

From Stable to table: The Case of Findus and the Horse Meat Scandal

MANAGEMENT DECISIONS

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Management Decision

On the 4th of February Findus decided to recall their lasagne from the store shelves due to uncertainties surrounding the meat's origin from their supplier, Comigel. Taking swift action Findus sent samples of its product for analysis to a laboratory in Germany. By February 7th, the results confirmed that the frozen lasagne sold in the UK, Sweden, and France did indeed contain horsemeat.

Findus opted to recall their products containing horse meat, taking a proactive stance. In Sweden, Findus was the first company in the industry to assume accountability for the situation. However, in the media, Findus became the primary focal point of criticism.

On February 10th, Findus issued a press release, with Findus Nordic CEO Jari Latvanen.

"The incidents involving horse meat in lasagna are a fraud that Findus has been instrumental in uncovering. It is Findus that acted first of all and took responsibility, but as a consequence of this, has also received a disproportionately large share of the blame." - Jari Latvanen

The press release focused on telling the story that Findus has been the target of fraud. Findus continued the statement by saying they would take legal action against the French supplier Comigel. The day after Findus released a new press statement inviting other companies in the industry to a meeting with the national food agency to discuss how they can prevent something similar from happening again.

The scandal heavily impacted Findus brand image and reputation. YouGov is a company that measures brand index. Before the scandal, Findus had a score of 25-27 which implies a relatively strong brand. A week after the scandal their score dived to low -6,4. Three weeks after the revelation of the scandal Findus had increased to 10,1.

"It is good that they raised the alarm, but it is their duty to do so. The media usually demands a scapegoat, and it is hard to avoid that it is Findus. Credibility stands and falls with the handling of what has happened. If they take on a lot of responsibility, they will also gain respect and I think Findus will sort this out" - Ingela Stenson - Chairman of the communication group at The Swedish Food Agency

To try to re-earn their customers' trust Findus created a campaign inviting their customers to their factory in Bjuv to see the production process. To make sure as many people as possible could join, Findus offered free buses. Over 2000 people attended the event.

The Swedish newspaper GP reported in July after interviewing supermarkets the sales of frozen lasagna slightly decreased for a short period. Still, by the time the article was published, 4 months after the incident the sales were back to where it was before.

In September of the same year, Findus in Sweden was awarded the annual food prize for their transparency and handling of the horsemeat scandal. The prize is awarded by the organization Livsmedel i Fokus.

To prevent something similar happening in the future. Findus set up new protocols of DNA testing every batch.

“All attention is currently directed towards the Findus brand, but we hope that customers will recognize our efforts of responsibility in the future” - Anna Broekman - Communications Director