

Meet Beta Bugs, raising capital on the Sustainable Impact Investment Programme

As part of a series with Innovate UK KTN, Maddyness spoke to Thomas Farrugia, founder of Beta Bugs. We will introduce several of the 13 'startups of the future' chosen by Innovate UK KTN to take part in its three-month sustainability accelerator programme. Working with Innovate UK KTN, Growth Studio and their ecosystems, these startups will prepare to raise external capital. The program aims to back the bright ideas that put biodiversity, the climate, and sustainability first.

What was the catalyst for starting your company?

Wanting another protein source to eat! Insects were a logical one but way too pricey compared to existing foods, even more expensive than nuts or prawns.

Once I started looking into the insect protein space I realised that, in fact, using insects to feed animals by replacing soya was also a big challenge. Taking a closer look at the “insects for feed” supply chain, I saw that there were no suppliers of high-performance insects in the supply chain, and that using selective breeding to make a bigger, faster growing insect would have a big impact on this sector by making insect farming more productive, just as it has had in our other plant and animal production systems. So we set up an insect genetics company.

Tell me about your business – what it does, what it aims to achieve, who you are aiming to reach etc?

Beta Bugs is an insect genetics company that provides insect farmers with high-performance Black Soldier Fly breeds, enabling them to increase their yields. We have a breeding programme which selectively breeds Black Soldier Fly for increased performance, creating our product HiPer-Fly® (high-performance fly) and an egg production facility, The Multiplier, that supplies insect farmers, our customers, with the eggs to hatch into larvae.

The farmers grow the larvae on food waste to produce a local, sustainable and high-quality protein source for the animal feed sector. Recent world events such as the War in Ukraine really show we need this kind of protein, since it makes the agri-food supply chain more resilient.

Explain your engagement with the InnovateUK KTN SIIP accelerator and why you applied for it?

During the height of COVID-19 we were able to benefit from the support of InnovateUK’s Sustainable Innovation Fund, which provided a step-change to our business by enabling us to plan The Multiplier®.

The InnovateUK-KTN SIIP accelerator is a great next step – it’s enabling us to build out our investor networks and engage with investors who get what we do and who are keen on joining us at the next frontier of animal genetics.

Read also

Describe the working culture at your company.

Purposeful, data-driven and committed. We're all aware that we're building a business that has never been done before, so we keep an open mind about how we do things, whilst also challenging ourselves to be better humans whilst making better insects.

What has been your biggest challenge so far with your company, and how did you overcome it?

The last year has been a really challenging one for us – we had to really push hard on the commercialisation process. We cracked this nut by developing our own bio-manufacturing capability via The Multiplier®, our dedicated egg-production facility, which will service demand for insect genetics in the UK and further afield since insect farming is a global industry. We have also been strengthening our agri-food network by engaging with the entire agri-food supply chain, from farmers to retailers, via trade shows, talks and direct meetings. We're now seeing the fruits of our labour pay off in the form of customers and industry recognition,

How does your company answer an unmet need?

We will do our best to capitalise on it and help out! A great example of this is the information shortage in our industry – new market entrants could not find anyone to talk to, let alone set up an insect farm.

We addressed this unmet need by developing our own free, digital, insect farming publication, Beta Buzz, which we packed to the brim with information on technology partners, consultancies and information on Black Soldier Fly farming. Beta Buzz has been a great success as an industry first and allowed us

to further develop our presence within the insect farming sector.

If you want to have a read you can do so online
<https://www.betabugs.uk/beta-buzz-issue-2/>

What is in store for the future?

Working hard to make The Multiplier® and HiPer-Fly®, our genetic product, a commercial success. To do this we'll be raising funds and growing the team – if you're an investor or aspiring insect farmer then get in touch!

What one piece of advice would you give other founders or future founders?

Give yourself enough time to do the things that matter to you. Get enough sleep. Lift heavy things first – both at the gym (or the home-gym, more time effective!) and at work. Define and protect your non-negotiables – if you lose access to them then see how you can reset.

Thomas Farrugia is the founder of Beta Bugs.

The Sustainable Impact Investment Programme (SIIP) is a three-month accelerator, specially designed for selected startups who have previously received funding from Innovate UK's Sustainable Innovation Fund (SIF). The objective of the SIIP accelerator is to prepare both the business and founders of the winning startups with the knowledge, tools and investor connections to raise their next round of investment up to £5M through a confident proposition, materials, and communications.

SIIP is an initiative led and funded by Innovate UK KTN to support high growth impact-driven startups from the UK who were awarded grants from the Sustainable Innovation Fund to aid economic recovery after Covid. This programme is a collaborative effort by Innovate UK KTN and Growth Studio.