# Starting a Food Business Roadmap





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**

# **Food Safety Regulations and Information**



#### **Plan for Production**



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

- 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.





# **Additional Resources**



#### **Scanning the Horizon**



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.
- Identify other resources to help you start your food business.
- Meet with your inspector.
- Review your business and food safety plans regularly.
- Decide if and how you will scale your business.

#### **Driver's Ed: Learn the Basics**



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**

ALIRI

www.auri.org/focus-areas/food

**Grow North** 

www.grownorthmn.com

Midwest Pantry 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

9 Things to Research Before Starting a Food Business

https://quickbooks.intuit.com/r/am-i-ready/9-things-researchstarting-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

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 adcminnesota.org

African Economic Development Solutions aeds-mn.org

Asian Economic Development Association (AEDA) aeda-mn.org

Community Reinvestment Fund (CRF USA) crfusa.com/crf\_mission\_values

DEED

mn.gov/deed/business/starting-business

Edible Alpha + Newsletter

foodfinanceinstitute.org/edible-alpha-insights-newsletter

Latino Economic Development Center ledc-mn.org/index.php/en/home

Metropolitan Economic Development Association (MEDA) meda.net/services-2

Neighborhood Development Center www.ndc-mn.org

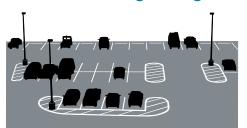
Small Business Administration Local Assistance Tool www.sba.gov/tools/local-assistance/map/state/mn

Northside Economic Opportunity Network *neon-mn.org* 

UMN

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.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

quickbooks.intuit.com/r/am-i-ready/9-things-research-starting-business Basic Plan For Success - for you, the entrepreneur

cfvc.foodscience.cals.cornell.edu/getting-started/plan-success
Building a Sustainable Business

 $www.mis \hbox{$\bar{a}$.} umn.edu/publications/building a sustainable business$ 

Business Planning: Cornell University cfvc.foodscience.cals.cornell.edu/getting-started/steps-start/business-planning

James J Hill Center Business Reference Library ijhill.org/research-quides

Small Business Development Portal mn.gov/deed/business/help/sbdc

Specialty Food Learning Center learning.specialtyfood.com

Starting a Business in Minnesota www.sos.state.mn.us/business-liens/start-a-business

WE Start westart.mn

# How to Write a Business Plan

How to Write a Business Plan 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-writebusiness-plan

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

Writing A Business Plan www.sequoiacap.com/article/writing-a-business-plan

#### **Market Research**

How to Research Your Market www.entrepreneur.com/article/175276

Market Readiness Research Protocol

fic.oregonstate.edu/food-innovation-center/productdevelopment/market-research-market-readiness-mktrdprotocol

#### **Business and Tax Registration**

Business Structure Comparison www.uwcc.wisc.edu/whatisacoop/ BusinessStructureComparison

**Business Taxes** 

mn.gov/deed/business/starting-business/taxes

How To Calculate Sales Tax

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

How to Register Your Business

www.sos.state.mn.us/business-liens/start-a-business/how-to-register-your-business

IRS

www.irs.gov

MN Department of Revenue

www.revenue.state.mn.us/businesses/Pages/ Business-Center.aspx

MN Secretary of State

www.sos.state.mn.us/business-liens/start-a-business/how-tostart-a-business-in-minnesota

Sales & Use Tax Instructions

www.revenue.state.mn.us/Forms\_and\_Instructions/sales\_tax\_booklet.pdf

Unemployment Insurance http://www.uimn.org/uimn

Workers' Compensation Information

www.dli.mn.gov/business/workers-compensation-businesses

#### What Is Your Product?

Building Your Brand

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 MN Cottage Foods Law www.mfma.org/CFL

/ww.mjma.org/crL

Marketing 101: Small Business Administration Training

www.sba.gov/tools/sba-learning-center/training/ marketing-101-quide-winning-customers

#### **Food Packaging and Labeling**

AURI Clean Label Guide

www.auri.org/research-reports/clean-label-guide

FDA Food Labeling Guide

www.fda.gov/downloads/food/guidanceregulation/ ucm265446.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-labels

Product Labeling for MN

www.health.state.mn.us/divs/eh/food/fs/labeling.pdf

#### Where Should You Sell?

Farm to School

www.extension.umn.edu/food/farm-to-school

Marketing Decisions - Cornell University

cfvc.foodscience.cals.cornell.edu/getting-started/steps-start/ market-decisions

Specialty Food Association Education Resources https://learning.specialtyfood.com/?\_ga=2.237834114.300896724.1540835613-704626038.1540835613

#### **Plan for Production**



Where you produce your product will influence your licensing requirements.

Who you may encounter during this step:

- Co-packers
- Shared commercial kitchens
- Food processing facilities
- Cottage food advocates and experts
- Wholesalers, suppliers, ingredient sources, local farms

#### On Farm

#### Come & Get It!

www.misa.umn.edu/publications/comeandgetit

#### Cottage Food Resources

www.misa.umn.edu/resources/local-food-sales-resources/ cottage-food

FSMA Coverage & Exemptions/Exclusions Flow Chart loads/FoodGuidanceReaulation/FSMA/ www.fda.aov/dowi UCM472499.pdf

#### FSMA Produce Rule Fact Sheet

www.fda.gov/downloads/Food/GuidanceReaulation/FSMA/ UCM472887.pdf

#### **Local Food Fact Sheets**

www.misa.umn.edu/publications/local-food-fact-sheet-series

#### At Home

#### **Cottage Food Resources**

www.misa.umn.edu/resources/local-food-sales-resources/ cottage-food

#### **Shared Kitchen**

Commercial Kitchen Guide www.misa.umn.edu/publications/commercialkitchenguide

How To Find & Rent A Commercial Kitchen www.youtube.com/watch?v=M2Qn-r0zZ o

Kindred Kitchen www.kindredkitchen.org

Kitchen on the Bluff www.kitchenonthebluff.com

The Good Acre thegoodacre.org

**Shared Kitchen Directory** 

www.mda.state.mn.us/shared-commercial-kitchen-directory

#### Co-Packer

#### Choosing and Using a Co-Packer

https://hortintl.cals.ncsu.edu/content/choosing-and-using-copacker

#### Co-Packer Directory

www.mda.state.mn.us/minnesota-co-packer-directory

Specialty Food Association Co-Packer Directory www.specialtyfoodresource.com/get-started/find-a-businessresource/copackers

#### Using A Co-Packer: Resources

ucfoodsafety.ucdavis.edu/Food Industry Contacts/Co-Packers

#### Other

#### FDA inspection Guide

www.fda.gov/ICECI/Inspections/InspectionGuides/ucm074988. htm#SECTION 1

#### **Good Manufacturing Practices**

www.fda.gov/Food/GuidanceRegulation/CGMP/ucm110877.htm

#### UMN Dept. of Food Science and **Nutrition Research & Services**

https://fscn.cfans.umn.edu/research-services

#### UMN Dept. of Food Science and **Nutrition Pilot Plant**

https://fscn.cfans.umn.edu/research-services/pilot-plant

# **Food Safety Regulations and Information**



Who you may encounter during this step:

- Federal, state, local food safety agencies
- Universities & academia
- Educational institutions
- Food innovation centers
- UMN Extension

#### **FSMA**

#### Food Safety Modernization Act

www.fda.gov/food/quidanceregulation/fsma/ucm247559. htm#Registration

#### **FSMA**

www.fda.gov/Food/GuidanceRegulation/FSMA/default.htm

#### FSMA Preventive Controls Rule

www.fda.gov/Food/GuidanceRegulation/FSMA/ucm334115.htm

FSMA Coverage & Exemptions/Exclusions Flow Chart www.fda.gov/downloads/FoodGuidanceRegulation/FSMA/ UCM472499.pdf

#### FSMA Produce Rule Fact Sheet

www.fda.gov/downloads/Food/GuidanceRegulation/FSMA/ UCM472887.pdf

#### Recalls

#### FDA Recall Industry Guidance

www.fda.gov/Safety/Recalls/IndustryGuidance/ucm129259.htm

Food Recall Templates & Other Helpful Templates U of MN GAPs Program www.ifsh.iit.edu/fspca/fspca-materials

#### **USDA Recall Plan Guidebook**

www.fsis.usda.gov/shared/PDF/RecallPlanBooklet 0513.pdf

#### **Food Safety**

#### AURI

www.auri.org/focus-areas/food

#### Cottage Food Law FAQs

www.mda.state.mn.us/food/cottage-food-law-quidance

#### FDA "What You Need to Know About Establishment & Maintenance of Records"

www.fda.gov/Food/GuidanceRegulation/ucm292745.htm

#### **Food Equipment**

www.nsf.org/services/by-industry/food-safety-quality/ food-equipment-certification/standards-certification

#### Food ingredients that may cause allergies www.mda.state.mn.us/food/food-ingredients-may-cause-allergies

#### Food Safety & Defense Task Force mn.foodprotectiontaskforce.com

Food Safety Information & Resources www.mda.state.mn.us/food/food-safety-information-resources

Food Safety Preventive Controls Alliance www.ifsh.iit.edu/fspca

Hand Hygiene for Food Handlers www.health.state.mn.us/handhygiene/food/index.html

MDA Produce Safety Program https://www.mda.state.mn.us/food-feed/produce-safety-program

#### MDH Canning

www.health.state.mn.us/divs/eh/food/fs/canningfs.pdf

#### MDH Food Code

www.health.state.mn.us/divs/eh/food/code/index.html

Open Source Food Safety www.opensourcefoodsafety.org

#### Produce Safety Program

www.mda.state.mn.us/food/safety/producesafetyprogram.aspx

#### Retail Meat & Poultry Processing Training www.mda.state.mn.us/food/retail-meat-and-poultry-process-

#### ServSafe

www.servsafe.com

ing-training-modules

#### U of MN Extension Food Safety Training https://extension.umn.edu/food-health-and-nutrition#foodsafety

# safety.cfans.umn.edu

University of Minnesota Food Safety Factsheets www.extension.umn.edu/food/food-safety

#### What is a HAACP?

www.22000-tools.com/what-is-haccp.html

#### **Processing Authority Support**

#### **Acidified Foods Overview**

ucfoodsafety.ucdavis.edu/Food Processing/Acidified Foods

Better Process Controls & Acidified Food Courses ucfoodsafety.ucdavis.edu/Better Process Control Schools

**Processing Authority Approval** www.afdo.org/foodprocessing

**UMN Extension Information for Food Processors** https://extension.umn.edu/food-safety/food-processors

# **Funding and Financing**



Who you may encounter during this step:

- Local economic development agencies & municipalities
- Banks & financial institutions
- State economic development agencies
- Funding & grant organizations and agencies

#### **Learn the Basics of Funding**

**Financing Training Modules** www.sba.gov/tools/sba-learning-center/ search/training/financing

#### How To Find Funding

https://99designs.com/resource-center/ small-business-starter-kit/find-funding

New Funding Sources For Food-Related Businesses http://foodsvstems.msu.edu/uploads/ files/food business funding.pdf

Real Food MBA Resources & Funding Lists http://realfoodmba.com

#### Slow Money MN

www.slowmoneyminnesota.org

#### **Exporting**

Export Financing through the MN Trade Office mn.gov/deed/business/exporting/export-financing

Food Export Association of the Midwest Branded Program

www.foodexport.org/programs-services/ increase-market-share/branded-program

# **US Commercial Service**

www.foodexport.org/programs-services/ increase-market-share/branded-program

# **Grants and Loans**

Compeer - Emerging Markets, Local Food, and Non-Traditional Ag Loans https://compeer.com/Home/Agriculture/Ag-Financing/Emerg-

# Farm Opportunity Loan

ing-Markets-Program

www.mda.state.mn.us/business-dev-loans-grants/farm-opportunity-loan-program

#### **Good Food Access Grants**

www.mda.state.mn.us/grants/grants/gfapequipmentgrant

MDA AGRI Value Added Feasibility Study Grants www.mda.state.mn.us/business-dev-loans-grants/agri-value-added-feasibility-study-grant

#### MDA AGRI Value Added Grants

www.mda.state.mn.us/business-dev-loans-grants/agri-valueadded-grant-program

#### MN DEED Business Loan Basics

https://mn.gov/deed/business/financing-business/guidance/ biz-loan-basics.jsp

#### USDA Microloan Program

www.fsa.usda.gov/programs-and-services/ farm-loan-programs/microloans/index

**USDA Value-Added Producer Grants** www.rd.usda.gov/programs-services/ value-added-producer-grants

#### **Crowd Funding**

Barnraiser www.barnraiser.us

#### Foodstart

www.foodstart.com Kabbage

#### www.kabbage.com Kickstarter

www.kickstarter.com Kiva

#### www.kiva.ora Pieshell

www.pieshell.com

#### **Initiative Funds**

**Greater MSP** www.greatermsp.org

Minnesota Initiative Foundations www.greaterminnesota.net

# **Accelerators**

# 301 Inc

Accel.mn

www.301inc.com

# https://westart.mn/resources/accel-mn Agthentic food tech and ag-tech accelerators

Gener8tor www.gener8tor.com

resources.agthentic.com/#

Kemp's / Dairy Farmers of America Accelerator http://sprintaccel.com/accelerator-program

Land O' Lakes Dairy Accelerator https://dairyaccelerator.landolakesinc.com

#### Red Wing Ignite

www.redwingignite.org/about-us

Techstars Farm-to-Fork Accelerator www.techstars.com/farm-to-fork-program

#### **Food Licensing Round-About**



#### **Useful Tools to Help You Start**

Licensing Wizard

www2.mda.state.mn.us/webapp/foodlicensingwizard

Food Licensing Liaison Line 651-201-6081 or MDA.FoodLicensinaLiaison@state.mn.us

Who you may encounter during this step:

- Minnesota Department of Health
- Minnesota Department of Agriculture
- Delegated agencies
- Federal agencies

#### **MDA Inspected**

**Cottage Food** 

www.mda.state.mn.us/licensing/licensetypes/cottagefood.aspx

Exemptions

www.mda. state.mn. us/food-licensing-exclusions-and-exemptions

Food ingredients that may cause allergies www.mda.state.mn.us/food/food-ingredients-may-cause-allergies

**Food Licenses** 

www.mda.state.mn.us/licensing/licensetypes/foodhandler.aspx

Food Safety Information & Resources www.mda.state.mn.us/food/food-safety-information-resources

Plan Review - Retail Food Establishments www.mda.state.mn.us/planreview

Produce Safety Program

www.mda.state.mn.us/food/safety/producesafetyprogram.aspx

Retail Food Licensing & Inspections
Delegated Agencies

www.mda.state.mn.us/retail-food-handler

Retail Meat & Poultry Processing Training www.mda.state.mn.us/food/retail-meat-and-poultry-processing-training-modules

Various License One Pagers www.mda.state.mn.us/licensing/licensetypes/foodhandler.aspx

#### **MDH** Inspected

2011 "Church Lady" Law www.health.state.mn.us/divs/eh/food/pwdu/fsp/cookcrowd

Chili or Soup Cook-Off Fundraisers www.health.state.mn.us/divs/eh/food/pwdu/fsp/cookoff/index.html

Food Business Fact Sheets www.health.state.mn.us/divs/eh/food/fs/index.html

# Hand Hygiene for Food Handlers

www.health.state.mn.us/handhyqiene/food/index.html

Licensing - Food, Pools, and Lodging Services www.health.state.mn.us/divs/eh/food/license/index.html

MDH Delegated Agencies: Jurisdiction Map & Directory

www.health.state.mn.us/divs/eh/food/license/index.html

Minnesota Certified Food Manager
www.health.state.mn.us/divs/eh/food/cfm/index.html

#### Mobile Food Unit

www.health.state.mn.us/divs/eh/food/license/mfureview.pdf

Mobile Food Unit, Seasonal Temporary Food Stand, and Seasonal Permanent Food Stand Construction Guide

www.health.state.mn.us/divs/eh/food/license/mfuseaconquide.pdf

#### Special Licensing

www.health.state.mn.us/divs/eh/food/license/special.html

#### FDA / USDA Inspections

Guide to Regulations for Local Food Entrepreneurs www.misa.umn.edu/publications/guidetoregulationsforlocalfoodentrepreneurs

#### **FDA Registration Guides**

www.fda.gov/Food/ResourcesForYou/Industry/ucm322302. htm#subject

Overview of Food Regulations www.gaccmidwest.org/fileadmin/ahk\_chicago/White\_Paper/ BTL FoodRegulation.pdf

Who regulates what? www.eater.com/2017/3/24/15041686/fda-usda-differ-

Inspected By Someone Else (Delegated Agencies)

MDH Delegated Agency Book www.health.state.mn.us/divs/eh/food/license/locals.pdf

# **Additional Resources**



Who you may encounter during this step:

- Federal, state, and local food safety agencies
- Food advocacy organizations
- Universities & Other Educational Institutions
- UMN Extension
- Small Business Administration
- Neighborhood development agencies
- Food advocacy organizations

#### **Grow North**

www.grownorthmn.com/resource-navigator

Local Foods Advisory Committee www.misa.umn.edu/resources/local-food-advisory-committee

Food Safety Partnership of Minnesota www.health.state.mn.us/divs/eh/food/pwdu/fsp/index.html

# **Scanning the Horizon**



Who you may encounter during this step:

- · Business accelerators
- · Business incubators
- Co-packers
- Trade organizations

5 Tips to Re-Evaluate Your Company's Goals www.ballantine.com/5-tips-to-re-evaluate-your-company-goals

How to Conduct a SWOT Analysis for Your Small Business

www.thebalance.com/swot-analysis-for-small-business-2951706

Manufacturing Flowchart

www.lucidchart.com/pages/examples/flowchart/production-flowchart-template

#### **Local Food Procurement**

Directories

www.misa.umn.edu/resources/local-food-sales-resources/local-food-directories

Minnesota Grown

minnesotagrown.com

#### Wholesalers

Fresh Connect
www.lcsc.org/Page/549

Red Market redmarketmn.com

Sprout sproutmn.com

The Good Acre thegoodacre.org

#### **Farmer Groups**

Land Stewardship Project landstewardshipproject.org

MN Farm Bureau

www.fbmn.org/farm-fresh

MN Farmers Union www.mfu.org

MN Farmers' Market Association

www.mfma.org

Sustainable Farming Association www.sfa-mn.org

# **Product Development**

Cornell University Steps To Test Products cfvc.foodscience.cals.cornell.edu/getting-started/steps-start/product

Farm to School

www.extension.umn.edu/food/farm-to-school

K-State General Considerations for

Food Product Development

www.ksre.k-state.edu/kvafl/development.html#screen

Marketing Decisions - Cornell University

cfvc.foodscience.cals.cornell.edu/getting-started/steps-start/ market-decisions

MN Grocers Association Fancy food Shows Ed.

www.specialtyfood.com/shows-events/winter-fancy-foodshow/education/education-program-winter



In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711. The MDA is an equal opportunity employer and provider. *File Name: Starting a Food Business Roadmap.indd* 11.28.18