

SPECIAL REPORT

Fresh Ideas for Organic Food Warehousing & Distribution

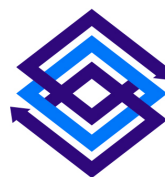
By Megan Smith • October 26, 2022

Farmers and producers of organic products work hard for certifications while taking every measure possible to protect the integrity of their brands. When it comes to organic goods, that same level of care must be delivered throughout the supply chain. Inside you'll find fulfilling information detailing everything you need to know about organic warehousing and distribution.



QUICK LINKS

All About Certified Organic Warehouses.....	2
The Essentials of Organic Food Distribution.....	5
10 Things to Know About Organic Fulfillment Partners.....	7



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All About Certified Organic Warehouses

What are the most important aspects of the modern supply chain? Trust and communication. If the last two and half years have taught the logistics industry anything, it's that supply chains of all sizes, from local to international, are extremely fragile.

A confluence of factors brought the global supply chain to a screeching halt during the COVID-19 pandemic. Between pronounced worker shortages worldwide, to surging inflation, unforeseen events like the Suez canal blockage, and even the coronavirus itself, retailers the world over are still struggling to regain their pre-pandemic footing. Organic processes and procedures such as warehousing and distribution add yet another layer of complexity to the supply chain conundrum.

With proper planning and an awareness of a few key considerations, however, logistics doesn't have to be hard. Today, we're going to take a focused look at organic warehouses, including the steps necessary to set up your very own certified infrastructure, as well as the importance of organic warehousing in our current economy.



What Are Organic Warehouses?

Despite all external market factors, the organic food industry continues to surge. According to the [Blue Weave Consulting Group](#), nearly 75% of all American grocery stores sell organic products. That's on top of the 20,000 organic-only shops currently registered coast to coast. In fact, a staggering 82% of Americans incorporate organic products into their own kitchens, making the industry the \$52 billion dollar titan that it is today.

Mention the word "organic" to the average consumer, and it'll likely conjure an image of one of two things: the farm where the products were originally sourced or the specialty foods section at their favorite supermarket. But what about all the steps in between? Are they "organic" too? The short answer? Yes, if you're doing it right.

For a product to truly be considered organic, the entire process, including all logistical considerations, must adhere to a specific process end-to-end. For instance, shipping and distribution activities require a set of safeguards to ensure that raw materials and finished products don't become cross-contaminated by non-organic freight. The same holds true in the warehouse setting. Therefore, an organic warehouse is a facility that has implemented the USDA's recommended policies and procedures in order to ensure the integrity of the products stored therein.

What Does it Take to Launch a Certified Organic Warehouse?

Logistics is a complicated field as is. When establishing an organic warehousing space, how do you know that you're doing it right? Fortunately, the USDA

outlines a common, blanket procedure for setting up an organic program, whether you're the farmer, wholesaler, distributor, or retailer. The certified organic process includes five key steps. Those steps include:

- Planning for the implementation of organic procedures
- Actually implementing those procedures
- Undergoing an inspection with an accredited agent
- A comparison of your warehouse's policies in-fact with your proposed methodology AND the USDA's national benchmarks
- Receiving your organic certification

Even given a high-level overview, establishing certified organic warehouses can be a daunting task. Fortunately, experts such as Jaclyn Bowen, can help you get started. .

"When it comes to being a Certified Organic Warehouse, ensuring organic integrity is an obvious benefit. A secondary benefit that is the critical role that warehouses play in food safety and traceability. Because certified organic requires farm to shelf identity preservation and compliance, a Certified Organic Warehouse is a critical piece in connecting that chain," Jaclyn Bowen MPH, MS, Executive Director of Clean Label Project and former General Manager of QAI.

Why Should You Care About Organic Warehouses?

The organic market continues to expand with no signs of stopping anytime soon. Tapping into that market is a lucrative prospect for any 3PL provider. It's not enough to simply store —or distribute— organic items; you have to ensure the integrity of the products in your warehouse as well. In other words, establishing an organic warehouse benefits you, your clientele, and the end consumer all at once.

Listed below is a quick cross-section of the advantages that go along with implementing your own [organic warehousing procedures](#).



ORGANIC WAREHOUSES PREVENT CROSS-CONTAMINATION

There is no concept more important to the world of organic products than purity and integrity. According to [Global Organics](#), there are less than 100 non-organic substances that may be used during organic food processing. Compare that to the thousands upon thousands of additives used in standard food products. But the problem extends beyond added chemicals.

Even storage and handling methods hold the potential to contaminate otherwise organic products should they come in close contact. Customers who choose organic products depend on the integrity of the brand. Therefore, 3PL partners bear responsibility for protecting the purity of the products throughout their lifecycle.

COLD STORAGE CARRIES EXTRA IMPORTANCE WHEN IT COMES TO ORGANIC PRODUCTS

Because the list of additives, chemicals, and other materials that an organic product may come into contact



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with is so restrictive, their shelf life is extremely limited by comparison. For instance, there are virtually no preservatives contained in organic food. To counteract the product's limited lifecycle, precise storage conditions are necessary, including strict temperature and climate controls.

ORGANIC WAREHOUSE CONTROLS HELP FIGHT FRAUD DOWN-CHAIN

Organic certification is a time and cost-intensive undertaking. However, the current demand for organic products makes up for those initial hurdles. Organic food production and distribution is such a lucrative sector right now. Unfortunately, some businesses would rather claim their product is organic rather than go through the appropriate steps to make it so. Under the auspices of a powerful warehouse management system (WMS), exercising clear, transparent warehousing procedures is the best way to weed out fraud and protect the end consumer.

ORGANIC WAREHOUSES HELP FARMS AND SMBs ACHIEVE SCALE

Because the shelf life of organic products is so severely limited, distribution is also limited. Small to medium-sized businesses and family farms are often relegated to a local or semi-regional sales footprint as a result. That's where organic warehousing truly shines.

Given proper warehousing and distribution controls, a 3PL that offers organic warehousing services, such as Symbia Logistics, can greatly extend an SMB's scalability, giving them access to markets previously thought unachievable.

Maximizing the Impact of Organic Distribution

The organic food industry is in a period of rapid expansion, with every indicator pointing toward sustained growth over the remainder of the decade. As people embrace high-quality food items, logistical infrastructure becomes incredibly important.

The Essentials of Organic Food Distribution

Our nation is getting healthier, at least as far as consumer buying trends are concerned. For the past three decades, the organic food industry has steadily gained market share, culminating in a period of rapid growth during the COVID-19 pandemic. In 2019, for example, the organic sector [grew by a staggering 12.8%](#) to become a [\\$52 billion dollar industry](#).

Fast forward to the here and now, where [a Hartmann Group study](#) shows an estimated 83% of all Americans enjoy some type of organic product during mealtimes. Organic food is big business, but delivering those products to the consumer's table is tricky. Today, we'll take a look at the process of organic food certification, including the steps necessary to distribute organic products.

What is Organic Food Production?

Walk down the aisle of your favorite supermarket and take a minute to read the labels. Chances are, no matter what aisle you choose, you'll come across food labeled as "USDA Certified Organic." In fact, many of those same stores have even begun curating their very own organic-only sections. But with so many choices on the table, it's common for the average consumer to be dismissive of the movement, labeling it as nothing more than a marketing ploy. So what exactly defines an organic product?

An item that is organically produced must satisfy a number of federal thresholds in order to earn the organic label, including:

- The quality of soil in which the item was grown
- The use of fertilizers, pesticides, and other chemicals used in the growing process
- The use of chemical additives, such as



preservatives, in preparation for packaging

- The method of animal care used to raise livestock

Of course, the above list is far from inclusive. The bottom line is that in order to be considered "organic," a food item must be raised, grown, or created in as natural a way as possible.

What are the Requirements for Organic Food Certification?

There are, of course, certain concrete processes and benchmarks a food item must cleave in order to obtain the coveted label. [According to the US Department of](#)

Agriculture (USDA), in order for an item to be considered organic, the business must:

- Create a plan for organic growth
- Put that plan into practice
- Allow an accredited agent to inspect the process
- Obtain a report grading their organic processes

Once all these steps have been satisfied, the business may apply for a USDA-approved organic label for their products.

Safety and Security Throughout the Supply Chain

Now that we have the basic definitions out of the way, how do we take the idea of organic processes one step further by integrating it with product distribution? While the title “organic” has traditionally been used to denote the growing procedures associated with livestock and ingredients, it’s important to note that contemporary definitions have expanded to include packaging, warehousing, and shipping methods as well.

Below, we’ve compiled a small list of essential practices for 3PL providers who wish to enter the organic business.

BE AWARE OF THE COST AND EFFORT OF YOUR INITIAL CERTIFICATION

When a farmer or other business launches their initial application to list products as “certified organic,” it is time-consuming and includes costly application fees. For a farm to be considered an organic producer, it must be pesticide-free for at least three years prior to the initial application. Warehousing and distribution are similarly regulated. Industry leaders, such as [Symbia Logistics](#), have taken steps to ensure that their supply chain management ensures the safety of their customers’ products.

ORGANIC SHIPPING, WAREHOUSING, AND DISTRIBUTION PRACTICES

At this point, you may be asking yourself, “How can shipping and warehousing procedures affect the purity of

an organic product?” The unfortunate answer? Quite easily.

For starters, there’s the danger that certain constituent materials —such as feed for livestock or specialized organic fertilizers— may be mislabeled and missorted. As a result, they may be stored with non-organic items soaked in pesticides while in transit, thus causing cross-contamination. Or they may be subject to processes and procedures that introduce additives for freshness during shipping. Any number of scenarios may happen.

MAINTAINING TRANSPARENCY

To that effect, transparency in your process is one of the most important qualities an organic logistics provider can hope to foster. Seeking organic certification is a matter of creating parallel shipping and warehousing procedures. That means for the sake of both safety and clarity, you must maintain separate inventory tracking for each category. While this can be cumbersome, that level of clerical precision is necessary to satisfy both:

- The companies whose products you distribute
- The end consumer

You have to be able to justify your policies and procedures to all applicable licensing bodies as well as the public itself.

MIND THE PACKAGING AND PREP

Hands down, the most important aspect of maintaining an organic distribution process is monitoring your processing, packaging, and shipping procedures. Packaging, especially types made of plastic, can seep chemicals onto the contents within, thus disrupting the purity of organic products.

Invest in the Right 3PL Partner

It helps to understand the underlying philosophy behind organic products, including safe and secure distribution. It also helps to have the right tools and partners to help you keep track of it all. Team with a 3PL who has the experience to protect both your inventory, and your brand.

10 Things to Know About Organic Fulfillment Partners

More and more people are embracing a holistic lifestyle that encompasses environmentally friendly products that contribute to a better overall sense of well-being. Organic products are leading the charge. As of 2021, [15.56% of American shoppers](#) purchase organic-only foods for their kitchen tables. In fact, organics have grown rapidly in the last few years to become nearly a \$58 billion dollar industry in the United States alone.

The organic market represents a major opportunity for intrepid farmers, wholesalers, and distributors, but breaking into the organic sector can be intimidating at first. Fortunately, organic warehousing has risen to address these concerns. Today, we're going to focus on the top ten things you should be on the lookout for when choosing an organic fulfillment partner.

1. THE PACKING MATERIALS MATTER

What defines organic food? [According to the USDA National Organic Program](#), USDA certified organic foods are grown and processed according to federal guidelines addressing, among many factors, soil quality, animal raising practices, pest and weed control, and use of additives. Organic producers rely on natural substances and physical, mechanical, or biologically based farming methods to the fullest extent possible. While the focus is on growing and

FAST FACT

Processing and packaging equipment is subject to the same rules and scrutiny as the packing materials used. A certified organic fulfillment partner will use specialized equipment throughout the product's lifecycle.



processing, it's up to the rest of the supply chain to keep organic products organic.

Using non-organic packaging materials may cross-contaminate your otherwise organic products. Look for a logistics partner that uses specialized packing materials in order to preserve the purity of the products within.

2. THE PACKING AND PROCESSING EQUIPMENT MATTERS TOO

The average supply chain features numerous twists and turns. A farm may process and package their own organic products onsite or rely on a 3rd party vendor to do the job for them. Understand that ANY processing and packaging equipment is subject to the same rules and scrutiny as the packing materials used. A certified organic fulfillment

partner will use specialized equipment throughout the product's lifecycle.

3. ORGANIC PRODUCTS HAVE A SMALLER FOOTPRINT THAN THEIR NON-ORGANIC COUNTERPARTS

Most organic farmers understand that bringing their products to market requires extra steps, safeguards, and even equipment. Due to all the extra considerations involved, organic enterprises and their products tend to have a much smaller sales footprint than their non-organic counterparts. For example, you might grow the best organic apples on the West Coast, but without the right third-party fulfillment partner (3PL) and organic infrastructure, customers on the East Coast will never know.

4. ORGANIC MATERIALS REQUIRE SEPARATE STORAGE FROM THEIR NON-ORGANIC COUNTERPARTS AS WELL

It's not just packing and processing that matters. In order to maintain the integrity of organic food, it must be warehoused properly as well. Strict controls must be put into place in order to ensure that there's no commingling of organic and non-organic inventory at the warehouse itself.

If an organic and non-organic product are stored in adjacent zones, for example, you can no longer guarantee the quality of the organic product. When looking for the right organic 3PL fulfillment partner, make sure that they have segregated storage space to accommodate your organic inventory.

5. COLD STORAGE IS EQUALLY IMPORTANT

Another aspect of organic food production and distribution that often goes by the wayside: is cold storage.

By the very definition of "organic," products bearing the certified organic title cannot use any additives, preservatives, or other chemicals meant to prolong the life of the product. As a result, organic food has a much shorter shelf life than its non-organic cousins.

In order to properly — and safely — get organic products to market, cold storage is a necessity. It is essential to look for a fulfillment partner that has separate



space for cold organic storage in their warehouse and in their transportation schema. With the right infrastructure in place, watch as your sales footprint grows and expands.

6. CERTIFICATION IS A BIG DEAL

Let's take a minute to talk about [organic certification](#). The United States Department of Agriculture (USDA) is responsible for granting certified organic status to farmers and their products. In order to qualify for the title, a farmer or business owner must:

- Come up with a plan for implementing organic practices
- A USDA-approved agent must review those plans
- The agent must conduct an on-site audit
- The agent must produce a report detailing the level of organic compliance displayed during the audit

It is a precise and exacting process. You should be aware that supply chain experts can also apply for their own organic certification through agencies such as the [Clean Label Project](#). Make sure your chosen 3PL fulfillment partner has taken the extra steps in order to obtain their certification.



"Another thing to think about when Selecting an Organic Fulfillment Partner is to know the full scope of the services you might need. Is it just about warehousing and distribution, or is there potential for repacking into multi-units? The onus is on a certified organic fulfillment partner to make sure that they keep their Organic System Plan up to date with their accredited certification agent, providing you confidence in the organic integrity of the products and the necessary traceability you need for your customers," Jaclyn Bowen MPH, MS, Executive Director of Clean Label Project and former General Manager of QAI.

7. YOUR WAREHOUSING PARTNER MUST KEEP CLEAN, CLEAR, AND SEPARATE RECORDS

How can you tell that a prospective logistics partner knows what they're doing when it comes to organic fulfillment and the supply chain? One telltale sign is their record keeping procedures. In order to ensure that organic products adhere to the criteria above, it's necessary for third-party fulfillment providers to keep a discrete set of records detailing their organic inventory.

8. FRAUD IS MORE COMMON THAN ORGANIC GROWERS LIKE TO ADMIT

Why is record keeping and certification so important, especially down chain? Because the organic food industry is an easy target for bad actors looking to perpetrate fraud.

That's not to say that there's a significant fraud problem associated with the industry. Farmers, business owners, and ultimately the consumer rely on solid record keeping and certification to protect them from potentially fraudulent situations.

9. PARTNERS THAT USE A ROBUST WMS GREATLY IMPROVE YOUR BOTTOM LINE

Another mark of a high-quality 3PL is the level of technology that it uses. There are a lot of moving pieces in the supply chain. Organic products make the picture even more complex. That's why it's essential for your logistics partner to use the best methods and technology available.

One of the best tools in an organic warehouse's arsenal is its warehouse management system (WMS). The WMS is responsible for keeping inventory flowing in and out in a timely and efficient manner. It is also responsible for separating organic and non-organic products into discrete storage areas, mitigating potential cross-contamination. Look for a fulfillment partner who can easily integrate their WMS with your tech stack.

10. THERE'S HELP AVAILABLE IF YOU WANT TO BREAK INTO THE ORGANIC MARKET

Navigating the modern-day supply chain is never an easy task. We live in an era marked by radical adversity and ever-shifting constraints to the global supply chain. Bringing your organic operation to scale can be a daunting task. But you don't have to go it alone.

Conclusion

If you're looking to partner with supply chain experts that can ensure the integrity of your organic products using industry best practices and unbeatable tech, [Symbia Logistics](#) can help. Please contact us today for more information about our organic fulfillment services.



**Symbia Logistics has the industry experience
you need to deliver the goods.**

With a nationwide footprint of fulfillment centers and hundreds of employees, Symbia Logistics has become a model of 3PL excellence. We strive to continually improve the quality of our technology and services so we can help our partners remain on the leading edge of their fields.

Our team has been developing customized solutions and processes for logistics clients since 1989. We consistently exceed customer expectations and establish long-term partnerships.

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