

Evidence-based Decision Support for Food Security Workshop University of Warwick
15-17th April 2015

Food Scares

How can we reduce the impacts?

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University of Surrey

Plan of Presentation

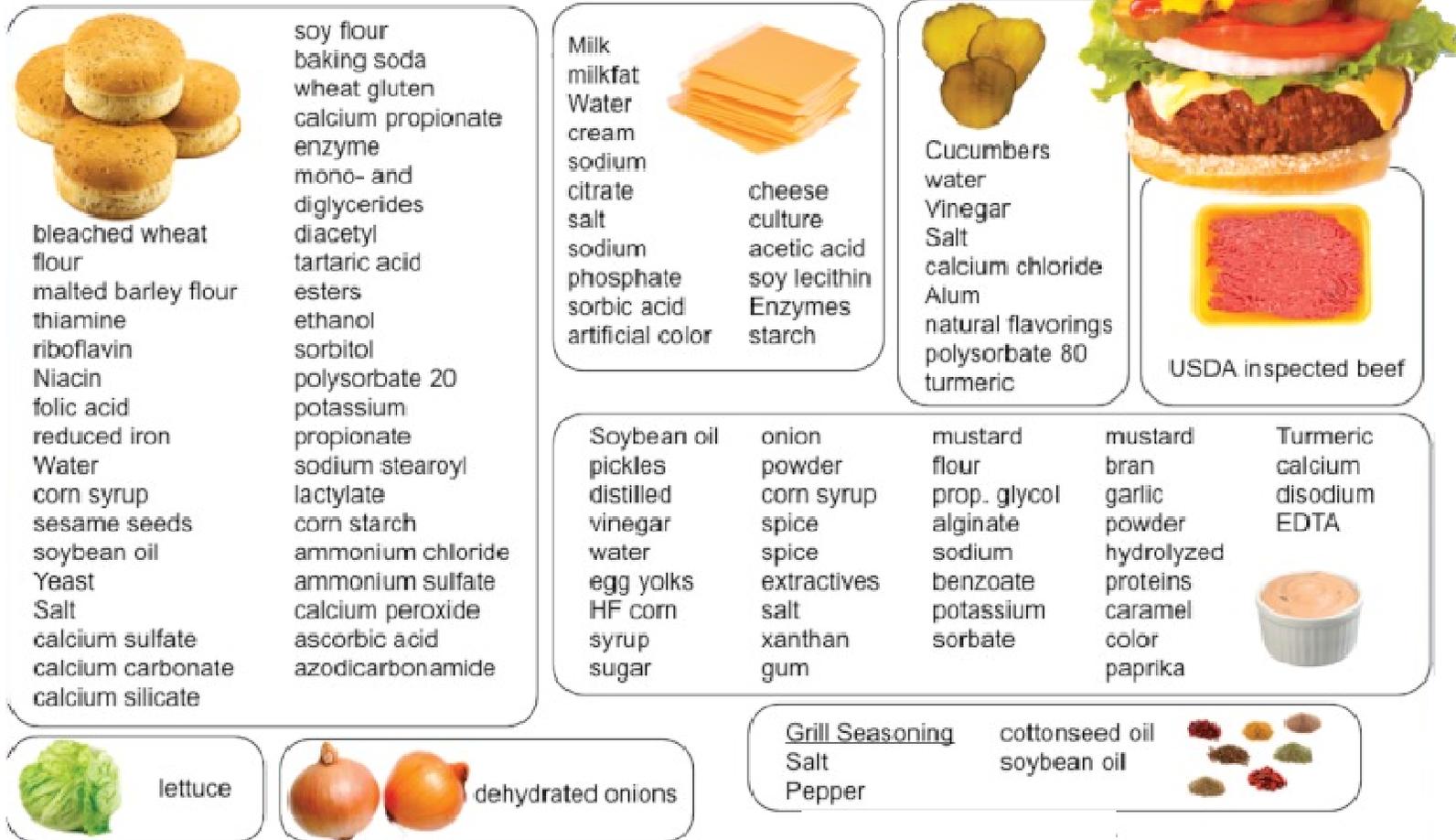
- Introduction to food incidents and food scares
 - Supply chain complexity
 - Typology of scares
 - What turns a food incident into a food scare?
- Projects:
 - How can we reduce their frequency and severity?
 - Agent Based Model:
 - How can improved information flows along food supply chains reduce waste caused by food scares?
 - Food Incident Interactive Training Tool (FIITT)

One hamburger from Burger King can contain ingredients from approximately 200 suppliers located throughout the United States and around the world.

Scholl, 2005 cited in Choffnes et al (2012)

The Complexity of a Cheeseburger - Ingredients

Global Supply Chain Complexity



The Complexity of a Cheeseburger – Countries of Origin

Globalizing the Cheeseburger



Vinegar
 Argentina
 Australia
 Austria
 Belgium
 Brazil
 Canada
 China
 Chile
 Colombia
 Denmark
 Dom. Rep.
 France
 Germany
 Greece
 Hong Kong
 Israel
 Italy

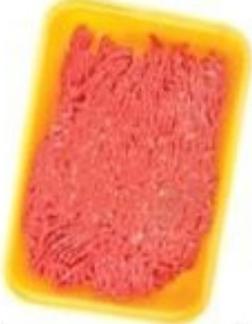
Japan
 S. Korea
 Lebanon
 Peru
 Poland
 Portugal
 Serbia
 Philippines
 Russia
 S. Africa
 Singapore
 Spain
 Sweden
 Turkey
 Taiwan
 U.K.

Garlic Powder
 Brazil
 Canada
 China
 Germany
 India
 Israel
 Japan
 S. Korea
 Mexico



Tomatoes
 Belgium
 Canada
 Colombia
 Costa Rica
 Dom. Rep.
 Guatemala
 Israel
 Morocco
 Mexico
 Netherlands
 New Zealand
 Poland
 Spain

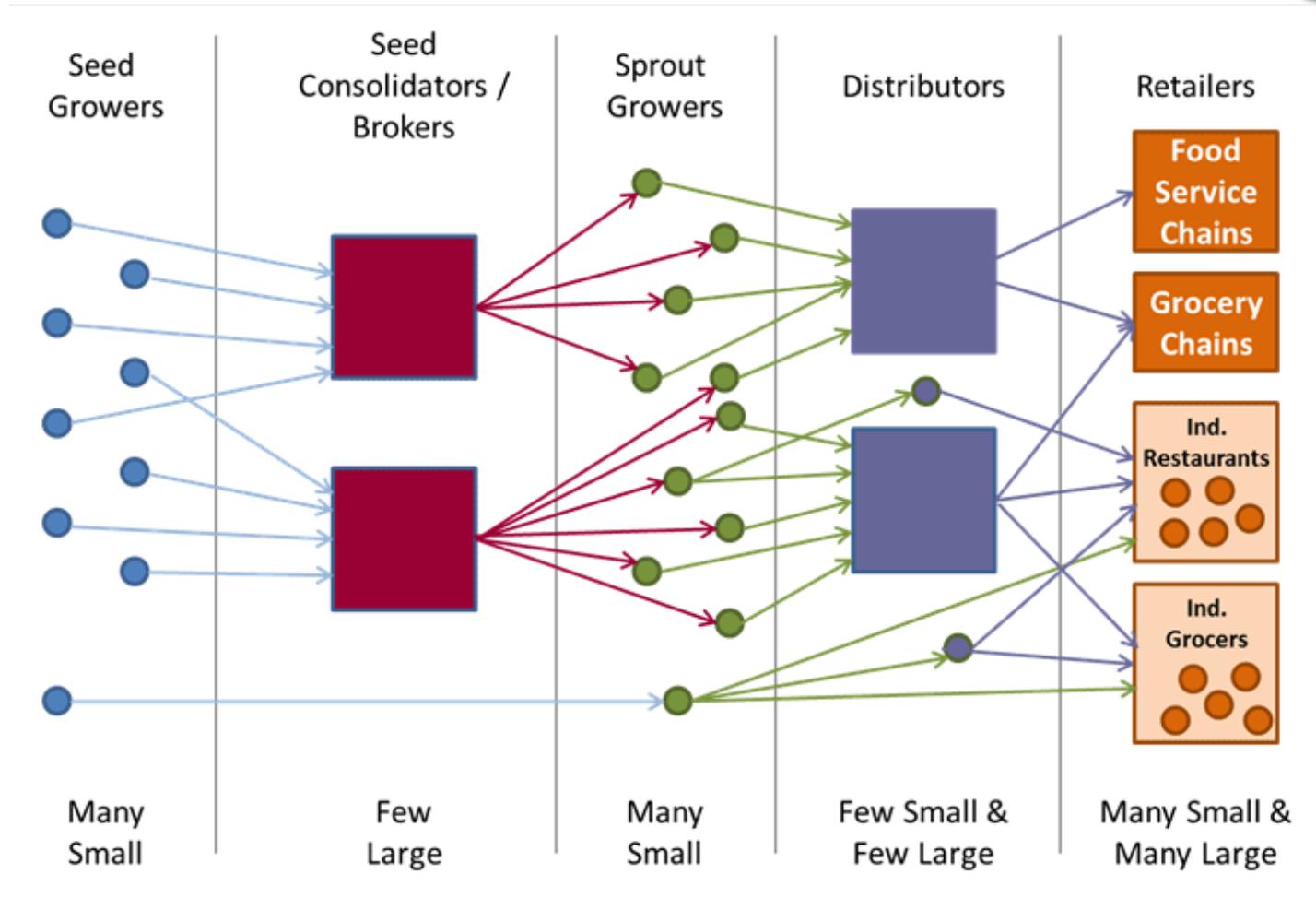
Beef
 Australia
 Canada
 Chile
 Costa Rica
 Honduras
 Japan
 Mexico
 Nicaragua
 New Zealand
 Uruguay



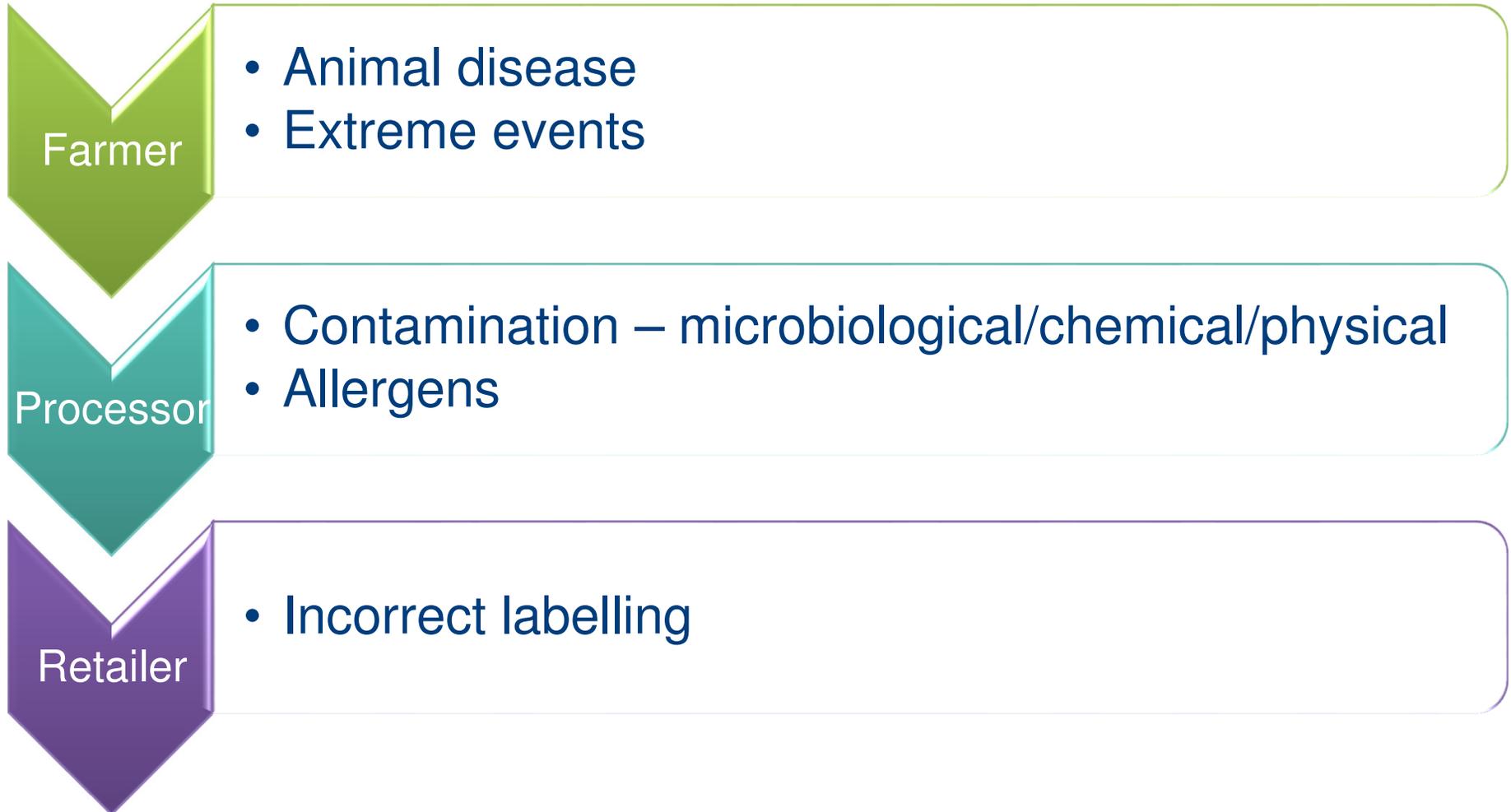

Wheat Gluten
 Australia
 Belgium
 Canada
 China
 Czech Rep.
 France
 Germany
 Kazakhstan
 Lithuania
 Netherlands
 Poland
 Russia
 Switzerland
 Thailand
 U.K.



Many actors interacting with many others across the food chain



Examples of shocks in different parts of the supply chain



What is a food scare?

The definition of food scare that we use here is:

The response to a food incident (real or perceived) that causes a sudden disruption to the food supply chain and to food consumption patterns.

Poisoned food in shops for 3 WEEKS: supermarkets clear shelves of cakes and quiches containing contaminated eggs from Germany

Test reveals Fonterra milk powder didn't contain botulism bacteria

China tainted milk scandal: Cadbury confirms melamine and 22 arrested

Horsemeat scandal: Don't dump meat, says food minister

Traces of melamine found in US-made baby formula

Japan bans Fukushima rice shipment due to contamination

In the past there have been many food scares

New Zealand's Fonterra finds botulism bacteria in dairy ingredient

Cucumber E.coli scare: UK shops reassure consumers as Spain demands compensation

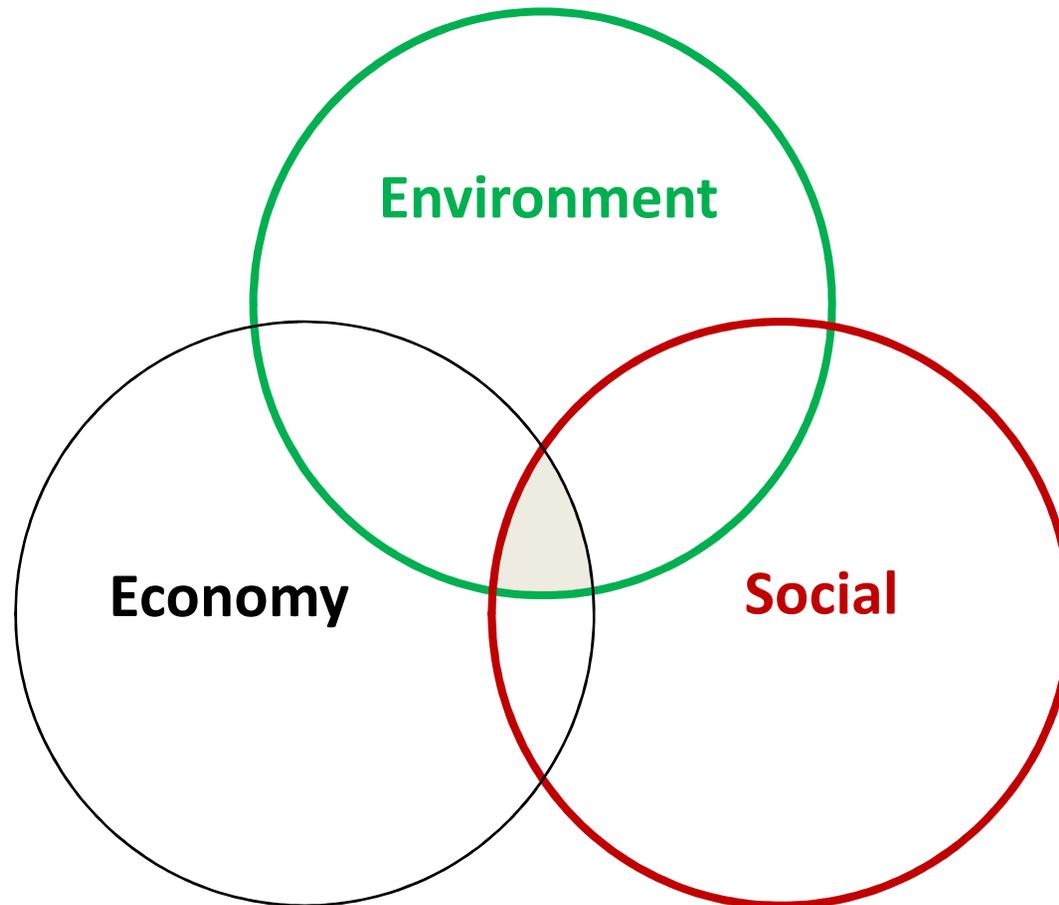
BSE meat from foreign cattle may be ending up in burgers

40 Tons of Tainted Pork Allegedly Sold in China

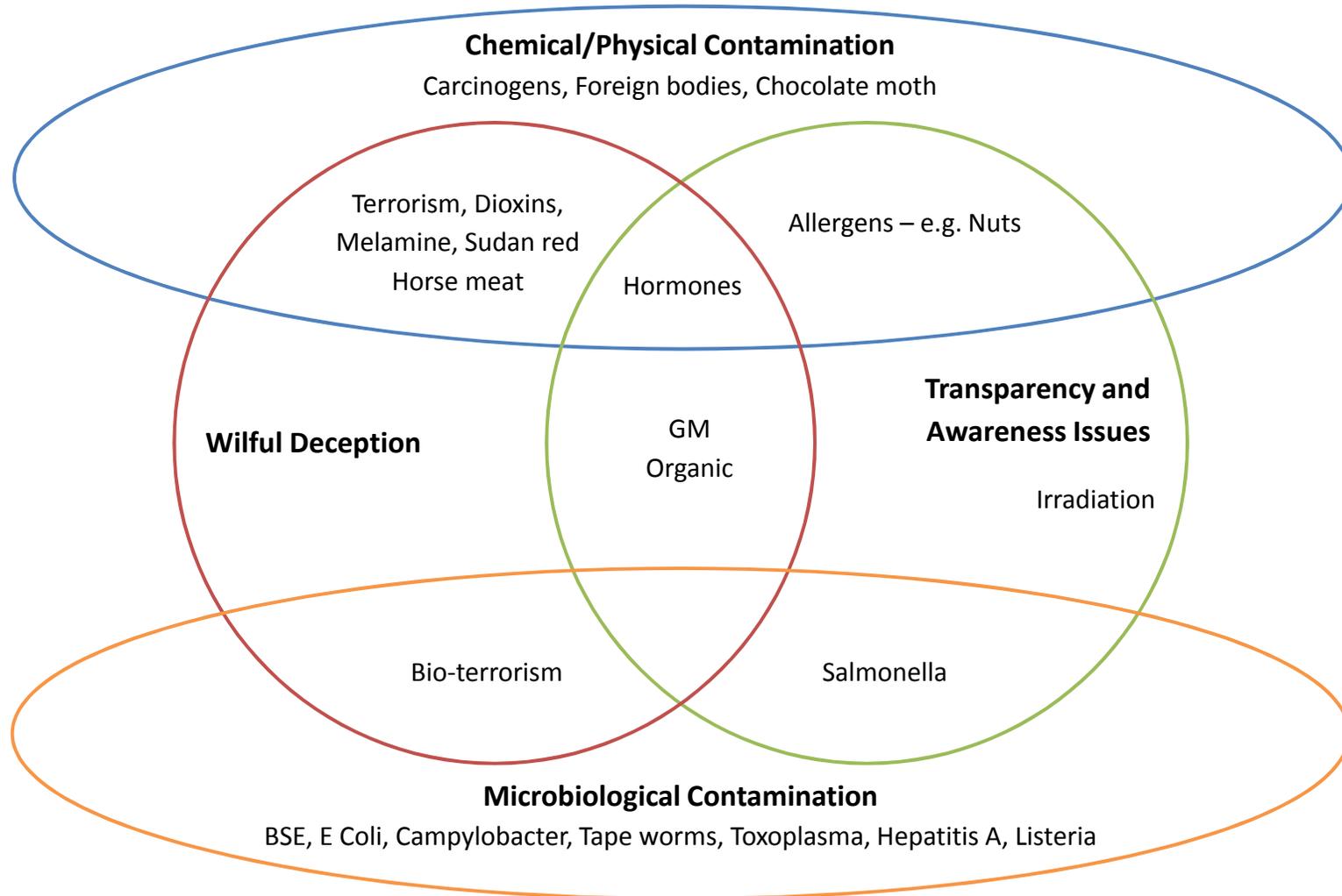
Top supermarkets secretly sell halal: Sainsbury's, Tesco, Waitrose, and M&S don't tell us meat is ritually slaughtered

It's all Double Dutch at Tesco as 'British' pork chops come from overseas

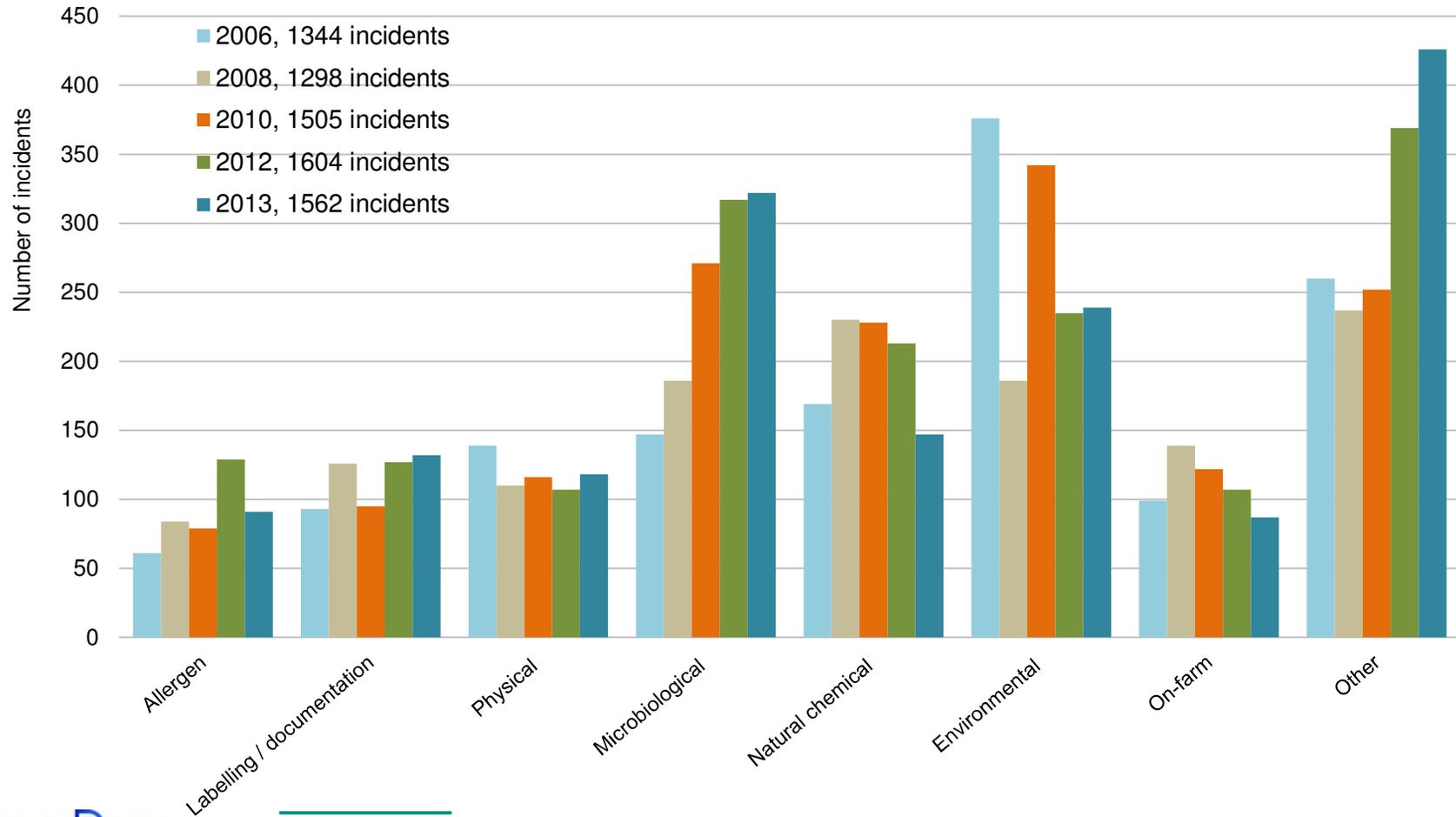
Why do food scares matter?



Food incidents: a classification



Contamination incidents investigated in the UK by the FSA



Food incidents happen all the time.....
But what turns
an incident
into a scare?



The media: reporting on horsemeat scandal

- First media report 16 Jan 2013
- Continues to present day
- Mainstream article ‘mentions’: >21,000

Volumes are based on a sample of mentions and do not encompass all mentions

www.gorkana.com/measurement-matters/measurement-matters/socialmediamonitoring/horsemeat-scandal/

Social Media



Blogger



Facebook



LinkedIn



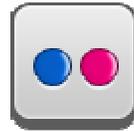
RSS



Tumblr



Delicious



Flickr



MySpace



Stumble upon



Twitter



Digg



Google+



Reddit



Technorati



You-tube

Social Media

- Social Media has changed the way we:
 - Communicate
 - Access information
 - Whom we share information with
- Effect of scale and types of social media sources:
 - Receive information multiple times
 - Often contradictory



Social Media



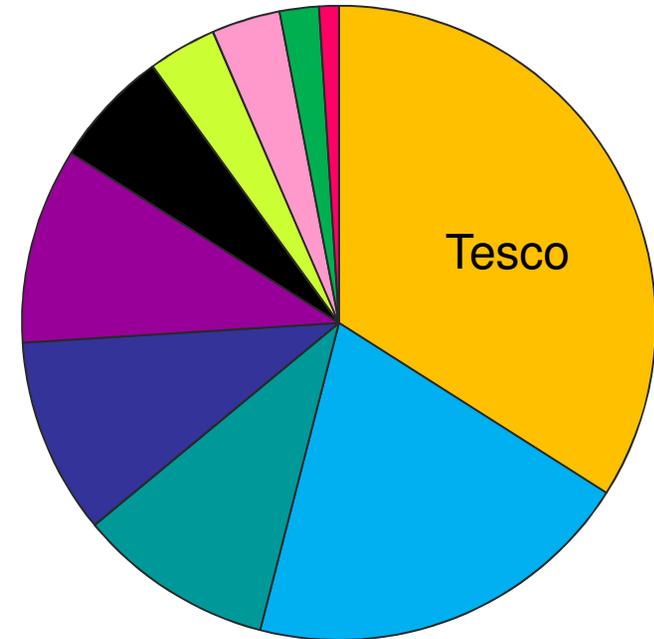
Positive?

- Helps communicating a message globally
- Inform a specific community
- Announce updates

Negative?

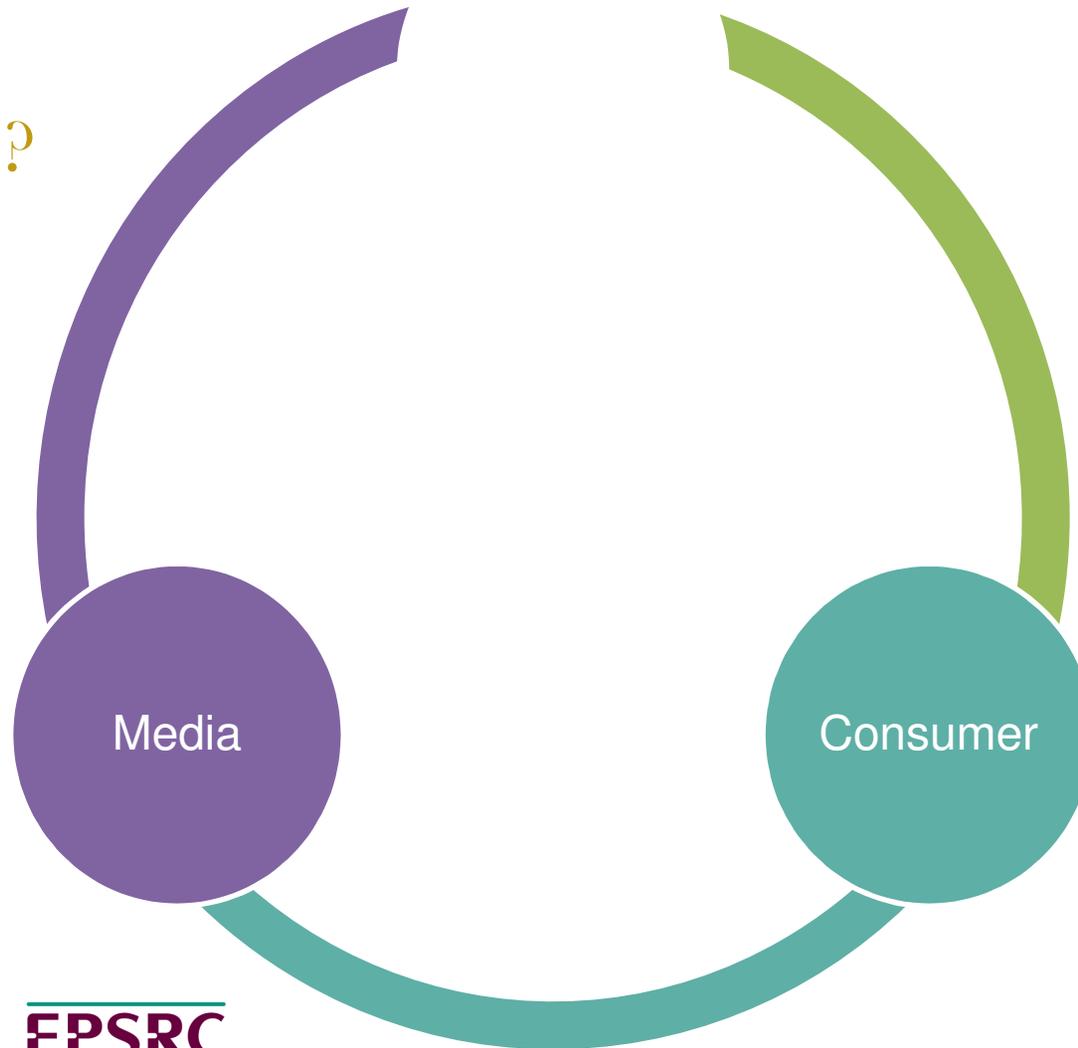
- Increased customer power
 - Harder for companies to contain negative publicity.
- Difficult to track negative or misleading statements
- Accidental release of confidential information
- Unauthorized employees speaking on company's behalf

How many mentions each supermarket received re horsemeat scandal in the media



- Tesco
- Aldi
- ASDA
- Sainsbury's
- The Co-operative
- Lidl
- Waitrose
- Morrisons
- IKEA
- Marks and Spencer

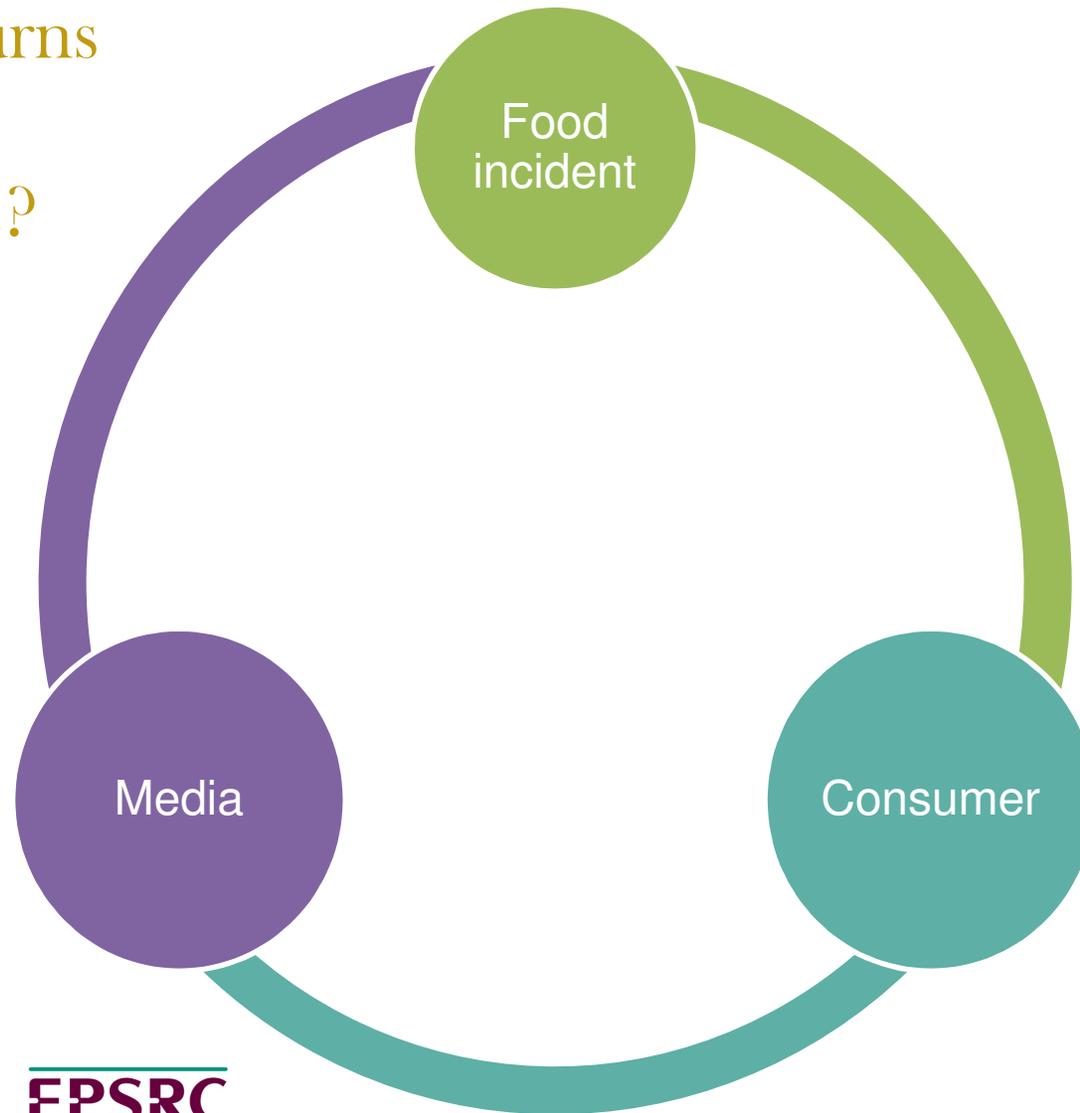
Food incidents happen all the time.....
But what turns
an incident
into a scare?



Consumers

- Perception by industry
 - Public are perceived as naïve and gullible
 - their responses are often deemed irrational
 - Beware of *who* it effects: pregnant women, elderly
- Important issues for consumers
 - What products affected?
 - Nature of the incident?
- Consumers' reaction
 - Who to trust?
 - Companies, news media, social media, government, specialist organisations?
 - Brand loss
 - Perceived frequency and severity of incidents

Food incidents happen all the time.....
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Dealing with food incidents

- Time is of the essence
- Information
 - Acquired quickly
 - Accuracy
 - Usable format
 - Educate the consumer
- Trust
 - Between industry stakeholders
 - Between industry and the public
 - *“It takes 20 years to build a reputation and five minutes to ruin it”*
(Warren Buffet)
- Price wars
 - Cheap is not always best
- Media
 - There is a need for industry and government to improve their communication skills with the public

It is essential that consumer interests are put first, and that the relevant organisation counters the misinformation with clear and accurate content.

Sloan, Williams and Burnap. COSMOS Project, Cardiff University.
software.ac.uk/blog/2014-08-28-going-viral-social-media-networks-intercepted-misinformation?mpw

The Policy Arena

- British Retail Consortium
- Cabinet Office strategy unit
- DEFRA
- European Commission
- European food safety authority
- Food and Agriculture Organisation of the UN
- Food and Drink Federation
- Food Standards Agency
- Foresight: Government Office for Science
- Soil Association
- WRAP
-



BRITISH **RETAIL** CONSORTIUM
for successful and responsible retailing



Government Office for Science



erie.surrey.ac.uk

Current Policy

- No area of policy is dedicated to either food incidents or information flow along the supply chains
- Promotion of more informative labelling for consumers
 - More informed choice but not direct supply chain info
- A new strategy for increasing integrity and assurance of the Food Supply Network
- Acknowledgement that:
 - Information is extensively collected in some areas; neglected in other areas
 - Depending on stage of the supply chain and type of food product
 - For there to be increased information there needs to be increased trust

Initiatives following the horsemeat scandal

- Elliott Report
 - 2013 - Review into the Integrity and Assurance of Food Supply Networks- Interim report
 - 2014 - Review into the Integrity and Assurance of Food Supply Networks- Final report
 - 2014 - Government response to the Elliott review of the integrity and assurance of food supply networks
- Food and Drink Federation
 - 2013 - Food Authenticity 5 steps to help protect your business from food fraud
- Food Standards Agency
 - 2013 - Review of Food Standards Agency response to the incident of contamination of beef products with horse and pork meat and DNA.
 - 2013- Report of the investigation by the Food Standards Agency into incidents of adulteration of comminuted beef products with horse meat and DNA

Plan of Presentation

- Introduction to food incidents and food scares
 - Supply chain complexity
 - Typology of scares
 - What turns a food incident into a food scare?
- **Projects:**
 - **How can we reduce their frequency and severity?**
 - **Agent Based Model: Information Flows**
 - Food Incident Interactive Training Tool (FIITT)

How can improved information flows along food supply chains reduce waste caused by food scares?

- Development of an Agent Based Model
 - To be used as a tool to increase understanding
 - What information currently flows along supply chains?
 - What are the barriers to information flows?
 - What happens at the time of a food scare?
 - Initial focus: beef mince and horsemeat scandal
 - To explore policy and governance strategies
 - Based on Elliot Report recommendations

3 specific Supply Chains

- Meat
 - Beef mince
- Grain
 - Bun
- Vegetable
 - Lettuce, tomato



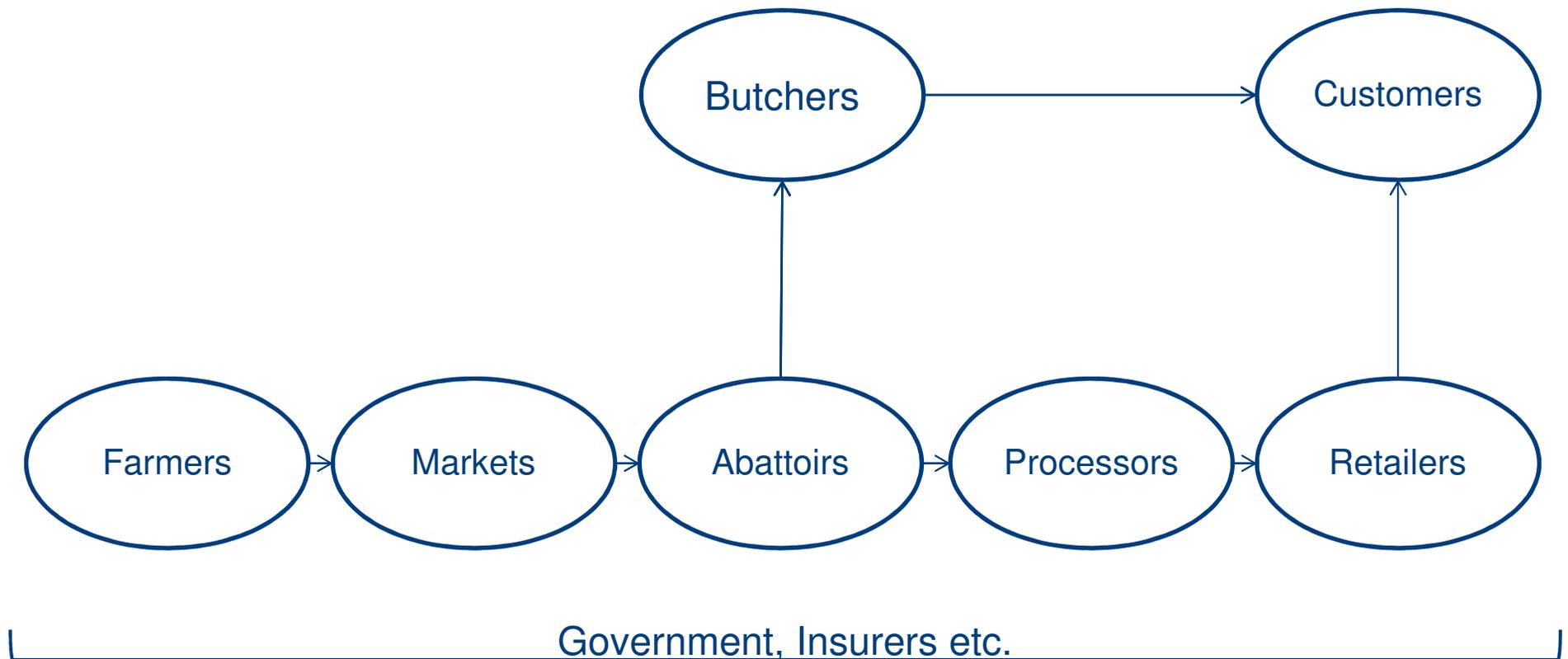
Assumptions and limitations of the model

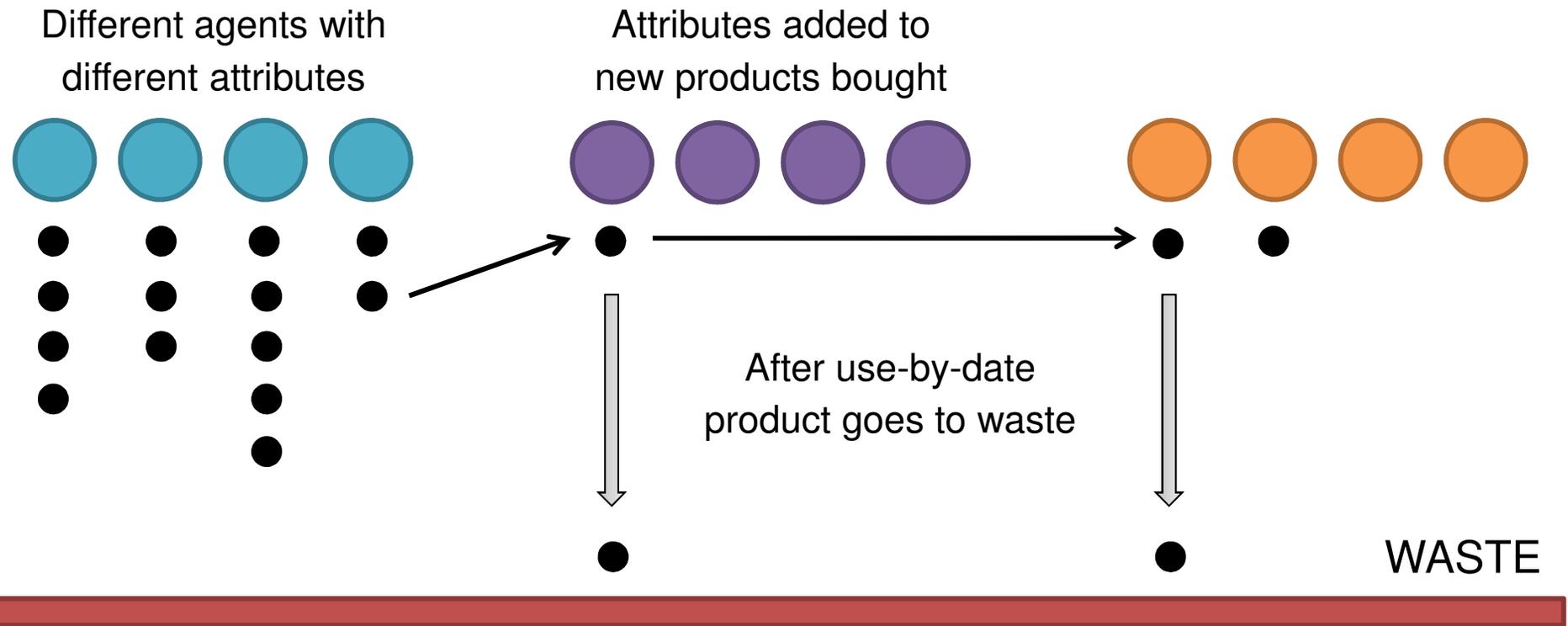
- Simplification of the supply chain
- Mapping information flows
 - Qualitative and quantitative information
- Confidentiality issues
- The market : we are not taking account of price.
 - Assume all products are in a suitable price range for the buyer
- Indicator
 - Food waste

Stakeholder engagement

- Expert interviews
- Workshops

Agents





**Global
Time
Shocks**

Product

Sold and bought along supply chain

Information as Attributes

- * Attributes are added along the supply chain
- * If not consumed after period of time then goes to waste
- * When shock wasted if matching attributes

Farmer

Sell to retailer → sells in bulk

- * Add attributes to products
- * Learn from information level
- * Die if no stock for time period

Retailer

Sell product → customer individually
Buy from farmer → buys in bulk

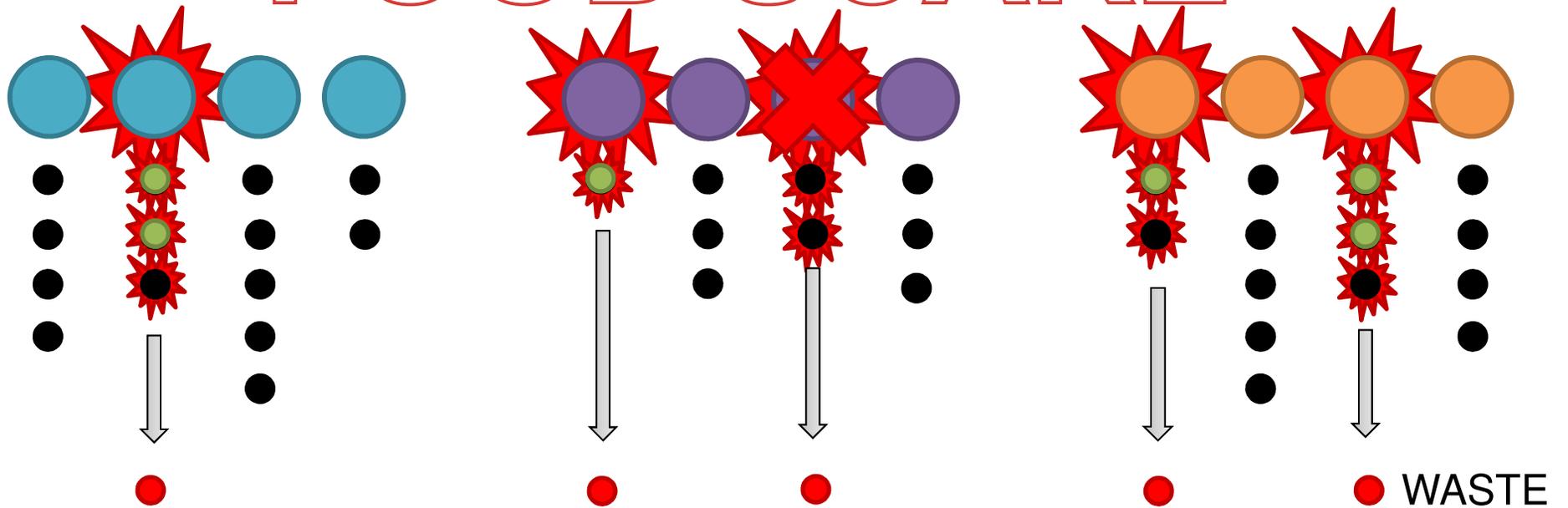
- * Buy if product has key attributes
- * Add attributes to products
- * Do not buy if sufficient stock
- * More probable to buy from previous supplier
- * Chooses whether to buy
- * Learn from information level
- * Die if no stock for time period

Customers

- * Buy if product has key attributes
- * Do not buy if sufficient stock
- * More probable to buy from previous supplier
- * Chooses whether to buy
- * 60% of products are eaten under normal circumstances



FOOD SCARE



What is the effect of varying information along food supply chains?

Types of information (examples)

- Age / Date of Birth
- Animal feed type
- Animal Passport
- Certification type
- Country of origin
- Details (e.g. Name, address, licence) for Farmer, Market, Abattoir, Processor, Retailer, Butcher
- Electronic records
- Existing relationship with seller
- Fat content / Visible Lean
- Packaging
- Samples available
- Seller's audit frequency and type
- Slaughter date
- Slaughter method
- Storage
- Veterinary data

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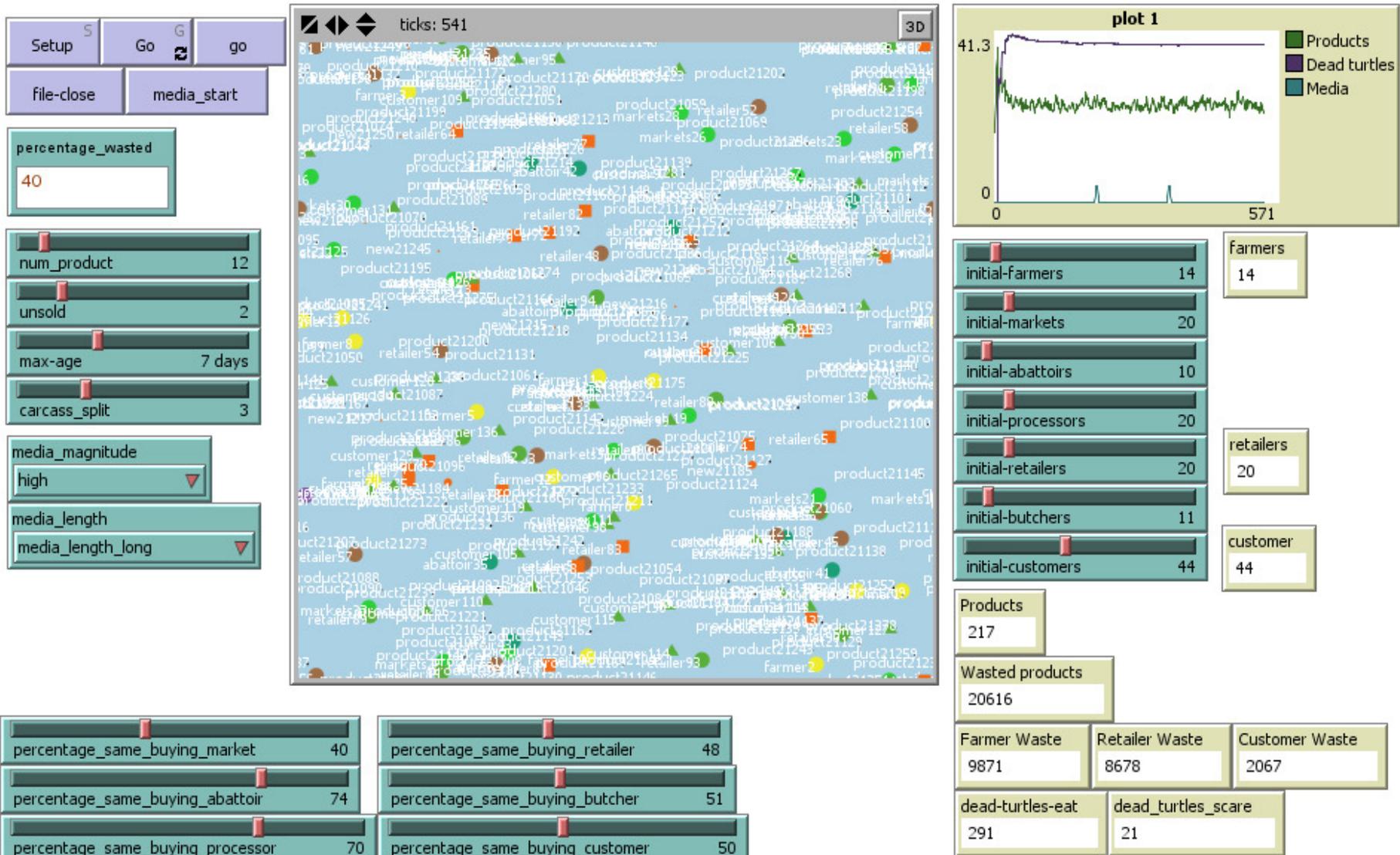
Information issues

- Incorrect
- Missing

Traceability Index

- How much information is available about the product as it passes along the supply chain?
 - Based on information about each organisation involved in the supply chain, e.g.
 - Implementation of management schemes (eg ISO22301 Business Continuity Standard)
 - Audit regimes
 - Compliance with recommendation of voluntary depositing of data in a central database (as recommended by Elliott 2014)
 - Use of electronic vs paper information systems
 - Availability of samples for testing
 - Investigations for food fraud

ABM Model - NetLogo



What happens in the scenarios?

Audits

Check whether audits have been conducted and if not then the traceability is reduced

Can change the amount of sampling

Local Authority checks that companies are complying. Those who are not cannot sell

Mass balance and more focused audits are applied

Media

Embargo on press reports for a set period of time.

Suggested times: 2, 5, 10 days

Risk and response

Crime squad: if the stakeholder's traceability ratio becomes too low then they will be penalised

Information database - two levels: compulsory and voluntary. This affects the stakeholders' traceability

Each stakeholder has level of strategy which will affect their ability to sell in a scare.

Products

All products removed from sale until they are proven to not be contaminated

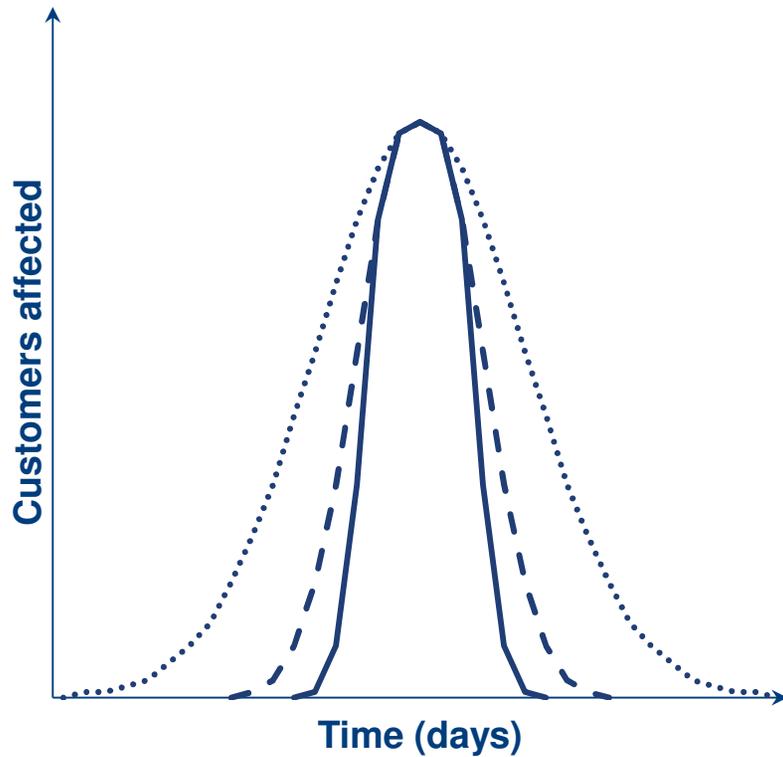
or

All products left on sale until they are proven to be contaminated

Media

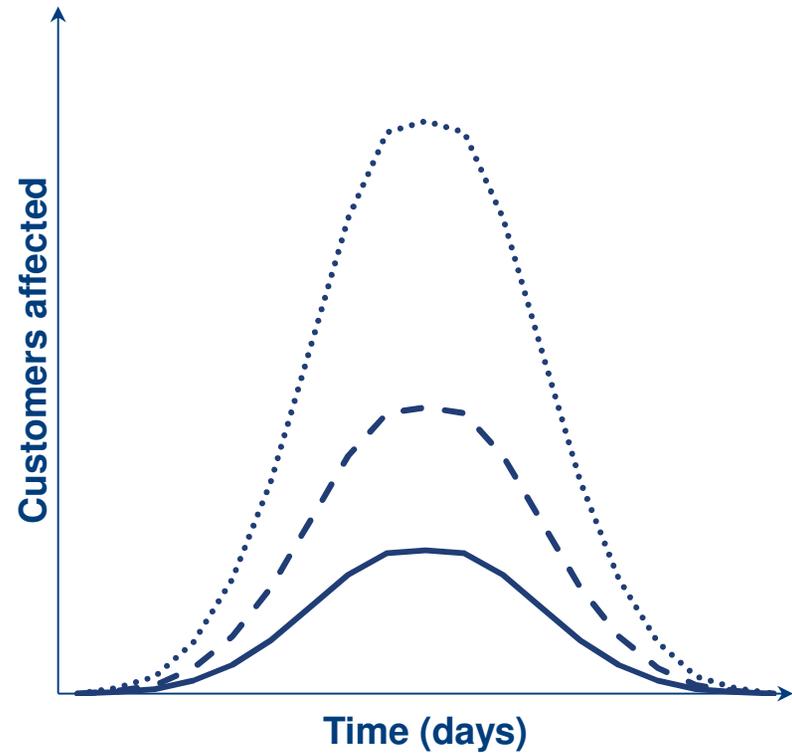
When the scare occurs the customers in the model will waste a percentage of the customers' products according to the magnitude of the scare

Length



..... Long 33 - - Medium 17 — Short 11

Magnitude



— Low x1 - - Medium x2 High x4

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Food Incident Interactive Training Tool (FIITT)

A tool for use by companies to test out their plans for what to do in the case of a food incident, and for training staff.

- Balance between speed of taking action with accuracy of knowledge
- Dealing with the media
- Record keeping during incident
- Who to talk to during a food incident
- Implications of when decision is made to withdraw product

Food Incident Interactive Training Tool (FIITT)



Food Incident Interactive Training Tool

Day: 1

Scenario Status: FSA has received reports indicating salmonella found in bean sprouts.

Your organization

Status

Reputation: 10
 Brand equity: 10
 Revenue Loss: 0
 Resources: 10

Available actions:

- Ask FSA for update (cost: 0)
- Consult lawyer (cost: 2)
- Release a press statement (cost: 1)

Time Limit: 00:01:00

SUBMIT

Public

News

Twitter

In-house quality control

(Message from quality control)

FSA

(Message from FSA)

Insurer

(Message from Insurer)

Trade Organisation

(Message from trade organisation)

Lawyer

(Message from Lawyer)

Food Incident Interactive Training Tool (FIITT)



Food Incident Interactive Training Tool

Day: 2
 Scenario Status: First news reports about salmonella in bean sprouts.

Your organization

Status

Reputation: 10
 Brand equity: 10
 Revenue Loss: 1
 Resources: 10

Available actions:

- Ask FSA for update (cost: 0)
- Consult lawyer (cost: 2)
- Inform crisis team (cost: 1)
- Perform test on product (cost: 2)

Time Limit: 00:00:45

SUBMIT

Public

News

BBC: News at 10 - Salmonella in bean sprouts. Should you worry?

Twitter

USER123: salmonella in bean sprouts! #scaredofsprouts #salmonellasprouts

In-house quality control

FSA

Still under investigation. Will update soon.

Insurer

Trade Organisation

Lawyer

Food Incident Interactive Training Tool (FIITT)



Food Incident Interactive Training Tool

Day: 3

Scenario Status: Mounting public concern over bean sprouts.

Your organization

Status

Reputation: 10
Brand equity: 10
Revenue Loss: 2
Resources: 8

Available actions:

- Ask FSA for update (cost: 0)
- Consult lawyer (cost: 2)
- Consult insurer (cost: 2)

Time Limit: 00:00:33

SUBMIT

Public

News

Daily Mail:
Salmonella in 10
states linked to
raw sprouts

Twitter

Sprouthead: Afraid
to eat my favourite!
What to do?
#scaredandconfused
#salmonellasprouts

In-house quality control

*Initial test inconclusive.
Retesting*

FSA

Insurer

Trade Organisation

Lawyer

Link the ABM to the training tool

Food Incident Interactive Training Tool

Day: 1

Scenario Status: FSA has received reports indicating salmonella found in bean sprouts.

Your organization

Status

Reputation: 10
Brand equity: 10
Revenue Loss: 0
Resources: 10

Available actions:

- Ask FSA for update (cost: 0)
- Consult lawyer (cost: 2)
- Hold a press release (cost: 1)

Time Limit: 00:01:00

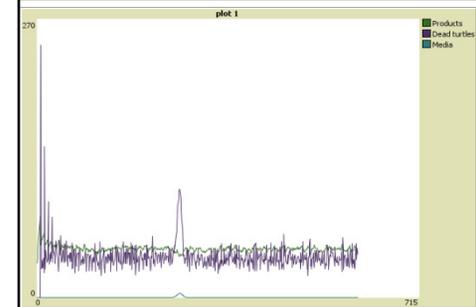
SUBMIT

Public

News

Twitter

Model output



FSA

(Message from FSA)

Insurer

(Message from Insurer)

Trade Organisation

(Message from trade organisation)

Lawyer

(Message from Lawyer)

Food Incident Interactive Training Tool (FIITT)

- Co-design and build
 - aim
 - fit for purpose
 - sharing knowledge, data and information
 - appropriate indicators of performance
 - platform
 - situations and use
 - online testing and piloting
- Iterative process

Conclusion

- Participatory development of tools
- A better understanding of the dynamics of food scares
 - Classification
 - Role of information
- Testing policies to reduce disruptions due to food scares
 - Reduce frequency and severity
 - Reduce in food wastage and associated environmental burdens
 - Reduce wider economic and social losses