

# Who are Cottage Food Operators?



Most CFOs are married.



How much education have CFOs had?

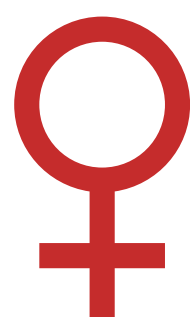
- 34% bachelor's degree
- 20% master's degree
- 18% high school diploma
- 17% associate degree
- 7% trade school
- 4% other

CFOs live in a variety of places.

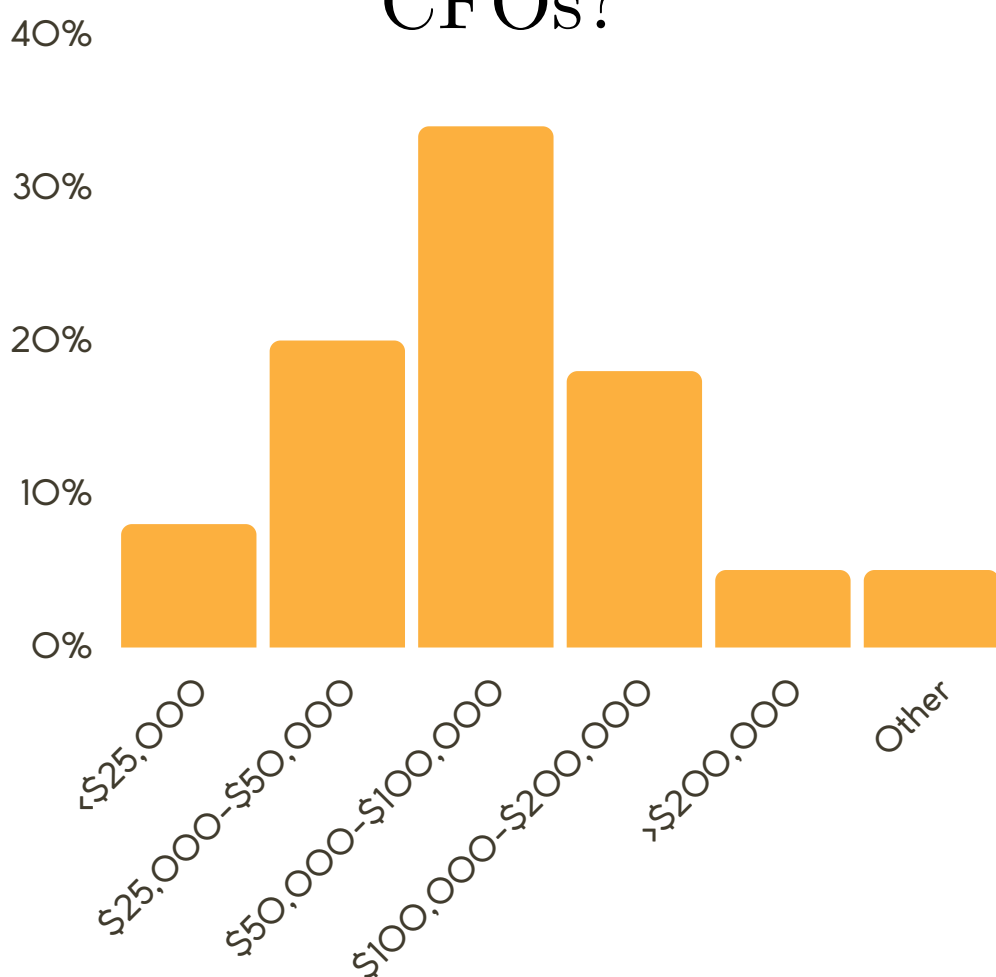


- 33% small town/rural
- 29% suburb
- 19% farm/rural
- 18% urban/city
- 1% other

Most CFOs are female.



What are the annual household incomes of CFOs?



How old are CFOs?

- 2% 18-24
- 17% 25-34
- 22% 35-44
- 20% 45-54
- 25% 55-64
- 13% 65+
- 1% other



29% of CFOs are caring for children under 18 years.

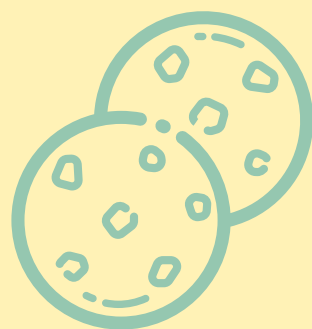
For CFOs currently operating... 34% have full time jobs, 16% are retired, 13% have a part time job, and 13% are stay-at-home parents.



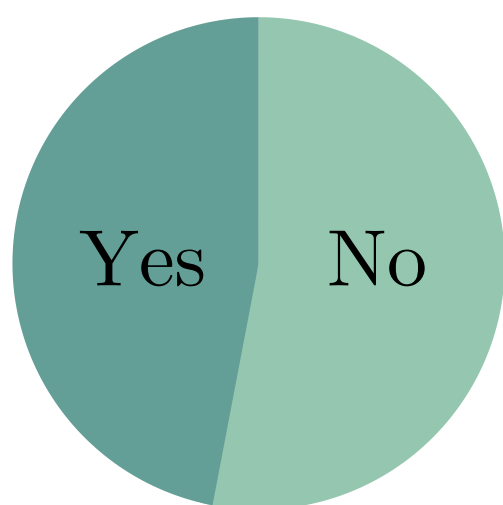
# What are the business dreams of aspiring CFOs?

What products do aspiring CFOs want to sell?

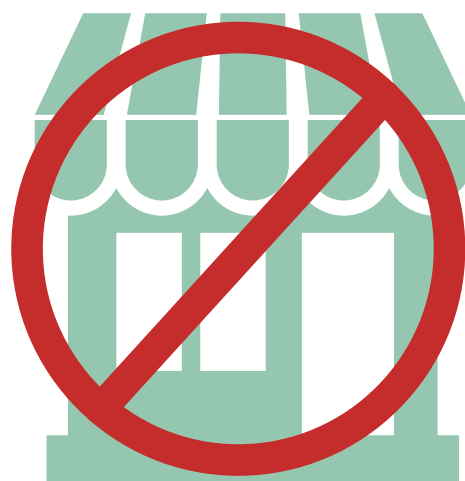
- **11% bread**
- **11% undecorated cookies**
- 10% other baked goods
- 8% muffins, rolls, bagels, and scones
- 8% cupcakes
- 7% decorated cookies
- 7% undecorated cakes
- 7% high-acid canned goods
- 6% pastries
- 25% other



CFOs are divided on whether they want this to be their full time income.



Only 32% of CFOs actually want a brick and mortar storefront.



Why do aspiring CFOs want to start?

17% said additional household income needed.



17% said to fulfill food entrepreneur and business owner dreams.



# Challenges & barriers of aspiring CFOs?

What barriers limit cottage food as their full time income source?

25% said lack of customers.



16% feel restricted by cottage food laws.

10% said lack of support.

19% said lack of time or space.



What challenges do aspiring CFOs experience?

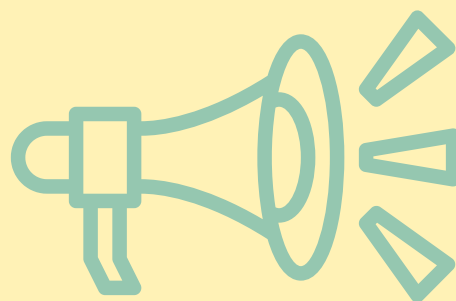
23% said understanding state regulations.

19% said managing the business aspects.



17% said pricing products.

17% said promoting and marketing products.



14% feel state regulations are too limiting.



# What do current CFOs sell? What's most profitable?



Undecorated cookies and cupcakes are the products sold by the most current CFOs.



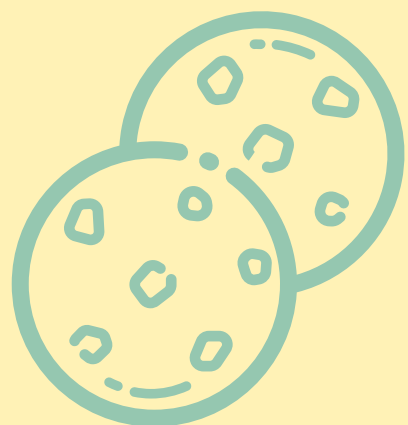
What products generate the most sales annually for current CFOs?

- **18% decorated cookies**
- **17% high-acid canned goods**
- 12% custom decorated cakes
- 11% bread
- 10% undecorated cookies
- 7% other baked goods
- 6% cupcakes
- 5% pastries
- 4% undecorated cakes
- 10% other



What products generate the most profit per item annually for current CFOs?

- **14% undecorated cookies**
- **14% high-acid canned goods**
- 13% decorated cookies
- 11% custom decorated cakes
- 11% bread
- 6% cupcakes
- 5% other baked goods
- 4% pastries
- 4% undecorated cakes
- 18% other





# What does the current CFO's business look like?



CFOs are structured as...  
66% sole proprietorship,  
24% are single member LLCs,  
10% other.

Only 40% of current CFOs reported having business insurance, with the largest barrier being the cost.

What percent of the year do current CFOs operate?

- 54% year-round
- 16% half year
- 14% only special events, birthdays, holidays
- 10% one big season
- 3% outdoor farmers' market
- 3% other

The most popular business insurance reported is business liability insurance specifically for the cottage food industry, with the most common annual insurance price being \$300.

Taxes  
Only 4% pay themselves a salary with a W-2 filing.  
40% report paying self-employment taxes.

For current CFOs: 47% have a home office/supply storage room; 91% use their personal vehicle for business.

