

Glossary of Food Industry Terms

Broker – An individual or party (brokerage firm) that arranges transactions between a buyer and a seller, and gets a commission when the deal is executed. A broker who also acts as a seller or as a buyer becomes a principal party to the deal.

CFIA – Canadian Food Inspection Agency is a regulatory agency that combines inspection services for three federal government departments: Agriculture and Agri-Food Canada, Fisheries and Oceans Canada and Health Canada.

Class of Trade – The various channels by which products flow into the market: Grocery, Mass, Food Service, etc.

Consumer Promotion – an attempt convince a consumer to purchase a product through: free samples, coupons, demonstrations, loyalty programs, etc.

Direct Sale – A sales channel where products are marketed directly to customers – either consumers without the retail store or directly to a retail store or chain without an intermediary such as a distributor or wholesaler.

Distribution – the process of making a product or service available for use or consumption by a consumer or business user, using direct means, or using indirect means with intermediaries such as wholesalers or distributors.

Fiosa/Miosa –The FIOSA - MIOSA Safety Alliance of BC (“the Alliance”) is a not-for-profit industry organization that seeks to address challenges and opportunities specific to food & beverage processing and manufacturing and to set industry standards for health and safety.

Food Safety Portal – located on the SSFPA’s website. It is a location to access all food safety information, courses and resources.

GMP – Good Manufacturing Processes: A method of ensuring consistency in manufacturing; a roadmap for quality.

Gross Margin – $\text{Gross margin} = \text{net sales} - \text{cost of goods sold} + \text{annual sales return}$.

HACCP – Hazard Analysis Critical Control Points: An integrated control system of food safety at all stages of its production and distribution.

Manufacturer Chargeback – Also called an MCB, offered to the retailer by the manufacturer to support sales at retail. The discount payment is reliant on the amount of product the retailer purchased during a given promotional period.

Mark-up – is the difference between the cost of a good and its selling price.

Off-Invoice – Also called an O/I, used by retailers to purchase products at a discount for a period of time either direct from the manufacturer or through a wholesaler/distributor. An off-invoice is used to discount products at retail to gain trial and repeat purchase.

Trade Promotion – A marketing technique aimed a creating demand for products in retail stores using vehicles such as: advertising, off-invoice discounts, manufacturer chargeback promotions, etc.

UPC Code – Universal Product Codes are used around the world for tracking trade items. The most common form consists of 12 numerical digits uniquely assigned to each trade item.

Worksafe – A mandatory occupational health and safety program that requires premiums to be paid for any employee's you may have (not including yourself).