



Cornell University
New York State Agricultural Experiment Station

Pros and Cons of Starting a Specialty Food Business

Fact Sheets for the
Small Scale Food Entrepreneur

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Pros and Cons of Starting a Specialty Food Business

The specialty food business can be rewarding and exciting. It can also be a real struggle. Listed below are some pros and cons of starting and running your own specialty food business. The list is intended to provide a realistic picture of specialty food manufacturing. Keep in mind that several of the items listed are qualitative, that is, their importance depends largely on how strongly you feel about them.

Advantages:

- Being your own boss.
- Creating your own work environment: hours, flexibility, etc.
- Doing something in which you believe
- Reaping the benefits of hard work and long hours directly.
- Variety, challenges, and opportunities for creativity, full use of knowledge
- More open earning and growth potential
- Satisfaction of a successful venture, a product well received
- Empowerment

Disadvantages:

- Risk of failure
- Time Commitment – 60-70 hrs per week is normal
- Financial strain as assets become tied to business start up and success
- Strain on family due to financial and lifestyle change
- Emotional burnout
- Unavoidable business roles/requirements you'd rather not fill
- Rejection of your product by consumers

Should you decide to pursue a specialty food business start up, there are a number of things you can do to minimize risk and maximize your chance of a successful, rewarding venture:

- Develop a Business Plan
- Regularly review your business plan to remind yourself of goals and maintain focus
- Develop a marketing plan
- Learn and follow food regulations and requirements
- Maintain accurate, current records
- Analyze your financial status on a regular basis and make necessary adjustments
- Comparison shop for quality inventory in a timely fashion
- Learn to recognize and solve problems promptly
- Draw a line between your personal life and your business life and stick to it

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