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The Essence of Developing Entrepreneurial Food Businesses

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Entrepreneurship

➤ The Essence of Developing Entrepreneurial Food Businesses

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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

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?

