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Comment: No more horsing around for retailers as they put scandal to rest

28 February, 2013 | By Lucy Neville-Rolfe

The horse meat scandal, which has dominated headlines for the past month, has opened a rich seam because it appeals to the British sense of humour.

In this case, thankfully, humour can be deployed to marvellous effect - my favourite is cartoonist Matt in the Daily Telegraph - since nobody has become ill, still less died, as a result of consuming the products in question.

As one example those watching last week’s Brit awards on ITV saw Justin Timberlake introduced as ‘95% beefcake with a little bit of horse’. At the same time the programme featured advertisements from well-known outlets for beefburgers seeking to limit the damage.

These events have had a real impact. Kantar reported that frozen burger sales fell 43% in the four weeks to 17 February with frozen ready meal sales down 13%. The effect is wide ranging. As what it calls an ‘extra precautionary measure’, Ikea has withdrawn meatballs from their restaurants in many countries.

Eurocommerce is the European umbrella trade association for six million retail and wholesale businesses and I have been president since last July. We have naturally been very concerned about the unfolding events, both because of the primacy we give to consumer care and confidence and because the crisis has done serious economic damage across Europe involving company closures, redundancies and so on. For those at the economic sharp end the crisis has been no joke.

Consumers have a right to be confident that their food contains what the label states. So across Europe products have been rapidly withdrawn from sale and consumers informed when evidence was forthcoming that they might have been incorrectly labelled.

Of course we need to keep a sense of proportion: in the UK in over 1,500 DNA tests fewer than 10 identified contamination. But any contamination is unacceptable and we are determined to rebuild trust.

Classically crisis management has two elements: first, managing a return to normal and, second, introducing reforms that make a repeat improbable. The two are related because the more plausible the latter, the quicker the recovery in consumer confidence.

On the first I have been impressed by the energy and professionalism with which retailers have reacted from Day 1, setting up crisis teams, stopping supplies that might be implicated,
initiating additional testing regimes and informing consumers. Caterers have followed more slowly, but expectations of them are lower.

I have felt much sympathy for the honest food processors affected. They have been put in an even more difficult position than the shops, restaurants, schools and businesses they serve since suspect product often means the closing of a factory rather than a reshuffle of customers’ shopping baskets.

All in the food chain rely on each other’s credibility. If the fraud at the original factory - as it happens in France - had been admitted sooner the economic impact would have been less, the Romanians and Poles would not have been under xenophobic attack, and the crisis might have had fewer legs.

Our friends in Government have been a bit slow to act but rather fast to criticise industry. But the coordination of testing and the clear communication of results to the public have steadied the ship and taken the heat out of the issue. On my second point, avoiding a repeat, it is too early to come to a judgement but we all hope and expect changes to be made reducing the chance of future problems.

What other implications are there for the future?

First, this crisis confirms that food remains a topic of global fascination on a par with celebrity if not sex. BSE ran for 19 days on the front page - I remember Michael Heseltine saying that was unprecedented. A genuine food safety crisis these days would explode on social media, take many political and business scalps and bring about unfair economic damage across the industry. So prevention becomes more important for the whole chain.

Second, the horsemeat crisis will encourage more regulation in Brussels and Strasbourg. The Commission is due to produce a report on the feasibility of origin labelling for meat used as an ingredient and might submit a legislative proposal depending on the conclusions.

I think we need to beware of over-reaction. The horsemeat problem did not happen because we do not have mandatory country of origin labelling, but because someone passed off horse for beef. Complex labelling rules for manufactured products would be confusing, costly and bad for the Single Market.

Third, forensic advances change public policy. DNA testing changed the nature of criminal evidence in the 90s and put more rogues behind bars. The facility broadens the scope of testing and makes it easier to check out the unexpected. It also expands the role of technical experts, opening up a Miss Marple like career for more young scientists in our industry.

This crisis has been a damaging one originating in dishonest actions by a few. We need to come together to ensure that it is not repeated.

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