When recalls put infants and children at risk, reputational risks are highest

After discovering the presence of insects and larvae during a facility inspection, a leading infant formula manufacturer announced a precautionary recall of 5 million units across multiple SKUs. Not only was the company facing the challenges of a very large recall, but it was going in with no prior experience. In fact, the event was one of the first recalls the company would ever announce. Making matters even more challenging, traditional media and social media took news of the recall viral given its potential to impact infant health.

Challenge
The company initially attempted to manage the event internally, but was quickly overwhelmed. Within the first day of the recall announcement, the contact center crashed as a result of the volume of calls, preventing the company from effectively communicating with stakeholders. Similarly, the company realized it did not have the processing and storage capacity to handle the recalled product.

Solution
Recognizing its limitations, the company turned to Sedgwick brand protection for support with communications and product management. In less than 24 hours, we established a recall-focused call center offering consumers and retail partners access to 300 agents, 24 hours a day, 7 days a week. For more than four months, Sedgwick brand protection agents handled inbound and outbound communications via this hotline and the company’s general customer service number. Through this process, we confirmed which consumers were affected, scheduled LTL shipments from distribution and retail partners, and escalated issues for further engagement and risk mitigation efforts. Each data point was captured for record-keeping and compliance purposes.

On a parallel track, we supported the company in retrieving, processing and storing impacted product. We deployed our field force to more than 50,000 retail locations to inspect and remove recalled products from shelves and on-site inventory. Impacted inventory was transferred to an independent, secure processing managed by Sedgwick brand protection. At this site, 1.4 million units of recalled product were inventoried, managed and stored until they could be destroyed or recycled in accordance to regulatory requirements.

KEY STATISTICS:

5M
units across multiple SKUs

FIELD FORCE
DEPLOYED TO
50K+
retail locations

300
call center agents

175K
calls taken
Results
After taking over the call center, the Sedgwick brand protection team fielded in excess of 175,000 calls from consumers with no drops or busy signals thereby increasing consumer engagement and curbing growing frustration and negative reputational impacts.

Likewise, Sedgwick brand protection experts prevented close to 1 million units of safe, non-affected product from being removed from the supply chain and inventory. At the same time, 5,000 pallets of impacted product were returned to a central, secure facility managed by Sedgwick brand protection until approved for final, certified disposition. Throughout this process, detailed record-keeping helped mitigate future risks and ensure compliance.

Sedgwick brand protection
Brand and reputation are the most valuable and vulnerable assets a business has. Brands embody and encapsulate everything a business does, and its customers expect. Nothing says more about a company’s commitment to its customers than its efforts to uphold promises of safety, quality, and service. That’s why companies are often remembered more for how they handle an in-market challenge than for the problem itself. We know what it takes to manage recalls in a way that upholds your commitments to customers, supply chain partners, industry and regulators.

Trusted by the world’s leading brands and businesses, we work in partnership to manage the risks and minimize the impacts of in-market business and product crises. Since 1995, we have managed more than 5,000 of the most sensitive and time-critical recall and remediation programs - spanning 60+ countries and 20+ languages.

To learn more about our recall, remediation and retention solutions, contact us today.

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In an increasingly complex and regulated world, being prepared for risks is essential. Having the capabilities to act quickly and effectively is critical.

To learn more about our integrated and customized solutions, visit SEDGWICK.COM