



DoughRaisingMom

Face It, You Knead the Dough!

Course Handbook

I Believe Kids Are Happier When They Have A Stay at Home Mom or Dad

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Chapter 1: Introduction

I am passionate about moms or dads who choose to stay at home to raise their kids. I know very well the amount of sacrifice it takes to do that. You need to realize how big a deal that is to your family. **Having a parent whose primary goal it is to just be present to the needs of the family is huge.** It provides the security that all kids need to grow and develop. I also realize that is not possible for some families, but I am a huge advocate of doing what I can to help make that a choice for as many families as possible.

A short bio...

I grew up in an entrepreneurial family. My dad was a mechanic and had his own garage and body shop. As kids, all of us helped in my parents business. It was a big commitment for our entire family. Mom and Dad worked tremendously hard, as did most people who lived through the depression. In addition to the garage, for a time, my parents owned a restaurant. My mom would often be up the majority of the night baking. Her specialty was homemade pies, and they were a big hit with the customers. My poor mom was probably the most sleep-deprived person around, but she never complained.

They worked hard, but we were able to do some fun things as a result. We lived directly behind the garage, so even if my parents were working, they were always available to us. I can tell you, **they knew or found out everything we did.** I guess

at the time, I didn't appreciate that their loving watchful eyes were always on us. Now as a mom, I know how critically important that is.

Our kids need us more than we think. So many teenagers come home to an empty house. They have passed the age when parents think they need babysitters. For many parents, the day they can eliminate the childcare fees from the budget is a happy day. Unfortunately, **leaving preteens and teens alone can cause lots of problems in the end.**

As for my own children, they comment when I am not home after school. My high school son drives the kids to school most days, so sometimes I have things to do in the afternoon and am gone when they come home. I will almost always hear from one of them how much they hate to come to an empty house. Yes, I guess they are spoiled, but that's fine with me.

Since my husband and I decided that it was a priority for me to be a stay at home mom, we became experts at stretching the dollar. **I totally enjoyed the privilege I had to be able to stay at home with my twelve kids.** I became the garage sale queen, coupon guru, expert bargain shopper, and we really got the technique of making money stretch so far that it took on the property of elastic. Frugal was definitely an adjective that applied to us. **I won't lie - there were lots of times that the shortage of money was not fun.** Life happens to all of us, and expenditures that we don't plan hit us at the worst times it seems. When you have a big family, those expenditures

happen more often than to most people, you know, the law of averages.

Had I known then what I know now, those emergencies would have been better planned for, and we could have eliminated a lot of stress. But as a huge Dave Ramsey fan, Dave often says that there are two sides to the equation, the income and the outgo. Our decision to have me stay at home with the kids limited the income side. We became masters at controlling the outgo, but the income side presented an enormous challenge.

We muddled through for the first twelve or so years

As the kids grew, high school tuition loomed in the future and the reality that we would need more money to fund that became real. I started trying to figure out ways that I could generate money and still be able to stay at home with the kids. Back in those days, working from home was rare, and extremely hard to find. I searched far and wide, but **I mostly came up with dead ends and less money than I started with. I fell victim to lots of scams,** partly out of desperation, partly out of lack of good judgment.

My Quest to Work From Home

Okay, I am going to embarrass myself here, and I will let you know the wide range of things that I tried and either failed at, hated, or found they were a scam. This makes me feel really dumb, and I would rather forget these things, but here goes:

- I sold cross-stitch kits, the kits were cute, my friends could only buy so many, and then it fizzled out.
- I made beaded jewelry for a company that sold the starter kit for a "small fee" that would be returned when they accepted your first complete set of stuff. Yeah that was before social media stuff, I am sure now that a savvy person would easily find out that they don't accept many sets of completed jewelry, and they keep the "small fee."
- I babysat, well... I made money, leave it at that. I liked taking care of my own children, but not other peoples' kids.
- I cut matts for a frame shop in my home - sort of fun, but time consuming.
- I got involved in a MLM selling phone service, bad choice. That was a good way to lose friends and never hear the end of it from relatives.
- I cut wood for tole painters - fun, but mainly paid for my supplies to tole paint.
- I cleaned an office - good money, an okay job.
- I worked for catering company on weekend nights - hard work, awful hours, mediocre pay, in all, not worth my prime time with family.
- I had a balloon bouquet business with a relative. The business was fun, however, being in business with a relative was not a good idea. I did not know how to run a business and should have done my homework first.

- We had a vending machine business - totally bad idea. We went to one of those hotel seminars for the hard-core sales on how those machines just sit and collect money for you all day long, you just go fill them and collect tons of money--wrong. The major companies have that market secured, and it is tremendously hard to find locations that are worth anything. While they promise easy riches, the more likely scenario is that you will have spent a LOT of money and possibly end up with a garage full of empty machines.
- I took some classes and started selling things on ebay. The problem is that after you sell all the things you can find around the house, you then have to figure out the product that will sell consistently and still make a profit. By the time you pay all the ebay and Paypal fees, the profit margin can be pretty slim. The other gotcha is that you may have to make an investment in inventory, and you may not be able to recoup your money if it doesn't sell.
- We had several garage sales. The problem with that was that most of what we owned we purchased at garage sales. Since we just don't buy a lot of new "hot" items for ourselves, we really don't have great stuff to resell.

I finally remedied the situation by **starting my own business doing something that I was good at**. I operated my own catering/gift basket business for ten years. It taught me a lot, and the greatest lessons I learned came from all the mistakes I

made.

Everyone assumes that if you work from home, you are spending time with the kids, and just working around their schedules. In a perfect world, that would be true. As I have spent time poking around the blogs and talking with other work-at-home moms, I think that many have a huge problem with finding time to work and take care of the kids.

I can tell you for a fact that I struggled with that. In the beginning, when I wrote a business plan for the catering company, I was only planning on providing breakfast for company business meetings. That would have been the perfect business for a stay at home mom. It did not work out that way in the end.

Owning a business is a strange animal. I got caught up in the “more is better” thing. I was proud of the fact that people liked my product and wanted more of it more often. When I got pressed by customers to add lunch to the menu, I finally caved in.

Then gift baskets got added, the same way, meeting a demand of the customer. Don't get me wrong, **in business terms it was good, in family terms, it was not.** Soon our Christmas holiday season was consumed by gift baskets and baking for other peoples' parties.

As a stay at home mom, I know that you want to find something that **truly does work around your kids'**

schedules. You don't want to miss all the special things that happen in everyday life - that is why you chose to stay at home. You want the freedom to be spontaneous with your family, and live life the way it is meant to be.

With The Dough Raising Mom business, that is exactly what you can do. I strongly encourage you to work when you want or need to. You can always make more money, but your time is limited. If you need to, start out slowly, especially if your kiddos are young.

We all want to focus on the kids, but most of us do need to have the ability to generate more money at times. That is why I developed this company. I want you to be in charge of your schedule. You know better than anyone else what your family needs, and **you can control your schedule.**

If you want to cover the expenses of the beginning of the school year (always a biggie in my family), then you can schedule to do a fundraiser for someone needing to raise money to fund a mission trip, buy equipment, etc. If you had to hit your emergency fund to cover an emergency, schedule a fundraiser just to rebuild that fund.

This business is perfect for allowing you to just have the time to be a FULL TIME mom or dad, a retiree who needs to supplement your income to be able to finally do some of the fun things you have waited all your life to do, or anyone who just consistently has more expenses each month than money. Working this program gives you the benefits of making the

money you need. **You can work as little or as much as you want.**

Another benefit is that **you can involve your family**, if that works for you. If your kids are a little older, you know from your experience on the training weekend, that you can have your kids help wrap the rolls and pack everything up, and they can have the benefit of earning money too! (For those you who have chosen the online option, you see that my kids are helping me). Those can truly be teachable moments. It will enable **you to guide your children in making great decisions on how to save, spend and give money they earned.**

More importantly, when you are helping a group do fund raising so that they can go do something to help other people, **there is a ripple effect that truly enables you to be a great part of the bigger picture.** It allows you to make an impact on the world, you know, **changing the world, one cinnamon roll at a time.** It is something that will change your spirit, and you will be able to feel it. The money you make is nice, the great change in your spirit and your heart is something I cannot describe to you, it is something you just have to experience for yourself. **THAT is the GREAT part!**

The only thing that is better than that is if your kids become a part of the experience in some way. **Let them help deliver the rolls, and hear the stories of what the group was able to do because of the money you helped them raise.** Those stories are a very important part of your business. I encourage

you to ask for "the rest of the story" Paul Harvey style. It will do incredible things for you and your family. Please share them on the website, so we can inspire others to do their thing to help others.

The times when my kids have worked along side of me to get the job done provided great family time and great memories. To this day, when we have family gatherings, the stories start about some of the fun times we had working together.

If your kids are in school, you might want to approach school groups wanting to raise money for equipment, trips, etc. and work to help them raise the money they need. When working with a school group, it is sometimes possible for you to do a fundraiser during the week while your kids are at school.

It all really depends on what you need, and ultimately you decide. **You know your family's scheduling and budget needs better than anyone else, so you get to be the boss of you.**

Short Commercial Break...

I am going to take a minute here to give you some advice. If you haven't heard of Dave Ramsey, you need to. Consider taking his Financial Peace University, and then run your household and your business by those principals, and you will avoid a lot of trouble. Debt can destroy your marriage, your business, and your family.

If you have debt now, learn how to get out of it. This business

*you are investing in will help you do that. If you don't have debt, learn how to be a good steward of the money you have and you will be blessed and rewarded. Teach that information to your children through example and action, and you will change your family tree. That will be a true blessing and gift that will impact your children's lives forever. (End of the Dave Ramsey commercial, and no, he did not pay me to say that. Hmmm, maybe I **should** start charging him...)*

...End of Commercial

I will wrap this up by saying that you will be able to be in control of the money you can make, determined by the amount of effort you put into it. You are the only one who is able to determine how much time and effort you really want invest. **It is all up to you.** I can't give you a guarantee. I don't want you to think that this is a business that once you set it up it goes on autopilot. That is a pie in the sky claim; and anyone telling you that should make you pause and question them. This business takes hard work and effort, but my family has been able to raise a lot of money using this model. And I hope that it will be something that works for your family as well.

Chapter 2: Let's Get Down to Business - Part 1

One of the biggest mistakes I made was failing to learn the bookkeeping basics. I was under the impression that I could outsource that piece and everything would be fine. That was the advice I had been given by all the experts I had consulted with. I am here to tell you that that is not good advice. It is imperative that you at least **understand the principals of bookkeeping**. Don't cringe here - I am not a math person, and you don't have to be, that is where your bookkeeper or CPA can help - but you do need to understand the fact that you need to make a profit. Keep close and accurate track of the cost of goods sold, your profit margin, and - very importantly - your cash flow.

In short, you need to **understand whether you can actually make money**, and then you need to understand how to manage it. That is pretty basic, but I am embarrassed to admit that I lacked that core knowledge and it really hurt us and caused a lot of pain.

I want to get started with the business basics segment of this manual. If you have never run a business, this will be a beginners guide, but you will need to seek out the more in depth answers because each state and even municipality has its own rules. In addition to that, **I am not an attorney or a CPA. I am just recounting my experience.**

To find details about your state rules, you could start by going to the website for the Secretary of State in the state you live in. There you will find all sorts of helpful information. It is really important that you get started off on the right foot when it comes to your new business. To help you out, I've included links to every state at the end of this manual.

You will need to **sign up for a "Doing Business As" (DBA)**, which is simply registering the name of your business with the state where you live. There is a small fee to register your DBA.

I have to add here that when you go and register for your DBA, **you can't use "Dough Raising Mom". That is the name of my business.** I train other parents to do fundraising within their community. It would get very confusing if everyone used that name, to say nothing of the legal complications.

Instead, come up with your own business name, or just register your business as your own name. Then you can add a tagline that you have been "trained by the Dough Raising Mom!"

The next step will be to go and **get your business license.** That is usually done at the city hall or county courthouse. You will have to decide which type of business structure you want to set up: a sole proprietorship, and LLC, an S Corp or a Corporation. Talk to a CPA or an attorney about which is best suited for your situation.

I have experience with an "S Corp". It is simpler than a C Corp, but requires quite a bit of paper work and the advice of

a good CPA. And it can get expensive to have your taxes done.

I need to say here that I include this section as a simple basic outline of the steps you may need to take.

You need to seek the advice of qualified professionals to guide you through the process of making the decision that is right for you. I do not have those qualifications.

GRACE'S TIP:

A good CPA is a good investment no matter what. I currently have a sole proprietorship, and it has simplified my life quite a bit, but you should learn about all of it and get qualified advice.

Once you have the proper licenses, you will need **to set up a business bank account**. To make things easy, just remember to only pay for stuff for your business from your business account, and don't use that account for personal purchases. If you are careful to keep the business account separate from personal money, your bank account will be an easy judge of your cash flow.

In the beginning **you will need "seed" money for your account**. It will be part of the business start up expense. The investment you made to purchase this package is also part of that initial investment. Once you have held your first few sales, you should be able to pay yourself back and be looking for total profit from then on.

Once you have paid all your bills, the money left in the account is profit. This business is small scale, and your

purchases will probably be the main cash outflow, and your payment for the rolls will be the cash inflow. You will have other expenses like gas, office supplies, business cards etc. Your CPA or bookkeeper can tell you what you will need to set aside to cover your tax on that portion of your income.

There is so much information on the web, but instead of searching all over, **I decided to go to the source of a lot of information** you may need, and I am including a lot of information found at <http://www.irs.gov>. I am adding a couple of pages that are relevant to this business but for sure you need to spend some time on that site to provide some answers to the questions you have about business structure and your responsibilities. You can find the answers to a lot of your questions there. And the IRS is the only definitive source of tax-related information.

Choose any record keeping system suited to your business that clearly shows your income and expenses. Except in a few cases, the law does not require any special kind of records. However, the business you are in affects the type of records you need to keep for federal tax purposes. Your record keeping system should also include a summary of your business transactions. This summary is ordinarily made in your business books (for example, accounting journals and ledgers). Your books must show your gross income, as well as your deductions and credits. For most small businesses, the business checkbook is the main source for entries in the business books.

Supporting Business Documents

Purchases, sales, payroll, and other transactions you have in your business will generate supporting documents such as invoices and receipts. Supporting documents include sales slips, paid bills, invoices, receipts, deposit slips, and canceled checks. These documents contain the information you need to record in your books. It is important to keep these documents because they support the entries in your books and on your tax return. You should keep them in an orderly fashion and in a safe place. For instance, organize them by year and type of income or expense. For more detailed information refer to [Publication 583, Starting a Business and Keeping Records](#).

The following are some of the types of records you should keep:

- **Gross receipts** are the income you receive from your business. You should keep supporting documents that show the amounts and sources of your gross receipts. Documents for gross receipts include the following:
 - Cash register tapes
 - Bank deposit slips
 - Receipt books
 - Invoices
 - Credit card charge slips
 - Forms 1099-MISC
- **Purchases** are the items you buy and resell to customers. If you are a manufacturer or producer, this includes the cost of all raw materials or parts purchased for manufacture into finished products. Your supporting documents should show the amount paid and that the amount was for purchases. Documents for purchases include the following:
 - Canceled checks
 - Cash register tape receipts
 - Credit card sales slips
 - Invoices

- **Expenses** are the costs you incur (other than purchases) to carry on your business. Your supporting documents should show the amount paid and that the amount was for a business expense. Documents for expenses include the following:
 - Canceled checks
 - Cash register tapes
 - Account statements
 - Credit card sales slips
 - Invoices
 - Petty cash slips for small cash payments
- **Travel, Transportation, Entertainment, and Gift Expenses.** If you deduct travel, entertainment, gift or transportation expenses, you must be able to prove (substantiate) certain elements of expenses. For additional information on how to prove certain business expenses, refer to [Publication 463, Travel, Entertainment, Gift, and Car Expenses](#).
- **Assets** are the property, such as machinery and furniture that you own and use in your business. You must keep records to verify certain information about your business assets. You need records to compute the annual depreciation and the gain or loss when you sell the assets. Documents for assets include the following:

- When and how you acquired the assets
- Purchase price
- Cost of any improvements
- Section 179 deduction taken
- Deductions taken for depreciation
- Deductions taken for casualty losses, such as losses resulting from fires or storms
- How you used the asset
- When and how you disposed of the asset
- Selling price
- Expenses of sale

The following documents may show this information.

- Purchase and sales invoices
 - Real estate closing statements
 - Canceled checks
- **Employment taxes.** There are specific employment tax records you must keep. Keep all records of employment for at least four years. For additional information, refer to and [Publication 15, Circular E Employers Tax Guide](#).

I admit, a lot of this is overwhelming, that is why I just hire a professional who knows what they are doing. The next couple of pages are taken directly from the website, I hope this helps a little, this is where I defer to the experts, I can bake pretty well, this information is certainly not my forte.

Record Keeping

A good record keeping system includes a summary of your business transactions. Business transactions are ordinarily summarized in books called journals and ledgers. You can buy them at your local stationery or office supply store.

A journal is a book where you record each business transaction shown on your supporting documents. You may have to keep separate journals for transactions that occur frequently. A ledger is a book that contains the totals from all of your journals. It is organized into different accounts. Whether you keep journals and ledgers and how you keep them depends on the type of business you are in. For example, a record keeping system for a small business might include the following items:

- Business checkbook
- Daily summary of cash receipts
- Monthly summary of cash receipts
- Check disbursements journal
- Depreciation worksheet
- Employee compensation records

The system you use to record business transactions will be more effective as you follow good record keeping practices. For example, record expenses when they occur, and identify the source of recorded receipts. Generally, it is best to record transactions on a daily basis. For additional information on how to record your business transactions, refer to [Publication 583, Starting a Business and Keeping Records](#).

Employment Tax Record Keeping

The Internal Revenue Service (IRS) recommends keeping all records of employment taxes for at least four years after filing the 4th quarter for the year. These should be available for IRS review. Records should include:

- Your employer identification number (EIN)
- Amounts and dates of all wage, annuity, and pension payments
- Amounts of tips reported
- The fair market value of in-kind wages paid
- Names, addresses, social security numbers, and occupations of employees and recipients
- Any employee copies of Form W-2 that were returned to you as undeliverable
- Dates of employment
- Periods for which employees and recipients were paid while absent due to sickness or injury and the amount and weekly rate of payments you or third-party payers made to them

- Copies of employees' and recipients' income tax withholding allowance certificates (Forms W-4, W-4P, W-4S, and W-4V)
- Dates and amounts of tax deposits you made
- Copies of returns filed
- Records of allocated tips
- Records of fringe benefits provided, including substantiation.

Wow, don't let your eyes glaze over, after all, it **IS** the IRS. I



added all that stuff for you to easily refer to in the future if you should

need it. A lot of that would be something for you to have your CPA or good bookkeeper handle.

I want you to keep in mind that all this stuff may seem intimidating, but it is surely doable. You do your own taxes every year; this is similar to that. If you chose a sole proprietorship, there will be some additional forms and reporting for your additional income. Work with your CPA and **keep good records** so that it is easier come tax time.

Chapter 3: Business Basics - Part Two

Insuring Your Business

As a business owner, **you need to have the proper insurance**. Check with your insurance agent about what insurance is required. That could include covering your vehicle if you are going to deliver product to your customer. **Since I have a licensed commercial kitchen in my home, I have to have a separate policy to cover it.** It is not a huge expense, but don't neglect to get what will protect your new business and you.

Now there are insurance companies that have policies that are made specifically for people who run "Cottage Food Law" businesses. This is great news, because those policies start around \$299 per year.

I found an article that has some good information but I want to preface this by saying I am not recommending any particular insurance policy or agency, but it does start to give you some information to consider when you begin to do your due diligence about purchasing insurance. It was written by the Food Liability Insurance Program, so you can be sure it is a sales pitch, but it explains the reasons for insurance better than I can so I am including that article on the next page.

“The cottage food law makes it possible for food vendors, who sell their goods at farmers markets, festivals, or from home, to work from their own home kitchens. But in order to safely take advantage of this legislation, it is important for cottage food operators to protect themselves from liabilities such as injuries to third-parties, food contamination, allergic reaction, missing or damaged supplies, or damaged rented property.

One option that can protect cottage food operators from being left alone with these liabilities is liability insurance. Insurance can offer cottage food vendors the comfort of knowing that if a lawsuit is brought against them, they won’t be left alone — they’ll have their insurance policy to protect them.

In order for your insurance to really support your business, you need a policy that is both affordable and comprehensive. As you look for insurance, be sure that it includes the coverage that you need such as general and product liability insurance. It’s also essential to make sure that the insurance provider is credible and licensed to sell in your state.

You have a few options when it comes to finding the perfect liability insurance for you and your business. You can purchase from an insurance program that was designed especially for food vendors. This can be a convenient and probably more affordable option if the policy offered includes all of the coverage that you need.

Another option is to contact an insurance agent and ask them if they could find you a provider and a policy that would properly cover your business. The advantage of this route is that you will probably find a policy that is perfect for you. The disadvantage is that waiting for a quote and having a policy written for you will probably be a much more expensive option.

It is possible that your homeowners insurance or your renter’s insurance may extend to the liabilities of your home-based business, but it most likely won’t. You can always contact your homeowners insurance agent to find out if it would be possible to extend your homeowners coverage to cover your business liabilities.

There are other steps besides insurance that you can take to protect yourself from liability. Of course, it’s important to take appropriate precautions when preparing and labeling your goods. Be sure that you include allergy information on your labels.

You should also consider making your business into an LLC. This won’t completely protect you from liabilities, but it will help protect you from being held personally responsible for liabilities incurred by your business.

Beginning a cottage food business is an exciting move, and if you take appropriate steps to protect yourself and your business from liabilities, you can move forward with confidence without worrying about unexpected costs bogging down your business and your future. For more details about insurance for Cottage Food Operations you can go to FLI Program’s Cottage Food Law page.”

Trust me, You Really Can Be a Good Sales Person.

You have set up your business, now what? Well, now you have to get ready to **go and meet your prospective customers.** For so many of us, just the thought of sales makes us go cold. It sure did for me in the beginning.

As a matter of fact, initially, when I started my catering business, **I intended to have a partner and she was going to do all the selling.** Having a partner was a really bad idea, fortunately, that didn't work out. That left me with the prospect of actually having to think about going out and doing sales. That thought was enough to almost make me throw in the towel.

My kids guilt tripped me and told me that I would not let them just quit and walk away from a project that was hard and scary. Even though I felt guilty, it was not quite enough to get me going. Then my son stepped up and offered to do sales for the summer. He did a great job, but in the end, I still had to face the fact that **sales is part of business.**

I got a lot better as I went along. **It really is mostly meeting and talking to people.** In this business, the selling is not much of a challenge, because the **groups that have fund raising needs are looking for something that will help them generate money as easily as possible.** Raising money is just part of life for many groups that are involved in helping others. And for you, the high probability of having recurring customers is really attractive.

One thing to keep in mind is that your customers need your service. Try to visualize what would happen if you don't help them raise money. Maybe the help they would have been able to provide won't be possible. Maybe part of the group won't be able to participate because of lack of funds. When you look at the whole picture, **you are obligated to let them know about your service, and to help them.**

Two Simple Sentences Can Do the Trick.

I recently took a class on sales. I have been doing sales for quite some time, but I love how approaching sales was boiled down in this class. The teacher said that when doing sales, view your customer as someone you are having a chat with. Talk in conversational speech. When you are asked what you do, you can use these two sentences to explain clearly what you do without coming off as a slick salesman:

“Well, you know how some people* have... (insert pain point/problem)?

[Pause and wait for acknowledgement.]

Well, what I do is... (insert answer/solution).”

**The word people can be exchanged for whomever your target market is.*

So, allow me demonstrate:

"You know how a lot of people would love to be able to make money baking but they simply have no idea how they can get started?"

[Pause]

Well, what I do is help them do what it takes to get started by providing them with the tools they need to overcome obstacles to entry and providing business training."

This opens the door to continue the explanation, and I say something like:

"Sometimes the main problem they have is finding a to kitchen to work in, and in a lot of cases, all they need to know to get started is what the laws of their state are. I specialize finding solutions to get started on a small scale if at all possible, and working toward growth without a lot of debt."

Don't Worry, We Help You With the Sales

You marketing packet includes a letter of introduction, telling your customer what you can do for them and the benefits they get from working with you. When involved in the sales process, you need to remember that the customer is not interested in your business per say, **they mainly what to know what is in it for them.**

They want to do business with an authentic person who will **provide the best possible customer service, and they want to achieve their goals.** If you are the person who makes those

things happen, you will have a happy and loyal customer. I cannot emphasize enough the value of a loyal customer. **They will be your best marketing tools ever!**

Look at it this way. If a friend raves about a certain product

GRACE'S TIP:

Ask satisfied customers to write a testimonial for your business – no amount of paid advertising can beat the benefits of real people promoting your business.

that you are in the market for, **you will be swayed far more by the recommendations of a happy customer** than any high-priced commercial. If you know that someone else had a great experience, you have confidence that you will too. **Having a third party vouch for you is golden.**

As you grow your business, **don't ever overlook the value of asking your customers for testimonials.** Ask permission to use them in your marketing materials. Most people are happy to agree to that. So, in addition to the material I provide, you should begin to realize that it is just a starter kit. Your marketing materials will increase as you grow your business, because **you will be able to add lots of testimonials**, and those will add such value.

When you are asking for an appointment with your customer, you can **start by sending out your letter of introduction**, and end with a promise to give them a follow-up call at a certain date and time. Then make sure you actually call at the time you stated. All you need to do is ask them if you can come and talk to them about their fund raising needs. The end of this book includes a couple sample letters to modify for

your use.

After you send out your letter, schedule your follow up. Then go and spend 85% of the time just listening to your potential customer talk about themselves – who they are, what they do, what they need. That's right; simply plan on talking about your business no more than 15% of the time. **Take notes about their needs when you are listening and then incorporate those needs into what you can do for them.** Always remember the customer is buying the benefits that you can give them, and your mindset needs to be focused on the same thing. The customer is thinking: "What's in it for me?"

You can ask them questions about how they have done their fundraising in the past. You want to start the conversation to get them telling you what they need. They will probably say something like "we are trying to raise money to go on a mission trip." You can then explain how easy and effective a cinnamon roll sale will be for them. **Remember to emphasize how little time and effort is required** on their part.

Explain that you provide written advertisements that can be used in their Sunday bulletin, newsletter, or announcements. (That notice is included in your marketing packet). You also have a flier template that is included in the packet, so you can give them a copy so they can duplicate and send those out as well. **Remember that the easier it is for them, the better.** That is a huge selling point because of the benefit of having an effective fundraiser is that it truly does not require much time

or effort on their part and it actually helps them raise money fast.

They will love you for it! Most people who have the fund raising responsibilities have more than they can handle most days, so making it easier is a huge benefit to them.

A final note about the sales appointment, make sure that you are respectful of their time. If you asked for 15-30 minutes of their time, make sure you are walking out the door within that time frame.

Included in your training is an information packet that contains a template for you to take to a printer. All you have to do is fill in the template: insert your name, address, contact number, and a picture. Once you have the printing done, I recommend purchasing nice looking folders to put the information in to give to your future customers. Having that professional marketing material will help give you the confidence to turn your prospective customers into paying customers.

I know doing sales can be intimidating, I feel the same way myself. One thing that helps me is **believing in the service and product I am providing**. I personally feel driven to make this service available to stay at home parents because I see a tremendous need for those families to supplement their income. I have been in the shoes of a mom who desperately wants to stay at home, but feels tremendous pressure to go out and help provide income to the household.

Once the realization hit me that a nice income can be generated both for the group needing fund raising and the person providing the product for the fundraiser, it became clear that **I needed to share what I learned with others.** I want to do I can to fight against those who would take advantage of others with scams that simply don't work.

This is a win-win business. You are helping groups of kids or other good causes raise the resources that enable them to do good things. It has a ripple effect that most of us will never clearly know, but we can be sure that the impact will matter to others. And you are supplementing your family's income without sacrificing the ability to stay at home.

With that mindset, you can approach your marketing and sales with confidence knowing that what you are doing is going to make life easier for others, and therefore you would be negligent if you fail to do that. It is about so much more than generating money for your own household.

One of the main things to focus on is the ripple effect. It hit me like a ton of bricks one morning. That happened after my son Daniel and his friends raised a lot of money for different charities. They did it by selling cinnamon rolls. (I have to be totally honest here; the great return on investment they experienced was because I partnered with them without charging them.) I was making cinnamon rolls for the boys to share with the people at the places they were donating the money. As I put in the ingredients, it shocked me to realize that those simple ingredients, paired with my ability to turn it

into cinnamon rolls, could make such an impact on other peoples lives. With the money they earned they did the following:

- Purchased a lot of books for a child literacy center.
- Funded Dave Ramsey's Financial Peace University for an impoverished church.
- Gave a large donation to a childcare center for single mothers.
- Purchased food for three families for a month in a developing country.
- Bought a goat for a family to provide milk, cheese, and additional income.
- Had a four-room home built for a family that had been living in a box.
- Purchased two water pumps to provide clean water to two villages.

You see, **it is not a stretch of the imagination to think that lives may have been saved by the work we did.** What risk does a person take when they drink contaminated water? Multiply that impact when you talk about a whole village, needless to say two villages. That is why I now believe that it is imperative to take action. My new motto is **"Saving the world one cinnamon roll at a time."** Arrogant as it sounds, it simply is true. I truly hope that you can join me in my vision of each of us truly making an impact on other peoples lives. The great

byproduct is that our families will benefit as well.

That is why as you go along, please share the stories of how the money you help raise was put to good use. I think that we can start a powerful movement of moms and dads doing simple things to follow Christ's example and make positive changes in our world. Truly believing that will make sales an exciting prospect. I personally know that I need to be committed to this, and that is one of the reasons I so passionately want to see each and every one of you succeed. I cannot describe the pleasure I will feel as each of you succeed. We will post our success stories on the website, so maybe we can all inspire others to take action.

If you would like more help in the sales arena, check out [Dan Miller's website](#). On his website, you can look up a group lead by Pierce Marrs. He is a sales coach, and he has great advice. You can join the website for free, and it is a great and helpful website. He has great advice, so if you have questions, don't hesitate to post them and you will get good, reliable feedback that will be very helpful. He will advise you that **you need to form good relationships with your customers, and be someone they can count on.**

In return, they will be loyal customers to you, give you great referrals, and help you build your business. If you want to learn even more about sales, check out Michael Port's book "Book Yourself Solid." It may be way more than you need right now, but it is good information.

Chapter 4: Commercial Kitchens

Let's talk about commercial kitchens. First and foremost, don't be afraid of them. This equipment is very similar to what you use in your own kitchen... it's just **BIGGER**! Think of it as your friend, it will make your life soooo much easier.

Basically **all the recipes are like what you are used to, just bigger quantities**. The commercial equipment is cool, and a lot of fun to use. Each company has some things that may be located in a different place on the equipment, but really, there aren't huge differences.

Commercial kitchens offer lots of benefits. As you start up your business, the most economical option is renting time in someone else's commercial kitchen (for example, your church may have one). These kitchens ***should*** already be licensed. A commercial kitchen saves you the investment in converting part of your home into a commercial kitchen (though that is what I eventually did), and you can produce a lot more in less time.

One of my main concerns about using someone else's commercial kitchen is that if you are not familiar with the equipment, it may be temperamental and unreliable. Most **ovens bake differently**, and that could cause you problems. I have been known to refer to some ovens as "beasts," and not in a good way.

You need arrange to **test the ovens in whatever kitchen you plan to use** to make sure that the thermostat is set properly. You may have to watch the rolls very carefully so they will not burn or turn the pans frequently, or you may have to have aluminum foil handy to cover the rolls so they don't get too brown while baking enough in the middle. **Convection ovens are my favorite ovens.** They circulate the heat evenly throughout the oven, making the rolls bake evenly.

Remember one of the things that I taught you during your training weekends applies here as well. **Practice you new baking skills several times using the equipment** you have available until you feel comfortable and confident with the equipment. Then you can have the fun of giving the practice rolls away to groups or individuals. What a great way to make someone's day.

I know from experience that the right oven makes all the difference. If you find a kitchen that does not have the ideal oven, here is an idea you may want to consider. If you are going to use a kitchen long term, you might **offer to upgrade the equipment** to meet the specifications you need. It will cost several thousand dollars, however, if you get an agreement to use the kitchen for as long as you want, it may be well worth the investment to have the proper equipment that will make your job easier. It is much cheaper than having to put in your own commercial kitchen. Make sure you get agreements like that in writing, and I recommend having a

lawyer look over those kinds of documents to make sure they are legally enforceable.

A commercial kitchen may be something to consider as well. Note at the end of this manual I include a short ebook I wrote about how **we put a licensed commercial kitchen in our home**. It was a challenging process, but once I knew I wanted to do the catering, it was the best solution for me.

If you are considering investing in a commercial kitchen in your home, please consider finding a way to do some cinnamon roll sales to fund the investment. You want this to be a blessing to your family, and I never recommend debt.

Chapter 5: The Dough Raising Mom Cinnamon Roll Recipe

As you know by now, I am not a professionally trained baker, and that has actually been to my benefit through the years. **I bake the way my mom and grandmother baked.** That means that everything in our rolls is natural, and everyone can pronounce every ingredient because they are all found in everyone's kitchen.

So I won't be providing you with a formula like you would find in a professional kitchen, I am giving you my family recipe for cinnamon rolls, and hopefully they are the recipe for success in your business.

When I first started my business over a decade ago, I was concerned that my products did not look uniform and exact like what you see in the store. What I discovered through the years though, is that perfection and symmetry don't have the perceived value factor that I thought they did. It actually was the opposite, **homemade products are in demand - the homemade cinnamon rolls just help people take a step back in time, and that is why they sell so amazingly well!**

I am telling you that because **I want you to realize the value that you will bring to your market.** What you are selling to people is not something that they can just go to the store and buy.

I am going to teach you to **use the best quality ingredients available, because when you start with good ingredients, the end product reflects the quality and hard work** that goes into it. I urge you not to be tempted to use cheaper products, because the quality of your cinnamon rolls will be affected.

At the end of the manual I have included possible sources for some of the ingredients that may be difficult to find in some areas of the country. If you need to, you can order these products and they will ship them to you. Don't ever hesitate to contact me if you are having trouble locating a source for any product.

Well now, on to **how we actually make cinnamon rolls**. This is the really fun part. I want this to be a great experience for you. Since you may not actually read this until after you watch the video, you already know that my methods are unconventional, and not much like what you find in most cookbooks. That's why I sell this as a package – seeing how the process works from start to finish and then practicing yourself (several times over) – really helps you learn how to make the cinnamon rolls and builds confidence in your abilities.

I am giving you the recipe here, and my directions are in plain English. **I try to describe what you are actually doing. However, it's easier for some people to learn by watching,**

so be sure to watch the video. I am well aware of time efficiency, so I skip some things that I believe are time wasters.

When you are doing a cinnamon roll sale, you want to make and bake them in as little time as possible to increase your hourly rate. You want to provide the best possible product, the best possible customer service, in the least amount of your time, so you can make the most profit. My philosophy is get in there, get it done, and get on with your life. That said, let's get going. The recipe is on the next page.

Dough Raising Mom's Secret Recipe for Cinnamon Rolls

(THE BIG RECIPE: This recipe requires a 30-quart mixer)

Dough Ingredients:

13 1/3 Cups Hot Water
1 Cup Fleischmann's Instant Dry Yeast
1/4 Cup Salt
4 Cups Sugar
2 Cups margarine (never diet or low fat), melted (4 sticks)
16 Large eggs (3 1/2 cups)
12 Cups all-purpose flour
32-34 Cups bread flour

Filling Ingredients:

1 Cup salted butter (REAL butter, not imitation)
[GRACE – ADD IN THE AMOUNT OF SUGAR]
[GRACE – ADD IN THE AMOUNT OF CINNAMON]

Frosting Ingredients:

24 Cups powdered sugar
2 3/4 - 3 Cups water
1 Teaspoon vanilla extract
4 Drops almond extract

Other Materials:

Can of Pam cooking spray
22-24 9-inch round aluminum cake pans (2 inches deep)
Aluminum foil
Saran wrap, 18-inch is recommended

Instructions for Baking Dough Raising Moms Secret Recipe for Cinnamon Rolls:

1. Place hot water in mixing bowl. Sprinkle the yeast over the water. Sprinkle salt and sugar over the yeast. Let the yeast start to grow, it gets all foamy. When it gets foamy, that assures you that the yeast has activated and will make your dough raise the way it needs to. *If the mixture does not get*

foamy, I would advise you to start again, possibly with new yeast. The yeast is a key ingredient here, and activating it properly plays a large part in a good end product. I don't tell you to get a thermometer and measure the temperature like most directions do because I have found that recognizing that the yeast is active gives you the answer and takes less time. If you would feel better using a thermometer, the water temperature should be 110 degrees.

2. Melt the margarine in the microwave. Crack all the eggs into a separate bowl, when the margarine is melted allow it to cool for a few minutes.
3. Stir the eggs into the margarine and add that mixture to the yeast, water, sugar, and salt mixture.
4. Now you are ready to add the flour. Add the first 40 cups and start to beat the dough. Then add as much additional flour as you need to create a nice smooth dough that does not stick to your fingers when you press your fingers into it. *After many years of just using bread flour exclusively with the rolls, recently I discovered that using All Purpose flour for a ¼ of the total flour actually makes a better dough (this is incorporated into the recipe above). If all you have is bread flour that will still work.*
5. When you have the dough to smooth, stretchy consistency, spray a large bowl with Pam cooking spray and put the dough in that bowl. Rotate the dough completely so that it is greasy on both sides. Then cover tightly with saran wrap and let it sit until it is double in size.
6. While you are waiting for the dough to rise, spray the aluminum pans with Pam. You will need approximately 22-24 pans per batch. You can also melt ½ pounds of butter (never margarine). Also mix cinnamon and sugar. I will leave the measurements for the cinnamon to your discretion - it depends on how strong you want the cinnamon taste to be. For myself, I use about ¼ cup of cinnamon per 1 cup of sugar. One word of caution, don't skimp too much on the cinnamon, or your customers may feel shorted.
7. Once the dough is double in size, you need to get prepared to work fast fast, the dough will continue to rise, so speed is important. Slice off some dough, roll it out into a rectangle with a rolling pin. The dough should be about ½ and inch thick.

8. The next step is to spread with melted butter and sprinkle with the cinnamon and sugar mixture.
9. Roll the dough starting with the long side of the rectangle and roll as tightly as possible, using your thumbs to push the dough as you roll.
10. Carefully slice it into $\frac{1}{2}$ - $\frac{3}{4}$ inch slices and place them in the pans as you go. *If you slice them all first and then try and place them in the pans, they start to unroll, and it is time consuming to re-roll all the rolls so that they are rolled tight.*
11. Once the rolls are all in the pans, let them rise again until they are double in size.
12. Put them in the oven and bake at 275 degrees for about 30 minutes. **All ovens bake differently, so please practice using the oven you will use for your cinnamon roll sale!** This helps you to ensure that there are no surprises, and you'll feel more confident with the results you will have using that oven.
13. Keep a close eye on the rolls - you want them to be done and not burnt, but making sure they are done is as critical as not burning them. Remember that the center of the rolls have butter and cinnamon, requiring a little more baking than the dough itself. If the rolls look gooey in the center, they are not done. *I recommend setting a timer for 25 minutes. At that point begin to check the rolls every 5 minutes. If your rolls are getting too brown and still look gooey, cover them with foil and let them bake a few more minutes.*

With experience, this will be second nature to you and you probably will not have to do that step, however, in the beginning, it is worth it to be cautious. Reminder, the 30-minute baking time is approximately thirty minutes. I can't tell you exactly because of the variation of oven temperatures. **Please practice a couple of times with the oven so you feel comfortable.**

14. Make the frosting by beating the powdered sugar, water, vanilla extract and almond extract together until smooth.

15. Frost the rolls immediately after removing from the oven by generously drizzling the frosting over each roll – don't skimp here – and make sure the frosting goes to the edge of the pan.
16. Allow the rolls to sit and cool for 15 minutes.
17. Wrap each pan with saran wrap. I recommend that you buy the 18" wide that can be found at Sam's club or other restaurant supply stores. The 18" width makes it so much easier to completely cover the rolls. If you decide to bake the night before a sale, I would recommend double wrapping the rolls to keep them nice and fresh.

For those of you who are working under cottage food laws in your home kitchen, the recipe below is for the smaller batch that coincides with the video for this course. The directions are the same as above.

Dough Raising Mom's Secret Recipe for Cinnamon Rolls

(THE SMALL RECIPE: This recipe can be done in a 6-quart mixer)

Dough Ingredients:

- 1 2/3 Cups hot water (about 110 degrees)
- 1 Tablespoon Fleischmann's yeast
- 1 1/4 Cups sugar
- 1 1/2 Teaspoons salt
- 1/4 Cup margarine (never diet or low fat), melted (that is 1/2 stick)
- 2 Large eggs
- 5-6 Cups flour

Filling Ingredients:

- 1/2 Cup salted butter, melted (REAL butter, not imitation)
- 1 Cup sugar
- 1/4 Cup ground cinnamon (use more or less cinnamon depending on taste)

Frosting Ingredients:

- 6 Cups powdered sugar
- 2/3 Cup water
- 1/4 Teaspoon vanilla extract
- 2 Drops almond extract

Other Materials:

Can of Pam cooking spray

GRACE – ADD # OF PANS 9 inch round aluminum cake pans (2 inches deep)

Aluminum foil

Saran wrap, 18-inch is recommended

Now that your cinnamon rolls are ready; its time for you to deliver them to the customer. I use large plastic bins to transport the cinnamon rolls. Don't stack the pans too high - these are fresh rolls - you don't want them to get squashed.

Secret Weapon: Make Rolls in Advance & Freeze!

If you have a big sale lined up, it is a lot easier for you if you get started early and make a few batches and put them in the freezer **before** baking them. That sounds easy, and it is, if you are really careful to do it the right way.

The dough has a really short shelf life in the freezer. I never leave my cinnamon roll dough in the freezer more than **one week**. So here are the steps to making the rolls in advance.

1. Follow the directions above to make the dough and roll out as described above.
2. Slice the rolls and put in a greased (Pam spray) pan.
3. Wrap securely with saran wrap.
4. Place in the freezer before the rolls rise.

When you place the pans of rolls in the freezer, **never stack the pans on top of each other**; they have to be spread out until they are frozen solid. Then - and only then - is it safe to stack the rolls on top of each other. You will

probably have to make and freeze batch one at a time. This process takes a lot of freezer space!

5. You must allow for plenty of time for the rolls to thaw, rise and bake - remove the cinnamon rolls from the freezer and unwrap.
6. Let the rolls thaw and rise. On the counter, this takes at least 4 hours. If you are tight on time, you can proof the rolls in the oven: to use this method, place the unwrapped, frozen rolls in a **cold** oven. Warm the oven for three minutes and then **turn it off**.
7. Once the rolls rise, finish the baking, frosting and packaging process as described above.

Make sure that you have printed out an invoice for your customer. When you deliver the cinnamon rolls, they pay you and you give them their copy of the invoice for their records. It is a good time to ask if they will give you a testimonial at that time.

If you have a video camera, **ask the organizer of the sale if they would mind doing a recorded testimonial** or at the least, a **picture**. Then get a signature giving you permission to use it. If they would rather not be recorded, and some people are camera shy, just ask them to send you a written testimonial. Be sure to thank them for their business, and ask them to let others know about your service.

Following the sale **be sure to send out a handwritten thank you letter** telling them how much you enjoyed working with

them. Remind them again that you can book the next sale today.

Congratulations! You did it! If you followed all the steps, you have your first check in hand and your new business has been launched. Ride the momentum and go out and find more customers. You have the power to determine how much money you will make by determining how many sales you set up. Don't be afraid to ask for business, **your customers need you as much as you need them!**

Chapter 6: Cottage Food Laws

Boy, these are exciting times! When I started baking years ago, you had to have a licensed commercial kitchen in order to sell baked goods for profit. Now the great news is that in many states, it is now legal to bake in your home kitchen for profit. There has been a huge movement to put laws on the books, and these are commonly referred to “**Cottage Food Laws.**”

This chapter addresses these Cottage Foods Laws in a general manner. Remember, I am not telling you you’re your state requires here – you need to check that out for yourself. I’m not providing any guidance on the laws, merely giving some information about what I’ve seen.

Basically, these laws make it legal to bake “non-hazardous” foods at home and sell directly to the consumer.

The laws in each state are a bit different regarding what foods are consider non-hazardous, the amount of profit they allow, the amount of regulation, etc.

Most states require a label stating that the food was made in a home kitchen. This label generally must include the following: your name, address, phone number, and a list of ingredients in your product.

Most states require a home food license and a small fee to set up your business.

Each state that has Cottage Food Laws creates its own list of what foods are approved to make and legally sell under its laws. As an example, at the time of this printing and according [Michigan's Department of Agriculture and Rural Development website](#), the following is question-and-answer format addressing the list of approved foods that can be made in a home kitchen under the cottage food laws:

What Food Products Meet The Requirements For Cottage Foods?

"Non-potentially hazardous foods (time and/or temperature controls not required to assure food safety - meaning foods can safely be kept at room temperature and do not require refrigeration) meet the requirements for cottage foods and can be prepared in a home kitchen and sold directly to consumers without a license. Examples include:

- *Breads*
- *Similar baked goods*
- *Vinegar and flavored vinegars*
- *Cakes, including celebration cakes (birthday, anniversary, wedding)*
- *Sweet breads and muffins that contain fruits or vegetables (e.g., pumpkin or zucchini bread)*
- *Cooked fruit pies, including pie crusts made with butter, lard or shortening*
- *Jams and jellies in glass jars that can be stored at room temperature*
- *Cookies*
- *Dry herbs and dry herb mixtures*

"What Food Products Are NOT ALLOWED To Be Produced In My Home?

Potentially hazardous foods that require time and/or temperature control for safety are NOT ALLOWED to be produced in a home kitchen and must be produced in a licensed kitchen. Examples include:

- *Meat and meat products like fresh and dried meats (jerky)*
- *Fish and fish products like smoked fish*
- *Raw seed sprouts*
- *Canned fruits or vegetables like salsa or canned peaches*
- *Canned fruit or vegetable butters like pumpkin or apple butter*

See why I am incredibly excited for all of you? In the past one of the hurdles I ran into in creating this cinnamon roll fund raising program was that the laws in place that restricted an individual's ability to bake at home. Now it is a real possibility to bake from home; the door may be opened to a reality

where baking at home for money is legal and feasible. If I could include a fireworks display in this handbook, I assure you I would! Oh wait, I can do the next best thing...



I found a [video made by the Arizona's Department of Health Services](#) that explains the Cottage Food Laws for that state in a simple, straightforward manner. There are others as well and you can find a few other videos on YouTube, or try searching your state's website. Just remember that these laws are constantly developing and changing, so a video made several years ago – like the one I link to which was made in 2011 – may be outdated. It is always good to check with the actual laws of your state to be sure you know what is and is not allowed.

It is really important to realize that these laws specifically allow bakers to sell products, but those products must be packaged and labeled correctly (i.e. in accordance with state legal requirements). The laws generally do not allow you to sell something that is sliced and ready to eat. For example, you may be able to sell a whole cake under your state laws as long as it is properly packaged and labeled. However, you might not be able to cut the cake; put a slice on a plate, and sell it that way. By cutting and plating the cake, you may now have changed the classification from being a cottage law baker to

selling as a caterer. A caterer is required to follow a whole different set of rules. Caterers must comply with an entirely different set of legal requirements, including being subject to health department requirements and requirements to prepare the food in a licensed commercial kitchen. So the takeaway here is that if you want to sell individual servings of cake, make cupcakes.

Basically, my recommendation is to keep it simple so that you can produce and sell a lot of your product.

So the question in your mind probably is... does my state have laws that will make it easy for me to get started? I am providing you with a list of the status of each state as of 2015. This list includes the following: states that currently have cottage food laws in place; which states have laws with restrictions; the states where laws are pending; the states where there are petitions to add cottage laws to the books; and – unfortunately – the few states that are dragging their feet and have made no effort to add these laws.

A note about the links I'm providing – I provide many links directly to the laws or the health department website for the state. However, I also link to documents produced by educational institutions and some links to third-party sites. I can't say it too many times – be sure to check your state's laws before you start.

Remember, this ebook and course is focused on getting you going with your own specific cinnamon roll business, so my references in this chapter are merely a starting point for your research on cottage food laws. There are some really good resources available online that have much more comprehensive explanations of each state's cottage food laws, allowances, restrictions and status of pending legislation.

For a comprehensive read on cottage food laws nationwide, there is a report written by a Clinical Fellow in the Harvard Law School Food Law and Policy Clinic, in August 2013 entitled "[Cottage Food Laws in the United States](#)."

States Allowing In-Home Baking

These are the states – in alphabetical order – that currently have laws, so if you live in these states, get ready to get started:

1. [**Arizona**](#) – passed these laws in 2011, as featured in the above-referenced video.
2. [**Arkansas**](#) – passed laws in 2011.
3. [**California**](#) – passed laws that set the standard that hopefully will be adapted by other states in the future. A lot of the work has been done by the sustainable Economies Law center.
4. [**Colorado**](#) – passed laws in 2012.
5. [**Florida**](#) – passed laws in 2011.
6. [**Georgia**](#) – passed laws in 2012. And here are some additional references:
 - i. [Cottage Food License Application](#)
 - ii. [Cottage Food FAQs](#)
 - iii. [Cottage Food Regulations](#)
7. [**Iowa**](#) – passed laws in 2010.
8. [**Maine**](#) – passed laws way back in 1980.
9. [**Massachusetts**](#) – I don't know when these laws were passed.

10. [Michigan](#) – passed laws in 2010. Michigan has really been exemplary in promoting and training for cottage food laws.
11. [Missouri](#) – I don't know when these laws were passed, however, you are allowed to earn up to \$50,000.
12. [New Hampshire](#) – Its laws are called the Homestead Food Operation; and there are bills proposing amendments to these. At the time of this publication it only allows you to earn up to \$10,000.
13. [New York](#) – laws are fairly flexible. Registration is required and the kitchen may be inspected at any time. Sales are only allowed agriculture-based events, food markets, and food stands. As the time of this writing they do not allow sales for the home. New York City may not recognize or allow them. The good news is that there is no cap on the income. In New York, you must submit a "[Home Processor Registration Request](#)" before you can begin.
14. [Nevada](#) – passed laws in 2013. It does require a permit and limits the places where the product can be sold.
15. [New Mexico](#) – However, note that some areas may be exempt from these laws.
16. [North Carolina](#) – has very helpful information including links on where to get your DBA, filing for a tax number, getting your business license, and even applying for a UPC code.

17. [Ohio](#) – There is even a phone number you can call for more [information](#). There is also an additional “[Fact Sheet](#)” available from Ohio State University.
18. [Oregon](#) – Has a number of helpful links with information about domestic kitchens. I recommend that you check out each of them because the [required license varies](#) depending on several factors.
19. [Pennsylvania](#) – The laws are known as “Home Food Processing Rules.” Penn state has helped with a lot of the research and provides tons of information about everything from where to do all the set up steps, to marketing, and pricing and much more.
20. [South Carolina](#) – Passed laws in 2012, ad limits income to \$15,000, but as the laws are becoming accepted nationwide, I hope that some of the initial income limits will be dropped. I’m also including link to Clemson University’s page on the “[Cottage Food Bill](#);” it gives a lot of good information.
21. [South Dakota](#) – Passed laws in 2010.
22. [Tennessee](#) – The University of Tennessee has a great resource, “[Getting Started Food Manufacturing Business Tennessee](#),” which explains the laws.
23. [Texas](#) – They have a very generous income limit of \$50,000.
24. [Utah](#) – These laws were amended in 2008.
25. [Vermont](#) – Is apparently “one of the easiest places in the US to start a home bakery.” See the Burlington Free Press

article entitled "[Vermont home bakery laws are entrepreneur-friendly.](#)"

26. **[Virginia](#)** – Here's an article in Food Safety News about the pending bill: "[Virginia Bill Would Exempt Homes, Small Farms From Food Safety Laws.](#)"
27. **[Washington State](#)** – These laws passed in 2011.
28. **[Wyoming](#)** – As of April 2015 Wyoming has become a leader in freedom in selling food made at home! Very little is required to start selling and no earning limits. That is great news for bakers in Wyoming. There are some things in these laws that are very different from the other cottage law states. At least for now, the law requires that the items sold be consumed in a private home. For the bakers who make wedding cakes, that is bad news. Hopefully, there will be revisions to these new liberal laws that make it possible to make and sell wedding cakes in Wyoming. That said, now the list of allowable foods is GREATLY increased. In Wyoming, the list of allowable foods includes chicken potpies, veggie lasagnas, smoothies, ice cream and more. Meat is restricted to chicken. I highly recommend reading the laws yourself.

States with Restricted Laws on In-Home Baking

States listed – in alphabetical order – as “restricted” may not have cottage food laws on the books, but do allow some sales of foods baked in home kitchens. The usual restrictions are that the food be non hazardous, be baked under sanitary conditions, and sold ad limited venues like farmers markets and school or church bake sales:

1. **[Alaska](#)** – It seems like they have actually added the laws, but I am not totally sure. I read through the document below and it seems to indicate that they now have laws on the books. It seems like the laws are pretty flexible with a \$25,000 sales limit.
2. **[Alabama](#)** – Passed laws in June 2014. Home bakeries are not considered food establishments so they are not licensed or inspected. However, bakers are very restricted where they can sell their products. The most common place to sell is at farmers markets, and then you have to be careful to label it as make in a home bakery. You cannot have fliers or business cards to advertise your business, but you can have a website. Here’s a copy of the [amendment](#) passed in 2014.
3. **[Idaho](#)** – There is not statewide regulation, and instead is divided into health districts. All seven health districts allow producers to sell their homemade, low-risk food items. You have to determine what district you live in, and then check with that district to see what their rules are. Legislation was introduced in 2015, but nothing passed.

This is a state where there is definitely interest in passing statewide laws, but it is not currently clear how those will shape up. This [presentation by the Idaho Department of Health and Welfare](#) may be helpful.

4. **Illinois** – There are two laws now in effect that regulate cottage food sales. The older law which regulates so-called “[cottage food operations](#),” applies across the state and allows food sales up to \$25,000 at farmers markets. The newer so-called “[home kitchens operations](#)” law requires additional an addition county ordinance to put specific practices into place, which means its not available yet in all counties.
5. **Indiana** – The law was passed in 2009, and has limitations for cottage food non-hazardous foods to be allowed to be sold at farmers markets. I’m also including a link to the “[Guidance for Uniform Use of House Enrolled Act 1309](#)” which explains the law.
6. **Kentucky** – These laws are restricted to farmers who produce the main ingredient in the product and can only be sold at farmer’s markets, and are referred to as “homebased processing and microprocessing.” For more information you can read more at the [Kentucky Department of Agriculture](#). There is also a very active Facebook group that is hopeful that changes in the laws are close. You can join that [Facebook group](#) and keep close tabs on any changes.
7. **Nebraska** – At the time of this writing only allows sales at farmers markets. I was not able to find a Facebook page

for people wanting to petition for the cottage food laws in Nebraska, but I have talked to people in other states who took the initiative to start a FB group and were able to convince the lawmakers to pass the laws. I am planting the seeds... just saying:)

8. [**New York**](#) – Has revised their laws.
9. [**Maryland**](#) – Passed laws in 2012 that allow home baking sales, and the limit of sales is \$25,000.
10. [**Mississippi**](#) – Revised its laws 2013 to broaden the previous laws, however, the income cap is set at \$20,000. Visit their [Facebook page](#) and check out the latest information and potential movement for change.
11. [**West Virginia**](#) – Allows sales of home baked foods at farmer's markets. [Registration](#) is required in this state.

That is it for the states that have the restricted laws. In this climate of change, I advise you to keep up with the laws in your state. The demand is rising as well as the awareness for the cottage foods. I predict that laws in many states will be amended to enable people to earn more as time passes and the demand grows. There is strength in numbers, so use the power of social media to put pressures on the lawmakers.

States with Pending Cottage Food Laws

These are the states – in alphabetical order – do not currently have laws, but they have pending legislation. By the nature of these being bills, this may not be the most current information at the time you start your business, so remember to check with your state:

1. **Connecticut** – It has no food laws yet, but there is a new bill, [HB-5027](#), being considered. There is also a [Facebook page](#) that posts all the latest news.
2. **Delaware** – You can look at an attempted [petition](#) to urge your lawmakers to pass a bill, but it is now closed and no one (on the [Facebook page](#)) seems to understand why. I found information about the current laws that do allow some sales by farmers at farmers markets, but they are very strict. It seems clear to me that there is a lot of work to be done in this state to get the laws passed, so there is a big need to get the word out to encourage the lawmakers to pass the bill.
3. **Louisiana** – Is amending its bill, so as of 2015 it does seem to have some restricted laws with limits on the income of \$20,000. You have to check all the restrictions because they are different from the laws of other states. Here are some of the guidelines: (a) it has to be a one-person operation; (b) it has to be a pet free home; (c) zoning laws differ by parish. Be sure to check into the requirements on taxation. Here is the [Facebook link](#).

4. **Minnesota** – Has some of the most restricted laws with a cap of \$5,000. Minnesotans have worked hard to get the bill amended and passed, but unfortunately the governor vetoed the bill in May 2015. The fight is not over as many supporters are vowing to continue the fight. Join their [Facebook page](#) and keep up with all the latest information.
5. **New Jersey** – Has bills, but it appears that the legislature just keeps passing them from one session to the next. You can read about it on their [Facebook page](#). They have even started [selling products](#) on Zazzle to support the cause.
6. **Oklahoma** – Has passed a [restrictive bill](#), but there is a lot of [ambiguity](#) about where sales can take place. You can join their [Facebook group](#).

States with No Cottage Food Laws

1. **[Kansas](#)** – This is a really interesting case. It seems that there is no law that governs selling homemade food. That said, the Kansas Department of Agriculture does allow selling non-potentially hazardous foods made in a home kitchen at Farmer's Markets and events with no requirement for permits or licenses. It does say that no sales can be sold in restaurants or brick and mortar stores. All sales have to be direct (baker to customer). There is no sales cap. There have been efforts to draft and pass cottage food laws, but that has not been accomplished to date.
2. **[North Dakota](#)** – Does not officially have a law in place but does make some accommodation for home bakers to sell their products.
3. **[Montana](#)** – Does not have an official cottage food law but does have an exemption that allows sales of baked goods at Farmers markets. There is a lot of work being done in the background to study the feasibility of having a bill on the books. There is more good information from the Northwest Montana Sanitarians' Association with [recommendations](#) on adding Cottage Food laws to the books.
4. **Rhode Island** – Only allows farmers who produced the food to sell baked goods at Farmer's markets and even that is limited. I could not find a Facebook group or petition for that state. If you live in Rhode Island, you

have your work cut out for you, but you can be encouraged by the fact that many others in your situation got laws passed by getting the word out to others who were passionate about having the ability to be a food entrepreneur who is legally able to work from home. Consider starting a Facebook group or starting a petition. Read more about how to get a [petition started](#).

Well, there you have it, a world of possibilities have opened up for so many people who would love to make some extra money baking. I can't tell you how much this would have changed my life if it had been a possibility so many years ago when I made the choices I did to start my business. I would not have gone into debt, I would own my home free and clear and would have years ago, and I would not have paid the "stupid tax" (Dave Ramsey term) that running a retail business cost me.

On the other hand, we all know that we often get our best education through the mistakes we make, well, at least until we are smart enough to learn from others who went before us and learned the lessons through the mistakes they made. Every parent wishes their children knew that fact.

In hindsight though, I am really happy that I took the leap and started my business. It was something that I personally needed to do, and money was not the only factor. For me - and many others - it is part of my DNA to experience owning my own business and doing things my way. Every day my head gets

many new ideas about a possible new business. For years I considered it sort of a curse, but now I guess it is inspiration akin to an artist or musician who just feel the music or see the painting.

My dream is that I can help others who have the desire to be a stay at home mom or dad, or anyone who wants to be a work from home entrepreneur.

I don't guarantee you that simply purchasing this information will work for you, as a matter of fact, making the purchase is just the first step. Many other steps have to be taken for this to be successful. It will be a process of building a reputation, so make sure that you ask for referrals and testimonials.

If you have never made a cinnamon roll before buying this package, here is a word of advice: practice, practice, practice! I know it is a hard job, but your family will have to help you by testing and giving you feedback. Once you feel comfortable, start baking and give lots of them away so that you begin to develop your reputation. Take them to potlucks, work, and social functions. Give them to friends and family; use them for gifts for teachers, co-workers, and anybody else you can think of!

Congratulations, you have made the decision and acted on it. You are on your way! Remember to "Work Hard and Pray."

In closing, I want to say thank you.

Blessings from the Dough Raising Mom,

Grace

Sample Sales Letter 1

Weekend Cinnamon Roll Sale A Sweet Fundraiser [INSERT YOUR BUSINESS NAME]

How would you like to raise \$500 in 15-20 minutes after a few Sunday services without leaving your church grounds? As a [INSERT TITLE HERE], you deserve a fundraiser that will raise money quickly and with minimal effort on your part. Read on to learn how you can join local organizations that have already benefited from this winning fundraiser.

This sweet fundraiser will leave everyone smiling, even you. Picture your parishioners crowding around a table after a service eagerly waiting to give your [INSERT RECIPIENT NAME] money. Your [INSERT RECIPIENT NAME] sell the parishioners fresh, homemade-from-scratch cinnamon rolls, baked to perfection and dripping with frosting. The parishioners won't be able to wait to dig into their Sunday treat, and the [INSERT RECIPIENT NAME] won't believe how much money can be raised by supportive the parishioners. The [INSERT RECIPIENT NAME] will be so excited to count the money to see how much closer they are to paying for their [INSERT RECEIVING THE BENEFIT FROM THE SALE]. Before you know it, the pans fly off the table, and you are headed for home surprised that you could raise money so EASILY! Don't be surprised if parishioners ask you when the next Sweet Cinnamon Roll Sale will be.

Simple steps to successfully doing a Sweet Fundraising Cinnamon Roll Sale:

1. Select several dates that work for you and your parish. Call [INSERT YOUR PHONE NUMBER HERE] and schedule one of the dates.
2. Promote the Sweet Fundraising Cinnamon Roll Sale (posters, parish bulletin announcement or insert, announcements, word of mouth, and any other creative ideas.)
3. Coordinate teens to stand at tables at church exits to distribute cinnamon rolls and collect cash.
5. On the day of the sale set up a table and cash box with change at each church exit. Sell the fresh, homemade rolls. Count the cash!
6. Put away tables and head home. You are \$_____ closer to reaching your fundraising goals!

Services provided for your Sweet Fundraising Cinnamon Roll Sale:

1. [INSERT YOUR BUSINESS NAME] makes hundreds of homemade rolls from scratch the morning or afternoon of your sale. There are nine gooey, delicious rolls in each 9-inch foil pan.

2. Each pan is baked to perfection, drizzled with frosting, and wrapped in plastic for the journey to your church.
3. Rolls are delivered, ready to sell, at the agreed upon time at your church.

The Cash:

1. [INSERT BUSINESS NAME] sells you each pan of rolls for \$5 per pan.
2. You sell the rolls for whatever price you choose, and keep the profit. I recommend \$10 per pan of nine rolls. A medium-sized church can EASILY sell 100+ pans after a few services.

GET STARTED TODAY!

Most sincerely,

[Insert your name]

Call: [INSERT YOUR NAME]

Phone:[INSERT PHONE NUMBER]

Email: [INSERT email address]

Sample Sales Letter 2

[YOUR LOGO HERE][CONTACT NAME]
[CONTACT TITLE]
[MAILING ADDRESS]
[CITY, STATE ZIP]

September 22, 2015

Dear [CONTACT NAME],

I would like to introduce myself. I am [YOUR NAME HERE]. I am a stay at home parent who works with groups in need of fundraisers, and I believe that my services will solve your fundraising needs. My program requires very little time or effort on your part. You see, I've learned a special recipe for success. Everyone loves homemade cinnamon rolls, made from scratch and baked fresh. I combine the irresistible product of homemade cinnamon rolls with your advertising, set up and volunteers, and the smell and taste of the cinnamon rolls do the rest. I know that it sounds too easy, but this simple fundraiser has help groups around the country raise many times more money than a bake sale or car wash ever could.

The beauty of this fund raising technique is that it is something that people want to buy, so the rolls practically sell themselves. There are a few things you will have to do to make this sale a success. First, you will need to advertise the sale within your community, and I can help you with that. I have some templates for you to insert your groups name and print. Second, you will need to provide a cash box and money for change for all the proceeds you will collect the day of your sale. Third, you will need to provide the volunteers to staff the tables and collect the money. This is an excellent way for groups to make a large profit in a short time and still have the satisfaction of taking ownership of the fundraiser.

The aroma that the cinnamon rolls create makes your tables almost irresistible to your potential customers, and they will probably soon be asking when you will host the next sale. This program has generated tens of thousands of dollars for groups across the country, yet it requires so little time and effort on the part of the group. No more long days washing cars for so little return. No more selling door-to-door, and long hours of paperwork to run that type of fund raiser. No more waiting for the cash to be collected. This fundraiser provides instant returns! Perhaps the best part is that your customers will happily become repeat and frequent customers.

My schedule fills up quickly, so contact me early to books your sale with me. Then you can start making your plans for how to use all the money you raise!

Most sincerely,

[YOUR NAME HERE]

Sample Supply List and Example Sellers

Cinnamon and Spices – look for local bulk supply companies; these tend to be independent companies. [Planters Seed and Spice Company](#) is an example of a place to purchase these ingredients; or you can purchase from online spice companies. The key is you want fresh spices!

Flour, Sugar, Powdered Sugar, Butter, Yeast and Eggs – I recommend purchasing these at a bulk wholesaler like [Sam's Club](#), [Costco](#), [BJ's](#) or your local restaurant supply store (an example is [Restaurant Depot](#)). These all require memberships, but being able to purchase these in bulk saves money in the long-run.

Vanilla and Almond Extracts – Purchase the real thing (not imitation)! These can be purchased at bulk wholesaler like [Sam's Club](#), [Costco](#), [BJ's](#) or your local restaurant supply store. Or you can find these online; [Weavers Market](#) is an example.

Aluminum Foil Pans, Plastic Wrap and Pam Cooking Spray – I recommend purchasing these at a bulk wholesaler like [Sam's Club](#), [Costco](#), [BJ's](#) or your local restaurant supply store. In a pinch, or if you're just practicing, other mega-marts sell these too.

“Make Money at Home” Bonus eBook

Make Money Baking at Home - Legally

How We Put a Licensed Commercial Kitchen in Our Home



- How we followed all of the Health Department's regulations
- How we built a commercial kitchen in our home
- How we ran our business from home

with Grace Becker

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Let me take a minute...

...to say thanks so much for purchasing this ebook. I hope it is helpful, answers some of your questions, and gives you more of a start that I had when I dove into the renovation and legal work involved in putting a legal commercial kitchen in my home that enabled me to make money from home doing what I enjoyed and was good at.

A few words of advice, you will need to check the regulations of the jurisdiction where you live because they vary depending on where you live. I encourage you to be persistent. Don't take "no" for an answer when you are gathering information. Find out all the requirements, see if a commercial kitchen in your home is feasible, take lots of notes, write down all the questions you have, and then find the right people to answer all your questions.

Chapter 1: Our Story

Before I get into all the details of setting up a legal commercial kitchen in your home, I'm going to share a little bit about myself. I am, first and foremost, a mom of a large family. Early on, I wanted to contribute to the family financially, but I wanted to be a stay at home mom more. I researched all kinds of earning money-at-home and get-rich-quick schemes. I am embarrassed admit that I fell for a few of them, okay, more than just a few. Some were absolute scams, others I was simply not good at. Here is a list of a few that didn't work out:

- I tried selling beauty products – I ended up with a room full of makeup, and I don't use much makeup.
- One of the biggies, my husband I went to a seminar where they told us how we could make tons of money with vending machines. We were told that it wouldn't require much effort on our part because the machines would “just sit on site and collect money” for us – Ha! What they didn't tell us was that the competition is fierce, and the machines would likely end up in the garage. Ouch!
- I tried making jewelry for a company that sent the entry kit for a “small fee” that they would refund when the product I made for them was approved - Guess what happened? None of the earrings were approved, so we wasted a LOT of time and money.
- I was roped into multi-level marketing when I would make a zillion dollars because others I would recruit into the system would do all the work for me – Lies!
- I tried selling phone service
- I did criminal background checks for a company – I was never paid.
- I cut wood for a tole painting shop, lots of fun and covered fees for my classes, but it did not help out the family financially.
- I made and sold crafts at craft fairs and shows – guess what the relatives and friends got for Christmas, birthdays, Easter, etc.?
- I started a balloon bouquet business with my sister-in-law as a partner. Really BAD idea! Avoid partnerships at all cost, especially with a friend or relative. If you only take that piece of information from me, this one is worth way more than you paid for this ebook.
- I sold things on ebay – lots of work; small returns.
- I cut mats for a picture framing business – now computers do that.

Does any of this sound familiar to you? After many trials and errors, I finally wised up and realized that the only way I was going to actually generate money was to do something I was good at. I was good at baking, had taken cake decorating classes, made wedding cakes for relatives and did a lot of bread baking. Baking was the obvious answer! Unfortunately, as you probably know, there is a definite problem associated with that with that solution.

I decided to check out baking at home, and here is the catch: I wanted to do it legally. In most states it is illegal to bake commercially in your own home kitchen. If the Health Department discovers that you are doing that, you will be in trouble, not only with the health department, but also potentially with the IRS (if you have not reported your earnings). It can get really messy, really expensive, and really stressful really fast. It simply is not worth the risk, so don't do it. I could go into more detail, but what you want to know is how to bake at home and stay out of trouble. The important thing is to focus on doing it right, and that is where this ebook will help you learn more about what is involved in putting a commercial kitchen in your home.

Chapter 2: Doing Your Homework

I started the process by making a visit to SCORE (Senior Corps of Retired Executives). It is free to talk to and work with them. They advised me to start researching at the library. There are volumes and volumes of books about starting your own business. Look in any library in the business section.

My next step was to take a class offered by the Ewing Kauffman Foundation called Fast Tracs. It is offered in many cities. Otherwise, community colleges are great places to get classes on starting your own business. The tough part about a business isn't doing the part you love, it is all the other stuff that goes along with it that can trip you up. Having a bookkeeper/accountant is a great idea, but you still need to understand basic cash flow, how to use the software, and how to read the reports. These things are critical to know when you are in business.

I urge you not to rush into starting a business before you are ready. So many people don't really understand what is involved. You may hear that you should just concentrate on the things you do well; take that advice with a grain of salt. Yes, you need to be able to focus on your talents, but you know those things. Running a business is complicated, and you want it to be successful, so learn all you can! You should take a class on Quick Books or Quicken or whatever bookkeeping system you will use. Know at least the basics.

Don't believe that you can just purchase advertising and people will start beating down the doors. It doesn't quite work like that. Read a bit about marketing or take a class, so you are not just throwing away your advertising budget in the wrong places. You must know your target market, find out how to market to them directly, and create ads that appeal to those people or businesses. The really encouraging part of this is knowing that people will become loyal customers if you provide great, personal customer service and a good product.

The last piece of advice – and this is a big one – comes from my degree from the school of hard knocks. Lots of people want you to believe that business is based on using other people's money (OPM). I have learned the hard way, that it is much better to start small and save the money you need to purchase what you need to get started. If you do this, you won't have loan payments, so when your business has slow times, your cash flow won't be such a critical issue. You are reading words of regret that come from making bad decisions about how to run my business. I followed the instructions provided by others, borrowed money, got into a lot of debt, and ended up spending years of profits digging my way back out. If you must borrow money to buy commercial equipment, do your

homework! One common way to borrow is through an equipment leasing company. These companies charge extremely high interest rates. If you can avoid it, do not go that route. With one of the equipment purchases we made, we went through a commercial leasing company, and it was very costly. Know the lenders; know the terms and conditions. It may save you a bundle in the long haul.

Here's a plug for Dave Ramsey because he teaches you how to function without credit. His book "The Total Money Makeover" might be one of the best purchases you make. It applies to living your life debt free and can be applied to running a profitable business. The information is presented in a clear, concise manner, and it provides financial planning suggestions. There are other books on effective personal and business financial planning; if you don't pick up "Total Money Makeover", scour the shelves for another one. In a small business, it is critical to know all you can before you open up for customers, and there is a lot of information available for free. Just take some time to visit your local library.

Chapter 3: Getting Started

In the beginning of the business, I only did breakfast. We started our catering business by making an arrangement with our church to use its licensed commercial kitchen. Though it helped tremendously, it defeated the purpose of trying to do something that would enable me to work at home. It did not affect my husband or the kids too much, but it was really tough on me. I had to take all the supplies with me and bake during the night, load everything back in the car in the morning, go pick up the kids, take them to school and then deliver the breakfast. If the order was to be delivered down town, my husband would take it on his way to work.

After eight months of working in the church, we decided to pursue putting a kitchen in our home, among other options. We checked out some of the available retail locations, but they were really expensive and I would have to work full time. Again, this option failed to meet our goals and objectives.

Where I live, and in most (if not all) states, the health department required that food prepared for public consumption be prepared in a licensed commercial kitchen. In some parts of the country, there may be other options. You may be able to rent a restaurant's kitchen during hours that it is not being used for its business. A school may be willing to rent space in its kitchen when it is not in use. There are also kitchens known as incubator kitchens available to rent by the hour. You may have to hunt for these because it is a fairly new concept. It is catching on, so there may be one located in your city, or there might be plans for one in the near future. Those options may help you get an inexpensive start so that you can raise the money you need to fund the initial costs of installing a commercial kitchen in your home.

Chapter 4: Contacting the Health Department

We started by contacting the Health Department to see if we could even put a commercial kitchen in our home. The first person we talked to said “no” – end of conversation, according to her – there was no way we would be allowed to put a commercial kitchen in our home. I was so disappointed. My husband was not willing to give up without a fight. He called again and asked for the requirements for a licensed commercial kitchen. The difference this time... he didn't mention putting it in our home. When he got the information, we carefully read all the requirements. They seemed pretty basic, but as we all know, things are not always as they seem. The basics for our health department were:

- A three compartment commercial sink (in our case a bakers sink was required so full-sized baking pans could lie flat in the sink and be washed).
- The three compartment sink had to be connected to a grease trap.
- A hand washing sink, separate from the three compartment sink.
- A separate mop sink.
- Walls had to be totally washable, including the window sills and doors.
- A separate exterior entrance complete with a commercial sized door.
- An interior door separating it inside from the rest of the house.
- For refrigerated items, the refrigerator had to be able to keep food at industry “safe temperatures” (40 degrees).

We looked at our house to see if there was any way we could possibly meet the requirements. We considered the basement, but there was no reasonable way to get the commercial equipment down the stairs. That equipment is extremely heavy. One company that looked at the situation even suggested cutting a hole in the floor and lowering it down with a hoist. The best solution would have been putting it in our garage, but the neighborhood association would not allow that.

We were ready to concede defeat when one day, while I was in our laundry room, I started to wonder whether we could put the kitchen in there. It is a pretty small room, only 14 feet by 9 feet. But it did have an exterior door, as well as an interior door separating it from the rest of the house. It was so small; I couldn't really imagine it would work.

I made a visit to the used equipment dealers and collected information about the dimensions of the basic equipment: the sinks, the oven and the refrigerator. I also checked the prices and sizes of the stainless steel tables. That night my husband and I got some graph paper. After measuring a piece of paper scaled to the size of the laundry room, we cut out pieces scaled to the size of each piece of the equipment. There was only one possible layout that would work. There was, however, a critical

problem. The mop sink wouldn't fit. So we made another call to the Health Department. We explained our situation and asked if we could put the mop sink in our garage. We explained that the garage was adjacent to the laundry room and was connected by a door. We were informed that would be acceptable. We scaled a huge obstacle and were on our way. What we did not know at the time, was there were still more things to consider. A simple suggestion: celebrate each stage of completion – it helps make the hurdles more manageable!

Chapter 5: Tackling Electrical Issues

The next step was to look at the electrical capacity of our home. Most of the large commercial equipment is three-phase, and most residences are single-phase electric. So I had to determine the possible solutions. One solution was to obtain single-phase equipment. Another, was to convert three-phase to single-phase equipment dealers with more questions. In some cases, three phase equipment can be converted to single-phase. The final option would be to convert the electrical outlets in the house to three-phase electric. I went back to the equipment dealers to learn what was out there. In my case, I was able to find what I needed in single phase. This solved the problem without having to look farther. I purchased a double Blodgett Bakers convection oven and a 30 quart Hobart mixer, both single phase. The good news was that the refrigerator did not have to be commercial grade. I started out with a regular refrigerator; later I added a commercial one (for the extra space).

We researched the three-phase option for our home and found out that we could have had three phase electricity run to our home because our house backs up to a fairly busy street with businesses down the road. In hind sight, we should have gone for the conversion, but at the time it seemed too expensive. Some words of wisdom: Make sure that you double check to make certain that the equipment is compatible with what you have the ability to run. If you have the option of installing three-phase electricity, it will be expensive, however, it will make it easier to find the equipment you want. I would have loved to install a small walk in freezer, but – to my knowledge – they are all three-phase.

Chapter 6: Buying Equipment

Unless you are dead set on purchasing brand new equipment, I would strongly recommend looking for used equipment. Since the failure rate of restaurants is fairly high, your chances of finding great equipment is also high. Commercial restaurant equipment is built to last a long time, and in my experience, it does. Buying it used saves so much money, and many of the restaurants that go out of business purchased the equipment new, so you would be getting lightly used for far less. I have owned two double stack convection ovens, two of the biggest names in the business. I like the older one with less bells and whistles more. I also have a newer model that has more electronics in it. Another tip: Once electronics are added to the equipment, the price tag to fix them quadruples!

There are two avenues to find the equipment, and I have done both. You can look for a restaurant that is going out of business, or you can find a company that deals exclusively in used equipment. If you go the route of a dealer, just be sure to check out their reputation, and see if they service what they sell. An advantage to buying from a dealer is that they deliver and will set things up and connect the equipment. Though they may charge a fee for delivery, it is worth it. If you go the restaurant liquidation route, get there early. An alternative to looking for used commercial restaurant equipment is to look for culinary school equipment sales. In our city, there is a junior college with a culinary school, and occasionally they have equipment auctions. There I found the best prices I have ever seen. A bonus of school auctions is that they also take good care of equipment. If there is any culinary school (or something like it) near you, call and ask if they ever liquidate equipment, and get all of the details on when and how it is done. Shop around and compare price and service. Remember, the initial cost of the machine is only part of the financial equation – you have to consider repair costs as well.

Don't be afraid to bargain. That is how many used equipment dealers operate. The dealer will frequently purchase his/her wares at going-out-of-business auction or directly from someone who is going out of business, and they always offer bottom dollar. So don't be afraid to do a little wheeling and dealing; you should get the benefit of the bargain too! All they can do is say no, but it could save you a lot of money up front. Make sure if you are buying from a equipment dealer that you negotiate delivery and set up in the deal. Finding and hiring someone who moves that type of equipment is pretty expensive. I have a great working relationship with the dealer I've used. Not only has this been beneficial for repair work, but he's also tipped me off to new acquisitions in his warehouse. Networking is integral to all parts of running your business.

Do your homework: Compare each brand and its track record, just like you would do with any major

purchase you make. See what brands are available in single phase. If you are buying used, that will narrow the field quite a bit. Take some time, ask people in local restaurants and bakeries what they own, and what they like and don't like about their equipment – ask them what they would do differently if they could do it all over again.

Make sure that you determine what you really need. When you are working in a small space, less is definitely more; you need room to move. My kitchen is really small, however, it has everything I need. I have expanded since I originally built the kitchen, but I still do all the baking in the original space, and it has been great!

Chapter 7: Making the Equipment List

As I have told you, my kitchen is tiny, and we had to really work to make everything fit. Here is what I have in my kitchen:

<u>Equipment</u>	<u>Dimensions</u>
<ul style="list-style-type: none">• A double stack electric oven. (I owned Blodgett and Hobart)	38" wide x 44" deep x 66" high
<ul style="list-style-type: none">• Hobart 30 quart mixer	21" x 17" base; 45" high
<ul style="list-style-type: none">• Three compartment sink	103" long x 33" wide
<ul style="list-style-type: none">• Grease trap	18" x 12"
<ul style="list-style-type: none">• Refrigerator	33" wide x 29" deep
<ul style="list-style-type: none">• Pan rack	20" x 27"
<ul style="list-style-type: none">• Stainless Steel table	Available in various sizes
<ul style="list-style-type: none">• Hand sink	16" x 16"

Depending on what you are intending to do, you may need a stove, fryer and more. I am primarily a baker, so this list takes care of all my needs. Of course, you also need a lot of small wares, pans, utensils, etc. You may also want to consider a custom-made board that will cover your sink. This will provide you with more counter space. Simple shelves (rather than bulky cabinets) make storage easy for me, and a step ladder enables me to make the most of the height of my kitchen. I also use large rolling bins for many of my bulk dry ingredients; these store easily under the stainless steel table. There are a lot of creative solutions to tight space issues, so take time to be creative about your options.

Chapter 8: Pricing Equipment: New vs. Used

I want to give a disclaimer here, the prices I am giving you are only estimates. I have checked several places, and the price does vary quite a bit depending on where you look. For the new prices, I checked the internet and a catalog I have. For the used prices, the range is extreme. I looked at the local listings, craigslist, and ebay. Like I said before, I also found great deals at a local community college that has a culinary program during its yearly auction. The list below will give you a basic idea of what you might expect to find:

<u>Equipment</u>	<u>New</u>	<u>Used</u>
Single Convection Oven	\$3,200-\$4,200	\$ 400 and Up
Double Convection Oven	\$6,000-\$8,500	\$ 600 and up
Commercial Refrigerator	\$2,400	\$ 400 and up
Residential Refrigerator	\$ 600	\$ 200 and up
Hobart 30 Quart Mixer	\$8,000	\$3,000 and up
Three Compartment Sink	\$2,500	\$ 500 and up
Stainless Steel Tables	\$ 200 (small)	\$ 75 (small)
Pan Rack	\$ 115	\$ 50
Hand Sink	\$ 125	\$ 50
Grease Trap	\$ 250	Would not recommend
Mop Sink	\$ 300	Would not recommend

Again, I would strongly advise against leasing equipment, it is a VERY expensive way to purchase your equipment. Did I tell you that it is VERY expensive?

Do yourself a favor, buy used, and do what it takes to start your business without going into debt. You will never regret your decision to do so. If you choose to go the debt-free route, you will be able to win financially, and isn't that what we all want? It may be a slower start, but it will be worth it. Do you hear the voice of regret? Yep, you are learning from a graduate of the school of hard knocks. My goal is to help you make great choices and avoid many pitfalls!

Chapter 9: Obtaining Architect's Drawings

Architect's drawings are required prior to approval and construction of a commercial kitchen in many areas. You will need to check with the regulations in your home locale. Where I live, we had to have permits before we could even begin construction. That meant we had to hire an architect as well as an engineer and have them stamp the drawings we sent in to the Codes and Administration Office. Having the stamps was mandatory.

Once we had the drawings done and stamped, they had to be submitted to both the Health Department and the City Zoning Department. Other terms that you might hear could be zoning board or building commission. We had to wait quite awhile for the permits to be issued and construction to begin.

Once the kitchen was completed, the codes administration and the health department had to do an inspection. If they found anything wrong (not in compliance) it would have to be fixed and re-inspected. Let me tell you, the day that the final inspection was completed, we celebrated!

It is costly to have a licensed commercial kitchen in your home. But if you compare it to the expense involved in lease hold improvements and a long term lease, there is no question that – if what you intend to do does not involve having customers coming into your location – it is well worth the investment. I have had a commercial kitchen with a store front as well as my home commercial kitchen, and my vote is definitely for the in-home kitchen. Retail brings with it a whole different set of challenges... and that is the subject of an ebook of its own!

Chapter 10: Important Reminders

Please remember that the Health Department in your area will have specific requirements for your commercial kitchen. I've only provided a summary of what we went through. There may be no way the health department in your locale will allow you to put the kitchen in your home. I encourage you to be determined, and see whether your willingness to follow all the rules associated with the regulations will enable you to scale the approval hurdle.

It is important to understand that the health department frequently fields calls from people who want to prepare food in their home kitchen. The staff members rarely talk to someone who is willing to spend the time, energy, and money involved in complying with all the regulations. In my experience, once the staff member understood that we were willing to play by the rules, she was more cooperative and provided us with the information we needed to put our kitchen in legally.

Our commercial in-home kitchen has the same regulations that any other commercial kitchen has. We completed food handling training required to under the health code to know how to handle food. This course was a one-day training put on through the health department; check your area to see if this is required (it is not in all jurisdictions). We are inspected by health inspectors, just like any other restaurant or business that deals with food. Meeting the health code requirements is serious business. You have the same responsibility and liability that any other restaurant has.

Since 2002, home food processing businesses are required to register facilities under the Bio Terrorism Act of 2002. You can do that online, and it's free. It is not a difficult task, but it is a necessary one.

Another important consideration is the effect of a home-based business on your family life. If you decide to put a commercial kitchen in your home, you have to be realistic about the fact that it will impact you and your family. Working at home requires discipline, and there will be times when you will not be able to participate in family activities because you are working; it's no different than if you were working outside the home. You also may have to sacrifice sleep. I often started at 3:00 AM. It is equally important to know how to close the door and walk away from the business, so you can enjoy the family time you are working so hard to preserve. The business work will never be done, but you deserve to walk away from it just like any other working person. Discipline, discipline, discipline!

If you decide to do it right, an in-home commercial kitchen is a great way to be in business. I have truly enjoyed the privilege of owning my own business and the ability to have it located here in my home.

Chapter 11: Starting a Business

Before you start your business, go and do your homework. I know, I've said it several times in this ebook, but educating yourself is so **vital**ly important to your success. There is a wealth of information available online. Other professionals take the time to learn what they need to be successful in their careers, and so should you. Invest in yourself, and enjoy the freedom of being your own boss!

Another place to look is the Secretary of State's website for your state. There you can begin by registering the name you would like to do business under. It is called a "fictitious name registration". Once on the site, you will probably find lots of information and checklists of what you will need to do. Read these, print them off and make them accessible throughout the process. The site should give you a list of the permits and licenses that the government requires. This will certainly put you on the right track. If you have other questions, ask them, if they don't know the answer, ask them where you can find the answers.

If you decide to open a business, please make sure you protect yourself and your assets. Set your business up correctly. Consult a lawyer to help you; it is worth the investment. In addition, unless you are a tax professional, a good CPA is also worth it. Take stock of your talents, be realistic about the time you can set aside for running the business, and find others to fill in the gaps. We have a CPA and bookkeeper that we meet with on a very part-time basis. Look around to find people who will be a good fit.

Be sure you get a good business insurance policy. You will have to shop around for a company that will be willing to cover your in-home commercial kitchen. Many companies won't. Rest assured, there are companies that will sell you the insurance you need, you just have to find them. Always remember to check with any company's references and find out if it is reputable.

When you decide you are ready to start, go to the Secretary of State's Office in your state and do a "fictitious name registration" (it is also called a DBA - doing business as – search). It is inexpensive and can be done quickly online. The next step is to get your business license. Contact your city hall, or if you are in rural areas, your county court house. You may be required to get a zoning permit first. Contact your local regulatory board and check.

Learn from others who have completed the process: Finding a coach is extremely helpful when starting a home-based baking or cooking business. Having the guidance from someone who has the unique experience of running a home-based commercial kitchen will certainly give you a huge advantage. I believe that seeking help from people who have already done what you want to begin is

always helpful. For more information about our coaching services, check out our website:

<http://www.doughraisingmom.com>.

Talk to as many experienced professionals as you can find. That includes professionals with experience in all the different aspects of running a small business. Below is an example of some of the areas you need to know about and sample questions you should get answers to:

- Learn how to approach refining your business idea and model:
 - Who is your target market?
 - Why are they your target?
 - Is your target market too big or too small?
- Learn how to effectively market your product:
 - What medium should you use to market?
 - Where will your marketing be most effective?
 - Are there alternatives to traditional marketing methods that may be more successful for your product?
- Develop a sales plan and understand the psychology of sales and relationship marketing – this is as much an art as it is a critical component to your success as your business:
 - How will you reach your customers?
 - How will you retain your customers?
 - How will you continue to communicate with your customers?
 - How will you get your customers to promote your product?
- Get the training and confidence to market well and within your budget.

You are your own best salesperson because you are the most passionate about your product. If you are afraid of the thought of selling and marketing, find a good sales coach, read lots of material about marketing, and just get out there and do it. If you need a coach who can give you the expert advice, we have a resource list on our website(<http://www.doughraisingmom.com>); a referral list is located there.

Know that if you are willing to go through all that is required to start a business and invest your time and money, you are passionate about what you do. This is your dream and you can make it reality and a successful. I believe that the perfect recipe for your success is to work hard and pray often.

Chapter 12: Brainstorming Business Ideas

When you are considering starting a baking or cooking business, consider using family recipes. It is an excellent opportunity to keep a great tradition alive and preserve it for the future. To help you get your list of business possibilities started, I've compiled just a few ideas:

- Bake and decorate cakes
- Make cookie bouquets
- Bake for coffee shops
- Bake for kiosks
- Bake for concession stands
- Do wedding catering
- Do corporate catering
- Bake bread for a deli
- Bake bread for individual customers
- Make gift baskets
- Make private label products
- Bake cookies for convenience stores
- Make products for school lunches
- Cater private school lunches
- Make and private label homemade jams or salsas
- Make specialized pet treats
- Deliver homemade meals to people
- Make and decorate sugar cookies
- Have a booth at local festivals or fairs
- Sell your product at farmers markets
- Sell online
- Sell from your website
- Sell on ebay
- Make frozen meals to take and bake
- Teach cooking classes
- Make products for fund raising. Check out our program at: <http://www.doughraisingmom.com>

Parting Words: Getting Busy and Having Fun

If you've read this ebook, and are considering moving forward with your own business, I am so excited for you! I love being a solopreneur. If you have been thinking about going that path, I recommend that you start reading and listening to everything you can get your hands on. Dan Miller has some great books, "48 Days to the Work You Love", "No More Mondays" and more. Dave Ramsey can help you get set financially. There are tons of other reading material available.

If you want to see more suggested reading, please go to our website and see books that have been a tremendous help to me.

So, what are you waiting for? Get busy. I welcome any questions any time. I am a click away, just go to our website - <http://www.doughraisingmom.com> - and click on contact. Best of luck, have fun!