UCook - Home cooked Food at your Fingertips

Authors: Hongxia Jin, Mrinal Kochar, Reiner Kraft, Lie Yang

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Hypothesis

- Life is hectic
- Life expectancy **10 years** shorter if we don’t fix food and obesity problem
- Technology innovation and adoption
- Idea: apply Uber to home cooked food
What is Home Cooked Food

Rather, restaurant food are cooked very differently

- Each dish is cooked within 3-10 minutes or off the menu
- Taste and consistency over healthiness and freshness
Home Cooked Food vs Restaurant Food

Calories: 601  
Sodium: 360  
Cholesterol: 260

Calories: 940  
Sodium: 1900  
Cholesterol: 405
US Restaurant Market in 2015

Total sales will top $709 billion.

That's a larger output than 90% of the world's economies.

Restaurant Industry Sales
In billions of current dollars

- 1970: $42.8
- 1980: $119.6
- 1990: $239.3
- 2000: $379.0
- 2010: $586.7
- 2015*: $709.2
Restaurant Food Facts

$2,678
Average restaurant spending per household

$1,071
Average restaurant spending per capita

The restaurant workforce will be 14 million strong.

That’s 1 in every 10 working Americans.
Survey Results (R)

**Q1:** How often do you prepare home cooked food for dinner?
- 9% Once a week, 38% 2-3 times per week, 53% **Almost every day**

**Q2:** If someone in your neighborhood would bring you a home-cooked dinner - would you eat it?
- 9% Not sure, **48% Maybe Yes, 43% Yes**

**Q3:** If you had an option of a neighborhood cooked meal - would you pay for it?
- 9% No, 19% Not sure, **43% Maybe Yes, 29% Yes**

**Q4:** How much would you be willing to pay for a home-cooked meal per person?
- 19% Up to $5, **52% Up to $10, 9% Up to $15**, 14% Up to $20, 6% more than $20

**Q5:** How often would you use a home-cooked meal service if it were available?
- 5% Never, 9% Once a month, 5% Every other week, **38% Every week**, 38% **2-3 times per week**, 5% Almost every day
Consumer Demand

Survey results show demand similar to restaurant food

<table>
<thead>
<tr>
<th>Per Meal Cost</th>
<th>Eat 1 or more times a week</th>
</tr>
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<tbody>
<tr>
<td>Resturant Food</td>
<td>Home Cookied Food</td>
</tr>
<tr>
<td>$21.30</td>
<td>53%</td>
</tr>
<tr>
<td>$10.30</td>
<td>72%</td>
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</tbody>
</table>

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Home Cooked Food Industry in 5 years

$435 Billion
Home Cooked Food Business

Business Model: home cooks 80% profit / UCook 20% profit

**Restaurant Food**
- Food Ingredient Cost: 30%
- Rent and Utility: 9%
- Wages: 30%
- Other: 26%
- Profit: 5%

**Home Cooked Food**
- Ucook Profit (20%), $49
- Food Ingredient Cost, $131
- Home Cook Profile (80%), $195
- Utility, $17
- Other, $44
$49b for U Cook
$195b for home cooks
Competition Landscape

The following Companies are participate in this business

- Josephine
- Foodie Shares
- Feastly
- Gobble
- mytable
- Homemade

Most of the above companies are based in California
Josephine

- Based out of Berkeley. Expanding into SFO

- How it works:
  - Cooks have to pass a taste test and Kitchen inspection
  - Need to go through the CA Food Handler Course on Food Safety (Cost covered by Josephine)
  - Order Online → Josephine send the Address → Pickup
  - 900 online subscribers
  - Etsy for Food
  - https://josephine.com/
Josephine - Pros/Cons

• Pros:
  – Food Safety and Trust
  – Great Website with Great pictures
  – More Reliable

• Cons:
  • Not Scalable
  • Too many overheads
Feastly

• Based in the Bay Area
• Social Market Dining Place - Select the Food, Review/Recommendation - Order. Go and share the table with the Chef and other people (mingle).
• Personally vet every cook. Cooks provided with food handling certification and guidelines
• Allergies and Safety: Close community, Icons are provided and users can message cooks.
• No Food Delivery - Social Feel
• https://eatfeastly.com/
Feastly - Pros/Cons

• Pros
  • Social Dining

• Cons
  • No App
  • No Pickup
  • Not Scalable
Foodie Shares

- LA based Company
- Closest to the UBER model with an App
- How it works:
- http://foodieshares.com/
Foodie Shares- Pros/Cons

• Pros
  • business model
  • delivery

• Cons
  • food safety
  • trust
Technology Overview

• envision standard mobile app, similar to Uber
• functionality for users:
  – manage their preferences, search & browse, recommendation, order, payment processing, reviews, …
• functionality for cooks:
  – sign up process, manage account preferences, menus, payment processing, reviews
• existing cloud APIs available (e.g., Amazon AWS)
• Initial focus areas (phase 1):
  – solid payment processing, limit fraud
  – background check and signup process for new cooks
  – simple search & browse functionality to order meals, shopping cart
  – review system for both users and cooks
  – recommendation engine in phase 2
Technology Challenges

• Signup process for new cooks
  – require license, off-line process, differs per location
  – requires support staff

• Monitoring of food quality
  – challenge during initial signup, food tasters?
  – later on rely on review system

• Feasible to do, but harder:
  – Overall solid accounting and transactions
  – Managing packaging (other supplies?) for cooks
  – Fraud management
Concerns: Safety Issues

• **Food safety**
  Concerns: poison; allergy; quality
  Causes: food processing; food distribution
  Ingredients/labeling: region, organic/non-organic

• **Other human safety issues: delivery vs. pickup**
  Robbery victims
  murder causalities
Food Regulations

cottage food law: allow people to make food at home and sell it

California Homemade Food Act:

• Taking a food safety class, passing a state examination, paying a registration fee, labeling their food as homemade and submitting their kitchens to an annual inspection.

• Approved foods: non-cream filled goods, candy, dried fruit, pastas, granola, roasted coffee, jams, jellies, preserves and popcorn;
   Not Allowed: meat, dairy and other perishable products.

• Revenue limit: $35,000 in 2013; $45000 in 2014; $50,000 in 2015. 1 full-time worker.

• Permit required? Class A if direct; Class B if through 3rd parties (eg stores).

• Deliver to the customers, not pick up.
Customer Reactions

• “ILLEGAL! ….. There really isn't a "legal grey area" when it comes to food production. The law is very, very clear.”

• “Ridiculous that something like this would be illegal! would a chef have to have a license of some sort to come to your house to cook a meal for your family? Heck no ...

Now would I ever order from something like this? HECK NO! Who knows what their food safety precautions are like…..

as a former chef I would do the selling, never the buying, that’s for sure. They must have one heck of a disclaimer to keep themselves out of trouble when that first case of salmonella poisoning hits!”
EcoSystem

- App Portals: Apple, Google
- Chefs, You
- Packaging/Containers
- Groupon
- Delivery
- Local Groceries
- App Developers
- Yelp like??

UCOOK ECOSYSTEM

- FDA
- Regulators
- Licensing

- Restaurants
- ToGO, FastFood
- Home Cooking
- Cooks

- Josephine/Feastly
  /Gobble/Foodie
  Shares
- Cooks
Conclusion

• great opportunity, 429B, need clearly exists

• legal constraints inhibit scaling in US at present time
Future Work

• investigate other countries / cultures where this could work?
• investigate alternative business model that would go around the legal constraints (e.g., social gatherings in neighborhood with food preparation, subscription based)
• limit food choices to veggies (aligned with cottage law)
• investigate case examples over food sharing from other countries
• opportunity in the future if legal requirements are changing?