

Logos, claims, designs:

Take care in labelling minefield

By QUENTIN KENNEDY

AS A relative newcomer to the intricacies of labelling when I began at Kialla Pure Foods, I quickly learnt labelling was not a simple matter. Putting the marketing aspects of packaging to one side for a minute, the minefield that awaits the novice in terms of regulatory requirements on packaging is significant.

The State Health Departments and the Australian Competition and Consumer Commission (ACCC) websites provide good information on this subject but the following is a brief overview of some issues you may encounter:

Nutrition information panel (NIP): changes in regulations require an NIP to contain both a per-100-gram analysis as well as a per-serve analysis. For some companies, this may require a whole new packaging update; however dispensations for minor non-compliances such as this are allowed.

A PO Box number is not sufficient for the place of manufacture – the company’s address on packaging must contain the street number and name of the place of manufacture.

The product name must clearly convey the ingredients to a ‘reasonable person’, so a name such as ‘Besan flour’ is not sufficient as not everyone knows what ‘Besan’ is derived from. Further, the label must contain ‘made from brown chickpea’, or similar. This is to ensure people buying the product know exactly what it is derived from.

‘Gluten-free’ and ‘chemical-free’ claims: While it would be rightly assumed all organic foods are free of chemicals, there is always the potential for ambient contamination, hence the Organic Standard permits residues which are less than 1/10 of the conventional limits.

Similarly with claims relating to gluten, the Coeliac Society accepts that a certain level of gluten may be present in a product but health authorities require levels to be below that detectable.

Irrespective of whether the packaging has a gluten-free claim, if the product is made from a known gluten-free raw material and it potentially contains traces of gluten, the product must then contain a disclaimer as a reasonable person could assume it is gluten-free.

Some would say that this simply ensures there are disclaimers on everything, serving only to further confuse those whom the regulations are designed to protect.

“While the quality of your product is what creates repeat business, the quality of your packaging helps greatly in attracting new business, which is vital to the growth of your company.”

These two definitive claims can sometimes be more trouble than use. It would be wise to seek legal advice before plastering them all over your packaging. At least, have in place some form of testing on which to base your claims.

‘Made in’ claims: This subject is too complex for more than a brief outline in this article; for further information, download the Food and Beverage Industry Country of Origin Guidelines booklet from the ACCC website. Briefly, there are two separate criteria to be met:

a) Substantial transformation must occur in the ‘Made in’ country – defined as the product undergoing change in form, nature or appearance, such that the goods are new and different from those prior to the change. A court will take into account the average consumer’s perspective of ‘substantial transformation’, and required processes such as cleaning, grading and sorting are usually not considered sufficient to meet this criteria;

b) More than 50% of the cost of the product must occur in the ‘Made in’ country. Working out the material costs is straightforward but labour and factory overheads must be reasonably apportioned and cannot be used more than once. These qualifying costs are then expressed as a percentage of the total factory cost to arrive at the required percentage.

Again, it is recommended that you seek legal advice in this area.

So much for what we have to tell the consumer, what about what the consumer wants to see? Well there are many ponytail-wearing marketing executives far more experienced than I am to advise on your packaging design but some words of wisdom I received from a large wholesaler was: ‘Don’t get a country graphic artist to design your packaging.’ While the quality of your product is what creates repeat business, the quality of your packaging helps



About the Author:

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greatly in attracting new business, which is vital to the growth of your company. It is your primary means of advertising and promotion, usually in front of the consumer right when they are making their purchase decision.

The Australian Certified Organic (ACO) Bud logo plays an important role in conveying a message to your client. You can make all the claims you like about your own product but a third-party endorsement speaks volumes. This is not to say the Bud should take precedence over your company logo, but rather it should act in a complementary manner.

Certified clients pay for the Bud's use via levies, so why not leverage as much from it as possible? It is now on about 70% of all processed product and acts as a subliminal introduction to your product for new customers.

Packaging is a very expensive exercise, so it is important that it is not rushed. Do your homework on your market niche and the regulatory requirements.

Remember, not taking care in the first instance may result in a recall if an important regulatory issue is overlooked and subsequently breached, or worse still, if poorly labelled, it simply will not sell. ■

Gain work in organic rural operations or in organic food processing and packing operations

The pathway for a national qualification for an organic farmhand or rural production worker is the Certificate III in Rural Operations. The qualification is flexible, allowing inclusion of units of competency from other relevant training packages (e.g. Transport and Distribution, Food Processing, etc).

There are no pre-requisites, and the course is available to BFA members, organic growers, rural land owners/managers, employers and others.

This training program is currently being funded by the Department of Education, Training and Arts, and the only cost to participants is a \$50.00 per person catering fee. For more information, call Alan or Carmel on 0413 001 377 or email batc@internode.on.net.