

The FOODSERVICE MARKET: FOOD SAFETY AND PURCHASING REGULATIONS

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First Rule of Retail: Know your Market

Foodservices come in many shapes and forms

- Ownership status – public or private
- Funding sources – private, state or federal
- Independent or chain (national or regional)
- Franchise
- Scope of menu
- Extent of preparation in house
- Skill level of labor pool
- Service style

Procurement Procedures will Vary

- Independently owned, single unit commercial restaurants and caterers are typically more flexible and have greater ability to meet market prices.
- Non-commercial foodservices have potential for education but fewer resources (funding and personnel)
- National chains usually limited to pre-determined suppliers
- All must comply with *Food Code*
 - set of recommendations compiled by Conference on Food Protection
 - reviewed biannually with updates based latest science
 - Iowa uses *Food Code 2005* – current national standard is *Food Code 2009*

Concerns of Operations

- Because fresh produce is NOT typically heat treated – there is not a kill step, thus could be risk of pathogens on product.
 - Generally lower risk bacterial growth, due to acidity and lack of protein, BUT pathogens (*think Norovirus, E. Coli O157:H7, Hepatitis A*) could contaminate the product.
 - Foodservice Buyer may ask about*:
 - GAPs in place
 - Insurance coverage
 - Water supply and testing program
 - Packing procedures and materials
 - Health and hygiene of your employees
 - Transportation practices
 - Protection time/temperature abuse
- *PM 2046A – Checklist of questions



Take a Look: PM 2046A

Checklist for Retail Purchasing of Local Produce

Item #	Description	Yes	No	NA
1	Name of grower/producer			
2	Address			
3	Phone number			
4	Product name			
5	Quantity			
6	Harvest date			
7	Harvest location			
8	Harvest method			
9	Harvest time of day			
10	Harvest weather			
11	Harvest equipment			
12	Harvest worker			
13	Harvest worker health			
14	Harvest worker hygiene			
15	Harvest worker training			
16	Harvest worker supervision			
17	Harvest worker housing			
18	Harvest worker food			
19	Harvest worker water			
20	Harvest worker toilet			
21	Harvest worker handwashing			
22	Harvest worker clothing			
23	Harvest worker footwear			
24	Harvest worker hair			
25	Harvest worker jewelry			
26	Harvest worker nail polish			
27	Harvest worker open wounds			
28	Harvest worker bare feet			
29	Harvest worker bare hands			
30	Harvest worker bare face			
31	Harvest worker bare head			
32	Harvest worker bare torso			
33	Harvest worker bare arms			
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100	Harvest worker bare face			



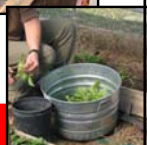
Foodservice Buyers DO see

BENEFITS to purchasing food from local sources:

- helps the regional economy
- opportunity to purchase smaller case packs
- promote local vendors
- unique varieties of products
- good PR
- fresher food
- safer food



Source: Strohhahn & Gregoire (2001, 2002, 2004), surveys to buyers in various sectors of foodservice market; similar surveys and findings NE Iowa



Foodservice Buyers are BUSY!

- Often wear many hats in their operations and are busy putting out multiple fires such as no show employees, equipment malfunctions, late deliveries, internal strife, etc.
- A day in the life of a foodservice manager is complicated – more so with schools as must comply with federal, state and local standards for procurement!
Purchasing MUST be easy

They want to buy locally, but need to know:

- a) that they can (see purchasing regulations)
- b) who to buy from
- c) trust that product will be delivered **when** and **in amounts** ordered.

Foodservice Regulations (Based on Food Code 2005)

- Food must be purchased from an **approved supplier**
 - Burden of proof rests upon the purchaser.
 - Lack of clarity meaning “approved supplier” (Foodservice buyers assume/trust that distributor is approved)
 - Packaging must protect integrity of food.
- Most fresh produce is NOT considered a Potentially Hazardous Food Item (foods at greatest risk for pathogens to grow and reproduce to harmful levels) – but some exceptions such as cut melons, alfalfa sprouts, and more recently cut tomatoes and washed, chopped greens
- So, no license is required by the vendor to sell whole, unprocessed or minimally trimmed fresh produce.

Other regulations listed on publication PM 2047

DECA, October 2007

Extension Publication: PM 2047 Reviewed DIA

The image shows the cover of the extension publication 'Buying Local Foods for Retail Foodservices'. The cover features a photograph of fresh produce like tomatoes and leafy greens. Text on the cover includes 'Want to know more?' with a list of related topics and departments, and 'These resources have an Iowa Agricultural Practice (IAP) Foodservice Food Agricultural' with a list of websites. The title 'Buying Local Foods for Retail Foodservices' is prominently displayed in the center.

Local Procurement in Child Nutrition Programs---Basics

USDA Requirements

Why regulations are in place

- Regulations require SFAs to comply with a host of requirements, many of which pertain to purchasing goods or services with Federal funds received in the School Nutrition Programs
- Procurement regulations are in place to ensure that Federal Funds, when used to purchase products or services, result in the best and most responsive product at the lowest possible price

Why is it so important?

- Many stakeholders have an interest in how procurements with Federal Funds are made.
- Ongoing public and congressional interest in effective use of Federal funds
- Congress wants to achieve two goals:
 - Make sure that Program benefits are widely available to eligible schools and children
 - Make sure that benefits are used effectively and efficiently without waste or abuse.

Importance cont'd.

- USDA requires that all purchases made by local school officials, whether funded wholly or in part with School Nutrition Program funds, are conducted in accordance with all Federal procurement requirements.

Where to begin

- Establish sound competitive practices
 - A good procurement is a competitive procurement
 - Free and open competition means that all suppliers are "playing on a level playing field and have the same opportunity to compete."
- Procurement procedures may never unduly restrict or eliminate competition.

A Day in School Food Manager's Life

Community members have expressed interest in F2S program – and Director is very interested. In this district, Director job description follows traditional role of cook/supervisor.

But...

- Arrives at work at 6:30 AM
- Finds out Tom (10 – 3 shift) has "car trouble" (again) so won't be in
- So, you start panning beef patties and prepping lettuce
- Delivery from Sysco arrives at 8 AM – check in groceries, find out deli roast beef brand is out so substitute was brought (not your first choice)
- Dish machine chemical sanitizer line gets clogged up.
- Soap dispenser runs out
- Need to submit commodity order
- Audit of free and reduced applications
- Parent calls about Healthy Kids Act
- Student shows signs of allergic reaction to food item
- Local Health Inspector shows up
- Senior class asks you to buy ground beef for their chili supper

Producer To Do List

1. Review menus and identify potential items to sell
2. Understand purchasing regulations for that foodservice
3. Find out hours of operation
4. Call for an appointment to discuss a purchase relationship (not around service hours!)
5. Understand the **organizational structure** and **procurement policies** that could be in place to protect their patrons. Public owned facilities more transparent, check web sites.
6. Prepare your list of available products (type and estimated amounts) and timeframe available for purchase
7. Identify ways product can be used on the menus *Do you have a favorite recipe you like to use for the product?*
8. Consider promotion materials of your operation – meet niche market needs of foodservice
9. Prepare other questions and ways you can make a contribution

PRODUCER TO DO LIST: Communicate and Merchandise (self and products)

1. Be business-like. Show up at meeting as scheduled and appropriate dress (business casual ok).
2. Discuss specifics of the products – variety, size, package units, materials for transport, delivery times, order procedures, and payment plan.
3. Bring your documentation of GAPs and post-harvest practices –
4. Show proof of insurance (may not be necessary but a strong selling point).
5. Willingness to tell your story – promotional materials, educational tours clients and staff, product use ideas, etc.

Relationship Rescue – Tips

1. Follow through on what you have discussed with the buyer.
If weather has delayed harvest, communicate in timely manner – not morning of but at least a day or two so they can arrange back-up.
2. Have documentation of your safe on-farm practices available for buyer.
Can you verify that water is potable?
2. Offer suggestions on how products can be used
If you grow eggplant, what are some recipe ideas?

Guidance: PM 2046

Want to know more?

- **Best Fresh Buy Local**
Iowa program—www.purdueextension.org/bestfresh
www.bestfresh.org
- **City or county health inspection**
Food Safety—www.healthline.org/
- **Iowa Department of Agriculture and Land Use**
www.iadhs.gov
- **Iowa Department of Inspection and Appeals**
www.iadhs.gov
- **US Extension Publications Center**
www.extension.org
- **US Food, Biotechnology, and Nutrition Management Extension**
www.foen.org
- **Local Food Center for Sustainable Agriculture**
www.localfoodcenter.org
- **United Fresh Fruit and Vegetable Association**
www.unitedfresh.org
- **United States Food and Drug Administration**
www.fda.gov
- **Minnesota Health, Safety, Health, and Food Safety and Inspection Service**
www.fsis.gov

These resources focus on Good Agricultural Practices (GAP)

- **Good Agricultural Practices Program**
www.gapcertified.com
- **New England Extension Food Safety Curriculum**
www.hort.umd.edu/gap/foodsafe/curriculum.html
- **United States Department of Agriculture—Food Safety and Inspection Service**
www.fsis.gov
- **University of California Statewide Food Safety Curriculum**
www.ucanr.edu/foodsafe

What retail foodservices should know when purchasing local produce directly from farmers



Photo: Don Brown. Change us food to save lives. Food and produce can't be too fresh, too good.

IOWA STATE UNIVERSITY
University Extension

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Publication for Producers: PM 2045

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- **Best Fresh Buy Local**
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www.bestfresh.org
- **City or county health inspection**
Food Safety—www.healthline.org/
- **Iowa Department of Agriculture and Land Use**
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What producers should know about selling to local foodservice markets



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More information at
www.iastatelocalfoods.org



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