Bidfood statement about the new Corona virus- Covid-19

3rd March 2020

**Background Information**

### Coronavirus (COVID-19) is a new respiratory illness that has not previously been seen in humans. The virus was first detected in China and has since spread to a number of other countries, with over 90,870 confirmed cases so far across 73 countries, and 39 cases currently confirmed in the UK.

### Symptoms include a fever, dry cough and shortness of breath- the infection rarely causes a runny nose or sneezing. Around one-in-five cases are thought to be severe, which may result in more serious symptoms.

The current evidence suggests the incubation period lasts between 1 and 14 days. The main routes of transmission have been identified as:

• direct contact to face, eyes and nose from droplets spraying from an infected person onto another person

• contamination via droplets from sneezing and coughing landing on surfaces and then transferring via hands on to eyes and nose

• contamination of hands from sneezing or coughing and then transfer to others (handshakes) or on to surfaces to be picked up by others by their hands and transferred to their eyes or nose.

At present, there is no evidence that products imported from China could pose a risk of infection. Currently there has been no change or official guidance announced by the government regarding food regulations and the Covid-19 for the UK/EU.

The World Health Organisation has not classified the outbreak as a pandemic, but has raised its global risk assessment level to ‘very high’.

In the UK, the Chief Medical Officers have raised the risk to the public from low to moderate, although this does not mean that they believe the risk to individuals has changed at this stage. Health professionals are currently working to contact anyone who has been in close contact with people who have Covid-19, and are escalating planning and preparation in case of a more widespread outbreak.

**What are Bidfood doing?**

We take both the safety of the products we supply and our people incredibly seriously.

To-date, Bidfood have had no confirmed cases of individuals being infected with the virus.

We have also not seen any significant supply shortages due to COVID-19, other than a recent surge in demand for previously low-selling products such as hand gels, sanitisers, face masks and wipes. However, we are putting in contingency plans to guide our actions should the outbreak and its impact continue to spread across the UK and globally.

Bidfood already have a Pandemic Influenza Strategy document in place that outlines our approach to managing operations in the event of outbreaks of viruses like H1N1 and COVID-19. The scope of this plan covers the precautions and actions necessary to contain the risk of illness, as far as is practicable, to Bidfood staff, to restrict any impact on operations, and to ensure continuity of service to customers. The plan is an addendum to Bidfood’s wider Business Continuity Plans.

In line with this, and with government advice, we are continuing to monitor, plan and respond to the risk by taking the following steps:

* **With employees and their managers**: we have updated employees across our sites, advising them to take preventative measures in order to limit the risk of transmission.

Specifically this advice covers steps to take to ensure the highest standards of hygiene across our sites and our employees, along with advice to those travelling to and from affected areas, specifically for those who have returned to the UK from:

* any of the ‘lock-down areas’ i.e. Hubei province in China, Iran, lockdown areas in northern Italy and special care zones in South Korea;
* or ‘higher risk areas’ currently classed as other parts of mainland China or South Korea, Hong Kong, Japan, Macau, Malaysia, Singapore, Taiwan or Thailand in the last 14 days or other parts of northern Italy (anywhere north of Pisa, Florence and Rimini), Cambodia, Laos, Myanmar or Vietnam since 19 February.
* **To ensure continuity of supply for customers:** we are also currently undertaking a comprehensive review of our core range to assess any level of risk to products, taking a similar approach to that which we used last year to plan for a possible no-deal Brexit.

This line-by-line review is focused on core range, finished products only, not customer-nominated, bespoke, regional lines or product ingredients.

The review takes into account:

* country of origin of each product (based on information provided by our suppliers)
* the importance of the product to customers (e.g. key ingredient on menus vs flavour variant of impulse product)
* the criticality of the product to sectors which have a duty of care e.g. hospitals, carehomes etc.
* as well as rate of sale, and shelf life.

We will then assess the risk to supply in terms of red, amber and green levels (see Q&A for definitions), based on the current situation. Where we assess an amber or red level of risk, we are investigating sourcing alternatives from alternative locations, or building contingency stock levels of those items.

This review will be revisited on a weekly basis to take into account any changes in countries or regions that become ‘locked-down’ or ‘high risk’.

Our aim with this review is to prepare for a reasonable worst case scenario, to be timely and transparent in the information we provide to support customers in their own contingency planning.

* **To ensure continuity of our operations,** all our sites also have a site-specific business continuity plan in place, which establishes guidelines for the movement of stocks between sites should this be necessary in the event of any impact to a site, as well as guidelines on communications, governance, reporting and resource planning amongst other factors.

Bidfood has an existing extensive infrastructure consisting of 24 sites across the UK which gives us great flexibility for diverting stock in the event that any individual sites are affected.

Further details about Bidfood’s response are detailed in the attached Q&A.

As this is a constantly changing and challenging situation, we are proactively planning ahead, and closely following updates from the WHO, Food Standards Agency (FSA) and Department for Environment, Food and Rural Affairs (DEFRA).

We will continue to update you as the situation changes or further information becomes available. If you have any further specific queries about the products that you buy from us, please contact your account manager in the first instance, who will direct your query to the relevant Bidfood team. We will be issuing updates to our statement and Q&A as further information becomes available.

You may also contact our Advice Centre on 0370 3663 000 for the latest statements or general advice.

Jim Gouldie, Supply Chain and Technical Services Director

Heather Angus, HR & Sustainability Director

Q&A

**Could products that are sourced from China or other affected areas carry the infection?**

While more needs to be learned about how this particular virus works, coronaviruses typically do not live very long on surfaces, and are very unlikely to survive over a period of days or weeks when goods are being shipped. There is no evidence to support transmission of Covid-19 associated with imported goods and there have not been any cases of Covid-19 associated with imported goods from China.

**Can I source or increase my orders of hygiene products through Bidfood?**

We are currently experiencing low availability of hygiene products e.g. sanitisers, hand gels, wipes and face masks, due to high levels of demand in the market at present, particularly in the healthcare sector. We are aware that customers may wish to order additional stocks of these products, and will continue to seek further sources of supply.

**Will availability of other products that I buy be affected?**

Due to the long lead times involved in supply of products from Far Eastern markets, and anticipation of the annual four week closure of production facilities in China during the New Year period, at Bidfood we are accustomed to holding higher stock levels of products imported from China and the Far East. At present we are experiencing no current issues with availability of products due to the Covid-19 outbreak. We are however closely monitoring the situation, and whilst we are not experiencing any significant shortages of other products at present, we are proactively assessing the risk going forwards.

We are undergoing a comprehensive review of our core range to assess any level of risk to products, taking a similar approach to that which we used last year to plan for a possible no-deal Brexit.

This line-by-line review is focused on core range, finished products only, not customer-nominated, bespoke, regional lines or product ingredients.

The review takes into account:

* country of origin of each product (based on information provided by our suppliers)
* the importance of the product to customers (e.g. key ingredient on menus vs flavour variant of impulse product)
* the criticality of the product to sectors which have a duty of care e.g. hospitals, carehomes etc.
* as well as rate of sale, and shelf life.

We will then assess the risk to supply in terms of red, amber and green levels based on the current situation:

Green level of risk includes:

* all products supplied out of a country not on ‘lock-down’ or ‘high risk’
* products sourced from a country under ‘lock-down’ deemed ‘high-risk’ but originating from a different part of that country where there is no imminent supply risk, where stock is already laid-down and can be shipped or where we already have high levels of stock in the UK
* or products which are sourced from multiple locations where supply can be easily switched to unaffected countries.

Amber level of risk includes:

* products sourced from countries that have been infected by the virus but which are not high-risk or in lock-down
* or where product has been produced and stored but there could be future risk of inability to supply based on country restrictions.

Red level of risk includes:

* products sourced or stored in lock-down or high-risk areas where there is a current or imminent threat to supply.

As the situation develops we will be reviewing the assessment of green, amber and red risk weekly, taking into account any changes in countries or regions that become ‘locked-down’ or ‘high-risk’ and seeking ongoing advice from suppliers about availability of at-risk products.

Where we assess an amber or red level of risk, we are investigating sourcing alternatives from alternative locations, or building contingency stock levels of those items.

Our aim with this review is to prepare for a reasonable worst case scenario, to be timely and transparent in the information we provide to support customers in their own contingency planning.

**What plans do Bidfood have in place to maintain continuity of supply should virus spread further in the UK?**

Bidfood have a comprehensive Pandemic Influenza Strategy document and contingency plan in place to guide action in the event of the threat of epidemics and pandemics such as influenza. This is currently being revised and updated to reflect the current risk from Covid-19.

This scope of this plan covers the precautions and actions necessary to contain the risk of illness, as far as is practicable, to Bidfood staff, to restrict any impact on operations, and to ensure continuity of service to customers. The plan is an addendum to Bidfood’s wider Business Continuity Plans.

All our sites also have a site-specific business continuity plan in place, which establishes guidelines for the movement of stocks between sites should this be necessary in the event of any impact to a site, as well as guidelines on communications, governance, reporting and resource planning amongst other factors.

Bidfood has an existing extensive infrastructure consisting of 24 sites across the UK which gives us great flexibility for diverting stock in the event that any individual sites are affected. In addition we already hold a level of existing contingency stock to maintain our service during peaks in demand, or supply issues, as well as strategic warehousing and distribution agreements with a number of major logistics providers.

**What happens if I want to increase my orders of some products, or buy products that I don’t usually buy, or stock up on products to prepare in case of a lockdown on my site?**

Should you anticipate needing additional stock over and above your normal ordering patterns, please do discuss your requirements with your account manager.

However, Bidfood are planning to source a range of staple ingredients as a basis for customers who are looking to increase stocks of key items as a contingency for any potential ‘lock-down’ or further development of the outbreak in the UK, for example those customers who have a duty of care to residents, patients or prisoners. This range will include frozen and/or ambient products that are key ingredients for those sectors. We will provide further information shortly on this range. If you wish to discuss this or a specific list of products that you wish to source, as a contingency measure, your account manager will be able to advise.

**Will Bidfood provide these on a sale or return basis?**

Unfortunately we are not able to offer a sale or return arrangement on products stocked as part of a contingency plan for COVID-19.

**Will Bidfood continue to make deliveries in the event that any of my sites are under ‘lock-down’?**

If your site becomes affected by a coronavirus outbreak, and undergoes a ‘lock-down’, we would take guidance from government agencies, and would liaise directly with you to find a safe way of ensuring continuity of deliveries where possible. This may, for example, involve simply dropping off your order and driving away, which would involve leaving the order unchecked. Unfortunately in this instance we would not be able to accept any credit claims.

We take both the health and safety of our employees and our mission to deliver service excellence to our customers very seriously, and would work closely with the customers minimise any potential disruption to continuity of supply to sites.

**What precautions have Bidfood advised its employees to take to reduce the risk of spreading inflection?**

Bidfood employees have been advised to take the following precautions, in line with advice from the Department of Health and Social Services and Public Health England:

As with general colds and flu, good hygiene can help limit the risk of catching a virus.

* **Regularly wash your hands** with soap and warm water or an alcohol-based hand rub, especially after direct contact with ill people or their environment;
* Wash your hands **before you leave home** for work, **on arrival at work** and **when you get home** from work. This reduces the number of virus particles you may have picked up, before they can be spread to others.
* **Avoid putting your hands to your mouth, eyes or nose** before washing them as hands can pick up virus particles on any surface that is contaminated.
* Always **sneeze or cough into the crook of your arm** to prevent your hands becoming contaminated. If you use a tissue, **bin it immediately**, and don’t leave it around on surfaces.
* If you share phones, keyboards and/or mice, or use a hot desk, you should disinfect these before you sit down using an **anti-microbial wipe** that has anti-viral properties
* **Avoid shaking hands** with people. Don’t be rude, just explain that you’re being cautious!

**What advice have Bidfood given to employees travelling to and from affected countries?**

We have advised employees who have travelled to any ‘lock-down’ areas (or who have a family member who has) such as Hubei province in China, Iran, lockdown areas in northern Italy and special care zones in South Korea to remain at home and call NHS 111 to seek advice, even if they don’t have symptoms.

* Those employees who have travelled to any ‘higher risk areas’ (or who have a family member who has) and have a cough, high temperature or shortness of breath (even if symptoms are mild), we have asked to remain at home and call NHS 111 to seek advice. Currently *‘higher risk areas’* are currently classed as:
* other parts of **mainland China** or **South Korea**, **Hong Kong**, **Japan**, **Macau**, **Malaysia**, **Singapore, Taiwan** or **Thailand** in the last 14 days
* other parts of **northern Italy** (anywhere north of Pisa, Florence and Rimini), **Cambodia, Laos, Myanmar** or **Vietnam** since 19 February.

All employees that have been advised by NHS 111 or a GP to self-isolate, must notify their line manager through the usual absence reporting channels.

Employees with flu symptoms such as a dry cough, sneezing, fever, shortness of breath, have been advised not come in to work and to follow the Company Attendance Standard as usual to report their sickness.

**Where do I go for further information about the impact on my business?**

We have had a number of requests for information to-date and are in the process of developing reports that will enable Account Managers to provide an analysis of customer’s key top 50 products bought from Bidfood.

This report will highlight the red/amber/green risk status of those products, in order to help customers manage risks for their businesses.

Should you have any specific queries, please contact your account manager in the first instance, who will direct your query to the relevant Bidfood team. We will be issuing updates to our statement and Q&A as further information becomes available.

You may also contact our Advice Centre on 0370 3663 000 for the latest statements or general advice.