



The Food Industry Center
UNIVERSITY OF MINNESOTA

TFIC NEWSLETTER

Vol. 11 No. 3 Fall 2006

Disaster Preparedness, Response and Recovery Symposium Held on November 1st

On November 1st, over 120 registered participants from industry, government and academia participated in the *Terrorism, Pandemics and Natural Disasters: Food Supply Chain Preparedness, Response, and Recovery* symposium co-sponsored by **The Food Industry Center** and the **National Center for Food Protection and Defense (NCFPD)** of the University of Minnesota and the **Trucking Industry Program** of the Georgia Institute of Technology. Invited speakers covered topics across a wide spectrum of food protection risks from intentional terrorist attacks on the food supply to biological and pathological threats to catastrophic natural disasters.

The mission of NCFPD is to reduce the likelihood of an attack on the food system, improve the

nation's ability to respond to an attack, and to reduce the long-term consequences of such an attack. The symposium shared this mission by engaging the audience in presentations, discussions, and mock disaster scenarios. The primary messages delivered during the day are captured below.

SYMPOSIUM KEY MESSAGES:

1. BELIEVE IN THE VALUE OF **REDUNDANCY & EMPLOYEE EMPOWERMENT**
2. CREATE **RESPONSE PLANS** AND **PRACTICE THE PLANS NOW!**
 - “You can’t exchange business cards during a disaster!” (Col. Hoffman)
 - Reactions in a disaster must be practiced, automatic, and known to all employees
3. CONSTANTLY **REVIEW AND UPDATE PLANS**
 - Keep contact numbers current
 - Continue to establish relationships with local law enforcement and first responders
4. **COMMUNICATE, COMMUNICATE, COMMUNICATE**
 - With supply chain partners, with local responders, with employees, and with insurers

Save the Date

**TFIC Food Defense Workshop at 2007
NGA Convention in Las Vegas**
January 31st

Spring Conference
New Products, New Opportunities
Thursday, March 22nd
McNamara Alumni Center Atrium

**James P. Houck Lecutre on Food and
Consumer Policy**
*A Houckian's Perspective on Several
Contemporary Issues*
Tuesday, April 17th
University of Minnesota Campus

**Food, Technology, and Individual
Privacy Colloquium**
Wednesday, May 16th
McNamara Alumni Center

An written summary of the Symposium and a CDR capturing the Symposium speakers and presentations are currently being edited. They are expected to be released by the end of January 2007.

The Food Industry Center

Co-Director's Notebook



During this last holiday season we were reminded that the supply chain for food (and other goods) is sometimes circuitous and actually longer than most of us think. Seeing bags of canned and boxed food piled in corners of churches and offices ready to be delivered to food shelves, food banks, or other secondary distribution points reminds us that the retail store or restaurant and their customers are not the end of the chain. Often food is redistributed to food shelves or homeless shelters or soup kitchens. Eleven percent (35 million) people in America are hungry or food insecure. Food in-secure is defined by the USDA as those “households that are uncertain of having, or unable to acquire, enough food to meet the needs of all their members because they had insufficient money or other resources for food. Food-insecure households include those with low food security and very low food security. Low food secure households obtained enough food to avoid substantially disrupting their eating patterns or reducing food intake, by using a variety of coping strategies, such as eating less varied diets, participating in Federal food assistance programs, or getting emergency food from community food pantries” (<http://www.ers.usda.gov/Briefing/FoodSecurity/trends.htm>). The percent with very low food security, meaning that they are often hungry, is 3.9% or 4.4 million people, about the same number of people who live in Colorado or Louisiana.

Community food pantries and their customers extend the food supply chain beyond the sight

of most of us. Organizations like Second Harvest Food for the Poor and Food for the Hungry, Inc. capture food that is still safe to eat but “recycled” through

someone’s home or retail store. Sometimes they buy food needed to stock their shelves with cash donations. Seventy percent of the “revenue” for Second Harvest Heartland, located in Minnesota, arrives as food-in-kind. Second Harvest Heartland is primarily a food bank, (a food distributor) to 800 other food agencies (shelves), such as Minnesota Food Share, who make it available to the final hungry customer. In 2005 Second Harvest Heartland distributed over 30 million pounds of food in Minnesota and Western Wisconsin on a budget of \$51 million. (That is roughly \$1.67 a pound.) To their great credit, 96% of their revenue goes for food programs and only 4% for administration and fund raising (<http://www.2harvest.org>).

This is not meant to be a commercial for Second Harvest, but a statement to remind us that the food supply chain reaches beyond our stores, restaurants and kitchens. Many food companies participate in this extended supply chain with direct food donations and cash support. Thousands of well-fed children bring cans of food to their schools or churches to feed the hungry. When we think about the food industry we should not forget the distribution services extend far beyond our daily travel paths. This part of the supply chain does a great service in helping food to reach food-insecure consumers efficiently and contributes to safer and healthier lives.

Jean & Ben

*Thank You to our
Sponsoring Member
Companies*

CHS, Inc.

**ConAgra Lamb
Weston**

General Mills

Green Giant Fresh

H.J. Heinz

Kellogg Company

Land O'Lakes

McCormick & Co.

Nash Finch Company

**National Grocers
Association**

Old Dutch Foods

Rich Products

Sturm Foods

SUPERVALU, Inc.

SYSCO

TFIC to Present Workshop on Food Defense at the 2007 NGA Annual Convention

Jean Kinsey, Jon Seltzer and Dennis Degeneffe will be conducting a workshop titled “**Terrorism, Avian Flu and Natural Disasters**” at the National Grocers Association Annual Conference in Las Vegas on **January 31st**. The session will be interactive and include new information from the Center’s Supply Chain Security Benchmarking Survey. The session will also discuss the Center’s recently published results of a segmentation study of consumers’ attitudes towards food terrorism. If you will be attending the NGA Conference, we encourage you to join in the TFIC workshop.

Alumni Interview



Name: Ryan Altergott
Employer: Hormel Foods
Title: Supervisor: Refrigerated Foods Operations
College: Food, Agricultural, and Natural Resources, University of Minnesota
Major: Agribusiness Management, Finance minor

How did you choose to work for Hormel?

During college I had the luxury of having many internships, which allowed me to focus my efforts on positions that I felt would best suit my personality, work ethic, and skill sets. I chose a position in Operations at Hormel, and both the position and the company are a great fit.

What courses did you take that best prepared you for your career? Were there food industry activities in which you participated?

Agribusiness management 4851 with Jon Seltzer was, hands down, the best course during my collegiate career. This course presented the fundamentals behind operations within the food industry. It combined class work with real life applications and field studies, and truly was the capstone course for my degree.

I also attended the Food Marketing Institute conventions in Chicago as an intern both my Junior and Senior years, which gave great exposure to the food industry overall.

Why do you like working in the food industry, and working for Hormel?

The food industry, historically speaking, has been one of the most stable industries in which to work, and I was attracted by the job security. I've also discovered the added benefit of working at a food processing facility when it comes to lunch and dinner time!

Hormel is a leader in the protein industry. Just this year Hormel had record profits in an industry which saw many competitors lose money and lose market share. Hormel is a company with good leadership, founded on good principles in quality, and takes care of their employees.

What was the most significant "welcome to the working world" moment, when you knew you were no longer a student?

My first real salaried paycheck.

Where do you see your career in the next five to ten years?

I would like to be in either a superintendent position within the plant functions of operations or in a corporate liaison position related to operations.

New Products, New Opportunities

New Products, New Opportunities is the theme of The Food Industry Center's first annual Spring Conference. The Conference will bring together food industry professionals, academicians from the departments of Applied Economics, Food Science, and the Carlson School of Management, and students with food industry experience to discuss this year's theme. In addition, TFIC would like to recognize the large number of U of M graduates working in the food industry and acknowledge the breadth of research being conducted on the food industry.

"By inviting multiple perspectives and drawing widely from all facets of the food industry, we hope to provide attendees with an engaging, informative, and useful discussion" said Jean Kinsey.

Speakers include Dr. Allen Levine, formerly of the Food Science department and the new Dean of the College of Food, Agricultural, and Natural Resource Sciences; Dr. Brian Buhr, Applied Economics; and Dr. George John of the Carlson School of Management-Marketing and Logistics. They will address this year's theme from the perspective of their expertise and research; followed by a panel discussion. An industry perspective will be given in the Conference's keynote address. Following the presentations, individual discussion and networking time will be provided for participants to meet one another and conference sponsors.

The Conference is set for Thursday, **March 22nd at the McNamara Alumni Center.** Registration is required and attendance is limited. Please check the TFIC Web site for registration information
<http://foodindustrycenter.umn.edu>

Did You Know...

Trends/Buzzwords to Watch:

OMICS:

"The term omics refers to the comprehensive analysis of biological systems. A variety of omics subdisciplines have begun to emerge, each with their own set of instruments, techniques, reagents and software. The omics technology that has driven these new areas of research consists of DNA and protein microarrays, mass spectrometry and a number of other instruments that enable high-throughput analyses." This has big implications for designer foods.

(<http://www.omicsworld.com/?gclid=CLXN46vRsYkCFRpFSAodQF-BQw>)

BIOINFORMATICS:

"...the field of bioinformatics has grown in parallel (*with omics*) and with the help of the internet, rapid data analysis and information exchange is now possible. Omics will not only have an impact on our understanding of biological processes, but the prospect of more accurately diagnosing and treating disease will soon become a reality." There are large implications for

the links between food and health and treating food as medicine.

(<http://www.omicsworld.com/?gclid=CLXN46vRsYkCFRpFSAodQF-BQw>)

FOOD MILES:

The distance food has traveled to reach the consumer's plate; a new measure for food quality, safety and desirability. A term replacing "organic" (10% is imported) or "local and sustainable" as symbolizing "farm fresh." Food grown within a regional "foodshed" (like watershed) signals regionally supplied food with fewer food miles and therefore, better, safer, higher quality to the consumers who are concerned about how far their food has traveled (NYT, 12/14/06, 4-4).

FEAR OF FOOD:

Psychologists are claiming that the new fixation of the American public is "food." Various fears about terrorists, war, ill health, crime and other personally uncontrollable events are being refocused on food resulting in 71% of consumers saying that they pay a lot/fair amount of attention to food warnings and nutritional recommendations compared to 51% in 2002 (USA Today, 12/13/06, 2A).

Food, Technology, and Individual Privacy Colloquium

Colloquium speakers will elaborate on **Radio Frequency Identification** as a technology, the benefits of the technology for the food and beverage industries and consumers, and ways of ethically and legally managing privacy concerns. Currently, there is no RFID specific legislation or established industry norms regarding privacy.

On **May 16th**, experts from academic, legal, and marketing research fields will draw on their professional insights to discuss ways of managing the individual privacy risk. Featured speakers include Diane Bowers, President, of the Council of American Survey Research Organizations; and from the University - Dr. Ted Labuza, Food Science and Nutrition; William McGeeveran, Assoc. Professor, Law School; Dr. Frederick Riggins, Asst. Professor, Information/Decision Sciences, Carlson School; and Prentiss Cox, Assoc. Clinical Professor and former Asst. Attorney General and Manager of the Consumer Enforcement Division in the Minnesota Attorney General's Office.

The event is co-sponsored by the University's Consortium on Law and Values in Health, Environment & the Life Sciences.

The Supermarket Panel Returns

The Supermarket Panel, The Food Industry Center's unique store level survey of supermarket practices, will resume again in 2007 with the receipt of a grant from USDA.

The Panel will address supply chain, productivity, food safety and technology adoption from randomly selected individual stores across the United States. By crossing formats, ownership groupings and all parts of the country,

the Panel provides a unique picture of the supermarket industry. Given the importance of this link of the supply chain to issues of food safety and the size of the supermarket workforce, USDA has funded the Panel for one year with the possibility for additional funding in subsequent years.

The 2007 Supermarket Panel is under the direction of Clarissa Yeap, Assistant

Professor in the Department of Applied Economics. Dr. Yeap's research in food service and restaurants will provide added value to the breadth of knowledge the Panel generates. Jon Seltzer will continue as the Survey's Project Manager. For further information on the Panel, or stores wishing to participate in the Panel, please contact Jon Seltzer, (952) 926-4602, seltz004@umn.edu.