Australian Food and Grocery Council

CRISIS MANAGEMENT

A GUIDE FOR THE FOOD INDUSTRY IN MANAGING CRISIS EVENTS THAT IMPACT ON PRODUCTS

2009
Further information about these guidelines can be obtained from
the Australian Food and Grocery Council

www.afgc.org.au

Fundamental to the successful application of the guidelines is the mutual recognition of
the legitimate interests of all relevant parties. The guidelines are an adjunct, not an
alternative, to the detailed internal procedures of the parties.
There can't be a crisis next week...

My schedule is already full.

*Henry Kissinger*
EIGHT CRITICAL STEPS

The Australian Food and Grocery Council (AFGC) has identified the eight critical steps to effective crisis management. They are listed below in the three key areas of Readiness, Responsiveness and Recovery.

**READINESS**

1. Before any crisis or recall:
   - develop Crisis Management Procedures (CMP)
   - assemble and train a Crisis Management Team (CMT)
   - establish and test CMP
   - build relationships with police, health and other officials.

**RESPONSIVENESS**

2. Once a crisis or recall situation occurs:
   - assemble the CMT immediately and follow agreed procedures
3. Determine the facts and assess the risk:
   - verify information and confirm details
   - make an initial assessment of the risk to public health and safety
   - notify manufacturer or supplier before a decision is taken.
4. Maintain confidentiality:
   - restrict communication to those that need to know
   - direct all media inquiries to a designated person
5. Decide appropriate action:
   - determine the course of action based on risk analysis
   - advise relevant authorities, wholesalers, retailers and distributors
   - involve the police if a criminal offence is possible
   - verify action has been undertaken and quantify response
6. Coordinate action throughout the supply chain:
   - ensure procedures are in place throughout the supply chain
   - identify affected stock and arrange retrieval, storage or disposal
7. Communicate clearly and precisely:
   - be first, be right, be credible
   - provide clear, concise and accurate information to all involved parties

**RECOVERY**

8. Evaluate effectiveness:
   - assess effectiveness of the management of the crisis from an analysis of recorded document
   - close-out product recall and determine the effectiveness of traceability of shipped product and potential exposure to liability claims
   - implement corrective action to reduce or eliminate the possibility of reoccurrence based on the events identified that led to the crisis
Crisis Identification

Early identification of an impending crisis is an essential element of effective response. The monitoring and communication of potential issues ensures awareness and a readiness to respond if the situation escalates to crisis status. The CMT should be informed of possible events as soon as possible.

The First Two Hours are Vital

In any crisis – actual or threatened – the actions of the first two hours can have a major impact on the successful resolution of the crisis, including the apprehension and conviction of offenders where relevant. Staff at any level in the organisation may be initially involved and need to know how to respond appropriately. Making the distinction between more predictable quality issues or consumer complaints and a serious incident is critical at this stage.

Tips for the First Two Hours

Information about the crisis may come from various sources:

- if by phone, remain calm, write down what is said, get details and note as much information as possible
- if electronic, contain the circulation and inform the CMT
- if in writing, with absolute minimum handling, put the document in a paper envelope or plastic folder
- document as many facts as possible: open a log and detail observations, conversations etc
- retailers should secure returned product, and / or record all necessary details
- for media contact, record the name and telephone number of the caller and other relevant information
- initial contact from police or health officials should be referred immediately to appropriate senior management.

A senior manager should be called immediately and a situation brief provided.

The CMT should be notified using the agreed procedures and contact numbers.

Make no comment to media regarding the incident and refer all calls to the designated officer.

Where necessary, and only under the direction of the CMT, contact the police.

Note: In Queensland, it is mandatory to immediately report when there is a reasonable suspicion that tampering has occurred, without waiting for confirmation or analysis of evidence by phoning the hotline number 13 43 25 84 calling within Qld, or (07) 3234 0111 calling outside of Queensland.
OVERVIEW

“In any moment of decision the best thing you can do is the right thing, the next best thing is the wrong thing, and the worst thing you can do is nothing.”

Theodore Roosevelt (26th President USA)

Food and grocery manufacturers take all necessary steps to ensure consumer health risks within their control are minimised and all relevant legislation, regulation and government guidelines are adhered to.

However, food and grocery companies and their products are increasingly subject to threat, external contamination and tampering; while continuing to need to manage consumer concern over product failures. AFGC, in consultation with member companies and stakeholders (retailers, police, health departments) has developed a set of guidelines to:

- **safeguard public health and consumer confidence** in grocery products through the effective management of product-related incidents and other crises such as pandemic
- **promote a consistent, nationally coordinated approach** to crisis incidents by suppliers, manufacturers, retailers, enforcement, health and other agencies and the media
- **provide a framework for an efficient and effective response** at times of emergency.

A crisis is an unpredicted set of circumstances which represents an immediate and significant threat to a company, consumers, employees or the community. This may include threat, risk or danger to product, staff, or facilities, potentially resulting in damage to the reputation of a company, products, staff, consumers or disruption to the value chain process. A crisis cannot be ignored, and the ability to respond quickly, efficiently and appropriately may determine the very survival of the company.

The continuity of the food and grocery supply is critical to all Australians. Any potential threat to this should be considered a possible crisis. While the principles outlined in this document predominantly speak to product threat they can be adapted to any crisis situation, and assist in the control of such events as: physical threats (acts of nature); terrorism; pandemic.

To mitigate the risks associated with any crisis companies need to develop a sustainable plan that reduces the likelihood and impact of a crisis. The Crisis Management Procedures (CMP), as part of a framework developed by the Crisis Management Team (CMT), should consist of three key areas - Readiness, Responsiveness and Recovery.

Essentially Readiness, Responsiveness and Recovery refer to various actionable items to be taken before, during and after a crisis. Some activities are intended to reduce the likelihood while others are designed to reduce the impact. Frameworks such as this may seem relatively straightforward but the devil is in the detail.
These procedures are the basis for cooperative action by all relevant parties in response to a variety of potential incidents. It is important that the parties recognise each other’s legitimate interests and seek to manage incidents in a way that minimises the potential damage to those interests, while ensuring the safety of the public. A successful response requires the active cooperation and participation of grocery manufacturers with retailers, wholesalers, enforcement authorities, government agencies and the media.

The purpose of this guide is to assist the food industry in managing threats and product safety. It is intended to:

- provide a framework for the development of a company’s OWN crisis management guide
- detail key considerations for effective crisis management
- make available relevant contact details for various stakeholders
- offer an additional resource to ensure practices are continually reviewed and relevant.
THE THREE Rs

READINESS

The first step – Readiness – requires companies to take all necessary steps to eliminate consumer health risks within their control and to adhere to all legislation, regulations and government guidelines. These steps should include the quality assurance and control of raw materials, manufacturing processes, packaging material and distribution practices. Useful guidance on the requirements of some of these processes can be found in AS 3902/ISO 9000 standards, Total Quality Management (TQM) principles, and Hazard Analysis and Critical Control Point (HACCP) techniques.

Crisis Management Team

Establish a CMT, responsible to the CEO with authority to act and with relevant experience to properly assess a threat or crisis.

At times of crisis it is essential that individuals stick precisely to their defined tasks, and it is each company’s duty to ensure that these tasks are allocated well in advance and individuals are trained in carrying them out.

The CMT must manage the crisis so as to:

- minimise or eliminate any danger or risk to the public
- minimise or eliminate any risk to the company, other companies in the group, and employees of the company or group
- make all decisions needed to achieve these objectives after consultation with relevant authorities and others as appropriate
- communicate all necessary information accurately and truthfully to all relevant parties in a timely, efficient, orderly and calm manner
- prepare a post-incident report.

CMT membership should be limited to the smallest number of senior personnel necessary to manage the incident. The CMT should have immediate access to communications, security, legal, marketing, operations, finance, technical and human resources. For each member of the CMT a ‘second in charge’ must be appointed, trained and fully aware of their responsibilities as succession planning is essential.

Functional expertise, including private risk management services that specialise in advice on contamination and extortion issues, should be called in as necessary.

The CMT must be supported by an efficient secretariat which will prepare all necessary documentation but need not necessarily participate in the actual management or decision-making of the crisis.

All CMT members must:

- know the CMP, understand their roles and be trained to carry them out
have instant access to all relevant documentation, for example, company product retrieval plans, guidelines, telephone numbers, position papers and other company policy documents

- be able to identify, equip and use an appropriate incident room where an emergency can be managed privately
- have access to the names and telephone numbers of necessary contacts in police forces, government agencies, the retail trade and the media.

The Crisis Management Procedures (CMP)

An effective CMP will ensure compliance with legal requirements; provide a systematic assessment of incidents; manage and control serious incidents; and protect company assets, which includes brand reputation.

Companies should have documented CMP which includes details on:

- CMT
- risk assessment tools
- contact lists / details
- approved testing facilities
- protocols for testing the CMP.

The benefits of having a clearly defined CMP and establishing objectives means that people focus on the main issue and it can help to bridge the differences with other involved organisations. A typical set of primary objectives will cover:

- protection of life and health
- termination of the incident e.g. arrest of the offender
- protection of the interests of the company and its employees
- responsible crisis management by the company.

Risk Analysis

Risk analysis is the systematic approach used to identify hazards and characterise their risk; identify the options and resources needed to manage these risks, the exchange of information and how risks will be managed and prioritised.

The goal of risk analysis is to enable the company to develop the plans and skills needed in the management of risks that may represent a threat to consumers, and to ensure effective flow of communication to avoid both panic and misinformation.

Risk Assessment

Identifying the hazards and classifying the risks in advance of a crisis is a very difficult, but an essential part of a CMP. It is essential that the risk is characterised correctly during a crisis as this will determine the potential.

The difficulty in identifying the hazards and analysing the risks is partly because the company needs to imagine every possible scenario, including the impossible. It requires regular review because multiple variables in the scenarios change rapidly and often.

One risk assessment tool, hazard identification, provides a transparent and scientific basis to identify hazards and determine their risks. The following outlines four key steps in this process.
This form of risk assessment provides an estimate of the probability of the risk; severity of the risk; and effect of the failure. The four-step process enables this to be carried out in a systematic manner, but the extent to which the steps are absolute will be dependent on the scope of the assessment. This can be defined clearly by the CMT through ongoing dialogue with the broader organisation.

This process is recognised as a resource-intensive task requiring a multidisciplinary approach. As well as a tool that can be used in the management of the risks it can also be used to justify the introduction of more stringent standards within organisations.

**Contact lists / details**

The company is responsible for maintaining the currency of contact details necessary to manage an incident.

Integrating the required information into computer systems and networks will be beneficial and allow ease of access and updating. However, a physical copy of the information should be maintained as part of the CMP in the unlikely event of computer failure.

Contact details should include:

- crisis management team
- retailer/customers
- Food Standards Australia New Zealand
- Commonwealth/State police crime investigation officers
- Commonwealth/State food recall action offices
- Commonwealth/State medicine recall coordinator officers
- Commonwealth/State public health officers
- raw material and packaging suppliers.
Approved testing facilities

Organisations are encouraged to establish contact with analytical laboratory services that can be called upon in an emergency, at short notice and in consultation with police to maintain the integrity of evidence. Testing facilities should be independently approved and audited regularly.

There may be a requirement to identify a number of testing facilities based on areas of expertise, for example food micro-organism testing; foreign body identification; or contaminate detection.

In some instances companies may need to work closely with the relevant government agencies to identify the problem and the most appropriate test options.

The National Association of Testing Authorities (NATA) is Australia's national laboratory accreditation authority. NATA accreditation recognises facilities that are competent in specific types of testing, measurement, inspection and calibration. This may be important should there be a dispute over the accuracy of results or if laboratory results are relied upon as evidence in court action. NATA maintain a list of approved testing facilities on their website.

Protocol for testing the Crisis Management Procedures

The CMP should be regularly tested (planned and unplanned testing) and reviewed at least annually, or when changes are made. The containment of such tests is essential to ensuring confidentiality; typically tests should be kept within the businesses ‘four walls’.

The test should determine whether the CMP:

- conforms to the planned arrangements
- members understand their responsibilities
- is effectively implemented and maintained.

A planned testing program should take into consideration the status and importance of the processes and areas to be tested, as well as the results of previous tests, test criteria, scope, frequency and methods.

Follow-up activities shall include the verification of the actions taken and the reporting of results. It is important the internal testing ensures the CMP is effective and operational, test results should be recorded.

This information can be useful in predicting areas of potential problems and in amending working practices to ensure that problems do not occur.
RESPONSIVENESS

The second step – Responsiveness – details the key steps necessary in responding to a crisis. Each situation will be different so the CMT and CMP need built-in flexibility to respond appropriately to each event.

Crisis Identification

Early identification of a pending crisis is an essential element of effective response.

Determining criteria to identify a possible crisis and potentially adopting a stage gate or traffic light approach to severity may assist companies in clearly identifying when an issue becomes a crisis. Making the distinction between more predictable quality issues and a serious incident is critical.

The monitoring and communication of potential issues ensures awareness and a readiness to respond if the situation escalates to crisis status. The CMT should be informed of significant issues as soon as possible and given regular status updates.

The First Two Hours are Vital

In any crisis the actions of the first two hours can have a major impact on the successful resolution as well as the apprehension and conviction of offenders where relevant. Staff at any level in the organisation may initially be involved and need to know how to respond appropriately. Staff education and training is essential to ensuring a suitable response.

Information Sources

Information about the crisis may come from a number of sources and the initial response can greatly influence the outcomes. It is essential that, in addition to following the CMP, confidentiality is maintained and information is disseminated on a need to know basis only.

The first approaches are most likely to originate from the following sources:

- Internal - quality assurance reports, manufacturing process failure, post-production product assessment, raw material and packaging suppliers.
- External - consumer complaints, phone calls, emails or hardcopy mail from customer, e-communication, retailer, journalist or threat source.

All threats should be treated as real and these guidelines followed.

Telephone

A procedure should be developed to ensure that where possible the call goes to designated individuals as soon as possible. The exact time and message content should be written down immediately, and preferably be recorded. The accents and gender of the caller should be noted, and anything unusual about their speech or background noise. If the caller is not specific on product details or threats then he/she should be asked for some more details. (see Appendix C – Extortion Threat Information Form).
Electronic Media

Electronic receipt of potential threats should be considered by the company. These could include email, blogs and SMS messaging. The containment of electronic media is very difficult but critical; the dissemination of messages should be strictly limited and controlled. Original messages should be kept, maintained and details recorded.

Letter / Facsimile or CD / DVD

As soon as the recipient realises what information the letter, facsimile or CD / DVD contains, handling should be kept to a minimum. Place any letter or facsimile in a clear plastic folder and seal it so that it can be read through the cover. At all times the envelope should be retained along with the letter/contents themselves. Place any physical evidence in a plastic folder (see Appendix D – Guidelines for the Handling of Evidence).

Police

In some instances, initial contact with the company will be made by the police. The head of the CMT should be informed and contact established. Confidentiality must be maintained and all relevant information recorded.

Retail Outlets

Information may be received directly from the retail organisation. Suppliers and retailers should ensure their written internal procedures specify the recording of appropriate detail and if possible the affected product should be obtained, handled as little as possible and stored securely for analysis.

“...the most successful people are those that are good at Plan B.”

Jonathan Kozol

Risk Assessment

It is imperative companies complete a full risk assessment of the incident as part of their determination of the appropriate course of action. The risk assessment and hazard identification completed as part of the readiness stage should assist the process of completing a risk assessment.

Where the matter warrants further investigation, the CMT should be convened, all available information provided and a risk assessment completed, in line with the CMP. The manufacturer is usually best placed to make such an assessment and retailers should work with the manufacturer in determining the most appropriate course of action.

A full risk assessment should involve an evaluation of:

- the seriousness of the issues and its safety implications
- whether more than one report has been received
- the likelihood of contamination in the manufacturing process
- the size and distribution of the product
- whether the police, health officials or media have been contacted.

The type of incident will determine the assessment methodology. For example, proper analysis of a potentially contaminated product and thorough assessment of the risk to public health are essential in managing a product tampering or extortion incident.

Part of the risk assessment may require product to be analysed; having previously established contact with analytical laboratory services is essential in ensuring that it can be called upon in an emergency and at short notice. Maintaining the integrity of the evidence can be critical for some incidents – this should be done in consultation with police. Police and public health
officers may experience delays in obtaining a thorough product analysis of a potentially contaminated product through their channels.

**Product Recall and Withdrawal**

It is important to understand each product incident should be managed on a case-by-case basis and even though standardised questions or checklists may be used, the circumstances will be unique for each actual incident. (see Appendix F – Crisis Management Checklist)

Wherever possible, judgements and decisions should be based on scientific evidence and fact. However there will be occasions where uncertainty exists; this must be acknowledged and decision-making must still take place. The company should ensure that it can demonstrate it has taken all reasonable and appropriate steps to protect consumers and has fulfilled its legal obligations.

Companies use a number of channels to market, such as retail, wholesale, food service, out of home, quick service, charity donations etc. Each of these must be reviewed during the development of the CMP to enable the effective management of a crisis and to ensure affected product is appropriately accounted for.

There are a number of possible courses of action in response to an incident:
- do nothing
- withhold the product
- withdraw the product
- recall the product, either initiate a trade recall or a consumer recall.


**Trade Level**
- Involves food product that has not been available for direct purchase by the general public.
- Therefore the recovery of product from wholesalers, distribution centres, supermarkets/grocery stores, hospitals and restaurants.

**Voluntary**
- Occurs when the sponsor initiates the recall and voluntarily takes action to remove it from distribution, sale and consumption.
- When a recall occurs, all of the particular food product must be removed from the marketplace.

**Consumer Level**
- More extensive than a trade recall.
- Involves recovery of food in the production and distribution network (trade/retail outlets, grocery & health food stores, supermarkets, gyms and consumers).
- The public must be informed through media.

**Mandatory**
- Commonwealth, State or Territory government orders a food product to be recalled.
- Only occurs when the sponsor will not voluntarily recall the product.

**LEVEL**

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**ACTION**

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**NOTIFICATION**

Notify the Level and Action determined for the recall
Notification will be to the following (as appropriate):
- Police (extortion)
- Ministers for Consumer Affairs and Fair Trading
- Health Department in the relevant states
- FSANZ – Food Recall Co-ordinator
- TGA – Commonwealth Coordinator
- Trading Partners Food Recall Action Officers.
The following food recall / withdrawal flowchart, illustrates the decisions and actions and how these relate to the three Rs, Readiness, Responsiveness and Recovery.

Issues to be considered in managing a withdrawal or recall include:

- determine where the product is in the supply chain
- determine who will physically handle the removal of the affected product and how returned stock will be handled
- determine the information to be provided to the consumer and customers
- full product detail disclosure
- details provided to the trade (see Appendix G –Notification and Contacts)
- engage with the communication team for appropriate statements
- maintain necessary records to document and implement the recall
- monitor the recovery for the product and prepare reports.
**Disasters, Terrorism and Pandemics**

The food, beverage and grocery industry is not immune to the impacts of major societal disruption and such events can impact the industry in a variety of ways:

- damage to, or destruction of, key infrastructure services can disrupt production, storage of materials and products, transport and distribution, and even the operation of supermarkets and other sales outlets
- terrorist attacks can undermine the safety of the food supply, threaten public health through injury or death and reduce consumer confidence
- mass illness arising from an influenza pandemic can cause serious workforce shortages through the national food and grocery supply and distribution chain, leading to serious shortfalls in production and reduce retail capability.

The vulnerability of the food and grocery chain to deliberate and malicious attacks has led to the development by industry and government of a National Strategy to Enhance the Safety and Security of Our Food Supply. The strategy recognises the food supply chain is potentially at risk and vulnerable. It also acknowledges it is neither possible nor economically sensible to attempt to deal with every risk. However, in the new global security environment, there is a need to be ever mindful of new and emerging risks. The strategy aims to enhance the safety and security of Australia’s food supply.

The threat of a global influenza pandemic such as the Avian Flu or the Swine Flu outbreaks has also led to work by the government and industry to assess Australians readiness for a pandemic. The critical role of the food and grocery supply and distribution chain in providing essential products to all parts of the community in an emergency is a key consideration in this work.

AFGC has been at the forefront of collaborating with governments to protect the food and grocery industry from threats of this kind and will continue in that role.

Manufacturers will need to continue their activities to improve the safety, security and quality assurance of their operations in the changed security environment and make the necessary provisions in their CMP.

Much of the planning to manage deliberate product crisis will be relevant for these new and community wide crises. Specific activities are not included throughout the guidelines, however the following are key considerations:

- contact with police or health officials is likely to be a good place to start in the event of a crisis, although special police and security agencies will be involved in counter terror activities. Early advice of a potential crisis to the relevant police, health and security agencies should still be helpful in shaping the response
- scientific analysis of contaminants may be a particular problem if unusual or even unknown materials are used
- the scale of terrorist or pandemic events will mean response to them will be determined on a community, rather than a company basis. Companies will be less able to control the process and protect their own interests. It remains valid, however that companies will be better able to manage a crisis if they have a robust CMP and a strong product security practise
- any communication about the impact of the crisis on a company/product will need to be discussed with the agencies managing the incident, particularly given the potential magnitude of the crisis.
Financial Implications

In extortion cases, in the majority of instances, money should not be paid. However, as part of the readiness step, provision should be made to meet any financial contingency with the organisation’s bank. If payment is to be made it should be delayed to give the organisation and the police time to consider the arrangements. Emergency contacts both in and out of business hours should be established.

Insurance Considerations

A product liability insurance policy typically indemnifies a company in respect to amounts paid in compensation to third parties who have suffered personal injury or property damage arising out of products supplied.

The costs associated with conducting a product recall are usually specifically excluded. Product recall insurance is available, although it is not as readily available as product liability cover and the extent and cost of cover varies.

Insurance policies contain conditions and failure to comply with these can result in the cover being cancelled. Typically important clauses could include:

- a duty to notify the insurance company promptly of changes in the circumstances materially affecting the risk
- a duty to take reasonable care to prevent claims
- a duty to notify the insurer promptly of any claims and to obtain the consent of the insurer before incurring expenses.

It is important, therefore, for the CMT to have a working knowledge of the company’s insurance policy.

Case Study 1: Product Extortion

Product extortion is an attempt to force the payment of a ransom against the threat of contamination, or poisoning, of consumer products on sale to the public.

The largest British case involved Pedigree dog food, Heinz Cow and Gate baby food in 1989. One hundred jars of baby food worth A$80 Million were taken off the shelf and another 60 Million were repackaged.

Customers reported finding glass, drawing pins and caustic soda in baby food. There were 2000 alleged incidents reported in 10 days following the incident becoming public. Reports mainly involved glass or metal objects. All reports had to be followed up. They were mostly from genuinely concerned consumers but there were a number of hoaxes, and in addition there were 700 copy cat incidents.

This provided a massive communication issue for the company not only in the practical way of answering the phone but in maintaining its own corporate profile.

The perpetrator was a former Scotland Yard detective; his intention was reported to be to carry out the perfect crime. He was jailed for 17 years for blackmailing Heinz and Pedigree into paying $9.4 million.
The third step – Recovery – occurs following the crisis. The recovery step should include a review of the CMT performance, CMPs, the impact of the crisis to the business, its product brands and its reputation.

One of the objectives of developing a comprehensive CMP is to minimise any commercial damage, damage to reputation or legal liabilities, and recover the business rapidly and effectively.

The organisation will be able to continually improve the effectiveness of the CMT and the CMP through regular testing and by reviewing the response to a crisis.

The organisation should take action to eliminate any causes that prevented the CMT and CMP from working effectively. Follow-up actions should be instigated once a review of the handling of a crisis has been completed.

A system should be in place to ensure that following a crisis all elements of the event and its handling are recorded, reviewed and preventative or corrective action steps are in place to mitigate a recurrence and to drive improvements.

When a problem has been identified, there is a need to correct the situation immediately and also to identify the underlying cause. Once this has been done, action should be taken to prevent recurrence.

Causes of problems, when clearly identified, should be captured within the organisation and used to re-engineer processes and procedures to avoid recurrence of the issue.
**Evaluate effectiveness of actions:**

One essential step in evaluating the effectiveness of a product recall is the identification and location of despatched product that was affected. Product could be recalled from retailers, food service outlets and customer returns. This quantifiable assessment will assist in identifying any potential exposure of the company to liability claims for illness or injury.

**Preventing a recurrence:**

Identify the chain of events and the process failures that led to the crisis, and what actions need to be implemented to reduce or eliminate possibility of reoccurrence.

As throughout the responsiveness step it is essential staff are informed of the outcomes of the crisis, its impact on the business, consumers, staff and facilities. They should also be briefed on the company’s response, policy, process or procedures as a direct response to the event. The CMT performance should also be analysed, changes to procedure adopted, and training reviewed.
SUPPORTING SYSTEMS

INDUSTRY RESPONSIBILITIES

“The best defence is a well planned offence.”
(American Basketball)

It is a criminal offence in Australia to sell food that does not comply with the *Food Standards Code* and it is an offence under state and territory food laws to sell food which is unsafe or unsuitable. The *Trade Practices Act* also regulates consumer protection from defective products. If a product is unsafe or likely to cause injury to a person it should be recalled as soon as possible. Grocery manufacturers have an obligation to determine the hazard and level of risk associated with a contaminated or defective product and to voluntarily undertake to withdraw or recall the product if necessary.

In the event a manufacturer or retailer fails to act and knowingly permits a product which is a potential public health and safety risk to continue to be sold, the company can be ordered to undertake a mandatory food recall and risks prosecution with significant penalties and imprisonment.

It is to the mutual advantage of the consumer, the manufacturer, the retailer, the regulatory and enforcement authorities that these incidents are managed quickly and effectively to safeguard consumer health and confidence in manufacturers, their products and the grocery industry in general.

The actions taken following an incident, including product withdrawal or recall, can involve many people, increasing the risk of misunderstanding and miscommunication. It is important to review each stage of the event at its conclusion from each perspective to determine if improvements can be made. These guidelines recommend a series of actions for each of the major parties involved.

Manufacturers and Suppliers

- Establish a CMT with authority and experience to:
  - minimise or eliminate risk to the public, the company and its employees
  - make all necessary decisions
  - communicate information accurately to all relevant parties
  - establish appropriate internal procedures and controls.
- Develop CMP.
- Cooperate fully with police, government agencies and retailers in determining appropriate courses of action.

Police

- Consult fully with suppliers, manufacturers, retailers and other relevant agencies in the application of consistent procedures for dealing with crisis incidents.
- Recognise the guidelines, if possible, in the Police Commissioner’s Instructions and incorporate them as appropriate in the relevant training courses in each state and territory.
- Develop and promulgate to relevant parties guidelines for the handling of evidence.
Food Standards Australia and New Zealand

- Food Standards Australia and New Zealand (FSANZ) plays a pivotal role in the national coordination or notification of incidents and food recalls to regulators and industry.

Government Agencies

- Other government agencies such as Trade Practices, state and territory departments of health, agriculture, primary industry and local government may all have a roll to play in the management of a crisis.
- Adopt and consistently apply cautious policies for dealing with crisis incidents which involve detailed consultation with all relevant parties.
- Allow companies (manufacturer/suppliers) prompt access to samples for analysis so that results can be quickly obtained to assist in the proper assessment of the crisis incident.

Retail Trade

- Immediately advise manufacturers / suppliers of any crisis incident and agree on requirements for further action.
- Obtain as much information as possible about a crisis incident as a basis for development of a plan of action by the relevant party.
- Cooperate fully with police, other government agencies and manufacturers.
Collaboration and Notification

Police

While police and manufacturers both have the fundamental priority of eliminating risk to the public, beyond this point there can be some variation in priority: the police, to bring the perpetrators to justice; the manufacturer, to restore normal trading and production as quickly as possible, to minimise adverse publicity and to restore public confidence.

When it has been established that the product has become the subject of a criminal offence, i.e., deliberate contamination/extortion, the company must consider its legal obligations to notify the appropriate authorities.

The obligation to contact the police may vary in detail from state to state. The question of how urgently the police must be notified depends upon the nature of the threat.

It is important that contact be made at the appropriate point within each state police force. (see Appendix G – Australia and New Zealand Police Contacts.) The police officers will be aware of the provisions contained in these guidelines.

No action should be taken by the authorities without consultation with the other parties involved. It is essential that any response is a coordinated one.

In an emergency one member of the CMT should act as liaison between the company and the police, regularly reporting back to the team.

To ensure that these guidelines will be followed by all police officers who may become involved in the investigation of such offences, it is recommended:

- the guidelines be incorporated into the Police Commissioner’s Instructions (or equivalent) in each of the States and Territories for the information of all police

- the guidelines be reflected in the curriculum of each State or Territories’ Detectives Course (or equivalent) for the information of those officers specifically involved in criminal investigation duties.

Government Agencies

State and territory health department officials and other relevant statutory authorities are important participants in any developing crisis. The officers have wide powers laid down by statute. These powers include the right to inspect a manufacturer’s premises and documents. In addition, the Chief Medical Officer or Food Standards Australia New Zealand Media Spokesperson may be called on by the media to provide comment on the risk to public health and safety of the product being recalled.

Government agencies should be made aware of these guidelines and encouraged to adopt consistent, nationally coordinated policies for dealing with crisis incidents. Policies should reflect a cautious approach to incidents which involves detailed consultation with all other relevant parties, including in particular the manufacturers and retailers of any implicated products.

Note: In Queensland, it is mandatory to immediately report when there is a reasonable suspicion that tampering has occurred, without waiting for confirmation or analysis of evidence by phoning the hotline number 13 43 25 84 within Qld, or (07) 3234 0111 outside of Queensland.(see Appendix D)
It is essential that relevant agencies be provided with appropriate information about crisis incidents as they develop. (see Appendix G – Government Agencies Contact Officers.)

Government officials should be made aware of the company’s timeframes. Where a fast response is required to assist in the proper assessment of the crisis incident, this will be assisted if officials assist in providing access to samples for the manufacturer to undertake analysis.

**Retail Trade**

It is critically important that manufacturers and retailers actively cooperate in managing any emergency so that public safety is assured and public confidence and trust in both manufacturer and retailer is quickly re-established. Consequently it is essential the CMPs of both parties are complementary and include notification of relevant authorities in accordance with these guidelines.

The following guidelines provide a positive basis for a coordinated response and describe the information which the manufacturer needs from the retailer to establish the basis for further joint action. Therefore, the retailer should:

- where appropriate and feasible, take possession of the particular foreign object, product and container and liaise with the manufacturer on the sensitive handling of the item. This will ensure that an optimal outcome will be achieved from analysis and investigation and help minimise further contamination of evidence
- ask for the date of purchase
- preserve the evidence in its original state and obtain as much information as possible about the circumstances of the complaint, including any alleged personal injury or inconvenience
- if the purchaser declines to release the item, obtain as full a description of it as possible and determine its location. If possible, obtain a digital photograph to send to the manufacturer
- reassure the consumer that the matter will be properly investigated - do not pass any comment or opinion.

An option is to offer a refund or to replace the defective product, although this needs to be handled with care as some customers may be offended by the offer seeing it as either an attempt to hide the incidence or that it does not “compensate” them for their inconvenience.

**Note:**
The resources available to government officials are limited. Serious incidents where there is the potential for public harm will require fast response times, particularly for analytical data when contamination is suspected. If laboratory analysis is likely to be delayed, and the risk assessment shows a high risk in certain circumstances, the company may wish to initiate a precautionary recall without waiting for laboratory confirmation of the hazard.

**Retail Trade**

The retailer may be involved as the first point of contact in discovery of contaminated product. However, experience indicates that a more likely scenario is that the retailer is the party co-ordinating removal of product from shelves and monitoring product during an extortion crisis, following receipt of advice from manufacturers, police, or even the media.

The manufacturer/supplier should be brought into the proceedings at the earliest possible time and a course of action mutually agreed. Establish the scale of the problem (both geographic and product range) and agree on lines of communication. With the active support of the retailer at the most appropriate senior level, take control of communications to ensure consistency of messages.
Retailer/manufacturer liaison in product removal and other aspects of tampering or extortion at retail level are complex management issues and important matters to be addressed include:

- **coordination of withdrawal of product from sale** - major retailers should identify a coordinator to be the point of contact for withdrawal of product during extortion or product tampering incidents. Throughout an extortion crisis all communication with the retailer should be through the coordinator.

- **what to do with product when it is removed** - products should be removed from shelves in a manner that will not cause alarm among consumers. It should be identified and held separately until the manufacturer provides instructions as to how it should be handled, collected or stored. The manufacturer will promptly put in place procedures to ensure that retailers are reimbursed for the cost of the withdrawn product and procedures to provide refunds to consumers, where appropriate.

- **confidentiality of extortion details** - retailers and store managers should be aware that the details of any extortion should be kept confidential.

- procedures for dealing with incidents such as hoaxes and copy cats during extortion.

- communication channels for extortion details as the issue develops.

- establishment of procedures for consumers to return goods already purchased and agreement on the announcement of these details in the media.

**Note:**

*On occasions it will be clear to retailers or store managers that threats are merely hoaxes or copy cat incidents. These should immediately be communicated to the retailer’s crisis coordinator, who will in turn notify the manufacturer. Police should be contacted and informed of the incident, a determination on charges should be considered in consultation with the police. Other than this communication, confidentiality should be maintained.*

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**Case Study 2: Contamination and Process**

A contract packed product was found to have a slight risk of contamination. Not necessarily lethal but still nasty. The company decided on a total recall of 240,000 units – 215,000 were still under the control of the company and 25,000 were in the marketplace.

The original notification of the problem occurred on a Thursday afternoon. The situation was analysed, a recall committed to, and notification to the press in time to meet the 4pm Friday deadline.

An 018 phone number with a message that operated seven days a week, 24 hours a day was applied for and immediately installed to handle the inquiries over the weekend.

Murphy’s law then took over: The papers printed the wrong number. When this was finally sorted out, the line dropped out of service. Not the type of problem the company wanted to face. Once the phone line was back in action a crew of seven staff took more than 1300 inquiries regarding the recall, most over the first four days.

The company had 1300 products returned with a further 23,700 unaccounted for.
COMMUNICATIONS PLAN

Each crisis must be handled as the circumstances demand. The communication of timely, accurate, consistent information is an essential ingredient of any crisis communication plan.

It is important to recognise that, in a serious crisis, all affected people take in information differently, process information differently and act on information differently. Companies need to be aware that this means communication with employees, customers, government officials and the public. There will be considerable pressure to react to media queries and interviews. The challenge for the CMT is to provide rapid, clear and up-to-date information within the fog of information over-load.

Managing contact with the media is a skilled task that requires knowledge, experience and sensitivity. To avoid the potential for any confusion it is essential that only one point of contact for the media be appointed within the company during the crisis. Ensure all staff involved know who that person is and to direct calls to them.

In cases of product tampering and extortion, it is generally accepted that the premature release of information to the media can be prejudicial to the police investigation and not in the interests of either public health and safety or the company. A major priority is that the extortionist is apprehended and prosecuted. Information should only be released publicly after the company, the police and any other relevant authorities have agreed.

Any decision to release details of a product contamination or extortion must be agreed by the most senior level of the police and company executives. In making this decision you must take into consideration:

- public safety, following a thorough assessment of the contamination and the risk it entails
- protection of the victim/s
- apprehension of the criminal
- the need to discourage further extortion attempts and 'copy cat' crimes
- the potential impact on the company, its employees, suppliers and customers.

Disagreements may arise between the company, police and other authorities on the appropriateness of releasing information to the public. Decisions to do so should not be made unless the conflicting interests have been properly discussed and advice of the extent of the public health risk has been obtained from recognised authorities and evaluated by all involved parties.

Identify your crisis communication team

A small team of senior executives should be identified to serve as the organisation's Crisis Communication Team. Ideally, the team will be led by the organisation's CEO, with the firm's public relations executive and chief advisers. If in-house public relations executive does not have sufficient crisis communications expertise, he or she may choose to retain an agency or independent consultant with that specialty. Other team members should be the heads of major organisational divisions and should include finance, personnel and operations.

It’s a good idea to set this team up well in advance of any actual crisis occurring to ensure they know your company CMP and how to respond if a crisis occurs.
Spokesperson training

Spokesperson training teaches individuals to be prepared, to be ready to respond in a way that optimises the response of all stakeholders. Senior executives should therefore be fully trained to undertake press, radio and television interviews.

Establish notification systems

It is absolutely essential, pre-crisis, to establish notification systems that will allow rapid reach to stakeholders using multiple forms of communication. News of a crisis may well be received via the media, possibly outside normal company hours. Relevant home and mobile telephone numbers must be available to key personnel and members of the crisis communications team must be able to contact each other at any time.

Identify and know your stakeholders

Who are the internal and external stakeholders that matter within the organisation? Employees are your most important audience, because every employee is a PR representative and crisis manager for your organisation whether you want them to be or not! But, ultimately, all stakeholders will be talking about you to others not on your contact list, so it’s up to you to ensure that they receive the messages you would like them to repeat elsewhere.

Develop holding statements

While full message development must await the outbreak of an actual crisis, "holding statements" - messages designed for use immediately after a crisis breaks - can be developed in advance to be used for a wide variety of scenarios to which the organisation is perceived to be vulnerable, based on the assessment you conducted as part of the Readiness stage.

Identify key messages

Using holding statements as its starting point, the Crisis Communications Team must develop the crisis-specific messages required for the specific situation. The team already knows, categorically, what type of information its stakeholders are looking for. What should those stakeholders know about this crisis? Keep it simple - have no more than three main messages for all stakeholders and, as necessary, some audience-specific messages for individual groups of stakeholders.

Ensure switchboard staff are alerted and informed about where to transfer incoming calls.

On receipt of media inquiries:

- verify enquirer’s credentials and ring back if necessary
- note key questions and material deadlines
- issue holding statement if necessary
- consider need for a press briefing or conference.

Once a level of crisis has been established and assessed, a range of actions can be undertaken. That will be dictated by the circumstances in each case. Such actions may include some, or all, of the following:

- advise relevant company personnel
- brief company spokespersons, external advisers, switchboard, security
- issue media and employee statements, where appropriate
• establish appropriate liaison with retailers and other trade customers
• arrange press briefings/conferences, as necessary
• ensure the press office is properly manned, equipped and serviced at all times with dedicated phone lines if necessary
• add appropriate information to company/product website
• record all actions/events/communications
• monitor all media coverage.

Remember that the company is most vulnerable in the first few hours of a crisis. Speed and decisiveness are essential.

When release of information is agreed, provide accurate and timely information directly to the media, public and other relevant audiences.

As far as possible, pre-emptive action should be taken with these important groups and direct communication with the public should be managed separately from the media information process. If you identify a need to issue a public warning, it must be conveyed with maximum speed. At this stage, you should put relevant information on your website and keep posting updates, even if you haven’t really got anything new to add as unfortunately no comment is generally taken to mean ‘no action’. The speed of electronic communication should not be underestimated. Companies should prepare clear guidelines on the containment and circulation of electronic communications. Where appropriate a dedicated 1800 number to handle public inquiries should be instigated.

If any form of product recall is involved, the extent of the problem must be made clear. For example:

• restricted to a particular batch/size/distribution area
• reassurance that all other batch/size/products are safe
• number of packages involved
• speed and efficiency of recall
• cause of fault being investigated.

Good communication is just as essential after the crisis as during it. In the recovery phase you will need to reassure your stakeholders that the product is safe and that production has returned to normal.

In the case of criminal activity, you will need to continue to take care with how you handle sensitive information. Your crisis team should continue to clear any statements relating to the issues with the police until such time as the matter has been prosecuted in court.
GLOBAL SUPPLY CHAINS

Supply chains have become global, procurement has become global and crisis management also needs to be global. There are a number of challenges to global crisis management.

To ensure product safety, organisations need to examine their outsourcing strategies. Sustainable outsourcing strategies require long term supplier relationships in which overseas suppliers comply with international legal, safety and environmental standards.

Proper registration of the up-stream supplier organisation within the source country is necessary to ensure the correct level of examination / inspection is undertaken by the local governments and the organisation.

When dealing with a global supply base it can be a major challenge for manufacturers to police their suppliers. Stringent supplier audits, quality inspections, quality and production record assessment are essential. Companies should also consider unannounced visits, particularly until they are satisfied that the standards with their suppliers are adequately high enough.

Regulations differ country by country, so companies need to develop sustainable plans for complying with different company specific standards from such aspects as product recalls, disposal of goods etc.

It is a significant challenge for manufacturers to police many different sales channels worldwide.

A key to the ability to respond to a crisis effectively is the track and trace capability of an organisation. The capability to be able to monitor product flow throughout the global supply chain is essential.

Case Study 3: Global Supply Chain

An Australian Food Supplier conducted a value analysis exercise across all departments at its major manufacturing site. The aim was to reduce direct delivered costs by 10 per cent.

Every action, ingredient, and packaging material was challenged: what were their functions? Were there alternatives? Could less be used and so on.

One expensive raw material was being sourced from the USA. An alternative was offered from Asia. This material had been assessed before, but was found to be unacceptable due to varying quality, foreign bodies etc. The value analysis team agreed that a reassessment was required, as the potential saving was around $1 million.

A team visited the overseas manufacturing facility and approved the change to this material. The new ingredient was delivered and issued straight to production. Several weeks later contamination such as bamboo slivers, stones and metal shavings were found in various products using the material. A total recall resulted. The ingredient was being used in more than 30 products, and these had been distributed nationally. What should have been a $1 million saving turned into a $4 million recall.

When visiting a production site keep in mind that everyone cleans up before visitors. A repeat visit, possibly unannounced may have revealed the potential risk. When changing to a new process, material or ingredient initial, monitoring of performance until the ongoing standard is acceptable is critical. Even then regular re-checks need to be completed.
GLOSSARY OF TERMS

Product Recall

The process of placing on hold and retrieving product which is either known or suspected to be a health or safety risk from distribution, warehouse, retail and consumer levels. This is a full public recall, involving notification of the media and statutory authorities. Examples include the presence of dangerous food poisoning bacteria, toxic chemicals or harmful foreign bodies.

Product Withdrawal

A process, not requiring notification of the media and statutory authorities, where product which is defective or suspected to be defective is placed on hold and retrieved from distribution, wholesale and/or retail levels.

Examples of defects giving rise to the need to withdraw include underweight packs, incorrect ingredient listing, formulation effects, incorrect packaging. In cases of health or safety related defects, this applies only where product has not been offered for sale to consumers (i.e., has reached wholesale level only). Withdrawals of otherwise defective (i.e., non-hazardous) product may take place at wholesale or retail level.

Product Withhold

The process of removing product from show in retail stores and placed in a secure retail or distribution location pending completion of inquiries or undertaking comprehensive risk assessment.

Intentional Contamination

A deliberate action to introduce a foreign contaminate into a product, often with the intention to do harm to the consumer, the company or both. Such substances may be biological, chemical or physical substances.

Reasonably Suspects

Based on evidence available at the time and circumstances surrounding the matter, the responsible person for the food and grocery business forms a belief that a deliberate act of intentional contamination has occurred.
Legislation

The Food Standards Code is a collection of individual food standards, grouped together into Parts, which in turn are collected together into four Chapters. Chapter 1 deals with standards which apply to all foods, with the exception of Maximum Residue Limits (MRLs) and processing requirements for which New Zealand has its own regulations. Chapter 2 deals with standards affecting particular classes of foods. Food hygiene is not part of the joint food standards system and Chapter 3 deals with food hygiene issues specific to Australia. New Zealand has its own food hygiene arrangements. Chapter 4 contains standards dealing with the primary production of food in Australia. Again, New Zealand has its own arrangements for primary production of food.

The consolidated version of the Australia New Zealand Food Standards Code (the Code) is provided on the Food Standards Australia New Zealand website. http://www.foodstandards.gov.au/thecode/

The Trade Practices Act aims to enhance the welfare of Australians by promoting competition and fair trading and providing for consumer protection. The Act deals with almost all aspects of the marketplace: the relationships among suppliers, wholesalers, retailers, competitors and customers. It covers anti-competitive conduct, unfair market practices, industry codes, mergers and acquisitions of companies, product safety, product labelling, price monitoring, and the regulation of industries such as telecommunications, gas, electricity and airports.


However, the development of Food Acts has resulted in differences in the approaches adopted in each of the States and Territories and separate legislation still requires to be checked. http://www.austlii.edu.au/databases.html#act
EXTORTION THREAT INFORMATION FORM

What to do upon receiving a threat by telephone

Many threats made by telephone begin with the caller saying, “Listen very carefully. I'm only going to say this once.” The caller may use different wording, but he (or she) will usually set the ground rules for the conversation. If you receive a telephone call from a person who begins the conversation in such a manner, immediately give the caller your full attention. Remain calm and attempt to obtain as much information as possible. Familiarise yourself with the form below. Complete the form immediately after receiving a threatening call and report the incident immediately, following company procedures.

RECORD OF THREATENING TELEPHONE CALL:

Call received by: ____________________________ Time call received: ____________________________

What did the caller say?

What threat was made?

What demand was made?

Did the caller say he (or she) will call again? Yes ________ No ________

If yes, what time and day will he (or she) call?

Approximately how long did you speak with the caller?

Any accent noted? Yes ________ No ________

In your opinion, how old was the caller? Speech characteristic?

Any identifiable background noises? Yes ________ No ________

If yes, describe:

Attitude:

Calm? ________ Excited? ________ Intoxicated? ________


Did you hear any noise to indicate the call was made at a telephone booth? Yes ________ No ________

Date call received: ____________ Report given immediately to: ____________________________

Call received at manufacturing plant? ________ Division/Region Office? ________ Corporate Office? ________

Signature: ____________________________ Title/Position: ____________________________
GUIDELINES FOR THE HANDLING OF EVIDENCE

The handling of evidence is extremely important. Handled correctly valuable physical evidence will be preserved and the opportunity of identifying the offenders greatly enhanced.

The following points will assist in the correct handling of evidence and hopefully prevent the contamination of evidence.

**Threat Received by Letter**

Because time is often a factor when taking action on extortionists’ demands, it is important for the first person who identifies the contents of the letter to establish the exact time the letter was delivered to the company. Any other instructions when the letter was delivered should also be noted.

The person who is first to identify the threat by letter must be wary of the destruction of evidence by over handling. This person should inform a member of the CMT who in turn should ascertain:

- to whom was the letter sent
- how was the letter delivered
  - by post? If so, determine delivery times
  - by courier? If so, determine by which firm, places, times, dates of pick-up and any descriptions from courier staff.
- identity of all persons who handled the letter and any wrappings
- once the threat has been identified the following procedures should take place:
  - the best option, if there is no likelihood of contaminating the evidence, is to leave the letter in situ. This may be possible if the threat was discovered in an office and it could be ensured that no other persons would touch it
  - if there is a possibility of contamination, with absolute minimal handling, place the letter and the envelope that it arrived with into a plastic sleeve or larger envelope. Pick the document up by the corner or with the use of tweezers. Do not pass it around for everybody to view. Even if senior management insist on viewing the document, ensure that it is suitably protected by a plastic sleeve.

**Threat Received by Audio / Video / DVD**

Items should be handled with the same care and in the same manner as a letter. In addition to determining to whom it was sent, how it was delivered and who handled it, the original tape and any packaging used with it should be either left in situ or placed with extreme care in a plastic folder.

**Contaminated Product Left on Shelf or Delivered to Company**

The two most common practices adopted by extortionists to prove the seriousness of their demands in relation to contaminated product are:

- leaving it on the supermarket shelf
- delivering it to the manufacturer or retailer.
However it is delivered, minimal handling is of the utmost importance to preserve the product's traces of physical evidence. The following is a guide to the handling of such contaminated products:

- isolate the product or products that have been contaminated
- **if necessary**, carefully remove from the shelves and place into a carton or similar secure receptacle
- when handling the product, pick it up from the edges making sure not to smudge possible prints
- place the product or products into a secure area.

If the contaminated product is left outside the office of the organisation or delivered by courier, care should be taken to ensure that the product is not affected by natural elements, such as rain. If this is a possibility, the product should be dealt with as set out above. Another option may be to leave it in situ and notify police immediately.
REPORTING SUSPECTED INTENTIONAL CONTAMINATION

In Queensland it is mandatory to phone report to Health on 13 HEALTH (13 43 25 84)*

Completing this prior to calling 13 HEALTH will ensure all required information is available for making the report.

<table>
<thead>
<tr>
<th>Name of caller</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Caller’s position in business</td>
<td></td>
</tr>
<tr>
<td>Phone number</td>
<td></td>
</tr>
<tr>
<td>Alternate phone number</td>
<td></td>
</tr>
<tr>
<td>Name of business</td>
<td></td>
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<tr>
<td>Address of business</td>
<td></td>
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<tr>
<td>Post code</td>
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<tr>
<td>Brand of suspect food</td>
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<tr>
<td>Name of suspect food</td>
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</tr>
<tr>
<td>Package size</td>
<td></td>
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<tr>
<td>Quantity</td>
<td></td>
</tr>
<tr>
<td>Further description of food</td>
<td></td>
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<tr>
<td>Detail of contamination</td>
<td></td>
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<tr>
<td>Date of incident</td>
<td></td>
</tr>
<tr>
<td>Reason for suspicion</td>
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<tr>
<td>Date of manufacture</td>
<td></td>
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<tr>
<td>Place of manufacture</td>
<td></td>
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<tr>
<td>Other comments</td>
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</table>

To be completed while speaking with 13 HEALTH

<table>
<thead>
<tr>
<th>Name of call centre representative:</th>
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<tbody>
<tr>
<td>Date call lodged:</td>
<td></td>
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<tr>
<td>Time call lodged:</td>
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</tr>
<tr>
<td>Any directions given:</td>
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</tbody>
</table>

*Note: This phone number is ONLY available when called from within Queensland. Callers from other States should phone Queensland Health Switchboard (07) 3234 0111 during office hours and ask to be transferred to the 13HEALTH phone line.
## Crisis Management Checklist

### Checklist [example purposes only]

**1. Hazard Identification - Health and Safety**

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
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</thead>
<tbody>
<tr>
<td>Has the Crisis Management Team been convened?</td>
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<tr>
<td>Has a particular product been identified which represents a business risk?</td>
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<tr>
<td>Does the affected product represent a health hazard?</td>
<td></td>
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<tr>
<td>Is the product a Food?</td>
<td></td>
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<tr>
<td>- Has the Food Standards Australia New Zealand (FSANZ) been notified?</td>
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<tr>
<td>Is the product a therapeutic or cosmetic substance?</td>
<td></td>
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<tr>
<td>- Has the Therapeutic Goods Administration (TGA) been notified?</td>
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<tr>
<td>Does the nature of the risk involve possible criminal action?</td>
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<tr>
<td>- Has the Police or Crime Investigation Bureau been notified?</td>
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<td></td>
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<tr>
<td>Has the Health Department been notified?</td>
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<tr>
<td>Has action been taken to withdraw or recall the product?</td>
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<td></td>
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<tr>
<td>Is the location of all affected product known?</td>
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<tr>
<td>Have arrangements for the recall of all affected product commenced?</td>
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<tr>
<td>Is this a consumer level recall requiring the product recall to be advertised?</td>
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<tr>
<td>- Have advertisements been placed in all states/areas where affected product is currently located?</td>
<td></td>
<td></td>
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<tr>
<td>Have all other relevant authorities been informed of the voluntary recall?</td>
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<td></td>
</tr>
<tr>
<td>Has a 24 hour Hot-Line been established to respond to consumer enquiries?</td>
<td></td>
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</tbody>
</table>

**2. Analysis and Risk Management**

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has a customer complaint-product been examined to establish the cause of defect?</td>
<td></td>
<td></td>
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<tr>
<td>Has an example of the product been secured for examination?</td>
<td></td>
<td></td>
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<tr>
<td>Has the production sample been analysed to confirm the cause of the defect?</td>
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<td></td>
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<tr>
<td>Have production personnel been advised of the affected product?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have quality assurance staff been advised of the affected product?</td>
<td></td>
<td></td>
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<tr>
<td>Was the affected product subject to quality assurance, screening or testing?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has an assessment been carried out as to likely cause of product defect?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has the manufacture of the product been discontinued?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have all batches on-hand and in storage been secured?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have the affected lots/batches and the lots/batches either side been identified?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has the exact quantity of products affected been established?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Can the affected product be salvaged?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## CRISIS MANAGEMENT CHECKLIST [example purposes only]

<table>
<thead>
<tr>
<th>3. Product recall and withdrawal</th>
<th>Tick box as appropriate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can the affected product be destroyed or disposed of at its present location?</td>
<td>Yes</td>
</tr>
<tr>
<td>Does affected product need to be collected and brought to a central location with arrangements to be made to be destroyed under supervision?</td>
<td>Yes</td>
</tr>
<tr>
<td>- Has a recall point been established?</td>
<td></td>
</tr>
<tr>
<td>- Does the recall point require security?</td>
<td></td>
</tr>
<tr>
<td>Have transport arrangements been made to collect affected product?</td>
<td>Yes</td>
</tr>
<tr>
<td>Have product suppliers been informed of the cause of recall?</td>
<td>Yes</td>
</tr>
<tr>
<td>Have agents, distributors and retailers been informed of the recall/withdrawal?</td>
<td>Yes</td>
</tr>
<tr>
<td>Has a public relations strategy been implemented to respond to the product recall?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is corrective action able to be identified which could prevent a re-occurrence?</td>
<td>Yes</td>
</tr>
<tr>
<td>- Has such corrective action been implemented?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. Procedural and legal issues</th>
<th>Tick box as appropriate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is such destruction or disposal in accordance with insurer’s requirements?</td>
<td>Yes</td>
</tr>
<tr>
<td>Have our insurers been informed of the recall?</td>
<td>Yes</td>
</tr>
<tr>
<td>Has there been any breach of the Food Act or regulation?</td>
<td>Yes</td>
</tr>
<tr>
<td>Has loss of sales resulting from crisis been recorded?</td>
<td>Yes</td>
</tr>
<tr>
<td>Has any member of staff admitted liability in relation to the affected product?</td>
<td>Yes</td>
</tr>
<tr>
<td>Has any person become ill/sick as a result of the affected product?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is there a need for the company to interview the person(s) affected by the product?</td>
<td>Yes</td>
</tr>
<tr>
<td>- If so, have interviewing persons been suitably instructed?</td>
<td>Yes</td>
</tr>
<tr>
<td>Have medical records been provided?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is there a need to investigate the circumstances surrounding the incident?</td>
<td>Yes</td>
</tr>
<tr>
<td>- Have police undertaken criminal investigations?</td>
<td>Yes</td>
</tr>
<tr>
<td>- Have health officials undertaken investigations over the manufacture and supply of the food?</td>
<td>Yes</td>
</tr>
<tr>
<td>- Has the company been advised of any findings from investigations?</td>
<td>Yes</td>
</tr>
<tr>
<td>Have all documentation, decisions and meetings held been recorded and filed?</td>
<td>Yes</td>
</tr>
<tr>
<td>Have all Health Department directives / requests for information been recorded?</td>
<td>Yes</td>
</tr>
</tbody>
</table>

CMT Coordinator
Sign and date
NOTIFICATION and CONTACTS

Under the Trade Practices Act (TPA), there is a legal obligation on suppliers/manufacturers who recall goods which “will or may cause injury”. Under these circumstances, the supplier must:

- notify the Commonwealth, State and Territory Ministers responsible for Consumer Affairs and Fair Trading of the product involved and the reasons for the recall;
- where the product has been exported, notify the recipient within a reasonable time, and provide a copy of that notification to the Minister.

Food Standards Australia New Zealand (FSANZ) coordinates food recalls, while for therapeutic goods for use in humans, responsibility for co-ordination of recalls lies with the Therapeutic Goods Administration (TGA).

Information in relation to recalls can be obtained from the Consumer Affairs Division, FSANZ and the TGA.

For any company undertaking a recall, a list of contacts should be:

- Police (extortion)
- Ministers for Consumer Affairs and Fair Trading
- Health Department in the relevant states
- FSANZ – Food Recall Co-ordinator
- TGA – Commonwealth Coordinator
- Trading Partners Food Recall Action Officers.

Contact details follow. Nominated officers will change over time and this Appendix will be updated at least annually by the AFGC.

1. Ministers for Consumer Affairs and Fair Trading

**Minister**

The Hon Craig Emerson MP
Minister for Competition Policy & Consumer Affairs
PO Box 6022
Parliament House
Canberra ACT 2600
Phone 02 6277 7360
Fax 02 6273 4125

**Consumer Affairs Division**

The Treasury

Mr Steven Kennedy
General Manager
Competition & Consumer Policy Division
Department of the Treasury
Langton Cres
Parkes ACT 2600
Phone 02 6263 3758
Fax 02 6263 2937
## 2. AUSTRALIA AND NEW ZEALAND POLICE CONTACTS

The police officers responsible for the conduct of investigations into product tampering or extortion offences in each State (or for NSW, each Region) are set out below. Whenever possible, contact should be initiated with the relevant officer who will be aware of the provisions contained in these guidelines.

The nominated officers will change over time and this Appendix will be updated quarterly by the AFGC. Companies may also wish to ensure that they have an up-to-date listing of the relevant police officers.

<table>
<thead>
<tr>
<th>State</th>
<th>Branch</th>
<th>Region/City</th>
<th>Officer in Charge</th>
<th>Phone No</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>Investigations Group, ACT Policing</td>
<td>Australian Federal Police, Canberra</td>
<td>Det Supt Lesa Gale</td>
<td>02 6256 7760 Switch 6256 7777</td>
</tr>
<tr>
<td></td>
<td>After Hours</td>
<td>ACT Communications</td>
<td>Duty Officer</td>
<td>02 6256 7777</td>
</tr>
<tr>
<td>NSW</td>
<td>State Crime Command</td>
<td>Parramatta</td>
<td>Det Supt Peter Cotter</td>
<td>02 8835 8578</td>
</tr>
<tr>
<td></td>
<td>After Hours</td>
<td>All Regions Parramatta</td>
<td>Duty Operations Inspector, Communications Operations</td>
<td>02 9265 4408</td>
</tr>
<tr>
<td>NT</td>
<td>Northern Crime Div</td>
<td>Darwin</td>
<td>Det Supt David Pryce</td>
<td>08 8922 3227</td>
</tr>
<tr>
<td></td>
<td>Southern Crime Div</td>
<td>Alice Springs</td>
<td>Det Supt Colleen Gwynne</td>
<td>08 8951 8888 0417 876 758</td>
</tr>
<tr>
<td>Qld</td>
<td>Organised Crime Investigative Group</td>
<td>Brisbane</td>
<td>Det Supt Gayle Hogan (or Inspect Rob Weir)</td>
<td>07 3364 6315 0417 633 465 07 3364 6464</td>
</tr>
<tr>
<td></td>
<td>After Hours</td>
<td>Queensland Police Service</td>
<td>Duty Officer, Police Communications Centre</td>
<td>07 3364 6157</td>
</tr>
<tr>
<td>SA</td>
<td>Major Crime Investigation Branch</td>
<td>Adelaide</td>
<td>Det Insp Tony Crameri</td>
<td>08 8463 7842 0439 864 070</td>
</tr>
<tr>
<td></td>
<td>After Hours</td>
<td>SA Police</td>
<td>24 Hrs Communications Centre</td>
<td>08 8207 4488</td>
</tr>
<tr>
<td>Tas</td>
<td>Southern CIB Division</td>
<td>Tasmania Police Service</td>
<td>Inspector David Wiss</td>
<td>03 6230 2638 0419 878 416</td>
</tr>
<tr>
<td>Vic</td>
<td>Vic Police Crime Dept Taskforce 500 &amp; 400</td>
<td>Melbourne</td>
<td>Det Insp Doug Fryer</td>
<td>03 9865 2684 0439 301 744 03 9865 2472 0417 340 655</td>
</tr>
<tr>
<td></td>
<td>After Hours</td>
<td>Victoria Police</td>
<td>Police Communications</td>
<td>03 9247 3222</td>
</tr>
<tr>
<td>WA</td>
<td>State Crime Squad</td>
<td>Perth</td>
<td>Det Sen Sgt Carlos Correia</td>
<td>0417 094 500 0407 326 292</td>
</tr>
<tr>
<td>NZ</td>
<td>Auckland Metro Crime Services</td>
<td>Papakura Police Telephonist</td>
<td>Crime Manager (Detective Inspector in charge)</td>
<td>09 295 0200</td>
</tr>
<tr>
<td></td>
<td>Auckland Central Telephonist</td>
<td>Crime Manager (Detective Inspector in charge)</td>
<td>09 379 4240</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Threat Assessment Unit</td>
<td>Officer in Charge (Detective Sergeant)</td>
<td>09 295 0200 09 379 4240</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wellington</td>
<td>Office of the Commissioner</td>
<td>Officer in Charge NDIB (Detective Inspector)</td>
<td>04 474 4999</td>
</tr>
</tbody>
</table>
## 3. STATE PUBLIC HEALTH

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Coordinator/Contact</th>
<th>Telephone/ Facsimile No</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>Dr Charles Guest</td>
<td>Ph 02 6205 0881</td>
</tr>
<tr>
<td></td>
<td>Chief Health Officer</td>
<td>Fax 02 6205 1884</td>
</tr>
<tr>
<td></td>
<td>ACT Health – Office of Chief Health Officer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>GPO Box 825</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Canberra City ACT 2601</td>
<td></td>
</tr>
<tr>
<td>NSW</td>
<td>Dr Kerry Chant</td>
<td>Ph 02 9391 9181</td>
</tr>
<tr>
<td></td>
<td>Chief Health Officer</td>
<td>Fax 02 9391 9029</td>
</tr>
<tr>
<td></td>
<td>Deputy Director-General, Population Health</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NSW Department of Health</td>
<td></td>
</tr>
<tr>
<td></td>
<td>73 Miller Street</td>
<td></td>
</tr>
<tr>
<td></td>
<td>North Sydney NSW 2060</td>
<td></td>
</tr>
<tr>
<td>NT</td>
<td>Dr Barbara Paterson</td>
<td>Ph 08 8999 2768</td>
</tr>
<tr>
<td></td>
<td>Principal Medical Adviser &amp; Chief Health Officer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dept of Health &amp; Community Services</td>
<td><a href="mailto:barbara.paterson@nt.gov.au">barbara.paterson@nt.gov.au</a></td>
</tr>
<tr>
<td></td>
<td>PO Box 40596</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Casuarina NT 0811</td>
<td></td>
</tr>
<tr>
<td>QLD</td>
<td>Dr Jeanette Young</td>
<td>Ph 07 3234 0111</td>
</tr>
<tr>
<td></td>
<td>Chief Health Officer</td>
<td>Fax 07</td>
</tr>
<tr>
<td></td>
<td>Queensland Health</td>
<td></td>
</tr>
<tr>
<td></td>
<td>GPO Box 48</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brisbane QLD 4001</td>
<td></td>
</tr>
<tr>
<td>SA</td>
<td>Professor Paddy Phillips</td>
<td>Ph 08 8226 7106</td>
</tr>
<tr>
<td></td>
<td>Director, Population Health</td>
<td>Fax 08 8226 7102</td>
</tr>
<tr>
<td></td>
<td>Department of Health</td>
<td>Mobile 0401 125 949</td>
</tr>
<tr>
<td></td>
<td>Level 1, Citi Centre Building, 11 Hindmarsh Square</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adelaide SA 5000</td>
<td></td>
</tr>
<tr>
<td>TAS</td>
<td>Dr Roscoe Taylor</td>
<td>Ph 03 6222 7730</td>
</tr>
<tr>
<td></td>
<td>Director of Public Health</td>
<td>Fax 03 6223 1163</td>
</tr>
<tr>
<td></td>
<td>Department of Health &amp; Human Services</td>
<td>Mobile 0418 123 265</td>
</tr>
<tr>
<td></td>
<td>PO Box 125</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hobart TAS 7001</td>
<td></td>
</tr>
<tr>
<td>VIC</td>
<td>Dr Rosemary Lester</td>
<td>Ph 03 9096 0376</td>
</tr>
<tr>
<td></td>
<td>Acting Chief Health Officer</td>
<td><a href="mailto:chief.healthofficer@dhs.vic.gov.au">chief.healthofficer@dhs.vic.gov.au</a></td>
</tr>
<tr>
<td></td>
<td>Department of Human Services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>50 Lonsdale Street</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Melbourne VIC 3000</td>
<td></td>
</tr>
<tr>
<td>WA</td>
<td>Dr Tarun Weeramarthri</td>
<td>Ph 08 9222 2295</td>
</tr>
<tr>
<td></td>
<td>Chief Health Officer</td>
<td>Fax 08 9222 2322</td>
</tr>
<tr>
<td></td>
<td>WA Department of Health</td>
<td>Mobile 0438 200 307</td>
</tr>
<tr>
<td></td>
<td>PO Box 8172, Stirling Street</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Perth WA 6008</td>
<td></td>
</tr>
</tbody>
</table>
4. FOODS STANDARDS AUSTRALIA AND NEW ZEALAND

Food Standards Australia New Zealand (FSANZ) – Food Recall Action Offices are listed by state at the following website location. AFGC member companies are encouraged to reference this link in their internal policy and procedures.


The New Zealand Food Safety Authority (NZFSA) provides contact details for Health Protection Officers and other useful information at the following website location. AFGC member companies supplying New Zealand are encouraged to reference this link in their internal policy and procedures.


5. THERAPEUTIC GOODS ADMINISTRATION

The Uniform Recall Procedure for Therapeutic Goods (URPTG) defines the action to be taken by health authorities and sponsors when therapeutic goods for use in humans, for reasons relating to their quality, safety or efficacy, are to be removed from supply or use, or subject to corrective action.

The URPTG also contains contact details for the Australian and State/Territory recall coordinators for reference by sponsors in case of product recall. These contact details are verified quarterly and updated on this website. AFGC member companies are encouraged to reference this link in their internal policy and procedures.


6. SUPPLIERS NOTIFICATION FORM TO RETAILERS/GOV. AGENCIES

In 2005 Efficient Consumer Response Australasia (ECRA) facilitated the development of an industry standard Suppliers Notification Form to Retailers / Government Agencies.

The form can be downloaded from http://www.afgc.org.au follow the links to Recall / Withdrawal.

Woolworths require vendors to complete the form via WOW link which can be accessed via http://www.wowlink.com.au/wps/portal follow the links to Standards and Compliance – Product Recall and Withdrawal.
USEFUL INFORMATION SOURCES

- Australian Food recall action officers in each State and Territory; http://www.foodstandards.gov.au/foodmatters/foodrecalls/actionofficers.cfm
- New Zealand Food Safety Australia Food Manufacturers Recall website; http://www.nzfsa.govt.nz/processed-food-retail-sale/recalls/index.htm
- The World Health Organization (WHO) and the Food and Agriculture Organization of the United Nations (FAO) Risk Assessment approach; http://www.who.int/foodsafety/micro/riskanalysis/en/
- The National Association of Testing Authorities; http://www.nata.asn.au
- Department of Agriculture, Fisheries and Forestry
- Department of Health and Ageing
  - Preparing for pandemic influenza; http://www.flupandemic.gov.au
Kim Leighton
Director, Food Policy and Regulation

Kim Leighton joined the AFGC in February 2005 and brought with him extensive knowledge of the food regulatory system from his previous position of Principal Food Scientist at the Department of Health in Western Australia. Kim has worked in the food regulation environment since 1990 and has an extensive knowledge of the Food Standards Code, as well as the interaction of State/Territory and Local Government jurisdictions within the Commonwealth and New Zealand Governments.

Jo Thomas
Director, Corporate and Consumer Affairs

Jo Thomas joined the AFGC in May 2006, bringing with her extensive experience in the fields of communication and public relations. She worked in the public sector in Queensland and Tasmania, undertaking media liaison, issues management, stakeholder management, public education campaigns and community consultation programs.

Samantha Blake
Director, Commercial and Retail Policy

Samantha Blake joined the AFGC in January 2004. Samantha has extensive career experience in the food industry in Australia and United Kingdom, spanning 20 years. Her work has encompassed all areas of food operations and management including manufacturing, technical, supply chain, food and equipment engineering, product and process development. Samantha has had extensive experience in project management and related disciplines of large capital expenditure projects.