TRACEGAINS

An Organic State of Mind

How Consumer and Industry Demands are Shaping the Market

An Organic State of Mind

The organic food movement dates back as far as the 1940s as a response to the Green Revolution, a time when food production soared thanks to new high-yield crop varieties, pesticide usage, and improved management methods. Decades later, the organic industry has expanded dramatically thanks to increased awareness and availability, scientific and nutritional research, and shifting consumer sentiments toward more health-centric and eco- conscious lifestyles.

Consumer demands for healthier food and beverage products has increased notably over the years. For consumers, "healthier" often equates to organic products devoid of chemical pesticides. This growing demand is shaping the food and beverage industry with far-reaching influence on the U.S. and global supply chain. In fact, the organic food and beverage industry has gained significant momentum, with consumer demand for organic products surging by double-digits almost every year since the 1990s.

Results from the Organic Trade Association's 2017 Organic Industry Survey show that in just the past 10 years, total organic sales in the United States have increased from $19.3 billion in 2007 to $47 billion in 2016, with $43 billion coming specifically from organic food. Year over year, the percentage of organic food sales have increased in relation to both total food and non-food sales. "In the United States alone, volume sales of products with an organic claim on the package grew 13.1 percent over the 52 weeks ended July 30, 2016," reported The Nielsen Co.

Yet, many organic producers, distributors, and manufacturers still have questions related to a wide range of factors affecting the organic industry. For example:

- What trends are driving consumers and producers to make the switch to organic products?
- What regulations are surrounding the production and labeling of organic products in both domestic and international markets?
- What is the organic industry's effect on the global food supply chain?
- How can technology help current and aspiring organic producers become more efficient, cost-effective, transparent, and compliant with a variety of new and existing regulations, such as FSMA or GMO labeling?

This ebook will shed some light on these common questions, further bringing you into an Organic State of Mind.

Who's Buying Organic?

According to the 2015 Nielsen Global Health and Wellness Survey, 57 percent of respondents reported expanding their diets to include more natural and fresh foods, which is a 55 percent increase in just three years. Further, another Nielsen survey released by the Organic Trade Association revealed that 82.3 percent of American households in 2016 featured organic items. North Dakota showed the highest increase in organic with 85.6 percent of households buying organic in 2016, up 14.2 percent from 2015.

A 2016 survey found that millennial parents (born between 1981-1997) comprise the largest group of organic product buyers, at 52 percent. That's compared to 35 percent of Generation X parents (born between 1965-1980) and 14 percent of baby boomer parents (born between 1946-1964).

Organic Purchasing Behaviors

Organic buying habits continue to shift as the category expands, genearlly trending in favor of organic producers. In a 2016 survey of 1,800 U.S. households with at least one child under 18, 82 percent of families said they buy organic sometimes, and 49 percent said they were buying more organic foods than the year prior. Families who never buy organic products has also steadily declined, from nearly 30 percent in 2009 to 18 percent in 2016

Organic is particularly becoming more of a focus for parents. About one-third listed buying organic as one of their top three priorities when food shopping. But organic hasn't yet reached the same level of priority as price (57 percent), taste (52 percent), and buying healthy and nutritious products overall (43 percent). In fact, 40 percent of surveyed parents don't believe they have to buy organic foods as long as they shop for healthy products in general.

Due to concerns about price, parents often prioritize which types of organic products they buy. These tend to trend toward products geared toward their children, such as organic baby foods (85 percent) and kids' foods (84 percent), which those parents ranked as "extremely" or "very important." Those categories ranked just behind fruits and vegetables (89 percent), but before meat (83 percent) and dairy (81 percent). Price concerns aside, 38 percent of parents still said they are willing to pay a higher price for organic products.

Also notable: Buying organic was a higher priority than convenience-related factors, such as availability at a consumer's preferred store or an easy to understand ingredient list, both of which received votes from 18 percent of surveyed parents. That's not to say convenience isn't still a key purchase factor for consumers, but parents especially seem driven to go out of their way for organic products, when desired.

2016 Households with at Least One Child Under 18

Organic Food Categories

Organic sales and marketing trends can also differ widely by category, such as fresh produce versus packaged foods. The following category-specific statistics cover not all but several of the major organic food product types sold in the United States.

Produce

Organic fruits and vegetables have long held onto their title as the largest of all major organic categories and remain a "gateway" for many consumers into organic products. Category sales rose 8.4 percent to $15.6 billion in 2016, with organic fruits and vegetables comprising 13.6 percent of all produce sold in the U.S. Nielsen Fresh data also supported the continued dominance of organic produce, showing 16.4 percent dollar growth for the category in the 52 weeks ending April 12, 2016.

As of April 2016, more than half of U.S. households purchase organic produce. These consumers increased their shopping trips that included organic produce by 3 percent and their spend per trip for organic produce by 2 percent versus one year prior. That growth may seem small in comparison to other organic growth statistics, but organic produce-buying growth tends to be even more pronounced among organic enthusiasts, defined as the 2 percent of U.S. households that spend more than half of their produce dollars on organic varieties. Organic enthusiasts make 8 percent more produce trips annually compared to the national average and spend 34 percent more on produce per trip. As a result, these households spend 47 percent more on produce than the average American household.

Organic farmers and manufacturers, therefore, may focus their produce-related product development and marketing strategies on specific groups, such as organic enthusiasts or millennial parents, to improve their return on investment. Other strategies may revolve around functionality, such as convenience and value-added produce, which have driven sales for both organic and conventionally-grown produce. Notable year-over-year dollar sales growth have occurred in subcategories like meal prep vegetables (107 percent), white mushrooms (76 percent), and dried bananas (70 percent).

However, though organic produce sales doubled from 2011-2015, the average annual household spend on organic produce was only $25.22 compared to $323 for produce in general, according to Nielsen Fresh data. This signals a significant opportunity for organic produce's growth in sales and shelf space, if organic farmers both domestically and internationally can keep up with increased demand.

Dairy

Following produce, dairy has been the second-largest organic food category, posting a more than 10 percent increase in sales to $6.0 billion

in 2015. The dairy sector saw additional growth in 2016 to $6.4 billion, but the year was a bit softer for most producers. Dairy comprised approximately 15 percent of total organic food sales consistently since 2012, and more than half when combined with organic produce. Consumers seem to be trending toward farm fresh products that they can easily associate with the primary tenets of organic agriculture and livestock-raising. By addressing other trends within these categories, such as plant-based dairy, organic producers could take advantage of additional sales while other organic categories take hold.

Fresh Beverages

Fresh organic product demand has also extended in recent years to the fresh juices and drinks category. In 2016, organic beverages accounted for $5.2 billion in sales, an 8.9 percent growth rate, which happens to be higher than the three leading categories (i.e., produce, packaged foods, and dairy). Interestingly, although fresh juices and drinks are posting substantial growth, an OTA study of U.S. families found only 65 percent of parents ranked buying organic beverages as extremely or very important.

Organic producers have an opportunity here to embrace trends across the overall juice category, such as exotic flavor blends and functionality, and differentiate themselves from conventional produce-based drinks. That differentiation could also be key to avoid the steady decline the juice category has seen in the wake of backlash against sugary products, particularly beverages like juice, fruit drinks, and soda.

Packaged Foods

As with fresh beverages, packaged foods are growing more quickly but still represent a much smaller percentage of total organic food sales. Three-quarters of surveyed parents said buying organic packaged foods was extremely or very important, but this leaves room for organic packaged food companies to grow.

In 2016, organic packaged and prepared foods increased in sales by 8 percent, making this category the third largest sector for organic. Frozen prepared foods remain the largest sub-category of packaged and prepared foods with $1.9 billion in 2016 sales and an increased growth rate of 9 percent compared with 7.4 percent in 2015. This trend marks an increase in investment from food manufacturers in frozen prepared foods to support the growth, as well as an investment by retailers in private label to not only support consumer demand for convenience, but also retailer demand for consumer loyalty.

Organic Farming in the United States

According to the USDA, the United States had nearly 13,000 certified organic farms that produced and sold $6.2 billion in organic commodities in 2015, a 13 percent sales increase over 2014. Organic crops accounted for 57 percent, or $3.5 billion, of total organic sales, followed by organic livestock and poultry products, mainly milk and eggs (31 percent, $1.9 billion), and organic livestock and poultry (12 percent, or $0.7 billion).

California remains the country's largest organic producer. This agricultural hotbed was the only state with more than 1,000 certified organic farms and more than $2.4 billion in certified organic sales in 2015, about 40 percent of the country's total. Washington, Iowa, and several northeastern states had more than 500 farms, and rounding out the top five states for certified organic sales were Washington ($626 million), Pennsylvania ($332 million), Oregon ($269 million), and Wisconsin ($221 million). The top 10 states accounted for 78 percent of all certified organic sales, including crops, livestock, and livestock products.

While traditional grocery stores may be many consumers' most common destination for organic produce, 36 percent of U.S. certified organic farms sold directly to consumers in 2015. The percentage of farms selling directly to consumers was highest in southeastern and northeastern states, while the central states had the lowest percentages. Organic farmers may find better reception of their products at farmers markets and other direct- to-consumer interactions in certain regions. But these statistics also demonstrate an opportunity for organic producers to expand in areas with lower percentages.

Organic Hotspots

Recent research has demonstrated organic agriculture's contribution to economic stability in counties known as "Organic Hotpots." According to the Organic Trade Association, counties labeled as Organic Hotspots see their median household incomes increase by more than $2,000 and their poverty rates decline by as much as 1.35 percentage points.

The OTA credits this economic impact to the lasting regional opportunities created by organic food and crop production and the businesses activities that accompany organic agriculture. Organic Hotspots are diversified and occur throughout the country but tend to concentrate along the West Coast, in New England, and in northern central U.S. states, such as Wisconsin, Minnesota, and Iowa.

Organic Farming Worldwide

As with organic sales, the United States is only one part of the global industry, albeit a significant one. But when it comes to organic agriculture, the United States stands as a mere fraction of the global population of producers.

As of 2015, 2.4 million producers spanned the globe, a 7 percent increase in the number of organic producers year over year. The highest concentrations of organic producers were found in Asia (35 percent), Africa (30 percent), and Latin America (19 percent), followed by 14 percent in Europe and only 1 percent each in North America and Oceania. Africa and Latin America also posted the highest growth in number of organic producers year over year, at 21.4 percent and 18.9 percent respectively, though North America was not far behind with 12.2 percent growth compared to 2014. The countries with the highest number of producers in 2015 included India (585,200), Ethiopia (203,602), Mexico (200,039), Uganda (190,670), and the Philippines (165,958).

Interestingly, regions with a larger number of producers didn't always translate to regions with the most acreage dedicated to organic agriculture. Though only 1 percent of global organic producers are based in Oceania, the region is home to 22.8 million hectares of organic acreage, or 45 percent of the world's 50.9 million total hectares of land under organic agricultural management. Europe follows with 12.7 million hectares, or 25 percent of organic agricultural land worldwide, and Latin America with 6.7 million hectares, or 13 percent.

The vast majority of Oceania's organic land comes from Australia, which accounts for 22.69 million hectares out of 22.8 million hectares for all of Oceania, though about 97 percent of that farmland is estimated to be extensive grazing areas. Following far behind Australia, the countries with the most organic agricultural land worldwide, are Argentina (3.07 million hectares) and the United States (2.03 million hectares).

These numbers don't lie: consumers and producers worldwide are clamoring for more organic agriculture and food and beverage products.

Trends Driving Organic's Expansion: Increased Visibility and Availability

Knowledge about the existence of organic products and their benefits has increased significantly over the past decade across the generational spectrum of families. Millennials are most likely to view themselves as informed consumers of organic products, with 78 percent saying they are "well informed" (34 percent) or "know quite a bit" (44 percent). Increased knowledge about organic products has then led to increased consumer demand.

Mainstream retailers, ranging from supermarkets and big box stores to membership warehouse clubs, have responded by expanding their organic offerings with availability now higher than ever before. As of 2016, organic varieties were present in more than 75 percent of all categories found at the supermarket.

Another factor affecting organic product availability is lower prices, which makes organic products more affordable for a larger percentage of consumers. Organic foods and beverages have traditionally cost more due to stricter, and thus costlier, regulations for the industry and other agricultural reasons. These have included less federal subsidizing for organic farming compared to conventional farming; organic farms' traditionally smaller size, which excludes many economies of scale; and the often labor-intensive methods organic farming requires.

Trends Driving Organic's Expansion: Health Concerns

Purchasing healthy food and beverage products is important to most consumers today. However, nearly one-third of surveyed parents (29 percent) don't believe organic products are better than their conventionally-grown counterparts. Organic producers have an opportunity here to better educate consumers on the health-related differences between organic and conventional foods and beverages, where they exist.

The following are some of the major health concerns that drive consumers to choose organic products over their conventional counterparts.

Pesticides and Fertilizers

Farmers commonly use pesticides to eradicate or prevent crop infestations of pests ranging from insects and fungi to other animals local to their area. Pesticides are often necessary to save crops and maintain farm outputs and the global food supply. Farms in areas where pesticides are not available may see more than one-third of their crops eaten by pests, compared to a 41 percent reduction in loss in parts of the Western world, where pesticide usage is more common.

But many consumers are concerned about the level of pesticides used in the produce they later eat or feed their families. These concerns have grown in recent years as studies concluded that ingesting too much pesticides can have negative health effects. Washing fruits and vegetables can reduce pesticide residue, but sometimes the plant absorbs pesticides, which cannot be washed off. Instead, consumers can purchase organic produce, which tends to have a much lower level of detectable pesticide residues compared to conventional produce. That said, most conventional produce contains residue below the level that researchers would consider unsafe.

If organic produce isn't available, the Environmental Working Group (EWG) releases annual lists of fruits and vegetables with the most and least amount of pesticide residues on average, known as the Dirty Dozen and Clean Fifteen respectively. The organization highly recommends consumers purchase organic varieties of produce that appear on the Dirty Dozen list, which, in 2017, includes strawberries, spinach, nectarines, apples, and peaches in the top five.

The question—and challenge—facing many organic farmers is how to protect crops without using pesticides or other chemicals, such as fertilizers, that national organic regulations prohibit. Natural pesticides are available, such as copper solutions used to treat certain fungal diseases, but these pesticides can have their own negative health effects. One study found that organic produce could have higher levels of pathogens, such as E. coli, compared to conventionally grown produce because organic farmers often use alternative natural fertilizers, such as manure.

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GMOs

Industry experts have genetically engineered seeds and plants to resist certain pesticides, which can enable farmers to use less pesticides, and increase crop yields, among other various benefits. However, genetically-modified organisms, also known as GMOs, have been at the heart of heated debates among consumers, farmers, food and beverage manufacturers, retailers, and legislators in recent years. Organic products, by their definition, cannot be genetically-modified, and organically-raised livestock are not given feed that contains GMOs.

Studies on the safety of GMOs for human consumption have trended either way. Some experts tout the potential dangers of GMOs, and the chemicals needed to protect these crops for humans. That includes the World Health Organization's (WHO) International Agency for Research on Cancer (IARC), which labeled glyphosate, an herbicide frequently used to treat GM crops, as possibly carcinogenic to humans in 2015. However, the National Academies of Sciences, Engineering, and Medicine released a 2016 report that reaffirmed the safety of GMOs for human consumption.

Antibiotics

Instances of antibiotic-resistant bacteria have increased over the past several years, causing consumers and legislators to seek out ways to reduce antibiotic usage and consumption in the food supply and healthcare. Organic regulations prohibit farmers from using antibiotics. But other non-organic farmers may also choose to raise their livestock without or with a reduced usage of antibiotics. These products often bear an "antibiotic-free" label, if they abide by relevant regulations, but the USDA certified organic label automatically means the product is antibiotic-free.

One study found that conventional chicken and pork have a 33 percent higher risk of containing bacteria resistant to three or more antibiotics compared to organic poultry or pork. However, other studies have concluded that not using antibiotics could put food animals and the humans who eat them at risk. Because organic food animals aren't treated with antibiotics, they may have equal or higher rates of certain pathogen contaminations, such as salmonella or campylobacter, or lethal illnesses, such as pneumonia, compared to conventional food animals.

Trends Driving Organic's Expansion: Sustainability

Besides concerns about the health of themselves and their families, many consumers today are also focused on preserving the health of the planet. One 2016 survey found that 35 percent of American families purchased organic products as part of their attempts to lead more eco-friendly lifestyles, including 40 percent of millennials, 32 percent of Gen Xers, and 28 percent of baby boomers.

Organic farming methods have contributed to increased sustainability, such as crop rotations and mixed planting that improve soil health. However, industry experts suggest that consumers shop for organic items grown locally whenever possible, because this reduces the travel time from farm to market, which reduces harmful environmental effects caused by long-distance transport.

One concern about organic farming is the efficiency of crop yields and other needs specifically pertaining

to organic farming compared to conventional methods. Some experts claim that switching all conventional farms to organic could increase the number of people suffering from hunger and malnutrition worldwide. However, better automation methods and technology could improve crop yields and efficiency and offset some of these concerns.

Trends Driving Organic's Expansion: Demand for Transparency

Consumers increasingly demand transparency from the producers and retailers of their food and beverage products, from farm to manufacturer to grocery store. Because of the stringent regulations set by the USDA and its organic certification program, consumers may consider organic agriculture and food and beverage products to be more transparent, simply by what's denoted by the USDA organic seal.

Organic's Impact on the Food Industry Supply Chain

Increased awareness, demand, and availability of organic products, coupled with modern consumer purchase trends and regulations in the United States and abroad, have allowed the organic industry to explode over the past couple of decades. But that growth also has sizable impacts on the food industry supply chain as a whole, from farming and manufacturing to distribution and retail.

Crop Supply Constraints

The organic industry exemplifies the fundamental economic struggle of supply keeping up with demand. Organic consumption in the United States has surpassed organic production, causing manufacturers and retailers to increasingly rely on organic imports for commodities and packaged goods. One recent survey found that organic growth could have been even more robust, particularly for segments like dairy and grains, if a greater supply had been available. But the organic industry has also devised other innovative solutions for crop supply constraints, infrastructure, proactive policies, and other challenges that could hinder the domestic supply of organic products.

One critical move for the industry is to incentivize farmers to switch from conventional to organic farming or for new farmers to become certified from the outset. However, this can be practically and financially difficult for farmers, particularly during the three-year transitional phase. Transitional certification is one option to help farmers label their "near-organic" products and better communicate with consumers at the retail level. But the financial demands of organic certification and production can burden farmers who are not yet able to receive full organic value for their transitional products.

However, increasing organic cropland and land certified for organic livestock isn't enough. Organic farmers need a steady, quality supply of organic seeds to plant their crops each year, and food animals also need organic feed grains to qualify for certified organic meat and dairy products. To alleviate this challenge, more seed providers and feed grains farmers must also switch to organic production to meet increased demands. That's in addition to the creation of better infrastructure to store, ship, and refine organic feed grains, per USDA regulations.

Finally, increasing the amount of land and number of producers dedicated to organic farming could in turn limit the number of conventionally-grown products for consumers worldwide. Depending on the extent of organic's impact on the supply of conventional produce and food animals, this could impact prices for the entire supply chain, from farmer to consumer, if supply and demand don't remain synchronized.

Increase in Non-GMO Products

Alongside the rise of the organic industry has—for better or worse—been another segment of the food and beverage supply chain: non-GMO products. Consumers are looking for products they deem to be healthier in general, and non- GMO offerings can fit that bill without the price tags of fully organic products. Non-GMO products have since flooded the market, with various certification entities, such as the Non-GMO Project, offering manufacturers official non-GMO packaging seals. These seals are now often as commonly found at grocery stores as the USDA certified organic seal.

One 2015 report estimated that U.S. retail sales of non-GMO foods and beverages stood at $200 billion in 2014 and will soar another 65 percent to $330 billion by 2019. Another 2017 report predicts the global non-GMO foods market will grow at a CAGR of 16.23 percent from 2017-2021. Important to note, however, is that these figures include organic products, because organic certification requires that a product not be genetically modified. But while all organic products are inherently non-GMO, not all non-GMO products are organic .

The main concern for organic producers here is that the growth of the non-GMO (but non-organic) industry could eat away at organic food and beverage sales. However, organic and non- GMO certification differ in many ways. The solution lies in better communication and education initiatives that outline those differences and are then targeted at consumers and the retailers that serve them.

Can Organic Become "Too Big?"

Steady growth for the organic industry in the United States and worldwide offers many benefits to producers and consumers alike. However, some industry researchers are also concerned about unintended adverse effects that continued growth could have on the organic industry and global supply chain in general.

In particular, researchers lament that organic farms could become too large. Larger organic farms could begin enjoying the economies of scale that many larger conventional farms do. But larger farms and a larger organic industry in general could also lead to a decline in working conditions for organic farmers and degraded standards for organic produce.

Benefits of Automation and Software Solutions for the Organic Industry

From crop supply constraints to better marketing and education strategies, the organic industry is not without its challenges. But one way organic producers may be able to improve yields, efficiency, cost-effectiveness, safety, and business management is through the burgeoning field of automation technology and software solutions.

Adoption of Automation in the Food Industry

The food industry has been chronically slower to adopt certain technologies compared to other industries, and automation was no exception. Part of food producers' challenge with automation equipment stems from food products' variances in shape and consistency. However, more recent technological developments in machinery and software have proven automation to be a vital tool for agricultural and food and beverage operations across the supply chain.

Automation On and Off the Production Floor

Larger companies were among the first to be able to adopt automation and quickly realized the benefits, beginning with end-of-line work such as packaging and palletizing. Robots and similar automation machinery can enable organic food and beverage manufacturers to reduce the need for this type of labor or redistribute their existing staff to manage other needs and tasks. Increasing packaging and palletizing efficiency enables organic manufacturers to improve product freshness, comply with regulations for safety and cleanliness, and speed up the shipping process to reach more customers faster.

Automation has since expanded to integrate robot technology further up the production line, such as to complete pick-and-place tasks alongside or in place of human labor. Manufacturers can also use automated devices to improve transportation and storage, manage inventory, evenly distribute seasonings and other ingredients, and monitor and change product or atmospheric variables, such as temperature, density, and volume, as needed.

Agricultural Advancements

Automation can also benefit organic farmers. For example, sensors that detect nutrients and water in the soil can provide essential information during the organic certification and transitional process for both the producer and certifying agent. Additionally, it can inform farmers' decisions about planting and irrigation decisions. Because organic farming is also often more labor-intensive, automated robots can help with tasks such as weed-pulling, which can eliminate the need for herbicides that are prohibited in USDA certified organic farming.

Automation technology can also improve farm animal management and care on organic farms, another key selling point of organic meat and dairy products among animal welfare-conscious consumers. E-collars or e-tags, for example, can collect data about a cow's size, health, diet, physical activity, vital signs, and information about the cow's last milking. That last data set is particularly useful when cows are allowed to visit automated robotic milking machines, which grant cows autonomy and choice of when they want to be milked. This can leave cows calmer, since they won't have to be herded into a barn for milking multiple times a day.

Sustainability

Many consumers turn to organic products because they perceive organic agricultural practices to be more environmentally friendly. Automation can take that perception of organic and sustainability one step further by using automation- based machines to reduce energy and water usage while improving production efficiency, for both farmers and manufacturers.

Automation Software Solutions

Automation is not restricted to daily labor tasks of pulling weeds or recording temperature or the like; software solutions like TraceGains offer organic producers and manufacturers with a streamlined approach to not only collect and monitor plant floor data, but also store critical food safety plan documentation to ensure compliance with the Food Safety Modernization Act (FSMA), Global Food Safety Initiative (GFSI), USDA Organic Certification, and other regulatory bodies. TraceGains allows users to effectively and efficiently share information that will in turn help them improve food safety and quality, time to market, compliance with regulations, and more.

Of notable concern for organic producers and manufacturers is the USDA Organic Certification. The USDA organic certification process demands a great deal of documentation before, during, and after the application process and official certification. The more aspects organic producers can automatically monitor concerning their farm or facility and its operations, the more automatic documentation that exists to provide to certifying agents. That includes any mandated record-keeping applicable to an organic operation in addition to updates and implementation of the producer's annual organic production and handling system plan, as required by USDA certifying agents.

Costs and Financial Justification

Organic producers may understand the benefits automation software solutions can offer, but the costs of software could be a barrier for adoption, particularly for smaller operations. However, automation software also comes with a set of factors that financially justify the investment when funds permit.

Increased efficiency and reduced labor costs can lead to larger crop or production yields, lower operational costs, and overall greater cost-effectiveness. Besides increased profitability for the producer, this can also be enticing to potential investors, which organic producers may seek out when they're ready to expand their operations.

Automation software can also improve cost-effectiveness by reducing the number, duration, and severity of safety hazards and recalls a producer might experience. The longer a recall drags on, or the more widespread a product recall becomes, the costlier those recalls can be. If automation software mediates costly recalls, it can prove its return on investment (ROI) over time.

TraceGains is a trusted solution that organic producers and manufacturers of all sizes are looking toward to support their business, improve efficiencies, reduce recall risk, streamline information management, record critical information, store documentation, and more. No longer are large companies the only benefactors of automated software solutions.

The organic food and beverage industry will continue to expand in the United States. and worldwide as more producers recognize organic's potential for sustainable profitability, while meeting the growing consumer requests for healthier products. The demand is evident from every level of the supply chain. And solutions like TraceGains are the key to ensuring long-term stability within the industry.

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Automate Your Supply Chain

TraceGains is a supplier compliance, quality management, and NPD cloud platform that helps food, supplement, and CPG companies deliver brand promise. R&D, procurement, quality, and regulatory departments collaborate with suppliers globally on TraceGains Network to bring safe products to market faster. The system digitizes documents and information exchange and uses the data to power dashboards and reports for better business insight. Automatic alerts for regulatory issues and supply chain threats make it easy to manage risk.

The Power of TraceGains Network

TraceGains Network is where professionals in R&D, procurement, quality, and regulatory departments collaborate with suppliers globally to safely bring new products to market faster. Thousands of supplier locations are available to source and qualify new vendors, procure ingredients, build recipes, negotiate specifications, and automatically collect supporting documentation. On average, our customers find that 80 percent of their suppliers are already in TraceGains Network, allowing them to immediately connect and collaborate. Suppliers appreciate the ability to submit their company profile and product catalogs once and share them with the customers of their choice. With instant information sharing and visibility throughout the supply chain, TraceGains enables business growth without adding resources.

Learn More

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