Choosing a Co-Packer: Capability and Fit Standard

What a co-packer's job actually is, and the questions a sales conversation won't answer.

I. Function Definition

- Co-packers vary widely in what they stock. Some maintain an extensive active ingredient portfolio, hundreds of raw materials across dozens of countries of origin, and formulate largely from their own inventory. Others operate strictly as packing partners, where the client supplies their own ingredients and the co-packer provides production, fill, and packaging capability only. Know which model you're evaluating before comparing quotes, since the two aren't interchangeable.
- What you are actually purchasing, in either model, is consistency at scale: the guarantee that a blend or formula tastes the same on order 1 and order 100.

II. The Four Evaluation Criteria, In Order

- **Capability Fit:** can they physically produce your format, volume, and geography requirement? Confirm this before anything else, since it eliminates most candidates immediately.
- **Documented Spec Adherence:** ask what their standard spec sheet includes before you sign anything. A serious co-packer will tell you upfront, tolerances, testing, documentation included. Hesitation or vagueness here is the red flag, not the absence of a sample document itself.
- **MOQ Alignment:** match their minimum to your actual sell-through velocity, not your target velocity. A mismatch here converts margin into unsold inventory.
- **Commercial Terms:** development fee structure, deposit-to-rebate conversion, and payment terms, negotiated before the first sample, not after you're committed.

III. The Diligence Questions Sales Calls Avoid

- What happens to my order if your primary supplier for [key ingredient] fails? Do they have a documented second source?
- What's your actual changeover time between clients' production runs, and how do you prevent cross-contamination or flavor carryover?
- Can I see a reference from a comparable client? Note many co-packers can't disclose client names due to NDAs, so a direct reference is a bonus when available, not a baseline expectation. This is often where an established advisory relationship provides visibility a cold inquiry won't get.

IV. Common Failure Mode

- Selecting on relationship quality or sales responsiveness rather than documented capability. This is the single most expensive and most common early-stage sourcing error, and it's rarely visible until the second or third production run.