

# Fresh insights

Hot topics in the food and beverage industry



## Staying on top of food safety

ItalPasta believes that food safety programs can also drive innovation across all departments. As companies continue to grow, their information systems and technology need to evolve to support that growth and food safety needs to be a part of that plan.

Food is a critical commodity and a central component to Canada's economy. Canada is the fourth-largest agriculture and agri-food exporter in the world. Food related imports alone have amounted to 50 per cent in the last 10 years. With half of Canada's food coming outside of the country, the ability to track what comes in and out of Canada plays an important role in keeping Canadians healthy.

According to the Conference Board of Canada's (CBOC) report: Improving Food Safety in Canada: Towards a More Risk Responsive System, a safe food supply is a major contributing factor to the health of Canadians. The report indicates that food safety is the practice of ensuring that clean and hygienic food is delivered to people. This delivery method includes food producers keeping food secure by enforcing and improving on agricultural, food safety, and pest management practices. Manufacturers, distributors, importers, and retailers also abide by policies and inspection programs implemented by government



### Government programs aren't enough

Solely relying on government food safety programs isn't enough in the current globalized environment. The global food chain may offer consumers access to a variety of food choices, and the global sourcing of food production and raw materials offer cost benefits for consumers, but globalization also brings challenges to the table. According to the CBOC report, these challenges include:

- Risky new routes- The increasing complexity of supply chains makes it difficult for stakeholders to monitor the source and security of food- raising the possibility that food safety hazards will sneak in from new pathways. When food-borne illness outbreaks occur, this complexity makes it really difficult to identify and address the source of contamination.
- Local to global concerns - Food hazard can creep up in one area and spread to others rapidly with the complex flow of food products across national borders – turning a local food alert to a global one. Examples of this include tainted spinach from California, which resulted in 3 deaths and 247 illnesses in the U.S. and Canada, and tainted tomatoes from Florida, which resulted in at least 228 illnesses.
- Capacity to respond - National food safety systems and health governance face a number of new food inputs, products, and technologies that challenge their capacity to conduct approval assessments and regulatory amendments.

## Contact

**Mauro Fratarcangeli**  
 Partner, National Food and  
 Beverage Leader  
 416 218 1433  
[mauro.fratarcangeli@ca.pwc.com](mailto:mauro.fratarcangeli@ca.pwc.com)

PwC's Retail and Consumer—Food and Beverage practice provides industry-focused assurance, tax and consulting services to enhance value for food and beverage manufacturers and retailers. More than 161,000 people in 154 countries in firms across the PwC network share their thinking, experience and solutions to develop fresh perspectives and practical advice. Helping you find the solutions you need to succeed in the ever changing marketplace.

[www.pwc.com/ca/food](http://www.pwc.com/ca/food)

To keep up with challenges like the ones above and to meet food safety expectations of Canadians, safety planning must involve new strategies and collective approaches by the industry and government. The CBOC reports points to technology as a potential collaborative avenue to lower food safety risks through innovations in manufacturing processes, better machinery, and in information technologies that can enhance the visibility and traceability of product and ingredient origins.



## Food safety isn't a competitive advantage

There's no single solution to the food safety issue. In Canada, retailers, vendors and producers agree that food safety isn't a competitive advantage so in order to ensure they're meeting the highest public health standards, they need to find best practices that work throughout the supply chain and invest in innovation.

For national grocery store chain, Metro Inc., food safety starts with ensuring their vendors have a recognized food safety program. Five years ago, they put in place the Global Food Safety Initiative (GFSI), a globally recognized umbrella platform with various approved food safety programs. Through their proactive campaigning to encourage their vendors to follow the GFSI, nearly all of their products are GFSI certified. "We went out to our vendors and put a date on getting GFSI certified. Now the vast majority of our vendors are under a GFSI program and the number will continue to climb over the next few years," says Jeff Hall, Director of Quality Assurance, Metro Ontario Inc.

ItalPasta believes that food safety programs can also drive innovation across all departments. As companies continue to grow, their information systems and technology need to evolve to support that growth and food safety needs to be a part of that plan. A robust Enterprise Resource Planning (ERP) program to store and manage their data across the business is critical to success. "We embraced an ERP system, primarily to deal with our supply chain matters, but it also gave us the opportunity to deal with many other aspects of the business. So, not only will it impact all aspects of the business, but it's going to give us a clearer picture of food safety," says Frank DeMichino, Chief Operating Officer, ItalPasta.

These are just two examples of what industry leaders are doing to uphold and advance its supply chain techniques to provide safe food delivery. They're also examples that a top-down government model isn't enough when it comes to safeguarding food against harmful materials and processes. Food safety is a constant work in progress comprising of food producers, vendors, retailers and government engaged in a conversation to develop and comply with regulation, while amending standards to keep pace with the current global environment.