







Shipping Mark

Food Protection Overview

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November, 2006 go Columbia Ave.

FOOD PROTECTION

FOOD DEFENSE

FOOD SAFETY



"FOR THE LIFE OF ME, I CANNOT UNDERSTAND WHY THE TERRORISTS HAVE NOT ATTACKED OUR FOOD SUPPLY BECAUSE IT IS SO EASY TO DO..."

Tommy Thompson Former Secretary of Health and Human services



BIOTERRORISM ACT 2002

Registration of Food Facilities: 12/03

Prior Notice: 12/03

- •Establishment and Maintenance of Records:12/05 (Farms excluded)
 - >Names of immediate recipient of product and previous source of product
 - >Lot number documentation
 - >Origin and destination locations
 - >Dates the product received and shipped
 - >Product amount
 - >Description of product
 - >Route of product movement including transfer points
 - >Records must be kept a minimum of 1 year
 - >Records must be available to FDA within 24 hours of request

expect the world from us OPPENHE

SECURITY PROCEDURES

- Encourage all staff to be alert for suspicious activity
- Restricted entry
- Ensure valid reasons for visitors
- Provide food security training for employees
- •Know your suppliers
- •Ensure suppliers/ transporters practice and audit security procedures
- •Inspect incoming materials for signs of tampering
- Match up product with invoice
- •For more information on FDA Security Guidance:

http://www.cfsan.fda.gov/~dms/alert.html



TRACEABILITY

- •Develop procedures to track product containers from:
 - > The field to the packer
 - >The packer to the distributor
 - >The distributor to the retailer
- Documentation of:
 - >Grower name
 - >Grower location
 - >Date of product harvest
 - >Location of packinghouse



MOCK RECALL

- •An internal test to ensure process works before an actual recall
- •To be performed a minimum of once per year
- Documented information to be reported within 4 hours
- •For more information on recalls:

http://www.cpsc.gov/businfo/8002.html

http://www.cfsan.fda.gov/~dms/prodtra2.html





To assure food has been prepared, packed and held under sanitary conditions, The Federal Food, Drug and Cosmetic Act of the Food and Drug Administration (FDA) states the following:

"Sec. 402. "A food shall be deemed to be adulterated . . . (a) (3) if it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or (4) if it has been prepared, packed, or held under unsanitary conditions whereby it MAY have become contaminated with filth, or whereby it MAY have been rendered injurious to health; ..."



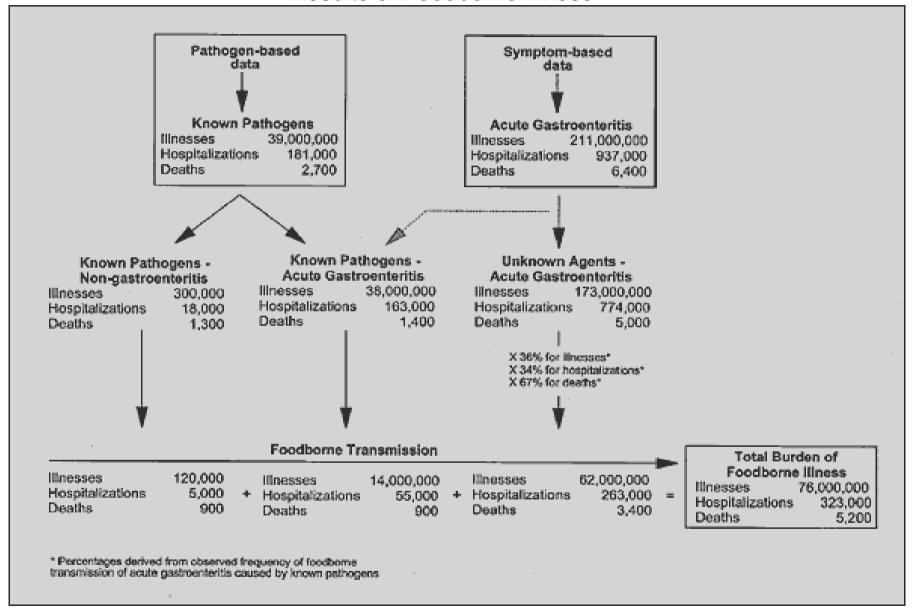
- Guarantee that food (Produce) will not cause any damage to consumers when they are prepared or ingested.
- Implied reduction of risk.
- Focused in the prevention of problems not just solution based.

Goals and Objectives of Produce Safety

- Prevent contamination of fresh produce (pathogens)
- Minimize public health impact when contamination of fresh produce does occur
- Improve communication with producers, logistical chain and final consumers of fresh produce
- Facilitate and support research relevant to fresh produce.



Results of Foodborne Illness



Source: CDC

Food Borne Disease Expansion Factors

- Globalization of food supply
- Development of new countries and their need to export agricultural products
- Expansion of American market for ethnic foods
- Centralized process for animal and human foods and their wide distribution
- For these reasons, food safety and public health officials agreed that education about safe food handling is a national priority. Efforts to identify, asses and control microbiological hazards in all food production systems have been made.



Market Reaction to Food Safety issues

Spinach



Increase of consumption

• The spinach growers credited Popeye with a 33 percent increase in U.S. spinach consumption — and saving the spinach industry in the 1930s!







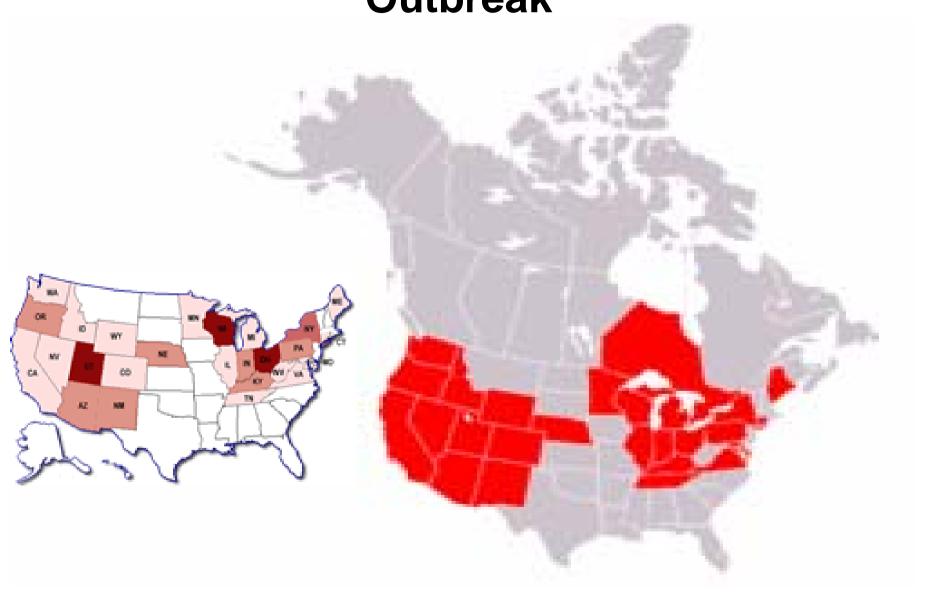
FDA: Don't Eat Any Fresh Spinach Until Further Notice, September 2006

E. coli Outbreak -- Spinach off Table Sept. 18, 2006 -- The FDA is advising consumers not to eat any fresh spinach or products containing fresh spinach until further notice, due to a multistate E. coli outbreak tied to at least one death and more than 100 cases of illness.

Oct. 06, 2006 -- 26 states are affected, and at least 199 cases of the disease are currently reported. Three deaths have been confirmed to be from the outbreak source.



Areas affected by Spinach E coli Outbreak



Growers told to establish rules to avoid future E. coli outbreaks

- SALINAS, Calif. **Grocery chains are giving farmers six weeks** to develop new rules to avoid more E. coli outbreaks associated with leafy greens.
- The group making the demand includes some of the nation's largest grocers. Vons, Albertsons, Ralphs and others took a big financial hit when shoppers stopped buying spinach following the recent outbreak that left more than 200 sick and three dead.

All together, growers, shippers and sellers lost more than \$100 million.

- In a letter sent Oct. 26 to groups that represent farmers, including Western Growers and Produce Marketing Association, the consortium said the industry had to move quickly "to protect public health and work toward restoring consumer and buyer confidence in fresh produce."
- The retailers want growers to work with scientists and regulators to standardize safety practices.
- "We need a timeline to focus energy on taking action immediately," said Ron Anderson, vice president of produce for Vons owner, Safeway Inc.



THE PACKER Wal-Mart opens S. Africa sourcing office

NTHENEWS

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WAL-MART

Act and the Meat Inspection Act Dole merging N. American sales units

Another notable event for the neat industry occurred when hun-

ssed in 1906.

Sinclair urged President

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Theodore Roosevelt to support fed-

houses. The industry itself did also,

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Both the Pure Food and Drug

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Nutrition at the FDA, told the committee the agency is considering the need for further regulation or guidance to the fresh produce industry.

He also noted the need for more research on strategies to reduce pathogens and said the FDA may consider thermal or irradiation technology that might reduce the amount of bacteria and virus on produce.

Another oft-stated reason is that there is so much uncertainty about where pathogens come from and how they can be controlled. We hear there is not enough research completed for science-based, specific guidelines.

Upton Sinclair would have no patience for such navel gazing - and the new Congress may not, either.

- E-mail tkarst@thepacker.com

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South Test regress that public reactions, \$500, Page A4.

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Congress debates bigger FDA role

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SAFETY PAGE AND

Industry needs strict, specific food safety guidelines

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TIM YORK Markon Cooperative Inc.

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They are being asked to lea



Disney Gare



New Congress might be willing to enforce safety

THINK EVEN UPTON SINCLAIR Id have had a hard time oin

This year's spinach outbreak sickened more than 200 people in

THE PACKER

Nov. 20, 2006

Associations work to reform food safety

The recent outbreak of E. coli in spinach from the Salinas Valley prompts the move.

> BY ANGIE HANSON Staff Writer

The E coli outbreak has put the roduce industry under a magnifyng glass, and now, two months afer the incident, industry members

3 PILLARS

The Produce Marketing Association, the United Fresh Produce Association and Westem Growers are working on "three pillars" of safety, says Jim Gomy, senior vice president of food safety and technology for United Fresh:

- 1. Best practices
- 2. Compliance
- 3. Long-term research

HARVEST

From Page D5

harvesting its eggplant in mid-October and should proceed through December, said Suzanne Powell, senior vice president of marketing and business development.

Size 18 and 24 eggplant in 1 1/9-bushel cartons and crates from California's Coachella Valley was \$10.95.

LEEKS

Sanbonmatsu said Sanbon should start harvesting leeks in late November and continue through March.

Cartons of size 12s from Mexico were \$6.35.8.50.

LETTUCE

River Ranch expected to start harvesting its Imperial Valley crop -consisting of stateng and resistant lettuce, leafy greens and spiness in mid-November and continue riv April, Knobeloch said.





CONSUMER BEAT By Susie Cable

Full chain must sign on in food safety image fight

M SORRY TO SAY IT, BUT I WILL NO longer shop at a nearby grocery store.

Something happened that I cannot forget.

The other day, as I headed for the checkout with my groceries, I saw the cashier leaning way over, inspecting her reflection and squeezing a pimple on her chin.

I was nauseated. I could not go through her line, even though

Sinclair urged President
Theodore Roosevelt to support federal inspectors in meatpacking houses. The industry itself did also, to combat falling sales due to the public outrage over the book.

Both the Pure Food and Drug Act and the Meat Inspection Act

passed in 1906.

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Industry needs strict, specific food safety guidelines

rethinking our food safety standards is akin to passing a U.N. esolution — debate, conflict, staleates — but the reality is we have iders moving toward action. Yes, our produce is as safe as it ever been. Still, federal and e health officials won't endorse produce industry's current safety standards. The food and Drug Administratecall of spinach in September tramatic and, in hindsight, ngly broad, but it reflects a lack

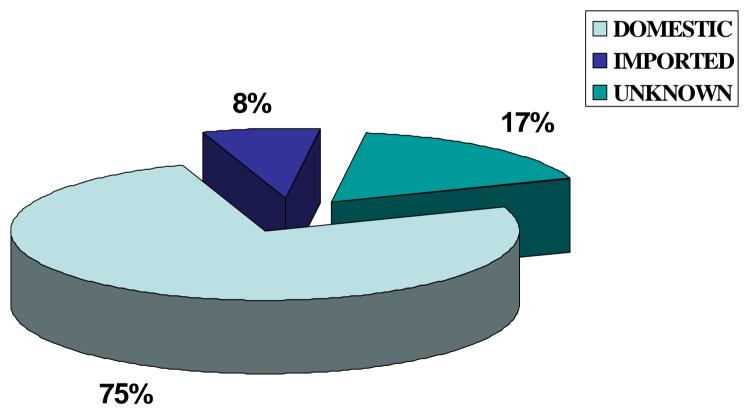


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They are being asked to lead charge and consult with their reben 200. 141d 2006 egulatory cies and the research communione set of mutually agreed-up

Percentage of outbreaks due to fruits and vegetables: 1990-1998, by origin of product



Source: CDC



Food Safety Certifiers

US GAP

EurepGAP

ChileGAP

BRC

Natures Choice

SQF

NSF-Cook & Thurber

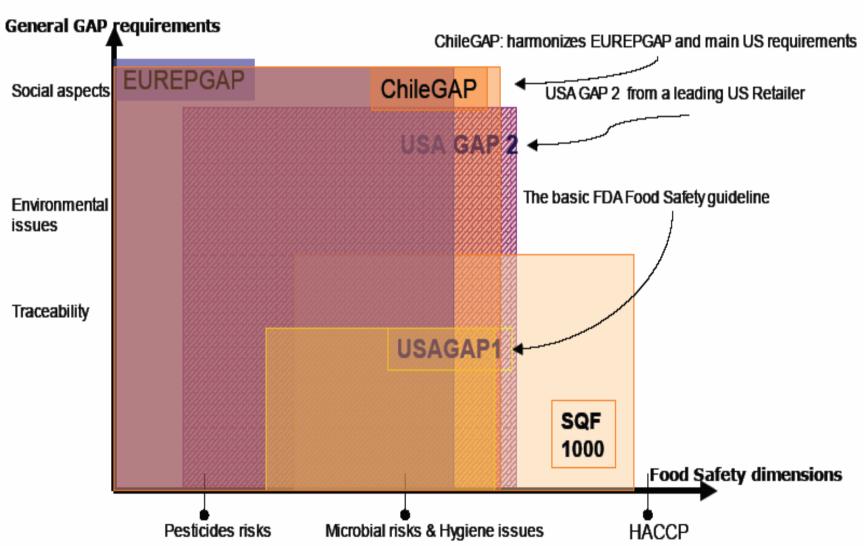
AIB

CHC



GAP Programs: Focus

Source: Asoex Presentation



Certifier Program Types

EurepGAP

Pesticide handling

and residues

Social accountability

Environmental

sensitivity

GMO's

More rigid structure

US GAP

Microbial hazards

Risk based

Guidelines

Flexibility

Many interpretations

SQF-- (Safe Quality Food) – HACCP based

NSF-Cook & Thurber-- Quality Management System Approach

AIB— (American Institute of Baking)— Food

Processing Approach

CHC-- (Canadian Horticulture Council)—

Canadian Food Safety Program

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GOOD AGRICULTURAL PRACTICES (GAPs)

Soil:

- >Prevent the runoff from animal operations from entering produce areas
- >Proper composting of manure—Depending on temperature and soil conditions E Coli 0157:H7, Salmonella, and Campylobacter can live up to 3 months, Yersinia 330 days
- >Use prior to planting
- >Avoid top dressing; DO NOT sidedress with fresh or slurry manure
- >Exclude domestic and wild animals from produce areas



GOOD AGRICULTURAL PRACTICES (GAPs)

Water:

- >Surface irrigation water should be tested quarterly for fecal coliform (especially if flows near livestock or sewage treatment
- >Maintain wells in good working condition
- >Water for cooling, washing, dipping, cleaning must be potable (drinking water)
- >Use chlorinated water whenever possible for washing:

Change water regularly

Monitor chlorine levels (up to 500 ppm chlorine, but >100 ppm requires a final rinse)

Maintain water pH at 6.0-7.0

Avoid wash water tank temperatures > 10 degrees warmer than the product temperature

>Ice must be potable



GOOD AGRICULTURAL PRACTICES (GAPs)

Employees:

>Train employees to follow good hygienic practices

No smoking or eating in produce areas

Proper handwashing

Gloves worn properly and cleaned regularly

Protect cuts or lesions properly

Avoid standing in bins

- >Become familiar with signs and symptoms of infectious diseases
- >Maintain accessible toilet facilities with potable warm water, soap, and single use towels
- >Post signs in toilet and breakroom facilities to enforce handwashing



GOOD AGRICULTURAL PRACTICES (GAPs)

Sanitation:

- >Clean storage facilities, containers, and bins before use
- >Proper management of human and other waste
- >Prevent leakage of sewage when servicing toilet facilities
- >Avoid contaminating clean, washed product
- >Protect unused equipment to avoid contamination
- >Clean and sanitize loading, staging, and all product contact surfaces at the end of each day



GOOD AGRICULTURAL PRACTICES (GAPs)

Transportation:

- >Check and clean trucks before loading especially if animals or animal products previously shipped
- >Minimize product damage when loading
- >Maintain proper temperatures during transit

Pest Control:

- >Block all access of pests and animals into enclosed facilities
- >Maintain a pest control log
- >Maintain a pesticide usage log
- >Implement and maintain an integrated pest management program



For more information on GAPs and other FDA guidance:

Good Agricultural Practices (GAPs):

http://www.cfsan.fda.gov/~dms/prodgui2.html

Produce Safety Action Plan:

http://www.cfsan.fda.gov/~dms/prodpla2.html

Code of Federal Regulations Current Good Manufacturing Practices:

http://ecfr.gpoaccess.gov/cgi/t/text/textidx?c=ecfr&sid=be25d99402df748264b8043951d2ae61&rg n=div5&view=text&node=21:2.0.1.1.10&idno=21



 At Oppenheimer, we're committed to optimizing satisfaction at every aspect of the transaction. To achieve this, we believe the quality and safety of the products we supply are of paramount importance.



Our Food Safety Policy outlines strict parameters for our suppliers, so that trade and consumer confidence in all Oppenheimer products is maintained at the highest possible level.

- All suppliers of products and services to Oppenheimer must have a Hazard Analysis Critical Control Points (HACCP) based Food Safety Program in place, which can be audited by an independent third party.
- The program must include objectives and goals that can be measured against a documented set of standards and principles.



- Good Agricultural Practices GAP's
- Good Manufacturing Practices GMP's
- Residue Tolerances
- Water the key ingredient for produce



What does Oppenheimer require?

- A copy of the completed audit
- A copy of the water test results (most recent copy) showing possible contaminants (E. coli, etc.), not minerals
- A random copy of a residue test result, showing that each of our suppliers undertake sampling to ensure compliance to North American MRL's.C



Why does Oppenheimer as an importer require this documentation?

- Food Safety is a top priority for our industry
- Retailer/wholesalers, and Food Service companies are requiring this as a part of doing business
- Contaminated product in the marketplace can damage a company's reputation and cause significant financial loss
- Food Safety Certification along with a Certificate of Liability Insurance are included on any Request for Proposals to supply fresh produce
- Oppenheimer will not divulge this information to any of our retail customers
- Implementing a compliance audit that shows that we are collecting the information as required by our retailers, and they will be given a copy of this audit



Request from Retailers

Includes but is not limited to the following:

- GAP
- GMP
- HACCP
- Watering testing
- Pesticide Residue testing
- Bioterrorism (security)

We have realized the need to increase our requirements with our suppliers and to achieve 100% compliance throughout our global supply chain.



Chilean Agriculture and GAP Management

- USA is looking strongly at all countries and their food safety processes.
- Chile is concerned with food safety standards.
- Many of the major U.S. food safety auditing, consultants and certifiers are present. (Chilegap)
- Cooperation with alliances already established with other government initiatives like:
 - C-TPAT > Customs-Trade Partnership Against



Conclusions

- There is many seperate programs and inititives in the industry with food safety, recall programs, traceability, hieghtened security, Government initiative programs, country of origin, wood packaging, import requirements.
- Certified growers will have a Competitive Advantage
- Consistency of the product
- Lower operative costs (keeping of records, efficiencies)
- Redefinition of existing management systems
- Decrease the risk of product removal from the market.
- Better trust for importers, retailers, final consumer.
- World wide recognition.



Conclusions GAP Future

- This is a MUST
- Retail, customers, Food service companies, Distributors / logistics
 - All are requesting and putting food safety programs in place (liability).
- Need proof of food safety programs undertaken by our suppliers.
- Retailers will look to suppliers who can prove (system and certifications) are in place to PROVIDE SAFE PRODUCTS.



A World of Produce















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Page Title

THANK YOU

