

**FTSLA Webinar 1/20/11: Sustainable Supply Chains—Purchasing Guidelines, Standards & Certifications**

**Presentation Notes - Sundance Natural Foods Case Study  
Sustainable procurement guidelines (Keeping the Gate)**

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**1. Our guidelines**

**Speaker Notes**

Sundance Natural Foods started in 1971 and is 40 years old.

We are a traditional, independent Natural Foods store emphasizing whole, minimally processed, organic food.

We are a “product driven” store and not an “industry driven” or “market-driven” store. This means we put more value on the integrity of the product than on the opportunity to make more money on products that may be popular or trendy, but less healthy or sustainable.

We focus on organic whole grains and whole foods that have a high nutritional value. We guard against genetically modified ingredients, petrochemical fertilizers, synthetic herbicides, fungicides, and insecticides, etc. We also guard against harmful or unnecessary ingredients like trans-fats, artificial colors, flavors, and preservatives, unnecessary sugars, and flavor enhancers like MSG or excitotoxins.

We look for packaging that has the lowest carbon footprint. This means we support packaging

that can be reused, recycled or is a nontoxic compostable.

We support Fair Trade, Domestic Fair Trade and fairly traded commodities. We actively promote products that are made with organically grown ingredients. We also promote local organic agriculture, sustainable farming, manufacturing and distribution.

We are actively and wholeheartedly working to keep GMOs out of our store.

We also give a lower mark-up to local vendors that are incorporating organic and sustainable practices in their company and products.

### **Slide text**

- 1) We are a traditional, independent Natural Foods store emphasizing whole, minimally processed, organic food.
- 2) We are a “product driven” store and not an “industry driven” store.
- 3) We focus on organic whole grains and whole foods that have a high nutritional value.
- 4) We guard against genetically modified ingredients, petrochemical fertilizers, synthetic herbicides, fungicides, and insecticides, etc.
- 5) We guard against harmful or unnecessary ingredients like trans fats, artificial colors, flavors, and preservatives, unnecessary sugars, and flavor enhancers like MSG or excitotoxins.
- 6) We look for packaging that has the lowest carbon footprint. This means we support packaging that can be reused, recycled or is a nontoxic compostable.
- 7) We support Fair Trade, Domestic Fair Trade and fairly traded commodities.
- 8) We support organically grown ingredients.
- 9) We support local and organic agriculture.
- 10) We support local manufacturing and distribution and alternative forms of sustainable delivery.
- 11) We also give a lower mark-up to vendors that are incorporating organic and sustainable practices in their company and products.

### **Guidelines and Product Standards (by department)**

Packaging, Food Miles, Local Vendors, Third Party Certification, GMO's, Manufacturer's Corporate Affiliations

Package, Frozen, Chill, Bulk Food, Nonfoods, Produce

## **2. Ingredients**

### **Speaker Notes**

We focus on organic whole grains and whole foods that have a high nutritional value and are minimally processed. We guard against genetically modified ingredients, petro-chemical fertilizers, synthetic herbicides, fungicides, and insecticides, etc. We also guard against harmful or unnecessary ingredients like trans fats, artificial colors, flavors, and preservatives, unnecessary sugars, and flavor enhancers like MSG or excitotoxins.

We look for products made from whole foods that are organic and support sustainable agriculture (organic, biodynamic, permaculture). We will compromise if there is a certain product or class of

product (gluten free) that is not available in a organic form, but only to a certain extent. However, there is no compromise when it comes to any product that has GMOs in it.

The questions we ask ourselves when considering a product are:

Is every ingredient in the ingredient list safe to use or consume?

Is its production sustainable?

Does it leave the world a cleaner, healthier, and safer place for us all?

Needless to say, many products are not 100% organic. When this is the case we may or may not compromise. It depends on how much is organic and then all other factors have to be weighed (the history and reputation of the manufacturer, the packaging, food miles, certifications, and corporate affiliations). There is no matrix or set of measurements for this. I usually do as much research on the product as I have time for, and then collate the information in my mind and check in with my gut feeling and make a decision.

Lastly the quality of the product itself, in terms of taste and texture, will be one of my biggest considerations. I personally take the samples I get from brokers or manufacturers and pass them around to my coworkers and get their opinions.

### **Slide Text:**

- 1) We focus on organic whole grains and whole foods that have a high nutritional value and are minimally processed.
- 2) We guard against genetically modified ingredients, petrochemical fertilizers, synthetic herbicides, fungicides, and insecticides, etc.
- 3) We also guard against harmful or unnecessary ingredients like trans fats, artificial colors, flavors, and preservatives, unnecessary sugars, and flavor enhancers like MSG or excitotoxins, etc.
- 4) We look for products made from whole foods, which are organic and support sustainable agriculture (organic, biodynamic, permaculture).
- 5) We will compromise if there is a certain product or class of product (gluten-free) that is not available in a organic form, but only to a certain extent. However there is no compromise when it comes to any product that has GMOs in it.
- 6) The questions we ask ourselves when considering a product are:
  - Is every ingredient in the ingredient list safe to use or consume?
  - Is its production sustainable?
  - Does it leave the world a cleaner, healthier, and safer place for us all?

### **3. Packaging**

#### **Speaker Notes**

We look for packaging that has the lowest carbon footprint. This means we support packaging that can be reused, recycled or is a nontoxic compostable. We do not support biodegradable or photodegradable plastics. We also guard against biodegradable packaging made from GMO plant based by-products. We favor companies that do not use bisphenol-based lacquers in their can linings. We choose to carry minimally packaged products and avoid over packaged products. We look for paper products that have a high “post-consumer” recycled content. We actively support our customers reusing containers and bags.

We sell reusable bags at below cost to encourage their reuse and discourage the use of paper bags. We charge 10 cents for bigger bags and donate that money to local nonprofit environmental organizations that emphasize sustainable forestry.

#### **Slide Text**

- 1) We look for packaging that has the lowest carbon footprint. This means we support packaging that can be reused, recycled or is a nontoxic compostable.
- 2) We do not support biodegradable or photodegradable plastics.
- 3) We also guard against biodegradable packaging made from GMO based plant by-products.
- 4) We favor companies that do not use bisphenol-based lacquers in their can linings.
- 5) We choose to carry minimally packaged products over redundant, over packaged products.
- 6) We look for paper products that have a high post-consumer recycled content.
- 7) We actively support our customers reusing containers and bags.
- 8) We sell reusable bags below cost to encourage their reuse and discourage the use of paper bags. We charge 10 cents for bigger bags and donate that money to local nonprofit environment organizations that emphasize sustainable forestry.

#### **4. Food miles/Local/Regional**

##### **Speaker Notes**

We like to get products as close to home as possible. But that said, our biggest distributor is UNFI. It is hard, if not down right impossible, to measure food miles of products that come from UNFI. UNFI doesn't supply that kind of detailed information. But you can guess that products you get from any large distributor are going to have the highest food miles on them just because of the "centralized" nature of this paradigm of distribution.

Here in the Willamette Valley, any product within a 100-mile range I count as local. Some people might not agree with that, but that is my personal definition local. There is still some debate about this inside and outside the store. Regional is a bigger zone and I include all of Oregon, Washington State and the western half of Idaho in the definition of regional.

Sundance does a fair amount of business with a local distributor called Hummingbird Wholesale. Hummingbird actively sources Willamette Valley grains, beans, fruits, and honeys well within my 100-mile radius definition. What is also special about Hummingbird Wholesale is that they can deliver thousands of pounds of food by a recumbent, bike "pick-up". It has a big bed on it and is powered by one very strong delivery person. The only thing burned in getting us food from their warehouse is calories. We also contract a local bike delivery service to bring us organic, whole wheat bread from a local bakery. Getting as much local food as possible, directly from the farmer or manufacture or through local distributors, is one of our most important goals here at Sundance.

#### **Slide Text**

- 1) We like to get products as close to home as possible.

- 2) Products you get from any large distributor are going to have the highest food miles on them just because of the centralized nature of this paradigm of distribution.
- 3) The less food miles on products, the less energy they use, and the more local or regional businesses your store is supporting.
- 4) Getting as much local food as possible, directly from the farmer or through local distributors is one of our most important goals here at Sundance.

## **5. Local Vendors**

### **Speaker Notes**

Sundance has a policy of featuring as many local products as possible. This keeps diversity of choice in the store and subverts the dominant paradigm of corporate affiliations and massive food miles. Local vendors have unique products and are a source of pride and local flavor.

### **Slide Text**

- 1) Sundance has a policy of making use of as many local products as possible.
- 2) Local vendors spend their money locally; keep diversity of choice in the store. The use of local vendors subverts the dominant paradigm of corporate centralization, affiliations and massive food miles.
- 3) Local vendors have unique products and are a source of pride and local flavor.

## **6. Third party certification**

### **Speaker Notes**

We support independent third party certifications. This includes Fair Trade, Salmon Safe, Shade Grown, Organic certification, USDA Organic, and so on  
Not all certifiers or certifications are the same. It pays to do your research, as some are more trusted than others.

### **Slide Text:**

- 1) We support independent third party certifications.
- 2) Not all certifiers or certifications are the same.
- 3) It pays to do your research. Some are more trustable than others.

## **7. GMOs**

### **Slide Text**

- 1) NO GMOs!
- 2) Educate yourself to the growing list of GM crops, and the forms GM ingredients come in, big and small.
- 3) Have zero tolerance to GM crops and educate your customers, employees, and your associates in the food industry. They will help you find them in the store if you haven't found them already.

## **8. Manufacturer's Corporate Affiliations**

### **Speaker Notes**

This is tricky because if we were to get rid of products on the shelf solely because of affiliations with large multi-national food corporations, 60% of our products would be gone. It is a sad statement and a good reason to encourage local products and local organic produce.

Products with affiliations to corporations with unsustainable manufacturing or toxic food practices are evaluated on how much negative influence by the parent company can be easily documented.

If a corporation/parent company has a substantial egregious record or history of working against our cherished values, like organics, sustainability, non-toxic food, etc., we won't deal with them.

## **9. Packaged**

### **Speaker Notes**

At Sundance the Pack department includes all shelf stable products. These products represent a variety of different types of packaging I.e. cans, cardboard boxes with food grade plastic bags in them, aseptic cartons, sealed plastic bags. Please look to the guideline section under packaging for the more detailed points about packaging and packaging standards.

## **10. Frozen**

### **Speaker Notes**

Freezing food by its very nature is a very unsustainable medium of food preservation. Just carrying frozen products is a compromise we make, as it uses the most energy of any type of food storage that we carry. Fortunately, at Sundance, we only have five doors of frozen. We carry frozen desserts, frozen fruits and vegetables, frozen meals, frozen juice, and a small array of miscellaneous products.

If you think about the amount of energy it takes for a frozen product, from the moment of its production, it is mind-boggling. Once made at the manufacturer's plant, is stored in a huge freezer until it is ready to be transported by a truck that has a freezer in it. By truck the product is transported to a distributor where it is stored in another huge freezer until it is ready to be transported to a retail outlet where it may be stored in a back stock freezer and then brought to the front of the store where it is placed in a display-case freezer (which are generally the most inefficient kind of freezer due to the constant opening and closing of doors) and stays there until it is purchased. Once it is purchased it is taken to the customer's home where it is again stored in a freezer until that customer decides to use it. Then it may be thawed by microwave or oven and heated to its designated serving temperature.

Frozen food is a bit of a crime in terms of its energy use.

Much of the packaging of frozen products has an internal recyclable plastic form that contains the product. The outside of the frozen product comes in a carton or container that is usually a non-recyclable, waxy, cardboard container. There is not much that is "green" about frozen products. As a retail buyer, your choices and influence on a manufacturer's choice of packaging is usually small. What is exciting to me right now is that I have been carrying **local** farmers frozen fruit all year long. These products come in a recyclable plastic bag, with no other packaging except for the label. The sales for the Frozen Department have been up for the last

three quarters because of it. I am now looking for local frozen vegetables, but I am finding out that most local Willamette Valley farmers don't have the means to process or store frozen products.

#### **Slide text**

- 1) Frozen food by its very nature is a very unsustainable medium of food preservation.
- 2) Look for local products to put into the freezer case, especially local organic fruits and vegetables with minimal packaging.
- 3) All other product standards apply to everything in the frozen food department.

### **11. Chill**

#### **Speaker Notes**

Chilled products that need to stay refrigerated until they are consumed present a huge output of energy not unlike frozen products. From the manufacturer's refrigerator to the customer's refrigerator, chilled products represents a 24/7 use of energy for the entire life cycle of the product. For both refrigerated and frozen products, up to date or state of the art refrigerators and freezers are more efficient for a store than old leaky antiquated units. High cost to the business is always the factor here as these units are expensive and sometimes hard to maintain and replace.

#### **Slide Text**

- 1) Chilled products that need to stay refrigerated until they are consumed present a huge output of energy not unlike frozen products.
- 2) From the manufactures refrigerator to the customers refrigerator chilled products represent a 24/7 use of energy for the entire life cycle of the product.
- 3) All other product standards apply to everything in the Chill department.

### **12. Bulk Foods**

#### **Speaker Notes**

We support bulk foods as a more sustainable way of buying and consuming food products.

We currently have 64 large bulk bins (which hold 50 lbs. or more) for grains, rice, flour, nuts, sugars, and yeasts.

We have 36 large bins for cereals, granolas, trail mixes, and breakfast grains.

We have 70 medium sized (which hold 25lbs. or more) bulk bins that hold pasta, beans, sprouted rice, seeds mixes and grains.

We have 72 French canning/fishbowl type of jars that hold everything from baking soda to koji.

We have 17 bins of liquid sweeteners and oils.

We have 8 nut/seed butters in buckets.

We have 9 liquid soaps and 1 powdered soap.

We have 248 bins of herbs and teas.

I took the time to list all these because it shows our commitment to carrying bulk foods as a more sustainable choice over pre-packaged foods. Our store is about 3700 sq ft. Bulk foods take up a significant amount of the total area of the store. The offering of bulk foods in the store gives our customers a convenient and sustainable way to shop. Sundance offers reusable glass and plastic

containers for sale if needed. The bulk system works the best when customers are encouraged to bring and use reusable containers.

Bulk food by its very nature is a wonderful way of using less packaging in the transportation of products, and also a unique way of presenting food for sale at the retail level. The key to making the practice of buying bulk sustainable is for the customer to always bring in their reusable containers.

**Slide text**

- 1) We support bulk foods as a more sustainable way of buying, selling and storing food products.
- 2) Bulk food by its very nature is a wonderful way of using less packaging in the transportation of products, and also a unique way of presenting food for sale at the retail level.
- 3) Remember this system works the best when customers are encouraged to bring and use reusable containers.
- 4) All other product standards apply to everything in the Bulk department.

**13. Non-Food**

**Slide text**

- 1) We support recycled or reusable packaging (bulk containers).
- 2) We look to carry paper products with the highest “post-consumer” recycled content we can find.
- 3) Soaps and cleaners must be biodegradable and animal cruelty free.

**14. Produce**

**Slide text**

- 1) We wholeheartedly support local organic agriculture first and foremost.
- 2) We support regional, national, and imported organics over chemically farmed produce even if it is local. (Please, no poison chemicals in my local area or anywhere else for that matter)
- 3) We do not purchase any commercial or chemically farmed produce locally or otherwise ever. Our award-winning produce department sells only 100% organic produce.
- 4) We value our relationships with our committed, hard-working, organic farmers wherever they may farm.

**15. How standards are implemented**

**Optional or required?**

**Speaker Notes**

Generally, these standards are implemented proactively, before a product gets into the store, so that fewer products need to be removed due to not meeting our standards.

However, sometimes this is not possible, and products are reviewed (and sometimes removed) after already having been in the store for sale.

Needless to say, many products are not 100% organic. When this is the case we may or may not compromise. It depends on the percentage of organic ingredients in the product, and then all other factors have to be weighed. (i.e. the history and reputation of the manufacturer, the packaging, food miles, certifications, and corporate affiliations, etc.) There is no matrix or set of measurements for this. I usually do as much research on the product as I have time for, and then collate the information in my mind and check in with my gut feeling and make a decision. Also, the quality of the product itself, in terms of taste and texture, will be one of my biggest considerations. I personally take the samples I get from brokers or manufacturers and pass them around to my co-workers and get their opinions.

Every product is looked at on a case-by-case basis. The bar is set high to get your product into this store, and the truth is there are very few products that are “perfect” in terms of being 100% sustainable. Planting, harvesting, transporting, manufacturing, packaging, storage, and retailing all take a certain amount of petroleum, coal, and hydroelectric energy. Our standards are high, but compromises are made and our philosophy is to get the closest, cleanest and most sustainable product we can find or are aware of.

**Slide text:**

- 1) Sundance standards are implemented proactively, BEFORE a product gets into the store.
- 2) Not all products that are procured are a 100% organic.
- 3) When we compromise we take into account the history and reputation of the manufacturer, the packaging, food miles, certifications, and corporate affiliations and the percentage of organic ingredients in the product.
- 4) There is no matrix or set of measurements for new products.
- 5) I do as much research as I can, get feedback on taste and texture, and then go with my gut instinct.
- 6) Our standards are high, but compromises are made and our philosophy is to get the closest, cleanest and most sustainable product we can find or are aware of.

**16. Any priority areas for implementation**

**Speaker Notes**

Every area is a priority and all product standards are applied equally to all products. Ingredients may be allowed in “gluten-free” products, due to the challenges of finding gluten-free ingredients to make some foods.

**17. Internal education for buyers**

**Speaker Notes**

Periodicals, watchdog websites, “outside” workshops, training intensives, and keynote addresses at Natural Food conferences can all educate a buyer.

Periodicals: The Natural Food Merchandiser, The Organic and Non-GMO Report, In Good Tilth, Provender Journal, Whole Foods Magazine, and Natural Products Market Place can also be helpful. Some of these are better than others, but there can be good information in all of them.

Websites: Organic Consumers Association, Natural News, The Cornucopia Institute, The True Food Network, Institute For Responsible Technology, Oregon Tilth, and The Organic Trade Association. These are all good for keeping up on the latest news and educating oneself on anything from Independent third party certifications to GMOs.

Natural Food Conferences include: Provender Alliance, Organicology,.....

SPINS is something I don't use much. It is based on the number of products sold and that would be good if we were an industry driven store and not a product driven store.

#### **Slide text**

1) Periodicals, watchdog websites, workshops, training intensives, and keynote addresses at Natural Food conferences can all educate a buyer.

### **18. Communications to vendors**

#### **Speaker Notes**

Other than implementing our grocery buying standards when making choices for what comes into the store and what doesn't, the grocery buyer's influence is limited. The only other avenue of impact that Sundance can have that can shape a vendor's product is frank and to the point communication, especially if a local manufacturer comes in and asks for Sundance's opinion on their product. At best, this can change or shape a product in a more sustainable way, but in all reality, emails or phone calls have a limited effect, especially when it comes to products that have national distribution. That said, it is still a good practice to let your voice be heard...you don't always know how many other people are writing in about the same issue. However, communication of product standards to small local vendors can be very effective.

Local vendors can be very receptive to requests for modifying their ingredients list or packaging. I have had success asking vendors to make changes to conform to the buying standards of the store.

#### **Slide text**

- 1) Clear and to the point communication about Sundance's standards and what it takes to get into the store is basic.
- 2) Direct communication is very effective with local manufactures when asking for a packaging or ingredient change, and a bit more of a challenge with national or international products.

### **19. Changes that have been made in purchasing, or by vendors**

#### **Speaker Notes**

We continually reevaluate the products on our store shelves. Products go through package and ingredient changes quite often. Just because a product has made it onto our shelves doesn't mean it gets to stay there forever. Many long time products are reevaluated due to a package change, ingredient change, or a change in corporate affiliation.

Also, being aware of new issues that can affect the integrity of products is crucial. Sundance will change its standards in purchasing to meet new challenges that become apparent. No one knew about GMOs a few years ago, and now many products with no obvious change in their ingredient

list now are made with GM crops. This has forced us to change our acceptance of these crops in the food we sell (unless they are organic or identity protected ingredients). We have changed our buying standard to reflect our commitment to providing GMO free products. We eliminate products that cannot show they are GMO-free.

#### **Slide text**

- 1) Sundance will change its standards in purchasing to meet new challenges that become apparent.
- 2) An example of changing our product standards: We will not allow known or suspected GM crops in the products we buy unless they prove to be organic or are a documented identity protected ingredient.

## **20. Benefits and Impacts**

### **Speaker Notes**

#### **Cost savings**

Our product standards, being product driven as they are, generally do not save us actual money. On the contrary, not selling what is popular probably decreases sales in some instances. However, it is very hard to quantify the effects of customer loyalty and trust which implementing strict standards brings to the store.

#### **Employee Engagement, Consumer Support, Social & Environmental Benefits**

Over the years we have built up a loyal and educated customer base that trusts us in sourcing the cleanest food that has the lowest negative impact on the environment. We continue to build trust with our customers as they depend on us to bring them the cleanest, the closest and most nutritious food we can find. Furthermore, the feeling that we are doing the right thing helps us generate and keep a sense of right livelihood that makes it easier for our staff to work here, and also, makes us feel we are working for a business that is helping to nourish and heal the world rather than damage it further.

#### **Slide Text**

- 1) Over the years we have built up a loyal and educated customer base that trusts us in sourcing the cleanest food that has the lowest negative impact on the environment.
- 2) Furthermore, the feeling that we are doing the right thing helps us generate and keep a sense of right livelihood that makes it easier for our staff to work here, and also, makes us feel we are working for a business that is helping to nourish and heal the world rather than damage it further.

Be loyal to the soil

True to the roots

The body builds the branches

And the branch bares the fruit

Gatekeeper

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<http://www.organicconsumers.org/>  
<http://www.cornucopia.org/>  
<http://tilth.org/>  
<http://www.responsibletechnology.org/>  
[http://www.ota.com/better\\_nutrition.html](http://www.ota.com/better_nutrition.html)  
<http://truefoodnow.org/>  
<http://www.naturalnews.com/>