

## Utah and Food Entrepreneurship:

**The average Utahan will spend 11.3 percent of their income on food annually – with more than 850,000 households in Utah, the potential purchasing dollars available in the food market alone total more than \$6.3 billion** (see table A & B). Within the grocery market, Utahans will spend more than \$3 billion (see table C).

Utah is ideal for food entrepreneurship, offering the perfect location for local, national and international distribution. Salt Lake City is one of the top 40 trade areas for quality merchandise within the U.S. (Hall, 2009). Our state supports more than 300 grocery stores –200 owned/operated by Utah corporations – and more than 4,000 restaurants. Utah also supports three major food service distribution companies: Nicholas & Company, Sysco and U.S. Foods.

## Food Market Competition:

Despite Utah's ideal entrepreneurial environment, the food industry is a fierce, competitive market. On average, 20,000 new products are launched into the market each year. To promote such products, U.S. Food Manufacturers spend more than \$7 billion annually in advertising to maintain consumer demand, making them the second largest spender in national advertising. Food manufacturers spend massive amounts on retailer promotions – discounts, incentives and slotting fees – to incentivize consumers purchasing dollars through case lot sales, 10 for 10 deals, and lower prices. Such fierce market conditions allow only about 12 percent of all new food companies to survive more than 2 years (Brody, 2000).

## Utah's Own:

Title 4-2 UCA requires the Department of Agriculture and Food to promote methods for increasing production and facilitating the distribution of state agriculture products. The purpose of Utah's Own is to brand or identify quality agriculture and food products grown, processed or made locally.

Utah's own serves a diverse company population from 100-year-old companies like Lehi Roller Mills and Miller Honey Company, to young start-ups like Snap Daddy BBQ or Oolite Cheese Co; as well as various farms, urban gardens, restaurants and markets.

Utah's Own mission is to create a loyal consumer base that spends their dollars strengthening our state's food structure. Utah's Own asks consumers, who already **spend 11.3 percent of their income on food**, to spend it on quality, locally made, Utah food products.

Through consumer education and marketing in 2013-2014, Utah's Own hopes to **shift at least 1 percent of Utahans' food purchasing dollars to local products**. Such a small endeavor **would generate \$63 million into our state's economy**. However, what would a 1 percent shift mean for the average Utah budget? **The average household would only have to shift \$1.38 of their food dollars per week to a local food or restaurant purchase or \$72 annually.**