

Food Truck Buyer's Guide 2013

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Table of Contents:

Foreword from FoodTruckEmpire.com

Running a (Successful) Food Truck: My First Year – Interview with President of Benny's Crepe Café, Frank Shear

Building the Right Food Truck for You with the co-owner of Road Stoves, Josh Hiller.

\$20,265 in Funding For a Food Truck in 28 Days. How One Entrepreneur Did It.

How to Start a Food Truck Business: From Nine People That Actually Did It.

Tools, Tips, and Other Resources

Foreword:

Thank you for downloading the **Food Truck Buyer's Guide 2013** edition from **FoodTruckEmpire.com**. We hope you find value in this digital magazine and are better prepared to decide whether or not a food truck business is right for you after reading this guide.

In this e-book, we've done our best to provide you with straight-forward information on getting started in the mobile food business in a variety of ways, including:

- Interviews with Food Truck Entrepreneurs
- Interviews with Food Truck Manufacturers
- Helpful resources, tools, and videos for launching your own venture

We understand that if you're just starting out, figuring out everything that you need to start and manage a food-truck business is an enormous challenge. Our goal is to make the entire process a little bit easier for you.

Want To Learn More?

If you want even more information about running a successful food-truck business, you can sign-up to receive our quarterly updates here: http://foodtruckempire.com/subscribe/.

The subscription is free. All you need to do is provide your name and a valid email address so we know where to send each new issue. At FoodTruckEmpire.com, we hate spam and won't send you annoying emails. Naturally, you can easily unsubscribe at any time by emailing support@foodtruckempire.com or simply respond to any email message you receive from us.

Free Gift to You

As an added bonus to our subscribers, we will also provide you with instant access to the following two videos:

- **How to Start a Food Truck Business:** Nine food-truck entrepreneurs share their experience starting a mobile food business. This video is roughly 60-minutes in length and should be required viewing for anyone considering a food business.
- \$100,000 Per Year with a Hot Dog Cart: A cart owner with over 20-years of experience share's his personal experiences and recommendations for operating a profitable hot dog cart.

Subscribe now and you'll receive four issues per year plus these bonuses... free!

Running a (Successful) Food Truck: My First Year

President of Benny's Crepe Café, Frank Shear, shares hard-won lessons and practical advice from his first 12-months operating a food truck.

Frank Shear is a veteran business owner that operated and managed his own business for nearly three decades before switching gears and launching his first food-truck in September, 2012. During Shear's first year in business there's a consistent theme that appears: The importance of remaining flexible. Flexibility in food pricing, menu items, marketing strategy, and just about every other aspect of operating a food truck was essential in prevailing through year one and positioning Benny's Crepe Café for long term success.

In this exclusive email interview with FoodTruckEmpire, Shear graciously reflects on his first 12-months in the food truck business, his unique food concept, and offers guidance to those thinking about entering the industry.

FTE: Tell us a little about yourself and how long Benny's Crepe Café has been in operation?

Shear: We have been in operation since September 2012. I began this business after closing a prior business which I had been in charge of for 29 years. I have always wanted to be in the food business and this was my chance to do it in as low cost a way as possible. The crepe idea began from a trip to Paris where there are crepe carts/trucks all over the place. I felt that this was something I, as a noncook, could do. Three years and lots of practice later I began this business with my daughter's boyfriend, who luckily was working on a food truck and who is now in charge of truck operations.



Photo Courtesy of Benny's Crepe Cafe

FTE: What's the most popular item on your menu and how did you come up with it?

Shear: Our most popular menu item is our ham and cheese crepe, which we serve with carmelized onions and sautéed mushrooms. It's traditional, but we have embellished it some. Our smoked salmon crepe comes from a popular dish served in Jewish delis -- smoked salmon, cream cheese, red onion, capers. We have "crepeified" it. We continue to work on new dishes that we slip in to the menu periodically, sometimes taking something out. It's our way of keeping the menu as exciting as possible

And then we have the sweet crepes. The most popular of them have Nutella, but we are working on some new summer time offerings using fresh fruit.

FTE: What are some of the biggest challenges you encountered in the first 90 days of opening your business?

Shear: As to the challenges, we went in as prepared as possible but we found that we knew very little about who we would attract as customers and what they would like. Our prices were too low, we chose the wrong locations and are just now bailing out from one of them, and we also started in the fall. That turned out to be our most serious issue, that the winter really depleted our cash.

Now we have some nice city locations, are doing some catering on the side, have our operations worked out and are functioning smoothly.

FTE: If you had one or two critical pieces of advice for aspiring mobile entrepreneurs what would they be?

Shear: My first piece of advice would be to take the time to do your research and make sure you have plenty of capital to finance your initial slow period. I went into this figuring that we'll work out any issues, but some are unavoidable and you have to be prepared. I didn't do the initial research as thoroughly as I should have, but I did have the capital to keep us going. Talk to a restaurant consultant (which we did) and assume that he-she doesn't know anything about food trucks (few of them do).

I do ask other truck owners as much as possible about their operations. I know many of them and we do share information frequently, if not financial info then items such as meals served (covers, it is called). We get into conversation and things come out. Just get to know your competition.

Also, learn the social media. I have a very hard time with this as I grew up in the paper and direct mail era. I am learning slowly. Promote, promote, promote.

To learn more about Frank Shear and Benny's Crepe Café, visit his website.

Building the Right Food Truck for You with the co-owner of Road Stoves, Josh Hiller.

From building a truck for NBA super star Baron Davis, to facilitating the vision of the non-profit Meals on Wheels, or prepping eight food trucks for a cross-country reality competition The <u>Great Food Truck Race</u> for the Food Network, Road Stoves is arguably the most recognized and respect custom manufacturer on the planet. FTE had the opportunity to conduct an email interview with Josh Hiller, co-owner of Road Stoves to find out what separates a successful food truck from those that failure along with candid advice on how to launch a food truck of your own.

FTE: Tell us a little about your role at Road Stoves and the number of custom trucks you produce for food entrepreneurs each year?

Josh Hiller: I'm Co-Owner of <u>Roadstoves</u>, I deal mainly with Business Development. We produce between 20 to 40 trucks per year for clients. Those include mom and pops, new chefs, entrepreneurs, and Fortune 500 clients (typically for brand promotions).

FTE: What's the most unique food truck Road Stoves has ever produced for a client? What elements made the truck so unique?

Josh Hiller: One fun one was for Baron Davis, the NBA player. We created a roving shoe and clothing display store for him, to attend his functions (autograph signings, events, etc.).

Second would probably be the Meals on Wheels "Cart for a Cause" which engaged top local chefs to "guest star" on the truck each week selling food to raise money for charity. One of the more challenging projects was supplying all 8 trucks for Season 3 of The Great Food Truck Race. Prepping eight food trucks for a cross-country journey was no easy task.

FTE: As you know, when starting a business (including a food truck business) there is a certain amount of assumed risk. In your opinion, what are the key characteristics between a food trucks that are successful and those that fail?

Josh Hiller: First and foremost is the food. At the end of the day that's what you're selling. So you better be able to find your market and make them repeat customers.

After that, it's truly a hands-on business, you can't have absentee owners. I've seen it time and again, someone comes in with a concept and figures they'll hire a couple people to run the truck. The failure rate on those trucks is close to 100 percent, unless you have deep enough pockets and one heck of a product to withstand the normal absentee owner issues.

FTE: What's the most popular type of food truck you're producing right now?

Josh Hiller: There is a standard food truck, and for most people starting in this business I'd highly recommend simply renting a truck. This way you can get a feel for the business, know what the day-to-day is like (it's a grind, definitely not for everybody), and see if you can make money in this business.

Standard trucks generally come with a flat top, deep fryer, steam table, refrigeration, sinks, cold-line, cutting boards, warmer, coffee maker, and the truck is 22 feet long bumper to bumper. A brand new truck costs around \$130,000 (not including maintenance, insurance, permitting, staff, food, commissary, etc.), that's a lot of burgers to sell to make that pay off. So we recommend renting before buying.

FTE: What's one of the most important aspects of a food truck should you be sure to invest in as an owner? On the flip side, what elements of a food truck can you save money on as an owner without sacrificing quality?

Josh Hiller: At the end of the day, the product you're selling is food. So honestly you better make sure that's as close to how you want it as possible. That doesn't mean building a custom truck, unless you've been in this business a few years and know that the business is there for you and you're committed to it for at least another 5 to 10 years.

Take <u>Kogi</u> and the <u>Grilled Cheese Truck</u>, they basically created their menus around what they could cook in a rented food truck. They're now two of the most successful in the country.

On the flip side I've seen entrepreneurs spend money to customize a truck for a specific product, fail, then struggle with selling a truck that's limited to a specific food type. The next most important thing that isn't on your list is a good mechanic. No matter how much you spend, whether you buy brand new or a 30-year-old truck, it will break down and require constant maintenance. It's just the nature of the beast.

FTE: Before investing in a food truck, what are the most important aspects an entrepreneur should consider that is often overlooked by first time food truck owners?

Josh Hiller: The daily grind of running actually running a food truck. It's easy for people to run numbers and hypothesize, "my rent is \$x, my food costs are \$y, all I need to do is sell \$z worth of burgers a day and I'm making money!" Well, getting up each morning, prepping, finding locations, driving around town all day, dealing with mechanical failures, staff issues, coming back to the lot exhausted and having to plan / purchase for the next day, it really wears on people.

FTE: Any final thoughts or comments about the food truck industry before we let you go?

Josh Hiller: I think it's definitely a lifestyle business. It's very hard work, and risky. But you can be your own boss, run your own business, and be out in the city all day rather than sitting in an office or stuck in a corporate kitchen. It's not for everybody, but some people really like the freedom.

To learn more about Josh Hiller and RoadStoves, visit RoadStoves.com.

\$20,265 in Funding For a Food Truck in 28 Days. How One Entrepreneur Did It.

Unless you've got a rich uncle, coming up with an extra \$20,265 to fund a food truck in less than 30 days could seem unlikely. Thankfully, through a combination of technology, a little creativity, and a lot of planning Linda Jo Kushner of <u>Linda's Luncheonette</u> was able to hit her funding goal without the assistance of wealthy relatives. Best of all, you can duplicate Kushner's exact process to secure funding for your own truck.

How?

Kushner along with thousands of other entrepreneurs from around the world are raising money for their projects using a program called <u>Kickstarter</u>. Kickstarter provides an online forum to pitch "creative projects" to investors from all over the world interested in donating money to worthwhile causes. If you're not familiar with this program, here's a brief summary about how the system works.

User's of the website KickStarter.com, create an online campaign that includes a description of their project, a pledge goal (how much money is needed), along with a video that can range in length anywhere from two minutes to fifteen minutes. In the video, campaign organizers have the opportunity to share their vision and explain how donated funds would be used. Funds from donators are only distributed if the pledge target goal is reached, meaning if you wanted to acquire \$50,000 for a mobile restaurant, but were only able to get \$30,000 in donations, you would not receive any funds. If the campaign is successful, KickStarter.com takes a cut of the money as a fee.

To see how Linda setup here successful KickStarter.com campaign, <u>dick here</u> to read the campaign profile. As you can see Linda produced a compelling short minute video that allows her to explain the story behind her food concept, talk about how she would use the money, and perhaps most importantly allow the viewer to get to know her as a person.

At the condusion of Linda's 28-day KickStarter campaign she had a total of 85 backers that contributed a grand total of \$20,0265. She is now successfully operating <u>Linda's Luncheonette</u> and serving "Nostalgia on a Plate" to happy customers across the Montgomery County, Maryland, area.

How to Start a KickStarter Campaign

Inspired by Linda's story? Here's how to launch a campaign of your own.

Where to Start?

Thinking about putting together a KickStarter Campaign to raise funding for your own venture? Here's some advice for getting started and increasing the odds your campaign will be a success.

1.) Research: Conduct research on past food trucks that have successfully raised funding on using KickStarter.com before. Analyze the information they've provided, the way they've made their videos, and see what type of bonuses they've offered. You can learn a lot from campaigns that have failed as well. Use what seems to be working for your own campaign and be sure not to make the mistakes that have contributed to others failure.

- **2.) Tell Your Story:** You might feel compelled to provide as many stats, figures, and projections when pitching your project. While data is an important part of convincing users that you're a serious entrepreneur, don't forget about the personal element. Don't be afraid to be yourself and explain the inspiration behind the business concept. This is your chance to tell the story behind the food that will be served on your truck.
- 3.) Tell Friends and Family About Your KickStarter Campaign: The whole point of creating a KickStarter campaign is to allow visitors from around the world to learn about your business idea, encourage them to contribute to the cause, and (hopefully) you end up with sufficient funding at the end of the day. With that being said, don't forget about your existing personal network. At the beginning of a campaign, you'll want to encourage friends and family members to contribute as soon as possible so that you can begin building momentum and excitement around the project quickly.
- **4.) Get Started:** When you're ready, start your KickStarter project here: http://www.kickstarter.com/start.

How to Start a Food Truck – From Nine People That Actually Did It (Video)

Ever wish you could be a fly-on-the-wall while nine veteran food truck entrepreneurs share their secrets for launching a successful mobile venture? Well you're in luck because on March 20, 2012 there was one such recorded gathering held at the Orlando Public Library in Orlando, Florida.

The focus of the one-hour panel was on how to start a food truck business, but each of the food truck owners started by explaining their inspiration for launching a food truck business which ranged from wanting to operate a business on their own terms, expanding an existing business, and of course for financial reasons. Many of the entrepreneurs could not afford their own brick and mortar restaurant or didn't want to take the risk. Instead, these culinary businessmen and women found they could start a food truck for a much lower initial investment to pursue their dreams.

Grab a note pad, your favorite beverage and find a quiet space for the next 60 minutes to really focus on the content in this video. Whether you're new to food trucks or are launching your second food business you'll find plenty of takeaways in this recording.

Watch this Video Now by Subscribing to the Food Truck Buyer's Guide For Free Here:

http://foodtruckempire.com/subscribe/



You will receive instant access to the video upon subscribing. In this video you learn:

- How differentiate yourselffrom other food trucks
- The difference between a gourmet food truck and a food truck
- Why you need to treat a food truck like a regular restaurant
- How to find the right truck for you
- How much you should expect to spend on equipment
- How to find out the local laws / permits for your area

- Elements of every successful food truck: Great Truck, Unique Brand, Exceptionally Consistent Food, Incredible Customer Service.
- The Importance of the Exterior Design and Look of a Food Truck
 - First impressions are extremely important
 - Built from scratch / custom design kitchen or buying used and modifying
 - Choosing a food truck or food trailer

Tools, Tips, and Other Resources

There's a wealth of high-quality free information available online to help you learn more about building a food truck business. The problem is the good stuff isn't always easy to find. In this section, we've organized some of the best information about operating a food truck business from around the web to help you start a food truck more efficiently.

Business

<u>Getting a Food Truck is Not Cheap or Easy</u> - Excellent article that explains the variety of expenses associated with starting a food truck. From permits to health inspections to parking fees, it's all covered here.

<u>How to Start a Mobile Food Business</u> – This Forbes.com article provides an overview of the steps required and things to consider before starting a food truck, including planning a menu, acquiring permits, and determining start-up costs.

<u>10-Step Plan for Starting a Food Truck</u> – This post synthesizes the process of starting a food truck into 10 simple actions.

<u>Startup Lessons from the Food Truck Revolution</u> – Two entrepreneurs discuss the details of business and branding for the mobile food movement.

<u>Food Truck Economics</u> – Really good article that outlines how to run a food truck that is profitable.

Video

<u>Building a Food Truck Business from the Ground Up</u> – In this special report from ABCNews, Nightline follows two food-truck entrepreneurs for their first 6-months of business. These new owners candidly share the upside and downside of their budding business.

<u>Start-up Trends: High-end Food Trucks</u> – In this video from Inc., three upscale entrepreneurs discuss what it takes to run a high-end restaurant on wheels.

Chef Brian Hill's Comfort Truck - Get a peek inside the daily operations of a food truck.

How-to Books

The Food Truck Handbook: Start, Grow, and Succeed in the Mobile Food Business

The Complete Idiot's Guide to Starting a Food Truck Business

<u>The Food Truck Cookbook</u>: 150 Recipes and Ramblings from America's Best Restaurant on Wheels

Running a Food Truck for Dummies

<u>Start Your Own Food Truck Business</u>: Cart, Trailer, Kiosks, Standard and Gourmet Food Trucks, Mobile Catering and Bustaurant

Got questions?

If you've got feedback or recommendations for articles we should publish in upcoming issues for Food Truck Empire magazine, let us know. Reader feedback is an important way we come up with creative story ideas for the website and magazine. You can email us anytime at: support@foodtruckempire.com or by visiting http://foodtruckempire.com/contact/.

Also, if you've got specific questions about finding the right food truck for you, <u>email us</u> and we can help provide you with additional information about truck layouts, equipment, or renting versus buying a truck. We're here to help.