

# Starting A Mission-Driven Business with Nancy Chang

**David Crabill:** Welcome to the Forrager Podcast where I talk with cottage food entrepreneurs about their strategies for running a food business from home. I'm David Crabill and today I'm talking with Nancy Chang. But first, are you building an email list for your business yet? If not, you really should be collecting customers email addresses and emailing them on a regular basis.

[00:00:20] Even these days email continues to be better than social media for generating consistent sales, and the best part is that you own it. Once you build an email list, nobody can take it away from you. I personally use ConvertKit to manage email for my fudge business and I created a free tutorial that will walk you through how to set up a free email marketing system for your business in less than one hour. So, to learn more, you can go to [forrager.com/email](http://forrager.com/email). Alright, so I have Nancy Chang on the show today. Nancy lives in Oakland, California and sells healthy soups with her home based micro restaurant, Purpose and Hope. Nancy is the second MEHKO that I've had on the podcast.

[00:01:01] MEHKO stands for Micro Enterprise Home Kitchen Operation. And when Alameda County started allowing these micro restaurants in 2021, Nancy was one of the first to get licensed. But actually, her business idea had been brewing long before that. It started with her mom's battle with cancer in 2006, where Nancy saw the benefits of food and community for those dealing with a health issue.

[00:01:25] After many years of food related volunteer work, she decided to start her own soup business and raised over \$7,000 from a crowdfunding campaign. She eventually started connecting with health professionals who referred some of their patients to her and her soup business started to grow.

[00:01:40] Nancy has now been featured many times in the media and she is a great example of how a mission driven entrepreneur can make a difference. And with that, let's jump right into this episode. Welcome to the show, Nancy. Nice to have you here.

[00:01:55] **Nancy Chang:** Thank you so much, David. It's an honor to be here. Thank you for having me.

[00:02:00] **David Crabill:** Well, Nancy, can you take me back to how you started getting into the whole soup thing?

[00:02:06] **Nancy Chang:** Yeah, absolutely. So, the origin story of my business, Purpose and Hope, it started when my mom was diagnosed with cancer in 2006. At that time, you know, I was just living a standard American diet life. I really didn't pay attention to food as an, object for healing, or even, you know, as like an item necessary for a good quality of life until my mom was diagnosed with cancer and so during that time You know, I was just really seeing her body change with the treatments that she was getting How much of her body had wasted away and then really feeling kind of helpless during that time I'm not really sure of knowing how to really help her in a way that would be integrative with the treatments that she was receiving.

[00:02:49] And it wasn't until there was a friend of hers that came and brought her a very thoughtfully paired ingredient soup broth for her to drink that my mom had said something like, I can't wait to eat this. And this is something that. For me, it was just almost mind blowing because of how difficult it was for her to eat.

[00:03:09] and then also getting that sense that she felt inspired that, that she had some sort of empowerment through this soup. And so that was the first time it really dawned on me that food is an expression of caring and also a way for people to feel like they have some sort of agency over how they could take care of themselves.

[00:03:28] So that's kind of how. The seed was first planted for my business.

[00:03:33] **David Crabill:** so you started kind of getting into this in 2006. And so can you take us forward over the next, I don't know. I think it was about a decade. You know, how did, how did your experience with your mom affect your life moving forward?

[00:03:50] **Nancy Chang:** Yeah, that's a great question. So after my mom had passed away from cancer, there was just something about the experience that we had had during that time because she had to go out of state for treatment. We actually ended up in a community where it was all people facing a cancer diagnosis and their caretakers.

[00:04:08] And that's when the lesson of feeling how beautiful that impact and sharing of food can be, that it inspired me that when she passed away, I really, in my heart felt like I wanted to give back to this community in some way. And

so after you know, during that time I was working a corporate job and, this idea just was constantly on my mind and in my heart. And so I took a small business planning class at a non profit in San Francisco, wrote a business plan for the first time really went into like the operational and the financial aspects of it, and then took holistic nutrition at Bowman College in Berkeley.

[00:04:46] And then, for some reason at that time, it got really, really scared. You know, I don't come from a background or there's a lot of entrepreneurs in my family and it come from a background where people took these kinds of risks like, you know, taking a large sum of money and pouring it into a business and then.

[00:05:03] Seeing how the world will respond to it. So, you know, after looking at the logistics of it, I just became way too scared and I really just kind of shelved the idea as much as I could and From that there was just this awareness that if I didn't somehow explore this Business earnestly that there would be some level of regret when I became older or as I continued to go through life to not try. There always felt like there was a sense of regret That would be attached to not putting your heart into something that really felt like a calling is what it felt like and so for the longest time I tried to ignore it And then I ended up doing this really awesome community service project where I met my mentor.

[00:05:44] And when the project was over, he had asked me, Nancy, if you could do anything in your life, what would it be? And so I shared with him this idea of wanting to provide food for people healing from cancer treatment. And these other aspects of the business that, to me, makes it feel like a well rounded contribution to society.

[00:06:02] And he proposed the idea, you know, if you could, why don't you just go out into the world and find opportunities where you can volunteer, where you can interact with people that are doing that kind of work, and just see what you can find and what you can learn. And so, from that point... You know, I started transitioning out of my corporate job and I spent a lot of time looking for workshops, for volunteer opportunities, like a lot of different things that maybe weren't even directly involved with what I thought my business was about, but had ideas that I felt were valuable to try to incorporate into a business.

[00:06:37] And so through that process, I met amazing people, amazing dietitians, amazing healthcare workers, organizations that are... Was always poised to support people that are trying to start a small business, and then around that time, COVID happened, and so when everything shut down, I

basically just turned learning into my full time mission, and then from that point on, just slowly Bit by bit creating that business concept.

[00:07:02] And then 2019, I actually started following bill AB 626, which is for MEHKO. And at that time, you know, like checking in, seeing if this was a pathway for my business to start, especially as like a very small self funded business, it just seemed like this was like a good opportunity because of the cost that it takes to start and

[00:07:23] to sustain a business, you know, even doing a commercial kitchen, you know, having to pay those fees along with everything else, it just made it out of reach for me. And MEHKO seemed like a good opportunity for that to happen. So as 2020 was happening, I kept going to the Cook Alliance phone calls, meetings, and just getting a gauge on how things with AB 626 were going.

[00:07:46] And so when it passed, I was definitely one of the first people to apply because I'd been paying attention to the bill because I saw the value and what it meant for it to allow me to legally operate and test my business concept with my community.

[00:08:01] **David Crabill:** Yeah. And to give a little bit of context here, that, bill actually passed in like 2018. I think it took effect at the beginning of 2019, but each county had to create an ordinance to allow it. And so it wasn't until like think 2021 that Alameda passed theirs, right?

[00:08:18] **Nancy Chang:** That's correct

[00:08:19] **David Crabill:** so it sounds like this business idea had been brewing in your mind for quite a while. When were the seeds of doing a soup business first planted?

[00:08:30] **Nancy Chang:** When it really formed as a soup business, it was when I met this amazing woman. Her name is Tinrin Chew. She's an oncology dietitian. I met her at the cancer support community in Walnut Creek. I had attended her Cancer Nutrition Workshop several times, and one of the times that I went, I just had to muster my courage, and I stayed until everybody left to ask her a question, and it was basically asking her about, my desire to want to serve people in the community that were affected by cancer, and what was the best way to do that, because food is such a personal experience for people, and what may work for someone may be different for somebody else, And so uh, the soup concept came, it was more solidified through having a conversation with Tinrin.

[00:09:16] She was just so kind and generous with her time and her heart and her knowledge to share with me that when I stayed To the end of her workshop to ask her the questions that I had around wanting to start this business. We ended up talking for like four or five hours and just really kind of talking about, you know, like if somebody is having this intersection in life, like what are ways to nutritionally support them?

[00:09:42] and she just worked clinically for like 20 plus years, but she was in private practice and she said that something that she was doing with her. Client base was kind of following their progress and for the people that did kind of exceptionally well as far as heat recovery and their blood panels, she said that as she kind of dived into these conversations with her patients, a lot of them were saying that they were basically regularly consuming traditional foods.

[00:10:10] that we've been eating for centuries, but we were kind of lost in our modern diets.

[00:10:14] Soft healing foods, bone broth based foods, a variety of phytonutrients and vegetables and that's being something that was like a large part of what they were consuming as far as like when they were able to eat, and so that was something that she had mentioned. So she really recommended, for protein, bone broth was a really good way, a really good foundation for people to have nutrition brought into their bodies, easy to digest and also healing for their gut.

[00:10:41] And that soup was a really good vehicle for people to receive nutrition, even when they had kind of like some compromising issues with digestion. So, that's kind of how we got started with soup.

[00:10:54] **David Crabill:** Yeah, I've noticed in the last few years that bone broth has been a massive trend. I mean, you see it popping up everywhere. I don't know the background of that or like how it happened, but I mean, it feels like you kind of hopped on that trend in some regard. Would you agree?

[00:11:11] **Nancy Chang:** Uh, Yeah, I think bone broth has definitely trended as well as a lot of, traditional foods. I feel like even like fermentable foods and things like that, like they've all had this surge and... For me, I support it. I think it's really good for people to have access to foods that aren't just about, like, a quick exchange for flavor, but foods that are actually have, like, a nutritional quality that has, like, a benefit for us.

[00:11:37] And so, I love that People are paying attention to how they can bring in food items as a way for them to kind of take care of themselves as a way of seeing that food to body connection. I'm all for it. I think that bone broth is a really, really good way of people getting good protein, collagens, lots of minerals into their diet that also there's just so many benefits around it being healing, good for your gut flora depending on how you prepare your bone broth.

[00:12:08] It just has a lot of nutritional qualities that is very beneficial for your body.

[00:12:14] **David Crabill:** now I see that you've done a lot of food related volunteer work before this, so this is by no means your first foray into the food world. So can you expand on that a little bit?

[00:12:25] **Nancy Chang:** Yeah, absolutely. So when my mom had gone through her cancer journey, It was one of those things that really kind of opened up my eyes to how much food can make a difference for somebody and how much community building can take place in those spaces. And so when I was in my self denial What is it?

[00:12:43] The imposter syndrome phase, you know, it's just, I wanted to still stay engaged. Like, food was just such an inspiration for me. And so one of the first volunteer projects that I ended up kind of really falling in love with was there was a church around this corner from my house that did free breakfast on Sunday mornings.

[00:13:01] And so I would just go there and cook with the people that were there. And it wasn't just about the people that I was cooking with, although that was great, but it also allowed me to get to know a lot of the unhoused population in my neighborhood and to be of service and to, like, meet each of these people.

[00:13:18] It just, I don't know that there are some of those people that I still consider friends. I think that food is such an equalizer and I think that there's something about putting food together that is meant to nourish, to make somebody feel like they're good for the day. There's just an intrinsic value.

[00:13:33] There's just something about that that just makes me feel like there's a purpose and also like a joy about that exchange. And so that was one of the first things and. as Purpose and Hope grows, I would love for it to be something that also provides economic opportunities for this population as well because of

being able to see the beauty and the value and worth of people that sometimes are just highly marginalized and ignored.

[00:13:57] And so that was probably one of my most deepest learnings as far as equity in the food service. you know, I've volunteered at Meals on Wheels in Project Open Hand in San Francisco and Oakland, and then just. Lots of different opportunities that have come up, mostly just small, like ways of just trying to give back.

[00:14:16] Even if it's like, if I have extra produce and items here, turning that into something that can be then gifted back into the community. And then also with my business too, having the soup sponsorship be something that. Just kind of reflects that experience as far as you know, seeing that every person's life has value.

[00:14:35] And sometimes we have different resources available that sometimes creates a barrier for people. But, you know, it's just when somebody can be benefited by providing nutritional support for them, regardless of income, like that is something that I would like to continuously explore in my business. And I'm so grateful for. You know, having to, you know, like, even start a small business, like, whether it be through my home and growing into it in a different way in the future, but having it be a vehicle and a tool for me to just express my values and, like, these acquired experiences and hopefully have it be something that somebody feels comforted by or acknowledged by or just, like, relieved of.

[00:15:15] You know, some sort of like a burden or feeling invisible through the food that they eat.

[00:15:22] **David Crabill:** Now you said that you had taken... business classes, I think, but you were terrified of starting a food business. And certainly fear is something that holds a lot of entrepreneurs back, but can you share a little bit more about like what you were afraid of? Were you afraid of getting shut down or were you afraid of failure?

[00:15:42] I mean, looking back, what was it that held you back from starting?

[00:15:46] **Nancy Chang:** Oh, wow. I think diving into becoming a business owner has been the biggest mirror. I think that there have been Lots of different levels of fear that I've had to just learn how to embrace and grow through. I mean, there was the fear of failure for sure, visible failure you know, being too much of a, irrational idealist.

[00:16:09] like, you know, the whole financial aspect of it, the, like, How do you balance your time, life, and energy for a business, you know, because especially when you're creating something from scratch, no matter what the size is, there's just so many things that hard because you have to like constantly learn something new you know, there's just like the failed, like the fear of me not being good enough to do the business that I have in my heart.

[00:16:34] it's just like an evolving process, you know, before I would say that I was very much a procrastinator. You know, if there was something that even if I wanted it, but you know, but I had to like discipline myself to like actually like learn and grow to achieve it, it was like really hard for me to let myself do that.

[00:16:52] I think a lot of times like entrepreneurship is interwork because you have to be responsible for your own outcomes and like the things that like. Are absolutely necessary, like figuring out, you know, your costing or figuring out your marketing

[00:17:06] and so it's just like learning how to, be proactive, like engage in learning. I think one of the greatest things that I had learned through my process was like fixed and expansive learning. when I was first starting my journey. I really thought of myself as like a fixed person, not somebody that was capable of evolving, changing, learning, growing and enjoying that, you know, I think before that felt much more scary and it really kind of took some, Like a good filing of the ego to just know that like, this is what I need to get done. And then like,

[00:17:40] am I capable of learning what's necessary in order to get it done? And most of the time the answer is yes, I can do it. You know, so now the way that I see things is much more different than the way that I would have perceived it before.

[00:17:54] **David Crabill:** Now I know that you really started focusing in on building this business in 2020, but I see on your website you have a promo video that's pretty well produced and that dates back to 2019. So can you share a little bit about your vision for that and how did you even produce that?

[00:18:13] **Nancy Chang:** Yeah, so when I had met my mentor, we were piecing to my, you know, slowly going around the community trying to find Ways to bring my business to life pre COVID. And so this is also when, you know, I was kind of following AB 6 26 and just not sure if that was ever gonna be something that would be passed.



[00:18:32] And so, even then I was kind of like, what are like some of the first things that I need to do in order to launch a business? And so crowdfunding was one of those ideas that kind of came to life. And so I found this amazing, wonderful person that produced my crowdfunding video.

[00:18:50] And yeah, it was just something that we had put together just to try to capture the overall vision of what we were trying to do. and then as MEHKO became available, you know, we are a home based business, but you know, there's just so many wonderful people that we've been able to serve. And I think that hopefully that video just kind of gives people an idea of.

[00:19:09] What the intention of the work is about, which is trying to create a bridge of healthy food that's sourced from the community for people in the community in order for them to heal, to be stabilized. To be able to just have potential for them to just hopefully move forward in a way that feels supportive.

[00:19:29] **David Crabill:** Alright, so you created the video for your crowdfunding effort And can you tell me a little bit more about that effort?

[00:19:38] **Nancy Chang:** Sure. The crowdfunding video, I think it was shot in 2019. basically after that everything kind of shut down. And then in December of towards the end of the year, I felt like I just. I had pieced together enough to where, I could possibly start my, COVID baby small business. And at the end of the year we launched our crowdfunding campaign and then we used our crowdfunding video that we'd previously produced in that effort. And so

[00:20:07] for someone like me, on my level, it really was... Letting my friends and family know what I was doing and asking for their support to share. And so it was very grassroots, very down to earth, very much like talking to people one on one, getting my friends engaged to help me.

[00:20:25] originally we were just hoping to raise \$5,000, and then I was just so grateful that people felt willing to support me. So we've raised a little bit over seven and that's kind of the seed money to start our small business with.

[00:20:39] **David Crabill:** Wow. I mean, \$7,000 is actually a very successful crowdfunding campaign. You're kind of downplaying it there a bit. what do you think was the driver of getting thousands of dollars out of that campaign? Was it the video or was it the work that you did on the back end of connecting with people?

[00:20:57] **Nancy Chang:** I think it's a combination of it because you know, I think a lot of people, especially now. being able to narrate a story through audio and visual, I think it's easier for people to kind of absorb that information, you can kind of paint the picture for them in a way that's concise, short, easy, and shareable,

[00:21:17] And that was very supportive as far as, my friends sharing it with other people that I didn't know and for them to understand what was happening or what I was trying to do and to gain their support.

[00:21:27] you know, it was primarily people that I did know, but then there's also people that I didn't know that were very Supportive, wrote messages, gave their donations, you know, and just really helped uplift the morale of like, the intimidation of like asking for something like money, especially from people that you have relationships with, you know, sometimes that doesn't always feel like A smooth, easy process.

[00:21:51] I think a lot of times it feels very intimidating or, you know, vulnerable. you know, it was just kind of working through all of those things. And and the response of the friends that came through and the family that came through, I mean, and their people, it just, it really helped make the work possible.

[00:22:08] **David Crabill:** So with this idea incubating in your head for a long time, and now you've done it and put it out there and obviously it's, grown substantially. Looking back, is there a part of you that wishes you had started selling sooner than you did?

[00:22:23] **Nancy Chang:** You know, I do think about that sometimes because for me, it was just such a long incubated idea. You know, I think from the time my mom had passed away in 2008. to actually starting in 2021. You know, there's just a lot of times where it was like, sometimes people have a lot of ambition and they start things and it's immediate and it launches and it's successful and there's exponential growth, or, you know, everybody has their own ups and downs.

[00:22:50] But There were certain times in that in between period where I was like, I don't know if this business is ever going to happen. But now when I look back at that time between when my mom was first diagnosed with cancer till now I think that everything is in correct order of timing because there was so much personal growth that I needed in order to even actually take something

like this on and to make the sacrifice and to go through all of the internal discomforts of, just trying to grow to meet the challenge.

[00:23:23] And so, for the amount of time that it took, like the longing, the pondering, the collection of information, the learning that took place. now in retrospect, it was absolutely the way that it was supposed to be. Plus, you know, I wouldn't have been able to operate out of my home legally to even just test my concept.

[00:23:42] And so that's why I'm incredibly grateful for MEHKO is it makes making a food entrepreneurship journey. More possible financially as far as like even just getting started,

[00:23:54] **David Crabill:** so you launched this crowdfunding campaign, you raised a few thousand dollars, and that takes us into 2021 when you actually started selling soup. So can you tell me a little bit about how you actually launched your business?

[00:24:07] **Nancy Chang:** Yes. So when I first launched my business, because I had wanted to do this business for so long and because I was ideating and talking to people, I had a friend that had contacted me and she said that she had a somebody that she really cared about that was going through cancer treatment and if I would be willing to help make her food.

[00:24:26] And so I had a wonderful phone conversation with this person and, you know, agreed that we would start. With her. So I basically, my first customer was a friend referral and you know, whenever we talked, I kind of told her about my business and the concept of it and, you know, if she'd be willing to be kind of like my guinea pig, so that's kind of how I first got started.

[00:24:47] And then because of some of the people that I've met along the way, like the dietician. That I had first met as well. She had friends that also work in the field. And so um, I reached out to several patient navigators. And also there was an integrative oncologist who also shared my business with some of her patients.

[00:25:05] And that was like the first grouping of customers that I had ever received was through the people that helped me kind of like ideate my business or that were a friend of a friend that knew who I was and what I was trying to do. And so that's kind of how I got my first kind of circle of people to kind of serve and make soups for and start my, routine with.

[00:25:28] **David Crabill:** So you got a lot of your first customers, I guess, from these referrals, from healthcare professionals. So was that. Always the plan, or did that just kind of happen naturally and organically?

[00:25:40] **Nancy Chang:** My first referral that kind of happened naturally and organically just through having had shared about what I wanted to do. And then when I launched my business um, you know, it was reaching out to people that, were relevant to the demographic that I felt really inspired to serve. And then I was referred to these people and then we connected and shared and then they also helped me with finding my first customer base to get started with. So I don't think it was necessarily like a thought out plan. It was just people that I'd met along the way and reaching out to them, letting them know that I was starting and that I would love. to find people to serve I also

[00:26:18] did a lot of. Attempted clinical outreach and things like that, which was really, really hard and quite intimidating And so it was just finding the people that felt like they were warm enough to be able to like, help me get started.

[00:26:33] **David Crabill:** Now, are these healthcare professionals just referring you for free? I mean, is there, is there something that you incentivize them to offer your services? Or is it just, All for free.

[00:26:45] **Nancy Chang:** I've never paid for anybody to refer my business to their patients. Yeah, I think the incentive is finding a solution for their patient to have a resource that can help them with some of the fundamental things for them to... Be resourced as they figure out, their pathway or, you know, the resources needed for them to heal or whatever alleviates them from having to provide something for themselves.

[00:27:09] It takes extra energy and effort. So it's more about who we're serving versus the exchange of monetary benefit for a referral. So I've never paid anybody for that. It's just letting them know what I do, creating relationships, and then allowing people to, be supportive or having it be something where they're aware of who I am or what I'm trying to do.

[00:27:30] And if that's something that feels like a natural fit for whoever they come across and they're aware of the option.

[00:27:37] **David Crabill:** So does that then indicate that they didn't really have a solution for this problem before? I mean, they weren't referring their patients to other dietary solutions.

[00:27:49] **Nancy Chang:** I'm not really sure what they would be doing in the background. I know that when people are diagnosed with like a critical health issue, that typically one out of five people in that population are food insecure and that tends to exacerbate as they go through their like healthcare process because of how expensive it can be.

[00:28:07] And then also, I think that the way that our food system is set up right now, it's just something where with nutrition and healthcare, I feel like this is something that is just kind of starting its evolutionary journey I think that people are becoming much more aware and like placing value on things like integrative care, you know, more of like the wraparound service, not just a black and white process for people to go through.

[00:28:33] And so when I think about my business, I think of about it as an expression of being like a pillar and integrative care for people to have food be something that is supportive in that process. Because

[00:28:45] I think that, you know, the standard American diet is quite destructive for our health

[00:28:50] And, to be a business that kind of speaks to the values of using food as a form of medicine, as a form of comfort, as a form of caring, as a form of having somebody feel inspired that they put something good in their body today.

[00:29:05] Feel like that is a win and if we could do more of that, and do more of that and society do more of that in healthcare I think that we can see, positive changes. coming from that

[00:29:17] **David Crabill:** so what percentage of your customers actually have an underlying health condition versus how many just, you know, buy it because they want good healthy food?

[00:29:26] **Nancy Chang:** You know, I would say about half, you know, I would say that like 30 or 40% of my customers probably have like a digestive issue, probably have like a health issue or they have a friend. maybe has a cold or recovering from something. I feel like there's a good amount of people from that.

[00:29:44] area that I'm serving. And then there's also people that are, having children or, busy at work or like they have parents that are aging and, you know, I mean, there's just a lot of different reasons why people have used my service.

But just the nature of it. I would say about half of the people that use my service are dealing with a health issue.

[00:30:04] And then the other half are looking for, you know, the value of the food that they're bringing into their, into their home.

[00:30:12] **David Crabill:** I'm just noticing that you're talking about your business as a service, and that's not typical. Most businesses talk about their product, right? Is that intentional? Like, what's behind that?

[00:30:23] **Nancy Chang:** I think seeing my business as a service has always just kind of been baked into it. But when I think about like the actual, Operations of it, you know, like whenever I'm like meeting with my customers, there is sometimes an exchange there, but it's mostly about just getting the product to them, you know, and so it's not this thing where there's just like a lot of different moving parts.

[00:30:46] I think some of the sweetness comes through what the intention of the business is for and like the way that those exchanges are then expressed about when people become a customer of mine. But I think that it is about just wanting to take care of people, and if that is definable as service, then yes, we're all about, finding a way to create a business that feels warm, that feels inviting, that feels accessible and equitable to some degree and I hope that when people, have our soups or reach out to us for any reason that they feel Honored by the experience that it's not just about, providing them soup, but for them to feel like they were taken care of in a way that hopefully feels meaningful.

[00:31:26] **David Crabill:** So, you initially were thinking of going into a commercial kitchen with this idea. And then you were tracking the changes to the MEHKO law and hoping that obviously Alameda County would create an ordinance for it, but they hadn't yet. And so I see that you started selling before they actually started allowing MEHKOs in your county.

[00:31:47] So. What was that decision like, you know, because you clearly were aware that there was a law that prevented you from doing this, but I also know it's extremely common for people to be selling food from home during the pandemic. So what was it that, pushed you forward into starting that before you actually had your licensing?

[00:32:05] **Nancy Chang:** Oh, yeah, for sure.

[00:32:06] I was really, really concerned about permitting and really, really concerned about, getting shut down. For me, I don't come from a background where I started my business with a lot of investor backed money or even personal savings for my business.

[00:32:22] and, to be honest with you, whenever I have these conversations some of the feedback was a lot of businesses Start this way.

[00:32:32] And I think that for me not being permitted at the time when I started my business, it create a lot of limitations as far as marketability, the type of outreach that was possible, how to find customers It was actually not being permitted. It was extremely limiting because, you know, you want to serve people, but then you're afraid of being shut down, and then there's also legitimacy of being able to be a permitted business.

[00:32:58] And so it was just something that I had to work through,

[00:33:01] it was not something where it was ever a plan to just never be a permitted business, but it was more about is this something that is valuable enough in society

[00:33:11] you know, can you build a customer base that then legitimizes?

[00:33:14] the cost of, if it was entering a commercial kitchen, you know, would you have people that would actually buy your product to where you could afford that type of investment? And so we're very much bootstrapped very much. seed in the ground kind of a business. it was just really embracing, like where I am in the world, where I am in my business.

[00:33:36] and am I willing to take the risk or not? And so that is how my business got started. And so Yeah, when MEHKO became available, highly, highly interested in wanting to legitimize my business in that way.

[00:33:50] **David Crabill:** So you said that You're extremely restricted when you weren't legal because of all these different reasons, but the MEHKO law is restrictive in and of itself. I mean, it's also kind of built with the intention of being a starter program to help you grow into the next thing. So, how has the actual law and running yourself as a MEHKO been limiting?

[00:34:14] **Nancy Chang:** Yeah, so there are restrictions as far as how many meals you can make, your delivery radius amount of help that you can get and then a lot of it is just like other like standard food practices as far as sourcing, as

far as storage, you know, even with your menu and things like that, you know, you have to have everything approved by the health department before it can show up on your menu so yes, there, there are a lot of factors that make MEHKO kind of like a contained bubble as far as what's possible.

[00:34:44] I think that it is good for, concept testing for people that, you know, want to have like a way of creating income from the food that they make. I wouldn't say that it's something that currently in the way that it is, that it's something that you can face, full time and come off of.

[00:35:01] **David Crabill:** So, uh, where do you think your business would be today if Alameda County had never actually passed an ordinance, and you weren't able to get legalized as a MEHKO?

[00:35:14] **Nancy Chang:** There's a couple of things that could have happened. Either I would have tried my business in the standard way. And then just knowing that with the amount of resourcing that I had, that I would have a very short runway as far as how long I could test my business.

[00:35:29] And then the other one would be, going rogue and trying it out underground, which is also probably something that could have been something because it was just a business that I wanted to do so much I had to see it somehow be of service, even if it was just for one person, one time, it would have been better than no people, none of the times, and so it would have been one of those two.

[00:35:50] **David Crabill:** Yeah, so we haven't actually talked about what you sell. I mean, we know you sell soup, but can you share a little bit about what flavors you actually sell?

[00:36:00] **Nancy Chang:** Yeah, for sure. So for us, like, we do broth based soups, and so we use either bone broth or vegan mineral broth as the foundation for our soups. And so we try to keep everything. Um, as far as ingredient wise, we want to try to incorporate different phytonutrients. We also want to include like, ingredients that have a good nutritionally dense value to them, like seaweeds, like gourmet medicinal mushrooms you know, using cruciferous vegetables and trying to express different types of colors through our soups.

[00:36:32] And so we have some of our broth based soups, like miso, and then our cordyceps burdock root miso. And then we also have try to like celebrate the vegetable through like our super green broccoli soup. We also have a really



beautiful red beet, coconut milk and ginger soup of a roasted cauliflower um, and turmeric soup.

[00:36:53] and we just try to like use these items as a way to just kind of express like a sense of color, a sense of, Quality to them to where when people have their soup orders come in when they open up that package. They see that there's like a color variety in there for them. We also try to just pair nice flavors and then also use ingredients that have kind of like a high value to them and incorporate it into the soups.

[00:37:17] But mostly it's really about creating it on a good foundation, like a nice broth. Um, That kind of brings everything together

[00:37:26] **David Crabill:** Now, do you rotate flavors in and out, or do you have the same flavors offered all the time?

[00:37:32] **Nancy Chang:** right now. The menu is, it's been fixed. We have had some changes kind of more earlier in our time, just because of operationally. And then also, you know, like how the product freezes and things like that, we've had some changes. Based off of, you know, kind of feedback as far as, like, if there's been a starchier soup, when it defrosts and things like that, sometimes the textures change, so we've, like, changed certain items out.

[00:37:58] But we do have a project coming on where we'd be doing community meals and then doing some rotation in that aspect, and then exploring different recipes, and then maybe doing some changes in the future for our menu.

[00:38:12] **David Crabill:** And I see that you also just sell plain broth, right, is that a very significant portion of your business?

[00:38:19] **Nancy Chang:** Yeah, people do love the broths we do sell mostly prepared soups and then, you know, what's nice about the broth is that people can use that at home and make things that are, comforting or familiar to them and then that way they can use that as like a nice base to have incorporated into their meals.

[00:38:40] **David Crabill:** And I see you use quite a lot of very specialized ingredients in your soup, and I think for the purpose of health benefits, can you share a little bit about some of the ingredients that you put into your soups?

[00:38:52] **Nancy Chang:** I love trying to incorporate things like mushrooms, seaweed, or just like taking ingredients to just kind of like add an additional benefit. Like for us, we always want to try to add like a protein element in there.

[00:39:07] We do have a soup that has like... Portoceps in it, something, you know, as far as traditionally used and then also, well studied as far as being really beneficial as far as like being anti cancer, anti tumor ingredients.

[00:39:22] We try to, look for ingredients that have high value to them. You know, like even the shiitake mushrooms and the miso soup, it's just like trying to build some of these really good Ingredients into the soups, so then whenever people have them, then they feel like there is thoughtfulness included, that there's like that meaningfulness in the food that they're having.

[00:39:43] **David Crabill:** And where do you source your ingredients from?

[00:39:48] **Nancy Chang:** what I really, really enjoy is, and I'm looking into kind of some local sourcing.

[00:39:52] like the seaweed, we purchase it from Strong Arm Farm. Up in Sonoma County we do get mushrooms from Far West Fungi, and then we try to purchase our produce locally as much as possible, and sometimes that can be rotating but yeah, we try to get our produce from the community as much as possible.

[00:40:14] **David Crabill:** So with you marketing these soups as being, you know, very healthy, obviously kind of intended for people that have a health condition, and then you're clearly putting high end ingredients in there What has the pricing strategy been like for you? Have you been able to price your soups highly?

[00:40:33] **Nancy Chang:** I think for the ingredients that we use you know, for our cost of goods sold, we typically range around, like, 20 to 30% range for our cost of goods. That's kind of how we kind of base our pricing of each soup. And then, yeah, I think with the amount of time that it takes to prepare the soup bases and then also sourcing the ingredients.

[00:40:55] I think for us, we found that like with similar businesses in the area, we seem to be about on par with the pricing structure. And then, yeah, it's just really sometimes like with certain key ingredients, like creating relationships with the people that we source the ingredients from. And then also sometimes like being able to have like a different pricing structure for the sourcing.

[00:41:17] Um, Because. of that outreach.

[00:41:20] **David Crabill:** Now, I know that you live in a high cost of living area but what are the actual prices of your soups They range between \$18 to \$22 for 24 ounces and then We also have the option for people to have their soup delivered in glass mason jars. And then for us, you know, if they wanted to like have like a different, packaging then, it's like \$2 more a soup. So like between \$18 to \$22 or \$22 to \$24 per soup.

[00:41:50] And are these, single sized servings of soup?

[00:41:55] **Nancy Chang:** I would say if you have a large appetite, you could probably eat. an entire 24 ounce jar of soup. I think most of my customers usually have like two servings or three smaller servings out of each container.

[00:42:11] **David Crabill:** and so how does the customer actually get the product? Do you do mostly delivery or pickup? How does that work?

[00:42:18] **Nancy Chang:** so the MEHKO restriction is The delivery has to take place within 30 minutes of your production location.

[00:42:25] so what we do is after we produce the soups, we cool them and then we bring them down to temperature, a cool temperature. And then in the mornings on Saturdays, our customers are welcome to come pick it up. Or they're also able to opt for delivery and then we deliver primarily in like the East Bay between Richmond to Hayward.

[00:42:42] **David Crabill:** Okay, so do you have some people that are trying to get your soups but they just can't because they live too far away?

[00:42:50] **Nancy Chang:** have had people that have had requests for places that are further And so we'll try to arrange something like where if they could pick it up Or if they have somebody in the area that could receive the soups from them But yes, that is a restriction that definitely has limited some people being able to access the soups.

[00:43:09] **David Crabill:** On a week to week basis, how many of your customers are recurring? And how many are new?

[00:43:15] **Nancy Chang:** I'd say about 60% of my business is recurring. and then I would say that probably the other 40 are, you know, new customers, whether they found us through an article or through a friend referral, that they

would be new from that way. That's typically how I find my customers. Oh, I've had a lot of like referrals,

[00:43:33] **David Crabill:** Now, do you have some sort of subscription service that people can subscribe to in order to get soup on a weekly basis or a bi weekly basis or something like that?

[00:43:45] **Nancy Chang:** at first I had thought about something like that for my business, I know a lot of people like to go the subscription route um, because I have kind of like a limited menu. I didn't want anybody to really necessarily feel like locked into the service. And so right now it's just set up where people can order as they like.

[00:44:03] They like, and then I also had integrated a calendar into my shopping cart of my business to where people can place orders and schedule them into the future. But currently I don't have a subscription service. I think that that would be a great idea. And I have had a couple of people reach out about, you know, having something or they could just have it be automated, but I haven't.

[00:44:23] I haven't necessarily added that into my business website yet.

[00:44:28] **David Crabill:** And how do most people order? Is it through the website? Do they message you directly? Like, how does that work?

[00:44:34] **Nancy Chang:** All of the purchases take place through the website.

[00:44:38] **David Crabill:** So do you have people reaching out to you on DMs and then you have to say, no, no, you have to go over to the website to place an order.

[00:44:44] **Nancy Chang:** Yes, people have emailed me before um, inquiring about soup orders and how to do so, or if they could place it over the email or something like that. But I usually have... Refer them to the website. It just helps me keep everything more organized. it kind of helps just eliminate potential misses on my end.

[00:45:05] **David Crabill:** And now you have this Soups sponsor program, right? Can you share a little bit more about that and the success of that?

[00:45:13] **Nancy Chang:** Thank you so much. I would love to um, the Soup Sponsor Program is something that It was just my way of trying to build equity into the food service, because I feel that a lot of times, the need supersedes

sometimes people's ability to pay for items, and I didn't want to have that be something that was.

[00:45:33] left behind. And so what the soup sponsor program is, it is a Patreon account that I've created where people have donated to a fund and basically every month I take that money and then we buy ingredients. specifically that will be donated to two oncology nonprofits in the East Bay. One is the Women's Cancer Resource Center and the other is the Charlotte Maxwell Clinic.

[00:45:56] And so every month I have a dedicated number of soups that'll donate to each nonprofit that are then given to their clients for free. And that has been one of my most favorite aspect of my business because the feedback and engagement does come from that. A lot of the people that receive these soups are food insecure and dealing with a health concern.

[00:46:19] That's pretty critical. And to be able to fill a need, to provide some comfort of people being able to have food that's easy that they know feels good for them. I've had, People that have had digestive issues that have said that like, a lot of the discomforts that they get from eating, like sometimes like having the soups actually feels healing.

[00:46:38] It feels non disruptive for them. And so for me, it's just such a wonderful experience to actually put that into life. Like, especially whenever I was doing the volunteering, making food for people that were unhoused Just being able to see that quality of using food as an equalizer be of service in a way that just helps people feel like nourished and grounded for the day.

[00:47:02] I think for me being able to incorporate the Soup Sponsor Program into the operations has just been extremely gratifying and very rewarding and it makes me feel like the business is, Making sense, making work happen in a way that that I just feel incredibly proud of.

[00:47:19] **David Crabill:** Now I've Seen that you've gotten quite a bit of media attention now is that something that you tried to go out and get or is it all kind of just come to you?

[00:47:30] **Nancy Chang:** well, initially when MEHKO had been passed in Alameda County because I knew that that was a route that I wanted to take. I had reached out to a couple of the hyper local publications in my area, one of them being Berkleyside that accepted writing about my business, and so there was outreach there and then Patreon.

[00:47:50] com. there have been other opportunities that have kind of come to me. And so initially the first one was one that I worked for, that I did outreach for you know, and just tried to find if there was anybody that would be interested in sharing my story and the work that I was doing.

[00:48:05] And so I feel extremely grateful to Berkeleyside for bringing my story out into the community that was to me was huge. It helped me reach people that I never would have been able to find otherwise that were amazing, beautiful, wonderful, supportive people. You know, so extremely grateful.

[00:48:23] And then, there's been a couple podcasts the feature on uh, Localish. They have kind of found me. And so some of them, was me writing to publications and others were people having had found me either through Foodnome or some of the articles that were written to get more information about MEHKO to create kind of like a story and to contribute in that way.

[00:48:48] So it's been kind of a mix.

[00:48:50] **David Crabill:** Now have you sold on Foodnome as well?

[00:48:54] **Nancy Chang:** Initially, when I first launched, Foodnome was really great. They helped me with what would be needed to pass my health inspection and to be part of their platform when I first got started. And so I had my website and then also was listed on Foodnome at that time.

[00:49:12] **David Crabill:** And then at some point I guess you decided to take your listing off?

[00:49:17] **Nancy Chang:** I think for me, I was finding that most of my business was coming through my own website

[00:49:22] you know, especially after I was written about and things like that,

[00:49:25] And so my website was generating enough business for me to have that be my primary focus of how I wanted to market my business.

[00:49:33] **David Crabill:** Now, do you have employees or help at this point or is it just you?

[00:49:39] **Nancy Chang:** It's primarily myself. I have one or two friends that whenever I have a large work week that they've come over to help me. And then I have, you know, certain things like, you know, I've hired people to do like, my

digital marketing or, you know, like certain like peripheral things, but that's not been like an employee.

[00:50:01] Kind of relationship. It's more of like helping people figure out like a solution for a distinct issue that I have that I'm not very experienced in. And then production help. there's one or two people that I can call on for that. For, for how I am currently.

[00:50:17] **David Crabill:** So now do you work a job on top of this or is this a full time thing for you?

[00:50:22] **Nancy Chang:** I currently do work a job and then I do that in conjunction with my business.

[00:50:27] And so the way that my week is scheduled out is, I have certain days and times where I work and then I also have days and times that I reserve to focus on my business and making sure that the operational aspect of everything has the time needed in order to like take care of it and to sustain it.

[00:50:45] **David Crabill:** Has the business grown slower than you expected?

[00:50:50] **Nancy Chang:** I think the business, what's been surprising is learning how to ride its ups and downs. And so there's been times where it has grown quite a bit. And then there's been times where it retracts. And so this is like kind of a process that I have experienced. You know, I've had some um, there's times where it feels really ample and full.

[00:51:10] And there's other times where it feels like it's really easy to manage you know, I think with having a small food business like mine, it's like finding that area where you know, you can take care of your life. Do what's needed in your business, but then also the amount of energy and thought and planning it takes to continuously grow your business exponentially. I think for me It's been kind of a teeter totter because I have to work in order to pay my bills.

[00:51:41] And then I also have to, take care of the customers that I have now. But, each phase of growth, it takes a certain amount of support and planning in order to have that happen to be for it to be executable. And so right now I'm still kind of figuring out, What my next steps of growth are and like how to like get the support needed in order for that to happen.

[00:52:05] Because I do have, a pretty full life. And so, getting all of those pieces together and even getting like the team and support to like move a

business in a direction where it can like continuously welcome customers in and fully take care of them to the best of your abilities. That takes quite a bit of energy and work. And so, you know, I do have certain organizations that have been extremely supportive of me to help open up that door. But yes, like there have been times where I'm surprised of how challenging it can be to like continuously take your business and like lift it, you know, cause you have your base customers, but then how do you continuously find.

[00:52:44] people that see the value in what you're doing and to support it in a way that then sustains a business. And that's also something that, I think is really hard in business.

[00:52:53] **David Crabill:** Have you noticed some rhyme or reason why it goes up and down at times? Is it seasons? Is it news articles? Like what, can you see the, the trends or the causes?

[00:53:06] **Nancy Chang:** I do think that there is some seasonality in the service. Although for me, the key demographic that I have, I feel like there's I think supersedes the seasonality of it. I think that is, you know, kind of like a million dollar question, right?

[00:53:21] Where it's just like, how do you continuously have your business in a position where it is continuously growing? I'm very grateful for some of the media that I've received and helping me connect with people that I wouldn't have found otherwise. And being able to continuously market your business, look for the people that, believe in what you're doing and are willing to support your business.

[00:53:43] sometimes that can be a journey in and of itself. So, you know, it's always finding ways to look for those opportunities and to offer something that's valuable for the people that you'd like to serve.

[00:53:55] **David Crabill:** When I think about a soup business, I think it's going to be really popular in the wintertime and not as popular in the summertime. Has that been the case for you?

[00:54:05] **Nancy Chang:** I believe so. You know, I think right now we're two and a half years in our business. And so we have seen some of those trends. And, you know, there's certain times where we've had certain things like media attention, which will help us, gain more customers and to serve more people.



[00:54:22] And that always feels really exciting. But yeah, last year in the summertime, and this year, it's actually been okay. I feel like what I've been very... I'm grateful for is that each week there's always been people that have reached out for ordering our soups, you know, so it keeps us in practice and, you know, it's just something where I think for me, like, we are in our exploration phase and, you know, we have a really great time.

[00:54:46] Bye. wonderful base of customers that we really enjoy serving. And it's just, as a very small business, how do you continuously blossom into like, continuous growth?

[00:54:55] I think right now we are, we're small and we're down to earth and we're like bootstrapping and, and, and, and we're looking for those opportunities.

[00:55:05] And it's been surprising to see some of the wonderful things that are out and available in the Bay Area and the organizations that have come through to help that help make that commitment to what you're doing feel like there's potential there.

[00:55:18] You know, so there are ups and downs. There are times where you feel like your business is doing great.

[00:55:22] There's other times where it's just going to feel really uncomfortable and really uncertain. but you know, it's like following the path. Doing the best that you can to serve the people that you care to serve and I'm looking for resources and organizations that can help bring that larger vision to life, because I'll be perfectly honest with you.

[00:55:42] There's been times where I doubt everything about my business, but you know, even in those moments, There's something that will happen. There's some sort of exchange that will occur, and some of them are planned and strategized, and most are not. sometimes it's just a very organic opportunity or extension. That will occur that then makes that a followable path.

[00:56:06] You know, we have some exciting things happening towards the end of the year and next year that, you know, I never could have anticipated, but I know it'll be good for my business and will also help me grow in a way and be of service in a way that helps me fulfill the vision that I have for the work that I'm doing.

[00:56:24] **David Crabill:** So as you're looking forward, what are your future plans for the business?

[00:56:29] **Nancy Chang:** So through the work and through the opportunities to learn and to network and to build kind of an ecosystem that's supportive for my business I've been working with this really awesome organization called the Mandela Partners and they have helped me with funding for a program for community meals.

[00:56:51] This is something that we are Doing in conjunction with the Women's Cancer Resource Center, where we will be sourcing from Mandela Partner Farmers to make soups for people that are categorized as food insecure, receiving services from WCRC.

[00:57:06] And that to me is just such a wonderful way of being able to bring to light the service. That like I feel in my heart is what I would love for business to be poised in. And also with Congress, they have passed a bill that supports medically tailored meals delivered to people's homes.

[00:57:24] That's also an area of service that I would love to try to see if that's a good fit for my business and to see how I can grow it to be qualified to work in that way. Because for me, I would love for my business to be something that creates a positive impact and helping people feel like Nutrition was part of their healing process.

[00:57:45] And so that's kind of how I would love to position my business is just being an expression of love and caring in an equitable fashion in the community and, you know, consistently looking for opportunities to help. That happen

[00:57:59] And so I would love it if my business was able to operate in a way where we can source locally as much as we can to create beautiful foods that feel inspiring, healing and supportive and empowering for people that we are cooking for.

[00:58:14] **David Crabill:** Well, you've been on a fascinating business journey, and I appreciate you sharing all that advice with us. Now, if people would like to learn more about you, where can they find you, or how can they reach out?

[00:58:27] **Nancy Chang:** I love connecting with people. So please feel welcome to reach out. You can find me on my website, which is

www.purposeandhope.com feel free to email us or contact us there. And then you can also find us on Instagram at Purpose and Hope and Facebook as well.

[00:58:46] **David Crabill:** All right, well, thank you so much for coming on the show and sharing with us today.

[00:58:50] **Nancy Chang:** Thank you so much. It was a pleasure.

[00:58:54] **David Crabill:** That wraps up another episode of the Forrager Podcast. For more information about this episode, go to [forrager.com/podcasts/99](http://forrager.com/podcasts/99). And if you are enjoying this podcast, please take a quick moment right now and leave me a review on Apple Podcasts. It doesn't have to be a long review, but it's truly the best way to support this show and will help others like you find this podcast. 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 a cottage food business off the ground.

[00:59:24] To get the course, go to [cottagefoodcourse.com](http://cottagefoodcourse.com). Thanks for listening, and I'll see you in the next episode.