

# Stemmler's

"Only the Best from our Family to Yours"



## THE TRUE COST OF CO-PACKING

WHAT YOU MIGHT NOT KNOW ABOUT OUTSOURCING  
YOUR PRODUCT

# INTRODUCTION

Running a meat business isn't easy. Yes, the labour can be gruelling and competition is tough. But what can really make or break you, at the end of the day, are the logistics of getting your product to market.

There could be hundreds of stores with countless customers craving a product exactly like yours. But unless you can make the leap from small batch production to full-scale manufacturing...you'll never have a chance to get onto those store shelves.

This reality is exactly why thousands of food entrepreneurs, start-ups and small businesses work with co-packers. It is, hands down, the most reliable way to get your product from small batch production (or even just a recipe) to full-scale manufacturing.

The thing is, finding the right co-man can be challenge all of its own. Quality food manufacturers are few and far between. They can be expensive and unreliable, with contracts that lock you in to 'hidden' fees for everything from cleaning to storage to R&D.

When you're trying to develop a viable product and get it to market, this kind of mistake can stop your business in its tracks.

**This guide was written to help you understand the costs associated with co-packing so you can properly plan for the transition and avoid hidden fees.** To get in touch with us right now, send an email to [info@stemmlermeats.ca](mailto:info@stemmlermeats.ca) or call us at (519) 699-4590.

# 1. Equipment and Process

**Do you hot fill or retort? Kettle cook or microwave?**

**This will affect your co-packing costs.**

For most entrepreneurs, upfront costs are the single biggest barrier to starting a meat business. Even the most basic meat processing equipment requires substantial capital. Not only is the investment significant, but it's risky, especially if your product hasn't been tested in the market.

Because they already have the necessary staff, facilities and equipment, co-packers can produce a variety of incredible meat products faster and at a far larger scale than you ever could in a small kitchen.

**Co-packers typically charge for their services in one of three ways:**

- 1. Per day rates** - Best when large volumes of your product can be produced quickly in a single day.
- 2. Per unit rates** - Best when your product is easy to automate and requires minimal effort on the part of the co-packer.
- 3. Per hour rates** - Best when you trust your co-packer is well-staffed and has streamlined operations.

However, you should know that certain processes inherently come with higher costs than others. Generally, the more manual work your product requires (like manual ingredient prep or hand labeling), the higher the cost to co-pack.

**Our 17,000 sq. ft. manufacturing facility uses top-of-the-line, meticulously clean processing equipment designed to manufacture your meat product as productively as possible. This efficiency allows us to offer highly flexible rates for whatever processes you require!**

## 2. Scope of Services

**Maybe you've got the processing part covered, but you really need a hand with packaging. Or, you want someone to make your product, but you've got the logistics down pat.**

That's the beauty of co-packing: flexibility. Co-packing encompasses a wide range of services. A co-packer can manufacture your product outright from start to finish (from sourcing your ingredients and packaging materials to processing and preparing the product to be shipped), or take certain time-consuming processes off your hands.

Of course, outsourcing your entire process to a co-packer will come at a greater cost than prepping, processing or packaging only. But don't neglect to consider the hours you'll gain back once manufacturing is off your plate! Instead of labouring in a small kitchen, you can focus on marketing your product to the people who crave it.

### CO-PACKING TIP

**Working with Stemmler's gives you the flexibility to meet the demand for your product and better allocate your time and resources. We can take the manufacturing process off your hands, or work directly with you within our facility.**



### 3. Production Volume

**Co-packing is all about efficiency.**

In order to make the best use of their facilities, co-packers usually require minimum volume runs, which can range from several hundred units to as much as 100,000, depending on the size of the co-packer.

You can work this to your benefit if you guarantee that your orders will meet a certain volume. This often translates to cost savings passed on to you through a reduced co-packing rate.

#### CO-PACKING TIP

**The key is finding a co-packer who can work at your volume. Most large co-packers will have higher minimum runs, while specialty meat co-packers like Stemmler's offer more flexibility.**



## 4. Research and Development

**Not sure if your product is a hit? Co-packing offers a low-risk way to experiment with your recipe, packaging, and more.**

You don't have to put it all on the line for a product that might not be viable. Ordering a small test batch from a co-packer is a smart way to manage risk when it comes to an untested product.

Most co-packers do charge a small fee to account for the time, labour and materials required to produce your product for the first time. However, this still beats investing in equipment for a product that might not make the cut.

### CO-PACKING TIP

**To minimize R&D costs, go with a co-packer who is already well-versed in producing your category of product. Stemmler's can manufacture a variety of meat products at a reasonable rate, including: small-batch sausages, cooked snack sticks, smoked pork chops, Blackforest ham, smoked or cooked turkey and chicken deli rolls!**



## 5. Raw Materials

**Co-packers can source your packaging and ingredients for you...at a cost.**

Sourcing raw materials is a logistical nightmare. It's tough enough finding good, reliable suppliers with reasonable prices, and keeping track of your inventory is a whole other headache.

The good news is that co-packers can take care of all that for you! Plus, since they already have well-established relationships with suppliers, co-packers can often acquire all your materials in bulk and at a significantly lower price per unit.

Of course, the pricier your materials, the more expensive it will be to co-pack your product. This goes for both ingredients and packaging. You want to work with a co-packer who is transparent about the cost of your materials to ensure you aren't being overcharged.

### CO-PACKING TIP

**Stemmler's is proud to source many farm-fresh ingredients directly from local producers. We'll work with you to source your ingredients of choice at the best possible price, including allergen-free ingredients and other special dietary requirements.**



## Co-Packing With Stemmler's

**With Stemmler's as your co-packer, you'll all reap the benefits of:**

- A flexible co-packer that will work WITH you to achieve your desired result!
- 17,000 sq. ft. of clean space dedicated to meat processing and packing
- State-of-the-art meat processing equipment (Schröter, Bizerba, Inject Star) cleaned daily industrial, with sanitation bays at each process
- Top quality ingredients and packaging of your choice, sourced for you
- Reliable logistics team prepared to ship out your product on time
- Masterclass staff with 35+ years of experience in the meat processing industry

**With a reliable co-packer at your side, you can turn your recipe into a real product! It's quite simply the safest and most efficient way to start or scale a specialty food business.**

Stemmler's is proud to offer flexible, reliable meat co-packing services to companies looking to produce their product more efficiently. Our 17,000 sq. ft. manufacturing facility uses only top-of-the-line, meticulously clean processing equipment imported straight from Germany. You can tell just by looking that they're a cut above the other machines on the market!



To learn more about co-packing and how it works, send an email to [info@stemmlermeats.ca](mailto:info@stemmlermeats.ca) or call us at (519) 699-4590. We look forward to hearing from you!