The Food Safety Revolution: How Far Have We Come? What’s Next?
A Practical Approach

• Without the support of our executive and senior officers all of our programs fail, regulatory and industry.
1993 Seattle WA

• Jack in the Box---The Bellwether Event
  – Tragic event with personal consequence.
  – Unknown or unaddressed food safety failures
  – Shock waves through regulatory and industry
  – Media spotlight on new term “Food Safety”
  – New industries were born and regulators were on a new path.

- *Escherichia coli O157:H7 Adulterant !!*
  - The rules have changed !!! What next?
  - Intervention Strategies
  - Testing? How? What—Then what do you do?

- HACCP
  - Completely changes the regulatory and food processing landscape forever---for the better !!
Costco’s Quality Assurance & Food Safety Mission Statement

“Promote continuous improvement in product quality, and food safety systems, for the benefit of our members and suppliers”
Our Guiding Food Safety Premise

Prevention---
Is much easier than any of the alternatives !!!
The Costco Member Drives Everything We Do.
A Food Safety Program

• A Four Pronged Approach
  – Food Safety Operations
  – Food Safety Training
  – Food Safety Auditing
  – Food Quality Assurance
Food Safety Training

A Member Health Imperative—An Employee Mandate

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Food Safety Training Today

- Manager Training (Level 2)
- NEHA Book
- Recertification every 3 years
- Ecolab Trainers
- NRFSP Test

- Hourly Training (Level 1)
- Costco Handbook
- Annual recertification
- Costco U for employees
- Costco U or CD for Demo Services
- CD for Road show Vendors
A Food Safety Staff of 180,000
And Growing
Food Safety Operations

• SSOP’S/HACCP at Retail
• Inspect What You Expect
  – Building Walks
• Specifications
Food Safety Operations
Things to Think About

• At the Costco Warehouse:
  – Sanitation, SSOP'S/HACCP at Retail ???

• At the Costco Warehouse and Production Plants:
  – USDA, FDA, EPA, CPSC, OSHA, State, County,
    City = Minimum Guidelines

• Costco Expectations---Above & Beyond

• Buying = Prevention Through Specifications-

• Special Situations and Recalls---Always protect the
  member !!!! Quickly
  – Member Notification--Who? Why?
Purchase Specifications

• Purchase Specifications—The Key
  – All of our quality specifications must be included.
    • Taste, color, packaging, sizing, import requirements, organic.
  – All of our food safety requirements must be included.
    • Microbial testing requirements including an appropriate test and hold program.
    • Required audit evaluations. Traceback requirements.
    • Costco Vendor Ingredient Responsibility Program.
Food Safety Auditing

• Inspect What You Expect
Food Safety Audits

- Costco FS Audit Expectations Manual
- HACCP—every facility (Costco Requirement)
- Vendor Ingredient Program (PCA)
- Traceback—Recall at the audit
- Improve the “Standard of Care”---
  - Test & hold
  - X-ray, microbial methods, testing improvements

The Costco FS Addendum

A Requirement
Food Quality Assurance at Costco
Food Quality Assurance at Costco

• Specifications----What are they???
• Expectations
• Inspect What You Expect
• Testing--Check--Check--
• Share Information
• Standard of Care
• Intervention Strategies
Why do we test?

- Help ensure that processes are validated and assure safe, high quality items for our members
- Document due diligence
- Limit liability for Costco & Vendor
- Minimizes product recalls
- Verify buyer expectations
- Increase member satisfaction
Microbial Testing at Costco
What We Test

• Meat plant
• Ready to eat produce
• Pet treats
• All ingredient items for all ready eat foods
• KS and national brands
• And—It seems everything else!!

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Microbial Testing at Costco

Test and Hold

• **Everything** we test is done on a test and hold basis. No exceptions
• Shelf life is not an issue.
• We use materials and methods that are appropriate for the item being tested.
• We also can require vendor COA’s that we can verify.

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What Costco Expects from Our Suppliers

• Understand their obligations with the FDA, FSMA, USDA, EPA, CPSC, CPSIA, and COOL. Know the rules.

• Meet all specifications. Buyer & Regulatory

• Trace back – One step forward, one step back minimum.

• Know who your suppliers are.

• Keep open communications with us, we can help. Regulatory and suppliers.
Costco Code of Ethics

- Obey the Law
- Take care of our members
- Take care of our employees
- Respect our vendors
- Reward our shareholders
Delighting Our Members

• A Costco member should always leave our building delighted with their shopping experience.

• All of our efforts should be invisible to our members. It’s part of our culture.