

## **FOOD ANALYSIS LABORATORIES**

## AN ALLY FOR YOUR ROI

Due to increasing international regulations, corporate requirements, and consumer demand, the food industry is pressured to increase the use of robust validated verification activities to ensure safe and quality.

These preventive activities can be measured at the bottom line of profitability in the form of cost avoidance of adverse events such as safety recalls, product spoilage, and brand protection.

Investing in food laboratories using advanced technologies for faster, more accurate, and efficient results brings a significant ROI to the operation of food companies. They are are an integral piece of the overall company portfolio.

<sup>66</sup> The Benjamin Franklin axiom "an ounce of prevention is worth a pound <sup>99</sup> of cure" is as true today as when Franklin coined the term in 1736.

## **CONSUMER PERCEPTION & THE NEED FOR TRANSPARENCY**

In a world that is demanding more prevention, more transparency and traceability, food microbiology laboratories and the food industry must work together. Food manufacturers heavily rely on food laboratories to verify that processes, environments, and products meet safety and quality standards to protect both consumers and brands.

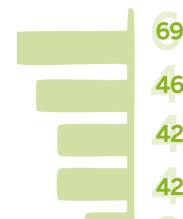
#### CONSUMER PERCEPTION

of consumers worldwide consider it likely that their health will be affected by what they eat

of consumers maintain it is important or extremely important to know how their food is produced

of consumers consider that food companies strive for transparency

## NEED FOR TRANSPARENCY WHEN CHOOSING PRODUCTS



of consumers want natural flavourings

of consumers want freshness

of consumers want products without hormones of consumers want products without antibiotics

of consumers want products without GMO

### **CONTAMINATED PRODUCT BEARS SIGNIFICANT COST**











#### On average, 21 percent of all waste arises from spoilage, and fresh fruits and vegetables

**FOOD SPOILAGE COSTS** 

make up around half of this waste due to their temperature sensitivity. In addition, these products can largely be affected by other external conditions post-harvest and require constant refrigeration to maintain freshness.















20 to 50 percent, the food industry could save between \$120 billion to \$300 billion.\* \* Source Rentokil **REDUCTION OF SAVINGS OF** 









According to WHO, each year, in the world, one person out of 10 falls ill through

eating contaminated food products. The number of deaths, it is estimated at



1 in 10



Removal of the product from the market, which includes:

PATHOGEN CONTAMINATION FIGURES

over 400,000\*. \* WHO study (2017)



Per year



THE DIRECT COSTS OF A FOOD RECALL INCLUDE:

#### **Issuing notifications to:** Regulatory bodies Businesses affected in the supply chain

 Consumers Collecting the product from warehouses, retailers and consumers

Assembling the crisis team

- Storage of the recalled product Destruction of the product
  - Investigation of the root cause of the factor that resulted in the recall Managing the PR to inform customers and protect the business reputation
  - Non-compliance fee (e.g. auditor expenses, including travel, lodging etc.) for: tasks related to re-inspecting facilities found to be non-compliant and tasks related to non-compliance with a recall order.

# THE COSTS OF FOOD RECALLS IN FIGURES

The other direct costs involve:

Penalties for non-compliance



Food recalls cost **American** companies in the food sector on average of 10 million dollars in direct costs.\*

In both the **US and Great Britain**, the number of recalled products has been increasing over the years. A study concludes that 58% of companies questioned have been affected by food recalls in the last 5 years.\* \*Study GMA

**IN COSTS** 

After analysis of 367 insurance claims for recalled products in 28 countries, Allianz Global Corporate & Speciality (AGCS) have estimated a total loss in insurance of 312.4 billion euros. Far from becoming more stable, this trend is increasing from year to year/the situation is getting worse from year to year \*Allianz Global Corporate & Speciality

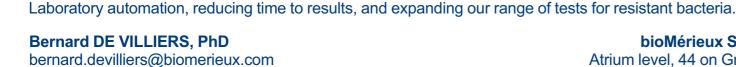
Prepare now and avoid it altogether.

Don't wait for the worst to happen.

## **BIOMÉRIEUX** IS HERE TO HELP

With its deep roots and leadership in growth-based microbiology, bioMérieux continuously brings innovation to this diagnostic discipline, which remains unsurpassed in its ability to identify a very wide range of microorganisms as well as their susceptibility to antibiotic treatments. Research and Development efforts focus on enhancing

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