

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

# Food Scares

## How can we reduce the impacts?

Angela Druckman, Elizabeth York, Amy Woodward, Paolo Campo  
University of Surrey

# Plan of Presentation

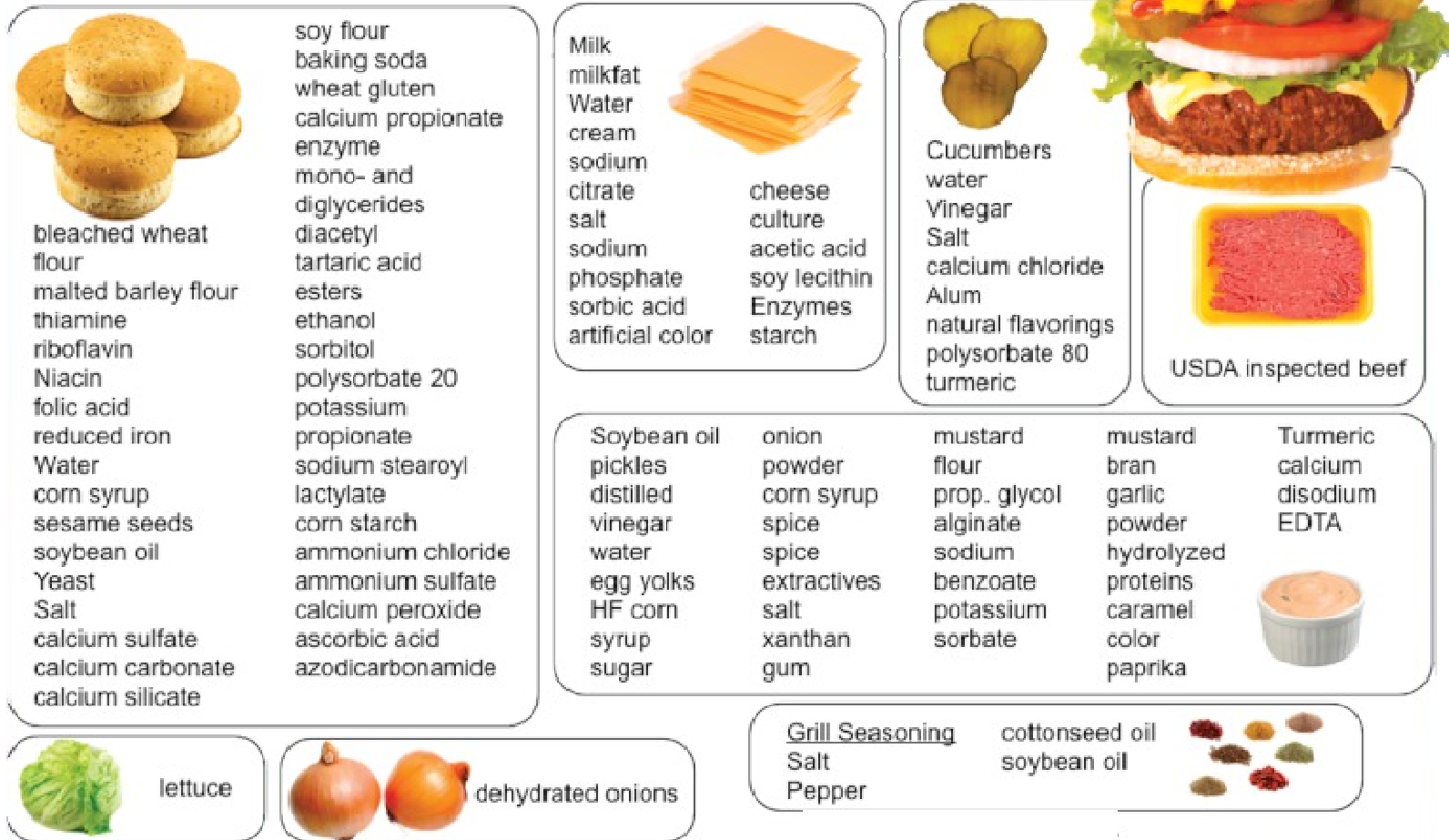
- Introduction to food incidents and food scares
  - Supply chain complexity
  - Typology of scares
  - What turns a food incident into a food scare?
- Projects:
  - How can we reduce their frequency and severity?
    - Agent Based Model:
      - How can improved information flows along food supply chains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

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

Scholl, 2005 cited in Choffnes et al (2012)

# The Complexity of a Cheeseburger - Ingredients

## Global Supply Chain Complexity



# The Complexity of a Cheeseburger – Countries of Origin

## Globalizing the Cheeseburger



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

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

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



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

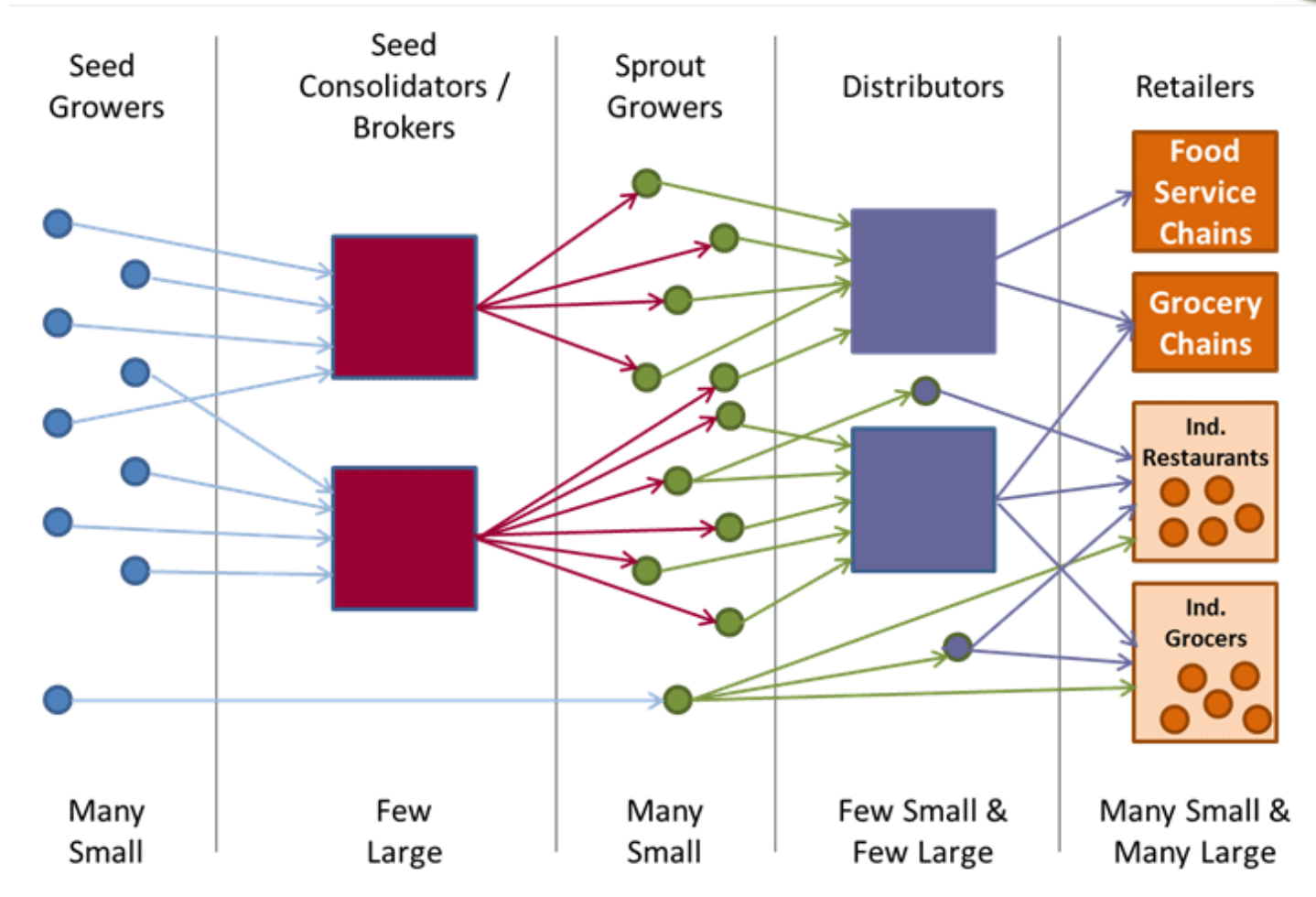
**Beef**  
 Australia  
 Canada  
 Chile  
 Costa Rica  
 Honduras  
 Japan  
 Mexico  
 Nicaragua  
 New Zealand  
 Uruguay



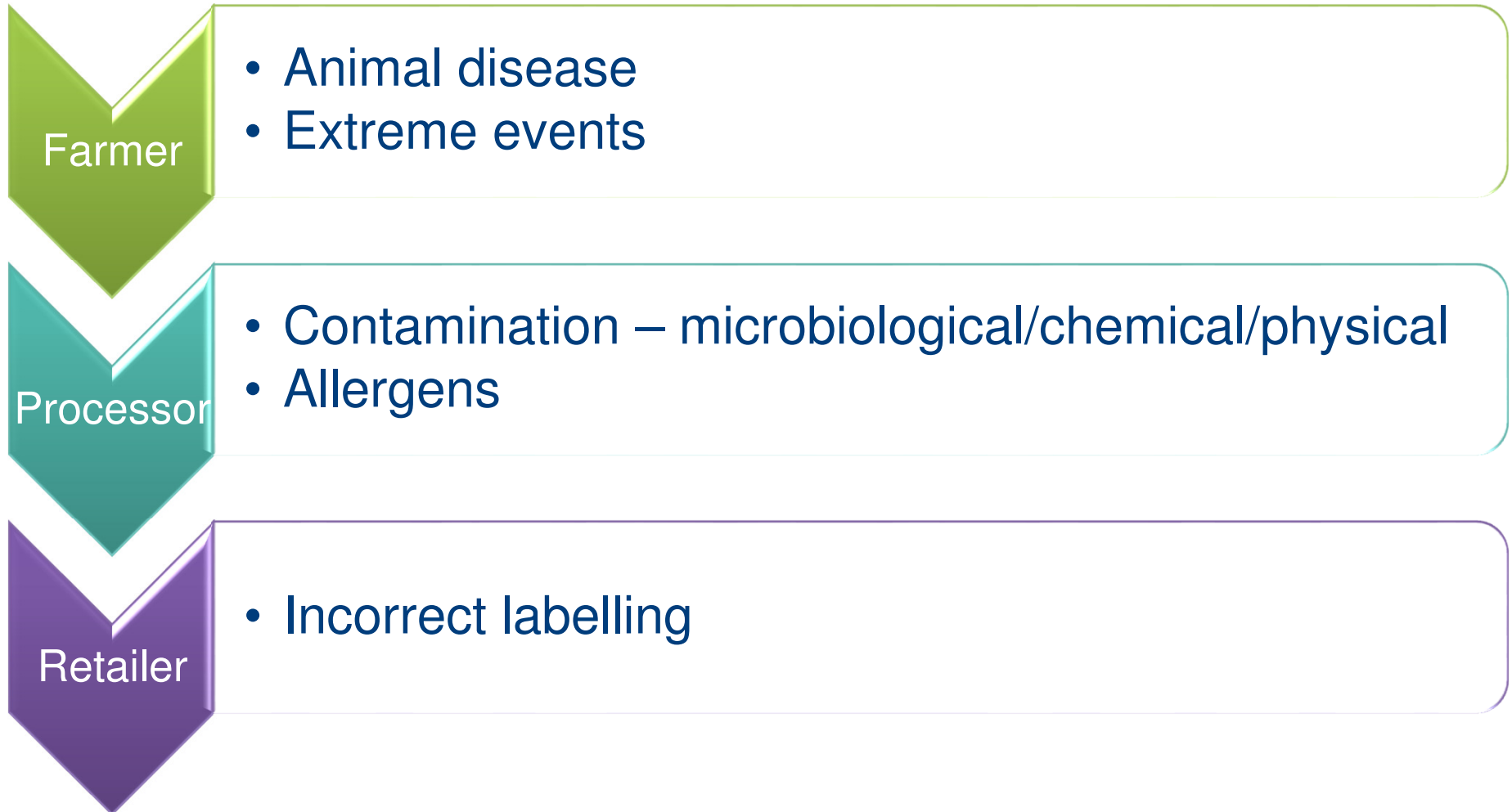

**Wheat Gluten**  
 Australia  
 Belgium  
 Canada  
 China  
 Czech Rep.  
 France  
 Germany  
 Kazakhstan  
 Lithuania  
 Netherlands  
 Poland  
 Russia  
 Switzerland  
 Thailand  
 U.K.



# Many actors interacting with many others across the food chain



## Examples of shocks in different parts of the supply chain



## What is a food scare?

The definition of food scare that we use here is:

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



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

Test reveals Fonterra milk powder didn't contain botulism bacteria

China tainted milk scandal: Cadbury confirms melamine and 22 arrested

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

Traces of melamine found in US-made baby formula

Japan bans Fukushima rice shipment due to contamination

## In the past there have been many food scares

New Zealand's Fonterra finds botulism bacteria in dairy ingredient

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

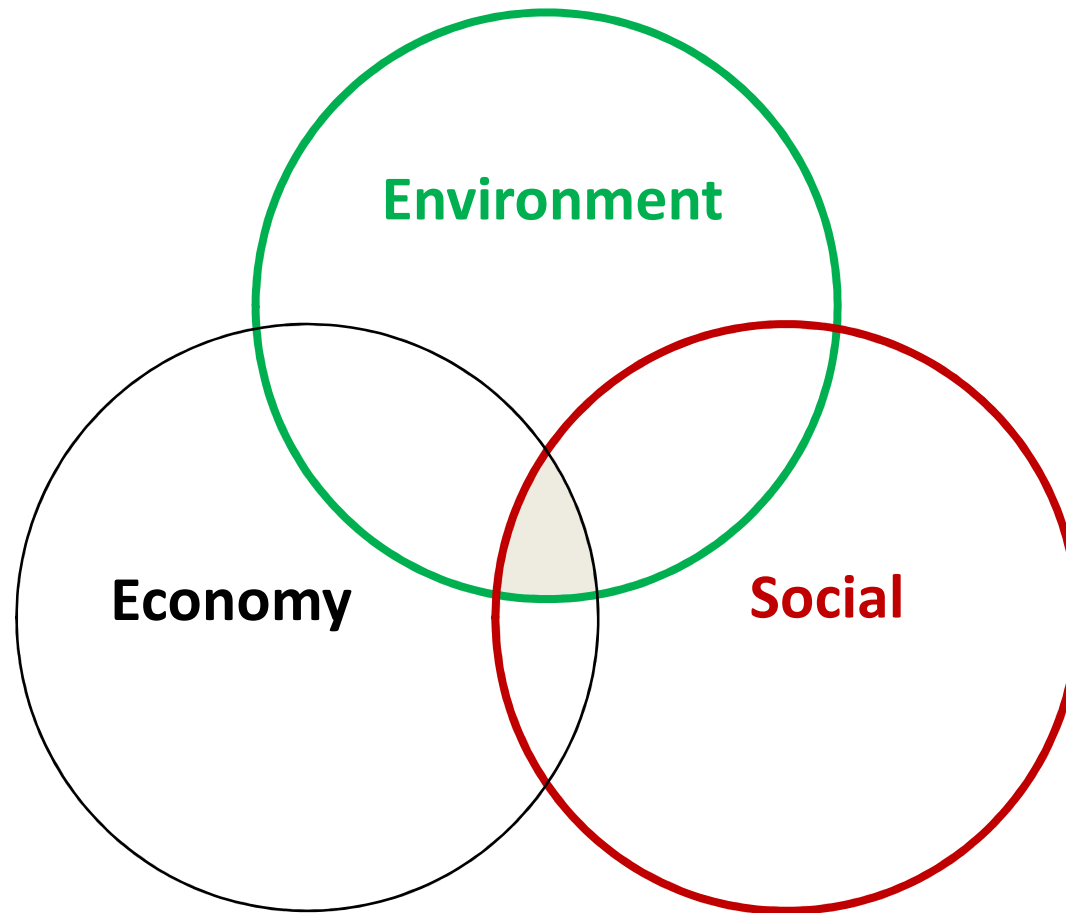
BSE meat from foreign cattle may be ending up in burgers

40 Tons of Tainted Pork Allegedly Sold in China

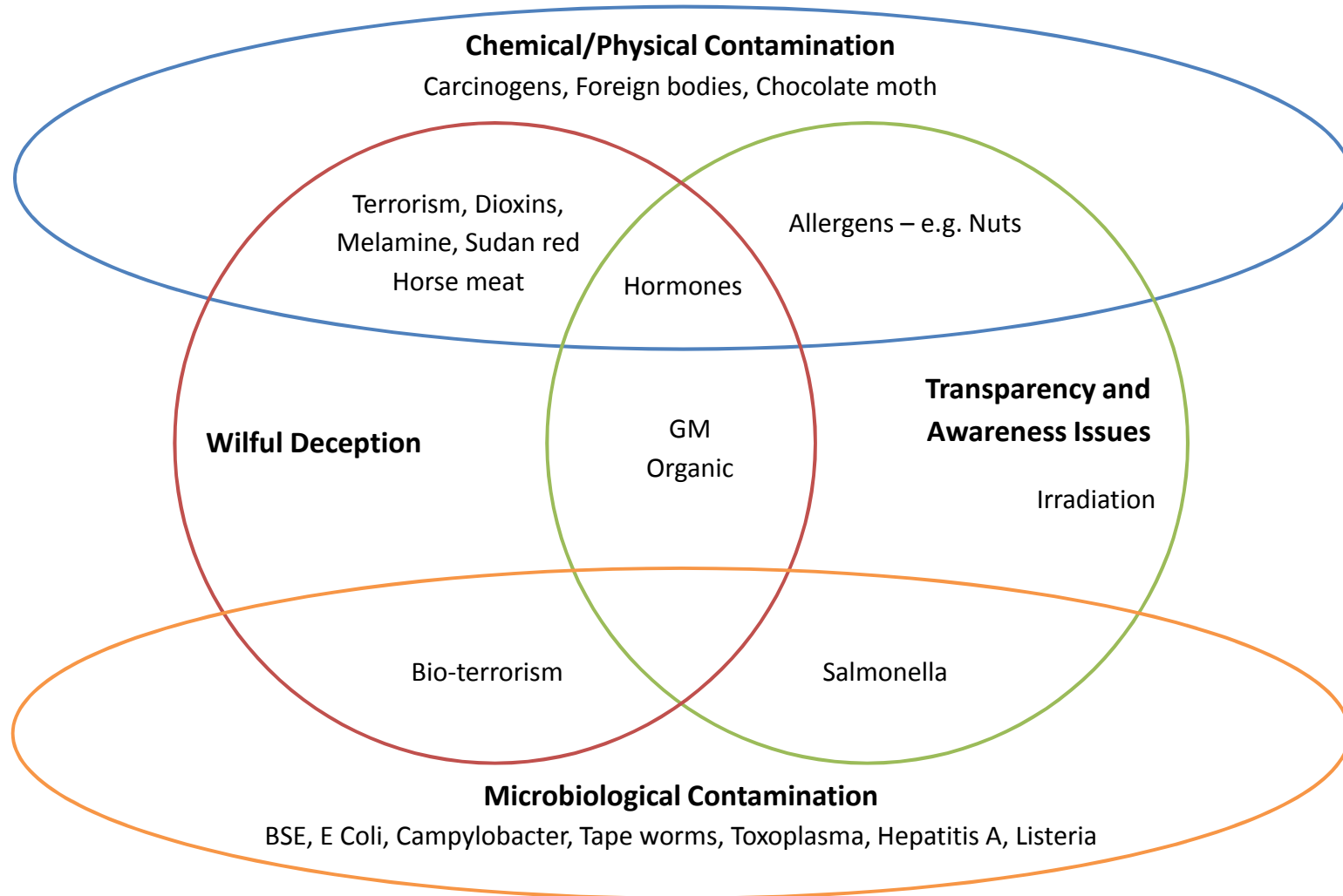
Top supermarkets secretly sell halal: Sainsbury's, Tesco, Waitrose, and M&S don't tell us meat is ritually slaughtered

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

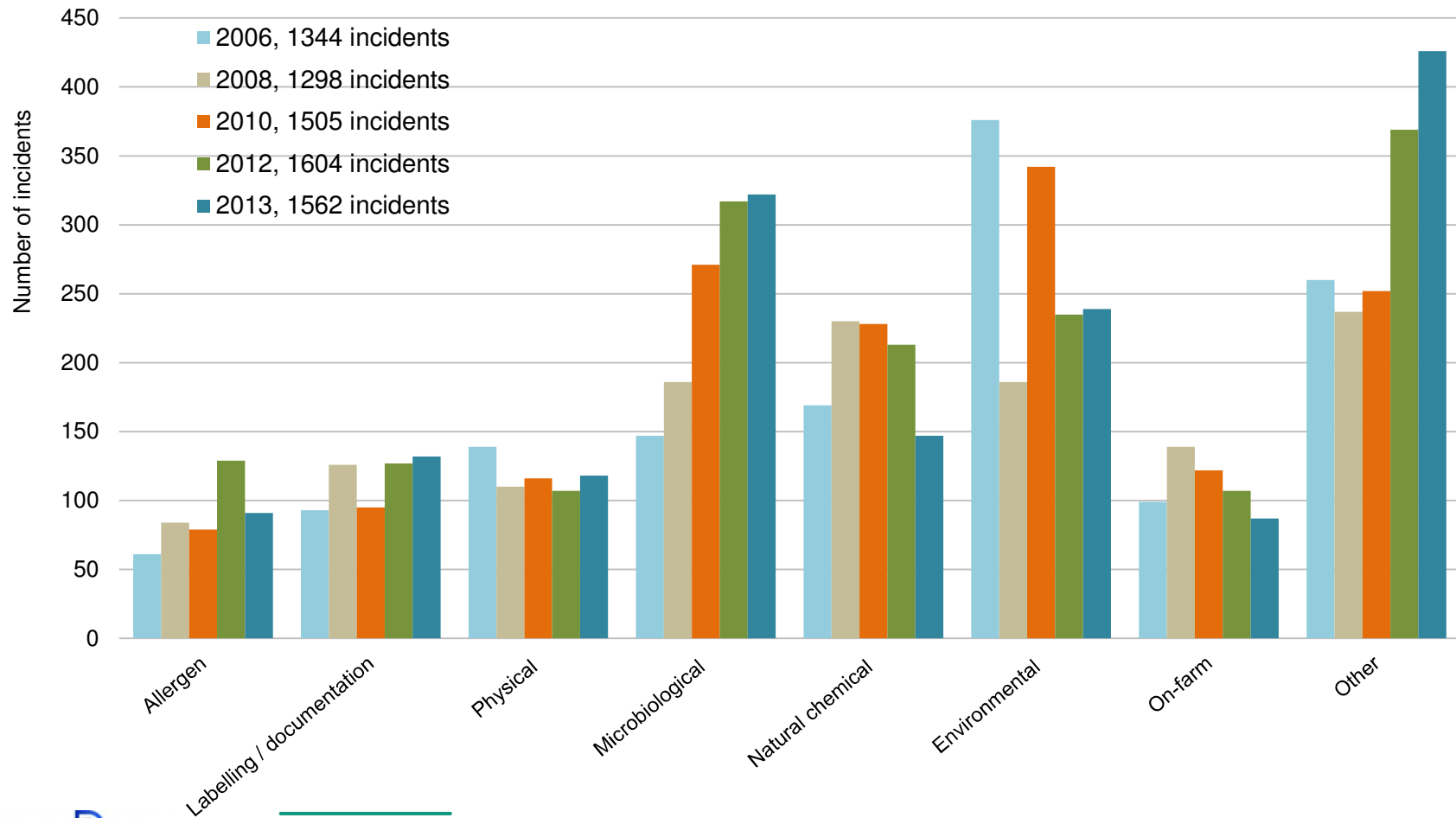
# Why do food scares matter?



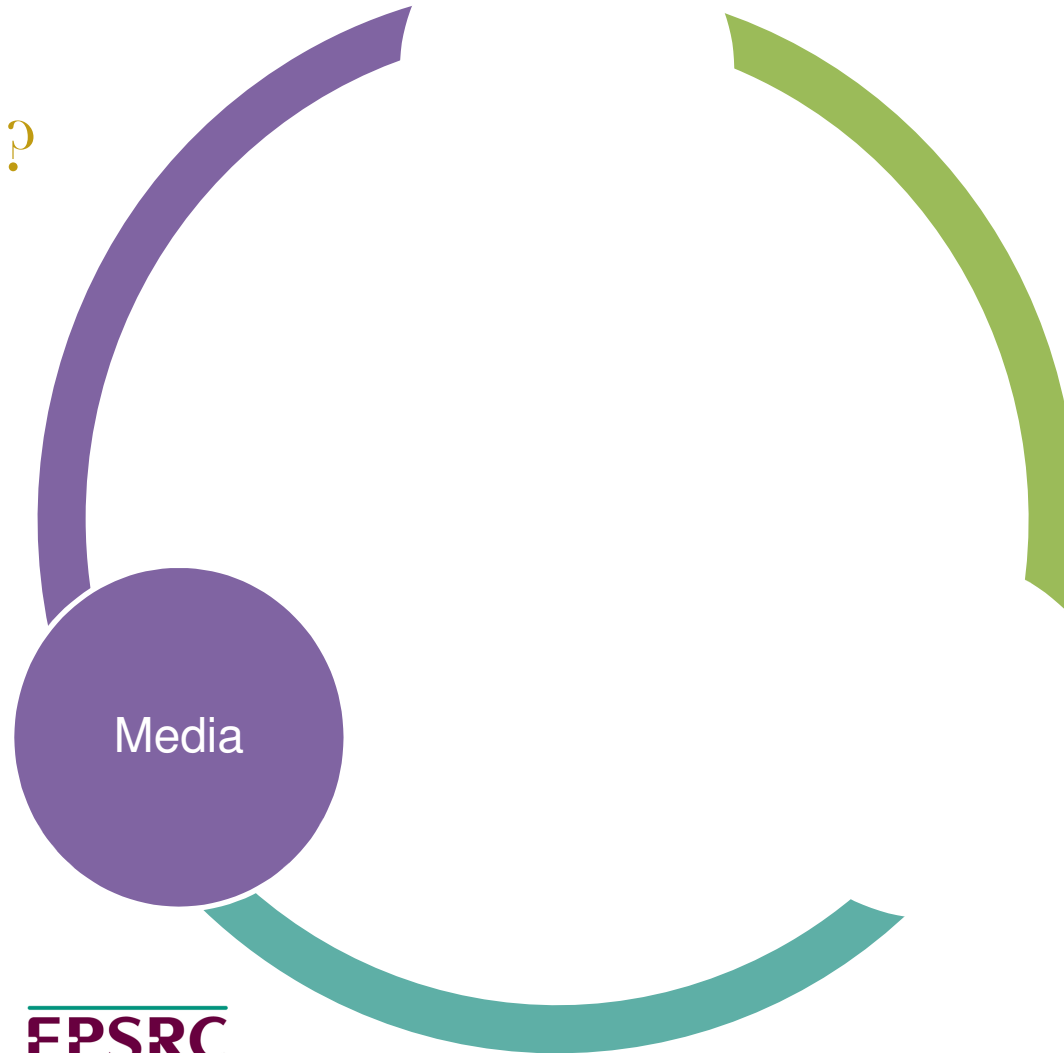
# Food incidents: a classification



# Contamination incidents investigated in the UK by the FSA



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



# The media: reporting on horsemeat scandal

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

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

[www.gorkana.com/measurement-matters/measurement-matters/socialmediamonitoring/horsemeat-scandal/](http://www.gorkana.com/measurement-matters/measurement-matters/socialmediamonitoring/horsemeat-scandal/)

# Social Media



Blogger



Facebook



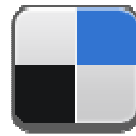
LinkedIn



RSS



Tumblr



Delicious



Flickr



MySpace



Stumble upon



Twitter



Digg



Google+



Reddit



Technorati



You-tube

# Social Media

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





# Social Media



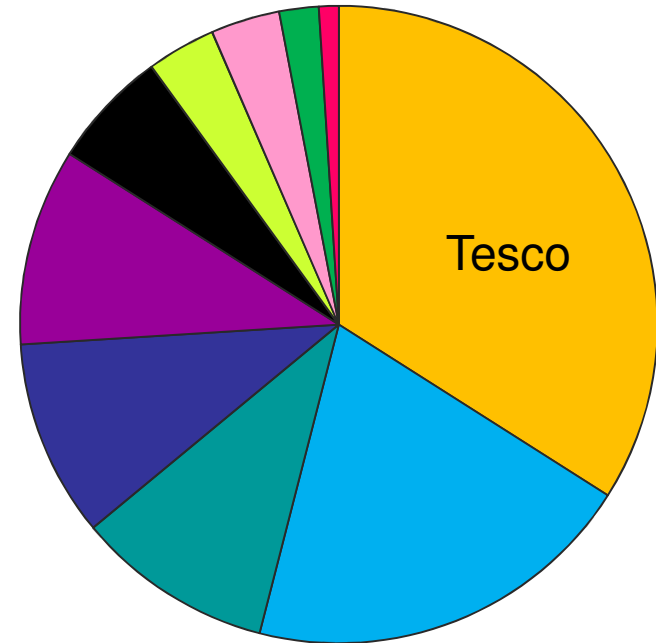
## Positive?

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

## Negative?

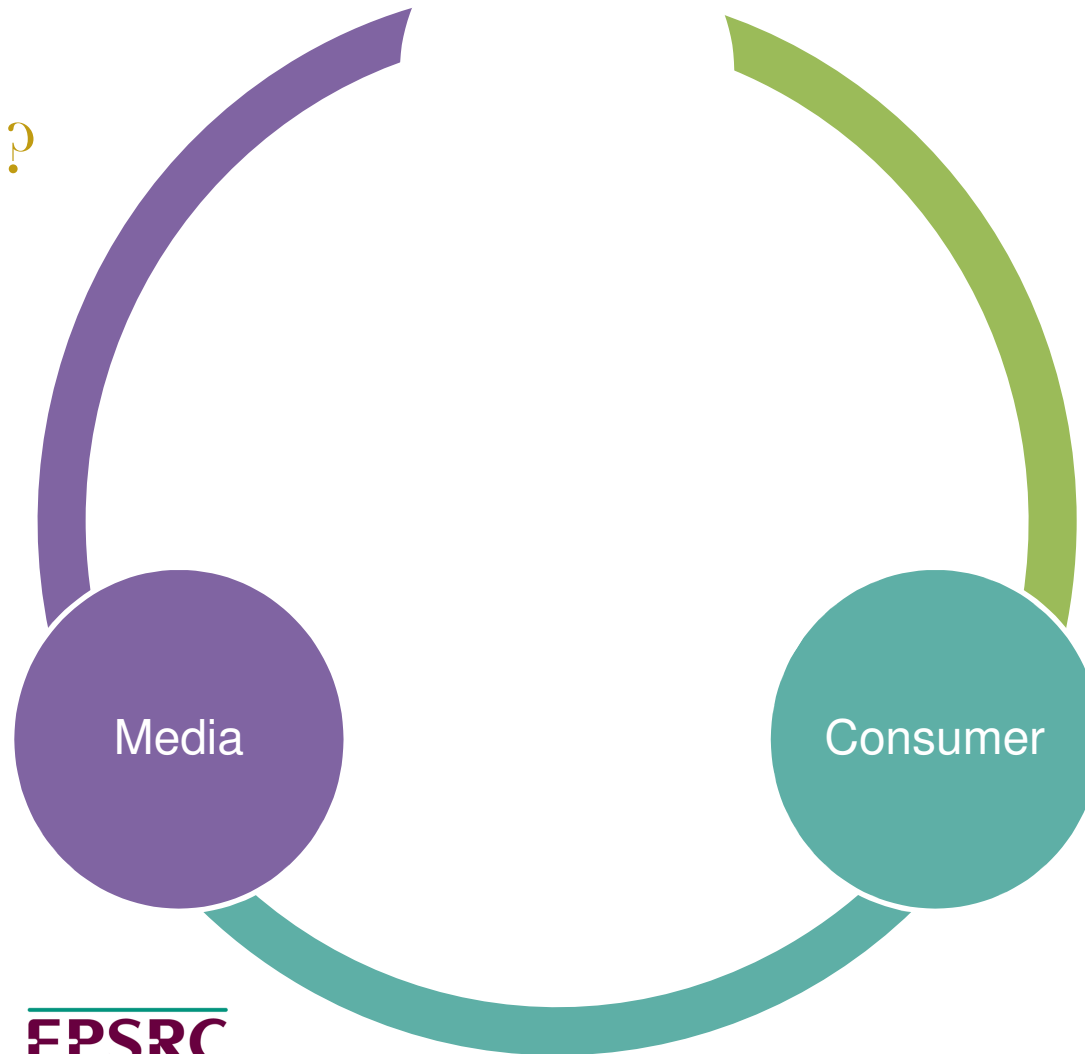
- Increased customer power
  - Harder for companies to contain negative publicity.
- Difficult to track negative or misleading statements
- Accidental release of confidential information
- Unauthorized employees speaking on company's behalf

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



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

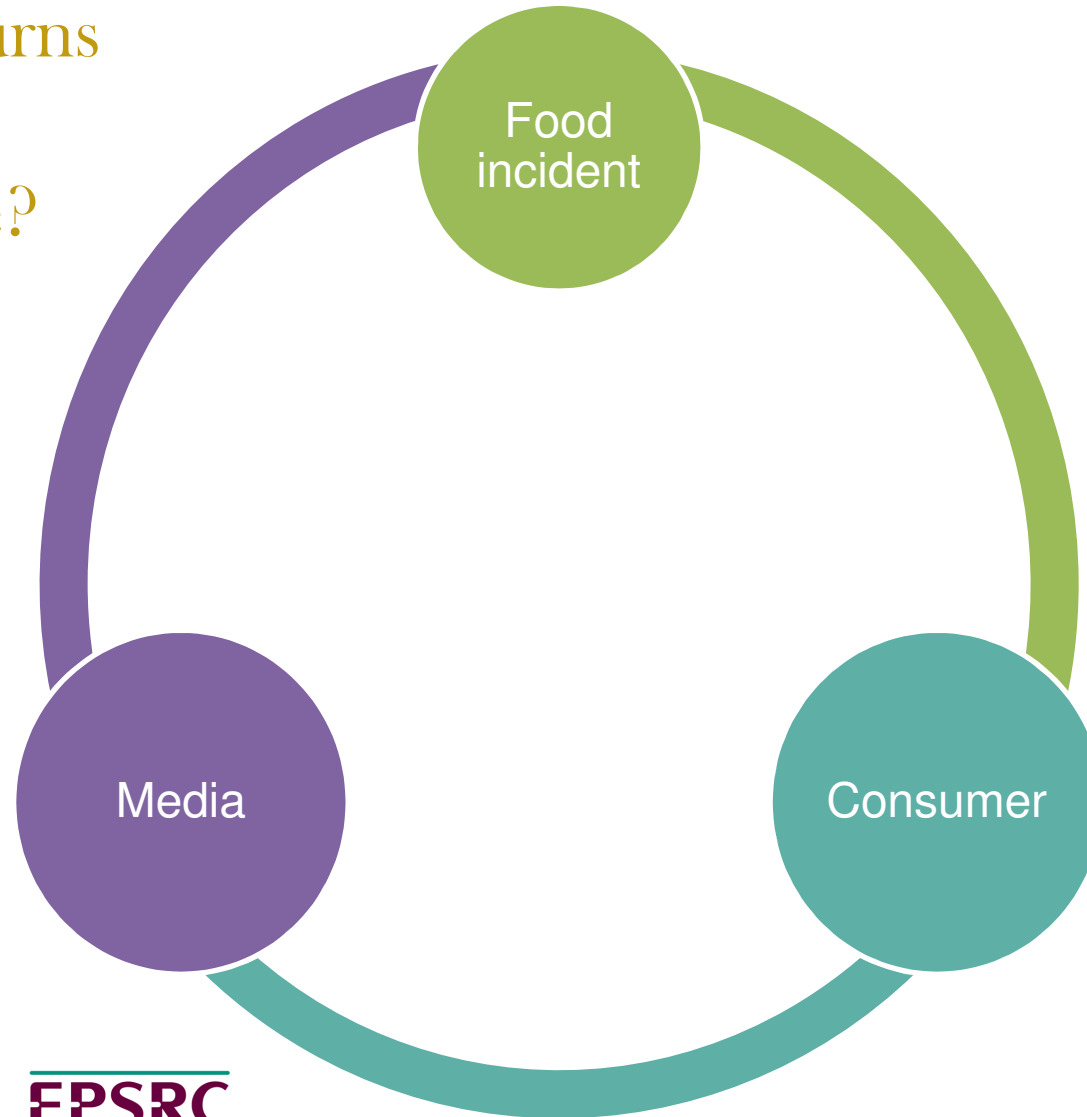
Food incidents happen all the time.....  
But what turns  
an incident  
into a scare?



# Consumers

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

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



# Dealing with food incidents

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

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

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

# The Policy Arena

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



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



Government  
Office for Science



Engineering and Physical Sciences  
Research Council

[erie.surrey.ac.uk](http://erie.surrey.ac.uk)

## Current Policy

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



# Initiatives following the horsemeat scandal

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

# Plan of Presentation

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

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

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

## 3 specific Supply Chains

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



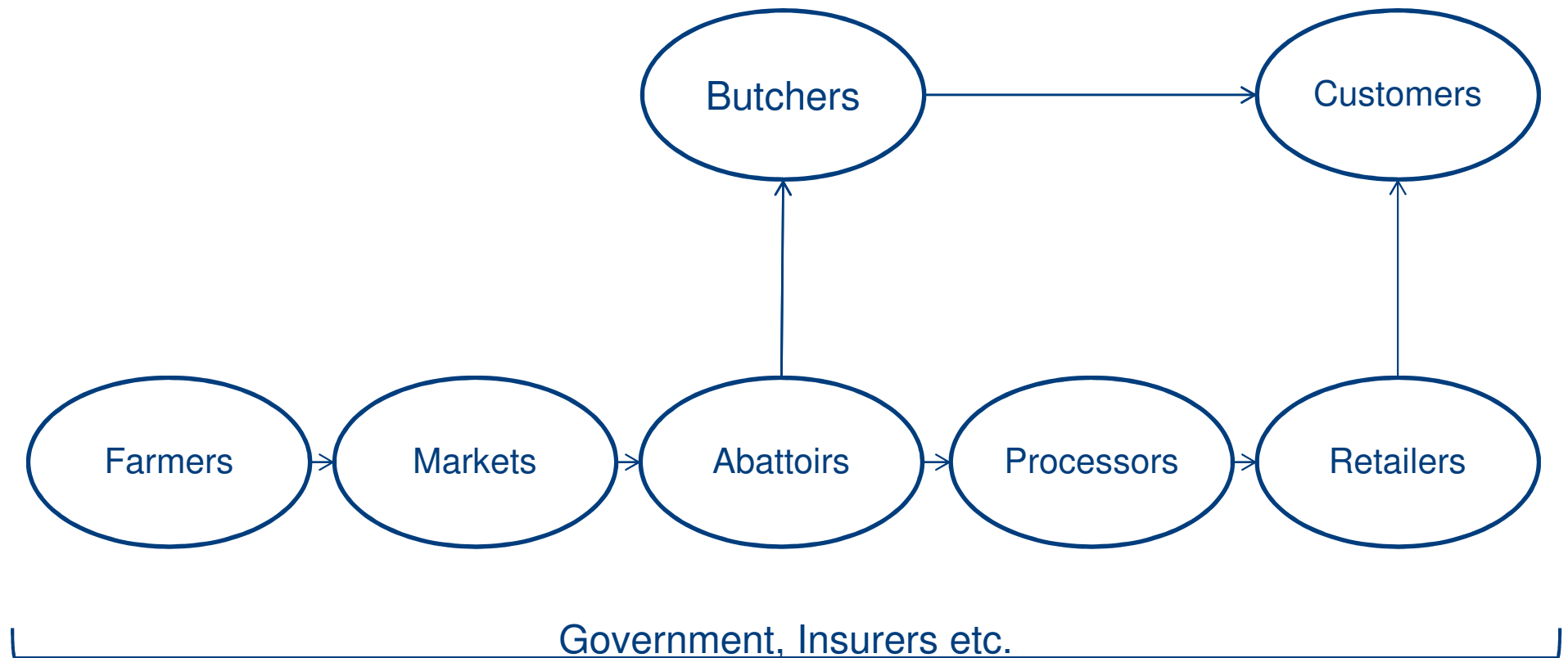
## Assumptions and limitations of the model

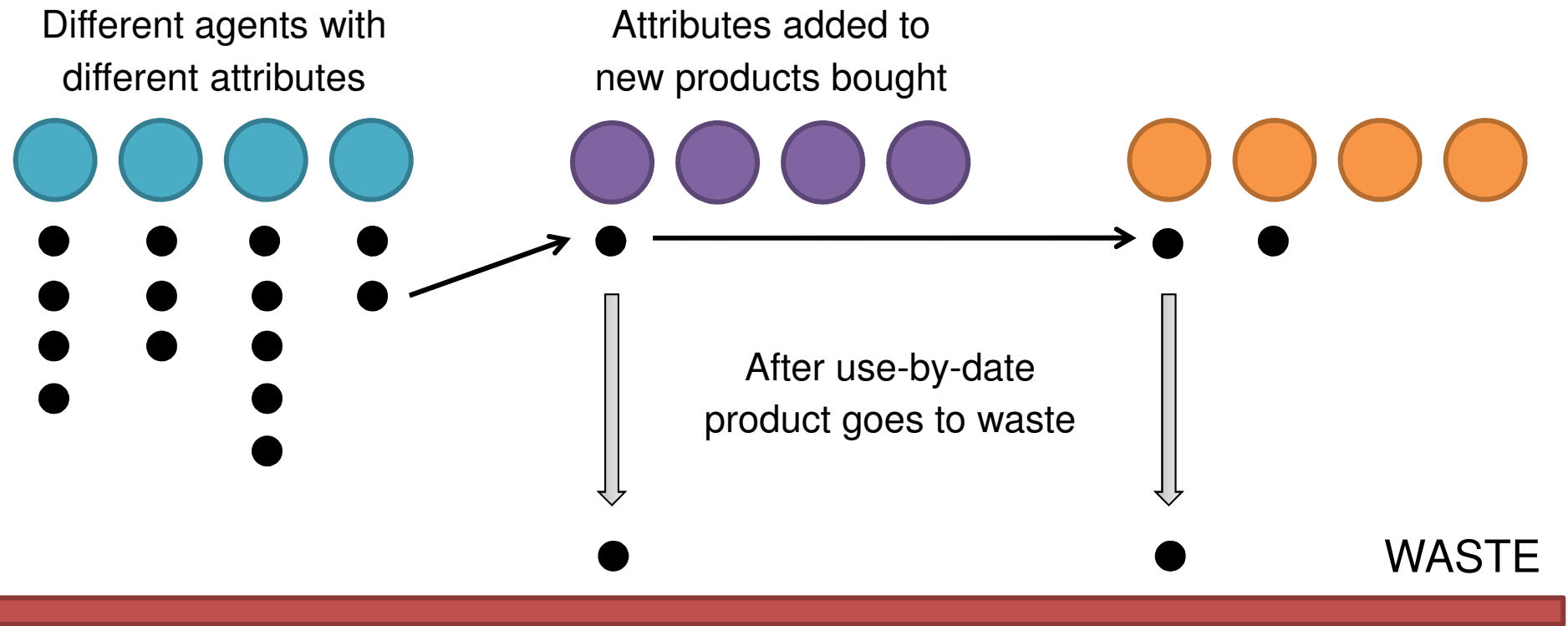
- Simplification of the supply chain
- Mapping information flows
  - Qualitative and quantitative information
- Confidentiality issues
- The market : we are not taking account of price.
  - Assume all products are in a suitable price range for the buyer
- Indicator
  - Food waste

# Stakeholder engagement

- Expert interviews
- Workshops

# Agents







**Global  
Time  
Shocks**

**Product**

Sold and bought along supply chain

Information as Attributes

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

**Farmer**

Sell to retailer → sells in bulk

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

**Retailer**

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

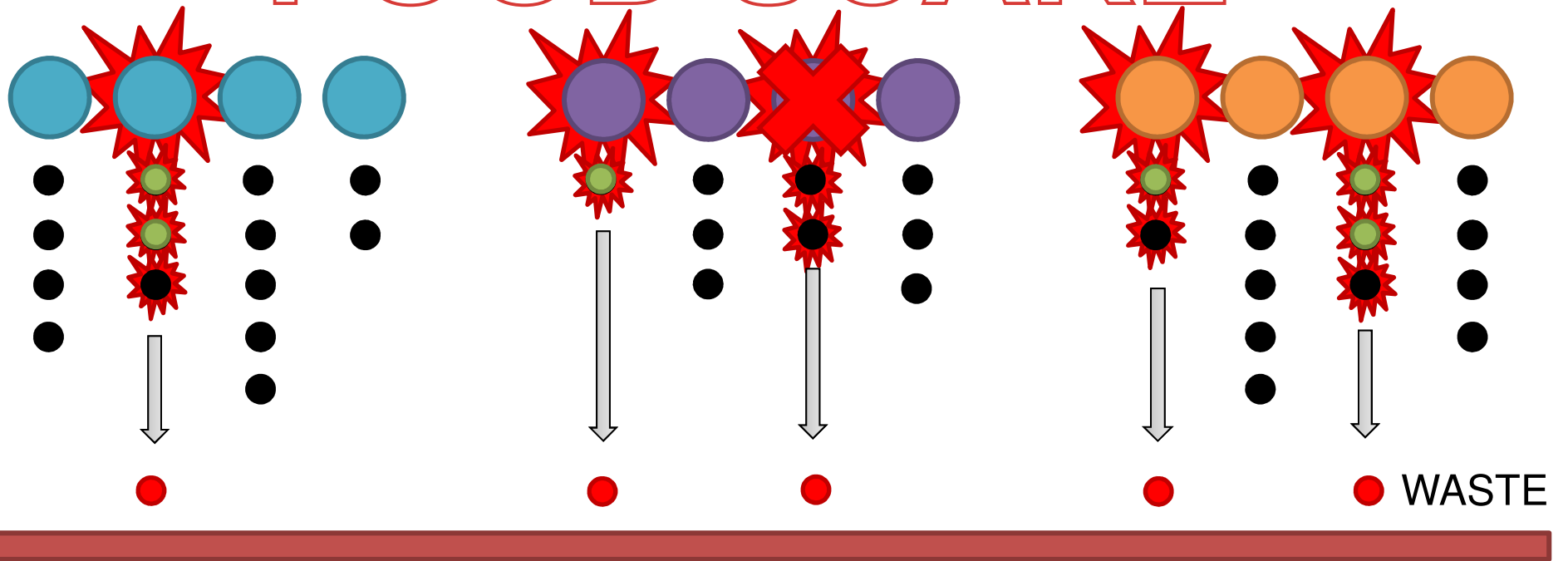
- \* Buy if product has key attributes
- \* Add attributes to products
- \* Do not buy if sufficient stock
- \* More probable to buy from previous supplier
- \* Chooses whether to buy
- \* Learn from information level
- \* Die if no stock for time period

**Customers**

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



# FOOD SCARE



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

## Types of information (examples)

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

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## Information issues

- Incorrect
- Missing

# Traceability Index

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

# ABM Model - NetLogo



# What happens in the scenarios?

## **Audits**

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

Can change the amount of sampling

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

Mass balance and more focused audits are applied

## **Media**

Embargo on press reports for a set period of time.

Suggested times: 2, 5, 10 days

## **Risk and response**

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

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

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

## **Products**

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

or

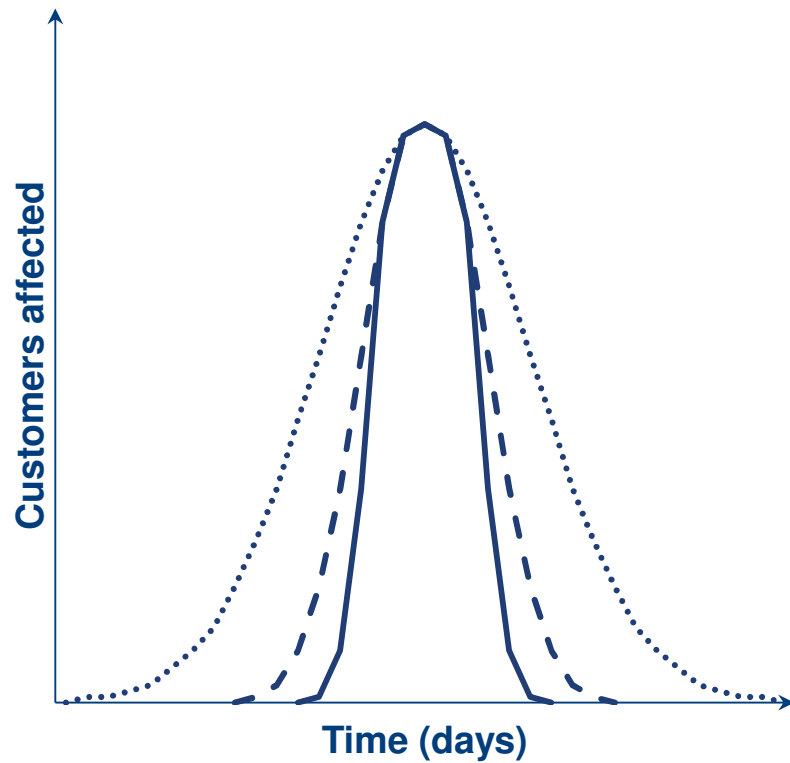
All products left on sale until they are proven to be contaminated



# Media

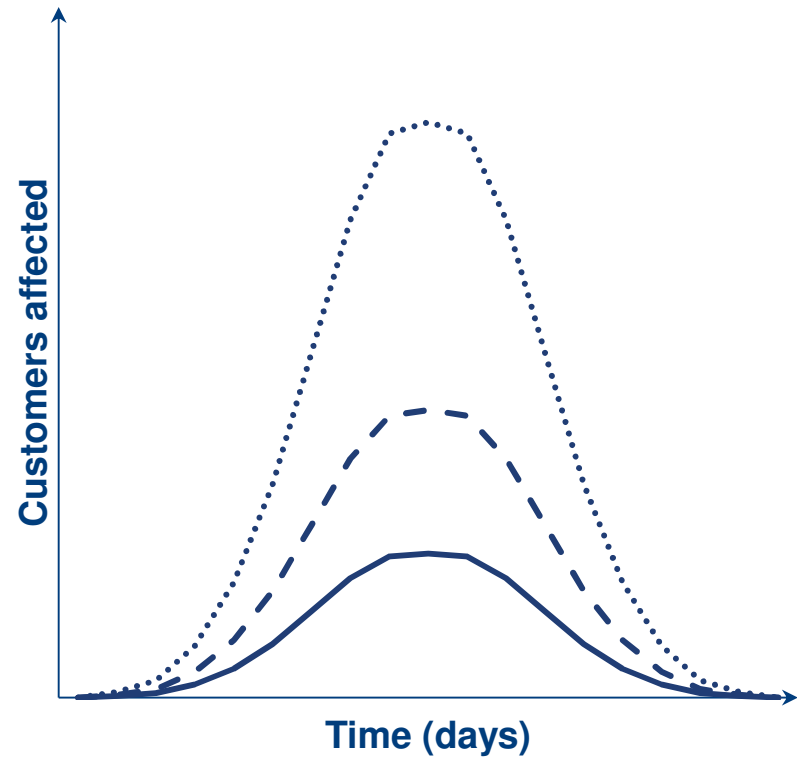
When the scare occurs the customers in the model will waste a percentage of the customers' products according to the magnitude of the scare

## Length



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

## Magnitude



— Low x1 - - Medium x2 ..... High x4



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# Food Incident Interactive Training Tool (FIITT)

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

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

# Food Incident Interactive Training Tool (FIITT)



## Food Incident Interactive Training Tool

Day: 1

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

### Your organization

#### Status

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

#### Available actions:

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

Time Limit: 00:01:00

**SUBMIT**

### Public

News

Twitter

### In-house quality control

(Message from quality control)

### FSA

(Message from FSA)

### Insurer

(Message from Insurer)

### Trade Organisation

(Message from trade organisation)

### Lawyer

(Message from Lawyer)

# Food Incident Interactive Training Tool (FIITT)



## Food Incident Interactive Training Tool

Day: 2

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

### Your organization

#### Status

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

#### Available actions:

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

Time Limit: 00:00:45

**SUBMIT**

### Public

#### News

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

#### Twitter

USER123: salmonella in bean sprouts! #scaredofsprouts #salmonellasprouts

**In-house quality control**

### FSA

*Still under investigation. Will update soon.*

**Insurer**

**Trade Organisation**

**Lawyer**

# Food Incident Interactive Training Tool (FIITT)



## Food Incident Interactive Training Tool

Day: 3

Scenario Status: Mounting public concern over bean sprouts.

### Your organization

#### Status

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

#### Available actions:

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

Time Limit: 00:00:33

**SUBMIT**

### Public

#### News

Daily Mail:  
Salmonella in 10  
states linked to  
raw sprouts

#### Twitter

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

### In-house quality control

*Initial test inconclusive.  
Retesting*

### FSA

### Insurer

### Trade Organisation

### Lawyer

# Link the ABM to the training tool

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**SUBMIT**

### Public

News

Twitter

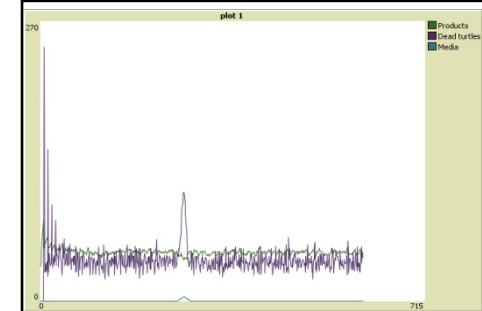
### FSA

(Message from FSA)

### Trade Organisation

(Message from trade organisation)

### Model output



### Insurer

(Message from Insurer)

### Lawyer

(Message from Lawyer)

# Food Incident Interactive Training Tool (FIITT)

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

# Conclusion

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