

HOT MAMA SALSA

FROM FARM TO TABLE TO BEST SELLING CHIPS



THE JOURNEY

IDEATION & PLANNING

Can I get a handmade product on a grocery shelf made from fresh local produce?

SLOW & STEADY

Growing at your own pace

FARMERS & COMMUNITY

Local sourcing, seed purchasing and building relationships with farmers

CHIPS & COVID

Pivoting to new products in a pinch

BUILDING A FACILITY

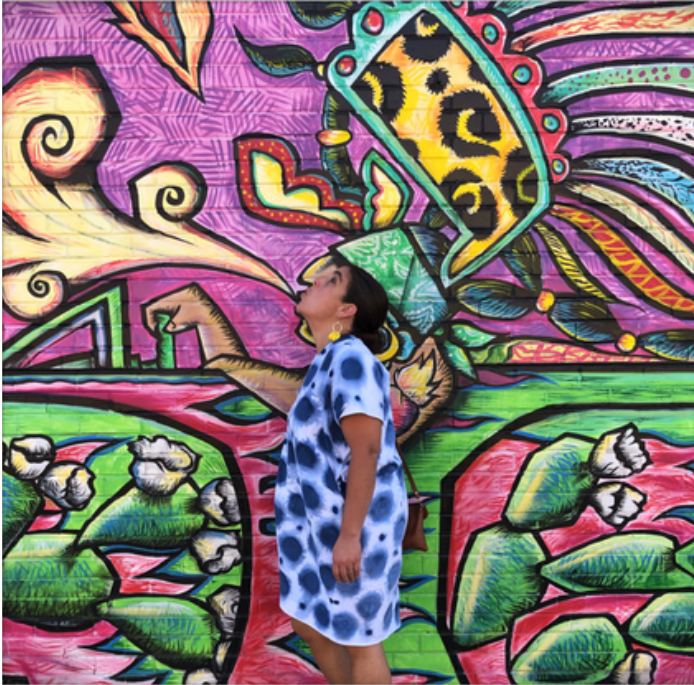
Knowing when to grow

NIKKI'S TIPS & RESOURCES

Finding mentors, being open and building a sustainable business



IDEATION & PLANNING



NIKKI GUERRERO

Founder

When Nikki Guerrero moved from the Southwest to the Pacific Northwest, she experienced some culture shock. As a trained artist and professional photographer, she had anticipated the visual and geographic differences between Oregon and Arizona, but hadn't been prepared for the stark difference in culinary flavors.

Nikki grew up making food with her grandmother in Arizona. Homemade beans and rice were sacred in the Guerrero family as were the family's signature red chili and pork tamales. It wasn't long after she arrived in Portland, that she began searching local farmers markets for peppers and other ingredients to replicate the hot spicy flavors of home.

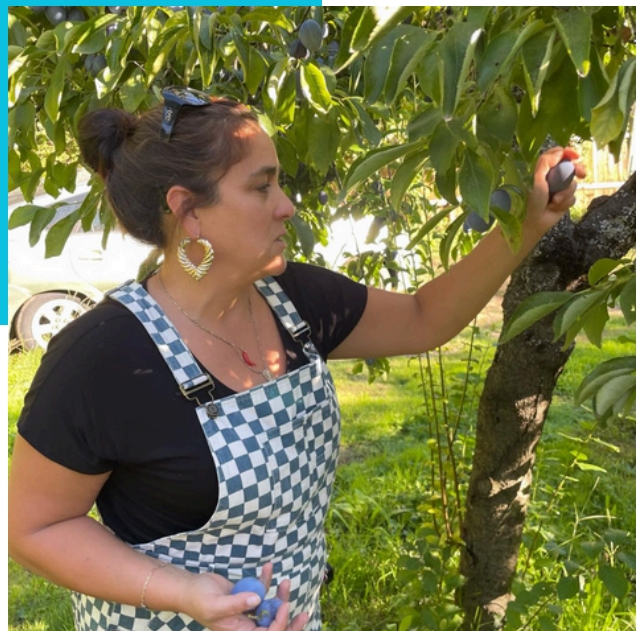
This was 1999, and the cultural make-up of Portland was very different. There wasn't the influx of people from California and the Southwest

that are here today, and consumers weren't accustomed to, or yet seeking, the hot spicy flavors that Nikki was craving.

There was clearly a gap in the market, but filling it was not as straightforward as purchasing ingredients and producing a product.

When she began envisioning Hot Mama Salsa, Nikki realized that she would need to import peppers or work with local farmers to grow them because when she arrived those crops were not grown locally. The farmers markets only had a few varieties of peppers and none as hot as she was seeking. In general, "there was a lack of local fresh salsas," says Guerrero. "And mostly the fresh salsas were unblended pico de gallo, not blended, roasted and spice forward varieties."

"Part of why I started a food company," reflects Guerrero, "Is that I wanted an answer to the question: 'Can I get a hand made product on a grocery shelf made from fresh local produce?'"



SLOW AND STEADY

At her core, Nikki Guerrero is an artist and community builder. “I think like an artist, and Hot Mama Salsa started as an art project.” Her goal was to build a company around community, food and farmers.

Hot Mama Salsa officially launched in May of 2008 with three fresh salsas: Gramal’s Chile, Salsa Verde and Salsa Cacahuete. To this day, Gramal’s Chile, a blend of stewed jalapenos, tomatoes and cilantro, remains their best selling salsa.

“HOT MAMA SALSA STARTED AS AN ART PROJECT”



The first sales were through farmers markets, which have remained a steady part of Hot Mama’s fresh salsa business. Hot Mama Salsa also made it onto the shelves of a small local coop. During this time, Nikki started collaborating with local farmers on growing specialty peppers.



The relationships with farmers that have continued throughout the life of the business have been key to Hot Mama’s ability to create their seasonal salsa of the week and to share the flavors of Nikki’s youth with the Pacific Northwest.

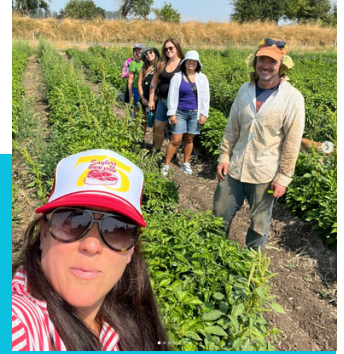
During her first years in business, Nikki had a daughter and as she navigated motherhood and parenting with her husband, she choice-fully kept her business small and stable. She continued to sell at farmers markets and in a few small coops, but didn’t actively work to expand the business. She used this time to continue developing her farmer and customer relationships and to test out the viability of new pepper crops in the region.

FARMERS & COMMUNITY

In many ways, Hot Mama's focus on community and connection has been their secret sauce. A few years into the business, Nikki began to notice that customer demand for spicier products was increasing. She simultaneously observed the limitations of only offering refrigerated fresh salsas. In response, Nikki introduced a line of spicy shelf-stable hot sauces.

Nikki's relationship with local farmers continued to be a vital component of the business, not only were they able to grow the many chilies necessary for this new spicy line, together they sourced seeds from all over the world, learning about new varieties and testing which grow best in the Pacific Northwests. These partnerships have allowed Nikki to create products based upon a vast array of chilies, some that are not even available on the commercial market.

Over the next few years Hot Mama Salsa expanded into larger commercial kitchen spaces, refined the production of both fresh and shelf-stable products and continued to expand their product lines.



While continuing her presence at local farmers markets and coops, Nikki eventually launched into wholesale grocery and foodservice.

Developing her wholesale business strategy was aided by her deep understanding of her customers and their purchasing habits. As a result, Nikki was able to guide buyers as they decided upon which product assortment would work best for each location.

Buyers and food service accounts responded positively to her slow growth strategy and built in loyal customer base and were eager to carry their products.



CHIPS + COVID



In order to provide samples of salsa and hot sauce at farmers markets and retail stores, Nikki and her staff began making tortilla chips. They were a huge hit and customers began asking if they could buy them. Retailers, responding to customer demand, were also inquiring. At first Nikki resisted, her kitchen wasn't set up for large scale chip production. She worried she wouldn't be able to keep up with demand in her current space.

wanted to do. Everyone wanted to keep working, so they pivoted and decided to commercialize their tortilla chip business.

Nikki knew that her chips would stand out taste-wise, “our tortilla chips are made with thick white corn tortillas and fried in non-gmo peanut oil. They are light yet thick and crunchy.” describes Nikki. However, they are labor intensive and need specialize equipment to make in big batches. While Nikki and her staff were excited to dive into this new scaleable business, they were hesitant to invest in a lot of equipment or new space, particularly in the middle of a pandemic, before they had tested them in the retail landscape.

Nikki approached a local specialty food chain, already selling her salsas and hot sauces, if they would be willing test her chips on their shelves.



Then, when the pandemic hit in 2020 and Hot Mama Salsa's foodservice accounts shrank, Nikki knew she needed to make some quick changes to keep the business afloat. She called a meeting with her staff and asked for their input on what they

They agreed to try it in one of their locations and in their first month, Hot Mama's chips became that store's best selling grocery item. Within three months they were in all locations and became the best selling grocery item in all of their stores.

BUILDING A FACILITY

Soon other retail stores came knocking. Everyone wanted Hot Mama's chips. First, Nikki and her team tried to keep up with demand by outsourcing some of the production, but ultimately realized that to make the chips the way they wanted them, they needed to their own dedicated facility.

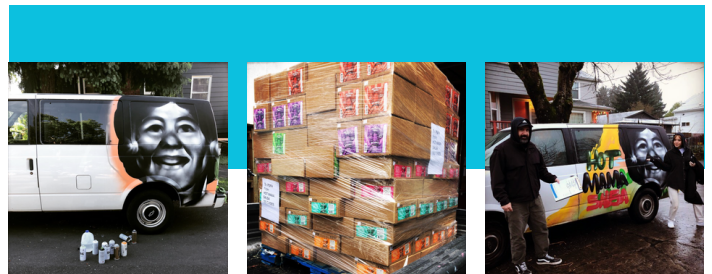


In December of 2023, they moved into a 9,000 sf facility where they can produce all of their salsas and hot sauces as well as their new line of tortilla chips. When they moved in, the facility was in disrepair and it took a lot of sweat and patience to get all of the equipment up and running.

By the Summer of 2024, Hot Mama Salsa was producing large amounts of chips in addition to all of their salsas and sauces in their own facility. They were able to support the demand for chips and to expand into more and more retail markets.



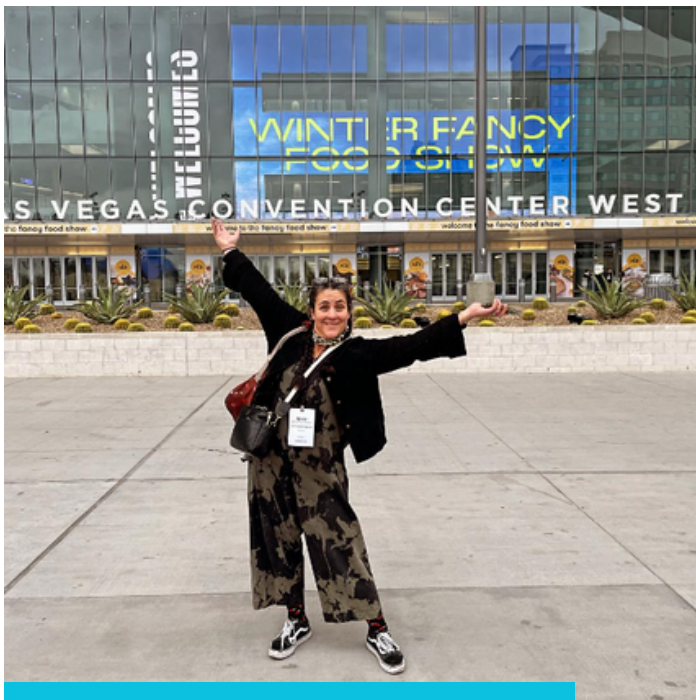
While they have grown dramatically in the last 4 years, Nikki has been thoughtful and intentional about the ways in which she has scaled. Rather than contract with a large national distributor, she purchased a truck and pays a local driver to do deliveries



Despite all of her success, Nikki has not lost sight of her initial goals. She has remained community focused, continuing to work with local farmers, maintaining a presence at farmers markets, hiring full time employees, and working towards opening a co-packing business to support other local food entrepreneurs.

When asked how she defines success, Nikki thought for a moment and responded, "Providing my employees with benefits and living wages, working with farmers, and bringing home made authentic flavors and food to our community."

NIKKI'S TIPS & RESOURCES



BE CREATIVE

Build Your Community

Not only will your product sell better if you have a strong community presence and loyal customers, but you will make friends and find mentors. Being out there in markets and at events will allow you to connect with other entrepreneurs who are at your size and scale. They will be able to support you as you make some of those early and mid stage business decisions.

Go Slow

If you can afford to, go very slowly. This is not a business where the fastest to market necessarily wins. In fact, you will learn a lot of critical things about your product in the first years that you are selling. If you are small and agile enough to take those learnings into consideration and build your business around feedback you will create a much stronger and more sustainable model.

Don't Expect Quick Riches

For the first five years in business, Nikki hired and paid employees to help with production and farmers markets, but was not able to pay herself. All profits for the first five years went back into growing the business. This model is quite common and while now Nikki takes a salary and is able to provide benefits for all of her employees, the slow build to this stage of her business is one of the things that has made it so strong and sustainable.

Seek Mentorship

There are endless ways to approach starting a food business, and there is no right way for everyone or every product, but it's important to explore and be open to what might be the right fit to you. Look for organizations in your community that provide business mentorship. Ask lots of questions, listen closely to the answers, be open to the fact that you might not always do things the right way the first time. Explore options and opportunities before you sign contracts and while it's great to be all in emotionally, it can be prudent to move a bit more slowly when it comes to investing in your growth.

RESOURCE CORNER

Some of the key organizations and resources that led to our success!

[PNW F&B](#)
[Built Oregon](#)
[Livelihood NW](#)
[Farmers Markets](#)



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PHOTO CREDITS

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