



Starting your Alaska Food Business Successfully

Alaska Food Festival &
Conference

Anchorage, AK

November 7-9, 2014

All Food Business Owners must have: **Business Licenses**

- Alaska Business License:
 - <https://www.commerce.state.ak.us/CBP/BusinessLicensing/>
 - Cost: \$50.00 per year
- City or Local Business License:
 - Check with your city to determine if there is a city business license. Juneau, Palmer and Fairbanks all have city business licenses or registrations.
 - Cost: Varies

Working Under Cottage Foods

On June 25, 2012 new **Alaska Food Code** regulations were adopted to allow the sale of *non-potentially hazardous* foods directly to the consumer without a permit if certain conditions are met.

Cottage Foods: Alaska DEC FSS Requirements

- Keep and provide detailed knowledge about the ingredients of the food product and how it was processed, prepared and packaged.
- Have the food product recipe or formulation available in case there is ever a concern about the safety of the product. For pickled or dried product the producer needs to have information available about the pH or water activity.

Cottage Foods: Requirements Continued

- Process, prepare, package, and sell the product *only* in **Alaska**.
- Sell **directly to the consumer** by an individual who knows what ingredients were used to make the product and how the food was prepared and packaged. This individual must be able to answer consumers' questions about the product, including whether allergens are present in the food product

Cottage Foods: Requirements Continued

- **Do not** distribute or sell the product to stores, restaurants, by mail order, or on consignment.
- Keep total gross receipts of sales of food items to show gross sales *do not exceed* **\$25,000** within a calendar year.
- If the food **is not** prepared in a permitted, approved, or inspected kitchen, inform the consumer by a card, placard, sign, or label placed in a conspicuous area that states the following: **"THESE PRODUCTS ARE NOT SUBJECT TO STATE INSPECTION"**

Cottage Foods: Requirements Continued

- Label packaged food with either: an Alaska Business License number **OR** the name, physical address, and telephone number of the individual who prepared the food. This allows DEC to trace the product back to the producer if there is a problem or complaint.

Cottage Foods Resources

- Alaska DEC Home Based Food Businesses website:
http://dec.alaska.gov/eh/fss/Food/Cottage_Food.html
- Alaska Cooperative Extension Service:
<http://www.uaf.edu/ces/small-food-business/>
- Guide to Operating a Successful Home-based Food Business:
<http://www.uaf.edu/ces/pubs/catalog/search/index.xml>



Temporary Food Permits for Farmers Markets & Events

This type of permit is intended for short term events, farmers markets and fairs.

AK DEC FSS Temporary Permit

Event Length	Cost
1 day events	\$35.00
2-3 day events	\$65.00
4-7 day events	\$90.00
8-28 day events	\$120.00
120 day events (Farmers' Markets)	\$120.00

Note: Cost doubles if permit applications are received less than 1 or 2 weeks (depending on event length) before the event.

Temp Event: Food Worker Card

- Alaska DEC (Statewide):
<http://alaska.state.gegov.com/foodworker/>
- Municipality of Anchorage:
<http://www.premierfoodsafety.com/anchorage-food-handlers-card>
- Cost: \$10.00

Resources

- Alaska DEC:
http://dec.alaska.gov/eh/fss/Food/TFS_Home.html
- Municipality of Anchorage:
<http://www.muni.org/departments/health/admin/environment/fss/Pages/default.aspx>

Mobile Food Units: **Food Trucks**

- Push Cart
- Mobile Unit Not Self-contained
- Mobile Unit Self-contained
- Mobile Retail Vendor

Mobile Food Units Checklist

Item	Average Cost
DEC FSS Plan Review	\$200.00
DEC FSS Annual Permit	\$175.00 (annually)
Alaska Motor Vehicle Registration	\$100.00 (bi-annually)
Auto Insurance	Varies
Liability Insurance	Varies
Certified Food Protection Manager Certification	\$175.00-\$200.00 (Good for 5 years)
Food Work Cards	\$10.00 per card (3 years)
Traceback & Product Records	None – just time
Water Sampling	Varies

Mobile Food Units: Resources

Alaska DEC Department of Food
Safety and Sanitation:

<http://dec.alaska.gov/eh/fss/Food/carts.html>

Municipality of Anchorage:

<http://www.muni.org/departments/health/admin/environment/fss/Pages/default.aspx>



Basic Permitted Food Business

Non-potentially hazardous foods such as
baked goods.

Basic Food Bus. Checklist

Item	Cost
DEC FSS Plan Review	\$175.00-\$200.00 (one-time)
DEC FSS Annual Permit	\$200.00-\$250.00 (annually)
Product Liability Insurance	Varies (\$550.00-900.00)
FDA Food Facility Registration	Free
Certified Food Protection Manager's Certification	\$175.00-200.00 (good for 5 years)
Alaska Food Worker Card (for additional employees)	\$10.00 per person (good for 3 years)

Basic Food Business Cont.

Item	Cost
Nutrition Labeling	Varies ~\$150.00 or more
Recall Plan & Trace back records	Free – but takes time
Fire Marshall for building	Hopefully None!
Water & Wastewater Reqs. For building	None

Acidified Foods

- *“Acidified foods” are low-acid foods to which acid(s) or acid food(s) are added^o; they have a water activity greater than 0.85 and have a finished equilibrium pH of 4.6 or below (21 CFR 114.3(b)).*
- **Examples:**
 - Pickled Beets
 - Pickles (pickled cucumbers)
 - Salsas
- Does not include fermented foods (sauerkraut, kim chee, water kiefer)

Acidified Foods

Commercial production of these foods must comply with FDA Regulations: CFR Chapter 21 – Part 114 (21 CFR 114) unless operating under the Alaska DEC Home Based Food Business Exemptions also referred to as the Alaska Cottage Foods Exemptions.

<http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/CFRSearch.cfm?CFRPart=114>

Acidified Foods Checklist

Item	Cost
Scheduled Process	Varies
Better Process Control School	\$375.00-...
DEC FSS Plan Review	\$200.00
DEC FSS Annual Permit	\$200.00
FDA Food Facility Registration	Free
FDA Process Filing	Free

Acidified Foods Checklist Continued

Item	Cost
Nutrition Labeling	\$150.00-...
Recall Plan	Free but time intensive
Product Liability Insurance	Varies, expect >\$1000.00 annually
Fire Marshall (for building)	Free
Water/Waste water requirements (for building)	Free

Meat & Raw Meat Products

- Oversight by USDA (not AK DEC FSS)
- Examples:
 - Slaughter of animals
 - Making raw sausages, etc.
 - Jerky
 - Etc.

Types of sales

- Direct to Consumer – Sold on the hoof (uninspected)
 - Only saleable direct to consumer. No resale allowed.
- USDA Inspected Plant carries out slaughter.
 - Saleable direct to consumer or wholesale.
- Build/Permit your own USDA inspected facility.
 - Saleable direct to consumer or wholesale.

Poultry Exemptions – 1000 limit exemption

- A person may slaughter or process on his or her premises poultry that he or she raised and they may distribute such poultry without mandatory inspection (when specific criteria are met)
- For more information:
http://www.caes.uga.edu/topics/sustaining/documents/USDAPoultry_Slaughter_Exemption_0406.pdf

Dairy and Milk Production:

Office of the State Veterinarian

- <http://dec.alaska.gov/eh/vet/DairyMeat.html>
- Regulations for dairy and milk:
 - 18 AAC 32 Articles 1 & 2

Raw Milk

- Raw milk may not be sold in the State of Alaska
- Raw milk cheeses are permitted as long as all requirements are met under Alaska DEC 18 AAC 32 Article 2: *Milk, Milk Products and Reindeer Slaughtering and Processing: Cheese*



Thank you!

QUESTIONS?!?!?!?

For More in-depth information, please join us for our
next *Starting and Operating a Specialty Food
Business – February 3-17, 2015*

Marketing Strategies for your Alaska Grown business

{ Amy Pettit, Alaska Division of Agriculture

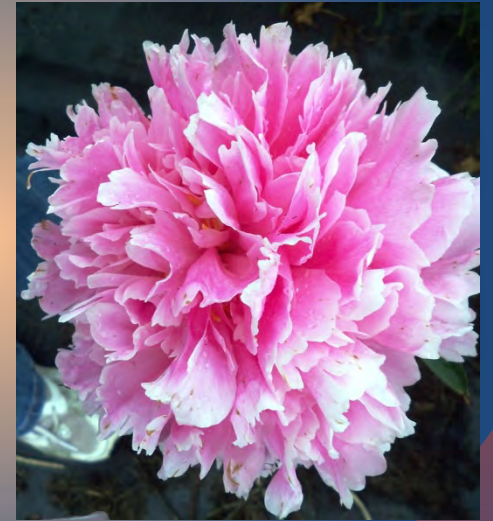


- ✓ Identifying Markets
- ✓ Targeting YOUR Market
- ✓ Branding YOUR Business
- ✓ Advertising
- ✓ The Alaska Grown Program
- ✓ Questions?



Identifying Markets: Who wants your product?

- General Public?
- Restaurants?
- Institutions?
- Schools?
- Remote lodge?
- Wholesaler?
- Grocery Store?



Targeting YOUR Market

- Where do they shop?
- How do they get their information?
- Who do you contact?
- How do you tell them about your product?
- What price are they willing to pay?



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Pricing your Product

- Cost of production
- Cost of storage
- Cost of selling
- YOUR TIME
- What are other businesses charging?
- Wholesale versus retail



Costs of Production

- Ground preparation

- Seeds

- Fertilizer

- Irrigation

- Weeding

- Harvest

- Labor

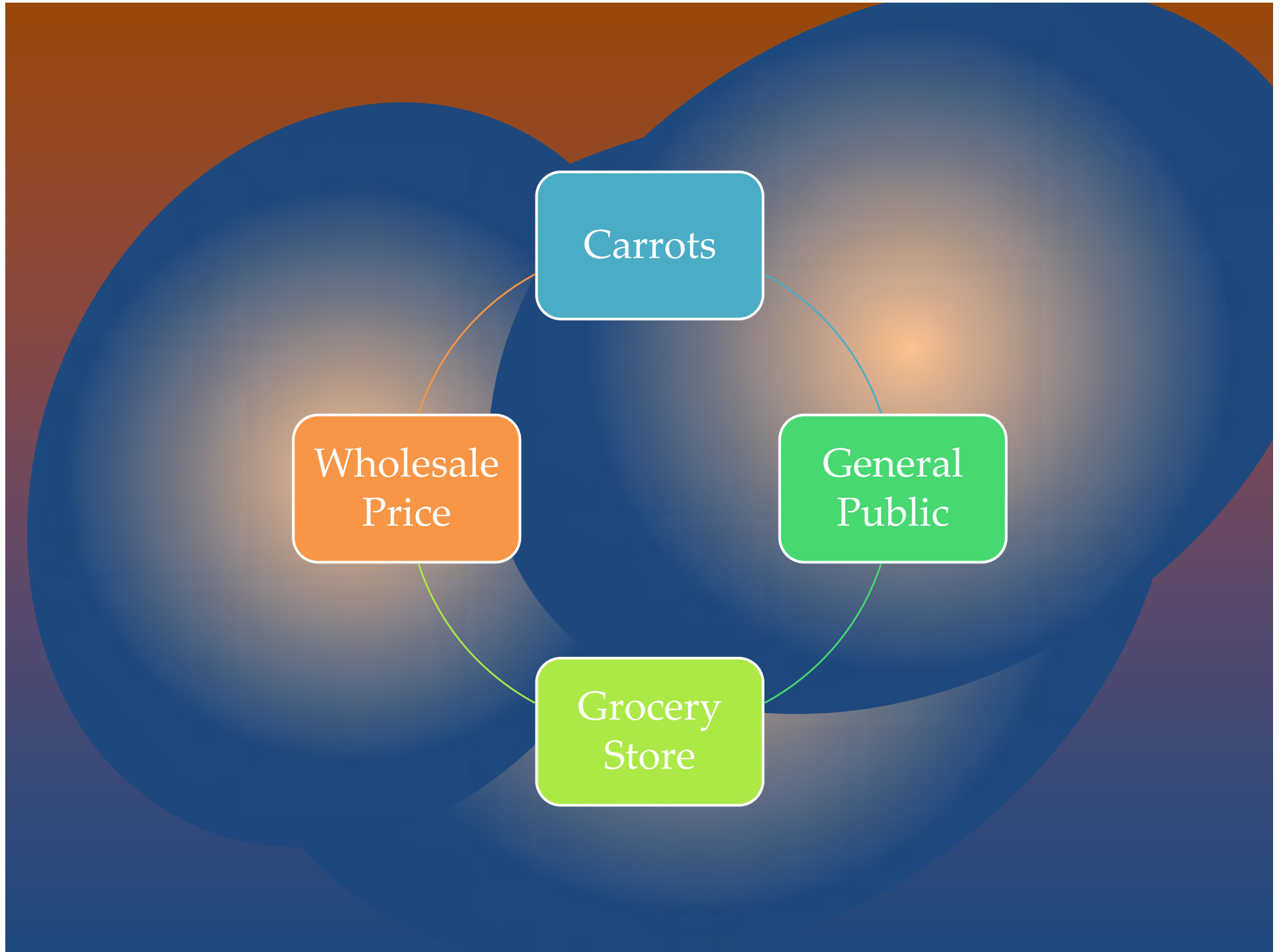
- Packaging

Carrots

Wholesale
Price

General
Public

Grocery
Store



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graph TD; Carrots --- RetailPrice[Retail Price]; RetailPrice --- FarmersMarket; FarmersMarket --- GeneralPublic; GeneralPublic --- Carrots;
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Carrots

Retail
Price

General
Public

Farmers
Market

Branding YOUR Business

- What is your story?
- What makes your business unique?
- Is it memorable?
- Keep it simple
- Does someone else already have that name?





07.17.2010



07.17.2010

SWEET BERRIES JAM



Advertising!

- Free advertising
 - Earned media
 - Word of mouth
 - Social Media
- Paid advertising
 - TV
 - Radio
 - Print/Publication
 - Signs



**Alaska.
GROWN**
Source Book

2014 - 2015

Alaska Farmers' Markets and Farm Listings
dnr.alaska.gov/ag/sourcebook/sourcebookindex2014.html



Free Advertising: Earned Media

THE REDOUBT REPORTER

← Home court — Legal action lets couple love life in Alaska

NOVEMBER 5, 2014 • 9:55 AM

↓ [Jump to Comments](#)

Picked to pour — Alaska Berries plans winery from plant to finished product

By Jenny Neyman

Redoubt Reporter

By the time Alaska Berries opened its new winery last month, owners Brian and Laurie Olson had already spent two years of intricate, meticulously conducted, carefully recorded



Central Peninsula Weather

Soldotna, AK

31 °F / -0 °C

Overcast
at 05:34 PM



[Click for Forecast](#)

This Week's Stories

- Picked to pour — Alaska Berries plans winery from plant to finished product
- Home court — Legal action lets couple love life in Alaska
- Merc still central to community — New owners have long history of store management
- Drinking on the Last Frontier: Beer cheers on the world stage — Alaska brews gain national, international honors



Free Advertising: Word of Mouth





Know your market

Who are you trying to reach?



Today, 72% of online adults use social networking sites

- #1 Be responsive
- #2 Be Nice
- #3 Share Useful Info
- #4 Create Value

Be conversational

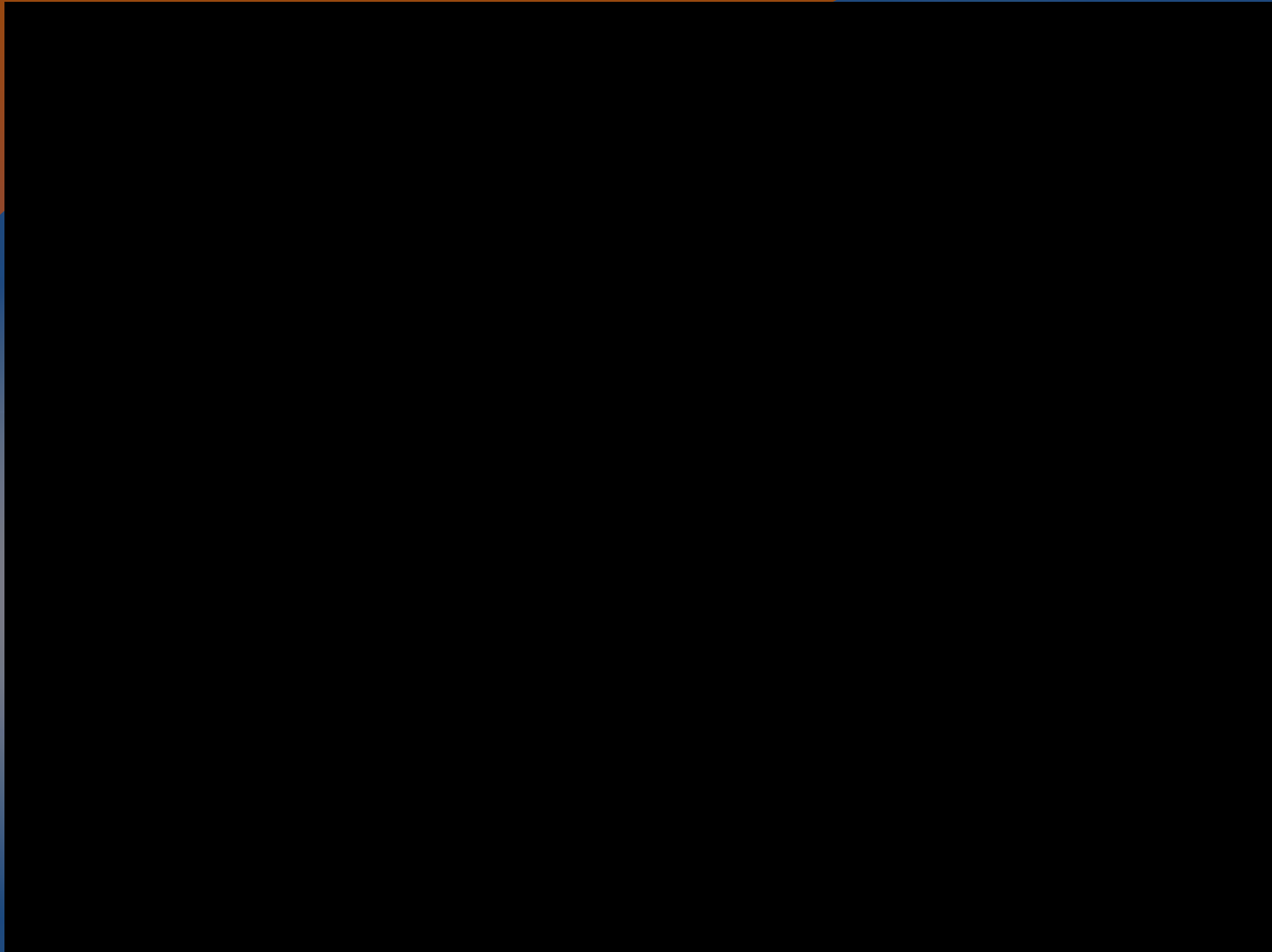
SPEED is critical

Be *careful* with humor

Respond to questions ASAP



https://www.youtube.com/watch?v=2KBtCivBNPU&list=UUqmz0qYG06eeygRs_jQvpDaw



<https://www.youtube.com/watch?v=y8cRmlrWIXM&list=UUqmz0qYG06eeygRsjQvpDaw&index=6>



**LOOK.
ASK.
BUY.**



**From
The Farm
To You**

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Working together
to meet the health needs
of Alaska's
children.



www.cmnalaska.org

LOOK. ASK. BUY.



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Local Restaurants ~ Grocery Stores

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Questions?

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