THE SUPPLIER SIDE

The Rules of Recall

How to be prepared for food recalls in the modern landscape.

BY LISA PLUMMER

t can happen to the best of manufacturers: An ingredient in one of your food products gets recalled. You've been notified about the problem, received a description of the recall and instructions from the U.S. Food and Drug Administration — and now the clock is ticking.

Your top priorities are to track down the affected products, notify retailers so they can pull the items from their shelves and inform the public — as quickly as possible. And the more serious the potential health effects, the more urgent your response.

But dealing with a food recall doesn't have to be a crisis or bring disastrous long-term effects to your company. By preparing yourself with a comprehensive, tried-and-tested recall plan, you'll not only be able to deal with the problem quickly and efficiently and avert a public health disaster, but also preserve your business.

A TEAM EFFORT

If you haven't already established a recall program at your company, then it's time to get cracking. The first step is to establish a recall team, advised Dr. Nancy Caldarola, education director of NACS CAFÉ.

"Your recall team should be a core group of people who represent all the key departments or functions of the organization," said Caldarola. "That cross-func-

tional team must establish procedures, checklists and internal processes to handle and contain recall situations. [They] must be aggressive in establishing procedures to protect both the product users and the organization."

Arming yourself with a comprehensive recall system can go a long way in preparing your company to respond quickly and proficiently in the case of an unforeseen event, said Don Thomas, director of food safety of Jack Link's Beef Jerky.

"You have to have thought through all the scenarios, so when a situation happens you have people trained and ready to respond," said Thomas. "You have to have that plan in place so when you get to that point you're not trying to figure out how to do a recall in the middle of it."

Although a robust recall plan can involve an extensive series of procedures and processes, your top goals are to stop any further distribution and sale of the unsafe product as soon as possible, tell the public and the relevant authorities about the problem and effectively retrieve the unsafe food.



IDENTIFY, TRACK AND TRACE

Once you've been given instructions by the FDA, you'll need to identify the recalled material, determine what products have been affected in your food supply chain, how much of that product you have on hand and then remove it from your distribution channel.

Using your track and trace system,

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Classes of Recalls

Not all recalls are created equally. Here are the FDA's three recall levels:

Class I:

A situation in which there is a reasonable probability that the use of or exposure to a violative product will cause serious adverse health consequences or death.

Class II:

A situation in which use of or exposure to a violative product may cause temporary or medically reversible adverse health consequences or where the probability of serious adverse health consequences is remote.

Class III:

A situation in which use of or exposure to a violative product is not likely to cause adverse health consequences.

you'll want to determine where the affected products have been shipped and notify wholesalers and retailers so they can get the items off their shelves. You'll later want to retrieve the product and keep it in "quarantine" until you receive notice on what to do with it.

It's also important to understand the kind of recall you're dealing with, whether it's a Class 1, 2 or 3 recall (see sidebar). This will determine the likelihood and severity of injury and how expediently you need to act.

"A lot of [recalls] get expanded a day or week later, usually because the investigation the company did wasn't as thorough as it needed to be," said Thomas. "People are really good at finding the first level, the primary product, but sometimes you have byproducts associated with processing."

Whether or not you're able to track down the affected products efficiently will come down to your track and trace system — using a state-of-the-art software that automatically identifies product and records its movement can mean the difference between an expedient tracing process and a much slower one. And with the recent enactment of the Food Safety Modernization Act, having an efficient and expedient track and trace system will be essential in the future food production landscape.

GET THE WORD OUT

Communication is key to a successful recall process, so be prepared to do so frequently and consistently with your wholesalers and retailers — especially the public — so everyone understands the recall's status and details. But once your product has been flagged, your first

priority will be to contact your retailers.

"Get the retail stores' accurate information quickly and get validation that they have the information and that they're following whatever process needs to be followed," said Jay L.E. Ellingson PhD, corporate director of food safety and quality assurance at Kwik Trip Inc. However you communicate, "time is always the biggest issue in getting the recalled product off the shelf."

According to Scott Hill, Jack Link's vice president of convenience store sales, it pays to over-communicate and in as many methods as possible, including e-mail, phone calls and written letters, both internally within your company and externally.

"Communicate the right stuff in multiple formats to make sure people receive the information in a format they're familiar with," said Hill. "This is critical because everybody has different preferences in obtaining news. Facts are very important in a timely and repetitive manner."

Partnering with your retailers and supporting them through the recall process also includes providing them with factual, consistent information they can pass along to their customers. By demonstrating that you're handling the issue quickly, consumers will more likely be forgiving and trust your products in the future.

TALK TO CONSUMERS TOO

According to Caldarola, although suppliers are typically the middlemen in the recall process, they have a responsibility to both retailers and consumers.

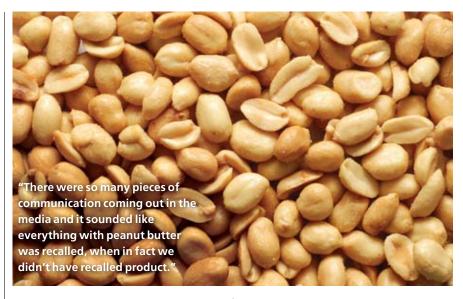
"Suppliers may need to provide talking points for retailers to use in inform-

ing consumers of the recall if these are not provided by the manufacturer," said Caldarola. "And, just like manufacturers, suppliers may need to set up a call center to handle questions from retailers. ...Many retailers will need specific instructions for returning product, including labels and other means to mark and isolate product from regular stock in the store."

In cases of mass ingredient recalls, communicating with consumers can be especially crucial for companies not included in a recall. Such was the case for the peanut butter recall in the spring of 2009. Companies like Snyder's-Lance Inc. (formerly Lance Inc.) worked hard to spread the word that their products containing peanut butter were safe.

"There were so many pieces of communication coming out in the media and it sounded like everything with peanut butter was recalled, when in fact we didn't have recalled product," said Snyder's-Lance Director of Sales Wendy Redmond. "We set up points of contact for retail employees and customers and had a PR company to help navigate any questions from customers, as well as internally, to clarify what was going on. Even our president got involved...we really had to get after it aggressively."

Good communication should also extend to any regulatory agencies overseeing the recall process. "Don't look at regulators as the police, look at them as people trying to protect public health," advised Ellingson. "You're trying to work with them to understand how they interpret the laws and regulations and then how you can use the best practices you develop, implement and exe-



cute with the resources you have available."

PRACTICE MAKES PERFECT

Successfully handling a recall is a skill, so you'll need to practice. Conducting regular mock recalls will not only help everyone on the team become more proficient at their roles, but will also reveal areas needing improvement.

"It is critical for a manufacturer and a supplier to do mock recalls," said Caldarola. "Without them, you don't know if your system works ...You'll find product that was taken out of inventory in one of your warehouses but there's no record of what was done with it — was it destroyed? Was it moved? Was it sampled? If even one or two cases can't be accounted for, it's a problem."

It's also important to make sure the recall system is embraced by the whole company, not just one department, advised Thomas.

Often "the recall program is owned

by the quality assurance/food safety group, but it really needs to be a top-down program," said Thomas. "You want the CEO, the president and the CFO to be involved in the recall. ... [W]hen you have a recall or a mock recall, everyone involved in the situation knows it's the most important thing they're doing that day."

In the end, being prepared and equipped for recalls might just mean the difference between staying in business or going out of business, said Redmond.

"When these things hit, it's not a slow progression, it's all or nothing," said Redmond. "You have multimillion dollar companies with a lot of product liability, so if you don't have a game plan in place and you find out that 20 percent of your product has been recalled, you're really in trouble."

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