

Palsgaard®

Food safety Master

CUSTOMER VALUE PAPER

For internal use only



Background



Food safety is of critical importance to food producers, who must set and maintain the highest possible standards in order to minimise the risk of potentially harmful foods reaching consumers.

Causes can range from

- allergens
- microbial or bacterial contamination of an ingredient
- a foreign body, e.g. an insect or small piece of metal or glass, in an ingredient batch
- a harmful molecule created inside the food during production

...all of which demand suppliers, like Palsgaard, to be particularly vigilant on behalf of the customers they are supplying.

A recall event, where a company needs to recall its products from supermarket shelves, doesn’t only represent significant logistical impact – it can become a major news story and cause lasting, and in some cases ruinous, damage to both the business and the brand. In the most extreme cases, an outbreak can even lead to the loss of life.

Insights

For more insight into the issues surrounding food safety, see [this WHO article](#) from October 2024.

Customer pain



No matter how vigilant a food producer is, the risk of recall is an everyday reality.

Massive investment is needed to constantly ensure the highest standards are maintained. Not only in their own production, storage and distribution – but throughout their entire supply chain.

Every supplier must demonstrate its absolute commitment to delivering to the very highest quality and safety standards.

Customer gain



Minimised risk at every possible juncture from a supplier with more than a century in business and **never a single recall in its history.**

Relevant roles

Who experiences these pains as part of their job?

- **Production managers**
- **Procurement managers**
- **Product owners**
- **Chief operating officers**
- **Anyone in the C-suite concerned with risk mitigation**

Conversation starters

With growing concerns around food recalls and contamination, what steps are you taking to ensure the safety of your products?

How is your production set up to minimise the risk of recall or contamination?

How does your company ensure your foods are free of all potential allergens?

Feature > Benefit > Value

FEATURE

A company-wide commitment to adhere to the highest quality, safety and production standards, with continuous improvements through innovation

BENEFIT

Never a single recall in our history

VALUE

Your company at minimal risk of financial and reputational damage

>

REASONS TO BELIEVE

- 44 scientists dedicated to food safety and product compliance (29 working with quality control and lab analytics in NEXUS)
- NEXUS innovation centre constantly screening potential food safety issues years in advance of legislation, e.g. TFA and GE
- Cross-contamination eliminated in our production with triple-valve security

From procurement to production, all the way up to CEO level, we provide uncompromising peace of mind

>

REASONS TO BELIEVE

- Certified supplier deliveries tested to ensure they adhere to all quality and performance specs
- Full HACCP audit every year

Palsgaard®

Objection handling

OBJECTION 1

“No recalls in your history sounds too good to be true.”

SUGGESTED ANSWER

We understand that it’s hard to believe, but our record is the result of unwavering commitment to food safety and rigorous protocols. We continuously explore opportunities to improve our technologies, standards, processes, equipment, staff training, and introduce new standards whenever relevant. And take proactive measures to ensure business continuity and protect our business and yours against possible risks. We make no compromises.”

OBJECTION 2

“We’re concerned about the safety and traceability of all ingredients we use. We can’t afford any supply chain risks.”

SUGGESTED ANSWER

That’s completely understandable – procurement teams are under a lot of pressure to ensure both quality and compliance. We’re fully compliant with all EU industry standards. Our stringent QA processes and batch certification measures give you full assurance of the safety of every delivery.

OBJECTION 3

“How do you address potential supply chain issues, such as contamination from third-party suppliers?”

SUGGESTED ANSWER

Every certified supplier must undergo rigorous screening before they are approved to work with us. We then test every batch of raw materials delivered to our sites and only allow them to enter our production facilities when we can document they adhere to our own strict quality and performance standards. This documentation is stored for at least two years.

Case 1*

COMPANY BACKGROUND

General Mills is a global food giant with 100+ brands across 100 countries, and has been in business since 1866. Its well-known household brands include breakfast favourites like Cheerios and Golden Grahams, mealtime brands like Green Giant and Old Paso, and snack and ice-cream names like Bugles and Häagen-Dazs.

RECALLS FROM BELGIUM TO AUSTRALIA

On July 8 2022, it was announced that the company had been forced to recall Häagen-Dazs vanilla ice cream in selected markets, including Belgium and Australia, due to the presence of toxic ethylene oxide, a chemical antibacterial agent and pesticide banned in the EU.

Investigations identified trace levels of ethylene oxide (ETO) that exceeded authorised regulatory thresholds in batches of its plain vanilla ice cream, which was traced to contaminated vanilla extract from a major international supplier.

In humans, ethylene oxide has been linked to an increase in miscarriage risk, cancer occurrence and genetic anomalies, Safe Food Advocacy Europe (SAFE) found.

CONCLUSION

The total international cost to General Mills of this recall – which included all examples of the product with best before dates between 4 July 2022 and 21 July 2023 – are most likely unknown outside of the company’s C-suite.

This recall sent shock waves through every level of this 150+ year-old company and shows how even the most reputable brands are at risk from potential contaminants in raw ingredient supplies.

* Remember: customers must never be named unless the case is in the public domain

Case 2*

COMPANY BACKGROUND

Ferrero is one of the world’s largest sweet-packaged food companies, with over 35 iconic brands sold in more than 170 countries, including Nutella, Kinder and Ferrero Rocher.

INTERNATIONAL OUTBREAK

In April 2022, Ferrero faced a significant salmonella outbreak linked to its Kinder chocolate products, particularly Kinder Surprise eggs.

The outbreak affected multiple European countries, leading to over 100 reported cases, primarily among children. In response, Ferrero initiated a widespread recall of the affected products. The source of the contamination was traced to Ferrero’s Arlon factory in Belgium.

FULL SHUTDOWN

Belgium’s food safety authority, the Federal Agency for the Safety of the Food Chain (FASFC), conducted an in-depth investigation and identified salmonella in the factory’s buttermilk tank. As a result, the FASFC withdrew the factory’s authorisation to operate on April 8, 2022.

After implementing comprehensive cleaning and sanitation measures, Ferrero sought to resume production. In June 2022, the FASFC granted Ferrero conditional authorisation to reopen the Arlon factory for a three-month period. During this time, each batch of food produced, as well as raw materials, were subject to analysis. Only products that met safety standards were allowed to enter the market.

INCALCULABLE COSTS,
UNFATHOMABLE DAMAGE

The costs to Ferrero are beyond calculation. Recalling the product, tracing the source of the contamination, shutting the factory down for a number of weeks, operating under conditional authorisation for three months.

Even if it was possible to estimate these costs, it is impossible to quantify the long term damage done to Ferrero’s reputation and the Kinder Surprise brand image.

* Remember: customers must never be named unless the case is in the public domain