Enabling Food Innovation in Ontario

OMAFRA
PRODUCT DEVELOPMMENT RESEARCH DAY
March 21, 2016
Guelph, Ontario

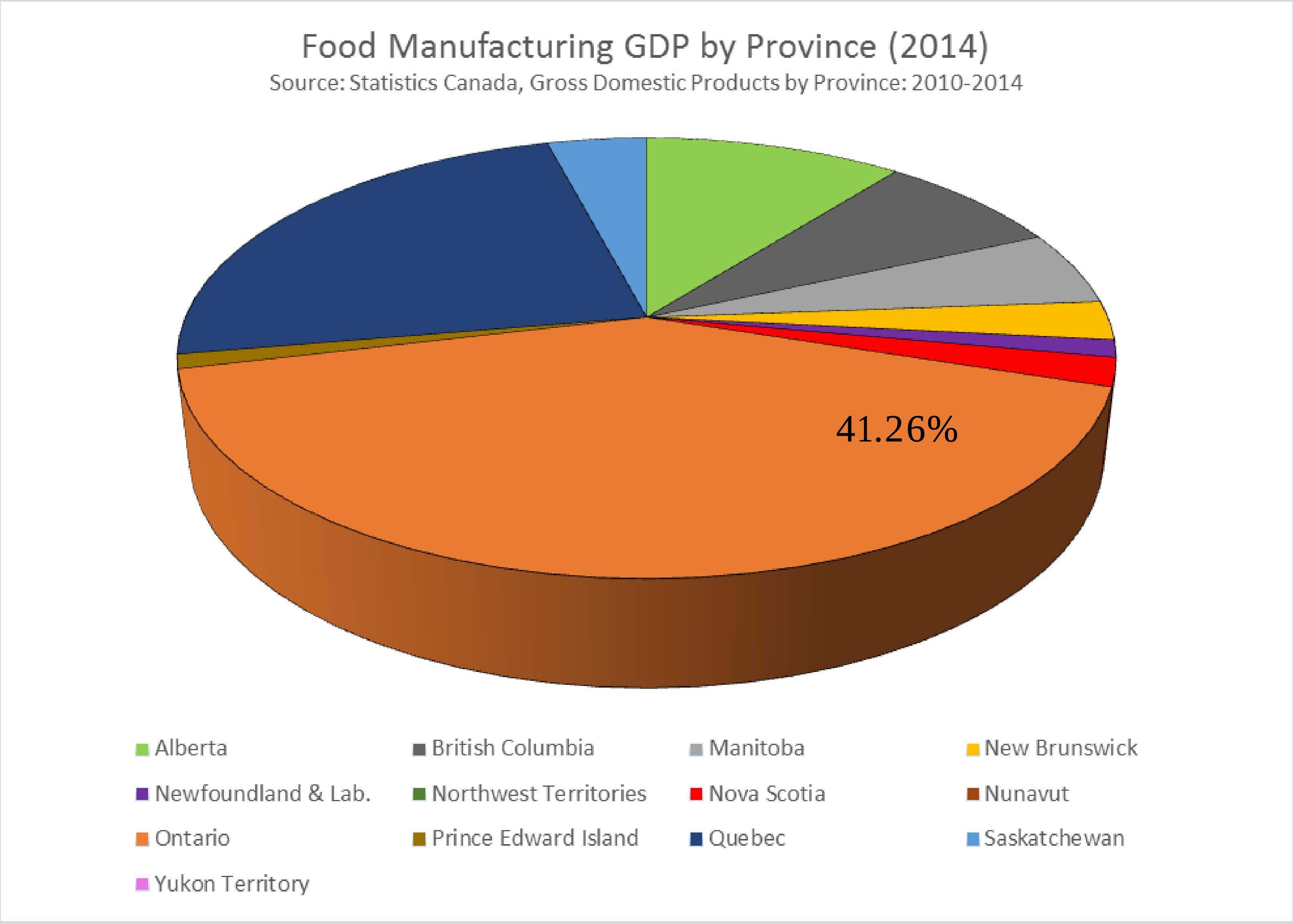
Research Sponsorship:

Food and Beverage Ontario

Report:

IFAB Engineering Partners LP

Ontario Knows Food



The Food & Beverage Industry

"Food is the new oil"

There are several benefits of innovation at home:

- Access to local primary resources
- Reduce imports; maximize exports
- Jobs – both directly and in support industries
- Decrease long distance transportation costs, with corresponding potential benefits to the environmental
- Increased self sufficiency

Looking for Innovation

Health & Nutrition

Diversity of Ethnic Populations

Culinary Tourism

INNOVATION

The process of translating an idea into a replicable good or service that creates value, or for which customers will pay.

Trends, Fad Diets

Local Products

Technology

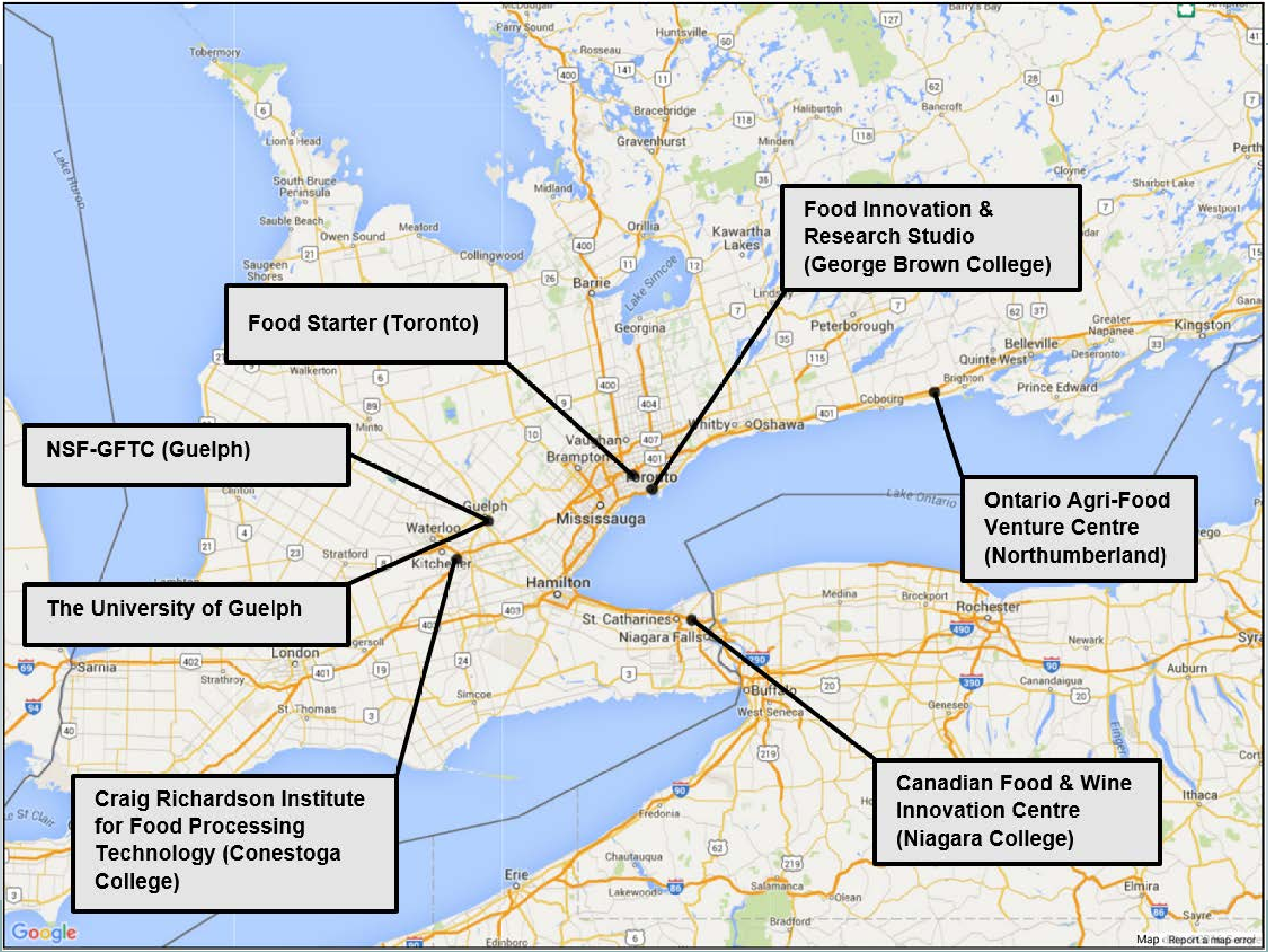
Sustainable Food Chain

Innovation Enablers

Where can an entrepreneur find assistance to validate a new food product?

- Private Ventures
  - Maple Leaf Foods ThinkFOOD! Centre
  - Sobeys Test Kitchen
  - President's Choice "Recipe to Riches"
  - NSF-GFTC
- Publicly Funded Innovation Centres
  - Colleges & Universities
  - Standalone Innovation Centres

Provincially Funded Innovation Centres



Inventory Results – Capabilities

	Ontario					
	CFWII	CRIFPT	Food Starter	FIRSt	OAFVC	U of G
Type of Facility	institute	institute	standalone	institute	standalone	institute
Size	14,000 sq ft	8,000 sq ft	18,000 sq ft	4,000 sq ft	15,000 sq ft	76,000 sq ft
Commercialized Product?	beer & wine	no	provincial	no	provincial	proteins
Sectors						
Animal Food			◊	✓		✓
Bakery & Snack Food	✓	◊	✓	✓	✓	✓
Beverage	✓	✓	✓	✓	✓	✓
Sugar & Confectionery		✓	✓	✓	✓	✓
Dairy			✓*	*	✓	✓
Fruits & Vegetables	✓	✓	✓	✓	✓	✓
Grain & Oilseed Milling				**	◊	✓
Packaging	◊	✓	◊	◊	◊	✓
Protein (primary)						✓
Protein (secondary)	◊		✓		◊	✓
Spices & Powders			✓		◊	✓
Value Added Products	✓		✓	✓	✓	✓
Notes: ◊ = capable, but no clients ✓ = completed projects			*Dairy capabilities only in accelerator spaces	*butter products **quinoa		

The Challenges

The report identified challenges for food start-up companies:

1. Barriers to Entry
   - Rules & Regulations
   - Cost of Hygienically Designed Production Environment
   - Federal Registration
   - Business Training
2. Current focus on proof of concept / start-up versus scale up
3. Funding equation
4. Finding help

Food and Beverage Ontario is working with local food processors, innovation centres, learning institutions, and OMAFRA to articulate recommendations.

Inventory Results – Benchmark Comparison

Province	Population*	Food Industry Revenue** (in Billions)	Government sponsored accelerator and incubator centres for commercialized products
Alberta	4,196,500	$ 2.399	1 – 140,000 sq ft (1984)
Saskatchewan	1,133,600	$ 0.924	1 – 35,000 sq ft (1998)
Manitoba	1,293,400	$ 1.232	1 – 60,000 sq ft (1978)
Ontario	13,792,100	$ 9.315	2 – total of <35,000 sq ft Plus U of Guelph***

Comparison of Provincially-Sponsored Facilities and Expertise

**Source population data from Stats Canada: http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/demo02a-eng.htm*

***Source revenue data from Stats Canada, Gross Domestic Products by Province 2010-2014*

****Total volume and experts for U of G not included, given the multiple uses of the 76,000 square feet. A potential of several hundred faculty and students could be included as participating in the expertise, yet there are no full time employees dedicated solely to the business of innovation.*

Conclusion