How Processors are Embracing U.S. Dairy Traceability Protocols

Innovation Center for U.S. Dairy Traceability Project

Edith Wilkin, Staff VP and Fellow,
Food Safety and Regulatory Compliance
Leprino Foods Co.

Dairy Practices Council Annual Conference
Nov. 8, 2013

Innovation Center background

- Funded by the dairy farmer checkoff

- Forum for industry to address pre-competitive barriers, opportunities to foster innovation and sales

- Commissioned globalization studies in 2009, 2011 conducted by Bain & Co.

Spinach Recall

2006-07

- E. Coli
- 5 deaths
- $350 million in lost sales

Food safety: No guarantees

205 people were sickened by E. coli and five died after eating fresh spinach last September. The victims included 2-year-old Kyle Allgood of Chubbuck, Idaho.

26 states with illnesses
Deaths

Photo by Richard Green, The Californian

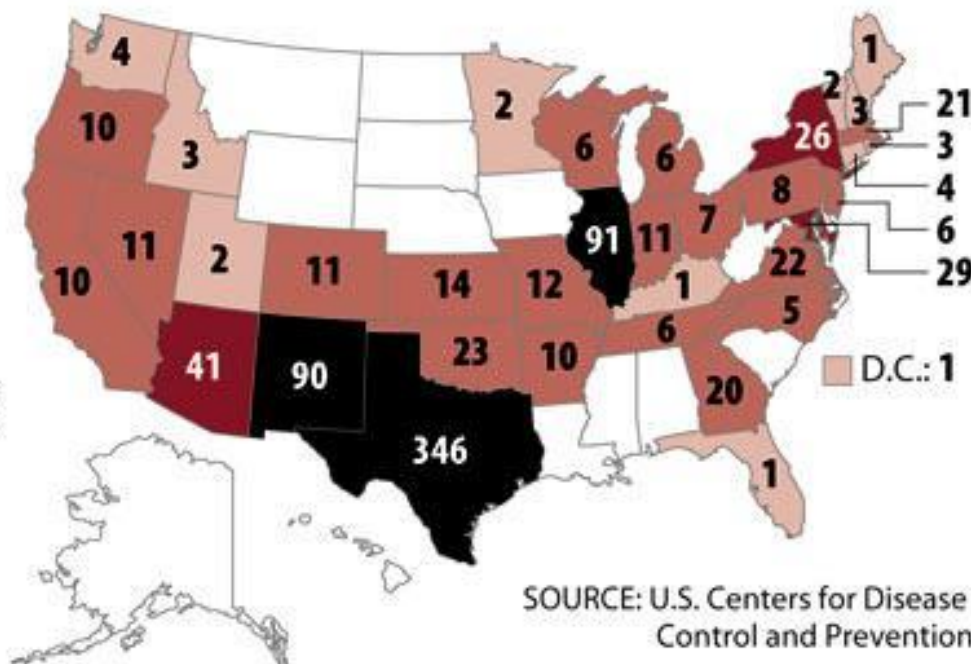USA TODAY

Tomato Recall

Looking beyond tomatoes

The investigation into the outbreak of salmonella illness will now include items commonly eaten with tomatoes; more than 860 people have fallen ill since mid-April.

States with identified cases

- 1-4
- 5-25
- 26-75
- 76 or more

NOTE: Most recent case reported was June 20, implying that the outbreak is ongoing.

4
10
3
10
11
2
11
2
91
11
14
12
6
6
7
8
22
5
1
6
26
2
3
1
21
3
4
6
29
41
90
23
10
346
20
1
D.C.: 1

SOURCE: U.S. Centers for Disease Control and Prevention

MCT graphic/Melina Yingling

2008

- Salmonella
- 1,500 cases
- $250 million in lost sales

Enter Washington…

A Choice for Dairy Industry

Reactive or

PROACTIVE?

Industry-led Effort

TRACEABILITY SUBCOMMITTEE

Dermot Carey Chairman	DARIGOLD
Jeff Acker	DFA Dairy Farmers of America
Barney Krueger	glanbia
Clay Detlefsen	IDFA
Edith Wilkin	Leprino Foods
Jeremy Travis	Hilmar Cheese Company

INNOVATION CENTER FOR U.S. DAIRY
HEALTHY PEOPLE • HEALTHY PRODUCTS • HEALTHY PLANET

Goal
- Ensure U.S. industry meets legislation, while meeting needs of global buyers and competition

Deliverable
- Recommended *voluntary*, enhanced practices

Metric
- Degree of *voluntary* industry adoption to preempt FSMA

Research Findings

Research analyzed by the Innovation Center task group showed that the
U.S. Dairy industry:

- Lacked lot-specific information
- Failed to provide consistent information throughout the supply chain
- Did not meet FDA documentation requirements

Source: 2007 DMI Vulnerabilities Audit Report, 2009 OIG Report Traceability in the Food Supply Chain

Global Competitors Gaining

For example, Oceania's traceability practices exceeded the U.S. in:

- Use of technology
- Government standards
- External communications

3 Pillars of U.S. Dairy Traceability

1. Modeling physical plants

2. Creating lot-identifying mark

3. Enhancing record keeping

Pilot Study Tested Our Protocols

- **Pilot program involved six processing companies, representing 30 percent of U.S. milk production**

- **Feedback and comments shaped final protocols, released Sept. 10**

Participants:

Helpful measuring stick

"Comprehensive, straightforward and helpful."

— Helena Soedjak, senior director of quality assurance and compliance

Fresh Perspective

"Created more awareness of the impact of the various unit processes involved."

— Dermot Carey, senior vice president, ingredients division

New Insights

"Led us to evaluate milk receipts, where we gained clarity on recall responsibility with our vendors."

— *Scott Hall, corporate quality manager*

Do Your Own Gap Analysis

21-Point Enhanced Dairy Traceability Checklist

Use this checklist to evaluate if your facility follows enhanced traceability best practices established by the Innovation Center for U.S. Dairy® – established under the leadership of America's dairy producers through the dairy checkoff program.

☑ Receiving

- Farms on each load can be identified by receiving record or shipper.
- For cream, condensed sugars and others the Lot Identifying Mark ties to shipper's records.
- Loads are recorded with silo destinations.

Warehouse

- Lot Identifying Marks recorded when received matches shipper's records.
- Lot Identifying Marks recorded is same as is used by all operators at time of process use.

✔ Process Areas

- KDEs – Lot Entry Points are identified and listed.
- Lot Identifying Marks are being recorded as ingredients are added.
- Critical Tracking Events are identified and listed.
- Critical Tracking Events
  - (Example: Silos, Tanks, Mixers) are not filled and emptied at the same time.
- Critical Tracking Events are documented.

☑ Clean-in-Place (CIP)

- CIP type designated for Critical Tracking Event equipment. (Full, Sanitize)
- CIP occurs on raw silos before refilling.
- CIP resets Critical Tracking Event lot when complete.

✓ Final Products

- Product Lot Identity clearly identifies manufacturing lot.
- Lot Identity is human readable, and electronically readable to the customer.
- Lot Identifying Marks are recorded for packaging materials.

✅ Records

- Critical Tracking Event listings are current.
- KDE – Lot Entry Point records are current.
- Final products can be linked to Lot Identifying Marks they contain.
- Lot Identifying Marks recorded are consistent throughout the facility.
- Common points of convergence in products (Lot Identifying Marks) can be identified.

If You Don't Know the Gap is There, How Can You Fix it?

Companies That Have Signed Commitment

Our Ambitious, but Attainable, 2014 Goal

Commitment Level of

80%

Window for Industry Action

How does this help your business?

6 Business Reasons to Embrace Enhanced Dairy Traceability

CREATE our own rules instead of reacting to pending FDA regulations

PROTECT our brands by quickly pinpointing and isolating a "bad apple"

MANAGE our risk instead of having our risk manage us

PAY the new "price of admission" to compete in global marketplace

POSITION our products with a value-added premium

ENJOY a competitive advantage that provides long-term ROI

1 2 3 4 5 6

What You Can Do Next

1. Take the 21-point checklist back to your plant

2. Conduct a gap analysis

3. Urge your company to sign the U.S. Dairy Traceability Letter of Commitment

Resources for Information and questions

www.dairytraceability.com
For More Information

Vikki Nicholson
U.S. Dairy Export Council Staff &
Traceability Subcommittee
Innovation Center
vnicholson@usdec.org

Thank You

dairytraceability.com