

Cost-Cutting Measures Can Lead to Greater Exposures

In today's challenging economy, many companies seek to cut costs. Doing so is intended to improve a company's bottom line, but in some cases, the move backfires and ends up costing the company more and increasing exposures in some areas. Consider the example of Kellogg*, which has cut a considerable number of jobs in recent years but, following an incident in June in which Listeria was discovered in one of the company's cookie-producing plants, is back to hiring again.

Companies cutting their workforce may be increasing their exposure. Product recall and product contamination coverage may help reduce such exposures.

* <http://www.reuters.com/article/2011/11/03/us-kellogg-idUSTRE7A23GV20111103>
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Recent Recalls

The following is a partial list compiled from the FDA's online list of recent recalls. See complete listings at www.recalls.gov.

California Firm Recalls Chicken Pot Pie Empanadas (October 31, 2011) Windsor Quality Food Co. Ltd. is recalling approximately 11,390 pounds of chicken pot pie empanadas that may contain foreign materials. The products subject to recall include: The problem was discovered by a customer (foodservice distributor) who found pieces of plastic in the product.

Rite Aid Recalls 12 oz. Tins of Rich Fields Butter Cookies (October 29, 2011) Working in consultation with the United States FDA, Rite Aid has initiated a recall of approximately 85,000 tins of butter cookies distributed by Rite Aid under the Rich Fields brand name because of the possibility of contamination with *Bacillus cereus*.

Rhythm Superfoods Announces Recall of Kool Ranch Kale Chips (October 28, 2011) Rhythm Superfoods, LLC is initiating the recall of a limited quantity of Kool Ranch Kale Chips containing cashews, which were inadvertently placed into packaging. An investigation indicated that the problem was caused by the use of new packaging that failed to declare the cashews.

Bicycles Recalled by Trek Due to Fall Hazard (October 27, 2011) Trek Bicycle Corporation is recalling about 27,000 Trek 2012 FX and District bicycles. The bolt that secures the seat saddle clamp to the seat post can break posing a fall hazard. The bicycles subject to the recall were manufactured in China.

Honda Recalls Motorcycle Due to Possible Tire Failure (October 27, 2011) Honda is recalling certain MY 2010 NT700V motorcycles for failing to comply with the requirements of Part 567, "Certification". A tire label applied to the swingarm may display incorrect tire size and air pressure specifications.

Nike All-American Recalled by Landshire, Inc. (October 20, 2011) Landshire is initiating a voluntary recall of 1,751 cases of the Nike All-American sandwich because it has the potential to be contaminated with *Listeria Monocytogenes*. The Nike All-American sandwiches were distributed Nationwide at Retail Supermarkets.

General Mills Issues Class One Recall of Chocolate Flavor Fiber One 90-Calorie Chewy Bars (October 20, 2011) General Mills is recalling a single day's production of Chocolate flavor Fiber One 90-Calorie Chewy Bars because of a labeling issue. Product produced on this date may have been packaged incorrectly, and may contain sensitive ingredients not listed on the box's ingredient label, including the potential allergen peanuts.

Ohio Firm Recalls Turkey Breast Due to Misbranding (October 20, 2011) Kuck's Turkey Farm is recalling approximately 2,325 pounds of fully cooked skinless turkey breast products. The products contain wheat and soy, which are not declared on the label.

Nassau Candy Conducts Nationwide Recall on Select Boxes of Nancy Adams Classic Mini S'mores (October 19, 2011) Nassau Candy Distributors is recalling their Nancy Adams Classics Mini S'mores as they may contain peanuts not listed on the label. An investigation revealed that some bags of peanut clusters may have been inadvertently packed into boxes of the Nancy Adams Classic S'mores. The Nancy Adams Classic S'mores are not supposed to contain peanuts.

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Fair Oaks Issues Recall for Fair Oak Blue Cheese (October 17, 2011) Fair Oaks Dairy Products, LLC today issued a recall of blue cheese produced under the Fair Oaks Royal Blue Cheese label because it has the potential to be contaminated with *Listeria monocytogenes*.

Ohio Firm Recalls Ready-To-Eat Beef, Pork Products (October 14, 2011) E-Z Shop Kitchens, Inc. is recalling an undetermined amount of ready-to-eat, seasoned beef and shredded pork products because they were produced without the benefit of federal inspection. The problem was discovered by FSIS personnel when following up on a complaint and is the subject of an on-going investigation.

River Ranch Recalls Products Because of Possible Health Risk (October 13, 2011) River Ranch Fresh Foods, LLC is initiating a recall of 2,154 cases of various bagged salad products due to the potential of being contaminated with *Listeria monocytogenes* following a routine random test conducted by the Ohio Department of Agriculture.

Oklahoma Firm Recalls Center Cut Steaks Due to Misbranding (October 12, 2011) Chef's Requested Foods, Inc. is recalling approximately 875 pounds of center cut steaks because the packages actually contain turkey filets. The turkey filets contain the allergens wheat and soy, and the center cut steak labels do not list wheat as an ingredient. The problem occurred when a company employee used labels from items produced earlier on the same day in similar packaging.

NOW Foods Issues Recall of Brewer's Yeast Tablets (October 12, 2011) NOW Foods is recalling selected lots of its Brewer's Yeast Tablets due to the presence of an undeclared milk allergen. The products were distributed throughout the United States and other countries.

Kroger Recalls Select Containers of Private Selection Extreme Moose Tracks Ice Cream (October 12, 2011) The Kroger Co. is recalling select containers of Private Selection Extreme Moose Tracks Ice Cream sold in 10 states because it may contain peanuts not listed on the label. Customers should return the product to stores for a full refund or replacement.

Osamu Corporation Recalls Frozen Ground Tuna (October 12, 2011) Osamu Corporation is recalling up to 1,800 cases of frozen ground tuna because the FDA found decomposition in several samples of the product and also found elevated histamine levels in samples taken from one retail location. Three illnesses have been reported to date.

IKEA Recalls Children's Folding Tent Due to Laceration and Puncture Hazards (October 6, 2011) IKEA North America Service is recalling about 58,000 BUSA children's folding tents. The steel wire frame of the tent can break, producing sharp wire ends that can protrude through the tent fabric, posing a laceration or puncture hazard.

Prolab Recalls Some Protein Products in Order to Correct Labeling for Items (October 6, 2011) Prolab Nutrition Inc. (Prolab) is recalling some of its protein items that may contain undeclared milk, wheat and gluten allergens. Prolab's product manufacturer, Nature's Products, Inc. (NPI), informed Prolab that the raw material NPI used to manufacture their products were not properly labeled.

Flowers Foods Issues Recall on Mrs. Freshley's Canadian Labeled Cereal Bars (October 4, 2011) Flowers Foods is voluntarily recalling three varieties of Mrs. Freshley's multipack cereal bars because they may contain undeclared non-fat dry milk.

Kraft Foods Recalls Three Varieties of Velveeta Shells & Cheese (October 3, 2011) Kraft Foods Global, Inc. is recalling three varieties of Velveeta Shells & Cheese Single Serve Microwaveable Cups due to the possible presence of small, thin wire bristle pieces. Approximately 137,000 cases of the affected products were shipped to customers across the United States.

Ohio Firm Recalls Chef Salads Containing Meat and Poultry (October 1, 2011) Greencore USA, Inc. is recalling approximately 57 pounds of salad products containing meat and poultry, because the grape tomatoes used in these products may be contaminated with *Salmonella*. Greencore USA, Inc. was notified by its grape tomato supplier, Pearson Foods, that a specific lot of grape tomatoes was being recalled.

Thorntons Recalls Garden Salad and Chef Salad (October 1, 2011) Thorntons, Inc. is recalling its 6 oz Garden Salads and 5.6 oz Chef Salads because they have the potential to be contaminated with *Salmonella*. The recalled salads were manufactured and distributed by Greencore U.S.A.

The AmWINS Recall Risk Team

The Recall Risk team can help you and your clients evaluate exposures and design an effective risk management program to complement quality control, recall, and crisis management plans. Our team has successfully placed accounts ranging from automotive to food and beverage products. We welcome the opportunity to help you navigate this niche market and explore solutions to potential exposures.

About The RecallReport

The RecallReport is published monthly by the Recall Risk Team, specialists dedicated to product recall insurance. This skilled team brings years of experience from both the underwriting and specialty brokering disciplines. They have worked with some of the largest companies in the United States, including numerous Fortune 500 companies, to address product recall, contamination, and food borne illness exposures. The Recall Risk team uses a custom approach in developing solutions for clients. They focus on blending insurance solutions with crisis management and preparedness expertise. To learn more, please contact the AmWINS Recall Risk Team or visit www.RecallReady.com.