

Agricultural Marketing Service U.S. DEPARTMENT OF AGRICULTURE

Hope & Main Kitchen

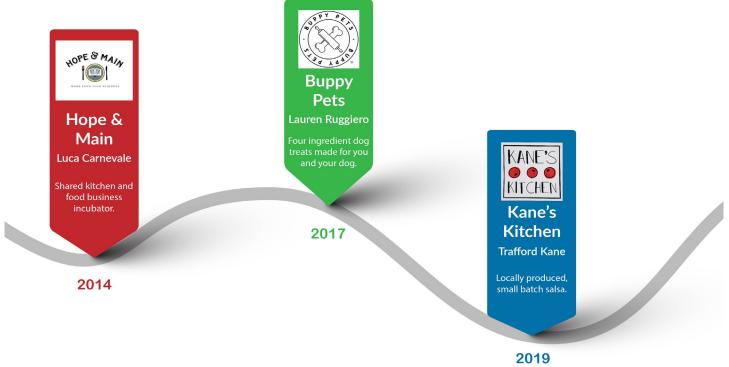
a case study





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Timeline



Introduction

Officially defined as "licensed commercial spaces that provide a pathway for food entrepreneurs to launch and grow their businesses¹," shared kitchens are a relatively new business development strategy. Despite this being a newly emerging sector, communities across the U.S. have adopted this strategy to enable diverse local food businesses to produce, store, and sell their products through a wide range of channels.

As a developing and dynamic sector of local and regional food systems, shared kitchens provide a valuable resource to communities seeking to address potential barriers to business development, including access to facilities and capital. A 2019 survey² of 180 food business owners operating out of shared kitchens found that 50% of kitchen respondents were established within the last five years, and another 28% were established within the last 5-9 years. Additionally, more than half of the kitchens surveyed responded that their primary goal for using shared kitchens was to "assist early-growth businesses" in their communities. Chefs, caterers, food truck operators, bakers, value-added producers and packaged food and beverage makers are among the food business owners who utilize shared kitchens.

To learn more about the dynamics of businesses using shared kitchens, the USDA Agricultural Marketing Service, Colorado State University, and the Food Corridor collaborated in 2021 to compile data about the role of shared kitchens in communities across the U.S. and the food business owners operating out of these facilities. This information is now available through a series of research briefs and case studies published by the USDA.

Hope & Main: Putting Its Vision into Action

Hope & Main is one of Rhode Island's premier kitchen incubators. Since opening its doors in 2014, Hope & Main has graduated nearly 200 businesses from its incubator program with over 40 graduates now operating out of their own spaces. As a shared kitchen and food business incubator, Hope & Main provides multiple types of business support services, including business planning, marketing assistance, and food safety trainings, in addition to providing commercial kitchen equipment available to rent. This includes access to kitchen space, demos/classrooms, comprehensive curriculum, meeting spaces, packing/shipping services, and storage space. Food businesses that are accepted into the incubator program also receive extensive mentoring and immersion in an entrepreneurial environment where they can collaborate with industry experts and their peers. According to Luca Carnevale, the Executive Director of Operations at Hope & Main, "Kitchen members don't just cook in the kitchen, they are a part of a community and Hope & Main happily helps its members realize their dreams."

There are two long-standing businesses, Buppy Pets and Kane's Kitchen, that have come out of Hope & Main. These businesses have shared their stories and journeys within and beyond Hope & Main to showcase the relationship they have with the kitchen, its role in their business development, and the value they found in its incubator services.



Building a Place for Innovation

Hope & Main is in the smallest town in the smallest state, Rhode Island. When discussing their motivation for starting the kitchen, Luca stated "I think it was totally a 'build it and they will come' situation. Lisa [Raiola] was the founder of Hope & Main Kitchen. In Lisa's story, by creating the kitchen she was very much scratching her own itch when she set out to start her own food business."

The school where Hope & Main is now housed sat vacant for at least 10 years before the kitchen moved in, and they were required to get approval from the community for it to be used as a kitchen. Though Lisa might have initially been working to create the kitchen based on her own passions, the idea clearly had the backing of the community. According to Luca, "Lisa had to go to the town and the townspeople had to vote on her actually getting the building. She had to hit a quorum which was about 100 to 125 people. On a rainy night in October, 500 people showed up and everyone was excited to see something happen with the school building. All but 2 people voted for Lisa to take over the building and turn it into a kitchen incubator!"

Now, Hope & Main's signature business incubation program gives food and beverage businesses a low-risk opportunity to test, scale and develop their food concepts without the cost and liability in equipping, managing, and maintaining their own commercial culinary facility. They help their members avoid taking on significant debt typically associated with independent startups (i.e., purchasing equipment, renting their own space, etc.), so they can focus on building vibrant and sustainable food companies, while also feeding the surrounding community. Beyond just food production, Hope & Main works closely with each member to polish ideas and develop business models, as well as help cultivate customer connections and distribution opportunities.

Hope & Main kitchen members benefit from an array of facility resources that are included with their membership. These resources include the incubator program, additional courses for entrepreneurs, and access to market channels while also providing month to month leases for member flexibility. In the incubator program, food entrepreneurs are a part of a cohort that learn, grow, and shape their ideas together with the support of Hope & Main. The courses for entrepreneurs follow a curriculum that is designed by industry professionals for their peers, including courses on food safety, business planning, and marketing. Classes are taught by professionals who have already been through the process of starting and growing a food business, making them well positioned to help emerging entrepreneurs develop their products and teach them how to run a thriving, profitable business.

Lauren (from Buppy Pets), an owner who also has a background in marketing and communications commented about how Hope & Main uses members' backgrounds and expertise to help one another. "I've really utilized everything they had to offer. In turn, because of my background, I (a kitchen member and new business) was teaching a lot of classes to other members on marketing, social media, public relations, and how to create a website. They really use their members' background and expertise to help current members brush up in areas that they're not very comfortable with. It's a really good community of people that just want to see you succeed."

Trafford (from Kane's Kitchen) commented about how he utilized everything the kitchen offered to grow more quickly, "I think if you talk to people, share your ideas, and talk about your leads and new customers, I think you can grow a business much quicker in this environment because you're around like-minded people that all have the same

goal. I do utilize some of the things that are there besides the kitchen space, the kitchen is everything. It's a community, a space to produce larger volumes of salsa, a hub, everything." If it weren't for Hope & Main, Trafford said he doesn't know if he could have started a business.

When reflecting on the broad set of equipment, business systems and services Hope & Main offers, Lauren focused on "the availability of the equipment that I can't honestly afford right now. The pieces of equipment I use are very expensive, and there's two or three pieces that I need for my production. The fact that Hope & Main had access to them, in a kitchen that was already approved by the Food and Drug Administration (FDA) and Department of Health, it had enough space and availability and other resources. Being in a community where we're all working towards the same goal is insanely awesome. I can definitely feel the solitude at times when creating a business, so you don't feel as lonely when you're in a group of people doing the same thing."

The Ripple Effect Within the Community

Providing Access to Markets

Hope & Main's mission is to empower an inclusive community of entrepreneurs to jumpstart and cultivate thriving food businesses that are the foundation of a more just, sustainable, and resilient local food economy. In support of that mission, Hope & Main not only offers a shared kitchen space and business marketing services, but it also offers a wide variety of market channels and market exposure opportunities to its members. Hope & Main offers ServSafe certifications in Food Safety Manager Certifications, the Schoolyard Market, Nourish Our Neighbor Program, and access to the What's Good online marketplace.

What Hope & Main Provides

Equipment

Commercial kitchen of 6,600 sq ft

- Range
- Induction Cooktop
- Commercial Oven
- Convection Oven
- Commercial Grinder
- Steam Kettle
- Tilt Skillet
- Fryer
- Deck Oven
- Mixer
- Dough Sheeter
- Proofer
- Food Processor
- Food Mixer
- Food Slicer
- Vacuum Sealer
- Packaging Heat Seal
- Charbroiler
- Blast Freezer
- Bottling Line
- Prep Tables

In operation since 2012, Hope & Main's Schoolyard Market is more than just a farmers market. It is a marketplace for engaging the public in its nonprofit mission, helping them foster a community of growing and thriving food and beverage companies. This year, the Schoolyard Market is just one element of a weekly celebration of local food at Hope & Main that also includes live music, grocery and meal pickups, and food trucks. The kitchen is located in the middle of a neighborhood and the farmers market is able to be on an adjacent property, a rare but valuable situation for the kitchen and its food enterprises.

Hope & Main also launched the Nourish Our Neighbors program in response to the food access crisis brought on by the COVID-19 pandemic. This program, funded through generous donations, provides a nutritious meal cooked by kitchen members to food insecure community members. Since mid-2020, the program has provided over 40,000 meals and a stable funding stream for kitchen members displaced by COVID-19 related closures. In an attempt to continue this program long-term, Hope & Main has created a buy one, give one program where anyone who purchases a meal for themselves also funds a meal for someone in the community.

Hope & Main also has a relationship with What's Good, an online market platform, which has allowed Hope & Main to become a drop-off and pick-up location every Wednesday for kitchen members and consumers. Lauren explained, "What's Good is a mobile app opportunity that delivers the farmers market to your door. They do a bunch of fresh foods and everything you would normally get at a farmers market throughout the year, and they deliver it to your door. That company was brand new and then COVID hit, so What's Good became a necessity and because we were already in a relationship with What's Good our sales increased. It's been really cool to have that opportunity early on."

Regarding his relationship with Hope & Main and their access to marketing channels, Trafford said "I tell people all the time, it works if you work it. Before COVID, I would hang out there in the kitchen a lot and do a lot of work there. I would get marketing opportunities just because I was there. I was in the faces of the people who run Hope & Main, and I was the first one they would think of when a call comes in for something. I got a few good opportunities, and those relationships are still there."

What Hope & Main Provides

Member Benefits

Facility

- 24/7 access to facility
- Meeting space
- Loading dock and pallet storage
- Space and accommodations for shipping, receiving, labeling, and packaging
- Cold/dry storage
- Month to month leases for member flexibility
- Demonstration classroom

Discounts

- Discounted rates from Paychex
- Free and low-cost classes and workshops related to food and entrepreneurship
- 50% discount on all event spaces rentals
- Discounted and associate memberships through the East Bay Chamber of Commerce, Rhode Island Hospitality and the American Culinary Federation and other professional groups
- Exclusive event invitations and registration discounts

Words of Advice

From the Kitchen

Relationships

- Cooperative purchasing
- Access to more than 80 direct buyers, including some automatic retail placements
- An amplified social media presence, sharing with more than 10,000 "followers" and "friends"
- Accelerated acceptance to Schoolyard Market and Meet Your Maker, with discounted stall rate

Training and Technical Support

- One-on-one assistance with licensing, certification, and permits
- Equipment training
- Process efficiency consultation
- On-staff registered dietitian
- A full slate of business and processing resources such as food scientists, pH testing, recipe scaling, branding, labeling, graphic design, costing of ingredients, nutrition facts
- Public relations consulting

"Remember there's never enough storage and remain flexible. There's always more than one way to do something." – Luca Carnevale, Hope & Main Kitchen

From the Businesses

"You have to love it, there's no right way to do it, and you do it at your own pace. Also, you have to work hard and most importantly, you have to take care of yourself."

- Lauren Ruggiero, Founder of Buppy Pets

"For anyone interested in beginning their own food start-up, you need to be a realist and have tenacity, it's hard. You have to be fearless and don't give up!"

- Trafford Kane, Founder of Kane's Kitchen

Endnotes

1 Meader McCausland, Dawn, Rachael Miller, Ashley Colpaart, Meghan King. 2018 Shared Kitchen Toolkit: A Practical Guide to Planning, Launching and Managing a Shared-Use Commercial Kitchen. Fort Collins, CO: The Food

2 Econsult Solutions, Inc. 2020. U.S. Kitchen Incubators: An Industry Update. Retrieved from <u>https://econsultsolutions.com/wp-content/uploads/2020/01/</u> <u>Kitchen-Incubators-2019_1.14.20.pdf</u> Preferred Citation: USDA Ag Marketing Service and Colorado State University. 2022. Hope & Main Kitchen: a Case Study. Primary contributors, L. Van, S. Schaffstall and D. Thilmany.

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