

Finding and Using a Co-packer¹

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This factsheet is one in the “Food Entrepreneurship in Florida” series, which assists beginning and established food entrepreneurs by providing them information on topics highly relevant to starting and running a food business, including regulations, safety, labeling, processing, and marketing. This series serves as a useful guide to help run successful food-related business.

You are a home-based cottage food operator who is now considering larger-scale commercial production to make bigger profits. Or you are currently operating out of a commercial kitchen and recently got a contract with a big, national chain store to carry your products. Whatever stage of food business you are currently in, you will reach a point where you will need high-volume production. At this point, running your operation out of your home kitchen or renting a commercial kitchen might not be the best option, because the facility size or availability might not accommodate your needs. You can build your own facility if you have capital; however, if you have limited funds or if you think you are not ready to hire staff and operate new equipment for your production, then hiring a co-packer can be a great option. This factsheet will provide a brief overview on the definition of co-packers, advantages and disadvantages of using a co-packer, and the list of things you need to consider when you hire and work with a co-packer.

What is a co-packer?

A contract packager, commonly called a co-packer, is a manufacturer that will produce, package, and/or label a product for clients. A co-packer is often a manufacturer that has excess processing capacity and processes clients' product under a private label for a fee. In addition to manufacturing, packaging, and labeling, some co-packers also offer services in certifications, storage, and distribution.

What are the advantages of using a co-packer?

(1) Reduced financial risk: There are occasions that may warrant outsourcing to a co-packer. For example, your business may have outgrown the space you have or will require the purchase of additional equipment. You might need to build your own facility or hire more employees. This expansion of business can be costly and pose great financial risk. By using a co-packer, you can produce products of a predetermined quantity and test these products in a market without investing large sums of money in building, equipment, and employees. Once your product has proven successful in the market, you can invest in your own equipment or facility. This approach significantly reduces financial risk for small food manufacturers with limited resources.

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(2) Professional assistance and resources: Because co-packers are established food processors with years of business experience, most co-packers are familiar with food regulatory requirements, shipping and distribution, and other business needs. Some co-packers have in-house staff and offer services for their clients such as product testing, nutritional labeling, product formulation, ingredient substitution, product design suggestion, and other product development services. Additionally, many co-packers have food industry contacts and sources, and they can direct you to appropriate professionals who can help with any specific questions or issues you might have during the production. These resources can be especially valuable for new food entrepreneurs.

(3) Saving time and space: Operating your own production facility and overseeing the production requires a significant time commitment. By working with co-packers, you can devote more time to marketing your products to potential customers. Many co-packers also have proper facilities that can store your ingredients and finished products, reducing costs associated with storage.

(4) Facilitating compliance with regulatory requirements: Food regulations under local, state, and federal laws are complex, and complying with all aspects of food regulations can be overwhelming, costly, and time-consuming for beginning manufacturers. Many co-packers have obtained the necessary licenses and permits, have appropriate waste disposal systems in place, and have completed trainings or certifications required for their manufacturing operation. By working with a co-packer, you can save money and time to meet regulatory requirements.

What are the disadvantages of using a co-packer?

One of the disadvantages of using a co-packer is a loss of control over your product and its manufacturing. You will also be subject to the co-packer's production schedule. Most co-packers do not require a customer to be present during the production except the first run. This can lead to future production runs that the customer might not be fully satisfied with. If there is any dispute or disagreement between customers and co-packers, it can delay production and distribution of products.

A co-packer often works with multiple customers for a similar type of products. Because you need to share sensitive product information with your co-packer, including ingredients, formulations, and product specifications, confidentiality can be a potential problem. If this is the case,

you might consider obtaining a confidentiality agreement with the co-packer to protect sensitive information about your product.

How should I select a co-packer?

Because a co-packer can run full scope of production, from ingredient receiving and manufacturing to labeling and packaging (and even shipping to your customers), it is critical to choose the best co-packer for your food product. Before meeting with the co-packer, prepare a detailed business plan. This business plan should include your business goals and objectives, product description, marketing plan, and financial plan (Ahn et al. 2017). Writing a business plan will give you an opportunity to review your business goals and marketing plan and help you assess the appropriate size of the order. Reviewing your business goals will facilitate finding a co-packer who has the same business mindset and can meet your specific needs. In addition, write detailed process instructions with specifications for ingredients, packaging, and labeling as well as any relevant regulatory requirements. It is important to have a well-developed idea of what you want for your product before meeting with potential co-packers.

If you have identified several potential co-packers, bring your process instructions and business plan to your first meeting. It will help to create a checklist or a list of questions for the meeting. Some of the questions you should ask include:

1. *What size and type of packaging am I interested in for my product?*

Certain co-packers may only specialize in one type of food or container size. For example, if the product you are looking to produce is a hot sauce, you would need a co-packer who can package liquids into small bottles. You might need to know if they can hot fill or are capable of aseptic filling and other specific production needs unique to your product.

2. *What is the minimum production the co-packer is willing to do?*

In general, larger co-packers will only produce greater amounts of a product, whereas smaller co-packers offer smaller production runs.

3. *What is the specific cost for processing and handling your product?*

Be sure to specifically ask the price for the co-packer's service. You can ask if they can offer a guaranteed price for a year or other certain terms. Make sure there are no hidden fees.

4. *Can the co-packer produce your product the way you want it to be made?*

If your product requires special preparation techniques, ingredients, or storage, ensure that the co-packer can follow your specifications.

5. *If applicable, can the co-packer provide the certifications you need?*

If you want your product to be Kosher, Halal, organic, gluten-free, or non-GMO certified, you will need to find a co-packer who can provide those certifications.

6. *Will this co-packer be able to assist in product design and development?*

If your product is not quite ready for the shelf, you can benefit from product development services. Ask if the co-packer has staff or offers services for product development, including product testing, nutritional labeling, product formulation, ingredient substitution, and product design. Using the co-packer's in-house product development services can save considerable time and costs.

7. *What is the co-packer's safety and quality policy?*

Touring the co-packer's facility can answer many production-related questions as well as give insight to the cleanliness, safety, and potential hazards of the facility. You can also ask for the most recent inspection report and their food safety systems (e.g., Preventive Controls, HACCP) or quality control systems, if they have any. A co-packer should have a list of clients. If possible, contact a current client to discuss their experiences, and try one of the products manufactured by the potential co-packer.

8. *What is my production timeline?*

Production schedule is an important factor to consider when you work with a co-packer. You should carefully communicate with the co-packer on scheduling so you will not be stuck in a production hold, which could jeopardize your business. Many co-packers ask their clients to confirm

the production at least a month or more in advance. You might need to ask how the co-packer handles "emergency" product demands (e.g., holiday season) and if they have the equipment/personnel resources to handle unexpected demands, and at what cost.

9. *Will the co-packer handle growing demands in the future?*

When you meet a co-packer, you also need to think about future needs. Early in the production, you may need only small production runs, but once your business grows, you may need more volume. You have to make sure this co-packer can accommodate high-volume orders in the future.

10. *Can the co-packer provide assistance with ordering and storage of ingredients and supplies?*

One of the main reasons to work with a co-packer is a lack of facilities. You may need storage space for your ingredients, supplies, or finished products. Ask potential co-packers if they can provide storage space. Also ask the co-packer if they can directly order ingredients and supplies or if you need to order and ship them to the co-packer. Some co-packers can introduce you to brokers or distributors that you can work with. Other factors you need to consider are:

- A confidentiality agreement
- The financial stability of the co-packer
- The location of the co-packer

Once you have identified a co-packer for your product, you should write a contract to ensure your product is manufactured according to your specifications in a timely manner. In general, a contract should contain the following elements:

- The parties involved
- The quantity of product to be produced
- The quality of product to be produced (including specifications you require)
- The timeline for the production to be completed
- The price to be paid (including payment method and when the payment is due)

It is recommended to have your attorney and potentially your accountant review the contract before you sign. Your attorney can ensure that the terms are satisfactory and that you are legally and financially protected if any problem occurs.

Where can I find a co-packer near me?

Having a co-packer that is geographically close to you allows you to have a more active role in the production. However, it is not uncommon for a food entrepreneur to work with co-packers in other states, especially if your product has special needs (e.g., specific equipment, certifications, etc.). You can get information about co-packers by talking to other food entrepreneurs. State and national association meetings, food shows, and trade shows can also be good places to meet co-packers. Other good resources include food industry trade publications and directories, because many specialized co-packers advertise through them. If you look for more local co-packers, university Extension offices can also be a resource for locating a co-packer.

There are several websites that provide the national co-packer directory:

- Specialty Food Co-Packers Directory: <http://www.specialtyfoodcopackers.com/The-Directory.html>
- The Association for Contract Packagers & Manufacturers: <https://www.contractpackaging.org> (select Member Directory at the tab menu)

Below is a noncomprehensive list of co-packers located in Florida and Georgia. The list is simply for information purposes, and it does not constitute or imply an endorsement or recommendation by the authors or UF/IFAS Extension. For details, contact the company directly.

Florida

All Wrapped Up

3714 Northwest 16th St
Ft. Lauderdale, FL 33311
Phone: (800) 891-2194
Fax: (954) 587-2144
Email: info@allwrappedup-gifts.com
Website: <http://www.allwrappedup-gifts.com/>
Processing: chocolate, other candy and snacks, specialty food packaging

Al-Rite Bottled Ideas

18524 NW 2nd Ave
Miami, FL 33179
Phone: (305) 652-2540
Fax: (305) 652-4478
Email: info@al-rite.com
Website: <http://www.al-rite.com>
Processing: liquid beverages, concentrates, sauces, teas, drink mixes

Ashlynn's Gourmet

22105 US Hwy 19N
Clearwater, FL 33765
Phone: (727) 687-3267
Email: info@ashlynnsgourmet.com
<https://www.ashlynnsgourmet.com/co-packing-services/>
Processing: sauces

Azure Water

1903 Greenleaf Lane
Leesburg, FL 34748
Phone: (352) 728-5646
Email: sales@azurewater.com
<https://azurewater.com/>
Processing: bottled water

Beneficial Blends, LLC

5505 Johns Rd., Ste. 704
Tampa, FL 33634
Phone: (800) 230-5952
<http://beneficialblends.com/>
Processing: liquid and semiliquid products

Best Brand Bottlers

6620 19th Street East
Sarasota, FL 34243
Phone: (943) 755-1941
Fax: (943) 755-1213
Email: office@bestbrandbottlers.com
<https://www.bestbrandbottlers.com/>
Processing: salad dressings, marinades, BBQ sauces, pasta sauces, hot sauces and cocktail sauces

Beverage Corporation International, Inc.

3505 NW 107th St
Miami, FL 33167
Phone: (786) 413-0530
<http://bcibeverages.com/>
Processing: sodas, juices, waters, energy drinks

Criollos Food, Inc.

3675 NW 67th Ave
Miami, FL 33147
Phone: (305) 691-7993
<https://www.criollosfoodusa.com/>
Processing: dry beans, peas, wheat, flours, cornmeal

Endorphin Farms, Inc.

3255 Parker Drive
St. Augustine, FL 32084
Phone: (904) 824-2006
Fax: (904) 824-4014
<http://www.bottle-my-sauce.com>
Processing: sauces

G. S. Gelato

1785 FIM Boulevard
Fort Walton Beach, FL 32547
Phone: (850) 243-5455
Fax: (850) 243-5443
Email: info@gsgelato.com
<http://www.gsgelato.com>
Processing: gelato, sorbet, desserts

H&H Products Company

6600 Magnolia Homes Road
Orlando, FL 32810
Phone: (800) 678-8448
Email: info@hhproductscompany.com
<https://www.hhproductscompany.com/contract-packaging/>
Processing: beverage, juice concentrates, syrups

House Autry

2732 Hibiscus Drive
Edgewater, FL 32141
Phone: (386) 428-5833
<https://www.house-autry.com/pages/private-label>
Processing: dry blends (seasonings, marinades, sauces)

IPAC Inc. (International Packaging of Authentic Cuisine)

1270 Belle Avenue, Unit 115
Winter Springs, FL 32708
Phone: (407) 699-7507
Fax: (407) 699-7548
<http://www.copack.com/about-us.php>
Processing: sauces/salsas, soups, dressings, cocktail mixers

Kitchen Fusions

6349 82nd Ave N
Pinellas Park, FL 33781
Phone: (727) 546-3444
Fax: (727) 934-9967
Email: info@mycopacker.com
<http://www.mycopacker.com/about-us/>
Processing: sauces, dips (dry blending only)

Marina Foods, Inc.

11125 NW 124th St
Medley, FL 33178
Phone: (786) 888-0129
Fax: (786) 888-0134
Email: info@marinafoods.com
<https://www.marinafoods.com/>
Processing: cooking oils, salad dressings, sauces

Old Meeting House Ice Cream

4004 South MacDill Avenue
Tampa, FL 33611
Phone: (813) 248-3151, Ext 110
Fax: (813) 248-6254
<http://www.omhicecream.com/index-2.html>
Processing: ice cream, soy cream, gluten free

Palmetto Canning Co. Inc.

3601 US Hwy 41
Palmetto, FL 34221
Phone: (941) 722-1100
Email: pcrbaggs@tampabay.rr.com
<http://www.palmettocanning.com>
Processing: dietary supplements, marinades, sauces, dressings, cooking wines, jellies and marmalades

Pals Group, Inc. (Lakay)

5761 NW 37th Avenue, Suite 101
Miami, FL 33142
Phone: (305) 638-7355
Fax: (305) 638-8655
<https://lakayfood.com/index.html>
Processing: grains, condiments, beverages, canned goods, oils, juices, sauces

The Sauceology Group

14221 60th Street North
Clearwater, FL 33760
Phone: (727) 599-0631
<https://thesauceologygroup.com/>
Processing: sauces, spice blends, rubs, salsas, dressings, marinades

Southeast Bottling & Beverage

15340 Citrus Country Drive
Dade City, FL 33523
Phone: (352) 567-2200
Fax: (352) 567-2257
<https://southeast-bottling.com/>
Processing: water, juices, teas, energy drinks, kosher, organic

Stage Coach Sauces

806 N Beach Street
Daytona Beach, FL 32114
Phone: (386) 328-6330
Email: info@stagecoachsauces.com
<http://www.stagecoachsauces.com>
Processing: sauces, condiments, dressing, syrups

St. Armands Baking Company

2811 59th Avenue Drive East
Bradenton, FL 34203
Phone: (941) 753-7494
<https://www.starbake.com/co-packing>
Processing: bread and roll bakery products

Tiller Foods

3803 E Columbus Drive
Tampa, FL 33605
Phone: (813) 739-2111
<http://www.tillerfoods.com>
Processing: yogurt, sour cream, cream, buttermilk, whipping cream, ice cream and dairy mixes, dessert mixes, coffee creamer, Pareve (Parve) and Kosher

Williams & Bennett Fine Foods

1815 Cypress Lake Dr
Orlando, FL 32837
Phone: (561) 276-9007
Email: orders@lasolabrand.com
<http://williamsandbennett.com/>
Processing: candies, chocolates

Georgia

Braswell's Foods, Inc.

226 N Zetterower Ave
Statesboro, GA 30458
Phone: (800) 673-9388
Email: customerservice@braswells.com
<https://braswells.com/>
<https://s3.amazonaws.com/cdn.braswells.com/downloads/Braswell-Catalog-8.pdf>
Processing: jams, jellies, dressings, marinades, sauces, honeys, toppings

Country Ranch Foods

1460 Field Park Circle
Marietta, GA 30066
Phone: (770) 792-9000/(888) 653-5550
Fax: (770) 792-8000
<http://www.countryranchfoods.com/privatelabel.html>

Processing: kettle items (gravies, sauces, soups, stews, chitterlings, broths), oven items (baked, dried, smoked and steamed chicken, roast, sausage, turkey), raw items (bulk sausage, sausage patties and links)

Custom Beverage Concepts

344 Golf Course Rd
Tallapoosa, GA 30176
Phone: (770) 574-9899
Email: caseyb@custombeverageconcepts.com
<http://custombev.wpengine.com/our-products/private-label-products/>
Processing: hot and cold beverages, sweetener, creamer, protein shakes

D&D Foods, Inc.

3715 4th Avenue
Columbus, GA 31904
Phone: (706) 322-4507
Email: orders@foysbbq.com
<http://www.foysbbq.com/>
Processing: sauces

Dessert Innovations

25-B Enterprise Blvd
Atlanta, GA 30336
Phone: (800) 359-7351/(404) 691-5000
Fax: (404) 691-5001
Email: admin@dessertinnovations.com
<http://dessertinnovations.com/about-us/>
Processing: dessert products, truffles

Dillon Candy Company

19927 HWY 84 E
Boston, GA 31626
Phone: (800) 382-8338
Fax: (229) 498-2201
<http://www.dilloncandy.com>
Processing: Confections, candies

Georgia Spice Company

3600 Atlanta Industrial Parkway
Atlanta, GA 30331
Phone: (800) 453-9997
Email: SShapiro@gaspiceco.com
<http://gaspiceco.com/>
Processing: dry blends (dressing, drink mixes, marinades, rubs, batters, seasonings)

Hillside Orchard Farms

18 Sorghum Mill Dr

Lakemont, GA 30552

Phone: (866) 782-4995

Email: michael@hillsideorchard.com

<http://www.hillsideorchard.com>

Processing: jams, jellies, dressings, sauces, juices, salsa, syrup, pickles, relish

Hogwaller BBQ

3414 Lee Rd

Hoboken, GA 31542

Phone: (912) 550-6494

Email: kennydasher@yahoo.com

<https://www.hogwallerbbq.com/co-packing>

Processing: sauces

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