

Traceability and Liability: Dealing with Fall-out in Worst Case Scenarios

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Will traceability increase the risk of liability on the farm?

Yes!

Source of Risk

Businesses up the value change

Statutory liability

Consumers

Up the Value Change

- Governed by contract
 - Privity
 - Damages
 - Allocation of Risk and Indemnification

Statutory Liability

- Due Diligence
 - reasonably believed in a mistaken set of facts which, if true, would render the act or omission innocent,
 - took all reasonable steps to avoid the particular event.

Consumers and Third Parties

- Personal Injury

The Verdict

- Cost of compliance
- Cost of defending claims

The Worst Case Scenario

- First Steps

- Ensure an Emergency Exists
- Look to your crisis plan
- Personal safety is paramount
- Get the facts
- Construct a Timeline
- Eliminate the Problem and Further Losses
- Meet with Professional Advisors

Maintain Business Relationships

- Suppliers
- Bankers/Lenders
- Customers
- Employees
- General Public

Dealing with the Media

- The Message
- Dealing with Reporters
- Pay Attention to Non-verbal Cues

If Something Happens

- Regulatory Offences
 - Inspection Rights and Obligations
 - Penalties

Due Diligence

- **conduct which was or was not exercised in relation to the “particular event”**
- **Factors**
 - Nature and size of defendant
 - Sensitivity of Local Environment
 - Defendants knowledge about risks
 - Defendants Access to Risk
 - Presence of Risk Assessment/Avoidance system

Are you prepared?

- Crisis management plan
- insurance