

Top 8 Things to Think About During the NLEA Transition

Many of us are old enough to remember the first NLEA transition that gave us our current NLEA format. The transition was hard. Managing print inventories, juggling finished goods and making sure all items were moved through the warehouse without double slotting and/or confusion was the main focus. This transition will be similar.

- 1. Plan** – With good planning, many of these challenges can be eased. We recommend you create a solid plan that involves all key members of the product development process – procurement, quality assurance, logistics and supply chain, design and marketing. Work together to have a realistic understanding of current inventories and future promotions that may deplete them faster than expected. Understand any warehouse challenges and talk to your merchandising groups to work through new tags and out of stocks on shelf.
- 2. Facts Up Front** – The NLEA transition does not mandate the use or incorporation of the FMI/GMA Facts Up Front standards. However, these standards are becoming more accepted and expected by consumers. Decide if you are going to move forward with the FUF tabs and if you are going to follow the FMI/GMA guidelines or create your own unique interpretation. Once you've made the decision, be consistent, and try to incorporate your decision with all future products.
- 3. Understand the implications of the new NLEA format** – The new format brings more attention to the calories, added sugars and serving size. If your product hinges on particular positioning around low fat, low in calories, low in sugar, etc., make sure you can stay true to that positioning. If not, you may need to consider reformulating or altering the existing pack size of the product. Both of these decisions can have direct financial and branding implications. Be sure to work through these details with your design and marketing agency to understand how they affect both the consumer and your internal manufacturing.
- 4. Be strategic and proactive** – How do you want to communicate this new format to your consumers and to your internal employees? This can be seen as a real inconvenience or as a wonderful opportunity to review your brand position, target demographics and consumer feedback. You will have 18-24 months to complete this task. Use the time wisely. Some manufacturers and retailers will wait to see what national brands do to adjust their products, formulations and pack sizes accordingly. This can put them in a huge bind and cause rush fees, errors and less than stellar solutions in the end.

5. Costs – This transition can be costly, but it doesn't have to be. Many of the retailers in the industry are attached to agencies that control their assets. Retrieving those assets and repurposing them can be expensive. As a buyer, you may not have as much control over cost as well because you are tied to a certain group. Look around. There are smaller, more nimble agencies out there that think outside the box and may be able to help you navigate this transition more efficiently and more cost effectively. It may be cheaper in some cases to start from scratch than to retrofit a package.

6. Be print savvy – Whether you are ready to make the change today or tomorrow, keep in mind that the NLEA box and ingredient statements may currently be part of your 4-color process image. That means that when you update them, you will have to change all four plates. To be print savvy, we recommend you separate all nutritional and regulatory information onto a separate line black or single color plate. This will save you time and money if changes need to be made later on.

7. Evaluate your partners – You have the unique opening to re-evaluate your partner teams and make sure that they are the best fit for you. By nature, many buyers are primarily concerned with period numbers and may not have time to look ahead strategically to grow the brand. Make sure you have the right partners to work with who will think WITH you and look out for your best interest. There will be many details and minutia to manage, and good partners that you trust and can rely on will be the key differentiator between an easy transition and you pulling your hair out.

8. Know the specifics –

- Can your product still be considered low in calories? The FDA General Guide to calories is:

- 40 Calories is Low
- 100 Calories is Moderate
- 400 Calories or more is High

This provides a general reference for calories when you look at a Nutrition Facts label. This guide is currently based on a 2,000 calorie diet.

- Review your calories, fat free, trans fat, saturated fat and sodium free claims on your package. Know the limits for what you can claim. Your claims on your packaging might need to change.

1. *0 calories* - A '0 calorie' claim means there are less than 5 calories per serving of the product. A particular food could actually have 4 calories per serving and be labeled as '0 calories'. Depending on how many servings you consume, these calories can add up:
 - 1 serving = 4 calories
 - 2 servings = 8 calories
 - 10 servings = 40 calories

- 20 servings = 80 calories

2. *Fat free* - A 'fat free' claim actually means there are less than 0.5 grams of fat per serving of a particular product.
3. *0 grams trans fat* - This claim can be used if a product has less than 0.5 grams of trans fat per serving.
4. *0 grams saturated fat* - This claim means there are less than 0.5 grams of saturated fat and less than 0.5 grams of trans fat per serving.
5. *Sodium free* - A 'sodium free' claim means there are less than 5 milligrams of sodium per serving of a particular food.

Original vs. Proposed

Nutrition Facts		Nutrition Facts	
Serving Size 2/3 cup (55g) Servings Per Container About 8		8 servings per container Serving size 2/3 cup (55g)	
Amount Per Serving		Amount per 2/3 cup	
Calories 230	Calories from Fat 40	Calories 230	
% Daily Value*		% DV*	
Total Fat 8g	12%	12% Total Fat 8g	
Saturated Fat 1g	5%	5% Saturated Fat 1g	
Trans Fat 0g		Trans Fat 0g	
Cholesterol 0mg	0%	0% Cholesterol 0mg	
Sodium 160mg	7%	7% Sodium 160mg	
Total Carbohydrate 37g	12%	12% Total Carbs 37g	
Dietary Fiber 4g	16%	14% Dietary Fiber 4g	
Sugars 1g		Sugars 1g	
Protein 3g		Added Sugars 0g	
Vitamin A	10%	Protein 3g	
Vitamin C	8%	10% Vitamin D 2mcg	
Calcium	20%	20% Calcium 260mg	
Iron	45%	45% Iron 8mg	
* Percent Daily Values are based on a 2,000 calorie diet. Your daily value may be higher or lower depending on your calorie needs.		5% Potassium 235mg	
	Calories: 2,000 2,500	* Footnote on Daily Values (DV) and calories reference to be inserted here.	
Total Fat	Less than 65g 80g		
Sat Fat	Less than 20g 25g		
Cholesterol	Less than 300mg 300mg		
Sodium	Less than 2,400mg 2,400mg		
Total Carbohydrate	300g 375g		
Dietary Fiber	25g 30g		

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