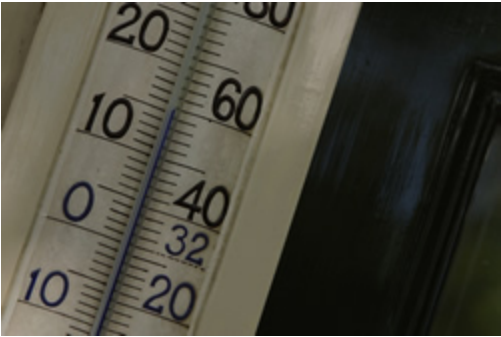


McLean, Koehler, Sparks & Hammond

Certified Public Accountants/Business Consultants

Industrial Manufacturing

Avoid health concerns in your warehouse



Beef.

In many American households, it's what's for dinner.

However, beef is not so popular in many other countries that still won't import it because of fears of receiving the American staple tainted with Mad Cow Disease.

Last year, there was a spinach scare after a couple of E. coli outbreaks.

Mexico has been sending us salmonella-laced cantaloupe. And the Chinese, who won't eat our beef, have been exporting tainted toothpaste and medicines.

These few examples don't even begin to scratch the surface of the health concerns with tainted products.

Food-borne diseases cause an estimated 76 million illnesses, 325,000 hospitalizations and 5,000 deaths in the United States each year. Costs are hard to pin down between medical expenses and loss of productivity, but estimates run into the billions.

And the costs to the businesses where the contamination occurred can be staggering.

So what can be done?

We could follow China's example and execute the head of the Food and Drug Administration, but that seems a little radical.

Watch the temperature! Keep freezers between -5° and +5° F and coolers between 34° and 40°.

On a smaller scale, if all companies would look to their own warehouse storage, we could prevent many problems.

Here are some ways to look at your operations:

- Document, document, document! Record all dates, problems and potential problems.
- Watch the temperature! Keep freezers between -5° and +5° F and coolers between 34° and 40°. Make sure the storage container is already at the appropriate temperature before storing the product. If it belongs in the freezer or the cooler, don't leave it out for more than 30 minutes.
- Check the temperature and cleanliness of delivery trucks. Are the door seals intact? Are the boxes damaged? Look for evidence of insect/ rodent/bird activity or misuse of pesticides. Keep a camera handy to photograph any problems.
- Use a licensed and reputable pest control service. Exterminate rodents and clean up cobwebs immediately. Prompt cleanup of trash and good sanitation is a must.
- Doors and windows should seal tightly, and windows should have screens. Protect against birds as well as the four-, six- and eight-legged critters.
- Inspect the facilities regularly. Are the restrooms clean and properly stocked with soap and paper towels or working hand dryers? Is heating and air conditioning adequate? Does the roof leak? Humidity and standing water

- are popular with bacteria, bugs and mold. Are light bulbs shielded in case one should burst?
- Frequently clean and sanitize equipment that comes into contact with food. Be alert for buildup or seepage of cleaning solvents or lubricants on the equipment. Check the spaces around the equipment where food or debris can collect.
 - While you're considering the equipment, make sure it is appropriate for use with food. PCBs are highly toxic. If repairs become necessary, get the job done properly. Temporary fixes can rupture, so you run the risk of foreign matter in the food.
 - Employees can be hazardous to food! Food handlers should not wear clothing that is loose fitting. They should cover their hair and use gloves. Any abrasions, cuts or sores should also be covered. No employee should work with a health condition that poses a risk to the sanitation and safety of food products. Designate areas for eating, drinking and smoking. Keep garbage cans covered.
 - Don't crowd too much into storage areas, and store product on pallets, not the floor. You need room for inspection around pallets and ventilation underneath. Overcrowding also increases the likelihood of damage to the products.
 - Are you using a FIFO inventory method to reduce spoilage? Ensure you have procedures in place for properly rotating stocks and checking regularly for contamination. What are your procedures for isolating damaged product? Do you have adequate inventory control to prevent overstocking? If you stock a variety of products, are you keeping the potentially hazardous items (motor oil, for example) away from the food?
 - What are your procedures in the event of a product recall?
 - Finally, you need insurance coverage in the event that, in spite of all your precautions, food becomes spoiled and inadvertently released to the public.

Perhaps we can't do anything about the global problems, but we can try to make our little corners of the world safer. Making every effort to ensure the quality of your products is not only good for everyone's health, it's also good for business.

Call our firm if you need assistance evaluating your warehousing practices.

McLean, Koehler, Sparks & Hammond helps owners and business leaders become more successful by providing innovative financial, technology and management solutions for every stage of their organizations' life cycle. For more information on this article or MKS&H, please send an email to info@mksh.com or call 410.296.6200 and the marketing director can put you in touch with the right department.

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