



Crisis management effectiveness indicators for US meat and poultry recalls

Neal H. Hooker ^{a,*}, Ratapol P. Teratanavat ^a, Victoria Salin ^b

^a *Department of Agricultural, Environmental and Development Economics, The Ohio State University, 323 Agricultural Administration, 2120 Fyffe Road, Columbus, OH 43210-1067, USA*

^b *Department of Agricultural Economics, Texas A & M University, USA*

Abstract

Policy makers within the US Department of Agriculture (USDA) complement the role of meat and poultry plant managers in food recalls. The increasing frequency and scale of recalls raise questions whether sufficient attention is placed on these events. Three measures of recall effectiveness are introduced to evaluate this public-private crisis management process. Managerial and technical variables are compared to these measures of effectiveness. Results from regression models suggest that recalls carried out by the smallest sized plants, those that took place after Pathogen Reduction/Hazard Analysis Critical Control Point implementation, and recalls involving processed products are more effective. Little evidence of differences was found in the effectiveness of the crisis management process between meat plants compared with poultry plants or for plants that are part of a larger firm. Despite USDA's stated focus on recalls with more severe public health consequences, there is no evidence that Class I or microbiological recalls are more effectively managed.

© 2005 Elsevier Ltd. All rights reserved.

Keywords: Food safety; Meat and poultry recalls; Pathogen reduction/hazard analysis critical control point; Recovery rate

* Corresponding author. Tel.: +1 614 292 3549; fax: +1 614 247 7066.

E-mail addresses: hooker.27@osu.edu (N.H. Hooker), teratanavat.1@osu.edu (R.P. Teratanavat), v-salin@tamu.edu (V. Salin).

Introduction

Effective crisis management within the food system requires prompt and complete responses to food safety problems to ensure consumer confidence. As an example, meat and poultry recalls in the US have been subjected to increasing scrutiny over recent years with concern being voiced about the appropriateness of a predominately voluntary process. The Federal government has a limited ability to require firms to conduct recalls. Yet it is in the best interest of firms to pursue proven crisis management practices to reassure their customers. It is unclear if all firms recognize this situation or if additional policy is required to strengthen government oversight or control. Given this environment, various bills have been presented to the US Congress, particularly following large recalls of nearly 19 million pounds of ground beef over concerns of contamination with *Escherichia (E.) coli* O157:H7 and 27.4 million pounds of chicken and turkey products potentially contaminated with *Listeria monocytogenes* in 2002.¹

The Food Safety and Inspection Service (FSIS) of US Department of Agriculture (USDA) is the main regulatory agency responsible for the safety of meat and poultry products. In 1998, FSIS set up a working group to evaluate its recall policy and provide recommendations. The group's findings emphasized how to strengthen risk communication channels between the agency, firms and related parties and how to maximize product recovery (Axtell et al., 1998). Nevertheless, a subsequent report by the US General Accounting Office (GAO) suggested that further action was necessary (GAO, 2000).

This paper uses the database of meat and poultry recalls maintained by FSIS covering 1994–2002 to test for effectiveness of crisis management, using new benchmark measures that focus on the timeliness and impact of the process. Only with an effective recall process can the public health effects of food safety problems encountered by firms be minimized.

Several studies have examined FSIS meat and poultry recall events, mainly to consider the economic and financial incentives provided by recalls to encourage private food safety controls. Lusk and Schroeder (2002); Marsh et al. (2004); Salin and Hooker (2001); Thomsen and McKenzie (2001) and Wang et al. (2002) examined the effect of meat and poultry recalls on firm's stock price, market returns, consumer demand and societal reactions. Teratanavat and Hooker (2004) present a summary of key trends in the FSIS recall data set. Shiptsova et al. (2002) examined the effect of recall costs on profitability and competitiveness of the beef, pork, and poultry industries using data from 1995 to 1999. Other studies provide descriptive statistics and summaries of the US Food and Drug Administration (FDA) recall data for microbial contamination and undeclared allergens, see Wong et al. (2000) and Vierk et al. (2002) respectively. However, no study has yet been conducted which analyzes the

¹ One example of legislation that would provide USDA with mandatory recall authority is the *Unsafe Meat and Poultry Recall Act* (H.R. 2273).

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات