



“Due diligence” guidance

As a trader, and particularly if you bring wine into the UK (from other EU countries or from non EU countries), you are responsible for the authenticity, quality and labelling of the wine that you sell.

In the event of a problem with the wine ***you will be held accountable*** until you can establish that you have taken all reasonable steps (i.e. exercised “due diligence”) to prevent the problem from occurring.

Apart from your responsibilities, both in law and to your customers, due diligence checks may protect you by reducing the risk of you being a victim of an unscrupulous supplier and also by avoiding the cost and inconvenience of rectifying genuine mistakes.

If you have not checked the wine and the documentation prior to selling it you will have difficulty persuading the courts or your customers that you have exercised “due diligence” if the wine has a fault or it is falsely described or wrongly labelled.

Some problems might not lead to prosecution but could result in your wine being “frozen” until investigation or corrective action takes place. This could cause serious financial problems and difficulties with your customers. In extreme cases you could lose customers and your reputation could be seriously affected.

What steps should you take?

Firstly, you should have a written “due diligence” policy or checklist *which you use*.

If needs be, you can send it to the relevant enforcement agencies or to your customers, setting out the measures that you take to ensure wine quality and authenticity.

Secondly, you must record what checks you made and when, together with any follow up action that was taken if a problem was identified.

The steps you need to take will vary depending on the nature of the risk and the quantities of wine involved. Not surprisingly larger companies importing or selling large quantities of wine will have more comprehensive systems. For example, they may:

Initially,

- Agree a wine specification, (preferably in writing as part of a formal contract) including labelling, especially for own label wines or for large quantities of wine imported in bulk,
- Visit the winery\producer before agreeing to buy wine from them, to see first hand what standards they adopt and whether they have their own quality control and due diligence procedures in place
- Commission an audit of the producer\supplier or ask the producer to supply them with copies of audits that have been carried out and to provide copies of their quality control or due diligence procedures. This may mean compliance with internationally recognised quality schemes.
- Study the procedures to satisfy themselves that they are adequate

Subsequently

- obtain pre shipment samples for tasting and analysis, especially at vintage changes
- Check shipments as they arrive and make sure that the product is what they have ordered and that the shipping documents or invoices correctly identify the wine and match the consignment
- check the labelling to see that it is correct and matches information on the shipping documents, especially for non EU wines
- Take random samples from each shipment to taste them to ensure the wine is sound and of the standard expected
- take random samples for formal analysis, often in their own laboratories.

Smaller traders

The same principles apply although it may not be practicable for the smaller trader to go to the same lengths as larger companies who employ their own quality assurance staff and operate their own laboratories.

It is still possible for smaller traders to ask themselves:-

- have I agreed what will be sent to me
- how can I trust the supplier\producer to send me the correct product
- am I satisfied with the security and storage arrangements if it is stored elsewhere
- am I familiar with the wine and have I tasted it
- have I obtained and checked the documents for each shipment or purchase
- have I checked the labels at each initial shipment or at each vintage change
- have I tasted the wine, particularly at each vintage change
- have I periodically sent a sample to a specialist laboratory for analysis, especially for new lines or at a vintage change and
- have I recorded the dates and details of the checks that I have made
- have I got good stock rotation

if you find a problem

Firstly identify all of the wine affected, **usually via the Lot number**, and isolate it until you resolve the problem. The action you then take will depend on the nature and severity of the problem. You can always seek advice from your local Wine Standards Branch Inspector.

If the problem appears serious you will need to contact your customers and ask them to check the wine, and if necessary, get them to return it to you. You will also need to advise your supplier so they can check their supplies, investigate the cause and prevent any further deliveries from taking place. If you are initiating a recall you must notify the competent authorities including the Food Standards Agency, via the website link <http://www.food.gov.uk/foodindustry/incidents/report/>

For some issues you may simply need to apply new labels to show otherwise missing information (e.g. importer details or allergens warnings), or to correct incorrect information or descriptions.

More detailed guidance

More detailed guidance on the legislation regarding documentation, labelling and checking wine can be found on the website <http://www.food.gov.uk/wine> on the Resources page or under the Guide to the Law page

Resources

Movement of wine within and into the EC

Warehouse documentary checks

A Guide to the Law - Labelling

There are individual guidance notes for EC wines, wines from Third Countries and sparkling wines (EC and Third Countries)