### Penn State Extension

# Food for Profit

Facts for Starting Your Food Business

Setting up a food-processing business in your home has advantages and disadvantages. You can make your own schedule and cut commuting expenses. On the other hand, there may be added costs involved in getting your kitchen up to Pennsylvania Department of Agriculture (PDA) sanitary standards, and working at home will definitely impact your family—just ask any successful entrepreneur.



## **Home Food Processing**

If you haven't yet talked about your business idea with your regional PDA office, do so now. PDA sanitarians have information they can share on regulations that specifically apply to commercial sale of foods processed in the home. Since all information discussed with the sanitarian remains confidential, don't worry about revealing your recipe to a stranger. The assistance you gain will greatly outweigh the potential for compromising trade secrets.

#### Regulations for Home Kitchens ("Limited Food Processors" or "Residential-Style Kitchens" by PDA)

Before taking too many steps toward setting up a home food business, contact your local municipal planning office to verify that you will be able to operate a food business at your home; ask for this verification in writing so that you can share it with the PDA sanitarian. In addition, if your home's source of water is a private well, you will need to have it tested before you can register to commercially manufacture foods.

In addition to local zoning, water testing, and sanitation requirements, PDA has specific regulations that apply to people who plan to work out of their homes. Here are some requirements that home food processors need to know:

• During commercial processing, no part of the home kitchen may be used for personal food preparation. This means that home food preparation and commercial food processing operations cannot be conducted at the same time. This kind of "dual-use" kitchen requires you to carefully schedule your time so that private and business activities do not conflict.

- Ingredients used for your food business must be kept separate from ingredients for personal use and must be properly stored and protected. Proper storage includes using food-grade containers that keep pests out and maintaining temperatures that do not promote spoilage. One entrepreneur turned a closet in an adjacent room into her work pantry by putting a door through the kitchen wall.
- No animals are permitted in the home at any time. If you have family pets, you'll need to keep them outside at all times or find an alternate place to do your food processing.
- Children are not permitted in the kitchen area during commercial processing. This might be tough for families with young children but ideal for those with kids who attend school outside the home. People with young children and home-schoolers might be able to work this out with careful scheduling, child care help, and a lot of patience and commitment.
- Home manufacturing of "temperature control for safety" (TCS) foods, also known as potentially hazardous foods (PHFs), is permitted if prepared in a separate kitchen used only for this purpose. Because of their high moisture and low acid content, TCS foods can become unsafe to eat if they are not kept refrigerated. TCS food examples include milk or other dairy products, eggs, meat, and cooked pasta or vegetables. Pennsylvania regulations forbid

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the manufacture of TCS foods in a dual-use home kitchen. Instead, you will need to construct a completely separate kitchen that is used only for your food business. Keep in mind that no TCS products may pass through or be stored in the home at any time; therefore, you may need to construct separate entrances and exits to food processing and storage areas. Ask a PDA sanitarian for more information if you decide to make TCS products in your home.

Along with the guidelines listed above, specific categories of home-processed foods must meet additional requirements.

#### **Baked Goods**

Shelf-stable bakery items such as breads, cookies, and muffins can be produced in a dual-use home kitchen. However, high-moisture/ low-acid items such as cheesecakes, pumpkin pies, tortes, creams and custards, and meringue pastries may be potentially hazardous and, as described above, may only be made in a completely separate kitchen. The PDA sanitarian may require you to have these products tested for pH and water activity.

#### **Beverages and Juice**

#### **Beverages**

Some beverages can be produced at a limited food establishment. This may include root beer, lemonade, lemon iced tea, and other acidic drinks. The pH of all beverages must be tested to ensure it is 4.6 or below.

#### Juice

From a regulatory perspective, the term "juice" means the liquid expressed from one or more fruits or vegetables and includes purees of the edible portions of one or more fruits or vegetables, or any concentrates of such liquid or puree. Regulations differ depending on whether the producer sells it directly to consumers or for wholesale distribution.

*Juice Producers Who Sell Only Retail* A retail establishment is an opera-

tion that provides juice directly to consumers and does not sell or distribute juice to other businesses. The term "provides" includes storing, preparing, packaging, serving, and selling juice. If you qualify as a retail establishment, you are not required to process juice under a HACCP system. However, packaged juice produced at a retail establishment is subject to FDA's food labeling regulation, which requires a warning statement on fruit and vegetable juice products that have not been processed to prevent, reduce, or eliminate pathogenic microorganisms.

Juice producers who produce from a limited food establishment must have their products tested for pH to determine if the product has a pH of 4.6 or lower and therefore can be made from a limited food establishment. Note that the product may only be sold direct to the consumer from the production site or a satellite of the production site, such as a farmer's market or roadside stand owned by the producer. In most cases, if product is sold from the production site in packaged form, only a food registration is needed. However, any retail location would need to be evaluated to determine if a retail food license would also be needed.

Juice Producers Who Sell Any or All Of Their Product Wholesale Wholesale juice sales, as defined by the federal government in 21 CFR 120.1(a), are subject to the requirements of the juice HACCP regulation. Any juice of this type must be pasteurized or have an approved and verified 5-log reduction of pertinent microorganism and be operating under a HACCP plan. Juice of this nature typically cannot be produced in a limited food establishment. Residential-style kitchens would not typically have the required equipment to obtain a pathogen reduction.

#### **Canned Foods**

Pennsylvania regulations allow commercial canning of naturally acidic foods (e.g., apples, peaches, lemons) or acidified foods (e.g., pickled vegetables, salsa, chow-chow) in dual-use home kitchens under the conditions listed above. However, under no circumstance is commercial production of low-acid canned foods (e.g., corn, beans, soups, and vegetable mixtures) allowed in home kitchens.

If you decide to make acid or acidified canned-food products in your home for sale to the public, you must have written recipes/ formulas and procedures. You will need to provide a process flow for your products and have it approved by your sanitarian prior to registration and sale of your product. You will also be required to prove that the product equilibrium pH is 4.6 or lower by having it tested at an independent commercial laboratory. The pH should be tested to ensure that it has reached an equilibrium level at or below 4.6 within 24 hours. You must use new canning lids each time. Reused jars must be thoroughly washed and sanitized before filling. You may also be required to register and file your process with the Food and Drug Administration (FDA). Check with a PDA sanitarian to make sure you are following all state and federal regulations before you start canning.

#### Jams, Jellies, and Similar Products

Home processing of jams and jellies is permitted in dual-use kitchens as long as you document and adhere to all written procedures and formulas. Although pH testing is not required, these products must be tested at a commercial laboratory to make sure they meet quality standards for soluble solids content. Requirements for new lids and sanitization of used jars are the same as described above. Fruit butters, preserves, and artificially sweetened fruit jelly each have specific standards of identity and soluble solid requirements. Conserves, marmalades, and "spreads" do not have standards of identity and do not require soluble solids testing.

#### **Candy Making**

Because of their very low water content, hard candies such as lollipops,

candy canes, and rock candy are not considered TCS foods and can be commercially prepared in dual-use home kitchens. Chocolate-covered fruits may not be made from a limited food establishment unless the fruit utilized has a pH of 4.6 or below, such as most apples and strawberries. Any fruit in question may be required to have a pH test performed to determine acidity levels. However, for some products, such as cream-filled chocolates, fudge, or candied fruits, the amount of moisture available for microbial growth can vary widely depending on the recipe. For these types of products, PDA may require you to have your product tested for water activity at a commercial laboratory to determine if refrigerated storage is necessary.

#### **Other Foods**

Other types of foods may potentially be approved for processing, handling, repacking, or storage in a limited food establishment; however, only those foods that do not require refrigeration are permitted to be produced and held in this type of setting. PDA may require product testing on a case-by-case basis. If you have an unusual food product, discuss this product with your sanitarian.

**For more information,** contact your regional PDA office or the Penn State Extension office in your county, or visit **extension** .psu.edu/food/entrepreneurs.

> "Sometimes ingredient substitutions in your recipe can mean lower costs. Keep an open mind." —Pa. food business owner

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