

Kilcoy Global Foods uses tracking and machine learning to fix beef export labelling issues

ABC Rural / By Jon Daly

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The company aims to remove human error and non-compliance from labelling. (*Supplied: Kilcoy Global Foods*)

A Chinese-owned beef processor banned from China for labelling issues is using machine learning and tracking technology to remove human error.

Kilcoy Global Foods in southern Queensland was among several meat facilities slapped with an export licence suspension last year.

Chinese authorities blamed the ban on labelling non-compliance, and Kilcoy's Australia division president Jiah Falcke said the new \$14 million tracking technology would be a "pivotal" solution.

"This is an industry solution that's actually about making sure every piece of meat that comes out of our facility is compliant, no matter if we're sending it to China or any other customers," he said.

Key points:

- The tracking system promises to prevent human error in labelling
- Kilcoy's facility was banned from exporting to China last year
- The Australian government still has no timeline on a resolution



The system uses radio tracking and cameras to prevent non-compliance. (Supplied: Kilcoy Global Foods)

Fixing human error

The patented technology uses a combination of radio frequency identification (RFID) and cameras to make sure the label and contents of each box match.

Mr Falcke said advanced machine learning and algorithms also played a role.

"Cameras are taking pictures of thousands of pieces of meat every day, so our machine learning is getting better," he said.

"It picks up if it's in the wrong bag, if it has the wrong label on it and if it's in the wrong box, and it will reject it if it's non-compliant."

Mr Falcke said the company was patenting the technology and would look to its broader use in the meat industry.

Still no resolution

While there is speculation on political undertones of China's export ban imposed on Australian meat processors, the official line from authorities is that labelling non-compliance was the reason.

A spokesperson for the Department of Agriculture, Water and the Environment (DAWE) said it had provided technical submissions to support lifting the suspensions.

"We have requested China's immediate action on the technical submissions provided that support reinstatement of these establishments," the spokesperson said.

"We have not received an indication from China on when they will respond, and it

is not possible at this time to provide a timeframe for when these matters may be resolved."



David Littleproud says the challenges have been met with technology and investment. (AAP: Richard Walker)

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Agriculture Minister David Littleproud said the technology would help reopen the Chinese market and support the 1,650 jobs at Kilcoy's Queensland facility.

"We've had challenges internationally around some of our labelling and we've met that challenge with technology and investment," he said.

But Mr Falcke said the trade suspension with China was not the only impetus for the adoption of the technology.

"It's not just about China because we've found these non-compliances internally and, to be fair, other countries have raised these concerns around labelling non-compliances," he said.

Diplomatic dialogue continues

Kilcoy was purchased by Chinese private equity firm Hosen Capital in 2013, and despite its market connections, the question of Kilcoy's withstanding export suspension to China remains.

"We're continuing to work with the Chinese authorities and they've been very supportive of the work we've been putting in and the attention to detail and the extra length we're going to," Mr Falcke said.

The DAWE spokesperson said lifting the export suspensions was a key priority.

"We are also looking to address these matters through all available avenues and working with



Jiah Falcke says the technology will be a pivotal solution for its labelling issues. (ABC Rural: Jon Daly)

Chinese officials at ministerial, diplomatic and technical levels," they said.

The spokesperson said the Australian government remained committed to seeking meaningful and open dialogue with China.