

Enabling Food Innovation in Ontario



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

Research Sponsorship:



**Food and Beverage
Ontario**

Report:

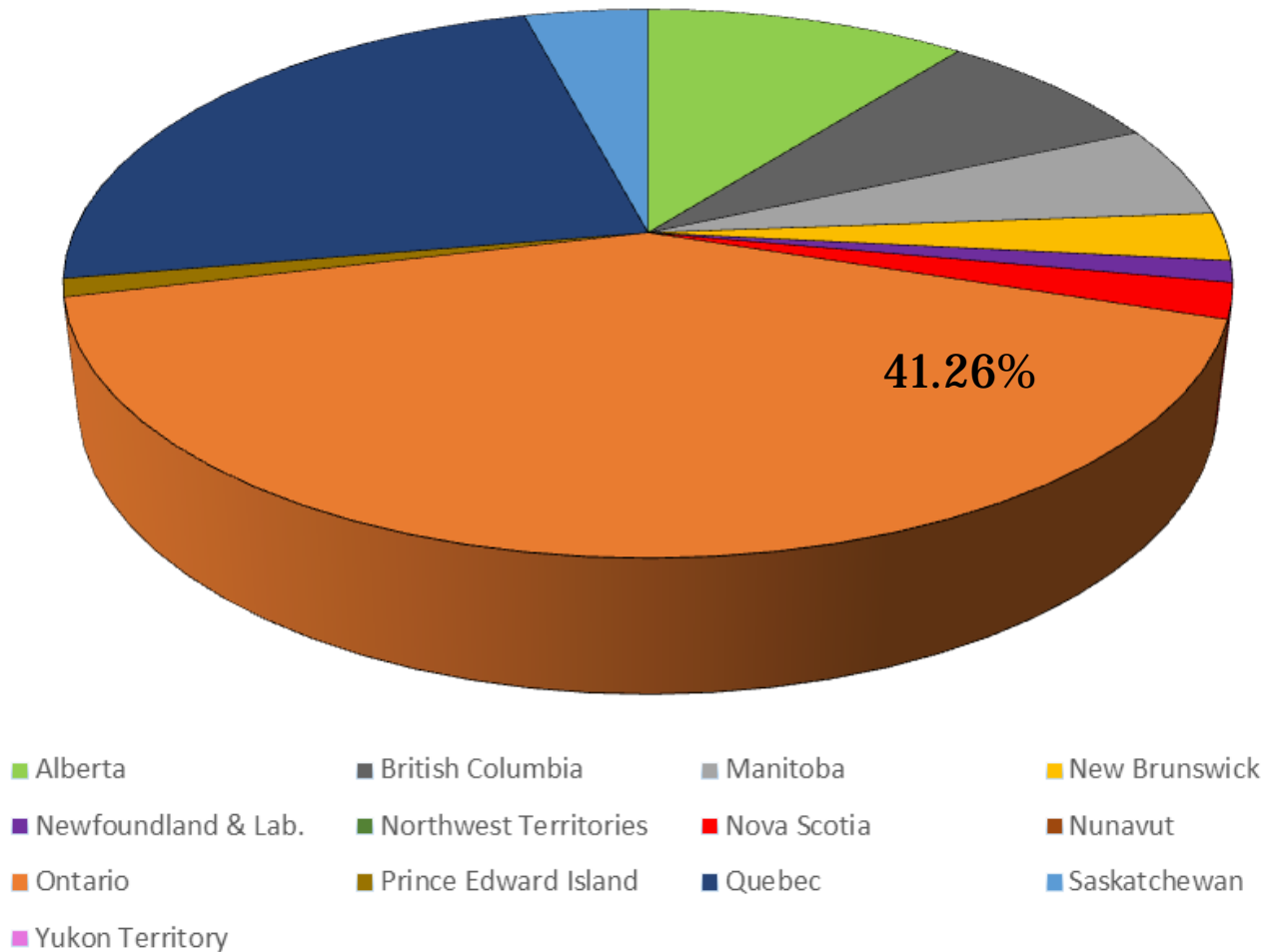


**IFAB Engineering
Partners LP**

Ontario Knows Food

Food Manufacturing GDP by Province (2014)

Source: Statistics Canada, Gross Domestic Products by Province: 2010-2014



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?

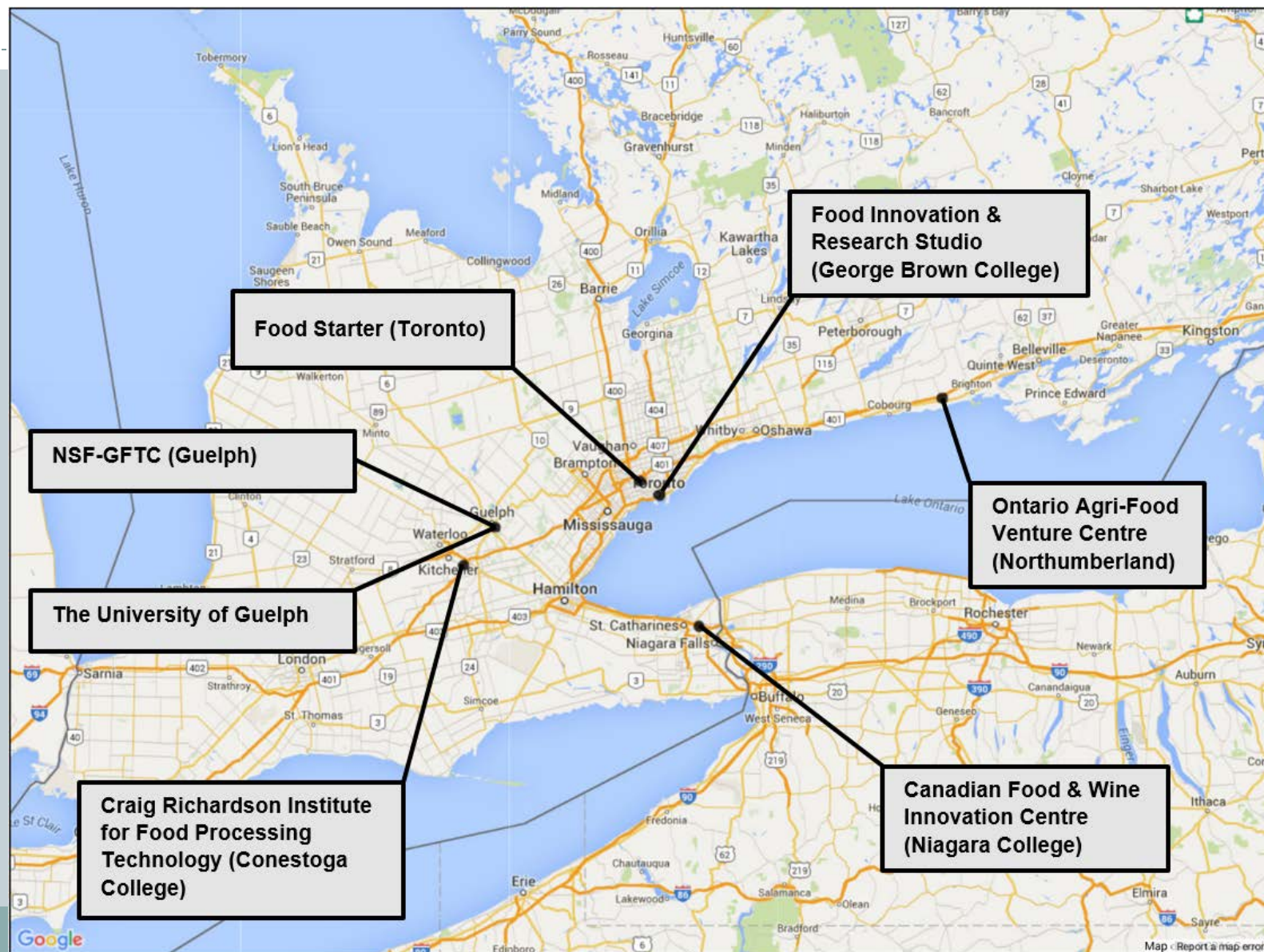
- **Private Ventures**

- 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
<i>Type of Facility</i>	institute	institute	standalone	institute	standalone	institute
<i>Size</i>	14,000 sq ft	8,000 sq ft	18,000 sq ft	4,000 sq ft	15,000 sq ft	76,000 sq ft
<i>Commercialized Product?</i>	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

