Alaska Cottage Food Webinar

This presentation and all non-private chat messages are being recorded for those who could not attend today; if you do not wish to be recorded, please turn off your camera and do not use the chat function.
Scaling Up:
Alaska Cottage Food Webinar
Presented via ZOOM
March 30, 2021
9:30-11:30 am
Welcome & Introductions - Robbi Mixon & Amy Seitz, Alaska Farmers Market Association, Alaska Farm Bureau, & Alaska Food Policy Council (5 minutes)

Welcome & Introductions - Kim Stryker, DEC Food Safety & Sanitation Program (5 minutes)

Food Business Scale-Up Panel (40 minutes) -
  - Evie’s Brinery - Evie Witten
  - Alaska Salt Co. - Casey Siekaniec
  - The Bagel Shop - Mikela Aramburu
  - Lucy’s Market - Kelsey Shields

Q & A with Scaled Up Food Businesses (10 minutes)

ADEC - Basic Overview of Food Permitting Requirements - Noelani Thompson (20 minutes)

Alaska Manufacturing Extension Partnership - Alyssa Rodrigues (5 minutes)

Food Liability - Market Manager Perspectives - Robbi Mixon (5 minutes)

Food Liability Insurance - Chris Van Leeuwen - Veracity (25 minutes)

Post-workshop survey, Future Steps, & Listserv sign-up (during Q&A)
Webinar Co-Hosts
Welcome & Introduction, Robbi Mixon & Amy Seitz

Visit us at:
alaskafb.org
akfoodpolicycouncil.org
alaskafarmersmarkets.org
Mission: to support and promote vibrant and sustainable farmers markets throughout Alaska.

Mission: to improve the economic well-being and expansion of agriculture and to enrich the quality of life for all Alaskans.
Welcome:
Kimberly Stryker
Alaska Department of Environmental Conservation (ADEC), Food Safety & Sanitation Program

https://dec.alaska.gov/eh/fss.aspx

https://dec.alaska.gov/eh/fss/food/cottage-food/
Food Business Scale-Up Panel

- Evie’s Brinery, Anchorage
- Alaska Salt Company, Homer
- Bagel Shop, Homer
- Lucy’s Market, Soldotna
- Established 2014
- Sold 2019 to Alaska Seeds of Change
Mission -driven business
Greater impact - quick transition to wholesale model

Delicious, Full of Goodness, Local

Making fresh Alaska vegetables even more delicious, nourishing and easy to serve, and partnering with Alaska farms and other local small businesses to foster healthy Alaska people, economies and communities.
Challenges

- **Permitting** – just follow steps, attention to detail
- **Commercial kitchen space** - refrigeration
- **Packaging** – affordable in relatively small quantities
- **Distribution** outside of Anchorage & Mat-Su
What contributed to success?

- Stage with similar business
- Allies within permitting agencies
- Good work/production space
- Investment in branding, quality packaging
- Built solid relationships with producers
- Social media – partnerships
- Strategic placement - retail
- **Bottom line - A plan**
Hindsight – what would I do differently?

• Use more local resources earlier
• Less shy & more fun with media & social media
• Embrace & celebrate start-up phase
Brinery plan - full circle

Alaska Seeds of Change complements its mission through Evie’s Brinery, strengthening our youths’ connection to their food system and building valuable skills in the process. We believe that when youth have a better understanding of where their food comes from and how it’s made, they have a stronger understanding of themselves and how they make our community more vibrant.
Alaska Salt Company
TODAY'S SPECIALS

* Market BLT *
crispy bacon, market greens, roma tomato & thinly-sliced red onion with your choice of Holy Trinity or Garlic n' Herb Schmear - on a bagel of your choice.

$8.00

OR:

PICK YER BAGEL AND SCHMEAR & WE'LL TOAST IT UP!

* Smoked Salmon *
Smoked red Salmon, red onion, capers, fresh dill & parsley in cream cheese
$4.00

* Smoked Whitefish *
Smoked black cod, hard-boiled egg, onion, celery, parsley & mayo atop a bagel of your choice - with market greens, tomato and red onion.
$8.00

+ add:
Market greens, roma tomato & your red onion to your bagel & schmear for $2.00

* the Holy Trinity *
Roasted jalepenos, garlic and anchovies in cream cheese
$4.00

* Garlic n' Herb *
with plenty of both!
$4.00

BLUEBERRY-ORANGE *
Our sweet Schmear w/ a touch of honey
$4.00

*Plain Cream Cheese *
Philadelphia
$3.00

*Butter *
Organic
$2.00

Our bagels were boiled and baked fresh today in a home kitchen.

INGREDIENTS: flour, water, yeast, salt, barley malt, baking soda, molasses, poppy seeds, sesame seeds, onion, garlic.
The Bagel Shop
Q & A with Scaled Up Food Businesses
Basic Overview of Food Permitting Requirements
Getting Started

An overview of what to consider and how to get started with the State of Alaska DEC Food Safety and Sanitation permitting process

Lorinda Lhotka, Program Manager
Heidi Isernhagen, Environmental Health Officer & Retail Specialist (Soldotna)
Lani Thompson, Environmental Health Officer (Anchorage)
THINGS TO CONSIDER WHEN SCALING UP YOUR BUSINESS

Retail

Within Anchorage (Eklutna to Portage) – Apply for a permit with the Municipality of Anchorage

Outside Anchorage City Limits – Apply for a permit with the State of Alaska

Wholesale

Apply for a permit with the State of Alaska
- Location Choice – most convenient for producer and/or customer
- Costs associated with construction
- Costs of equipment
- Building Codes
- Space
- Wastewater/Drinking Water requirements
- Flexibility with scheduling and kitchen usage
- Asset/Investment
DEC-Approved Shared/Community Kitchen

-Rental Costs

-Faster than building from scratch

-May not have to buy equipment

-DEC plan review – physical facility plans have already been approved, plan review concentrates on applicant’s process

-May not be as flexible – need to work around other people’s schedules

-Storage of Finished Product

-Location Change – if you change the kitchen you are working out of, will need to go through plan review process again. DEC permits are site and person specific.
How to start the permitting process

• Food Establishment Application
• Plan Review Application
  - Floor Plan
  - Plot Plan
  - Equipment List
  - Plumbing Schematic
  - Fees (do not need to be submitted the same time as the applications)
• Resources: [Food Processors (alaska.gov)]
  - Plan Review Guide
Food Processors

Product Labeling Requirements

Packaging

Lot Coding

Recall Plans
High Hazardous Food Products

- Smoked
- Cured
- Acidified
- Dehydrated
- Thermally processed low acid foods
- Reduced oxygen packaging

- Product Testing (pH & aw)
- Processing Authorities
- Develop a HACCP Plan
- File Process with FDA
Distribution & Inspection

• How to get your product to customers
• Refrigerated/Frozen Products

• Permitted facility subject to DEC routine inspection
• If product crosses state line, facility is also subject to FDA inspection
Contact Us

Kimberly.Stryker@alaska.gov
Noelani.Thompson@alaska.gov
Heidi.Isernhagen@alaska.gov
Lorinda.Lhotka@alaska.gov

https://dec.alaska.gov/eh/fss.aspx
AK Manufacturing Extension Partnership
MANAGE RISK, PROTECT YOUR BUSINESS

Chris Van Leeuwen, CIC
Veracity Insurance Solutions, LLC
Disclaimer

- This PowerPoint presentation is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting your attorney and/or actual policy documents.

- The terms and definitions in this presentation are for informational purposes only and may or may not be like those found in your respective policy documents. Please refer to your policy for applicable terms and conditions.

- This presentation is not intended to provide any coverage determinations or coverage positions. Please refer to your specific policy document(s) and consult with your respective coverage provider.
What Can Cause You Problems

Premises

Liability arises out of an injury and/or damages due to the ownership, maintenance, or **use** of that location.

Products

Liability arising out of injury and/or damages caused by defects in product design, manufacture, or failure to warn or explain.

Operations

Liability arises out of injury and/or damages caused by **activities** which are necessary and incidental for conducting business.
### What Can Cause You Problems

<table>
<thead>
<tr>
<th>Auto</th>
<th>Liability arising out of the Ownership, Maintenance or Use of Autos – Personal vs. Commercial Auto</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trailers</td>
<td>Bodily Injury or Property Damage arising from the ownership, maintenance, use or entrustment to others are excluded from general liability policies</td>
</tr>
<tr>
<td>Employees</td>
<td>Work Related Injuries, Theft, Fraud, Harassment, Discrimination, Hostile Work Environment, Wage &amp; Hour Claims, Wrongful Termination</td>
</tr>
</tbody>
</table>
What Can Cause You Problems

Independent Contractors

- Independent Contractor/Sub-Contractors not insured under general liability policy.

Alaska Law
To determine whether a person is an independent contractor or an employee, it is important to consider all evidence regarding the degree of control and independence. **Independent contractors should:**

- Perform duties that are not part of the normal work flow;
- Perform a task that has a specific result (end date);
- Expect to receive income from more than one source;
- Have a business license;
- Have a business premises; and
- Provide services to more than one employer.

http://doa.alaska.gov/drb/employer/resources/employeesOrContractors.html
Possession of a business license or insurance does not make a valid independent contractor. These are only beginning steps. There are not a set number of factors that makes a worker an employee or an independent contractor.

Types of Instructions Given
An employee is generally subject to the business’s instructions about when, where, and how to work. All of the following are examples of types of instructions about how to do work:

- When and where to do the work.
- What tools or equipment to use.
- What workers to hire or to assist with the work.
- Where to purchase supplies and services.
- What work must be performed by a specified individual.
- What order or sequence to follow when performing the work.
Workers Compensation

Alaska employers who hire independent contractors must provide them and their employees with workers’ compensation coverage unless the contractor can provide proof of insurance.

If you hire an independent contractor or subcontractor who lacks workers’ comp insurance and one of their workers gets hurt, you may be liable for that person’s medical expenses under your own workers’ comp arrangement.
Penalties

Employers in Alaska who fail to maintain workers’ compensation insurance for their employees will be subject to a variety of civil penalties, including:

- Penalties of up to $1,000 per employee, per day in which they fail to provide workers’ comp coverage
- Being shut down by the state (stop-work order)
- Having to pay $1,000 in additional penalties for each day they violate a stop-work order
- Being barred from pursuing job contracts with the state of Alaska
- Being liable personally to pay benefits for injured or sick employees who should have had workers’ comp coverage at the time of their work-related injury or illness
- Possible criminal fines of $10,000 and one year in prison
Risk Management

- Premises Liability Product Liability
- Operational Exposures
- Auto
- Trailers
- Employees
- Independent Contractors
- Contracts
Additional Insured

- A company that is added to a policyholder’s insurance policy is considered an additional insured.

- This endorsement can complement an existing contract and can help protect a party from liability arising out of another party’s negligence.

- Additional insureds are only covered for operations that involve the named insured in some way.

- Policy exclusions apply equally to named insureds and additional insureds.

- Additional Insured status is different than being a Certificate Holder. A Certificate Holder has only a document that provides information as to the insurance coverage in effect.
Additional Insured

Mine

Their

Shared Liability
Your Contacts

Your FLIP Team
info@fliprogram.com
844.520.6992

Troy Smith
troy@veracityins.com
866.395.1308
Q&A
Post-workshop survey & Listserv sign-up

Complete Survey by visiting:
https://forms.gle/gsyYeZuZ98NKoePt6

Cottage Food Listserv Sign up:
http://list.state.ak.us/mailman/listinfo/ak-cottage-food
References

https://dec.alaska.gov/eh/fss.aspx

https://dec.alaska.gov/eh/fss/food/cottage-food/


- alaskafb.org
- akfoodpolicycouncil.org
- alaskafarmersmarkets.org
- alaskafoodhub.org