

Due Diligence Study: Silk Protein Companies

Case Study

Due diligence study on silk protein companies

Client	A Global Leading Player in Home Care Industry
Industry	Home Care & Chemicals
Products	Consumer products, Specialty products

Context

- The Client is a major player in the home and personal care domain and was interested to know about application of silk protein technology for use in condoms for which the player wanted to perform due diligence of some entities in order to decide prospective partners.

Key Business Questions

- What are the industries the entities are currently working in and industries they do not want to enter?
- What are their manufacturing capabilities?
- What is the scope of their IP?
- Do they currently have a laboratory to investigate new application areas of the spider silk material?
- Whether safety for human applications has been demonstrated through formal safety/toxicology studies and if they can they summarize the tests performed?

Engagement Scope

1

Partnership Identification

- What are the industries the entities are currently working with?
- What are the industries the entities do not want to enter?
- What are the industries the entities are willing to partner with? (less interested in the industries they are planning to enter in the future unless it is the immediate future)

2

Production Assessment

- What are their production capabilities (lab / research, pilot or, industrial scale)
- What is their current production capacity and what they will be producing at in the near future (say 2023)?
- What are their future scale-up plans?
- Are they manufacturing under good manufacturing practices/ compliances (cGMP)?
- What is the source of their material?

3

Due Diligence

- Comparative analysis of entities based on price, production capacity, regulations, IP portfolio, partnerships and collaborations, Global reach, etc.
- Future Bridge recommendations of suitable entity to collaborate with the client.

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Research Methodology

Secondary Research

- Conducted searches on associations, commercial company databases (Factiva, Crunchbase, Mintel, Questel Orbit, Espacenet, USPTO etc.), governmental portals, and others
- Conducted searches on start-up portals (Trendhunter, Kickstarter, etc.), company websites etc.

Primary Research

- Telephonic interviews with key stake holders such as technology developers, start-ups, SMEs, distributors, suppliers etc.

Benefits to Client

- Helped the Client to understand the various activities of the entities working on the silk protein in personal care domain.
- Helped the Client to understand the suitable partners for collaboration based on their production capacities
- Helped the Client understand the IP portfolio of the entities
- Helped the Client understand the entire application area of the silk protein in various business segments.

Sample Analysis

1 Partnership Identification

Entity Overview

- Identify a list of company based on products, team
- The company is part of the research network, with 1000+ hours of research and development activities and extensive range of services

Technology Details

Other Details

Company	Product	Year	Revenue	Employees
Sevia	Spidersilk	2018	1.5M	15
Sevia	Spidersilk	2019	2.0M	20
Sevia	Spidersilk	2020	2.5M	25
Sevia	Spidersilk	2021	3.0M	30
Sevia	Spidersilk	2022	3.5M	35

2 Production Assessment

Primary questions discussed during communication with Sevia (2 / 2)

Q1: How is the production process currently managed?

Q2: How is the production process currently managed?

Q3: How is the production process currently managed?

Q4: How is the production process currently managed?

3 Due Diligence

Key takeaways: Due - diligence snapshot of the eight companies

Company	Product	Production capacity	Price	Other details
Sevia	Spidersilk	100 kg/year	1000	1000
Sevia	Spidersilk	200 kg/year	2000	2000
Sevia	Spidersilk	300 kg/year	3000	3000
Sevia	Spidersilk	400 kg/year	4000	4000
Sevia	Spidersilk	500 kg/year	5000	5000
Sevia	Spidersilk	600 kg/year	6000	6000
Sevia	Spidersilk	700 kg/year	7000	7000
Sevia	Spidersilk	800 kg/year	8000	8000

Thank you

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