

## Small business advice

# How to set up a food business

If you're serious about turning a passion into a viable company, here's what you need to know...

**Food business expert** Monique Borst has seen a rise in momentum in food business launches and helps producers, catering and retail enterprises, thanks to her Food Business Start-up Boot Camp. 'People love the "connectedness" that comes with food: connecting with the people you feed, with other "foodpreneurs", the producers of the ingredients, the seasons, the soil. I think it's a reaction to the times we live in.'

'Many people get the motivation for selling their own food products after being praised by family and friends. This can be a good starting point, but you must do your market research. There are food markets and events where you can test and sell your products easily, and support is available for people wanting to go it alone. The start-up costs and overheads can be relatively low. Food hall and supermarket buyers also realise that innovation comes from the kitchen table and are making it easier for small producers and new food companies to supply them.'

If you're planning on setting up a food business, whether that's producing something or running a café or restaurant, Monique offers the following advice:

**Know what your customers want, and what they'll want in the future.** 'What sort of people are they? Where do they

live? How will they want to buy whatever it is you want to sell? What needs would your food product or service fill in their lives?'

**Do some desk research.** 'What is the size of the market you're entering, is it growing, who are the competitors? Look at websites such as [statistics.gov.uk](http://statistics.gov.uk), [oxygen.mintel.com](http://oxygen.mintel.com), [fdf.org.uk](http://fdf.org.uk), [defra.gov.uk/statistics](http://defra.gov.uk/statistics), [bl.uk/bipc](http://bl.uk/bipc).'

**Devise a way to communicate with potential customers (field research).**

'Ask them whether they like your idea for a business, whether they will buy from you and pay your prices - that's the crux!'

**Register your premises:**

- 'Food businesses need to register (all of) their premises with the relevant local authority at least 28 days before the business intends to start trading.'

- Any business, organisation or individual who is planning to sell or supply alcohol on a permanent basis will need a licence in order to do so. For information on how to apply, go to [gov.uk/alcohol-licensing](http://gov.uk/alcohol-licensing).'

**Work out your numbers.** 'If you are thinking of starting a food business by becoming a producer, remember that wholesalers, restaurants and shops need to add their own profit margin to your products: do your financial calculations allow for this mark-up?'

**Start small.** 'Taking the first step doesn't have to mean leaving your job and signing a 10-year lease on restaurant premises. It can be as simple as writing a menu, organising a supper club and inviting paying customers to find out what they think.'

**Take health and safety seriously.** 'The kitchen will be the heart of your business so make sure it is the best working environment it can be. Your local environmental health officers and the Food Standards Agency [food.gov.uk](http://food.gov.uk) can offer advice on kitchen hygiene, best practice and updates on health and safety laws.'

**Learn as much as you can and acquire as many new skills as possible** if you're new to the food sector. 'Do an apprenticeship with a baker/cheese maker/deli, go on courses (bookkeeping, how to use social media, food safety) and get qualified.'

**Network!** 'It is one of the best promotional tools available and you can do it for free. Networking can put you in touch with potential customers, suppliers, mentors and peers. Look at networking sites such as [findnetworkingevents.com](http://findnetworkingevents.com), [meetup.com](http://meetup.com), [smarta.com](http://smarta.com), [startupbritain.co.uk](http://startupbritain.co.uk), or food websites such as [slowfood.org.uk](http://slowfood.org.uk) and [sustainweb.org](http://sustainweb.org).'

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Sarah serving cake, and coffee from the La Spaziale espresso machine (left).

