

## **Appreciate Food Safety as it Relates to Cost**

At one time or another, most of us have had to get in the car and pick up products at the grocery store or from a buying club/ big box store. Sales spike, we run out of product - it's just part of the nature of our business.

But using big box stores for continual replenishment because of lower costs can be a risky endeavor. I have nothing against big box stores. They do a great job and serve an important niche of the market.

It's important, however, to be aware that broad-line distributors, and most suppliers out there, require their manufacturers to provide "indemnification insurance" or adequate coverage in the event of a tainted product or if, for example, someone breaks a tooth on a chicken nugget.

That means that your costs are covered by the insurance. In addition, those suppliers should have a paper trail back to the source in the event of a product recall (remember tomatoes and green onions?). Keep in mind that when you purchase products from a big box store, the liability ends when you pay.

Factor in the time for you or your employee to make the trip, along with time spent away from the business, and then add fuel charges to see what your true bottom line cost is. It may be worthwhile considering whether the perceived savings are truly worth the risk.

Lee Plotkin, President

**L.P. Enterprises, Inc.**

1701 N. Collins, Suite 1050 | Richardson TX 75080

TEL (972) 744-9882 | FAX (972) 744-9881 | CELL (214) 693-2302

[lee@leeplotkin.com](mailto:lee@leeplotkin.com)