

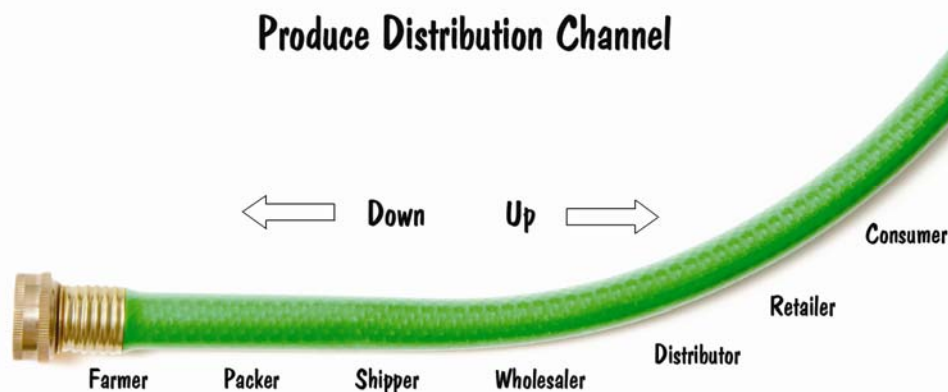
Food Safety:

One-up One-down Traceability

by F. Charles Waud, WaudWare Incorporated

Remember the North American spinach fiasco of September 2006? Tonnes of spinach were destroyed because contaminated water found its way into **one** field on **one** farm in California. Had all the players in the supply chain been able to provide One-up One-down Traceability, the majority of that spinach could have been saved – and consumer confidence preserved. Do some internet research on “spinach recall” and sit down; there are pages and pages of articles written about the problem.

What is **One-up One-down Traceability**? And how could it have saved the spinach industry? **One-up One-down Traceability** is being able to determine **exactly** which produce came from which supplier and **exactly** where it went. An example follows.



If a **Wholesaler** discovered a problem with an item they would contact the **Packer/Shipper etc...** they purchased the goods from. That's One-down traceability. The **Packer** would then notify all the other customers (**Wholesalers, Distributors, Retailers and/or Consumers**) they sold that exact item to and advise them of the problem. That's One-up traceability.

When you, the **Wholesaler** notifies every **Distributor** you sold the goods to you're working the One-up segment of the distribution channel. The **Distributors** in turn would relay critical information to specific **Retailers** who purchased the goods, and so on.

Logic tells us this is a responsible and effective way of handling produce recalls. So why aren't more companies in the produce industry adopting this process? Some of the reasons I hear are related to economics, business decisions, and risk/cost versus reward.

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Remember the **two** Tylenol poisoning incidents in the 80's? According to public relations industry experts, three factors stood out in Johnson & Johnson's handling of the second crisis, four years after the first:

1. J & J acted quickly, with complete openness about what had happened the second time, and immediately removed all sources of danger to consumers based on the **worst case scenario**. They did not wait for evidence to determine the geographic boundaries of the contamination.
2. They immediately worked on measures which would prevent a recurrence of the problem. This was the dawn of tamperproof packaging.
3. J & J proved they were prepared to bear the short term cost in the name of consumer safety. That, more than anything else established a basis for trust with their customers. In fact, there is evidence that J & J was further rewarded for their actions by consumers who were so reassured by the steps taken that they switched from other painkillers to Tylenol.

In short, J & J had achieved the status of "consumer champion". Imagine this type of consumer confidence in the produce industry.

Recently (August 2007) there was yet another spinach recall in California. But this time, according to a company spokesperson, more than 90% of the "possibly contaminated" cartons never reached the stores. Why? The grower/shipper knew **exactly** where the spinach went and was able to notify recipients of the problem.

Unfortunately the spinach industry may never overcome the first recall. Consider the impact it had on everyone in the distribution channel – from farmers and small independents to huge conglomerates and hundreds of thousands of consumers. The fact is some people still refuse to eat spinach. The financial and emotional losses may never be recovered.

Safeguard the future of the produce industry. Start **One-up One-down Traceability** in your organization today!

F. Charles Waud is the President of WaudWare Incorporated, a software development company specializing in PICS (Produce Inventory Control System) - for the fast-paced produce and distribution industries. For more information call (905) 846-9737 or visit www.waudware.com

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