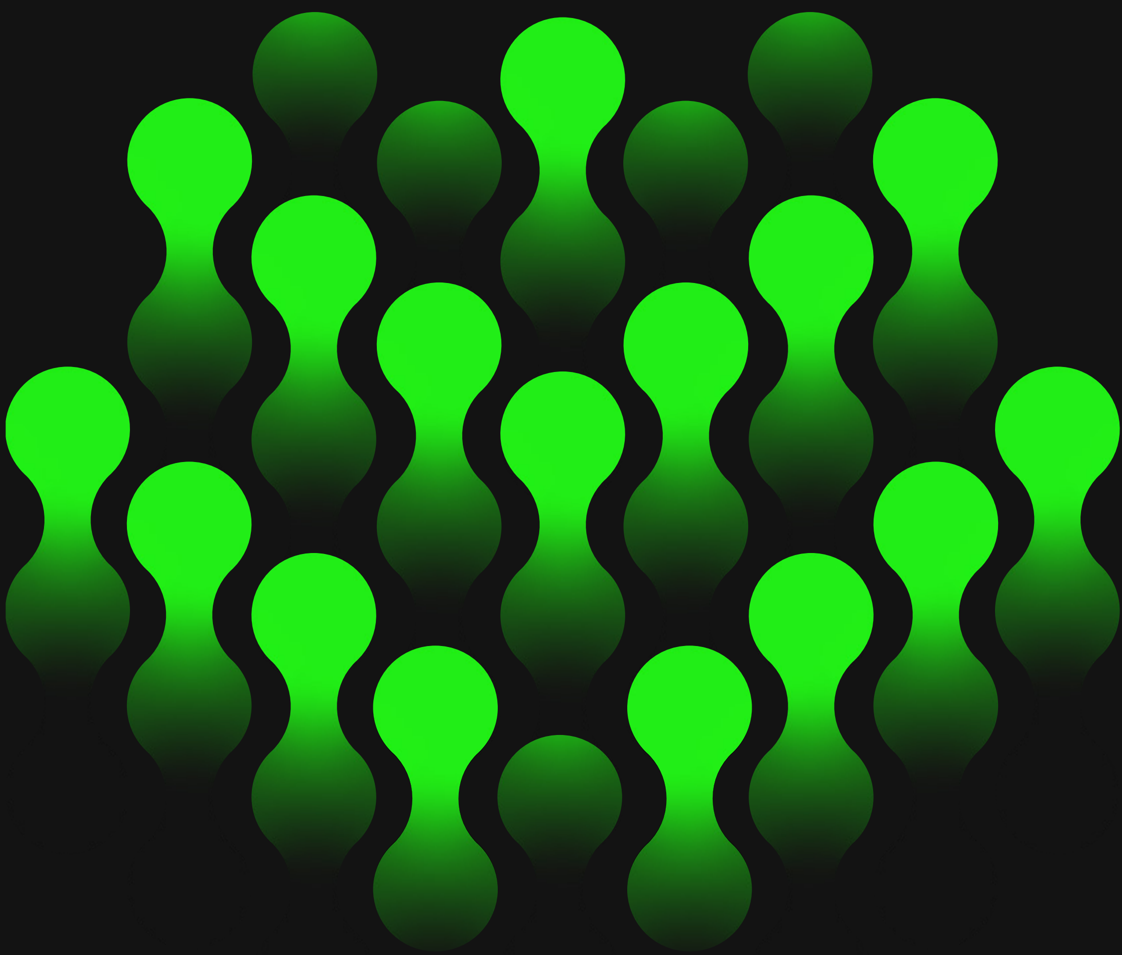
THE STATE OF GLOBAL FOODTECH REPORT



A PROJECT BY

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FORWARD FOODING

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The State of Corporate-Startup Collaboration & Corporate Investment in the Foodtech Sector

tag Talent Garden

FORWARD FOODING

About

Forward Fooding's roots date back to San Francisco, where our founder, Alessio D'Antino started the company (formerly named Crowdfooding) with the aim of broadening the access to capital for food and Food Tech entrepreneurs.

TO LEARN MORE VISIT

forwardfooding.com/

As a former executive at a Fortune 500 beverage company, Alessio experienced first hand the outdated and often frustrating approach to delivering true innovation and decided to move to Silicon Valley in search of inspiration.

After stumbling upon a number of brave entrepreneurs who were building highly innovative ventures, he started realizing that entrepreneurship and tech were going to play a larger role in solving some of the biggest challenges affecting our global food system.

Since then, Forward Fooding has built a startup network of Food Tech innovators that spans the globe. They now work with food and beverage companies of all sizes to help them embrace more data-led and collaborative models to innovation in order to create a brighter future of food.

Forward Fooding is also the organiser of the FoodTech 500, the Fortune 500 of the AgriFoodTech industry. The list ranks the movers and shakers in this space according to business size, digital footprint and sustainability metrics.

Talent Garden offers an unprecedented combination of alternative coworking, an innovative internal educational institution and corporate innovation programs focused on digital transformation and open innovation.

TO LEARN MORE VISIT

www.talentgarden.com

Founded in Italy in 2011, today the company has a network of 21 campuses in 7 countries (Austria, Denmark, Ireland, Italy, Lithuania, Romania and Spain). These campuses are a base for ideas and collaborations to thrive, hosting a community of 4,500 startups, agencies, corporate labs, freelancers, investors, media companies and students.
Talent Garden is leading the way for the progress of innovation inside big corporations, providing dedicated corporate education programs and open innovation formats while connecting digital innovators with the most important players in different industries from across Europe.
Furthermore, Talent Garden is advocating and supporting innovation culture around Europe with an innovative educational institute offering bootcamps and courses in five key areas: coding, data, marketing, design and business.

Foreword

Alessio D’Antino

CEO
Forward Fooding

Here at Forward Fooding, we believe that to build a better food system within the next few decades, both startups and corporates must come together to tackle some of the major challenges currently facing the future of food. We believe in the power of tech, entrepreneurship and collaboration, as breakthrough innovation begins with creating win-win partnerships. It is only through this collaborative effort that we can truly build a more resilient and sustainable future of food. Over the past five years, we have seen multiple corporates going from engaging with startups as nices-to-have to a business critical activity. The latter seems to be a ‘trend’ we project to increase for years to come as we’re running out of time to fix our food system once for all.

Davide Dattoli

CEO
Talent Garden

In Talent Garden we have always considered the collaboration between startups and corporates as a key ingredient for innovation, especially in Foodtech, and our campuses are born to answer to this need, to be the place where new ideas are born. Talent Garden is a space for interactions, where all the key players of the innovation ecosystem can meet, share, discuss, generate new ideas and start new projects. Foodtech is a strategic sector for Europe and for us, and that’s why we have two campuses dedicated to Foodtech and sustainability, in Milan and Barcelona. Two incredible hubs where like-minded professionals, startups, agencies, corporates, freelancers and SMEs can meet and collaborate.

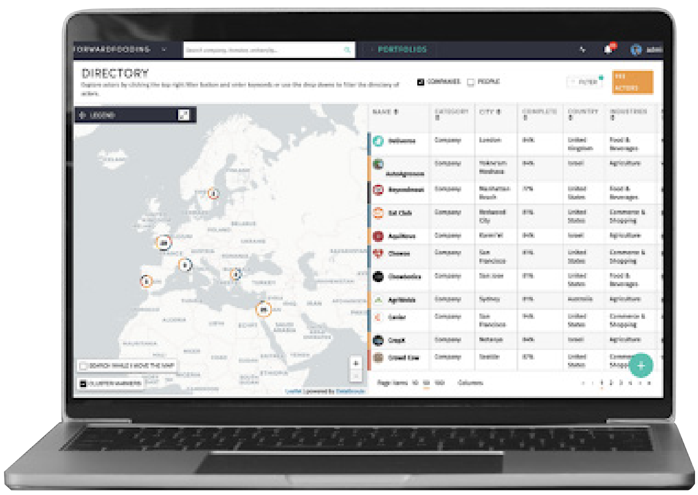
Methodology

FOODTECH
DATA NAVIGATOR
powered by FORWARD FOODING

Data for this report has been sourced from Forward Fooding's proprietary **FoodTech Data Navigator database**. The Foodtech Data Navigator is the world's first agrifoodtech data intelligence platform that helps professional investors, corporate executives and entrepreneurs to discover and track the key agrifoodtech players of the global ecosystem including startup and scaleup companies, international accelerators and incubators as well as Corporate Venture Capital and institutional investors.

To learn more visit: forwardfooding.com/food-tech-data/

Supplemental information and has been meticulously validated by Forward Fooding's scouting team, and all additional sources are listed on page 158.



Intro

Overview of the Global Foodtech Sector

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The Challenges of Our Food System

Food production is under unprecedented strain, with the FAO, Inside Climate News, estimating 50% of production is at risk from climate change, leaving us desperately unable to satisfy ever-growing demand as world population expands. Across the world “almost 2 billion people do not have access to safe, nutritious and sufficient food” and COVID-19 has only exacerbated pressures to push 270M people to the edge of starvation (WEF, 2020).
This serves to highlight the importance of the $3.3T agrifood industry, which occupies 38% of land worldwide (World Bank, FAO). However, **the practices of more than 500 million smallholder farmers will need fundamental change in order to meet this growing demand in a sustainable way** (WEF, 2020). Currently, the World Economic Forum suggests that “food waste costs the global economy $940B annually and emits 8% of GHGs” (WEF, 2020), as ⅓ of what we produce is currently being wasted.
We have pushed our resources to the limit and need to transform the consumption patterns of 7.7B people, with only 60 harvests left to make a difference. (*FAO estimate based on soil degradation published in Scientific American) This can, however, be a **moment of opportunity, with tech-driven yield improvements bringing a value of $800B** (Goldman Sachs). If we can act now we can change the way we produce food for the better, and meet the complex challenges of our global food system.

Foodtech is born from these challenges.

Our Food System in Numbers

38% of the world land is occupied by agriculture

1/4 of total GHG is allocated to the food industry

1/3 of global food production is being wasted

70% expected increase of food demand by 2050

What is Foodtech

"Foodtech
(or agrifoodtech) is
the emergent sector
exploring how technology
can be leveraged to
improve **efficiency** and
sustainability in designing,
producing, choosing,
delivering & enjoying food"

Agrifoodtech definition: Forward Fooding, 2019

What is Foodtech

Our Taxonomy

Agtech

Services and technologies that aim at increasing farming efficiency and sustainability, including the use of field sensors, drones, farm management softwares, automated machinery or water & fertilizer management solutions. This category also includes novel farming techniques such as vertical farming, aquaculture as well as insects breeding.

Consumer Apps & Services

Apps and services that facilitate access to food and the information behind it. For instance, nutrition and recipe apps, apps that help users to find restaurants based on specific dietary needs, services that allow to hire professional 'cook-at-home' chefs, B2B marketplaces between buyers and producers, Retail tech, Wine tech.

Food Delivery

Direct-to-consumers food delivery services on-demand. This category includes grocery delivery, ready-to-eat meals delivery from restaurants, dark kitchens, meal kits delivery and delivery of speciality food and drinks from local producers.

Food Processing

Products or services that leverage innovative techniques to process food or to improve food ingredients' functionality. For instance 3D printing solutions specifically designed for food, encapsulation technology for particular ingredients or industrial-scale robotic solutions.

Food Safety & Traceability

Tech-powered solutions to sanitise machineries and other food processing equipments, assess products' freshness and prolong their shelf-life. This category also includes products or services for detecting unwanted food ingredients, pathogens and allergens, as well as blockchain applications that help tracing the entire supply chain and showcasing products' provenance.

Kitchen & Restaurant Tech

Smart kitchen appliances for consumers as well as smart equipment or technologies that help restaurants managing their business more efficiently. This category includes hardwares and softwares to make professional kitchens smarter through IoT (internet-of-things) technology: POS systems, supply chain management tools & ordering platforms, kitchen robotics and other smart food processing appliances.

Next-Gen Food And Drinks

Solutions and processes that leverage science and technology to create new types of foods and beverages or alternative ingredients. This category includes cell-based meat, alternative proteins such as plant-based meat, insects-based products, mushroom-based products, functional food and drinks as well as meal replacements.

Surplus & Waste Management

Products and solutions that help reducing food waste. For instance, consumer-facing apps that redistribute food surplus from restaurants & supermarkets, products or byproducts made of food waste. This category also includes sustainable packaging solutions such as plastic alternatives or other polymers made of biomaterials.

The Global Agrifoodtech Sectors in Numbers

5.3K+ Agrifoodtech companies

€65B+ Investments since 2010

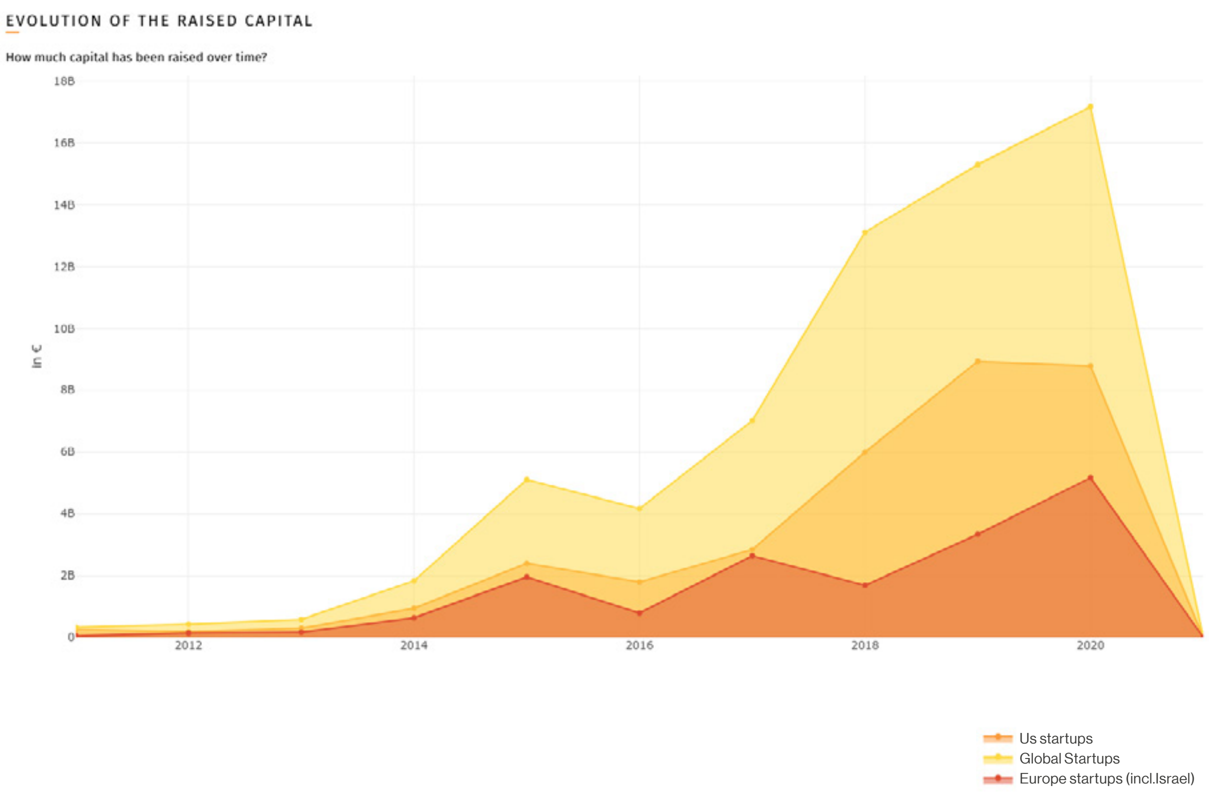
€17B+ Investments projected for 2020
(€15.3B in 2019)

Evolution of Raised Capital

Historically, the level of investment in the agrifoodtech sector has started to get a significant boost in 2016, and kept growing at a 42% CAGR since then. **Despite the pandemic, the levels of investment for 2020 are set to hit a record of €17B+.**

Geographically, while the US has been leading the charge, both in terms of number of startups (1,300+) and level of investment, Europe and and now Asia are quickly catching up.

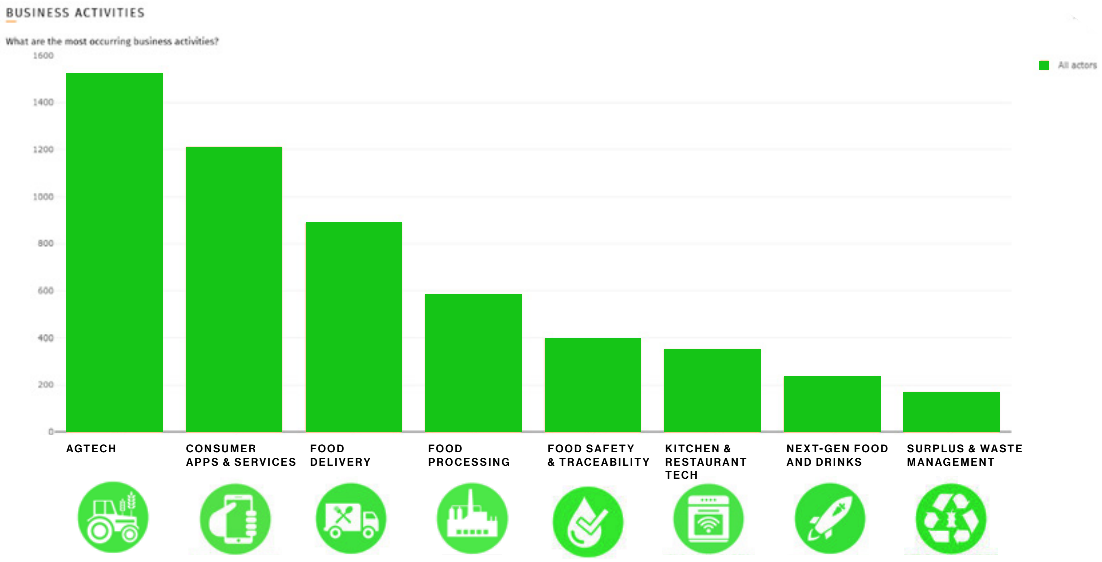
Silicon Valley, London and Israel, with more than 1,000 startups focusing on agrifoodtech, are attracting more than 30% of global investments, but more recently developed hubs like Singapore, Paris, or Berlin are starting to emerge.



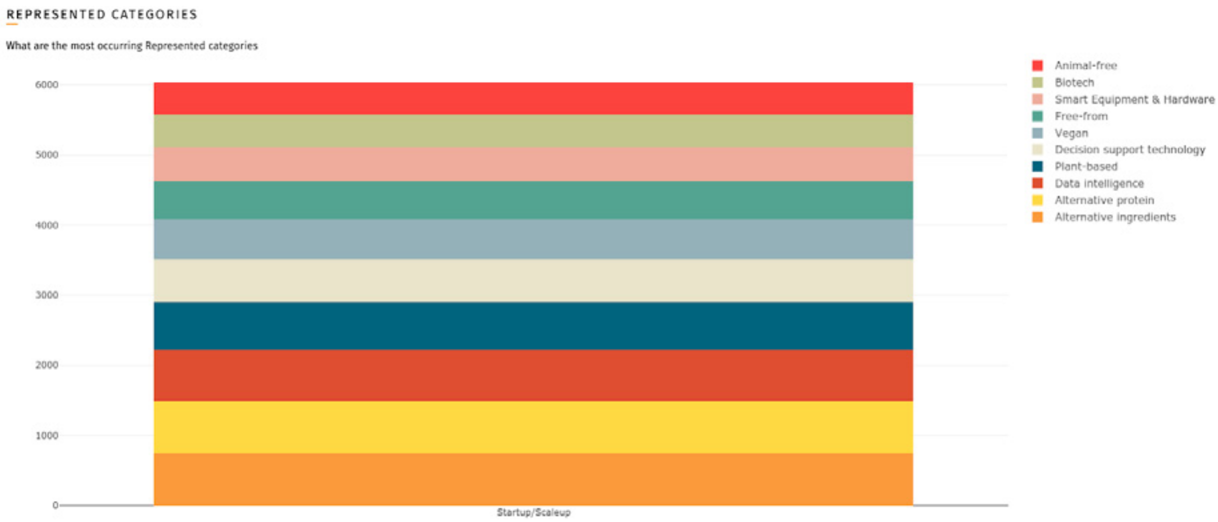
Split by Activitiy

By Number of Companies

When looking at how companies are distributed among our taxonomy, we notice that Agtech is by far the most populated one in terms of number of companies (1,500+), as a more 'mature' market. Indeed, the concept of precision farming started emerging in the US in the early 1980s.



However 'Next-gen Food & Drinks', which includes all alternative ingredients such as plant-based meat, insects-based products, mushroom-based products, functional food and drinks as well as meal replacements, follow suits due the exponential growth rate of the alternative protein sector (from plant-based to cellular agriculture) at global level.



Funding Split by Category

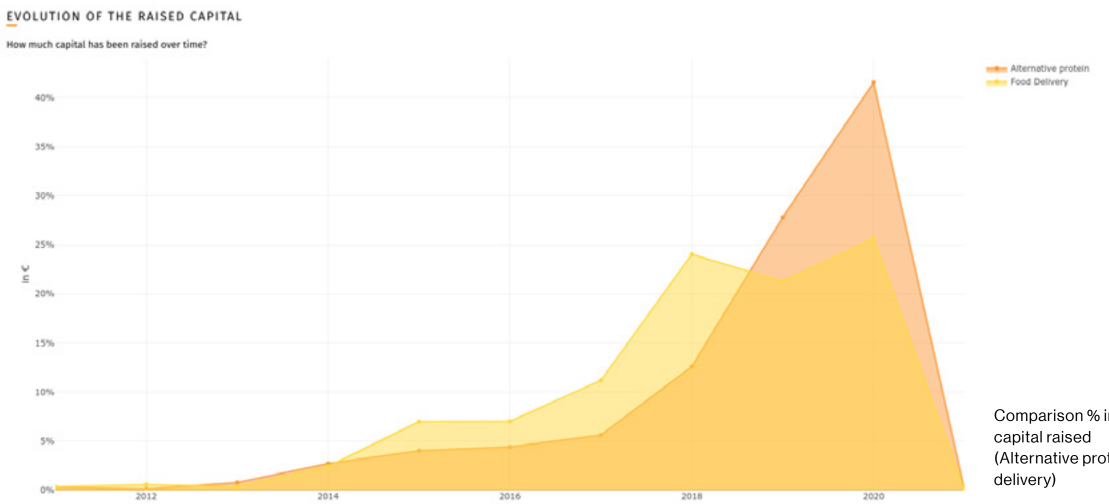
Funding-wise though, the Food Delivery sector has been attracting more than 48% of total investments, mostly driven by a number of unicorns such as Delivery Hero (€4.2B+ raised), Doordash (€2.51B), or Deliveroo (€1.3B).

Many recent market events such as the $7.3B acquisition of Grubhub by Just Eat, or more recently the acquisition of Factor75 by German meal kit company Hello Fresh, are proving that the food delivery sector is now going towards its consolidation phase.

GLOBAL FOODTECH STARTUP AND SCALEUP COMPANIES
FUNDING BREAK-DOWN BY CATEGORY

	AGTECH	CONSUMER APPS & SERVICES	FOOD DELIVERY	FOOD PROCESSING	FOOD SAFETY & TRACEABILITY	KITCHEN & RESTAURANT TECH	NEXT-GEN FOOD AND DRINKS	SURPLUS & WASTE MANAGEMENT
Number of companies	1521	584	889	165	233	396	1210	350
Total funding	€14B	€3.5B	€31.5B	€1.7B	€1.6B	€4.8B	€6.2B	€1.8B
% of total funding	**21%**	**5%**	**48%**	**3%**	**2.5%**	**7.5%**	**10%**	**2.5%**

FUNDING EVOLUTION (2010-2020):
ALTERNATIVE PROTEIN VS FOOD DELIVERY COMPARISON



Comparison % increase in capital raised (Alternative protein VS Food delivery)

With more than €2.4B raised in 2020, investments in the alternative protein sector is certainly catching up, growing at an exponential 81%+ CAGR since 2018. As a matter of fact, as shown above, more than 40% of alternative protein funding was raised in 2020 alone

The Ecosystem in Numbers

5,300+
Foodtech startups

240+
Accelerators & ecosystems operating in the sector

980+
Business angels investing in foodtech

3,260+
VCs and institutional investors investing in foodtech

260+
Corporates and CVCs investing in foodtech

In the past years 5 years, driven by its positive impact and the growing awareness of the issues our Food System is facing, the foodtech sector has grown from an emerging trend into one of the "hottest" topics in the startup world, which is confirmed by the exponentially growing number of not only startups, but also dedicated investors, and ecosystem players.

Source:
Foodtech Data Navigator

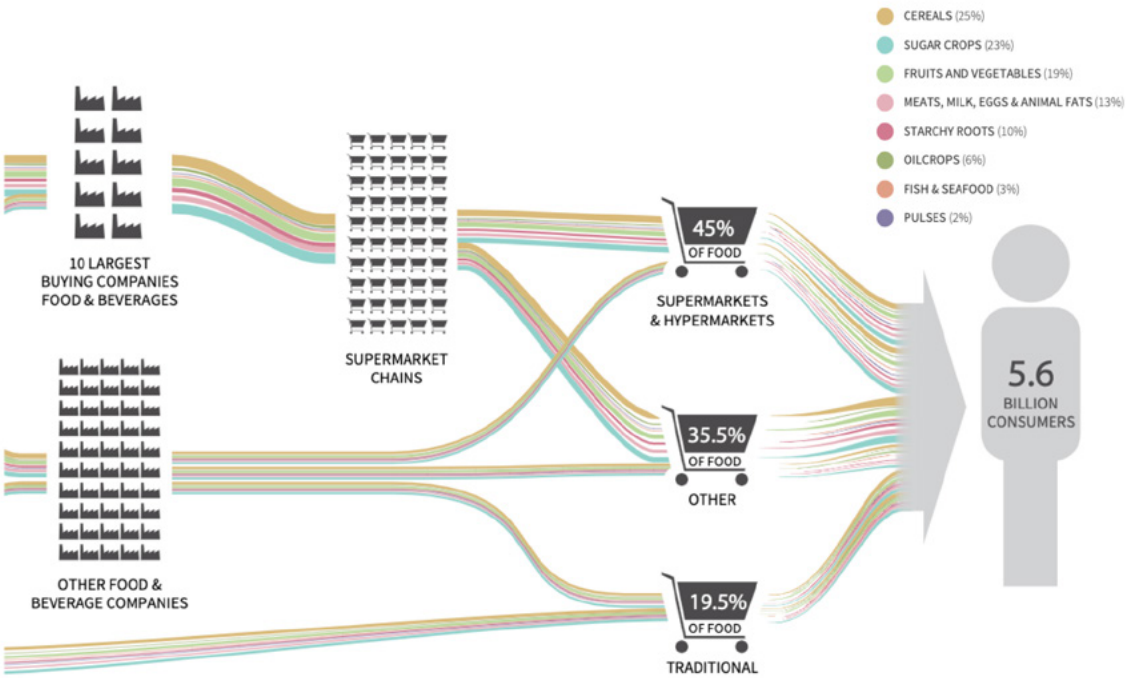
Influence of Corporate Players on our Food System

Modern agri-food markets are shaped by the “dominance of multinational corporations and companies” (Borsellino et al., 2020). In production, currently 4% of agribusinesses control 90% of global grain trade (Metabolic, 2017). This can have a negative impact on food security and the environment, as fewer seed varieties are planted and biodiversity declines (DW, 2017).

Looking at consumption, not only do the top 10 food and beverage companies command nearly 40% of market share but they continue to actively pursue M&A to increase their influence (Clapp, 2019). The decisions they take will therefore have an unparalleled influence on the direction of the agrifood industry.

Corporations can also leverage this influence in the political sphere, with millions of dollars worth of spending, to lobby governments and influence policymaking. This power has the potential to shape government agendas and drive change.

Corporate collaboration with startups can therefore direct this influence and buying power towards the innovation that can help to solve the issues plaguing the food industry. Whilst each form of collaboration faces hurdles, the benefits to both parties make this an attractive proposition to continuing growing and evolving.



An overview of the consolidation at each step in the food chain from inputs to production to retail. (FAO, 2014a; FAO, 2010; OECD Competition Committee, 2010; Nielsen, 2015)

Part 1

Corporate-Startup Collaboration

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Corporate-Startup Collaboration Overview

Traditional Hurdles & Forms of Collaborations in the Food Sector

Corporate-Startup Collaboration
The Current Landscape

Corporate-startup collaboration has evolved a lot in the past few years from purely financial relationships to more corporations seeing startups as **strategic partners**. Both parties consistently report the most important reasons for collaboration are not financial gain but **learning something new, improving efficiency and solving core business problems** (Unilever Foundry). As technology develops, the emphasis on startups' role is increasing, recognising their **strength in developing new innovation and business models** rapidly. (Steiber and Alange, 2020: 10)

The current industry landscape shows us that we are living in the perfect climate for successful collaboration with 46% of startups who have not worked with corporates likely to do so in the future (Unilever Foundry). Ongoing disruption to markets and global supply chains as a result of the COVID-19 pandemic have only confirmed the need for a **supportive ecosystem for innovation** and collaboration. Startups have the edge in the need for agility to quickly pivot, as market and consumer trends adapt to the current situation, operating without the layers of bureaucracy corporations face. Collaboration can therefore help corporates respond without fundamental change in their core business.

''Collaboration can no longer be viewed as an optional extra, it's a strategic imperative. Startups are now widely recognised as invaluable sources of innovation, fuelling growth and providing pioneering business solutions. Collaboration with startups will evolve to a business-critical investment in the next five years.''

Aline Santos, Unilever's EVP for Global Marketing

Innovation vs. Risk

Motivation for Corporate Collaboration

“The old, established model, increasingly, is not working.

The way we innovate and the way we address a rapidly evolving consumer needs to change.”

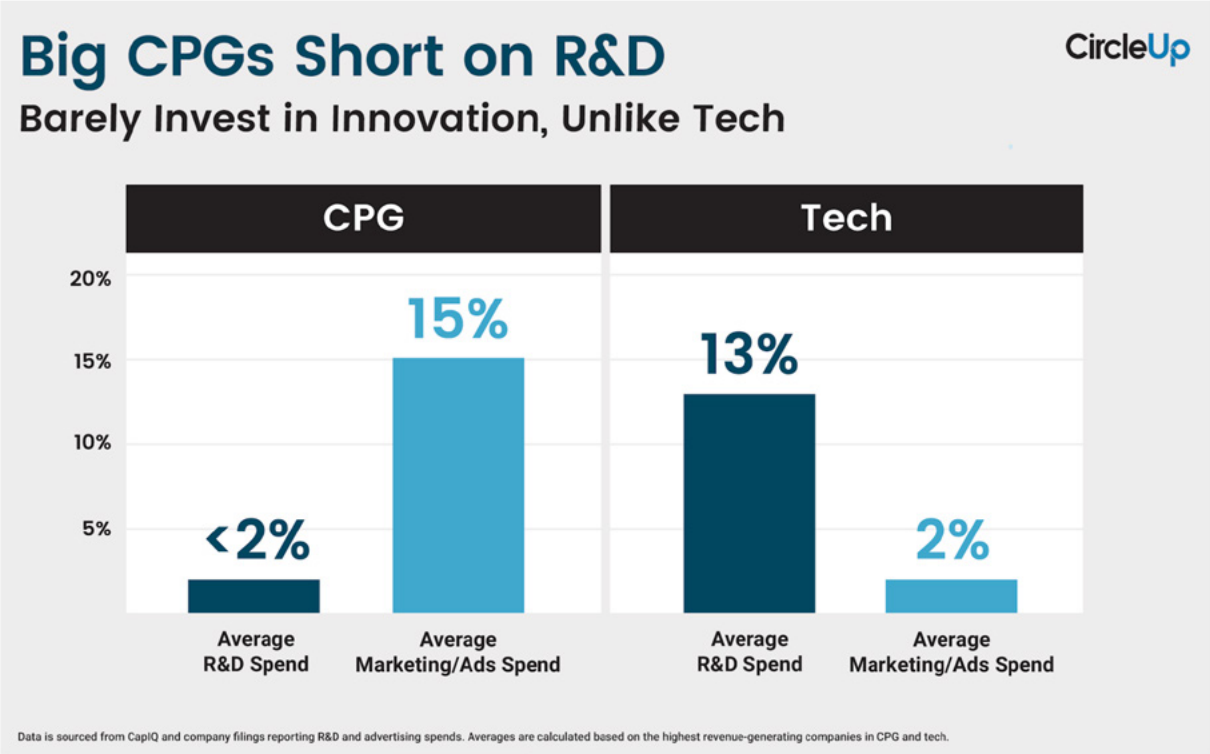
Timothy P. Cofer, EX - Executive VP and Chief Growth Officer, Mondelez International, Inc.

Big brands traditionally have little incentive to change, facing constant shareholder pressure against increasing risk. 2018 saw food and beverage corporations in the US **invest only $6.88bn in R&D compared to $268.84bn in technology** (Nick Skillicorn, Ideas to Value, 2019). Innovation can disrupt existing processes with potentially high short-term costs and low immediate returns, which does not align with profit incentives and margins brand managers are targeting. As Circle Up’s figure demonstrates, **CPGs have invested less than 2% revenue in R&D, compared to 15% in marketing existing products**. In technology it is the opposite, which can explain the continued rapid growth in this sector as they consistently produce new products and maintain customer engagement.
Major players in the CPG market are losing market share to emerging brands and need the input of startups to innovate and remain competitive. **Changing consumer demands, market and environmental patterns** are forcing brands to refocus and many are looking beyond their own R&D departments.

Fear of losing opportunity together with awareness of the potential benefits of working with agile startups has stimulated this ecosystem. Over the past five years the combined market share of large CPG corporations has fallen from **48.7% in 2014 to 46.6%** in 2019. (PwC, 2020) To maintain market dominance, **corporations need to go beyond improving their existing products and explore disruptive innovation**. (Frifinnsson and Stefansson, 2019) Collaboration can provide the answer to give easy access to the fastest moving players and solutions.

Innovation vs. Risk

Motivation for Corporate Collaboration



According to a report Circle Up released in 2017, the biggest CPGs invest an average of about 6x more in marketing and advertising than they do in R&D, with R&D accounting for a mere ~2% of revenue investments. In tech, where product innovation is front and center, the investment in R&D and marketing/ads is nearly the opposite.

Since R&D has historically been an afterthought for big CPGs, it's no surprise that even today, when facing severe external pressures, giant CPGs aren't having the easiest time whipping out exciting new tricks. On average, amongst the biggest CPGs, only 39% of launches are actual new products. The other 61% of the time, the product launch is usually an incremental change, like new packaging, a new range extension, formulation or variety, or a relaunch.

The Solution: Collaboration Brings Innovation

Corporate Perspective

80%

of corporates believe startups can have a positive impact on their approach to innovation. (Unilever Foundry)

"Our target is to learn and gain access to new technologies.

We aren't a tech company. We raise, process and sell chicken. We need ways to monitor new developments and get involved in order to secure our learning curve. And of course, we are determined to play an increasingly active role in the growing market of alternative proteins."

Wolfgang Heinzl, PHW Director of Business Development

Chobani. Incubator

Together they can **co-develop new categories** and play **into up-and-coming categories** to maintain or grow their market share. This innovation is attractive to potential customers, employees and business partners. **Rejuvenating corporate culture** and investing in technology can have a transformative effect on the core business becoming more **agile to adapt to market changes**.

Non-equity models are gaining traction as a way to strengthen strategic industries, and overcome innovation diffusion challenges. **Chobani's Incubator** for example, takes no equity, instead focusing on democratising food and 'paying it forward' to find entrepreneurs with strong growth potential.

The Solution: Collaboration Brings Innovation

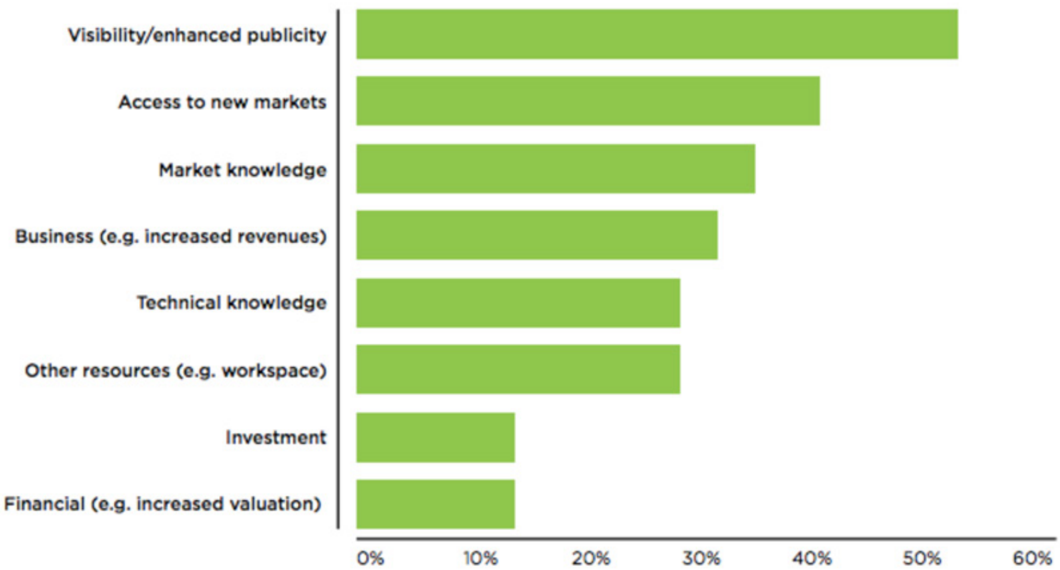
The Benefits for Startups

Startups have **no shortage of ideas and talent, but often lack the business acumen** of the big players in the industry. To reach their full potential they need more than just capital investment, alternatively utilising **industry connections, infrastructure and expertise** to reach the scale up phase. More startups reported **visibility, access to new markets and market knowledge** as a benefit of collaboration than any financial benefit. (Nesta, Winning Together) These partnerships can prove mutually beneficial on numerous levels.

Accelerators are an effective way of creating collaboration, exposing and connecting corporations to innovation whilst giving startups the structure to grow and scale their concept.

> *"More collaboration would strengthen the innovation ecosystem and its ability to take advantage of rapid technological changes"*
>
> **(Nesta, Winning Together)**

Figure 2: **Collaboration benefits reported by startups and scale-ups**

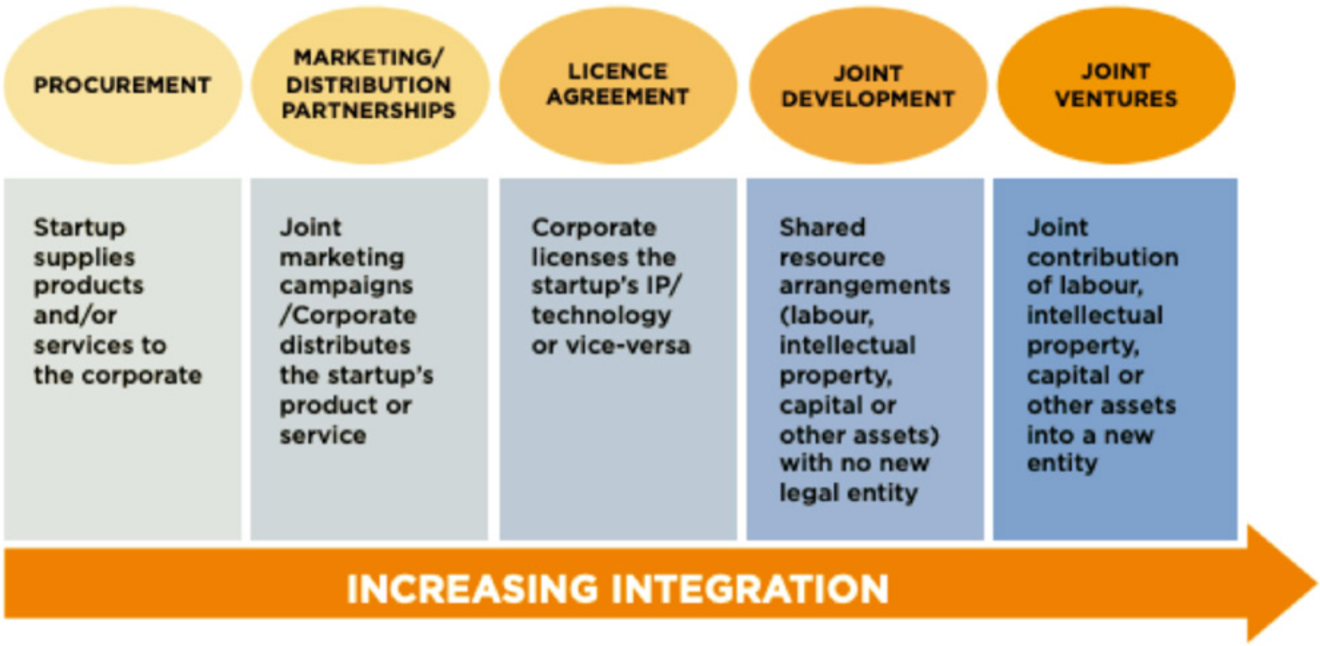


Source:
Nesta, Scaling Together

Forms of Collaboration

Collaboration can take a number of different forms, starting with the less formal one off events, normally focused on a specific problem or educational theme. Through these events corporates can engage in **trend-spotting to discover future partners**. These can be incorporated into corporate innovation centres with a goal of leveraging an **ecosystem of startups, VCs, accelerators and more**. (Onetti, 2019) Collaboration can then progress to a more formal partnership, with the varying levels of integration detailed in Nesta's figure. Incubators create a space for startups to **incubate an idea, develop business plan and prepare start up for growth** whilst accelerators provide **mentorship, education and networking resources**. (Klimczuk-Kochańska, 2017)

Co-creation or joint development is increasingly used as a non-equity model to take external innovation and improve the R&D processes of a corporation. This can include crowdsourcing ideas through the one-off events such as hackathons and makerspaces. Enabling collaboration between corporates & established startups or scaleups is a lot less capital intensive than setting up CVCs, corporate accelerators/venture builders. By working together on joint innovation to develop new products or services, **collaboration brings different parties together to produce a mutually beneficial outcome**. (Steiber and Alange, 2020: 11)



Source:
Nesta, Scaling Together

Common Collaboration Barriers

However, this process of collaboration is not without barriers for both parties. Common barriers for startups are largely focused on relational barriers.

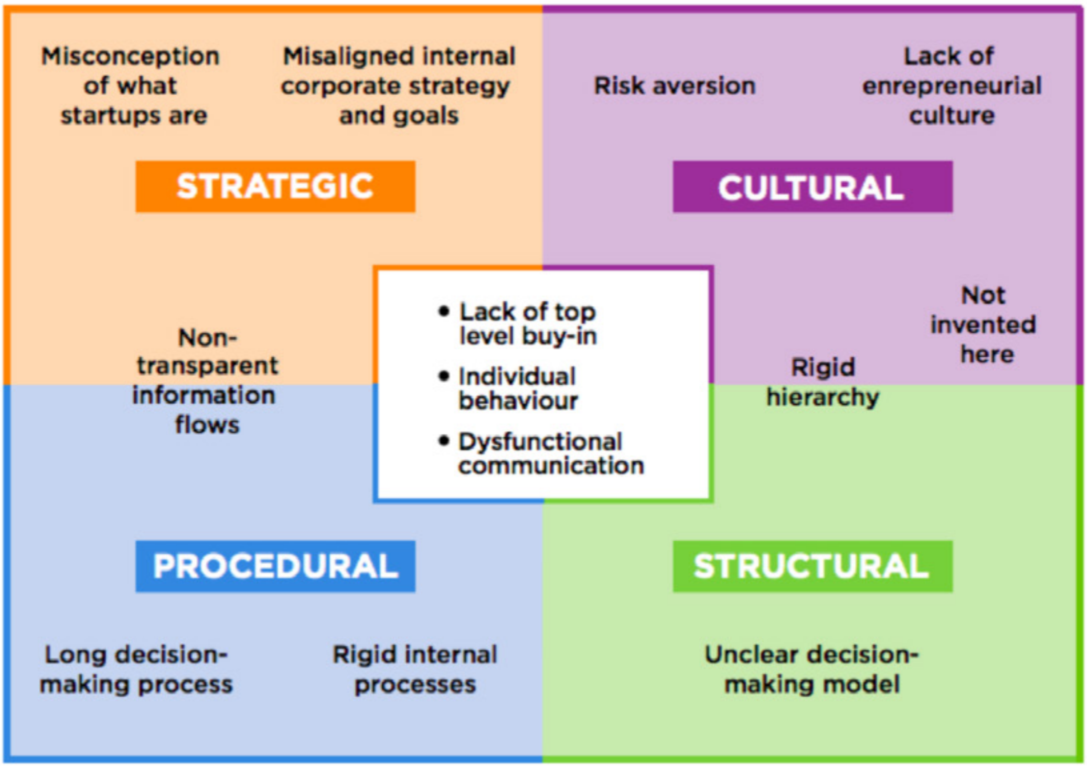


Figure 2: Collaboration barriers between corporations and startups (Bannerjee et al., 2016)

Common Collaboration Barriers
People

Poor communication, changing contact points or unclear processes are reported by a third of startups as a barrier to successful collaboration. (Onetti, 2019) Disparities in structure, scale and influence can prevent startups from reaching the right people, leading to misunderstanding. Even simply the drastic increase in the number of stakeholders makes it **difficult to ensure strategic and cultural alignment**.

Stakeholders can have very different objectives, and the importance of **clarifying goals and developing measures of success from a multi-stakeholder perspective** has been emphasized by Steiber and Alange. (2020: 19) **Risk-aversion, lack of entrepreneurial culture and insubstantial top level buy in** from corporations can create a hostile environment for startups. (Stefansson and Frifinnsson, 2019)

The partnership between Epic and General Mills can demonstrate the risks of poor communication and risk aversion within the corporate. When Epic executives appeared at a meeting in flip flops their corporate partners were thrown, and it was only with mediation from fellow General Mills investee Annie's Homegrown CEO John Foraker that the partnership was able to survive.

Furthermore, after the acquisition, a single General Mills staffer complained about an off-taste in one of the cooking fats and the company recalled the entire line. This was a cautious and probably wise big-company move that Epic say they would never have done on their own: "It would have put us out of business." This could suggest an imbalance of power in **asymmetric partnerships** where the corporation leads the agenda and takes the final decisions.

Common Collaboration Barriers

Process

Corporate internal validation processes are often too complex, creating an imbalance between bureaucracy and agility, and startups struggle with the lack of digitalisation. The **red tape of approval processes and restrictive policies** demonstrates the different expectations of the two players. For a high growth startup adapting to the slow development process of a large scale corporate these delays can seem an unscalable barrier.

“Startups have to face timelines and deal with different clock speeds. On top of that, expectations are very different. And what we hope to bring is an understanding.”

Minette Navarrette, President, Kickstart Ventures

Startups are often unable to comply with these complex regulations or lengthy processes, having **limited cash flow and operating on an expedited time-frame**.

Meal kit firm Chef’d had successfully struck deals with Coca-Cola, Campbell Soup and Smithfield Foods to incorporate their products in an attempt from the corporates to broaden their reach into the online marketplace. However, facing operational challenges and shrinking cash flow Chef’d could not keep up with the demands of these partnerships and had to suspend operations “until our investors and lenders decide the final fate of the company”.

Common Collaboration Barriers

Process

Corporates have initiated **"startup friendly procedures"** to shorten payment times, simplify processes and dedicating employees to support startups in the engagement process. 67% of corporates have implemented a 'fast track' option which should clarify the timeline and procedures for startups engaging with corporates. (Onetti, 2019) Unilever, for example, shortened its payment terms from 90 days to 45 for startups and simplified contracts. Telefonica also recognised that startups struggle to identify relevant contacts in the vast corporate bureaucracy and the time lost on unwieldy registration procedures. In response a Telefonica employee joins the advisory board of each startup to facilitate communication with business units. Startups that graduate from Telefonica's Wayra accelerator in Spain and the UK also get access to fast track procurement, registering as a supplier in just 48 hours. (Nesta, Winning Together: A Guide to Successful Corporate-Startup Collaborations)

To see success from startups corporations have to make **long-term investments** without guaranteed returns, which is difficult to align with **short term profit incentives**. It can also be **difficult to identify and approach startups** who are aligned with their strategic objectives.

Evan Graj encountered this when attempting to seek investment in London restaurant delivery startup Dine In. He noted a lack of risk capital until you reach growth funds, and found investors were fundamentally risk averse. Dine In had to close its operations after an agreed sale to a major internet company active in the food ecosystem fell through, leaving significant legal fees and unsurmountable debts.

"It can be hard for startups and retailers to connect. We think it's easy—just give us a call. But in fact, it doesn't work that way. Those calls don't always make it through to the right person."

Erik van den Hoogen, Senior Purchasing Manager, Lidl Netherlands

Common Collaboration Barriers

Perception

Furthermore, many food system startups are out to **disrupt** - taking on investment from "the enemy" may feel like selling out or compromising on company values. **Matchmaking** from accelerators therefore goes both ways, bringing **cultural alignment** with the traditional financial support.

> *"We would categorically not let Monsanto buy us for farmer data"*
>
> **Charles Baron,** CEO Farmers Business Network told Fortune

> *"A lot of entrepreneurs fail to realize that there are people in large companies who are just as passionate about changing the food system as they are."*
>
> **Dan Kurzrock,** ReGrained co-founder

Partnering with one corporate can prevent startups from accessing collaboration with other startups or corporations. (Stefansson and Frifinnsson, 2019) This can be addressed in initial partnership negotiations but can be disincentivizing for startups.

Common Collaboration Barriers

Perception

It is difficult for corporations to **measure the impact of collaboration**, as the benefits go beyond purely financial metrics and will not fit into traditional corporate targets and goals. This can create a **misperception** around the purpose or role of collaboration. (Steiber and Alange, 2020: 19)

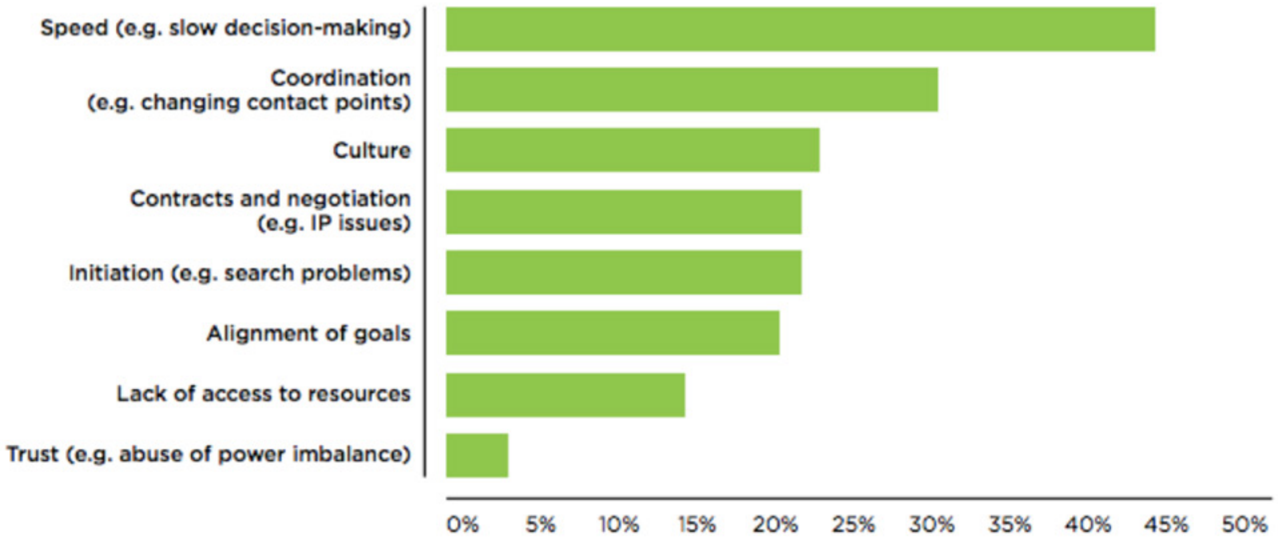
Take Eat Easy, a European food delivery service, had to shutter its operations after a French state-owned logistics group withdrew its offer of investment despite negotiating under an exclusivity agreement. After three months of due diligence the board were unable to identify the benefits of such a collaboration and felt it was counter-productive to their corporate targets.

Risk of **damage to reputation** as corporations clients or shareholders demand safe strategies, if the collaboration fails then there could be negative repercussions. (Frifinnsson and Stefansson, 2019)

Juicero, a well-funded startup that sold a $699 Wi-Fi enabled juice press, was badly affected when news stories demonstrated that their proprietary bags yielded as much juice when squeezed by hand. The negative media scared away investors including those involved in a $55m funding negotiation. The company had to close operations.

Common Collaboration Barriers

For Startups



Source:
Nesta, Scaling Together

“Many entrepreneurs spoke of relational or transactional issues. By far the greatest challenge reported by startups was the mismatch in speed: half of all startups reported problems with long cycle times and slow decision-making on the corporate side. The next biggest challenges related to coordination, with a third of startups reporting difficulties arising from poor communication, changing contact points, or unclear processes. This was followed by various cultural problems and contractual issues (including protracted negotiation of terms and conditions)”.

Corporate Acceleration Programmes

As competition over the top startups increases, food leaders hope to reach the **high-momentum startups** earlier by partnering with **accelerator programs** or running their own. Corporates are taking a more active role, not just 'sponsoring' these programmes but aiming to achieve **win-win commercial partnerships overcoming the traditional hurdles**. Accelerators help parent corporations with long term strategic goals and leverage their resources to support internal and external ventures. (Frifinnsson and Stefansson, 2019: 7)

Partnerships with programs like Dutch accelerator StartLife or Rabobank's FoodBytes can support this process ensuring startups are aligned with corporate missions.

"Traditional" accelerators in the sense of mentoring in exchange of equity, are now being replaced by equity-free models, focusing on **industry pilots and concrete collaboration**. Enabling such collaboration between corporates and established startups is also a lot less capital intensive. Cross vertical accelerators and organisations are launching foodtech focused programs and traditionally US based programs are expanding into other regions. (ex: Mass Challenge, Plug And Play)

> *"Everyone wants to be exposed to the trends, so they are now experimenting with new ways to find startups that are aligned to their strategic objectives."*
>
> **Eline Boot,** Executive Director FoodBytes Pilot

According to Forward Fooding FoodTech Data Navigator, we estimate approximately **70 accelerators specialise in foodtech globally,** with the vast majority being backed by corporations and having emerged in the past 5 years. This open innovation model exposes the corporations to the fastest growing startups and benefits the CPG ecosystem as a whole. These formalised programmes make collaborations more **efficient, bring public commitment and are easier to engage with**.

Corporate Accelerators in the Food Sector

Some Key Players

The Kitchen FoodTech Hub

METRO ACCELERATOR powered by techstars

Chobani Incubator

NX FOOD

FoodBytes! PILOT

bloomer

KICKSTART ACCELERATOR

SPRING BOARD

THE UNILEVER FOUNDRY

GOOD FOOD MAKERS

THRIVE by SVG VENTURES

PLUGANDPLAY

SNACKFUTURES INVENT. REINVENT. VENTURE.

StartLife

Powered by MARS Seeds of Change {accelerator}

PEPSICO nutrition GREENHOUSE COLLABORATIVE ACCELERATOR

FOOD OPTIMIZED

FoodTech ACCELERATOR Designing and innovating in Italy

techstars FARM TO FORK ACCELERATOR

Arla

MC MASSCHALLENGE

rockstart.

Corporate Accelerator Programmes

Success Stories

"Middlemen like StartLife know what kind of concepts are really sustainable and disruptive and how those can help companies like LIDL"

Erik van den Hoogen, Senior Purchasing Manager, Lidl Netherlands

Lidl and StartLife

Lidl has worked with StartLife to identify startups tackling food chain sustainability, **bringing its buying power to help these smaller players to gain market traction**. This works to achieve the company's ambition of uncovering new products and technology disrupting the market and following **emerging consumer, business and environmental trends**.

Foodbytes Pilot by Rabobank – Pilot-Driven, Industry Focused Accelerator

This is a key example, bringing together most disruptive startups and progressive corporates to fuel cross-industry innovation in a dedicated product validation program.Corporates and startups receive active support from experts as they explore strategic opportunities for six to nine months, fostering more meaningful engagement and exposing more C-suite to the startup ecosystem. Following the success of Impact Vision and ReGrained they are planning to shift to a continuous engagement model where corporates can initiate a pilot programme at any time. This is a key example, bringing together most disruptive startups and progressive corporates to fuel cross-industry innovation in a dedicated product validation program.Corporates and startups receive active support from experts as they explore strategic opportunities for six to nine months, fostering more meaningful engagement and exposing more C-suite to the startup ecosystem. Following the success of Impact Vision and ReGrained they are planning to shift to a continuous engagement model where corporates can initiate a pilot programme at any time.

These examples demonstrate how the more meaningful collaboration an accelerator programme brings can overcome the hurdles both startups and corporations report for many more traditional forms of investment. Carefully matching parties to ensure cultural alignment these partnerships **combine the innovation of startups to the resources and insight of corporations to maintain a long term win-win partnership**.

Landscaping

Corporates Accelerators in the Food Sector

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	**Website:**	**Founding date:**
Rabobank Group	https://www.foodbytesworld.com/pilot/	2015

The model

Food Bytes World offers two programmes:

- The 6-9 month Pilot acceleration programme brings in startups to tackle an industry challenge with corporate partners. Providing access to corporate resources, due diligence for investors and industry validation, the programme may result in product co-development, investments or partnerships for startups.
- The 3-week Pitch programme takes 45 startups, provides mentoring, investor and corporate networking and go-to-market workshops with 15 emerging as finalists.

Their focus:

FoodBytes has alumni startups in many segments of food tech, including agtech and CPG. They require startups to be at validation or growth stage.
Specifically for the Pitch 2020 programme categories of interest are: on-farm automation, animal health tech, shortened supply chains, food loss mitigation, accessible food e-com and functional ingredients

Some startups they have accelerated

Oddbox - produce delivery aiming to reduce waste
EggXYT - unhatched chicken gender detection technology
InnovoPro - plant-based dairy and meat alternative
ZeroWaste Biotech - food waste to fuel conversion
Lleaf - greenhouse yield optimisation

Corporate Backer

Portfolio Examples

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
Wageningen University & Research, Unilever, Lidl, PHW Group, Givaudan and more	https://start-life.nl/com/pilot/	2010

The model

6-10 startups are selected for the 10-month accelerator programme. StartLife provides mentorship opportunities with WUR researchers, corporate partners and investors as well as a €10,000 pre-seed loan at the start and €25,000 at the end of the process. After a review process post-completion, startups have the chance to earn another soft loan of €40,000 depending on growth strategy assessment.

Their focus:

Agrifoodtech - no specific focus in segment

Some startups they have accelerated

Seamore - better-for-you seaweed snacks
SmartFarming - informational app for farmers
Serket - AI-powered livestock monitoring

StartLife
FOSTERING ENTREPRENEURSHIP

Corporate Backer

Givaudan
Wageningen University & Research
PHW
Lidl
Unilever

Portfolio Examples

Seamore
Serket
SmartFarming

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:

Nestlé, Givaudan, Bühler, GEA,
Swiss Economic Forum,
Inartis Foundation, Barry Callebaut

Website:

https://masschallenge.org/programs-switzerland

Founding date:

2016

The model

MassChallenge Switzerland accelerates 90 early stage startups every year without taking equity or fees. In their programmes in the US, Israel, Mexico and Switzerland they accept startups from all industries and provide them with global mentorship opportunities and connections with corporate partners.

Their focus:

All industries, all verticals

Some startups they have accelerated

SGMA - recyclable new food packaging
Caulys - urban vertical farm
Fooditive - plant-based sweetener and additives
Mushlabs - cell-based mushroom products

MASSCHALLENGE

Corporate Backer

Portfolio Examples

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:

Givaudan (founding partner), Danone

Website:

https://mistafood.com/

Founding date:

2018

The model

MISTA is a food ecosystem enabler launched by Givaudan, acting as accelerator and support agent in optimising products and processes. MISTA brings together startups and established corporations in a reciprocal ecosystem as members on their platform.

Their focus:

CPG, ingredients, biotech and agtech

Some startups they have accelerated

Brightseed - AI-powered nutrition discovery
Dropwater - no-plastic water dispensary
Terviva - agtech high yield arborator

Corporate Backer

Portfolio Examples

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
Strauss Group (founder), Danone, Carrefour, Mondelez, PepsiCo	https://www.thekitchenhub.com/	2015

The model

Founded by global food company Strauss-Group, The Kitchen accelerates food tech companies in Israel. With an advisory board composed of experienced executives from corporate partners, The Kitchen incubates strong founding teams targeting unmet needs after their approval from Israel Innovation Authority.

Their focus:

All foodtech is welcome, but portfolio suggests focus on plant-based and food safety / traceability categories

Some startups they have accelerated

Aleph Farms - cell-based meat
YoFix - plant-based dairy products
ZeroEgg - plant-based eggs
Deep Learning Robotics - self-learning robotics for food production processes
BactuSense - bacteria detection chip technology

The Kitchen FoodTech Hub

Corporate Backer

Strauss, Carrefour, PepsiCo, Mondelēz International, Danone, Givaudan

Portfolio Examples

Zero Egg, BactuSense, DLR, Aleph Farms, YoFix

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:

Blu1877-Barilla (founding corporate), Kitchentown (supporting enabler)

Website:

https://goodfoodmakers.net/

Founding date:

2020

The model

Good Food Makers connects food tech startup founders with Barilla's innovation arm Blu1877 and the food innovation platform Kitchentown to solve their business challenges. Startups get to test and prototype their products while collaborating with Barilla's teams on product development, validation, manufacturing, marketing, consumer testing and food safety.
The 8-week programme requires no equity or cost to participate. After applications, one startup is selected per category of focus and is invited to work with Barilla's team on their venture.

Their focus:

2020 focus areas are: Kids' Snacking, Alternative Channels, Traceability Systems, Regenerative Agriculture

Some startups they have accelerated

ReGrained - upcycling brewer spent grain into snacks
The Organic Pantry - good-for-you pantry snacks
Planetarians - turning animal feed into plant-based meat
Connecting Food - blockchain-powered food traceability solutionsBactuSense - bacteria detection chip technology

GOOD FOOD MAKERS

Corporate Backer

Barilla
BLU 1877
KITCHENTOWN

Portfolio Examples

REGRAINED
THE ORGANIC PANTRY Co.
PLANETARIANS
CONNECTING FOOD

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:

Lavazza, TetraPak, Esselunga

Website:

https://www.plugandplaytechcenter.com/food/

Founding date:

2019 (Italy)

The model

PlugandPlay is an accelerator as well as a corporate innovation consultancy and has an in-house venture capital fund. With a no-equity model, PlugandPlay runs more than 60 accelerator programmes across the world, providing corporate innovation, networking, mentoring and funding opportunities to startups.
The Italian arm of Plug and Play is based in Milano and accelerates food tech, sustainability and fintech startups with two 3-month long programmes per year.

Their focus:

Food Freshness & Safety, New Materials & Packaging, Supply Chain & Logistics, Analytics & Retail, Traceability & Prediction, Sustainability, Waste Reduction, & Recycling, Protein & Ingredient Alternatives, Marketing, Customer Loyalty, & User Experience

Some startups they have accelerated

Spoon Guru - AI-based personalised shopping assistant
Volatile AI - food quality testing sensors
Makeitfresco - make-at-home packaged juice concentrates

PLUGANDPLAY

Corporate Backer

ESSELUNGA LAVAZZA TORINO, ITALIA, 1895 Tetra Pak PROTECTS WHAT'S GOOD

Portfolio Examples

VOLATILE makeitfresco Spoon Guru

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
PepsiCo	https://greenhouseaccelerator.com/	2017

The model

PepsiCo's Greenhouse Accelerator is a 6-month programme where 10 selected innovators receive a $20,000 grant to develop their ideas and business in an efficient manner. The accelerator provides the innovators with the mentorship and resources of PepsiCo business units. At the end of the programme one company is awarded a prize of $100,000, no strings attached. The programme looks for startups that have proof of concept, are market available and have the potential for global impact.

Their focus:

Nutritional Ingredients, Wellness & Health, Personalized Nutrition and Health Monitoring, Sustainability Impact

Some startups they have accelerated

Hapi Drinks - sugar-free drinks for kids
YoFix - plant-based dairy products
Spudsy - good-for-you sweet potato snacks

Corporate Backer

Portfolio Examples

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
Maersk, Lely, Stichting Doen, FMO Development Bank	https://www.rockstart.com/agrifood/	2017

The model

Focusing on the food tech domain, Rockstart AgriFood is an accelerator and VC supporting early-stage startups. The accelerator provides networking, mentorship and investment opportunities by facilitating collaboration between startups and established corporates.
Their 6-month programme runs 5 days per week in their Copenhagen and Amsterdam locations. With more than €18million in dedicated capital, Rockstart also acts as a VC investing in the startups aiming to become market leaders up to Series B.

Their focus:

Foodtech, agtech, food waste, AI, blockchain, IoT, SaaS, platforms

Some startups they have accelerated

Wenda - food supply chain tracking
Vultus - precision satellite farming
TractorJunction - tractor marketplace
ChefMe - home cooking marketplace

Corporate Backer

Portfolio Examples

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
Metro	https://www.metroxcel.com/	2019

The model

Xcel aims to support hospitality, retail and foodtech startups in scaling by bridging the gap between the companies and traditional industries by facilitating collaboration with large corporations. Xcel is also in partnership with LeadX Capital Partners for funding ventures in their portfolio. The accelerator programme is powered by global innovation platform Techstars and has included 80+ companies since its launch.

Their focus:

Hospitality Tech, Retail Tech, foodtech (next generation food and food waste management)

Some startups they have accelerated

Heura - plant-based meat
Afresh - AI-powered fresh food stocking solution
MyMyCatering - individualised catering service
Fresco - flash frozen olive oil

Corporate Partners

Portfolio Examples

Corporate Backer

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
Metro	https://nx-food.com/	2018

The model

Rather than a traditional accelerator programme, NX Food 'consults' startups across stages, with support in proof-of-concept, product development, access to distribution network, marketing and corporate collaboration. NX Food also connects startups to their network of investors and corporate partners for investment opportunities. The corporate venture builder also hosts a product testing programme: startups are invited to place their products for a three-month period on The Startup Shelf retail location to be tested by real consumer activity. After the period of gathering customer feedback, successful products gain a permanent place on the shelves as well as potential to be carried in other retail locations.

Their focus:

No focus mentioned, however retail-oriented next generation snacks and drinks better fit the benefits of the programme

Some startups they have accelerated

BiteBox - healthy snacks for workplace
Kolonne Null - alcohol-free wine

NX FOOD

Corporate Backer

METRO

Portfolio Examples

BITE BOX Office Survival Food

KOLONNE NULL DER ALKOHOLFREIE WEIN

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:

IBM, Capgemini, Business Sweden, Sweden FoodTech and more

Website:

https://bloomeraccelerator.com/

Founding date:

2018

The model

Grocery retail brand Coop Sweden's accelerator Bloomer works in partnership with Norrsken Foundation and Sweden Foodtech to accelerate startups through their customisable programme. The 6-8 selected startups are provided with access to data, market insights, mentors, as well as to Norrsken House community of entrepreneurs and Sweden Foodtech's ecosystem partners. Bloomer does not require equity for joining the 3-month programme, however they do provide investment in return for equity upon request. The programme begins in March and ends in June with a general framework of leadership, growth, investment and food systems elements, as well as elective components featuring design thinking, product market fit, marketing and branding, foodtech, business model review and more.

Their focus:

Foodtech

Some startups they have accelerated

TrusTrace - supply chain traceability platform
Leafymade - sustainable single use plates
Foodla - tool digitalising local food producers
Lunch.Co - home cooking marketplace for office workers

Corporate Partners

Portfolio Examples

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
Cargill, Ecolab	https://www.techstars.com/accelerators/farm-to-fork	2018

The model

The 3-month accelerator programme is looking for founders that want to disrupt the food system from on farm to supply chain to industrial tech to restaurants and retail. Cargill and Ecolab support the programme with mentorship, R&D resources and investment.

Their focus:

Agtech

Some startups they have accelerated

Milk Moovement - cloud-based software for dairy supply chain stakeholders
Ixon - advanced sous-vide aseptic packaging
H20k Innovations - contaminant management system for industrial water quality.
FeedX - animal feed marketplace

techstars FARM TO FORK ACCELERATOR

Corporate Backer

Cargill ECOLAB

Portfolio Examples

IXON H2Ok Innovations milk moovement FEEDX

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:

Arla

Website:

https://innovationchallenge.arla.com/

Founding date:

2016

The model

International dairy company Arla's open innovation challenge selects applicant startups and provides them with domain experts, world class laboratory facilities, extensive consumer insights and a chance to work with us on achieving product-market-fit for your technology or product.
The pilot projects are custom to each company rather than a traditional accelerator cohort approach.

Their focus:

The challenge currently focuses on Food Waste, but is open to ideas in agtech, packaging, dairy, distribution models and next generation products

Some startups they have accelerated

Mycorena - fungi-based vegan protein

Corporate Backer

Portfolio Examples

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
Deloitte	https://www.foodtechaccelerator.io/	2019

The model

The Milan-based food tech accelerator selects 10 startups per year and builds industrial pilot projects in tandem with their corporate partners' needs. The 15-week program offers expert mentoring, progress from ideation to validation and growth, and requires no equity or payment. The programme also connects startups to up to 1 M€ in follow-on already committed investments.

Their focus:

Midstream Technologies (Blockchain & Traceability, Quality & Food Safety, etc.), Circular Economy, Next Gen Food & Beverage, Agtech (Biotech, Farm Management Systems & Sustainable Models, Vertical Agriculture, etc.), Food as Medicine, B2B Online Marketplaces, Delivery, Data-driven Insight, Innovative Packaging, In-Store & Restaurant Tech

Some startups they have accelerated

ZeroEgg - plant-based egg alternative
AgriTask - data-driven agronomic management software
Wasteless - dynamic pricing for expiring supermarket products
IXON - room temperature sterilisation technology

FoodTech ACCELERATOR
Designing and innovating in Italy

Corporate Partners

CEREAL DOCKS
Amadori
CIRFOOD

Portfolio Examples

IXON
Agritask
wasteless
ZERO EGG.

Corporate Backer

Deloitte.

Most Active Corporate Accelerators in the F&B Sector

Corporate backing the program:	Website:	Founding date:
SVG Partners	https://thriveagrifood.com/	2014

The model

Thrive hosts an accelerator for seed stage agtech startups from all areas of the value chain, connecting startups to corporate partners as well as their farmer network. Eight startups are selected for a three-month long programme. The platform invests $75K in startups ($37,500K cash, $37,500K in program value) in return for a 4% equity, with the opportunity for follow-on investment.

Their focus:

Agtech: Big Data & Predictive Analytics, Supply Chain Management, Traceability, Biotechnology, Robotics & Automation, Indoor Farming, Innovative Food, Farm Management Software, Sensing, IoT, Animal Health & Livestock

Some startups they have accelerated

Agrosmart - data intelligence-based farm management software
HiveKeepers - tech solutions for healthy bee hives and productivity increase
MilkMoovement - platform connecting players in the dairy supply chain
Harvest Automation - AI-powered, automated harvesting robots

THRIVE by SVG VENTURES

Corporate Partners

Driscoll's, Corteva agriscience, United States Department of Agriculture

(and more)

Portfolio Examples

agrosmart, HiveKeepers, milk moovement, Harvest Automation

Corporate Backer

SVG VENTURES

Case Studies

Example of Successful Collaborations

Danone <> Water Io

Startup

Israel-based smart packaging company Water.io created an IoT smartcap technology using a sensor, mobile app, brand dashboard, cloud servers and algorithms

Partnership

They collaborated with Danone **to develop a 'smart cap' which will be incorporated into the brand's Spanish mineral water Font Vella**, allowing consumers to track their levels of hydration. Named **Coach2O**, the widget monitors consumers' water intake and 'coaches them towards adequate hydration', and can be clipped directly on an existing water bottle

Opportunity for Danone

- Combine their understanding of the science of hydration & IoT to **bring all this knowledge to consumers through personalised solutions**
- Encouraging consumers to **move away from single-use plastic**

Opportunit for Water.IO

The start-up previously worked with packaging company Visy to make its bottle caps available in Australia and New Zealand – **but Danone's project represents a major step forward in its application**

Nestle + Givaudan <> Know Brainer

Startup

Know Brainer produces functional ketogenic coffee creamers and instant beverages made of healthy fat rather than sugar

Partnership

Through the FoodBytes PILOT **accelerator**, Know Brainer partnered with Nestle **and** Givaudan to launch a new product: 16oz multi-serve pourable keto creamer with collagen protein - that was introduced to the market at EXPO West 2018

Opportunity for Nestle and Givaudan

Access to a sustainable new product that fills the gap in innovation in the large corporations, to maintain their market share

Opportunity for Know Brainer

- Nestle **provided resources** to help optimising the product and **facilitated introductions to key retailers**
- Givaudan brought their knowledge and expertise to the collaboration to **optimise the flavor and texture** of the product

Givaudan <> Kaffe Bueno

Startup

Kaffe Bueno is a biotech startup **focusing on upcycling spent coffee grounds** or other coffee waste from hotels, offices and cafés into active and functional ingredients for cosmetics, nutraceuticals and functional food and beverages

Partnership

After winning the 2019 edition of MassChallenge Switzerland, Kaffe Bueno and Givaudan partnered up to launch 'Koffee'Up', a luxurious new active coffee oil. This was the first product collaboration to come from the incubator. Produced using advanced upcycling techniques from Kaffe Bueno, the product bring consumers numerous facial skincare benefits, from hydration to anti-ageing

Opportunity for Givaudan

The sustainable mission of the start-up is in line with Givaudan's approach to sustainability, **adding value by using upcycling, or by-products from side streams, to enrich its portfolio** with sustainable products

Opportunity for Kaffe Bueno

The company can further their vision of establishing a dectralised production ecosystem of biorefineries to industrialise the valorisation of every molecule of coffee in high value applications

Lantic Rogers <> DouxMatok

Startup

DouxMatok is an Israel based company that has developed a **sugar reduction technology solution**, based on enhancing the perception of sweetness of sugar, enabling the use of 40% of the very same sugar in a recipe, while retaining the same taste that consumers are looking for.

Partnership

In **October 2020,** they have announced a partnership with Lantic, **owned by Rogers Sugar**, Canada's largest refiner of the sweetener. The 2 companies have been working together for two years, **starting from pilot testing, until getting to commercial-scale manufacturing of the ingredient**. They have also have been working with food companies in North America to develop new products and reformulate existing ones to use less sugar.

Opportunity for Lantic

As consumers become more aware of the need to eat less sugar, this traditional refiner will **need to innovate** to stay competitive, and DouxMatok provides the innovation to **create a new revenue stream**

Opportunity for DouxMatok

Over the past 2 years DouxMatok has been building similar manufacturing partnerships, such as with German sugar producer Südzucker. While DouxMatok's technology is extremely innovative, these **manufacturing partnerships are actually vital for the company in order to reach the masses**, since they do not have their own refineries nor dedicated raw material supplier.

Merit <> Nestle

Startup

Merit Functional Foods and technology partner Burcon **Nutrascience produce novel plant protein using Burcon's extraction and purification technology**. Merit was established in 2019, committing to **providing the plant based protein market with unmatched purity, taste and solubility**

Partnership

They have partnered with Nestle to **develop and commercialize** this plant protein for use in Nestle's products. Merit is currently completing its commercial-scale production facility, where it will produce Burcon's ingredients

Opportunity for Nestle

They have outsourced innovation to keep up with changing consumer demands and trends without disrupting internal processes

Opportunity for Merit and Burcon

As a recently established company, this partnership gives them legitimacy and access to the huge consumer market Nestle commands

DDW <> Fermentlag

Startup

Fermentalg has developed 'Blue Origins' a natural blue colour using a unique fermentation of phycocyanin. Their product **improves pH and temperature stability to satisfy industry criteria** and create a much more scalable supply chain

Partnership

They have partnered with industrial group DDW to bring the product to market, **pooling resources to finalise technological, industrial, marketing and regulatory development**. They has also secured **$21.2m** until the end of 2022 to fund the industrial scale-up of its product portfolio

Opportunity for DDW

Access to superior ingredients ahead of competitors

Opportunity for Fermentalg

As the second largest producer of natural food colouring worldwide this partnership with DDW validates Fermentalg's technology and will accelerate market penetration. They can also develop the alternative protein solutions and vegan omega-3 alternatives in their portfolio

DDW The Color House

Fermentalg

IKEA Bootcamp <> Flying Spark

Startup

Flying SpArk discovered an **all-natural protein** extracted from the Mediterranean fruit fly, giving a sustainable ingredient high in protein, calcium, iron and potassium. Fruit fly farming **uses minimal water and land, and harvest themselves** with no human intervention. Their mission is to create a **high-quality protein ingredient, harvested to sustainable principles**, as a solution to combat world hunger

Partnership

Flying SpArk was selected for the **first** "IKEA Bootcamp" **startup accelerator** in 2017, one of a cohort of just ten after 1,200 applications Access to superior ingredients ahead of competitors

Opportunity for IKEA

This aligns with IKEA's strategy to support startups addressing the world's most pressing problems

Opportunity for Flying SpArk

Partnering with IKEA will enhance product development, working towards a collaboration to create a product for IKEA's restaurants

IKEA BOOTCAMP

FLYING SPARK

Beta San Miguel <> Impact Vision

Startup

Impact Vision's system collects hyperspectral images of food from a camera mounted above a conveyor belt. Acquired images are processed with machine learning models to **identify unique patterns in chemical composition relating to food quality**. Proprietary software then provides **real-time, actionable insights** about food, such as the freshness of fish, the dry matter of avocados or the presence of foreign objects

Partnership

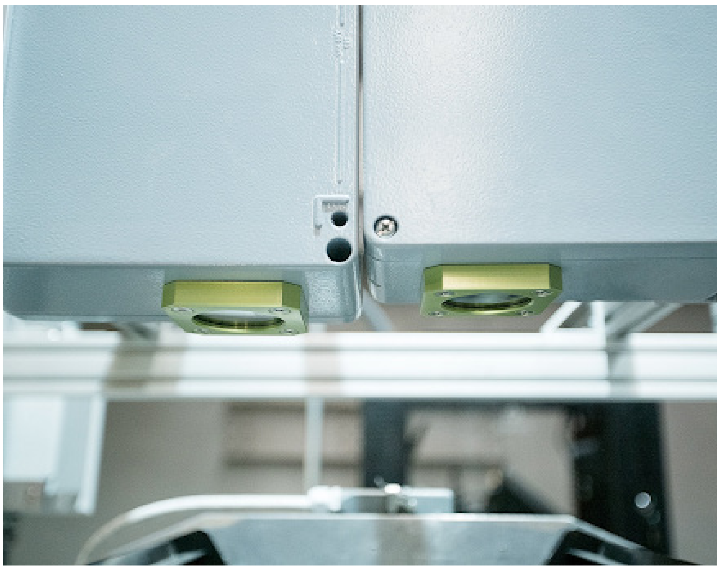
Impact Vision **launched their foreign object detection system with** Beta San Miguel, Mexico's largest sugar processor

Opportunity for Beta San Miguel

This helps them prevent product recalls and ensure premium quality product is delivered every time

Opportunity for Impact Vision

After testing out the solution on one factory and achieving significant results in speed, efficiency and quality, **BSM has decided to fully deploy Impact Vision's solution**



FoodLogiQ + Ripe.io <> IBM + SAP

Startup

FoodLogiQ, along with Ripe.io, have contributed with IBM Food Trust, and SAP to an interoperability Proof-of-Concept focused on **connecting product tracking data across different technology providers supporting the food supply chain**

Partnership

Coordinated by standards organisation GS1, the test involved simulating the use of GS1 standards for a **seafood supply chain** to enable faster and more efficient food recalls

The proof of concept demonstrated two processes:

1. Four traceability solutions were able to **create and share standards** based on physical event data
2. **Each solution was also able to consume the shared data to construct a trace for a product** across different technology solutions. Three leveraged a distributed ledger and one utilized cloud based storage for the data

Opportunity for FoodLogiQ, Ripe.io, IBM and SAP

- Successful demonstration of technology interoperability can create a more robust, transparent and resilient food chain
- The coalition is now adding suppliers, retailers and other operators to see its operation in a real world setting

GrainCorp <> TE-FOOD

Startup

TE-FOOD is the world's largest publicly accessible, farm-to-table fresh food traceability solution, using blockchain technology

Partnership

Australian commodity giant GrainCorp, **as one of the partner corporations of the TERRA accelerator program, chose TE-FOOD to create a blockchain based traceability pilot project** with its Canadian subsidiary, Canada Malting Company. Together, they **delivered a new and engaging consumer experience**: "Bock Chain" — a new beer using blockchain technology to trace the beer grain ingredients from field to can. This **provides a more modern, richer user experience**, where consumers can get a lot of visual information as well as insights of the beer production process compared to usual farm-to-table traceability applications that just show data (timestamps, locations, IDs)

Opportunity for Canada Malting Company

Involved its partners, Hamill Farms, Red Shed, and Last Best to create a whole chain experience and maximise value from this partnership. This technology allows them to meet growing demand from customers to provide information beyond the basics on the label

Opportunity for TE-FOOD

This is a significant achievement in their mission to make supply chains more transparent and help food companies gain deeper insight of their suppliers

Nufarm <> Cropzone

Startup

German AgTech Crop.Zone has developed an **electrophysical weeder that is an alternative to chemical solutions**

Partnership

In partnership with Nufarm they have created a **hybrid herbicide solution** where a conductive liquid and electricity are used to control weeds

Opportunity for Nufarm

Greater efficiency and lower energy consumption that conventional weeding technology. It also provides them with an alternative to chemicals at **competitive prices**, responding to consumer demands

Opportunity for Crop.Zone

Access to the Nufarm network of customers and distributors

Anheuser-Busch <> Sentera

Startup

Sentera creates **in-season data, analytics and insights** for growers at scale, easily integrated into digital ag platforms

Partnership

They partnered with Anheuser-Busch in 2017 to create **digital tools to cultivate a healthier growing environment**. They expanded their partnership in 2020 to deliver grower-level insights specifically on nitrogen demand in rice production using remote-sensing technology

Opportunity for Anheuser-Busch

Measurable impact on Anheuser-Busch's 2025 sustainability goals

Opportunity for Sentera

- Improve productivity and profitability by optimising nitrogen use and maximising quality yields
- Deliver on shared goal of advancing sustainable agriculture and grower empowerment

Lavazza <> Wonderflow

Startup

Wonderflow is a Dutch-Italian scale-up specialised in customer feedback analysis using AI such as Natural Language Processing to turn customer insights into actionable insights, published on Wonderboard and accessible to all employees at any time

Partnership

Plug and Play Italy introduced Wonderflow to Lavazza and after a successful pilot quarter Lavazza renewed the collaboration, where Wonderflow analyzed customer comments to generate actionable insights for six departments at Lavazza. Lavazza also leveraged Wonderflow's technology to perform a competitor analysis to understand its position in the market

Opportunity for Lavazza

The partnership fits Lavazza's focus on delivering the best experience to its customers. Using insights from this data will further customer-centricity, allowing Lavazza to optimize its product development strategy, external communication and customer service

Opportunity for Wonderflow

Offering Lavazza the solution to improve customer experience led to a long term partnership due to the speed and simplicity of using the platform and its insights

LAVAZZA

WONDERFLOW

Pepsico <> Parx plastic

Startup

Parx Plastic has created a patented, biocompatible polymer technology preventing growth of bacteria on plastic surfaces.

Partnership

Parx Plastic and Pepsico announced the signing of a Master Service Agreement to jointly develop a solution enabling a high level of microbiological reduction in high performance plastics. The two companies had been working together for technology testing and sample production since 2016.

Opportunity for Pepsico

The technology will allow Pepsico products across categories to stay healthy and uncontaminated for longer periods of time, allowing for less waste, which is a strategic goal for the company.

Opportunity for Parx Plastic

- Parx Plastic will get the chance to test its technology across different categories of products in Pepsico's large portfolio.
- With Pepsico being one of the largest global food and beverage producers, Parx Plastics technology will be implemented on a large scale.

PARX PLASTICS
MATERIAL ECOLOGY

PEPSICO

Danone <>Full Harvest

Startup

Full Harvest Technologies is a B2B platform focused on eliminating food waste by connecting farmers and food producers with food and beverage companies. The platform is a marketplace where producers can sell their potentially 'waste' produce to companies.

Partnership

Full Harvest and Danone partnered up to launch a new brand of yogurt made with surplus produce and fruits rejected from retail sale for esthetic reasons. The brand called Good Save will be included in Danone's Two Good line of dairy snacks.

Opportunity for Danone

The partnership is in tandem with Danone's strategic focus on producing more sustainable products and capture consumer demand in this area.

Opportunity for Full Harvest

Connecting the farmers on its platform to a food giant such as Danone, hence eliminating huge amounts of potential food waste.

Part 2

Corporate Investment

— THE STATE OF GLOBAL FOODTECH REPORT 2020

Talent Garden

FORWARD FOODING

CVC Overview

Cross Sectors
Zoom on CPG
& Foodtech

CVC Global Landscape

Trends and Motivations

Corporate Venture Capital is well established in the global investment landscape, first appearing in 1914 when DuPont invested in a private automobile startup, General Motors, and went on to develop the largest corporate venture programme.

Under a push for **diversification**, many corporations followed DuPont's lead, **creating dedicated CVC funds to access new technology, expand into other industries and keep up with changing market trends**. Whilst traditional VC focused on financial returns, CVC tends to look more for **long term strategic gain**. (Stefansson and Friofinnsson, 2019). According to PwC's 2020 M&A Integration Survey **growth in market share and access to new distribution channels, brands and products** are the most important deal objectives. Internal R&D often trailed behind more agile competitors, and CVC gave a natural route to **drive innovation**. CVC started with high-tech companies as technology companies understand the innovative technical side of the industry and have been venture backed themselves. They have therefore seen first hand the opportunities these partnerships can bring.

In recent years, CVCs saw a significant surge after the rise of the internet and the smartphone, which accounted for 63% of CVC investment in 2016. Google's 2008 decision to launch Google Ventures also rejuvenated the industry, with new players from a diverse range of industries far from Silicon Valley including 7-Eleven and Reuters launching CVC outfits. CVCs completed $57.1bn of funding in 2019 and show no signs of slowing down. Google Ventures was most active for the second year in a row, investing in 70 unique companies in 2019. However, it is the 'low-tech' or 'no-tech' companies that need to be active venture investors to remain competitive.

The trends we have observed of changing consumer trends and market share demonstrate how important strategic investment will be to maintain market dominance for large corporations. This is particularly evident in the 259 newly active CVC firms who invested for the first time in 2019, making up 27.5% of the 941 CVCs who engaged in deals in 2019. CVCs were less likely to invest at an early stage, but there was a clear increase of 55 CVCs YoY to reach 410 investing at seed stage in 2019. Whilst global growth has slowed, Europe has seen a notable increase with funding growing by 38%. Overall trends look positive for startups seeking to grow, and for corporations wanting to address their internal stagnation. (source: CB Insight)

CVC Investment in Startups
Challenges & Strategic Alignment

As the industry wide growth and increasing number of active firms shows, there are clearly benefits to CVC investment in startups. However, this process is not always smooth sailing, and there are different challenges for each party to consider before agreeing to such a partnership.

CVC

- **Aligning strategy with smart investment** - Finding companies that serve the corporate mission and are investment-ready is a challenge
- **Broader reputation affecting chances of attracting the best startups** - Many corporates have even renamed their venture arms to appear as standalone firms but the primary concern remains — "are startups attracted to us?"
- **Maintaining a win-win relationship and being perceived as a long term strategic partner** - Startups might not be willing to commit to one corp, don't want their passion to be directed towards a corporate agenda
- **Having the right people in place** - Startups expect investors to have experience wading the downturns and CVCs often make the mistake of staffing their venture arms with business development and strategy people with no startup experience. Reputation problems can ensue.

Startup

- **CVC investments have to comply with more restrictive rules than traditional VC** - Corporations are usually extremely focused on risk management, and they imply restrictive risk management policies
- **Key decision makers for funding are generally top-level executives who are less accessible or available** - delays for approvals and in scheduling, all of which may impact critical production timelines
- **The strategy of the fund belongs to the corporate** and its agenda can change anytime. That agenda may come into conflict with the startup's best interests
- **Being backed by a corporate can stop other actors engaging in discussion about a potential buyout**. If a startup want to avoid such situation they can negotiate with the CVC a right of notice instead of a right of first refusal during the term sheet negotiations

CVC Investment in Startups

Opportunities, Synergies and Benefits

The challenges discussed show that corporations and startups are at the core very different organisations, but the limitations of each business model can **complement and augment each other to create the opportunity for a win-win collaboration**. Both parties gain better competitive positions on the market, as some level of market control is needed to see the benefits of innovation due to the commercialisation required to make this innovation profitable (Klimczuk-Kochanska, 2017). Cooperation can provide both the innovation and the resources giving both parties access to **new knowledge and technology** to keep up with market trends or boost expansion.

CVC

- **Strategy of the CVC fund belongs to the corporate** and therefore remains flexible to adapt to the market for example leading to a buyout of the startup, if this is in line with long term strategy
- **Exit opportunities therefore reducing risk:** a major concern for corporations and their shareholders.
- **Ecosystem growth** benefiting core business
- **Acqui-hiring** to quickly acquire proven talent - InnerChef acquihired EatenGo, allowing them to expand to Bengalaru (Klimczuk-Kochanska, 2017)
- **Entrepreneurial spirit** spreading to employees rejuvenating internal teams and processes.

Startup

- **No time constraint and higher chances of exit** - corporate can become a strategic partner for the long run, and also provide capital for potential future investment rounds (to potentially lead the round or even acquire the company)
- **Access to a large corporation's distribution network and customer base** and even becoming a supplier for big business
- **Access to a network** of potential business partners and mentors
- **Improved product development** processes and test ideas in a 'live' business environment

CVCs in Consumer Packaged Goods (CPG)

And the Growing Focus on Foodtech

Looking more closely at CVCs operating specifically in the CPG, the potential synergies and opportunities have continued to encourage investing in this industry despite the challenges faced by both corporates and startups.
CVCs have been long term active players in technology and other industries, but are still a developing player in the CPG ecosystem. **$1.3bn was invested by CVCs across 96 deals in 2019**, up **25% YoY**, but far behind the **$11.1bn** invested in fintech. (source: CB Insights)

As innovation booms outside of corporate R&D, these **big players are stepping up as collaborators to support the innovation ecosystem and benefit their own strategic purposes.** Privacy scandals and addiction have made tech companies controversial while food, on the other hand, has an obvious and indisputable value in **addressing the need to alleviate world hunger and protect the environment.**

As a matter of fact, Food technology startups have received investment worth **€65B since 2010, with 42% CAGR between 2016 and 2020 showing the rapid growth the industry is experiencing** (from all types of investors- source FoodTech Data Navigator). Fast growth segments like food delivery and meat alternatives are attracting new capital from a range of players as they provide lucrative returns without compromising on ethical values and bring a positive angle for corporate CSR and reputation.

~€65B

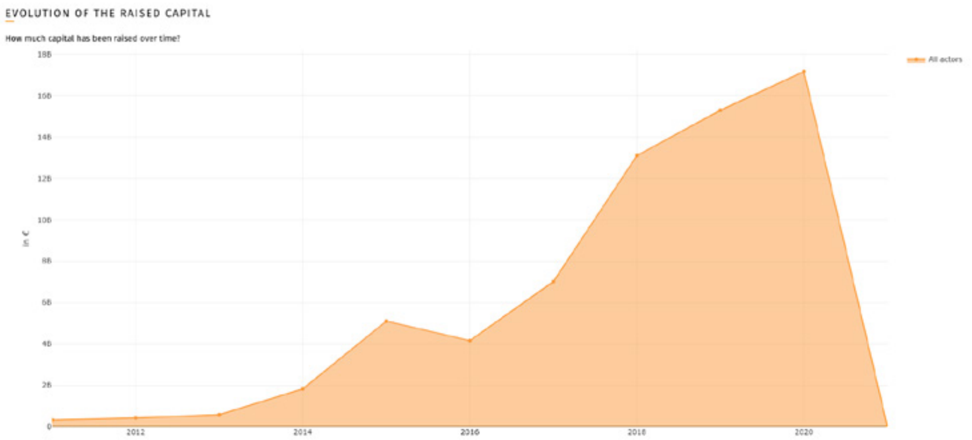
total funding
(€15.3B in 2019)

+317%
increase in amount invested

between 2016 and 2020

42%

CAGR between 2016 and 2020



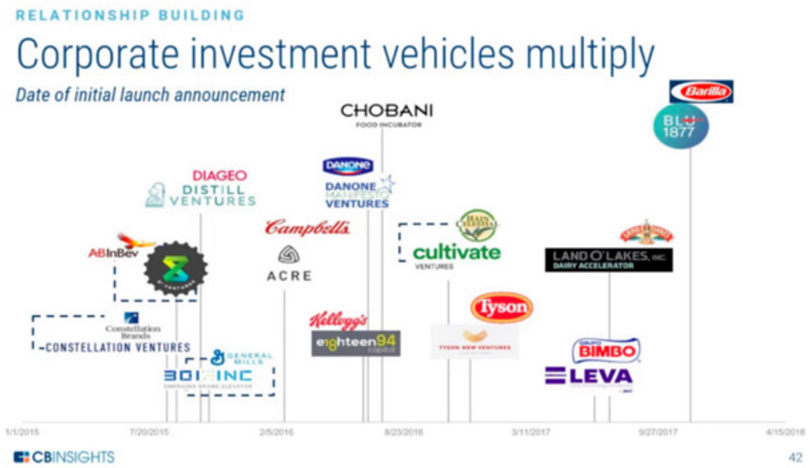
Source:
Foodtech Data Navigator

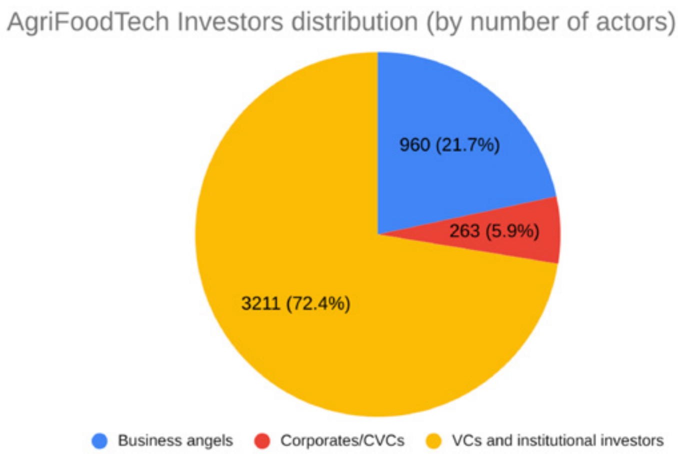
CVCs in CPG

And the Growing Focus on Foodtech

Corporations like Bayer have invested indirectly into other VC funds and others have created direct investment vehicles. With the exception of Unilever Ventures, who launched in 2002, **CPG Corporate Venture Capital vehicles have only really emerged since 2015**. As the timeline shows, the last five years has seen a great proliferation of such organisations. There are now **263 Corporates/CVCs investing in agrifoodtech**, making up 5.9% of the total investment players (source: FoodTech Data Navigator)

CVC activity in CPG is consequently growing rapidly. These trends clearly show the **importance of this form of collaboration** moving forward for both parties to continue to innovate and compete.





CVC in the Food Sector

Some Key Players

CVC in the Food Sector

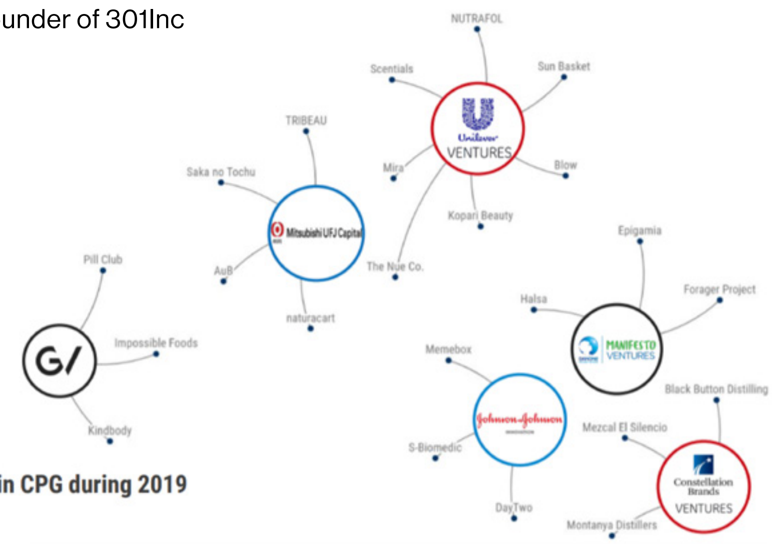
Most Active Players

Unilever Ventures was the most active investor in CPG, making 7 investments in 2019 including a **$35m Series B round for NUTRAFOL**, a hair loss company. They have maintained their front line position since launching in 2002, far earlier than their competitors.

Non-traditional entrants continue to enter the sector through partnerships or acquisitions. Many are **technology giants targeting core competencies**, including **Amazon's investment in Plenty** (vertical farming) and **Google Ventures investment in Impossible Foods**. As we have seen the traditional dominance of technology companies in the CVC landscape it is unsurprising to note their presence in CPG.
This is not however limited to technology corporations, with **Levi's investing in Agriloop**, a company converting food crop waste into high-value natural fibre.

"We are experiencing the biggest generational transition in food brand preferences in our lifetime; we'll look back on this 10 years from now and remember what an amazing time it was to be in the food business. We all have a responsibility to take great ideas and work together to bring them forward, wherever you sit in the ecosystem."

John Haugen, MD and Founder of 301Inc



Most active CVC groups in CPG during 2019

Landscaping

Corporate Venture Funds in the Food Sector

Talent Garden

FORWARD FOODING

Most Active CVCs in the F&B Sector

DÖHLER | VENTURES

Website: https://www.doehler-ventures.com/
Parent company: Döhler
Founding Date: 2014

Their investment thesis: "We are a long-term oriented and entrepreneurial investor empowering early-stage startups in the Nutrition & Technology ecosystem"

Nb of investments: 70+

Focus:

- Health, Nutrition & Lifestyle Products
- Plant-based Ingredient Innovations
- Food & Beverage Technology
- Digital Commerce & Online Platforms

Investment stage: Early stage

Some of their portfolio companies:

Waterdrop - effervescent fruit capsules
Heycater! - catering for businesses
Gutsy Captain - probiotic drinks
Startchy - shelf-life increasing fruit coating
Mighty Pea - plant-based milk
Brave - vegan snacks

Portfolio

BRAVE heycater! STARTCHY THE GUTSY CAPTAIN company MIGHTY PEA waterdrop MICRODRINK

Most Active CVCs in the F&B Sector

Website:	https://www.tysonfoods.com/innovation/food-innovation/tyson-ventures
Parent company:	Tyson Foods
Founding Date:	2016

Their investment thesis:

'As part of the corporate commitment to continually innovate, Tyson Ventures invests in early stage companies. Established in 2016, the $150 million fund invests in promising entrepreneurial businesses that can benefit from our scale and align with Tyson Foods' corporate strategy."

Nb of investments: 12

Focus:

- Innovative, protein-centric products and ingredients
- Disruptive delivery channels and growing market access
- Emerging brands and categories
- Operational Excellence
- Technology-enabled operational enhancements
- Sustainability improvements to our operations
- Operational and supply chain safety

Investment stage: Seed

Some of their portfolio companies:

FoodLogiq - food traceability tech
MycoTechnology - mushroom protein
Tovala - meal kit delivery connected to kitchen tech
New Wave - plant based shellfish
Clear Labs - food safety testing
Memphis Meat - lab-grown meat
Future Meat - lab-grown meat
Big Idea Ventures - Food Tech VC

Portfolio

Most Active CVCs in the F&B Sector

Rabo
F&A Innovation Fund

Website: https://rabocorporateinvestments.com/rabo-ventures/f-and-a-innovation-fund/

Parent company: Rabobank

Founding Date: 2017

Their investment thesis: "We recognise and understand the food security challenges lying ahead of us and how Innovation in F&A supply chains is key to the solution, which is why we are dedicated to committing capital to the space."

Nb of investments: 11

Focus:

- Scalable food and agtech
- Western Europe, Israel and the US

Investment stage: Seed to Series B

Some of their portfolio companies:

Vence - virtual fencing and autonomous animal control
Biolumic - UV lighting treatment for plant growth
Enko Chem - crop protection agrochemicals
Telesense - IoT grain quality management
30MHz - indoor farming software and hardware
Bird Control Group - smart laser bird deterrent
Rootwave - electricity-based weed killer
BeeHero - precision beekeeping tech
Aidence - medical imaging and detection
Innovopro - chickpea protein

Portfolio

Most Active CVCs in the F&B Sector

Website: http://www.blu1877.com/
Parent company: Barilla
Founding Date: 2017

Their investment thesis: "We support innovators in creating the future of joyful and sustainable food by investing in founders who share our vision "Good for you and good for the planet".

Nb of investments: 7

Focus:

- Bakery Products
- Pasta
- Condiments
- Fruit Based Products
- Sustainable Diets
- Mediterranean Diet
- Meal Solutions

Investment stage: Seed

Some of their portfolio companies:

ReGrained - upcycling brewer spent grain into snacks
The Organic Pantry - good-for-you pantry snacks
Planetarians - fungi fermented, plant-based meat
Connecting Food - blockchain-powered food traceability solutions
Tolerant Organic - protein-rich pasta alternatives

Portfolio

Most Active CVCs in the F&B Sector

Website: https://www.danoneventures.com/
Parent company: Danone
Founding Date: 2016

Their investment thesis:	"We are on a mission to work alongside talented entrepreneurs and create a healthy and sustainable future of food. We are forming a portfolio of food and foodtech businesses that are disrupting the world's eating and drinking habits and changing the way companies engage with consumers."
Nb of investments:	19
Focus:	Mix of product centric innovations (baby food, water, dairy alternatives), impact investments and new business models (D2C)
Investment stage:	early stage
Some of their portfolio companies:	Farmers Fridges - connected fridges stocked with premium meals and snacks Yooji - baby food Mitte - smart home water system Agricool - urban farming Nature's Fynd - fungi-based protein Halsa - plant-based yogurt Forager Project - plant-based milk and yogurt ReadySetFood - plant-based superfoods

Portfolio

Most Active CVCs in the F&B Sector

Website: https://zx-ventures.com/
Parent company: ABInBev
Founding Date: 2015

Their investment thesis: "We are here to invest ahead of the curve: seeding, launching, and scaling new products that deliver exceptional consumer experiences and bring (more) people together. We partner with devoted founders and best-in-class business builders and operators to help them grow their businesses."

Nb of investments: 37

Focus:

- Beer
- Beverage
- Beverage retail and tech

Investment stage: all stages

Some of their portfolio companies:

Camden Town Brewery - UK craft brewery
HiBall Energy - sparkling energy water
Zé Delivery - beverage delivery app
Barbarian - American craft brewery
Boxing Cat - Chinese craft brewery
Birradelborgo - Italian craft brewery
Casa de la Cerveza - beer marketplace

Portfolio

Most Active CVCs in the F&B Sector

Unilever VENTURES

Website: http://www.unileverventures.com/
Parent company: Unilever
Founding Date: 2002

Their investment thesis: "We invest in young, promising companies, accelerating growth by providing access to Unilever's global ecosystem, assets and expertise."

Nb of investments: 52

Focus:

- Refreshment, sustainable living, personal care, digital
- Foodtech investments so far have favored delivery, meal kit startups and beverage companies

Investment stage: Early or late stage, rarely seed

Some of their portfolio companies:

Sunbasket - good-for-you meal kit subscription
Gousto - recipe box delivery
Instacart - grocery delivery
Froosh - premium smoothies
Revolution Foods - healthy meal delivery for schools
Yummly - online nutrition and recipe platform
Thryve - personalised gut health

Portfolio

SUN BASKET instacart revolution FOODS Gousto froosh fruit: bottled thryve Yummly

Most Active CVCs in the F&B Sector

Website:	https://www.syngentaventures.com/
Parent company:	Syngenta
Founding Date:	2009

Their investment thesis:

"Syngenta Ventures invests in companies that share the common theme of helping growers to be more profitable and positively impacting the future of agriculture Syngenta Ventures is stage agnostic, and invests alongside other financial and corporate VC investors, and avoids asking for any rights or options for Syngenta as we recognize the importance of having the interests of all shareholders aligned."

Nb of investments:

37+

Focus:

Ag Input Tech: gene editing, synthetic technology, biologicals;
Grower Profitability: precision ag, farm management, sensors, aerial imagery

Investment stage:

All stages

Some of their portfolio companies:

AgBiome - agricultural bio-product discovery platform
Ninjacart - marketplace connecting farmers to retailers
Sound Agriculture - productivity increasing bio-products
Planet Labs - earth-imaging satellites
BoMill - precision grain sorting
Agtech Accelerator - agtech startup accelerator
PrecisionHawk - aerial data collection

Portfolio

Most Active CVCs in the F&B Sector

Website:	https://www.301inc.com/
Parent company:	General Mills
Founding Date:	2015

Their investment thesis: "We are seeking emerging food brands with a compelling product, a strategic fit and fueled by founders that are driven, passionate and aren't going to settle for anything less than success."

Nb of investments: 15+

Focus: Emerging food brands, mostly D2C alternative snack and drink segment

Investment stage: Early stage after product-market fit

Portfolio companies:

PetPlate - D2C healthy dog food
GoodCatch - plant-based seafood alternative meals
NoCow - dairy-free nut bars
UrbanRemedy - good-for-you, health food
BeyondMeat - plant-based alternative meats
Farmhouse Culture - fermented foods
GoodBelly - probiotic snacks and beverages
RhythmSuperfoods - nutritious snacks
KiteHill - plant-based vegan foods

Portfolio

Most Active CVCs in the F&B Sector

eighteen94 capital

Website: https://www.1894capital.com/
Parent company: Kellogg
Founding Date: 2016

Their investment thesis: "1894 capital supports food-industry consumer product companies that are in-market or ready to launch, with capital and resources to take it to the next level. "

Nb of investments: 10+

Focus: No restriction but focus lies in D2C alternative snacks and drinks

Investment stage: Early Stage

Portfolio companies:
KuliKuli - nutrition and energy products from plants
Ucan - starch-based sports nutrition
Taali - good-for-you snacks
Bright Greens - superfood smoothies
Siren Snacks - vegan protein snacks
MycoTechnology - mushroom protein

Portfolio

Case Studies

Examples of Successful CVC Investment & Acquisition Arrangements in the Food Sector

Danone <> Mitte

Startup

Danone Manifesto Ventures led **$10.6M** investment round back in 2018 with a shared commitment to bring **health through hydration**

Partnership

Mitte has built a **smart home water system** to purify and enhance tap water, offering a selection of cartridges with varying levels of natural minerals to enable customers to **personalise their water in a sustainable way**. With a **dedicated app** consumers can monitor quality, gain insight into personal consumption and order cartridges

Opportunity for Danone

A competitor on paper but **aligned with Danone long term sustainability objective** and brings a 'complementary solution' that will contribute to growth of the water market

Opportunity for Mitte

Expand on US market after running a 360% overfunded crowdfunding campaign, using Danone's water expertise and resources

301 INC <> Good Catch

Startup

Earlier this year, 301 Inc. participated in Good Catch's **$32M Series B**

Partnership

Good Catch produces a **shelf-stable albacore tuna alternative** in three different varieties, some of the first seafood alternatives to reach the market. They highlight the **nutritional similarities** of their products to tuna without the **risk of microplastics, mercury, GMOs and dairy**

Opportunity for 301 Inc

Find brands that General Mills could **eventually acquire and explore emerging space** (More than half of 301's investments have been plant-based foods, like No Cow protein bars and Kite Hill, a dairy alternative brand. 301 Inc was also an early investor in Beyond Meat)

Opportunity for Good Catch

Leverage General Mills' manufacturing expertise, R&D resources and retail relationships to accelerate new product development and acquire retail distribution quickly. Good Catch is mainly using the funds to **complete the construction** on its 42,000-square-foot production facility

General Mills <> EPIC

Startup

Epic Provisions, who make meat-based snacks, **was sold to** General Mills **in 2016 for a reported $100M**

Partnership

Epic Provisions created the world's first **100% grass fed meat, fruit and nut bar** and now offers a range of nutrient-dense, whole food protein snacks. Epic source meat from sustainable sources and are educating farmers about the benefits of engaging in **regenerative farming**

Opportunity for General Mills

GM bought up Epic as part of its **big-money push into organic and natural foods and use regenerative agriculture practices**. Although there have been **arguments over communication channels and manufacturing goals** (which resulted in products recall)

Opportunity for Epic Performance

Went **from concept to market in 28 week**. GM's exec says, "faster than we've ever developed almost anything."

Unilever Ventures <> Sun Basket

Startup

Unilever invested $9.5M into Sun Basket in 2017 and **provided follow-on investments** in a $30M Series E in 2019

Partnership

Sun Basket is a **weekly meal kit offering premium recipe boxes based on dietary requirements** such as paleo and gluten free, using only organic and non-GMO ingredients

Opportunity for Unilever

- Entering the booming meal-kit sector on a more niche market (allergy and diet-based approach) which could achieve better retention
- Tap into Sun Basket's D2C platform to sell and validate products
- Unilever has also invested in Instacart, e-grocery platform, in order leverage their platform to send free samples of new products)

Opportunity for Sun Basket

- Accelerate product and user acquisition by leveraging Unilever expertise in **CPG marketing, distribution & logistics**
- Could lead to other revenue streams for example creating a data and marketing platform for other clients

Nestle <> Freshly

Startup

Nestle **acquired meal delivery service** Freshly, which it had previously invested in, for **$950m in October 2020**. There are **potential earnouts of up to $550m** depending on the successful growth of the business

Partnership

Freshly offers next day home delivery for **fresh-prepared 'heat and eat' meals across the US with a subscription based D2C model**. Growing consistently since launching in 2015, Freshly's 2020 sales are forecast to **reach $430m**, shipping more than a million meals per week. This combines **Nestle's word class R&D capabilities with Freshly's specialised consumer analytics platform and distribution network** to fuel growth within Freshly and across Nestle's portfolio

Opportunity for Nestle

The acquisition **strengthens Nestle's position in the US** and expands their ability to deliver a variety of food to customers with convenience, choice and ease of purchase

Opportunity for Freshly

This deal gives them **access to resources, R&D and experience** to accelerate growth and open new facilities to widen distribution. They have already tripled the number of weekly meals on offer thanks to Nestle's support

Nestlé

FRESHLY

Nestle <> Mindful Chef

Startup

Nestle has acquired a **majority stake in UK meal kit producer** Mindful Chef in November 2020, to **improve its D2C offerings** in the UK and Ireland

Partnership

Mindful Chef offers a range of **nutritionally balanced meals through a recipe box subscription service**, using precise ingredients to prevent food waste and recycled packaging that is returned for reuse. They also produce frozen ready meals and smoothie kits

Opportunity for Mindful Chef

Nestle's experience and support gives them the opportunity to build on existing success to make healthy eating easy and accessible for more consumers

Opportunity for Nestle

They continue to **expand its portfolio** of D2C businesses, achieving their ambition of **increasing the availability and convenience of healthy food**

Cargill <> Memphis Meats

Startup

Cargill **backed** Memphis Meats **in 2017** (and Aleph Farms in 2019). Cargill selected Memphis Meats because of the company's **proven technology, and its potential to commercialize**

Partnership

Memphis Meats developed cell-cultured technology to raise meat from **self-reproducing animal cells** and have become a leader in **sustainable and responsibly produced meat**

Opportunity for Cargill

Explore the potential in this growing segment of the protein market and provide its customers and consumers with expanded protein choices aligned with Cargill sustainability agenda

Opportunity for Memphis Meats

Accelerate growth to have products in stores in 2021. While Cargill is not an expert in cellular agriculture, Memphis Meats can **benefit from Cargill's existing infrastructure for handling, packaging, distributing, selling and marketing multiple products.**

Tyson Ventures <> MycoTechnology

Startup	Tyson Ventures participated in MycoTechnology's **Series D financing** round, to bring the total raised in this round to $39m
Partnership	MycoTechnology helps food manufacturers create healthier products by **creating novel ingredients through mushroom fermentation**
Opportunity for Tyson	They are focused on **meeting the global demand for sustainable protein sources**, and the innovative processes MycoTechnology have created help reach that goal
Opportunity for Myco	Funds from this latest round will help them prepare for **new product introductions**

Strauss Group <> Yofix Probiotics

Startup

Strauss Health, a dairy company owned by Strauss Group have **led an investment in** Yofix Probiotics with Danone. Yofix is one of the startups incubated in The Kitchen Hub, **Strauss Group's FoodTech incubator,** supported by the Israeli Innovation Authority

Partnership

Yofix created the first **grain, seed and lentil based probiotic yoghurt,** offering a non-dairy alternative with comparable nutritional values, texture and flavour without additives. They use an 'all-in' technology with zero waste to minimize environmental impact

Opportunity for Strauss Group

This partnership has **validated their mission** to help companies develop cutting edge, sustainable technologies to bring value across the entire food chain

Opportunity for Yofix

They have received **seed funding, mentoring and support** from The Kitchen Hub and **access to resources at Strauss Group** and now this investment will allow them to **launch nationwide**. There are also plans for **new product lines and international marketing**

Mondelez <> Torr FoodTech

Startup

SnackFutures, Mondelez's innovation and venture programme have completed seed investment in Israeli company Torr FoodTech, which was also supported by The Kitchen Hub

Partnership

Torr Foodtech produce snacks offering a unique 'multi-textural, sensorial experience', committed to developing innovative products based on simple, healthy ingredients you can see and taste

Opportunity for SnackFutures

This partnership allows Mondelez to secure future growth, and expand into new markets. Their ongoing partnership with The Kitchen Hub they have access and visibility into one of the world's leading FoodTech ecosystems and furthers their commitment to accelerate innovation through venture investments

Opportunity for Torr FoodTech

Investment from SnackFutures allows them to accelerate their technology platform and expand its application

Kellogg’s <> RXBar

Startup

[Kellogg’s](#) **acquired** [RXBar](#) **in October 2017 for $600m.**
RXBar sales in the first 12 months after the deal closed reached **$213m, a 180% increase** from the previous year. RX is now held under the umbrella company **Insurgent Brands** so Kellogg’s can expand into new product lines. Insurgent operates as a stand-alone company, something that was key to RXBar to be able to **continue delivering innovation without bureaucracy**

Partnership

RXBAR are a **clean-label protein bar** containing just egg whites, fruit and nuts, who use an ‘ingredients on the package’ approach to highlight their transparent, organic and sustainable ethos. RXBar has now launched RxOats, expanding into the breakfast sector with the same approach

Opportunity for Kellogg’s

This investment is driving Kellogg’s growth, seeing an increase of **3% on net sales to reach $3.46bn** in the second quarter

Opportunity for RXBar

The acquisition has allowed them to **stay true to their values whilst improving execution and scale**. Jim Murray, President of RX Foods, sees mentorship from Kellogg North America President Chris Hood as a major advantage of the deal, bringing a new perspective and they have partnered closely on strategic problems

301 Inc. <> Pet Plate

Startup

Pet Plate, leading subscription service in the D2C fresh pet food industry, has raised **$9m in Series A funding led by** 301Inc. and DFE Capital Management.

Partnership

Pet Plate produces **premium fresh cooked meals formulated by a veterinary nutritionist** delivered as a personalised subscription services in recyclable containers. Dogs have shown improved digestion, weight, coat quality and more. Pet Plate's **customer-centric approach** matches the **humanization and premiumization trends** 301 Inc has observed in the pet food market

Opportunity for 301Inc

This investment gives 301Inc. entry into one of the largest food categories in the US, worth **$30bn and growing at 2.6% a year**

Opportunity for Pet Plate

Funding will allow Pet Plate to **expand their product offering** with new recipes, organic treats and nutritional supplements to create a holistic solution for consumers. Pet Plate will also **expand its corporate infrastructure** to scale and drive rapid growth, with an increased brand and performance marketing to expand their customer base

301INC
EMERGING BRAND ELEVATOR

PetPlate

E.Leclerc <> Wine Advisor

Startup

E.Leclerc has acquired WineAdvisor, a Made in France application with a community of **600,000 users.**

Partnership

The app allows users to share discoveries and exchange opinions, using **image recognition technology** to access information on a specific bottle

Opportunity for E.Leclerc

This gives an opportunity to **promote and increase sales of its inhouse retail offering**. It also complements its wine offering and consulting services by **improving the digital arm of the brand**

Opportunity for WineAdvisor

Connecting to the large consumer base of E.Leclerc increases user numbers and membership

E.Leclerc

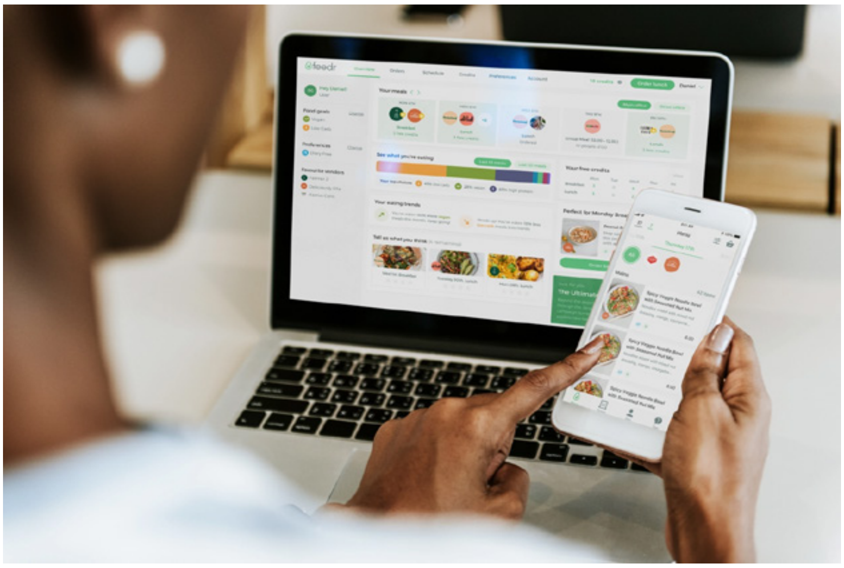
wineadvisor

Compass Group <> Feedr

Startup	Compass Group **acquired** Feedr, **a cloud canteen startup, for approximately $24m** in March 2020
Partnership	Feedr delivers **personalised meals to offices**, connecting healthy food suppliers with office workers focusing on **personalised recommendations and logistics planning using cloud technology**
Opportunity for Compass	This will **accelerate their digital transformation** and form part of its “return to work” strategy as a result of the Covid-19 crisis. Compass plans to **use Feedr’s software across its portfolio** of corporate, education and healthcare clients
Opportunity for Feedr	Operating at this new scale will allow Feedr to **accelerate product innovation and support their restaurant partners** with new opportunities

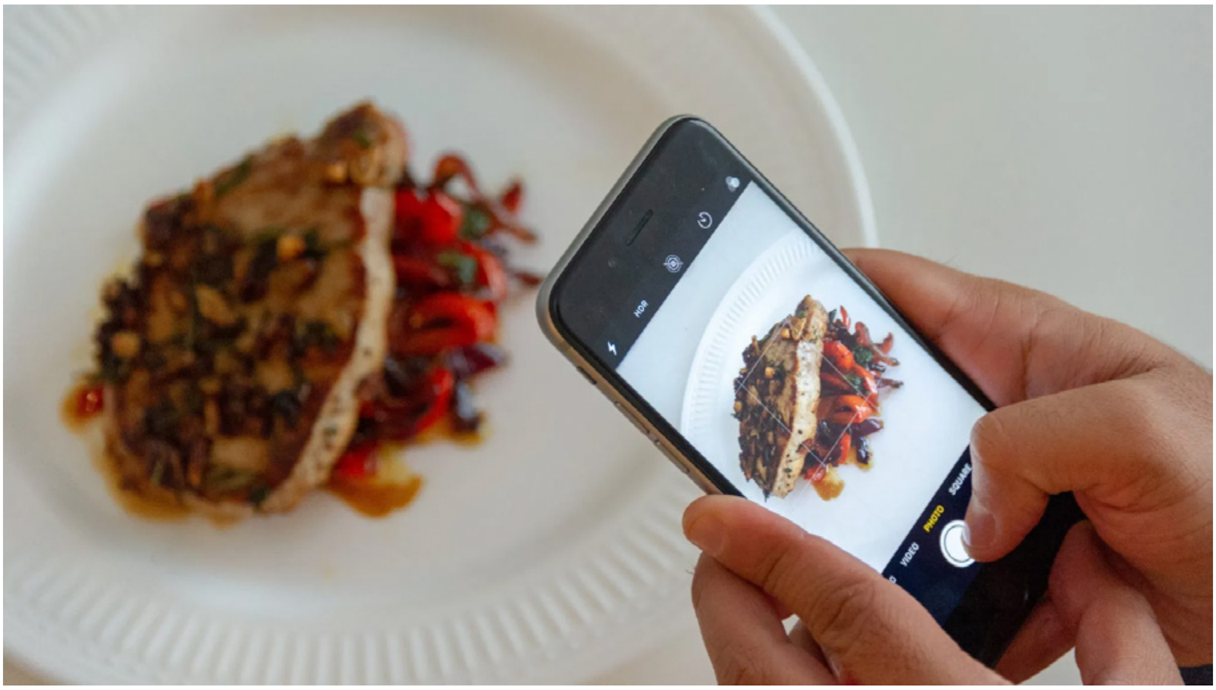
COMPASS GROUP

feedr



Kraft Heinz <> Wellio

Startup	KraftHeinz has acquired wellio, to **jumpstart its new digital hub** in Chicago and San Francisco
Partnership	Wellio brings a team of engineers building an **AI platform to help consumers discover, order and make fresh meals** at home
Opportunity for KraftHeiz	This aligns with Kraft Heinz's mission of creating **digitally powered business models and launching entrepreneurial ideas to fuel growth** for the company
Opportunity for Wellio	Kraft Heinz may **integrate wellio's AI capabilities** into more Kraft-Heinz-centric products



Amazon <> Plenty

Startup

Amazon participated in Plenty's **$200M Series B** in 2017

Partnership

Plenty use **indoor, vertical farms** to create the perfect environment: using up to 99% less water than conventional farming, minimizing energy use and optimizing yields. Plenty's agrifoodtech platform **leverages data analytics, machine learning and customized lighting to optimize plant growth cycles**

Opportunity for Amazon

To **bolster their positioning into the fresh food market** after acquiring Whole Foods

Opportunity for Plenty

They have announced they will now open a **100,000 sq ft indoor vertical farm** where they hope to grow pesticide-free, 'backyard quality' produce

Notable Exits

Notable Exits

Website: https://www.kindsnacks.co.uk/
Date: 2020
Amount: undisclosed

Confectionary mogul Mars Inc. acquired Kind Snacks, three years after buying a minority stake in Kind's North American operations. According to the New York Times, the acquisition values the company at a whopping $5 billion. Kind makes nutritional, good-for-you protein bars.

Website: https://www.freshly.com/
Date: 2020
Amount: 950 million $

After an initial stake of 16%, Nestlé acquired the delivery startup Freshly for 950 million. Freshly is a chef-made, healthy meal delivery subscription platform with around 1 million weekly customers.

Website: https://www.mindfulchef.com/
Date: 2020
Amount: undisclosed

Mindful Chef delivers all the fresh ingredients you need to create delicious, heathy meals. Mindful Chef is a health-focused recipe box service.

Website: https://www.valagro.com/
Date: 2020
Amount: Undisclosed

Italian startup Valagro is an agricultural biologicals startup producing biostimulant and specialty nutrients for crops.

Notable Exits

Website: https://feedr.co/
Date: 2020
Amount: 24 million $

Feedr is a meal platform curating small restaurants and vendors, focusing on supplying meals to office workers.

Website: https://www.graze.com/
Date: 2019
Amount: 202 million $

UK-based Graze is a healthy snack box delivery company, producing nuts, seeds, trail mixes and snack bars.

Website: https://www..co.uk/
Date: 2019
Amount: undisclosed

German startup Foodspring is a functional food and drink company specialising in sports nutrition and known for its organic certified protein powder. The acquisition was the biggest VC-backed food tech acquisition in Europe in 2019.

Website: https://whisk.com/
Date: 2019
Amount: 170,000 $

Whisk.com is a smart shopping platform where users can create and share shopping lists. Now part of Samsung's NEXT product line, Whisk's technology will be integrated to Samsung kitchen products.

Notable Exits

Website: https://www.agrilution.com/
Date: 2019
Amount: Undisclosed

Agrilution is a vertical farming company producing Plantcubes, an at-home kitchen unit growing greens.

Website: https://www.olly.com/
Date: 2019
Amount: Undisclosed

Olly is a nutrition product brand, producing vitamin and supplement food for health benefits.

Website: https://www.rxbar.com/
Date: 2017
Amount: 600 million $

Chicago-born RXBar is a clean-label nutritional bar brand. Their main product, protein bars, are accompanied by nut butters and oat boxes.

Website: https://seedlipdrinks.com/uk/
Date: 2019
Amount: Undisclosed

Seedlip is a non-alcoholic spirits company, available in over 25 countries and stocked in more than 7500 restaurants, bars and retail spots.

Website: https://sodastream.com/
Date: 2018
Amount: 3.2 billion $

Sodastream makes a kitchen appliance allowing consumers to make their own sparkling beverages at home through use of refillable cylinders.

Notable Exits

Website: https://www.primalkitchen.com/
Date: 2018
Amount: 200 million $

Primal Kitchen makes health-conscious condiments, sauces, healthy snacks and dressings.

Website: https://goldandgreenfoods.com/
Date: 2016
Amount: Undisclosed

Swedish startup Gold & Green Foods produces plant-based meat alternatives from oats and legumes under their brand Pulled Oats.

Website: https://www.thevegetarianbutcher.com/
Date: 2018
Amount: Undisclosed

The Dutch startup The Vegetarian Butcher makes a wide variety of meat-free products. Following Unilever's acquisition the brand has partnered up with Burger King for vegan menu items.

Website: https://beeologics.com/
Date: 2011
Amount: Undisclosed

Israeli startup Beeologics produces an anti-viral agent for pest control in bee populations, tackling Colony Collapse Disorder.

Part 3

Interviews

— THE STATE OF GLOBAL FOODTECH REPORT 2020

Doehler Ventures

Rodrigo Hotega

Venture Manager Europe

Could you please tell us a little bit more about your role?

I am responsible for our investments in Europe, from scouting to closing the deal, and for the management going forward. At Doehler Ventures, we don't just provide startups with capital, but we also actively support them in their development.

On the development side, we often involve the network of Doehler Group within R&D, product development or other relevant departments to run some internal R&D projects. My role is to coordinate these with the support of internal 'account managers' for each startup.

On the investment side, we are helping them with fundraising, structuring the company, creating new strategies for the business plan, and connecting them with potential customers or partners.

We are just a handful of people within Doehler Ventures and a small team of account managers supporting us within the group, and many internal experts that we can involve based on the project. Technically we could involve any employee to support us.

What are the key objectives for Doehler Ventures?

Our role is to support and enable the startups to scale as much as they can to get them ready for an exit at the right moment. That means we are also way more flexible on time horizons, which makes us an 'evergreen' fund in that perspective.

Overall, we also want to make sure we are moving towards the right direction, towards more natural and sustainable diets, more personalised nutrition, and more nutritious food. Our role is to accelerate the time to market for the startups that are positively impacting our food system.

Doehler Ventures

How do you measure impact?

Well, ROI and impact are actually closely linked – we consider that the more a startup grows, the bigger impact it will have, and that's a very simple KPI to keep track of. If you start measuring CO2 emissions for example or sustainability in general, you might get lost in the kind of analysis you want to make, so you need to simplify. We only invest in topics related to sustainability, plant-based nutrition, healthy and natural ingredients, and all new trends that are going in the right direction for the planet and for the people. We see this as a collateral impact and ultimately we need the startups to make the best products/solutions possible.

When was the fund created? How is it strategic for the group?

Doehler Ventures was created in 2014, and we actively started to invest from 2015 making more than 70 investments to date. For the group, the CVC is becoming even more relevant every year. For example, plant-based dairy is a fast growing trend, and we want to stay ahead. Our work as a CVC, by supporting startups in their development and measuring the traction they are having, is a way to expose the group to new trends, new products and consumer insights, and validate the ones they should focus on.

What do you think are the main hurdles your organisation faces when engaging with startups? Is there an effective way to overcome some of these hurdles?

Speed is a key topic. Startups have very short runways, and have 12 to 18 months to prove value after fundraising and deliver the maximum. A company has to make sure the right resources are available from day 1 so startups can keep delivering. For startups, every mess up with a production round can bankrupt a startup, so there is a very limited room for mistakes. Structuring the collaboration and having a dedicated team in place is essential to make it work, and coordinating the whole thing requires effort.

What are the 3 key elements you are looking at when it comes to investing in a startup company?

The team is always the number one. Second I would say...the team! Jokes apart, what I mean here is that we always try to invest in the right funding teams (2 to 3 people) eager and engaged

Doehler Ventures

to push forward with multi-disciplinary and complementary skill sets, not in individual people. For example, if we are looking at an innovative B2C brand, we would like to see a D2C guru, or someone very experienced in e-commerce, a person specialised in branding & marketing, or someone with strong retail and sales experience. If we are talking more about technology, we want to see within the team a very 'hardcore' CTO, plus one person who is very enthusiastic and very good at fundraising, since in B2B you usually need to raise a lot more early days. The third element would be product and branding (if B2C), and how scalable the product or technology could be in the short term. These are some of the validation points that we usually emphasise when engaging with startups.

How do you usually find startup companies you'd like to work with and engage with them?

It is quite a common practice in the VC world to prefer receiving a warm intro from your network than a cold intro. In our case we treat all the startups the same way, whether they are getting to us directly, via a warm intro, or if we are the ones getting in touch with them. On the other end, although we are open to everything, we really know exactly what we are looking for (stage, product, team, etc..) so it is easier for us to scout companies ourselves. To do so, we use a combination of several web crawling tools and databases, while also tracking social media to detect new products and trends.

Doehler Ventures has made an impressive number of more than 70 investments so far. Could you share your Top 3 investments or collaborations and explain why these have been particularly interesting or impactful?

That's again quite a difficult question to answer, it really depends on how you measure the impact. I can't really pick 3 companies in particular. We are trying to focus on the right topics, and if the startups are successful in their own industry, that's perfect. Also, depending if the startup operates on a very niche market or not, there are different growth factors so it is hard to compare.

Doehler Ventures

What have been the key learnings in your journey so far? In hindsight, is there anything that you would have done differently?

I guess it is always a learning process. The day you stop learning means you should probably get out! The main learning curve I would say is when we start collaborating with founders in industries that are new for us, how to structure the collaboration and try to see how we can increase the capabilities we can offer to startups, and how to turn these collaborations into something meaningful.
But if there is one thing that I have learned overtime, is that spending more time with the founders in the early discussion to talk about their vision and what they want to achieve more than short term metrics, is really key to building a successful collaboration.

Anything you would like to add?
Any exciting announcements you could share with us?

I don't have any particular announcement, but I just want to share that although we talk to more than 1000 startups per year, we are always happy to chat, so if you are a startup working on something impactful, don't hesitate to get in touch!

Plug and Play

PLUGANDPLAY

Andrea Zorzetto

Managing partner Italy

Could you please tell us a little bit more about your role?

I joined Plug and Play in mid 2018, initially focusing on gathering enough corporate partners to facilitate our launch in Milan in April 2019. Since then, I've managed the team and operations in Italy. Food was the first vertical we launched, but we also look at fintech, sustainability and energy, and the next one in Italy will be about mobility in the 'Motor Valley' Modena, together with the CDP National Fund.

The Plug and Play team is structured around 3 different functions:
Operations: working with the current partners and the community and organising the programs.
Ventures: scouting for startups, mostly for corporate partners in the case of Italy, but also for investment (about 10%).
Business development: bringing new corporate partners on board.
As far as my role is concerned, I spend about 50% of my time on business development, especially now as we are preparing for next year. And the rest of my time is allocated to following what is happening in ventures and operations, managing the team, and keeping the partners and startups happy to make sure everyone gets the most value as possible.

What are the objectives of Plug and Play?

As Plug and Play we have a double role, we are an investor and Open Innovation platform. As an investor, we target mostly early-stage startups and support them in

Plug and Play

their growth through our international network. As an open innovation platform, our primary objective is for corporates to run pilots with the startups. For most of our programs we don't take any fee or equity from the startups: this allows us to bring onboard scaleups and international startups, where the main focus is to work with the corporate partners financing the program. That said, we will soon be testing a new model with CDP in Modena, for which we will be taking a small amount of equity from startups (with a much more early stage focus), investing in about 10 Italy-based startups per year, in order to support the local ecosystem.flexible on time horizons, which makes us an 'evergreen' fund in that perspective.
Overall, we also want to make sure we are moving towards the right direction, towards more natural and sustainable diets, more personalised nutrition, and more nutritious food. Our role is to accelerate the time to market for the startups that are positively impacting our food system.

Can you tell us how your Food innovation program works, and what are the key benefits for its corporate partners?

The main benefits to the corporates are in terms of exploration (of the most promising technologies in any vertical in any country); education (change management, making one's organisation "startup ready"); and execution (innovating/solving challenges by partnering with the best startups worldwide).

On our end, the main focus is on making partnerships work, and we measure success based on the retention of partners, the happiness of startups, the number of pilots we run, and the number of follow-up investments or partnerships. These are our main KPIs.

Now, how it actually works. The program usually lasts about 6 months, with 2-3 months of scouting and selection, and 3 months for the program itself. Before each semester, we sit down with the partners to gather their inputs and needs.. Additionally, our team proposes some key focus areas based on the trends we see, or based on some very interesting startups that we have encountered and who are working

Plug and Play

with similar corporates in other geographies. Some topics, like sustainable packaging, are always relevant, while some other topics depend on geography. For example, corporates in the US are very interested in alternative ingredients and proteins, while the topic is a bit less 'hot' in Italy. At the end of the process, the corporates vote amongst them for the key areas to focus on.

After a couple of months of scouting, we send them a list of 50-60 startups, they vote again to select 20-25 companies that come to the selection day, and after this they tell us how many startups they want to work with (usually around 10-15). Usually corporates manage to run 3 to 4 pilots per semester, sometimes even up to 6 or 7 when they are very fast. Obviously, this isn't just about the 'startup-readiness' of the corporate, but also about what sort of pilots they are working on, as testing a digital platform is much less work intensive than running a pilot on packaging or hardware, for example.

The structure for our longest established programs in Europe works very well. 100% of the startups in the batch get to do a pilot, and within 3 months they manage to decide whether to continue or not so as to keep the momentum going.

How do you run the program and the fund in parallel? Any synergies there? Is there a process in place from sourcing a company for a corporate to investing in them with your fund?

On paper yes, the Plug and Play model, especially in the Silicon Valley, is built on that idea. That means that if we see through the open innovation program that a startup is doing very well, that is a strong argument to invest in them (if the startup is interested of course). We usually invest little, around €100K, so if a startup is past the Seed round, it will probably be too expensive for us to invest, but if it is a good fit and the startup is doing well in the program, then we invest.

Having said this, in Europe and especially in Italy, we tend to invest much less, so there aren't many synergies. First of all, we do this because it is hard to find local startups at the same level and potential

Plug and Play

return than in Silicon Valley, and also because corporates in Europe especially work well with scaleups, which is too late for us to invest in. Although, there are some exceptions, we recently invested a small ticket into Greyparrot, alongside A2A, our corporate partner in the sustainability program.

Overall, whichever company gets into the program is 100% voted by the corporates, and each program operates independently. While on the investment side, any decision is validated by the investment committee in Silicon Valley - we kind of operate like a family office in that perspective. The only food related investment we made so far wasn't part of the program, for example.

To go back to the benefits of the program for the corporate, could you expand a bit on what are the 'engagement terms' on the corporate side in terms of commitment on their end. In your opinion, what is needed to make these collaborations successful?

Our revenue model depends on corporate partnership fees, and is very 'Silicon Valley like' in that perspective: we are a platform, we charge a yearly fee, and corporates expect a certain level of service. Because we have a widespread infrastructure, there is a 'network effect' that comes into place: the more corporate partners we have, the more startups we get, and vice-versa - that is how we create more value.
The amount that corporates are charged is confidential, but they get great value for money for the amount of deal flow they receive: interactions with about 100 startups per year, for around 2 batches and 5 to 6 pilots in average, as well as for dedicated sessions of dealflows The amount is not too high for medium corporates to afford it, and high enough to make it a real commitment, and not just 'marketing' (which is key).

Now in terms of commitment to make the program work, what we need are 3 key elements:
The executive buy in and the whole company committed behind the project
A great relationship between the open innovation team and the

Plug and Play

business units: the innovation team needs to have time to follow the program and some processes in place to involve business units. On the other hand, the need has to come from the business units with an urgent problem to solve, and not the innovation team pushing for a solution that isn't needed.
Being 'startup ready' in terms of processes: no procurement that takes months, no 100 pages contracts in Italian for international startups, etc...And also budget, which is usually set around November. Sometimes, corporates can find startups in March and make them wait 8 months before being able to act, so departments need to work together to build leaner processes.

We support our corporates in a way that all business units involved in the process, such as Legal/Procurement/IT work seamlessly together in order to make innovation happen.

What do you think are the main hurdles corporate organisations face when engaging with startups? Is there an effective way to overcome some of these hurdles?

After the difficult selection process, internal procedures can become a hurdle. For example, A2A is working in a very regulated industry and so had to invest a lot to reduce their processes in order to work with startups. There can also be geographic challenges, with differing regulations and distance causing problems in communication. For example, Tetra Pak was part of our SIlicon Valley program, but we have had much more success now that we opened the food program in Milan, close to their R&D plant in Modena. But it does also differ depending on companies. For example Lavazza and Buzzi Unicem having started as family businesses, have leaner processes and not so much bureaucracy.
When running pilots, a fast no is better than trying to make it work for months. If the pilot is a success, is the corporate ready to implement it? In my experience Italian corporates spend more time deciding which pilots to run, but when they move forward there is a big chance it moves into production. The process of industrialising a product is challenging, and so the corporates need to be prepared to scale up after the pilot to reach success. We have only been operating in Italy

Plug and Play

for a year and half so we do not have a big sample to go from, but from experience the corporates are more conservative with initiating pilots, but have a higher conversion rate. From a batch of 10 startups, 8 have continued working after the pilot. In our oldest programs in France and Germany, there are more pilots but lower conversion rates. They have a leaner mentality because they've been operating longer.

What are the 3 key elements you are looking at when it comes to investing in/ working with a startup company? Do you make any distinction between OI and investment or your approach is the same?

I would say Team, total addressable market, and traction.

But these key elements vary depending on the stage and the sector. For investment, we think as an American VC and that's a challenge for a market like Italy in the sense that for any startup we are looking at investing in, their total addressable market and their realistic chances to scale are key. And it's something that Italian founders often don't think about, not because of any fault, but because the ecosystem and the mentality are very different. Our whole economic model is about investing at an early stage and at big scale to absorb the risk. We have invested in over 1,000 startups since initiation, amongst which are about a dozen unicorns and tens of exits. These need to pay for the rest.

From an open innovation perspective it is very different. We tend to look at B2B, which might not be a good choice for investment as it takes more time for the startup to acquire corporate clients, but when they do they do well. Our main criteria is good fit for the corporation, and if the startup fits a solution requested by the corporates to solve a business problem. But not only. For open innovation, we look mostly at scaleups as here it's not just about the solution fit, but corporates like to see a track record of working with other corporates, and international references, as they need to absorb the risk they are taking, and this is where we can leverage our global footprint.

In general, metrics and traction are very important but the ability

Plug and Play

to track these or what constitutes success varies across different sectors so mainly we want to see existing traction.

Finally, team is obviously very important, it's also about 'founder market fit' not just 'product market fit'. We are looking for why the founder is best, not just with the right skills or entrepreneurial ideas, but specifically right for that market or product. There are many smart, motivated business people who are very successful but are not right for that market. This sets a very high bar of expectations.

The corporate partners of your F&B program in Italy include Lavazza, Esselunga & Tetrapack - do you have a couple of examples of pilots in the past cohorts that you find particularly interesting or impactful? How do you envision these partnerships to evolve?

The corporates we work with keep the majority of their deals confidential, however few interesting examples are Wonderflow, a consumer insights startup who worked with Lavazza; there is also Ufirst with Esselunga. This was an example where they had an urgent problem, found a solution and implemented it. They had a problem with massive queues in March, they found Ufirst who were easy to implement and rolled out the solution within 10 days. When there is an urgent problem you find a solution with no process.

Could you share your Top 3 investments or collaborations with startup companies and articulate why are particularly interesting to you?

1000+, some of the best investments: Paypal, Dropbox, N26, Honey. In foodtech Journey Foods, Foodvisor, New Wave Foods, Joywell Foods.

How do you usually find startup companies you'd like to work with and engage with them?

Through our 100 ventures staff around the world, our digital assets (including Playbook, a database with 35,000+ startups active), and network of 400+ corporates, 200+ VCs, hundreds of universities and events we attend, etc
Startups are contacted by hundreds of accelerators or incubators every year, and it's tough for them to assess the value of the different programs. Through our reputation, built on the "no fee no equity" model, and network, we can attract the best ones.

Plug and Play

What have been the key learnings in your journey so far? In hindsight, is there anything that you would have done differently?

Globally, our key learning was to have a no fee, no equity open innovation model, where we monetise on the corporate side of the platform, and invest independently of the programs. We exported the model to Italy, it's working very well in terms of open innovation, but we struggle to find investment opportunities amongst Italian startups, and thus we are building a wider network especially with potential originators of teams/technologies such as universities.

Anything you would like to add? Any exciting announcements you could share with us?

Italy has been the second location for our food vertical, after Silicon Valley, but recently we've expanded also to Brazil and Thailand. In Italy, the high number of pilots in the first semester (8 for the 3 partners, of which 75% have been industrialised) helped us launch two other verticals in Milan (fintech, sustainability) and a mobility program in Modena, the first of CDP's new acceleration fund.

Sweden FoodTech

SWEDEN FOODTECH

Federico Ronca

Innovation Programs Director

Could you please tell us a little bit more about your role?

I'm a consultant at Sweden Foodtech, a Stockholm based company on the mission of accelerating entrepreneurs and companies working for a more sustainable food system based on tech, data and innovation. Previously I've been responsible for the Foodtech Village, the community for FoodTech entrepreneurs and startups founded by Sweden Foodtech.

Currently, as Innovation Programs Director, I'm in charge of designing and running bootcamps, accelerators and other innovation projects. Until October 2020, I've been mostly taking care of the operations for Bloomer Accelerator, run in partnership with Coop Sweden and Norrsken Foundation.

What are the key objectives of your program?

Considering the Bloomer program that we have designed and delivered together with Coop Sweden, one of the main objectives is to enable a **positive and sustainable change** in the food industry. Another objective is to supply the startups with **customized support, data, mentors and funds.** A final objective is to **scout new ideas and solutions** for the food retail business.
For the 2020 cohort, we have selected 8 startups joining for a 12 weeks digital program, ending with a Demo Day. Joining the program was equity-free, but the startups had the opportunity to get an optional 250k SEK investment from Coop. The learning program was structured

around a general framework made of 10 master-classes (within the main topics of "Food system mastery"; "Investment and partnership readiness", "Impactful growth", "Conscious leaders, conscious teams") and a series of tailor-made sessions called "puzzle-pieces". After an initial and individual assessment process with the startups, we have identified their main needs and priorities, customizing a dedicated series of group seminars or one-to-sessions to deliver during the weeks.
Together with that, each startup got a dedicated team of mentors made of a "Lead Mentor", a "Coop Mentor" and a "Entrepreneur Mentor". All the startups also got access to a poll of "Expert mentors". Finally, they also got access to Norrksen co-working space for 6 months, plus access to both Norrsken and Sweden Foodtech communities and networks.

What are the key benefits that your program brings to the corporate partner?

A main benefit for the corporate partner is **positioning Coop Sweden** as one of the top change-makers in the Nordic food and FoodTech ecosystem. They also benefit by engaging in pilots with the startups to build **new business opportunities**. Furthermore, another important benefit is to **"contaminate" and engage Coop employees**, who join the program as mentors.
Depending on the startup product or solution, different kinds of pilots were started. For example, an in-store pilote was set up with Leafymade, a startup producing sustainable disposable: they got the opportunity to access 3 main stores in the city of Stockholm, testing their sales power and customers demand. On the tech side instead, a startup like Plant Jammer (providing advice and recipes to people that want to cook at home, focusing on plant based food and zero waste) was integrated within the Coop customer services and app.

What do you think are the main hurdles corporate organisations face when engaging with startups? Is there an effective way to overcome some of these hurdles?

The most common issue is to make sure that corporate employees and entrepreneurs speak "the same language". Startups operate with a fast and high-risk approach, usually not being 100%

Sweden FoodTech

aware of the processes and procedures that a corporate organization works with. At the same time, many employees have huge expertise in the business, but a less innovative and dynamic approach. We believe that organizations like ours can play a bridging role, facilitating the collaboration. The best way is to set up pilots, in order to make startups and corporates make the first steps together, get to know each other better and align.

What are the 3 key elements you are looking at when it comes working with a startup company?

Specifically considering the Bloomer program, we've recruited startups with a **positive sustainability impact mission**. Furthermore, it is key that they have a solution or product that is **applicable to the Swedish market**. A final element is that they need to have reached an **MVP or PoC stage** in their development.

In general, during the selection process, a strong relevance was given to the vision of the company and the possibility to fit within the "cooperative dna" of Coop Sweden, embracing open innovation and co-creation principles.

How do you usually find startup companies you'd like to work with and engage with them?

The scouting process focuses on previous activity of the FoodTech community, that generates a **deal flow** to pick from at the right time. We **collaborate with other Food Tech hubs**, usually world-wide, in order to share the opportunity with their local community and find startups. We also recruit from **university and private incubators**. It is also beneficial for us to **attend food events and conferences** that can attract the participation of entrepreneurs. Furthermore, we conduct **online research** through structured databases. We also scout for startups by conducting **PR activities, engaging bloggers, newsletters, magazines and websites** in the food and tech field.

For the Bloomer Program, Sweden Foodtech has produced a broad-list and afterwards a short-list of startups fitting the criteria, but the selection was made with the participation of all the 3 partners, also considering Coop's top management feedback of some of the most interesting startups.

Sweden FoodTech

How many companies have you accelerated so far? Could you share your Top 3 collaborations with startup companies and articulate why are particularly interesting to you?

For Bloomer Accelerator, we have selected 8 startups in the first cohort and 4 more startups in the extended cohort. Probably the 3 best collaborations have been firstly with Volta Greentech where we initiated a pilot with Coop to launch a commercial product together. We also ran a big pilot with Trustrace and Coop to collect data and calculate the footprint for 17,000 products available in the stores. Finally, Grönska, who are building an urban farm inside a new Coop store in Stockholm.

What have been the key learnings in your journey so far? In hindsight, is there anything that you would have done differently?

Startups really need to focus and get access to data and pilot opportunities. We feel we have provided too much "general knowledge" and online sessions that all the startups find very useful, but they don't have enough time to prioritize.

Anything you would like to add? Any exciting announcements you could share with us?

7 or 8 startups in the cohort are currently piloting or working with Coop Sweden, making the Bloomer Program a big success!

Rockstart

Kim Geesink

Corporate Engagement Director, Rockstart

Mark Durno

Managing Partner, Rockstart Agrifood

Could you start by telling us a little bit more about yourself and your role at Rockstart?

Mark: At Rockstart, it's our purpose to fund the transformation to a regenerative and sustainable future. In my role as Managing Partner for our AgriFood fund, I oversee our investments in the AgriFood domain, and I work closely with great founders who are driving positive change in our food supply system.

Kim: As the Corporate Engagement Director at Rockstart, my role is working together with all our corporate partners. At Rockstart, we have a multitude of unique functions operating under the Rockstart name. On one hand, we have funds such as Rockstart AgriFood, which includes our accelerator programme where corporates play a very important role, especially in creating access to market. We really try to drive that value through our accelerator programmes.

Rockstart

On the other hand, we deliver services for our corporate partners. We work with CVCs, or different departments (for example the innovation department) and we build customised programmes for them; that is mostly where my role is focused. For example we have been working with Lely to create the "Feed the Future" challenge to support Lely in the scouting of relevant startups. We have also worked with Maersk, creating the FoodTrack programme. My role at Rockstart is to lead all these programmes, helping corporates and CVCs get access to startups and nurturing that collaboration between corporates and startups.

Could you talk us through the different parts of the Rockstart Model, between the accelerator, the corporate programs, and the investment arm? Any synergies(or ideal path) there? Is there a process in place from accelerating a company to investment? And the key objectives?

Mark: It's important to distinguish between our fund, Rockstart AgriFood, and the services that we provide to our corporate partners. Rockstart AgriFood is a €18.6 million fund, dedicated to investing in 50 agrifood tech startups over the next few years. We invest in founders that are driving positive change throughout the food supply system, from soil to gut, using emerging technologies and new business models. As a first investment they all go through the accelerator programme; it's an investment worth €100k, which includes their participation in the programme. What makes us unique is that we have the fund behind us so we can do follow-on investments, co-investing in our portfolio companies up to Series B. From the ten companies in the first batch, we have since invested in Beyond Leather, Wenda, Nordetect and Rahandel and we recently closed a follow-on round in MoooFarm during our second program.

Kim: Corporate partners provide support to startups we invest in by giving feedback and looking for ways to collaborate. For example, Eduard Meijer, Managing Director of Lely's investment arm Navus Ventures, is a mentor on our accelerator programme which enabled him to connect with Mooofarm, one of our portfolio companies. Navus Ventures then led a round of pre-seed funding with Rockstart as a co-investor during the program, as Mark just mentioned. So that's where all those synergies come together, corporates are investing in startups we have invested in, and they also provide access to markets and feedback to startups we have in our portfolio. We don't always have perfect one-to-one fits between the startups Rockstart invested in and our corporate partners, and that's where our corporate programs come in like Feed the Future with Lely which provide a targeted search for startups.

What are the engagement terms with the corporate partners? And how strategic is their collaboration with Rockstart?

Kim: For the Rockstart accelerator we work with ecosystem partners. It is quite flexible but we do ask for a time commitment and for their expertise. Corporates can provide one or two mentors who work with the startups we have in the program, and they can participate in our 'Ecosystem Day' where we want them to play an active role as a speaker or panellist for our 'Deep Dive' week around access to market. Corporates can also have one-to-one meetings with startups as the feedback they provide is very important in validating the product market fit and getting market insight.

Startups can also pitch at their office and connect with the corporate employees. This is an opportunity to be creative by setting up different types of workshops with these partners. We once did a 'roast' style workshop with Gasunie as part of our Rockstart Energy programme. An exciting result was that one of the startups then did a pilot project with the company.

For corporate programmes we have different services, from scouting services to startup challenges like what we did with Lely. Recently we also did a hackathon, or we can do 'mini-accelerators' like FoodTrack, which we did with Maersk.

Collaboration is very strategic for corporates, what I see with our corporate clients or investors is focused on three main objectives.
First of all, they are looking for **access to new technologies or business models** within their industry or an adjacent industry. Corporates want

Rockstart

to better understand new technologies that could potentially disrupt them in the future and throw out lifelines to new business areas that will future-proof the corporate's revenues and market position. There are no crystal balls to see future trends, but startups are a good indicator of where an industry is heading.
Secondly, corporates can also be looking to **position themselves in the startup ecosystem**. Lely is perhaps not the most known brand unless you are in the Agtech sector, so they were looking for a partner like Rockstart who can help give them a positioning in the startup ecosystem and attract technologies across sectors, like the automotive industry. It was the same with Maersk, which is a very known company, yet less so in the food industry, which is why we did a big marketing campaign around FoodTrack to raise awareness within the AgriFoodTech startup scene. Finally it is also about **creating an entrepreneurial mindset among their employees**, and bringing the concept of open innovation. We engage with experts and employees to expose them to new technologies and that entrepreneurial mindset. Some are very focused on only one of these objectives, for example if they just want access to new technologies we just provide a scouting service but these three objectives come up in almost all the collaborations we have seen.

Mark: From a strategic perspective, being a domain focussed investor gives us an edge in identifying technologies and new business models that can play an important role for our corporate partners. Likewise, we can bring market insights to founders to help them apply their product or service to the relevant market. We do have corporate partners as LPs (investors in the fund). We also work closely with our corporate partner innovation, M&A or Corporate VC teams to help identify trends and potential areas for collaboration or co-investment. There are several other ways we collaborate.

Rockstart

From your experience, what do you think are the main hurdles corporates face when engaging with startups and vice-versa? Is there an effective way to overcome some of these hurdles?

Kim: It depends on the strategic position of the corporate and their experience. If you're working with an established CVC they know a lot about investment but then the hurdle comes when investing in early stage startups, which is a very different process from investing in a company that is post Series B. How do you evaluate the team? What are the key traction elements to look at? Our team is here to support our corporate partners in this assessment phase.

The other challenges are quite well known, for example corporates can be slow with long decision making processes, and startups tend to over promise their solution. The whole fit between these two different 'animals' is a challenge. That is why it can help for Rockstart to be a third party and crack that code of collaboration and nurture the partnership between the two.

What are the 3 key elements you are looking at when it comes to investing in/ collaborating with a startup company?

Mark: The founding team is of course really important, especially with early stage companies. The coachability and cultural fit are sometimes overlooked by corporates as they mostly look at the solution but forget to assess how easy it is to work with startups.

The startup needs to have a solution that addresses a pertinent problem. The problem needs to be of significant scale and the solution needs to make sense. In other words, we need to see a good problem-solution fit validation.

Lastly, we like startups that have shown some traction. This can be early commercial validation, but could also be meaningful academic traction in the form of defensible IP or specific skills in the founding team.

Rockstart

How do you usually find startup companies you'd like to work with and engage with them?

Kim: We have a dedicated scouting team who scout continuously. We have a lot of databases we can tap into, partners we exchange leads with and a network of other accelerators and VCs for referrals. Around 50% of our dealflow comes from referrals from our network, with the other 50% being either scouted by us or founders who reach out.

How many AgriFoodTech companies have you invested in so far? Could you share your Top 3 investments or collaborations with startup companies and articulate why are particularly interesting to you?

Mark: We have invested in 17 AgriFood startups, and we expect to reach 20 by the end of 2020. Across the Rockstart portfolio, we have invested in more than 230 startups and supported them in their journey to raise more than €90 million funding and hire more than 700 people...so it's hard to choose a favourite!

We can share some success stories, like Rahandel; they are in partnership with Coop Denmark and we closed a €1.4million seed round a few weeks ago to help them to start international expansion. Miils has also landed a partnership with Lidl Finland to help build out their eGrocery position. I'm also particularly excited about the collaboration with MoooFarm and Navus Ventures (VC arm of Lely), where we closed a €500k pre-seed round last month.

Kim: With Lely, we co-created the Feed the Future startup competition to find startups who will revolutionise the dairy industry. Of the 10 startups that participated, Lely is doing a pilot project that is going very well with Cynomys, who are focusing on air quality in dairy barns. Lely also invested through Navus Ventures in LVLogics who built a sensor that can clean itself in silos whilst measuring the grain level. Those are two very concrete and inspiring collaborations that came out of the Feed the Future programme and success stories of corporate and startup collaboration.

Rockstart

What have been the key learnings in your journey so far? In hindsight, is there anything that you would have done differently?

Kim: My key learning is that it's really important to connect with the experts from different corporate business units and include them in the process all the way from the beginning, from designing of the programme, to the selection process. This builds the buy-in, so everyone wants to dedicate their time on top of the work they already have. If you include them in the process early-on, they become ambassadors and get really excited. We also need to manage expectations and be really transparent to make sure corporates and startups understand each other.

Mark: As an agrifood tech entrepreneur, when we were building our startup I found it difficult to gain access to the right contacts at the right time. That can be applied to fundraising, finding and serving customers or simply having someone to share knowledge and insights. That's where the collaboration with our corporate partners is really important: it gives founders access to insights and potential collaborations that would otherwise be difficult to reach.

NX Food

Metro Food Innovation Hub

NX FOOD

Fabio Ziemssen

CEO

Could you please tell us a little bit more about your role?

My name is Fabio Ziemssen, I'm the CEO of NX Food, which is an innovation hub for the international wholesaler METRO who is our biggest shareholder and external Partners.

So what we are doing exactly is bringing startups, inventors and innovators in the food sector together with big corporates, not only METRO internally but also externally. We are specialized in the startup sector, where we have a lot of knowledge. My team members and I have startup backgrounds, and our role is to look at how corporates and startups can both leverage their strategic assets to build successful collaborations, and how startups can access corporates in the best way.

In the past few years we have done several projects with METRO AG and its sales lines, including METRO/MAKRO Cash & Carry, Rungis Express, Pro à Pro, Classic Fine Foods, and many more. We focus on how we can bring startups into this distribution network, and how to bridge the gap between the 'food tech bubble', such as IP-driven solutions or innovative products, into the operative landscape.

NX Food defines itself as an Innovation Hub, and you work with both startups and corporates - and also do matchmaking between the 2. Could you talk us through the different parts of your model and your key focus and objectives?

When we started working with startups, we identified that the biggest challenge is that after companies go through ideation phase, then proof of concept, they often struggle to get to a proof of market. Do you have the right target group? Do you have the right distribution channels? Is your company able to really scale up its production and logistics? All these kinds of questions need to be answered.

To address this, we developed a validation engine, to really see where the best product market fit for these kinds of solutions are, and how we can help by having the right distribution platform in place to help startups really scale up.

Another objective is to ensure that on the other side, the big corporates, have an idea of how they can collaborate with startups. Most say ''let's see how we can work together and find internal goal intersections''. But in the meantime the innovation team says ''we need to list this product'', while the category management team says: "if we list such a product we have the problem that it's not known by consumers, the upselling effect is not that big etc..."

To clarify these questions we need to create a reality distortion field for these new companies, and need to set the boundaries and the framework. We specialise in this, we know both fields, know how the distribution sales lines work and we also know what's important. It's not that the startup is the speedboat and the corporate is the ship, it's more like the big corporate is the carrier and the small startup is a fleet. So you really need to look where the best connections are and this is what we do.

How do you measure success, what are your key objectives?

To give an example: Infarm, a vertical farming company just had a basic business model, when we first contacted them 5 years ago. We sat together and discussed what could be the perfect business model to interact with retailers. A lot of companies in the vertical farming sector have a beautiful story but it is very difficult operations-wise: production costs are high, it's not really scalable, you can harvest the product but not really sell it because the packaging process is not really automated, etc...you have some really difficult scalability barriers to cross. Taking this in consideration, this is how we developed the in-store farming

NX Food
Metro Food Innovation Hub

project together, and over a year we worked on a communication strategy, and how to bring this to a new level.

Finding the key performance indicators for innovation is always difficult. What matters is to spend the time to develop a business model that will create long term value creation on both sides. Then you can leverage the right storytelling and marketing elements, in order to bridge the gap between short and long term gains, and build a good story for both parties.

To get all the right stakeholders on board you need to show short term successes, but you really have to make sure that it's not just a 'concept car', you should always be working on long term goals. Using this communications model you get a lot of new traction to the store, and the overall category benefits and then you get the classic revenue patterns for the category management. This then becomes one of the KPIs.

When it comes to innovation, you cannot say it is one KPI or another, it is always a mixture and it depends on the use case.

What is the story behind NX Food? How strategic is it for METRO?

When I started at METRO, I was responsible for the online grocery sector as I had a lot of experience in this field, and my team was part of the innovation team. Back then, my first question was "why are we part of the innovation department?" Online grocery should be part of the main operation unit of METRO, not part of the innovation department, because selling online should not be an innovation anymore. The big innovation is where retail and wholesale will be in the next 5 to 10 years. Seeing all these direct to consumers platforms and online grocers emerging, what do we need to do not to lose our value proposition?
In my work at METRO my goal became to create the right value proposition and visibility in terms of getting the consumer's trust. This was the big journey that I took, I developed concepts and business models to get access to new ideas and new companies, and this is why

NX Food

Metro Food Innovation Hub

we created NX Food in 2018.

There will also be a point in time where the idea will be to invest and really verticalize, but first we need to make sure we are really able to leverage our strategic assets in the existing framework.

I believe METRO has also a few other programmes in place, correct?

Yes, indeed! We started in 2015 with a start-up Accelerator Programme and cooperated with Techstars. In this year, we changed the focus – and look now for scale-ups, more mature start-ups, that want to internationalize or scale. More than 80 startups already took part in our programmes. Startups deliver new ideas and solutions, especially in times of a worldwide crisis, they can help to grow the business or offer solutions that meet the news needs. MXcel, the accelerator programme of METRO AG, focusses on current challenges supporting the "New Normal" within the hospitality and retail branch.

With Lead-X, we also invest in start-ups that offer solutions that fit us. They don't have to be part of our programmes to get funding.

To go back to the matchmaking between corporates and startups - From your experience what do you think are the main hurdles corporates face when engaging with startups, and vice-versa? Is there an effective way to overcome some of these hurdles?

The biggest hurdle is to manage expectations on both sides. If you have a clear understanding of how both parties work, how agile and how flexible they are, then it's easier to make it work.

At the end it's a people business, and you need the right culture on both sides to collaborate. Why do we need to collaborate with startups? This is the question corporate organisations need to answer internally in order to generate this cultural change. Do you really want to create something or is it just a 'startup parade'? The corporates need to have a real value creation plan and see it as a strategic pillar of their business.

What are the 3 key elements you are looking at when it comes to onboarding a startup within your program?

First thing, aligned with what I just said, is that it's a people business, so we look at the people we are working with. Having the right skills and

NX Food

Metro Food Innovation Hub

background is obviously important, but there also needs to be a good cultural fit on both sides.

The second element is how mature the company is. Do you need to support them? Can you engage them with your network for strategic development? This is a very important thing.

The third thing is whether we are talking about an 'IP case' or a 'branding case', this is really important especially when it comes to products. There are lots of good products out there, but we need to really see if there is a strong IP behind it or if it is just a branding story. This is something you need to clarify because it has a big impact on your future work.

How do you usually find startup companies you'd like to work with and engage with them?

We have a network, that's the biggest thing. If you are working for a certain time in a field, you need to create the right network, with people like Forward Fooding, with other ecosystem enablers, and of course with a lot of startups. And then you need to embrace a collaborative approach. The network is for us the most important thing, knowing the right people and also being able to support companies even if it doesn't directly create value for you in the short term.

Could you share your Top 3 examples of successful collaborations with startup companies and articulate why are particularly interesting to you?

Our most successful collaborations have been with the alternative protein sector. We brought Beyond Meat into the European market with our sales lines and helped them to expand here. We created some very good stories with Infarm, and developed a lot of other good use cases in the vertical farming sector. We also have a lot of other startup product specific cases which we brought on our shelves in several countries.

Any examples of unsuccessful ones?

In general, I would say cases where there is no market fit. You can have a great product, with a great team behind it, and a great story, but if there is no actual need and no market, then you don't have a business case.

This is why we did so many tests with vertical farming for example. In hospitality, restaurateurs were saying the solution was causing too many problems for them, and they had to put too much energy in managing it - which made us turn to retail instead. This really shows that getting feedback, validating, and learning are key to find the right use case.

I see in a lot of sectors now that there are kind of 'rat races'. People are eager to enter the market and be the first ones to build a big brand but the quality (or the taste) is not there and they don't have the right use case.

On the other hand, I tend to think that if your product is amazing, it doesn't matter if it doesn't fit into an existing category. You will have some difficulties of course, but with the right use case, and the right story, it will fly somehow.

What have been the key learnings in your journey so far? In hindsight, is there anything that you would have done differently?

Of course we have a lot of learnings. The key one for me as a corporate-backed organisation is to make sure at the very beginning that you can leverage your core business in the right way, and that you have all people on board internally, from people in the stores, to sales people and board members, everyone must understand what you're doing and why you're doing it. That means you need to communicate a lot internally.
As Peter Drucker said, and it's always the same game, ''Culture eats Strategy for breakfast''. If you don't have the right culture in place then your fancy innovation startup strategy doesn't make any sense.

Anything you would like to add? Any exciting announcements you could share with us?

Yes, the big news is that we just did a carve out and that NX Food has now become an independent company, in order to offer its expertise to clients outside of METRO and position itself as a consultancy for food innovation.

THRIVE
by SVG Ventures

Carin Gerhardt

Director of Corporate Innovation

Could you please tell us a little bit more about your role?

I run the accelerator and the corporate engagements, including the management of the relationships and execution of corporate innovation projects & programs.

THRIVE is an accelerator program, through which SVG Ventures invests in startups, but you also deliver Corporate Acceleration programs. Could you please talk us through how these different components work, and what are the synergies between the fund, the startup acceleration program, and the corporate programs?

SVG | THRIVE is an investment & innovation platform which started out investing in early stage tech companies & subsequently proceeded to focus on the agrifood tech sector. We created our accelerator program to operate as a pipeline of opportunities for the investment arm and also support the companies to grow. After some time accelerating and investing in companies, corporations started looking at us as sources of opportunities and information about trends and new technologies in agriculture. The corporate program was then created, to bridge the gap between startups and corporations/ corporate investors.

What are the key objectives of your program & investment thesis of the fund?

We invest in B2B companies from Seed through Series A through our accelerator, ranging from farm to (almost) fork. We do not currently invest in CPG companies. The areas we invest in are: Big Data & Analytics, Supply Chain Management & Traceability; Biotechnology; Robotics & Automation; Indoor Farming; Innovative Food (novel ingredients); Farm Management Software, Sensing, & IoT; Animal Health & Livestock. The

THRIVE
by SVG Ventures

corporate program focuses on topics that are specific to Agrifood corporations, such as innovation, innovation management, emerging technologies, investment, agrifood & technology trends. As part of the program, corporates have a tailored component consisting of workshops and showcases that match their current problem/solution areas.

What are the key benefits that THRIVE brings to corporate organisations?

Pipeline of opportunities through the accelerator, innovation management, events, networking and custom consulting. Corporations are able to access a proprietary network of startups providing solutions to challenges they face, also incorporating other corporations that might be complementary, e.g. a precision agriculture company collaborating with an irrigation company and a vineyard grower. Recently, through our corporate program, we were able to facilitate a joint agreement between Driscoll's, the leading consumer brand in fresh berries, and Plenty, a vertical farming scale-up. It should set a new standard for strawberry indoor farming as it will leverage key competences on strawberry breeding from Driscoll's and indoor, vertical farming from Plenty.

What do you think are the main hurdles that corporate organisations when engaging with startups? Is there an effective way to overcome some of these hurdles?

The main hurdles with regards to bringing together corporations and startups are the following:

First of all, **they move at different paces**. Startups are looking for quick approvals, financial support, opportunity to run POCs. At the same time, corporates are slow and need to get sometimes many levels of approval until they are ready to run a POC or invest in a company.

Secondly, there could be **business model/Product misalignment**: the product roadmap or business model the startup is pursuing might not be a fit to what the corporate is looking for; the corporate is not flexible enough to negotiate; for the startup, fitting the strategy to the corporate needs might be a trap as the continuation of the engagement is not guaranteed.

THRIVE

by SVG Ventures

Thirdly, **free POCs can sometimes become a trap**. Because of the high demand, corporates and startups are ok to run free POCs. But allowing low-interest solutions to be tested, while the risk level is low for corporates, can result in high risk of not being implemented and losses for the startup and therefore hurt the startup business.

Last but not least, sometimes **corporates have no process/ structure/innovation strategy in place to support open innovation**: the corporate is keen to work with startups but has no resources for POCs, investment, evaluation process, executive buy-in, or team to manage the engagement. It results in many tries and no results.

What are the 3 key elements you are looking at when it comes to investing in/working with a startup company?

Team: if there is a combination of industry expertise and a CEO with good entrepreneurship experience;

Traction: how revenue looks like, how many clients it has, international expansion, recent investment, recent growth;

Partnerships: who are the partners, do they partner with key industry leaders in a POC, is the company being supported by a key university in its area of focus.

How do you usually find startup companies you'd like to work with and engage with them?

Companies are identified through our annual accelerator program, research, and also recommended by ecosystem engagements/ partners. This year, our challenges and accelerator were able to attract over 650 applicants.

How many companies have you invested in so far? Could you share your Top 3 investments or collaborations with startup companies and articulate why are particularly interesting to you?

We invested in 48 companies so far. In my top 3 I would name Nuritas, Harvest Automation, and Trace Genomics. These three companies were able to highly increase their post-money valuation and also provide great, impactful solutions ranging from biotech and AI for health nutrition and soil health, to automazing field operations, allowing reduction of the dependence on human labor.

THRIVE
by SVG Ventures

What have been the key learnings in your journey so far? In hindsight, is there anything that you would have done differently?

The key learning from moderating startup-corporate engagements is that there is a lot of work to be done still in terms of preparing both startups and corporations to create meaningful and result-driven engagements that represent a win-win to both organizations. For most of the corporations, it is still a new space they are exploring and organizations such as THRIVE are key to prepare both ends to be ready to get the most from the resources applied, using best practices and validated models.

Anything you would like to add? Any exciting announcements you could share with us?

We just closed applications for our Australia, Canada, and Africa Challenges and would like to invite the food & ag community to attend the pitch challenges on Dec 17/18th 2020, Jan 14th, and Feb 4th 2021, respectively.

Conclusion & Credits

— THE STATE OF GLOBAL FOODTECH REPORT 2020

2020 and Beyond

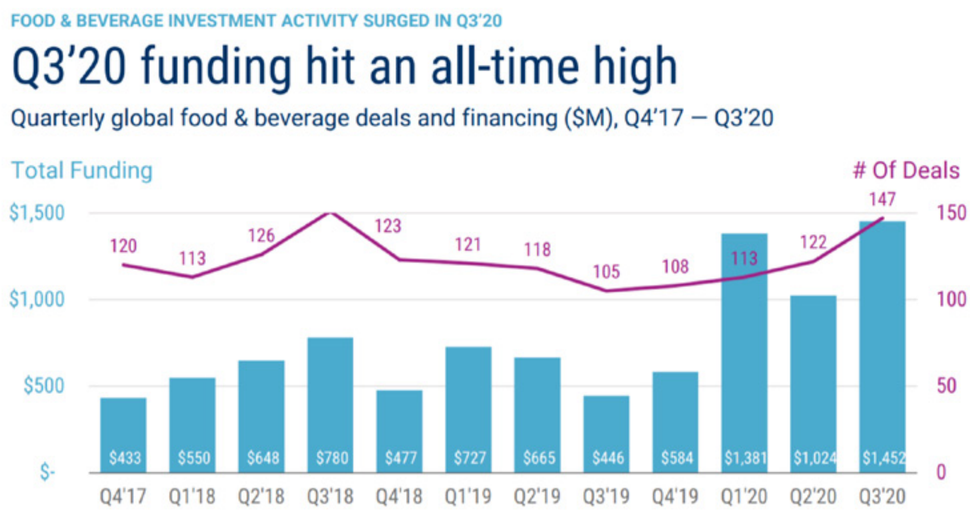
A Positive Growth for the F&B Sector

2020 has undoubtedly been a unique year for all of us; the global impact of the pandemic on economic sectors and the Food & Beverage Industry being no exception to that. Surprisingly, however, the overall impact on the Food & Beverage has been rather positive.

As per a recent study from Euromonitor International, while global consumer expenditure growth is forecast to fall by 4.3% in real terms year-on-year in 2020, total disposable income is set to decline by 3.7% in real terms in 2020. This can be attributed to job losses and depressed investment income gains, caused by the economic crisis engendered by COVID-19.

But as a consequence, while consumers cut back their spending, Food & Beverage will be the only category to record positive spending growth in 2020. Indeed, lockdowns and self-isolation prompted consumers to stockpile, while spending more time at home cooking. This is also reflected on investment trends. In a recent report for Q3 2019, CB Insights highlighted that Q3'20 funding for CPG brands has hit an all-time high, with a strong focused on plant-based and healthier alternatives, as explained further.

Even big food brands, such as Campbell Soup, Hain Celestial, and General Mills, who have seen the revenues and sales consistently dropping in recent years primarily due to losing market shares to challenger brands, have seen this decline erase during the pandemic. Campbell Soup for example posted a 34.4% increase in its food and beverage segment sales between mid-March and mid-April compared to last year.



2020 and Beyond

Structural Changes in the Food Supply Chain

While the economic impact on the Food Industry might appear as relative compared to the other sectors, the sector has still been massively impacted on a structural point of view.

Rather than creating new issues for the Food Industry, the global pandemic has instead exacerbated the existing ones, highlighting the issues that our global food system is facing. Specifically, the resilience, environmental impact, healthiness, and sustainability of the food being produced are being increasingly drawn into the spotlight.

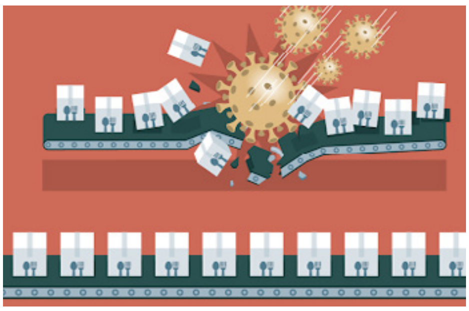
Across the whole supply chain, some key factors have impacted the industry for the long term:

Labor shortage & volatility

In a labor dependent industry, that in many areas is not yet tech driven (particularly in agriculture and food service), shortages have underlined a desperate need for better systems improving operational efficiency.

Digitization across the supply chain

The lack of consumer mobility has forced many retailers and restaurants to shift to e-commerce solutions, and underlined the need for other sectors to digitize their business (such as farm management, supply chain management and restaurant operations for better traceability and efficiency).



Supply chain Inefficiencies, transparency and food safety issues

Broken supply chains have been highlighted in this period, particularly their inefficiencies and the amount of food waste they produce. Food safety issues have become an increasingly important factor that consumers now demand, and has influenced shifts to plant protein alternatives after meat safety issues.

Accelerated consumer behavior shift

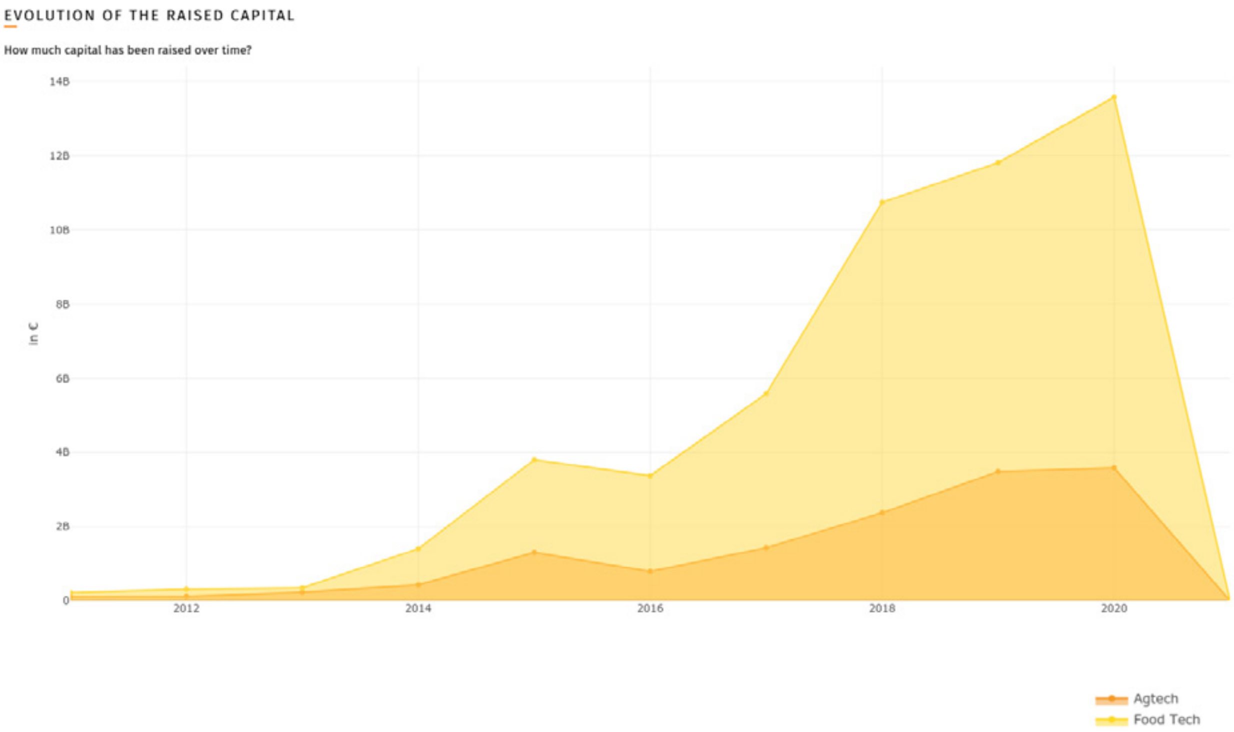
The pandemic has forced consumers to stay at home and change many of their consumption habits, becoming more aware of sustainability issues and increasing demand for immune boosting and healthy alternatives.

2020 and Beyond

What does it mean for Foodtech?

As previously mentioned, and as a consequence of the changes in the supply chain, the level of investment in agrifoodtech is to overtake 2019 with €17B+ projected in 2020 (source: Foodtech Data Navigator).

Within the whole agrifoodtech sector, foodtech (in opposition to Agtech) is becoming a larger component of the overall agrifood technology space. According a report from Finistere Ventures, as of the end of Q3 2020, agrifood tech startups raised $11.6 billion in funding, and food tech companies made up 72% of those investments. According to our database, this percentage actually reaches 78%. The space has actually benefited from the pandemic, with consumers spending more on home cooking than eating out for the first time since 1994.



Source:
Foodtech Data Navigator

2020 and Beyond

What does it mean for Foodtech?

The Food Delivery sector kept consolidating in 2020, as highlighted by M&A and IPO activities. Just to name a few examples: Postmates acquisition by Uber, GrubHub acquisition by JustEat, and the recent IPO of DoorDash, being the fourth biggest American IPO of 2020.
That said, the impact of this crisis has shifted the focus of investment. For example, Farm to Consumer eGrocery represented a relatively small portion of investment in 2019, raising $202M, but is coming to the fore this year (Agfunder, 2020). Indeed, this of D2C platforms are more relevant today than ever before as consumers look to local food systems to secure food without needing to go to the grocery store, while paying more and more attention to sustainability. For instance, a platform like Oddbox, that delivers exclusively rescued fruits and veggies from local farms, saw a 4x times increase in their sales revenue in 2020 and were also able to raise approximately €3.2M in the middle of the pandemic. Furthermore it's worth noticing that corporates have grown a big appetite for this type of companies. As matter of fact, 2020 has seen lots of M&A activities in this space, with Campari acquiring substantial stakes in Tannico, Nestle gobbling up Freshly and Mindful Chef among others.

The pandemic has also accelerated investment into automating processes and AI solutions, providing potential for expanding our food supply chains (Brookings, 2020). AgFunder also noted the **shift from acquisition to partnerships** in farm technology in order to gain access to new customers, technological innovation, and supply chains without the need for organic growth (AgFunder, 2020). There has been a shift towards later stage funding, with a decline in seed and series A deals.

Novel Farming Systems startups, which include vertical farming, aquaculture, insect breeding and algae production, have also enjoyed a 37% increase in funding year-over-year as the category's most mature startups raised larger rounds (AgFunder, 2020). For example, Amazon-backed vertical farming company Plenty recently raised their €119M Series D, while French insect farming company Ynsect raised €173M in 2020.
According to Agfunder, this boost is mostly driven by the growing demand for protein alternatives.

Undoubtedly, the strongest shift that the pandemic has generated is to see consumer preferences pivoting to more sustainable, crisis-resilient alternative proteins - a change that is witnessing large-scale investor capitalisation, from plant-based meat & dairy alternatives to lab-grown meat and precision fermentation.

The US remains the largest market for alternative proteins, having reached $5 billion in sales in 2019, with meat alternatives representing nearly $1 billion in sales. Sales of meat alternatives grew at 18%, whereas the overall market for retail food in the US grew at 4% during that same period.

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What does it mean for Foodtech?

In Europe, the UK has the largest plant-based market with an estimated value of $1.1 billion in 2019 and sales growth of 40% between 2014 and 2019. According to Mintel research, almost a quarter of all new food product launches in the UK were labelled 'vegan' in 2019.

Also, as highlighted in CB Insight Q3 Report on Consumer Trends, plant-based meat has gained traction globally, following the lead of Impossible Foods (who raised their €575M in 2020 alone) and companies like The Meatless Farm Co or Fazenda Futuro, both raising their Series B this year.

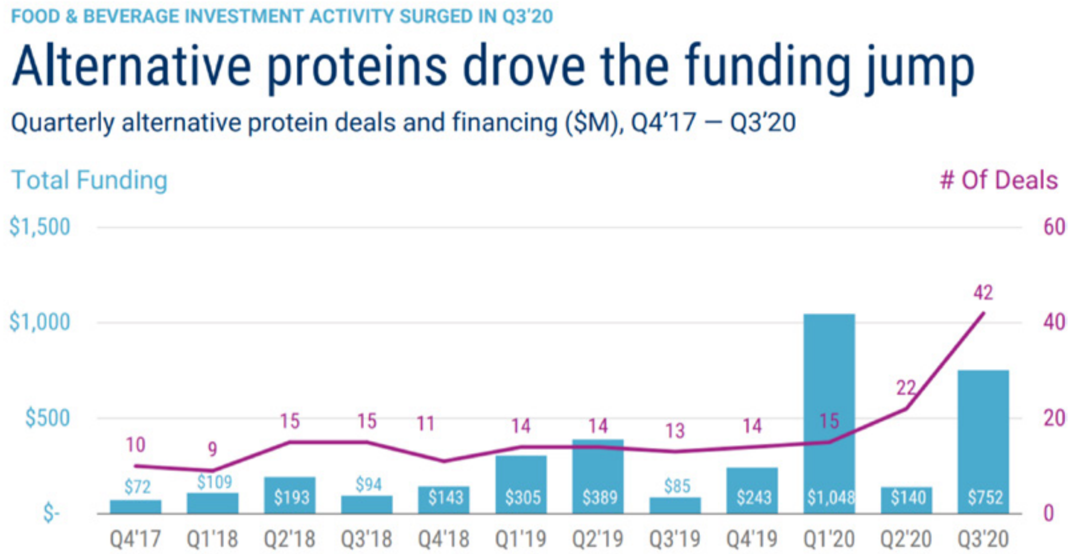
Lab Grown Meat is getting closer to commercialisation, witnessed for instance in the recent rounds of Mosa Meat (€62M Series B) or Shiok Meat (€10.4M Series A). Furthermore, regulation for plant-based meats is slowly starting to move in the right direction, as Singapore was just granted world's first approval to lab-grown meat, with Eat Just's cultured chicken.

Plant-based dairy alternatives continued to gain momentum in 2020 with companies like Oatly (raising €165M this year) and Perfect Day (€447M) leading the charge.

Finally, investors are seeing precision fermentation, with recent investment in companies like Geltor, Merit and MycoTechnology, as a viable and scalable opportunity.

"There is no shortage of deal flow and quality has improved as the sector matures. Mega rounds raised by the likes of V2food are inspiring the next generation of founders"

Samantha Wong, Blackbird VC Fund



2020 and Beyond

The Role of Corporates and Established Food Organisations

Looking across all sectors, CB Insights highlighted in a recent report that Global CVC-backed funding **fell nearly 30% in Q2 2020**. The uncertainty that the Covid-19 pandemic has generated has altered how corporates and corporate venture capital firms invest, as **some corporates may be holding back on investment until a return to normalcy**. However, the real impact of this 'trend' might be assessed in **2021**.

By contrast, looking at the foodtech sector, we witness strong signals that investment and commitment from corporates are showing no sign of slowing down. When looking at the plant-based sector for example, FAIRR showed that **40% of the world's largest food corporations have set up teams** dedicated to innovating new sustainable and vegan products.

> *"This is evidence that the world's biggest supermarkets and food-makers are vying for their slice of the plant-based pie"*
>
> **Jeremy Coller,** founder of FAIRR Initiative

Overall, we have witnessed numerous encouraging signals from corporates, to move towards healthier alternatives, while also investing in D2C models to get closer to consumers, and emphasising their commitment to sustainability.

Just to name a few:

- British retailer Mark & Spencer will soon be launching an innovation Hub to develop plant-based foods & plastic-free packaging solutions.
- Nestlé has vowed to roll out more plant-based products and saw its plant-based category sales grow by 40% while other segments saw a decline due to the economic fallout. In the meantime, Nestle is surfing on the D2C trend with the acquisition of meal subscription company Freshly, and meal kit company Mindful Chef in 2020, while also committing to invest $3.5B to curb emissions and boost sustainability over the next 5 years.

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The Role of Corporates and Established Food Organisations

- Unilever, on the other hand, has set a new ambitious US$1.19 billion annual sales target for its plant-based meat and dairy alternatives, which it says will be achieved by aggressively launching its acquired meatless meat brand The Vegetarian Butcher across more markets, and debuting more vegan versions of its iconic labels.

Given their weight in our current Food System, there is no doubt that F&B corporate players have a crucial role to play when it comes to solving its issues and move towards sustainability and healthy eating, but there is also no doubt that embracing startup collaboration and investing more in the foodtech sector will be essential to achieve the latter.

As rightly highligthed by innovation consultancy Plan, partnering with startups isn't reserved to global giants like Nestle, Pepsi or Unilever. In the past few years, mid-cap food and beverages corporations are discovering that partnerships with startups might be the key lever for their organisation's ability to innovate.

''Opening our innovation system, in addition to our internal innovation processes, has been instrumental in delivering faster to consumers innovations that they love and that will reinvent dairy! 'The rate of change in the food industry keeps accelerating, consumers are more and more demanding – which is a good thing, they don't look only for big brands anymore. To be in tune with trends and consumer evolution, start-up innovation is a must''

Caroline Miron, former Open Innovation Director at Agropur Cooperative

''ROI can be low in the first years, you've got to be prepared, and there are pitfalls to avoid – like the dreaded 'Not-Invented-Here' (NIH) syndrome. But with the right planning and just a bit of bravery, mid-cap corporates can build partnerships with startups, generating changes that will have them reaping benefits for years to come''

Vanessa Mayneris, PLAN

Key Learnings

The Path to Successful Corporate-Startup Collaboration

So how can we define successful collaboration between startups and corporates? We believe this report, in conjunction with some expert opinions on the ecosystem, has brought to light a multifaceted answer:

Developing win-win partnerships: it's a mutual exchange that implies a give-and-take relationship.The most important factor for these collaborations to be successful is to find a common objective for both parties, and then align interests, timeline, processes, and work together on a long term measurable objective.

Finding the right human fit between entrepreneurs and corporate executives is key: there is no one-size-fits-all approach when it comes to collaborating with startups. Often, it's better to work with 'the best fit' startup, chemistry wise, than the most 'popular one', or the one that raised the most funds. When corporate executives do things that have never been done before, the key to success is having great chemistry with the entrepreneurs who can support them to make their ideas a reality.

Building a dedicated team or levering existing support organisations/programs; is likely to be the best way to facilitate this process and ease the barriers faced by both sides. These partnerships require breaking down any 'language barriers' and hurdles that can block progress. Seeking supports from entrepreneurial organisations that know how to effectively work with entrepreneurs, and can help them navigate the corporate infrastructure, usually increases the chances of success in these partnerships.

Getting the right buy-in from top management is essential to make these collaborations work. Working elbow-by-elbow with entrepreneurs usually entails following a non-linear process that can't become fruitful if it's blocked at the first obstacle. That's why it's so important to re-define/re-align OKR/KPI incentives to measure the success of these partnerships beyond the economic return. For example, exposing corporate executives to the entrepreneurial world and empowering their work with startups drives a beneficial, long term, cultural change.

"Embracing 2020"; while face to face interactions are always better to assess the human and strategic fit between companies, 2020 has proven us that a lot can be done fully remotely, and innovation doesn't have a country. Global is the way forward, and our data shows that impactful foodtech companies are coming from all over the world.

Having worked in the foodtech ecosystem for the past 5 years, we have seen it evolving at an exponential speed, and we are strong believers that it is moving in the right direction. Startups and innovators will keep emerging, alongside new products and technologies. Startups will not be waiting, it is now up to corporate organisations to keep pushing, embracing innovation, and playing the crucial role as change enablers.

About FoodTech Data Navigator and FoodTech 500

The FoodTech Data Navigator is the world's first AgriFoodTech Ecosystem Platform. Our state-of-the-art data platform has the ability to capture and monitor the evolution of interconnected AgriFoodTech startup companies, institutional and corporate investors and accelerators globally. By merging multiple sources of data, we are able to provide insight-rich and up-to-date information about most of the international AgriFoodtech players.

Interested in learning how FoodTech Data can transform your business?

Get access to over 10,000 global AgriFoodTech ecosystem actors and try our platform for yourselves by booking your free demo

TO LEARN MORE AND BOOK YOUR FREE DEMO VISIT:
forwardfooding.com/food-tech-data

Inspired by the Fortune 500, Forward Fooding is proud to present the FoodTech 500, the world's first definitive list of the global entrepreneurial talent at the intersection between food, technology, and sustainability.

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forwardfooding.com/foodtech500/

About
Talent Garden Isola

Talent Garden Isola

One thing that clearly emerges from this report is **how important and strategic it is for startups and corporates to collaborate,** both in traditional and brand new forms. **Talent Garden Isola** was born with the **mission of becoming the house of all the innovators of this sector, creating a new dialogue between corporates and startups and favoring the interception of investments**.

Our first campus **completely dedicated to food tech** and **sustainability**, Talent Garden Isola is located in one of the most popular areas for innovation and creativity in **Milan**, near Palazzo Lombardia. The campus currently hosts over **180 members** building a talented **community of professionals working to impact the future technologies of food-tech and sustainability**: students, startups, agencies, freelancers, corporates and investors meet and create connections with like-minded stakeholders, in an environment where common communication and collaboration barriers no longer exist.

The campus has networking events, two classrooms dedicated to workshops and training, community areas and an innovative Food Lab. To boost open innovation and collaboration within the ecosystem, Talent Garden Isola has also created an **Advisory Board** in order to create synergies and share knowledge inside our community of startups and innovators and our corporate partners.

Being our partner means to be a **leader of the change**, having a **key role** in pursuing our mission of **creating a better food system** and inspire others to do the same, **embracing innovation and social responsibility.**

We want to take this moment to thank the partners that were with us during 2020: Accenture, Blu 1877, Coldiretti, Eataly, Electrolux, Future Food Institute, Gambero Rosso, Lavazza, Live Kindly, Unilever, Var Group.

LEARN MORE AT:

talentgarden.org/it/coworking/italy/milano-isola/

Credits

The following individuals within the Forward Fooding team have collaborated to bring this report to life: Alessio D'Antino, Max Leveau, Amy Dingemans, Berkok Yuksel and Mathilde Redshaw, among other collaborators.

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Thank you!

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