
ARE YOU PREPARED FOR WHEN THE EGG MAYONNAISE HITS THE FAN?



One word has the power to put fear into every food and drink manufacturer, distributor, wholesaler and retailer. That word is recall.

Organisations spend thousands, even millions of pounds investing in the correct production and processing of food and drink items; so you can imagine the hysteria when something goes wrong!

So what are the consequences of a product recall? For some, the financial implications may be like water off of a duck's back; but lasting damage tends to emerge the moment a product recall is public knowledge and the brand's reputation is given a spontaneous survival challenge - either sink or swim!

“In 2015, 1,514 food, feed and environmental contamination incidents were reported”

The breaking news of a product recall is becoming more and more frequent, with some of the biggest names in the game making the headlines*:

“Waitrose recalls Hearty Minestrone Soup because the product may contain blue plastic pieces”

“Kopparberg recalls its Sparkling Rose Strawberry and Sparkling Rose Raspberry 750ml bottles of cider because the bottles may break”

“Spar is recalling its Egg Mayonnaise Sandwich Filler due to an incorrectly extended ‘use by’ date”

“Unilever recalls batches of Ben & Jerry’s Cookie Dough 500ml ice cream because they may contain small pieces of metal”

A report published by The Food Standards Agency showed that, in 2015, the FSA and Food Standards Scotland were notified of, investigated and managed 1,514 food, feed and environmental contamination incidents in the UK. This shocking statistic and the headlines above only evidence the need to protect any business operating in the food and drink industry against product recalls.

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Q. So what can organisations do to minimise damage and manage the situation?

A. Be prepared!

It really is as straightforward as that. Doing what you can to prevent any quality issues goes without saying; but being prepared is business critical.

Do you have a protocol in place that outlines the steps that must be taken should one of your products be hit with a recall?

Remember, preparation is key! Do you have a robust PR strategy in place? PR support will be invaluable if ever you have to defend your company against the wrath of the media.

Quick disclaimer: If you're squeamish, please put down anything that you may currently be eating...

In March 2016, a customer complained to Asda after finding a dead maggot inside a red seedless grape that she was about to feed to her young daughter. She also posted a warning on Facebook, which was subsequently shared 40,000 times!** In a social media savvy world, you need to be prepared to answer to 'virtually' anyone.

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The aftermath of a recall can burden third-party brands too! In many cases, when manufacturing/handling a third-party product, companies team contractual agreements with what they believe to be a robust insurance policy. The sad reality, however, is that the required cover is rarely included within their standard policy.

Have you done all that you can to cover your company against the many pitfalls of a product recall?

Product recall insurance is the most comprehensive form of protection you can invest in. Whether your company falls foul to an accidental contamination or a malicious attack, covering the costs of the recall, the investigation and the loss of business makes absolute survival sense.

Don't waste time crying over spoiled milk – stay prepared!

Would you like expert advice and support with your insurance requirements? Consort Insurance provide professional and transparent commercial insurance cover for multiple sectors and high net worth individuals.

Source:

*<https://www.food.gov.uk/enforcement/alerts?keyword=>

**<http://www.producebusinessuk.com/supply/stories/2016/10/18/how-prepared-are-you-for-a-product-recall>