



LOCAL VENDORS



A guide for local farmers and producers



OPEN HARVEST
CO-OP GROCERY

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Introduction

Thank you for your interest in becoming a vendor at Open Harvest Co-op Grocery. This guide provides everything that is required for us to have a healthy and profitable working relationship. Please read through this guide carefully before filling out an application. New Vendor Applications are available on our website at www.openharvest.coop/become-a-local-vendor. Once we receive an application from you, you can expect to hear back from us within 5 business days.

Local is at the heart of what Open Harvest stands for and that is why we value our professional business relationships with local vendors. We are always on the lookout for new local products and we look forward to hearing from you!

Liability Insurance Requirement

The Co-op requires that vendors have liability insurance naming Open Harvest as an Additional Insured. The minimum limit for General Liability should be no less than \$1 million per occurrence and include coverage for products and completed operations. A certificate of coverage from the insurance carrier must be sent to the Co-op annually.

Product Selection Guidelines

Open Harvest Co-op Grocery is Lincoln's trusted source for high quality food, personal, and household products, making healthy and sustainable choices accessible to a diverse community of member owners and shoppers.

To do this, we look for products that:

- Meet or exceed our product standards
- Meet the needs of our customers and will sell well
- Have an adequate and consistent supply (while in-season)
- Retail-ready: packaged or presented in a manner that is ready to sell

As a new vendor, or a current vendor submitting new products for consideration, it is highly recommended to send photos and/or samples along with the product information, ingredient lists, and costs.

Product Standards

We prefer products that are:

1. **CLEAN:** Organic and/or non-GMO ingredients, free from artificial colors, flavors, preservatives, fragrances, antibiotics, growth hormones, herbicides, and pesticides.
2. **SUSTAINABLE:** Organically grown, biodynamically grown, or other sustainable practices.
3. **LOCAL:** Produced within 200 miles of the Co-op or within the state of Nebraska.
4. **CLOSE TO THE SOURCE:** Fresh, minimally processed.
5. **SOCIALLY RESPONSIBLE:** Cooperatively run, fair trade, small scale, not tested on animals.
6. **APPROPRIATELY PACKAGED:** Minimal packaging that is recyclable, biodegradable, or compostable.

Packaging & Presentation

All product should be retail grade and ready to sell. All packaging should be new and food-grade. BPA-free is encouraged.

Produce should be clean (dirt, sand, bugs or any other materials needs to be washed off and/or appropriately removed).

Bunched produce should be appropriately twist-tied (preferred) or banded. If using bands, ONLY NEW, food-grade rubber-bands may be used. The vendor is responsible for providing and twist-tying or banding bunches accordingly. If certified organic, ORGANICALLY GROWN or CERTIFIED ORGANIC twist ties should be used. If produce is not certified organic, LOCALLY-GROWN twist ties should be used.

For packaged goods, we advise vendors to register UPCs for your products with GS1, and include barcodes on your product. It makes your product appear professional and speeds up checkout.

Produce

Preference will be given to produce that is Certified Organic and/or Certified Naturally Grown (www.cngfarming.org).

Farms that use sustainable growing practices but do not have certification, or conventional produce included in the Clean 15 (www.ewg.org/foodnews/clean_fifteen_list.php) may be considered if a local organic option is not available. A visit to the farm may be conducted to ensure proper growing practices.

Meat & Dairy

Our Meat and Grocery departments purchase products that contain no added preservatives, nitrates or nitrites, from livestock that are humanely raised without the use of antibiotics or growth hormones. Preference will be given to organic practices and pasture-raised livestock.

Eggs

The Co-op buys fresh local eggs from cage-free birds that are raised without the use of antibiotics or growth hormones. Preference will be given to pasture-raised and those using organic practices.

All vendors are required to have an egg license to sell eggs to a retail store in the state of Nebraska. Eggs should be washed and refrigerated from the time of collection. Eggs are purchased in whole cases (15 dozen per case) only. Prices paid by the Co-op are based on volume.

Our shoppers love local eggs so much that we ask egg vendors to call the Co-op before delivery, so we can let people know when their eggs will be available.

Ordering

Department managers will contact vendors to place orders as needed. Orders are not guaranteed, but based on sales and customer demand. Only product ordered by the Co-op will be accepted for delivery.

Price of the product must be communicated by the vendor before product will be ordered.

For seasonal and perishable items like produce and dairy, communicate availability of product, including quantity and date available to department managers **by email**. Establishing a weekly communication routine as the season commences is recommended, so both vendor and department manager can count on a regular conversation about upcoming availability.

Revolving and auto-fill orders must be initiated by the department manager, after a vendor has established consistent communication and delivery.

The Co-op or vendor may terminate the business relationship at any time.

Delivery

Only product ordered by the Co-op will be accepted for delivery. Product must be retail grade and accompanied by an invoice.

We recommend that vendors establish consistent delivery days and times with the department manager, and communicate if deliveries will deviate from those times.

The Co-op's department managers and staff have the right to reject any product due to damage, decay, and/or if it is not retail grade. The vendor will be contacted within 24 hours of delivery for a return of the amount of product not sellable.

The Co-op pays within listed terms (Net 14 or Net 30 days.) NO CASH ON DELIVERY.

Retail Grade

Retail grade is product that is ready to be put out on the shelf and sold to customers. It is cleaned and appropriately packaged. For produce, any dirt, sand, bugs, or any other material needs to be washed off and/or appropriately removed. Discoloration, blemishes, scrapes or other external deformities will be left up to the produce manager's discretion as to whether it can be sold.

Produce Boxes

Vendors must deliver produce in their own food grade boxes or containers. Boxes must be new or very gently used produce boxes (waxed or similar) or unmarked boxes. Produce box markings need to match the produce in the box. For example, no apples in pumpkin boxes, no organic produce in conventional produce boxes. Items delivered in inappropriate boxes (examples: used electronic boxes, potato chip boxes, unclean or worn boxes, alcohol boxes) WILL NOT BE ACCEPTED and the vendor will not be paid.

Boxes or other delivery totes must be labeled with identifying producer/vendor, weight or count, item description, certification (if applicable), and delivery and/or pack date.

Upon request, boxes & similar may be saved for a produce vendor to pick up. Boxes/delivery receptacles MUST be picked up in a timely fashion (10 days or less) or they will be disposed of or recycled appropriately.

Delivery Fees

Any delivery fees must be discussed between vendor and department manager prior to ordering. If a delivery fee is not expressly stated as part of the purchase, delivery fees will not be paid.



Parking

Deliveries should be made through the back door. Please park in one of the two allotted parking spots, or use the loading dock for large trucks. It's recommended that large trucks time their deliveries outside lunch hours, as it's difficult to back into the loading dock during busy times. Ring the doorbell to let the Co-op know you're here.

Delivery parking spots are short-term parking. If you will be shopping or intend to stay for more than the duration of the delivery, please move your vehicle so other vendors can make their deliveries.

If a vendor makes purchases after making a delivery, please exit through the front doors. No product should go out through the back door.

Receiving

Receiving Hours

Monday - Friday: 8 AM - 3 PM

Saturday: 8 AM - NOON

Any other times need to be negotiated with the department manager in advance before becoming a vendor.

Vendors with any last-minute delivery changes that fall out of the required times must notify the department manager as soon as possible (due to weather, emergency, etc.) so that we may arrange for the delivery to be received and stored properly.

Invoices

Open Harvest Co-op Grocery must be provided with a typed invoice upon delivery. Each invoice line should be clearly labeled, whether it is a product, credit, or delivery fee. To be paid, every invoice must be signed by a Co-op staff member.

Invoices must include:

- Date of Delivery
- Terms (Net 14 or Net 30)
- Invoice Number
- Farm/Producer Name
- Address
- Phone Number
- For each product delivered:
 - Quantity
 - Product Description (if certified organic, please indicate)
 - Per unit price
 - Item total
- Invoice Total

We encourage local vendors to keep their own copies of invoices for reference. The Co-op is not responsible for making copies of vendor invoices.

Example of an Ideal Invoice

Pay to: Nebraska Organic Farm
1234 Sustainable St
Just Outside Lincoln, NE 68523

402-555-5555
us@nebraskaorganicfarm.com

INVOICE

Invoice #: 1143
Delivery Date: 3/2/2017
Net Terms: Net 30

Qty	Product	Price	Item Total
1	Sweet Potato, Beauregard 35# Certified Organic	\$48.50	\$48.50
10	Kale, Curly Certified Organic	\$1.20	\$12.00
3	Spring Mix, 2# Certified Organic	\$6.00	\$18.00
TOTAL			\$78.50

Bill to: Open Harvest Co-op Grocery
1618 South St
Lincoln, NE 68502

Pricing

As a local vendor, it is important that you know your costs and what you need to charge for your product, and communicate these clearly. The Co-op will provide feedback on pricing as needed, and will try to work with vendors to establish a fair price for all parties.

Any cost changes must be agreed upon by the buyer prior to delivery of product.

The Co-op reserves the right to set the shelf/retail price of products. As you know your costs best, we know ours, and set appropriate margins to meet our operating expenses while providing a fair price to the shopper.

Payment (Net Terms)

The Co-op pays within listed terms. If your terms are not listed on the invoice, we assume the standard 30 days. Net 14 is the lowest term permissible, in which payments are made by the Co-op within 14 days of the delivery date.

Resources

Rural Food Business Toolkit

<http://www.cfra.org/rural-food-business-toolkit>

Lone Tree Foods

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

Starting Your Business

Nebraska One Stop Business: <https://www.nebraska.gov/osbr/index.cgi>

Starting a Business in Nebraska: http://www.revenue.nebraska.gov/business/bus_regist.html

Nebraska Business Licensing and Permits: <http://www.nebraska.gov/business/business-licensing/>

Cooperative Development Services: <http://www.cdsus.coop/>

Food Requirements

Nebraska Food Code:

http://dhhs.ne.gov/publichealth/Documents/Food_Service_Code_Book.pdf

Nebraska Pure Food Act: <http://food.unl.edu/documents/actaw.pdf>

Nebraska Requirements for Food Establishment Operations:

<http://www.nda.nebraska.gov/publications/foods/preopenlist.html>

Liability Insurance

How it works and what coverage is right for you:

<https://www.sba.gov/blogs/general-business-liability-insurance-how-it-works-and-what-coverage-right-you>

<https://www.sba.gov/blogs/what-kind-business-insurance-do-you-need>

Labeling Requirements

Ingredients

All prepared food items must have all ingredients listed, including ingredients of ingredients. For instance, if soy sauce is an ingredient in your food item, the ingredients for the soy sauce must also be listed. The Food and Drug Administration (FDA) has guidelines of how this must be done.

Labeling & Nutrition Guidance:

<https://www.fda.gov/food/guidanceregulation/guidancedocumentsregulatoryinformation/labelingnutrition/default.htm>

Small Entity Compliance Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/ucm402549.htm>

Gluten-Free

The FDA requires that all food manufacturers whose products would carry a gluten-free label to be able to prove that their product is gluten-free. Gluten-free foods have a limit of containing gluten in less than 20 parts per million (ppm). This applies to any food product that is labeled as "gluten-free," "no gluten," "free of gluten," or "without gluten". Food manufacturers may choose to use effective quality control tools to ensure that any foods they label gluten-free do not contain 20 ppm or more gluten, such as in-house testing, third-party laboratory testing, or becoming a certified gluten-free facility.

Gluten-Free Labeling of Food:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Allergens/ucm362510.htm>

Gluten-Free Food Labeling Questions and Answers:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Allergens/ucm362880.htm>

Certified Organic

The USDA regulates use of the organic on labels. If you are not certified, you must not make any organic claim on the principal display panel or use the USDA organic seal anywhere on the package. You may only, on the information panel, identify the certified organic ingredients as organic and the percentage of organic ingredients.

Organic Labeling: <https://www.ams.usda.gov/rules-regulations/organic/labeling>

Product Related Definitions**Organic**

Organic products are grown without the use of pesticides, synthetic fertilizers, sewage sludge, genetically modified organisms, or ionizing radiation. Organic meat, poultry, eggs, and dairy products come from animals that are given no antibiotics or growth hormones.

The USDA oversees organic standards and certification.

Organic Regulations: <https://www.ams.usda.gov/rules-regulations/organic>

Organic Certification: <https://www.ams.usda.gov/services/organic-certification>

Certified Naturally Grown

Certified Naturally Grown is a third-party non-profit certification process for smaller-scale farmers that use organic practices but find the paperwork and costs associated with

becoming Certified Organic prohibitive. Certification requires the same standards as the USDA'S National Organic Program.

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

Fair Trade

Fair Trade is a movement that unites marginalized farmers and producers with traders and consumers in a commitment to fairness, equity, and environmental stewardship. Fair Trade Certification most directly applies to internationally traded commodities such as coffee, tea, chocolate, and sugar.

Fair Trade Federation: <http://www.fairtradefederation.org/>

World Fair Trade Organization: <http://wfto.com/>

Domestic Fair Trade Association: <http://www.thedfta.org/>

GMO

Genetically modified organisms (GMOs) are living organisms whose genetic material has been artificially manipulated in a laboratory through genetic engineering. This creates combinations of plant, animal, bacteria and viral genes that do not occur in nature or through traditional crossbreeding methods.

Ingredients at high risk of containing GMOs include Alfalfa, Canola, Corn, Cotton, Papaya, Soy, Sugar Beets, Zucchini, and Yellow Summer Squash.

In the absence of GMO-labeling laws, the only way for customers to be certain that a product is GMO-free is to be Certified Organic, or obtain certification through third-party organizations such as the Non-GMO Project.

Non-GMO Project: <https://www.nongmoproject.org/>

Growth Hormones

Artificial growth hormones, such as Recombinant Bovine Somatotropin (rBST), are used to stimulate growth and milk production in food-producing animals. Questions and controversy over the impacts of these added hormones on human development and health continue.

Cage-Free / Free-Range / Pasture-Raised

Cage-Free means that the fowl are not kept in battery cages; Free-Range means that fowl had access to the outdoors; Pasture-Raised means that the fowl had ample space and time to roam outdoors.