

Q&A: THE FDA AND MANDATORY RECALLS

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With more news about food and beverage recalls, there's a growing concern that the industry won't be able to keep up with new regulation that allows the FDA to trigger mandatory recalls at food distributors. In order to get some more details on the rules, and how companies are going to deal with the changes, we got in touch with Joe Scioscia, vice president of sales for VAI.

Manufacturing.net: Give me some details into the FDA's new ability to invoke mandatory recalls. How is this different from before?

Joe Scioscia: For the first time, FDA will have mandatory recall authority for all food products. While FDA expects that it will only need to invoke this authority infrequently since the food industry is largely compliant with FDA's requests for voluntary recalls, this new authority is a critical improvement in FDA's ability to protect the public health.

Manufacturing.net: How will that affect food distributors? Do they need to implement any

extra software or processes to be able to deal with the possibility of a mandatory recall?

Joe Scioscia: The FDA will be able to request records relating to the manufacturing, processing, packing, distribution, receipt, holding or importation of any suspect product. Thus, keeping good records on the raw materials used in production and the customers that received the finished product is critical in locating products for recall.

Manufacturing.net: What kind of plans are these distributors putting in to place to deal with a recall?

Joe Scioscia: It all starts with the effective receiving and put-away of goods. As products are received, customers using automated systems need to match these items to a purchase order to verify that the correct items are being accepted. When this happens

it is critical that employees are entering, lot information and shelf life dates, so pallet labels can be generated for products without bar codes. If items need to be tested for quality the system will put that lot on hold so that it can not be used in production, or shipped to a customer, until it passes the required quality tests. This lot information is used to track raw ingredients used in production, and a finished goods lot is used to track the end product to the customer. Users implementing these systems have found that lot databases have been useful in locating suspect products for recall.

Manufacturing.net: Wouldn't most of these companies have ERP already? Are they just not using it correctly, or do they not have it connected to this possibility of a recall?

Joe Scioscia: The food industry is constantly dealing with quick turn-arounds of perishable products,



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and implementing a full lot tracking system is commonly seen as time consuming. Because of this, food distributors will “roll the dice” with the ERP solutions chosen in hopes of escaping a product recall.

Today, with better product labeling by suppliers, the benefits of implementing modules, specifically for lot tracking, far outweigh the potential costs and time involved in conducting a manual product recall. In this circumstance distributors are given greater visibility into product quality, which enables them to avoid potential food safety risks before they become a reality.

Manufacturing.net: If a company hasn't looked into implementing ERP, or is looking

to change, what should they keep in mind when vetting a solution?

Joe Scioscia: Decision makers need to remember that food distribution is a unique industry in many ways. Inventory management and tracking is critical. Lot and date tracking, broken case unit conversions, catch weight pricing, truck routing, flexible contract pricing, and rebates/ promotions / billbacks, are just some of the requirements that make the food industry unique. So it is very important that when choosing an ERP vendor to work with, they are guaranteeing to have an expertise in the food industry.

Manufacturing.net: Where do you

see this kind of regulation heading in the coming years? Will things get even more stringent and/or specific when it comes to what companies need to implement?

Joe Scioscia: An estimated 15 percent of the U.S. food supply is imported, including 60 percent of fresh fruits and vegetables and 80 percent of seafood. So I see greater controls being put in place for foreign suppliers to comply with FDA regulations and inspections. I also see that companies with the greatest growth potential to be those that have been given certification proving that they comply with FDA Food Safety requirements.



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