

MSU Product Center: Accelerating Innovation for Business, Industry and Entrepreneurs

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What is the MSU Product Center?

- ▶ An organized network of services and educational resources for business development and market assessment research in the food, agriculture, natural resource and bio economy sectors of Michigan. We support entrepreneurship in these sectors.



The Product Center is a Social Enterprise

“Social entrepreneurs play the role of change agents in the social sector, by:

- ▶ Adopting a mission to create and sustain social value (not just private value),
- ▶ Recognizing and relentlessly pursuing new opportunities to serve that mission,
- ▶ Engaging in a process of continuous innovation, adaptation, and learning,
- ▶ Acting boldly without being limited by resources currently in hand, and
- ▶ Exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.”

- Dees (1998). “The Meaning of Social Entrepreneurship”

History

- Created by CANR, MAES, and MSUE (2003)
- Started working with businesses (2004)
- Added full bio-economy services (2008)
- Expanded innovation counselor network with the MSU Extension redesign (2010)
- Added HI-VAT program (2011) - changed name to Accelerated Growth Services (2015)
- Center for Economic Analysis integrated with Product Center (2016)



The Pipeline of Entrepreneurs and Enterprises

Lifecycle/ Skill Level	Stage 0 Pre-venture	Stage 1 Existence	Stage 2 Early Growth	Stage 3 Expansion	Stage 4 Maturity	Stage 5 Decline
Level 4						
Level 3						
Level 2						
Level 1						

Entrepreneurship Skills Ladder



Level 5

Level 4

Level 3

Level 2

Level 1



Business Coaching is at the Core of What We Do



How Can the Product Center Help?

- Business concept development
- Business planning
- Entrepreneur coaching
- Marketing and market research
- Packaging
- Labeling (Nutrition facts and package design)
- Navigating the food safety regulatory maze
- Feasibility assessments
- Cooperative development services
- Impact assessment



The Product Center Provides Clients with Access to MSU Resources

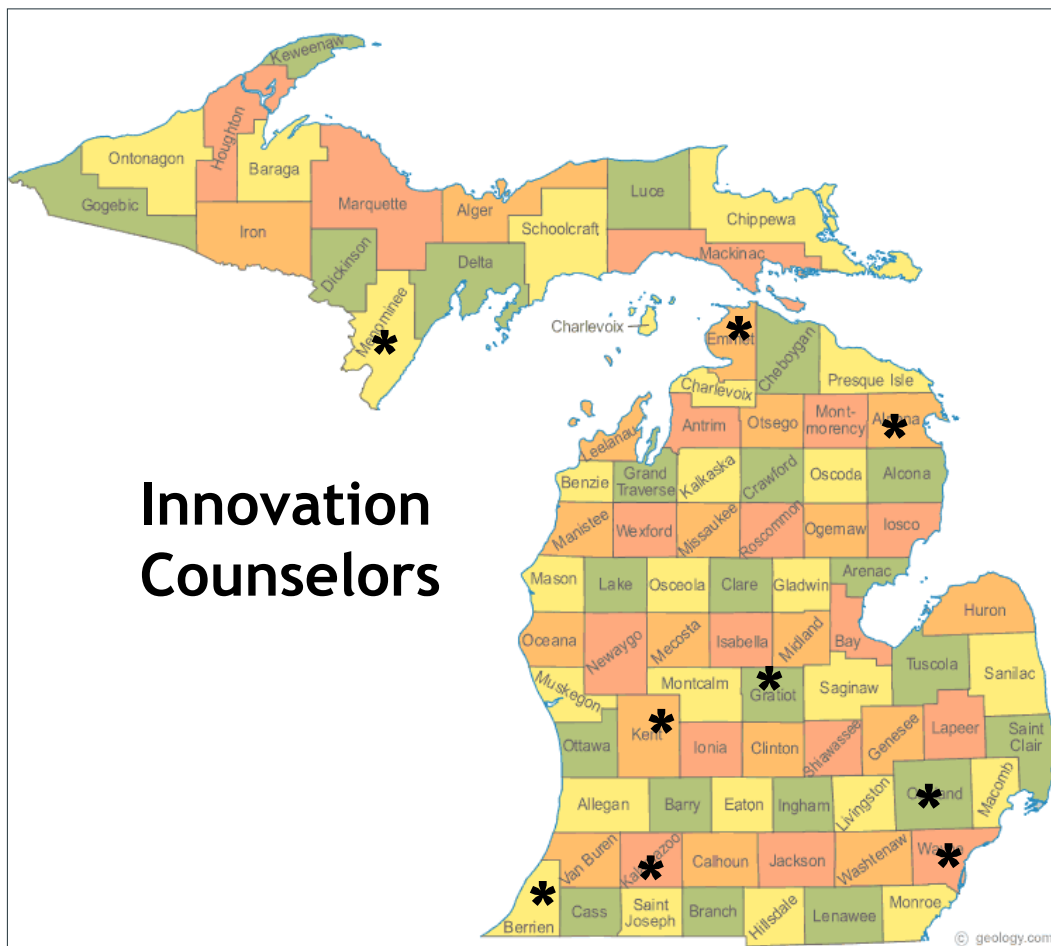
- Department of Food Science and Human Nutrition
- School of Packaging
- Department of Agricultural, Food and Resource Economics
- Eli Broad College of Business
- College of Communication Arts & Sciences



Innovation Counselors Network (Field Staff)

- At peak, ten Counselors located in county Extension offices across the state
- Members of Greening Michigan Institute (GMI) or Ag and Agribusiness Institute (AABI)
- Specially trained and certified
- Extension Educators who work 50 - 100% of their job assignment for the Product Center
- Some have an area of specialization: including livestock, specialty crops, field crops, vegetables, bio-energy

Innovation Counselors



Campus Staff

15 campus staff with expertise in:

- ▶ Agricultural Economics
- ▶ Market Research
- ▶ Policy Analysis
- ▶ Food Science/Food Safety
- ▶ Nutrition
- ▶ Food Processing
- ▶ Packaging
- ▶ Agri-Food Supply Chain
- ▶ Entrepreneur/Business Development
- ▶ Economic Development



Is there a charge for services?

- Currently no charge for basic concept development and business coaching
- Fees for:
 - Product testing
 - Nutritional labeling
 - Feasibility assessments
 - Detailed market research



Venture Development

- Small business start-ups of all sizes/entrepreneur skill levels

Accelerated Growth Services

- Suite of services for Stage 2 companies



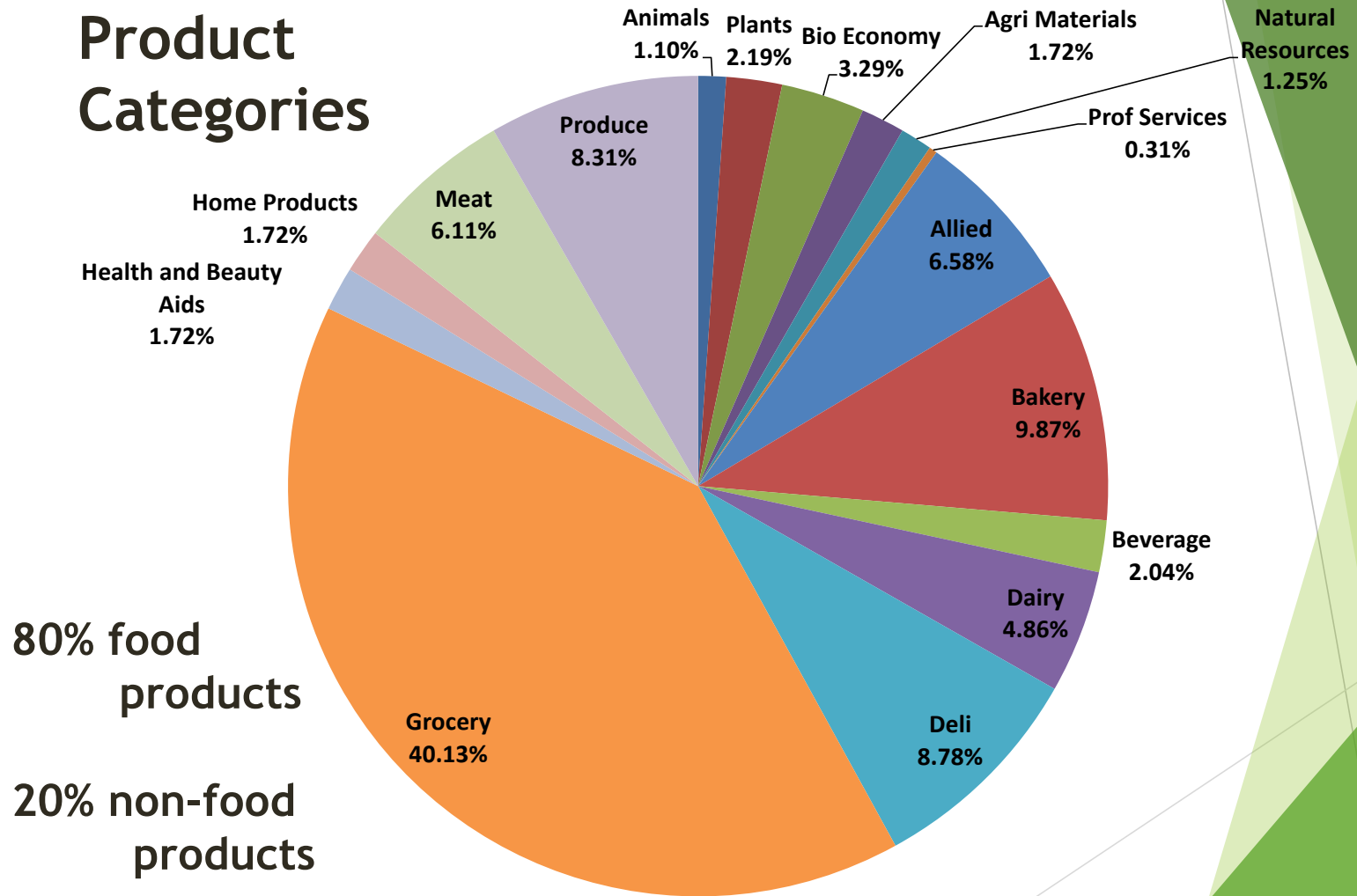
Venture Development Businesses (Stages 0 and 1)



Accelerated Growth Services Businesses (Stage 2)



Product Categories



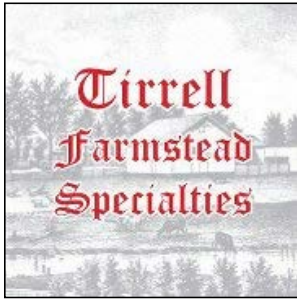
80% food products

20% non-food products

Natural Resources
1.25%

Production to processing





Consumer Agriculture



Products Created to Fill a Special Need of the Entrepreneur





**Young Urban
Entrepreneurs**



Cottage Food to Commercial Production





Kitchen Incubator Collaboration



Creating Cooperatives



Specialized Services

- Faculty expertise linked to client's project-specific needs:
 - ▶ Economic/Business Assessment
 - Product Center based
 - ▶ Product Evaluation - MSU Departments
 - ▶ Food Science & Human Nutrition
 - Food Safety - Process Authority Review (PAR), product testing
 - Product Development - Sensory and Improvements
 - Nutritional Labeling



Specialized Services

- Product Center
 - Food Processing - Hazard Analysis Critical Control Points (HACCP) & Regulatory (FDA & USDA)
- School of Packaging
 - Packaging Expertise - Faculty
 - Senior Capstone Course
- Agricultural, Food, and Resource Economics (AFRE)
 - Food Industry Management
 - Senior Capstone Course - Business Growth

Strategic Research Group

- Services we provide

Business Management: feasibility studies, assistance in financing, pro forma financial assessment, profit/loss analysis, marketing, and grant opportunity assessment

Supply Chain: market assessment and development, logistics, distribution, and export assistance



Strategic Research Group

- Clients
 - *Internal Stakeholders (Michigan State University)*
 - *External Stakeholders (Michigan food and agribusinesses, government, nonprofits)*



Food Processing and Innovation Center (FPIC)

- ▶ *The FPIC is a “State of the Art” facility designed to meet the modern requirements of a production unit with the flexibility necessary to produce a wide variety of products, from ingredients to production to storage.*



Key Components

The FPIC is Michigan's leading independent food processing facility and has 3 key components to offer Michigan food processors:

1. A fully functioning state of the art facility that is USDA/FDA certified and fully compliant with food industry standards
2. A 'Real Time' fully operational facility in which clients can create new products and sell via a retail supply chain
3. Access to MSU resources and expertise



Target Clients

- The FPIC will primarily target those firms that are at the early to mid-phase of Stage 2 development.
- Firms at this stage typically generate \$5-20 million in sales and employ 10-50 employees.
- Approximately **650** Michigan food-manufacturing firms meet these criteria.



Making it in Michigan



Premiere Food Show in Michigan

- Trade show
- Conference



Product Center Clients Who Export

- ▶ **Gluten Free Bar (Grand Rapids)**
 - ▶ MDARD Export Award Winner
- ▶ **Herkner Farms (Traverse City)**
- ▶ **Safie Specialty Foods (Detroit)**
- ▶ **Great Lakes Potato Chip Company (Traverse City)**



▶ Questions or Observations?

