

# FoodLogiQ Shares Thoughts on Importance of Supply Chain Management and Food Traceability in Wake of E. coli Outbreak

In April 2018, the CDC, the U.S. Food and Drug Administration, and the U.S. Department of Agriculture's Food Safety and Inspection Service announced they were investigating a multistate outbreak of E. coli linked to romaine lettuce. To date, 172 people in 32 states have become ill from the contaminated greens, and one person in California has died.

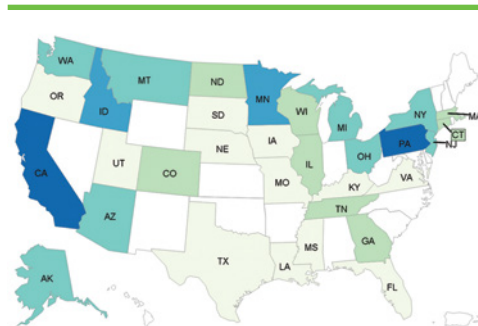
## The Facts

Of the 172 people infected, 75 have been hospitalized, including 20 who have developed kidney failure.

Neither the CDC nor FDA has been able to identify the contamination source or where all of the suspect lettuce was grown. Yuma, Arizona is believed to be a potential source site.

Consumers have been warned not to purchase or eat romaine lettuce - including whole-head, chopped or mixed - if they do not know where it was grown.

Specific populations - pregnant women, people with weakened immune systems, young children and elderly adults - are most susceptible to developing severe complications if they become ill.



1 people    2-4 people    5-8 people    9-12 people    13-39 people

People infected with the outbreak strain of E. coli O157:H7, by state of residence, as of May 15, 2018 (n=172)

## FoodLogiQ Insight

"Unfortunately, recalls and withdrawals are a fact of life in the food industry, and they can happen for a variety of reasons," says Dean Wiltse, FoodLogiQ CEO. *"Whether it's a quality or packaging problem, or a food-safety issue, if you're a part of the food supply chain, it's not a matter of if your company will be affected by a recall; it's simply a matter of when."*

Meanwhile, the number of food recalls is on the rise. The average price tag of a recall for a food company is more than \$10 million, and that doesn't include costs associated with brand damage or lost sales. For many companies, that kind of financial hit is insurmountable.

### So, what are the top reasons for a food recall?

- Undeclared allergens continue to be the major cause for pulling products from store shelves. In 2017, there were 218 products affected. The top allergens that find their way into processed foods are milk, egg, and soy, and cross contamination only worsens the problem.
- Microbiological contamination accounted for 146 recalls in 2017. Listeria was found in cheese, Salmonella was found in many product categories from chips to candy, and E. coli was found in beef.
- Foreign material contamination accounted for 42 recalls in 2017, including metal, hard plastic, and glass.

Regardless of the cause, Wiltse says consumers expect a recall to be executed within 24 to 48 hours once a company is aware of the situation. But in reality, it sometimes takes weeks to pull a product from store shelves or to remove it from dining establishments. Key issues that frequently delay the process are inconsistent records, problems with traceability labeling, incomplete shipping information, or poor communication with stakeholders along the supply chain. These problems can result in lag time, and potentially unsafe product can still get into the hands of consumers.

"With increasingly complex supply chains, end-to-end traceability is critical for effective recall management," Wiltse explains. *"Only by tracking product movement and events across your extended supply chain will you be able to quickly identify the root cause of a recall and trace forward to know exactly where it went. Tracking 'one-up and one-back' is no longer enough."*



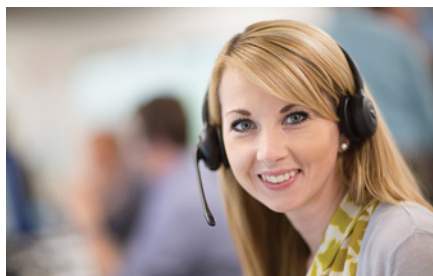
## End-to-End Visibility

Get the intelligence you need to manage product and supplier issues—and the effects across your supply chain—fast.



## FoodLogiQ On the Go

Arm your supply chain partners with the mobile solutions needed to monitor a modern supply chain.



## Onboarding and Implementation

Work together with FoodLogiQ team of experts to onboard your suppliers and develop industry-leading traceability and recall programs.

## FoodLogiQ Connect

**MANAGE + MONITOR:** Onboard, approve, monitor and rate all of your suppliers in a single platform. Capture and report quality incidents and recoup costs of nonconforming product.

**TRACK + TRACE:** Achieve end-to-end traceability and reduce the time and costs associated with investigations and stock withdrawals.

**RECALL + RESPONSE:** Track your recall or stock withdrawal in real time. Build templates, automate escalation and safeguard your supply chain with enhanced documentation.

## With your FoodLogiQ Connect, you get access to:

- Our international network of suppliers already onboarded in Connect
- Best-in-class traceability built on GS1 Standards
- Industry-leading templates for workflows, 2nd/3rd party audits and assessments
- Smooth onboarding working with our Customer Success teams to get your suppliers up and running
- Open and easy API integration to upload or integrate existing data sources
- Backing of food safety experts with experience dealing with food recalls and investigations

## Why FoodLogiQ?

FoodLogiQ helps restaurant operators, food retailers, consumer packaged goods companies and other food companies achieve end-to-end traceability with proven ROI while supporting safe and high quality food products across their supply chains. We offer the most comprehensive lot-level supply chain visualization software focused solely on the food industry - all with the backing of food safety experts with experience in handling recalls and investigations.

We're on a mission to map the world's food supply chain - will you join us?



*"FoodLogiQ brings creative solutions and valuable industry knowledge to the table, they care about our success and have been a great partner."*

**MATT ROGERS**  
Senior Global Produce Coordinator  
WHOLE FOODS MARKET



*"FoodLogiQ enables us to build greater collaboration and visibility with our suppliers so that we can not only protect the Five Guys brand, but protect our suppliers as well."*

**CARL NAPIWOCKI,**  
VP Global Supply Chain  
FIVE GUYS BURGERS AND FRIES



*"The FoodLogiQ team has an extraordinary understanding of both the food supply chains and the technology that allows for simple and effective collection, analysis and reporting of data. Their solutions are artful and elegant, and acknowledge the realities faced by businesses."*

**JOHN KEELING**  
Executive Vice President and CEO  
NATIONAL POTATO COUNCIL

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