

Michelle Pusateri ([00:16](#)):

My name is Michelle Pusateri and I am the founder of Nana Joes Granola, and we're based in San Francisco, California. We started in 2010 and we make organic granola and granola bars. The name Nana Joes came from Nana from my grandmother and Joseph for both of my grandfathers. And the picture is my parents from 1967. It's on their third date. And I just love the way that my mom is looking so happy, and that's exactly the way that I want people to feel when they try Nana Joes Granola, like the first time they ever fell in love. In my thirties, I really wanted to learn how to surf, and I was eating granola and yogurt and crashing out amid surf sessions. So I started making my own granola. And as everybody's story goes, friends and family loved it. I got my business license and started making my own granola and selling it. My first bag of granola was sold on August 19th, 2010.

Michelle Pusateri ([01:21](#)):

We built out a facility in 2012, and with that built out of the facility, we were able to grow 175%, and we've grown anywhere from 15 to 40% year over year. I wanted to go organic from the beginning. I was conventional for many years because I didn't have the cash flow, the know how to be certified organic, and everybody kept telling me how scary it was. I took that as a challenge.

Michelle Pusateri ([01:51](#)):

If I'm going to eat organic, I'm not gonna sell a product that's not certified organic. And so in 2016, 2017, we started on that journey. We really focused on our product integrity, and we focus almost equally on our team. We really push like, "Hey, we're certified organic and here's why." And once we start explaining it, then everybody starts understanding why we do what we do. It has been, I think, a recipe for our success.

Michelle Pusateri ([02:25](#)):

I think the points that are probably the most important is making sure that you have well vetted your suppliers. We only use suppliers that are one touch or we use suppliers that are farm direct. Some suppliers don't want to reveal their sources, and that's your choice whether or not you want to work with that supplier. And that's why it's important as well to go as farm direct as you can. I really think that you have to make sure too, when you're talking to suppliers, do you see a shortage in a year? And that goes back to not treating anything transactional and really getting to know your suppliers like they're your friends. I subscribe to all of my suppliers newsletters just to get information. If they got bought by somebody else, you're probably gonna need some new paperwork from them. And then just doing an updated supplier agreement every year we're like, has anything changed? When we receive the product, we look at the invoices and make sure that they say organic. We look at the actual product itself to make sure that those lock codes match what the invoice says and also what the COA says.

Michelle Pusateri ([03:45](#)):

The first couple of years of being certified organic was definitely a learning curve. I think I cried through my entire first audit. We didn't have all of our invoices. Our receiving log was a mess. What I wish I would've done to begin with is not only like finding a consultant to help, but also reaching out to other people that you may or may not know that are organic certified.

Ellen Rawley ([04:09](#)):

When I first started working with Nana Joes, she was in a place that a lot of folks that I work with are in, which is she was doing all the right things, but in terms of then actually getting everything that she was

doing down on paper, that process could probably be better. The majority of the records that are required of an organic handling operation are aimed at allowing you to trace back your product from finished product all the way back to receiving and to be able to do an in-out audit on both finished goods and raw materials.

Michelle Pusateri ([04:51](#)):

Over the years, our systems have evolved. At first we were paper and folders and as time has gone on, we've gone everything online. Our recordkeeping system is all in Google Drive.

Ellen Rawley ([05:05](#)):

One of the most frustrating parts of certification that is just a part of it, you have to suck it up and do it, is maintaining good receiving records.

Michelle Pusateri ([05:15](#)):

For the COA and the invoice, we actually put links. So when the inspector's looking through each batch log, it's easy to find them.

Ellen Rawley ([05:23](#)):

The majority of the systems that you have to keep for organic certification are really aimed at making sure that you can create an audit trail for a product from finished product all the way back to receiving.

Michelle Pusateri ([05:39](#)):

So, we have the daily batch logs, where we put exactly what was made that day and how much quantity was made. When we're scaling, our production manager goes behind the person who's scaling and makes sure that we are putting the ingredients, the lot number, the date that it came in, and the quantity that we're using. After that, we tie it together with how many bags were made. And the expiration date goes on every single invoice that we send out for our wholesale customers. So, we also have our table cleaning log, which is pretty basic. It tells you all of the allergens that are in it, and then it also tells you the initials of the person who cleaned that table, and what time and hour they cleaned it, plus the manager corrective action if that table wasn't cleaned correctly. For your very first inspection, know that they're gonna catch a lot of things that you might not be doing right. Don't get defensive.

Ellen Rawley ([06:41](#)):

In my experience, organic inspections, while they're like very meticulous, they're also very collaborative.

Michelle Pusateri ([06:47](#)):

They're there to help you improve the next time and the next time and the next time. And when you get your audit back, just look through it and then if you have any questions, you can ask your auditor, ask somebody else. Now, when we have inspections, they've gone down an hour almost every year because we're more prepared.

Michelle Pusateri ([07:12](#)):

When I'm formulating recipes, I am not only looking at the cost of ingredients, but I'm also looking at like, can I actually get that ingredient certified organic? Honestly, like being certified, it's expensive. It's a lot of work. I'm a pastry chef at heart, so I basically want to create recipes that are really expensive. So

when you're looking at that, you have to also look at, okay, so if I'm gonna do this recipe, is it gonna make money. When choosing ingredients, I'll go through the database of other companies and suppliers that have the ingredients in it. They have a database of products that are high risk, low risk, medium risk, and looking at that as well to make sure that every time you do an audit, you're not gonna have to do a bunch of extra work because you chose an ingredient that's from a country that can't get certifiers in it.

Michelle Pusateri ([08:09](#)):

For internally packaging and labeling, we always make sure that on any of our bins that have any of our bulk bags, we have organic on their OG, and then on our stickers that go out to stores, we say organic. Where you find that information for your organic certs is through your certifier. I think anything that you can do to make sure that you are staying in compliance, do it.

Michelle Pusateri ([08:38](#)):

Where we source our ingredients matters, environmentally, it matters for our bodies, it matters for nutrition. For me, having celiacs and also having colitis, we don't use any natural flavors. We don't use any additives or preservatives because my body can't handle it. So if my body can't handle it, I'm definitely not gonna throw it out into the world. The more organic we have on the market in the CPG world, the better for the planet it is. Working together to make sure that we're all on the same page and we're all doing the right thing, I think is the best way to look at it. One of the most rewarding parts about being an organic handler is the fact that a small producer like Nana Joes Granola can actually be certified organic. I'm really proud of that and I'm really excited for the future of consumer packaged goods and how many more smaller producers will start off organic.