

Q&A: Sanitation As A Competitive Advantage

Doug Newman, Senior Vice President, Celerant Consulting



Sanitation is a crucial part of the food manufacturing business and must be managed, controlled and executed with the same level of attention as that of the production and maintenance operations. *Food Manufacturing* spoke with Doug Newman, Senior Vice President for Celerant Consulting, about the importance of sanitation in the food industry.

Q: Why is sanitation so important for CPG manufacturers?

A: Food consumers loyally buy particular brands for very specific reasons. Topping the list are factors such as perceived value, brand trust and customer satisfaction. Each of these factors can be ruinously impacted by food quality issues such as contamination, degraded ingredients and inconsistent flavor, texture or appearance. A well orchestrated sanitation program is one of the key drivers to ensure food quality and safety. It removes potential contaminants, reduces ingredient spoilage and ensures equipment is free of debris build up which can lead to inconsistent processing. Sanitation is a critical part of food manufacturing operations, necessary to ensure processes run smoothly and produce high quality products which loyal consumers want to buy.

Q: What steps can manufacturers take to improve sanitation practices without increasing costs?

A: The first step to improve operations is to evaluate the system constraints that are in place; this involves evaluating existing sanitation protocols, testing requirements and existing labor contracts. Secondly, a detailed study of the current processes needs to be mapped, observed, timed and evaluated. It is not unusual to discover 30 percent of non value added time within the existing process—mainly due to poor planning, poor coordination or overly cumbersome methods being used.

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Next, improved processes must be documented and become the standardized sanitation method, with defined cycle times, defined materials, defined resource requirements and any prerequisites. Close coordination of production, maintenance and sanitation functions maximizes use of available line time and clear start and end times for sanitation. It also ensures that crucial maintenance and reliability activities can be accomplished within the window of the line being down.

By working with a cross functional team—staff from the area being studied—feasible, low cost and valued added improvement ideas can quickly be generated. It's important for buy in, momentum and commitment that the improvements are quickly implemented and fine tuned to produce the expected results.

Q: What are the dangers for a manufacturer that does not take proper sanitation precautions?

A: Poor control of food safety programs can be expensive in terms of overtime cost, elevated food scrap, equipment reliability failures and in excessive non value added production time. Outright lapses in execution can have devastating consequences to the business, including expensive recalls, remediation costs, potential legal liability and destroyed consumer trust in individual brands.

Q: Food safety problems have been in the news a lot lately. Could better sanitation practices have prevented such food safety issues like the egg recall?

A: In late 2008 and early 2009, nine people died and at least 691 people became sick in an outbreak of food poisoning from eating products containing peanuts. The FDA confirmed that the sources of the outbreak of illnesses caused by salmonella typhimurium were peanut butter, peanut paste and peanut meal produced by a plant in Blakely, Georgia.

This triggered a massive food recall, involving at least 361 companies and 3,913 different products. Subsequent inspection of the plant by the FDA found that there had been concerns about sanitation at the company since at least the mid-1980s, that the company had information that its peanut-butter products were tainted with salmonella but shipped them anyway after "re-testing" them. FDA inspectors also found mold growing on the plant's ceiling and walls, foot-long gaps in its roof, dead insects near peanuts and holes in the plant big enough for rodents to enter. The company also didn't clean its equipment after finding contamination and didn't properly separate raw and finished products.

Clearly, this is an extreme case, but it demonstrates what can happen when a company has a cavalier approach to sanitation and food cleanliness. When poor practices become the standard way of operating, problems can spiral out of control with devastating consequences to the company. In this case, the company was bankrupted and the entire industry suffered, as other producers of similar products were also shunned by consumers. Basic, disciplined sanitation practices, such as pest abatement, regular sanitizing of walls and equipment, clear testing and

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disposal procedures and management commitment would have prevented the salmonella contamination and the catastrophe that it caused.

Q: Do you have an example of a plant where significant production time was recovered and labor costs were reduced with regards to sanitation processes?

A: One of our clients focused on optimizing its sanitation processes using the systematic improvement steps discussed here and recaptured 13.75 production days annually on a capacity constrained line running a 24/7 operation. The production line ran three products, each in a variety of pack SKUs. The product bases were similar but differed in processes such as chocolate enrobing and differed in allergen and non allergen ingredients. These differences caused the need to execute frequent changeovers which included very complex sanitation processes to remove ingredient residues. The amount of production time consumed by sanitation and changeover processes was excessive. The sanitation/changeover processes were studied in detail, multiple improvements were developed and implemented in methods, materials and concurrent working and this enabled the managing and coordinating of sanitation execution and changeovers in a strategic and systematic way. The result was faster more predictable changeovers, increased effectiveness measured by improved first time test pass rates and therefore freed up production time. The plant was able to use this 'free' additional capacity to repatriate production which had been outsourced to a co-manufacturer at a savings of approximately \$500,000 annually.

Doug Newman is a Senior Vice President at [Celerant Consulting](#) [1] and leads the consumer products sector. During his two decades in manufacturing and consultancy, Doug has undertaken a wide range of assignments across multiple industries and functional areas. His experience includes extensive work in manufacturing, supply chain, information technology, research & development, sales and innovation. His industry experience includes food, beverage, household and personal care products, as well as, work in multiple other industries including chemicals, automotive, high tech electronics and healthcare. Doug received a Master of Business Administration from Northwestern University's J.L. Kellogg Graduate School of Management and a Bachelor of Science degree in Marketing from Indiana University's Kelley School of Business.

Interview by Lindsey Coblentz, Associate Editor, Food Manufacturing

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