# **Incubating Local Brands**

Harvindar Singh, Regional Local Food Forager, Northern California & Reno





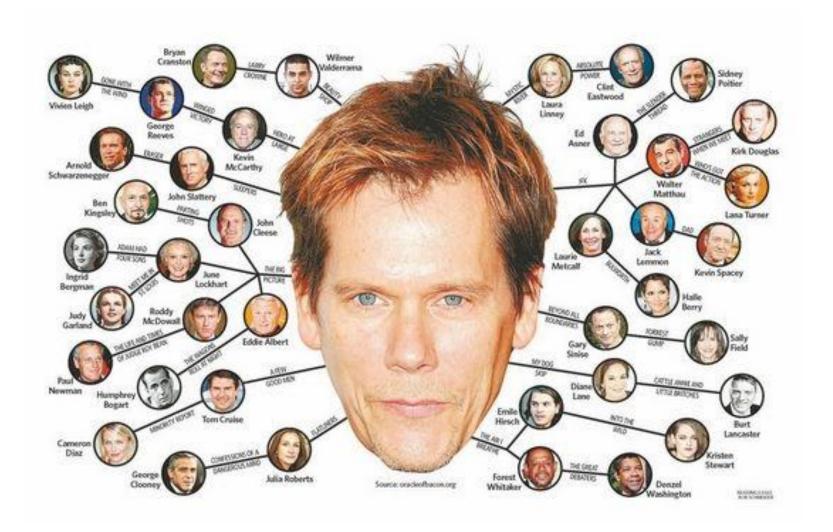


## **Topics Covered**

- Forager Role In Incubating Brands
- How we support local entrepreneurs
- What do I look for?
- Local Producer Loan Program (LPLP)



# Forager's Network: we know people who know more people



### My Role as Forager

- Areas I Cover: All Dept's but heavy Grocery/Nonperishables
- Help suppliers navigate WFM decentralized system. BUILD RELATIONSHIPS
- Hand hold on-boarding process/chart growth plan
- Manage Local Producer Loan Program
- Working with Product Coordinators to grow new categories and new product development





#### Role as Food Incubator

- Identify early stage innovative brands
- Assist with product development, costing, pricing, ingredients, packaging, legal compliance, FDA, USDA
- Work with distributors, brokers
- Finance growth thru Loan Program to help scale operations

 EXAMPLE: 2<sup>nd</sup> Story Bakeshop





#### My Mission

"My job is to cultivate relationships with our local supplier community and help small businesses thrive"

"To help build resilient, healthy and vibrant regional food systems."

"By supporting local foods, we foster community and sense of purpose"







#### **About Whole Foods Market**

- Over 401 stores. 500 by 2017. Plan to grow to 1,200 stores within 10 years, \$12 billion, 76,000 team members.
- 42 stores in NorCal/Reno
- New stores planned in 2014: San Jose The Alameda, Gilman Berkeley opened Nov
- New leases signed: Dublin, CA, Walnut Creek, Santa Clara
- New Distribution Center in Richmond opened Spring 2013

### Ways We Support Local

- LOCAL It's in our DNA, embedded in our core values!
- Local Foragers in each region
- Local Foodmaker Grant Program
- Local Producer Loan Program
- Entrepreneur Summits
- Marketing: Farmers Markets, Food Trucks, Pop-Ups, Work with Incubator programs, local vendor fairs/tastings/culinary events, local vendor tours







# \$200,000 in grant money to 40 small, local producers











## Local Foodmaker Grant Program

- July 20 awarded \$200,000 in grant money to 40 small, local foodmakers and entrepreneurs in NorCal/Reno region
- Average size grant \$3,000-\$8,000
- Funds come from regional 5% Day
- Funds administered thru our partnership with Working Solutions
- First ever grant program in the company!



Jean and Chris use pure beeswax and honey from local beehives in Alameda to craft small batches of lathery soaps, soothing salves, and relaxing bath salts.

With their grant money, Jean and Chris opened their first retail store in Alameda!

#### Food Trucks on our Lots

- Partnered with Off the Grid to host weekly food truck event on our lot in Cupertino store.
- Supporting local food entrepreneurs!





#### Farmers Markets on our Lots

- Partnered with farmers market organizations to host weekly farmers market on our lots in Roseville, Folsom, Mill Valley, Reno
- Supporting local growers!





### Local Entrepreneur Summit

 Host 3 Local Entrepreneur Summits for new local suppliers interested in learning how to do business with WFM. Distribution, Co-Packing, Packaging/Labeling, Marketing, Networking, 1 one 1 meetings with regional buyers

Supporting local entrepreneurs!



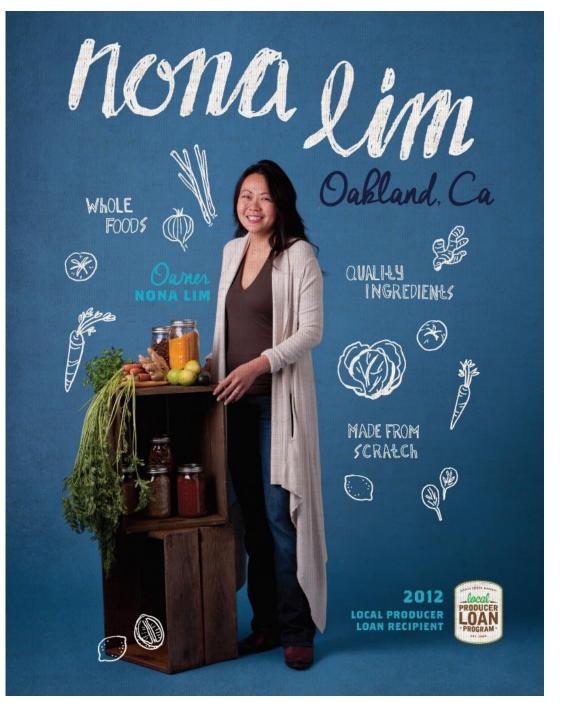


# Marketing Local "Entrepreneurs"



Talking more about Entrepreneurship and good food producers

Regional food systems not just hyper-local communities



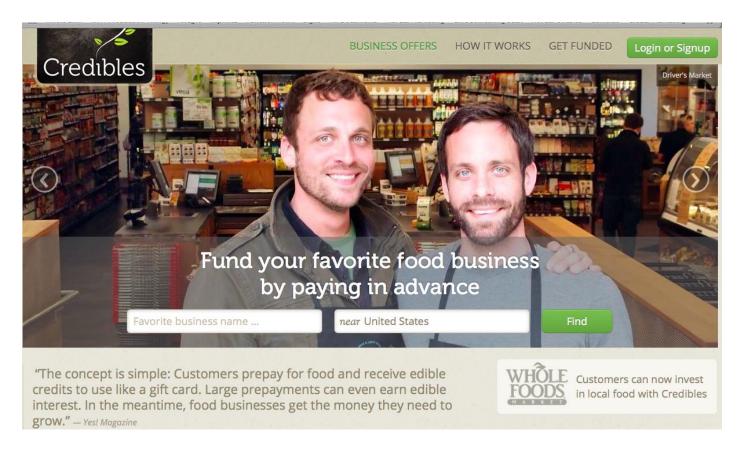
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REAL: SIMPLE: DELICIOUS

# Local Rebrand 2014

#### Credibles

- Funding favorite food business by paying in advance ... Customers prepay for food and receive edible credits to use like a gift card. In the meantime, food businesses get the money they need to grow.
- Supporting local food entrepreneurs!





# Support CSA's, Pop-Ups, Business Incubators

- Our stores are pick-up spots for CSAs
- We host pop-up's for new local vendors not even approved
- Our Mid Atlantic region host Incubator Space inside store allowing new local vendors to introduce their products
- Another region piloting WFM Entrepreneur University
- Permanent retail kiosks inside store of local vendors Smitten Ice Cream
- We work with Food Incubators like La Cocina, Kitchener, etc







## **Local Producer Loan Program**



- 235 loans to 197
   producers for a total
   of \$14.25 million
   dollars!
- NorCal: \$1 million,
  30 producers



# **Local Loan Recipients**







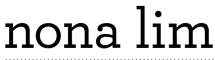












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**Bakery** 





#### What Do I Look For in Brands?

- The PEOPLE behind the product. How committed, passionate they are, where they are in the process? How prepared are they? We're building a long-term relationship. It's all about RELATIONSHIPS!
- The **QUALITY** of the product unique features, attributes, niche product, how does it taste, look, feel. Something **DIFFERENT**.
- Packaging SUSTAINABLE, recyclable, compostable, different, unique, glass, plastic
- Triple Bottom Line: People, Planet, Profit
- Commitments/VALUES ORGANIC, non-GMO, Biodynamic, Fair trade, Whole Trade
- Distribution how are you going to get it into the stores?
- Pricing is it priced to sell? Priced to market? To margin? Can I sell a \$12 jar of jam?
- Marketing what are you going to do to support the brand/sales demos, marketing, PR, events – DEMOS KEY TO DRIVING SALES/AWARENESS/RETRIAL!
- Is there a need for this product? Can we **SELL** it? Long-term prospects. Can we grow this brand?
- Sometimes even the most passionate people cannot drive sales in SATURATED category – so you better be different. Granola, really? Jams?
- **FOOD TRENDS**: Superfoods, functional foods, fermented foods, Health Starts Here, Gluten Free, Vegan, Paleo, unique ingredients, different varieties, Cider, Homesteading, etc



#### Oakland Food Innovation















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#### **Thank You!**

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