

Wisconsin Food Processing GUIDE



A Handbook for
Entrepreneurs
and Managers



Acknowledgements

This guide was created through a process of collaboration among service providers, educators, and entrepreneurs. In 2013 UW-Extension received a \$90,000 grant from the federal Economic Development Administration (EDA) to explore ways to support innovation in Wisconsin's food processing sector. Surveys of 150 existing companies and visits to 15 food business incubators across the state demonstrated that enhanced education and technical assistance was needed to spur development of new food products and businesses.

The Wisconsin Food Processing Guide was developed to fill a gap in basic information that food processors need to develop and launch new products. Several of the partners in the EDA grant also collaborated in developing the Guide, including UW-Extension, the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP), Food and Beverage (FaB) Wisconsin, and two former staff members of the now-closed Organic Processing Institute who served as lead authors. The authors combine existing resources with original material in order to present this information specific to food processing all together in one resource.

AUTHORS

Jenifer A. Buckley holds a doctorate from Michigan State University's Department of Community Sustainability, where she researched the food safety regulation of artisan processors. She has worked in sustainable food and farming in the Great Lakes area since 1995.

Elena M. Byrne holds a doctorate in nutritional sciences from the University of Wisconsin–Madison. She most recently served as Outreach Coordinator for the Organic Processing Institute, a nonprofit that offered education and information resources for food businesses.

CONTRIBUTORS

Martha Davis Kipcak, Mighty Fine Food, provided her entrepreneurial skills assessment tool.

Brad Rostowfske of FaB Wisconsin provided in-depth content on distributors and brokers for the Marketing and Distribution section.

PROJECT TEAM

Greg Lawless, University of Wisconsin-Extension; Kietra Olson, Wisconsin Department of Agriculture, Trade and Consumer Protection; Mary Pat Carlson, UW-Extension; Erin Peot, UW-Extension; Lois Federman, Wisconsin Department of Agriculture; Andrew Bernhardt, formerly with UW-Extension; Theresa Feiner, Teresa Engel, and Sarah Elliot, all formerly with Wisconsin Department of Agriculture.

On the Cover

*Angela Moragne, COO-Founder,
That Salsa Lady, Milwaukee, WI*

Wisconsin Natural Acres, Chilton, WI

ADVISORS

The authors and project team would like to thank the following individuals for their assistance in reviewing this guide. Any remaining errors are those of the authors.

Wisconsin Department of Agriculture, Trade & Consumer Protection
(DATCP) Division of Food Safety staff:

Steve Ingham, Carol Johnson, Brian Jorata, Mark Lehman, Troy Sprecker, and David St. Jules.

Jacy Eckerman, Yum Tum

Andy Gehl, Contract Comestibles

Kent Genthe, Wisconsin Innovation Kitchen

Fred Guenterberg, Watertown Farm Market Kitchen

Adam Haen, FEED Kitchens

Tera Johnson, Food Finance Institute, UW-Extension

Norm Monsen, DATCP

Brad Niemcek, Kickapoo Culinary Center

Brad Rostowfske, Food and Beverage (FaB) Wisconsin

Heidi Speight, Yum Tum

Jeff Swenson, DATCP

Romey Wagner, Wausau Business Development Center

Bob Wills, Cedar Grove Cheese and Clock Shadow Creamery

Contents

Introduction	6
What the Guide does not include	7
Do I have the makings of an entrepreneur?	9
Regulations and licensing	11
Licensing exemptions	12
State food safety licenses and FDA registration	15
State and county inspections	20
Low-acid and acidified foods	23
Food Safety Modernization Act	27
Meat and poultry	32
Cheese	34
HACCP	36
Selecting a facility	42
Shared commercial kitchens	42
Processing in your own licensed facility	46
Working with a co-packer	48
Product development	52
Formulation	52
Product testing	54
Nutritional analysis	55
Resources	55
Labeling and packaging	56
Labeling regulations	56
Packaging	63
Special label claims: gluten-free, non-GMO, organic	66
Gluten-free	67
Non-GMO	69
Organic	70
Something Special from Wisconsin	72
Recordkeeping, inventory, and recalls	73
Production records	74
Coding systems	76
Inventory management	79
Product recalls	82
Safe handling and storage	84
Sanitation and facility requirements	84
Employee hygiene	87
Time and temperature control	89
Storage	90

Equipment	91
Marketing and distribution	96
Market channels	96
Distributors	98
Brokers	103
Insurance and liability issues	109
Planning an exit strategy	111
If you need to sell... ..	111
Pre-planning for dissolution	113
Case study: lessons from a baby food start-up	114
Other resources	116
Abbreviations, acronyms	117
Appendix	118

Note: DATCP website overhaul

This guide provides many links to the website of the Wisconsin Department of Agriculture, Trade & Consumer Protection (DATCP). Please note that this website is being overhauled as of this writing. If links do not work, please try a web search for the content. For current information, send an email to datcpdfslicensing@wisconsin.gov or phone 608-224-4923.

Introduction

Entrepreneurship requires one to wear many hats. Without an executive suite full of assistants and years of experience, entrepreneurs need to apply science, engineering, law, business and marketing. When a new venture involves food, there are additional demands of regulation and food safety. Today's society embraces the artisan-made, thoughtfully concocted food business for a variety of reasons: attention to local ingredients, creative practices, and contribution to local economies are just a few. All of this makes for great opportunities in the marketplace, but also great competition. Entrepreneurs may find many cheerleaders who encourage their natural bent toward risk-taking. Without careful planning and preparation, however, small-scale food production can be costly and dangerous.

The Wisconsin Food Processing Guide presents a comprehensive array of topics that must be considered by the food entrepreneur. It provides a point of reference and reflection for those starting up, scaling up, or even those who are just dreaming. If you are still at that imagining phase, peruse the chapters to see if you have the head to wear all of these hats.

Please read on for an overview of “How the Guide is Organized” and “Navigating the Guide.” It was designed with an eye toward making it easy to refer to specific topics as needed. Also please note that this guide does not address some topics that are not specific to food. Those are listed in the section entitled “What the Guide Does Not Include,” along with some resources that may be useful in seeking out assistance for those topic areas.

For those of you already engaged in the challenge of entrepreneurship, we commend you, and we invite you to explore the information here. We also invite you to contribute by getting in touch with DATCP and UW-Extension to provide feedback so that future editions can incorporate your knowledge and experience.

What the Guide does not include

Because some topics of entrepreneurship are not specific to the food arena, they are readily covered by traditional small business services such as the Small Business Administration, the many regional Small Business Development Centers around the state of Wisconsin, and countless other public and private business support centers.

Topics that are not covered in this guide include:

- Business planning
- Financial planning
- Market analysis/feasibility studies
- Sales marketing
- Internet presence/social media

Consider the resources listed at the end of the section for guidance on those topics.

How the Guide is organized

Sections are organized around the following components.

- **Does this section apply to me?**
Look for this heading at the beginning of sections and/or subsections to determine whether to read further.

It is likely that some sections apply to you and some do not. For example, the section on equipment applies to you if you conduct your own processing, but it does not if you contract the processing to a co-packer.
- **Information on what to do and what to expect**
What steps should you take? What requirements should you be aware of? What should you expect to happen?

Essential information is provided on each of the topics and makes up the greater part of each section.
- **Key terms**
Key terms and abbreviations are defined.
- **Resources**
Web links to further resources are provided.
- **Regulatory references**
Sections conclude with citations and links to pertinent state and federal laws.

Navigating the Guide

The first question to answer in embarking on any food-processing venture is whether you need to obtain a food safety license.

- Begin with the section on “Licensing Exemptions,” page 12.
- If any of your products do not appear in the list of exemptions, continue on to the rest of the section on “Regulations and Licensing.”

Operating a food processing business involves making many decisions.

- Where will you do the processing?
- Do you want to use any special claims on your label, such as organic, GMO-free, gluten-free, or Something Special from Wisconsin?
- What type of packaging will you use, and where will you buy it?
- What equipment do you need? Which facilities have it, or where will you buy it?
- How will you market your products?

If you are doing the processing yourself—as opposed to contracting it to a co-packer—you also need to follow best practices with respect to the following. State and federal laws may also apply to you with respect to:

- Safe handling and storage
- Recordkeeping
- Recall plans

The guide concludes by discussing exit strategies. You may eventually decide to close or sell your business. At what point will you make that decision? How will you decide whether to close or sell? What steps will you take to sunset as gracefully as possible and minimize difficulties? This section provides pointers and a case study to illustrate one entrepreneur’s experience.

Resources for entrepreneurs

DATCP Wisconsin Value-Added Food & Farm Business Counselor Program

<http://datcp.wi.gov/uploads/VA%20Counselor%20List.pdf>

Food and Beverage Wisconsin (FaB)

<http://www.fabwisconsin.com/>

Midwest Food Processors Association

<http://www.mwfpa.org>

US Small Business Administration (SBA)

<https://www.sba.gov/>

Wisconsin Small Business Development Center (SBDC)

<http://www.wisconsinsbdc.org/>

Wisconsin Women’s Business Initiative Corporation (WWBIC)

<https://www.wwbic.com/>



Martha Davis Kipcak, Mighty Fine Food,
Milwaukee, WI

Do I have the makings of an entrepreneur?

Martha Davis Kipcak, Mighty Fine Food
Used with permission

Martha Davis Kipcak of Milwaukee is a cheesemaker who knows what it takes to be a successful entrepreneur. She founded the social enterprise, Mighty Fine Food LLC: <http://www.mightyfinefood.us/>, and produces Martha's Pimento Cheese (MPC) for the marketplace. In 2013, her first year of operation, Martha won both first and second place awards in the Spread category (for mild and jalapeno MPC) of the prestigious American Cheese Society Competition, the leading voice of artisan and specialty cheeses of North America.

Martha urges budding entrepreneurs to carefully consider their readiness in the following areas before embarking on a food venture.

Rank your traits as:

- Yes
- Sometimes/Not really
- No
- Don't know

Passion

I enjoy talking about my business idea.

I know and enjoy the business I am starting.

I lose track of time when working on my business.

I am always thinking about new and better things for my business.

Persistence

I stick with a project until it is completed.

I am willing to work long hours, 10–12–14+ hours a day in my business.

I am willing to keep working until the task is complete.

I am willing to make a long-term commitment to my business.

Health/Energy

I am in good health to start a new business.

I have the emotional support of my friends and family.

I am comfortable with stress, uncertainty, and daily multi-tasking.

I am risk-tolerant, yet know when to change directions.

Good Communication

I can communicate concisely, clearly, and successfully in writing and speaking.

I am comfortable meeting and talking with new people.

I am a careful, thoughtful listener.

Creativity/Innovation

I adapt well to change.

I enjoy new experiences and challenges.

I enjoy learning new skills, ideas, and methods.

I am flexible while not compromising integrity.

Independence/Self-Reliance

I am capable of making final decisions.

I am self-motivated.

I am able to work independently.

I know when I need help and am willing to ask for it and listen when it is given.

Intuition

I am a careful, honest listener of my own gut feelings.

I can balance facts from feelings when making decisions.

Self-Confidence

I am confident in my ability to succeed.

I keep my promises and am trustworthy.

I bring impeccable integrity with me each day.

Listening Skills

I pay attention to events, people, news and trends that can affect my business.

I listen to others and value their opinions, even if they differ from my own.

Resilience

I am willing to accept challenges and take calculated risks.

I do not whine.

I am not a victim.

I can juggle many tasks and responsibilities with grace and courage.

I look for solutions, developing and organizing plans of action.

Ethical and Responsible

I am willing to put in the time, resources, and effort to make this business succeed.

How did you do?

Now that you've ranked yourself on Martha's categories, you can see what your challenges will be. Refer to the "Resources for Entrepreneurs" on page 8, and above all, seek out other entrepreneurs to learn how they adapted to the demands of entrepreneurship.

Regulations and licensing

Food processing is governed by regulations at the federal, state, and local levels. Regulations have been established to assure that the food is safe and sanitary for the consumer and to prevent fraud. To operate legally, processors are required to obtain licenses that verify that food safety practices are in place and that their suppliers will be compensated.

Regulatory oversight starts at the state level. In Wisconsin, the Department of Agriculture, Trade and Consumer Protection (DATCP, pronounced DAT - cap) is the agency that regulates food production. DATCP licenses and inspects about 30,000 food-related businesses: dairy farms, plants, and trucks; slaughter plants and meat processors; food processors, wholesalers, retailers, and warehouses.



Your first point of contact is DATCP

Depending on what you produce, where your facility is located, and where you sell, you may also be regulated by local or federal agencies. Nevertheless, DATCP is your first point of contact.

Processors that purchase grain, milk, or vegetables from Wisconsin producers are required to comply with the provisions of DATCP's agricultural producer security program. The program is designed to protect agricultural producers from financial defaults by those purchasing the producer's products. See DATCP's Agricultural Security Program Overview: http://datcp.wi.gov/Business/Agricultural_Producer_Security/.

Being aware of and complying with the regulations has the added benefit of helping your business. The food processing industry has a significant responsibility to protect public health and, correspondingly, faces considerable risk. The standards established by the regulations help you produce a product that is safe, and they help mitigate your risk.

This section helps you:

- determine whether your operation is subject to food safety licensing requirements,
- navigate the licenses that may affect you, and
- meet relevant training requirements.

Licensing exemptions

Does this section apply to me?

If you are processing food for sale or considering doing so, this section applies to you.

The first question to answer in any food-processing venture is whether you need to obtain a license.

If any of your products are not listed in Table 1, continue to “State Food Safety Licenses,” page 15.

If all of your products are listed in the table, and the specific production and sales provisions indicated in the table apply to you, check with DATCP to confirm whether you are indeed exempt.

Determine whether you need a license

Determine whether your operation is subject to food safety licensing requirements.

Table 1 lists products that are exempted from DATCP licensing requirements under specific conditions.

Do not hesitate to contact DATCP with any questions. Processing food for sale without required licensing can carry significant penalties and reputational damage.

This list is adapted from DATCP’s Wisconsin Local Food Marketing Guide (third edition): <http://datcp.wi.gov/uploads/Business/pdf/ThirdEditionLFMG.pdf>. State requirements by product and market are summarized on pages 83–96 of that guide.

TABLE 1. Exemptions from DATCP licensing requirements

Product	Manner of sale	Conditions of production and sale
Apple cider	Producer selling from farm	Cider must be pressed by the producer/seller. Cider must be fully labeled including approved warning statement.
	Producer selling door-to-door or at farmers market	Cider must be pressed and bottled by the producer/seller. Local ordinance may apply. Cider must be fully labeled including approved warning statement.
Eggs	Producer selling from farm or as part of a community supported agriculture (CSA) group	Eggs must be sold directly to consumer; if a CSA purchases eggs from a producer and re-sells to their members, that CSA must obtain a retail or food processing facility license. Must be handled in a way to assure food safety including storage at 45°F or below. Used carton labels can't be misleading (remove original labeling when re-using cartons).
	Producer selling door-to-door or at farmers market	Producers with 150 or fewer egg-laying birds can sell at farmers markets or door-to-door without a food processing plant license for the farm, but would need the mobile retail food establishment license. Registration of the flock may be required by the state. Eggs must be stored at 41°F during storage and transportation. Eggs must be fully labeled including a Grade statement or “Ungraded.”

continued

TABLE 1. Exemptions from DATCP licensing requirements (continued)

Product	Manner of sale	Conditions of production and sale
Honey	Producer selling from farm, door-to-door or at farmers market or distributing to grocery store, restaurant, or institution	No license required for honey sold as beekeeper's own that has no added color, flavors, or ingredients, including air incorporated by whipping. Honey must be fully labeled including a Grade statement or "Un-graded." Honey must be handled in a way that assures food safety.
Jams and jellies	Producer selling from farmers market or a community event, and within Pickle Bill parameters described at right	An individual may process in a home kitchen without a food processing plant license within parameters of s. 97.29 (2)(b)2, including: food products are pickles or other processed vegetables or fruits with an equilibrium pH value of 4.6 or lower, person grosses less than \$5,000 per year from the sale of the food products, and the person displays a sign at the place of sale stating: "These canned goods are homemade and not subject to state inspection." Product must be fully labeled, including the disclaimer: "This product was made in a home not subject to state licensing or inspection."
Maple syrup	Producer selling from farm, door-to-door or at farmers market	Food must be handled in a way that assures food safety. Maple syrup must be fully labeled.
	Producer selling syrup or concentrated maple sap sold only to processors for further processing	No license required if within parameters of ATCP 70.03(7)e 1-4 including: combined gross receipts from all sales during the license year total less than \$5,000, the processor keeps a written record of every sale and retains that record for at least two years, and the processor registers with the department each year above sales occur.
Poultry 1,000 or fewer birds per year:	Producer selling from farm	No license or inspection required for home slaughter and sale; birds may be slaughtered and processed at a licensed meat establishment.
Farm-raised chickens, Ducks, Geese, Guinea hens, Squab, Turkeys		Birds must be healthy and come from producer's own flock. Poultry can only be sold directly to consumer. Person produces all poultry on his or her farm. Processed poultry must be handled in a way that assures food safety. Frozen poultry must be maintained frozen. Unfrozen poultry must be maintained at internal temperature of 41°F or below. Poultry must be fully labeled including "Not inspected."
Vegetables—pickled (acidified and canned)	Producer selling from farmers market or a community event, and under Pickle Bill exemption	An individual may process in a home kitchen without a food processing plant license within parameters of s. 97.29 (2)(b)2: https://docs.legis.wisconsin.gov/statutes/statutes/97/11/29/2/b/2 , including: food products are pickles or other processed vegetables or fruits with an equilibrium pH value of 4.6 or lower, person grosses less than \$5,000 per year from the sale of the food products, and the person displays a sign at the place of sale stating: "These products are homemade in a kitchen that has not been subject to state inspection." Product must be fully labeled, including the disclaimer: "This product was made in a home not subject to state licensing or inspection."



Wisconsin-sourced apples, Mineral Point, WI

Resources

Pickle Bill fact sheet (UW-Extension)

<http://fyi.uwex.edu/foodbin/2012/08/22/updated-pickle-bill-fact-sheet/>

Safe and Healthy: Preserving Food at Home (UW-Extension)

<http://fyi.uwex.edu/safepreserving/>

Guidelines for Serving or Selling Home-Prepared Foods (UW-Extension)

http://foodsafety.wisc.edu/assets/pdf_Files/guidelines_selling_homeprepared.pdf

Wisconsin Local Food Marketing Guide, 3rd ed. (DATCP)

<http://datcp.wi.gov/uploads/Business/pdf/ThirdEditionLFMG.pdf>

Regulatory references

Pickle Bill Exemption in the Wisconsin Statutes

<https://docs.legis.wisconsin.gov/statutes/statutes/97/II/29/2/b/2>

Egg Sales and Licensing (DATCP)

http://datcp.wi.gov/Food/Egg_Sales_and_Licensing/

Home Canned Foods (DATCP)

http://datcp.wi.gov/Food/Home_Canned_Foods/

Selling Honey (DATCP)

http://datcp.wi.gov/Farms/Bees_and_Honey/Selling_Honey/

Selling Maple Syrup (DATCP)

http://datcp.wi.gov/Food/Honey_and_Maple_Syrup/Selling_Maple_Syrup/index.aspx

Sale of Untreated Juice of Fruits and Vegetables (DATCP)

<http://datcp.wi.gov/uploads/Food/pdf/UntreatedJuice-32.pdf>

State food safety licenses and FDA registration

The DATCP Division of Food Safety has regulatory authority over food sold in Wisconsin. It issues licenses, defines requirements for processing operations and facilities, inspects facilities, and reviews product labels, among other responsibilities. Contact DATCP early in your decision-making process—they may be able to help you avoid problems. Most of this section covers DATCP licensing.

Food processors are also required to register their facilities with the Food and Drug Administration (FDA). This is covered near the end of the section on page 20.

Does this section apply to me?

This section applies to you if:

- Any of your processed products do not appear in the list of exemptions that starts on page 12.
- You are doing the processing yourself and are not contracting with a co-packer. See page 42.

Obtain a food safety license

To obtain a food safety license, take these steps.

1. Give careful thought to:

- what types of products you will produce
- what equipment will be required
- in what facility you will produce them
- how you will package and label your products
- where you will store finished product
- how and where you will distribute and sell

These decisions determine which license(s) apply to you.

2. Be familiar with the types of licenses that may apply to food processors.

The following licenses, fees, and other details are listed in the DATCP License Fee Schedule:

<http://datcp.wi.gov/uploads/Licenses/pdf/F-fd-286.pdf>

Food Processing Plant License (Wisconsin Administrative Code, Chapter 70: http://docs.legis.wisconsin.gov/code/admin_code/atcp/055/70)

This is a wholesaling license. If you plan to sell your processed products primarily through distributors, grocery stores or other businesses, you will need a food processing plant license.

Food processing plants are licensed annually. Licenses expire on March 31 each year.

License fees are paid annually. Fees are based on annual dollar volume of production and type of production.

Dollar Volume of Production = (gross sales of product processed) + (inventory value of any portion of product not sold)

Licenses are specific to the facility in which you process. This means that:

- You need to have secured a facility before obtaining a license.
- Licenses are not portable. If you move to a different facility, you are required to obtain a new license. Each license is linked to a physical location.

Retail Food Establishment (Wisconsin Administrative Code, Chapter 75: http://docs.legis.wisconsin.gov/code/admin_code/atcp/055/75)

If you plan to sell your processed products directly to consumers, you will need a retail food establishment license. Internet sales to end consumers are considered retail sales.

Retail food establishments are licensed annually. Licenses expire on June 30 each year.

License fees are paid annually. Fees are based on sales and whether processed food is potentially hazardous. “Potentially hazardous” is defined in the Wisconsin Statutes as “...any food that can support rapid and progressive growth of infectious or toxicogenic microorganisms” (97.27(1) (dm): <https://docs.legis.wisconsin.gov/statutes/statutes/97/II/27/1/dm>).

Food Warehouse (Wisconsin Administrative Code, Chapter 71: http://docs.legis.wisconsin.gov/code/admin_code/atcp/055/71)

Finished product must be stored in a warehouse that is licensed by DATCP. Part of your residence may be licensed as a warehouse, if it is separate from living quarters.

Food warehouses are licensed annually. Licenses expire on June 30 each year.

License fees are paid annually. Fees are based on square footage of storage space and whether stored food is potentially hazardous.

3. Contact DATCP

Contact DATCP Licensing Specialists to let them know that you intend to operate a food processing business and to ask any licensing questions.

- Email datcpdfslicensing@wisconsin.gov (email is preferred)
- Phone 608-224-4923

Present your plans to DATCP. Be as specific as you can.

Follow these guidelines, which appear in the Minnesota Institute for Sustainable Agriculture’s Commercial Kitchen Guide: http://misadocuments.info/Commercial_Kitchen_Guide.pdf, Appendix E.



Barb Newcomer, Barb's Kitchen and Potato Salad, Monroe, WI

DON'T SAY:

"I am thinking about making pies, what do I need to do?"

DO SAY:

"I want to make savory pies out of the eggs my chickens produce. I will also use a variety of garden vegetables I grow as ingredients, as well as store-bought crusts and store-bought dairy products. How can I get licensed for my process?"

DON'T SAY:

"Can I make dried fruit strips?"

DO SAY:

"I want to make fruit leathers from apples, plums, and apricots that I grow on my farm. There won't be any additional ingredients. I plan to use a Weston 74-1001 food dehydrator. Is there anything I might need to consider that I am not thinking of?"

DON'T SAY:

"What do I need to do to make jam?"

DO SAY:

"I want to make blueberry, strawberry, and blackberry jam with fruit from my farm. I also want to make apple butter with apples I buy from a neighbor. How can I be licensed to produce these jams?"

4. DATCP Licensing Specialists guide you through the process

They will provide information on:

- licensing requirements that apply to you. More than one license may be required.
- facility requirements.
- training or certification requirements.

If the licensing specialist determines that your operation is a retail food establishment, you may be referred to a local health department for licensing. Some retail food establishments are licensed by DATCP, and others are licensed by local health departments.

Ask questions.

- Note that DATCP specialists are limited when it comes to providing opinions on specific companies or products.

5. The paperwork

- a) Licensing specialists mail you a paper license application.
- b) If required, a plan review is conducted. This may include an equipment review, HACCP review, process review, and/or building review. HACCP (Hazard Analysis and Critical Control Points) is addressed in this guide on page 36.
- c) You return the completed application with license fee via mail.

- **Note:** Make sure you have the correct form, fill it out correctly and completely, and pay the correct amount. Mistakes can result in delays and additional fees.
- d) A sanitarian receives the application and schedules a licensing inspection within a short time.
- e) The sanitarian conducts an onsite inspection of your facility.
- f) Your facility is officially licensed.
- g) If a license application is denied, you have the right to request a hearing concerning the denial.
 - The request must be made in writing and must be received by the department at the central office within 10 days after the applicant receives notice of denial.
 - License fees are not refundable if a license application is denied.

FDA registration

- Register your facility with the FDA.
- Information specific to small food processors appears in the FDA's *Guidance for Industry: What You Need to Know About Registration of Food Facilities; Small Entity Compliance Guide*: <http://www.fda.gov/food/guidanceregulation/guidancedocumentsregulatoryinformation/ucm331957.htm>.
- Facilities can be registered online with FDA. See FDA's *Guidance for Industry*: <http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/AcidifiedLACF/ucm309376.htm>
- Some processing facilities are not required to register. These are listed in the FDA Guidance under “Facilities that do not have to register.”

Resources

Starting a Food Business: Canning (UW-Extension)

http://www.foodsafety.wisc.edu/business_food/files/starting_food_business.pdf

Wisconsin Local Food Marketing Guide, 3rd ed. (DATCP)

<http://datcp.wi.gov/uploads/Business/pdf/ThirdEditionLFMG.pdf>

Regulatory references

License Fee Schedule (DATCP), listing license types, fees, and other details

<http://datcp.wi.gov/uploads/Licenses/pdf/F-fd-286.pdf>

Full list of DATCP food licenses

<http://datcp.wi.gov/Food/>

Starting a Food Business (DATCP)

http://datcp.wi.gov/Food/Starting_a_Food_Business/

Plan Review Checklist and Guide (DATCP)

<http://datcp.wi.gov/uploads/Food/pdf/PlanReviewChecklist-29b.pdf>

Wisconsin Administrative Code, Chapters 55–89 on Food Safety

http://docs.legis.wisconsin.gov/code/admin_code/atcp/055

Wisconsin Administrative Code, Chapter 70 on Food Processing Plants

http://docs.legis.wisconsin.gov/code/admin_code/atcp/055/70

Wisconsin Food Processing and Food Sales Requirements (DATCP)

<http://datcp.wi.gov/uploads/Food/pdf/BasicLicenseInfo.pdf>

State and county inspections

Your facility is inspected upon initial licensing and at regular intervals thereafter. The frequency of inspections depends on the food safety risk that your product presents, the volume of your annual sales, and your compliance history.

If you are licensed by DATCP, your inspections are conducted by DATCP sanitarians, referred to here by the former title of inspector. If you are licensed by a county or local health department, your inspections are conducted by health department sanitarians.

Does this section apply to me?

This section applies to you if:

- Any of your processed products do not appear in the list of exemptions that starts on page 12.
- You are doing the processing yourself and not contracting with a co-packer. See page 42.

What to expect during an inspection

During an inspection, the inspector:

- Tours the interior and exterior of your facility.
- Reviews your processing procedures and records. See page 74.
- Reviews your sanitation procedures and records. See page 84.
- Checks refrigerator and freezer temperatures.
- Checks strength of sanitizer solution if you are using a three-step sanitation process.
- Checks operating temperature of dishwasher if you are using a dishwasher.
- Looks under equipment with a flashlight.
- Takes samples for analysis and environmental swabs for pathogen testing.
- Speaks with you to determine your knowledge of food safety. See the DATCP fact sheet on *Demonstration of Knowledge*: http://datcp.wi.gov/uploads/Food/pdf/dfs_fs_074_14Knowledge.pdf.

Inspections may be unannounced. The inspector will expect to speak with the Person in Charge.

Work well with your inspector

Your inspector is one of the most important people you contact as you form a food business. Develop and maintain a good working relationship with your inspector from the idea stage through licensing and regular inspections. Inspectors assist in several ways. They:

- help identify the laws that apply to your business,
- conduct a review of your plans,



Mark Olson, Renaissance Farm,
Spring Green, WI

- help you identify ways to meet your own production objectives while also meeting regulatory requirements.

As your business grows and you add products, purchase equipment or make other changes, your inspector will need—and want—to stay up to date. These changes may affect your licensing requirements.

Developing a positive rapport with your inspector is important, as is educating yourself about licensing and regulations.

See your inspector as a resource and ally.

Many processors see their inspectors as valuable resources and allies. Think of your inspector as someone who is there to help ensure that you make a safe product and operate a successful business.

Be “up front” with your inspector.

Help your inspector help you.

Don't be afraid to ask questions. Develop a list of all of the questions that you have before you contact him or her, and be as specific as you can.

Tell your inspector just as much as you can about what you intend to do. Details that seem insignificant to you may have implications for licensing requirements. Even if you are only thinking about adding a product or making other changes several years in the future, talk about those ideas.

Be patient and persistent.

Take the time to help your inspector understand what you want to do.

Inspectors may not be familiar with the types of products that you want to produce or with the techniques or equipment that you plan to use. The geographic areas that they cover include many different kinds of food businesses, from processing facilities to grocery stores and warehouses. You may be the first processor of your type in your inspector's area.

Work with your inspector to explore different ways of doing what you want to do while meeting regulatory requirements. This may require many conversations over a period of time. Approach this as an opportunity to demonstrate that you are serious about developing a food business and realistic about the challenges that it involves. It is also an opportunity to demonstrate that you will maintain a positive working relationship with someone with whom you may not always agree.

Also keep in mind that inspectors speak with many prospective business owners who are not able to follow through with their plans, or who open businesses only to close after a short time. If your inspector's enthusiasm for your venture seems guarded, this may be why.

Remember: Inspectors want to see operators succeed, and your sanitarian will be proud for you when you do.



Ray Guenther, Seth Jones, Scott Pierce, Summer Hamille and Kent Genthe, Wisconsin Innovation Kitchen, Mineral Point, WI

Key terms

Person in Charge (PIC) the individual at a food establishment who is responsible for the operation. The permit or license holder can be either the PIC or can designate a PIC. During all hours of operation, someone at the facility must be the designated PIC.

Sanitarian is another term for inspector. The Sanitarian is a staff person employed by DATCP or your local food safety authority to evaluate your compliance with food safety regulations.

Resource

Demonstration of Knowledge (DATCP)

http://datcp.wi.gov/uploads/Food/pdf/dfs_fs_074_14Knowledge.pdf

Credit

This section originally appeared as a fact sheet produced by Jenifer Buckley for small Michigan processors in 2013, *Working with Your Food Safety Inspector*: http://jeniferbuckley.com/wp-content/uploads/Working_w_Inspector.pdf.



Copyright © 2016 by the Board of Regents of the University of Wisconsin System doing business as the division of Cooperative Extension of the University of Wisconsin-Extension. All rights reserved.

Authors: Jenifer A. Buckley, Elena M. Byrne. Cooperative Extension publications are subject to peer review.

Funding provided by the UW-Extension Community Food System Team

The authors and rights holders make no warranties. Information in this publication should not be relied upon as a substitute for professional advice.

University of Wisconsin-Extension, Cooperative Extension, in cooperation with the U.S. Department of Agriculture and Wisconsin counties, publishes this information to further the purpose of the May 8 and June 30, 1914, Acts of Congress. An EEO/AA employer, the University of Wisconsin-Extension, Cooperative Extension provides equal opportunities in employment and programming, including Title IX and ADA requirements. If you have a disability and require this information in an alternative format, or if you would like to submit a copyright request, please contact Cooperative Extension Publishing at 432 N. Lake St., Rm. 227, Madison, WI 53706; pubs@uwex.edu; or (608) 263-2770 (711 for Relay).

This publication is available from your county UW-Extension office (counties.uwex.edu) or from Cooperative Extension Publishing. To order, call toll-free 1-877-947-7827 or visit our website at learningstore.uwex.edu. To view, download or print a single copy of this publication for free, go to learningstore.uwex.edu and click the yellow "View PDF" button.