HOW TO USE DATA TO PREVENT QUALITY ISSUES IN YOUR SUPPLY CHAIN

Today's supply chains are more global and interconnected than ever.

As a result, quality professionals have to manage more. You have to manage more products, more suppliers, more regulations and **more risk.**

Recalls, incorrect orders, and production waste are just a few forms of risk. And they all have a quantifiable impact on a company's top line (for example, maintaining consumer confidence and sales) and bottom line (operational efficiencies and excellence).

This requires a new, data-driven approach to managing quality. Quality and supply chain professionals need to go from reactive to proactive.

In this eBook, we'll discuss how Specright enables you to use specification data to prevent quality issues from happening in your supply chain through three areas: **traceability, analytics and automation, and supplier collaboration.**

Industry proof point: FDA Releases New Blueprint for Food Safety

The FDA's new guidelines usher in the New Era of Smarter Food Safety, focusing on using technology to enable traceability and recall prevention.

NEW ERA OF SMARTER FOOD SAFETY
FDA's Blueprint for the Future

Specification Data: the Foundation for Supply Chain Traceability

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At Specright, we discovered that most quality issues result from poor specification data management. Specifications are constantly changing and can have a bullwhip effect on supply chains.

While many quality systems capture issues and perform statistical analysis, they lack necessary interconnectedness to product or machinery specifications.

But how can you really manage quality if you don't know what you're making and how you're making it?

By establishing specification data as the center of your quality universe, you can implement traceability and better identify and manage risk across the supply chain.

To do this, quality professionals should start by digitizing and mapping foundational data from all supply chain touchpoints.

At Specright, our customers typically look at data in three buckets: product data, supplier data, and facility data.
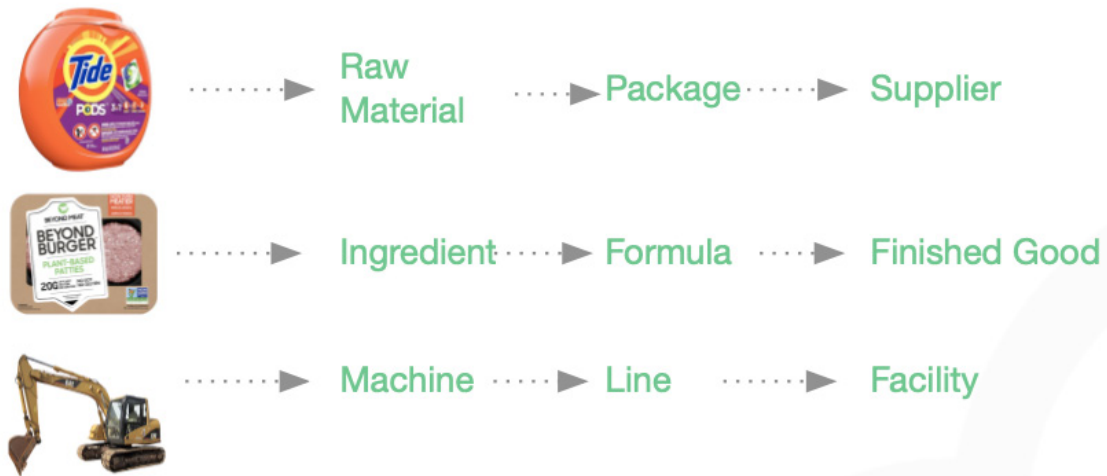
When it comes to industries like food, beauty and CPG, many of these data points live in static PDFs or excel spreadsheets (we'll discuss how these data sources can be automated later on).

Examples of Foundational Specification Data for Quality		
Product	**Supplier**	**Facility**
Raw material spec	Lot codes	PLC data
Formula spec	COAs	SPC data
Packaging spec	MSDS	Training documents & SOPs
Viscosity levels	Audit reports	
Allergens	Certificates	Bacterial levels
Nutritionals		
PLC data		
SPC data		

Once all of these specification data points are identified, the next step is to digitize this data in a single source of truth. This means saying goodbye to spreadsheets and embracing live, digital specifications that can then be shared across departments and external partners.
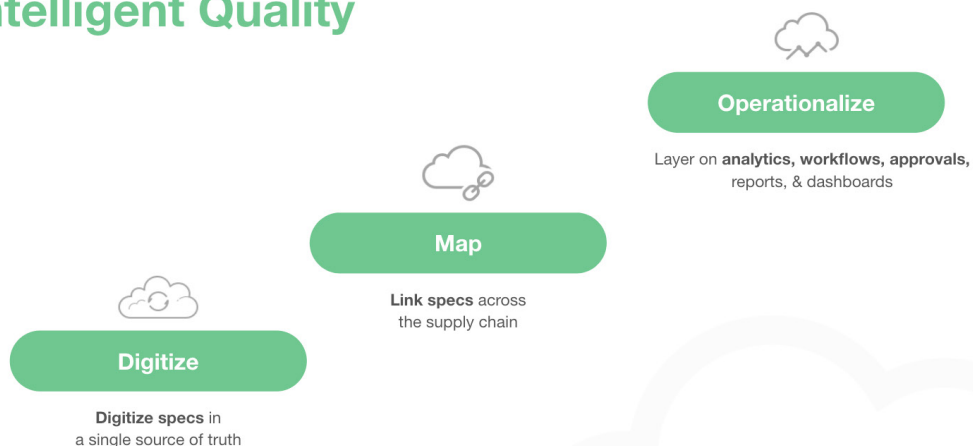
At Specright, we built the first Specification Management platform to do just that, and have a team of dedicated professionals who turn your static documents into digital specifications.

Once you digitize this information in Specright, you can easily link data to suppliers, facilities, and more to create true traceability.

Raw Material ┄┄► Package ┄┄► Supplier

Ingredient ┄┄► Formula ┄┄► Finished Good

Machine ┄┄► Line ┄┄► Facility

When companies digitize and standardize data, they reap the benefits of layering on analytics, workflows, and automation to drive intelligent quality.

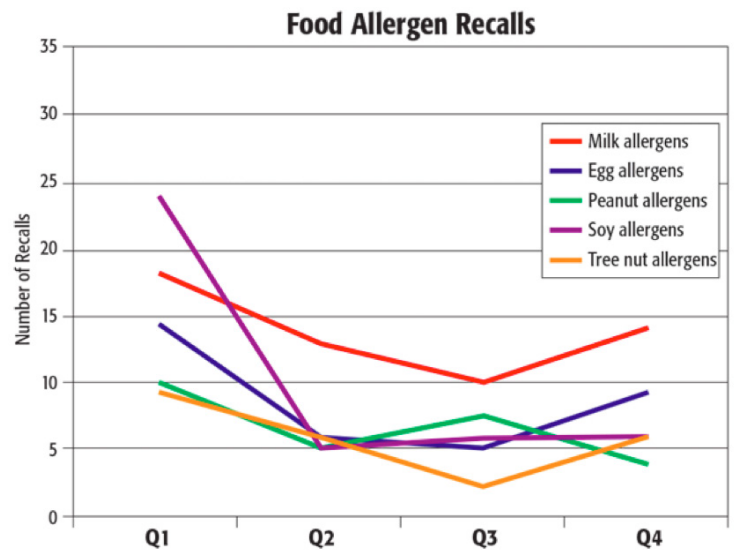## Specright's Approach to **Intelligent Quality**

Operationalize

Layer on **analytics, workflows, approvals,** reports, & dashboards

Map

Link specs across the supply chain

Digitize

Digitize specs in a single source of truth

INDUSTRY PROOF POINT:
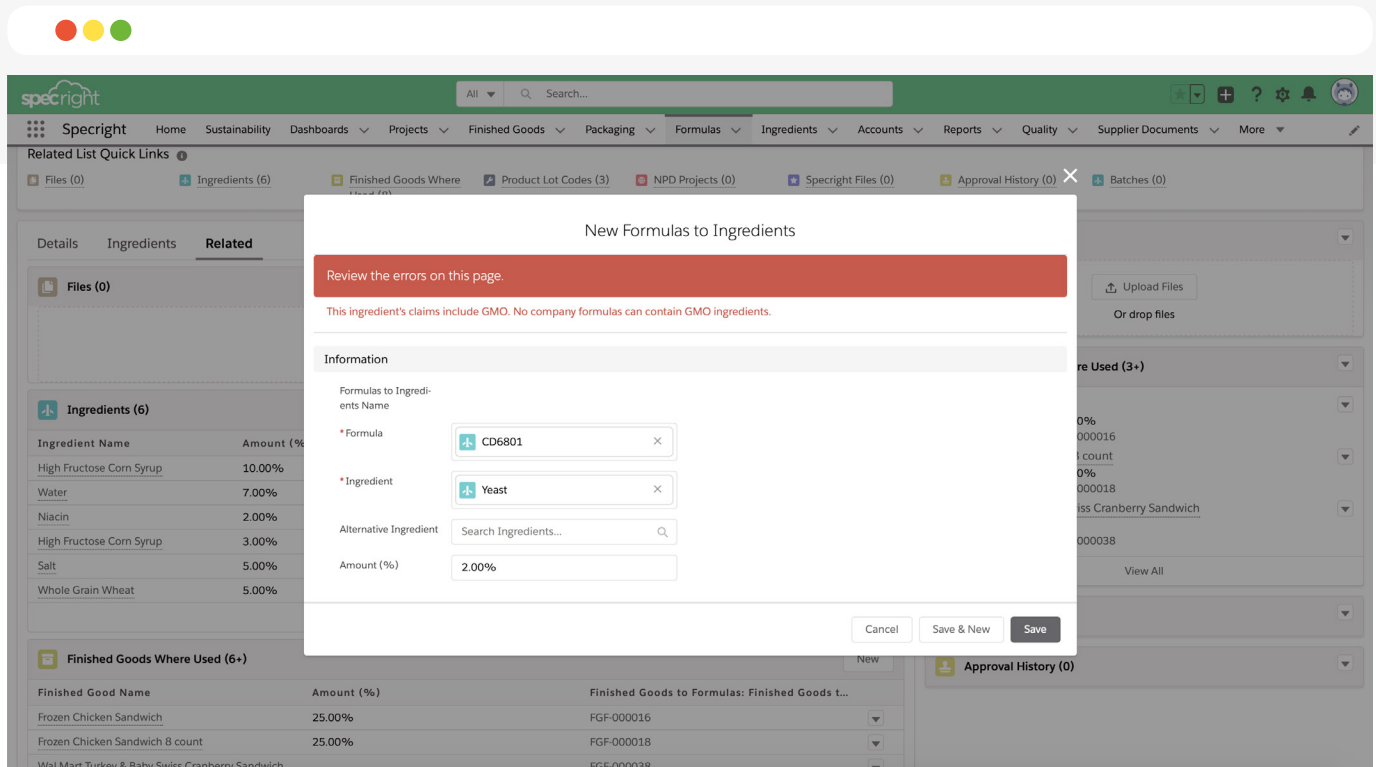
Almost half of all recalls are due to mislabeling

In 2018, 42% of recalls in the United States was due to undeclared allergens according to Food Safety Magazine. Undeclared allergens often result from outdated product or formula specifications. This can be prevented with proper specification management.

Food Allergen Recalls

Legend:
- Milk allergens
- Egg allergens
- Peanut allergens
- Soy allergens
- Tree nut allergens

X-axis: Q1, Q2, Q3, Q4
Y-axis: Number of Recalls (0 to 35)

Use Analytics & Automation to Drive an Intelligent Approach to Quality

Supply chain risk is very real and comes in different forms: food safety, mislabeling, the list goes on.

Specright puts specification data to work across your supply chain to prevent issues from happening.

CREATE INTELLIGENT BILL OF MATERIALS

As a quality professional, it's your job to partner with product development teams to mitigate risk as new products are brought to market.

With Specright's spec-first approach, leverage rules and automation as guardrails to extend quality management upstream to product development. For example, Soylent uses Specright to roll up allergens and other claims from ingredients to finished goods for mislabeling prevention.

New Formulas to Ingredients

Review the errors on this page.

This ingredient's claims include GMO. No company formulas can contain GMO ingredients.

Information

Formulas to In-gredients Name

*Formula   CD6801

*Ingredient   Yeast

Amount (%)   2.00%

Cancel   Save & New   Save

CASE STUDY: SOYLENT

With Specright, Soylent is able to take a proactive approach to quality. By tying lot codes to specifications, they have increased traceability and visibility across their supply chain. For example, when a packaging quality issue arose, the team was able to quickly identify and address the root cause of the issue, which stemmed from a piece of faulty equipment at a supplier.

> *"Now it takes me longer to draft an email to my co-manufacturers than it does to actually run the report and export the quality data to send them, it's literally a click of a button."*
>
> **JENN BLASER, SENIOR QUALITY MANAGER SOYLENT**

These guardrails can extend from ingredients and formulas to packaging and even machinery. These deep analytics are enabled by the foundational specification data captured in Specright.

AUTOMATE KEY DATA INPUTS

While specifications are the center of the universe when it comes to intelligent quality management, other critical data sources like production data and supplier data should be ingested to provide a complete picture.

When it comes to production data, Specright can ingest and check data from PLCs, which alerts quality professionals to slight changes or variations in machinery. This is usually the first sign of quality issues.

Typically, this data lives in silos and is manually analyzed on a weekly or monthly basis, which leads to unnecessary production waste that negatively impacts the bottom line.

The same can be said for data that comes from suppliers, such as certificates of analysis. Currently, most of this data is captured in excel spreadsheets or PDFs, which makes proactive analysis difficult.
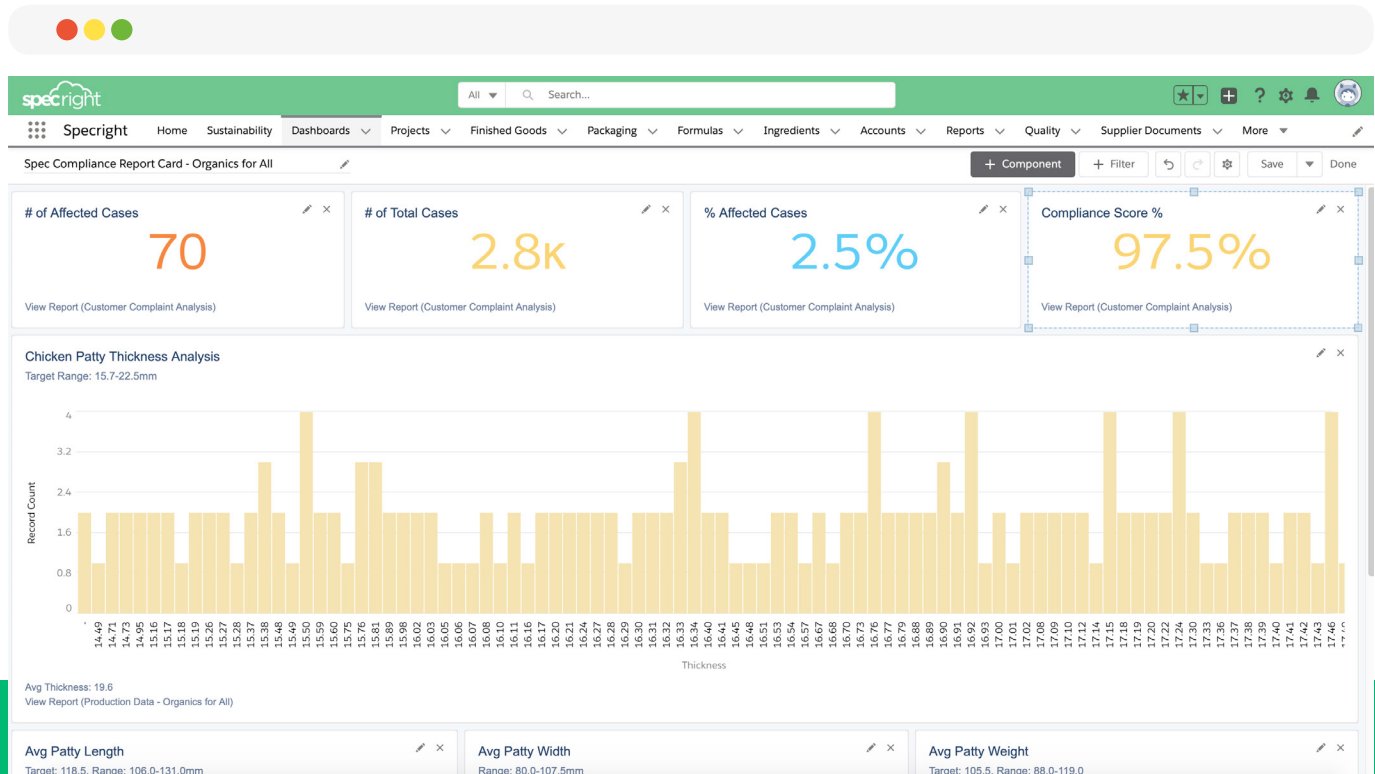
With Specright, quality professionals can automate these data streams from suppliers using a variety of methods. Specright then checks each COA that's submitted against the baseline specification and variances are flagged and can even autotrigger Supplier Corrective Action Requests (SCARs).

Automating COAs is critical, as they contain all of the incoming raw material data and validate that what you planned to buy is what you received. If your materials or ingredients aren't up to spec, you can end up with faulty or defective products.

In addition to automating supplier data, shipping and receiving teams can use the Specright mobile app to document shipments as soon as they come in.

REPORTS & DASHBOARDS TO ACCELERATE INSIGHTS

Quality professionals are the super sleuths of supply chain, so it's only natural that a data-driven approach to quality includes reports and dashboards.

With Specright, reports are easy to build using drag and drop or sort functionalities, enabling users to instantly generate presentation-worthy charts.

With out of the box reports, you don't have to worry about recreating the wheel when it comes to analysis. Simply select a template, save as, and make whatever changes you desire. Supplier scorecards, sustainability reports, key company metrics take users from collecting data to analyzing data in no time.

Reimagine Supplier Collaboration to Adapt to Change & Drive Resolution

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Managing quality can be like a game of telephone between quality professionals and suppliers. This slows speed to market, puts a strain on supplier relationships, and makes project management a full-time job for quality professionals. It doesn't have to be this way.

INSTANTLY COMMUNICATE CHANGES TO SUPPLIERS WITH SPECRIGHT

Believe it or not, one of the biggest problems when it comes to supplier issues is outdated specification data. Specification data becomes stale as soon as it's emailed, lacks version control, and companies often waste time trying to decipher which version is correct.

A majority of Specright customers grant their supplier network access to Specright to ensure changes are communicated across the supply chain.

When a specification is changed or updated, suppliers linked to that specification are automatically notified via alerts, emails and in-platform notifications. Moving from static updates like emails or phone calls to automatic digital updates reduces the likelihood of a supplier producing the wrong thing.

When it comes to historical data, Specright enables quality professionals to make outdated specs obsolete without deleting them, so they're always available for reference and audit purposes.

We also see companies incorporate suppliers into workflows and approvals to ensure change management throughout the supply chain.

TRACKING CORRECTIVE ACTIONS & CUSTOMER COMPLAINTS
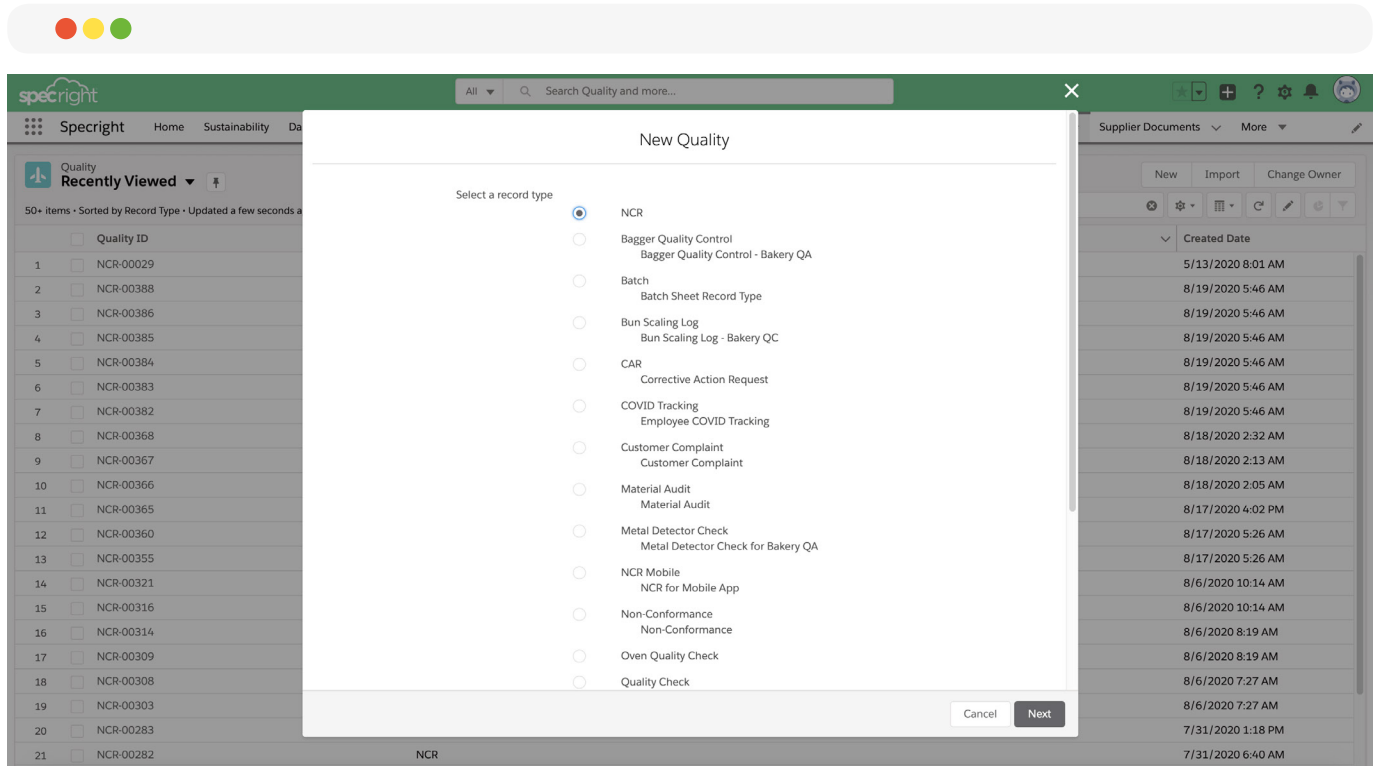
Even when suppliers are accessing live, digital specifications, there are still other variables that lead to quality issues.

With Specright, users can initiate Supplier Corrective Action Requests and other quality records in real-time. They can also create customer complaints and automatically notify suppliers of issues to initiate an investigation.

As a result, customer complaints get surfaced and resolved faster.

More importantly, these quality records are tied to the underlying specifications for robust traceability and reporting.

When it comes to quality, it's all about catching a problem before it becomes a broader issue. Specright makes it easy to spot outliers, establish the root cause, and collaborate with suppliers to resolve issues.

Say goodbye to firefighting and hello to proactive quality management.

PERFORMING SUPPLIER, CO-MANUFACTURER, AND CO-PACKER AUDITS
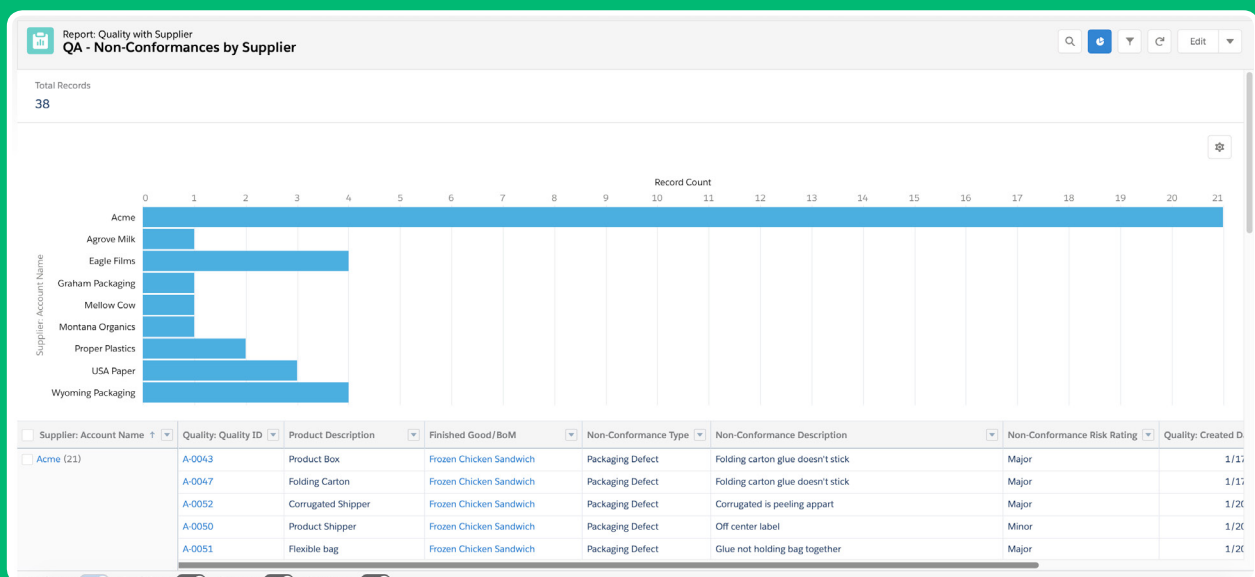
When it comes to quality, a critical part of supplier, co-manufacturer, and co-packer engagement is performing audits.

With Specright, users can perform audits using the Specright app on their cell phone or tablet. Simply select the audit type, add photos directly from your mobile device, and tie to the specification or finished good for safekeeping.

With Specright, go from managing your suppliers and partners to collaborating with them in real-time.

Conclusion

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At Specright, we're transforming how companies manage quality across their supply chain using a spec-centric approach.

This data-driven approach to quality management is required to meet the needs of modern consumers and minimize the risks posed by today's interconnected supply chains.

When quality professionals take control of product, supplier, and facility data, they can create a digital thread through their supply chain. This enables faster and smarter analysis to drive the continuous improvement that every quality professional strives to enact.

Contact us to for a demo to learn how you can take control of quality management with Specright.