

# COTTAGE INDUSTRY

## Starting Your Own Food Business

by Janice Cook Knight



Have you ever dreamed of starting your own food business, or do you know someone who did? Do you have a scrumptious family recipe you know others would love?

A selection of cottage industry food products, from top, clockwise: Cabin 11 Bakery, Hippy Pop popcorn, Red Hen Cannery marmalade, Cinnies vegan cinnamon roll, Good Stuff doughnut holes, Lemon & Coriander preserved lemons, Chapala Farms jam, Sugar Cat Studio cupcake mix.

My Aunt Doris, now 82, loved to bake. She made cookies, cakes and pies, and she hoped one day to open a bakery and share her baking skills with the world. Alas, the cost of starting her own bakery enterprise was too daunting. Instead, her audience was limited to a smaller circle of family and friends.

Many would-be food entrepreneurs have been deterred by cost. Previously, making a food product for sale to the public required the vendor to prepare the food in an expensive commercial kitchen. That changed in 2012, when the Cottage Food Bill became California law (effective January 2013), making it easier for some food visionaries to fulfill their dreams. This was indeed exciting news. The need for a certified kitchen for low-risk products seemed unnecessary to many people, and thankfully, lawmakers and some health officials agreed.

It started when an article in the *Los Angeles Times* featured an LA baker, Mark Stambler. In 2011, Stambler was baking bread at home and selling it to a restaurant; he was quickly shut down by the health department. This caught the attention of Assemblyman Mike Gatto, who wanted

to help find a way for Stambler and others to work out of their homes. California's economy was just starting to emerge from the economic downturn, and so it was a fruitful time for the California legislature to pass a bill

that would encourage small businesses and increase employment. Assemblyman Gatto drafted the Cottage Food Bill, with amendments that were acceptable to the Department of Public Health. Governor Jerry Brown stated that the Cottage Food Law would "make it easier for people to do business in California," and signed the law into effect.

The law allows Cottage Food Operators to prepare only *certain* kinds of foods in home kitchens. The foods allowed are low-risk products, and the list of acceptable foods is very specific. The foods pose no risk of botulism or other dangerous pathogens. Baked goods, like the kind my aunt would have liked to sell, are on the safe list as long as they don't contain any cream, custard or meat fillings. Certain dried fruits, nut mixes and nut butters and pasta are allowed, as well as preserves and jams made with fruit, to name a few of the allowed items. (See a full list on the next page.)

Again, only foods on the safe list will be approved for the cottage food industry. Fermented foods, and low-acid foods such as canned vegetables and meat, require permits and manufacturing processes that are not approved for home preparation.

There are about 64 vendors using the Cottage Food Law in the city of Santa Barbara, and over 250 total countywide. All of those licenses are current, though those who hold them may not be actively selling a product yet.

The Cottage Food Law provides two kinds of licenses: Type A, which requires no fees on the part of the producer, allows approved foods to be made at home and sold directly to the consumer. If, however, a producer wishes to sell his or her homemade product to a restaurant or retail store, a Type B license is required. The cost is currently \$300, and the licensee must have an inspection from the health department, initially, and is subject to a health inspection once a year.

With the Type A license, an inspector need never darken your door unless there is a problem with a product and a consumer complains about it.

The Cottage Food Law does have a financial cap: Annual gross sales cannot exceed \$50,000.

What does this law mean to some of our Central Coast food producers?

Maureen Foley started her Red Hen Cannery in 2013. The Cottage Food Law enabled her to begin production without a lot of costly overhead. Foley grew up on a farm in Carpinteria, that is still actively being farmed by her dad, granddad and uncles. Her family has been there since the 1860s, producing various crops over the years: lima beans,

hay, oranges, berries (they had a U-pick blackberry farm) and, recently, avocados. She lives next door to her parents, and has access to some of their farm's old fruit trees.

Foley uses fruit from a 60-year-old Valencia

orange tree to make marmalade. Other fruits she uses in her preserves include kumquats, tangelos, Bearss limes, Meyer lemons, kalamansi (Philippine limes), blood oranges, passion fruit, peaches, plums, cherries, blackberries, raspberries, apricots, figs and apples.

At Kenyon College and the Naropa institute, Foley studied writing and art. She worked as the farm educator at Fairview Gardens in Goleta. She also worked in kitchens—The Timbers in Summerland and a sandwich shop in Carpinteria—and she realized that she loved working in the kitchen. The Cottage Food Law gave her the possibility to start a food business at home.

Both her mother and grandmother were renowned for their jams, and so Foley is putting her family training to good use—using family-grown fruit with simple, timeless, family-tested recipes. She sells at our local farmers markets—a system she also knows well, as her dad has had a presence in the markets here for 20 years.

Her recipes are streamlined. Even so, she tries to offer flavors you can't buy at the supermarket: Instead of a simple strawberry jam, she makes strawberry-vanilla and strawberry with lime and hibiscus.

After a year and a half, Foley was able to make the leap into a commercial kitchen. This allows her wider distribution, and the chance to make products that wouldn't be allowed by the cottage law—such as her tomato jam (which is low-acid so must be made in a commercial kitchen setting). She says, “The cottage law allows businesses to scale up. It allowed me to test the market with my products.” As a food producer selling directly to clients, she received immediate feedback from consumers. She spent that year and a half hearing what her customers wanted. “At the farmers market, customers are not shy.”

## Thinking about making a cottage food product?

**Here is a list of the foods approved for preparation. Visit [CDPH.ca.gov](http://CDPH.ca.gov) for more details.**

Baked goods, without cream, custard or meat fillings, such as breads, biscuits, churros, cookies, pastries and tortillas.

Candy, such as brittle and toffee.

Chocolate-covered nonperishable foods, such as nuts and dried fruits.

Dried fruit.

Dried pasta.

Dry baking mixes.

Fruit pies, fruit empanadas and fruit tamales.

Granola, cereals and trail mixes.

Herb blends and dried mole paste.

Honey and sweet sorghum syrup.

Jams, jellies, preserves and fruit butters that comply with the standard described in Part 150 of Title 21 of the Code of Federal Regulations.

Nut mixes and nut butters.

Popcorn.

Vinegar and mustard.

Roasted coffee and dried tea.

Waffle cones and pizelles.

Cotton candy.

Candied apples.

Confections such as salted caramel, fudge, marshmallow bars, chocolate-covered marshmallow, nuts and hard candy, or any combination thereof.

Buttercream frosting, buttercream icing, buttercream fondant and gum paste that do not contain eggs, cream, or cream cheese.

Dried or dehydrated vegetables.

Dried vegetarian-based soup mixes.

Vegetable and potato chips.

Ground chocolate.

Seasoning salt.

Flat icing.

Foley's success is just what the cottage food law was designed for, according to Larry Fay, environmental health director for Santa Barbara County. Cottage Food Operators can test the market and see if their products are viable before acquiring a commercial kitchen. Fay says that the Cottage Food Law “balances what people want to do with the necessary safety precautions in place.” He does not know of any food-borne outbreaks associated with the Cottage Food Law in California.

Operators must take a basic course in food safety within three months of obtaining their license and follow the regulations. And operators have good reason to follow these rules, as they will benefit from satisfied customers. No one wants a customer's health to be at risk. Cottage Food Operators must also check local zoning laws to make sure they are in compliance. Increased customer traffic, for example, in a dense neighborhood could potentially become a problem. Also, they may need a business license or other permits, so should check with their local jurisdictions.

Foley said working under the cottage law was easier than operating at the commercial kitchen level, because if you need information you can talk to the local office. There is more bureaucracy at the state level. Requirements for food labeling at the commercial level have been her biggest challenge: “Every jurisdiction has a different labeling requirement.”

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The tiny storefront known as Isabella Gourmet Foods in downtown Santa Barbara is a great place to find local foods. Many of the products carried by proprietor Amy Chalker were produced under the Cottage Food Law. These include Red Hen Cannery's preserves; Cabin 11 Bakery; Cinnies vegan cinnamon rolls; Good Stuff baked treats and vegan doughnuts; and Integrity Cacao chocolates.

Anneli Clavering started her Cabin 11 crackers company because she missed the cracker breads available in her native Sweden. A Santa Barbara resident for nine years, she developed a tasty gluten-free cracker in two flavors: fennel and caraway. These are multi-seed crackers mixed 50/50 with cornmeal, and all ingredients are organic. She is in the process of developing a gluten-free biscotti.

Katie Bellanger is the creator of Cinnies, vegan iced cinnamon rolls in enticing flavors such as Cookies & Cream, Coconut Salted Caramel and Funfetti with colorful sprinkles. Bellanger also offers a gluten-free Cinnie.

As a kid she always dreamed of opening her own restaurant. Bellanger attended culinary school at the University of Missouri Food and Beverage program, with a minor in business. Besides making her popular Cinnies, in late September Bellanger plans to open a restaurant called The Honey B, located above Antioch University at the corner of Chapala and Cota Streets. She plans to sell gourmet savory waffle sandwiches with cheeses and herbs, vegan organic salads and rice bowls, her Cinnies in 14 flavors and her naturally colored rainbow bagels. A tower garden located in the café, provided by LA Urban Farms, will provide produce for the restaurant.

Yuko Walters of Good Stuff Baked Treats makes luscious cookies with some traditional ingredients such as butter, eggs and chocolate chips, and also colorful vegan doughnuts made with coconut oil and vegan butter. Her products are a popular item at Isabella Gourmet Foods, and her creative doughnut flavors change daily: You might find ginger glaze and piecrust, or a green matcha drizzled with glaze, or perhaps a magenta raspberry glazed doughnut.

Walters only started baking after she became a parent. The cottage food law inspired her to go into business. Though her doughnut toppings look complex, she likes keeping the flavors simple and fresh. Her products are also found at Breakfast Culture Club at the corner of Chapala and Ortega.

A little farther south, Merissa Marcuccella of Thousand Oaks has used the Cottage Food Law to create Integrity Cacao. Her chocolates are vegan, organic and sweetened with maple syrup. Marcuccella uses high-quality ingredients such as Fair Trade raw chocolate flavored with essential oils. One frustration she has with the Cottage Food Law is that she is not allowed to ship her chocolates across state lines, so must confine her business to California.

Her most popular chocolate flavor is the Celtic Sea Salt. I tried her rose truffles, meltingly smooth and intensely chocolaty with the sophisticated accent of powdered pink rose petals.

All of the above mentioned operators have Type B permits, allowing them to sell to restaurants or stores. But some are content to only sell directly to their customers. Victoria Williamson recently obtained her Type A permit. Calling herself “The Sourdough Bread Lady,” she makes breads of three types: a rye-kamut blend, an oat-kamut blend and an all kamut (kamut is an ancient form of non-hybridized wheat). Her breads have a long ferment, and the organic grains are first sprouted, then dehydrated, then freshly ground before making into bread. These are hearty loaves, with added seeds and some spices, such as turmeric. Williamson, who was born in Azerbaijan (formerly part of the Union of Soviet Socialist Republics), bases her bread-making techniques on old family recipes.

Joan Kershaw is another bread baker who recently started selling organic breads using the cottage permit. Kershaw offers a gluten-free strawberry molasses bread, and also a whole-grain sourdough made with rice, oat, quinoa and rye flours. She has a Type A permit, and potential customers should get on her email list to receive notice of the week’s offerings and to arrange pickup or delivery.

I told my Aunt Doris about the new law. She said she is happy for the present and future entrepreneurs to have this chance at business. Given the creativity of the producers whose foods I have tried, and the quality of their products, I can only pronounce the Cottage Food Law a very good thing. As more people become aware of the law, what other wonderful products will be developed? 🍪

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## There are currently over 250 Cottage Food Operators in Santa Barbara County.

The majority of them have a Type A license and can sell only directly. Here are the ones listed on the County's website currently operating with a Type B license, meaning you are more apt to find their products at retail stores.

Baklava Royale  
Broken Clock Vinegar Works  
Cabin 11 Bakery  
Cathyz Cookies  
Chapala Farms  
Dart Artisan Coffee  
Four Daughters Jellin  
Good Stuff  
Grandma Bainer's Bakery  
Hippy Pop  
Jelly Empire  
Jimmy's Redneck Rub  
Katie's Cottage Company  
Koval Confections  
L.J.'s Southern Belle Cookies  
Lemon & Coriander  
Lompoc Honey  
Mela Foods  
Newtrition Works  
Popcorn King  
Pretzel Guild  
Refugio Roasting Company  
Sage Family Seasoning  
Santa Barbara Fudge  
Standard Loaf  
Starlight Kitchen  
Sugar Cat Studio  
Sweet Lisi's Baked Goods  
Tom's Mom's Sweet Treats  
Two Nuts for Granola  
Vincent Farm Kitchen  
Wanda's Witchin'

### To contact producers named in this story:

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