

Executive Summary

A Fortune 500 beverage and brewing company was facing its obstacles to staying competitive. Although between 2009 and 2015 the stock price tripled in value, in recent years it was increasingly focused on adapting to meet evolving consumer preferences. **Innovation is key for sustained growth in the beverage and brewing industry, but the client had exhausted its existing options to do so internally or through acquisition.** The client's leadership knew it had to identify alternative approaches to retain its market share or risk falling behind.

To combat stagnating innovation, the client established a venture arm, whose sole objective would be "disrupting" the industry. The venture team would focus on investing in and further developing startups that could infuse the company with fresh ideas, improve customer experience, and ultimately deliver growth. The client partnered with Catalant to find the best people to spearhead this strategically creative function while maintaining an agile and scalable core workforce.

Business Drivers

Extremely aggressive growth goals. The client had boasted high global revenue growth with a 4.6% compound annual growth rate over the past five years. This only further added pressure for the company to continue its high growth, and the venture arm was expected to unlock a large portion of it. However, the rapidly evolving market landscape required the client to have access to niche expertise on demand to rapidly identify opportunities and capture value.

Need for niche expertise to complement a lean team. The new venture arm was exploratory in nature and had limited full-time resources. To



maintain scalability and hedge risk, it needed to maintain a lean core team, while also pursuing aggressive initiatives that required a collaborative effort. The venture team saw Catalant as a partner who could support the varied activities across the investment value chain, including market research, due diligences, and portfolio operations support.

Outdated methods to meeting needs.

Conventional approaches to fulfill needs for expertise and additional bandwidth are outdated and not built for "venture-pace" and budget. The client were aware that big firms are overbundled, inflexible, and cost prohibitive. Meanwhile, managed service providers were often lower in quality. Finally, full time hires were slower to onboard, and often not aligned with project-based missions. The client knew that Catalant could help the company overcome these challenges through their platform.

Client Outcomes

Rapid functional build-out. Within a period of six months, the venture team went from being a small team of five, to a team of 80 covering six groups covering key product categories and functions. They were able to build this team with minimal investment from the company's HR function and maintained the ability to scale as needed.

Assembling an all-star team. The client sourced a hybrid and dynamic team of internal and external talent, comprised of people who had unique expertise across key identified functional areas. The team included venture experts, as well as subject-matter experts in brand, retail, e-commerce, and product.

New investments, new opportunities. The client has made 43 private market acquisitions and investments since 2013, including those made by its venture team which continues to facilitate key investments brought by its parent company.

About Catalant

Catalant helps companies build an agile workforce, with technology and programs that enable them to access the talent they need, when they need it, wherever it is.

Over 20 percent of the Fortune 1000 and 30 percent of the Fortune 100 trust Catalant to strategically wield talent across their organizations with speed, agility, and flexibility.

Featured Projects

MARKET OPPORTUNITY / INSIGHTS



Michelle M.

25+ years in technology, management and investing



- Consumer insights research design and execution
- Detailed recommendations for market entry

DUE DILIGENCE



Eli D.

12+ years in top-tier management consulting



- Market sizing and growth analysis
- Financial modeling
- Risk analysis

PORTFOLIO FUNCTIONAL SUPPORT



Lux C.

20+ years in retail, digital and marketing



- Key partner / sales agency management and coordination
- Retailer presentations
- Launch event planning