

The following guidelines may be used to develop labels compliant with USDA NOP organic standards. <u>ALL labels must be submitted to PCO for review and approval prior to use.</u> PCO will review your labels for compliance with organic regulations and your operation is responsible for verifying compliance with other regulatory programs.

Understanding Common Labeling Issues

The USDA NOP labeling standards (defined in 7 CFR Subpart D - Labels, Labeling, and Market Information) dictate how you may design your certified organic product labels. In situations where labels with serious or minor errors have entered the marketplace, PCO may issue a noncompliance with or without a use-up period depending on the scenario.

Common labeling issues include:

- Incorrect color and/or transparency for USDA seal
- Missing ingredient statement
- Certifier name missing or in the wrong location
- Incorrect product claims
- Using labels before PCO has approved them

To prevent unnecessary costs associated with labeling noncompliances, review the following guidelines and submit ALL labels to PCO for review prior to use.

Summary of Labeling Requirements Per Category

"100% Organic" or "Organic"

- **Must** include a certified organic by statement (see step 3)
- **Must** identify all ingredients as organic (see step 4)
- May make a percentage statement (see step 5)
- May use USDA Seal (see step 6)
- May display certifier logo (see step 3)

"Made with Organic"

- **Must** contain certified organic by statement (see step 3)
- **Must not** be labeled as Organic
- **Must not** include organic and non-organic forms of the same ingredient. When these ingredients and/or food groups are listed within the "made with" statement.
- **Must not** use the USDA Organic Seal (see step 6)

- May list up to 3 organic ingredients or food groups (see step 5)
- May make a percentage statement (see step 5)

Developing a Compliant Label

Step 1: Determining Product Composition

The USDA has defined three categories of organic products: "100% Organic," "Organic," and "Made with Organic". To determine the appropriate category for your products, your company must calculate the percentage of organically produced ingredients in your product(s). For processors and handlers, this should be documented on the PCO Organic Product Profile (food, feed). You may also find it helpful to refer to NOP 5037 Calculating the Percentage of Organic Ingredients in MultiIngredient Products – Sample Calculation Worksheet (xls). This should be done prior to creating your labels to ensure the labeling claims align with the product composition.

Step 2: Identifying the Appropriate Labeling Category

Organic Labeling Category	Organic Ingredients
 "100% Organic" Must contain 100% organic ingredients (excluding water and salt) Must use certified organic processing aids 	100%
 "Organic" (>95% organic) Must be composed of at least 95% certified organic ingredients May use up to 5% of the formula for non-organic ingredients allowed per The National List: Non Agricultural (listed at §205.605) or Agricultural (listed at §205.606) and not commercially available as organic All processing aids must also be approved on The National List. 	At least 95%
 "Made with Organic" Must be composed of at least 70% certified organic ingredients May have 30% or less of non-organic ingredients, either: Non Agricultural (listed at §205.605) or Agricultural (listed at 205.606) All processing aids must also be approved on The National List. 	At least 70%
 Specific Organic Ingredients¹ May list certified organic ingredients as organic in the ingredient list. 	Less than 70%

¹See Additional Labeling Guidance section at the end of this document for more details

Step 3: Identifying the Organic Certification Agency

For retail labels on <u>packaged products labeled "100% organic"</u>, <u>packaged products labeled "made with organic"</u> and <u>livestock feed</u>, the NOP regulations require a "Certified organic by..." (COB) statement, which identifies the name of the certification agency of the product's final handler or distributor **directly below** the information (e.g. name, address, website) identifying the product's final handler or distributor. The "distributor" must be the name of the PCO Certified operation unless a <u>private label agreement</u>² has been approved.

Some deviation is allowed regarding the COB statement. You can use the certifier's full name, their recognized acronym, their logo preceded by the language "Certified Organic by (seal image), or the logo with the "certified organic" phrase. "While deviation from this exact wording is accepted, the word "organic" must be in the statement.

PCO encourages the use of the phrase "Certified Organic by PCO".

Examples of additional compliant phrases include:

- Certified Organic by PA Certified Organic
- Certified Organic by Pennsylvania Certified Organic
- Certified by PA Certified Organic
- Certified by Pennsylvania Certified Organic

If using the PCO logo, it must not be more prominent than the USDA seal. If using the PCO logo with the term "Certified Organic", the phrase certified organic by is not required. PCO logos may be downloaded from the PCO website.

Distributed by: ABC Company



Distributed by: ABC Company Certified Organic by:



Step 4: Formatting the Ingredient Statement

Single ingredient products and products that are certified to the "100% organic" category and make a "100% organic" claim on the label are not required to have ingredient statements.

Multi-ingredient products that are >95% organic, must identify each organic ingredient in the finished product in an ingredient statement on the ingredient panel. This may be done by using the word "organic" in front of the organic ingredients, or by using an asterisk next to the organic ingredient with a key beneath; examples below:

<u>Example 1:</u> Ingredients: organic wheat flour, organic pumpkin, organic sugar, salt.

<u>Example 2:</u> Ingredients: wheat flour*, pumpkin*, sugar*, salt.
*organic

² See section "Additional Labeling Guidance" on page 6 for additional details on organic labeling for Private Label Agreements

Section 5: Correctly Configuring Percentage Statements and Claims

Note: this step is only applicable to certain compositions. Read it carefully and skip it if it doesn't apply to your product(s).

Some companies choose to include a percentage statement of organic ingredients on the label. The percent statement must not be more than the actual organic content in the content. Graphic design elements such as banners or starbursts may be used, but you must adhere to the following requirements:

- Font size must not exceed 1/2 the size of the largest type size on the panel (e.g. if logo typeface is 24 pt. then the percent statement font must be 12 pt. or less.)
- Font must be uniform size, style, and color within the claim.
- If you are using a percentage statement on the front panel of a "Made with Organic ..." product, the "Made with Organic ..." claim must appear on the same panel.
- The statement "Made with Organic ..." can be anywhere on the label, but the graphics must not exceed 1/2 the size of the largest type size on the panel and must be uniform size, style, and color within the claim.
- The statement "Made with Organic" can be followed by: up to three ingredient or food groups.
- In the statement "Made with Organic", the named ingredients or all ingredients in the food groups must be organic.

Additional information on the "Made with organic" claim can be found in NOP Guidance 5032.

Section 6: Use of the USDA Seal

The USDA seal is optional and only allowed on products that are certified to the "100% Organic" or/and "Organic" labeling category. The USDA Seal can be displayed anywhere on the package. Approved USDA seals can be found on the <u>USDA's website</u>. If the certifier seal is also used, the USDA seal must be more prominent.



The USDA four color seal must be on a white (not transparent) background. Brown = PMS 175
Green = PMS 348

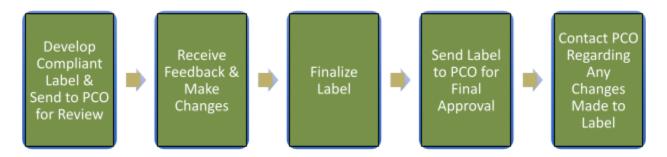


The USDA black seal can be on a white or transparent background.

Section 7: Submitting Labels to the Certification Agency for Approval

All labels must be approved by PCO. After reviewing all of the labeling steps, you are ready to send your labels to PCO for review. You must obtain label approval from PCO before printing. If your certifier requests changes, you must re-submit the revised label for approval. PCO will

provide stamped approval on all labels (either in your portal or upon request). Also, it is a good practice to retain a copy in your records.



Additional Labeling Guidance

Products with less than 70% organic content

- May not use the term "organic" on the primary display panel.
- Organic ingredients may be identified in the ingredient statement on the information panel, but organic ingredients may not be referred to as "certified"
- May not use the USDA or certifier seals.

<u>Livestock Feed</u> sold, labeled, or represented as: "100% organic" must contain 100% organic raw or processed ingredients; Livestock Feed sold, labeled, or represented as: "Organic" must be produced in conformance with § 205.237. Both categories:

- May use the USDA seal and/or the seal/logo/mark of the certifying agent (per Step 6 above)
- May use the word "organic," or an asterisk or other reference mark
- Must include a certified organic by statement on the information panel, below the information identifying the handler or distributor of the product (per Step 3 above).
- Must comply with other Federal agency or State feed labeling requirements

<u>Nonretail Labels</u> are not regulated under the same regulations as retail labels. Nonretail labels must contain a lot code for traceability. You may include an ingredient statement, USDA seal and certifier information.

Agricultural products in other than packaged form at the point of retail sale (100% organic/organic, made with organic). In retail display, labeling and display containers:

- For products with >95% organic content, the terms "100% organic" and "organic" may be used to modify the name of the product, as applicable. In any such display of the product's ingredient statement, the organic ingredients are identified as "organic."
 - For these products (if prepared in a certified facility), the retail display, labeling, and display containers may use the certifier logo (step 3) or USDA seal (step 6).

- For products with >70% organic content, the phrase "made with organic" may be used to modify the product, but must not list more than three organic ingredients or food groups. In any display of the product's ingredient statement the organic ingredients must be identified as "organic."
 - For these products (if prepared in a certified facility), the retail display, labeling, and display containers may use the certifier logo (step 3).

<u>Alcoholic Beverages</u> Alcoholic beverages do not require ingredient statements. There are specific alcohol labeling guides on the NOP website (<u>wine</u>, <u>malt beverages</u>, <u>distilled spirits</u>).

<u>Textiles</u> Textile products that are labeled as "organic", may: 1. Use label claims that identify specific types of organic fibers and 2. Use statements identifying the percentage of organic fibers; but must not: 1. Use the USDA organic seal unless they are certified in accordance with the NOP regulations, 2. Imply or lead the consumer to believe that the final product is certified under the NOP regulations unless they are certified in accordance with the NOP regulations, or 3. Use a combination of both organic and non-organic sources for a single fiber that is identified as "organic" in the final product.

<u>Body care or cosmetic products</u> Certified organic cosmetics, personal care products, and body care products are eligible for the same 4 organic labeling categories as all other agricultural products, based on their organic content and other factors.

<u>Private Labels</u> Private label products or services are typically those manufactured or provided by one company for sale under another company's brand. Label information for private label products must contribute to traceability and transparency.

If a label submitted by a private label company is not compliant, the certifier of the manufacturer cannot approve that label and vice versa.

The certifier identified in the COB statement must either certify the manufacturer of the product (consistent with NOP Regulations) or the distributor listed on the label (consistent with NOP Guidance).

In private label scenarios where another certifier is identified on the label, PCO requires written or stamped approval from that certifier that the specific labels have been approved.

<u>Promotional Materials</u> The same labeling rules apply to signage, store displays, promotional fliers, and your website. If your retailers or creative partners are responsible for producing these, be sure they know the requirements.