

Alternative Proteins



December | 2019

BULLETIN

FutureBridge

WHAT'S INSIDE!

December saw multiple developments in the **alternative meat, ingredients, and microbial protein segment**

- The **Asian market** is emerging as a hotspot for the expansion of **alternative protein** due to **larger market size** and **higher exposure to alternative foods** through traditional food.
- **Established and startup** players are focusing on **ingredient development** for the **alternative protein domain**.
- Startups such as **Legendairy Foods** and **Perfect Dairy** involved in **microbial fermentation** are receiving **investments** for **scaling-up** their technology.
- Cellular technology-based startups such as **Meatable** and **Bond Pet Foods** are receiving investments as the technology is being recognized as **clean meat technology**.

SPOTLIGHT

01  **Asia-Pacific** is emerging as a lucrative market for **alternative meat segment**



05  **Bond Pet Foods** receives **\$1.2 million** in investments



SPOTLIGHT

02  **Higher activity** in the **ingredients domain** to provide better **texturization properties** to alternative protein segment



06  **Meatable** receives **\$10 million** in investments



03  **Legendairy Foods** raises **\$4.4 million** in investments



07  Startup **siggi's** launches **plant-based yogurt alternative**



04  **Perfect Day** raises **\$140 million** in investments



LEGEND

 Product Launch	 Investment	 Collaboration
 Brand Launch	 Market Expansion	 Merger

*Note: All the logos, and news are hyperlinked to the respective sources






#AlternativeMeat

- The **Alternative Meat** segment is rapidly expanding its markets with players focused on **expansion, brand launch, and product launch**.
- The regions of **North America** and **Europe** have the **highest activity** in December 2019. These regions have been the hotspots for alternative protein due to **higher eco-conscious populace**.
- Activity in the **Asian region** is also **increasing** due to the **large market size** available to be captured and **consumers traditionally utilizing plant-based meat alternatives**.
- **Voluntary labelling standards** are being **accepted by US alternative protein companies** to avoid confusion amongst consumers and also to provide a uniform format of labelling.

Asia-Pacific is emerging as a lucrative market for alternative meat segment

Developments in the alternative meat segment in December-2019

NORTH AMERICA

-  **Nestlé** (Switzerland) **launched** **meatless DiGiorno** (Switzerland) **pizza** and **Stouffer's** (Switzerland) **lasagna** utilizing **Sweet Earth brands alternative beef** **Awesome Grounds**.
-  **Nestlé** (Switzerland) **launched** its **Awesome Burger** at **Costco** (US) stores, **expanding** its market in the **US**.
-  Alternative meat startup **Daring Foods** (Scotland) **collaborated** with food service supplier **Rastelli Foods Group** (US) for market **expansion** in the **US**.
-  Plant-based startup **Fable** (US) **received \$1.5 million** in **investments** from venture firms such as **Grok Ventures** (Australia) and **Blackbird Ventures** (US).
-  **Beyond Meat** (US) **announced** introduction of **Beyond Beef** in **Canada**. The company previously retailed its plant-based burgers and sausages in Canada.

LATIN AMERICA

-  Startup **Fazenda Futuro** (Brazil) **expands** market to **Europe**. The startups plant-based meat is now available in Netherlands with plans to roll-out in Germany and England.
-  **Marfrig Global Foods** (Brazil) **launched** **alternative protein brand Revolution Burger**. The products would be available at retailers and food service chains. The Burger is also slated for export in the Chinese market in 2020.

Voluntary Labelling Standards:

Plant Based Foods Association (PBFA) (US) **released** **voluntary labelling standards** for **consistent labelling** across **alternative protein** category in the **US**. The standards suggest that companies can describe their products are meat, hamburger, tenders or nuggets etc. provided the claims are indicated with words such as plant-based, vegan, meatless, meat-free, vegetarian, veggie made from plants, veggie-based or similar terms.

EUROPE

-  **Kentucky Fried Chicken** (US) **announced** the **launch** of **vegan burger** made from **Quorn's** (UK) **plant-based fillet** in the **UK**. The roll-out is the outcome of a successful trial of the **vegan burger** in London, Bristol, and the Midlands.
-  Startup **Plantcraft Innovacios** (Hungary) **received \$0.5 million** from venture capitalists such as **X-Ventures Gamma** (Hungary). The funding will be utilized to expand in the **US market**.
-  **Taco Bell** (US) **announced** plans to **launch oat-based beef** ground meat throughout **Europe**.
-  Supermarket **Sainsbury's** (UK) **announced** plans to **introduce 31 plant-based products** in select stores. The products include fish fingers, **vegan steaks**, **chorizo shroomdogs**, **BBQ jackfruit**, **meat-free burgers** and **meat-free meatballs**.

ASIA-PACIFIC

-  **YOUKUAI** (China) **launched** its **brand Z-Rou Meat** in **China**. Z-Rou's Meat will produce soybean-based pork meat. Z-Rou Meat has also **partnered** with plant-based lifestyle support group **Vegans of Shanghai** (China) to increase its market visibility.
-  **Taco Bell** (US) **launched** limited **Omni pork** (Hong-Kong) **containing taco's** in select locations of **Shanghai, China**.
-  Food manufacturer and exporter **JAT** (Australia) **secured a \$2 million** deal to **distribute** plant-based products in **China**. JAT will produce **vegan meat** under **Vmeat** brand to be sold to restaurant operator **Shanghai Gurun** (China).

SPOTLIGHT

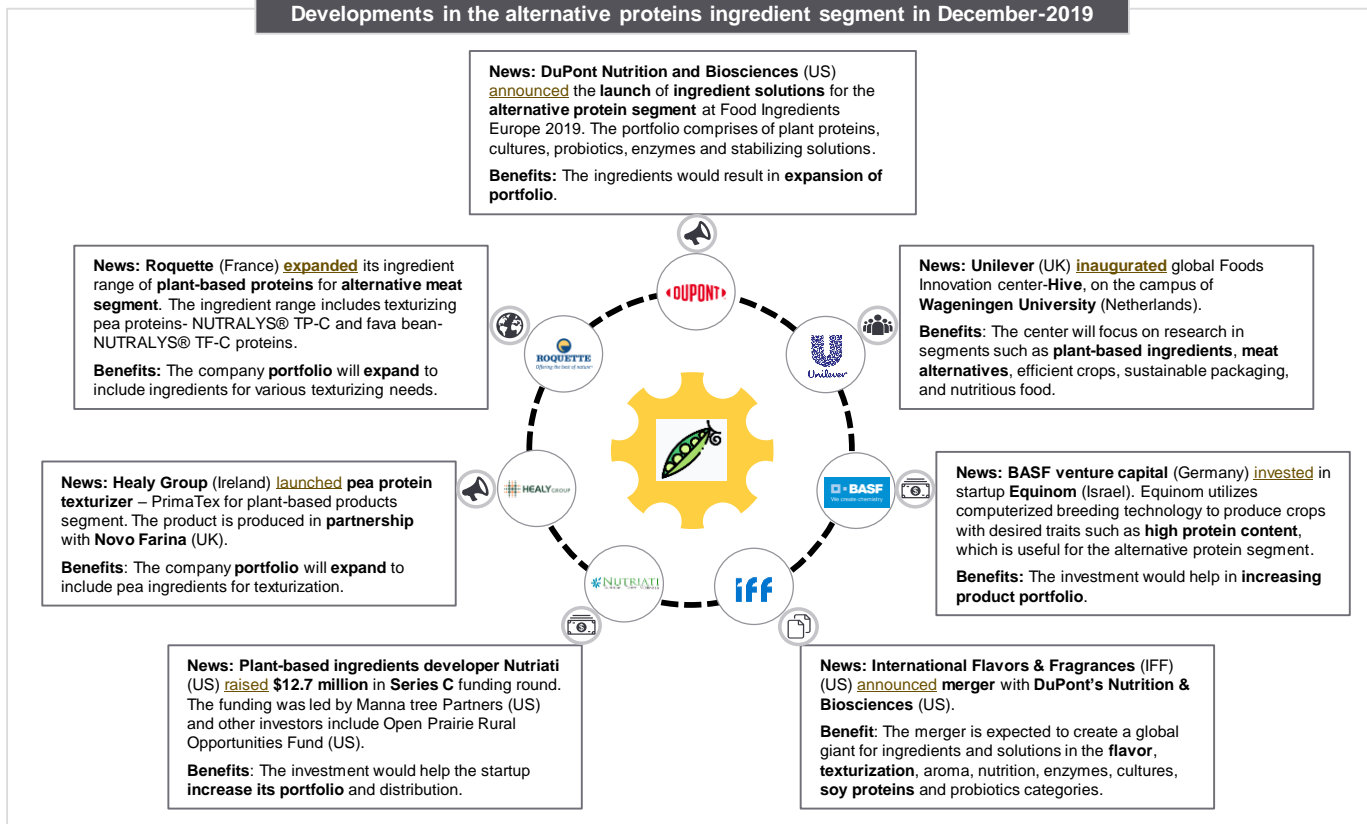
Higher activity in the ingredients domain to provide better texturization properties to alternative protein segment

#Alternativeprotein

#Ingredients

- **Established** as well **startup** players are providing **ingredient solutions** for the increasingly competitive space of alternative proteins.
- Alternative protein ingredients produce a **meat-like texture, flavor, and mouthfeel**, hence are ultimately **responsible for the success** of the product.
- The **merger of International Flavors & Fragrances and DuPont's Nutrition & Biosciences** is expected to create an **ingredient solution giant** with a focus on alternative protein, probiotics, enzymes, and nutrition.
- The alternative protein segment is focused on **pea, fava beans, soy bean, and chickpea** ingredients in December 2019.

Developments in the alternative proteins ingredient segment in December-2019





#AlternativeDairy
#MicrobialFermentation
#Investments

- **Microbial Dairy** is gaining popularity with startups such as Legendairy Foods and Perfect Day **increasingly receiving investments**.
- Microbial technology provides **milk proteins by fermentation** thereby producing a nutritious **animal-free dairy-alternative**.
- Investments in microbial technology startups are expected to **up-scale production** as it is a major challenge of microbial technology. Microbial technology up scaling **requires** maintaining of **end-product quality and concentration**.

20 Dec 2019, Friday

Legendairy Foods raises \$4.4 million in investments



Legendairy Foods raised \$4.4 in investments

- The investments received by the startup would help in **scaling-up** the technology
- The company holds an edge over other alternative dairy products as the products make **use of casein** and **why proteins** present in milk

Alternative dairy startup **Legendairy Foods** (Germany) received **\$4.4 million** in investments.

The investment was led by capital investor **Agronomics** (UK) and **M Ventures** (Netherlands). Other investors include venture capitalist **CPT Capital** (UK).

Legendairy utilizes **microbial fermentation** to produce milk proteins such as casein and whey. The milk proteins are **combined with plant-based fats** to produce dairy alternatives.

Read this story

11 Dec 2019, Wednesday

Perfect Day raises \$140 million in investments



Perfect Dairy raised \$140 million investments

- The investment would be utilized for **up-scaling** and **commercializing** the company's products.
- The company's dairy-free ice-cream launch was **successful** and the company **may diversify its portfolio** in the dairy-free ice cream segment

Microbial dairy producer startup Perfect Day (US) raised **\$140 million** in a **Series C** investment round.

The investment was led by capital investor **Temasek** (Singapore). Other investors include venture capitalist **Horizon Ventures** (US).

The investment would be utilized to **up-scale** and **commercialize** products. Perfect Day utilizes **microbes** to produce **milk proteins** such as casein and whey to produce non-animal based dairy.

Read this story



#Investment
#CellBasedMeat
#PlantBasedDairy

- Cellular technology-based startups such as Meatable and Bond Pet Foods are increasingly receiving investments.
- Cellular technology is seen as a clean meat technology by eco-conscious consumers and is being increasingly adopted in pet food products.
- Coconut base is increasingly being utilized to provide dairy-free alternatives due to its dairy-like texture and mouthfeel.

04 Dec 2019, Wednesday

Bond Pet Foods receives \$1.2 million in investments



Bond Pet Foods receives \$1.2 million in investments

- Cellular technology food for pets is appealing to eco-conscious pet owners as it allows for a lower carbon footprint

Startup Bond Pet Foods (US) received **\$1.2 million** in seed funding.

The investment was led by venture capitalist **Lever VC** (US) and other investors include **Agronomics** (UK), **KBW Ventures** (US), **Plug and Play Ventures** (US), as well as **Andante Asset Management** (UK).

The investment would be utilized to increase research and scale-up production of **Bond's cell-based pet food**. Bond Pet foods utilize cellular and microbial technology to produce animal proteins for pets.

Read this story

06 Dec 2019, Friday

Meatable receives \$10 million in investments



Meatable receives \$10 million in investments

- Investments may help address major challenges in the cellular technology such as production of meat in required quantities and at lower costs

Meatable (Netherlands) received **\$10 million** of investments in seed funding to develop cellular pork meat chops.

The investors include the **European Commission**, venture capitalist such as **Blue Yard Capital** (Germany) as well as individual investors such as **Albert Wenger** and **Taavet Hinrikus**.

The company intends to produce its product prototype by 2020. The investment would be utilized to reduce costs and up-scale the technology.

Read this story

11 Dec 2019, Wednesday

Startup siggi's launches plant-based yogurt alternative



Startup siggi's launched yogurt alternative

- Coconut base has advantages such as creamy as well as rich texture, bright white color, and ability to combine well with fruit flavors

Startup siggi's (US) launched a plant-based yogurt alternative.

The product contains coconut, macadamia, and pea protein. It is available in four flavor variants such as mixed berries, raspberry, mango as well as vanilla and cinnamon.

According to Carlos Altschul, siggi's President and CEO, consumers will recognize siggi's creamy texture, lower sugar and higher protein content. The company intends to deliver the product according to consumer expectations.

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