Home Cake Business Startup Checklist

Use this checklist to keep track of what you've done (and still need to do) on your journey to opening your home-based cake business.

01 Research Your State's Cake-Specific Cottage Food Laws

- [ ] Look up your state's cottage food sales income cap (if any)
- [ ] Check whether your state allows online sales of homemade cakes
- [ ] Confirm whether non-TCS (non-perishable) restrictions apply to your cake recipes
- [ ] Review labeling requirements
- [ ] Apply for a home kitchen inspection (if required)
- [ ] Apply for a cottage food permit (if required)

02 Pick Your Cake Specialty

- [ ] Consider which type of cake you like making most and what other people seem to enjoy most
- [ ] Choose what you'll specialize in (wedding cakes, cupcakes, etc.)
- [ ] Confirm your home kitchen has the capacity to produce that type of cake

03 Set Up a Cake-Ready Kitchen

Essential Equipment

- [ ] Oven
- [ ] High-capacity stand mixer
- [ ] Dowels
- [ ] Tier separators
- [ ] Cake drums in multiple sizes
- [ ] Transport boxes
- [ ] Cake leveler
- [ ] Decorating tools (piping bags and tips, turntable, etc.)
- [ ] _____
- [ ] _____

- [ ] _____

Storage & Workspace

- [ ] Dedicated fridge for holding cakes
- [ ] Bulk containers for dry ingredients
- [ ] Label maker
- [ ] Designated space for storing ingredients (separate from your normal pantry)
- [ ] Staging and prep area

04 Name & Register Your Cake Business

- [ ] Choose a name that's short, clear, and unique
- [ ] Register your entity name (if required/desired)
- [ ] Register your trademark (if required/desired)
- [ ] Secure your domain name
- [ ] File a DBA (Doing Business As), if required

05 Protect Your Cake Business With Insurance From FLIP

- [ ] Get a free cake maker liability insurance quote from Food Liability Insurance Program (FLIP)
- [ ] Confirm your homeowners insurance policy excludes business-related claims
- [ ] Purchase coverage before accepting your first order

06 Price Your Cakes

- [ ] Calculate ingredient cost per cake
- [ ] Calculate labor cost (hours x your hourly rate)
- [ ] Calculate overhead (~10–15% of ingredients + labor)
- [ ] Set your target profit margin (50–75% is typical)
- [ ] Calculate selling price (cost to make ÷ (1 - margin))

07 Land (& Ace) Your First Cake Orders

Marketing & Trust-Building

- [ ] Build a simple website and social media presence

- [ ] Set up a referral discount incentive
- [ ] Collect and share client testimonials
- [ ] Make friends and family your first clients
- [ ] Offer an at-home tasting for new clients

Contract & Deposit

- [ ] Require a signed contract for each order
- [ ] Collect a deposit for each order (50% of total cost is standard)
- [ ] Include a cancellation policy and damage/dispute clause in your contract
- [ ] Work with a lawyer to create your contract

Transport & Delivery

- [ ] Use a cake drum for the base tier
- [ ] Chill cakes fully prior to transport
- [ ] Dowel every tier
- [ ] Stack tiered cakes on-site whenever possible

Ready to protect your home-based cake business? Get a free quote from FLIP — policies start at just $25.92/mo.