ALANTRA FOOD & BEVERAGE FAST 50

Fast 50 Voices Strong Roots





Strong Roots conquers the US

Plant-based frozen food brand Strong Roots, one of the fastest growing business in the 2020 Alantra Food & Beverage Fast 50, has defied the pandemic to accelerate its US expansion, explains chief executive Sam Dennigan.



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BEVERAGE FAST 50
REPORT 2020



SAM DENNIGAN CEO, STRONG ROOTS

STRONG ROOTS IN NUMBERS

SALES IN LAST 12 MONTHS*

£9.0m

TWO-YEAR CAGR*

109.1%

FOOD & BEVERAGE FAST 50 RANKING*

3

Sector: Plant-based frozen food

Charles: Sam, the 2020 Alantra Food & Beverage Fast 50 rankings showed just how well Strong Roots has been performing, with compound annual growth of 109% over the previous two years. Has the Covid-19 pandemic been a brake on growth?

Sam: No, we have certainly continued to grow very quickly — I don't think we'll be in triple digits again this year, but we should be in high double digits.

We're fortunate to have been one of the brands to benefit from the way consumers have responded to the pandemic. People are more focused on their health, they are spending more time indoors and more time cooking from home, and they want products that will keep well. That plays to the strengths of a company such as Strong Roots, which offers really high-quality plant-based food people can freeze.

On the downside, we are a premium brand, so we need to be focused on the reality of what is to come economically, but we think there is a real demand for high-quality products.

Charles: When the 2020 Alantra Food & Beverage Fast 50 rankings were published, Strong Roots was on the verge of launching in the US. Did those plans have to be pushed back?

Sam: Not at all. Having raised funding in October 2019 to finance expansion into the US, I moved there full-time to concentrate on that. When Covid-19 arrived in March 2020, we were just about to do our most important launch, with Whole Foods, which is the traditional gateway for challenger brands in the natural foods market to access the likes of Walmart and Target. We'd had several months of working with smaller stores, but this was a completely different prospect.

The launch went ahead on schedule. We did have some worries about the fact that Whole Foods wasn't able to use its usual third party agents to manage the reset, but the stores' own staff did a brilliant job in the meantime, getting products on to the shelves.

In fact, the launch with Whole Foods ended up being accelerated. We had been planning on a gradual introduction of our range, trying certain products in certain regions, but all our products are available in all Whole Foods stores now; that's a fantastic result to have got in our first six months.

*Based on recorded figures for 2020 ranking

Charles: So US consumers have taken to the product?

Sam: Yes and we're delighted that WalMart has now decided to start stocking us too. They have given us a very big trial, with our products now going into around half their stores all around the country.

Charles: What else has Strong Roots been up to in the past few months?

Sam: We have done a number of product launches, including seasonal ranges, and also Little Roots, our new range for children. The reality of such launches is that they are planned well in advance, but we weren't going to pull them just because of the pandemic.

We are encouraged by the results especially given how difficult it is to capture a share of voice in the current environment. We are also thinking hard about how to adapt given that advertising now works so differently – it is really important for us to work out how best to exploit digital channels, for example.

Charles: What are your priorities for the next six months?

Sam: Well, having captured so much distribution in the US, we now need to work really hard to communicate our availability - and to make sure we are doing that in other markets too.

For us, 2021 is going to see a big push on communicating to the consumer about what we are trying to achieve. We feel there is a huge amount of room to explain how we came to be and why we exist as a business. There is a real appetite out there for businesses with sustainability and strong values at their core.

Commercially, the key is going to be the ability to be agile and we will be thinking about our channel mix as we head out of Covid-19. The pandemic has already prompted big changes – we have seen online go from 10% to 30% of our sales with certain retailers, so we'll see if that persists. We have to be able to move quickly.



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Possibility is in the ascent