





# Resources to Support the MN Food Ecosystem

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Accelerating Ag Innovation and Investment  
New Uses Forum 2019

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## AURI New Uses Forum 2019



# Minnesota Department of Agriculture

Commissioner, Thom Petersen

Assistant Commissioner, Whitney Place

Ag Marketing & Dev. Div. (AMDD): Director, Paul

Hugunin

Marketing Section Supervisor, Emily Jerve

Programs:

- Economic Research
- Int'l Trade & Export

Promotion

- **AGRI - New Markets**

**Program!**

Brian Erickson



# AGRI - New Markets Program

An economic development tool and “pull strategy” for Minnesota agricultural products, aimed at driving food & beverage business development in Minnesota

We support startups and work to **create competitive advantage** for “scaling” food companies in regional, national & international markets

# Cost Sharing (Demos & Tradeshows)

- 50% cost-sharing reimbursements for in-store demos & B to B trade events
- Up to \$4,000/co/year available for MN-made products
- While the money lasts (~\$250,000)

# Minnesota Pavilions

- Provide **competitive advantage** for “scaling” MN Food & Bev Co’s in regional, national & international markets by increasing ROI for participants (sales & distribution)
- Increase *investment* and retention in BD in Minnesota and Minnesota companies (DEED/GMSP partnership, Mingles with Grow North)



**nomi**  
fresh fruit & oat bar



**PEP:  
TALK**



MINNESOTA  
**HEMP FARM**

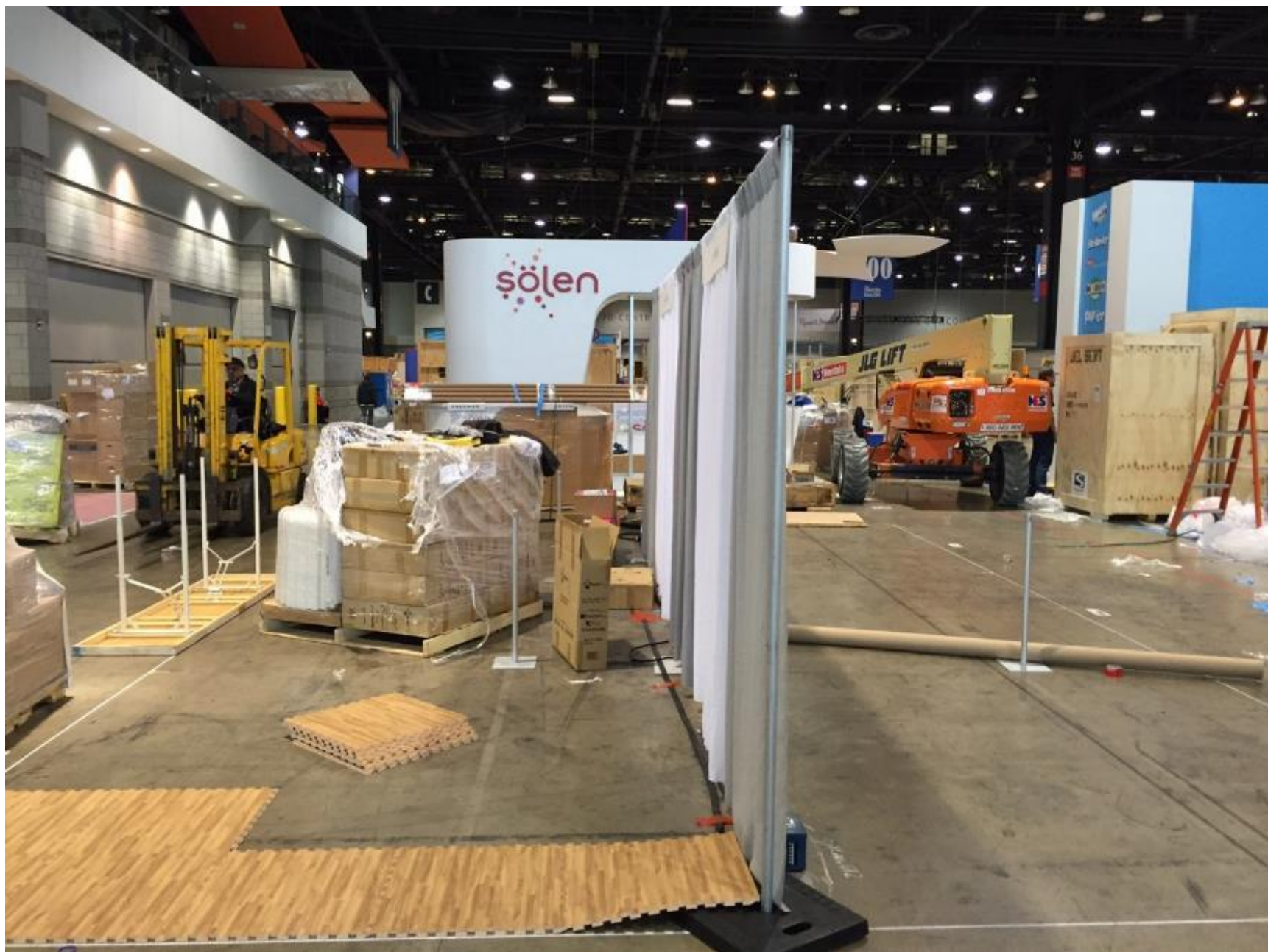


**((B)) BIZZY**



**BLISS**  
Gourmet Foods







# MINNESOTA NATURALLY

**m** DEPARTMENT OF  
AGRICULTURE









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# Starting a Food Business Roadmap

## START HERE



Are you interested in starting your own food business? This map is a great place to start! Even though the Roadmap is designed to look like a step-by-step guide, keep in mind this process is not linear, and you can expect to revisit stops throughout your journey. This list provides many resources that you might find helpful, but is not intended to be an exhaustive list. Review all of the stops on the roadmap before starting your food business.

## Driver's Ed: Learn the Basics



- Establish a support system.
- Research the basics of financing and resources available to you.
- Consider other aspects of commercialization.

## Business Planning Parking Lot



- Complete a cost analysis.
- Conduct market research to define your target market.
  - » What is your product?
  - » Where do you want to sell it?
  - » What makes your product unique?

## Funding and Financing



- Meet with your banker to discuss financing.
- Research other grant and loan opportunities.

## Food Safety Regulations and Information



- Learn about food safety regulations, limitations, and necessary training related to your business.
- Make a food risk management strategy (HACCP, allergens, etc.).
- Create a Food Safety Plan and Recall Plan.

## Plan for Production



- Decide where you will produce your product.
- Find where and how you will source ingredients, equipment, and other supplies.
- Think about ways to use local ingredients.

## Food Licensing Round-About



Knowing what licensing you will need can be a confusing process. Depending on your food business, you may require training and/or licensing from MDH, MDA, and/or federal and local delegated agencies.

- Most food products that are served and eaten on site (for instance, food trucks, restaurants, caterers) require a license from MDH.
- Most retail and manufactured food products require a license from the MDA.
- Some types of food businesses may require licensing or training from federal agencies or local delegated agencies.

## Additional Resources



- Identify other resources to help you start your food business.

## Scanning the Horizon



- Meet with your inspector.
- Review your business and food safety plans regularly.
- Decide if and how you will scale your business.



Who you may encounter during this step:

- Economic Development Centers
- Business consultants
- University of Minnesota (UMN) Extension
- Food advocacy organizations
- Educational institutions

#### Food Business Organizations

AURI

[www.auri.org/focus-areas/food](http://www.auri.org/focus-areas/food)

Grow North

[www.grownorthmn.com](http://www.grownorthmn.com)

Midwest Pantry

[www.midwestpantry.com](http://www.midwestpantry.com)

#### Food Business Basics

21 Things to Research Before Starting a Business

[www.smarta.com/advice/starting-up/starting-your-own-business/21-things-to-research-before-starting-a-business](http://www.smarta.com/advice/starting-up/starting-your-own-business/21-things-to-research-before-starting-a-business)

9 Things to Research Before Starting a Food Business

<https://quickbooks.intuit.com/r/am-i-ready/9-things-research-starting-business/>

Glossary of Wholesale Terminology

<https://medium.com/shelf-life/glossary-7b4020bdc9ff>

Pros & Cons Of Starting A Food Business

[cfvc.foodscience.cals.cornell.edu/getting-started/pros-cons](http://cfvc.foodscience.cals.cornell.edu/getting-started/pros-cons)

Food Business for Entrepreneurs

<https://ag.umass.edu/sites/ag.umass.edu/files/food-science/introduction-for-food-entrepreneurs-8-14-2014.pdf>

#### Economic Development and Business Support

African Development Center of MN

[adcmnnesota.org](http://adcmnnesota.org)

African Economic Development Solutions

[aeds-mn.org](http://aeds-mn.org)

Asian Economic Development Association (AEDA)

[aeda-mn.org](http://aeda-mn.org)

Community Reinvestment Fund (CRF USA)

[crfusa.com/crf\\_mission\\_values](http://crfusa.com/crf_mission_values)

DEED

[mn.gov/deed/business/starting-business](http://mn.gov/deed/business/starting-business)

Edible Alpha + Newsletter

[foodfinanceinstitute.org/edible-alpha-insights-newsletter](http://foodfinanceinstitute.org/edible-alpha-insights-newsletter)

Latino Economic Development Center

[ledc-mn.org/index.php/en/home](http://ledc-mn.org/index.php/en/home)

Metropolitan Economic Development Association (MEDA)

[meda.net/services-2](http://meda.net/services-2)

Neighborhood Development Center

[www.ndc-mn.org](http://www.ndc-mn.org)

Small Business Administration Local Assistance Tool

[www.sba.gov/tools/local-assistance/map/state/mn](http://www.sba.gov/tools/local-assistance/map/state/mn)

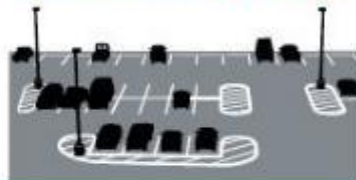
Northside Economic Opportunity Network

[neon-mn.org](http://neon-mn.org)

UMN

[ced.d.umn.edu](http://ced.d.umn.edu)

## Business Planning Parking Lot



### Who you may encounter during this step:

- UMN Extension
- Small Business Administration
- Neighborhood development agencies
- Food advocacy organizations
- Universities & Other Educational Institutions

21 Things to Research Before Starting a Business  
[www.smartz.com/advice/starting-up/starting-your-own-business/21-things-to-research-before-starting-a-business](http://www.smartz.com/advice/starting-up/starting-your-own-business/21-things-to-research-before-starting-a-business)

9 Things to Research Before Starting a Food Business  
[guidbooks.intel.com/for-ready/9-things-research-starting-business](http://guidbooks.intel.com/for-ready/9-things-research-starting-business)

Basic Plan For Success - for you, the entrepreneur  
[cfvc.foodscience.cals.cornell.edu/getting-started/plan-success](http://cfvc.foodscience.cals.cornell.edu/getting-started/plan-success)

Building a Sustainable Business  
[www.msa.umn.edu/publications/buildingasustainablebusiness](http://www.msa.umn.edu/publications/buildingasustainablebusiness)

Business Planning: Cornell University  
[cfvc.foodscience.cals.cornell.edu/getting-started/steps-start-business-planning](http://cfvc.foodscience.cals.cornell.edu/getting-started/steps-start-business-planning)

James J Hill Center Business Reference Library  
[jhill.org/research-guides](http://jhill.org/research-guides)

Small Business Development Portal  
[mn.gov/deed/business/help/sbdc](http://mn.gov/deed/business/help/sbdc)

Specialty Food Learning Center  
[learning.specialtyfood.com](http://learning.specialtyfood.com)

Starting a Business in Minnesota  
[www.sos.state.mn.us/business-items/start-a-business](http://www.sos.state.mn.us/business-items/start-a-business)

WE Start  
[westart.mn](http://westart.mn)

### How to Write a Business Plan

How to Write a Business Plan  
[www.entrepreneur.com/article/247575](http://www.entrepreneur.com/article/247575)

Small Business Administration Webinar Training:  
 How To Write A Business Plan  
[www.sba.gov/tools/sba-learning-center/training/how-write-business-plan](http://www.sba.gov/tools/sba-learning-center/training/how-write-business-plan)

Small Business Starter Kit: Business Plan Options  
[99designs.com/resource-center/small-business-starter-kit/write-a-business-plan](http://99designs.com/resource-center/small-business-starter-kit/write-a-business-plan)

Writing A Business Plan  
[www.sequoiacap.com/article/writing-a-business-plan](http://www.sequoiacap.com/article/writing-a-business-plan)

### Market Research

How to Research Your Market  
[www.entrepreneur.com/article/175276](http://www.entrepreneur.com/article/175276)  
 Market Readiness Research Protocol  
[cfvc.oregonstate.edu/food-innovation-center/product-development/market-research-market-readiness-mitrd-protocol](http://cfvc.oregonstate.edu/food-innovation-center/product-development/market-research-market-readiness-mitrd-protocol)

### Business and Tax Registration

Business Structure Comparison  
[www.uwcc.wisc.edu/whatisacorp/BusinessStructureComparison](http://www.uwcc.wisc.edu/whatisacorp/BusinessStructureComparison)

Business Taxes  
[mn.gov/deed/business/starting-business/taxes](http://mn.gov/deed/business/starting-business/taxes)

How To Calculate Sales Tax  
[99designs.com/resource-center/small-business-starter-kit/calculate-sales-tax](http://99designs.com/resource-center/small-business-starter-kit/calculate-sales-tax)

How To Choose Your Business Structure for Registration  
[99designs.com/resource-center/small-business-starter-kit/choose-a-structure](http://99designs.com/resource-center/small-business-starter-kit/choose-a-structure)

How to Register Your Business  
[www.sos.state.mn.us/business-items/start-a-business/how-to-register-your-business](http://www.sos.state.mn.us/business-items/start-a-business/how-to-register-your-business)

IRS  
[www.irs.gov](http://www.irs.gov)

MN Department of Revenue  
[www.revenue.state.mn.us/businesses/Pages/Business-Center.aspx](http://www.revenue.state.mn.us/businesses/Pages/Business-Center.aspx)

MN Secretary of State  
[www.sos.state.mn.us/business-items/start-a-business/how-to-start-a-business-in-minnesota](http://www.sos.state.mn.us/business-items/start-a-business/how-to-start-a-business-in-minnesota)

Sales & Use Tax Instructions  
[www.revenue.state.mn.us/Forms\\_and\\_Instructions/sales\\_tax\\_booklet.pdf](http://www.revenue.state.mn.us/Forms_and_Instructions/sales_tax_booklet.pdf)

Unemployment Insurance  
<http://www.umn.org/umt>

Workers' Compensation Information  
[www.dl.mn.gov/business/workers-compensation-businesses](http://www.dl.mn.gov/business/workers-compensation-businesses)

### What Is Your Product?

Building Your Brand  
[99designs.com/resource-center/small-business-starter-kit/build-your-brand](http://99designs.com/resource-center/small-business-starter-kit/build-your-brand)

Marketing 101: Small Business Administration Training  
[www.sba.gov/tools/sba-learning-center/training/marketing-101-guide-winning-customers](http://www.sba.gov/tools/sba-learning-center/training/marketing-101-guide-winning-customers)

MN Cottage Foods Law  
[www.mfma.org/CFL](http://www.mfma.org/CFL)

### Food Packaging and Labeling

AURI Clean Label Guide  
[www.auri.org/research-reports/clean-label-guide](http://www.auri.org/research-reports/clean-label-guide)

FDA Food Labeling Guide  
[www.fda.gov/downloads/food/guidanceregulation/ucm265448.pdf](http://www.fda.gov/downloads/food/guidanceregulation/ucm265448.pdf)

Food Packaging  
<https://www.fda.gov/food/ingredientspackaginglabeling/>

Packaging Supplier List  
<https://cfvc.foodscience.cals.cornell.edu/kitchens-supplies/packaging-supplier-list>

Product Labeling  
[cfvc.foodscience.cals.cornell.edu/getting-started/steps-start-product-label](http://cfvc.foodscience.cals.cornell.edu/getting-started/steps-start-product-label)

Product Labeling for MN  
<http://www.health.state.mn.us/dhs/eh/food/fs/foodlabels.pdf>

### Where Should You Sell?

Farm to School  
[www.extension.umn.edu/food/farm-to-school](http://www.extension.umn.edu/food/farm-to-school)

Marketing Decisions - Cornell University  
[cfvc.foodscience.cals.cornell.edu/getting-started/steps-start-market-decisions](http://cfvc.foodscience.cals.cornell.edu/getting-started/steps-start-market-decisions)

Specialty Food Association Education Resources  
<https://learning.specialtyfood.com/?go=2.237834114.300896724.1540835613-704626038.1540835613>

Fake it  
till you  
make it?



# Esra Kucukciftci

Pricing Innovation LLC

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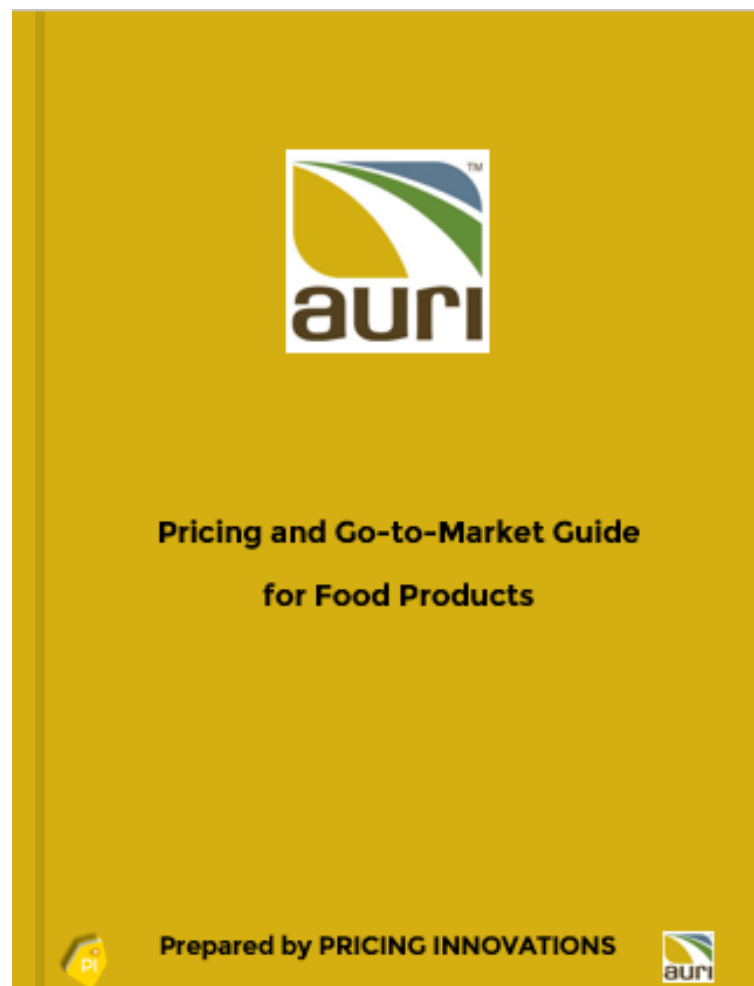
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# PRICING INNOVATIONS





# Food for thought...

Without knowing how much you can charge for your offering, you can't know **what costs you should incur** to make a profit

# Food for thought...

- \$500K company with \$100K margin?
- \$2MM company with \$100K margin?

**Do you know the difference between the two operations?**

# Food for thought...

What's **remarkable** about your product?