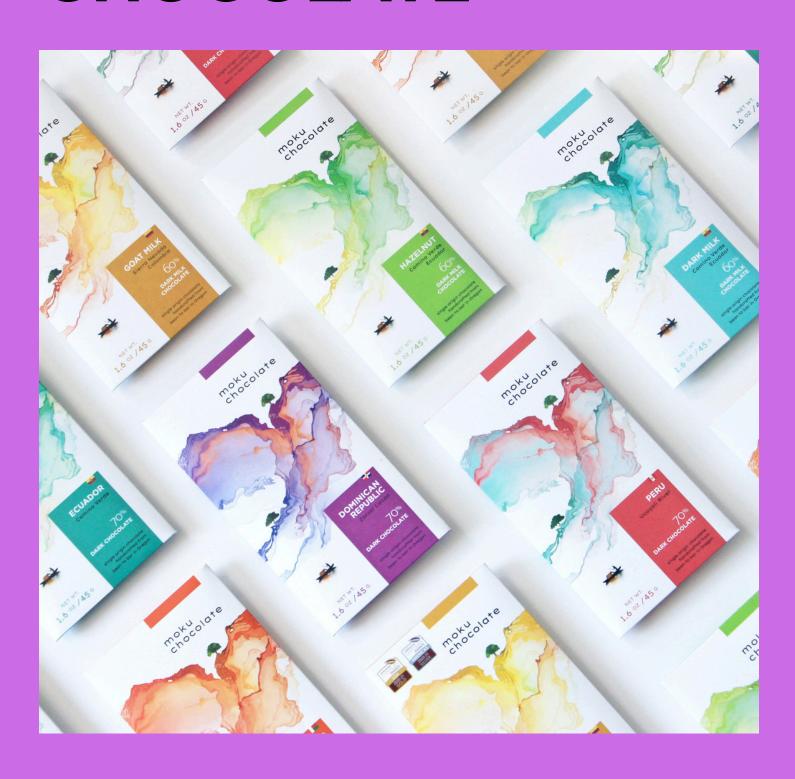
MOKU CHOCOLATE

BEAN TO BAR TO AWARD WINNING CHOCOLATE



THE JOURNEY

IDEATION & PLANNING

Visiting farms, learning about chocolate making, testing recipes

FORMULATION & PRODUCTION

Licensing, COGS, Packaging

WHOLESALE, PACKAGING & GIFT SETS

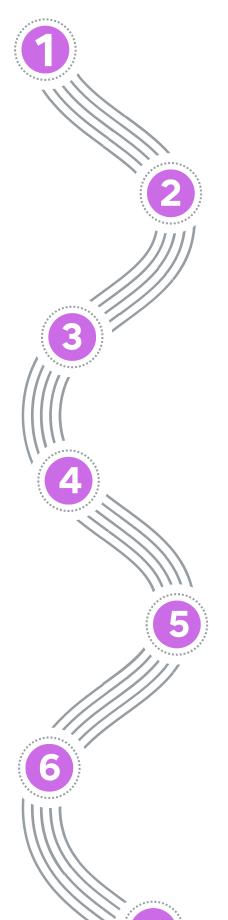
Finding the right packaging

AWARDS & TRADESHOWS

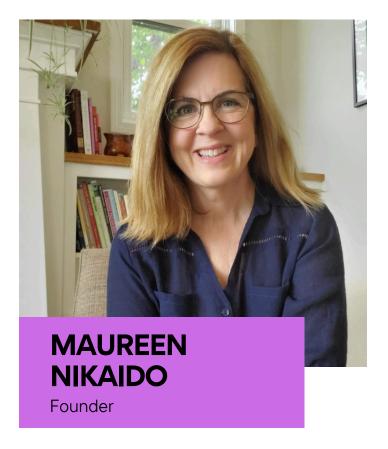
Good Food, Fancy Food, Chocolate Events and landing the first retail accounts

GRANTS & PUBLICATIONS

MAUREEN'S TIPS & RESOURCES



IDEATION & PLANNING



On a trip to Central America with her husband, Maureen Nikaido visited a cocoa farm for the first time. She learned about the many varieties of cocoa beans, the people who grow and harvest them and the climate critical to a healthy crop. Maureen became fascinated by the transformation of the raw cacao beans into decadent chocolate and seeking a deeper connection to this process, she committed to learning to make bean to bar chocolate herself.

Shortly after her trip, Maureen enrolled in the 'Chocolate Making From the Bean' course at Ecole Chocolat. After completing the course, Maureen purchased a bag of beans from the region she had visited and began experimenting with roasting, cracking and winnowing cocoa beans, then grinding, refining and conching her chocolate mass before turning it into individual bars. The process was fun, and Maureen discovered she had

a knack for bringing out the notes of single-origin beans with her roasting process.

She brought samples of her bars into work to share and received very positive reviews. When the pandemic sent her home from her day job at a local university, she suddenly had more time to fine tune her process and began experimenting with new flavors.

With additional time on her hands, Maureen decided that she wanted to dip her toe into selling her chocolate, but wasn't sure where to start. She knew she needed more support and guidance to launch a business. "I was making chocolate at home but I didn't know how to package and sell chocolate," says Nikaido.



While searching online for packaging, she came across a program called Getting Your Recipe to Market (GYRM), a program designed to help food entrepreneurs commercialize their recipes. "When I enrolled in GYRM, I was still in the chocolate making testing mode, says Maureen, "I didn't realize there was so much more to launching a food business. GYRM taught me everything I needed to get started and introduced me to the tools and people to support me."

FORMULATION & PRODUCTION

After two years of refining her process, carefully selecting single-origin beans from fair trade farms and perfecting the flavors of her bars, Maureen launched Moku Chocolate in January of 2021.

She initially had two recipes; one for dark chocolate, and a very unique take on milk-chocolate where rather than use traditional dairy from cows, Maureen crafted her milk-chocolate bar with goat milk. "When I decided to launch, my intention was to create this as a side business. My plan was to sell at seasonal markets and pop ups while I continued working my full time job at the University."

When Maureen sought out a production space, she found it was difficult to find a facility that could accommodate both her roasting equipment and chocolate making equipment, including tempering and melanger machines. "Over the course of the last four years I've worked in four different kitchens, moving once or twice a year," said Nikaido. Moving so frequently was challenging, but necessary. Despite Maureen's intention to keep her business small, Moku began to grow at a very rapid pace.

Moku Chocolate's initial production volume was 80 bars per day as she only had access to small melanger machines. In the first year of the business Maureen would work nights after her full time job ended, and then sell at farmers markets and popups on weekends.

"In the beginning, it was really hard and lots of problems kept coming up," says Maureen. One of the challenges was the size of her machinery, but after having self funded her initial set-up, Maureen was hesitant to invest more money into additional equipment.



After looking for other ways to expand Maureen applied for and received a small development fund grant through the state of Oregon. With these funds she was able to purchase additional molds and larger scale equipment. The result was the ability to more than double production to 250 bars per day. Early on, Maureen was introduced to the director of merchandising at a locally owned specialty grocer. They were sponsoring a chocolate festival in Ashland, Oregon and asked if Maureen would supply Moku Chocolate for the event gift bags.

Despite her plan to stay small, a few weeks later, the same retailer approached Maureen proposing that they carry Moku Chocolate in all 18 of their stores.

WHOLESALE, PACKAGING & GIFT SETS

After discussing the opportunity with her husband and business advisors, Maureen decided to change her strategy and embrace wholesale grocery and specialty stores. With this first account, she now had all 9 of her bars in 18 stores across the state.

Landing this major retail account gave Maureen a boost of confidence and inspired her to start approaching more retailers directly. "It was fun to walk into stores with my chocolate," says Nikaido, "and I ended up walking into many more after that first one." By 2023 Moku Chocolate was being sold online and wholesale throughout Oregon, as well as in California, Washington, and New York.



Selling a premium priced hand crafted bean to bar chocolate required packaging that matched the quality of the contents. Maureen says she was "fortunate to find a designer that understood my vision for an envelope package and artwork highlighting the origins of the cacao beans."

A few years after launching Maureen and her designer decided they wanted to do more outreach

to magazines with the hopes of getting onto holiday gift lists. They identified 20 to 30 editors and writers of targeted magazines and sent them emails. A month later Maureen got an email reply from Oprah's marketing director. They wanted to do a virtual review and needed Moku to ship chocolate to them the next week. Maureen says "We didn't have gifting boxes yet but we shipped chocolate to Oprah anyway." While this last minute opportunity didn't pan out, it inspired Maureen to focus on the gifting market. "I got so close. Oprah tried my chocolate. I thought, maybe we will have a better shot with gift packaging?" reflects Nikaido.

Maureen and her designer developed three gift boxes; each to showcase different flavor profiles. While Maureen liked the gift boxes and they sold well during the holidays, she found them to be limiting. "The issue with gift boxes is that they are expensive and they lock you into flavors," says Nikaido. "If I run out of one of my Dominican, for example, then I cannot use those gift boxes."

Moku Chocolate discovered what many small specialty food producers find out after they invest in gift boxes: "The gift boxes weren't really necessary," says Nikaido, "Most people want to choose their own combination. A simple ribbon wrapping would have been just fine."







AWARDS & TRADESHOWS

While Maureen was new to chocolate making when Moku launched, you wouldn't know it by the awards she quickly began accumulating.

"Awards proved useful, even more than trade shows, for my chocolate," says Nikaido, "Some people would contact me just from learning about the awards."



The awards also caught the attention of the local news station and various publications. All of this press led to more local accounts, and an exciting collaboration with well known regional cider. Together they launched a limited edition chocolate marionberry cider.

To date, Moku Chocolate has won over a dozen awards from various organizations including the Good Food Foundation and International Chocolate Awards.

In addition to growing brand awareness through awards and earned media, Moku Chocolate participated in tradeshows. They exhibited at the Good Food Foundation trade shows in Portland and San Francisco as well as the Fancy Food show in New York.



After participating in a variety of tradeshows, Maureen has decided that she prefers the smaller regional shows over the big shows. "I don't find the bigtrade shows worthwhile for me. While they are lots of fun and I learned a lot, they cost a lot to travel to and attend and often do not help smaller businesses that aren't set up with large distributors. The money spent could be better used for production and local marketing." reflects Nikaido.



GRANTS & PUBLICATIONS

Scaling a new food business is a challenge for most food entrepreneurs. Food businesses are capital intensive and while Maureen and her husband initially self-funded the business, Maureen realized this early on that they would need other funding mechanisms. Maureen worked with RAIN, a regional accelerator that helps connect businesses with local and state grants.

Maureen's advisor at RAIN connected her with Business Oregon and Moku Chocolate was able to secure a grant through the state, for women and rural owned businesses. It was a matching grant and once Maureen demonstrated that she had invested \$15,000 in her business, the grant matched that. With \$15,000 in additional funding, Maureen was able to invest in the larger scale





equipment and new custom molds. This allowed Moku to successfully scale production efficiencies. These upgrades led to more reliable production runs which allowed Maureen to gain accuracy on both costing and forecasting.

In addition to finding innovative funding paths, Maureen has been able to attract a lot of press. The combination of her rapid success, beautiful packaging and innovative funding models, has led to her and Moku being profiled in a number of print and online magazines.

Moku chocolate is currently on strong financial footing and Maureen is taking the opportunity to evaluate her business and plan for the future. "I wanted to stay small, but then I had successes and had to see it through," reflects Nikaido. Maureen continues to love creating and sharing her products in the local community. Whatever she chooses as her next move is sure to be sweet.

MAUREEN'S TIPS & RESOURCES



STAY THE COURSE



Confidence

Getting the confidence to sell your product can take time. Discover what will give you that confidence, whether it be awards, initial sales, or customer reviews. Don't be afraid to approach buyers with your product. Come armed with samples and sales statistics and they will appreciate you!



Awards

Awards can be a great way to get attention. They can be given out by your category's industry, such as chocolate, or by specialty food organizations such as The Good Food Foundation or The Specialty Food Association. Be aware of the schedules for awards you would like to pursue. There is often a long lead time between the application, tasting of products and when the awards are actually presented.



Production Grants

Explore grant opportunities to help your business scale production, market products, or enter new regions. They can be available through the USDA, state and county, or trade groups. Grant opportunities tend to rotate depending on funding availability. Look for "catalyst" advisors to help find grant opportunities in your state or region.



Know Your Goals

It is easy to get off course when launching a new business. Be sure to know your goals, re-visit and re-evaluate them on a regular basis. Don't beat yourself up if you get off track, just redirect and prepare yourself for the next opportunity.



Debt Free Choices

Launching a new business is expensive and has it's risks, so saving up to fund the business is critical. Operating the business debt free allows the entrepreneur to more easily make decisions on expanding or changing the business direction.



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PHOTO CREDITS

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