

# FOOD WASTE MANAGEMENT

## a guide for grocery stores



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# INVENTORY MANAGEMENT

**Food waste in grocery stores squanders resources, hurts profits, and adds to environmental problems. Smart inventory = Less waste, more profit. Optimize stock, prevent over-ordering, and sell perishables before expiry to reduce grocery food waste.**

## Build a comprehensive database

Ditch the gut feeling! Over-ordering and stockouts lead to food waste in grocery stores. Use data-driven inventory management to sell perishables on time and boost profits

### Solutions

- Identify complementary products (chips & salsa, peanut butter & jelly) and track them together. When one sells well, predict a rise in demand for the other and adjust stock levels accordingly.
- Monitor substitute purchases (e.g., out-of-stock brand A replaced by brand B). Use this data to predict demand for substitutes when a primary product is low on stock

## Monitoring & Checks

Regular inventory audits, monitoring of quality, quantity and expiration dates help store owners take decisions about dynamic pricing, marketing and food waste management. make this more concise

### Solutions

- Explore free or affordable inventory management software that works for your store size.
- Prefer a DIY approach? Create a basic spreadsheet in Excel to track store, product, and period data. Include current inventory, planned reorders, and leftover stock (sales minus orders).

## Assortment Selection

Limited shelf space in small stores demands smart inventory planning: forecast customer needs to stock the right brands and avoid wasted space.

### Solutions

- Conduct daily inspections of highly perishable produce (berries, leafy greens, herbs) to assess quality and remove spoiled items
- Implement a First-In-First-Out (FIFO) system for these products. Rotate stock regularly to ensure older items get sold first.

# BEYOND THE SELL-BY

Clearer labels ("Best By" not "Sell By") and educating customers reduce confusion and waste. Stores can leverage dates for stock rotation, discounts, and donations. Collaboration with manufacturers on realistic dates and packaging minimizes spoilage, while consumer education tackles waste at home

## Common misconceptions about dates

**Sell-By  
=  
Discard Date**

*Customers think that sell-by dates are a safety concern, even though its a display guideline for retailers to ensure top quality.*

**Dates  
Guarantee  
Safety**

*Dates are estimates, not guarantees. Proper storage and handling are crucial for food safety*

**Expired  
=  
Automatic  
Illness**

*Look for spoilage signs like mold, off-odors, or sliminess before discarding.*



## What can you do as a business owner?

**Standardize date labels on perishable goods:** Use a 'sell-by' instead or a 'use-by' consistently across items. Add descriptions such as 'sell-by for optimal quality' to the labels

**Signage and In-Store Displays:** Utilize store signage and displays to explain the difference between sell-by and use-by dates. Use visual stickers/ signs to educate customers on bruised or 'ugly' produce.

**Zero Waste Discounts:** Promote items nearing their sell-by date with clear labels like "Best By: Great Value!"

to encourage purchase. Alternatively, partner with apps that connect customers with discounted nearing-expiry groceries. Improves customer loyalty (attach study)

Scan the QR Code to learn more about date labeling!



# PROCUREMENT BEST PRACTICES

**Procurement is key to cutting food waste. By carefully choosing and ordering ingredients, minimizing packaging, and prioritizing seasonal items, restaurants can reduce spoilage and save money.**



## Plan and forecast requirements

- Track food usage and waste.
- Analyze sales, customer preferences, and seasonal trends.
- Negotiate minimum order quantities with suppliers.
- Adjust orders based on data to prevent spoilage and overstock

## Build better supplier relationships

- Partner with suppliers who have more sustainable sourcing practices
- Embrace imperfect produce for cost savings and creativity
- Monitor supplier performance and collaborate on storage and shelf life best practices



## Storage and Inventory Management

- Implement robust inventory control
- Track stock levels closely, organize prep, and use flexible ordering
- Prioritize proper refrigeration: practice FIFO and check temperatures regularly.



## Inventory Management & Packaging Solution Providers\*



# FOOD DIVERSION & DONATION

**While preventing food waste is ideal, effective diversion of excess food to those in need is crucial for restaurants aiming to minimize their environmental impact and support their community.**

## What about liability?

The Bill Emerson Good Samaritan Food Donation Act protects food donors from liability when donating to qualified organizations, ensuring safe food distribution to those in need while meeting all food safety standards.

Michigan mandates date labels on pre-packaged perishable foods, dairy, and meat, prohibiting sales after the labeled date. While shellfish requires date labels, sales are not restricted post-expiration.



## What about incentives?

According to Federal law, Since 2015, all businesses (C-corporations, S-corporations, limited liability corporations (LLCs), partnerships, and sole proprietorships) can claim enhanced tax deductions for qualifying food donations. A standard deduction can also be claimed for donations that do not meet eligibility criteria.

## Implement a food diversion pipeline

Make food diversion a part of your regular operations and establish standards

## Follow food safety & keep a record of diverted food

Ensure proper handling and safety, maintain a record of your donations.

## Identify recipients and donate / divert excess food

Partner with different organizations and solution providers



[For More Information on pantries and donation centers, scan this QR code](#)



## Every year, the average American household wastes **\$1500** in food

- **Confused about dates?** Use your senses (sight & smell) to judge freshness after the sell-by date, do not simply go by labels.
- **Prevent Spoilage.** Proper storage is key! Ask us about the best way to store your groceries for lasting freshness.
- **Plan Your Meals.** Make a list and buy the right amount of food!
- **First-In, First-Out.** Use older items before buying new ones. Store older food on the outside of your refrigerator shelf.

