

What the Food Traceability Rule Means for your Business

Today's consumers are equipped with more food safety knowledge than ever. With technology, information on contaminated products is readily available to consumers instantaneously. Consumers are seeing the cause and effects of contaminated products that make it into the marketplace. Their purchasing behaviors are driven by a growing awareness of foodborne illnesses, contamination risks, and a desire for clean labels. Consumers want to see companies prioritize food safety and transparency in the food supply chain.

In response to growing food safety concerns, the U.S. Food and Drug Administration (FDA) enacted the Food Safety Modernization Act (FSMA) to transform our nation's food safety system by shifting focus from responding to foodborne illness to preventing it. With this new act, the FDA has released numerous rules outlining clear and specific actions to prevent contamination. One of the rules released was the Requirements for Additional Traceability Records for Certain Foods (Food Traceability Final Rule), establishing extensive record keeping requirements for high-risk foods beyond the traditional scope of the regulations. The Food Traceability Final Rule requires those who manufacture, process, pack or hold foods to come into compliance with this rule by January 20, 2026. The following guidance can help your business meet the new requirements.

Who does the rule affect?

Businesses who manufacture, process, pack or hold any of the following products on the Food Traceability List (FTL) are required to comply with Section 204:

- Cheeses (made from pasteurized milk) fresh soft, soft unripened, soft ripened, or semi-soft; cheese (made from unpasteurized milk) other than hard cheese
- Shell eggs
- Nut butters
- Fresh produce: cucumbers, leafy greens, leafy greens (cut), melons, peppers, sprouts, tomatoes, tropical tree fruits, fruits, and vegetables (cut)
- Finfish (fresh, frozen, and previously frozen); Smoked finfish (refrigerated, frozen, and previously frozen); crustaceans (fresh, frozen, and previously frozen); molluscan shellfish bivalves (fresh, frozen, and previously frozen)
- Ready-to-Eat deli salads

Implementing Section 204 will significantly impact the food industry. Companies must invest in updated recordkeeping and traceability systems to comply with the new regulations. This may involve adopting digital tracking solutions, enhancing supply chain transparency, and training employees on new compliance requirements. While these changes may present initial financial and operational challenges, they ultimately benefit companies by reducing the risk of large-scale recalls, protecting brand reputation, and enhancing consumer confidence. Improved traceability can also streamline supply chain management, reduce waste, and improve overall food safety standards.

Key Features of Section 204

1. Critical Tracking Events (CTEs)

A fundamental aspect of Section 204 is the requirement to track CTEs throughout the food supply chain. CTEs include key points where food is grown, received, transformed, created, and distributed. These events ensure that all movements of food products are recorded, making it easier to trace the origin of contamination during a foodborne illness outbreak. By mandating comprehensive tracking of CTEs, the FDA aims to reduce the time required to remove contaminated food from the market and mitigate public health risks.



Contact us at www.ses-corp.com or (800) 897-1163



2. Traceability Lot Code

The introduction of the traceability lot code is another essential requirement under Section 204. This unique identifier must be assigned to food items listed in the FTL and must follow the product throughout the supply chain. The lot code allows for quick identification of potentially contaminated food items and prevents widespread recalls that could affect unaffected batches. Companies are required to maintain records linking lot codes to CTEs, ensuring that in the event of an outbreak or contamination event, tracing back to the source is more efficient and accurate.

3. Traceability Plan

Under Section 204, companies handling foods on the FTL must develop and maintain a traceability plan. This plan must detail the procedures and protocols for capturing traceability information, including how records are maintained, the types of data collected, and how businesses will respond to potential contamination events. The traceability plan must also identify the designated personnel responsible for compliance and provide training to ensure proper execution. This proactive approach ensures that businesses are prepared to respond to food safety incidents in a timely and effective manner.

4. Additional Recordkeeping Requirements

In addition to the specific requirements outlined above, Section 204 mandates additional recordkeeping obligations for entities dealing with foods on the FTL. These include keeping electronic records that are easily accessible to the FDA upon request. The goal is to facilitate faster and more efficient investigations into foodborne illness outbreaks and contamination incidents. Companies must ensure that their recordkeeping systems are compliant with FDA standards and that data integrity is maintained throughout the supply chain. Failure to comply with these requirements can result in penalties and increased regulatory scrutiny.

Recommendations for Implementation

- **Invest in Digital Traceability Solutions** – Companies should transition from paper-based recordkeeping to digital systems that enable real-time tracking of CTEs and traceability lot codes. Blockchain and cloud-based solutions can enhance data security and accessibility.
- **Develop and Regularly Update a Traceability Plan** – Businesses should create comprehensive traceability plans that outline compliance procedures and response strategies for contamination events. Regular updates and audits will ensure continued adherence to FDA regulations.
- **Train Employees and Suppliers** – Ensuring that all stakeholders in the supply chain are well-versed in traceability requirements is crucial. Conducting training sessions for employees and working closely with suppliers to align practices can enhance compliance and efficiency.
- **Perform Regular Compliance Audits** – Routine audits will help identify gaps in traceability systems and allow for timely corrective actions. Companies should establish internal review processes and collaborate with third-party auditors to maintain high food safety standards.


Need a quick way to create training and education for your team? We included a helpful infographic on the next page that you can share to simplify the updated requirements with your team.

Need Support?

SES offers a range of food safety services to help your business follow the FDA guidelines, ensuring integrity in your supply chain and maintaining transparency in marketing practices. Our services include supply chain outreach and audits, marketing consulting, and support with your HACCP, TACCP, and VACCP plans. Visit our website at <https://ses-corp.com/food-integrity-and-safety/>.

When in Doubt, Check it Out: A Guide for Retailers and Co-Packers

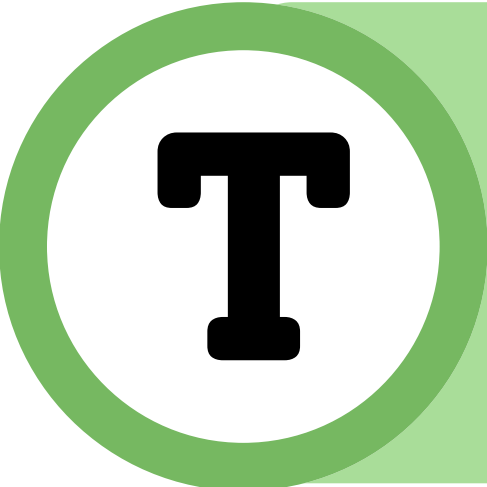
For retailers managing multiple brands, suppliers, and co-packers, ensuring the authenticity of product claims can be challenging. With so many stakeholders involved, it's easy for transparency issues to arise, especially regarding organic or sustainable sourcing. Here's how to stay on top of your supply chain to avoid costly mistakes and consumer complaints.



S

Supplier Certification Verification


Every operation in your supply chain must be checked for the appropriate certifications. This includes organic certification, as well as any other product claims. Ensure that your suppliers and co-packers have valid, up-to-date certifications that can be verified by a third-party certifying body, and include the product you are sourcing. Keep records of this documentation for reference.



T

Track the Entire Supply Chain

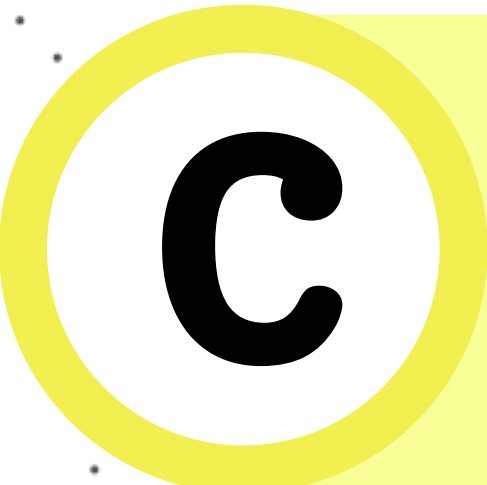
It's essential to track your product from start to finish, especially when multiple suppliers or co-packers are involved. To prevent mislabeling or incorrect claims, request detailed reports about every ingredient's source and processing steps. Many retailers also require full traceability for recalls or investigations into complaints.



A

Auditing Partnerships


To verify the integrity of your supply chain, work with third-party auditors who specialize in organic and sustainability standards. Auditors can help ensure that both your suppliers and co-packers are following the correct protocols. Auditing will also help you identify potential issues before they affect your customers.



C

Co-Packers' Role in Compliance

Co-packers are key players in the food production process. However, co-packers may not always meet the same transparency standards you have in place. It's critical to establish clear guidelines and conduct regular checks on co-packer practices to ensure they align with your certification and marketing standards.



K

Keep Communication Channels Open

Open communication with your suppliers and co-packers is essential to maintaining compliance and transparency. Develop clear contracts that outline certification responsibilities and expectations. Regular check-ins and audits will help identify and resolve issues before they escalate into public complaints.

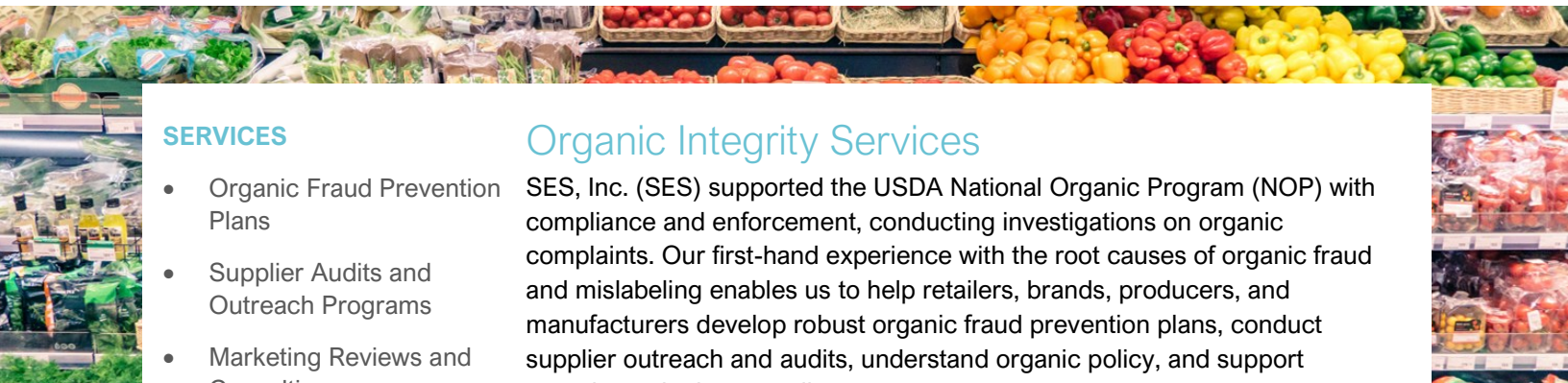
By using the STACK process and ensuring full transparency across your supply chain, you can protect your company from costly complaints while strengthening consumer trust. Implementing robust systems for verification and communication will not only help maintain compliance but also position your brand as a leader in quality and integrity.

Need help implementing a STACK process for your supply chain? Contact SES, Inc. at info@ses-corp.com or visit the website at www.ses-corp.com



Food Integrity and Safety Services

SES offers a suite of services to support food integrity, labeling claims, and food safety and security plans. Our services include the following areas of expertise.



SERVICES

- Organic Fraud Prevention Plans
- Supplier Audits and Outreach Programs
- Marketing Reviews and Consulting
- Certification and Compliance Support
- Organic Systems Plan and Record Keeping Support
- HACCP, VACCP, and TACCP food safety plans
- Retailer and Regulatory Support
- Consumer and Supplier Education
- Sustainability Programs and Standards

Organic Integrity Services

SES, Inc. (SES) supported the USDA National Organic Program (NOP) with compliance and enforcement, conducting investigations on organic complaints. Our first-hand experience with the root causes of organic fraud and mislabeling enables us to help retailers, brands, producers, and manufacturers develop robust organic fraud prevention plans, conduct supplier outreach and audits, understand organic policy, and support organic marketing compliance.

Fraud Prevention Plans and Certification Support

SES will develop your fraud prevention plan to meet the new NOP Strengthening Organic Enforcement (SOE) requirements. We will help your business identify high-risk products and suppliers, conduct vulnerability assessments, develop supplier verification programs, and design processes to prevent and mitigate fraud. We can also help manage existing fraud prevention efforts, especially for businesses and retailers with several brands, products, and extensive supplier networks. For operations with an existing fraud prevention plan, we can review the plan to identify areas for improvement and support ongoing updates.

Marketing Reviews and Consulting

Our team has extensive experience conducting compliance audits and marketing reviews. We can build or validate internal marketing programs. We can also train your marketing team on the organic requirements to avoid expensive label and marketing changes and prevent brand damage from an organic complaint.

Retailer and Regulatory Services

SES can support retailers and regulatory teams in preventing and addressing organic fraud complaints. Our services include verifying whether suspect products or operations are certified, informing suppliers and marketers of their requirements under the regulations, and supporting the complaint and compliance process.

HACCP, VACCP, and TACCP Food Safety Plans

SES has a certified team to assist you with developing your food safety management plans, including Hazard Analysis and Critical Control Points (HACCP), Vulnerability Assessment and Critical Control Points (VACCP) vulnerability planning, and Threat Assessment and Critical Control Points (TACCP) threat assessments. SES can support organizations with supplier audits for high risk foods to meet food traceability requirements.



Contact us at www.ses-corp.com or 913-307-0046

Our Clients

Private Entities

SES provides services for a variety of food and agriculture operations, across the entire food supply chain.

Federal Agencies

U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), Animal Plant Health Investigative Service (APHIS), Veterinary Services (VS), Agricultural Marketing Service (AMS), National Organic Program (NOP), U.S. Department of Defense (DoD), U.S. Environmental Protection Agency (EPA), U.S. Department of Homeland Security (DHS); U.S. Department of Energy (DOE)

State Agencies

Animal Health and Agriculture Agencies in: Alabama, Arizona, California, Colorado, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Montana, Nebraska, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington State, West Virginia, and Wisconsin

Organizations

National Association of State Departments of Agriculture (NASDA), Multi-State Partnership for Security in Agriculture, Southern Animal Health Association, Border Governors' Agriculture Worktable, Western Alliance of States for Agriculture Resilience, Cultivation Corridor

Trade Associations

Dairy Farmers of America (DFA), Livestock Marketing Association (LMA), Kentucky Corn Growers Association, U.S. Soybean Board and Export Council, National Pork Board, Western Equipment Dealers Association

"I have worked with SES for more than 15 years on a variety of projects and have come to rely on their expertise in developing management systems, standards, training and auditing programs. SES has consistently delivered high-quality projects, on-time and on schedule."

– VP Environmental Engineering for a Large Livestock and Poultry Company



Contact SES

10901 West 84th Terrace, Suite 175
Lenexa, KS 66214
913-307-0046
info@ses-corp.com

SES helps companies manage their triple bottom line through actionable, science-based sustainability programs that improve the resiliency of operations and supply chains.

SES is a leader in the field of greenhouse gas (GHG) offset verification, as well as verification for sustainability metrics and support for regulatory compliance for the organic sector and livestock and poultry production operations.

SES has over 50 years of combined experience managing the risks of foreign animal disease and developing emergency response programs for food and agriculture.

