

Ambition, obsession, food, tech and foodtech, a profile of Five Seasons Ventures

In the ever-growing investment landscape, funds are multiplying and diversifying, and for startups there is more to raising investment than the money and the media moment. With #QVCS Maddyness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we speak to Saskia Hoebée, Senior Associate at Five Seasons Ventures.

I'm a Senior Associate at *Five Seasons Ventures*, a Paris based venture capital fund with a pure focus on foodtech. We invest primarily in Series A deals, but – as with every VC fund – can be opportunistic from time to time and do bigger or smaller size deals. I started working for Five Seasons in March 2020, just two weeks before the first lockdown in France so I mainly started working remotely, which was still a smooth start because the investment team was only five people at the time. Now, a bit more than 1.5 years later, we are nine full-timers! It's great to be part of a fund and a team that keeps on growing as we go.

I started my career as a trainee at Rabobank, the world's largest food and agriculture bank, based in the Netherlands. Instead of choosing the 'standard' banking career, I joined the team that was responsible for various innovation platforms and loan instruments for startups because I noticed early how fast the world of agrifood was changing due to innovation. However, I always had the feeling I wanted to be on the equity side of the balance sheet, and Five Seasons was actually the number one fund on my application list. As of today, I'm still grateful for the partners' confidence in me to learn the 'VC skill set' despite the fact that I didn't start my career in VC. After all, being a good investor takes a lot more than just hard skills; it's the passion, a 'competitive' mindset, and 'roll up your sleeves to get the job done' mentality that determines your success in this sector.

Which industries are you working in?

We are a foodtech fund, we live and breathe foodtech all day. It sounds like this is a very niche segment to operate in, but if you think about it, the sector is huge: it focuses on the way we produce, pack, ship, purchase and consume food across many verticals from supplements to beverages, and meal replacements to pet food.

We focus on foodtech because it also has the ability to impact two key challenges of today's world; the environment and public health. We invest in companies we feel can become a category leader in European foodtech, and that tackle ideally both issues of sustainable production and shifting diets at the same time.

What do you look for in a founder?

Ambition, obsession with the end product, and a mindset of continuous improvement and learning. Ambition because we aim to back future leaders and want to build a big business together. Obsession with the product, because things are never finished and can always be improved with the latest technological developments and trends, etc. And a mindset of continuous learning because consumer preferences change faster than ever in food and the consumer is more demanding than ever.

In order to get to the top and stay there, a company needs to constantly improve.

Can you talk about your current portfolio?

We currently have 14 portfolio companies across the UK, France, Germany, Italy, and Switzerland. 10 from Fund 1, and already four in our new fund. We just launched our €180M second Fund.

I'm most involved in *Just Spices*, *Air Up* and *Just Legends*, and I am a Board Member in our two latest portfolio additions *Her1* and the *Nu Company*.

I'm really excited about our last two investments. Her1 is a female-led company and it's my personal objective to find and fund more female founders in foodtech. In addition, the female wellness market is highly underserved so offers a huge market opportunity.

Secondly, The Nu Company fits our impact focus perfectly because they are a real next-generation challenger brand: they plant a tree for every snack bar sold, only use 100 per cent home compostable packaging and their products contain 60 per cent less sugar than its competitors.

How has COVID-19 changed the way you operate?

Due to the travel restrictions, we definitely had to change our modus operandi and rely more on digital tools to do investments. When I started I had never thought I would ever invest in a company where I had never met the founders in person, but the situation forced us to be flexible about this and move our complete due diligence and investment process online. It made us realise we don't always have to travel in order to get things done, but in all honesty... I'm very happy with the ability to conduct meetings and (occasionally) board meetings in person because it makes the job a lot more fun.

What does the future look like?

I expect certain trends such as convenience (think of e-grocery and fast delivery), food moving online (think direct to consumer brands), health as the new wealth (such as supplements and personalised nutrition), plant-based (alternative dairy, seafood, and meat), and sustainability (environmentally friendly production and packaging) will increase significantly over the next years. All driven by consumer demand and enabled by technological developments. This means the share of the wallet of the consumer increases

towards value over volume.

And this also means that I expect food to be an increasingly interesting space for venture capital investments.

What makes Five Seasons Ventures different?

We are a truly European team from a wide variety of backgrounds, that all together possess five nationalities, speak seven languages, and have working experience and networks throughout Europe. All of us have previous experience in investing and/or the food industry, which is a powerful combination when it comes to advising startups on strategy, next rounds of financing, international expansion, etc.

We do have one thing in common as a team and that is our unstoppable drive to prove that food startups have the capacity to grow at the same pace as tech startups, and that impact and returns can go hand in hand in our sector.

What one piece of advice would you give founders?

Don't just seek any type of investment for the sake of getting money in your bank account, but look for the type of investor that can truly add value to your business and that you trust as a sparring partner for key decisions in your company.

We always believe that founders are the best suited to running their own business, but it's very important to be aligned on where we are going. In the end, it's a working relationship that will probably last a few good years, so it's important for founders to stay critical about who they give ownership to in their company and conduct due diligence on their future investors.

