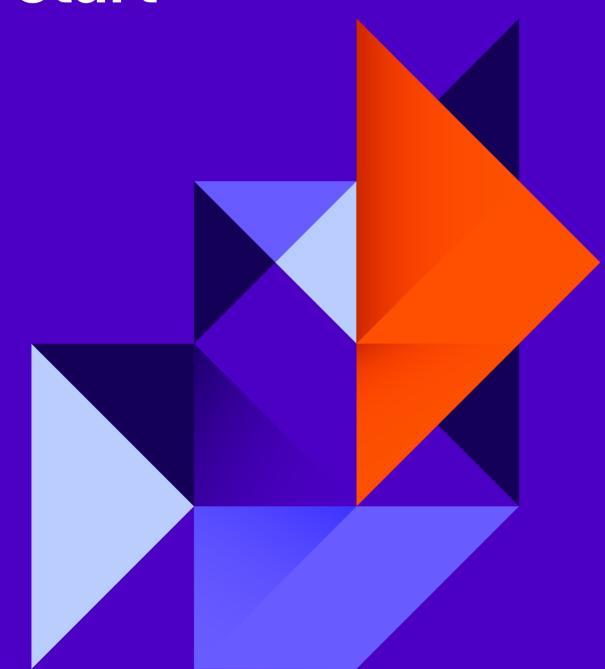


# Traceability and Transparency Right From The Start

The compliance pro's mini-guide to safe and efficient product launches in the Food & Beverage industry

# How to build compliance best practice straight into your product development and update process – right from the start



### What's inside:

Cost and time pressures in the Food & Beverage industry mean that most businesses don't exactly have a product development process that makes the job of their compliance team easy. This mini-guide takes a look at the potential pitfalls that could cause extreme damage to consumers and organisations – and shows how the process can be re-engineered to reduce risk and boost speed at the same time.

## Compliance can be a thankless task. It's mission-critical, nonetheless

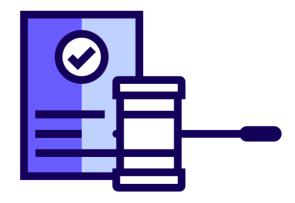
As a compliance professional in the Food & Beverage industry, you may sometimes feel like the teacher who tells the kids off for running in the corridor. With everyone else scrambling to get the product out the door, you have to make sure that no regulation-critical steps are missed in the process, and that your end consumers stay safe. And that may well cause eye-rolls and nervous finger-tapping among some.

### Don't let that lack of appreciation put you off. You're doing one of the most important jobs in the industry.

Without your in-depth knowledge, and your insistence on due process, your business could easily find itself in a tight spot – if not endanger a consumer's life. Let's not forget: every quarter, manufacturers and retailers have to recall around 20 Food & Beverage products in the UK alone, due to a fault in the manufacturing process, contamination, or mislabelling.

### A product recall can cost dearly, in a number of ways:

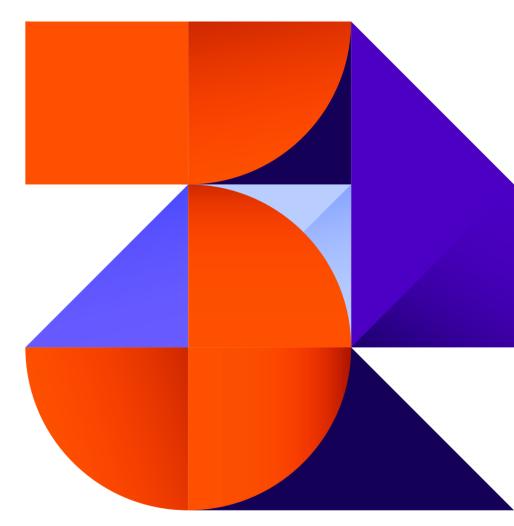
- The cost of removing and replacing the goods
- The cost of (crisis)
  communications
- · The legal cost involved
- And the reputational damage that your brand an suffer



### 5 reasons regulatory compliance often hangs by a thread

Not all mistakes can be avoided by a rigorous process, of course. But research suggests that cost-cutting measures in the industry may well have driven the rise in product recalls in recent years. And that implies that regulatory compliance can be a fragile achievement indeed. Let's take a closer look at what's putting it in jeopardy:

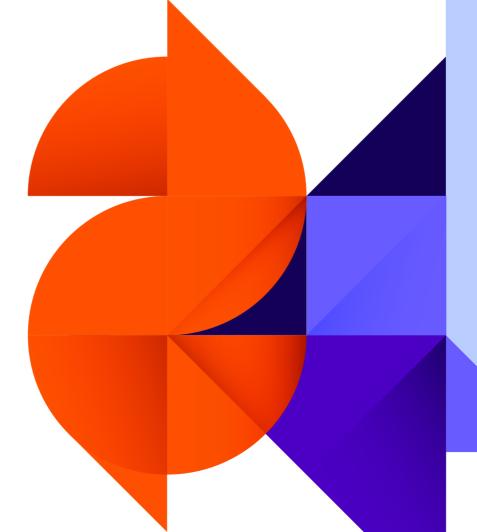
- 1. The product launch and update process is extremely complex. Product development involves dozens of internal stakeholders and external partners, all contributing their unique expertise, and working on different aspects and stages of a project. Information can easily get lost along the way.
- 2. The time-pressure is immense. Contractual deadlines, printing dates, scheduled production runs, and tight range review windows mean that the team's got to stick to the project plan no matter what. And when people are always close to panicking, there may be little time for an extra approval check.



- 3. In an agile process, last-minute changes are the norm. Product information, suppliers, or graphic design can change up until the last minute. So the team needs to remain ready to pivot at all times. That increases the chances of a late change slipping past the people who should know about it.
- **4. The process is opaque.** Different departments work from different systems that aren't usually set up to talk to each other. That makes it extremely difficult for project managers to gain visibility of where a project's at and what's gone before.
- 5. Most of it is handled by humans, i.e. done manually, and with little tech support. That means information is often re-keyed between system, which introduces lots of potential for mistakes. And where workflows aren't standardised and automated, important approval steps may be missed.

Taken together, all of these elements add up to a huge potential for human error and oversight – and that's an immense risk that manufacturers are taking on.

Let's face it: this kind of process undermines consumer safety – and makes it hard for even the best and most ambitious compliance teams to do their jobs properly.



### The astronomic costs of a recall

When, in 2016, Mars Chocolate had to recall Mars and Snickers bars in over 50 countries, legal expert Peter Bennett commented:

"The financial impact of this recall could be astronomic. Simply getting the products off sale and the logistics and communications involved in that, along with writing them off and losing out on potential sales is one thing.

However, the potential legal and PR costs along with the possible reputational damage and the effect that could have on investor relations and the value of the company is another thing altogether. We think the cost could potentially run to millions."

#### Source:

https://www.roythorne.co.uk/site/news/mars\_recall\_could\_cost\_millions

## A connected launch process reduces risk and boosts speed-to-market

The good news is this: speed-to-market and due process don't have to be mutually exclusive. (And don't let anyone tell you otherwise!). The truth is that *current* practice in most Food & Beverage businesses is far from best practice. And there is indeed a better way of working on new products. The magic key: bringing all the data, workflows, stakeholders, partners, and approval processes together, in one central, digital system.



### 5 ways to boost due diligence

### 1. Makes information reliable and traceable

A digital tool centralises data, and can be set up to stop anybody using information that hasn't been checked and approved. It can also show you the history of changes and approvals the project has gone through.

### 2. Standardises the necessary workflows

This ensures that the right people get to see and approve (or not) any piece before it's released to the next step. Such a platform can also automate these workflows to ensure that they're followed for every project, without fail.

### 3. Applies complex rules automatically

A digital system can automate many things that would usually require rigorous enforcement and scrutiny. Set it up once, and rest assured that the same rules are applied across all products, at all times (think international labelling rules, or formats for logos or nutritional tables).

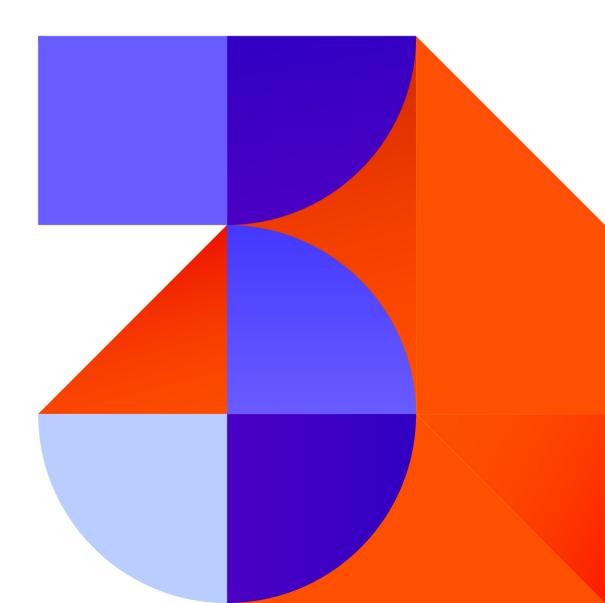
### 4. Feeds product information straight into the artwork

Once approved, the system will output accurate product information automatically, in whichever format it is needed – including standardised translations – without the need for anyone to touch it (and possibly introduce errors). That makes it easy to build regulatory compliance across all products and markets into the process – rather than having to enforce it on a product-by-product basis.

### 5. Gives you process confidence

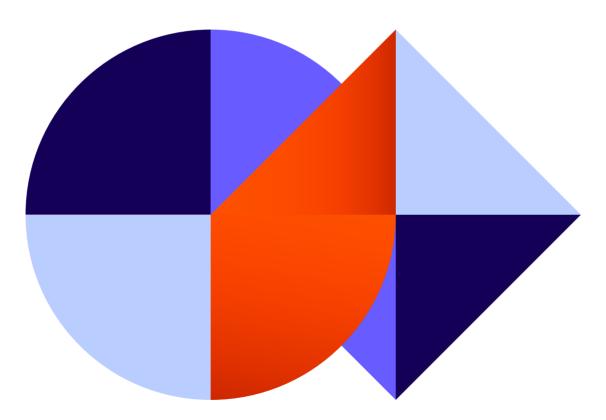
Not only will this give you peace of mind, it'll also significantly speed up approvals, with emails and manual sign-offs becoming a thing of the past. What's more: you get to see and trace the history of each project, and have instant access to digital audit trails. In the case of an investigation, that'll allow you to respond with confidence – and within hours, not days.

This is a huge step towards improving compliance processes (as well as every contributor's accountability!) at the same time as boosting speed-to-market.



### How you can get there from here

Some of the most forward-looking businesses in Food & Beverage are already working this way, and they've seen huge improvements to their process, and adherence to the rules.



But we get it: in an innovation-hungry environment, it may be hard to secure investment into a compliance solution alone – if it doesn't support other business goals at the same time. That's why we'd recommend packaging up the benefits for compliance along with arguments on cost reduction and speed-to-market – to make the investment into a connected solution a no-brainer for the entire business.

For starters, we can happily report that some of our clients have seen:

- · 90% cost reduction
- 50% faster time to market
- · A dramatic reduction in errors

We think: if that doesn't move the decision-makers, nothing will. It's worth starting the conversation – after all, you've got nothing to lose, and everything from transparency to process efficiency and consumer safety to gain.



### We're 4Pack.

Our cloud-based end-to-end product management solution for the Food & Beverage industry has completely changed the way our customers approach – and think about – their product development process.

We've helped dozens of businesses turn their product management processes from bumpy stop-and-go rides into smooth and well-orchestrated workflows. And we'd love to change the game for you, too. **Get in touch** with Helen Poole at helen.poole@4-pack.co.uk or on +44 (0)7773 698 950 for a discovery call.

PS. If you liked this guide, you might also want to read our ebook End-to-End Product Management here. It's a guide for Food & Beverage companies who want to speed up and scale innovation across all their departments – NPD, Finance, Compliance, Packaging, etc – without compromising on risk, or multiplying the costs.



