



## How to Start a **Food Business** in Lakeland, Florida

So, you have an idea for a food-based business, but where do you go from there? How do you turn the concept in your head into a formalized business?

The answers to these questions can seem elusive at times. **This guide is here to help!** In the following pages, we'll cover everything from conducting market research to filing for an employer identification number to discovering sales avenues.

This guide is divided into three parts:

- **Section One:** How to Vet Your Food-Based Concept
- **Section Two:** How to Formalize Your Food-Based Concept
- **Section Three:** How to Grow Your Food-Based Business

The first section covers validating your idea through surveying the landscape and developing a business model. The goal of this section is to determine if a concept is feasible in the current marketplace.

Once the idea is vetted, the concept can be formalized into a business. In the second section, we provide an overview of the documentation, permits, and licenses that you will need to formalize your business. After the business is formalized, the third step is to connect to resources to help you grow your new venture.

This information is specifically tailored to food-based businesses located in Lakeland, Florida, and is not intended as legal advice. We recommend consulting with a lawyer and an accountant before starting a business.

**A Note on Authorship**

This guide has been compiled by Catapult Lakeland. We foster an environment for founders to build scalable businesses through expert guidance, shared equipment, funding, and relationships. Additionally, we have a kitchen incubator designed to help food-based businesses start, grow, and launch.

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## Section One: How to Vet a Food-Based Concept

In the process of creating a new food business, the first step is to understand if the concept is viable as a business. This vetting phase, sometimes called a validation phase helps to lay the foundation of your business as you launch your new endeavor.

This section will cover:

- Determining Your Entrepreneurial Readiness
- Surveying the Culinary Landscape
- Conducting Market Research
- Costing Recipes
- Determining the Business Model
- Creating a Business Plan
- Speaking with Mentors and Food Business Professionals

In the vetting process, there are local resources to help in your journey:

### **Catapult Lakeland**

We foster an environment for founders to build scalable businesses through expert guidance, shared equipment, funding, and relationships.

Address: 502 E Main Street, Lakeland, FL 33801

Phone: (863) 940-9660

### **Florida Small Business Development Center at USF: Polk County Office**

The SBDC at USF holds office hours at the Chamber of Commerce. For new businesses, the SBDC has a [video series](#) that covers topics from selecting the idea to understanding legal requirements. During the vetting process, the SBDC's free, confidential consulting can be especially helpful. At the consulting session, their mentors can help craft a [concept plan](#) to lay the foundation of a business.

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### **Central Florida SCORE**

SCORE is a national organization with a Central Florida chapter. The organization offers workshops and a mentor network. SCORE mentors will meet with entrepreneurs to review business plans and offer advice.

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## Determine Your Entrepreneurial Readiness

Before starting a business, the first step is to determine whether you are ready to embark on this journey. Entrepreneurship requires a significant personal commitment, so begin by assessing your long-term goals, schedule flexibility, and financial readiness.

### Assess Long Term Goals

As this process begins, it is important to address the question, “Why I am starting a business?” The end goal of your business, as revealed by the answer, should inform every major decision in moving forward. As you assess long term goals, other questions to consider include:

- What does success look like to me?
- Why does my business exist?
- What do I want my role in my business to be?
- How big do I want my business to be?

It is important to consider how this endeavor fits into your long-term vision for your life as you lay the foundation for your business. A helpful article from Forbes that can aid in this process is [“11 Ways to Establish, and Then Reach, Your Long-Term Goals.”](#)

### Assess Schedule Flexibility

After goals are aligned, consider whether your current schedule can accommodate those goals.

Using the table to the right, map out the time you spend on each daily activity within a given day. Add up the total time and subtract that total from 24 hours to find remaining time in your schedule.

Activity	Hours per Day
Sleeping	
Working	
Showering/Getting Dressed	
Exercising	
Driving/Commuting	
Preparing Meals	
Watching TV/Reading	
Other Commitment: _____	
Other Commitment: _____	
Other Commitment: _____	
<b>Total Committed Time</b>	
<b>Remaining Time (24 Hours minus above Total Committed Time)</b>	

As you examine your current commitments, ask yourself, “What am I willing to give up to create more time to devote to my business?” A start up business often requires constant attention.

If you have young children or a demanding career that you enjoy, the time to start a food-based business may not be in the immediate future. As an entrepreneur, your time will be limited. Entrepreneur Magazine has compiled, [“15 Time Management Tips for Achieving Your Goals.”](#)

### **Assess Financial Readiness**

Along with time, a new business will also require financial resources to cover start-up costs. The cost to start a business can vary dramatically, based on the genre of business and the brand positioning.

The following articles can help you gain an understanding of personal finances as an entrepreneur:

- [How Every Entrepreneur Should Prepare Their Personal Finances](#)
- [8 Financial Tips for Entrepreneurs Launching a Startup](#)
- [How to Prepare Your Household Budget When Transitioning to Becoming an Entrepreneur](#)

Major topics to consider in the assessment of financial readiness include **baseline personal expenses, current personal debt, personal credit history, and insurance needs**. Each of these topics are outlined below through questions and linked resources.

#### **Baseline Personal Expenses**

To evaluate your needs in this area, ask yourself the following questions:

- What are my baseline personal expenses?
- Which, if any, can be temporarily reduced or eliminated?
- How am I tracking my personal expenses?
- Do I have an emergency fund built?
- How am I saving for retirement?

Budgeting apps like [Mint](#), [Pocket Guard](#), and [Albert](#) can help you manage personal finances as you track and categorize expenses.

Banks and investors will review personal financial statements when making a lending decision. Displaying an aptitude for personal money management will help when pursuing funding at a later date.

## **Personal Current Debt**

It is important to understand personal debt as you launch a business. Use the questions below to explore your current standing:

- How much current debt do I have?
- What is my plan for paying down that debt?
- What is a feasible timeline for debt elimination?
- How do my monthly payments have to change to accelerate payoff?

Use [debt calculators](#) to understand your current financial picture. [Nerd Wallet](#) offers free tools and tips around paying off debt.

Much like personal financial statements, banks and investors will also evaluate your personal debt when deciding whether to lend. Even if you do not anticipate seeking funding immediately for your business, later, capital may be helpful in expanding your business.

## **Personal Credit History**

Your personal credit score will also impact your business. Evaluate your credit score through the following questions:

- What is my credit score?
- What do I need to do to prepare for business credit?

For an introduction to business credit, read [this article](#). For tips on improving your personal score, [this article](#) offers valuable insights.

Personal credit history will impact your ability to lease space or establish credit with certain suppliers. It is important to build credit that can open opportunities in the future.

## **Insurance**

Insurance is a key benefit that many employers offer. As an entrepreneur, it is important to understand how your insurance needs will be covered. Ask the following questions:

- What insurance needs do I have? Health? Disability? Dental?
- What does my employer currently cover?
- How am I going to cover these items as a solo entrepreneur?

As a business owner, you will not only cover your personal insurance needs, but you will also have insurance needs for your business. We will explore this topic in more depth in section two.

To plan for your insurance needs as an entrepreneur, explore the options listed in these articles: [The 6 Best Ways to Get Health Insurance When You're Self Employed](#) and [10 Affordable Self-Employed Health Insurance Options When You're On A Budget](#).

Personal finances are directly tied to future funding opportunities. It is key to begin preparing early to be ready when you need to seek leased commercial space or capital in the future.

### **Assess Work Experience**

Many entrepreneurs cite prior experience in the food industry as essential preparation for their food start up journey. There are significant differences in operations in a home kitchen and in a commercial kitchen, and knowledge of these differences can be advantageous. Three main avenues are available to gain this experience: a stage, an apprenticeship, or employment.

#### **Schedule a Stage**

In the food industry, a stage (pronounced “stazhje”) occurs when a person shadows an operation for a day or two, observing operations and sometimes completing minor prep tasks. Stages are typically unpaid, though they often get to taste their way through the establishment.

Stages are used in two main contexts. First, stages are used in an employment setting. Employers vet potential employees by interacting with them in the establishment for a day, and employees gain an understanding of the culture and expectations of the potential employer.

In a second application, staging can be an opportunity for a business owner to shadow a similar business for a short period of time to gain takeaways from their processes. By observing the systems and methodologies of a successful business, owners can learn valuable insights to implement in their startups.

To schedule a stage, reach out to an establishment’s general manager or human resource director, and introduce yourself, explain why you would like to stage, and request the opportunity to shadow.

#### **Pursue an Apprenticeship**

An apprenticeship can be compared to an extended stage, often with the goal of learning a specific trade over a series of weeks or months (i.e., bread baking).

Apprenticeships also are largely unpaid, but the extended exposure allows you to master a skill. In exchange for the unpaid hours of labor, the mentor is responsible for providing intentional learning opportunities, such as one-on-one coaching.

The Department of Labor provides a resource for finding apprenticeships: <https://www.apprenticeship.gov/finder/listings>

Often, apprenticeships are offered in an informal capacity. If you can't find a good fit in formal listing, consider reaching directly to food establishments that you would like to learn from to see if an opportunity exists.

### **Gain Employment**

While stages and apprenticeships provide valuable experience, employment in the industry is the most immersive way to gain insights from the food industry. Benefits of employment in the industry include:

- Familiarity with production systems
- Knowledge of trusted food vendors and suppliers
- Experience with technology/apps for food service
- Fluency in industry jargon and terminology
- Contacts for future foodservice mentors
- Practice with commercial grade equipment and its capabilities

[Culinary Agents](#) is a foodservice-specific job search engine, which connects those searching with high end jobs in the industry in larger cities, such as Miami, New York, and Chicago.

Many entrepreneurs find that the most valuable work experience is found in the genre of the foodservice industry that most closely mirrors that of their startup. Gaining relevant work experience before opening a business allows entrepreneurs to prepare for opening their doors.

## Survey the Culinary Landscape

As you are in the preparation stage, it is important to understand what is available locally. This process will aid in determining how to differentiate your product.

### Local Availability

Understanding the landscape of a local culinary ecosystem is key. Depending on the style of food-based business, the “landscape” is varied. For traditional retail concepts, it is important to understand the other local alternatives. For consumer-packaged goods companies, it is necessary to explore competitors nationally.

### Retail Establishments

Use tools such as [Google Maps](#), [Yelp](#), and [TripAdvisor](#) to read about top-rated retail establishments in your area.

In your pursuit, dine at restaurants within your genre and dissimilar, but well-loved eateries in your vicinity. Taste their products, note their service, and observe their operations.

As you research what is available in your community, ask:

- What types of cuisines are available at local restaurants?
- Where are business districts and downtown areas in my town?
- What are people currently purchasing instead of my product?
- What is the price point people are willing to pay for products?
- What would I change to improve customer experience?
- What is missing from the landscape? What gaps exist?

Understanding the space that you would like to operate in helps you as you differentiate your product and build your brand

### Consumer Packaged Goods

For consumer-packaged goods companies, it is important to be aware of other companies who are operating in the same space on a national level.

Search [Google](#) and [Amazon](#) for products that are similar to your product. Read reviews, learn about their brand, and taste test products.

As you research, ask the following questions:

- Who are your direct competitors at supermarkets?
- How do they price, brand, and package their products?
- What is available online that is like your product?
- What is missing from the landscape? What gaps exist?
- How could this experience be improved?
- How is my product different from what exists in this market?

## Conduct Market Research

It's crucial to understand your consumer base from the outset. Market research lets you reduce risks even while your business is still just an idea. The [Small Business Administration](#) has put together some tips for understanding this process.

### Understanding Demographics

Once you understand the other operators in the landscape, it is vital to examine your potential customer base. Gather demographic information to better understand opportunities and limitations for gaining customers. This could include population data on age, wealth, family, interests, or anything else that's relevant for your business.

Then answer these questions to get a good sense of your market:

**Demand:** Is there a desire for your product or service?

**Market size:** How many people would be interested in your offering?

**Economic indicators:** What is the income range and employment rate?

**Location:** Where do your customers live and where can your business reach?

**Market saturation:** How many similar options are already available to consumers?

**Pricing:** What do potential customers pay for these alternatives?

You'll also want to keep up with the latest small business trends. It's important to gain a sense of the specific market share that will impact your profits. You can do market research using existing sources, or you can do the research yourself and go direct to consumers.

Existing sources can save you a lot of time and energy, but the information might not be as specific to your audience as you'd like. Use it to answer questions that are both general and quantifiable, like industry trends, demographics, and household incomes.

The SBA has put together a list of resources available [here](#).

## Cost Recipes

Costing your recipe is one of the most important steps in the preparation process. Without knowing how much a product will cost you to make, there is no way to plan your pricing or predict revenues.

### Menu Costing

The importance of this topic should not be underestimated. It is essential to be aware of your food costs to plan for the financial future of your business and set prices for your menu.

The [Costing Spreadsheet](#) used in this example was provided by Diana Cortes, the owner of Dou Bakehouse in Lakeland, FL. Open and download the file to edit it. We will run through a detailed example of costing a chocolate chip cookie recipe from inventory list to final item cost.

### Inventory List

To begin this process, open a spreadsheet and list all ingredients, including minor ingredients like salt, pepper, and spices, needed for a recipe. It is important to ensure that every component is considered. Over time, these minute expenses can add up.

### Sourcing Products

Armed with your ingredient list, the next step is determining where you will purchase these items. Over the course of your business, your food cost will change. As you are starting out, you may not have access to large scale distributors that would lower food cost.

**For Catapult Members:** We have developed a list of local suppliers used by the businesses in our space. Reach out to the assistant kitchen director for this list.

### Calculating Ingredient Yields

It is important to determine each product's yield. For example, if you are buying a stalk of celery, the entire product is not usable, as you will most likely not use the celery leaves or base of the celery in the recipe. That is also applied to meat products. If you receive a whole beef tenderloin from a supplier, what percentage of that product will end up on a plate, after trimming and portioning the tenderloin?

To find common ingredient yields, use tools like this reference sheet from U.S. Foods, linked [here](#), or base yield off your product experience. Yields are essential for accurate costing and purchasing. Developing a formula for these amounts is key.

## Ingredient Prices

As you assemble the first iteration of your food costing, begin with the prices based on where you will source at the beginning of your business. Though these prices are not representative of what you hope to pay in the long term, it is important to understand what these costs are now. In the spreadsheet provided, they can be edited easily in the future.

## Ingredient Master List

Now, begin adding your ingredients to the master list in the spreadsheet. This list will include all ingredients used in all recipes, not just one recipe.

Note: In this excel sheet, all white cells must be filled in by hand. Pink cells are auto generated formulas.

INGREDIENT MASTERLIST								
Code	Ingredient	Brand	Price per case	Units per case	Purveyor	grs/units	Cost per Gr	Last Updated
ch	Chocolate Chips	Barry Callebaut	\$75.75	25 lbs	Chef's Warehouse	11340	\$0.0067	08/25
but	Butter	Plugra	\$3.83	1 lb	Chef's Warehouse	454	\$0.0084	08/25
eg	Eggs	Eggland's Best	\$4.70	18 eggs	Sam's Club	18	\$0.2611	08/25
ve	Vanilla Extract	Leilsen-Massey	\$35.50	4 oz	Restaurant Depot	120	\$0.2958	08/25
fl	Flour	King Arthur	\$26.00	50 lbs	Chef's Warehouse	22680	\$0.0011	08/25
wwf	Whole Wheat Flour	King Arthur	\$21.50	25 lbs	Chef's Warehouse	11340	\$0.0019	08/25
bs	Baking Soda	Argo	\$7.85	10 lbs	Chef's Warehouse	4536	\$0.0017	08/25
bp	Baking Powder	Argo	\$8.32	10 lbs	Chef's Warehouse	4536	\$0.0018	08/25
ws	White Sugar	Domino	\$18.63	25 lbs	Sysco	11340	\$0.0016	08/25
db	Dark Brown Sugar	Domino	\$11.37	10 lbs	Sysco	4536	\$0.0025	08/25
ks	Kosher Salt	Diamond	\$27.32	25 lbs	Chef's Warehouse	11340	\$0.0024	08/25
cb	Cookie Boxes	All Paper USA	\$13.80	100 boxes	Amazon	100	\$0.1380	08/25
ls	Label Stickers	MOO	\$35.73	500 stickers	MOO	500	\$0.0715	08/25
rib	White & Red Ribbon	Generic	\$15.95	100 yards	Hobby Lobby	100	\$0.1595	08/25

- **Code:** Create a short, unique code for each ingredient. This code will be used to reference the ingredient easily on the recipe sheet.
- **Ingredient:** List the ingredient with any specific details needed.
- **Brand:** Track the brand of the ingredient to keep costs consistent.
- **Price per Case:** This is the amount you paid for the entire case of product.
- **Units per Case:** Record the size of the product in a standard unit of measure such as pounds or ounces. Some products will need to be recorded as each unit, such as eggs or boxes in this example.
- **Purveyor:** It is important to know where the product was purchased because different purveyors may have different prices.
- **Grams per Units:** Calculate the number of grams in the entire package. For easy conversions, use this [Google converter](#).
- **Cost Per Gram:** This is an autogenerated cell in the sheet. It will tell you how much each gram of product costs. This is the amount that will be used in the recipe sheet to calculate total product costs.
- **Last Updated:** Food prices change regularly. Keep costing accurate by updating prices as they change.

## Standardizing Recipes

If you do not have a recipe written for a product, it is important to take the time at this stage in the process to formalize exactly what is needed for each recipe. Creating a standardized recipe can help deliver a consistent customer experience for your guests.

We find that weight measurement is the most effective tool for accurate food costing. To find common conversions from cups to grams, use tools like [convert-to.com](http://convert-to.com) or [aqua-calc.com](http://aqua-calc.com). Using weight measurement ensures that the recipe is easily repeatable, and it is also easy to manipulate the yield result to produce an exact quantity of a recipe.

Once that list of ingredients by weight is completed, then list out the yield of the stated recipe (i.e., 24 cookies, 7 sandwiches, etc.). If this yield is inconsistent, there is an opportunity to create a standard with portioning tools such as a scoop or weight measurement. Standardizing the inputs and yields for recipes will pave the way for consistency in food cost and consistency in customer experience.

### Recipe Example Sheet

Now you are ready to cost your recipe. Start by entering your company name and the recipe name at the top of the page.

Below the recipe name, you will enter your recipe's yield. Starting in the yellow cell, enter the number of units this recipe will make. Under "Unit of Measure" in the green cell, enter the unit of the recipe. This can be plates, sandwiches, cups of soup, etc.

In the code column, enter the code from the ingredient master list for each ingredient in the recipe. This will pull the information entered in the master list. Next, enter the quantity needed for this recipe using the unit of measure from the master list page. Add more ingredient rows as needed, making sure to copy the formulas down to the new rows. Fill in the code "end" to the last row to signal to the sheet that you are done entering ingredients.

COMPANY NAME				
		Recipe Name		Unit of Measurement
	Yield			
<b>Code</b>	<b>Qty</b>	<b>Ingredient</b>	<b>Price per Gram</b>	<b>Total</b>
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
end		0	\$0.0000	\$0.0000
		Subtotal		\$0.0000
		Error Margin	5%	\$0.0000
		Total Ingredient Cost		\$0.0000
			Cost per Each	\$0.0000
			Sell Price	
			%	#DIV/0!
			Last Revision:	ADD DATE

Now that both the code and quantity columns are filled in, the sheet will auto populate the ingredient name, price per gram, and total columns. Next, decide on a margin of error. This is the amount that may be left behind when scraping bowls, tasting for seasoning, etc. Generally, this is between 2% and 5%. Now the sheet has populated the total ingredient cost with your chosen error margin.

The “cost per each” cell will divide the total ingredient cost by the yield of the recipe that was entered in the yellow cell. Enter the amount you sell each unit for in the sell price row. Now the sheet will auto calculate your food cost percentage.

### Food Cost Percentage

A food cost percentage is the ratio between the amount of money spent on the inputs (ingredients, packaging, time, etc.) to the revenue those inputs generate when sold.

A common practice in the food service industry is to have the upper limit of a food cost set at **30% of an item’s sale price**. In this sheet, you can adjust the sale price until you reach a food cost percentage of at or below 30%. Food cost percentage is a helpful tool when controlling costs and setting prices.

### Example Recipe

In the example to the right, this chocolate chip cookie recipe makes 75 cookies, and each cookie is packaged individually in a box with a sticker and a ribbon. It costs the bakery \$1.21 to make each cookie and they sell them for \$4.50 each. This gives them a 27% food cost to leave room for their kitchen rent, labor, and overhead expenses.

Bakery				
Chocolate Chip Cookies				
				Unit of Measurement
Yield		75 Cookies		
Code	Qty	Ingredient	Price per Gram	Total
ch	2250	Chocolate Chips	\$0.0067	\$15.03
bs	50	Baking Soda	\$0.0017	\$0.09
ks	30	Kosher Salt	\$0.0024	\$0.07
ws	1000	White Sugar	\$0.0016	\$1.64
dbs	1500	Dark Brown Sugar	\$0.0025	\$3.76
eg	20	Eggs	\$0.2611	\$5.22
ve	80	Vanilla Extract	\$0.2958	\$23.67
fl	2800	Flour	\$0.0011	\$3.21
but	1700	Butter	\$0.0084	\$14.34
cb	75	Cookie Boxes	\$0.1380	\$10.35
ls	75	Label Stickers	\$0.0715	\$5.36
rib	22.5	White & Red Ribbon	\$0.1595	\$3.59
end		0	\$0.0000	\$0.00
Subtotal				\$86.33
Error Margin			5%	\$4.32
Total Ingredient Cost				\$90.65
			Cost per Each	\$1.2086
			Sell Price	\$4.50
			%	26.86%

## Sub Recipes

When you create each element of a final product from scratch, it will be helpful to use sub recipes. These are simply recipes within recipes. For example, a salad recipe may have a scratch-made dressing. In this case, instead of listing every dressing ingredient in the salad recipe, you can cost the dressing separately and add that final cost to the ingredient master list. Now, when you use that dressing in a different salad, you can pull the cost directly from the ingredient master list instead of entering each ingredient again.

## Common Pitfalls to Avoid When Costing

In the process of costing, beware of common pitfalls to avoid:

- Pricing using sales prices or special/one-time deals
- Leaving out product components
  - Packaging: to-go bags, stickers, etc.
  - Sub-ingredients: sauces, condiments, etc.
- Not accurately calculating yields
- Not adhering to consistent portion sizes
- Not including labor costs in cost of production

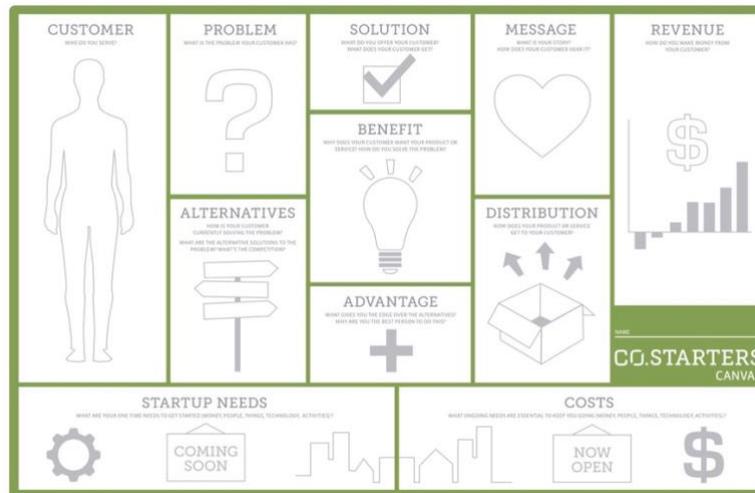
## Further Reading

Food costing is a topic that is essential for operational success in the food industry. For further reading, look at the resources below:

- [Basic Kitchen and Food Service Management](#) by the B.C. Open Textbook Project, a free learning resource, covers trade math, inventory control, food costing, labor costing, and budget and business planning. Specifically, in the realm of food costing, this resource takes a deeper dive into the topic to provide a more robust overview.
- [Airtable](#) offers a free [Food Costing Calculator](#) using their software, which is a cloud-based spreadsheet-database hybrid. In this tool, Airtable provides space for tracking vendor information, ingredient database, and costed recipes.
- [Recipe Cost Calculator](#) offers recipe costing, pricing tools, inventory tracking, and nutrition labels for a monthly fee. Use their free version for the first 5 recipes and then pay between \$12.50 and \$30.00 per month for added features.
- This [How to Calculate Food Cost](#) guide walks through examples of food costing situations.
- Toast's [How to Calculate Food Cost](#) Percentage Guide includes a free download of their Restaurant Cost Control Guide.

## Determine the Business Model

The business model canvas is a way to quickly to ideate, shift, and adjust your strategy. We find that this canvas is an easy-to-use tool to aid in this process. Simply write the answers to the below questions to fill your canvas. We recommend printing this canvas, and then using sticky notes to fill in your answers, the answers may change during the lifecycle of your business.



Initially designed by Alexander Osterwalder, the Business Model Canvas is part of the lean startup methodology which emphasizes pivoting strategy to fit the customer.

Use [this link](#) to download a printable version. This canvas can help you refocus your efforts on solving your customer's problem as you plan for the future of your start up.

Using the canvas, answer the questions below:

1. **Problem:** What is the problem your customer has?
2. **Customer:** Who do you serve?
3. **Alternatives:** How is your customer currently solving the problem?
4. **Solution:** What do you offer your customer?
5. **Benefit:** Why does your customer want your product or service?
6. **Advantages:** What gives you the edge over the alternatives?
7. **Message:** What is your story? How does your customer hear it?
8. **Distribution:** How does your product or service get to your customer?
9. **Revenue:** How do you make money from your customer?
10. **Start Up Needs:** What are your one time needs to get started?
11. **Costs:** What ongoing needs are essential?

## Create a Business Plan

A business plan is a tool traditionally used in preparing for the launch of a startup. In the current entrepreneurial environment, business plans have become more of an option and less of a requirement. Read below for more information about which type of plan is right for you.

### Business Planning

After outlining your plans using the business model canvas, the next step is to turn those ideas into a business plan. Some entrepreneurs find business plans to be an extremely helpful tool to format ideas and create structure for their start up. However, others find this concept to be an outdated strategy.

- **Formal Business Plan:** This type of business plan is best for presenting to potential business partners, investors, or banks. Typically, these types of plans include an executive summary, opportunity, market analysis, marketing plan, management plan, financial projections, and an appendix.
- **Lean Business Plan:** If you are not seeking traditional investment, a lean business plan may be a better fit. This plan focuses on high level concepts, is quick to put together and easy to edit.

### Resources for Business Planning

- **SBA Business Planning Resources:** SBA offers an overview of both the traditional and the lean business plan models, along with tips for writing sample plans on their [website](#).
- **Bplans.com:** This website offers both a detailed outline to fill in and a free downloadable template linked [here](#). Additionally, Bplans.com also offers sample business plans for [various types of food-based businesses](#) such as a bakery, a health-focused restaurant, or a catering operation.
- **One Page Business Plan:** The author of the \$100 Start Up offers a template for a [One Page Business Plan](#), that conforms to the lean business planning methodology.

Business plans are helpful tools to clarify components of a business model, to formalize ideas, and to share with investors and mentors. Choose the business plan format that fits your needs as a startup.

## Speak with Mentors

Before making final decisions about starting a business, it is important to receive feedback from others. Personal mentors and food industry professionals can help you in that decision making process.

### Speaking with Mentors

This practice can help further refine your business idea and to build valuable relationships to serve as future mentors. Reach out to members of the community that you respect to gain perspective.

Both [SCORE](#) and the [SBDC](#) offer free, confidential mentoring services to both prospective and current business owners.

In your pursuit, it is important to speak with those specializing in business administration and those who have experience in the food industry, as each provide specialized information.

### Questions for Business Mentors

- Do you see red flags or challenges in my business model or business plan?
- How can I improve this business model?
- Do you recommend any specific service providers – i.e., lawyers, bankers, insurance agents, accountants, etc. for startups?
- What are common mistakes that you see entrepreneurs making?

### Questions for Food Business Professionals

- Tell me about starting your business. What was that like?
- What do you wish you knew before opening your business?
- How long before you started making money?
- What resources were most valuable to you as you started your business?
- What vendors or suppliers do you enjoy working with?
- What is the best thing about owning your own business?

Using the answers from these mentors, in combination with a realistic assessment of your personal entrepreneurial readiness, a surveyed culinary landscape, a researched market, costed recipes, a vetted business model, and a traditional or lean business plan, you can decide on whether to pursue your idea.

Once that decision is made, it is time to move on to the next phase of starting a business: turning your concept into a formalized business.

## Section Two: How to Formalize a Food-Based Concept

Once you've determined that your concept is viable, it is time to start gathering the needed documentation. In this section, we cover items needed to turn your concept into a business. The below checklist is designed to be followed in the order listed below, as some items gathered in the early stages will be needed to procure subsequent items. Exceptions are noted.

### Documentation Checklist + Fee Schedule

Item	Provider	Average Cost	Page #
Business Entity Paperwork	Sunbiz.org	\$87.50-\$160	20
<b>Fictitious Name Registration</b>	<b>Sunbiz.org</b>	<b>\$80</b>	<b>22</b>
Employer Identification Number	IRS	Free	23
Florida Sales Tax ID Number	FL Dept. of Revenue	Free	24
Business Bank Account	Various	\$25-\$100	25
<b>Food Manager Certification</b>	<b>Various</b>	<b>\$100-\$150</b>	<b>28</b>
Commercial Kitchen Space	Various	Various	29
Insurance	Various	\$302-\$516	32
<b>Annual Food Permit</b>	<b>DBPR, DACS</b>	<b>\$57.75</b>	<b>34</b>
Polk County Business Tax Receipt	Polk Tax Office	\$36-\$40	38
Lakeland Business Tax Receipt	Lakeland Tax Office	\$36-\$40	39

Items in orange may not be applicable to all businesses. Read the information on each page to determine if these items are needed for your business.

**The total average documentation cost is between \$724.25 and \$1143.75.**

## Create a Business Entity with the State of Florida

**Average Timeline: 2-3 business days (online) | Average Cost: \$87.50 - \$160.00**

Determining which business structure is the best fit for your concept is the first step to formalize your business. Subsequent documents will be linked to this entity. The online process to create a business entity can be completed in one sitting.

### Choose an Entity / Structure for Your Business

There are various types of business entities which offer varying levels of protection and taxation. [SunBiz.org](http://SunBiz.org) gives the following definitions:

#### Corporation

- A corporation is an independent legal entity that exists separately from the people who own, control, and manage it.
- It does not dissolve when its owners (or shareholders) die because it is considered a separate "person."
- A corporation can enter into contracts, pay taxes, transact business, etc.
- The owners have limited liability.
- Contact an attorney or accountant to determine if this structure works for you.

#### Limited Liability Company (LLC)

- Like a corporation, an LLC offers limited personal liability.
- An LLC is not required to hold regular stockholder or management meetings, and there are no requirements to comply with other corporate formalities.
- Contact an attorney or accountant to determine if this structure works for you.

#### Partnership

- A partnership exists when two or more persons co-own a business and share in profits and losses.
- Each of the co-owners or partners contribute something, usually money or real property, to the business endeavor.
- Contact an attorney or accountant to determine if this structure works for you.

#### General Partnership

- A partnership where the rights/responsibilities are divided equally.
- The partners are referred to as general partners because each partner can act on behalf of all the partners, and each partner is responsible for the partnership's debts and obligations.
- Contact an attorney or accountant to obtain more information.

## Limited Partnership

- A partnership composed of both general and limited partners
- This allows each partner to determine and limit his or her personal liability.
- Unlike general partners, limited partners are not responsible for the partnership's actions, debts, and obligations.
- Limited partners do not have the right to manage the business.
- Both general and limited partners benefit from the business's profits.
- Contact an attorney or accountant to determine if this structure works for you.

## Sole Proprietorship

- A sole proprietorship is the simplest, most common structure chosen to start a business.
- It is an unincorporated business owned and operated by one individual with no distinction between the business and the owner.
- Sole proprietorships, when not operating under the owner's legal name, must register a fictitious name with the Division of Corporations.
- Contact an attorney or accountant to determine if this structure works for you.

## Name Your Business

After gaining professional advice on the type of business entity best suited to your specific situation, then it is time to choose a name for your business.

First, use the [search engine feature](#) on SunBiz.org to see if an entity in Florida already has that name in use.

Then, conduct an internet search to see if the name is in use by another company. To see if the ".com" domain name of your business is available, use domain name resources like [Go Daddy](#) or [Square Space](#). To see if the potential name of your business is already trademarked, use the [Trade Electronic Search System](#) from the United States Patent and Trademark Office.

## File Articles of Incorporation

Armed with a business entity type and a business name, it is time to file paperwork to formalize this entity. The Florida Department of State offers e-filing services to obtain this documentation online [here](#). Alternatively, print and mail forms are also available on their [website](#).

**For Catapult Members:** The Catapult address is available to use as a mailing and business address: 502 E Main Street, Lakeland, FL 33801.

## File for a Fictitious Name (if applicable)

**Average Timeline: 1-3 business days (online filing) | Average Cost: \$90.00**

Not all businesses need to file for a fictitious name. If you have opted to form a sole proprietorship, or if you will conduct business under a name that is not the same as your business entity, this step is required.

### How to File for a DBA

A fictitious name is any name under which a person transacts business in this state, other than his or her legal name. A person is defined as an individual or a business entity. Any individual or business entity who transacts business under a name other than his or her given legal name or official name is required to file a fictitious name for their "doing business as" name.

For example, if a corporation filed its Articles of Incorporation under the name "Carol's Enterprises, Inc.," its official name is "Carol's Enterprises, Inc." If it wishes to transact business under "Carol's Garden Shop," then it must file a fictitious name registration for "Carol's Garden Shop." If John Smith and Susan Jones are transacting business as individuals under the name "The Tractor Place," they must file a fictitious name registration for "The Tractor Place."

Please note that registering a fictitious name does not grant you ownership or rights to the name or prohibit someone else from using or registering the same fictitious name.

To register a fictitious name online using a credit card, go to the [Fictitious Name Page](#) of SunBiz and begin the filing process. The actual filing process is completed online; however, all letters and certificates will be mailed to the business at the mailing address listed in the application. Allow 1-3 business days for the registration to post and an additional 3-5 business days to receive your confirmation in the mail.

## Apply for Employer Identification Number

**Average Timeline: Immediate (online filing) | Average Cost: FREE**

An Employer Identification Number (EIN) is a unique identifier assigned by the Internal Revenue Service to a business. This is a step that should be completed early in the process as it is needed to gather later pieces of documentation, such as a business bank account or an annual food permit. Online processing is immediate.

### How to Apply

Applying for an Employer Identification Number (EIN) is a free service offered by the [Internal Revenue Service](#). Beware of websites that charge for this free service.

All EIN applications (mail, fax, electronic) must disclose the name and Taxpayer Identification Number (SSN, ITIN, or EIN) of the true principal officer, general partner, grantor, owner, or trustor. This individual or entity, which the IRS will call the “responsible party,” controls, manages, or directs the applicant entity and the disposition of its funds and assets. Unless the applicant is a government entity, the responsible party must be an individual (i.e., a natural person), not an entity.

### Apply Online

The [Online EIN](#) application is the preferred method for customers to apply for and obtain an EIN. Once the application is completed, the information is validated during the online session, and an EIN is issued immediately. The online application process is available for all entities whose principal business, office or agency, or legal residence (in the case of an individual), is in the United States or U.S. Territories.

### Apply by Mail

The processing timeframe for an EIN application received by mail is four weeks. Ensure that the [Form SS-4 \(PDF\)](#) contains all the required information. If it is determined that the entity needs a new EIN, one will be assigned using the appropriate procedures for the entity type and mailed to the taxpayer. Find out where to mail Form SS-4 on the [Where to File Your Taxes \(for Form SS-4\)](#) page.

### [Internal Revenue Service Lakeland Office](#)

Address: 2133 Harden Blvd, Lakeland, FL 33803

Phone: (863) 904-3399

## Apply for a Sales Tax ID Number

**Average Timeline: 3 business days (online filing) | Average Cost: FREE**

A Sales Tax ID number is issued by the Florida Department of Revenue. This number will be needed to obtain documentation from regulatory agencies later in the process. After submitting the Sales Tax ID application, your number should be issued within three days.

### Applying for a Tax ID

Businesses must register with the Florida Department of Revenue to collect, report, and pay sales tax. Registration is free and can be completed through an online registration system or via mail with a [Florida Business Tax Application \(Form DR-1\)](#). Online processing is recommended.

To access the online application, click [here](#). The Florida Department of Revenue has compiled a [line by line guide](#) on how to fill out an application for a Sales Tax ID .

Once registered, you will be sent a Certificate of Registration (Form DR-11), a Florida Annual Resale Certificate for Sales Tax (Form DR-13), and tax return forms. If you are registered to pay use tax only, you will not receive a resale certificate. The Certificate of Registration (Form DR-11) must be in a visible place at your business location. Mobile vendors should bring this certificate to their temporary sites.

Before filing, you will need to have:

- Legal name of entity
- Date of taxable activity
- DBA (if applicable)
- Federal EIN
- Owner/Officer SSN

The Florida Department of Revenue provides a [Business Owner's Guide for Sales and Use Tax](#) that provides helpful context for new business owners.

### **[Florida Department of Revenue Lakeland Office](#)**

Address: 115 S. Missouri Ave, #202, Lakeland, FL 33815

Phone: (863) 499-2260

**For Catapult Members:** Catapult does not need the Sales Tax ID Number on file, however, the regulatory agencies will require it in their permit applications.

## Create a Business Bank Account

**Average Timeline: Immediate | Average Deposit: \$25.00-\$100.00**

To keep personal and business spending and expenses separate, create a business bank account. Banks will require your business entity paperwork and your EIN before opening an account for your business. Typically, with the correct paperwork in hand, an account can be opened during a single visit to a branch of your choice.

### Why Do You Need an Account?

As soon as you start accepting or spending money as your business, you should open a business bank account. Common business accounts include a checking account, savings account, credit card account, and a merchant services account. Merchant services accounts allow you to accept credit and debit card transactions from your customers.

You can open a business bank account once you've gotten your federal EIN. Most business bank accounts offer perks that don't come with a standard personal bank account.

- **Protection:** Business banking offers limited personal liability protection by keeping your business funds separate from your personal funds. Merchant services also offer purchase protection for your customers and ensures that their personal information is secure.
- **Professionalism:** Customers will be able to pay you with credit cards and make checks out to your business instead of directly to you. Plus, you'll be able to authorize employees to handle day-to-day banking tasks on behalf of the business.
- **Preparedness:** Business banking usually comes with the option for a line of credit for the company. This can be used in the event of an emergency, or if your business needs new equipment.
- **Purchasing power:** Credit card accounts can help your business make large startup purchases and help establish a credit history for your business.

Find an account with low fees and good benefits. Some business owners open a business account at the same bank they use for their personal accounts. Rates, fees, and options vary from bank to bank, so you should shop around to make sure you find the lowest fees and the best benefits.

Here are things to consider when you're opening a business account:

- Introductory offers
- Interest rates for savings and checking
- Interest rates for lines of credit
- Transaction fees
- Early termination fees
- Minimum account balance fees

Here are things to consider when you're opening a merchant services account:

- Discount rate: The percentage charged for every transaction processed.
- Transaction fees: The amount charged for every credit card transaction.
- Address Verification Service (AVS) fees
- ACH daily batch fees: Fees charged when you settle credit card transactions for that day.
- Monthly minimum fees: Fees charged if your business doesn't meet the minimum required transactions.

Payment processing companies are an increasingly popular alternative to traditional merchant services accounts. Payment processing companies sometimes provide extra functionality, like accessories that let you use your phone to accept credit card payments. The fee categories that you need to consider will be like merchant services account fees. If you find a payment processor that you like, remember that you'll still need to connect it to a business checking account to receive payments.

Examples of commonly used payment processing companies include [Square](#), [Toast](#), and [Clover](#). Compare pricing and fit for your specific situation before choosing a payment processing company.

**For Catapult Members:** Catapult asks that our members link their business bank account to the Food Corridor platform – used for all booking and billing to the kitchen. We do not need to keep any paperwork on file, or verification outside of the addition of the bank account to the Food Corridor platform.

### **Opening a Business Bank Account**

Opening a business bank account is easy once you've picked your bank. Simply go online or to a local branch to begin the process. Here are some of the most common documents banks ask for when you open a business bank account.

- Employer Identification Number (EIN) (or a SSN, if you're a sole proprietorship)
- Your business's formation documents
- Ownership agreements
- Business license

### Local Bank Information

There are several local financial institutions in the Lakeland area that provide services to small businesses. Below are local companies committed to serving Lakeland through donations to Catapult’s Launch Micro-Grant Program.

#### Bank of Central Florida

Address: 724 Florida Ave S  
Phone: (863) 682-7100

#### South State Bank

Address: 500 Florida Ave S #100  
Phone: (863) 683-2300

#### MidFlorida Credit Union

Address: 129 S Kentucky Ave Ste. 100  
Phone: (863) 688-3733

#### Bank of America

Address: 331 S. Florida Avenue  
Phone: (863) 616-5318

#### Wells Fargo

Address: 113 S Tennessee Ave  
Phone: (863) 499-1000

#### Regions

Address: 4535 Florida Ave S  
Phone: (863) 286-3700

#### Truist

Address: 210 Florida Ave S  
Phone: (863) 284-4600

#### Citizens Bank and Trust

Address: 402 S Kentucky Ave #100  
Phone: (863)686-1430

Below is a comparison of key differentiators between basic business checking accounts from the above banks.

**Business Bank Account Comparison**

Factor	Central Florida	Wells Fargo	Mid Florida	Truist	South State	Bank of America	Citizens	Regions
Opening Deposit	\$100	\$25	\$100	\$100	\$50	Varies	\$100	\$100
# of Free Transactions	200 items	100 items	300 items	50 items	150 items	200 items	N/A	75 items
Cost per Additional Transaction	\$0.15	\$0.50	\$0.15	\$0.50	\$0.35	\$0.45	N/A	\$0.50
Monthly Fee	\$10	\$10	\$0	\$0	\$0	\$16	\$7	\$7

Last Updated September 2023

## Obtain Food Manager Certification

**Average Timeline: Various | Average Cost: \$100.00 - \$150.00**

Food Manager's Certification is proof of sanitation and food safety training. This certification is linked to a person, not the business, and is valid for five years. Certification can be completed at almost any time throughout the business formation process as long as it precedes the opening inspection for the business. Finding a class and taking the exam could take as long as a month or as short as a week, depending on what is available at the time.

### What is Food Manager Certification?

Regulatory agencies ask to see this third-party certification that demonstrates a basic understanding of safe food-handling practices. Permitting agencies require the supervisor of the operation to have a Food Managers Certification.

The Food Manager should be the person who will be directly overseeing the operation. While employees do not need to have this certification, they must be trained as Food Handlers, which can be done by Food Managers.

This certification exam is offered in both online and paper formats, both formats require a proctor to be present while the examinee takes the test. This requirement means that an examinee must find a date, time, and location to take the test.

We recommend taking the online version of the exam, as results will be made available immediately. Following the successful completion of the exam, a certificate will be made available to the examinee. Regulatory agencies will ask to see this certificate during inspections. Although pre-exam training is not required, it can be helpful preparation. Below are the only State of Florida approved test providers.

- [ServSafe®\\*](#)
- [National Registry of Food Safety Professionals](#)
- [360training.com/Learn2Serve\\*](#)
- [Above Training/State Food Safety\\*](#)
- [The Always Food Safe Company, LLC\\*](#)
- [1 AAA Food Manager / www.AAAFoodHandler.com\\*](#)
- [Responsible Training/Safeway](#)

\*These test providers offer courses and tests in Spanish.

**For Catapult Members:** This certificate is needed before and during the opening inspection for the kitchen.

## Find Commercial Kitchen Space

**Average Timeline: Various | Average Cost: Various**

Finding production space for your business is a key challenge, but there are a variety of options to pursue when formalizing your business. A key trend in food entrepreneurship is to first launch into an interim or starter space to test the concept, before moving into a permanent brick and mortar location after a span of time. Finding space for your business can take weeks or months, depending on the space needed, so start this process early.

### Home Kitchen Usage

For cottage food businesses, production in certain residential kitchens is permitted. Cottage food businesses are restricted to the production of specific types of non-hazardous foods such as cakes, breads, jams, dry mixes, and other goods. To see a full list, use this [link](#). Products must not require any temperature control for safety.

Cottage food products may only be sold directly to the consumer and cannot be sold to restaurants or other retail operations. These operations are limited to \$250,000 in sales annually. See the guide on Cottage Food Operations in “Obtain Permitting for Your Business” for more information about this type of business.

### Commissary Kitchens

Commissary kitchens are shared commercial kitchen spaces utilized by multiple producers. Rent for these spaces are often based on hourly usage and storage needs.

To find commissary kitchens in the Central Florida area, visit [The Kitchen Door](#) and [Culinary Incubator](#). In the Lakeland community, [Catapult](#) is currently the only provider of this space.

Commissary kitchens can act as the perfect starting point for businesses who are starting to formalize their operation but are not ready to assume the risk and the financial burden of a brick and mortar space. Some commissaries, such as Catapult, also offer business support services for their members.

Commissary kitchens require each business to hold their own license from a permitting agency and will often require other pieces of documentation such as an EIN, insurance, and food manager’s certification. Contact the commissary kitchen to learn more about their specific requirements.

**For Catapult Members:** You’ve already tackled this portion! Congrats, and we can’t wait to have you in the kitchen soon!

## **Brick and Mortar Space**

For some businesses, launching into a brick and mortar space may be the first logical step. With a brick and mortar space there are many more logistics to consider.

### **Planning and Zoning**

First, ensure that the commercial space that you are exploring is a space within the correct zone for your operation. This division will be able to help navigate the city's zoning maps.

#### **[City of Lakeland Planning and Zoning Division](#)**

Address: 228 S. Massachusetts Avenue, Lakeland, FL 33801

Phone: (863) 834-6011

### **Minimum Construction Standards**

All foodservice operations must meet minimum standards based on the FDA's Food Code. The Florida Department of Agriculture has compiled these standards into a document entitled, [Food Establishment Minimum Construction Standards](#).

If you are looking at purchasing or leasing a current food production location, pull historical food inspection reports for the address. These reports will give context on food safety challenges that the space has faced in the past. You can search by address using [DACs](#) or [DBPR](#).

### **Building Permits**

If you are outfitting a brick and mortar from scratch or completing renovation work on a brick and mortar space, a building permit from the City of Lakeland will be required. Contact their department for more information.

The Permitting Division can provide context on how to obtain a Certificate of Occupancy for your space.

#### **[City of Lakeland Permitting Division](#)**

Address: 228 S. Massachusetts Avenue, Lakeland, FL 33801

Phone: (863) 834-6012

### **Plan Review**

New spaces, spaces that have been vacant for a year or more, or spaces that have undergone significant renovations will have to undergo a plan review process with their regulatory agency. Read more about regulatory agencies under the "Obtain Permitting for Your Business."

## **Subleased Space**

Instead of assuming an entire lease of a commercial space, some businesses sublease space from an existing food operation. This could look like renting out excess physical space within the operation, or it could look like using the production space when the other service operation is closed.

This solution could be an optimal fit for both parties, as the sublessor does not have to go through the building permitting process. The sublessor, however, still needs an Annual Food Permit from their appropriate regulatory agency. See later sections for more information on regulatory agencies.

[This article](#) goes into more detail about the advantages and disadvantages of owning and renting kitchen space.

## Obtain Insurance for Your Business

**Average Timeline: Various | Average Cost: \$300.00 - \$500.00 per year**

Insurance is a way of protecting your business from risks and unexpected financial burdens. Obtaining insurance should occur after kitchen space is secured, so that the location can be protected by the insurance party. Depending on the insurer, processing times will vary.

### Types of Insurance

**General Liability Insurance:** This coverage protects against financial loss as the result of bodily injury, property damage, medical expenses, libel, slander, defending lawsuits, and settlement bonds or judgments.

**Product Liability Insurance:** This coverage protects against financial loss as a result of a defective product that causes injury or bodily harm.

**Professional Liability Insurance:** This coverage protects against financial loss as a result of malpractice, errors, and negligence.

**Commercial Property Insurance:** This coverage protects your business against loss and damage of company property due to a wide variety of events such as fire, smoke, wind and hailstorms, civil disobedience, and vandalism.

**Business Owner's Policy:** A business owner's policy is an insurance package that combines all of the typical coverage options into one bundle. They simplify the insurance buying process and can save you money.

### Insurance Factors

[Nerd Wallet](#) suggests looking at these factors when comparing different insurance companies and plans.

- **Policy coverage:** What is and is not covered under the policy?
- **Limits of liability:** How much of a loss will the insurance provider cover?
- **Price:** How much will the policy cost? Is there a deductible on your policy?
- **Reviews:** Check out the ratings and reviews of any insurance provider before purchasing a policy. You can see how many complaints have been filed against a company using the [National Association of Insurance Commissioners](#) website.

## **Where to Purchase Insurance**

Most insurance companies have a commercial division that could offer options to protect businesses. Typically, business owners start with a company or agent that already insures them in other areas to receive their first quote. Receiving several insurance quotes will allow a business to receive information about the best financial option for their business.

Additionally, many start-up food businesses find the Food Liability Insurance Program (FLIP) to be a good fit for their insurance needs. The FLIP offers options for caterers, farmers market businesses, and more. Please note that as a business grows, it is important for their insurance policies to grow with them. More information about FLIP can be found at their [website](#).

**For Catapult Members:** Catapult members need a minimum of \$2 million in general liability insurance, along with an ACORD form that lists Catapult as an additional insured location. For the Catapult Kitchen, that address is 502 E Main Street, Lakeland, Florida 33801.

## Obtain Permitting for Your Business

**Average Timeline: 2-4 weeks | Average Cost: \$302.00 - \$516.00**

Food businesses in Florida can fall into one of four categories, depending on what is sold and how it is sold. The licensure process varies dramatically depending on which regulatory agency oversees the business category. The first step is to determine which agency has jurisdiction over your business.

### Permitting Overview

To sell food in Florida, a business needs a permit from one of the regulatory agencies.

There is one exception to this licensure process, made possible by the [Florida Cottage Food Law](#). Cottage food businesses are small, unregulated food businesses, with very specific parameters around the types of food that can fall in this category.

All other business must receive a permit from one of three state agencies:

- [Florida Department of Agriculture and Consumer Services \(DACS\)](#)
- [Florida Department of Business and Professional Regulation \(DBPR\)](#)
- [Florida Department of Health \(DOH\)](#)

A food business only needs a license from one of these entities. Each department has a separate licensure process, and the timeline to obtain a license varies based upon the agency. Details about each agency are found in the following pages.

### Unregulated Food Business: Cottage Food

Florida's Cottage Food Law allows for the production of certain non-potentially hazardous foods in a residence. Cottage food operations require no license or permit and are not inspected by any state government entity.

However, cottage food businesses are limited to specific foods that they may produce. Cottage food products must not require refrigeration.

Gross sales for a cottage food operation must not exceed \$250,000 annually. A Cottage food operation may advertise for sale, offer for sale, and accept payment for cottage food products on their website or by mail-order. Cottage food products may be sold and delivered directly to the consumer, to the consumer's private event venue such as a wedding or birthday party, or by mail. Sales of cottage food products are prohibited for wholesale.

While cottage food operations offer the convenience of exemption from permitting, it is also the most restrictive type of food businesses with limitations on the permissible foods, gross sales, and sales avenues.

The Department of Agriculture can provide more information about regulations surrounding cottage foods, and an informative guide is linked [here](#).

### **Department of Agriculture and Consumer Services | Division of Food Safety**

The Florida Department of Agriculture and Consumer Services (FDACS) is the lead agency overseeing food business in Florida. In questions of jurisdiction, both the DOH and the DBPR refer to DACS.

FDACS regulates the commercial food supply for compliance with state and federal regulations to minimize the risk of foodborne illness in food products processed, produced, stored, distributed, and sold in both retail and wholesale food businesses within the state of Florida.

#### Regulated Establishments Include

- Supermarkets and grocery stores
- Convenience stores
- Coffee shops
- Bakeries
- Retail meat markets
- Seafood markets
- Juice and smoothie bars
- Bottled water plants
- Ice and water vending machines
- All food processing plants
- Food warehouses
- Food salvage stores
- Certain mobile food units selling only prepackaged foods or non-potentially hazardous food items

FDACS provides an online portal to apply for an annual permit. Once the application and required documentation have been received, a field inspector will make contact within three to five business days to schedule an onsite inspection within two weeks.

The department offers two helpful guides for applying for a permit:

- [\*\*Retail Food Establishment Permit Instructions & Application\*\*](#)
- [\*\*Wholesale/Manufactured Food Establishment Permit Instructions & Application\*\*](#)

Food Establishment Permit Fees are determined at the time of initial inspection and are based on the type of food establishment operation. Fees cannot be determined before an inspection.

### [\*\*FDACS | Division of Food Safety\*\*](#)

Phone: (850) 245-5520

Email: [FoodInsp@FreshFromFlorida.com](mailto:FoodInsp@FreshFromFlorida.com)

## **Department of Business and Professional Regulation | Division of Hotels and Restaurants**

Separate from FDACS, the DBPR regulates restaurants, most mobile food vehicles, caterers, and most public food service events. Plated food served directly to a consumer is generally regulated by this division.

Licensing guides from the DBPR are linked with full year prices as of September 2023. For the most up-to-date pricing information, visit this [link](#).

### **Permanent Food Service (Seating and Non-Seating)** (\$242 - \$357):

Permanent Food Service licenses are sometimes referred to as 'fixed food service' licenses as they generally are a structure with walls, floors, and ceiling that are permanently fixed to the ground.

**Catering** (\$263): A business that only provides catering services and nothing else. Note that any public food service establishment licensed by the DBPR may provide catering services without holding a separate catering license.

**Mobile Food Dispensing Vehicle or Hot Dog Cart** (\$347): A food truck or hot dog cart where food is prepared or served. License costs \$347.

**Temporary Food Service Events** (\$456): A temporary license for preparing food at fairs, carnivals, festivals, or other temporary community events.

Beyond these four listed licensing guides, the DBPR also offers guides for the licensure of culinary education programs, theme park carts, and vending machine. However, as these licenses are more specialized, they are not covered in this guide. For more information about the Division of Hotels and Restaurants, refer to their contact information below.

### **DBPR | Division of Hotel and Restaurants**

Phone: (850) 487-1395

Email: [dhrr.info@myfloridalicense.com](mailto:dhrr.info@myfloridalicense.com)

## **Department of Business and Professional Regulation | Division of Alcoholic Beverages and Tobacco**

The DBPR also oversees the regulation of alcoholic beverages and tobacco through their division of the same name. To serve alcohol, a business must have a license from this division, along with a license from the Division of Hotels and Restaurants.

This division oversees both producers of alcoholic beverages and those who serve alcoholic beverages. Note that alcoholic beverages cannot be manufactured in a commissary or shared space environment.

The division provides a [full list](#) describing the licenses and permits for alcoholic beverages, cigarettes and other tobacco products, and the additional terms that may apply to each.

The DBPR provides a helpful [flowchart](#) that details the steps of this process:

**[DBPR | Division of Alcoholic Beverages & Tobacco](#)**

Phone: (850) 487-1395

Email: [abt.info@myfloridalicense.com](mailto:abt.info@myfloridalicense.com)

**Florida Department of Health | Division of Food Safety and Sanitation**

While the “Health Department” is thought of as an overseer of food safety, in Florida, the Department of Health (DOH) oversees a very small number of food-based businesses. Generally, the DOH regulates food service establishments located in institutional settings (such as schools, assisted living facilities, adult day cares, and detention facilities), civic and fraternal organizations, bars and lounges that don't prepare foods, and theaters that limit their food service to items customarily served at theaters.

**[DOH | Division of Food Safety and Sanitation](#)**

Phone: (850) 245-4277

Email: [AskEH@flhealth.gov](mailto:AskEH@flhealth.gov)

**For Catapult Members:** At Catapult, we work primarily with DACS and DBPR. Our assistant kitchen director can help members identify which agency is the right fit for a member. Additionally, we have separate built out guides for permitting at Catapult, which are given out at orientation.

## Apply for a Polk County Business Tax Receipt

**Average Timeline: 5-7 business days | Average Cost: \$57.75**

An account with the Polk County Tax Office is required for all businesses operating within Polk County, regardless of whether they operate in Lakeland, another Polk County city, or in unincorporated Polk County. For regulated food businesses, a license from either FDACS or DBPR is required before creating an account. Completion time is 5-7 days for processing.

### How to Apply for an Account

Those seeking to obtain a County Local Business Tax Receipt can download an application form and mail it in with the applicable payment due. Contact the office via phone to confirm payment due. The form can be found [here](#).

County Local Business Tax Application may be dropped off at any Service Center location of the Tax Collector. Business Tax Receipt will be mailed in 5 - 7 business days. Applicants seeking to complete an application at a Branch Office will need to provide the following information along with the applicable payment amount due:

- Business Name
- Owner(s) or President's Name
- Mailing Address
- Physical Location Address
- Telephone Number
- Owner's Social Security or Business Federal I.D. Number
- Florida Sales Tax Number

To seek a County Local Business Tax Receipt in person, please visit one of the Tax Collector's Customer Service Centers (Branch Offices)

### [Polk County Tax Collector Business Office](#)

Bartow Branch Address: 430 E Main Street, Bartow, FL 33831

Lakeland Branch Address: 916 N Massachusetts Avenue, Lakeland, FL 33801

Phone: (863) 534-4700

**For Catapult Members:** This step is completed after the Annual Food Permit is gained, and this is not needed for Catapult's files.

## Apply for a Business Tax Receipt with the City of Lakeland

**Average Timeline: 3 business days | Average Cost: \$36.00 - \$40.00**

For a business operating within the City of Lakeland, a business tax receipt from the city is also required. Like the Polk County Business Tax Receipt, the City of Lakeland will not issue this receipt without a license from either DACS or DBPR. The Polk County application and the Lakeland application can be completed simultaneously.

### How to Apply for an Account

The City of Lakeland requires all business located and operating inside the city limits pay an annual Business Tax. A receipt for payment of the Business Tax is commonly referred to as a Business Tax "Receipt." Payment of such tax, however, does not constitute approval or certification or licensure by any governing authority responsible for overseeing or regulating a trade, practice, activity, or service, etc.

Most Business Tax fees are based on square footage, numbers of workers and/or category of profession. Actual Business Tax fees are determined after contact with the Business Tax Office. Also, if a business location is inside the city limits, Business Tax Receipts from both the City of Lakeland and Polk County are required.

Before applying for a business tax receipt, an EIN and a Florida Sales Tax ID are required. An Annual Food Permit from DBPR or DACS will be required for all businesses outside of cottage food operations.

Contact the City of Lakeland Business Tax Office via email [BusinessTaxOffice@lakelandgov.net](mailto:BusinessTaxOffice@lakelandgov.net) to apply for a business tax receipt for the city.

### City of Lakeland Business Tax Office

Address: 228 S Massachusetts Avenue, Lakeland, FL 33801

Phone: (863) 534-4700

Email: [BusinessTaxOffice@lakelandgov.net](mailto:BusinessTaxOffice@lakelandgov.net)

**For Catapult Members:** This step is completed after the Annual Food Permit is gained, and this is not needed for Catapult's files.

## Section Three: How to Grow a Food Based Business

At this point in the process, you've formed a business entity, collected tax documents on the federal, state, county, and city levels, received food safety training, insured your business, obtained a business bank account, and received the appropriate permits from your regulatory agency. Congratulations! Now, what is the next step?

In this phase, it is vital to find opportunities to connect with customers and sell products. Also, during this time, there are local organizations and membership organization that can provide value through networking opportunities, educational programming, and access to mentors.

In this section, we cover:

- Finding Sales Avenues
- Connecting to Small Business Resources
- Joining Membership Organizations
- Finding Additional Guides + Resources

We also conclude the document in this section. With this guide, we hope to clarify the process of starting a food business in our community. We hope that you have gained insight around this topic through the provided information and the contacts.

This is a living document that is continually updated and modified. Please direct any comments, feedback, or questions to the Catapult Assistant Kitchen Director, Elena Schillinger.

**Elena Schillinger, Assistant Kitchen Director**

**Email:** [elena@catapultlakeland.com](mailto:elena@catapultlakeland.com)

**Phone:** (863) 940-9660

## Find Sales Avenues

After formalizing your business, it is imperative to find ways to get in front of your target customers and to begin selling your products. To do this, we have compiled a list of markets that are active in the Central Florida area.

### Where to Sell Your Products

The greater Lakeland area has several thriving markets. Each has a separate application form, fees, and varying requirements. Some markets will require you to add their location to your insurance as additional insured location.

#### [Downtown Lakeland Farmers Curb Market](#)

Weekly, Saturdays from 8:00 a.m. – 2:00 p.m.

Address: 200 N Kentucky Ave, Lakeland, FL 33801

#### [Winter Haven Farmers Market](#)

2nd & 4th Saturdays, 9:00 a.m. – 3:00 p.m.

Address: Central Park 41 5th St NW, Winter Haven, FL 33881

#### [Indie Flea](#)

Monthly, Sundays from 11:00 a.m. – 3:00 p.m.

Address: Various locations in St. Pete, Tampa, Orlando, and Gainesville

#### [Buena Market](#)

Various dates and times

Address: Various locations in the Lakeland area

Contact each market to learn more about their fees, processes, and opportunities. Additionally, the USDA provides a [National Farmers Market Directory](#).

Another possible sales avenue is individual pop-ups or wholesale accounts with local breweries. [The Brewery Bay](#) is a helpful database of all breweries in the area. Contact individual breweries to find out if they are interested in hosting your business.

**For Catapult Members:** We have compiled a comprehensive list of local sales avenues. Reach out to the Assistant Kitchen Director for more information.

## Connect to Small Business Resources

The journey of food-based entrepreneurship is best when enjoyed with others. Resources for small business start-ups in our community are here to support you in your journey.

**Catapult Lakeland:** Catapult fosters an environment for founders to build scalable businesses through expert guidance, shared equipment, funding, and relationships. Their kitchen incubator features a commercial production area where emerging restaurants, bakeries, and consumer packaged goods brands can gain licensing and begin to sell food.

Address: 502 E Main Street, Lakeland, FL 33801  
Phone: (863) 940-9660

**Central Florida SCORE:** SCORE is a national organization with a Central Florida chapter. The organization offers workshops and a mentor network. SCORE mentors will meet with entrepreneurs to review business plans and offer advice.

Address: 100 S Kentucky Ave #230, Lakeland, FL 33801  
Phone: (863) 284-5607

**Lakeland Chamber of Commerce:** The Lakeland Chamber is a membership organization that offers events and networking opportunities.

Address: 35 Lake Morton Drive, Lakeland, FL 33801  
Phone: (863) 688-8551

**Bridge Local:** Bridge Local help businesses in the Lakeland area connect to customers who are looking for referrals in an online forum, driven by the members themselves.

Address: 303 Florida Ave S, Lakeland, FL 33801  
Phone: (863) 606-5995

**Florida Small Business Development Center at USF: Polk County Office:** The SBDC holds office hours at the Chamber of Commerce. While all services are not offered in Polk County, this office can serve as an introduction to the organization.

Address: 35 Lake Morton Drive, Lakeland, FL 33801  
Phone: (863) 688-8551 ex. 237

## Join Membership Associations for Culinary Professionals

Food specific membership organizations can introduce you to valuable connections as you grow your business. The below organizations are niche focused on food trucks, restaurants and caterers, or consumer packaged goods.

### [Tampa Bay Food Truck Association](#)

Specific to mobile food vendors, this membership association offers food truck owners connections to clients, events, staffing, education, insurance, and other resources.

### [Florida Restaurant and Lodging Association](#)

This membership association offers restaurant owners collective discounts on various resources, local chapter events, and an annual conference and food show.

### [American Culinary Federation | Central Florida Chapter](#)

The Polk County chapter of this national organization offers networking events, cooking competitions, and culinary certifications.

### [Specialty Food Association](#)

Specific to consumer-packaged goods, the Specialty Food Association offers cross promotion, food shows, and educational resources.

## **Conclusion: How to Start a Food Business in Lakeland, Florida**

This guide has covered the steps needed to transform your vetted concept into a formalized business. While there are many different pieces of documentation to gather, the result is a fully functional food-based operation.

**Best of luck in your new endeavor!**

### **For Further Reading:**

- [Open My Florida Business: Restaurants and Other Eating Places](#)
- [FDA's How to Start a Food Business](#)
- [SBA's 10 Steps to Start Your Business](#)
- [City of Lakeland's Guide to Opening Restaurant](#)
- [Cottage Food Operations in Florida](#)

**For Catapult Members:** We're excited to have your documents gathered, so that you can move on to the business of making and selling food in our space!