

UCook - Home cooked Food at your Fingertips

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Pantas and Ting

Sutardja Center

for Entrepreneurship & Technology

Berkeley Engineering



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UNIVERSITY OF CALIFORNIA

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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



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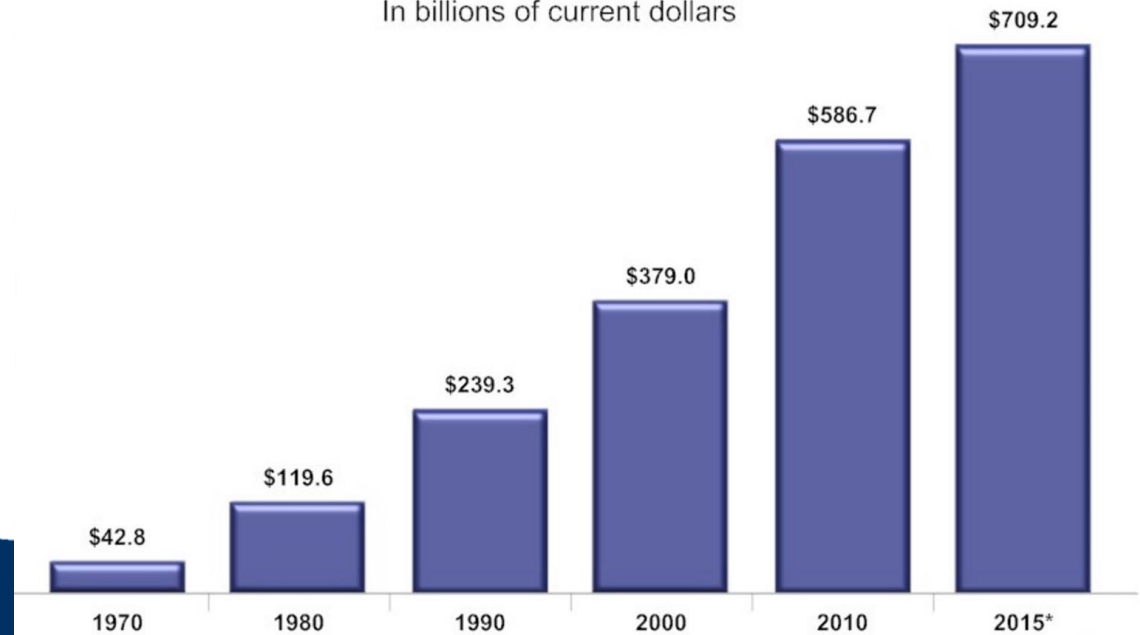
Bachelor Engineering

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



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?

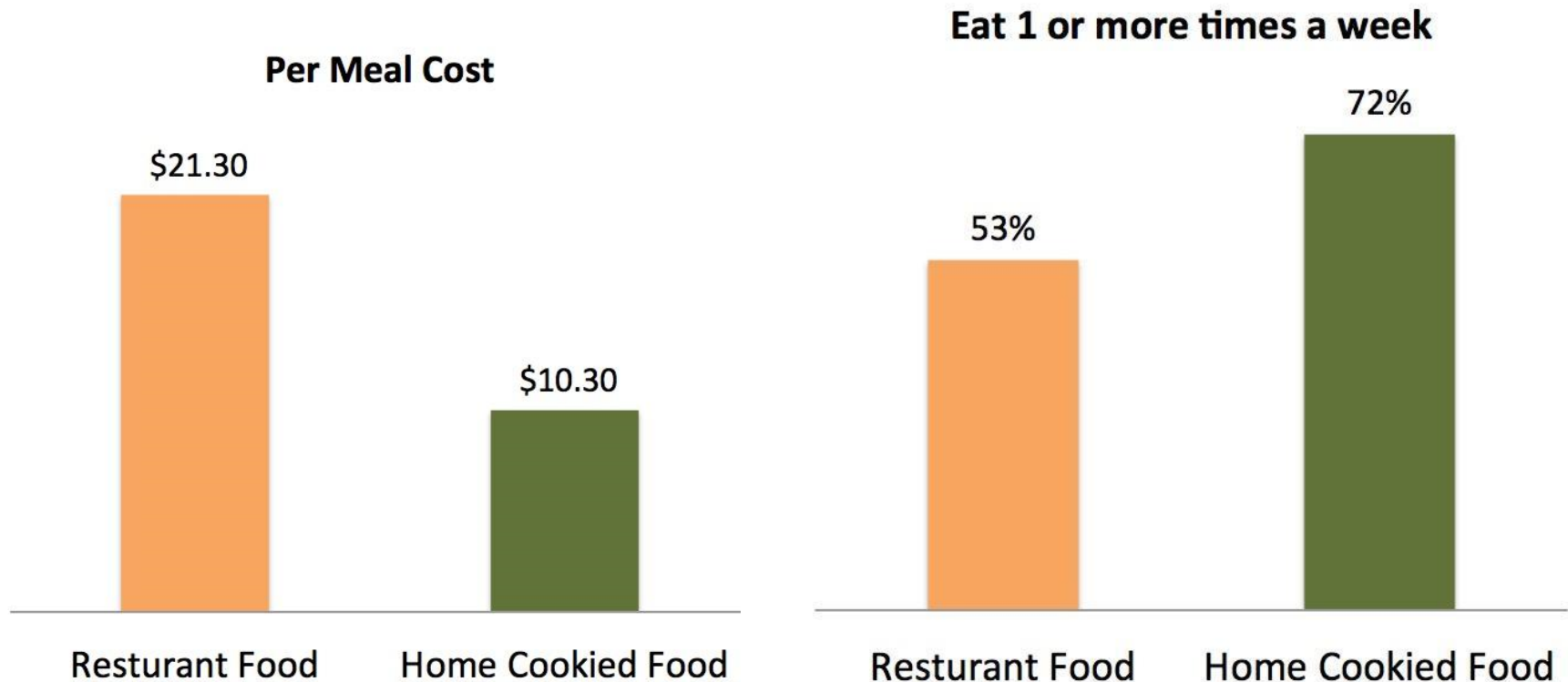
19% Up to \$5, **52% Up to \$10, 9% Up to \$15**, 14% Up to \$20, 6% more than \$20

Q5: How often would you use a home-cooked meal service if it were available?

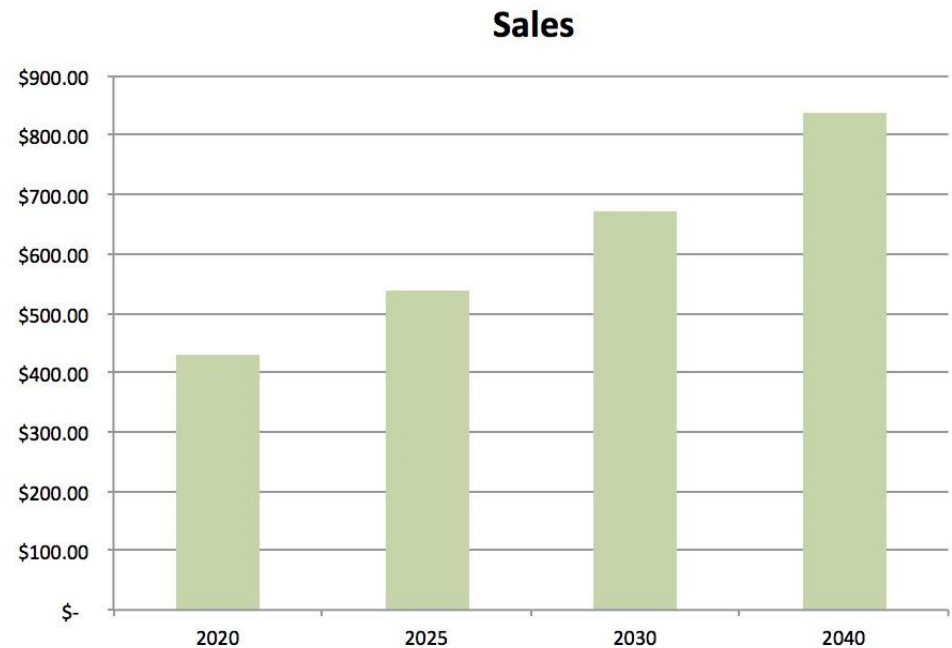
5% Never, 9% Once a month, 5% Every other week, **38% Every week,**
38% 2-3 times per week, 5% Almost every day

Consumer Demand

Survey results show demand similar to restaurant food



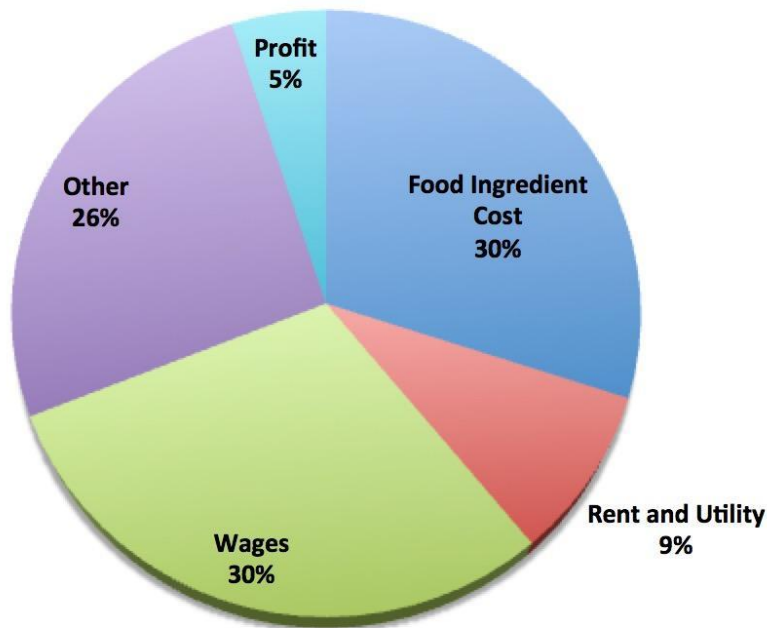
Home Cooked Food Industry in 5 years \$435 Billion



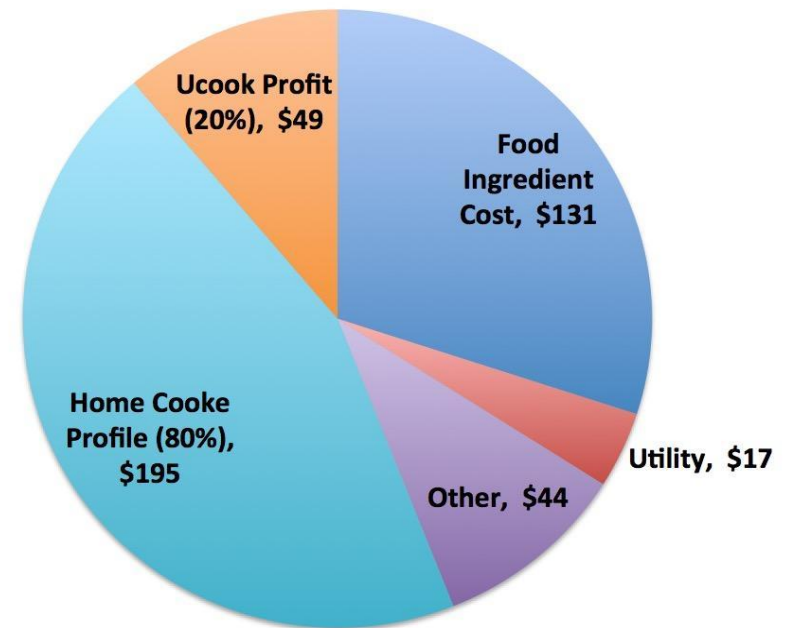
Home Cooked Food Business

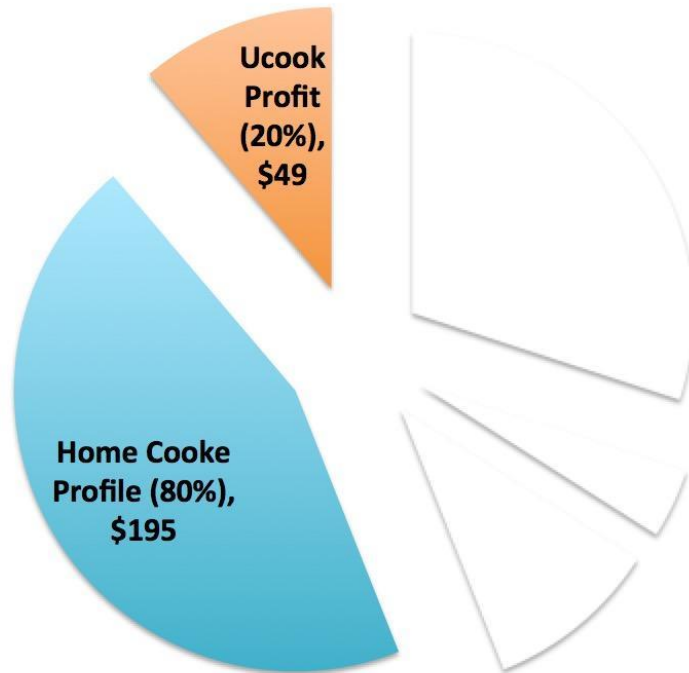
Business Model home cooks 80% profit / UCook 20% profit

Resturant Food



Home Cooked Food





\$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
- :
- :



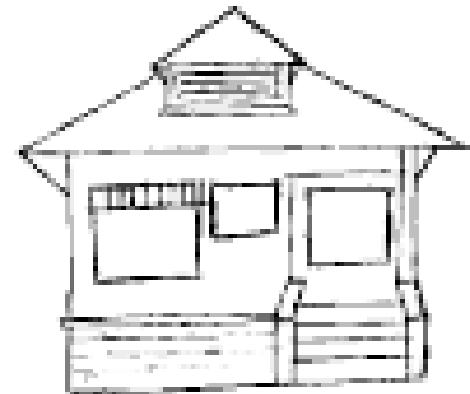
Most of the above companies are based in California

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/>

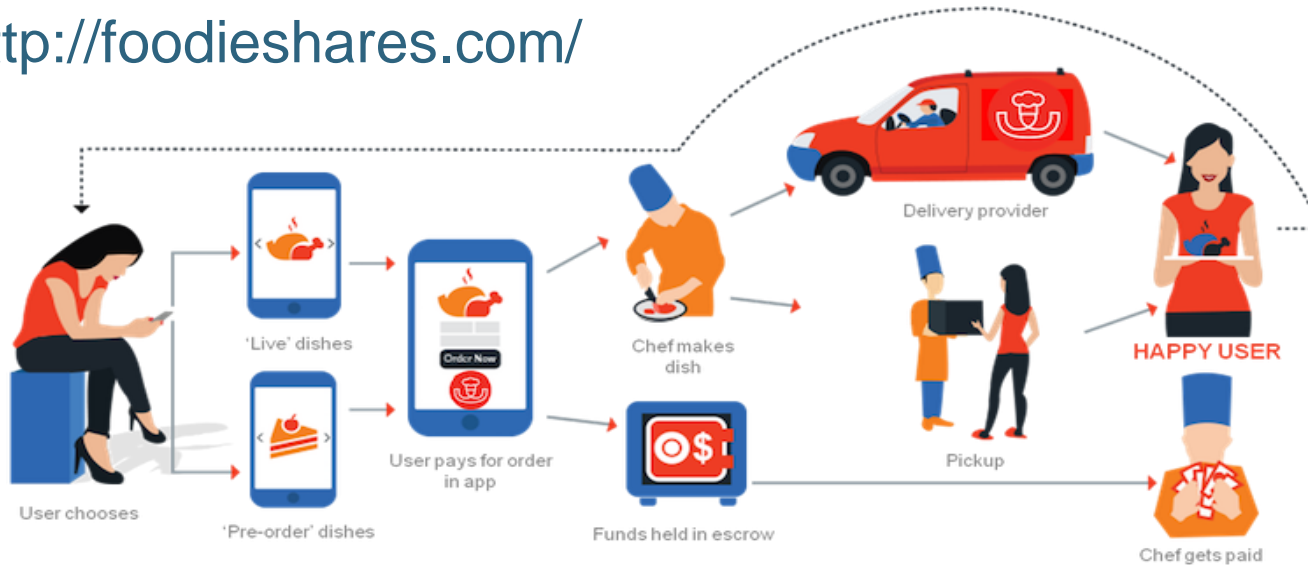


Feastly - Pros/Cons

- 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; \$45,000 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

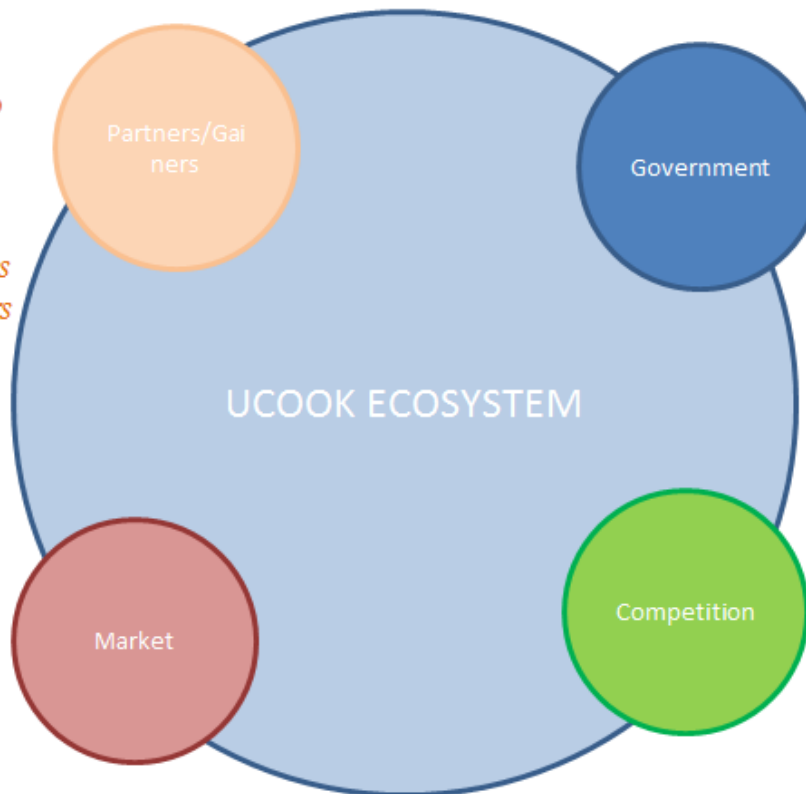
- **“ILLEGAL! There really isn't a "legal grey area" when it comes to food production. The law is very, very clear.”**
- **“Ridiculous that something like this would be illegal!** would a chef have to have a license of some sort to come to your house to cook a meal for your family? Heck no ...

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??*



- *FDA*
- *Regulators*
- *Licensing*

- *Restaurants*
- *ToGO, FastFood*
- *Home Cooking*
- *Cooks*

- *Restaurants*
- *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?