SCINTILLA

THE ULTIMATE GUIDE TO GENERATING

BUSINESS IDEAS, PRODUCTS, AND SERVICES

Extras

ROBERT GAINES

The Cereal Problem: A *Scintilla* supplement

Anyone wanting to develop an edible product should read this. If you use the following suggestions and launch your idea, contact us for the chance to be featured on the podcast or future editions of *Scintilla*.

Disclaimer: The information provided in this article is intended for general informational purposes only. It does not constitute legal, regulatory, or professional advice. Please consult with local health departments, regulatory agencies, and legal professionals to ensure compliance with all applicable laws and regulations before producing and selling homemade cereal. The author and publisher disclaim any liability for any damages or losses that may arise from reliance on this information.

Cereal is a fast, and potentially nutritious meal, that many enjoy at any time of day. We call it cereal because it is formed from edible cereal grains such as rice, wheat, rye, oats, barley, millet, and maize(corn). A bowl, a spoon, and anything from cow's milk to various nut milks can be added to complete the meal.

It is already popular in the US and the fact that clean-up is easy makes it a great choice to start a busy morning. Cereal has a big problem as well as cereal makers.

Problem one: The Grains. The US both grows and imports a massive amount of GMO grains. 92% of corn and 94% of soy grown in the US are GMO. The rise of genetically modified grains, which curiously are banned in many advanced nations, are raising health concerns in peer-reviewed scientific studies.

Even some non-GMO grains contain pytic acid that binds to minerals such as iron, zinc, and calcium, reducing their absorption in the digestive tract. This is why you see some cereal proclaiming they are "fortified" when in reality they are trying to counter the negative effects of pytic acid.

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Problem two: Cereal makers. In addition to several public relations gaffs recently, they have a bigger problem, the food they make. In addition to most brands using GMO grains, they use corn sweeteners, as well as a list of hard to pronounce additives. The presence of allergens, preservatives, and gluten have many walking away from what was once a staple of the American breakfast table.

Challenge: Create a healthy alternative to grains.

Constraints: It needs to go well with various milks, be crunchy, nutritious, zero sugar, and low carbohydrates.

Pitfalls: Controversial ingredients. Government bureaucracy (FDA).

After an exhaustive internet search only one brand was found to meet all the above criteria. It was also a small company so competition is virtually non-existent. The one found was a protein puff, which is a great idea, but the puffs looked too small for cereal. It did have a small amount of carbohydrates so a “zero carb” version might be possible.

There are both plant and animal sources of protein. If you want to lean into vegan territory, you can use plant protein. If you choose soy as your protein source note there is misinformation surrounding its use. Before we go further what a consumer thinks trumps everything, including established scientific facts.

There are many false claims that soy affects human hormones, specifically testosterone. The claims get repeated despite not a single peer-reviewed supporting them. We’ll not dive into the complex, expensive, and time-consuming process of getting FDA approved

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because you can still make money on this idea without worrying about widespread distribution.

Next steps: Create a puffed or crispy flake protein cereal base. Test it with friends until you have three flavors. If you want a ketogenic friendly cereal, you'll need to increase the fat content either through the flakes or sugar/carb free chocolate chips. Vanilla, chocolate, peanut butter, and cinnamon are popular flavors to work with.

Be aware that many ingredients that are safe for you are allergens to others. Stevia is a potent alternative to sugar but you may need to add another sweetener with it. Stevia's flavor is not appealing to everyone. The higher quality versions of it are worth the extra price. The cheap stuff is bitter.

Once you have three flavors that work with different types of milk, you'll need to decide what to do next. Getting it on the shelves in major stores could take years but there are much faster alternatives. It is very difficult to lock down the intellectual property for food so the strategy here is to be first to market and establish yourself as "the brand" for protein and/or keto cereal.

If you want to make the cereal at home and sell it yourself online check out the "cottage laws" in your home state and the related laws in the states you'll do business in. Check local laws but you could do a testing phase at a local health food store or go 100% DIY and sell it directly at a farmer's market, flea market, or set up a booth where hungry people gather.

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The numbers: Work out the serving size, nutritional value of a serving, how many servings per box/bag, packaging options, and what the price per unit will be for you to make a profit.

Collaborate: Send a sample to someone prominent in the area of health, fitness, and nutrition. If you produce a Keto cereal then reach out to them. When I say "prominent" it should at least be someone with hundreds of thousands of subscribers, followers, etc. You could do a collaborative product launch as described in Jeff Walker's excellent book "Launch". This makes sense if you are creating your own brand.

You could also be a "white label" producer, in other words it is your cereal formula, but your famous collaborator will put their brand on it. You could provide them with the just the cereal or you could fulfil the completed product orders yourself. Get an attorney involved early in this process to protect your interests.

White label: With the three winning flavors you could turn the manufacturing over to someone else. They normally have their own ingredient suppliers that quicky get them through the regulatory hurdles. They'll even handling the logistics of distribution. The big downside is this is the least profitable way to get your product out there. You'll either need to sell a lot of cereal or have an amazing marketing campaign that convinces people to pay way above normal cereal prices

This is a brief overview; it serves as a quick way to get you thinking creatively. There is plenty of room for more healthy food options on the market. Even if you run a small boutique food company you can do quite well, especially if you can brand yourself as a premium product.

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www.freetimemastermind.com Our membership support system for entrepreneurs. We are not taking new members at this time but join the waiting list to learn about the next open enrollment.

https://tinyurl.com/5n89z2c3 Jeff Walker's excellent book "Launch". A great buy for every entrepreneur.

https://www.youtube.com/channel/UCnTEdgAwIKUhre7rFo1g-2Q Our public YouTube channel.

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Even if you don't consider yourself creative, the practical steps presented here will lead you to discoveries. There are also great data-driven tips for you to extract ideas that are already publicly available. You'll learn new ways to uncover ideas just by understanding how to analyze what is already on the market. You can also use Scintilla to master creating the perfect environment to generate breakthroughs.

Scintilla is more than a book, it is a community, join us and make something great!

About The Author

Robert Gaines is a US Army veteran and entrepreneur with a degree in Business Management from the University of Louisville. Robert is the host of the Free Time Mastermind podcast, featuring interview-style content for entrepreneurs. He is also the curator of the Free Time Mastermind Group, where business professionals assist one another in their pursuit of success. Visit www.freetimemastermind.com for information on bookings, bonus material, interviews, and more.