

Born & Bread: A Home Baker's Journey to Brick and Mortar

By Ethan Goldblatt as part of a Capstone project for a Bachelor of Arts in Environmental Studies, Lewis & Clark College 2015

Executive Summary

Mission Statement

At Born & Bread, we aim to serve bread/food/drink of the highest quality; and we aim to serve everyone. We value every step in the commodity chain, from our customers to our employees to the farmers who picked the grains we source. Additionally, we believe good food is a right, not a luxury. Based on a sliding scale, our prices will accommodate each customer, with those who can afford it paying the full or an inflated price, subsidizing those who cannot usually afford artisan breads. This system relies on honesty, and we will succeed or fail by it.

Company Description

History

We, Miles McCreary and Ethan Goldblatt, grew up together in Berkeley, California. We learned to appreciate good food from a young age, with our parents and friends' parents having been enmeshed in a culture of food typified by the likes of The Cheese Board Collective and Alice Waters' Chez Panisse in North Berkeley's Gourmet Ghetto. But it was across the Bay that we found our biggest inspiration for baking good bread, as I'm sure many bakers do—at Chad Robertson's Tartine Bread. We set to work trying to emulate the Tartine country loaf: an airy moist crumb and a burnished, crackling crust.

Miles and I had both been interested in cooking from a young age, and had worked at restaurants as both front and back of house. The art and science of creating food excited us, but the vastness was overwhelming. When we first realized baking our own bread was a possibility, we were giddy with excitement. The draw was both immediate and long lasting. For me, the attraction is threefold. First, baking bread is at once perfectly simple and infinitely complex. To me, it is a form of alchemy; turning three or four simple ingredients—flour, water, salt, and for some, yeast—into a delicious loaf of bread. The initial and final products are almost thoughtlessly simple, but the process of making those changes takes years of knowledge to perfect. The second reason I'm drawn to baking is its primordial nature. People have been eating bread for many thousands of years, and tapping into that tradition feels

like a form of time travel. Lastly, it feels good to feed people and to provide such a staple food.

Our experience baking began in high school, when we made our first sourdough starter, or *levain*. With the tutorship of our friend's mom Martha, a lifelong professional baker, we began to hone our craft. We have experimented with many different combinations of time and temperature, ratios of different flours, and hydration percentages, but we have always baked with a natural leaven, or a sourdough starter instead of bakers yeast. This stems from our ideology of reducing bread to its most basic components. To sharpen our skills further, we sought out restaurants and bakeries to work at that adhere to the same or similar ideologies. We gained experience first at Pizzaiolo in Oakland, California. They bake bread every morning in small batches for their breakfast and dinner service. The next place I trained was Tabor Bread in Portland, Oregon. Working there was truly a study in baking rustic-style bread. We milled our own grains—all grown locally—used natural leaven, and baked in a wood-fired oven.

Last year we began selling bread to friends in our respective locations and received incredibly positive feedback. After our collective years of baking at home and professionally, having seen a wide variety of methods, we feel ready to bake our very own bread in our very own bakery.

[Start-up Plans](#)

Below I have prepared an *Initial Expense* sheet as well as *Income Statement Projections* for our first year of business broken down by month. We plan to acquire the capital we need through a combination of our own assets, investment from family and friends, seed investors, and bank loans. Once we are up and running, have accrued enough revenue, we will apply for an annual liquor license from the OLCC so that we can sell beer and wine.

[Legal Establishment](#)

Born & Bread will be a Limited Liability Company (LLC). It will limit the owner's (McCreary and Goldblatt's) liability for business debts, as well as simplifying taxation. Forms will include: Articles of Organization, Operating Agreement for Member-Managed Limited Liability Companies, Management Operating Agreement, Reservation of LLC Name Letter, Minutes of Meeting, Certification of Authority, and IRS Form 8832: *Entity Classification Election*. The fee is US \$100.00/year.

[Licensing and Permits](#)

To operate in Portland, OR, we require Operational License by county, a Health Permit, Food-Handlers Permits, and an Assumed Business Name License. See *Income Statement Projections* for fees.

[Products/Services](#)

[Our Product](#)

Our product will first and foremost be great bread. We will serve whole wheat breads, with grains sourced locally and milled in-house. There will be pastry and coffee served in the mornings. Bread will be coming out of the oven in the late afternoon, so our customers can have fresh bread for dinner, and toast the next morning.

Equally important to selling delicious, environmentally responsible food, will be provided an atmosphere; a place where people can go to hang out, do work, go on a date, have a meeting, etc. from early morning to late at night. Most cafés are only open until around 5 pm. We will be open until as late 11 pm. As a customer, you will be able to order coffee, tea, beer, or wine and a tasty bite late into the evening. The only places you can typically go to hangout after dark is a bar, but sometimes a bar is not the atmosphere you're looking for. Born & Bread is where you will come.

We have a product for any hour of the day: coffee and pastry in mornings, sandwiches, soups and salads throughout the day, and beer and wine in the evenings, and lastly, a comfortable environment from open to close.

[Sourcing](#)

We will source all of our whole grains from Camas Country Mill in the Willamette Valley. We find their values to be in line with our own, and their products to be top shelf. What we cannot source from Camas Country Mill, we will buy from other farms in the region. For specific kinds of processed flours—used for pastry and some breads—we will source from Central Milling out of Northern Utah. Central Milling products will make up a tiny fraction of our grain supply.

Coffee and Tea will also be sourced from local suppliers. Coffee is obviously not grown in the Northwest, but we will buy from local roasters to be determined.

[Pay-What-You-Can Model](#)

Our goal will be to serve the entire community. We will attempt to sell *bread* on a sliding scale. Because artisan goods/niche markets are often drivers of gentrification, our business will attempt to operate in such a way that interacts with

and serves the entire community in which we exist. We aim to turn no customer away. The hope is that our customers purchasing patterns will be normally distributed, with the average customer paying our recommended selling price of the breads, while the extremely high and low prices will be outliers. While this would be our dream way of selling, if it seems as though it is not working how we intended it to within the first 3-6 months, we may have to move away from the pay-what-you-can model.

Market Analysis

Our Market

Born & Bread will sell something for everyone. Our market will reach across the city, because as is mentioned above, we will be selling more than just bread. However, to begin getting the word out, we will start to sell at farmer's markets around the city so that by the time we open, we will already have a following. Additionally, once every two weeks for two months before we open, we will bake 50-100 loaves of bread, and give them away at a street corner in different parts of the city with our brand on the bread. Once people taste it once, they will come back for more.

Because of the pay-what-you-can model, our customer base will be far greater than other bakeries or cafés.

Our Location

The market for bread in Portland is relatively unsaturated compared to other major metropolitan areas. For that reason, we would be happy with a number of different locations. Ideally, we would like to be in a central area that is neither very wealthy nor very poor. It would also be optimal to be in a neighborhood where other stores and restaurants are already thriving, and where people like to walk around. Obviously this would call for higher rent prices, but finding a happy medium between rent price and activeness of the neighborhood.

Strategy and Implementation

Responsibilities

To begin, the two owners will share the responsibilities equally, each pursuing the tasks that suit them more strongly. If the managerial work seems to be too much for the two of us to handle, we will hire a manager to handle some of the logistical duties.

Management Team

Employees

At any one time, our bakery will require 2 bread bakers, 1 pastry cook, 1 prep/lunch cook, and 3 front of house employees. Our volume should not require a full-time dishwasher, but we are able to adjust as necessary. Miles and Ethan will be able to work any position save pastry cook. Also, Miles and/or Ethan will always be working to make sure things are running as intended.

Financial Analysis

What Is Needed

See *Figure 1: Born & Bread Initial Expense Sheet*

There are three different columns: Start-up Expense Type A, B, and C. The only cost that changes between the three is the build-out cost, but it is a significant price difference. Type A refers to the build-out cost of a non-food industry location. Type B refers to a previous food industry location that was not a bakery. Type C refers to a bakery specific location. Build-out costs decrease from type A to C.

Profit-and-Loss

See *Figure 2: Born & Bread Income Statement Projections*