Webinar: Get Audit Ready for 2018: Food Fraud Vulnerability and Mitigation Planning

January 24, 2018 | Dr. John Spink of Michigan State University and Neil Bogart of Red Diamond
Questions/Answers

John Spink

Q: Is there a document that one could use as a guideline to conduct a VACCP?
A: The key is to start with the guidance from your standard and also to consider the GFSI Guidance Document. There are recommendations published including from SSAFE/PWC, USP, and the Food Fraud Initial Screening tool.

Q: Food additives are used in very low % should be considered in this FFVA? Some of those are produced in chemical companies
A: Yes. The key is to first consider the vulnerabilities and the "fraud opportunity." After considering what "could" then review the if the risk such that this requires a control plan. It is ideal to identify as many vulnerabilities as possible even if they are very unlikely or low consequence. If a vulnerability is listed then it would be periodically reviewed for any changes. For example, originally melamine would not have been identified as a risk. If a company had melamine listed as a vulnerability they may have been alerted sooner of the increase in the risk. If they had a food fraud prevention strategy in place they may have put control plans I place before incidents occurred.

Q: What would you suggest for the highest level of education for food safety? Is there a degree you can get, etc.?
A: There is no specification for this. It is important to have specialized study on the topic.

Q: What key items should we assess in VA & MP for our resin supply for food packaging?
A: "That's the question to ask." The most important first step in a food fraud prevention strategy is identifying questions. A place to start would be to review the compliance requirements, then map the supply chain to identify weak points, and then start to research past incidents.

Q: Selling conventional instead of organic is considered as a food fraud?
A: The key to any suspicious activity is to define the regulatory or contractual details. I think you mean selling conventional product that is labeled as organic product. That would be a clearly violation of the Food, Drug & Cosmetics Act sections of "Adulterated Foods" and probably "Misbranded Foods."

Q: For fish, a risk can be mislabeling a country of origin- how can you ensure that its ok?
A: Yes, labels or documents starting incorrect country of origin are food fraud. When a "fraud opportunity is identified, we say "that's the question to ask." There are some ways to authenticate the source of the product. It is a bit confusing to say "ensure" since that insinuates 100% clarify. The major focus should be on reducing the "fraud opportunity" to the point that the bad guys decide not to attack your product.

Q: Is cornstarch considered a natural product or Non-GMO product?
A: There are a lot more details needed to answer this question. We have a new paper that developed a "Food Fraud Suspicious Activity Report Method." The first question focuses on the exact regulatory or contractual details to assess what is actually a violation.

Q: Does the FFVA need to include transportation details? How do we assess the transportation of goods to the customer if it's a third-party transportation company?
A: Yes. Your company is vulnerable to any fraud at anyplace in the supply chain so the FFVA must cover all types of fraud for all products. There are challenges of monitoring product outside your direct control. As we've repeated several times, for this concern, "that's the question to ask." A first step is to assess the potential risks including a review of publically available incidents. A parallel action is to ask the supplier about their "supply chain controls" (that is a term used in FSMA). At this point you can try to assess risk to see if a control plan is needed.

Q: Our HACCP plan identifies some minor risks but no CCPs. Should I therefore find no fraud risk high enough for controls and just document that and review annually?
A: Yes but be careful with terminology. You have assessed your vulnerability and found the risk is within the risk tolerance and no control plans are needed. There are still Critical Control Points but the risk is either very low OR you already have countermeasures and control systems in place that control the risk. Do you do extensive quality control on incoming raw materials? That is for quality and food safety but lead to a residual benefit in reducing the "fraud opportunity." If those QC and FS controls were removed your fraud opportunity may increase to unacceptable levels.

Q: The basis of HACCP is FMEA, is your risk assessment documented in and/or part of your HACCP/Food Safety plan?
A: HACCP and the GFSI defined Food Safety Management System (FSMS) are two different things. HACCP is one type of assessment and is conduct to address Food Safety. Two other assessments are requires which includes VACCP for Food Fraud and TACCP for Food Defense. FMEA a separate concept. True, full FMEA needs "failures." For Food Fraud and Food Defense there really aren't enough occurrences to conduct true FMEA. That said, the general FMEA concepts can be used such as the way to rank risks. The ranking must consider that a "7.8" may not be actually statistically different from an "8.2." With these numerical results there is an insinuation that the assessment is valid to two significant digits.

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Q: Would a third-party audit on a GMP basis have the potential to be "Blocked" from doing business at some point?
A: GFSI certification – actually the GFSI recognized certification programs – is a requirement to sell to many companies. A lack of a GFSI certification may block the ability to sell product and at minimum would raise a lot of questions about the supplier. Even worse than not having GFSI certification is being de-certified. Being de-certified my initiate investigations and further scrutiny.

Q: As a (paperboard) food packaging manufacturer, we convert roll stock through finished, packaged product. Can you give me an idea of types of fraud we might encounter?
A: "That's the question to ask." The requirement is that you conduct a vulnerability assessment. When you look at your system you may find few gaps. When you address all types of fraud there are questions such as related to counterfeit product. Have you checked the marketplace to see if anyone is selling your product without your approval? We've heard even the smallest companies finding their product – counterfeit product -- sold in online markets around the world. Do you sell to distributors or brokers and have to conduct mass balance assessment of their sales? Rogue broker could buy one shipping container from you and then another from a counterfeiter to eventually sell two containers of your product.

Q: I work for a Fruits and Vegetable Parkhouse/Warehouse. We receive our products from different suppliers around the world then repack them into clam shell or mesh bags, however most of the product going out to our customers as it came in (Cardboard boxes) for example: Sunkist Oranges, Del Monte Pineapples, Lipmann Tomatoes etc. We have about 120 suppliers. Do I have to list the all on the form?
A: "That's the question to ask." You should review the compliance requirements. Most likely you have traceability systems already. If anything, your re-packing operation would be a 'fraud opportunity' that your customer would identify! Your company may not be officially sanctioning fraudulent activity but are there control plans in place that could reduce the fraud opportunity for a rogue employee?

Q: Our facility is a chocolate co-manufacturer in which we have no control over which suppliers of raw ingredients are used, it is strictly determined based on the customer and we build our supplier verification program off the suppliers that they choose. As a co-manufacturer who operates under these terms, what responsibility do we have to develop a food fraud program at our facility?
A: This would require a bit more study but it would seem ingredient food fraud would be outside your scope. You would need to focus on the approved product you receive through handing it back to the manufacturer. To clarify your assessment and control plan it would best to CLEARLY define this in your documents.

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Q: We are a honey processor in Canada and all our honey comes from Canada and bee keeper are the owners of the company. Do we still need to test the adulteration of honey if we decide it to be low risk adulteration?
A: "Where there's a fraud opportunity there is a fraud opportunity." Would you be able to catch a rogue beekeeper that buys cheaper non-Canadian honey, ships it to their farm, and then sells you product from their farm? When considering that scenario, why wouldn't that be happening?

Q: What about food purity testing?
A: We'd refer to this as food authenticity tests. They are useful after you have identified your vulnerability assessment and the risks that are so bad they require a control plan. E.g., food authenticity tests would not identify stolen from non-stolen product.

Q: Is the FF Prevention Strategy the Mitigation Plan? What does FFPS stand for?
A: Food Fraud Prevention Strategy. Many of the programs refer to this as a mitigation plan. "Prevention" is probably more appropriate since "mitigation" is reducing the impact of an event while prevention is trying to reduce it from occurring the first place. We use "Strategy" since "Plan" is sometime confused with other regulatory defined "plans." Also, "strategy" is a more overarching concept that would include many plans.

Q: What about growers who are our suppliers for our inshell we manufacture?
A: See the honey bee entry. "If there's a fraud opportunity then there's a fraud opportunity." Regardless of how much you trust your supplier, what type of fraud could occur? Would you catch that if it occurred? Would it be an unacceptable risk if it occurred?

Q: Do contractors have to be included in the assessment?
A: The vulnerability assessments consider EVERYTHING. BUT most vulnerability are quickly identified as not a risk and do not need a control plan

Q: How does this relate to food packaging only?
A: You need to conduct a vulnerability assessment. You may find no risks but cannot document that until you to the work.

Q: Is food fraud also for packaging or only ingredients?
A: Food Fraud includes any illegal deception for economic gain using food… that insinuates the related food manufacturing, distribution and retailing activities.

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Q: With the economic food fraud, could you group products together either by type or possibly by location? I.E. similar types of product or possibly by a region? Or do you have to check every single individual product?
A: You can take a commodity like tea and look at not only the tea as a comingled product; but, mechanical picking, and country it is from are a few more things that can be looked at when assessing the risk and if you want to test it or not. This would allow you to lower the amount of SKUs you would have to check.

Q: What are the food fraud responsibilities expected of your food contact packaging manufacturers?
A: On packaging, we are handling that through the vendor approval program. They have to supply testing proving they meet or exceed CFR requirements for the packaging, including migration.

Q: How much verification testing for food fraud can we require of our suppliers?
A: That depends on the product, country sourced from, processing of product prior to your receipt. Understand there is a cost and that will raise your cost for the goods. It should be based off of risk. Spices and herbs = high risk; Fish/seafood = high risk; Dairy ingredients from USA = Low risk (they have been dealing with EMA fraud for a long time and have extensive testing in place)

Q: Can I use a supplier's location for determining risk of ingredients supplied? For instance, can I say that a supplier located in US is lower risk than a supplier located in China?
A: No, it depends on where they source their goods from and their vendor approval program. Now if the supplier is GFSI and has had an Ed.8 audit, which would significantly lower their risk no matter the location.

Q: How do you determine risk levels for your suppliers?
A: Their audit type (GFSI or non-GFSI) is one and if they have had recalls or withdrawals in the past are a few things we look at.

Q: Is reviewing a supplier's vendor certification program being done by companies? Is reviewing just your supplier's 3rd party audit report/certificate sufficient?
A: Just reviewing their audit is in question. It is known even in GFSI that no two auditors are alike. If you have an ingredient that is significant to your operation, I would suggest reviewing their vendor program.

Q: Where are some of the best places to go in making sure that you are on the cutting edge of all of the new law changes and FSMA rules?
A: FDA has an email update subscription you can sign up for for free. You can also look at The Acheson Group. They have a free email newsletter. https://www.achesongroup.com/

Q: What is the minimum or acceptable foreign plant residue in coffee based on your assessment?
A: We are in the process of determining that factor. Remember, DNA picked up in the genome sequencing could be a particle from a farm beside the coffee farm or processing area. That is why we are doing GCMS to determine the concentrations.

Q: In your prescreening phase you classify supplier risk level in high, medium and low? How do you make that assessment?
A: Is it product, or touch the product = high risk. Medium would be like an item that may have incidental contact with product and low is no contact with product (cardboard case, etc)

Q: Talking about labelling and regulatory compliance, how accurate is tea or coffee listed as decaffeinated without indicating if it was chemically or naturally decaffeinated? Can we actually have naturally grown decaffeinated tea or coffee?
A: No, there is no naturally grown decaffeinated tea or coffee. All coffee and tea that is decaffeinated has to go through some type of extraction to remove the caffeine. Typically the type, chemical or CO2 or Swiss water is based off of the grade of product. Higher the grade, you have a better chance of them being CO2 or Swiss water.

Q: Is it possible to create a plan for a co-manufacturer who has 200+ vendors?
A: Yes. In the beginning, I would suggest looking at grouping like items. Then as the program grows, start breaking it down to smaller groups.

Q: Based on recent FDA guidance for co-manufacturers who are doing directed purchases based on customer required vendors, wouldn't this Food Fraud requirement create the same kind of supplier control issues that are basically out of the co-man's scope of control?
A: I would suggest speaking to your company's attorney about this. Or Food Law Attorneys like Melanie Newman or Shawn Stevens. That said, I am not an attorney. However, with some experience as an expert witness, I would assume that the liability would still fall back on your company; remember, in court, you are in front of a jury. Due to the point that you chose to do business with them. By choosing to do business with them, you would take on liability.

I personally set standards for all vendors that my customers who buy ingredients from for items we co-manufacture.

Q: How does this relate to a co-manufacturer?
A: I personally set standards for all vendors that my customers who buy ingredients from for items we co-manufacture.

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Q: Is there a training for general employees? SQF requires annual training, is this something recommended?
A: Alchemy has a very good training platform.

Q: 85% of our customers purchase the ingredients going into their products. What do we need to do as a co-manufacturer in the situation of food fraud in this situation where we do not control the suppliers being used?
A: I would suggest speaking to your company's attorney about this. Or Food Law Attorneys like Melanie Newman or Shawn Stevens. That said, I am not an attorney. However, with some experience as an expert witness, I would assume that the liability would still fall back on your company; remember, in court, you are in front of a jury. Due to the point that you chose to do business with them. By choosing to do business with them, you would take on liability.

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Q: What role does the distributor play in helping provide the vulnerability or risk assessment documentation?
A: A lot, if you can have them handle this for you, that would be great.

Q: During the webinar I did not hear any mention of Letters of Guarantee, or C of A's. What about the spec sheets we require on all our products? Is that not considered anywhere in the Food Fraud Vulnerability Assessment from the suppliers we purchase from? What about the 3rd party audits we gather on all our suppliers, that was not mentioned either. Is there a reason they were not mentioned?
A: Most COAs have nothing to do with purity and LOGs typically will state "to the best of their knowledge". If they do not test, than they have no knowledge. As for the audits, if the vendor is GFSI, it does lower the risk. However, it doesn't totally remove all risk. Very much ingredient specific.

Q: What is the annual subscription cost of USP's Food Fraud Database?
A: The Food Fraud Database 1 Year subscription is available for $1,000 (A $200 savings off the list price of $1,200). We also have a 30 day subscription available for $350. You can find more information and purchase a subscription online at www.foodfraud.org

Q: So using the USP Food Fraud database, your ingredients and/or product are actually being reviewed for fraud continuously---depending on the alert notifications you set up?
A: That is correct. New food fraud records are added daily by our team of scientists dedicated to finding records and tagging important information. Weekly email notifications are sent to subscribers if new records are added for the ingredients they have included in their saved searches and saved analytics. This allows one to quickly find the new records and determine if the new information changes how they view their food fraud vulnerability for particular ingredients.

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