

A person wearing a white lab coat, hairnet, and face mask is working in a food processing facility. They are holding a small yellow object, possibly a lemon, in their hands. The background shows industrial equipment and a clean, bright environment.

# FAQs for Finding a Co-Packer

**Created by the Small Scale Food Processor Association**



**SMALL SCALE  
FOOD PROCESSOR  
ASSOCIATION**

**SUPPORTS INDEPENDENT  
FOOD PROCESSORS & GROWERS**

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# Frequently asked questions about Co-packing for food processors

## Co-Packers Will Manufacture Your Food Product for You

When you are ready to commercialize your product(s), you should analyze the feasibility of using a co-packer as an option to scale up, before investing in building a licensed production facility. Co-packers provide a service to manufacture your food for a fee that recognizes their expertise, their Costs of Doing Business (CODB) and their investment. This fee per unit could be economical until your business is well tested in the marketplace and you are able to attract the investment you will need to outfit your own manufacturing facility. Working with a co-packer as you scale your business can provide you with a lot of practical knowledge that will assist you going forward.

### Definitions:

Commercial Kitchen	The primary use of a Commercial Kitchen is to prepare food in a licensed facility that will be consumed immediately, such as a restaurant kitchen or a community hall kitchen. The equipment in the commercial kitchen usually meets the needs, common to food service preparations.
Commissary Kitchen	The primary use of a Commissary Kitchen is to prepare food in a licensed facility for consumption later and often has equipment that assists food processors. Example: a labelling machine, a bottling machine.
Co-Packer	A company that manufactures and packages food for another company to sell. Also called "Toll Processing", and it is like "Contract manufacturing". In addition, sometimes food manufacturers provide the recipe as well as preparation and packaging and this type of activity is referred to as Private Label Manufacturing Example: No Name brands.
Re-Packer	A food manufacturer that provides the service of repackaging a prepared product. Example: maple syrup comes in 50-litre pails and is repacked into 250 ml jars.

Processor with Extra Capacity	Food Processing / Manufacturing Companies that do not currently provide co-packing services and would like to provide co-packing services and/or re-packing services and/or private label services to fill unused production capacity.
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## I am just starting to plan my business, what do I need to understand about co-packing?

A Co-packer, or contract manufacturer is your manufacturing business partner. Although the idea appears to be straightforward, you need to understand the relationship your business will have with the co-pack provider to ensure that the experience will be a positive one for you and for the co-packer. A good experience requires you to be very well prepared before you open negotiations. You will need:

- a very detailed understanding of your own product and
- a detailed understanding of the service that the co-packer can provide.

Taking time to address all details will ensure your experience will be a positive one for both parties.

## What are the advantages of working with a co-packer for a start-up?

When you are planning to commercialize your product, you may find that the framework that regulates food processing onerous. Building and outfitting a new facility to meet standards can be a dauntingly expensive operation. Small food processing businesses often fail for lack of capital to get them to the state when they can make money. An easier option is to consider using a co-packer's facility will allow you to invest in planning, marketing and sales rather than in bricks and mortar until your product/brand is proven in the market making it easier to attract investment.

- Using a contract manufacturer will reduce your need to hire staff.
- Using an existing facility to provide you with all the certifications that you/your brand requires will be a less expensive option at start-up.
- The experience of working with a co-packer will help you refine your understanding of the costs and procedures involved in getting your product to market so include the benefit to your learning curve in considering the cost involved in working with a contract manufacturer.
- When you use a co-packer at startup, you reduce the lead-time in getting your product to market.
- The expertise that the co-packer has established will be a bonus to support your learning curve and help you understand what you will need in your plan for your own future facility.

- The co-packer has invested in a variety of certifications that may be an advantage to your product/brand, so you won't need to make that investment if the co-packer has done so. Remember that the co-packer must attend to paperwork and inspections to keep certifications in good order; you have the benefit of this documentation without the work!
- The co-packer may have access to bulk purchasing of ingredients and packaging and may have distribution relationships that could benefit your business.
- Some co-packers will offer a line of credit to help you establish your product in the market.
- Some co-packers will provide raw product testing and final product testing.
- Some co-packers will provide product stability testing to ensure a reliable shelf life for your product.
- Co-packers will have the infrastructure for waste management and storage—another large expense to avoid at start-up.
- Best of all: When you use a contract manufacturer, you can devote more of your time to management, marketing and sales.

### What is the advantage of working with a co-packer when I am ready to scale up my product line?

If you have a new product that you cannot safely produce or pack in your existing facility, it would be wise to use a co-packer for this product until it has been proven in the market and thus will justify your investment in new facilities, machinery, systems and staff.

### What are the disadvantages of working with a co-packer

- The co-packer may have only a tight window of time available for you and your product—you may be at the mercy of the co-packer's schedule. This can be especially challenging at peak market periods. Speed to market is an important consideration for the success of your business.
- The costs to you will relate to the co-packer's fixed costs so you will need to weigh the costs of contract manufacturing vs investment in your own facility.
- Short runs can be very expensive, but it may be wise to start out with a short run to test all aspects of the process to ensure that your product 'turns out' just as you have planned. You will need to assess quickly whether the co-packer will work with you if you are a low-minimum client.
- You will need to ensure that the co-packer's standards of doing business align with your own. This means that you need to clearly understand what standards are important to your brand. What are your values? How do you see these values expressed in your product? Can the Co-packer deliver on these values?
- You lose some control over the manufacturing process. Your co-packer may not have EXACTLY what you need.
- Your co-packer may have arrangements with other businesses in the supply chain such as ingredient producers, distributors, retailers etc. They may be willing to

share these connections with you. They also may be able to provide products that they buy in bulk at a good price.

- The co-packer could be producing a competing product or co-packing for another business that has a similar product to yours—you may worry about your own Intellectual Property (IP). In this case, you may need a non-competition agreement with the co-packer. However, you must be aware that the co-packer will have full information about your product and there is some risk.
- Signing privacy, non-disclosure agreements and confidentiality agreements may not fully protect you and your product so gaining a sense of trust with the co-packer that has the best production systems for your product is critical. Invest the up-front time in building a good relationship.
- If a dispute arises between you and your co-packer, you may have a difficult time resolving the issues. This can lead to lost time, lost market opportunities and escalating costs. Clear and detailed contracts, good references from other processors and a strong sense of trust can mitigate major problems.

### What criteria do I need to understand to be able to choose which facility to approach?

Each co-packer or contract manufacturing company excels at different processes. It is important to understand the processes that your product will need to best match your need to the capabilities provided by the contractor. You will have identified these requirements in your production plan as part of your business plan.

How is my product to be made?

Is it ready to eat? Frozen?

Do the allergen profiles of the facility and the prospective product match?

What type of process does your product need?

Is this a frozen product or a canned product?

### What are the legal aspects that I need to consider when working with a co-packer?

There are legal implications involved. It is important to ensure that legalities are dealt with. It is wise to have your lawyer look over all documents covering your business relationship with the Co-packer.

There will be a division of activities so this needs to be spelled out and documented. This essentially means the use of 'specifications' or targets to meet. This can apply to everything from cost and delivery to food safety and quality.

So how much food safety is needed?

- What is it?

- Where is it being sold?
- Is it provincial, Canadian, into the US or sold internationally?
- Provincial EHO Approval?
- Federal CFIA Registration?
- HACCP Certification?
- GFSI Certification?
- What do the customers want? (And when?)
- Food safety qualifications needed: Gluten Free? Peanut free?
- Other quality certifications: Organic, Halal, Kosher, non-GMO
- There is the possibility of serious illness, death and recall as a result of this partnership. This must be included in the contracts.
- There should be a mechanism to ensure notification of either party in the event of changes. This is a requirement in GFSI standards.

### Will I need to negotiate a contract with the co-packer?

Absolutely. Moreover, make sure that the detail of all services are put in writing to ensure a comprehensive understanding of the timing requirements and to ensure all associated costs are revealed. Ask for a guaranteed price for a reasonable time-period. Some co-packers provide their own contract. If so, please have your lawyer review this before you sign to ensure all aspects that protect you and your product are in place.

### Will my recipe and production methods be held in confidence?

Your co-packer may be producing a similar product or similar products for other companies. Your own plan for special ingredients and processes need protection. It will be important to ensure that your co-packer has a good reputation for ethical practice but ensure that these concerns are covered and signed off in your agreement. Your own Intellectual Property is important to protect through your legal agreement. It may be very difficult to prove if some of your IP has been scooped so again, the reputation of the co-packer is of ultimate importance as is your respectful relationship with the people involved. When you ask the co-packer to sign legal agreements, they might ask you to sign similar agreements to maintain confidentiality regarding details of their specialized offerings to the market.

Note under GSI Certifications Food Fraud is now a requirement. This would naturally include a written plan by the manufacturing site to maintain control over the IP of all clients, and to ensure the safety of all materials and trademarked packaging to avoid fraud.



## What if the product does not turn out for taste, appearance etc. once manufactured?

Clauses that attend to these problems need to be included in the agreement such as identifying who is responsible for handling unusable product should an error occur.

Under GFSI Standards there is always a Product Realization clause where it is spelled out, using 'specifications' how the processor will meet client needs. They must be able to apply validated process controls for safety, as they select ingredients and do R&D for product development.

## Will I need to notify my product liability insurer of my plan to use a co-packing company?

Yes! Also, check on the insurance coverage that the co-packer will offer as well to ensure that all risks are identified, that procedures are in place to mitigate them and that insurance covers you should there be a breach.

Note there are differences between normal General Liability which covers loss of product in a recall but does not cover all the other costs. There are brokers in BC offering professional recall insurance with more coverage.

## Should I check out the co-packer's statements?

For sure! Before you settle on a specific provider, visit the facility; ask to see their inspection reports and their certification reports. Ask for references and talk to other companies who have used that facility. Find out if they had any problems and if they were satisfied with the results they received. What are their key performance indicators and how do they describe their best practices? What are their cost-reducing practices? What are their environmental standards and practices for water, energy and waste management? What Quality Management System do they use? How do they handle changes on the fly? Your goal is to establish an effective working relationship so be prepared to respond to the co-packer's searching questions about you and your business as well. Take a checklist with you when you meet to make sure you get all the details you need.

## Will my co-packer provide me with additional services and food manufacturing consulting?

- Some companies will provide informal consulting to make sure that your product will meet their specifications and your specifications.
- Some have full-service food consultants available and could help with new product development and the commercial formulation of your product. (To ensure the best manufacturing standard, it is best to have your own technical assistance provided through a food-processing consultant who is familiar with the co-packing process.

As much as possible, it is important for you to take charge of your own business and understand everything that goes into it, especially in its early stages.)

- Using the co-packer's services could be a good solution if you are facing deadlines,
- Deciding on whether to have your own consultant or using the copackers' services is an important business decision. However, if the co-packer will provide raw ingredient testing, stability testing and final product testing, this could be a worthwhile efficiency.

### What tasks do I have to have completed before I approach a co-packer to negotiate a production contract?

Although the co-packer has specific tasks to fulfil, this is your business and you have many very important responsibilities to accomplish before you engage with a co-packer. Foremost amongst this will be whether you have tested your product in manufacturing conditions. You will have technical tasks to manage to ensure that your recipe is capable of being processed, packaged and labelled to regulatory and your own brand's standards. Ensure that your recipe has met all commercialization requirements. You will also need to attend to the following tasks:

### Do you have a strong business plan that includes the costs of all aspects of service provided by the co-packer?

This plan will provide a strong foundation upon which to open negotiations. You must thoroughly know your business and understand all aspects of the production process.

### Do you have a marketing plan and interested purchasers lined up willing to pay your wholesale price?

This plan can give you comfort that your investment in producing your product with a co-packer will be a good one.

### Have you completed your food safety plan?

Part of your processing plan will include documentation of the critical control points related to your product's manufacture. These must be provided to the co-packer to ensure that their systems will accommodate your requirements. As well, you need to make sure that your critical factors such as pH, temperatures, etc. are being measured and recorded to be compliant with the standard you require. An excellent resource to assist you to prepare to meet food regulations can be found here:

[http://www.agr.gc.ca/resources/prod/doc/pdf/food\\_regulatory\\_decision\\_model\\_decision\\_nel\\_reglements\\_alimentaires-eng.pdf](http://www.agr.gc.ca/resources/prod/doc/pdf/food_regulatory_decision_model_decision_nel_reglements_alimentaires-eng.pdf)

## Do you understand the intricacies of how your product must be processed?

Your food processing consultant will ensure that the best way to preserve and pack your product is well designed in your plan. Different processes yield different quality, packaging types and shelf-life options. Technology in each of the methods is constantly improving. Some of the processes available in BC are listed below:

Thermal Processing	<p>A high temperature method that allows a long shelf-life for foods without the need for refrigeration.</p> <p>However, this method can affect nutritional and organoleptic, (taste/flavour) qualities of the food. New techniques and systems are constantly being developed to optimize food safety, shelf life and food sensory qualities (taste, smell, texture, etc.) Thermal processing is provided in a variety of methods using a variety of equipment.</p> <p><a href="http://www.issinstitute.org.au/wp-content/media/2014/06/BOURNE-Report-LowRes-FINAL.pdf">http://www.issinstitute.org.au/wp-content/media/2014/06/BOURNE-Report-LowRes-FINAL.pdf</a></p>
High Pressure Processing	<p>HPP is a cold pasteurization technique for foods packed in their final form. High Pressure Processing maintains the sensorial and nutritional properties of food because high pressure is used rather than heat to render the food free of microorganisms. <a href="http://www.thenfl.com/wp-content/uploads/High-Pressure-Processing-Insights_20131.pdf">http://www.thenfl.com/wp-content/uploads/High-Pressure-Processing-Insights_20131.pdf</a></p>
Micro wave	<p>Microwave pasteurization can achieve destruction of micro-organisms at lower temperatures than that of conventional pasteurization due to significant enhancement or magnification of thermal effects. Applications include microwave assisted hot air drying, microwave vacuum drying and microwave freeze drying.</p> <p><a href="https://www.foodprocessing.com/articles/2015/industrial-microwave-technology/">https://www.foodprocessing.com/articles/2015/industrial-microwave-technology/</a></p>
Retort processing	<p>There are a variety of technologies and packaging possibilities related to retort processing. A good description can be found here: <a href="http://retortprocessing.com/golden-rules-of-retort-processing/">http://retortprocessing.com/golden-rules-of-retort-processing/</a></p>

Note: Most common is thermal processing by cooking, resulting in RTE products that may or may not need to be kept refrigerated.

### Do you have clear specifications for colouring, stabilizers, emulsifiers, and preservatives?

These must be provided to the co-packer and prices for these ingredients will be part of the overall price negotiation depending on if you supply these ingredients or you purchase them from the co-packer.

You must know about ALL ingredients, inputs, materials, packaging aids, gasses, everything.

Documentation is key.

### What are the special product concerns related to your product?

You must have clear specifications such as acidity requirements, your product's organoleptic (colour) profile, and any special ingredient issues.

The following information would be included in your product description – ingredients, packaging, distribution range, allergens, and flavor and shelf-life and packaging and coding and allergen labelling and foreign language labelling.

### Will you need onsite pre-processing preparation such as washing, peeling, coring, chopping, or sugaring? Does your product require a certain size(s) when prepared?

You will need to find out how raw ingredients will be managed and whether they meet your specifications.

### What happens if substitutions are needed?

If the co-packer needs to make substitutions, how will this be managed? Your agreement is needed since changes could modify the information that you already have on your nutritional table.

Uninformed substitution is a major cause of recalls. Make sure your copacker and their suppliers have change notification clauses for all ingredients.

## What about product labels?

Some co-packers require that you provide labels, and some will provide them for a fee. Once again, you must create labels that meet CFIA labelling standards. You must have barcodes embedded in those labels. When designing labels (best accomplished with a consultant who understands the labelling requirements) make sure that they can be accommodated on the co-packer's equipment to result in an aesthetically pleasing package.

Incorrect allergen labelling (usually caused by incorrect label creation or wrong labelling) causes approximately 1/3 or all recalls. Be sure the company has programs for both of these.

To plan your labels, check the CFIA rules: Here is their checklist:

<http://inspection.gc.ca/food/labelling/food-labelling-for-industry/labelling-requirements-checklist/eng/1393275252175/1393275314581>

## What are the storage requirements for ingredients and supplies and for your finished products?

Will the co-packer provide storage, or will you make other arrangements? Do you need cold storage or freezer storage? Do your ingredients need storage before the processing process begins? How long will the co-packer be agreeable to store your finished products? This is important if your product is sensitive to seasonal or special occasion markets.

## Do you have a clear plan regarding container requirements and specifications?

Some co-packers provide containers at bulk prices that work best with their equipment. Some require that you provide containers that meet their specifications.

## How will your products be shipped once processed, packaged and labelled?

Some co-packers provide packaging on pallets and shipping options. Your key market will alert you to their requirements for receiving your product. Make sure you have full information about packaging for shipping as part of your plan. The co-packer will require you to move your finished product within a specific timeline or storage may be provided at an additional cost.

## Who will prepare the necessary records required for tracking and traceability?

Make sure your agreement includes clarity regarding creating and maintenance of records. You will need to certify lots and batches. How will they report this information to you?

You need traceability on every single input, lot and shipment. You should be able to trace one up and one down, in case of recall. There should be written records, and all items on the property should be labelled to identify goods in use.

## Who will be responsible for disposal and disposal costs?

Find out in advance what responsibility you will have for methods and costs of disposal of waste resulting from your process.

## Are you planning to get into the export market?

Does the co-packer have the correct credentials to facilitate export when you are ready?

## What certifications does my brand need?

Food businesses can add value to their product by qualifying for specialized certifications. These certifications help to communicate the quality of your product to consumers. Your business plan must clarify your standards and the requirements to meet each one. Food Safety certifications are basic and required but other certifications that you wish to meet will be a business decision. If your brand will benefit from a specialized certification, finding a co-packer that can provide that certification will be very important. (Ensure you have a full understanding of the requirements, and market benefits of the certifications that will help promote your brand.)

<b>HACCP:</b>	Hazards Analysis and Critical Control Points system certifies that your product is supported by a rigorous food safety protocol. See <a href="http://www.haccpcanada.net/">http://www.haccpcanada.net/</a> for details.
<b>3<sup>rd</sup> Party Certification</b>	Done by an accredited Certification Body (CB). Performs an audit of records and sites and issues a HACCP or GFSI Certification.

<b>ISO 22000</b>	(ISO22000 is a HACCP Certification) ISO 22000 sets out requirements for a food safety management system so that a business can demonstrate its controls of food safety hazards. It can be used by any business regardless of its size. <a href="https://www.iso.org">https://www.iso.org</a>
<b>GFSI:</b>	The Global Food Safety Initiative is a set of standards, designed by industry leaders in 2000 to find collaborative solutions to collective concerns, to reduce food safety risks, audit duplication and costs while building trust throughout the supply chain. Details can be found at <a href="http://www.mygfsi.com">http://www.mygfsi.com</a> . GFSI is not a certification process itself. It sets internationally recognized standards for a variety of certification schemes. Go here to see which standard would fit for your product. <a href="http://www.mygfsi.com/certification/recognised-certification-programmes.html">http://www.mygfsi.com/certification/recognised-certification-programmes.html</a>
<b>FSSC22000</b>	FSSC 2200 certification is a GFSI Certification based on ISO 22000 standards. It is certification recognized by the GFSI system to ensure consumer trust in the supply of safe food and beverages. For information about gaining the certificate see <a href="http://www.fssc22000.com">http://www.fssc22000.com</a>
<b>SQF:</b>	SQF is a GFSI benchmarked standard, which means that it is recognized worldwide as a reputable food safety certification scheme. The SQF Program links primary production certification to food manufacturing, distribution and agent/broker management certification. <a href="http://www.sqfi.com">http://www.sqfi.com</a>
<b>Gluten-Free:</b>	<a href="http://www.glutenfreecert.com">http://www.glutenfreecert.com</a> or <a href="http://www.gfco.org/">http://www.gfco.org/</a> There are two standards for gluten-free certification and you should be clear which level is important for your product.
<b>Allergen Free:</b>	You may seek certification for 'Allergen Free (gluten, nuts, etc.)' or you may need to include a 'precautionary' statement on your label if there is some possibility of slight contamination. For details see <a href="http://www.inspection.gc.ca/food/labelling/food-labelling-for-industry/allergens-and-gluten/eng/1388152325341/1388152326591?chap=0">http://www.inspection.gc.ca/food/labelling/food-labelling-for-industry/allergens-and-gluten/eng/1388152325341/1388152326591?chap=0</a>
<b>Peanut free:</b>	<a href="http://peanutfreedom.com/">http://peanutfreedom.com/</a>
<b>USDA standards:</b>	If you wish your product to meet American food safety standards find information here: <a href="https://www.usda.gov/topics/health-and-safety">https://www.usda.gov/topics/health-and-safety</a>

	QUALITY STANDARDS:
<b>Canadian Organic Standards:</b>	<a href="http://www.cog.ca/about_organics/organic-standards-and-regulations/">http://www.cog.ca/about_organics/organic-standards-and-regulations/</a>
<b>Kosher:</b>	People following Jewish law require their food to meet standards relating to Biblical requirements. Information on Kosher Certification can be found at <a href="http://www.cor.ca/view/90/certified_industrial.html">http://www.cor.ca/view/90/certified_industrial.html</a>
<b>Halal:</b>	Food certified as permitted for Muslim consumption: <a href="http://isnahalal.ca/">http://isnahalal.ca/</a>
<b>Non-GMO:</b>	Is a voluntary system gaining strong market demand. For North American certification see <a href="https://www.nongmoproject.org/product-verification/">https://www.nongmoproject.org/product-verification/</a>

Should I ask the co-packer to provide me with verification of the factory's safety processes?

For sure! The co-packer must have a verification system in place that includes the application of methods, procedures, tests and other evaluations, in addition to monitoring, to determine whether a control measure is operating as it is intended. Ask to see their certificates. Where can you check to see if a copacker has ever been sanctioned, or is bona fide? Search CFIA Website or FDA websites for company X recalls. Look for FDA import Alerts or 483 Letters.

Does the factory have a tracking and traceability process that will cover your product?

If there is a breach in the process, and your product needs to be recalled, will the co-packer's system cover your product? Ask the manufacturer to give you a copy of their recall plan. How would you cope if something like this should happen? For assistance to create your own Recall Management Plan see: <http://www.inspection.gc.ca/food/safe-food-production-systems/food-recall-and-emergency-response/manufacturers-guide/eng/1376326890597/1376327095576>

Be sure the recall plan is clarified ahead of time with the company, as it will be a high pressure and high risk scenario.



## Will I be able to observe my product being processed?

Some facilities allow you to attend during the processing time, some require you to be on-site, but most do not as production is routine, following established Standard Operating Procedures (SOPs). Some facilities provide a video feed of the procedure that you can watch from your computer. If you are invited to observe, do take the opportunity to gain insight into the details of the manufacturing process. Check, however, if your presence is covered under Worker Compensation regulations.

## Checklists

### Co-packer Evaluation

THE FOLLOWING ARE SOME QUESTIONS FOR EVALUATING A CO-PACKER

- These allow a Client to check if the Co-packer has suitable facilities, production capacity, and food safety standards.
- This list may not cover all Co-packing scenarios or requirements.
- Before approaching any Co-packers, the Client should discuss their plans with their accountant and lawyer to determine other requirements.

#### A Client should ask:

- Are they making a similar product?
- Do they have extra capacity? Is this capacity temporary or ongoing?
- Do they have the equipment needed? Is it food grade?
- Is their production automated or manual?
- Does their facility meet government requirements?
- What services do they offer?
- Do they co-pack for other clients? How do they assess risk and inform their Clients?
- Do they use programs for food safety (GMP, HACCP, ISO, GFSI) or quality (Organic, Halal, Kosher)?
- Are they certified? If not, are they working towards compliance or certification?
- Do they use a written GMP program and have written records?
- Are Critical Control Points (CCPs) in their process identified and monitored?
- Is the facility allergen-free, or will it allow allergens? Is there an allergen control plan?
- Is there any subcontracting of services or storage? If yes, how is this controlled?
- Has the company had a product recall in the last five years?
- Does the company have comprehensive CGL insurance including contractual and product liability? Is it 5M\$?
- How far is the facility from the Client's target market?
- Does the Co-packer have cash flow to keep it stable? Has the company been sued?
- Where would they source raw materials: domestically or offshore? What proof of quality do they ask for?

- Are there any water quality issues?
- What lab testing is done by the company? Are there any pathogens of concern in the facility?
- If refrigeration is needed, what cold-chain monitoring do they do?
- How and where do they ship products? Whose trucks are used? Is delivery f.o.b Co-packer or Client?
- Are references of past customers available?
- Why is the space available?

## **Co-packing Client Evaluation**

THE FOLLOWING ARE QUESTIONS A CO-PACKER SHOULD ASK A PROSPECTIVE CLIENT

- These questions allow a Co-packer to decide if the Client and product are a good fit.
- They also allow the Co-packer to determine services and pricing offered.

### **A Co-packer should ask:**

- Is the product already being made or is a new product needed?
- What production steps would the Client like help with?
- Does the product require research and development or scale-up?
- Does the product require special ingredients, processing, or packaging?
- Will new or special equipment be needed?
- What packaging and shipping options are needed?
- Does the formulation have allergens or high-risk ingredients, like Raw Food of Animal Origin?
- Are there unique ingredients? Will the Client object to ingredient substitutions?
- Are there 'unique allergens'? What kind of precautionary labelling is being planned?
- Does the Client require food safety or quality audits or certifications, such as HACCP, GFSI or Organic?
- If GFSI Certification is required, which standard is needed?
- Any? BRC? SQF? FSSC22000?
- What government regulations must the product meet?
- What product testing will be needed?
- Does the Client have artwork for labels and packaging?
- Where will raw materials and finished products be stored?
- How will inventory be tracked for ordering and recall purposes?
- How much product is needed? Is it a one-time contract or ongoing? What size batches?
- What is the Client's experience in the food industry? Do they have adequate financing?
- Does the Client have product liability insurance? What other insurance is needed?
- Does the Client's business plan include accurate pricing?

## Co-packer On-site Checklist

### Facility Inspections Quickly Confirm Their Suitability

Visits allow a Client to double-check claims made by the Co-packer, including:

- the condition and cleanliness of the facility
- the quality of staff training,
- and efforts taken to control food safety

Inspections can also reveal hazards undeclared or unnoticed by the Co-packer.

The visit will almost always give the Client an accurate impression.

### Facility inspections quickly confirm suitability.

- Are the grounds tidy? Are they free of clutter and debris?
- Do the neighbours pose a risk?
- How well maintained is the facility?
- How are pests or unauthorized persons kept out?
- Do storage practices prevent contamination?
- Are all materials stored off the ground and away from the wall?
- If there is refrigeration, is it monitored? Are records kept?
- How are non-food chemicals stored? Are all containers and materials well labelled?
- Are equipment and food contact surfaces food grade?
- Is there preventative maintenance and calibration of equipment?
- Is there a cleaning schedule? How clean is the facility and the equipment?
- Are staff well trained, tidy and efficient?
- Are training records available?
- Are activities done using Standard Operating Procedures (SOPs)?
- Are batch records, inventory records, and other documents complete?
- Are specifications and test results on file for all ingredients and finished products?
- Are government inspection and third-party audit reports available?
- Is there evidence CCPs are monitored? Are thermometers, pH meters or other instruments available?
- Are any other unusual activities going on in the facility?

## Co-packer Contract Checklist

Here Are Common Items in Co-Packing Contracts

These include:

- key details that should be included in a Co-packing contract, and
- extra details that add clarity.

This list may not cover all Co-packing scenarios or requirements. Before signing a contract, both parties should consult their accountants and lawyers to determine other requirements.

**These details should be included:**

- The names of the companies involved
- Quantities of product to be made
- Expected quality (Ingredient, product and packaging specs, plus lab tests)
- Financial terms (Costs and fees, plus ordering, billing and payment methods)
- Contract timelines and delivery schedules

**These details can also be included:**

- Legal issues (Ownership of formulas, dispute resolution, insurance)
- Complaint handling and Recall (How and by whom?)
- Termination of the agreement
- Minimum orders and amount of inventory to hold
- Allowed substitutions and sub-contracting
- Lead times
- Shipping and delivery details
- Processing methods and specifications
- Allowances for waste (Includes trim, shrinkage and packaging waste)
- Copies of Client or Co-packer Quality Manuals