12-1-2010

The Essence of Developing Entrepreneurial Food Businesses

David S. Jackson
University of Nebraska - Lincoln, david.s.jackson@unl.edu

Follow this and additional works at: http://digitalcommons.unl.edu/intsormilpresent

Part of the Entrepreneurial and Small Business Operations Commons, and the Food and Beverage Management Commons

http://digitalcommons.unl.edu/intsormilpresent/19

This Presentation is brought to you for free and open access by the International Sorghum and Millet Collaborative Research Support Program (INTSORMIL CRSP) at DigitalCommons@University of Nebraska - Lincoln. It has been accepted for inclusion in INTSORMIL Presentations by an authorized administrator of DigitalCommons@University of Nebraska - Lincoln.
Entrepreneurship

The Essence of Developing Entrepreneurial Food Businesses

David S. Jackson, Ph.D.
Associate Dean / Associate Director
Agricultural Research Division
Institute of Agriculture and Natural Resources
University of Nebraska–Lincoln

djackson@unlnotes.unl.edu
What is an entrepreneur?

- Literally means “to take action”
- One who “shifts...resources out of an area of lower and into an area of higher productivity”
- A Food Business Entrepreneur adds value to agricultural commodities
  - Brings useful products to market
  - Increases standard of living
Program to Develop Food Businesses

Why a program like this in Nebraska?
People, land and agriculture

- Only 1.8 million people

- Nebraska’s total area, including land and water, is 200,358 square kilometres. (Land area alone is 199,113 square kilometres).
  - 15th out of the 50 US States in land area.
  - 93% of the land area is used for Agriculture

- Mostly Plains / Excellent Large-Scale Farming

- Underground water resources (aquifer)
  - 8.2 million acres (3.2 million hectares) irrigated
Economy dependent on agriculture...

- When crop and meat prices are high, economy is good
  - Economy suffers when...
    - Prices are low
    - Weather limits production
- Need to “add-value” to commodities
  - Food processing is a natural business
- University of Nebraska, as a “Land-Grant”
  University has a mission to help the state and its economy
The UNL Food Processing Center

- Developed in early 1980’s.
- Stimulates the development and growth of Nebraska's food processing industry
  - Provides integrated scientific, market/business development, technological, pilot plants and product development services
  - Full time professional staff dedicated to this mission with close support of faculty
- Supports all size businesses
- Specialized entrepreneurial assistance program
Food business entrepreneur program

- Created in 1989
- Only US program providing comprehensive assistance to individuals wishing to develop a food manufacturing business
- Combines business and technical assistance.
Phase one

- One-day *From Recipe to Reality* Workshop
  - Food Safety
  - Product development & processing
  - Packaging
  - Labelling
  - Market Research and Pricing
  - Business Plan Development
  - Pricing
  - Product introduction and Promotion
  - Legal and business structure
Many people want to be entrepreneurs / own their own business...

- Not everyone ready, able or has the right personality to be an entrepreneur
- First stage designed to discourage those not truly interested
- Gives us a chance to work with only those that are most interested and committed
Phase two

- Integrated individualized follow-up services customized to client needs
- Food Scientists
  - End Use Quality / Consumer Needs
  - Processing Technologies
  - Product Development and Sensory Analysis
- Ingredient Uses / Functionality
- Labelling and Nutrition
- Business Professionals
  - Business Plan Development
  - Financing
  - Distribution
  - Marketing
Goals and success

- Rural Economic Development
- Increasing Farm Income
- Capturing Value
- Reduced Food Miles / Local Foods
- Empowering Families

Since 1989, 61% of the businesses that were started remain in existence.
Model applicable anywhere... with any product or service.

- Combine individualized business and technical assistance
- Focused on increasing sorghum / millet use in East Africa
Making entrepreneurship happen

- Takes people, money, and infrastructure
  - People: Elements of risk taking
  - Money: Small (and Large) Capital
  - Infrastructure: Interdisciplinary technical and business knowledge availability
- In USA – Most applicable to Land-Grant Universities
- Elsewhere – Where structures exist for interdisciplinary knowledge transfer
Can you teach entrepreneurship?

Probably not quickly
And probably not for the kind of program outlined
You can *improve* the chances for success

Student programs an option
Make entrepreneurship a part of college / university culture for faculty, staff and students
“Universities create the future”
Engler Entrepreneurship Program (Minor)

- Engler Scholarships
- Engler Entrepreneur in Residence
- Applied Undergraduate Research
- Internships and Field Placements
- Engler Program Capstone Course
- Engler Entrepreneurship Course Development
- Entrepreneur Camp
- Husker Horizons
- International Experience
- Engler Venture Capital Fund
- Paul Engler Agribusiness Entrepreneurship Chair
- Paul Engler Lectureship Series
Sorghum food business entrepreneurship

What is the program...and does it work?