Potential Added Sugar, Portion Rules May Drive Packaging Changes

Marcelo Ferrer, Director, Contract Manufacturing, Tetra Pak Inc

A long-simmering food fight in the U.S. is about to reach a boil. The Food and Drug Administration (FDA) is intent on improving its labeling standards to encourage healthier eating. The effort, if it happens as proposed, will shine an uncomfortable light on added sugars, calorie counts and portion sizes, and will likely drive changes in formulations and sizing.

How soon will those changes take effect? On August 1, the FDA closed its public comment period and is now considering revisions to the regulations. Once the regulations are finalized, they are expected to be enforced within a two-year timeframe. That will give food and beverage companies what may very well be a short window to adjust.

What It Means For Added Sugar

Health-conscious label readers should be able to differentiate natural sugars occurring in the food or drink they are about to consume, like fruit juices for example, from the refined versions of sugars that are added to the product, notes SmartBrief [1]'s Smartblog on Food and Beverage. The 'added sugar' label will be listed alongside total sugar, already a labeling requirement.

The rules, coupled with a strong consumer trend toward adopting healthier eating, may motivate changes in traditionally formulated beverages. And, in fact, many companies have already begun to experiment with healthier profiles [2] to combat the industry's steady 16-year sales decline, as IBISWorld noted in "Fizzling Out: Soda Producers Will Refresh Product Lines to Decelerate Falling Demand."

The rule could affect, in particular, many makers of sugary ready-to-drink (RTD) beverages. But it will also impact some that are widely viewed as better-for-you, such as RTD teas. Many contain added sugar–and in truth more than one would guess from tasting them. That's because the sugar is doing double duty by first canceling out another additive, acid, such as citric acid, before it sweetens the beverage.

Why Some Drinks Need Added Sugar

Many beverages like teas and coconut water are low acid by nature, meaning their pH is higher than 4.6. However, when processed in high acid plants, producers add acid, or acidify the beverage, to lower the pH to less than 4.6 so that the end product can be shelf stable when processed under hot fill conditions. Hot fill remains the most prevalent processing system for producing beverages in the U.S. Sugar is then added to these beverages to overcome the bitterness of acid when

they are processed in high-acid, hot-fill facilities.

Ironically, even products you might think of as acidic, like some tomatoes and some fruit juices, don't quite make the 4.6 pH threshold set by government regulators and actually qualify as low-acid foods. Yet they are processed, in many cases, in high-acid plants, leading their producers to go the "acid-plus-sugar" route.

Government regulators are expected to reinforce the 'added sugar' labeling requirement with new portion mandates that serving sizes better reflect American consumption behavior and have packages containing two-to-four servings report calories and nutritional information for the entire product as well as for one serving. This last mandate comes in response to the fact that consumers often down an entire oversized item rather than treating it as two-to-four separate servings.

The New Regulations' Potential Impact

The new regulations' impact on consumer attitudes could be significant. And that is exactly what the government hopes, given the widespread ramifications of obesity on public health. The new rules could put sugary drinks in a difficult spot while giving a boost to lower and no-sugar beverages. In fact, thanks to their healthier formulations and cleaner flavors, no- and low-sugar teas are already on the ascent with many shoppers. Furthermore, the most rapid growth in the sector is at the premium and super premium ends, as my colleague Suley Muratoglu, vice president for Marketing and Product Management, noted in a recent column, Tea Trouble [3]: How Formulation Meets Packaging Needs, Not Consumers'. Tea aficionados who pay a premium for these specialty products want to taste the unique and exotic flavors in their beverage of choice–not added acid and sugars.

In addition to modifying the sugar in formulations, the portion size requirements might lead some companies to adjust package sizing to avoid products appearing less healthy.

It's likely the proposed regulations will also lead manufacturers towards "cleaner"

formulations–free of preservatives, added sugars and other additives. Many are headed that direction anyway due to increasing consumer demand.

Aseptic processing and shelf-safe packaging are expressly suited to solve the issues posed by formulation changes. They can safely protect low-acid products, in their natural states, without requiring added preservatives, acids or sugars—all items that will muddy up the labels once the new labeling system takes effect. But low-acid-capable plants are more capital intensive and more expensive to operate, and therefore products might not be as affordable, even though they would have a cleaner–and healthier--formulation and higher quality.

But the question at hand is whether the industry is prepared to handle all these changes from a manufacturing standpoint. With manufacturing facilities designed and equipped to handle current formulations, will new regulations require manufacturers to rethink their technologies, processes and replace current equipment? And will more consumers than natural and organic food enthusiasts be willing to pay the additional charges that will likely be necessary to recoup new capital costs in order to have healthier option?

The new labeling requirements are sure to put pressure on food and beverage manufacturers to find solutions. But prevailing consumer trends are already heading toward healthier and more natural products, so they just might be pushing companies in a direction that will ultimately be more profitable for them and more beneficial for consumers as well.

Marcelo Ferrer, director of Contract Manufacturing, Tetra Pak Inc. U.S. & Canada, has been involved with aseptic processing and packaging for 20 years. He oversees a network of contract manufacturers that offers Tetra Pak's services to food, beverage and dairy customers. Tetra Pak (tetrapak.com/us [4]) is the world's leading food processing and packaging solutions company. Further insights are available at DoingWhatsGood.us [5].

Source URL (retrieved on *10/20/2014 - 6:28pm*):
http://www.foodmanufacturing.com/articles/2014/08/potential-added-sugar-portion-rules-may-drive-packaging-changes

Links:
[1] http://smartblogs.com/food-and-beverage/2014/08/04/what-do-the-fdas-food-labeling-changes-mean-for-manufacturers-consumers/?utm_source=brief
[2] http://big.assets.huffingtonpost.com/soda.pdf
[3] http://www.doingwhatsgood.us/wellness/fullpost/ready-to-drink-tea-opportunity-or-challenge#.U-G9f4BdWM4
[4] http://tetrapak.com/us
[5] http://doingwhatsgood.us/