

Risk evolution in the meat alternative sector

Natasha Catchpole and Ben Hughes – Product recall

3 May 2022



Webinar takeaways

- How big is the meat free market place?
- Horizon planning
- Identify areas of increased risk for this sector
- Assess risk mitigation
- Assess risk transfer



State of play for the meat free market

- Percentage of the vegetarians in the world estimated at 22%.
- The global vegan food market is expected to reach > GBP20bn by 2025.
- UK Retail sales of vegetarian food and drinks products and plant-based alternatives combined came to GBP 1.5bn in 2020, nearly doubling from GBP 885m in 2017.
- 1 in 4 food products launched in the UK in 2019 were labelled vegan.
- More than 50,000 products are now certified by the Vegan Society in the UK.
- 8.8m adults across the UK plan to become vegetarian, vegan or pescatarian over the next year.

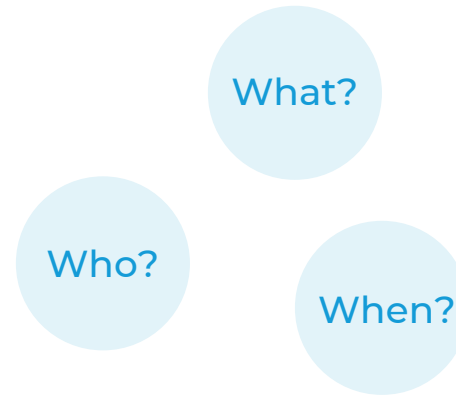
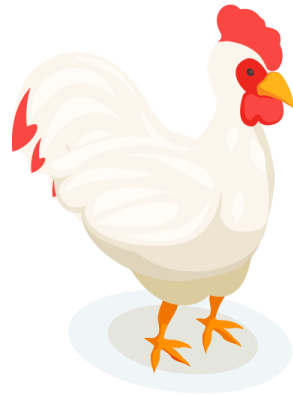




Risk
vs
opportunity

Horizon planning

Aiming to assess, investigate and mitigate / master!



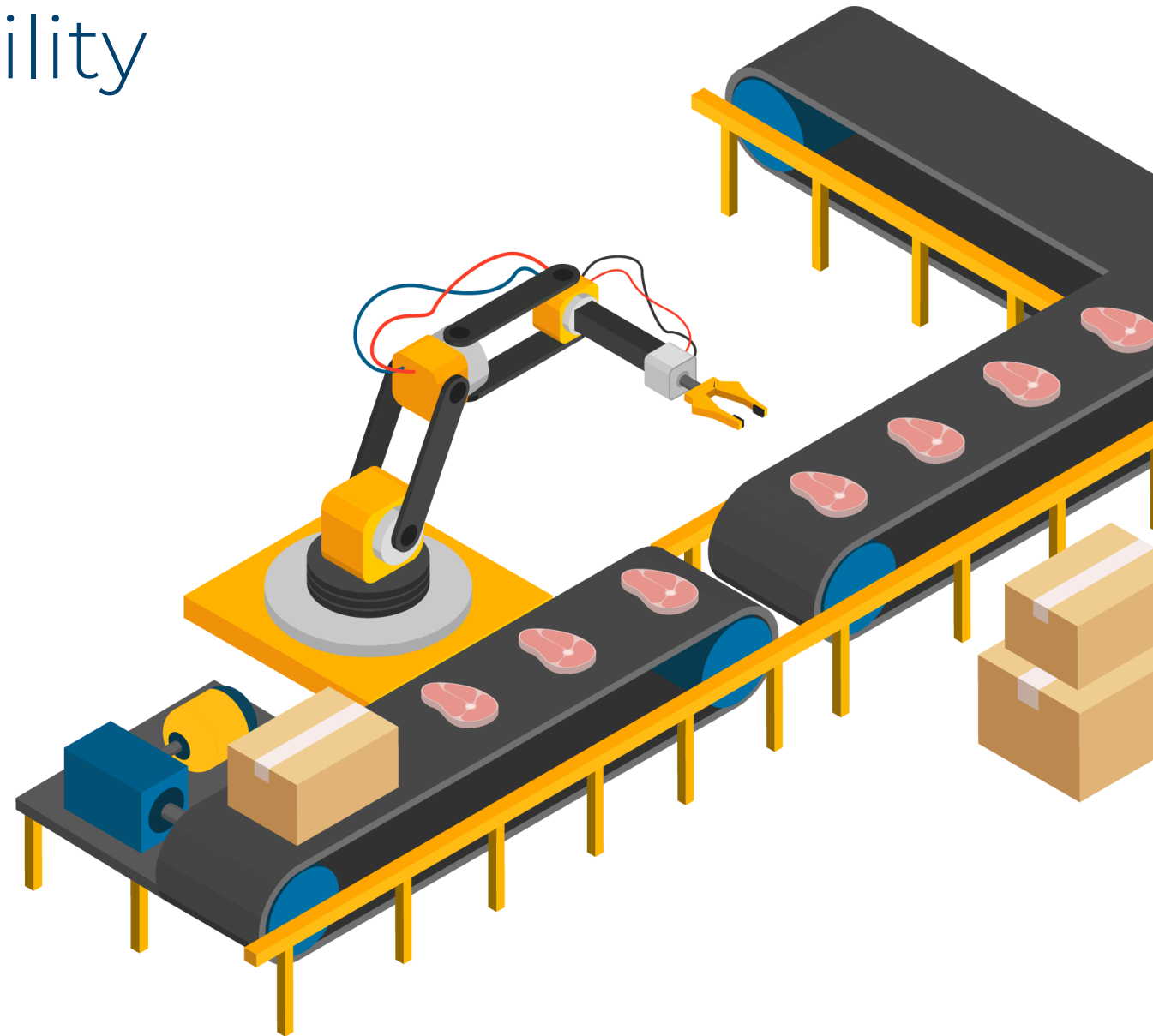


Risk transfer

Contractual responsibility

Who is in the chain?

- Suppliers
- Contract manufacturers
- Designers
- Tech providers
- Storage
- Distributors



Product recall insurance triggers

Accidental contamination	Where a product has been contaminated with something, or a mislabelling error has occurred that has the potential to cause bodily injury / property damage
Supplied contaminated ingredients	A contaminated supplied ingredient that has the potential to cause bodily injury / property damage.
Malicious product tamper & cyber malicious product tamper	Where a product is intentionally tampered with, with malicious intent, in a way which has the potential to cause bodily injury/property damage
Product extortion	When an extortion attempt is made on a company, the consequence of which would result in an insured product causing bodily injury or property damage
Government actions	Where an official authority orders a recall because they believe an insured product could cause bodily injury / property damage
Negative publicity	Where allegations are made by a third party, including through social media, alleging that a product could cause bodily injury / property damage and a product recall event occurs as a result

Not all insurances are equal

Match the insurance to the risk!

- Bespoke coverage
- Be ready to demonstrate your business continuity planning or quality assurance standards
- Don't rely on the balance sheets of others to indemnify you, get named on their insurances
- If you business changes mid term does your insurance follow suit? : M&A, new product lines, new contracts
- Engage with specialist brokers, invite a conversation about industry change and development

How to contact us

Any general queries:

- Generic information on product recall on our website: <https://www.cfcunderwriting.com/en-us/products/class/product-recall/>
- All coverage queries to your broker, don't have one the Food and Drink Federation have professional affiliate on their webpage: <https://www.fdf.org.uk/fdf/about-fdf/professional-affiliates/?SearchTerm=&Tag=&SortOrder=&PageSize=10&Show=>



Natasha Catchpole
Practice Leader

<https://www.linkedin.com/in/natcatchpole>



Ben Hughes
Underwriter



Q&A