

WAREHOUSE FOOD WASTE & RECOVERY

National Grocery Chain Findings & Recommendations

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Bright Beat brings knowledge and experience — in program development, implementation, assessment, and multi-stakeholder collaboration to manage, recover and recycle food to feed people and prevent waste — to this project partnership.

Store-level waste audits and a warehouse walk-through + a review of warehouse procedural documents provided the basis for our analysis, enhanced by discussions with management from our national grocery chain corporate partner, Feeding America and a member of its food bank network.

Our project objective was to identify opportunities to strengthen a national grocery chain’s food waste reduction and recovery effort — on a warehouse-level — and present findings and recommendations in a scaleable and replicable manner, to advance efforts state and industry-wide.

WAREHOUSE FOOD RECOVERY INFRASTRUCTURE

Personnel and Procedural Recommendations to Anchor the Program:

- **Food Recovery Point Person (FRPP)** - Identify a designated (HACCP trained) supervisor at each warehouse to field questions, track and report specified data points, issues and opportunities for improvement, and ensure there is ongoing and repeated education on associated protocols and expectations. Communicate that they are contributing to a feedback loop with Feeding America and local recovery partners to maximize community impact (the WHY) and respond to program challenges (the INCENTIVE).
- **Food Recovery Procedure: Warehouse** - Decision-making and operational steps should be clearly outlined, and expectations should be clearly stated. Adapt store-level procedure to reflect how program should operate and include in warehouse management guide. Enhancements may include:
 - **WHY** donation is important and impactful, to community and environmental goals
 - **WHAT to donate** — Clearly define criteria that dictates decision (outlined in Product Review Process) to keep or reject each category or type of item — simple specificity.
 - **Warehouse rework program** - clearly outline handling of partial loads/cases/pallets to save what is deemed saleable and recover remaining items/cases for donation.
 - **HOW to donate** — Clear steps to set-up a safe, efficient process may include:
 - **Store or stage for pickup** — Each warehouse should have specified, labeled “set aside” donations areas and appropriate storage criteria.
 - **Large/time-sensitive loads** — Create a written protocol for time-sensitive management of large loads of rejected/unsaleable food, with criteria, action steps, recipients for donation or compost/recycle/trash load, and any reporting/approvals required, to prevent costly overage fees/penalties from your waste contractor
 - **WHO Reports WHAT to WHOM** — Define reporting for/to FRPP, Corporate Responsibility (CR) , Feeding America, local food bank/agency. Clearly state which details and how to track (i.e., pickup frequency, cause for donation or disposal of product). Input from warehouse management is crucial, warehouse management and staff engagement is critical to success. Learn from them, and let them know their voice is being heard!

WAREHOUSE FOOD LOSS & WASTE REDUCTION (1/3)

Recommended Corporate Measures to Minimize Loss and Waste:

- **COMMUNICATION:** Solution-oriented sharing of goals, commitments and expectations
 - **Ensure all parties are aware** of your food waste reduction goals, food recovery/donation expectations and food loss prevention policies. If corporate goals are not officially stated, focus on public CR commitments.
 - **Build culture and engagement in programs that prioritize (less) waste** to prompt improved forethought and foster behavior change that increases prevention and decreases trouble-shooting. Provide or integrate into ongoing and repeated education and training. Increase morale and continued engagement by communicating successful outcomes to all levels.
 - **Automate Notifications. Listen -> Learn -> Respond:** Build process for notification triggers (a.k.a. “upstream signals”) for more rapid problem-solving. Commit to and benefit from decision-makers tracking and responding to opportunities to reduce waste and donate more unsaleable product. Greater accountability can lead to greater impact.
 - **e.g. Reduce warehouse loss by triggering markdowns:** Consider enhancing protocol to have overages of perishables (i.e. produce) at the warehouse noted/communicated to stores, and slow movement in stores/warehouses communicated to Purchasing, in a way that triggers markdowns at targeted divisional stores.
- **POLICY:**
 - **Warehouse, Purchasing and Logistics:** Ensure date-based best practices.
 - **Supplier Policy/Rejected shipment language:** Enhance with written consent of donation, reporting of such actions, restriction of unwanted behavior - including trashing product suitable for donation.
- **ACCOUNTABILITY:**
 - **Load-in Expectations:** Consider explicit language, closer tracking and review of documented loss (i.e. to note repeat offenders) associated with poor pallet placement by those responsible for load-in.
 - **Food Safety Team:** Include Food Waste & Recovery as a point of discussion in scheduled check-ins, e.g. on the team’s Quarterly Meeting Agenda.

WAREHOUSE FOOD LOSS & WASTE REDUCTION (2/3)

Recommended Corporate Measures to Minimize Loss and Waste:

- **DONATION:** Address challenges to increase recovery and prevent loss.
 - Consider monthly monitoring of store/warehouse pickup frequency.
 - More specifically solicit questions/concerns from warehouse management.
 - Communicate challenges to, and strategize solutions with, Feeding America.
 - If scheduling pickups is an issue, consider engaging a third party organization to pickup donations from warehouse and transport to recipient agency.
- **OPERATIONAL PROGRAMS FOR RECYCLING (and COMPOSTING):**
 - Arrange hauling contracts with partners dedicated to resource recovery. Ensure capacity of outdoor collection containers (dumpsters, bins) and service schedule aligns with need
 - Corrugated cardboard and plastic film are most economically sorted separately and sold to commodity brokers. Single-stream recycling service will support staff-generated materials (i.e. beverage containers) and other clean packaging material.
 - **Organics - Where infrastructure supports composting (or anaerobic digestion)**
 - Utilize loss reporting to estimate volume of wasted/inedible food being disposed. If such data cannot be tracked, make it trackable!
 - Pilot warehouse composting procedure; monitor to uncover challenges and refine.
 - Update broader procedural step/actions to ensure warehouse staff are directed to compost wasted food in place of “destroy/dispose” language.
 - Adapt/develop reports and forms to track success and address issues.
 - Place clearly labeled (trash, recycle, compost) containers + signage with visual graphics in warehouse and designated staff areas where such materials are generated.
 - Adapt cleaning protocol to ensure proper management of bins, to prevent overflow and to minimize contamination.
 - Prioritize ongoing and repeated education on what and how to recycle/compost.

WAREHOUSE FOOD LOSS & WASTE REDUCTION (3/3)

Recommended Corporate Measures to Minimize Loss and Waste:

- **TRACKING and ANALYSIS:** Identify all reporting that may provide data to calculate causes of waste and opportunities for prevention, reduction, donation and diversion. Keep an eye on this data! To do so at scale...
 - Reporting/forms may include: Loss Report, Shipment Refusal Form, Corrective Action Log, Short Dated Products Report, Product Stop Sale
 - Consider development of analytical formulas and tracking 'set points' or thresholds to process quarterly/annual data and trigger notification of significant shifts in numbers.
 - Code the cause for loss, and if composted or disposed; establish tracking methodology.
 - Conduct surveys to gather narrative feedback.

WAREHOUSE WRITTEN PROCEDURE BEST PRACTICES

Review of warehouse and store procedural documents sought language, process steps and reports that may involve or impact food loss or waste. This includes Quality Assurance (QA), Food Safety, Preventative Control Steps / Corrective Action. The following sample guidelines/language are inspired by our findings.

General Language:

1. When noting partnership with Feeding America/local food bank/agency to donate unsaleable products. Specify "(WHICH or ALL) products are eligible for donation."
2. Highlight the intrinsic value of food recovery, i.e. "These donations feed your neighbors in your store's local community and also help reduce our waste as a company."
3. Highlight the benefit to those responsible for tracking and reporting feedback 'up', i.e. "Corporate Responsibility tracks donation activity and seeks your feedback on any issues, to support your work."
4. Simply state WHEN and HOW to take recovery action steps, i.e. "For any items found to be out of date or otherwise not suitable for sale, reference the Food Recovery Procedure. This will provide guidelines for proper donation procedures."
5. Specify a "Product Review Process" that clearly defines the criteria that dictates decision to keep or reject each category or type of item.
6. Provide description of Reworking, noting "bad units should be set aside for donation or composting, per the Food Recovery Procedure."
7. Pallet Date Labeling Requirements: "Item/Inventory date must be indicated on two opposing sides of an incoming pallet to ensure proper rotation and freshness."

Sample Procedures/Guidelines:

1. Food Recovery Procedure - *Adapted from store level procedure*
2. Composting Guidelines - *Informed by store composting prep trials only*

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Warehouse Food Recovery Procedure

SUGGESTED CONTENT and [SAMPLE LANGUAGE]
Customize to fit your business, culture and infrastructure

Overview should begin with WHY donation is important and impactful, to community and environmental goals. *[We partner with (Feeding America/Local Food Bank) to donate unsaleable product from our warehouses and stores. These donations feed your neighbors in your local community and also help reduce our company's waste and environmental impact. All products we sell are eligible to be donated. Below is the process to follow at warehouse level in order to identify unsaleable products acceptable for donation. Your local food bank and/or partner agency can also assist with determining whether items are suitable for donation. The Corporate Responsibility team tracks donation activity and seeks your feedback on any issues, to support your work.]*

Set-up

- Each warehouse should hang high-visibility (Branded Program) signage above the designated space for donations for each of the following areas: Dry, Cooler, Freezer.

Store or Stage for Pickup

- *Donated Product should be stored in the same manner as it is kept within inventory- frozen, refrigerated, dry.*
- *Meat should be frozen solid on or before the date listed on the packaging and kept in separate boxes by species (beef, chicken, pork, fish, etc.) in order to avoid cross contamination.*
- *Refrigerated items should be maintained within the cold chain at 41 °F or below.*
- For loose items pulled for donation during Rework
 - *Banana boxes or other sturdy food grade boxes (with lids) are recommended for storing donated product. Meat boxes with USDA labeling cannot be used for donation purposes.*
 - *Product should be neatly stacked, with heavier items on the bottom to avoid ruining/damaging product prior to pick-up. This will allow quick and easy pick-up of donated items by your food recovery partner. Many of these individuals are volunteers and have multiple stops to make*

Product Review Process

- Clearly define criteria that dictates decision to keep or reject each category or type of item, while following your normal warehouse level inspection process during Receipt, Storage, Picking, Staging, Loading and Returns/Recalls.
- *Any product that is beyond its dating, or deemed unsuitable for sale should be pulled for donation.*
- *Products should be reviewed for:*
 - *Product dating:*
 - *If a product labeled "Best By" is just past the printed date, it can be donated as this is a quality marker- the product is still suitable for consumption after the date*
 - *If a product is labeled "Best If Used By" or "Sell By" the product should be pulled prior to that date (ex. Meat, dairy) following normal procedure. It can still be donated as long as it is frozen solid prior to donation.*

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- **To guide and maximize Rework:** Clearly outline review criteria and handling of partial loads/cases/pallets to save what is deemed saleable and recover remaining items/cases for donation, i.e.:
 - *Mold, excessive bruising, etc. (pull the bad product from the carton to be composted, and donate the good product)*
 - *Minor imperfections are acceptable for donations*
 - *Multi-pack produce (apples, oranges, berries, etc.) with a small amount of the product unsuitable for sale, should have those units removed to be composted, and the remainder donated.*
 - *Product with damaged outer packaging can be donated, as long as the integrity of the product is not compromised, and the inner package is intact. Ingredient lists are needed and should remain with the packaging.*

Product Pick-up

Establish Frequency and review process; noting time-sensitivity of perishables. Each warehouse should work with its local food recovery partner to schedule an appropriate number of donation pick-ups weekly — likely more than two pick-ups per week. Frequency may be dictated by volume and storage constraints, and should be regularly reviewed to ensure each warehouse has the proper number of pick-ups and each partner has capacity. It is important to ensure perishable items are picked up in a timely manner, to maximize the remaining use and quality of the product.

Large, Time-Sensitive Loads

Follow written protocol for time-sensitive management of large loads of rejected/unsaleable food. [Reference associated procedural document or specify details here]

Tracking

Confirm your protocol: Donation partners may provide a donation receipt at the time of pickup, including product, quantity, weight —and/or— Feeding America may provide monthly reporting, for all donation activity to be tracked for tax and waste purposes at the corporate level.

Invite feedback: *e.g. Should you have any inquiries or questions about the donation process, please contact your partner food bank and/or agency. Discuss program concerns with your store manager or district manager. To support your success, share feedback and report questions/issues to the Corporate Responsibility team [names &/or email address].*

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Composting Guidelines

BETA VERSION

***Adapted from store level composting procedure recommendations.
Seeking feedback from a warehouse and an opportunity to pilot its use.***

If the above procedure is followed and a product is pulled but found to be unsuitable for donation through the Food Recovery Program, it can be disposed of through Composting. After the viable products have been set aside for donations, the below process should be followed for products to be diverted from landfill.

Product not acceptable for donation will need to have the packaging removed prior to being composted. This can be done at the warehouse level, or loads can be transported by/to organics recyclers with bulk de-packing capabilities. The following guidelines are sample procedure for de-packing on-site.

Set-up

- Each warehouse should hang high-visibility (Branded Program) signage above the designated space for products to be set aside "To Be De-Packaged For Composting".
- Clearly labeled COMPOST bins, with lids and wheels, no larger than 35 gallon, should be accessible to those responsible for inspection, for collection of loose material and those involved in de-packing.
 - To avoid contamination, compost bins should not be left out where they may be mistaken for trash bins.
- Materials needed to de-package/separate product from packaging are: gloves, box cutter and bins labeled for:
 - COMPOST
 - Plastic Film
 - Single Stream Recycling - if serviced at your warehouse
 - Trash

Stage for Composting

- Food product pulled as part of the normal inspection and rotation process throughout the day should be set aside for de-packing at the end of the night. Product should be kept separate from any additional trash to avoid contamination in the compost bin and to streamline the process for those responsible for composting.
- Perishable products should be stored and managed in a timely manner to prevent sanitation issues related to cleanliness, odor or vector.
- Loose items, without packaging or boxes, can placed in labeled compost bins (with lids), or taken directly to outdoor compost container(s).

Process to De-Pack and Compost

- Any products with film packaging - the box cutter should be used to cut along the side of any film packaging. The cut should be big enough for the product to be dumped out. The de-packaged product should be placed in the organics bin and the packaging in the plastic film bin.
- Any products with clamshell packaging - should be opened by hand and the product removed into organics bucket and packaging placed in single stream recycling bin (if serviced) or trash.
- Any other packaging should be opened to remove the product. The product should be placed in the organics bin and packaging placed in the trash bin.
- Product requiring excessive labor or time to separate from packaging should be disposed.