Review Report

MARCH 2023

BETTER RECALLS THROUGH COMMUNICATION, VISIBILITY AND ACTION

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Introduction



Mark Blitenthall

Manager Service Engagement GS1 Australia

Staying ahead of the Recall game

Across Australia and globally, 2022 was another challenging year for supply chains. Risks continued to emerge and increase in number. World events such as the war in Ukraine added to the challenges of the past several years. As a result, the need for organisations to be prepared to mitigate against the impact of unexpected, adverse events remains paramount.

As careful as organisations are to prevent and avoid adverse events, there will, on occasion, be risks that ultimately require management through a product recall. It is becoming more and more necessary for organisations to be prepared so they can manage a product recall as a routine process.

A well-managed recall doesn't have to turn into a crisis.

Having a solid and well-rehearsed recall process and system becomes an effective strategy for managing risk.

Our intention at GS1 Australia is to help inform and share best practice about better product recall processes.

We are grateful for the support of the leading industry experts who have been so willing to freely provide their time to share their extensive knowledge and experience, enabling better preparation for these unforeseen events.

In support of knowledge-sharing and upskilling of all stakeholders in the quality management space, GS1 Australia continue to create a space where conversations about recall best practice can occur and be accessed by everyone.





Recall Bootcamps

Some of the key findings

The GS1 Australia Recall Bootcamps continued in 2022 with record numbers registering to attend. Government and industry speakers shared their knowledge and know-how to deliver insights and tools for companies to better manage product recalls.



At Bootcamp #5, Alan Edwards from NSW Food Authority and Peter McGee at Victual shared expert advice and valuable tools with the audience for managing risk and regulations, in the case of a product recall.

"

One thing that we've learned from previous introductions to changes in legislation is that some businesses will unfortunately leave it to the last minute and that creates problems as well as creating additional cost and risk that really can be avoided with some good planning.



Alan Edwards NSW Food Authority





Recall BOOTCAMP #6 Series

Recall Trends and Insights

Within Australia and abroad



Mikey Smith Food Standards Australia New Zealand (FSANZ)



Andrea Currie Coles Supermarkets

Recall Bootcamp #6 focused on sharing recall insights and trends from within Australia and overseas. Two fantastic speakers, Mikey Smith from Food Standards Australia New Zealand (FSANZ) and Andrea Currie from Coles Supermarkets, discussed topics that included observable increase patterns, notifying overseas counterparts and the role of agencies.

"

Compared to a few years ago, we are seeing relatively more recalls of certain products. These include craft beers due to the secondary fermentation, plant-based or vegan products due to undeclared milk, as well as Asian foodstuffs that have been imported.



VOUTUDE Watch all Recall Bootcamps 1-6



Insights from our supporters

A number of cross-industry specialists share insights on supply chain risks, food safety and the future of product recalls.



coles

Supply chain risks

Leah Williamson, co-chair of the GS1 Australia Recall Advisory Group, shares her observations and insights into some of the key risks experienced internationally by supply chains in 2022 and how to overcome these.

Australia and the world's agri-food industry faces unprecedented challenges. During 2022, significant supply chain risks continued to increase and emerge, adding pressure to an already stretched, yet critical industry.

1. Logistics disruption & increased freight prices

Consumer demand surges (changing consumer attitudes/ behaviours) capacity shortages and at times, regulatory restrictions all led to disruptions for freight and logistics, resulting in increased freight costs. The flow of consumer goods into key markets was restricted by continued shutdowns of major global ports and airports. In addition, a shortage of shipping containers resulted in shipping rates soaring and an ongoing skilled labour shortage, including truck drivers.

2. Production delays

Coupled with labour shortages, manufacturers were competing for limited supply of key commodities and logistical capacity, leading to long purchase / supply lead times, resulting in less sales and empty shelves.

3. Over-reliance on a limited number of third parties

Many businesses have strong relationships with just one major supplier, one large customer (or export market) and/or one major supply chain partner. This dependency and lack of flexibility, resilience and responsiveness of a supply chain can lead to purchasing pressures resulting in issues such as reduced quality products, undeclared allergens, food fraud/ substitution, incorrect and misleading, illegal labels.



4. Commodity pricing, inflation & food scarcity

The risk of extreme price events can intensify and contribute to broader social risks in terms of food security, food fraud/ substitution, human development and political stability.

When prices are uneven or are rising unequally across a class of foods, there is an opportunity for fraudulent product substitution. The size of the prize for criminals increases making substitution and fraud a much more attractive opportunity.

5. Workplace & labour

The COVID-19 period has been riddled with uncertainties and labour market shortages have further complicated postpandemic recovery for many industries.

6. Weather disruptions & material scarcity

Significant weather events across the globe are causing the loss of raw materials and foods that are vital to the overall food chain fulfilment needs and ultimately human health. This is leaving many brands searching for alternative solutions that will still fit within the time frame and parameters that they need to fulfill their ongoing order pattern.

During these unprecedented times, communication, flexibility, resilience and responsiveness must be built into supply chains. Ongoing supply mapping, identifying potential risks, monitoring and business continuity planning has never been so important.

Manufacturers everywhere need to reassess their supply chains and reduce dependence on risky sources, which is tricky when crippling material shortages arise. Supply networks should be mapped (indirect and direct) to determine vital suppliers and identify vulnerabilities where supply can be diversified to increase flexibility in response before an incident occurs to determine recovery. Flexibility, resilience and responsiveness should be built into your Supply Chain and Supply Chains should be regularly monitored in their entirety to understand the true impact of disruptions in your business.

When mapping your Supply Chain make sure that it is traceable to the retailer, lack of clarity means significant delays in implementing a recall that can result in risks not only to the consumer but also to your reputation.

The use of electronic programs such as GS1 Australia Recall not only minimises the impact and cost of product recalls and withdrawals throughout the supply chain, but it significantly streamlines and improves processes and communications in the event of a product recall or withdrawal, enabling fast and effective removal of products from across the supply chain.



Leah Williamson Own Brand Product Compliance Manager Quality & Technical Standards Coles Supermarkets



HACCP International certification of GS1 Australia Recall

HACCP International operate a certification scheme for equipment, materials and support services used within the food industry. Certification is offered to suppliers of equipment or materials that have been assessed and found to make a contribution to food safety, that support or do not present a risk to the integrity of a food facility's HACCPbased food safety management system.

A HACCP based food safety management system involves a hazard analysis and risk assessment of microbiological, chemical, physical and allergenic hazards that are possible in each step of food production. The risk assessment identifies which steps in the process are critical control points for eliminating or managing a food safety risk.

The source of food safety hazards can be introduced through things like, the product itself, if time and temperature profiles are not met, through people coming to work with illness or poor hygiene practices, from equipment and consumables not being suitable for use in a food facility, processes not being adequate or followed correctly, the factory or processing environment not being suitable.

To ensure products and services adequately support a HACCP based food safety programme, an auditable due diligence process is very commonly required by the world's leading food safety schemes, to which food processors and handlers are obliged to comply. HACCP International certification confirms a products' fitness for purpose in facilities that operate to world's best practice. In terms of product certification, our methodology is one whereby products or product ranges that are proposed for certification are assessed with regard to all facets of food safety, including their contribution to food safety. The resulting certification offers manufacturers, distributors and, importantly, their customers, a third-party assurance as to the material safety, accuracy and appropriateness in a food application, issued by a well-recognised and independent organisation of food safety experts.

Non-food products and services that have an impact on food safety are eligible for certification. Some of these are used in the support programmes of a HACCP based food safety management plan.

Support programmes of HACCP based food safety programme are used to reduce or manage the food safety risks identified in the hazard analysis. These support programmes include: Vendor Assurance, Training, Pest management, Personal Hygiene, Cleaning, Maintenance, Calibration, Recall.

A Recall system is not only a support programme, is also a requirement to comply with the Australia New Zealand Food Standards code. Clause 12 of Standard 3.2.2 lists these requirements as:

"A food business engaged in the wholesale supply, manufacture or importation of food must-

- a. Have in place a system to ensure the recall of unsafe food;
- b. Set out this system in a written document and make this document available to an authorised office or request; and
- c. Comply with this system when recalling unsafe food." (FSANZ 2014)

GS1 Recall was first evaluated for HACCP International certification in 2016. The evaluation determined that GS1 Recall system meets the requirements and expectations of the food industry. As GS1 Recall delivers promised outcomes to users ('fit for purpose') generates outcomes that meet the requirements of the relevant parts of a food safety management system, including fail-safe features, data integrity and data security helps a food business to meet regulatory requirements related to recall.



HACCP International certification of GS1 Recall gives their customers assurance they will meet the requirements of a recall system.

All products and services certified by HACCP International undergo an initial evaluation to ensure the requirements for certification are met. If the product is offered certification, licences are per licence region and per category of product and are valid for 24 months. During the licence renewal, certified products are subject to re-evaluation to ensure the product continues to meet food industry expectations and requirements, as well as continue to be meeting world's best practice.

There are ten key parameters assessed during HACCP International evaluations;

- 1. Materials and specifications
- 2. Toxicity
- 3. Contamination risks
- 4. Ease of cleaning
- 5. Operating instructions
- 6. Consequences of error
- 7. Batch and process controls
- 8. Claims
- 9. Packaging and labelling
- 10. Contribution to food safety

In addition, service providers are also assessed in terms of:

- HACCP and food safety awareness
- Food Safety Training
- Documentation and reporting
- On site service delivery
- Standard Operating Procedures

All products are physically examined. Where appropriate, facilities are inspected and services are audited to ensure compliance with HACCP International's guidelines.

For the register of certified suppliers, please see https://haccp.com.au/register-of-certifiedproducts/ or check out our website for further information https://haccp.com.au/

Reference:

Food Standards Australia New Zealand (FSANZ) 2014. "Food Industry Recall Protocol"



Rachel Meryment Certification Manager HACCP International



Product Recall – what does the future look like?

The likelihood of international accidents involving contaminated food has increased due to the globalisation of food production and distribution. Unintentional chemical or microbiological contamination of food can have disastrous repercussions and create significant socioeconomic losses.

The Safe Food Imperative (World Bank, 2018) noted, "The total productivity loss associated with foodborne disease in low- and middle-income countries is estimated to cost US\$ 95.2 billion per year and the annual cost of treating foodborne illnesses is estimated at US\$ 15 billion".

There is no doubt that the best approach to minimising the risk of foodborne illnesses is through preventative measures implemented at every stage of the food supply chain. However, unless buyers maintain a consistent local presence or hire auditors to monitor or do a spot-check on farms and factories, they cannot observe the activities and behaviors involved in the sowing, growing, harvesting and distribution of food they buy nationally or internationally.

'Unobservability' is a well-known supply chain problem and can lead to moral hazard incidents where growers or suppliers shirk their responsibilities to ensure safe food is brought to market.

Are foodborne disease outbreaks getting the focus and attention they demand?

Let's look at the European Union (EU) foodborne disease **dashboard** provided by the European Food Safety Authority. Between 2016 and 2021, the EU had 29,343 foodborne disease outbreaks that sickened 257,813 people, hospitalised 22,038 and resulted in 230 fatalities. That's an astonishing average of 4,890 foodborne disease outbreaks annually, 94 per week, or 13 outbreaks daily. It's important to note that foodborne disease outbreaks due to domestic consumption of contaminated food are responsible for the most outbreak cases in the EU, with 1,302 outbreaks throughout the same period that sickened 9,847 people.

When foodservice (955 outbreaks) is combined with workplace and school canteens (326 outbreaks), they had the second highest number of outbreaks (n=1,281). But naturally, the impact on individual cases in restaurants and canteens is significantly greater, with 17,108 individual cases in foodservice and 15,618 in the workplace and school canteens.

It's important to remember that the interventions needed to deal with food safety handling in homes and foodservice are different. On the one hand, it is essential to educate the general population about food safety handling and to include it in school curriculums for young students. On the other hand, food safety handling courses and preventative measures are required for the foodservice industry and are governed by municipal, regional, or federal legislation and enforcement actions.

Only through efficient enforcement measures and random unannounced audits of the foodservice sector can hygiene and food safety problems be detected and resolved.



How many services are involved in bringing a single-ingredient product to market?

In 2015, the research unit at the Asia Pacific Economic Cooperation (APEC) initiated research across its member economies on the services sector. It was somewhat surprising to read that the research in APEC member Chile uncovered 70 services required to bring wine to market (chapter 17) and 88 services were disaggregated for fresh cherries (chapter 21). The chapter 17 authors note, "A total of 70 services can be identified in this value chain; 33 of which are more directly related to the wine production phase while 23 relate to the agriculture phase; an additional 14 services are transversal operations which support all stages of the value chain" Additionally, it was highlighted that 20 of the services were performed in-house, 21 were semi-outsourced and 29 were fully outsourced.

Do agricultural services raise the possibility of contaminated food?

We don't know the answer to this question, but further study by industry and academia may be worthwhile. For instance, further investigation could verify the credentials of service providers to confirm their qualifications or permits and licenses. They could check to see if service personnel are adequately trained, qualified and instructed in the handling or dosing of chemicals that, for instance, could result in a recall for excessive pesticide residues. And in the case of an unsafe food recall, its essential during a forensic examination to rapidly identify all services involved in bringing the unsafe food to market. Whether this level of granularity is possible across all sectors is something researchers might consider exploring.

Nonetheless, our collective thinking must shift beyond the physical product during a recall and extend to the services involved. This shift prompts some additional research questions; what are the implications for agriculture service providers? What are the consequences for all consumable agricultural products used on farms, like pesticides and other chemicals? Should consumable agricultural products be in a national registry of approved products? Should a registry be created to verify the credentials of experts and agrarian service providers? Should there be a digital 'clearinghouse' for consumers to verify the traceability and safety of products and validate credence claims such as organic, Halal, and Kosher?

There are lots of questions posed in this short article. Industry standards from GS1, when combined with supply chain technologies and analytical science laboratories, will continue to reduce the risk to human health and safety. When something goes wrong in the supply chain that demands a recall, the standardsbased processes and tools must be in place to trace back to the sources for both products and services.



John G. Keogh Managing Principal, Shantalla Inc. Professor of Practice, McGill University



Integration makes life easier

GS1 Australia's Recall system is integrated with other GS1 tools, including National Product Catalogue (NPC) and Smart Media.

The integration makes life easier for Recall users by delivering reduced delays, errors and complexities, at the stressful time of a product recall.

How does it work?

Supplier product information and images that are already loaded into the National Product Catalogue and Smart Media tools, can be auto-populated into the GS1 Recall system. Users just enter the barcode number of a product into the Recall system and the fields will be auto-filled with the correct product data and image.

Should a recall arise, the integration ensures the most up-to-date and accurate product information can be accessed, including the correct SKU, pack size, unit of measure and more.

Companies that are already using the National Product Catalogue and/or Smart Media tools are taking advantage of adding Recall to their artillery, enabling them to act more quickly and efficiently, should they be faced with a product recall or withdrawal.

| GTIN 0000000000 | 000 GS1 Baked Beans |
|-------------------------------------|-----------------------|
| GTIN | 0000000000000 |
| Product Name | GS1 Baked Beans 500g |
| Supplier Product Code | 0000000 |
| Brand | GS1 |
| Net Contents (Size) | 500g |
| Net Contents (Size) Unit of Measure | Grams |
| Company Name | GS1 Australia |
| Packaging Material and Type | Metal |
| Last Updated | 2022/01/01 5:56:09 PM |
| Product | Image |
| G Ba BE/ | Sted ANS |

Example of product information that can be automatically entered into the Recall system as a result of the integration between Recall, National Product Catalogue and Smart Media.

National Location Registry

Recall is also integrated with the GS1 National Location Registry. This enables users to easily create locations within the Recall system using a GS1 Global Location Number (GLN). With this integration, users of Recall do not need to rekey location information into a Recall notification. Information that is updated in the NLR is automatically reflected in the Recall system.

LEARN MORE

About these integrations and how they can benefit your company at a complimentary **'What is Recall?'** webinar.



Recall



Smart Media



National Product Catalogue





Automated Reporting

Traceable reporting that is aligned with the regulatory body of Food Standards Australia New Zealand (FSANZ).

Status Report

The Status Report displays the progress of all actions, or inactivity, taken by the receivers of a recall notice and in real-time. For example, when a receiver of a recall applies a corrective action or adds a comment to the notification, the sender is instantly notified and can view the progress in the Recall system.

| Review | Report Progre | SS | | | * Required Fiel | | | |
|--------------------------|--------------------|--|--|------------------------|----------------------------|--|--|--|
| Notification Snapshot | Notification Detai | ls | | | | | | |
| Notification Information | | Notification ID | 931234550263949 | 33 | | | | |
| Notification Summary | | Reference ID | 012166-V00 | | | | | |
| Action | | Notification Title Recall Class I Medical Device Asset iHealth AIR Wireless P 12345-6 | | | Pulse Oximeter RC-2016-RN- | | | |
| Download PDF | | | 12340-0 | | Download CSV Repor | | | |
| Summary Notification PDF | | | | | | | | |
| Notes | Notification Corre | ective Action Status | | | | | | |
| Distribute | | * Corrective Action Status | Completed | ~ | | | | |
| Report Progress | | Comment | Int More stock was found returning the rest to the Wavehouse | | | | | |
| | Notification Corre | Notification Corrective Action Status History | | | | | | |
| | Date & Time | Status | Reported By | Comment | Reference ID | | | |
| | 02/12/2022 11:35 | Reopened | Nim Phoa | More stock found | 012168-V00 | | | |
| | 14/11/2022 16:33 | Completed | Nim Phoa | Returning to WH | 012166-V00 | | | |
| | 14/11/2022 16:32 | Acknowledged | Nim Phoa | Received Recall notice | 012166-V00 | | | |
| | 14/11/2022 16:32 | Received | Nim Phoa | | 012166-V00 | | | |
| | | | | | | | | |

Sender view of the GS1 Australia Recall Status Report where the receiver has updated the Corrective Action Status to 'Completed' and added a Comment.

KPI Report

Senders of recall notices can view the KPI Report in the GS1 Australia Recall system displaying the response of recipients and an overview of;

- The total number of recipients that have received the notification
- The number of recipients that have taken action
- The total number of recipients that are pending
- The total number of corrective actions and their status, ie acknowledged, In progress
- The type of response received
- The time taken for recipients to respond



Example of a KPI report available in the GS1 Australia Recall system.

Regulatory Report

The FSANZ regulator requires reports to be submitted after every recall. The GS1 Australia Recall system makes it easy for users by sending automated reminders for when the Interim and Final reports are required, no need for users to diarise these reports. Once a report has been completed, the user can automatically submit it to FSANZ via the GS1 Recall system..



Regulatory reports automatically submitted to FSANZ.



New features

Action Centre

A new tab titled 'Action Centre' has been introduced for users on the Recall system dashboard. The Action Centre consolidates outstanding actions for initiators and receivers. Notifications can be completed through an easy-to-use checklist with each action accompanied by a description for next steps, as well as a link to the precise location to complete the step/s.

| Received Notifications My Company Notifications Betch Report: 0 | ions | My Action Outstanding Ar | | Recall Ready S Status: Recall Ready | Status | |
|--|-------|-----------------------------|---------------------|--|----------------|-------------|
| Action Centre | | | | | | |
| Show Pending Only | | | | Search Date | From | |
| | | | | Search Da | te To | |
| | | | | | Search Clear | |
| | | | | | | |
| Show 25 w entries | | | | | | |
| Show 25 v entries | \$ Re | ference ID | Location | n 🗘 | Date Completed | Next Action |
| | • | ference ID earch | Location Search | - | | Next Action |
| Notification Title | S | | Search | - | Date Completed | Next Action |

GS1 Australia Recall Action Centre consolidates all outstanding actions for users, in relation to a recall.

Recall Ready tab

Recall users can view their Recall Ready status quickly on the dashboard. If the status has expired, a link will take the user to the Mock Recall environment, where a mock recall notice can be performed and the Recall Ready status renewed.

A current Recall Ready status ensures your company is engaged with the GS1 Recall system and users are practiced and prepared to issue a live recall, should they need to. Companies subscribed to the Recall system perform a 'mock recall' every 12 months to maintain a current recall ready status.

| GS1 Australia Prod | uct Recall | | | Christopher GS1 Australia Approver, Initiator, |
|------------------------|---|--|---|--|
| Received Notifications | My Company Notifications Batch Report: 0 | My Action Centre Outstanding Actions: 1 | Recall Ready Status Status: Recall Ready | |
| | or companies only. If you primarily receive not ount. Contact Recall Support on 03 8581 597/ | | | |
| | Original Certified Date 5th | April 2016 | | |
| | Date Last Completed 12th | November 2022 | | |
| | Expiry Date 11th | November 2023 | | |
| | Status Rec | all Ready | | |
| | Dav | nioad Recall Ready Certificate | | |
| D GS1 Australia 2023 | Help Privac | v Policy Schedule Of Fees | Terms Of Lise About Lis - Recal | About Us - Recall Health |

Recall Ready status ensures your company is engaged with the GS1 Australia Recall system and practiced to issue a live recall.

Feedback button

Recall users can submit feedback and development suggestions directly from the Recall system via a new Feedback button. Feedback is received by the GS1 Recall Support team and helps us to identify issues, or enhancements for the system. If assistance is required, the GS1 Recall support team can respond to the user directly.

| Received Notifications | My Company Notifications Batch Report: 0 | | | My Action Dutstanding Ac | re Reca | |
|--|---|-------------|------|-----------------------------|----------|----------------------|
| Received Notification | s | | | | | |
| Show Latest Version | 1 | | | | | |
| Show Archived Notifications | GS1 Australia Limited | | ~ | | | |
| Download This View | | | | | | |
| Notification Title | \$ () | Reference I | ID 🔶 | Product Type | e 🔶 Clas | ssification |
| Search | | Search | | All 🗸 | A | u ~ |
| + Recall (Consumer Level) Food and Butter Blends | and Beverage Butter | 010981-V00 |) | Food and Beverage | Rec | call (Consum vel) |
| + Recall (Consumer Level) Food Tub | and Beverage Banana | 010714-V00 | | Food and Beverage | Rec | call (Consum /el) |
| ···· Feedback | | | | ently in l | | |

Users can send feedback directly to the GS1 Recall Support team from within the system.



In the press RetailWorld



Be ready to act, before you are faced with difficult decisions

By **Andrew Brown** GS1 Australia, Business Development Manager

Product recall is a topic few companies like to talk about. It's a conversation loaded with apprehension, especially around the financial, reputational and organisational consequences. Sometimes those consequences are serious. Rarely do companies know the full extent of those consequences at the start of situation. Decision making can often take place with imperfect understanding of the path or consequences likely to occur. Many businesses are unprepared for this situation, even if they have team members who have corporate memory of a product recall. Product recalls mostly happen when unforeseen circumstances occur, with two situations very rarely being the same.

It is common for companies to regard themselves as well equipped to respond to a product recall, even if they do not have insurance, experience and little training.

It's common for food companies to feel insulated by a mock recall they perform at audit time. While these activities can prepare companies in identifying affected products, they rarely involve all stakeholders that will make decisions and 'pulltogether' to actually ensure the product is removed from the supply chain efficiently and effectively.

GS1 Australia has been helping industries identify products and standardise data for more than 40 years, making the journey through the supply chain more efficient. In 2011 GS1 Australia initiated the 'GS1 Australia Recall', an online solution to help companies remove affected products that are unsuitable for sale or consumption more quickly and effectively. Since then, we've realised that, achieving this is more complicated than just creating an in-the-cloud place to create notices, communicate these to all your trading partners and complete the process with an audit trail of actions.

Companies need to be ready to act before they are faced with difficult decisions, not just ready to respond with the right information should things go wrong.

That's why GS1 Australia partnered with experts in related areas to help bring initiatives like the free Recall Bootcamp webinars and recall workshop training sessions held in conjunction with the Australian Institute of Food Science and Technology (AIFST).

GS1 Australia Recall subscribers have access to support and training for all employees involved in the removal of products, not just the quality team. GS1 Australia Recall is administered by a broad-based advisory group that is chaired by industry experts in the field.

Andrew Brown has been helping businesses leverage GS1 standards and solutions since 2010. His approach is to help find the most effective path for a company to achieve maximum value, according to the unique requirements of the trading environment and business needs, now and in the future.



Food&Drink



Total recall: managing the pain of product recalls

By **Kim Berry** Editor, Food and Drink Business Magazine

For many food and beverage manufacturers, a product recall or withdrawal is the nightmare that wakes them in the early hours of the morning.

"We created a space where a conversation about better recall practice can occur and be accessible to everyone. It's too late to scratch around for an expert to help or find materials about what to do, once you have a product safety incident." While certainly not something any company wants to experience, GS1 Australia has experts, tools, and resources to make a stressful situation more manageable.

When things do go wrong with a product or brand, they can quickly snowball, with economic and reputational impacts. The goal of GS1 Australia's Recall is to inform communities on how to be better prepared, should a company experience an unforeseen event.

GS1 Australia service engagement manager Mark Blitenthall says they have seen plenty of good practice over the years as well as some that could do with improvement.

"One area that consistently appears is the reluctance of companies and individuals to talk about their experiences with product recalls. Our Recall Year in Review report is designed to inform and share best practice for better recalls," Blitenthall says.

During the year, GS1 Australia runs a series of bootcamps, hosted by product recall experts from different sectors, covering topics such as crisis communications, root cause analysis, reducing product waste, and asking what went wrong.

A product recall situation results from unexpected events.

The 'What went wrong' bootcamp looked at what can be done to minimise risk, including not relying solely on test certificates from suppliers; the value of international horizon scanning to proactively identify developing challenges offshore; and seeking state and territory regulators' advice.



Recalls don't take breaks

Holiday seasons are typically the busiest times for Australian retail and it is important for brand owners to remember, there is no anticipating when a product recall might occur.

On December 16, 2022 a product recall was issued for contaminated baby spinach. This quickly escalated over subsequent days to include more products and more locations within many states. The contaminant, a weed that can have health consequences if consumed, resulted in several people across the country falling ill.

Although most organisations are careful to avoid and prevent adverse effects, on occasion there are risks that ultimately require management through a product recall.

Organisations can prepare to manage product recalls as a routine process.

Having a solid recall process and system in place becomes an effective strategy for managing risk. Investing in in a greater level of preparedness allows brand owners and manufacturers to act quickly in the event of a product safety issue – even when the world would like to be taking a break.

To ensure proper preparedness, organisations can think about risk from a likelihood perspective, for instance, conducting threats and vulnerabilities assessments and mock recalls as well as continually looking to take corrective, risk-mitigating actions.

Collaboration is key

While testing labs play a key role in evaluating affected products, it's just as important that other stakeholders, such as the food allergic community, are part of any recall conversation.

All companies would do well to develop a network of experts to facilitate collaboration. Particularly for small companies, there are experts that can be consulted to assist in planning for and managing product recalls.

Industry bodies such as Food Standards Australia New Zealand (FSANZ) or health departments may also be able to offer advice. It is also helpful to leverage opportunities to learn from other recalls that have taken place to understand if a similar situation could affect your business.

Mitigating the impact of a product recall

- Understand that product recalls are rare and are highpressure situations
- Be as prepared as you can with a plan and a team that can swing into action as soon as an issue arises
- Develop a severity matrix to know when you will act and what the course of action will be, you don't want to spend lots of time thinking and planning when things go wrong
- Act quickly, don't sit on the fence and observe and wait as the situation can run away from you, recall insurers have panels of experts to help clients manage product recalls, it is a good idea to get in contact with them as soon as you have an issue for assistance in managing and communicating the recall to consumers, trading partners and regulators
- Be overcautious issue the recall notice quickly
- Follow the 4 stages methodology of communication
 - 1. Communicate what you know
 - 2. Communicate what you don't know (what caused the contamination, how far it has spread, etc.)
 - 3. Communicate what you are doing about it
 - 4. Communicate what customers need to do

- Ensure the initial communication is correct from the get-go
- Getting the initial communication right mitigates against flow on effects, the financial impact of a recall is normally correlated to how well the recall is managed
- Being transparent from the start helps to manage media messaging. Simple, honest communication is important. Communication with a company's own staff is as important as communication to external people
- Social media means things escalate quickly, it's important to be on the front foot. Be transparent with what you do know - provide information and fill the gap so that others don't fill them. Always deal only in facts.
- Be aware of supply chain issues when planning for things that could go wrong. Go back through the supply chain at all touchpoints – from raw product, to warehousing, distribution, retailer, etc, and ensure you are comfortable with everything that is being done
- Prepare a positioning statement linked to the values of your organisation
- Check the suppliers of your suppliers, as these can have a flow-on effect for manufacturers
- Conduct mock recalls with external parties to uncover unknown shortfalls you may have
- If a product safety incident does occur, post incident reviews are important to improve the supply chain, your processes and to mitigate against future risk. However, even with thorough investigation, the complexity of supply chains means it isn't always possible to uncover all the issues that contribute towards a recall incident and there may not be a single specific root cause or problem with manufacturing or distribution. To mitigate these types of risks, product labelling is critical. Manufacturers need to find a way to communicate risk to consumers in the absence of the ability to address issues uncovered through a clear root cause.

Recalls inspire fear in many brand owners. They certainly aren't something to be relished. However, doing the hard work to ensure that your organisation is prepared to successfully manage a recall in the unfortunate event that it occurs, means that everyone from supplier to consumer can still enjoy the holiday season.

GS1 Australia Recall is used by hundreds of companies as part of their strategy for managing risk.





Product recalls in four easy steps

Using GS1 Australia Recall



Collect all relevant information and instructions for the product being recalled or withdrawn and enter this into the GS1 Australia Recall system. The user-friendly workflow allows you to individually target each recipient and includes all of the fields required by Food Standards Australia New Zealand (FSANZ).

2 Send your notice

Click the send button and automatically issue your recall notification to your customers and trading partners, communicating your product recovery / quarantine instructions throughout your supply chain. Notifying regulators and government agencies at the same time.

3 Receive responses

Once your recipients have actioned your notification and removed the affected product/s, responses will be sent directly to you via GS1 Australia Recall. with real-time progress updates. You can even view the responses using a mobile device such as a phone or a tablet.

4 Close off

Complete all regulatory processes and reporting responsibilities in GS1 Australia Recall, as well as internal reporting and auditing requirements.

Recall partners

The GS1 Australia Recall system welcomes the support of many industry experts and reputable stakeholders. GS1 Australia acknowledges the ongoing commitment and collaboration from our partner organisations, working towards achieving a better recall process. Many of these organisations have generously shared their expertise in forums such as Recall Bootcamps and the Year in Review Report, supporting the objective of sharing knowledge to enhance recall best practice and ultimately improve the way that recalls are conducted and ensuring the safety of consumers.

If your company is interested in becoming a Recall partner please send an email to recallsupport@GS1au.org.



Contact



Andrew Brown

Business Development Manager - Service Engagement GS1 Australia

Lakes Business Park Building 4B 2-4 Lord Street Botany | NSW | 2019

D +61 2 9695 2214
E Andrew.Brown@gs1au.org
W www.gs1au.org/our-services/recall/
L www.linkedin.com/in/andrewjbrownx1/

About GS1 Australia Recall

Designed for the food, beverage and general merchandise industries, GS1 Australia Recall is an online platform that minimises the impact and cost of product recalls and withdrawals throughout the supply chain. A secure electronic system that is endorsed by major Australian retailers and associations. The use of the GS1 Australia Recall significantly streamlines and improves processes and communications in the event of a product recall or withdrawal, enabling fast and effective removal of products from across the supply chain. The standardised, industry-driven communication tool enables organisations of any size (including manufacturers, wholesalers, retailers and importers) to efficiently share product recall and withdrawal notifications with FSANZ and ACCC, state-based food safety regulators and trading partners, in accordance with FSANZ Food Industry Recall Protocol.

W www.gs1au.org/recall

L www.linkedin.com/showcase/gs1-australia-recall

GS1 Australia

Head Office, 8 Nexus Court, Mulgrave VIC 3170 Locked Bag 2, Mt Waverley VIC 3149 T 1300 227 263 | F +61 3 9558 9551 | ABN 67 005 529 920 www.gs1au.org

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