Best Practices For
Food Safety Compliance

Food Safety Plan → Food Defense — Food Safety — Food Recall Program

How the newly enacted Federal Food Safety Modernization Act (FSMA) effects your Distribution Process.

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Food Service Safety Issues

The Centers for Disease Control and Prevention (CDC) estimates that foodborne illnesses in the United States cause approximately 48 million people (1 in 6 Americans) to get sick, 128,000 to be hospitalized, and 3,000 to die every year. After considering these numbers, it should not be surprising to learn that the number of food recalls in the US is increasing dramatically. In the 1990's, there were about 100 recalls per year and by the 2000's, that number had tripled to about 300. Unfortunately, food recalls are becoming a common occurrence.

During the past few years there have been significant technological advances and innovations in the food service industry aimed at making our food safer. As further evidence of the importance of this issue, the Federal government passed the Food Modernization and Safety Act, commonly referred to as FSMA. This paper will focus on food distributors and their responsibilities with regard to food safety and food recalls.

For more detailed information about foodborne illnesses in the United States, visit the CDC's website and view this article: *Estimates of Foodborne Illness in the United States, April 11, 2016.* (http://www.cdc.gov/foodborneburden/)

> *"The quality and safety measures undertaken by Distribution Centers play a key role in keeping food safe."*

There are over 15,000 distribution companies operating in the United States who are responsible for thousands of warehouses and fleets of trucks housing and transporting food products. A single distribution center can supply up to 6,000 retail food outlets while offering their customers as many as 10,000 different products. This adds up to millions of cases of food that are delivered to grocery stores, restaurants, schools, hospitals, and nursing homes every single day. Safe and efficient movement of these products from farm to table requires a carefully coordinated effort involving numerous trading partners.

Distributors receive food products in bulk from manufacturers and are responsible for maintaining freshness while the food is in their control. This includes receiving, storing, and shipping products to their customers. The quality and safety measures undertaken by distribution centers play a key role in keeping food safe

Preparing for a Food Recall

Food safety plans are now required for all companies under the newly enacted Federal Food Safety Modernization Act or FSMA. Every distribution company must have plans in place to provide food defense, food safety, and when necessary, a food recall program. *Food defense* involves guarding products from intentional contamination, while *food safety* involves protecting products from accidental contamination. A *food recall program* needs to be in place so a company is prepared to act quickly if a food recall is initiated.
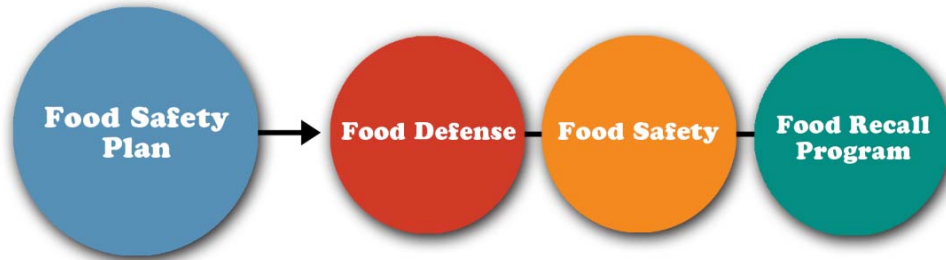
A *food recall program* is a carefully written action plan that is evaluated and tested to ensure reliability and efficiency. A recall program requires a team of employees who have specific roles of responsibility when a recall is initiated. These roles include: quality assurance, complaint investigation, decision making, contacting customers, media communication, legal counsel, and communication with your regulatory body (FDA, FSIS, or CFIA). A basic food recall plan includes several components:

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- **Preventing recalled product from entering the building** – Each distribution center should have trained personnel to inspect incoming products for temperature, condition, and quality. These employees should be trained to identify and handle any recalled product coming in on the trucks from the manufacturer. This could include destroying or refusing products that have been involved in a recall. Distribution companies should have the capability to create a Recalled or Restricted Products list. Products on this list should not be able to be received on an inbound purchase order. Technology can and should play a key role in preventing recalled product from entering the building.

- **Preventing recalled product that is in inventory from being shipped** – Employees who are managing inventory need to know about recalled products so they can either remove the product from the warehouse or isolate it. Steps need to be taken to ensure it cannot be sent out to customers in their orders. Having technology in place that will prevent recalled products from being picked is an efficient and effective way to comply with recalls and prevent said products from being shipped.

- **Alerting customers that may have received recalled product** – All recall plans must have tools that can quickly identify any customers who may have received recalled products. Recall team employees who have been designated to contact customers must contact those customers within 24 hours of receiving word of the recall. They need to be prepared to inform the customer about the recalled products and be able to answer questions regarding what the customer should do with these products. Prompt and effective communication about recalls will build trust and confidence in a supplier's ability to support their customers.

Initiating a Food Recall

Whenever there is a reason to believe that a food product can cause illness in consumers, a product recall is initiated. Most of the time, these recalls are implemented by a manufacturer responding to the results of internal quality testing procedures. This is known as a voluntary recall as opposed to an FDA Mandatory Recall.

> *"An effective food recall program includes procedures that are planned well and practiced by staff ahead of time."*

- **Voluntary Recalls** – Any evidence that a product is unsafe, mislabeled, or altered is cause for a voluntary recall. There are three classes of recalls, with Class One being the most serious. A *Class One* voluntary recall includes any situation where it is reasonable to assume that consumption of the product in question can cause serious health issues or even death. A *Class Two* voluntary recall involves products that carry a remote probability of causing illness, such as a product with a foreign material in it. A *Class Three* voluntary recall results from mislabeled food products, such as a missing ingredient or incorrect nutritional facts on the content label. The recall process includes the manufacturer notifying all customers who may have received any of the product that is the subject of the recall. If those customers distributed the product further, it then becomes their responsibility to notify their customers, and so on.

- **FDA Mandated Recalls** – When the Food Safety Modernization Act was voted into law in 2011, it granted the FDA the authority to force companies to initiate a food recall. This happens when one of the following violations occurs: a company refuses to initiate a recall after it has been requested by the FDA, a company fails to complete the recall process in a timely manner, or the FDA has evidence to cause them to believe that the recall process is not being carried out correctly.

Executing a Food Recall

Executing a food recall is the responsibility of the farms who harvest the products, the food manufacturers who process the products, and the distributors who bring the products to retail. The FSMA requires manufacturing companies to produce documentation of affected product within 24 hours. Once notified, the manufacturers and distributors are responsible for locating any recalled product that may still be stored in their warehouse and to contact any customers that may have received any of the affected product.

An effective food recall program includes procedures that are planned well and practiced by staff ahead of time. These factors are the key to a distribution center's ability to respond efficiently and effectively to a recall and comply with their obligations under FSMA.

Supporting a Food Recall with Track and Trace Programs

Inventory replacement, lost sales, internal reworking, and repairing customer confidence all contribute to the seven billion dollars that recalls cost the food supply chain annually. The FSMA has generated greater accountability throughout the entire food supply chain, including distribution centers. This includes requiring improvements to distributor track and trace programs.

> *"An effective Track & Trace solution will allow real time access to information that will enable the company to execute a recall in a timely and efficient manner."*

Track and trace technology enables companies to maintain data about where products were received from and where those products were sent to. A good Track and Trace solution should be designed to integrate with the company's host enterprise resource planning system (ERP). An ERP is business management software consisting of a system of integrated applications that allow you to collect, store, and retrieve data from a host of business activities including the movement of product through your part of the food chain.

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Legal Requirements for Distributors Under New FSMA Law

The FSMA rules require every food distribution company to have plans in place to provide both food defense and food safety. Most food distribution facilities have three temperature areas: frozen, refrigerated, and ambient. The freezers should be set at 0 degrees Fahrenheit or below. Twenty-four-hour monitoring systems should be recording the temperatures in each zone. If the temperature in any area goes above or below a preset range, an alert will be sent to the appropriate warehouse personnel so the issue can be resolved in a timely manner.

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Food defense includes having sufficient storage areas for both dry and temperature controlled goods, which include both chilled and frozen products. Companies need proper insulation and temperature control, accordingly, and clear access to all of these areas for cleaning. It is also important to restrict unauthorized access to the facility, and to have programs in place to prevent contamination or infestation of insects and vermin.

Technology: The Key to Improving Processes for FSMA Compliance

When each pallet of food reaches the distribution center's dock, a barcode with a pallet ID number should be printed and attached to it. This barcode can be scanned as the pallet is being placed in storage racks. Less than pallet quantities also get a unique identifying barcode. As these items are placed in storage locations, the unique barcode number serves as a location identifier, which can be used for tracking purposes.

> *"The value of scanning technology is its ability to capture item specific data ... companies that invest in scanning technology will immediately improve operations."*

Because a system is tracking product locations, employees can be directed to access the correct products, based on a first-in first-out basis, when picking bins need replenishment. This will ensure proper product rotation and will minimize spoilage.

Having a system in place to track product locations has many benefits. It will also allow for efficient identification and retrieval of any products that may be recalled.

Technology: Paper vs Scanning

Companies that invest in scanning technology will immediately improve their operations. Not only will scanning technology help companies comply with FSMA requirements, it will also improve employee accuracy and productivity in every part of the warehouse.

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Receiving – Scanning product barcodes will improve accuracy on the receiving dock and allow for the easy capture of barcoded lot numbers and expiration dates. In a paper environment, the receiver must write down lot numbers and expiration dates, so there is a greater margin of error.

Putting Away – Scanning will allow for capturing the location of products that are stored in the warehouse. This is extremely helpful when attempting to locate product that has been recalled or is simply needed for replenishment.

Restocking – By using scanning technology for replenishment, companies can be sure back stock is being properly rotated, so the oldest product is being used first.

Picking – Scanning product barcodes as part of the pick process will allow distributors to know exactly which customers have received specific lots of products. This is a huge benefit when executing a recall.

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The value of scanning technology is its ability to capture item-specific data, which is significant. This data serves as the basis for knowing what products customers have received that are involved in a recall. Easy reporting expedites the process of quickly contacting customers who have received any affected products.

The use of scanning technology also improves both accuracy and productivity. For example, in a scanning warehouse, GS1 barcodes can confirm item UPC codes, and capture item lot numbers, expiration dates, and random weight data with a single scan. This single scan eliminates any opportunity for human error, which ensures that proper products have been received, replenished, and picked.

In a paper picking environment, however, it is time consuming and cumbersome to access information about lot numbers that have been picked and sent out for delivery. In most cases, this means that a larger quantity of a specific product must be recalled as opposed to scanning technology that can limit the recall to only specific lot numbers.

About ProCat Distribution Technologies

ProCat Distribution Technologies has been improving accuracy and productivity in distribution centers across the country with its suite of turnkey technology solutions since 2001. Today's food distribution centers require state-of-the-art technology with flexible options that allow for individuality. Customer demand for increased personalization has compelled ProCat to continue to develop unique, innovative enhancements to their existing solutions. Contact ProCat to learn how their solutions can make your distribution center FSMA compliant while improving the accuracy and productivity of your employees.