The Starting Block: A Case Study of an Incubator Kitchen

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This case explores strategic challenges facing the director of a non-profit incubator kitchen as he works to improve the facility's long-term viability. Incubator kitchens are business incubators that serve food business start-ups by providing licensed kitchens. The case follows the director from the incubator's formation through establishment and expansion, exploring tensions in this transition. Case objectives are for students to 1) debate definitions of success and value in entrepreneurial businesses, 2) evaluate the incubator's history and performance, 3) address its challenges, and 4) develop a sustainable business strategy for a business incubator. Intended audiences are advanced undergraduate and graduate courses and extension specialists.

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The first commercial kitchen/incubator space in the District for growing food businesses has 7,300 square feet of space on two floors. Though
the warehouse is somewhat purposefully nondescript on the outside, the interior lounge, with apartment-complex-like mailboxes and in-your-
face red furniture, hits you hard with its individuality—this isn't like other warehouse spaces you've been in. In fact, the model of incubating
food startups has proven so popular that other commercial kitchen incubators are opening across the city—and Union Kitchen itself is out of
room. Enter Union Kitchen Ivy City, a 15,000-square-foot warehouse in Ivy City set to open sometime this spring. The Godisa case study has
shown that incubators that operate in conducive environments tend to be more successful than those that are not in such a setting. An
important finding of this research is that the success factors that showed strong correlation with incubator success were also strongly correlated
with each other. The highly conducive environments for business incubation are those characterized by the following key success factors. The
ultimate test of success of an incubator is whether it can be self-sustaining. Incubators should be dynamic models of sustainable, efficient
business operations. It is surprising that we found only a weak correlation between implementing a comprehensive business plan and success in
incubation.