

Global consumer specialists with a passion for brands, a profile of Verlinvest

With #QVCS, Maddyness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we interview Anais Jollivet, Principal at Verlinvest.

Temps de lecture : minute

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Verlinvest is an international, family-backed evergreen investment company. They partner with visionary entrepreneurs who are driving consumer revolutions and building the next generation of category-defining brands that will positively impact the consumer sector for many years to come. Established in 1995, with offices in Brussels, London, New York, Mumbai, and Singapore, Verlinvest focuses on growth-stage companies in the FMCG, health, consumer technology and lifestyle categories. The company has over €2B in AuM and counts brands such as Oatly, Vita Coco, Tony's Chocolonely, BYJU's, Clone, Mutti and Who Gives A Crap among our portfolio, alongside alumni [Chewy.com](https://www.chewy.com), Vitaminwater and Remy Cointreau.

Can you tell our readers where and how it all began and talk about where you are today?

In terms of pre-career, I grew up in the French Alps and took the bold move to go overseas to the US for my studies (from a place where even Paris is considered far!)

In Chicago, I grew passionate about investing and pursued internships in

alternative investments (hedge funds, private equity firms, etc.). After my studies, I joined McKinsey in Brussels where I had the chance to work on a global scale in various industries, from semi-conductors in the US to mobile gaming in Bangladesh.

I subsequently joined Verlinvest where I could combine everything I enjoyed: global scale, an international team, the consumer sector, and strategic implementation with portfolio companies. For example, I spent six months full time at Mutti, Europe's leading heritage tomato brand, to help build their global digital marketing function, bringing best practices from some of our other, more digitally savvy portfolio companies. Even the most traditional sectors need to adapt branding and communication strategies to reach and appeal to younger generations.

Which industries are you working in?

We are consumer specialists with a passion for brands. Verlinvest invests globally, in Europe, the US, and SE Asia, across all consumer sectors with a focus on FMCG, health, consumer technology and lifestyle categories (such as pet, beauty, personal care and outdoor).

The team has decades of experience in identifying inflection points in consumer behaviours and in backing businesses who can drive these consumer revolutions forward – using our global footprint and unparalleled network to supercharge their growth. For example, our European portfolio includes the likes of Oatly, Tony's Chocolonely and pet care retailer, Tom&Co.

I personally focus on consumer tech with a special interest in foodtech stemming from my previous involvement with some of Verlinvest portfolio companies in the food and beverage space. I also work across the whole EU portfolio to help brands keep up with ever changing digital marketing best practices and specifically with boosting online sales.

What do you look for in a founder?

We look for founders who share the same passion for consumers and who are relentlessly focused on changing consumer behaviours on a global scale, for the better. For example, someone dedicated to the mission of educating customers about the positive impact of moving toward plant-based products.

I appreciate both profiles of founders who are true experts of the industry they operate in, and founders with no previous specific industry experience who can bring a new point of view.

Can you talk about your current portfolio?

We are thesis-led, evergreen investors, backing long-term consumer trends that are not affected by the current short-term turmoil.

For example, I recently worked on our investment in virtual food franchising company Clone which relies on the belief that while food delivery platforms like Deliveroo and Uber Eats have now created a mature market, supply-side restaurants have yet to undergo a digital transformation to meet consumers' needs (for example, with branding, menus, UX and interactions with platform). Clone provides restaurants with an easy diversification opportunity that can complement their traditional offline business, helping to increase margins, which is particularly useful in the current challenging environment with rising food and labour costs.

How has COVID-19 changed the way you operate?

If anything, COVID-19 has reinforced the importance for us in building

trusting relationships with the founders we back, which we believe cannot happen on a totally remote basis. It is fundamental for us to visit them in their offices, meet their teams, and witness how they operate - you learn so much more that way than via Zoom or by reading financial documents!

While we have always backed brands that drive better consumption habits, COVID has further increased the importance of ESG principles in our eyes and those of consumers (particularly millennials, who will soon account for the majority of consumer spending). We believe the brands that will be successful will be those that can best convey and best educate consumers on how they are driving positive social and / or environmental change.

For example, we have a number of what we call 'purpose-led brands' in our portfolio, such as *Tony's Choclonely*, which is on a mission to eliminate slavery from chocolate supply chains and *Who Gives A Crap*, which donates half of the profits from its deforestation-free toilet paper roll sales each year to charities that are providing sanitation in developing countries.

What does the future look like?

We expect the next 6-12 months to continue to be challenging in the consumer space, both due to declining purchasing power and stark raw material inflation putting further pressure on prices. Brand differentiation and staying focused on a core mission will be important for companies in a world where spending an extra cent will need to be justified by the value a brand is bringing to the consumer - whether that be in terms of quality, sustainability, or another variable.

As backers of long-term consumer trends, including for example plant-based products, pet 'humanisation', and grocery/restaurant digitalisation, we remain confident in our investment theses and are reassured by the

resiliency we're seeing in many of these subsectors.

In the short-term, we are focused on helping our founders and brands to navigate a more complex macro-economic environment than they have ever experienced to fulfil their long-term growth potential.

What makes Verlinvest different?

What resonates most when I'm speaking to founders is our global consumer expertise and our flexible, family-backed evergreen structure, which makes us truly different.

We also have decades of experience backing founders in the consumer space and helping them to grow, leveraging both our international team and a global community of experts in areas like branding, marketing, hiring, sustainability, etc. We can assemble the right support network for each founder or executive team.

What one piece of advice would you give founders?

Identify clearly the 2-3 key points that are true value drivers for your business and be laser-focused on delivering them in the next few months – it is not the time to divert resources from what is truly essential given the current market conditions.

I see many founders these days who might have taken the shift to profitability a bit too literally. While times have definitely shifted away from “growth at all costs”, it is still important to invest in growth (albeit with a crystal-clear path to profitability) – having a stagnating business that is cash positive is not very attractive and unlikely to be successful in the long-run.

Anais Jollivet is a Principal at Verlinvest.

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