



# **McDonald's Global Connection: Quality, Sourcing & The Customer**

**Rickette Collins**

**McDonald's Global Supply Chain  
& Sustainability**



# McDonald's At A Glance





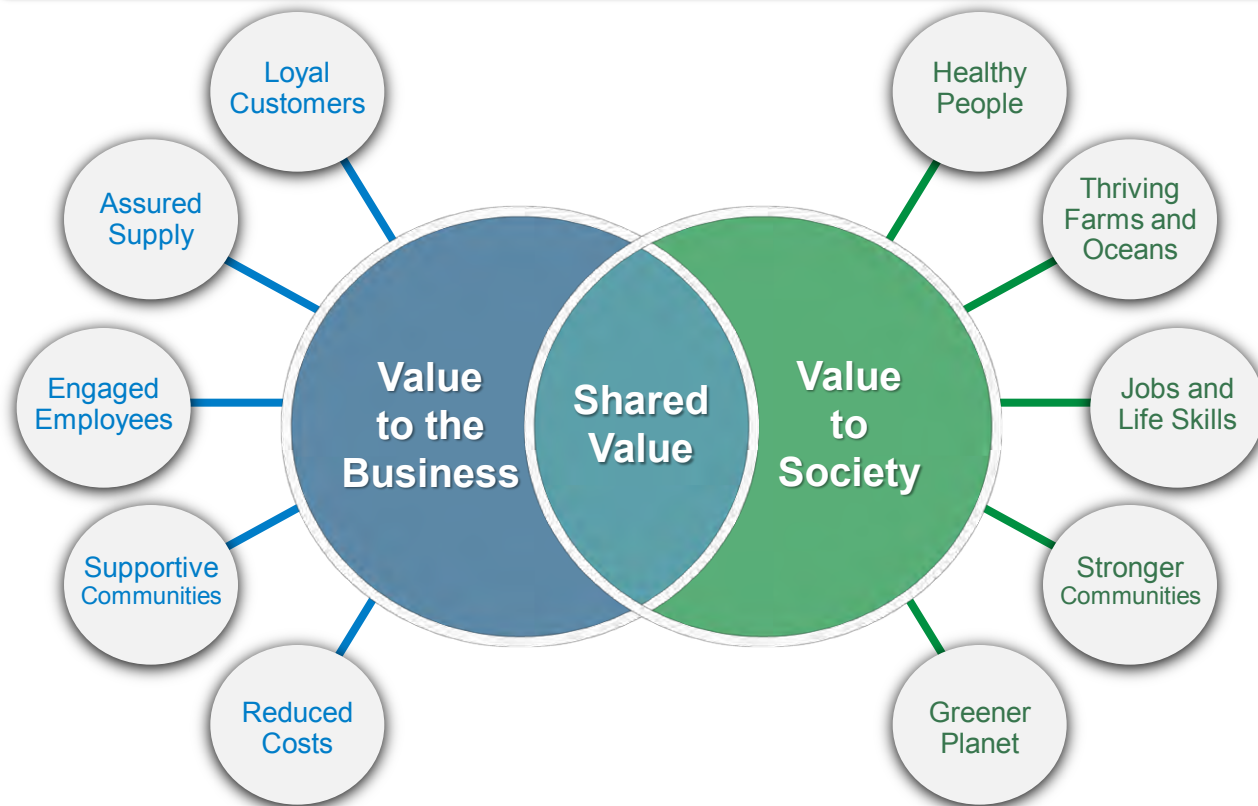
# McDonald's Supply Chain & Sustainability Pillars





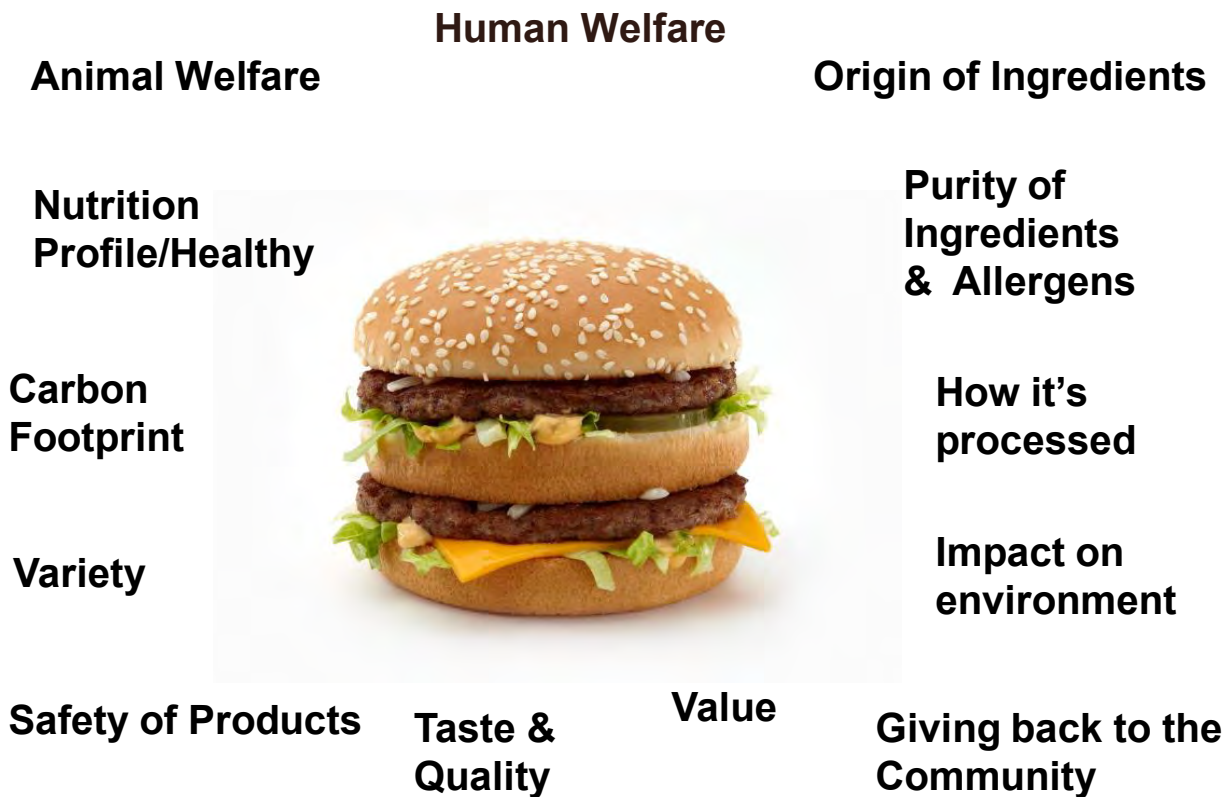
# BUILDING A BETTER FUTURE, TOGETHER.

Growing our business by making a difference in society.





# Customer Lens – Where it comes from, What's in it, and How it's prepared



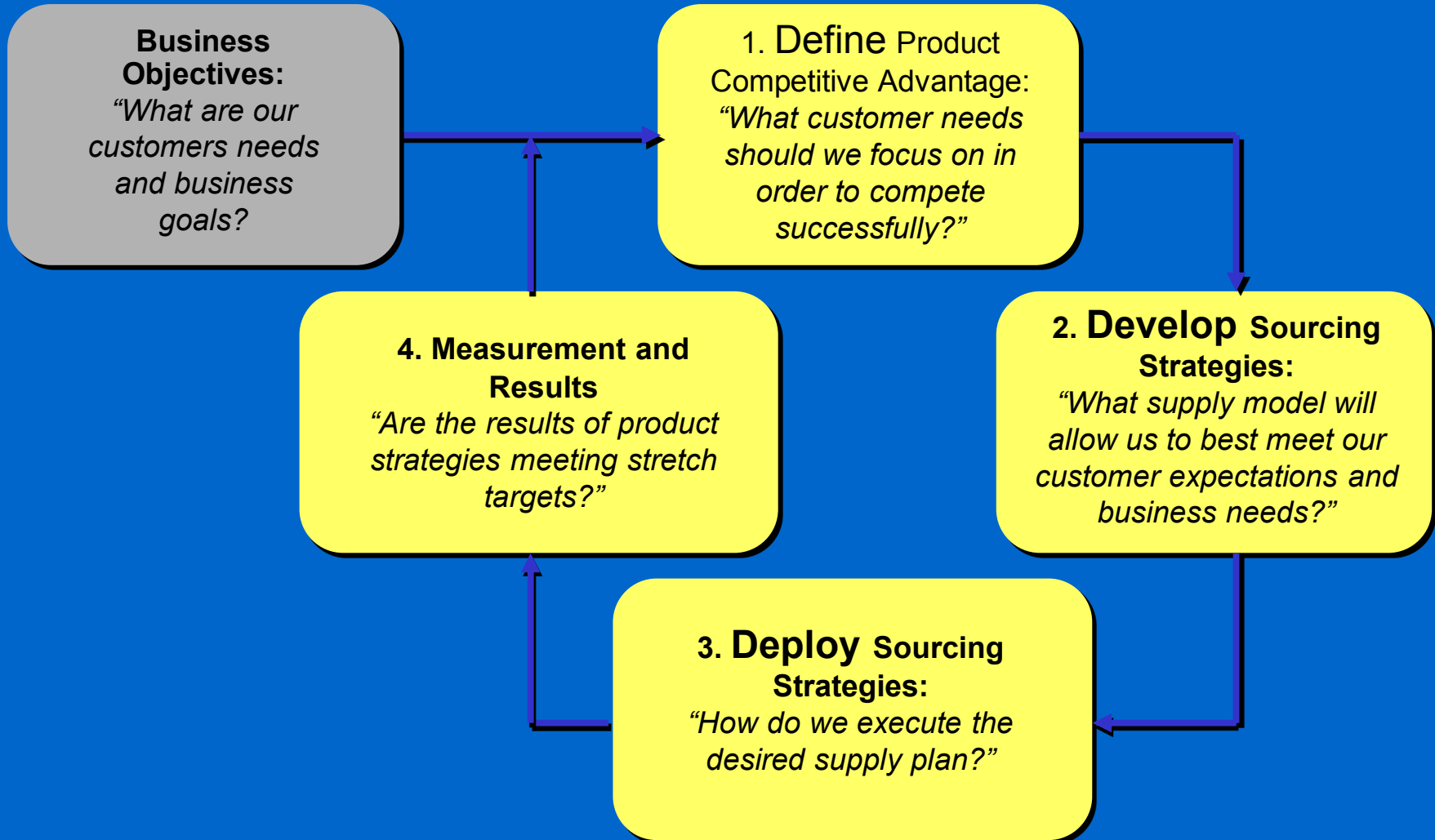


# SCM Decision Hierarchy



- Food Safety
- Assured Supply
- Product Quality
- Corporate Responsibility – Brand Protection
  - Emerging Issues (Real or Perceived)
- Price

# Strategic Sourcing Process Overview





# Supplier Expectations

**Influence  
Industry**

**Self Managed Excellence**

**Engagement with McDonald's**

**Innovative & Proactive**

**Meet & Exceed McDonald's Supplier  
Requirements**





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A Taste of What's Cooking at US Foods®

# Food Safety of Produce from Farm to Fork

Beth Taylor, Director of Produce FSQA  
May 1st, 2017

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# Agenda

- Background
- Brief Discussion of Outbreaks
- Sources of Pathogens and Interventions
- Summary

# The Food Regulations

- **Background**
- Brief Discussion of Outbreaks
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- Food Safety and Modernization Act

- 8 Food Safety Regulations Including:



**PRODUCE SAFETY RULE** – Standards for growing, harvesting, packing, and holding of produce for human consumption.

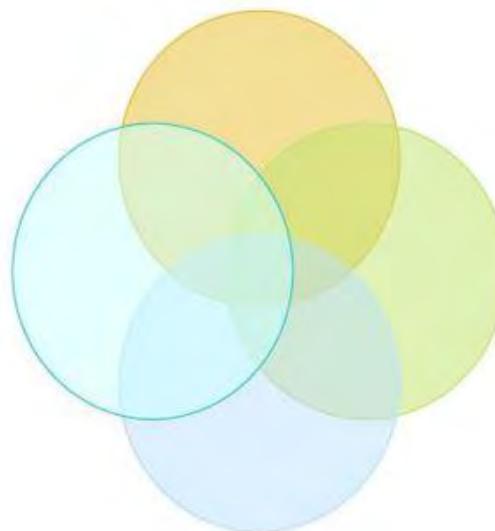
**PREVENTATIVE CONTROLS RULE**- Current Good Manufacturing Practices and Risk-Based Preventative Controls for human food.

# Main Themes of the Legislation

**Prevention**

- **Background**
- Brief Discussion of Outbreaks
- Sources of Pathogens and Interventions
- Summary

Enhanced Partnerships



Inspection Compliance and Responsiveness

Safety with Imports

*Source material FDA/CFSAN 2011*

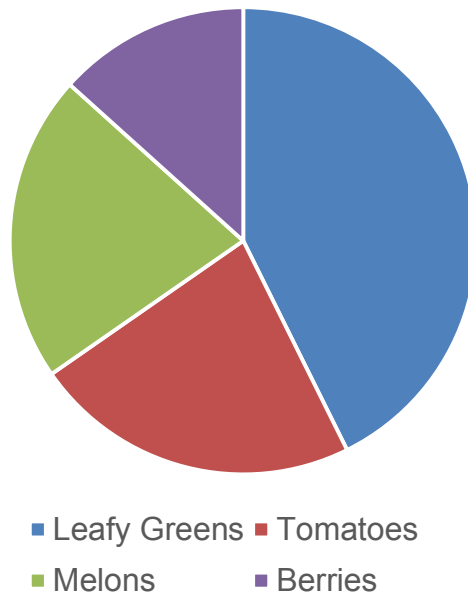
**GREAT FOOD. MADE EASY.**

# Reported Outbreaks of Foodborne Illness (1996-2009)

- 21.2% Fresh Produce, including Sprouts out of the total percentage of all commodities.

- Background
- **Brief Discussion of Outbreaks**
- Sources of Pathogens and Interventions
- Summary

Broken Out By Category



E.Coli  
O157:H7



Listeria

Source material FDA/CFSAN 2011

# Pairings of Pathogens with Produce



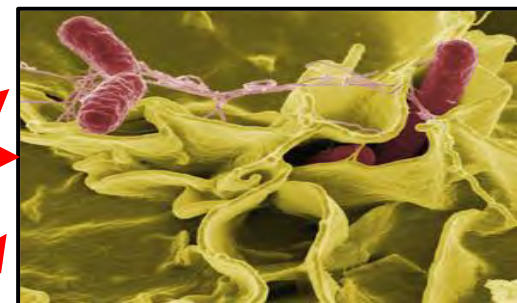
**Sprouts**



**Leafy Greens**



**Tomatoes**



**Salmonella**

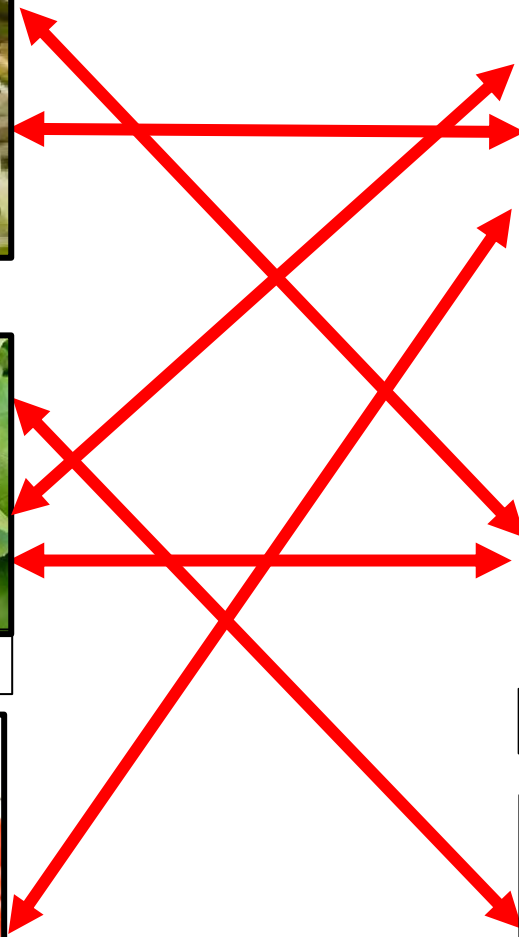


**E.Coli**



**Listeria**

- Background
- **Brief Discussion of Outbreaks**
- Sources of Pathogens and Interventions
- Summary



**GREAT FOOD. MADE EASY.**



# Pre-Harvest / Harvest Sources of Contamination

- Background
- Brief Discussion of Outbreaks
- **Sources of Pathogens and Interventions**
- Summary

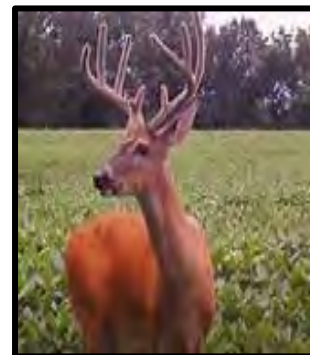


Water

Soil Amendments

Wildlife

Workers



# Post Harvest Sources of Contamination:

## Prevention of the Spread of Contaminants

## Prevention of the Introduction of Contaminants

- Background
- Brief Discussion of Outbreaks
- **Sources of Pathogens and Interventions**
- Summary



Water Quality Management



Sanitation



Worker Hygiene and Training



# Food Service Management Focal Points:

## Prevention of the Spread of Contaminants

## Prevention of the Introduction of Contaminants

Supplier Control

Sanitation  
Water Quality

Worker Hygiene

- Background
- Brief Discussion of Outbreaks
- **Sources of Pathogens and Interventions**
- Summary



# Summary

- Background
- Brief Discussion of Outbreaks
- Sources of Pathogens and Interventions
- Summary



# Supply Chain Management

## Contract Manufacturing

Annette Stich

Sr. Manager, FSQA Contract Manufacturing

May 11, 2017



# Agenda

- Why Contract Manufacturing?
- Co-manufacturing: Food Safety & Quality Goals
- Expectations
- Management
- Ongoing Assessment



# Why Contract Manufacturing?

There are many reasons organizations utilize contract manufacturing:

- Increase Capability
- Increase Capacity
- Cost
- Expertise



# Food Safety & Quality Goals

- Ensure you and your company are doing everything you can to protect your brand and your consumers.
- Contract manufacturers & Co-packers are an extension of your organization. They are expected to uphold the same quality and food safety standards as your own organization.



# Expectations

- Define expectations that your organization feels are essential for effective management of Food Safety, Quality Assurance & Food Defense.
  - These expectations are not intended to replace contractual, legal, or legislative requirements.
  - Understand Supply Chain from farm to fork to identify risks and have systems in place to mitigate opportunities; include consideration for distributors, brokers & purchasing agents



# Expectations

Expectations can include but are not limited to:

- Quality & Food Safety Management Systems
- Sanitation
- Equipment Design & Validation
- Good Manufacturing Practices (GMP's)
- Maintenance
- Utilities Management
- Food Defense & Crisis Management
- Microbiological Testing: Environment & Product
- Traceability & Recall Systems
- Supplier Approval Programs
- Receiving, Storage & Shipping
- HACCP
- Sanitation
- Equipment Design & Validation
- Pest Control
- Animal Welfare





# Management

- Once expectations are defined, a system to manage and assess performance against these expectations is needed.
  - Key Performance Indicators (KPIs)
    - Measurable assessment of performance
    - KPI Goals are recommended
    - Examples: Complaints, Product Quality Assessments
  - Audits
    - GFSI Audits
    - Co-Man / Co-Packer Audits
    - Assess for gaps and opportunities that put business at risk
  - Continuous Improvement Efforts
    - Use data to help determine key areas where focus is needed



# Management

- Manage co-man / co-packer relationship as a partnership.
  - When entering into a co-man / co-packer relationship, there are mutual interests.
  - Co-mans / Co-packers are an extension of your organization.
  - Collaboration & Best Practice Sharing: food safety is not proprietary. Protect our customers.



# Ongoing Assessment

- Food Safety, Regulations and our overall Supply Chain is regularly changing so on-going (re)assessment of expectations and co-man / co-packer performance is recommended to help ensure Brand Protection.
  - Understand
  - Stay connected to industry and emerging issues
  - Anticipate
  - Prevent



**THANK YOU!**

**Annette Stich**

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# MAPLE LEAF FOODS FOOD SAFETY AND QUALITY MANAGEMENT SYSTEM





# HOW DO LEADERS KNOW...

- If their facilities are being proactive?
- If their facilities are driving behaviours based on key performance indicators to prevent future Food Safety failures?
- How their facilities compare in their food safety performance to others outside of their organization?



# OUR APPROACH

- At MLF, we built a proven successful approach in improving our OHS performance, exceeding North American results using a manufacturing excellence model.
- There are many similarities between Worker safety and food safety.....the OHS approach was then translated into our newly launched MLF FSQ Management System Program
- The focus is to Drive Results by identifying and acting upon top losses and risks and strengthening the Food Safety and Quality culture.



## Who We Are

Maple Leaf Foods Inc. is a leading consumer protein company, making high quality, innovative products under national brands including Maple Leaf<sup>®</sup>, Maple Leaf Prime<sup>®</sup>, Maple Leaf Natural Selections<sup>®</sup>, Schneiders<sup>®</sup>, Schneiders<sup>®</sup> Country Naturals<sup>®</sup>, Mina<sup>®</sup>, and Devour<sup>™</sup>. The Company employs over 11,000 people across Canada and exports to global markets, including the U.S. and Asia.



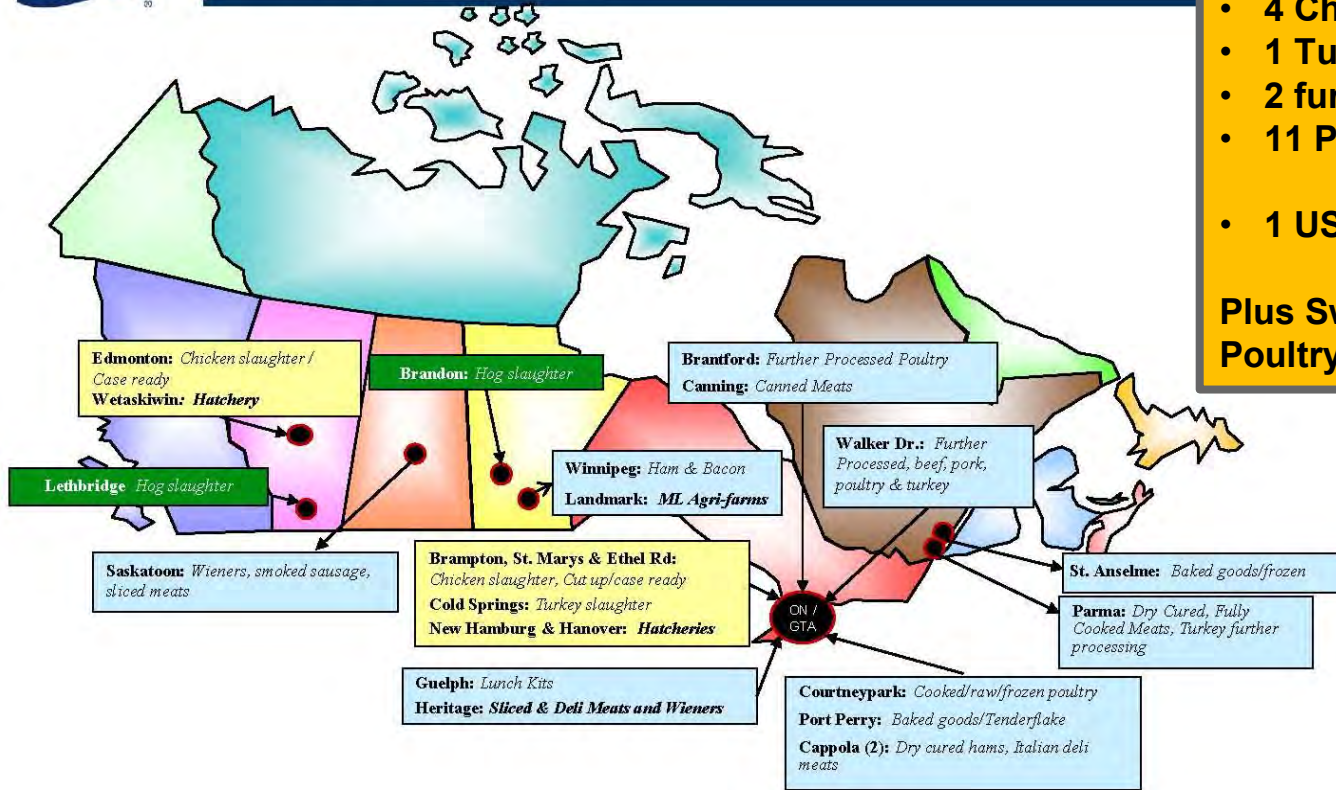


## Who We Are

- Canada's largest fresh and prepared meats company
  - #1 national, regional brands and market shares
  - Fresh pork, poultry and further processed products
  - Vertically integrated hog production
- Largest provider of pork raised without antibiotics in US and Canada, leader in Canadian Poultry
- Our operations produce high-quality prepared meats and valued added fresh pork, chicken and turkey products with facilities across Canada. Our hog production operations provide high-quality pork to our fresh and prepared meats businesses.
  - 2 distribution centres, 13 prepared meats facilities, 2 fresh pork processing facilities, 4 fresh poultry facilities, 1 fresh turkey facility, 3 poultry hatcheries, 192 barn sites



## Manufacturing Plants



- 21 food plants, including:
  - 2 Pork primary processing
  - 4 Chicken primary processing
  - 1 Turkey primary processing
  - 2 further processed poultry
  - 11 Processed Meat
  
- 1 US Alternative Protein

**Plus Swine Ag Operations and Poultry Hatcheries**



# Strong National and Regional BRANDS





# Creating Shared Sustainable Value

by addressing social and environmental needs.



Advancing health and wellness through offering simpler, natural products and eliminating or minimizing antibiotic use



Maple Leaf Centre for Action on Food Security a not-for profit organization, invests in projects that advance sustainable food security



Committed to leadership in animal care through advancing culture, accountability, innovation and communication



Goal to reduce our environmental footprint by 50% by 2025 and implementing a plan to deliver







## Leadership Values

- **Do what's right**
- **Deliver winning results**
- **Build collaborative teams**
- **Get things done in a fact-based, disciplined way**
- **Learn and grow, inwardly and outwardly**
- **Dare to be transparent, passionate and humble**



# August 2008

23 people dead  
*Listeria monocytogenes*  
Sliced meat





# EVERYONE'S COMMITMENT

- We commit to becoming a global leader in food safety and job safety, and providing the focus and resources needed to achieve this goal.
- We commit to establishing a culture of food safety and workplace safety with high performance teams, where people are encouraged and expected to act on any concerns they may have.
- We commit to measuring our safety performance, with testing and benchmarking against globally recognized standards.
- We commit to continuously seeking better ways to make safe food, and to make it safely.
- We commit to openly sharing our knowledge with government, industry, and consumers, so we can learn from them and they can learn from us.
- We commit to transparency and candour in pursuit of better performance and public confidence.
- We commit to behaving in the most responsible and transparent way possible, placing the safety of our people and our consumers first if there is ever a breach.

**This is our Safety Promise.**

**Michael H. McCain**  
President and Chief Executive Officer  
On Behalf Of All Maple Leaf Foods People



# MLF VALUES GUIDE FOOD SAFETY



## Maple Leaf Leadership Values



This is where  
Food Safety  
Culture comes to  
life!!!

### **Do what's right**

By acting with integrity, behaving responsibly, and treating people with respect

### **Deliver winning results**

By expecting to win, owning personal and collective accountability to deliver; taking appropriate risks without fear of failure while challenging for constant improvement

### **Build collaborative teams**

By attracting only the best people, serving, recognizing and rewarding their development and success; fostering a collaborative and open environment with the freedom to disagree but always making timely decisions and aligning behind them

### **Get things done in a fact based, disciplined way**

By seizing the initiative with the highest level of urgency and energy; meeting all commitments responsively while being objective, analytical and using effective process

### **Learn and grow, inwardly and outwardly**

By being introspective personally and organizationally, freely admitting mistakes or development needs; deeply understanding and connecting with consumers and stakeholders globally as a primary source of learning and growth

### **Dare to be transparent, passionate and humble**

By having the self confidence and courage to be completely candid and direct; willing to communicate openly in a trusting manner; acting with passion, conviction and personal humility, especially when delivering winning results





## To be Excellent in Operations, we need to:

01

Be at the heart of engaging and empowering our **PEOPLE** on the plant floor;

02

Be instrumental in efficiently managing our **COSTS** through high performance manufacturing and lean operations;

03

Unlock capacity in our plant network, enabling our **GROWTH** agenda;

04

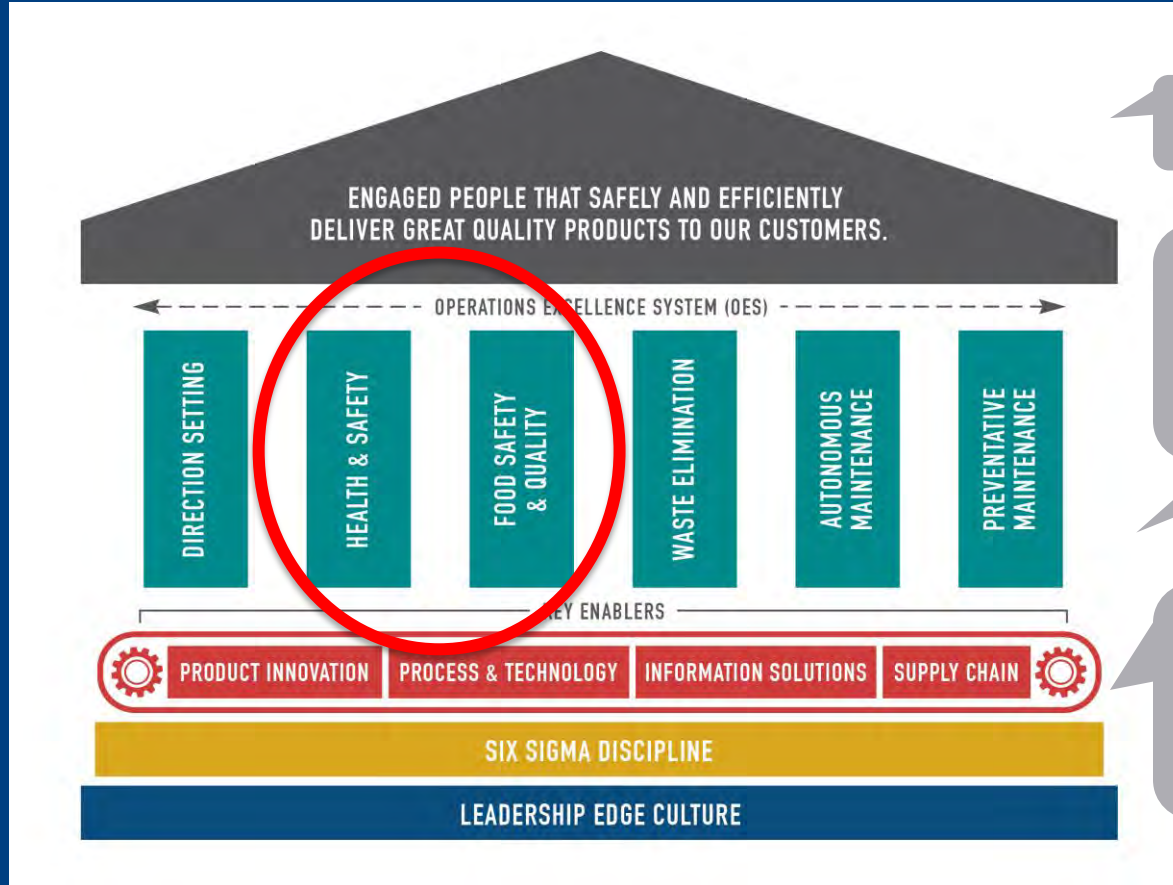
Enable our plants to support our objective of becoming **SUSTAINABLE**.



# Operational Excellence 2015 – and beyond



# The MLF way of operating our plants



Our **vision**

Six **pillars** represent key areas of focus within the plant for capability building and continuous improvement

Key **enablers** represent areas outside of the plant that have a critical role in achieving OES vision



# WE MUST CHALLENGE OURSELVES

The Food Safety Scorecard has been in place for 3+ years.

It is time for a refresh!

**safety promise**

Our goal is to always provide consumers safe, great tasting food produced in a safe work environment.

- We commit to becoming a global leader in food safety and job safety, and providing the tools and resources needed to achieve this goal.
- We commit to establishing a culture of food safety and workplace safety with high performance teams, where people are encouraged and expected to act on any concern they may have.
- We commit to measuring our safety performance with leading and benchmarking against globally recognized standards.
- We commit to continuously seeking better ways to make safe food, and to make it safer.
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This is our Safety Promise.

*Michael St. Michel*  
Michael St. Michel  
President and Chief Executive Officer  
Dr. Daniel O'Neil Chief Maple Leaf Trade People  
March 2010

Safely Leading the Way

**VISION FOR QUALITY**  
Enhancing value for consumers and customers.

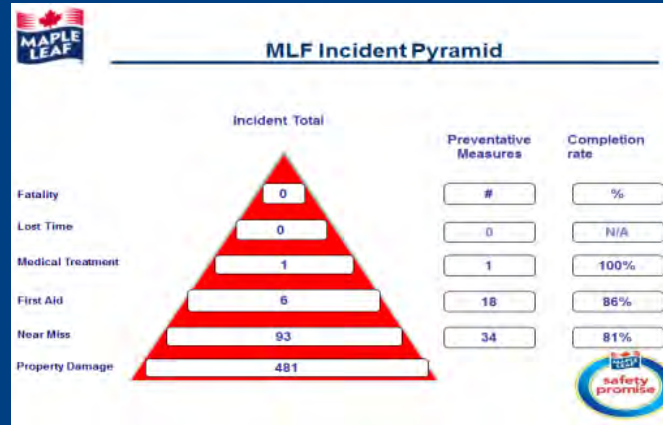
Enhancing value for consumers and customers by consistently and efficiently delivering products that conform to specifications, while continuously reducing variation



# BUILDING OFF THE SUCCESS OF THE OHS MODEL

## 2016 P4 - TRIR of 0.93!

Three years ago, OHS started a journey to achieve a BOLD NEW GOAL of a TRIR of less than 1.0 by 2016! In 2012, TRIR was 6.25



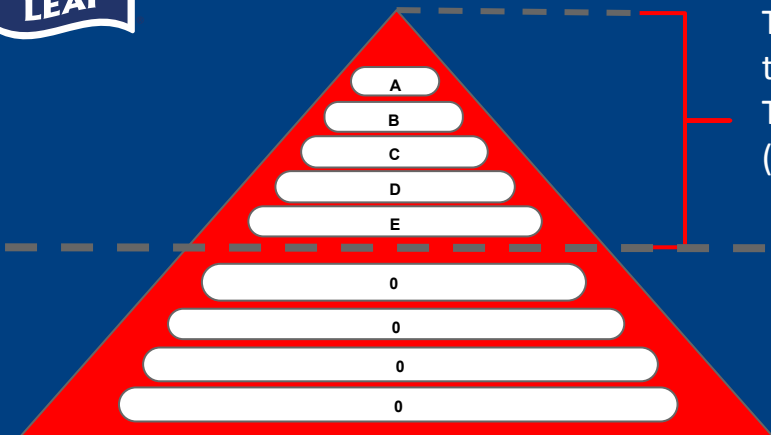


# MLF FSQ MANAGEMENT PILLAR PROGRAM KEY ELEMENTS

- ✓ Bold Goals – 3 year journey
- ✓ Metrics
  - Failures
  - Predictive
- ✓ Visual Management board
- ✓ Rhythms
- ✓ Leadership review
- ✓ CEO review and commitment



# DEVELOPING THE FSQ “PYRAMID”



## “Above the line”

These metrics are indicators of the number of incidents -“failures to our FSQ System” . Our goal is to prevent/reduce these incidents. These types of incidents will affect the plant’s FS Incident Rate (FSIR) and Q Incident Rate (QIR)

## “Below the line”

Types of Incidents we want to encourage plants to find in order to prevent an increase in Food Safety Incident Rate (FSIR) or Quality Incident Rate (QIR) above

Quartile	Food Safety Incident Rate
Top Quartile	0.00-0.45
Second Quartile	0.46-0.90
Third Quartile	0.91-1.36
Bottom Quartile	1.37 and above

**Performance will be measured by score in the quartile ranged**

Note: Numbers are for example purposes ONLY. Quartiles – TBD based on 2015 and 2016 actual data in order to set targets for 2017



# FOOD SAFETY AND QUALITY MANAGEMENT SYSTEM



### MISSION AND GOALS

FOOD SAFETY NUMBER: [ ] FOOD SAFETY AND QUALITY TEAM: [ ]

**Quality Leadership for Today**

**ORGANIZATIONAL CHART**

### FOOD SAFETY

FOOD SAFETY PERCENTAGE: [ ] FOOD SAFETY TRENDS AND METRICS: [ ] FOOD SAFETY LOCATION MAP: [ ]

FOOD SAFETY LOCATION MAP: [ ]

FOOD SAFETY AND QUALITY METRICS: [ ]

TOP CONCEPTS AND OBJECTIVES: [ ]

TOP CONCEPTS AND OBJECTIVES: [ ]

UP-COMING MEETINGS: [ ]

CONTINUOUS IMPROVEMENT TRACKING: [ ]

### QUALITY

QUALITY PERCENTAGE: [ ] QUALITY TRENDS AND METRICS: [ ] QUALITY LOCATION MAP: [ ]

QUALITY LOCATION MAP: [ ]

QUALITY AND QUALITY METRICS: [ ]

TOP CONCEPTS AND OBJECTIVES: [ ]

TOP CONCEPTS AND OBJECTIVES: [ ]

UP-COMING MEETINGS: [ ]

CONTINUOUS IMPROVEMENT TRACKING: [ ]

### PROJECTS

FOOD SAFETY PROJECT: [ ]

QUALITY PROJECT: [ ]

### ANNUAL PLAN AND OBJECTIVES

ANNUAL FOOD SAFETY AND QUALITY PLAN: [ ]

FOOD SAFETY AND QUALITY OBJECTIVES: [ ]

### FS AND Q TRAINING

### FS AND Q TEAM PERFORMANCE

MONTHLY FOOD SAFETY AND QUALITY PERFORMANCE: [ ]

FOOD SAFETY AND QUALITY TEAM PERFORMANCE: [ ]

FOOD SAFETY AND QUALITY TEAM PERFORMANCE: [ ]

FOOD SAFETY AND QUALITY METRICS: [ ]

### FS AND Q CULTURE

### FOOD SAFETY COMPLIANCE

REGULATORY COMPLIANCE: [ ]

INTERNAL AUDIT COMPLIANCE: [ ]

APPLICABLE REGULATORY COMPLIANCE: [ ]

THE GAP: [ ]

### FS AND Q RESPONSIBILITY

### FS AND Q COMMUNICATION

### FS AND Q MANAGEMENT BOARD SUMMARY

CULTURE PROJECT: [ ]

COMPLIANCE PROJECT: [ ]





# THE NEW FS & Q MANAGEMENT SYSTEM PURPOSE

## 1. Analyze and Action Losses:

- Identification of common food safety and quality incidents and trend identification

## 2. Analyze and Action Risks:

- Making visible completion/progress against key FS & Q programs

## 3. Measure and Action Food Safety and Quality Culture Themes:

- Employee Perception Survey enables all sites to measure the growth within safe culture.

This approach customizes FS & Q annual planning at all MLF facilities as projects are assigned to mitigate top losses, top risks and assess and improve cultural themes.





## MAPLE LEAF FOODS' CALL TO ACTION:

### Continue our journey:

This includes an annual reassessment of our metrics – are they the right ones?

### Collaborate with other manufacturers:

We are extending an open invitation to discuss, collaborate and build on these metrics as an industry

In doing so, we will be able to review our performance as an industry, as OHS does with TRIR.

That is how **LEADERS WILL KNOW** how their food safety and quality programs are performing



**THANK YOU**