

## Crushing It With Caramel Corn with Kathy Sing

**David Crabill:** Welcome to the Forrager podcast where I talk with cottage food businesses about their strategies for running a food business from home. I'm David Crabill and today I am talking with Kathy Sing, but before we get started, I wanted to mention that we're only a month away from the first ever national cottage food conference.

I think this event is going to be a great way for our cottage food community to come together and to connect. And I will actually be giving a keynote talk at the event. And many of the guests on this podcast will be speaking as well. Tickets are incredibly affordable at only 20 bucks. So there's not much reason not to join, to learn more about the conference and to register, go to [cottagefoodconference.com](http://cottagefoodconference.com).

All right, let's get on with this episode. As I said, I have Kathy Sing on the podcast today. Kathy lives in Visalia, California, and sells caramel corn and other candy treats with her cottage food business, Kathy's Kernels. Kathy has a class B cottage food operation in California, which allows her to sell wholesale to retail stores, and that does constitute a large percentage of her business. She started this business back in 2014 and is now approaching California's sales limit of \$50,000 per year. Now that's a lot of popcorn and she makes it all by herself, out of her home kitchen. So I'm looking forward to hearing more about Kathy's journey today to starting in such a successful cottage food business.

And with that, welcome to the show, Kathy. Nice to have you here.

**Kathy Sing:** [00:01:27] Thanks, David, I'm excited to be here with you.

**David Crabill:** [00:01:30] Kathy, walk us back to the beginning of this journey and tell us how it all got started.

**Kathy Sing:** [00:01:36] Oh gosh. It's kind of a long story, but we'll make it short. I worked in the corporate world um, forever and I quit working in 2001 and I started kind of a gift basket business and had still been doing that until COVID came in. And then had a very good friend who started looking into cottage food when it kind of first started coming around in California.

And um, her and I had always talked about opening a candy store. Well, she got her business going and in the meantime, my youngest son. Um, Kind of got into um, making some bad choices. And so it was really hard time for our family. Well he just celebrated eight years of being clean and sober and but he came to me after he got better and healthy and he said, so mom, what can you sell or what can you make that we can sell? And I had made like 300 favors for friend of mine doing caramel corn. And I thought, well, let's try caramel corn. No one else is really doing that. So I started that and did a little testing at my sister-in-law's business.

Um, and it seemed to go well. And so I looked into getting approved for my license and that's kinda how it started.

**David Crabill:** [00:02:59] So, what do you mean by testing

**Kathy Sing:** [00:03:01] Um, I took little bags of caramel corn in and was seeing what they thought of it and they started wanting to buy it and it went well. And so I thought, well, let's give this a try. And I thought, okay, this'll just be a little novelty for maybe a year. And um, here we are seven years later.

**David Crabill:** [00:03:22] Yeah. I saw that within the first year of running your business, you had gotten into like 15 retail stores and that is a lot for a brand new business. And I also know a lot of people are like, how do I get into stores? it's not the easiest thing when you don't have a proven product or you have a brand new business to get into a store location.

So how did you pull that off? Are there any tricks or tips that you used?

**Kathy Sing:** [00:03:50] Um, I know a lot of people here in town, I've lived here all my life. And I, I just went in with a bag and they loved my labeling the packaging, and then they tried it and they loved it. And, you know, you kind of have to get out of that comfort zone um, by going in and approaching these people and, That's not always easy for some people yeah.

And then other people, you know, retailers, owners would go, Oh, she's got it. You know, now I want it. So it was kind of a domino effect.

**David Crabill:** [00:04:24] I will say that I did see that your, your packaging hasn't really changed or label And that's the one thing you've had going for you from the beginning, talk about that a little bit. I think you have a little bit of a leg up on most people because of your son.

So like that's something that you had pretty much perfected from the beginning. How did that process work?

**Kathy Sing:** [00:04:45] So my oldest son, Kenny is a graphic designer and he ended up coming up with the name Kathy's Kernels. And I said, you know, we need a logo. Can you do this? And so he came up with that and it has stuck. And I say, I don't just do caramel corn anymore, but I'm just leaving it as is because it obviously has a following by that label and he makes me look really, really good. It makes my life really easy when it comes to labeling. For sure.

**David Crabill:** [00:05:18] The design does look really nice. I mean you don't need to update it. It looks professional. I mean, he is a professional graphic designer, so that, that makes sense. but so it's funny. So you actually, you actually see. you sent me some of your product for free in the mail. And I wanted to mention this because I haven't, I haven't given you feedback about it yet.

I said you didn't need to send me stuff, but you insisted you sent it anyway and you didn't know this, but. Tara, my wife is actually a really big candy person, so I knew she'd really appreciate this. So when I got it in the mail, I opened it and it looked really nicely packaged. I mean, you got your very nice logo design, your nice bags and it, and it reminded me of like a high-end gift, like a Harry and David gift box or something like that.

It was very nicely put together. And I brought it over to Tara and I showed her it. And her exact words were, is it as good as it looks? I said, I don't know. You tell me. then she proceeded to eat over half of it in one sitting. And I think the only reason why she didn't eat all of it was because she knew she needed to save a little bit for me. So, yeah.

**Kathy Sing:** [00:06:23] that was nice of her.

**David Crabill:** [00:06:26] But yeah, she said it was excellent. Excellent popcorn. And you sent some toffee and uh, and a rice crispy treat and she has a pretty strong opinion when it comes to candy. So that's high coming from her,

**Kathy Sing:** [00:06:40] Wow. Thank you.

**David Crabill:** [00:06:42] but I know I've seen some of the reviews online. I know you get this a lot, so let's talk a little bit about the quality of the product itself. Like tell me a little bit about your product and why is it so good or you know, anything in that regard?

**Kathy Sing:** [00:06:58] Um, Well, if we're talking about the caramel corn um, cause that's what I started doing. And then I added on the toffee and the rice krispies and a few other things. But you know, I've kind of gone through different types of butter and so I've found a butter that really works well. And I think that's important.

Salt is really important and um, A really good Brown sugar and the popcorn itself is that there's two different kinds of popcorns. One's a mushroom and one's a butterfly and they're each different. And I used to use just a butterfly popcorn, and now I combine the two and the mushroom is kind of that, you know, round one that you get kind of like when you get kettle corn um, And so I put those together and then I use coconut oil also, in many of the products I do.

And I think that just adds a little bit of something. and a lot of love and a lot of work goes into it. And I bake the caramel corn. I, you know, I do a little, few different things than maybe just the typical caramel corn.

**David Crabill:** [00:08:07] Well it seemed to me like the popcorn itself, you know, outside of the flavor was just really perfectly popped. So I don't know. Do you have any secrets in that regard? Like what, what kind of equipment do you use?

**Kathy Sing:** [00:08:22] I use a Presto air popper, just the one you buy at Walmart

**David Crabill:** [00:08:30] Hmm. Interesting.

**Kathy Sing:** [00:08:32] yeah. I mean, there's nothing commercial about it. So I do You know, I have an amount of each of the different, two different types of popcorn that I use. And I, I do that.

**David Crabill:** [00:08:44] That's amazing to me. I mean, you, I think I read. That you bought in the first year, like 300 something pounds of unpopped popcorn. And that sounds so labor intensive to me. And I know there are, you know, not, not even commercial options, but just basic improvements to that. Have you ever looked into any of that?

**Kathy Sing:** [00:09:05] I have, you know, not seriously, but this works. I mean, that popper is the best popper around that I can find. and I can only do so much, you know, I can't physically do more than what I'm doing so financially it doesn't make sense to buy some big popping machine because I don't want the popcorn just sitting there too long, not being used so yeah, it just, it works. And then. You know, you learn as you go. And here it is seven years later. I mean, I would literally, the little kernels that don't pop are called the old maids. And I would literally, you know, go through the popcorn trying to make sure that there's none of that in the final product um, before I put the caramel on it.

And so now I just bought last week, like a sieve that you can put. The popcorn in and shake all that excess stuff out. I'm like, where was this? I'm like the nazi kernel you know, person. And so, yeah, that was pretty cool.

But, um, Yeah. my Viking ovens. I opened the doors so many times that I kept having to get them fixed and it was like \$300 every time I was getting these doors fixed. And so finally I'm like, I'm just going to go and get new oven, double oven. So I have double ovens. so I, I ended up researching got kitchen aid.

Well, I ended up, with three different kitchen aids in my kitchen. And nothing was cooking, right. It was crystallizing. It was burning. And I probably took a hundred photos. And I was doing, you know, biscuit tests, and toast tests and cookie tests and muffins, and KitchenAid just fought me and fought me.

And I was still trying to run the business. You know, I was like picking out. Crystallized popcorn out of every batch. I mean, it was crazy. And finally, they finally refunded me my money and I bought two more Viking ovens. Oh, that was a nightmare.

**David Crabill:** [00:11:14] And, and so that's the popcorn side of it. You sell other things. And I noticed, you know, you sent me some toffee so I had that. That's also excellent. And it looked like it took you a while to introduce that to your product lineup and not even introduce it, but when you started your business, why did you choose to go with the caramel corn instead of the toffee or instead of something else?

**Kathy Sing:** [00:11:38] Well, like I said in the beginning, no one really was doing caramel corn. And so I thought, well, I would pretty much have that niche of being the only one. Making caramel corn besides, you know, the commercialized um, caramel corn people. and so, you know, that's what I started with and, like I said, I thought it would just kind of be a little hobby, you know, one year type thing.

and then I thought, well, Why not try to add something else into it. I've made toffee forever. Um, And I've learned as I've made it, you know how to do things a little differently. But it's been a good thing and I've had good response, but toffee scares me. There's a lot of people that make toffee and I'm real critical of my stuff. So I was afraid to put that out, but um, I did, and I'm glad I did.

**David Crabill:** [00:12:29] And what's the reaction been like since you put it out,

**Kathy Sing:** [00:12:33] Very good. Yeah.

**David Crabill:** [00:12:35] you wish you had put it out sooner?

**Kathy Sing:** [00:12:37] No, no. No. My suggestion is to keep it simple in the beginning and, and really only focus on one thing for me. I think that's the best thing to do and really, get your name out there, your label. People recognize the name. And then, then I felt comfortable to add more things, but I wanted to keep it simple in the beginning and not have too much.

**David Crabill:** [00:13:03] so you have the toffee that you added on. What else do you produce at this point?

**Kathy Sing:** [00:13:09] So I'm doing gourmet rice Krispie treats and. I had tasted some from some commercial companies and thought, Oh my gosh, they were horrible. I couldn't even eat them. so I kind of did some research on rice Krispie treats and most adults are like, you know, I'm not gonna eat a rice crispy treat.

And I sell so many of those things. I cannot keep my stores in stock. And so that has just gone crazy and they're so fun to make. Yeah. So that's been just a huge addition to the business. And then I do almond clusters, dark and milk almond clusters, and I've added homemade marshmallows. So now I'm making different varieties of homemade marshmallows and dipping them in chocolate and different varieties of that.

And that's people just love that. I said, if you, if you think. You don't like a marshmallow try a homemade one.

**David Crabill:** [00:14:05] I, I have to tell you what the rice Krispie treat you know, you gave. Me the popcorn, the toffee and the rice crispy treat. And Tara's reaction to the rice Krispie treat was exactly what you said, which is she's like, I don't really eat them. So she ate the popcorn, like over half the popcorn, over half of the toffee but she didn't touch the rice Krispie treat.

And I had tried it and I said, did you try the rice crispy treat? She says, no, I don't. I don't really, I'm not really into rice crispy treats. And I said, well, it's kind of unique. It's different than most. You might want to try it. And then she proceeded to eat over half of it.

**Kathy Sing:** [00:14:41] Oh, my God.

**David Crabill:** [00:14:43] And this is not a small rice Krispie treat.

I should say, this is a big, like, I, I never seen a rice crispy treat that's as big as the one you gave.

Um, but I did want to ask you about it because it was pretty dense, like much denser than the stuff that we made up growing up, but it was also very soft and you know, it wasn't like that. Like, I feel like rice crispy treats get stale really easily.

So what, what did you do there? What.

**Kathy Sing:** [00:15:11] Yeah. Um,

**David Crabill:** [00:15:13] that's a secret. Maybe that's a trade secret that you're not willing to share,

**Kathy Sing:** [00:15:17] Nah, no. I'll share. I put a little bit more marshmallow into it that's melted and then I mix that in with the rice krispies, and then I add more marshmallows to that mix. So then you're getting some more bigger pieces of marshmallows that you can actually see in there. It makes it a little softer and. I add that coconut oil to it. And I Brown my butter and the coconut in the beginning. So you get kind of that, that Brown butter taste

**David Crabill:** [00:15:49] whatever it is, it's working. So,

**Kathy Sing:** [00:15:52] Thank you. Oh, wow. Yeah, I know. I'll have you know, wives come back and say, my husband hates rice Krispie treats, but he tried yours. Loved it. So yeah, I've had a good response to them.

**David Crabill:** [00:16:05] Now you've added the almond cluster or the nut clusters, and you've added the marshmallows. How are you deciding on what to add to your product lineup?

**Kathy Sing:** [00:16:15] Well, I, I need to stop adding things because My time in the kitchen is, is more than what I can do right now. So, Yeah, I would love to do all kinds of things, but, you know, with the cap of \$50,000 and just my time I think I'm pretty maxed out right now.

**David Crabill:** [00:16:36] Well, I saw that within that first year, I saw an update that you posted about a year into your business. And you said you had created 60 flavors of popcorn, which is more than one per week. Like how, like that's just mind blowing to me.

**Kathy Sing:** [00:16:55] Well I got a lot of different ones approved in the beginning. And then I just kind of consolidated to the ones that are the most popular and then I'll add, you know, holiday ones come and go. and some, I still haven't even put out there yet.

**David Crabill:** [00:17:10] Well now, in terms of getting products approved The counties are kind of finicky in California. Is your county one of the ones where you need to submit every single one.

**Kathy Sing:** [00:17:21] Yes, every single one, every single size

**David Crabill:** [00:17:26] Do they charge you every time you add something to your menu.

**Kathy Sing:** [00:17:31] in the beginning. Um, It was all free. And then I think starting a couple of years ago, they started charging \$120 an hour and I mean, like, it's crazy. So now it's almost like you don't want to add anything because it's very, very pricey

**David Crabill:** [00:17:49] Yeah, no, I mean, I, I didn't have any shocked reaction to that because I. I live in California. I know how common that is. I mean, I've seen actually \$200 an hour in some counties.

does your County charge you an extra fee every year that you renew?

**Kathy Sing:** [00:18:06] Yes. Um, I mean, for the B license, I pay a little over \$300 every year.

**David Crabill:** [00:18:14] Wow. Yeah. Cause in Sacramento, I mean, I don't have the B license. I have the A license, but it's free to renew. I'm pretty sure it's not free for a B license, but typically when they charge you to renew, they also include some hours for approving products. So I don't know. Can you submit new products at renewal time inclusive of that cost?

**Kathy Sing:** [00:18:36] No, no. You get a bill for \$315 to renew it. And then, you know, any new ingredient labels that need to be approved are over and above that.

**David Crabill:** [00:18:48] That's crazy.

**Kathy Sing:** [00:18:50] And some of them are just so minor, like everything's approved on the label but maybe you're adding a candy to it or something. But, you know, you're going to get charged \$20 for 10 minutes.

**David Crabill:** [00:19:03] And in terms of the, the class B license, you also got a kitchen inspection. What was that like?

**Kathy Sing:** [00:19:10] Well, the first time. Was quite scary. Cause you didn't know what to expect? And I think that was the cleanest my kitchen has ever been, but um, they were great. They wanted to make sure my water was at you know, the right heat temperature. And then just a few other things, make sure food's up off the floor and it was very, very easy but it's not consistent, you know?

I mean, it's supposed to be every year they come in and it's not consistent here in Tulare County. And I don't know if they're just overworked but yeah, I mean, it's been a couple of years.

**David Crabill:** [00:19:47] That's very common actually, even in the commercial space you know, they're supposed to check think twice a year and it, it just doesn't happen.

it's depends on the health department, but this is not just California, it's across the country, but oftentimes they just don't have the resources.

There's just too much for them to manage. And so, you know, sometimes they'll just focus on the most pressing places and obviously a cottage food operation is not the most pressing inspection you could do, especially when you have. A restaurant down the street, that's doing probably as much in sales as you do an entire year.

They're probably doing that in like a month or a week

**Kathy Sing:** [00:20:30] Exactly. Yeah. Yeah. I'm glad I, they can keep doing other places. I'm okay not to see them.

**David Crabill:** [00:20:37] Yeah. Yeah. So now, but you are using that class B license because you're wholesaling. How much of your business is through wholesale versus through direct sales?

**Kathy Sing:** [00:20:47] Yeah, that's a good question. I probably, I've never really figured that out. But I would say it's more wholesale. You know, I'm going to say 75, 25. Um, During the holidays, I have a lot more direct sales coming in? But my goal really was to get more into the wholesale market than just getting, you know, some of the smaller orders coming in.

Um, And most of most people now just know to go to those retail stores that I'm in instead of ordering directly from me

**David Crabill:** [00:21:22] Is the price the same for them if they buy in a store

**Kathy Sing:** [00:21:27] it's much more expensive,

**David Crabill:** [00:21:30] really? And then, but they still know to go to the stores.

**Kathy Sing:** [00:21:33] Yeah. and a lot of people do eventually, will say, you know, Hey, if I can get it from you a little bit cheaper, you know, I will. But it's a two-way street, you know, I like to support my local retail stores and they support me and I've always wanted a storefront.

But now I've got, you know, over a dozen of them and, you know, I don't have a lot of the stuff they have to deal with. And so I appreciate them. And so I like to make sure that they're kept happy and they keep me happy. So,

**David Crabill:** [00:22:05] So what are like the prices that you're charging on your website versus the prices that they are charging in store?

**Kathy Sing:** [00:22:13] um, You know, each store can make whatever price they want. you know, they do vary, my prices are standard. And then typically it's a 25% discount off my retail prices that I offer my wholesale. Retailers. Um, But caramel, corn, you know, I have three sizes typically um, four ounce, eight ounce and 12 ounce.

And they start in anywhere from four to \$13.

**David Crabill:** [00:22:43] That's for your website. And

so what, what do you, what would, is I know probably every store is different, but what's an example of a store. What, what would they charge for those?

**Kathy Sing:** [00:22:53] Yeah. I mean, some of like the eight ounce ones, if I'm charging \$8.50, some of them are charging \$11. So you know, a lot of them were our ma you know, needing to make 45, 50% markup.

**David Crabill:** [00:23:08] Well, I mean, it just depends on what their customers are willing to pay. Right? I mean,

if you price it at what they're willing to pay and if, often are you restocking these stores?

**Kathy Sing:** [00:23:19] You know, it, it really depends. Um, Cause I have an account with a candy store called Reimers candy store and they're in three different locations. So I can do 150 of my medium sized bags, you know, every. Four to six weeks. you know, and then some

are every week, every two weeks, it just varies depending on what kind of store they are and how much, how much it moves, but I'm working pretty much, Six days a week, eight to 10 hours. And then during Christmas for two months, it's 16 hour days.

Every day. It's a lot. It's, it's a lot, but I love what I do. So I am very blessed.

**David Crabill:** [00:24:03] Have you ever felt overwhelmed?

**Kathy Sing:** [00:24:06] Um, Yeah, a lot. and most of these orders are, you know, are big orders. They take time. I can only do so much a day. And so some orders, you know, can take me up to three to four days just for one retail store. and so yeah, I start very early in the morning and and go all day nonstop.

Yeah, I can be overwhelmed a lot, but um, but it's a good overwhelmed feeling.

**David Crabill:** [00:24:36] Now you're in, you said to just over a dozen stores right now. I mean, do you feel like you can't handle more than that or would you take on more wholesale accounts if you could.

**Kathy Sing:** [00:24:49] Yeah, that's a good question because every year I say I can't take anymore. And then I, I end up taking more. And so like, I just got two new accounts in the last month It's so hard for me to say no, and I'm a people pleaser but yeah, there, there's going to be a point. Cause I don't like my clients or my customers to to wait longer than three or four day turnaround.

So when I see that it starts to get much longer than that, you know, I think I'll know that. I can't take on anymore. And then there's also the cap limit. You know, I have to be mindful of that as well.

**David Crabill:** [00:25:27] Yeah, there aren't too many people. I know who or approaching \$50,000 of sales with a home kitchen business. And especially with like a non-customized one, you, you have a product based business, which. There's not a lot of customization there, whereas, you know, something like cakes or cookies have a lot of customization, you can charge a lot more.

So that that's actually pretty unique to me. Like there aren't too many people doing that kind of volume out of their home kitchen. And I was wondering if you have looked into commercial options, if you looked into co-packers or if you have any inclination to go that route.

**Kathy Sing:** [00:26:04] Yeah. I really have no inclination to look for a commercial kitchen and go that route. I love being at home. You know, It would jeopardize the quality of my product, I think, to go into a co-packaging and, and go commercial. And, and I don't want to do that. Now, if someone wants to come in and talk about, you know, taking it over and buying it, you know, I, I may be into um, looking at that later on, but yeah, I just, you know, I really am happy here at home. Doing what I'm doing.

**David Crabill:** [00:26:40] So what's the process like for actually producing your products? I mean, you said you were working like 10 hours a day or something, and then how do you

manage your time throughout the week? And you know, you're producing popcorn, you're producing toffee, you're producing rice, crispy treats, you're producing marshmallows. Uh, How do you juggle it all and keep track of it all.

**Kathy Sing:** [00:27:03] Organization number one, there is no way I can do what I do without being organized and detail oriented. Um, I, that's a one, one thing is that, you know, some people just kind of go in whirlwind with this and then you're all over the place and then you're really overwhelmed. So I know, and in my head, you know what, my day is before I go to bed the night before and some nights I don't sleep because I'm thinking about it all, I mean, I could do all five things in one day sometimes.

But if I'm doing caramel, corn, I mean, it starts to where I'm having to, I print my own labels. I put the front and back labels on the bags and then, you know, I have like eight stations in my kitchen that I'm running all at one time, you know, between popping the popcorn and then making the Carmel and then.

You know, putting it on the popcorn and putting it in the oven and baking it and stirring it, putting it on the trays. And then um, you know, if there's chocolate and other embellishments, then that goes on, then it goes into the refrigerator to chill and then I bag it and then I seal it and then I bow it and then I box it and then I invoice and then I deliver.

And then there's the dishes. I need a dishwasher and I have a very, very good friend, a dear friend that helps me during the holidays. And sometimes during the year and God bless her, she is an angel. so she helps me occasionally when she knows I am overstressed, but yeah, it's a lot of work, but organization.

**David Crabill:** [00:28:42] As a candy maker myself, I'm more than familiar with the dishes aspect of that.

**Kathy Sing:** [00:28:48] It's horrible.

yeah, it's, it's no fun. That's the worst part of the job.

**David Crabill:** [00:28:55] Now it's surprising to me because you said you print your own labels, right? Like you're using like a special label printer to print them.

**Kathy Sing:** [00:29:04] Nope, just a regular HP printer. And I buy labels from a company called Online Labels and my son, you know, has a template. Made. And so all my labels I can just go into my computer and find, I want, you know, almond chocolate drizzle, four ounce, and I can do front or back label. And so I buy those labels, put them in my printer and they print, you know, perfectly thank you to my son.

And, um, so I I'm printing lots of labels.

**David Crabill:** [00:29:36] It's just kind of surprising to me. Cause it seems like that it, with the volume you do, that's an easy thing to outsource. Right? You could get a company to just send you labels that are already printed. Have you looked into that?

**Kathy Sing:** [00:29:50] No, because I do so many different kinds that I don't. I think it's going to cost me more money. To have labels made in every size that I do and this way I can control it pretty much by, you know, what my orders are and print what I need.

**David Crabill:** [00:30:09] I could definitely see that. Because there's definitely order minimums that come with getting a company to print. And you do such a variety. you could refine it, but you might not have as much fun doing it,

**Kathy Sing:** [00:30:21] Yeah. I mean, I've thought about it. Cause I'm thinking, Oh, this would be great to just, have all those done. but, um, yeah, I think this works good. And um, I'm pretty fast at it. Now

**David Crabill:** [00:30:32] yeah, I imagine you are.

**Kathy Sing:** [00:30:35] I have, my husband help me every once in a while and he's like, you know, one label, you know, and he's like, you're over there, like a machine.

**David Crabill:** [00:30:44] Well, and I also want to talk about your packaging cause you got these really nice clear bags and it looked like you had those from the beginning. Where do you get those from?

**Kathy Sing:** [00:30:54] I ordered them from Nashville Wraps. They're out of Tennessee and yeah, I've used them from the very beginning and I like a clear packaging. I've looked at other packaging. But I like the, I like people to be able to see the product. And so I just have stuck with that and um, they work great.

**David Crabill:** [00:31:16] And you use them for all of your packaging.

**Kathy Sing:** [00:31:20] Yeah. I may order some other odd Bags from papermart.com here in California.

**David Crabill:** [00:31:28] And have you ever calculated out what your packaging costs? You. Per unit,

**Kathy Sing:** [00:31:36] Yeah. Depending on the size. Um, They're typically like 3 cents to 12 cents each.

**David Crabill:** [00:31:43] but then you're adding other things. You're adding a bow to that. You're adding a label. Do you know what it all adds up to?

**Kathy Sing:** [00:31:50] it's like an average of maybe 13 cents you know, for like the medium sized bag, if I go into a 12 ounce size bag, you know, it's going to be more like, 25 cents.

**David Crabill:** [00:32:02] Well, it all looks very nice, and it's very giftable too, so I'm sure that helps. I also noticed, I don't know if this is something you still do, but at least in the beginning you did a ton of promotions discounts. Buy three, get one. What are some of the strategies you use for building up your business in the beginning through promos?

**Kathy Sing:** [00:32:26] Yeah, we did do a bunch of promos and it worked out really well. And it was kind of before I was really in, into too much retail stores at the time. So it was a great

way to drum up business and people were excited. You know, when they did see the promo. And then it just. Um, You know, after several years I couldn't do it because I was so busy trying to fulfill the retail stores.

I mean, I w you know, I think of like, Oh, I would love to do, something free and, and another promo. And, and then I'm like, I can't physically do more than what I'm doing already. For my stores and for just outside orders. So I found that I really didn't have to do that anymore. And, I think that's a good thing to be able to say that I am in that position where, you know, I don't have to, to do that. Um,

**David Crabill:** [00:33:24] Oh, yeah, it's certainly a good thing. I mean, you, you, you use the promos to build up your business. Now it's self-sustaining so you don't need to do that anymore, but what were some of the promotions that worked the best? Cause it looked like you tried a lot of different ideas.

**Kathy Sing:** [00:33:40] Yeah. Gosh, I can't remember everything I

**David Crabill:** [00:33:43] Well, I did write down a few notes from what I saw. I saw that you did like buy three, get one, buy \$30, get a free bag. You put a free sample in every single order. At one point you did a raffle for a free bag. Um,

**Kathy Sing:** [00:34:00] Yeah, that was fun. Um, I think it was the three bags. Buy three, get one free. yeah, that one was really popular. And yeah, it was fun. They were all fun to do. But it's, it's also like you know, until last year I really was like, not even really approaching this, the cap of 50,000 and then all of a sudden I'm getting close to that.

So I'm thinking I have to still be able to generate enough to get to my retail stores. And not, you know, I don't want to overreach myself and, and put me out of business for, you know, November, December.

**David Crabill:** [00:34:34] Well last year, with the pandemic. It affected a lot of businesses in various ways. Some did very well, some did poorly, but I felt. A lot of businesses that did more poorly were retail stores, which you're selling through. But I know that you're a business grew by a lot. So what, what went down last year?

**Kathy Sing:** [00:34:55] I don't know it was crazy. It was, it was just craziness. And. I mean, I am so thankful and blessed for these retail stores that I'm in. They stayed open. Typically they may have been shut down for very little time and then they're all, you know, have food typically. And so they could stay open and people wanted sweets, I guess.

I mean, you know, I talked to other, cookie stores and cupcake stores and. They said they had the best year ever. And, and it was, it was hard for me to think, you know, Oh my gosh, I'm doing so well, any and better than ever during a pandemic. And then there's so many, you know, places that were shuttered.

And, it was hard to like, you know, every time I would put something on social media, you know, Oh, you know, more stuff. You know more, of my Kathy's kernels is available and, and

it was a hard, hard for me to do that. Knowing, that there were people that were out there suffering too.

**David Crabill:** [00:35:59] Yeah, it is a really surprising, I don't know exactly what affects it, but like one of my previous guests, you know, she has this cookie cups business and I know that her business went down to like 20% of sales. Now she was just working out of a storefront solely. That was all she did. And so. I don't know if her, I don't think her storefront um, closed, but it just, I think a lot of people, less people were in downtown.

So it's actually really refreshing to hear that you had the opposite experience and, And so I guess a lot of these extra sales were coming through the wholesale accounts. They weren't like coming directly.

**Kathy Sing:** [00:36:37] Absolutely. Yeah. The wholesale accounts just kept me so busy. And and then at Christmas that was, you know, I lost some accounts because it was harder for the businesses to send out a bag of caramel corn to an office. But they were wanting, you know, the pre-wrapped stuff. So it, it all worked out.

**David Crabill:** [00:36:59] Well, yeah, more power to you. That's great to hear that it did so well. And I actually wanted to ask you about, you know, you, you said that people were looking for more sweets during the pandemic, and I wanted to ask you about this in particular, because you live in California. Like I do. And one of the things I've noticed is that people in California in general, I mean, it depends more so in Southern California. they're just much more health conscious that like in general

**Kathy Sing:** [00:37:29] Uh, yeah.

**David Crabill:** [00:37:30] have a candy business or a sweets business, And has that been as, has it been difficult I mean, it sounds like it hasn't, but why do you think people have purchased your product, which is clearly not a healthy product?

**Kathy Sing:** [00:37:46] Yeah, it's not, I can say though that my, my rice Krispie treat. And my caramel corn, most of those are gluten-free all the rice crispy treats are gluten free. I use a cereal that that is gluten-free, whereas most people use Kellogg's brand and they may not know, but there is they're not gluten-free.

But I don't know, people say, you know, it's like crack and they can't stop themselves from eating it. And, you know, I don't know what to say, but they eat it and they keep coming back for it.

**David Crabill:** [00:38:24] Well, I can tell you right now according to Tara, it's very addicting.

**Kathy Sing:** [00:38:32] um, and good. And that's, you know, that's good to hear because that's, you know, what you strive for is for people to want to come back and eat it and say good things. And that's why I love what I do. And I'm, you know, very, very fortunate that people want to keep eating it and buying it.

**David Crabill:** [00:38:51] I actually had a plan to like still have some of your product in my hands during this podcast. Um, That didn't even come close to happening. We got this like two weeks ago. I, I think it was gone in about one day, so,

**Kathy Sing:** [00:39:05] Oh man. Okay. Well, we'll have to send you some more.

**David Crabill:** [00:39:09] Uh, But it was, it was very good while it lasted that's for sure.

Um, Now I did want to ask you about sourcing products and ingredients, because you're obviously buying a ton of popcorn, a ton of chocolate, a ton of sugar. where are you getting these products from?

**Kathy Sing:** [00:39:29] gosh, several places popcorn. I've kind of, you know, it's evolved. I was buying jolly time popcorn. And I did a test in the very beginning of, you know, Orville Redenbacher, we did probably five different ones and jolly time popped up the best. And so I was buying that in like a four pound bag at the grocery store, you know, by the dozen and then.

They quit making it in that size. So um, smart and final. I was buying from them and then they ended up sourcing it out to another company that did not work for me. And so now I'm back at a grocery store called Winco foods and I buy it in 35 pound bags and it works great. Um, Cause there's popcorn that.

Either, you know, doesn't pop up very well or there's a lot of the holes in it, so I'm really picky about everything. So that's what I do for the popcorn, the Brown sugar, I was buying C&H you know, from Costco. And then I found it in bulk at the Winco store. And. If anyone needs a really great Brown sugar it's by far better

**David Crabill:** [00:40:48] You talking about Winco's brand

**Kathy Sing:** [00:40:51] yes. Amazing. Amazing. And it's so soft and I buy it in 50 pound bags. So I'll buy, you know, 150 pounds of Brown sugar at a time. Um, The um, gosh, butter. I actually, if you want to know, I get it from smart and final, I use their salted brand of butter and I used to use Tillamook um, I think another brand new or Dairymens and they worked for a while and then that just didn't quite work. And so this is the best butter. I think that tastes the best that I found. So that's so I buy that, you know, by the case. So, I mean um, and I buy the block typically like a box of three pounds of the butter and um, so I'll buy you know, 24, 36 of those at a time and I have three refrigerators, so I have to store that all in those refrigerators. And then um, gosh, what else do I use in there? Um, Corn syrup um, I buy, you know, gallons and gallons of corn syrup from smart and final. And vanilla, vanilla is really important too, that I use and I use Jr. Watkins. Vanilla. That's been around forever and it's got the least amount of alcohol in it. So a lot of times, you know, you can buy good vanilla. But if you look at the alcohol, alcohol content it's really high. And then if you taste the two or smell the two, you'll notice a difference,

**David Crabill:** [00:42:21] So yeah for people that don't know Winco I think is a West coast Grocery chain and I love it. It's my favorite store out there. And they have this huge bulk

section and there's like, I haven't actually found another store like it that they just sell a ton of stuff in bulk. And I buy a lot of things in bulk there, but um,

**Kathy Sing:** [00:42:41] Oh, and I,

**David Crabill:** [00:42:44] yeah, go ahead with the

**Kathy Sing:** [00:42:45] Go ahead. Oh, the chocolate I use merkens chocolate. And I have found that that's just been the best chocolate and so many people comment on my chocolate.

**David Crabill:** [00:42:54] Well, it sounds like you're not doing any wholesale accounts for your ingredients. Have you looked into wholesaling?

**Kathy Sing:** [00:43:05] I may have in the beginning, but it. Didn't seem like I was ordering enough at the time to make it

**David Crabill:** [00:43:14] Well, it's working for you. And the nice thing about living in California is that you can charge some higher prices and. Than most places. So you definitely are making a good profit, I assume, from your products.

**Kathy Sing:** [00:43:27] Yeah, the popcorn has a pretty good margin on it. Um, And it's more of a, of a high-end product. You know, so most of my places kind of our higher end um, locations. So I don't think I'm too far out overpriced as far as my, like my website pricing. But these stores are selling them for much more and people are buying it. So, good for everyone.

**David Crabill:** [00:43:50] Now, when you were getting the business off the ground, you know, I know you went around and you talked to a bunch of people in stores. You maybe had connections already in your area that helped you do that. Most people will start in like a market, a farmer's market or events. Have you done a lot of those events over time?

**Kathy Sing:** [00:44:10] Very very little it's either too hot where I live. And with chocolate it just doesn't work. And the farmer's market was like, you had to be consistently there every Saturday. And. I like the option of being able to say no, you know, if I can't do it, if I want to go to town, I don't want to be stuck having to be at a farmer's market.

Um, I've done some, a couple of holiday boutique shows and then I just got so busy during the holidays. I can't even do them. You know, I would love to, you know, but I just can't and um, there is one event that I do every year for our um, school district. There's about 500 people that show up.

And so in a couple hours I can make about \$500 selling my goods to them. But last year, due to COVID it was canceled. So

**David Crabill:** [00:45:05] Yeah. Now you. relied on the wholesale accounts, you said he didn't want, you said that you wanted to be able to say no to a market. Do you feel like you can say no when a wholesaler needs you to restock?

**Kathy Sing:** [00:45:19] No, I don't like to say no at all. Um, But I have the option to say, you know, I'm not going to be here, you know, for three days or whatever, are you okay for next week? But yeah, no, I don't like to make anyone wait, but as far as saying no, sometimes I say yes, when I should say no.

Because then I sometimes put more on my plate or over-commit and then that's not fair to me and it's not fair to everyone else that's waiting for their stuff.

**David Crabill:** [00:45:55] I wanted to ask if, if the business has grown the way, like after the first year, did you think you would be here seven years later with the business? The way it is? Has it gone slower than you thought

**Kathy Sing:** [00:46:13] Faster. I never, ever, ever, ever in my mind. Did I think I would be where I am today. I, I mean, I literally, I, you know, I told my sister-in-law when we started putting stuff, you know, in their little offices I said, this will probably be a novelty for a year and it'll get me through a time in my life that I needed something to keep me busy.

and then it just. Kind of kept going and going and got into some, you know, really substantial big accounts. That keep me busy so I'm blown away where I am today and it has, Progressed immensely. And who knows what this year is going to bring, you know, January was extremely busy, which is usually a slower month I've been working almost every day.

**David Crabill:** [00:47:04] Um, I did want to ask you about. Your branding because you have a very strong brand, in my opinion, very good logo, very good design. And the name is catchy Kathy's kernels, but you have put yourself into your brand very much. It's right in the business name. Kathy's kernels. It's in your product names. You have Kathy's original toffee Kathy's original caramel corn. Was that your idea? And was that an intentional branding strategy?

**Kathy Sing:** [00:47:40] It was intentional, but it wasn't a strategy.

**David Crabill:** [00:47:44] Well, let me, let me preface this a little bit, because a lot of people. they don't want to be the face of their brand. They want to just, you know, make the popcorn, send it out and let people enjoy it. Right. They don't feel comfortable with that. Clearly you must feel comfortable with it to some degree.

**Kathy Sing:** [00:48:03] I mean, I'm a people person and I love talking to people and. I love getting out and delivering my stuff and talking to the people and, and the owners and that's me. So, you know, I'm proud of my name. I'm, I'm proud of my product. I'm, honored to be in these stores.

And I wouldn't be where I am today without them. You know, my name is just my name. But without these people supporting me, you know, from my family and my husband and my two boys, sorry. Um, You know, I wouldn't be where I am today.

**David Crabill:** [00:48:45] Well, I did notice that it's kind of cool that you have very much a fam, like it's not a family business in the sense that you, your family members aren't working

in it constantly, but like your, your son, Kevin helped you get off the couch and start. And then your other son, Kenny did your website and all the design and labeling.

And I know your husband supports you as well. So it's kinda cool to see that it's this family business in a sense.

**Kathy Sing:** [00:49:13] Yeah, he lets me take over the kitchen almost every day and deals with caramel on his socks every night.

**David Crabill:** [00:49:22] So you, you you've um, gone this far in seven years, where would you like it to go into the future?

**Kathy Sing:** [00:49:33] Um, Boy, that's a loaded question.

you know, I'd love to get into some wineries. I'd love to do some more shows, but again, it's just me. I can, I can only produce so much. So then I would have to go commercial and it just really. Isn't something I want to do um, having to do it out of my home or sharing a kitchen cause w making caramel corn.

there's so many parts to it. that I dunno if I can find a kitchen that would work for me um, other than my own here at home. And then I, you know, I don't want a store front. I don't, you know, I'm approaching 60 this year, so it's not like I'm 30 and thinking, you know, I've got 30 years ahead of me to do the business.

So, you know, I'm more thinking how much longer can I do this at this level? And, I think I've got some good years ahead of me. You know, as long as my health is good and I'm still loving what I'm doing and like my dad always says, you know, nothing stays the same, so I'm taking it, day by day. And

**David Crabill:** [00:50:38] Well, I did see you posted an update a couple of years ago. And you said that the four years you'd been running the business were some of the four best years of your life. So what has it meant to you? Why do you love running this business?

**Kathy Sing:** [00:50:55] I love making people happy. And I love being in my kitchen and it's my happy place. I, I love what I do. And it gave me a purpose. It it's empowering as a woman to you know, maybe not have a storefront, but to say, you know, I'm an entrepreneur and you know, my husband has his own business and now I can say I have my own.

And um, My other son has his own business. And then my oldest son he has another business of his own. So it was like I needed something to make me feel worthy and um, contribute to my family and, and also to my community. And it's just gotten better, but yeah, to these first four years, seven years have been wonderful. I'm very, very blessed.

**David Crabill:** [00:51:50] That's Super, super great. Now, if people want to reach out to you, how can they find you?

**Kathy Sing:** [00:51:56] Well, I'm on Instagram, Facebook um, and my website Kathy's kernels and, um, probably my website's the easiest way to contact me. And kernels is K E R N E L S and Kathy with a K.

**David Crabill:** [00:52:12] kathyskernels.com. Well, thank you so much for jumping on today, Kathy. I think, you know, it's been cool to hear how successful your business has been, especially with it being an indirect business. And thanks so much for sharing.

**Kathy Sing:** [00:52:27] Thanks, David.

**David Crabill:** [00:52:28] That wraps up another episode of the Forrager podcast. In my mind, Kathy clearly has three of the most important ingredients for making a wholesale business work well. As a people person, she has made good connections with store owners. She had impressive branding and packaging from the start. And the quality of her product kept people coming back for more.

For more information about this episode, go to [forrager.com/podcast/29](https://forrager.com/podcast/29).

Remember to register for the first ever national cottage food conference that's happening April 6th through 9th. Tickets only cost \$20. And I think it's going to be a lot of fun. Check it out at [cottagefoodconference.com](https://cottagefoodconference.com).

And if you enjoyed this episode, please head over to Apple podcasts and leave me a review. A review is the best way to support the show and will help others find it as well.

I'd also really appreciate if you could share this show with any bakers or home cooks that you know, who might be interested in it.

And finally, if you're thinking about selling your own homemade food, check out my free mini course, where I walk you through the steps you need to take to get your cottage food business off the ground. To get the course, go to [cottagefoodcourse.com](https://cottagefoodcourse.com).

Thanks for listening, and I'll see you in the next episode.