

We Speak Organic!



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Considerations for Sourcing Organic Ingredients Globally

- Relationships are the Key To Your Success
- Good Communication is a Must
- Planning is Essential
- Lead Times are Critical
- Regulatory Considerations
- Organics = Value Added
- How to Find Organic Ingredient Suppliers
- Commitment and Connection

We Speak Organic

- Organic Ingredient Specialist
Distributor, Trader, Broker and Consultant
- 15 years in the Organic Industry doing project development and sourcing globally
- Let's talk bananas
- Historical time line
- Organic minor ingredients are available
- What I have learned - magic formula

Chicken and Egg Conundrum



Relationships are Key to Your Success

- Organic Industry is a relationship based industry.
- Industry built on long term relationships and risk sharing.
- Good partnerships are vital: farmer, supplier, co-packer, certifier, freight forwarder, customer.
- **TRUST** is key to long term relationships.
- Foreign companies make choices based on commitment.
- Choose a certifier with active export programs.
- Knowledgeable suppliers, farmers, certifiers can be your best ally.

Good Communication is a Must for Sourcing Globally

- Many layers within the supply chain.
- Communicate requirements up front.
- Initiate internal dialogues within your company.
- Know where your product will be sold.
- regulatory considerations
- Ask questions, and then more questions.
- Communication is critical to planning and procurement.
- 50% of organic ingredients are imported.



Planning is Essential

- Planning is key and requires coordination with suppliers and farmers.
- It is important to remember everything starts on the farm!
- Coordinate purchasing with cultivation and harvest schedules.
- Ramp up volumes require more time.
- Think long term.



Planning is Essential

- Advantages of contracting vs. spot buying.
 - 80% of all organic ingredients are contracted
 - Guaranteed price, quality and availability
- Build relationships with secondary suppliers.
- Source from different hemispheres.
- Mother Nature has the last say.

Lead Times are Critical

- 50% of all organic ingredients are imported.
- Just-in-time - just doesn't work.
- Limited product available for spot purchases.
- Ramp up volumes require more time.
- Organic is a dynamic industry that responds.

Product Development Considerations

- Reverse engineering is not a given
 - some ingredients are not available or will never be allowed
 - formulators, consider adjusting or changing your products
 - cannot always rely on old tricks from the tool box
- Innovation and Flexibility
 - being innovative can lead to a better product and label
- Multi ingredient product considerations
 - Man power in a food bar
- Minor ingredients are available

Export to Japan

- Japan Ministry of Agriculture, Forestry and Fisheries (MAFF) regulates organic plant based products in Japan through the Japanese Agriculture Standards (JAS).
- NOP certificate required but will not automatically get you in if you have used the following inputs:
 - alkali-extracted humic acid derivatives
 - lignin sulfonate
 - potassium bicarbonate
- Export certificate required for any organic export.

Export to Europe

- Exported products must comply with the EU organic regulation: EEC 2092/91.
- EU and NOP are not equivalent.
- There are non-agricultural ingredients and processing aids allowed under NOP and prohibited by EU - check your minor ingredients!
- EU has an official list of ingredients that are not commercially available, you can only use ingredients on this list - US soon to follow.
- A good certifier will save you headache and hair.

Organic = Value

- Organic is perceived by the consumer to = VALUE
 - nutritionally
 - safety
 - taste better
 - environmentally
 - socially
- Your relationships are a valuable component in your success.
- Shorter supply chain = lot traceability & marketing opportunities.
- Wealth of knowledge available in the industry.
- The benefits of the organic movement are a legacy to future generations.

How to Find Ingredient Suppliers

- Value of OTA membership – www.ota.com
- Organic Pages On Line – www.theorganicpages.com/ingredients/
- Check your certifier directories
- Trade Magazines and The Web
- Trade Shows - Bio Fach
- Check with your existing suppliers
- Review suppliers' organic certificates

“When one tugs at a single thing in nature,
he finds it is attached to the rest of the world.”

John Muir, naturalist, explorer, and writer
(1838-1914)