



Rural Communities See Growth Through Commercial Kitchen Incubators

By *Finance New Mexico*

Creativity is simmering at commercial-kitchen incubators in New Mexico, and leaders in the food-based-business movement want to turn the heat up under this promising economic-development sector.

Chris Madrid, director of economic development for Rio Arriba County, sees food-based entrepreneurship as a way to reverse population loss and economic decline in the state's rural areas — and to offset “leakage” of money to other states that produce more than 90 percent of the food consumed in New Mexico.



The Mixing Bowl; photo courtesy Rio Grande Cuisine

“Agriculture and value-added agriculture could play an important role in reviving rural areas,” Madrid said. “When we get to produce our own food, we offset the leakage of buying out of state. And if you produce something that you’re exporting out of state, you’re importing dollars to New Mexico. That’s the strategic impetus for our efforts.”

To make it more affordable for entrepreneurs to get their distinctive culinary creations to market, economic development leaders have encouraged communities to open commercial kitchens where startups can begin producing without having to invest precious capital building a commercial facility. Many churches, schools, hospitals, defunct restaurants and vacant government buildings have unused — or underused — kitchens that can be upgraded to produce distinctive products for commercial sale.

Community kitchens exist in Silver City, Gallup, Albuquerque’s South Valley and Taos, and others are planned in Santa Fe, Las Cruces, Las Vegas, Anton Chico, El Morro and Española.

Evolving Business Model

Albuquerque’s Mixing Bowl, launched in 2005 in the South Valley Economic Development Center, is the state’s largest community kitchen at 3,500 square feet. Besides a commercial-grade space, tenants share knowledge with peers and experts in marketing, networking and basic business principles, enabling them to bring a concept to market in as little as six months.

A joint project of Bernalillo County and the Rio Grande Community Development Corporation, the Mixing Bowl gets 64 percent of its funding from kitchen rental and other fees, longtime director Ernie Rivera said. The rest comes from grants.

“All commercial kitchens are struggling to find the operational funds to keep the lights on,” Rivera said. “Kitchens are coming together to find creative ways to share costs and expertise and to promote and coach clients.” Rivera is part of that effort: He’ll be leaving the Mixing Bowl to become a consultant for community kitchens that want his operational support, training and expertise.

It’s part of a general shift toward a business model that can help shared kitchens become a self-sustaining place to help startups grow into businesses that create economic-base jobs.

Ideas Boiling Over

Community kitchens can turn to resources like the U.S. Department of Agriculture’s Rural Development program for capital funding; the greater challenge is generating operational funds to supplement what kitchen users contribute.

“No one has figured out how to make (kitchens) self-supporting,” Madrid said, but he and others are working on it.

Rivera envisions community collaboratives that cooperate to develop products that don’t compete but instead diversify the local economy.

One option being weighed for the soon-to-open community kitchen at Northern New Mexico College in Española is for startups to give the kitchen a share of their eventual revenue rather than having them pay a user fee. And the kitchen might eventually be able to contract with growing companies to handle production so they can focus on sales.

“We’re being entrepreneurial in this process,” Madrid said. “We can’t operate in isolation.”

To find commercial kitchens in New Mexico, visit <http://www.deliciousnm.org/commercial-kitchens/>.

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