

# Food Incubators: Current Trends & Good Practices.

---

Dr Philippos Papadopoulos  
Director of the Strategic Project Management Office  
American Farm School  
0030 2310 492855  
[fpapad@afs.edu.gr](mailto:fpapad@afs.edu.gr)

# Information presented here is based on

- Recharging the Youth: New Agriculture for a New Generation – Project funded by the Stavros Niarchos Foundation;
  - Study No9, American Farm School, Feasibility Study: Food Processing Incubator  
[http://mosaic.njaes.rutgers.edu/rty\\_reports/common\\_files/pdfs/afs/Food%20Processing%20Incubator.pdf](http://mosaic.njaes.rutgers.edu/rty_reports/common_files/pdfs/afs/Food%20Processing%20Incubator.pdf)
- Food Business Incubation Conference; September 13-14 2017, Rutgers University

# Overarching Consumer Narratives & Trends

- Technology + Consumer = Personalisation ► Personal Nutrition for everyone
- Lifestyle Consumer = Tribes & Benefits ► Benefits of
  - Local food,
  - Clean labels,
  - Authentic food,
  - Mediterranean Diet,
- Mass Market Consumer = Real Food ► Real Healthy Food

► **Naturally Functional Food with Great Taste**

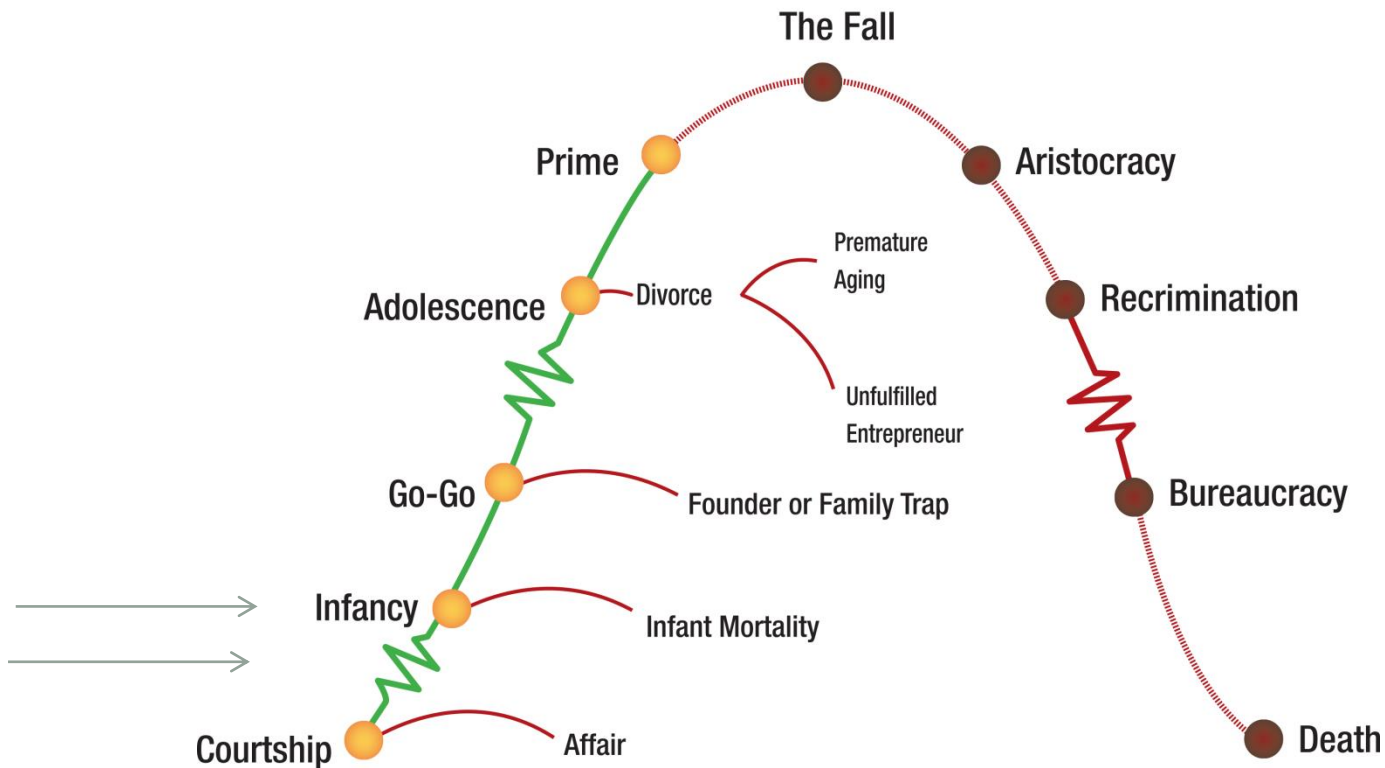
# These trends benefit the sector of Specialty Food

- Core consumers:
  - Millennials 23 – 39
    - Ready-to-drink nutritional beverages
    - Vegetarian or vegan
    - Alternative proteins
  - Generation X: 40 - 51
    - Eat- the-whole-animal, root-to-stalks foods
    - Raw foods
    - Allergen free
- Attributes: Relatively young, affluent, curious, values-oriented.

# What does it take to take advantage of these trends?

- **The consumer** is driven by a combination of life style, lay science, distrust for big industry, health concerns and ethical considerations.
- **The start-up and existing small producers** must rely on a combination of:
  - science
  - Artisanal identity
  - Quality certification schemes

# Most start-ups don't make it through the first two valleys of death



# The role of incubators is to help them survive the challenges of courtship & infancy

- Types of incubators:
  - Accelerators
  - Communal/ shared kitchens
  - Processing incubators
  - Innovation centres (universities & research organisations)
- Services offered (varied mixtures of)
  - Training/ mentoring/ business planning
  - Capital raising
  - Recipe- to-reality bridging
  - Shared processing and storage space
  - To market consultancy & legal services
  - Selling slots/ market exposure
  - “soft landing” & networking

# Ownership of Incubators

- Private for profit (main challenge land prices)
- Private not-for-profit (main challenge stakeholder mobilisation & management)
- State owned not-for-profit (main challenge flexibility)
- University owned (main challenge integration with academia)

The general experience is that incubators can **break even** after their third or fourth year of operation.



# Usual sources of Income

- Space rent (including storage)
  - Kitchen and processing line's utilisation
  - Return services to successful graduates
  - Sponsorship
  - Embedded in other organisations
  - Subsidised training
- 
- Most of them started with grants, local, regional or state

# Usual challenges at setting up phase

- Location decision taken on the basis of land availability and/or stakeholder support, rather than planning.
- Architectural solutions chosen do not allow for flexibility of space organisation/ expansion.
- No advance planning for proximity to location of successful graduates.
- Establishment of impact metrics and performance measurement system.

# Emerging Trends

- Creation of incubator networks
- Involvement in “eat local” campaigns (e.g. Jersey Fresh; Louisiana Certified)
- Provision of logistics and/or store front services
- Sustainable Green development

# Relevance to EU schemes

- Regional Smart Specialisation
- Interregional Agrofood Platforms
- Operational Groups
- Digital innovation hubs
- Multi-stakeholder approach of HORIZON projects