Bringing Automation, Efficiency, Expanded Product Choice to the WIC Program

Lacey Workman, Customer Development Manager
STATE OF TRANSPARENCY

PACKAGING MAKES IT DIFFICULT TO MEET NEEDS

67% of consumers find it challenging to understand if a product meets their needs by just by looking at the package label.

48% consider themselves to be "not informed at all" after reading a product's label.

74% of consumers research online when the information on product packaging and labels is not enough to be sure if it meets their dietary needs.

Source: 2017 Label Insight Shopper Confidence Survey
SOLVING TRANSPARENCY

How the personal challenge of our founders lead to a revolutionary technology powering the ecosystem of transparency today.
A Personal Problem With Global Scope

Label Insight was born of the personal struggle of our founders to find products they could trust. After their father was diagnosed with a serious health condition, they needed a way to identify products with potentially harmful ingredients.

What started as a personal cause eventually evolved into a mission to revolutionize transparency by making information accessible to consumers, the government, and the industry.
WHAT WE’VE NOTICED A NEED FOR

Increased Data Accuracy
Product data is collected and managed manually, often resulting in incomplete, inaccurate and out of date information.

Stronger Brand/Retail Connections
Process to connect with retailers and manufactures is inefficient and fragmented in a rapidly changing marketplace.

Less Reliance on Manual Process
There is a need for a more dynamic, automated approach to generate APLs, as well as the ability to more efficiently maintain as new requirements and changes arise moving forward.

Quicker Access to Product Data
With over 10,000 new products added to the food supply each year, it is challenging to gain access to and maintain an up to date reflective product database.

HOW LABEL INSIGHT CAN HELP

More Accurate APLs via Best in Class Technology
Our technology allows us to process over 4,500 products per week at high levels of accuracy to verify only qualifying products are included in your list.

Expand the Number of Products
With over 3,000 brands (including owned brands) active in our platform, the technology and network exists to expand APL’s by an average of 40%.

100% Automation
By incorporating the WIC criteria into our proprietary algorithms, we can automatically generate category specific APLs with a click of a button eliminating formerly manual processes.

Dynamic Access to the US Food Supply
The Label Insight Explore Platform gives you instant access to over 320,000 food and beverage products updated on a daily basis enabling you to adapt on the fly as changes occur.
WIC Federal Program

The WIC SPEC automatically generates Approved Product Lists according to the federal criteria for WIC program categories.
LABEL INSIGHT & THE GOVERNMENT
2017 – MEASURING IMPACT

Be at the forefront of regulation by measuring the impact of some of the biggest changes to the food label in 20 years…. New Label, Healthy, Sodium Reduction

2016 – LABEL INSIGHT 3.0

The FDA is upgraded to the 3.0 version of the Label Insight analytics platform ensuring improved functionality and advanced features, as well as additional attributes and analysis.

2014 – LABEL INSIGHT 2.0

Label Insight makes their own rich food composition data available in addition to Gladson and Mintel via the Label Insight analytics 2.0 platform

2009 – TRANS FAT ANALYSIS

Label Insight responds to request to find all products with <0.5g Trans Fat per serve AND contain Trans Fat ingredients

2010 – SIGNED CONTRACT

Label Insight signs multi-year contract with FDA CFSAN to provide food composition analysis via the LabelBASE platform. Sub-contracts both Gladson and Mintel data.

2013 – FNDDS FOOD CODES

Label Insight creates technology to automatically assign FNDDS Food Codes to UPC level products, resulting in additional analysis linked to SR codes and GSFA Food Categories.

Now
MEASURING THE PUBLIC HEALTH IMPACT

1. ARTIFICIAL TRANS FAT
   - 2006 Trans Fat added to NFP
   - 2009 Label Insight signs contract with FDA
   - 2015 FDA removes partially hydrogenated oils from GRAS list

2. HEALTHY
   - 2016 FDA revises “Healthy” criteria
   - Label Insight acts as a sandbox for FDA and industry to measure impact of proposed new “healthy” criteria

3. CORN MASA
   - Lack of Folic Acid linked to birth defects in Hispanic populations
   - FDA regulates the fortification of Corn Masa Flour with Folic Acid
   - Label Insight is measuring the adoption

GOVERNMENT CUSTOMERS - FDA
• Exponential growth in the adoption of the new Nutrition Facts panel.

• Majority of regulations were finalized in Q2 2016, resulting in nearly a 300% increase of New NFP adoption each quarter since.

• With less than 3 quarters until the July 26th, 2018 compliance date, we anticipate there to be an exponential increase in new label adoption each subsequent quarter.
GOVERNMENT CUSTOMERS - USDA

Total Products at Launch – 77,000

- Label Insight: 98%
- GS1 US: 2%

Percent Contributions:
Label Insight – 98%
GS1 US – 2%

September 2016

Total Products This Update - 175,000

- Label Insight: 97%
- GS1 US: 3%

Percent Contributions:
Label Insight – 97%
GS1 US – 3%

January 2017

United States Department of Agriculture
Agricultural Research Service
USDA Branded Food Products Database
DATA GENERATION & TRANSFORMATION

A product DNA understanding requires the ability to transform the unstructured into the structured.
Contacts Shared
Retailer work with Label Insight to begin a retailer mandated onboarding program. They first share their list of supplier contacts.

Onboarding Outreach
Label Insight’s onboarding team works alongside the retailer to contact all suppliers and alert them of the onboarding mandate.

CPG Onboarding
CPGs use Label Insight’s onboarding interface, where they drag and drop package flats or provide permission to access products through image providers at no cost.

Data Generation & Transformation
Label Insight uses the package flats to extract the data and analyzes the product for over 20,000 attributes, such as the federal & state WIC programs.

The percent of sales coverage in the food & beverage industry which is available in Label Insight’s database is 80%.
2,927 unique CPGs have onboarded on Label Insight's platform
On average, 35 new CPGs onboard with Label Insight each week
New CPGs typically onboard within 30 days of Label Insight outreach
DATA TRANSFORMATION

1. Data GENERATION
2. Data DECONSTRUCTION
3. Data RECONSTRUCTION
4. Data CUSTOMIZATION
THE CHALLENGE OF PHYSICAL PACKAGING

Label Insight captures each discrete piece of information on a product label, enabling those components to be rearranged, re-organized, re-grouped and expanded to include latent, implicit information not included on the package itself.
DATA GENERATION

FILTERED WATER, KOMBUCHA CULTURE (YEAST AND BACTERIA CULTURES), ORGANIC BLACK TEA, ORGANIC GREEN TEA, ORGANIC EVAPORATED CANE JUICE (SUGAR), COLD-PRESSED ORGANIC GINGER JUICE, COLD-PRESSED ORGANIC LIME JUICE, ORGANIC CAYENNE PEPPER.
Separate each individual ingredient
Stipulate the ingredient order
Uncover the Ingredient relationships

FILTERED WATER, KOMBUCHA CULTURE (YEAST AND BACTERIA CULTURES), ORGANIC BLACK TEA, ORGANIC GREEN TEA, ORGANIC EVAPORATED CANE JUICE (SUGAR), COLD-PRESSED ORGANIC GINGER JUICE, COLD-PRESSED ORGANIC LIME JUICE, ORGANIC CAYENNE PEPPER.

FILTERED WATER
KOMBUCHA CULTURE
YEAST CULTURES
BACTERIA CULTURES
ORGANIC BLACK TEA
ORGANIC GREEN TEA
ORGANIC EVAPORATED CANE JUICE (SUGAR)
COLD-PRESSED ORGANIC GINGER JUICE
COLD-PRESSED ORGANIC LIME JUICE
ORGANIC CAYENNE PEPPER
There are 166 individual variations of the ingredient Yeast. The Data Reconstruction process organizes all 166 versions under the single head ingredient.

Applying the same reconstructive approach to our entire ingredient taxonomy, we've been able to organize over 270,000 individual ingredients under 11,000 head ingredients.
<table>
<thead>
<tr>
<th>Ingredient</th>
<th>Number of Variations</th>
<th>Number of Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>FILTERED WATER</td>
<td>4</td>
<td>7,719</td>
</tr>
<tr>
<td>KOMBUCHA CULTURE</td>
<td>3</td>
<td>78</td>
</tr>
<tr>
<td>YEAST CULTURES</td>
<td>166</td>
<td>19,930</td>
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<tr>
<td>BACTERIA CULTURES</td>
<td>235</td>
<td>9,042</td>
</tr>
<tr>
<td>ORGANIC BLACK TEA</td>
<td>112</td>
<td>336</td>
</tr>
<tr>
<td>ORGANIC GREEN TEA</td>
<td>184</td>
<td>391</td>
</tr>
<tr>
<td>ORGANIC EVAPORATED CANE JUICE (SUGAR)</td>
<td>118</td>
<td>4,212</td>
</tr>
<tr>
<td>COLD-PRESSED ORGANIC GINGER JUICE</td>
<td>10</td>
<td>101</td>
</tr>
<tr>
<td>COLD-PRESSED ORGANIC LIME JUICE</td>
<td>7</td>
<td>6,149</td>
</tr>
<tr>
<td>ORGANIC CAYENNE PEPPER</td>
<td>72</td>
<td>207</td>
</tr>
</tbody>
</table>

**ALLERGENS**
- CONTAINS - Yeast
- MAY CONTAIN - Cereals
- MAY CONTAIN - Corn
- MAY CONTAIN - Wheat
- MAY CONTAIN - Gluten
- DOES NOT CONTAIN - 11 ALLERGENS

**ADDITIVES**
- CONTAINS - LEAVENING AGENT
- DOES NOT CONTAIN - 57 ADDITIVES

**ADVANCED**
- CONTAINS - YEAST INGREDIENTS
- DOES NOT CONTAIN - 90 ADVANCED

**ALLERGENS**
- DOES NOT CONTAIN - 16 ALLERGENS

**ADDITIVES**
- DOES NOT CONTAIN - 57 ADDITIVES

**ADVANCED**
- CONTAINS - TEA
- CONTAINS - CAFFEINE GROUP
- CONTAINS - TCM GROUP
- DOES NOT CONTAIN - 89 ADVANCED
SPECS

Organized sets of attributes, which together, work to solve a use case.
A prism functions by separating a beam of white light into its fundamental spectrum of colors. By producing a rainbow the prism makes visible the infinite and unique wavelengths of colored light that are not recognizable within pure white light.

The Label Insight Prism treats product packaging information much the same way a prism treats white light – by breaking down all of the individual components into their basic unique level, our technology makes visible each and every discrete wavelength of data about the product, even those not visible on the physical package.

• What is a Data Prism?

Ingredients
Nutrients
Claims
Certifications
Off-Pack
Derived

+ More than 17,000 Additional Attributes
Federal Criteria: 100% unsweetened pasteurized fruit and/or vegetable juice
- Juice Declaration must state 100% Juice
- New Label Products = 0g Added Sugar
- Old Label Products = No Added Sugar Ingredients
- Pasteurized

Fruit juice must conform to the FDA standard of identity at 21 CFR Part 146.
- Fruit Juice Category
- Fruit Juice Concentrate Category

Vegetable juice must conform to the FDA standard of identity at 21 CFR Part 156.
- Vegetable Juice Category
- Vegetable Juice Concentrate Category

Minimum of 30 mg of Vitamin C per 100 mL of juice, or 72 mg of Vitamin C per 8 fl oz.
- $\geq 120\%$ Vitamin C per RACC (Old Label)
- $\geq 80\%$ Vitamin C per RACC (New Label)

Vegetable juice may be regular or lower in sodium.
- $\leq 480$ mg Sodium per RACC
1. Custom WIC Category Criteria is provided to Label Insight for review

2. Label Insight is able to understand Category criteria and automatically identify products that qualify for APL

3. Label Insight is able to take the list of products that meet Category criteria and offer custom WIC Category SPEC

100% Juice

Nutrient Profile

- Minimum of 120% Vitamin C per RACC for Old Label
- Minimum of 80% Vitamin C per RACC for New Label
- 100% Juice
- Free of Added Sugar
- Not Organic
- Not Fresh Squeezed
### WIC Federal Program

The WIC SPEC automatically generates Approved Product Lists according to the federal criteria for WIC program categories.

<table>
<thead>
<tr>
<th>Category</th>
<th>WIC National Category</th>
<th>Federal WIC Program - Summary</th>
<th>WIC Federal Program SPEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Juice</td>
<td>Pass</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cheese</td>
<td>Pass</td>
<td></td>
<td></td>
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<tr>
<td>Yogurt</td>
<td>Pass</td>
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<tr>
<td>Eggs</td>
<td>Pass</td>
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</tr>
<tr>
<td></td>
<td>Fail</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fail</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
WIC PROGRAM SPEC BENEFITS

- Improve data accuracy
- Provide access to timely & relevant data
- Fuel data expansion
- Utilize data automation
Data **accuracy** is essential and fundamental to providing a positive program experience and build consumer trust. Label Insight’s solution helps to **validate** your program’s current APL automatically against the federal and state criteria. If there are discrepancies, we can help you to understand **why**.

The average % of products included in a WIC programs APL, which do not meet the program criteria for the specific category.*

*According to Label Insight Analysis
In an industry where products are constantly reformulating, maintaining relevant and up to date product data is critical. Label Insight’s database is updated daily, providing your WIC Program access to timely data. This enables you to adapt quickly as WIC program requirements change and products reformulate. Label Insight’s relationships with retailers and CPGs ensures the latest data possible.

The total number of products in Label Insight’s database, which are analyzed for the WIC program. 310,000
Through our automated process, Label Insight identifies additional products qualifying for your state WIC criteria, enabling the option to expand your APL and offering more product variety and accessibility to your program participants. Sales coverage for your state or area are paired on top of the analysis, identifying only relevant and active products for your program. This analysis is applied to over 310,000 products automatically.

The average percent of products Label Insight identifies beyond the APL which meet the program criteria for a specific category.*

*According to Label Insight Analysis
Label Insight **automatically** assigns WIC categories and subcategories to all applicable products within our database. Once the category is assigned, the product is passed through an attribute filter analyzing it against both the federal and state WIC program criteria. The analysis **output** identifies whether a product passes or fails the WIC criteria for its category.

Available utilizing the Label Insight platform or through an API, the Label Insight WIC SPEC makes data readily available.
ACTUAL RESULTS FROM WIC JUICE SAMPLE REPORT

**Data Accuracy:** 13 of 223 APL products were identified as not meeting the WIC juice requirements. The 13 products failed due to non-approved size, too low vitamin c levels, too high sodium levels, and containing added sugars.

**Data Relevancy:** Analyzed the requirements against over 7,500 juice products from 1 day to 24 months of age.

**Data Expansion:** Identified 614 qualifying products, of which 212 included sales coverage in DC. Yielding 62 new products identified as meeting the juice criteria in DC.

**Data Automation:** completed this entire process automatically once requirements were written into an attribute filter and were able to provide a seamless report.
1. **Original APL included 223 Products**
   - 150 Passed
   - 13 Failed
   - 60 Need to Onboard

2. **Of the 13 which failed**
   - 1 product with non-approved size
   - 4 did not meet Vitamin C minimum requirements
   - 5 sodium values exceeded limits
   - 2 contained added sugar

3. **Label Insight identified 614 products which passed the federal and DC criteria for juice.**
   - 212 included sales coverage in DC
   - Resulted in 62 newly identified qualifying products
Data delivery - what each program can expect to receive

- Access to one SPEC inclusive of 13 WIC-eligible food categories, as well as Raw Data (sample data provided to right)
- Categories defined by Federal requirements
- Food & Bev UPCs active within last 24 months
- Delivered via API

Raw Data & SPEC Outline

<table>
<thead>
<tr>
<th>Raw Data Segment</th>
<th>Raw Data Characteristic</th>
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<tbody>
<tr>
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<tr>
<td>UPC</td>
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<tr>
<td>Brand</td>
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<td>Product Title</td>
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<tr>
<td>Distributor</td>
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<td>Manufacturer</td>
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<tr>
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<tr>
<td>Serving Description</td>
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<tr>
<td>Servings Per Pack</td>
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</tr>
<tr>
<td>Servings Per Information</td>
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</tbody>
</table>

Segment

<table>
<thead>
<tr>
<th>Federal WIC Program - Summary</th>
<th>Characteristic</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>WIC National Status</td>
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</tr>
<tr>
<td>WIC National Status</td>
<td>Fail</td>
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</tr>
<tr>
<td>WIC National Status</td>
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</tr>
<tr>
<td>WIC National Category</td>
<td>Cheese</td>
<td></td>
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<tr>
<td>WIC National Category</td>
<td>Yogurt</td>
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<tr>
<td>WIC National Category</td>
<td>Milk</td>
<td></td>
</tr>
<tr>
<td>WIC National Category</td>
<td>Whole Wheat Bread</td>
<td></td>
</tr>
<tr>
<td>WIC National Category</td>
<td>Breakfast Cereal</td>
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</table>
Label Insight asks for your partnership in exchange for services

Collaboration to build and implement the master Federal WIC and State criteria by helping to refine and review requirements during one initial working session.

Provide resources throughout the defining process for questions and to provide feedback in effort to ensure 100% accuracy.

Endorsements and personal introductions to key retailer and manufacturer partners of your program.

Mandated product onboarding with Label Insight to address any coverage gaps.

Get started while you’re here! Visit the Label Insight team at Booth #216 or visit www.labelinsight.com/WIC