

## **Co-Packing FAQ for Start-Ups and First-Timers**

***Q: I am thinking about starting a business and I need to know how much things will cost. Will you give me quotes for my product(s) that I want start with?***

A: We only deal with existing companies. If you are not a registered business at this time (no FEIN for your business) we cannot work with you. We are a B2B company and only work with other legally formed businesses. There are ways that you can pursue to get ballpark estimates of the costs involved to manufacture your product. We have prepared a [Costing Guideline](#) to help you to determine ballpark costs to manufacture your product. We will be happy to help you when you are in a position to place an order. We cannot generate pricing data for you so that you can decide if you have a workable business. If you follow the [Costing Guideline](#) you will have the data you need to decide if your business is viable.

If you are working on a business plan your first move should be to contact the [Small Business Administration](#) (SBA), [SCORE](#) or your local Chamber of Commerce.

***Q: I have an existing or just registered my business. What do you need to know about my business?***

A: We need to know who you are and how to easily contact you. You can send us that information using our [Co-Packing Inquiry Page](#). We are assuming that you have a “real” idea what your product’s unit cost will be. Don’t assume that unsubstantiated cost numbers will be valid. Guessed pricing is always underestimated.

***Q: What can you co-pack?***

A: We can co-pack dried products like herbs, spices, seasonings, loose teas, most herbals, rubs, sugar-based powders, seeds (chia, flax etc.), beans and most nuts. We can co-pack products that are larger pieces like doggie treats, dried fruit chips, pretzels and trail mix. We do not co-pack any liquid products, pastes, gels or anything that is sticky or contains water or oil. We do not co-pack products that contain flour of any kind (wheat, rice, bean, etc.) or products that tangle into bunches and do not lend themselves to flow freely.

***Q: If I give you a general idea of what kind of product(s) I want to sell can you tell me what it costs?***

A: We will only spend the time to cost out products that you can thoroughly describe. See our [Costing Guideline](#) for details. We don’t give out price ranges for ill-defined products because the actual cost may not be within that range.

***Q: I am looking for a new co-packer for a product I am selling now. How do I find out if you can do it cheaper?***

A: We will need a sample of your product(s) to assess. You also need to tell us what you know about the ingredients used to make your product(s). You may need to get spec sheets of the ingredients currently used in your product so we know what to use in our pricing structure. See the [Costing Guideline](#) for details. If your product is a recipe we need to have an NDA signed first. You can let us know if you want a

recipe blended for you on our [Co-Packing Inquiry Page](#). We also will need to know what a REAL first order size would be and what your targeted price range per unit is. Do not over-estimate your first order size; you will not get a price that is applicable to a smaller sized order.

***Q: Can you just give me some ballpark idea of the price?***

A: No. We have had people say, "But you said it would cost..." It is your job to generate a ballpark idea, not ours (see our [Costing Guideline](#) ).

***Q: What is your minimum order?***

A: We stock many ingredients and several kinds of containers but we don't have everything available for packaging. Sometimes containers and ingredient will need to be sourced. That being said, the minimum will depend on what we keep in stock (packaging components/ingredients) to make your product. If we do, the minimum can be as low as 300 units per SKU but generally 500 units per SKU. If we don't the minimums will be the minimum order amounts that we must buy of the "largest minimum" component. In other words, if your product is made using A, B and C, and A is sold in minimums of 250 units, and B is sold in minimums of 500 units and C is sold in minimums of 1000 units and we have to source all three, your minimum is 1000 units of your product. We do not store the unused components that we normally do not stock.

***Q: I sell or want to sell 12 different products. Will you tell me how much each will cost me?***

A: We get requests to price out 6, 10, 20 and even 40 different products and at times in different sizes for each! We simply do not have the time to create many hypothetical estimates or scenarios. We have orders to fulfill and customers that are waiting. We can price out 1 or 2 different well defined products. That should be enough for you to decide if our pricing structure is within your budget limits. You should already have a decent idea of what the cost range is for each product so you can compare our quote to those estimates (see [Costing Guideline](#) ).

***Q: How long will it take to get a price quote?***

A: We are constantly filling orders for our existing customers. They are our first priority. It can take up to 2-3 weeks if the product is complex, or if sourcing is very difficult or if we are very busy. If you are planning a spring or winter holiday launch, you should contact us 12 weeks ahead of your launch date.

***Q: If I have a family recipe that I want to market. How do I protect my recipe but get a price quote to package it?***

A: If you have a proprietary blend, the first thing we will do is to put an NDA (Non-disclosure Agreement) in place. It is a contract between our company and yours and guarantees that we will not discuss any of your secrets with anyone else.

***Q: When I finally decide to place an order how do we proceed?***

A: First you will need to give us a deposit. Co-packing under private label is considered a special order. Special orders require a deposit of 50% up front. The balance plus all shipping costs are paid when your order is ready to ship and must be paid in full BEFORE we ship. You should know that if you pay by check we must wait until the check clears before we schedule your order. Paying by direct deposit expedites the process. After we schedule your order, we require 15 business days to manufacture your product(s) starting from the day that **all ingredients and components** are delivered in-house. It might take longer if it is the busy season (Spring or Winter holidays) or it might take less time when we are less busy (like January thru March). In any case you need to be mindful of the timing when you first call us. You need to plan out your timing for your launch. That means if you want to launch in Spring for the barbecue season, you can't make your final decision to go forward three weeks before Memorial Day. We often get customers that mull over what to do for months and then we get a call from them to manufacture their product by ASAP. Just remember, most start-ups want to launch either for the Spring or for the holiday season; so, if that is when you want to launch your wait time will be longer rather than shorter.

***Q: I can keep my costs down if I import the ingredients and packaging from China, India, Thailand, Cambodia, etc. myself and have them sent to you directly (drop-shipped); all you have to do is assemble the product; is that a problem?***

A: Yes it is. We do not get involved with accepting ownership of uninspected imported cargo. Importers have their own set of headaches to contend with if the shipment is damaged and we don't want those headaches. We cannot get involved with customs or exporter issues or address the condition that cargo arrives (damaged, dirty, leaking, etc.). We don't want to be the ones to discover that there are 500 kgs. of ingredients that are in an unusable condition. FDA does not allow the use of components/ingredients that have their containers ruptured. They are considered to be "adulterated." If you want to import your own ingredients and packaging, you must import to your location first, then you must check over the cargo for damage, remove all damaged boxes / bags and unusable goods and ship the rest to us. If you want to save money by importing from overseas then you should also accept the headaches involved when importing.