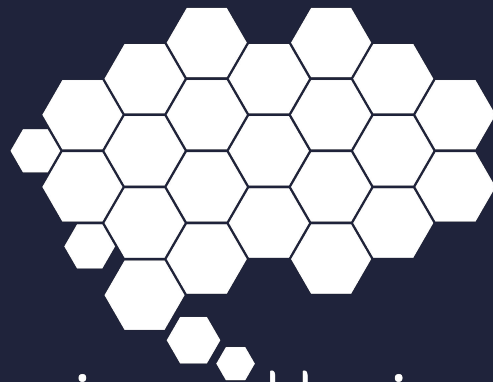


DION  
BETTJEMAN

Head of Technical  
Sales and Innovation  
Mindhive



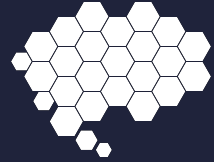


mindhive

## Model V - Leather Grading and Traceability

High Performance Neural Networks  
Advanced Traceability Technologies

# Mindhive



**Who we are:** Founded in 2011. Initially provided outsourced R&D to NZ businesses. Pivoted to focus on Neural Networks 2018/2019. Based in Auckland with team members in NZ, Japan and the USA.

**How we do it:** We achieve greater profitability and reduce business risks for our clients through our specialisation in high resolution **machine vision systems** and **artificial intelligence/neural network** technology.

**Where we do it:** We're based in the heart of Auckland but are active globally In NZ, Asia and right across the US.

# About Mindhive Industry Coverage

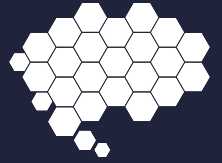


- Leather grading and inspection since 2014
- Leather traceability and data management
- Visual identification of beef cuts at packout





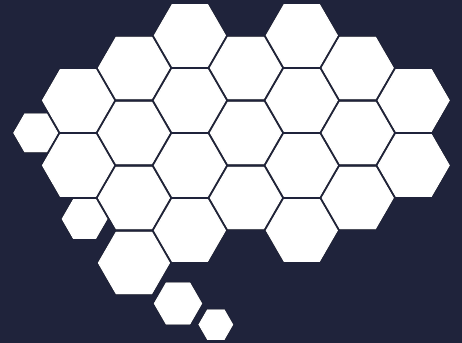
# Neural Network (Deep Learning) Powered Leather Grading



# Human Grading Know your limits

- Human based grading is highly subjective, prone to error and displays substantial levels of inconsistency over time.
- Human vision has a number of drawbacks that limit how closely an entire hide can be inspected in a short amount of time.
- Humans tend to apply rulesets with a varying degree of 'wiggle room'. This can be advantageous at times but usually contributes to overall inaccuracy.

How do we do  
it??





# Neural Networks (Almost) no limits

- **Neural Networks are super task specific analogs of human brains.**
- **In most cases, they know only what we teach them - but they know it very very well.**
- **Neural network based defect detection offers super high levels of precision while being 'robust' to the various interfering factors that might be present in a tannery.**
- **'Classic' machine vision struggles with applications outside a given tool chain. It's great for spotting a missing bottle cap but it has no hope when it comes to determining whether a scar is open or closed.**

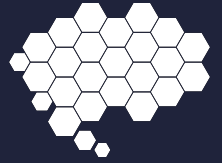


# Artificial **brains** Built to order



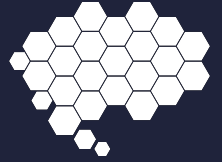
- We've gathered *massive* defect datasets (training data)
- Our neural network architecture is constantly evolving to perform better in this environment
- Each new site we bring online provides more 'regionally specific' defect examples - which are fed back into the system for the benefit of all.
- We heavily 'augment' our datasets to make them super resilient to external factors like lighting, staff movements etc.
- We can currently detect **22** different classes of defects. More are usually added with each deployment.

# What can we See?



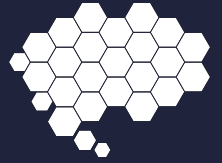
- **BD - Bacterial Damage**
- **BR - Brand**
- **CS - Chrome Stain**
- **D - Skin Disease**
- **DC - Delayed Cure**
- **F - Flay Damage**
- **GR - Growth/Wrinkle**
- **H - Hole**
- **HB - Heavy Bite**
- **LB - Light Bite**
- **HE - Hair Slip/Hair**
- **HS - Healed Scar**
- **IN - Inherent**
- **LS - Light Spot**
- **M - Mole**
- **O - Open Defects**
- **OS - Open Scratch**
- **RW - Ring Worm**
- **S - Scud**
- **ST - Hair Stubble**
- **V - Vein**
- **W - Wart**

# Tannery **Proof** Built to survive



- Tanneries are super hard on 'delicate' equipment
- Our wet end systems are built to take a hosing, splatters, muck, grime and general tannery life.
- High availability/Hot failover processing infrastructure. Ensures grading resources are always ready when a hide presents itself.
- Redundant, isolated networks - high data volumes, ultra low latency and no 'IT department' red tape.
- Rugged displays, tailored integrations and local parlance.
- Purpose built light sources
- IP 67 Rated laser profilers





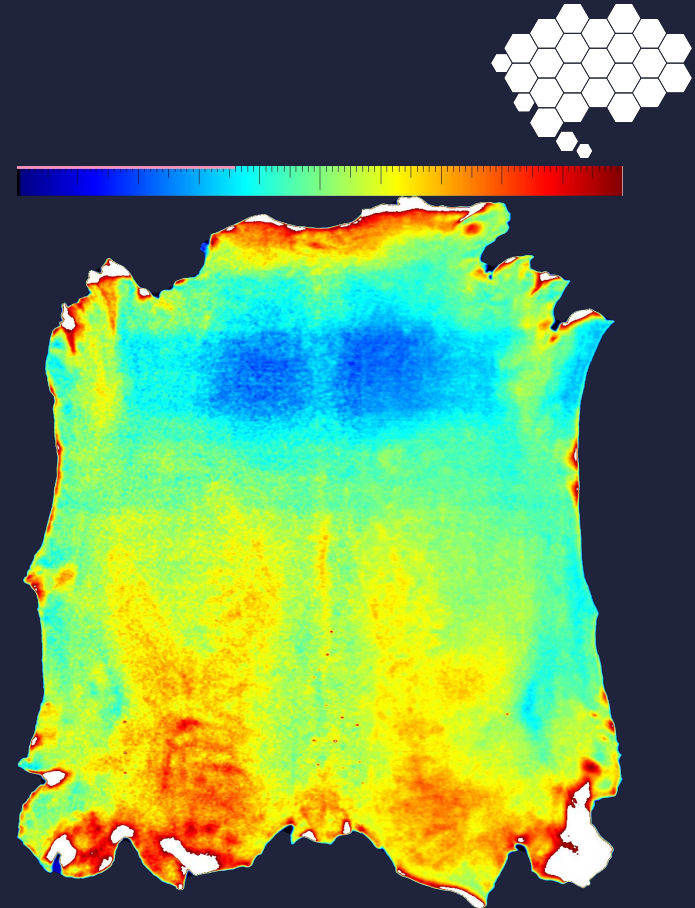
## Four Eyes

- We use 4 cameras (in most cases) To produce high resolution images of entire hides as they exit the sammer.
- We're able to see detail down to approx .5mm across
- Processing happens in about 3 seconds
- Results are displayed before the hide reaches the stackers.

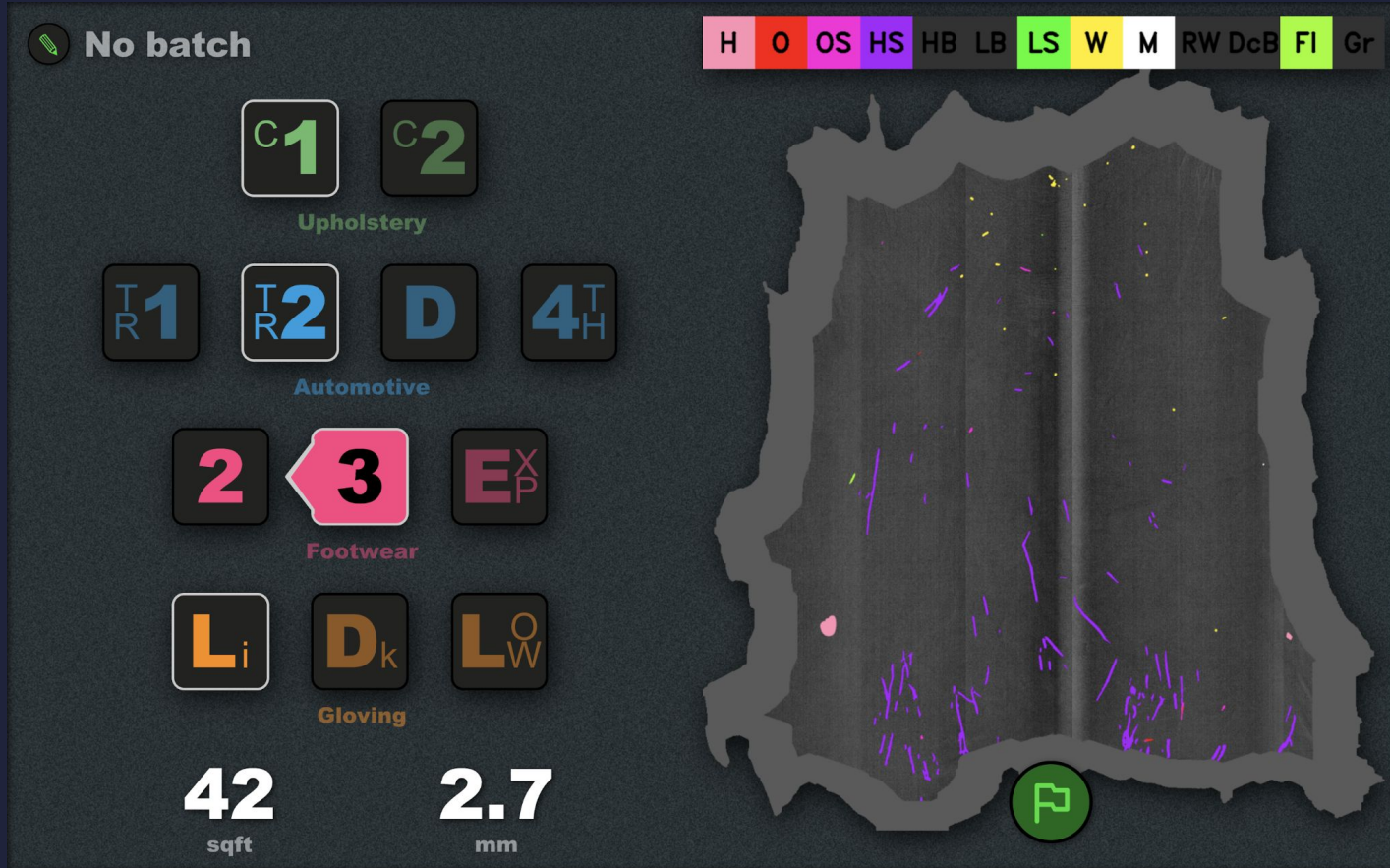
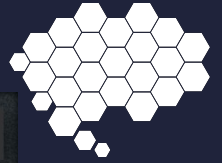


# All in One

- Our graders incorporate laser profilers from Sick.
- Each hide is measured across approx 4M points at the same time as we image it.
- A thickness map is generated and incorporated into our grading decisions.
- Combined with our cameras, we produce area measurements accurate to 1 mm<sup>2</sup>.
- Eliminates other area measurement and thickening machines.

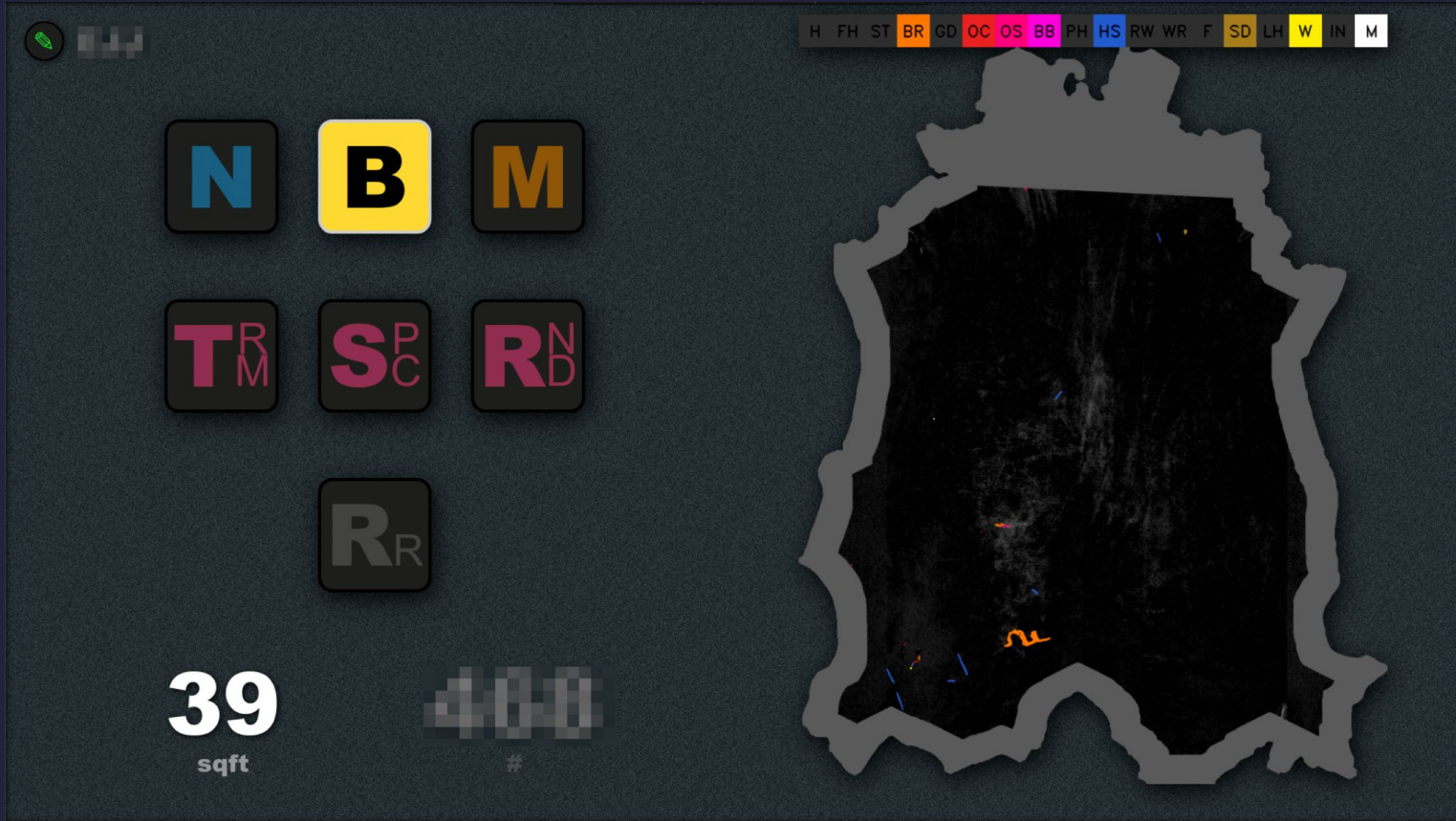
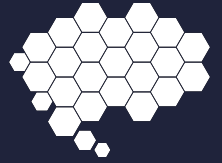


# Information in **Your** language





# Information in Another language

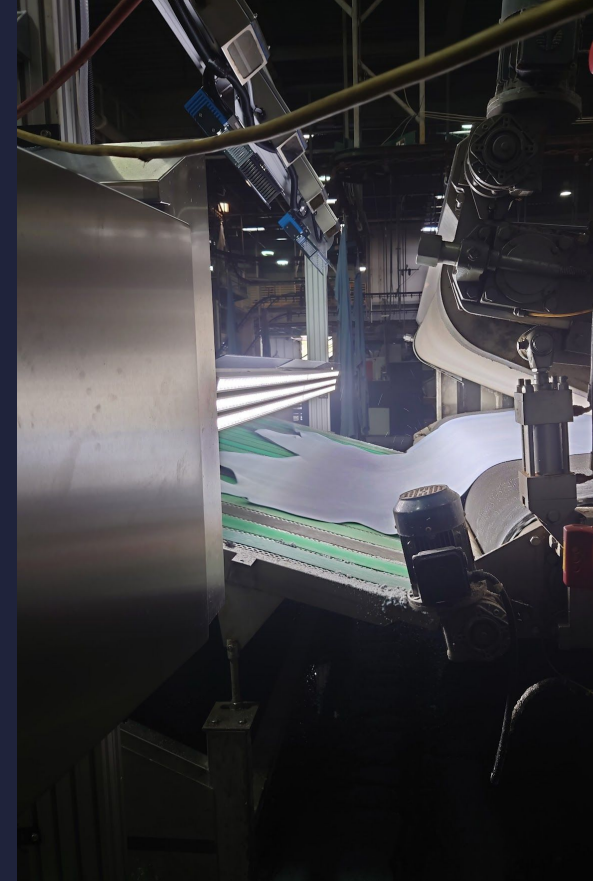


# Data Delivered





# Small Footprint Packs a lot in





## What does it **Mean**

- Our graders are consistent and reliable in what they detect
- Customers running 'rules based' grading are able to adapt their grading criteria and trust that it's being implemented immediately and continuously
- We generate huge amounts of analytics - giving detailed insights into trends in raw materials and overall distribution of grades.
- Our machines don't get sick, take holidays, no-show or get distracted. Every hide is inspected to the same level of detail as the one before it.
- Our systems can provide rapid feedback on production driven defects to close the loop on issues quickly.



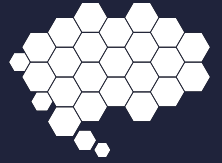
**Leathertracer**  
**Error Tolerant, Unique**  
**IDs for *Every* Hide**

# Moo to You



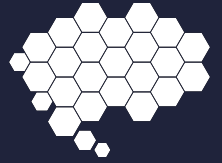
- **OEMs (and their consumers) are beginning to demand source verification for raw materials in exchange for market access.**
- **Existing proof of provenance paper chains are cumbersome, aimed at primary products and don't scale easily.**
- **Market incumbents are too slow, labour intensive, dangerous and not very robust to tanning.**
- **Offshore markets loose proof of origin on the harvest floor.**
- **Unique IDs allow tanneries and their customers to monitor their processing on a hide my hide basis.**

**How  
not to  
do it**

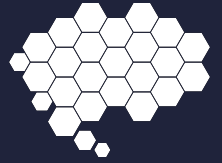


**Then eventually  
Figure it out.....**

# Contraption to Completion



# Tolerate Failure



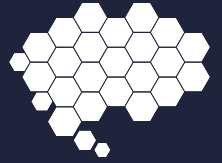
- Our final codes can be missing up to  $\frac{1}{3}$  of their characters and still be reconstructed.
- This is vital when dealing with misfires due to especially matted hair, dung or poor presentation of the hides.
- We present end users with a simple interface where they can input the characters they can make out - and we do the rest.
- Fully Automated code reading at our graders is coming next.



# Immutable Record

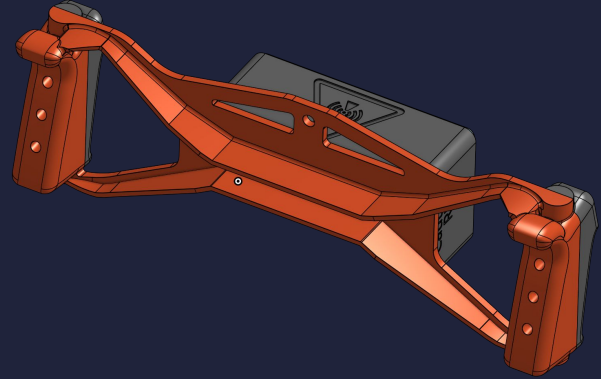
- Our traceability data is stored in an externally verified immutable database.
- We can only add and read information - it's tamper proof
- Data doesn't roll over. It's there for good.
- Hides travelling through our graders will have their grading information, defect locations, types and laser thickness maps appended to their traceability records
- 4 Billion unique, error correctable IDs currently in the pool





## Excellent Now what?

- Overseas, source information for a hide tends to vanish the moment it comes off the carcass.
- We have been working on getting marking technologies onto the harvest floor for the last 2 years.
- Environmental challenges due to super aggressive cleaning processes have made robotic solutions unviable.
- We have a handheld concept in ergonomic testing at present.
- Looking to deploy first pilots into active plants Q1 2023





THANKS

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