Umbria Food Cluster Project: Promoting Authenticity and Quality of Local Products Using IBM Blockchain

Following Gruppo Grigi, products from Molitoria Umbra, Agribosco and I Potti de Fratini will be added to IBM Food Trust with the aim of enhancing the excellence of a specific territorial area in Italy for flour, cereals and olive oil

Milan, 13 May 2020: After the recent announcement that Gruppo Grigi would join IBM Food Trust for its pasta line Aliveris, three additional companies in the Umbria region plan to join the network to track their products using blockchain technology: Molitoria Umbra, Agribosco and I Potti de Fratini. All these companies use local, raw materials and operate not only in the Italian market but internationally.

Following the pasta traceability project developed with Gruppo Grigi, the Umbria Food Cluster consortium was born in order to create a network of companies in the region using blockchain technology. The goal is to help provide provenance insights, optimized supply chain processes, increased freshness, and improved food safety and to help ensure products are produced using the typical characteristics of a specific Italian territorial area.

Gruppo Grigi, a leader in the livestock feed and consumer food sectors, is part of this new consortium together with Molitoria Umbra, a producer that mills durum wheat to make semolina for dry, fresh, artisanal pasta and for bread making, Agribosco a company focused on the production of cereals, legumes and flours, and the oil farm I Potti de Fratini producing organic olive oil.

IBM Food Trust, a blockchain-enabled global network of food chain participants, connects supply chain data across the ecosystem with transparency. Food Trust connects the diverse food ecosystem, promoting increased efficiency, automated supply chain visibility, and strengthened consumer relationships from farm to store.

The collaboration with IBM and these companies will initially focus on providing traceability for Ta Lia olive oil from I Potti de Fratini, Flavum brand organic durum wheat semolina flour from Molitoria Umbra, and pearled spelt grain from Agribosco. Gruppo Grigi is already underway with traceability for its Aliveris brand organic pasta.

The consortium is a critical opportunity to grow business with expanded products supported by IBM Blockchain and the IBM Cloud. The goal will then be to further expand the participation of Umbria Food Cluster to other local companies. This work will be carried out in collaboration with an IBM Business Partner from Perugia, Sas Informatica and the Iktome Communication Agency, which will make the product data from the three additional companies and their production processes available on the platform.

IBM Food Trust will illuminate the entire supply and distribution chain of Umbria Food Cluster Products, from the origin of the raw materials, to the characteristics of the local regions, to the transport activities up to the final consumer. In this regard, a UFC-branded digital marketplace is going to be defined in order to help provide the consumer and distribution stakeholders with blockchain-traced products made in Umbria.

IBM Food Trust offers maximum transparency to end consumers who can have greater confidence on the quality of the food they purchase. In addition, the blockchain application in the food sector is able to help in a number

of ways including promoting the freshness of food, controlling storage times, addressing fraud and errors, and reducing waste.

Confirming the importance of these aspects, a recent IBM Study* on consumer trends at a global level reveals that consumers increasingly prioritize sustainability, transparency, and consistency with their value scale: 71% of those responding indicated that traceability is very important are willing to pay a premium for brands that provide it.

Statements regarding IBM's future direction and intent are subject to change or withdrawal without notice, and represent goals and objectives only.

Gruppo Grigi

Gruppo Grigi, established for more than 50 years, is a leader in the livestock sector, and has enhanced choice for consumers with Food Italiae, the food supply chain committed to protecting the authenticity and safety of its products. Benefiting from being part of Gruppo Grigi, they are able to trace and manage - in person - all the manufacturing processes of the individual products. From sowing to harvesting, from farms to processing up to the final distribution, all these internally managed steps allow them to ensure ultimate transparency, traceability and product quality.

In addition to Pasta Aliveris the Food Italiae, the unit food of Gruppo Grigi , includes other products:

- Wine (Brand: Benedetti & Grigi)
- Beer (Brand: Birra Aména)
- Eggs and egg products (Brand: Giovì) OVI
- Chicken (Brand: Rural Chicken)
- Egg pasta, chocolate, honey (Brand: Bottega Artigiana Umbra)
- Flour (Brand: Molino Gatti)
- Sausages and dairy products (Brand: Demetra)

The supply chain now has 10 widespread establishments in Italy and wants to propose itself as a driving force for a more transparent, safe and guaranteed market.

Molitoria Umbra

Molitoria Umbra srl is a mill that grinds durum wheat to obtain semolina for dry, fresh, artisan pasta and for bread-making. The processing also produces other products zoo-technology. The company produce all types of durum wheat flour, from semolina to whole wheat, from semolina to regrind, up to calibrated semolina with particle sizes designed to meet customer needs, thus allowing complete product customization and maintaining the highest quality standards.

The company today focuses on the enhancement of organic products and the traceability of the supply chain, ensuring the highest quality standards.

Agribosco

Agribosco is a small company focused on the production of cereals, legumes and flours. It was born in 1990 from the idea of two farmers, Pietro and Alba, to preserve the environment by an intensive exploitation of the land, flooded with chemical fertilizers and herbicides. Agribosco follows the values and authenticity belonging to the agricultural tradition that has always characterized the territory of Monte Cucco. https://www.agribosco.com

I Potti de Fratini

The olive farm "I Potti de Fratini" has its roots in Umbria in the Middle Tiber Valley, at Piedicolle di Collazzone, a wonderful village a few steps from Todi. Thanks to particular attention and care of the olive trees and of the processing of their fruit, it creates a product of excellent quality, exclusively organic.

The organoleptic quality of the oils is mentioned on guides such as Terre d'Olio, Gambero Rosso, Bibenda and Flos Olei and boasts prestigious national and international awards. http://www.ipottidefratini.it

*IBM IBV Study "Meet the 2020 consumers driving change" https://www.ibm.com/thought-leadership/institute-business-value/report/consumer-2020

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