

Artisan Exchange helps food startups get off the ground



Free samples of artisan wine (as well bottles for purchase) are available from 10 a.m. to 2 p.m. every Saturday on Carter Drive in West Goshen. ADAM FARENCE — DAILY LOCAL NEWS

By [Adam Farence](#), Daily Local News

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Some of the items available for sale every Saturday from 10 a.m. to 2 p.m. ADAM FARENCE — DAILY LOCAL NEWS

WEST GOSHEN >> Three years ago, Artisan Exchange was founded as a unique way for aspiring small business food owners to pursue dreams and share family recipes at reduced financial risk with less bureaucratic red tape.

To date, Artisan Exchange founders Frank Baldassarre and Joseph Stratton say they have helped start over 70 artisanal food businesses, created over 135 part-time and full-time jobs, helped preserve and monetize family heirloom recipes, and helped grow the entrepreneurial class in the local community.

The founders say the program helps small scale business owners get off the ground and sell their product to local retailers by making available resources typically only at the disposal of large scale organizations and corporations.

“Every town in the U.S. 75 years ago had a local grocery store, sports store, doctor’s office, and accountant,” Baldassarre said. “We need to re-create that ownership class.”

Instead of a business owner handling the entire business owning process themselves – the facility, cooking equipment, sanitation equipment, packaging and distribution, government licenses – Artisan Exchange handles most of the legwork and leaves the food making process to the individual artisan.

Artisans rent out sections of a warehouse on Carter Drive, starting as small as 120 square feet, where they stock whatever equipment they need to produce their product. This, along with a shared sanitation center, drives down startup costs aspiring business owners typically face if they were to undertake every step themselves, according to Baldassarre.

He said each sanitation center costs between \$50,000 and \$60,000, costs the artisans do not have to pay, and artisans have unlimited access to the equipment.

He stressed that everything is licensed by the state and county governments.

“We don’t cut corners here,” he said.

Some examples of products produced by the artisans include ice cream sandwiches, hot sauce, wine, candles, pretzels and dumplings. Among the companies in the exchange: The Ancient Kitchen, Aunt Mamie’s Italian Specialties, Chou-Chou, Golden Valley Farms Coffee Roasters, Uncle Louie Foods, Waffatopia and Wilson’s Curiously Good Foods. (For a full list, go to <http://artisanexchangewcpa.com>).

Additionally, Artisan Exchange helps negotiate packaging terms and conditions for their business owners.

Baldassarre said giving the opportunity for a packaging company to sign on dozens of potential new customers at once helps level the playing field between the business owner and the packing company.

For retailers that sell the artisan’s products in their stores, Artisan Exchange has one representative to handle all invoice requests.

He explained the arrangement allows to companies like Whole Foods to place orders for multiple items at once, instead of individually contacting each artisan.

Artisans also have the opportunity to share samples and sell products directly to the community every Saturday from 10 a.m. to 2 p.m.

For this program, the failure rate for new businesses is below the national average, Baldarrasse said.

“When we started this project, we guessed a 20 percent failure rate. We’re not even close to it,” he said.

Of the roughly 70 businesses Artisan Exchange helped launch, 65 are still in operation. According to statistics published by the Small Business Administration in March of 2014, about a half of startup business fail after the first year.

The project also has a large, commercial kitchen available for artisans to rent. Stratton and Baldarrasse both explained this is useful for an artisan that receives an order for a product larger than what they typically produce.

This allows artisan to produce large volumes when they need to, without purchasing expensive equipment for large scale production artisans would seldom use.

Baldarrasse said he is looking into expanding their operation.

“Business is good,” he said.”

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