
The Common Kitchen

A Culinary Incubator

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The Common Kitchen

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ABSTRACT

The Common Kitchen opened in August 2006 as Southern New Hampshire University's first culinary incubator. The mission of The Common Kitchen was to help early stage entrepreneurs get started in the retail food business by providing support systems, resources, and facilities at little or no cost. The Common Kitchen targeted two groups of people: (1) entrepreneurs of southern New Hampshire looking to grow their food-based business beyond the walls of their home and (2) low-income and ethnic minority residents of Manchester interested in developing their own micro business.

The Common Kitchen was located in a dormant kitchen lab at SNHU's School of Hospitality, Tourism and Culinary Management. Tenants could rent the commercially licensed space for an hourly fee, rent storage space for a monthly fee and order raw ingredients from the school's purchasing department.

Under the direction of the assistant dean of the School of Hospitality, Tourism and Culinary Management two Community Economic Development masters students developed a system of operations for the kitchen and identified and enrolled kitchen tenants. Seven months after opening, a total of three tenants rented space from and produced food in The Common Kitchen. All of the tenants were Caucasian, with high levels of education from Master's Degrees to a PhD. The demographics of The Common Kitchen's final tenants highlighted the need for greater outreach to the low-income and ethnic minority community, as well as a deeper support system for individuals with little to no funding or entrepreneurial experience.

EXECUTIVE SUMMARY

The Common Kitchen at Southern New Hampshire University was designed to support new or existing food-based entrepreneurs in Manchester and southern New Hampshire. The incubator rented commercially licensed, professionally equipped kitchen space at an affordable rate, and provided incubator tenants with business support. The Common Kitchen organizers hoped that by supporting food-based entrepreneurs, those individuals would become economically self-sufficient. Organizers also hoped specialty foods (jams, salsas, baked goods, etc.) produced in the incubator would allow New Hampshire residents to share their respective cultures, contribute to the region's identity and appeal to out of state visitors.

New Hampshire is one of the most rapidly growing states in the nation (NH Economic Review, 2006). Famous for its lack of income and sales tax, New Hampshire is not only considered a favorable place to live, but a favorable place to do business. The Common Kitchen aimed to capitalize on New Hampshire's business friendly climate by reaching out to two distinct communities. The first community was comprised of preexisting food-based entrepreneurs who produced out of their home kitchen. This community wanted to increase business and productivity without spending hundreds of thousands of dollars to purchase a kitchen or outfit an existing kitchen space. This community also sought assistance with product improvement and developing a marketing and advertising plan. The second community The Common Kitchen targeted consisted of low-income and ethnic-minority Manchester residents. This community included those with no entrepreneurial experience or owners of small, ethnic food stores interested in preparing packaged or frozen meals to sell to customers.

The Common Kitchen organizers believed that diverse employment opportunities help create economically successful communities, and that The Common Kitchen would contribute to that diversity. Research also shows the market for specialty foods in New Hampshire is untapped, and as a result has plenty of room to grow. According to the non-profit, New Hampshire Made, neighboring Vermont generates \$700 million a year in the specialty foods industry, compared to the \$450 million a year generated in New Hampshire (NH Made, 2007). However, one of the greatest challenges of tapping into that open market is the prohibitive cost of kitchen space for entrepreneurs. The Common Kitchen's goal was to help entrepreneurs overcome that challenge.

The Common Kitchen organizers also wanted to take a preventative approach to a potential problem facing Manchester. Manchester's foreign-born population has grown by almost 4% in five years (US Census, 2005). With that increase, the number of families living below the poverty rate in Manchester has also increased by nearly 2%, and unemployment has risen slightly more than 3% (US Census, 2005). The Common Kitchen organizers intended to offer an alternative

source of income through food production and sales. Organizers believed a food-based business opportunity would appeal especially to non-English speaking residents or residents with little professional workplace experience.

The Common Kitchen's main goal was to increase income among our two target communities and to help them develop a sense of pride and ownership. The second goal was for the incubator to become a permanent fixture at Southern New Hampshire University, existing beyond the life-span of the project. To reach these two goals organizers had several objectives. Organizers needed to develop a marketing strategy for The Common Kitchen in order to access the two target communities. Organizers also needed to develop a system of operations for the kitchen including an application, operations agreement, and scheduling and payment plan.

The Common Kitchen had the greatest success with accessing its first target community: existing food-based entrepreneurs. The Common Kitchen was able to access tenants by developing marketing material including flyers and postcards. Organizers sent several hundred postcards to state-licensed, food-based entrepreneurs. Organizers also developed a system of operations for enrolling tenants, scheduling rental time, and billing. The Common Kitchen also appeared in at least one Manchester regional newspaper, as well as in SNHU's bi-annual magazine.

The Common Kitchen's initial objective was to rent to six to eight tenants within the first year, but by the end of project the incubator rented to three full-time tenants. Over the course of the project, it became evident that low-cost commercial kitchen space was not enough incentive for individuals to take the financial risk of starting a food-based business. Entrepreneurs had to spend at least \$600 for required licensing and insurance. That start-up cost did not include raw materials, labor and marketing expenses. Starting a food-based business also required English-language skills to fill out the necessary applications and forms. As a result it was difficult to find tenants, especially within the low-income and ethnic minority target community. All of the final tenants were native English speakers with previous entrepreneurial experience. The one person who qualified as a member of the second target community was a homeless man employed by an incubator tenant. However their use of the kitchen lasted three months, after which the tenant terminated his business venture.

By the end of the project, The Common Kitchen had just begun to tap into SNHU's resources, specifically advertising students who agreed to work on a promotional campaign for at least one incubator tenant. Work remaining on The Common Kitchen was twofold: (1) broader outreach to Manchester's low-income and ethnic-minority population, (2) providing a better connection between tenants and the wide range of entrepreneurial resources available from the city, state and SNHU.

COMMUNITY NEEDS ASSESMENT

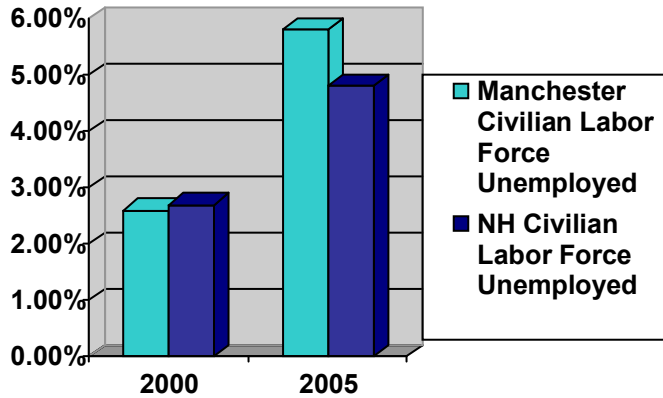
Diversity is important for creating a healthy community and economy. By laying the foundation for individuals to become self-employed as food-based entrepreneurs, The Common Kitchen intended to diversify economic opportunities in New Hampshire. The Common Kitchen was also proud to promote an industry based on food. Food helps unify communities by allowing individuals to experience each other's culture. Food also knows no educational boundaries. A non-English speaker or an illiterate adult can develop and produce a winning food recipe just as well as an English speaker with a high level of formal education.

The Common Kitchen's opening came at an ideal time for New Hampshire and specifically for Manchester. New Hampshire ranks as the 13th most rapidly growing state in the nation (NH Economic Review, 2006). It is known for having one of the highest standards of living and lowest crime rates in the nation. The state's no-income-tax and no-sales-tax policy has also made it an attractive place to do business. One of the greatest places of growth and change is in New Hampshire's largest city, Manchester. But as the city becomes more economically vibrant and racially diverse, it is also seeing an increase in housing costs, and a higher percentage of individuals living below the poverty line. Manchester has proven in the past that it can adapt to the changing needs and characteristics of its residents. By offering a new kind of opportunity The Common Kitchen organizers believed they could aid Manchester's continued evolution.

According to US Census Bureau Manchester's population has grown from 107,600 in 2000 to 109,305 in 2005. During that time the percentage of families living below the poverty line has increased from 7.7% to 9.5%. Looking at people older than 16 in Manchester, the unemployment rate within the civilian labor force has increased from 2.6% (2,214) in 2000 to 5.8% (3,733) in 2005 (US Census, 2005). The increase in unemployment is more dramatic in Manchester than in New Hampshire. Of the people older than 16 in all of the state, 2.7% (25,500) were unemployed in 2000 versus 4.8% (34,852) in 2005.

While the unemployment rate has increased so too has the cost of housing. According to Manchester Neighborhood Housing Services by 2005, the selling price of homes increased by more than 75% and the cost of rental housing increased by 30% (Manchester Neighborhood Housing Services Annual Report, 2005). At the same time the shift in national spending on defense has had an impact on the amount of federal funding Manchester receives. In a February 22nd 2007 interview with Manchester's Mayor Frank Guinta, Guinta confirmed funding from The US Department of Housing and Development had been cut by 10% to several cities including Manchester (Guinta, 2007).

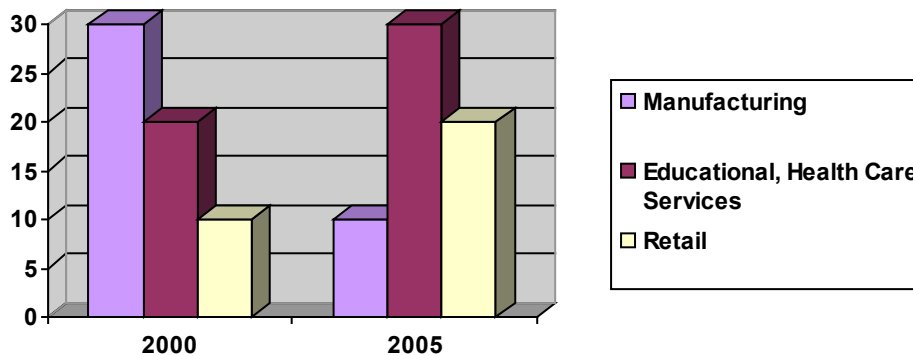
Unemployment Grew Faster in Manchester than New Hampshire as a State (US Census, 2005)



While city leaders seek to keep pace with Manchester's changing economic landscape, another challenge comes from the city's growing refugee and immigrant population. According to the state's Office of Energy and Planning, New Hampshire has received more than 6,000 refugees since the early 1980's. Between 2002 and 2006 1,159 of the 1,625 refugees arriving in New Hampshire have relocated to Manchester. These refugees come from 30 different nations primarily in Europe and Africa, where English is not spoken. Many come to Manchester not only illiterate in English, but illiterate in their own native language.

At the same time Manchester experiences a growth in residents who speak little English, there is a change in the type of industry that employs Manchester residents. In 2000 the most prevalent three industries were #1 manufacturing, #2 educational services, health care and social assistance, and #3 retail (US Census, 2000). One can argue that manufacturing jobs require the least amount of English to be spoken, however in 2005 manufacturing lost its rank as the largest industry in Manchester. In 2005 educational services, health care and social assistance, ranked first, followed by retail and lastly manufacturing. As Manchester and the surrounding areas change from a manufacturing-based economy to a service-based economy it is conceivable that English skills become more important for employment.

Most Popular Types of Employment Changed in Manchester (US Census, 2000, 2005)



There are however encouraging signs of minorities throughout the state taking a more proactive role in their economic future and wellbeing. According to the Small Business Administration, in New Hampshire self-employment increased by 11% from 76,817 in 2004 to 85,268 in 2005 (US Small Business Administration, 2006). Of that number, women make up 28,278 or 33.2%. In fact the number of self-employed women increased by 7.4% in that same year. Self-employment among ethnic minorities is not nearly as large, but it shows there is room for improvement. Using Census data, the SBA reports that in 2002 in New Hampshire, there were 1,528 Asian-owned firms, followed by a significant drop to 913 Hispanic owned businesses and 470 black owned businesses. Nonetheless these numbers play a role in the overall increase of self-employment in New Hampshire. The Small Business Administration takes a strong stance about the importance of these entrepreneurs and why we must encourage them to grow. The Administration writes, “Entrepreneurs, innovators, and small businesses are key players in the economy of New Hampshire. They make up most of the employer firms in the state, and their contribution is indispensable” (US SBA, 2006).

Entrepreneurs already in the business of making specialty foods have documented room for growth in that business. According to the non-profit New Hampshire Made, New Hampshire generates about \$450 million annually in specialty food sales, while its neighboring state of Vermont generates \$700

million annually. These numbers are even more outstanding considering that New Hampshire's population of 1,272,486 is nearly double Vermont's population of 602,290 (US Census, 2005). And yet Vermont generates hundreds of millions more in specialty food sales.

Entrepreneurs in New Hampshire have expressed interest in closing this gap with Vermont by boosting the state's own specialty food production. In June 2005 the assistant dean of SNHU's School of Hospitality distributed a survey at the Stonyfield Farm Entrepreneurship Institute at SNHU. He surveyed the group of food-based entrepreneurs to determine if there was an interest in renting kitchen space in at SNHU to produce and package their products. Of the nineteen entrepreneurs who responded to the survey, ten expressed an interested in using a commercial kitchen.

The sprit of entrepreneurship The Common Kitchen hoped to foster within Manchester could also be applied to the community of Southern New Hampshire University. While The Common Kitchen was located in the city of Manchester, the kitchen's more immediate 'host community' was SNHU. In 2007 the university served 1,900 students from 23 states and more than 35 different countries (SNHU, 2007). Students in SNHU's School of Hospitality, Tourism and Culinary Management had the most direct contact with The Common Kitchen by acting as incubator supervisors, or simply working across the hall from incubator tenants. Communication between students and tenants integrated the academic community with the community of food industry practitioners, fostering ideas and business contacts.

As of March 2007, The Common Kitchen was one of, if not the only culinary incubator in southern New Hampshire. The Common Kitchen was in the right place at the right time to serve the growing and changing needs of Manchester and New Hampshire. As the city and state looked to employ their growing populations, integrate their new foreign born residents and keep a high quality of life, the more diverse economic opportunities the better. The Common Kitchen helped meet that need.

STATEMENT OF THE PROBLEM

Problem Statement

Manchester's population is growing, and so too is the city's unemployment rate, crime rate and cost of living. While the rates are still below the national average, Manchester must be prepared adapt to the changing needs of its population. Before the creation of The Common Kitchen there was no access to affordable commercially licensed kitchen space. The closest kitchen incubator was 60 miles away in Boston, Massachusetts. As a result residents with the intelligence, creativity and stamina to increase their income through a food-based business were limited in their options. In fact, the challenge for many wishing to develop and market their food product is not an issue of creativity or product-knowledge; it is the access to commercial kitchen facilities with the proper production and packaging equipment, resources to assist with marketing, understanding the state health code, and securing start-up capital.

Another problem facing both Manchester and the entire state of New Hampshire is the type of employment is changing from manufacturing to service. Manufacturing jobs can be well suited for people who do not speak English or who have little formal education. In the 1800's Manchester blossomed as a mill city, employing French-Canadians and other immigrants in vast numbers of textile and cotton mills. In the northern part of the state lumber mills employed generations of families. But mills and manufacturing jobs are diminishing at a fast rate. According to the Economic and Labor Market Information Bureau, from August 2000 to August 2006, manufacturing's share of total private jobs in New Hampshire diminished from 18.6 percent to 13.5 percent (Bartlett, Josten, 2006). The bureau also recorded the highest number of unemployment compensation claims coming from those who worked in the manufacturing sector.

The extensive data gathered on Manchester and New Hampshire's changing forms of employment and industry growth point to the state's desire to keep ahead of the curve. A commercially licensed, affordable kitchen with connections to resources diversifies the economic opportunities for New Hampshire residents.

Target Community

The Common Kitchen had two target communities: (1) low-income and ethnic minority residents of Manchester interested in developing their own micro business and (2) entrepreneurs in southern New Hampshire looking to grow their food-based business beyond the walls of their home.

The first target community of low-income and ethnic minority residents The Common Kitchen wanted to target was in Manchester. These members included the owners of numerous ethnic food markets in the city, from Spanish bodegas, to Asian, African and Middle Eastern shops. The Common Kitchen's low income target community reached into the low to medium income population as well.

This community consisted of the 6,342 people 18 years or older making less than \$34,999 a year. Of those 6,342 there were 1,255 people making less than \$10,000 a year (US Census, 2005).

The second target community consisted of individuals who started their own home food-based business. Because of the financial constraints of leasing or building a commercial kitchen space, these individuals were unable to grow their business beyond their home. For example, The Common Kitchen interviewed a prospective tenant who produced ten pies a day out of his own kitchen. At five dollars profit per pie, selling ten pies would not be economical. Using the incubator however would allow this individual to produce 30 to 40 pies daily, thus increasing his income and his presence in different markets. This target community also consisted of people interested in producing more complex food products. State licensing requirements limit the type of food that can be produced at home however using a commercially licensed kitchen would allow people to work with meat, for instance.

The Common Kitchen organizers operated with the belief that food can play a role in helping to unify communities by allowing them to share aspects of their culture. If entrepreneurs from a full spectrum of cultural backgrounds produce and sell their native foods, it can help bridge cultural gaps within Manchester and New Hampshire. Within the incubator itself, the large size of the kitchen allowed two tenants to work in the space at the same time. The hope was for this kind of overlap to help build connections among food-based entrepreneurs. The Common Kitchen also intended to hold product development and business workshops which would be open to southern New Hampshire residents as well as incubator tenants.

Stakeholders

There was another community that inevitably crossed paths with The Common Kitchen: students and faculty of Southern New Hampshire University. SNHU was The Common Kitchen's largest stakeholder. The incubator was located on the second floor of SNHU's School of Hospitality, so while culinary students put the finishing touches on a soufflé, across the hall entrepreneurs were working to either expand their existing business or start an entirely new one. The benefit to both students and incubator tenants could best be explained by one of those tenants, Michelle Williams. Williams produced spinach pies in the incubator and said renting the space put her in the unexpected, but welcomed role as mentor. "I have enjoyed speaking to students that have wandered by," Williams said (Williams, 2007). "We have discussed both the realities of starting one's own business and the notion that what you're doing could someday be a household name. Anything is possible," she said.

In fact the Assistant Dean of the School of Hospitality indicated that part of the school's incentive for supporting an incubator within SNHU was to add a new spirit of entrepreneurship to the Hospitality, Tourism and Culinary Management School. Assistant dean John Knorr said, "A shared kitchen will bring a different type of 'foodie' into our school. It lets our traditional 18 year old student realize there is more to the industry than working as a line cook" (Knorr, 2007). Knorr continued, "For our students, there is the potential of becoming an entrepreneur and realizing the challenges and joys of owning your own business."

Project Goals

1. Increase income, self-sufficiency of target communities: The goal of The Common Kitchen was to increase participants' income level and economic self-sufficiency, as well as increase the number of self-employed food-based entrepreneurs in New Hampshire. The goal of every incubator including The Common Kitchen is for tenants to make enough money through their business to purchase a kitchen/retail space of their own, and ultimately move out of the incubator.
2. Bridge the gap between target communities and community resources: The goal was not only to connect kitchen tenants with each other but to connect them with city, state and university resources designed to help small businesses in New Hampshire.
3. Replace out-of-state with local: Dunkin Donuts, Wal-Mart and Hannaford supermarket have a capital on where people buy what they snack on or feed their family. The Common Kitchen aimed to provide people with an alternative to food produced outside New Hampshire. Our goal was for products made in the incubator to begin replacing products shipped in from other states or large food companies.
4. Become permanent: The Common Kitchen also strove to become a permanent fixture at SNHU's School of Hospitality. Our aim was for the program to become so successful, the university would designate a full or part-time position to the incubator. The goal was for a successful kitchen incubator to bring name recognition to the university and become a potential selling point for prospective students.

Project objectives

To reach each goal, there were a number of objectives that had to be met.

1. Increase income, self-sufficiency of tenants:

- Develop a system of operations for the incubator to run smoothly, (application, scheduling system, operating agreement with tenants, etc.).
Mid May-July 2006
- Market The Common Kitchen to target communities. *July 2006*
- Rent space to six to ten micro businesses within the first year of operating.
September 2006 – February 2007
- Design and hold trainings and demonstrations in food production and safety. *September 2006*
- Develop a scholarship program for tenants with little or no start-up capital.
September 2006

The degree to which The Common Kitchen reached its first goal was determined through one-on-one interviews with each tenant. Tenants were interviewed no later than February 2007.

2. Bridge the information/resources gap

- Provide business support for tenants. This included reaching out to and compiling contact information for outside organizations or SNHU resources which provide help with business consulting, access to small loans, and marketing and advertising assistance. *May-August 2006*

3. Replace out-of-state with local

- Establish a master contact list of businesses with employee cafeterias, small farm stands, farmer's markets, "New Hampshire-Made" stores, etc. This needed to be a tangible resource guide tenants could turn to.
August 2006

4. Become permanent

- Develop a set of tests and criteria used to determine if the kitchen is operating smoothly and effectively for tenants. This system of review could be developed by a small committee which would also be responsible for making presentations and updates to SNHU and other potential stakeholders. *Late September 2006*

PROJECT DESIGN

Literature Review

Business incubators, specifically kitchen incubators are living, breathing models. New kitchen incubators are springing up just as old ones are struggling to survive. As a result, the research on kitchen incubators is constantly evolving and is not purely academic. For the purposes of the Common Kitchen, the most helpful research encompasses three categories: 1) examples of existing kitchen incubators through interviews and research 2) guidelines entrepreneurs need to follow to run a successful small food-based business out of a kitchen incubator, and 3) benefits of incubators and micro-enterprise within a community.

The Common Kitchen was largely based on Boston's famous kitchen incubator, Nuestra Culinary Ventures (NCV). Welcome and registration material as well as incubator guidelines were designed around NCV's system. NCV's story of recent struggle also offered perspective into how tenuous opening a kitchen incubator is and how fortunate The Common Kitchen was to have a university system to rely on. According to the *Boston Business Journal*, NCV announced in the fall of 2006 it was closing because the program cost more than \$400,000 to run a year, and was losing \$125,000 annually (Kooker, 2006). Ironically NCV's near failure highlighted how valuable a kitchen incubator is to its community. The city of Boston perceived losing NCV as such a detriment, it provided the incubator with a \$75,000 economic development grant, which was followed by a private donation of \$25,000 and a \$10,000 donation from Citizens Bank. This quick response and outpouring of support proves that the city and private entities view the kitchen incubator as innovative and as a positive example of entrepreneurship for the city.

NCV offers another important lesson: the mission of a kitchen incubator must be realistic. The concept of a low-cost community kitchen space could appear to be geared toward low-income residents. The reality however is different. As The Common Kitchen organizers learned from NCV, it is difficult for an incubator to find the resources and time to support tenants unfamiliar with running their own business. According to the former director of NCV, Carry Wheaton, the majority of food-producers utilizing NCV were Caucasians with significant start-up capital and previous business experience (Wheaton, 2006). NCV directs tenants to organizations which provide low-interest loans, but Wheaton said there was very little time to assist tenants with refining and marketing their product. This creates a "sink or swim" atmosphere where Wheaton said she discourages people from following through with an idea if they do not have the resources and/or experience. The truth is food is not a major money maker, and in order for it to be, the individual must have a very simple effective idea and a lot of stamina.

As with any business, the most risky period of time is the beginning. According to business writer Sherman Chappell, a business or culinary incubator really only

begins to see success from its participants after five years in existence (Chappell, 1998).

Manchester's *Amoskeag Business Incubator* (ABI) is a prime example. The incubator has existed since 1997 and by 2007 was filled to capacity. Over the past years ABI developed a very clear policy for participants ranging from the length of a lease to pricing to building access and parking. Because the nature of an incubator is to serve small businesses with varying needs it is essential to establish a clear and consistent system.

In fact, one successful food based non-profit has gained national recognition for its clearly defined goals and simple approach. *Greyston Bakery* in Southwest Yonkers supplies baked goods to clients like Ben & Jerry's Ice Cream and the White House (Ceraso, 1995). A Zen Buddhist priest and former engineer began Greyston in 1979, with the intention of employing the homeless, recovering drug addicts and people who had served jail time. His secret to success was to develop a few good-quality products, which could be easily reproduced and guarantee a sale. Brownies were their claim to fame, so much so, Greyston is now a key provider for Ben & Jerry's famous "Chocolate Fudge Brownie" ice cream.

The author of one article about Greyston explains the founder's very simple, very realistic approach:

"For Greyston, starting from a realistic point with workers who were chronically unemployed or homeless meant acknowledging that many were initially unskilled, and making sure not to put people on a complicated production line" (Ceraso, 1995).

By using that approach, the organization flourished with numerous success stories about individual workers and the organization itself. Greyston has since created a company of single mothers who are seamstresses and has created transitional homes for AIDS patients. Greyston is able to make a noticeable impact on the less-advantaged because it manages the business while providing employees with an hourly wage.

Beyond the realm of existing incubators, there is a very valuable resource that can help new tenants, called *New England Food Entrepreneurs*. The organization is on-line and offers information and resources related to state regulations, requirements for food labeling even as specific as computer software for small bakeries. *New England Food Entrepreneurs* is a cooperative extension that represents each of the six New England states. The organization and website ask new entrepreneurs questions that will help them formulate a winning plan (New England Food Entrepreneurs, 2007).

One other on-line resource is through Cornell University's *Northeast Center for Food Entrepreneurship* at the New York State Food Venture Center. The center focuses more heavily on ways to promote and market the food product:

- Determining a selling price for your product; taking the competition and your financial needs into account.
- Developing a distribution method: your car, the mail, a fellow specialty food entrepreneur, distributor, broker.
- Determine when, based on ordering supplies, you can produce and package product (Northeast Center for Food Entrepreneurship, 2007).

Another very valuable information source for both planning a food-based business and developing the product is the *New Hampshire Special Food Producers Handbook* which is available on-line. The handbook addresses health tests entrepreneurs should expect from inspectors ranging from pH acid level, to shelf-life to water activity. The handbook also includes guidelines for registering with the state and for packaging and labeling. The manual was published in 1996, so some contact information and regulations may have changed. But it provides a thorough checklist of what entrepreneurs need to follow.

While these on-line resources address what the entrepreneur needs to know about beginning a food-based business, The Common Kitchen organizers needed similar information. Organizers had to ask what the need was for a kitchen incubator in the community. A report by community leaders in Hawaii does just that. It's called "Some Costs and Considerations for Establishing an Entrepreneurial Community Shared-Use Kitchen or 'Test-Kitchen Incubator.' The Examples of the Hamakua Incubator Kitchen and the Honokaa Ohana Kitchen Project" (Hollyer, Castro, 2000). The report points out food-based businesses are some of the "riskiest forms of entrepreneurship because they are dealing with changing consumer tastes and, typically, slim profit margins." But it aptly reminds the reader, many want to open a food business because "food is a basic and familiar need for people." Just as the incubator would ask entrepreneurs to define their goal, this report asks incubator organizers to define theirs. What is the intention of the kitchen incubator? The article suggests the following options:

- To help new businesses get started
- A shared-use facility where established small businesses can cut their operating costs
- A training program for people looking to change careers or refine skills
- An operation at industrial scale, cottage scale, or both
- A combination of the above.

The article states "there must be enough demand over the long term to justify the time and money involved." But again, because Southern New Hampshire University paid for the kitchen space, the amount of money invested was minimal

and so too was the risk. Ironically the lack of risk could have been a detriment, because risk and the fear of losing invested money is a strong motivator. But time, energy and good will were also investments, all of which The Common Kitchen organizers hoped to get a strong return on.

Program

Mission Statement:

The Common Kitchen culinary incubator is designed to help early stage entrepreneurs get started in the retail food business by providing a support system, resources and facilities at little or no cost.

The Common Kitchen intended to make the process of becoming a small food-based entrepreneur as easy and affordable as possible. The Common Kitchen did this by utilizing existing commercial kitchen space within the School of Hospitality at no cost to the incubator. Tenants could also rent storage space on a monthly basis and can take advantage of the school's buying power by ordering their ingredients through the purchasing department. The Common Kitchen also intended to assist tenants with developing their business by offering product development courses, connecting them to micro-credit lenders and advertising and marketing resources within SNHU.

In order for tenants to begin using the incubator a number of small goals needed to be achieved. Incubator staff needed to research and compile information regarding state licensing and insurance for food production so as to inform tenants. Staff also needed to develop an operations system including registration, scheduling and billing. The kitchen itself needed to be cleaned and stocked with necessary or missing equipment. Staff also needed to develop training curriculum if courses on safety and food production were to be offered. At the same time a massive marketing and outreach campaign had to be launched to access the target communities and bring tenants into the kitchen.

The incubator's goal was to operate during the first year with six to ten tenants. Staff hoped to use data collected from the initial year to secure a more permanent source of funding for continued operation. The Common Kitchen also wanted to see products made in the incubator available for sale on and on-line co-op that would be developed by SNHU students.

Participants

The incubator's goal was to enroll six to ten tenants during the first year of operation then double that number each subsequent year.

John Knorr, assistant dean of the School of Hospitality distributed surveys to individuals at the Stonyfield Farm Entrepreneurship Institute. Those who showed interest in the incubator were people who have been producing food at home but need a larger kitchen space to expand their business. Others hoped to eventually

own their own store or kitchen, and planned on using the incubator to build a clientele and earn start-up capital.

Organizers also secured a mailing list of existing people registered with the state to produce and sell food from home. We sent these people postcards with information about The Common Kitchen. We also distributed flyers to farmers markets and several Manchester stores. To directly target the ethnic-minority population John Knorr distributed a survey to a group within Manchester's African immigrant population. As we expected these participants were more difficult to access. Once the incubator developed a system and identified a funding source, it may have been able to reach out to this community more effectively.

Community Role

Students and faculty at SNHU and more specifically at the School of Hospitality had the most contact with the kitchen incubator. While incubator organizers hoped to provide services for students, faculty was also welcome to use the incubator to begin a small food-based business. More immediately however incubator organizers planned to sell food produced in the incubator at the campus store, café and cafeteria. The goal was to create awareness among students that there is often a locally made food alternative. We also hoped some of the food produced and sold in the incubator would represent a part of the ethnic and immigrant population in New Hampshire.

The Common Kitchen and its tenants aimed to work with several organizations dedicated to helping small business growth in New Hampshire. These organizations included, The New Hampshire Small Business Development Center, SCORE (Counselors to America's Small Businesses), Women's Business Center and Micro Credit of New Hampshire. We also connected with the State Health Department and other incubators, all of whom have communicated enthusiasm and support for the idea.

The Common Kitchen developed a unique connection with the First Methodist Church of Manchester. The church teamed up with a Manchester businessman to create a bakery that employs homeless people. The intention was for the church to supply start-up funds and a customer-base for the bakery. This created a connection not only with the church and its pastor, We Chang, but with at least two members of Manchester's homeless community.

Host Organization

Southern New Hampshire University, and within it, the School of Hospitality, Tourism and Culinary Management were the incubator's host organization. The school provided a kitchen space dedicated to the incubator so scheduling did not conflict with students' classes. Utility costs were covered by the university and the kitchen was commercially approved. Its features included:

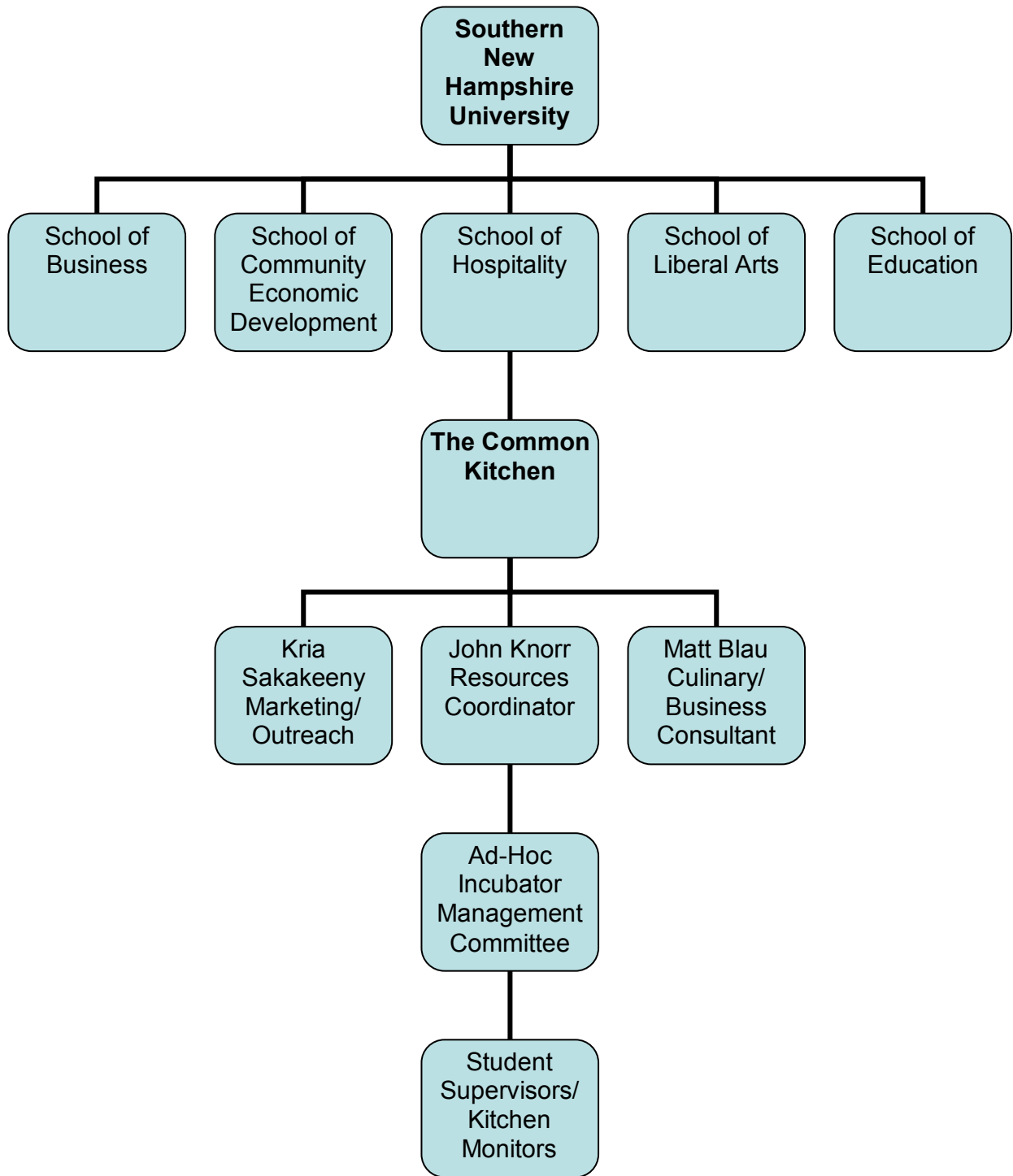
- A six-burner stove, flat top griddle, one convection oven, four deck ovens and microwave.
- Two 20 qt. and two 5 qt. kitchen aid mixers.
- Refrigeration and freezer units.
- Commercial steamer (perfect for canning), large jar fillers.
- Small wares: mixing bowls, measuring cups, stock pots etc.
- A three bay sink and food preparation sink.
- Four stainless steel work tables.

Products & Outputs

The Common Kitchen produced a series of out puts, including printed guidelines for new tenants:

- The Common Kitchen Manual: safety requirements for using the kitchen, policies for payment, scheduling and kitchen usage.
- The Common Kitchen Application: requires new tenants to provide background information including related work experience, initial business plan and target markets.
- The Common Kitchen Welcome Sheet: includes description of the kitchen, licensing and insurance requirements for joining, and names of organizations which provide business assistance.
- Five hundred color postcards describing The Common Kitchen, and dozens of color flyers with a similar design and information.
- Articles about The Common Kitchen in two publications: Manchester's weekly lifestyle paper, *The Hippo*, and SNHU's bi-annual magazine, *The Extra Mile*.

Organizational Chart



PROJECT IMPLEMENTATION

Implementation plan

In order to open The Common Kitchen, organizers identified a number of activities believed to be essential for renting kitchen space to tenants. As of May 2006 the activities were identified as follows:

1. Develop Operating System and Materials: (May-August)
 - Rate Schedule: John Knorr and the author (Kria Sakakeeny) determine the cost for an hour of kitchen space, a month of storage, ordering ingredients through the schools supplier, and using the schools labeling machine.
 - Operating Schedule: John and Kria determine who has space when, and how people will have access to the optimum time in the kitchen.
 - Policy and Procedural Manual: A School of Hospitality masters student develops a manual based on the Chester Kitchen, a former kitchen incubator in New Hampshire. The manual includes safety requirements for using the kitchen, policies for payment, scheduling and kitchen usage.
 - The Common Kitchen Application: Kria creates an application requiring new tenants to provide background information including related work experience, initial business plan and target markets.
 - The Common Kitchen Welcome Sheet: John and Kria create a sheet that includes a description of the kitchen, licensing and insurance requirements for joining and names of organizations which provide business assistance.
2. Market The Common Kitchen: (June-August)
 - John, Kria, and Matt Blau develop a plan for advertising The Common Kitchen to the target communities. This includes developing a questionnaire for existing entrepreneurs and designing marketing materials.
3. Develop Courses/Workshops on Business Development: (September)
 - John and Matt identify important areas for tenant training including food safety and product development.
4. Enroll Tenants in The Common Kitchen: (September-February 2007).
 - John responds to phone calls and e-mails from people interested in becoming tenants. John provides prospective tenants with tours of the kitchen and registers them if they choose to rent space. John also

provides each tenant with a price list of raw ingredients if they choose to order through SNHU.

5. Develop a Scholarship System: (September-October)

- John, Kria and Matt develop a way to redistribute collected rental fees to incubator tenants with little to no start-up capital. This requires an ad-hoc committee to oversee money and distribution

Inputs

Beginning in March 2006 The Common Kitchen began gathering materials and information (inputs) to help form a system of operations for the incubator. We also developed materials to market the kitchen. The following are the inputs used:

- Meeting in Boston, MA with former director of popular culinary incubator, Nuestra Culinary Ventures.
- Meeting in Manchester with director of SNHU affiliated business incubator, Amoskeag Business Incubator.
- Meeting with NH State Health Department officials regarding necessary food production licenses for tenants.
- Estimate from local insurance company on needed insurance for tenants.
- Marketing materials to promote the Common Kitchen, including postcards and flyers.
- A list of existing food producers registered with the state.
- Existing materials for specialty food producers: application, operating agreement from Nuestra Culinary Ventures, Chester Kitchen's operating agreement, *NH Specialty Food Producer's Handbook* from UNH cooperative extension.

Staffing Pattern

The Common Kitchen staff consisted of John Knorr, Kria Sakakeeny, Matt Blau and student assistants. John Knorr was the main project manager, supported by Kria and Matt. Some administrative tasks were carried out by student assistants.

- **John Knorr**, the assistant dean of the School of Hospitality, created the concept of The Common Kitchen. Because the kitchen was located within the school, a large amount of administrative responsibilities fell on his shoulders. These responsibilities included receiving calls from interested tenants, scheduling rental time, connecting tenants with the school's wholesale purchaser and

collecting rental fees. Knorr also developed the first incubator survey which was distributed at the Stonyfield Farm institute. Knorr had key relationships with members of the university, ranging from SNHU's president to advertising professors to public relations directors. Knorr's experience as a hospitality teacher also equipped him with the knowledge of food safety requirements and product development. John met with several prospective incubator tenants, providing them with a tour of the kitchen and information about the incubator.

- **Kria Sakakeeny** was a reporter and anchorperson at New Hampshire's only television news station (WMUR). Connections to the community proved useful, but Kria's largest role was to develop written materials about The Common Kitchen to distribute to tenants. This included the application, welcome sheet and operating agreement. Kria also accompanied John Knorr to various meetings with state health officials and directors of existing kitchen/business incubators. Kria secured a list of individuals registered with the state to produce and sell food from their home. She and John Knorr used these names as part of a massive mailing outreach. Both Kria and John distributed flyers to local farmer's markets and to local ethnic food markets. Kria also assisted John with introducing prospective tenants to the incubator and connecting enrolled tenants with advertising support.
- **Matt Blau** was an experienced restaurant owner, having opened his first restaurant in New York City at age 21. Matt owned at least one restaurant in Brattleboro Vermont, and used his business and marketing expertise to help develop a marketing strategy for The Common Kitchen. Matt developed eye-catching flyers and postcards for The Common Kitchen, which defined its image and became the major advertising tool. Matt worked with John and Kria to develop a system for the kitchen ranging from operating policies to scheduling procedures. Matt was responsible for developing The Common Kitchen's start-up budget and monthly operating budget.
- **Student Assistants** were instrumental in keeping a close watch on the condition of the kitchen, from cleanliness to needed supplies and up-keep. In most cases at least one student assistant was present or readily available while tenants used the kitchen. Student assistants were the only paid employees of The Common Kitchen, receiving about \$5.50 an hour and possible scholarship money from The School of Hospitality's budget. These assistants were responsible for checking tenants in and reporting tenants' needs to John Knorr.

Budget

Projected Common Kitchen Start- Up Budget

Prepared by Matt Blau

Start-up costs			
		Cash	In-kind
Create questionnaires, manuals, schedules, fee schedules and applications			\$ 1,800.00
Create networks with outside resources and suppliers		\$ 20.00	\$ 480.00
Develop training goals & curriculums, give trainings, demonstrations, tests and posttests			\$ 2,480.00
Advertising		\$ 220.00	\$ 700.00
recruiting (applicants)			\$ 450.00
Fundraising and marketing			\$ 400.00
Incubator development			\$ 600.00
Kitchen preparation		\$ 350.00	\$ 400.00
Process applications, determine eligibility, assist with licensing and fee collection			\$ 950.00
Assembling operations committee			\$ 275.00
Total start-up cost		\$ 590.00	\$ 8,535.00

Project Implementation Report

1. Develop Operating System and Materials: (May-August)

Beginning in March 2006 John and Kria held several informational interviews with the members of organizations mentioned under 'inputs' above. After gathering materials from Nuestra Culinary Ventures, ABI and the State Health Department, Kria designed The Common Kitchen welcome sheet, application and operating agreement. John, Matt and Kria discussed fees and decided on charging \$10.00 an hour rental cost, \$30.00 a month storage fee, etc. (see appendix.) We also developed an operating agreement which outlined policies regarding cleaning the kitchen, missed payments, cancellation fees, etc.

2. Market The Common Kitchen to Target Communities: (June-October)

In June 2006 John Knorr distributed surveys to a group of New Hampshire entrepreneurs attending the Stonyfield Farm Institute hosted by the School of Community Economic Development. He surveyed the group to determine if there was an interest in renting kitchen space. Of the nineteen food entrepreneurs who responded to the survey, ten expressed an interest in using a commercially licensed kitchen. These individuals' information was added to a contact list for potential incubator tenants.

In July John, Matt and Kria met to discuss ways to market The Common Kitchen. By mid-July Matt developed a colorful flyer and postcard. John Knorr ordered five hundred postcards, one hundred of which we sent to a list of food-producers registered with the state. At the same time, John and Kria visited Manchester's farmer's market and distributed flyers. Kria posted flyers in Latino, Asia, African and American food markets in Manchester.

Instead of taking out an advertisement in one of the local papers, John contacted Manchester's weekly lifestyle newspaper about the incubator. The inquiry led to a story in an October 2006 issue of *The Hippo*. Kria also wrote an article about the incubator for SNHU's bi-annual magazine, *The Extra Mile*.

One other effective form of marketing was word of mouth. In September 2006 CED instructor Charles Hotchkiss, connected The Common Kitchen with one of its most interesting clients. The client was a Manchester entrepreneur seeking to create a non-profit baking company that employed the homeless. This was one effective way to access the low-income target community. John Knorr also developed a simple questionnaire for African immigrants in Manchester to be distributed by a CED student.

3. Develop Courses/Workshops on Business Development: (September-January)

John was certified as a HACCP (Hazard Analysis and Critical Control Point) or food safety instructor. The course was not required to produce and sell food in New Hampshire however The Common Kitchen wanted tenants to take the course to strengthen the quality of both their product and incubator. However this course was never offered and other courses were not developed. The unmet resource needs in this case were time and staff. The Common Kitchen did not have one full-time staff member to develop and provide training. At the same time there was no demand for courses and workshops as The Common Kitchen had no more than two to three tenants at one time.

The closest The Common Kitchen got to providing advertising support to a tenant was connecting that tenant to SNHU's Ad Lab. Ad Lab is a group of undergraduate advertising students who develop an advertising campaign for a client for free. John and Kria presented students with the mission and product of John Wesley Bakery, the non-profit bakery which employed the homeless.

4. Enroll Tenants in The Common Kitchen: (September-February 2007)

As of March 2007 The Common Kitchen had three tenants. But more than double that number expressed interest in the kitchen, visited the kitchen, or even used the kitchen one or more times. In fact in order to arrive at the three final tenants, John, and occasionally Kria, met with several prospective tenants. Again, the unexpected resource needed for this was "time."

In one case, John and Kria spent two hours meeting with a man who wanted to make enough money selling pies to open his own kitchen. After walking him through the kitchen and discussing the incubator system he realized if he were to make thirty pies a day at \$15 a pie, the \$5 profit he would make on one pie would never add up. While The Common Kitchen wanted all tenants to do as much planning and calculating as possible before renting space, the time spent with prospective clients was substantial and unexpected.

5. Develop a Scholarship System: (September- October)

Because operating costs for The Common Kitchen were all included in The School of Hospitality's budget, rental fees collected from tenants were available to go into a scholarship fund. However, the number of tenants initially expected (6-8) was nowhere near what The Common Kitchen ended up with (3). Also, in an effort to get food-based entrepreneurs to use the kitchen, the first few tenants were allowed to use the kitchen at no charge. The Common Kitchen gradually began to collect rental fees on a more consistent basis. However an ad-hoc committee was not formed to oversee the use of the money. By March 2007 fees collected from tenants went back into The School of Hospitality.

Project Implementation Gantt Chart

Activities	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	People involved	Resources/ inputs
Meet with incubator directors												John, Kria	time of stakeholders
Develop welcome sheet and application												Kria	time, printing
Develop systems and methods												John, Kria, Matt	time, examples of other incubators
Develop questionnaire												John	time, printing
Arrange cheap bulk food sources												John	School of Hospitality contacts
Determine scheduling fee												John, Kria, Matt	time
Advertise for participants												John, Kria, Matt	time, material design, printing
Create operating agreement												John, Kria, Matt	time, other incubator material
Recruit applicants												John, Kria	time, completed applications
Create kitchen use schedule												John, Kria, Matt	time, other incubator material
Prepare kitchen for incubator												John, students	time
Collect participant fees												John	time
Promote incubator to local media												John, Kria	time
Designate/train student staff												John	time, small stipend
Connect with Ad Lab												John, Kria	time, SNHU connections

MONITORING AND EVALUATION

Original Monitoring System

In June 2006, the success of The Common Kitchen was to be determined by the following:

1. Whether the kitchen reached its goal of six to eight tenants within the first year. Success would also depend on whether those individuals were able to launch a micro business that provided them with enough additional income to allow them to continue their business venture.
2. Whether there were enough successes during the first year to develop the incubator into an ongoing operation. This would include financial and staff support from SNHU.

Final Monitoring System

On the simplest level, monitoring the success of The Common Kitchen could be determined by how many tenants rented space from the kitchen by the end of the project. The Common Kitchen expected six to ten tenants by December 2006, but by March 2007 it ended up with three. Because the number of tenants using the kitchen was fewer than expected and their time in the kitchen was relatively short it was difficult to determine whether using the kitchen had increased their income. However we were able to determine the different obstacles tenants faced while beginning their businesses and to what degree The Common Kitchen helped, or could have helped more.

Instead of distributing surveys, Matt Blau and Kria Sakakeeny conducted one-on-one interviews with tenants, which are documented below. Some tenants worked in the kitchen for a few months others were working in the kitchen beyond the span of the project. The purpose of the interviews was to learn the following about each tenant:

1. General characteristics, age, education, etc.
2. How they learned about The Common Kitchen.
3. What needs they hoped The Common Kitchen would help them meet.
4. How or if using The Common Kitchen improved their existing food-business venture or helped get a new business off the ground.
5. What problems or barriers they encountered while using the kitchen or developing their business.

Participant Profile: Sweet Comfort Farm

Prepared by Matt Blau

Name: Allyn Way-Daly
Sex: Female
Age: 60
Educational Level: Unknown
Business: Sweet Comfort Farm
Location: New Boston NH

Allyn was TCK's first participant. She found out about The Common Kitchen when she attended the 2006 Stonyfield Farm institute at SNHU. At that conference, John Knorr did a 15-minute presentation about the incubator. She approached John afterward and he had a chance to give her more details about the project.

Allyn owns a small, home-based food business called Sweet Comfort Farm. She makes wedding cakes, artesian breads, baked goods using traditional recipes from her Polish ancestry and other food products. Her flagship products are a beautifully packaged line of jams and jellies, made using fresh herbs, flowers and other unusual ingredients.

Allyn began her business 3 years ago and her production has doubled each year since then. She sells Sweet Comfort Farm products at the Amherst farmers market, at an assortment of small retail stores throughout New Hampshire, through wholesale accounts and directly through the Sweet Comfort Farm website. She began production at the incubator in the first weeks of October 2006.

Why the incubator?

Allyn became interested in using the incubator because although she had a home production health license and her home kitchen was inspected and certified, production was taking over her home and in her words she needed "more dedicated space." She also believed she could increase production at the incubator. She has recently run into some stumbling blocks at the incubator, which will be discussed later.

When interviewed, Allyn said that she believed she would find helpful and planned to take advantage of the following services offered at the incubator, although she has not done so as of yet.

- **Bulk/wholesale purchasing of inputs through the incubator**
- **Business assistance through our networks with the business school at SNHU**

- **Culinary consultation and assistance in product development**
- **Advertising consultation, marketing strategies and promotional assistance**

She was informed of the availability of these services at her orientation with John Knorr. Allyn's original plan was to use the incubator all day (8 hours) every Monday. At the time of the interview she could not think of any services that would be of use to her business that were not currently offered by the incubator.

The results of Allyn's first few production days at the incubator were very positive. They included increased production, an easier workday and improved efficiency. She found the pressure steamer especially helpful in the canning process for her Jams and Jellies, as when she worked at her home, she had to boil water and make a water bath for her jars. She was able to double her daily production in her first few sessions using the commercial kitchen at the incubator.

Problems and barriers:

After a few sessions at the incubator kitchen, the health inspector informed Allyn that while her class D food production license was fine for food production in her home kitchen, if she planned to work in a commercial kitchen she would need a class C food production license. Acquiring this license would cost Allyn an additional \$200. Allyn said in our interview that her Christmas sales this year were less than she had expected or hoped. She indicated that even though she realized that the hourly rate of \$10 was below fair market rent, it was still a stretch for her. With the additional expense of having to upgrade to a class C license she felt like for the time being, production at the incubator was not financially possible for her. The finances proved a formidable barrier to her continuing to work at the incubator. She has been encouraged to take advantage of some of the other services the incubator offers in the interest of increasing her sales and bringing these production costs more in line with her revenues. Allyn has also mentioned that from time to time it is difficult to find this or that in the kitchen, and there was a problem with the grease trap in the sink, causing periodic overflows. This caused some frustration and cut into Allyn's work time.

Net result:

Allyn is currently producing out of her home and is planning to revisit production at the incubator in the near future. She finds that with her sales at the level that they are currently at, she cannot justify paying the ten dollars per hour for the kitchen rental coupled with the \$200 she now needs to pay for a class C health license. She concedes that her business would be able to grow faster if she worked out of the incubator, but is finding it difficult to move past this financial stage.

Participant profile: John Wesley Bakery

Prepared by Matt Blau and Kria Sakakeeny

Names: Garrett Silviera
Sex: Male
Age: 57
Educational Level: High school graduate
Business: John Wesley Bakery
Location: Manchester, NH

Garrett Silviera is a homeless man in Manchester with extensive baking experience. To help Garrett capitalize on his skills and earn enough money to rent his own apartment, local entrepreneur David Brown employed him as head baker for his new non-profit baking company, John Wesley Bakery. Brown's intentions was to create a baking company which employed the homeless, including one a woman named Kimberly who spent most nights in her car.

Brown found the incubator as a result of a connection made by Chuck Hotchkiss of the CED program with the pastor of the First Methodist Church in Manchester. Before finding The Common Kitchen, Garrett had been making baked goods in the church kitchen, and then at the Venetian Café in Manchester. All of the conversations and interviews, however, have been with David. Garrett is mentally unstable, and for all intents and purposes The Common Kitchen's client really was David, as he made all the decisions for Garrett. Garrett makes well under \$5000 per year and David believes that he is a high school graduate.

The plan for John Wesley Bakery was to sell to the First Methodist Church and other churches and their congregations. In our first conversations with David, he asserted that he had a customer base ready and waiting; this turned out not to be the case.

Why the incubator?

Dave and Garrett began using the incubator in the middle of October 2006, and the two would always come together (Garrett did not have his own transportation.) Garrett was baking out of the church kitchen before coming to the incubator but apparently this wasn't working for the church. The incubator seemed the perfect solution for Garrett and David's needs.

Garrett and David used the kitchen 4 to 6 hours per week and their goal was to increase that to 15 to 20 hours. They worked most often on the weekends, since one of the staff at the hospitality school said that Garrett's appearance might frighten the students. John was very upset by this comment and said that Garrett was welcome to work whenever he wished.

David felt that he and Garrett would greatly benefit by taking advantage of the following services offered at the incubator.

- **Business assistance, basic accounting and business assessment**
- **Culinary consultation and product development assistance**
- **Advertising consultation, marketing strategies and promotional assistance**

David was informed of these services at his orientation with John Knorr, which he describes as excellent and comprehensive.

In fact, John Wesley Bakery was the only client who used the services of SNHU's Ad Lab. The Garrett and Dave had been using white stickers and highlighter market to label their products. In February 2007 John Knorr and Kria Sakakeeny presented a class of about 20 students with the concept of John Wesley Bakery employing the homeless. Students were delighted with the challenge and planned on developing a logo, label and marketing brochures.

Results:

Garrett is mentally ill, and during his time at the incubator, lived with Kimberly in her car. David Brown was committed to helping Garrett get off the street. He paid Garrett a wage of \$12 per hour to bake in the incubator. Garrett used the incubator 4 to 6 hours per week. However, in February 2007 David decided to discontinue use of the kitchen because he could not find a market to sell to. Dave started by having Garrett bake at the church and sell his cookies and cakes there. Somehow the church account dried up, in addition to any other churches and congregations they had planned to sell to. Early on John Knorr mentioned that he would investigate the possibility of selling Garrett's wares to dining services at the college. This might have been a mistake, as David began to count on dining services as their major account. Dining services declined to purchase Garrett's cookies. Apparently they were not what they were looking for, and they wanted baked goods made with real butter, which Garrett considered somewhat elitist. Even though Garrett's cookies were cheaper, they were happy to keep using what they were already using. The project managers had many conversations about Garrett and felt that the incubator could help with product development and promotion and marketing, but were confused about how that would fit into the parameters of the project, as the incubator would entirely revamp the product line according to our ideas of what is salable, in order to create sales for Garrett.

Problems and Barriers:

In February 2007 David had reached his peak frustration level. He estimated that he spent between \$5,000 and \$10,000 from his own pocket on the business venture. According to David he simply could not find the market to purchase Garrett's products. David said he contacted hospital cafeterias, gas stations, mini-

marts, and churches but none was interested in becoming a buyer. Unfortunately David terminated John Wesley Bakery just as it was poised to have a new marketing image designed by Ad Lab students.

One main point of frustration for Dave, was Garrett was not interested in being an entrepreneur. He wanted to bake and get his \$12 in cash and leave. People were also clearly not terribly impressed with the product he was producing. One of the things Garrett liked to make was yeast bread. Those had to be discontinued, as they were too inefficient. They end up costing about \$8 per loaf to produce. Kimberly was a very good cake decorator. This would have been a good business because Garrett made the cakes and Kimberly decorated them. The problem was when it came to delivery and set up. They had no way of reliably getting the cakes to where they needed to be. As this was possibly the most important part, especially with wedding cakes, this plan became impossible.

Net results:

In the fall of 2006 Garrett was our most consistent tenant at the incubator. He worked well, and was quite productive when making the right things. He had been coming once a week since mid-October. He was an ideal tenant for the incubator in the sense that he was truly in need and low-income, looking for a way out of poverty. In another sense he was not well suited for the incubator because he was not an entrepreneur and has no desire to be one. It was really David who was the entrepreneur and only in order to enable Garrett to make a living. David paid his bills at the incubator and that was good for the bottom line. The Common Kitchen would really have like for Garrett to be a success story, as he would have been a good “poster child” for the incubator. With a tenant like Garrett, The Common Kitchen might have been able to leverage financing from state and local organizations to fund some of the incubator’s operations.

Participant profile: The Dinner Solution
Prepared by Matt Blau and Kria Sakakeeny

Name: Heidi Cloutier
Sex: Female
Age: 31
Educational Level: Masters in Social Work
Business: The Dinner Solution
Location: Amherst, NH

Heidi Cloutier is a project manager in social work at the University of New Hampshire. She works at the university full time and has a two-year-old child with her second on the way. Heidi found out about the incubator through Allyn and Michelle who she met at the Amherst Farmers Market.

Heidi's company is called The Dinner Solution. The Dinner Solution makes and sells all natural prepared meals for people to reheat and serve at home. She has sold her meal on an occasional basis at the farmers market. Her meals are a mix of vegetarian, meat and fish dishes.

Heidi began using the incubator late February 2007. Her biggest hurdle to overcome was getting two health licenses, one for preparing food and one for selling food. She also needed to complete her HACCP plan. The Dinner Solution is getting a slower start than she had planned and she is keeping her full time job for the meantime.

Heidi was close to signing a lease at a commercial kitchen in Amherst, but at last found that it was too much of an obligation for her to be responsible for the expenses of a dedicated kitchen when her business was still in its infancy.

She sees the incubator as a perfect low cost, low risk way to test the waters for The Dinner Solution. Her goal is to eventually have her own kitchen. She started working for just a few hours each week, but within the first year wants to ramp up production enough that she works as much as 24 hour per week. She wants to leave her job at UNH and make The Dinner Solution her full time occupation and her sole source of income.

In her interview, Heidi indicated that she would find useful and avail herself of the following services:

- **Bulk/wholesale purchasing of inputs through the incubator**
- **Culinary consultation and assistance in product development**
- **Advertising consultation, marketing strategies and promotional assistance**

Heidi is particularly interested in getting assistance with nutritional analysis of her products. This is something that she can certainly find help with at the incubator, through our network with the hospitality school.

She felt like she was made partially aware of these services at her orientation. She felt that her orientation rated average, or the middle of the scale between poor and excellent. She says that since then there have been many questions that could have been addressed in the orientation.

Heidi plans to work at the incubator primarily on nights and weekends for the time being and then Wednesday and Friday mornings when as her business grows.

In terms of services she is in need of that the incubator does not currently offer, she is very interested in help and information in developing a database of customers, recipes, cost analysis and other information that would interface with her website. She would like people to be able to order from her through the Internet and automatically catalogue their information.

Results:

So far, Heidi has sold her prepared meals at the Amherst Farmer's Market on two occasions. Unfortunately after spending \$600 on ingredients, she only made \$350 in sales the first week, and \$160 in sales the second week. She is not completely discouraged however. She says she has put little time into marketing her product, sending out "press releases," etc. She does plan to attend a major expo called Made in New Hampshire, which should help get her name out. Heidi is very enthusiastic however and seems to have a good business sense. She is a promising tenant, as her business idea is a good one, her goals and expectations are realistic, she is making sensible business choices and her situation is not so desperate that she cannot afford the time to let her business grow. She plans to use the incubator for its intended purpose (to incubate) and work towards opening her own kitchen in approximately a year.

Problems and barriers:

Heidi ran into some of the same problems that other tenants have, in terms of the health department and the HACCP plan. She says it took quite a while for inspectors to tell her she needed both a license to produce in Hooksett and a license to sell in Amherst. She mentioned that she would have appreciated a more comprehensive orientation process, but was understanding that TCK was just getting started. She felt that an informational package would have been helpful, along with kitchen specifications regarding fire suppression, electrical and other systems so she doesn't have to contact the kitchen every time an inspector asks her a question about these things. She would also find helpful a description and draft of the process of ordering bulk inputs through the incubator so she is clear on how that's done.

She mentioned that the address she was given for the incubator was the mailing address and not the physical address, which made things very confusing for the health department, as they had the school listed in Hooksett and not Manchester.

She also mentioned that John Knorr is extremely busy and difficult to get in touch with. I can attest to this. He has a lot on his plate and is spread a little thin. TCK need to train a student to be able to answer some of the frequently asked questions, and only get John involved when absolutely necessary.

Net Results:

Heidi Cloutier is a success in that she finds The Common Kitchen fits her current needs and has the potential to help her business grow.

Participant profile: Butter's
Prepared by Kria Sakakeeny

Name: Keith Dickey
Sex: Male
Age: 44
Educational Level: PhD in Archeology
Business: Butter's
Location: Concord, NH

Keith is a former Wall Street investment banker who was looking for a lifestyle and job change. In July 2006 Keith opened Butter's, a wine and cheese shop in the center of New Hampshire's capital city, Concord. Keith learned about The Common Kitchen through one of his store employees who graduated from SNHU's School of Hospitality. Keith says currently customers view his store as a place to stock up on good wine and cheese for dinner parties over the weekend. But he wants to change that perception by offering French baguettes and prepared food including soup, lasagna, quiches, and baked goods throughout the week.

Keith began using the incubator in early February 2007 and has two employees who work there at least 20 hours a week.

Why the incubator?

Keith's current shop does not have a kitchen and for professional purposes he did not want to apply for a state license that would allow him to produce at home. When looking into kitchen space, he said there were one or two other kitchens he considered (did not say where), but found The Common Kitchen to be the most convenient, and well-equipped. He did however say the price of \$10 an hour was affordable enough, but if the incubator were to raise its rates, it would be cost prohibitive and he would produce elsewhere.

Keith says by producing quality breads and food in The Common Kitchen he hopes to increase revenue by 15%. If the venture works well, he says the only reason he foresees leaving The Common Kitchen is if he opens a second store with a kitchen facility. As of now he predicts using The Common Kitchen for at least a year.

In his interview Keith indicated one of the incubator's most useful services is:

- **Bulk/wholesale purchasing of inputs through the incubator**

He does not take advantage of any other services, seeing as he has a well established business, marketing and advertising plan.

Problems and Barriers

While Keith has the most business experience and start-up capital, he has not yet paid The Common Kitchen. His two employees have used the kitchen for at least three weeks at 20 hours a week. That's \$600 of uncollected pay. Keith says he expects a monthly bill, however The Common Kitchen decided on a pay-by-use plan, where rent is collected after each day of use. This may in fact be a problem The Common Kitchen needs to address. If tenants need to itemize expenses, it is necessary for them to have receipt or record of their bill.

Keith also indicated a lack of refrigerated storage space, however the kitchen should be able to accommodate that.

Net Result

Keith fits perfectly into the category of our first target community: existing entrepreneurs looking to expand their current business. He is an experienced business man, with plenty of start-up capital and a well defined market. His consistent use of the kitchen will both spread the word about The Common Kitchen, and allow us to put money into a scholarship program for entrepreneurs with little to no start-up capital. Also, a consistent tenant like Keith will encourage The Common Kitchen to continue to improve and refine its operating system.

Participant Profile: The Spinach Pie Lady

Prepared by Matt Blau

Name: Michelle Williams
Sex: Female
Age: 31
Educational Level: Masters Degree in Education
Business: The Spinach Pie Lady
Location: New Ipswich, NH

Michelle Williams was the second tenant in the incubator. She learned about the incubator from Allyn, who she knows personally and sees at the Amherst Farmers Market where they both sell their products. Michelle moved to the area with her husband 1 year ago from Los Angeles, California. She has four children and is currently nine months pregnant with her fifth. She owns a small food business called "The Spinach Pie Lady" in which she produces a variety of Greek foods from her family's recipes that have been handed down through generations. These products include Baklava, Moussaka, variety of Greek dishes from old world recipes, and of course Spanikopita (spinach pies). She sells her product exclusively at the weekly Amherst Farmers Market at the present time, although she wishes to expand. She indicates that she has no competition at this time in that venue. Nobody else is making food Greek products anywhere in her area.

Michelle began working at the incubator in late October 2006.

Why the incubator?

Michelle began production out of her home when she moved East from California and then made arrangements to work out of the kitchen at Bursey's Market in Wilton. Bursey's had agreed to take product as payment for rental of the kitchen space. Soon Michelle became very disappointed with the facilities at Bursey's, which she describes as perpetually dirty and unsanitary. To use her words "the kitchen was always gross." Michelle's goal is to create a commercial kitchen in her garage at home, but she cannot afford the construction and equipment at this time. Michelle is having such a hard time making ends meet right now in fact that she is preparing to take a morning job at McDonalds to keep up with the bills until the summer, when business will pick up for her. Her goal at the incubator and with her business in general is to get her son involved in working with her. If the two of them work together, they can speed up food production, but also in the summer when there are 5 or more farmer's markets in a week (compared to just 1 a week in the winter) they can cover more ground, sometimes doing 2 or more in a single day. Her eventual goal, as mentioned before, is to convert her garage to a commercial kitchen so that she has no time pressure and she can work as it fits in to her schedule. She hopes the incubator will help her to get there, by increasing the efficiency of her production in the limited time she has between having to care for all her children.

In the interview conducted with Michelle, she indicated that she plans to take advantage of the following services offered at the incubator.

- **Business assistance and basic accounting and business planning**
- **Advertising consultation, market strategies and promotional assistance**

She was informed of these services during her orientation, but says that for some reason she did not retain the information. She has declined to use the incubator for bulk ordering because she says she is so hand to mouth that she is afraid it would cost too much money to place bulk orders even if it would save her money in the long run. She also feels that culinary consultation and product development assistance would not be useful to her, as she feels confident in her products and recipes.

Currently Michelle uses the kitchen in the middle of the week and the middle of the day for between 3 and 6 hours. In the summer she plans to double that to 6 to 12 hours as farmer's market season kicks in. In terms of services that are not currently offered by the incubator that Michelle feels would be of help to her, she sees her business as most in need of financing. I told her about our connection with Microcredit NH and she plans to talk to John about possibilities in connecting with them. She would also like help learning how to design and install a commercial kitchen.

The results of Michelle's first few months at the incubator have been largely positive. The Common Kitchen has provided a well-equipped kitchen for her to produce her Greek specialties in. She has been able to access the kitchen according to her demanding schedule and finds there a place that will be especially useful when she is able to ramp up production. It is a financial stretch for her to pay the \$10 per hour rent, but if she is able to increase production this will no longer be a factor.

Problems and barriers:

In most ways Michelle has found the incubator experience to be satisfactory but there have been a few problems as well. The majority of complaints Michelle has about the incubator are financial in nature. Although she realizes that \$10 per hour is a fair price, she finds that it stretches her to her limit, and that she is not able to break into the wholesale market because kitchen time is too expensive. She can budget for the kitchen rent as long as she sells her products at retail prices, but finds that it is no longer feasible if she sells at the lower wholesale rates. (This is a large problem, because if she could develop a substantial wholesale trade, there would be the potential for steady earnings and sustained growth. Wholesale is a much better business because your growth is only limited by the amount of food you can produce. If you have to then retail your product, there is a ceiling because there is only one of you and your time is finite.)

Michelle said in an interview that she has often had problems with not being able to find equipment from one session to the next. She said that things in the kitchen one week were not there the next. She also says that she has to spend time looking for things like garbage bags and kitchen rags. This is very upsetting to her because she doesn't like to complain, but she feels the minutes wasting and the meter ticking as she looks for these things. She says that she often needs to find someone working in another kitchen to help her track down things that should be in the incubator kitchen. She says she compensates for this by only paying for the time she is actually able to work. John has agreed that this is fair. She has also been affected by the problem with the grease trap in the sink, making it necessary to drain the sink very slowly to avoid overflow and then having to clean up the mess.

She has complained that the kitchen is not as clean as it could be. She claims to have been looking at the same pile of dirt in the corner since her first session in the incubator. She is well within her rights and correct to complain about these things, and the project managers will address them. Nevertheless, it makes her uncomfortable to complain, seeing as using this kitchen is critical to her making a living.

She has also found out recently that, contrary to his original requirement that the kitchen itself have an approved HACCP plan, the health inspector now requires each tenant that is working with potentially hazardous food products have their own HACCP plan. This creates an additional barrier for Michelle as well as other incubator tenants.

There have been some complaints about Michelle from others in the hospitality school about her work attire. She works in sweats and other casual clothes that some feel are inappropriate for work inside a culinary school. It is their feeling that her attire may make a negative impression on people visiting the school as well as students. TCK has addressed this by keeping lab coats in the kitchen at all times and asking people to please wear them if they don't have chef's attire of their own.

Net Results:

Michelle seems to be satisfied with the incubator so far and plans to increase her usage as summer approaches. Her ultimate goal is to make a kitchen in her garage eventually, which fits perfectly into the true nature of an incubator. She will have her son working with her this summer, which will be great because the cost of the kitchen is the same with one worker or two and she will be able to increase her output. She looks very much forward to working with people from the Ad-Lab to create attractive labels for her product and maybe a marketing plan. With a good summer and a new look to her products, she may be able to save enough to outfit her garage with used equipment and begin production there. TCK considers that a great success.

Summary Evaluation Table

Goals	Objectives	Implementation Achieved/ Not Achieved
1. Increase income and self sufficiency among target communities	1a. Develop operating system and manuals.	1a. May '06-Sept '07 <ul style="list-style-type: none"> • Welcome Sheet • Application • Scheduling/Fee procedures • Operating agreement
	1b. Market The Common Kitchen	1b. June '06-October '07 <ul style="list-style-type: none"> • Survey existing entrepreneurs • Make/distribute flyers • Make/mail postcards • Promote incubator to local media • Collect survey from immigrant community. Not Achieved
	1c. Develop courses and workshops	1c. Not Achieved
	1d. Enroll Tenants	1d. Sept '06-Feb '07 <ul style="list-style-type: none"> • Provide kitchen tours • Register tenants • Supply kitchen with needed equipment

Bridge the gap between community resources and target communities	2a. Educate TCK organizers about resources available	2a. March '06 <ul style="list-style-type: none"> • Meet with NCV and ABI incubator directors • Meet with state health officials
	2b. Educate target communities about SNHU and outside resources	2b. May '06 <ul style="list-style-type: none"> • Develop welcome sheet Feb '07 <ul style="list-style-type: none"> • Present one tenant's idea to Ad Lab students
Replace out of state food products with local food products	3a. Same objectives as #1	3a. Same implementation as #1
	3b. Arrange cheap bulk food sources	3b. June-July '06 <ul style="list-style-type: none"> • John asks SNHU's food purchaser to accommodate tenant orders
Make The Common Kitchen self-sustaining/permanent within SNHU.	4a. Develop operating systems and manuals	4a. May '06-Sept '07 <ul style="list-style-type: none"> • Welcome Sheet • Application • Scheduling/Fee procedures • Operating agreement
	4b. Designate student staff	4b. Oct-Dec '06 <ul style="list-style-type: none"> • John finds, trains and identifies money source within school to pay students
	4c. Designate a full-time staff member	4c. Not achieved

Sustainability

The Common Kitchen had the good fortune of having all major costs covered by SNHU's School of Hospitality, Tourism and Culinary Management. The school's assistant dean perceived the incubator as a worthwhile investment because it could be used as an educational tool for culinary students as well as a unique attribute for the university. In fact the current president of SNHU, Paul LeBlanc, is well aware and supportive of the incubator, even receiving pumpkin bread from the kitchen's homeless tenant, Garrett Silviera. Changes are in the works however. By the end of the 2007 academic year, the School of Hospitality is slated to be dissolved into SNHU's School of Business and a new continuing education program, primarily for adults in southern New Hampshire. According to John Knorr, the change should not affect the incubator's ability to exist, but it is possible that the availability of the kitchen space may become limited to nights and weekends when classes are not in session. John Knorr will however continue to oversee culinary and hospitality courses, in which case The Common Kitchen's survival may ultimately depend on his dedication to it.

Ideally The Common Kitchen should have a full or part-time staff member to oversee operations and address tenant needs. If the incubator can continue to bring in tenants, attract attention from small business organizations and ultimately prove advantageous for SNHU, requesting a part-time staff member may be justified. Until then the system for running The Common Kitchen must be as streamlined and foolproof as possible, so John Knorr can manage it alone.

The key to long-term sustainability of The Common Kitchen may also lie outside of the confines of SNHU. A grand opening of the incubator may ultimately have been a wise project objective in order to make key city and state players aware and ultimately supportive of the incubator's existence. The Common Kitchen should have invited members of the city and state economic development office, members of SCORE, Microcredit NH, etc. to sample food prepared by tenants and learn about the incubator's mission.

It is in the interest of Manchester, the state of New Hampshire and SNHU to see The Common Kitchen thrive. It is simply up to organizers to help these entities realize the incubator's very relevant and far reaching mission.

CONCLUSIONS AND RECCOMENDATIONS

Results

There is a market for a culinary incubator in southern New Hampshire, but it is not as large or as developed as organizers initially expected. By March 2007 The Common Kitchen had three consistent tenants, Keith, Michelle and Heidi. Two other tenants had worked out of the kitchen: Allyn for about a month and Garret for at least three months. While having tenants in the kitchen was an immediate goal, the larger goal was for those who used the kitchen to experience an increase in business and income. It was simply too early to determine whether that goal had been reached, but consistent tenants were hopeful. For instance, tenant Keith Dickey said by producing quality breads and food in The Common Kitchen he hoped to increase his business revenue by 15%.

One of The Common Kitchen's greatest challenges was determining how closely to become involved with each business venture. Each tenant had his or her own set of challenges and needs, and while the incubator wanted to see them succeed there was nowhere near enough staff and time to address every need. The intention was to connect people with the resources to help them develop a business strategy, and it became clear that a major part of that strategy needed to be identifying whether there was a market for their product. This problem was highlighted in the case of Dave Brown. Brown was committed to using the kitchen to employ homeless people and had sufficient start-up capital but he could not find businesses or individuals willing to buy his product. This could have been because his product and business image needed improving. David would have benefited from more aggressive intervention by incubator staff, able to spend time helping him develop a business plan, or directing him to helpful organizations. Instead, David's uncertainty of how to salvage his business resulted in him letting it go.

The Common Kitchen organizers operated under the initial assumption that a food-based business would be relatively easy and cost effective for individuals to begin. The truth however, is start-up costs are at least \$600 for the following:

- Insurance of approximately \$300
- State Food Service License \$75 - \$200 (cost varies based on product type)
- State Business License \$100
- \$50 for ServSafe certification (All users of the kitchen must have their food manager's certification before starting work at the kitchen.)

This start-up cost was enough of a hurdle for people with some business experience and savings, however, for the second target community of low-income and ethnic minorities it was simply not possible without the sponsorship of another individual or organization. Garrett, our one member of the second

target community, would never have used the incubator had it not been for financial backing from David Brown and The First Methodist Church of Manchester.

The amount of time and planning needed to find tenants was also more of a challenge than expected. We planned on having six tenants in the kitchen by August 2006, but by March 2007 we had three. Beyond those final three tenants, there were inquiries into the kitchen from people curious about starting their own food-based business. However many were skeptical about making the investment into a business they were not convinced would pay off. And The Common Kitchen could make no guarantees or promises of success. As a result, finding people willing to rent space took more time and care than expected. Many people already producing food were content to continue producing within their own homes.

The unexpected amount of time dedicated to finding tenants allowed for less time to develop a business training curriculum and ad-hoc committee for scholarships. Because the kitchen had no full-time staff the bulk of administrative responsibilities fell on the shoulders of John Knorr. Student supervisors began to keep close tabs of tenants' needs, but again John had limited time to address them all. If a culinary incubator were to continue successfully at Southern New Hampshire University a full or part-time staff member would be essential to keep it running.

Incubator organizers were successful in developing an operations system for the kitchen, but communicating that system effectively to tenants was more of a challenge than expected. For instance, organizers agreed that payments should be received on the day the kitchen was used, however some tenants insisted on receiving a bill before providing payment. Here, a systemized orientation for each tenant should have been provided. However, The Common Kitchen was so eager for tenants to begin using the incubator tenants were given a great deal of leeway with following the rules.

Recommendations

The economic landscape of New Hampshire is changing and with that there should be a growing a market for locally produced food. Cities like Boston or New York are not the only areas with stores selling fresh baked bread, trays of baklava or organic salads. Vermont and parts of western Massachusetts prove that if people have the culinary curiosity they will buy interesting, locally made food. This can happen in New Hampshire however the market needs a great deal of exploration.

Market research should be conducted either before or during the opening of a culinary incubator in New Hampshire. An incubator will not succeed if the tenants do not have a product that will sell or a market to sell too. It is almost a form of false advertising to have new entrepreneurs invest money into starting a food-based business only to have their product age on the shelf. An alternative to beginning a kitchen incubator could be beginning an organization solely dedicated to assisting food-based entrepreneurs. There are plenty of individuals in the state producing out of their homes who need assistance with product development, advertising and marketing but do not need a larger commercial kitchen. Before creating an entire organization, it may be wise to create a manual with names and contact information for potential food buyers like universities, hospitals, hotels, even gas stations which sell home-made baked goods. This manual might also include advertising agencies that may can provide pro-bono work, or work at little cost. Utilizing SNHU's advertising and marketing resources is ideal however slightly unrealistic. Students can take on a limited number of clients, and the project must align with the semester when classes are in session.

The possibilities for The Common Kitchen or any culinary incubator in New Hampshire are limitless. Incubator tenants could offer cooking courses in their specialty food. Tenants could sell their products on an incubator website. As New Hampshire's economic and cultural diversity grows this is primetime for a culinary incubator in the southern part of the state. Reaching out to the community should not just be to access more tenants, but to gain enthusiasm and support from local leaders and community members. The more the widespread interaction The Common Kitchen or any culinary incubator has with its community, the greater it will be able to reach its goals.

APPENDICES

- Stonyfield Farm Survey
- Advertising Postcard
- The Common Kitchen Welcome Sheet
- The Common Kitchen Application
- The Common Kitchen Operations Manual