

The pressures of supplier assurance – discovering an answer that works

The food chain is now very complicated. The old adage about a chain being only as strong as its weakest link is repeatedly demonstrated by challenges such as Sudan red, dioxins, salmonella in peanut butter and melamine.

The international retailers and food processors have established management and control systems that have strengthened the food chain by developing a mutually recognised system of checks and controls.

This system has expanded and the Global Food Safety Initiative has developed and encompasses the internationally recognised assurance schemes of BRC, IFS, Dutch HACCP and SQF.

Supply chain assurance

For food and drink processors to achieve recognition and certification within these schemes they in turn have to demonstrate their management and control of many aspects of their processes, but above all they need to be assured of the standards of their supply chain.

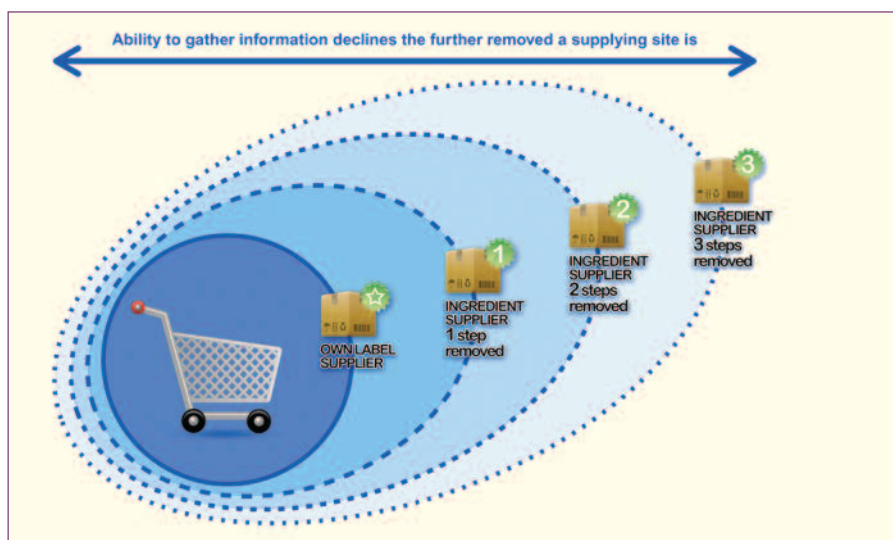
Part of that process is the use of Self Audit Questionnaires (SAQs) that each supplier must complete, attest and return with evidence of their own competence and management system. Individually this method is straightforward but when one processor has a multitude of suppliers or one supplier receives a multitude of SAQs it can become an administrative nightmare.

In 2001 Qadex was founded by food technology specialists to resolve a number of challenges including the provision of a central website that would take most of the hassle out of SAQs.

Tom Brightmore is the regulatory manager for Dawn Foods Europe and he had a resource problem in keeping up to date with validating his suppliers – a critical issue in ensuring food safety and maintaining certification to schemes like BRC and IFS.

Fortunately he attended a technical committee meeting back in 2007 at the then Campden and Chorleywood Research Association (CCFRA) where a presentation was given by Qadex about their service in managing supplier SAQs.

“Unlike so many miracle solutions which



The retail supply chain assurance dilemma.

dissolve into mediocrity when you look at them closely, I found that exactly the opposite was the case with Qadex, the closer I looked the better it became,” Tom told International Food Hygiene.

Tom’s team has to have confidence in as many as 200 different ingredient and packaging suppliers and he needs to satisfy himself and the BRC auditors that they can be assured of food safe and good quality supplies.

Dawn Foods had a system in place but it was paper based and, once completed, it tended to gather dust on the shelf.

“In our business the customer is king and our focus became ever more upon satisfying our customers, and the supplier side became a little less of a priority,” Tom told us. Then he found that the customers wanted more and more details that he had to get from his own suppliers and the answers were taking too long to produce.

He realised that he needed a better way of updating the SAQ system which would have the answers at hand.

It would be a major job that needed a full time person. It could be justified in terms of assuring Dawn and their customers, but the food industry worldwide is ever more conscious of the cost. So he took a closer look at the Qadex system.

He could use it to compile the kind of

SAQ that would meet Dawn’s own needs and experiences. It could be tailored to get the information his customers would want.

He could get assurances of certifications such as BRC and COSH, and there would be a rolling reminder system that would flag up when renewed questionnaires and certificates were needed.

Value for money

Tom was even more interested when he discovered that the setup cost was going to be less than a tenth of bringing in a new staff member.

They did not need to raise a capital project to purchase it, but could easily justify revenue purchase on a simple ‘value for money basis’. There would be a set-up cost and then a rolling annual fee. They also paid a consultancy fee to Qadex to help in areas they were unfamiliar with.

The work began in August 2007 to prepare the SAQ. The company got a lot of help from Qadex who took on board their established questions, but helped them to add their suppliers of food contact packaging, which was going to be a new part of the system.

The system was built within three months

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and Tom's obvious enthusiasm saw to it that it 'went live' over Christmas that year.

"Qadex and my team were not sure it would be good timing but I thought it would be good to have it on-line for our suppliers to begin answering when they started back in the New Year," Tom explained.

The immediate benefit was seen when suppliers already familiar with the system were able to respond quickly.

Those to whom it was a new idea took time to respond, but the people at Qadex provided a help desk to advise and direct the respondents.

"We could not guarantee every one of our suppliers would respond positively," said Tom, "but instead of having to chase and cajole by ourselves, Qadex were brilliant at repeatedly reminding the slow ones and those who were baulking at taking part."

Now the system is set up and the data is instantly available Dawn have discovered a number of benefits. They have their own definable section and they have used it to list and summarise their 24/7 data.

If staff have to get in touch with a supplier immediately, at any time of the day and week, they can find the up-to-date contact details immediately. The paper system could easily become out of date and the first Dawn would know of it would be when the information was needed quickly.

What is also important is that the com-

pany can quickly respond to their customers enquiries and that gives them a better service and it is so much easier to do.

The need for confidentiality between the parties is essential and Qadex see themselves merely as facilitators, but the suppliers are fully aware of the benefits of a common system they are familiar with.

Tom has enthusiastically demonstrated the system to the senior managers from the USA parent company.

"The USA is still learning about the complexities and potential solutions of food safety systems like those we have in Europe. However, they have found the Qadex system to be straightforward and easy to understand," Tom told us.

The system has reduced costs by as much as 40%. Other Qadex users have been pleasantly surprised to discover cost savings of as much as 75%.

Easy to understand

Virginija Sermuksnyte is the regulatory controller at Dawn Foods and she has found the system easy to understand and quick to use. At the internal quarterly meetings with the quality managers there are discussions and reviews of the performances of the 200 suppliers.

"I can prepare summaries and reports so much quicker than if I had to open each sup-

plier's folder from the old system and if we are focusing on a specific area I can collate the information very quickly," Virginija explained.

Tom's objective was to build a system that would help the two quality managers at the UK and Dutch factories carry out their tasks with less hassle and more assurance.

If there is an individual food safety issue with one supplier then the quality manager will deal with it herself, but then they get together as a quality team on a regular basis to review such situations.

Tom explained that they are developing a scoring system to rate each supplier. The purchasing department, the quality department and Tom's regulatory department will separately score the companies and the unified scores will be used to compare and highlight.

The company tend to select suppliers for audit on the basis of relative risk and significance of the ingredient to the company, but this will add a new factor to their choice.

"Qadex has been a big benefit to the successful relationship of Dawn Foods with its supply chain," Tom concluded. "We can demonstrate to auditors, inspectors and customers that we have up-to-date assurance of our suppliers essential food safety systems. It is simple, it works, and it saves money."

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