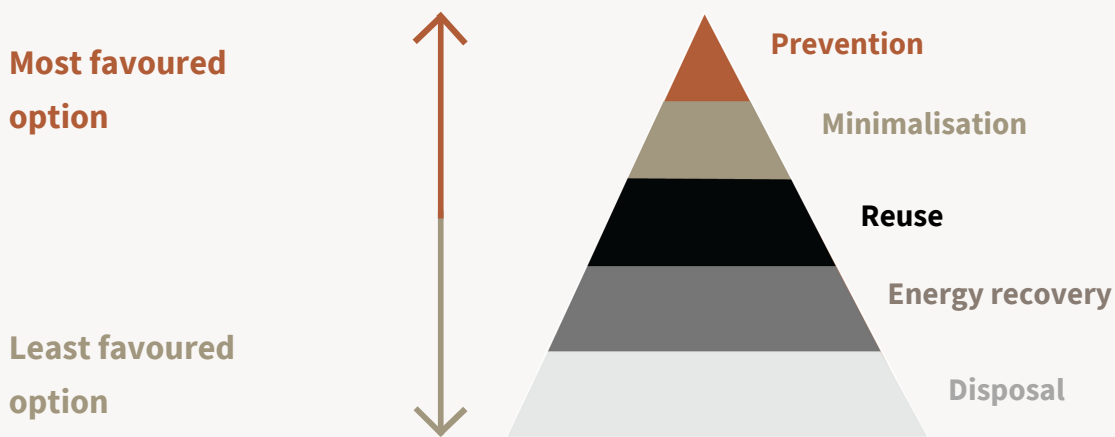
## 7. Sustainability

What has Traceability got to do with Sustainability?

**Answer: *Everything!***

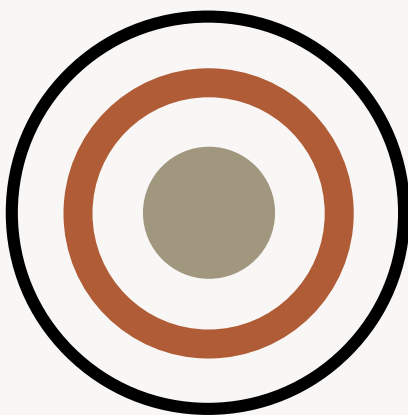
The sustainability Waste Hierarchy clearly demonstrates that preventing waste is the key to sustainability. As shown in the examples above, waste in claims, waste in stocktaking, waste in hide quality, waste in contract processing can all be prevented by implementing a modern sophisticated traceability system.

However traceability's greatest contribution to sustainability is through prevention of societal and environmental waste.



### The Three Pillars of Sustainability

Systems such as the Leather Working Groups audit protocol, which aims to prevent environmental waste from tanneries and to stop exploitation of scarce resources and of people in the supply chain can only work with a traceability system in place.



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