



BRAND SECRETS AND STRATEGIES PODCAST #146

Hello and thank you for joining us today. This is the Brand Secrets and Strategies Podcast #146

Welcome to the Brand Secrets and Strategies podcast where the focus is on empowering brands and raising the bar.

I'm your host Dan Lohman. This weekly show is dedicated to getting your brand on the shelf and keeping it there.

Get ready to learn actionable insights and strategic solutions to grow your brand and save you valuable time and money.

LETS ROLL UP OUR SLEEVES AND GET STARTED!

Dan: Welcome. I talk about business strategy on this podcast a lot, and I also invite a lot of my guest, including CEOs and thought leaders in the industry, to help share their thoughts around the subject. Today's podcast episode is no different. Today's podcast episode is focused on helping you get your products on more store shelves and into the hands of more shoppers. Your business strategy is so critically important. It's your roadmap to success and nowhere is it more important than in categories where you're disrupting the category, where you're doing something different than everyone else. Let me explain.



Today's show focuses on plant-based. One of the challenges that we run into, a lot of brands that are in the plant-based area, is that retailers, brokers, and distributors don't know what to do with these products or how to merchandise them. The point is this. Using the traditional strategies, the cookie-cutter strategies that most people apply are not going to differentiate you from your competition. This is where the value, the real value of knowledge and experience comes into play even more important than probably any other category.

This is where you get what you pay for. Instead of relying on someone who read a book or someone who's got a little bit of experience in the area, this is where you need a lot of help and expertise to help you help your retail partner drive sustainable sales to your product and other like products in the category. This is exactly why this podcast exists. This is exactly why I put out the content that I do, to help give you strategies that everyone else overlooks, to scale and grow your brand, to help you stand out on a crowded shelf. Let me explain.

Shoppers today hate scavenger hunts. Have you ever had a difficult time finding an item that you like within certain stores? For example, in the mainstream stores in my neighborhood, if you want to buy a lot of the natural organic products, well, obviously you need to go to the baking aisle. Now, while it might sound that I'm just being sarcastic, the reality is that this is where most of the natural organic products live in most mainstream stores in my neighborhood. From my perspective, a huge mistake on the part of the retailer. As a shopper, I'm going to compare like items so that I can choose the products that best meet my needs. I want to be able to easily compare vegan



cheese to regular cheese, plant-based meat to regular meat, and so on.

The best part about this is the natural organic, plant-based, et cetera, items are the ones that are driving sustainable sales across to every category. This is why it's critically important that you be an expert in this area and then you'll hire and surround yourself with people that can help you make the difference. This is the focus of this podcast episode. Working with experts that can help you help your retail partner understand how they can leverage your brand to grow sustainable sales and profits in their store if it's merchandised correctly so that it makes it easier for the consumers to find the products. In order to do this effectively, you need a well-thought-out, compelling, fact-based story as to why the retailer should merchandise your products next to their mainstream counterparts, their non-plant-based products.

At the end of the day, remember, retailers generically don't make anything. They sell real estate in the form of the space that your product takes up on their shelf. Retailers want three things, more traffic in their store, a reasonable profit, and a competitive advantage in their market. If you can help them achieve their objectives, then savvy retailers might reward you with incremental merchandising opportunities, incremental promotions, and an equal seat at the table when discussing brand strategy or category strategy. This is where you become much more than just another product on a retailer's shelf. Instead, you become a valued and trusted and respected resource to your retail partner.

Trust me, the payoff here can be huge as some of the stories that I've shared on a different podcast episode, and this gets back to



having a real expert, a knowledgeable expert to help you help guide the retailer to where your products need to be merchandised. This all begins with you becoming an expert in your brand and in the consumer that buys your brand. That's what this episode is about. Today, we're talking about plant-based products and how to maximize each and every selling opportunity with plant-based products.

Now, this also works for gluten-free and other attributes as well, so everyone is going to want to stay tuned.

Before I go any further, I want to remind you that there's a free downloadable guide at the end of every podcast episode. This week's downloadable guide is something I haven't released ever before. It's brand new. You're going to want to check it out. It's going to help you get more runway from your available funds. It's going to help you promote more effectively. Here's a quick teaser. About 25% of every brand's gross revenue/ gross sales is tied up in trade marketing. On top of that, 70 to 90% of all trade marketing is wasted or ineffective. How's that for a hint?

Anyhow, you're going to want to stay tuned to the end of the episode so you can find out how to get this valuable resource. I always try to include one easy-to-download, quick-to-digest strategy that you can instantly adopt and make your own. One that you can use to grow sustainable sales and compete more effectively with. Remember, the goal here is to get your product on more retailer shelves and into the hands of more shoppers. This podcast is about you and it's for you. If you like the podcast, please share it with a friend and subscribe.



Now, here's today's special guest, Daniel, with PlantBased Solutions. Daniel has some really exciting news to share with us about a way that you can get expert guidance to help grow your brand. You'll want to stay tuned. Thank you, Daniel, for coming on today. Can you please start by telling us a little bit about yourself and your journey to PlantBased Solutions, including as a chef?

Daniel: Sure, absolute. My name is Daniel. I'm the CEO of PlantBased Solutions. Wow, so I started my career quite some time ago. I actually started of university as a science major, so I had my mindset on a pursuit of science, but as a kid, I was really into science, I was really into cooking and I wanted to go to culinary school. My family didn't think that was the best idea and should study something a little bit more substantial. At the end of the day, I went to culinary school anyway, all being said and done, and it's been a great, amazing journey.

I feel like I've had many lives, as a chef, as a restaurateur. Then, spent a year in Europe doing some cooking and traveling. I came back to the States in the mid-90s. I started actually on the business side front house of restaurants and started working with independent and restaurant groups in terms of management, opening restaurants. I had this real focus on kind of operational. How do you execute? How do you train? Put systems in place and make business more efficient. That led me to move out of the independent restaurant world into food service, which was interesting.

I had worked with Restaurant Associates at the time, which then became acquired by Compass Group, who I'm sure you're familiar with on the foodservice side. This was running museums, cultural



institutions, starting in New York then Washington, D.C., for a few years and it was really exciting. The National Gallery of Art, The Smithsonian, operations there, so you're talking about multiple restaurant outlets, millions of tourists and visitors. The really interesting business side of the food world.

Then, I moved back to New York. In 2007, I was working for Starwood Hotels doing food and beverage concept development for global brands. Really exciting time. Learned a lot about brands, about what does it mean to identify a brand and have brand integrity, which I've thankfully been able to transfer over into the plant-based CPG world. Did that for about three years and then transitioned into the CPG world in helping to open and run Chloe's Soft Serve Fruit, which became Chloe's Fruit Pops or Chloe's Pops. That was about 2010 and a really exciting time. It was when all the frozen yogurt chains were coming around and this was an alternative to frozen yogurt as a vegan, offering clean label, really healthy. I ran that for four years.

For me, it was a time also where I was kind of reflecting on my diet, having gone through some health issues when I was in D.C., so actually spent a year going through cancer treatment and it took me a little while to figure how to incorporate a healthy lifestyle into my diet while recovery was finished. I was eating mostly vegetarian at that time but happy to be part of this kind of healthy, plant-forward-focused environment. After that, I started helping other companies in the plant-based space. Helped them on their journey both mentoring and consulting. That's where I met David Benzaquen who had started PlantBased Solutions, probably around the same time or maybe 2012.



He was at the time... PlantBased Solutions were a little more focused on marketing, helping companies in the plant-based space get funding or prepare for funding, and I had been more focused on the concept development, culinary development, launching, getting to market, working with third-party manufacturers. It was a good complement. He would send people my way, I would send people his way. After a few years, he was fortunate to have developed and launched Ocean Hugger Foods as you know through PlantBased Solutions and was running that full time and needed someone to come on board to run PlantBased Solutions. Right around this time kind of all the things came together in the sense as I had moved into a completely plant-based diet. Looked like a great opportunity.

Last summer in July, I came on board to help run and kind of strategize what the future of PlantBased Solutions can be. Thankfully, it's an exciting time for the plant-based food space with the most recent IPO of Beyond Meat. All the investors are excited about it. It's kind of been in all the news cycles, mainstream restaurant chains, so it's an exciting time. We looked to see how we could position it and basically took all of last year to kind of relook at what services we're offering, how we're helping companies.

Maybe a little less focus on the day-to-day consulting, a little more on the advisory strategic growth or direction. Looking at a lot of international brands, looking to become into the U.S., Europe, South America as well. Some exciting things there. Also, to think about how to position the mentoring that both David and I have done in a more robust fashion, and that was really to look at... Excuse me, sorry, to look at how to rework some of the



mentoring that both David and I had been doing to reach a broader audience.

This was the idea behind this PlantBased Solutions Masterclass on how to develop, launch, and scale a plant-based food product. We spent a lot of time. We out to Natural Products Expo West last March. I spoke about innovation in PlantBased which was fantastic. We had our big investor event where we had about 150 plant-based brands apply online to participate. This was an opportunity for mission-driven plant-based investors to meet one-on-one kind of in a curated fashion. End of the day, we had about 50 investors, 50 brands each meet for 15 minutes after pre-vetting these companies, which is really... got some great feedback from that event.

Since March, been working on this Masterclass which we're getting ready to launch next month, doing some series of promoting and talking about it. Was at Expo East at The Plant-Based World Expo doing a little mini Masterclass. Also, going to be taking it to ProVeg in Berlin at the end of October. Really exciting, they're a great plant-based food accelerator in Germany, and I'm going to be doing a three-day Masterclass course work there versus what we're planning on doing, which is an extended eight-week version to get it in a way that people can take in a lot of information. Happy to talk more about that as well.

Dan: Absolutely. No, I think it's great, so thanks. You've given us a lot to talk about already. Let's back up a little bit-

Daniel: Sure.



Dan: And let's talk about your relationship to food. Why did you want to become a chef?

Daniel: Oh, wow. I was a kid who was, as I mentioned, into two things. I was really into science, so maybe I was just into PBS. I was between Carl Sagan Cosmos and Jacques Pepin and Great Chefs of the World PBS cooking series. These are the early days of cooking TV and I was just taken with it. Also grew up in a family, like many people do, where cooking is a big kind of focal point and center for the family. I spent a lot of time with my grandparents who... there was cooking and food all around. Obviously, the holidays and special things, but just even on a weekly basis.

My father is a very good cook as well, and interestingly enough, my mother early on was really into... we were cooking from Moosewood Cookbook back in the... I don't know when that came out exactly, but the late '70s, my memory, early '80s of cooking a lot of healthy... a lot of vegetarian food. I was exposed to this at an early age. Who knew it would be something popular? As a kid, I wasn't so crazy about it, but now I have another level of appreciation to see how far it's come. That's really what got me into it. I wanted to be in that world. I like the creative side. Then, I also kind of got the bug for the business side of it. It's one thing to be creative, it's another to... How do you grow that past the people that are right in front of you? That's what I found so fascinating about the natural foods, the plant-based packaged foods CPG world.

Dan: I think that's interesting, and the reason I wanted to focus on that, Daniel, is because understanding how to put a bunch of raw ingredients together, that's very creative. More importantly, being



able to take those ingredients and put them together and understand the difference in how you put the recipe together, you add this ingredient at the wrong time it dramatically changes things, too much heat, not enough heat. There are so many things to contend with here. As you're learning how to become a chef and as you're starting to use this across all the other different jobs that you've had, what are the key takeaways that you've learned that have helped you when you work with brands today?

Daniel: It's a great question. As I mentioned, the earlier part of my career, it's all about serving the meal immediately. The typical chef world, you prepare a meal, it's served immediately. I think the next step was moving into foodservice, realizing you have to be consistent on hundreds if not thousands of meals was kind of the next level. I had an amazing opportunity when I was at Starwood Hotels working for the global headquarters for the brands. Part of my role was to manage a set amount of hours with the relationship that we had with the chef Jean-Georges Vongerichten. Jean-Georges is known for Michelin star chefs around... restaurants around the world and trying to see what creativity that he could apply to the brands was fascinating, but part of my role was to make it effective at all these different... Let's say it was Le Meridien, for example.

One of the projects was doing breakfast for The Le Meridien. We started... Just going to have a little segue here just to give you that understanding of we started with some data of what is important when someone decides to stay in the Le Meridien, so we did some great market research survey. Came back with breakfast is a key piece. Coffee was even a bigger piece of that



breakfast, so we decided to do some creative kind of ideation around, how do you make a unique experience for that brand? Part of that we ended up going with Andrea Illy for coffee, doing something very interactive with his team to make something unique, and then with Jean-Georges, it was coming up with some recipes.

Well, we started and he is at a skill level off the chart and amazing dishes. We had to then bring it down, and even though these are trained chefs working in top hotels around the world, we said, "You're at a 10. We need to bring this to like a five-level for consistency purposes and often, guess what? Executive chef isn't always there for breakfast. They're usually there for dinner and breakfast is usually the sous-chef or the first cook." We even had to bring it to maybe another level down for consistency and then figure out how to execute that, how to codify it. We went into his kitchen. We videotaped cooking these dishes. Really, consistency was key, and that was probably the biggest lesson. You go from the creative chef. You can one dish, one day, throw something in the next day, to consistency for a brand. Even if it's with a chef because you're expecting that same thing around the world.

Then, it goes to another level for consistency in a consumer packaged goods product because the consumer expects it to be the same thing every time they open that pack and that learning I thing was the biggest bridge in terms of understanding how to codify, put parameters, systems in place to set at every level just to confirm or ensure that your formulation, your recipe is the right recipe. By that, when we work with companies, I help them take a recipe, move it into something of a formulation that can be



scaled, so you can make this on a large scale. That could just be efficiency, different types of ingredients, fresh sauteed onions. Well, that's a refrigerated product. That'll start to degrade over time. Well, if you're looking for an onion flavor, maybe it's a dried onion, maybe it's onion powder that can be consistent depending on shelf life.

Knowing the science also I have to say has always helped to understand shelf life extension a little bit. Putting, again... I did some work for Unilever, for example, in helping them grow a line of plant-forward spreads. Well, consistency was to a level that I had a lot to learn also just from a company that large versus a smaller startup. We'd just take photographs of the product at each stage with an agreed-upon camera setting so that we knew that that color was the right color. They even went to bring a Pantone color into it to say the product is right when it's this formulation, this pH, the acidity, this color, this consistency. An amazing process that I think all companies should really think about, especially when they work with third-party manufacturers is you put specs or specifications to a product to ensure your consistency. I think that's the biggest takeaway I've learned.

Did that with Chloe's going out to a big copacker in the Midwest where we were making them by hand in Iowa City at first to doing a few thousand a week to making it was like at one point 2 million in the first 10 days of manufacturing at them a real large-scale copacker. Having those parameters and specs in place make a difference and show your professionalism when you're going to a copacker that you know your product and you can define it when it's correct and when it's not correct.



Dan: Thank you for breaking all of that down. So critically important, brands offer the value, the trust, the know, like, and trust, and to your point, if it's not consistent, I'm going to go elsewhere. You only get one shot to impress a customer, or as I would like to say, you'll never get a second chance to disappoint a customer. Anyhow, the point being is that this is something that every brand needs to know and understand. That in and of itself, we could spend hours talking about why this matters because I see a lot of brands that take a product from their kitchen and then try to break it down and then take it to a copacker and then take it to another copacker and they lose that consistency. Something so critically important.

The fact that you've got that skill set, I wanted to frame it that way because that's one of the biggest reasons that I think people should be reaching out to you because having that understanding, not just somebody who read a textbook or somebody who saw a YouTube video or something like that, but someone who has lived it and breathed it. That's so critically important. Now that you've got this experience, can you talk a little bit about why you changed your lifestyle? Where I'm going with here is, why did you adopt a plant-based diet? Why does that matter to you? Then, how do you leverage that in what you do today?

Daniel: Sure. For me, it was a process and it's interesting. A lot of people come to this space from a few different areas. When David founded PlantBased Solutions, before this his whole career was in animal rescue and kind of philanthropy from that side, so it was from an animal rights perspective. Remember, I was a chef. I was looking at food as food for everyone and wasn't limited through



the plant-based world. Some people come at it from, "How do we save the planet?" You look at all the water usage and arable land usage for raising cattle and they want sustainability for the planet and they understand and know there's a lot more education about how a plant-based diet can help sustain the planet as a whole. It can start to reduce the damages of climate change as well.

Then, others come at it from health and I came at it from health myself. Again, having been a cancer survivor, realizing that I needed to adopt a healthy lifestyle that was something that would maintain and sustain me. At the time, I had a young child and I wanted also to be... I think there was a level of wanting to care about what I was doing and I felt that the restaurant world, again, it was my career for a long time. There was nothing against it, I just didn't see a real value to it at the end of the day. Like, what was I contributing to the world? Great, a lot of people eat some expensive food and drink some expensive wine. It's nice, but what's my contribution?

I think I was just at this point in my life as a new father, just having gone through this real health scare, of saying, "What can I be part of that's bigger also than me and that can have a greater impact?" I have to say, though, along the way... As I mentioned, this was kind of a long process, so I was eating vegetarian mostly. At the time, I would have maybe some fish, some egg, whatever, and then I realized I thought I was eating healthy, but I ended up having high cholesterol thinking that I was eating healthy by putting eggs on my avocado toast and then realized that I need to really own this a hundred percent and commit to it.

It was really around the same time with a lot of conversations with David about... I had a lot of questions about the plant-based



lifestyle and I think in that process I educated myself a lot more on the humane side of my contribution as well by removing animals from the food system. Even in the restaurant world or in that process, you're pretty far removed from actual farming processes and just how horrible it is and how inhumane it is. I think for me, I gained a level of both empathy, greater understanding, and just gravitated towards this group of people who I just felt were all out there for his, again, this kind of bigger cause of we're actually helping. We're doing something good.

I went through a real understanding, a real process of, "Why am I doing what I'm doing? Why do I want to help these companies grow?" The way we look at it is, and I've always looked at it from the mentoring side starting as, "Hey, the more plant-based companies that can get out there, the more opportunities there are for everyone, for better quality food." Obviously, adults and the healthy lifestyle is great, but I love the idea that children are starting to grow up this way, eating healthier foods, being exposed to this at a young age, having plenty of meals that are completely plant-based and then plenty of kids that are growing up vegetarian and vegan.

It's an interesting path for myself, but I think for at least in the United States, and now we're seeing obviously in, as I mentioned, in places in Europe like Berlin and the UK and Israel, they're speeding up this process. Now, maybe we're speeding it up, too, with things like the Impossible Burger and Burger King and chains starting to bring in some plant-based options.

Dan: I think that's so great that you're doing that. When you talk about contribution, this show is all focused on teaching brands how to leverage that contribution, their mission behind their product, to



get onto a retailer's shelf because, as you know, retail is expensive. It's pay-to-play and the point is this. If you've got a product that meets or exceeds the needs of the consumer that wants it, then that's more important to the savvy retailer than slotting and other menu fees. That's kind of a different conversation. We can get down there later, but one of the reasons, actually, the key reason I wanted to ask you that question is as we're building upon your unique toolset and as we're beginning to understand more about you and what drives you, et cetera, and understanding the importance of PlantBased Solutions or plant-based products in the ecosystem, this is critically important to helping people understand that this is not an either/or type of situation.

On our podcast episode 92, David did a phenomenal job, everyone should listen to this, a phenomenal job of breaking down why plant-based matters, why it's important, and how it can really change your world. I've had people like Seth Goldman and Chuck Muth of Beyond Meat and a bunch of other people all different sectors focusing on what's unique about this cause. The point is that we can reduce a lot of the allergens, we can produce it a lot easier without putting such a burden on the planet. There are so many other things around this.

Now, let's go back to some of the things... let's pull the thread and tie some of these things together. You've got the chef ability, you understand the ingredients. You understand how to break it down, how to develop consistency. Now, you're working with something that a lot of people would think would be very foreign, plant-based meat, plant-based whatever. Think of plant-based tofu, plant-based cheese, you name it, and it's kind of foreign to



people. Where I wanted to go with this is, where do that understanding and appreciation come from being able to make a cheese out of cashews or something else? How do you help those brands understand how to make that transition? Where I'm going with here is when you're talking about the importance of consistency, which is critically important, how do you help them understand how to add that to their brands so that they can be successful?

Daniel: It's a great question. There are some challenges around... I think there are two approaches. I think there's a brand that is 100% plant-based and then there's a... let's call them a traditional... to use the dairy analogy, a traditional cheese company that wants to get into the non-dairy cheese game because perhaps they're losing market share. They're seeing this as kind of the wave of the future, and I think it takes two different approaches. The plant-based cheese company that's started by a vegan, it's through passion. They're making it because they need it because they love it. They're passionate about it, so it's really easy to convey both the brand values and their ethos behind what they're doing. That could be expressed through their website, through their packaging, and we really help them kind of formulate that message, but it's easy because they live it.

On the ingredients side, that could be something as easy as helping them scale through the supply chain or showing them some other alternative options that could maybe... We're starting to see people move away from nuts. We're starting to see a lot in the legumes and oats even enter the non-dairy cheese. Another level about this is the idea that it's so much biodiversity. We're



getting away from every cheese being coconut or nut-based, which was just fantastic.

Again, it's just about more variety, and we all... It's easier to participate in a plant-based lifestyle when there's a lot of variety because there's a lot of variety in the non-plant-based. At the end of the day, we love the vegan community. It's a big lovefest. We go to these events, but we know that it's the flexitarian movement is going to have a large impact. It's going to get us there faster, removing animals from the food system and helping to save the planet because it's just such a larger demographic.

The larger companies that are looking to introduce plant-based into their... that's fascinating and we've been having some conversations. I've been on calls of interest from major national and international brands that say, "Okay, we've been a dairy company for a hundred years. How do we do this?" I think there, it's a combination of food science at that scale because they're going to go to national rollout very quickly, so you need that volume. Either they have the facilities that can do that or we help them find major manufacturing third-party copackers who can really do this at scale at food safety levels and everything that's required. I think for them, it's also more interesting and they need more assistance.

How do they communicate this idea that they can offer a plant-based alternative and still not be abandoning their heritage as a company and they're still going to produce cheese? There are companies that have done it well and maybe quietly I would say... I do mentoring with the Chobani Food Incubator and by helping to try to push more plant-based companies into that, I feel like that's always part of what I'm trying to do. I don't know



if that's successful or not, but there have been plenty, but they launched a plant-based yogurt and they're not anti-dairy, they just see that there's a market for this and they're joining the market. Well, many more people are going to have a plant-based yogurt alternative. That's fantastic. That's what we're looking for.

I think to help them see what that landscape looks like, let them know that this is really... Sometimes we're in our own bubble in the plant-based world, and to let them know that this is much larger than a small group. It's through every geographic location in the country. We have data for that from SPINS and Nielsen. It's growing everywhere, socio-economic. It's not just an elite thing that's on the coasts. I think that's a big turning point by having data for these companies, listen, that's how they operate, so by providing them with some real market data to show that this is something that could be a winning solution for them, both... Obviously, from our perspective, it's ethically the right thing to do, but from their perspective, certainly when they see that a loss of market share, this could be a way to regain that.

Who knows? There have been some companies where they've had... it just so happened that all of their products were plant-based except for maybe two, and we went to them to say, "Well, let's help you get this other two plant-based and now you can stand there and say, 'We're a plant-based brand.'" There's no confusion of your consumer base of, "Oh, I can eat that SKU, I can't eat that SKU." You know have something that you can really stand behind because, at the end of the day, we know that the Millennial buyer market, which is a very large group, really cares about what your mission is and how much you stand by your mission. To have that brand integrity, it's very easy to do when



they just have one or two and it's like, "Oh, wait a second. You're only doing that because of the cheese flavor? We can help you switch that out." That's exciting when that happens.

Dan: So critically important that you're doing this, and to kind of frame it a little bit, you made the comment that... Well, first of all, I want to touch on the fact it reduces allergens, and so I've had a lot of conversations on this podcast, Garrett Hirschberg, a lot of other people, about organic and about how when we think about back when I was younger, I don't remember people with as many food allergies, as many food ailments as there are today. Where does that

Daniel: Absolutely.

Dan: Come from? Well, it's not scientifically proven that it's process foods, et cetera. There's something there and this is something that has occurred only in the last couple of decades. Anyhow, like I said, talking to even Seth Goldman, who I think it was Seth that we're talking about, how we used to joke about how the package tastes better than the ingredients inside of it, the product inside. That's changed so much. Plant-based is a real viable solution to anyone who has tried to get away from allergy, products that create allergy-type specific issues.

Now, you've mentioned that the business side, so I don't know if you're aware of this or not, but many years ago, David reached out to me about a project that he was trying to do for The Plant-Based Food Association and he wanted me to prove a theory we had been talking that I had. The idea was that I wanted to be able to prove that plant-based foods were the ones responsible for all the driving sales across every category. At the time what I



did, and this was the impetus for The 2016 Category Management Handbook, I'll put a link to it in the podcast show notes, but the idea was that every category is down or declining in the absence of organic, plant-based, et cetera.

Let me frame it this way because the data wasn't that good to be able to identify or isolate plant-based, and so if you take a look at total dairy, dairy is up 1.5%, organic dairy was up 12%, organic dairy represented 9.8% of a multi-billion-dollar pie. If you remove that small sliver of the business away, then total dairy is only at .5%. Other categories, you'd see the exact same thing and they'd even be down more if you remove natural or organic, et cetera. Well, that's pretty easy to code, but back then, the coding or the breakout of the plant-based products really wasn't very accurate and that was a huge challenge.

I actually did a project for The Plant-Based Food Association to identify how to do that, come up with that strategy. The point is this. When you look at what's driving the trends across every category, I mentioned organic. Well, if you look at gluten-free, if you look at plant-based, you look at all those other features, then you can see that's where the real growth across all channels, all CPG is. In their absence, traditional categories, traditional products are flat or declining. The fact that you referenced this, thank you because that's so critically important. In other words, not only does it make sense for all the reasons you shared, but from a financial business sense, sustainability sense, here is where the CPG industry is going. Now that you've got... Go ahead, I'm sorry. What were your thoughts?

Daniel: No, I was going to say absolutely correct and I think it's even I think that data would even show more or a greater effect, but



when you're pulling from just SPINS or Nielsen, you're only looking at what sold in retail. Remember that a lot of plant-based foods are sold direct-to-consumer on Ecommerce and this includes refrigerated, it includes frozen, so I think the sales are even more than what can be shown because they're sold directly to the consumer and we don't always have the data for that.

Dan: Well, and to go into that further and something I'm kind of reluctant to talk about a lot of times, but when you're trying to understand this unique attribute, the way the databases are coded do not reflect the way the consumers buy the products. What I'm getting at, trying to be very, very politically correct and everything, is that if you're a brand and trying to make decisions based upon facts, you've got to have quality facts that you can use to leverage in your decision-making. I find that when I do projects for a lot of different companies across all different categories, I have to go in and clean up the data so that it identifies what is almond, what is coconut, what is whatever. My point is this is something that all brands need to be aware of, and so kind of as a note but this... kind of a little bit off subject, but this kind of will help frame this.

I was doing a project for someone, actually helping someone else out, and they showed me a top canned report that they got from someone else. The number one brand or segment... actually, the number one segment on the report was miscellaneous. That means that there is a problem. The data is wrong and that's the way

Daniel: It's not even coded.



Dan: No, no, it's not, and then when we're going down the list, there are nuts and then there's almonds and coconuts. Well, wait a minute. Aren't almonds and coconuts nuts? That's an issue, and then we're going down and we found plants. We found plants and then we found kale. It's like, "Wait a minute, kale is a plant." My point is this. Unless you understand the data and you understand how to get the most out of that, then you're making decisions based upon... that don't include the best facts and that's my secret sauce.

That's how I help brands out and that was sort of the impetus of what I was talking about in The 2016 Category Management Handbook. The reality is this. The brands that you're working with need to be an expert in everything about their product, every brand in the category of the brand they compete with. This goes well beyond just accepting a topline canned reporting and saying, "Here you go." Now, taking those insights... Go ahead, please.

Daniel: No, I was just going to add we're doing some work for about the last I think a year or so that relates to this but it's really creating your own reports, your own-

Dan: Exactly.

Daniel: Surveys, and not just as a SurveyMonkey to your mailing list, which could be absolutely fantastic, by the way, to find out what people are looking for. I recommend to everyone who has a brand, build your email list. It's super valuable. Coming onto actually one of the modules just to kind of tie back into the upcoming Masterclass that's relevant to this is bringing in Mark Mallardi, who I've been doing some work with. He's part of the New Hope... their next innovation, next consumer survey system



or department I guess you would say. They have so much data. They do the Natural Products Expo East and Expo West, and every show they have photographs of every side of every package, every ingredient listed, every certification, imaging, brand, look and feel, and they get all the trends.

Well, what we're able to do is even when someone... it depends on where they are in their life cycle. If they are starting a brand and they have decisions of, "I've got all these ideas. What category should we go with?" There's a way to put a survey together and we help them kind of develop that, utilize this great database the Next team has, and we send out a survey to about a thousand people, which is a great number. It's across the country, different demographic groups, and you get back a real understanding of, "Oh, this is maybe a better category to go in what you're looking to do." Or, "This is the flavor", or, "People are interested in this."

What's great about that is we use it for a couple of things, either for investor decks where you could show an investor, "Hey, before we've even taken something to market, there's a huge interest for this. We have this kind of data to bring back to you, and by the way, that data has been kind of validated by Nielsen on things that have gone through the survey and have scored well. There's a great correlation between them scoring well and actually selling well." For companies that are already in market and selling, if they're looking for product... new line views, they're just looking to grow their brand, we find this is a great way to get that data and support your brand even to retailers.

When you're going in to sell, you can say, "Hey, people are looking for this. Here's the data for it. Here's this demographic.



Here is this geographic region and they're looking for this type of product and we have the solution for you." Instead of just waiting for something to go to the market, I agree with you a hundred percent. Having the right data is key, so when a company... Without spending huge amounts of money, which people are always very nervous about. It's reasonable for smaller companies.

You can create really... Join this survey that works with other brands as well, but you get your questions kind of put into this grouping and you can get back some fantastic data about which direction you should go and what people are looking for, how they respond to your messaging, to your flavor, to what goes on your label. It's really valuable and I'm happy to have Mark joining as a guest speaker on the Masterclass to really dive into that a little bit further and explain it.

Dan: It's so critically important, and let me frame this. Let me go one step further. A lot of brands really have their own focus groups and focus groups can usually... you're getting advice or information from people that don't really understand the products. One of the things I spend a lot of time talking about, Daniel, is that big brands, big solution providers, et cetera, tend to commoditize the shopper. In other words, we're all male, we're all female. We're dumbed down to the lowest common denominator, and the point is this. If you're asking a mediator about vegan cheese, you're probably not going to get the same... actually, you will not get the same answer that you would get if you asked a vegan, someone, who understands it, someone who lives it. I always use the LOHAS example as the reference point.



I joke about the fact that most issue providers would say that the LOHAS consumer is someone who eats a couple of salads and goes for a walk, wherein our world, it's someone who is interested in reducing their carbon footprint, someone who understands the nutrient value

Daniel: Exactly.

Dan: Of the products or the ingredients in the product and how that's going to benefit them. If you are what you eat, then what you eat matters. Food is medicine, all this other stuff. My point is this. If you're asking the wrong questions to the wrong people, then you're going to get bad information and that's my secret sauce. That's one of the things that I work with, so actually, to your point, I created my free Turnkey Sales Story Strategy Course to teach brands and to challenge brands how to identify these core attributes. In other words, what does your core consumer look like? How do they buy your product? When they buy your product, why did they make the decisions? How do they evangelize about it when they get home? What are the other things that they buy when they buy your product, et cetera? Then, now let's understand, let's become an expert in your consumer and your competition.

The point is that this is so critically important to every brand and yet literally every brand plays lip service to this. This is perhaps the most fundamental reason that I've been able to push around the big brands like P&G, Frito, et cetera, throughout my entire career. Thank you for sharing that. Now that you've brought all this together, let's talk about your Masterclass. First of all, let's talk about PlantBased Solutions. What is it? Why does it matter?



How do you guys fit into this universe? Then, I want to go into the Masterclass that you're talking about.

Daniel: Sure. Well, PlantBased Solutions is a business services consulting firm. Well, we really help brands develop, launch, and scale their plant-based product. What that means is if it's early on concept stage, we can help them develop and we've just done that recently. We helped them develop their brand, their brand look, their brand name, how to communicate that brand to the public. To your point, that's super important. Who is your target market? How do they connect with you? How do you connect with them? Really define that as clearly as possible to helping them... They had a baseline kind of recipe of something to turn it into a scalable formula that can be used with a third-party manufacturer.

We help them find that third-party copacker/manufacturer, get to benchtop testing. They actually just got approved for a January launching South Florida, Whole Foods, about 35 of them which is great as a start. We even help on... we've brought in a digital marketing team as so many teams who are at that early stage really need a kind of full service. As I mentioned, depending on the type of company, so many are launching direct-to-consumer, they need both website and digital marketing kind of solutions. The scaling part also is we work with a lot of companies. They're already in the market, they've got their brand. They're like, "We don't need that. We don't need that."

When I go to Expo East or Expo West, sometimes I'll talk to a brand and I'll say, "What's your biggest challenge right now as a company?" That's my question, and they look at me and so many times it's, "Oh my gosh, it's our manufacturing. We're running out



of space at our co-pack." Or, "They don't have time for us. We're not treated like a priority." Working with third-party manufacturers across the country, helping them manage that process. Often being kind of a liaison kind of like a... it's almost a bit of a playing marriage counselor between the brand and the copacker because it's a delicate balance.

It really is interesting how brands feel like they need so much from a copacker and the copacker has a thousand brands calling them every week. It's, how do you become important to them? What's the carrot to put in front of them? Sometimes it's helping a brand and the growth stage part of scaling is they may need to raise capital, so doing events as we do at Expo West every year, helping put together pitch decks, financial models. Then, sometimes it's getting them in front of our group of really mission-driven investors. We're part of GlassWall Syndicate, NCN, Nutrition Capital Network, so we get a lot of deal flow coming in ourselves of pitch decks that we see and we can also get them in front of people as well.

Now, a new part of PlantBased Solutions is going to be launching this online Masterclass to really develop, launch, and scale your plant-based brand. As I mentioned, really excited about this. Spend some time to look at what's out there in this space. There are free webinars, there's a lot of meetups. There are all kinds of... some guest speakers come on sometimes, but it's usually past where most people will just watch a webinar, someone talks at them. What I thought was important was, how do we develop community? How do we do this in a way that people really learn? I've done these webinars and I've gotten feedback of, "That was



great, but you gave us so much information in this last hour that it's like drinking from a fire hose and we just can't take it all in."

I did a lot of research about how people learn and how much time is really available in terms of a busy work week for an entrepreneur, and sometimes this is for more than the entrepreneur. Sometimes this is for someone who is really interested in this space. Maybe they're plant-based and one day they may want to start one, but they just want to educate themselves about it. That was interesting learning as well. In taking in some of these surveys and reading some studies about how adults learn, we decided to do eight-week series. Every week it's an hour and a half of their time. We'll also prerecord it if they can't make that time. We may do two times because now we've got some European people coming on board on this, but the idea is that this is a live interactive group.

You're a member of the Masterclass and this way there's interaction, there's pre-work, there's pre-reading that would be done. Again, we're giving them a week to do it to get through the reading. Some exercises to do for each module, and then I'll speak about whatever the subject matter is and then I'll bring in a guest speaker who is really an expert in this space. It's certainly not all about me, but it's about experts and we'll just keep bringing in new ideas and people who really have done this who can help.

Again, this is thinking about where David and I first starting getting together mentoring, it's great to give this information but we can only touch a couple of people. Everyone needs to go through all of these pieces at the end of the day if they haven't already. We've got brand positioning, product innovation, which is



about scaling but it's also about, how do you differentiate yourself from the marketplace? It's great that you have this idea, but there's a lot of other ideas out there and in running a business you have to understand that the successful brands are the ones that can differentiate and stand out.

We want to bring that to the table. What is a go-to-market strategy? How do you build your business model? In thinking about that, are you going direct-to-consumer with Ecommerce? Is this a retail play? Is this something for foodservice? Doing a business plan, simple as, how are you forecasting? Bringing those people in. There's another module on scaling your business. We're going to be bringing in a food manufacturing brand. They're amazing. They're on the West Coast. I went to visit their operation plant. They do direct-to-consumer vegan meals and talking about how they have decided to build out their own space versus working with a copacker and how they might start copacking for others, so really interesting conversation.

It's kind of a different look at consumer marketing, kind of a unique approach. How do you connect to consumers? Digital marketing, E-commerce, and then raising capital as I mentioned is another piece. They have Lisa Feria from Stray Dog Capital coming in to talk about, what does it mean to raise capital? What do investors want to hear from you? How do you successfully put together a pitch deck? I've got these eight modules, eight weeks, we'll record them so you can go back into it later, but it's all going to be accessible on our plantbasedsolutions.com website.

Once someone joins, they'll have access to a web portal on our site where they'll have information, you can communicate to other people in this space, answer questions. We'll try to bring as



much data, support, additional readings, kind of aggregate where there are events coming up. Try to get this information that you and I know this space so well. Another way to look at this is access. I'm fortunate enough to go to these, to be at Expo West and to be in San Francisco for The Good Food Institute Future of Food, looking at plant-based meat alternatives. How do we bring access to everyone? A little bit of a peek behind the curtain?

By bringing in these experts, we can kind of get people well along their path in a way that fits their lifestyle. It's only a little bit of time we're asking them to dedicate every week, but by doing that week after week, they're committed to learning about this for their business or their potential business in the future. We're helping to kind of build this community and really support this community and lucky enough to have some really interested not just guest speakers but some people who are going to get a little more involved.

You mentioned The Plant-Based Food Association, so on kind of some additional supplemental pieces, we're going to look to show Simon talking about legal. Some other people on our team... I already spoke to Kiki to talk about working with distributors. It's really, really exciting. It's a lot to do. It's a new space for us. You're familiar with this online education space, and we're excited to see... Again, to even do some work with you on this as well.

Dan: I would love to. In fact, on that note, we'll talk about that more in a minute because I know we're kind of running out of time, but no, I'd love to. This is something that David and I have been talking about for a couple of years and the point is this, that there is a huge, huge, huge gap in the industry. I think we spend a phenomenal amount of time and I think we do a phenomenal job



teaching brands how to raise money and then how to raise money and then how to raise money.

We don't do an effective job I believe as an industry of teaching brands how to spend it effectively, of how to leverage that. How to get the most runaway out of their available dollars. The benefit is it helps you as a brand determine how long you're going to be around, a month, a week, a year, whatever, but it also makes you more attractive to investors. That's a whole nother conversation but thrilled that you guys are doing that. Looking forward to having more conversations about that with you. I know we're coming up on the top of the hour. Is there anything that we haven't shared? We've talked about a lot. Anything we haven't shared that you'd like to share now?

Daniel: Just one piece. I'm not sure timing for getting this up, by the way, but we are going to be, and you can take this out if it's not the right timing, but October 10th, going to do kind of an intro which will be free webinar as an intro to the Masterclass. That's something we're going to be marketing and promoting to get people aware of what this is all about, and then we'll be going live on the 24th of October. Outside of that, I think the more people can educate themselves, your listeners being part of the community... You bring up an excellent point in terms of, how wisely can you spend your money? There's a lot of decisions to be made. What event should I go to? What show should I be showing at? That's really hard and hopefully the more access to those shows we can bring to people, maybe they can save a couple of thousand from like flying to California or listen to some speakers.



I'm really thankful that like the GFI, Good Food Institute, they posted that event live and that was fantastic, and so if you couldn't make it there you could still learn about what's going on. Natural Products Expo East does another one. I'm going to be in Washington at the end of this week for The Reducetarian Summit in Washington, D.C., and that's another group that's promoting reducing meat. Kind of another version of flexitarian and there's going to be a lot of great guest speakers there. I think just being aware of what's going on even though you're busy running your company, taking some time to be part of the community. There's a lot of support out there. There's a lot of free advice you can get. A lot of good people out there who just want to share, so the more people we can reach the more messaging we can get out to everyone to help them along their journey.

Dan: Thank you for sharing that, and let me add in the idea that you run your business, you're busy, you've got a lot of things going on, but if you had an opportunity to accelerate your growth, if you had an opportunity to reevaluate, "Well, is the right suggestion? Right idea? Et cetera", and then leverage that, again, that's what this whole podcast is about. That's why you're here and that's why David was on, et cetera, is teaching brands how to do things better, more effectively, et cetera, and getting more runaway. My mission is to help you get your healthy products on more store shelves and into the hands of more shoppers. The way we do this is as a community working together. Thank you, Daniel, for coming on today. I appreciate your time and I appreciate your insights.

Daniel: Thank you so much for having me. A pleasure to get together to connect and look forward to talking with you again soon.



Dan: Thanks. I'd like to thank Daniel for coming on today and sharing his wisdom and his insights. I'm thrilled about their new Masterclass and I think it's going to be a real game-changer for everyone in the industry, especially in plant-based foods. Like I said at the beginning of this podcast episode, this is where having an expert, a real, true expert in your corner can make all the difference between you being a one-hit-wonder and you being around as a legacy brand, the focus of this podcast and every piece of content that I put out. I'll be certain to put a link to PlantBased Solutions in the podcast show notes and on the podcast webpage. In addition to their Masterclass, you're going to want to check them out.

Today's free downloadable guide is brand new. It's Trade Management Essentials to Grow and Scale Your Brand. Trade management includes everything to get your product into the hands of a shopper. That includes all promotional fees, slotting, and everything else. This is something that's critical to every brand because this is where most of your dollars are spent. If you can manage this more effectively, then you can get more runway to grow sales and profits.

The better that you understand this, the more effective you are in choosing the promotional vehicles that are best for you instead of just accepting every promotional request that a retailer or broker or distributor puts in front of you, one of the key reasons that most brands fail. You can get this week's show notes and download this free guide at brandsecretsandstrategies.com/session146. Thank you for listening and I'll look forward to seeing you in the next episode.

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Sign up today on my website so you don't miss out on actionable insights and strategic solutions to grow your brand and save you valuable time and money.

I appreciate all the positive feedback. Keep your suggestions coming.

Until next time, this is Dan Lohman with Brand Secrets and Strategies where the focus is on empowering brands and raising the bar.