SBN Case Study: **Innovation** 

## SMEs with big innovations:

striving for improved nutrition









As the largest providers of food in Africa and Asia, small- and medium-sized enterprises (SMEs) are critical in shaping local food systems and providing good food for all. The Scaling Up Nutrition (SUN) Business Network (SBN) is working to support these businesses to scale their nutritional impact by providing mentoring and training through the Global SUN Pitch Competition initiative.

Despite their critical role in food systems worldwide, agri-food SMEs are highly constrained by a lack of access to financial and technical support. As a result, they remain largely untapped for developing and scaling-up market-based solutions that could improve the consumption of safe and nutritious food in global markets. Recognised as a critical issue by SBN, the Global SUN Pitch Competition was designed to leverage the potential that exists among agri-food SMEs for delivering accessible, affordable, healthy food to vulnerable populations across Africa and Asia, by connecting those enterprises in emerging markets with technical assistance and investors. Since the launch of the first Global SUN Pitch Competition in 2018, over 1,000 SMEs from 24 countries have applied, with 42 entrepreneurs competing in the final global event.

Ahead of each Global SUN Pitch Competition, National SUN Pitch Competitions are organised to select the most innovative and scalable

"The Global SUN Pitch Competition highlights the SMEs having a meaningful impact that we might not have otherwise recognised."

> Nicolette Louw, Bopinc Project Manager

enterprises operating in a single country, who compete to win cash and technical assistance prizes and investment opportunities from local partners. The winners of these national competitions are then offered the opportunity to participate in the global finals. Participation in the Global SUN Pitch Competition provides entrepreneurs with greater opportunities to connect with their peers and potential investors across the globe, and to receive critical training to support them in scaling up and broadening the impact of their business.

The 21 finalists of the 2019-2020 Global SUN Pitch Competition participated in a global acceleration programme run by Bopinc and the Global Alliance for Improved Nutrition (GAIN), which included a series of investor readiness and nutrition awareness training sessions. Through these sessions, the SMEs gained expertise in preparing and presenting business plans and pitch decks, in addition to developing strategies that could strengthen the nutritional impact of their businesses. The primary goal is to strengthen the capacity of entrepreneurs to successfully engage investors and understand what they look for, how to develop a target market, and how to present the financial aspects of a business.

Another aspect of the training focuses on 'soft skills', such as communication, to help entrepreneurs deliver a confident and effective pitch. "That is a really valuable exercise because, even after the competition, the entrepreneurs will be able to engage more investors for themselves," enthuses Nicolette Louw, Bopinc Project Manager and a finalist mentor.

## **Award-winning approaches**

In addition to the overall value, training, and support garnered by participating, the entrepreneurs who claimed titles during the



Global SUN Pitch Competition final received cash prizes, investment connections, and further mentoring opportunities. All three elements support the winners in scaling up their business operations. For example, Ope Olanrewaju, Founder of Kennie-O Cold Chain Logistics and the 2018 Global SUN Pitch Competition winner, won the technical assistance and mentorship prize and connected with an investor through the competition. "From the training we received in the Netherlands, we have been able to increase our customer base and our revenue, and the company started receiving offers of investment," enthuses Ope.

In the 2020 Global SUN Pitch Competition, BabyGrubz from Nigeria emerged as the overall winner and received a cash prize of USD 20,000 for the most innovative solution for improving availability of nutritious foods. This woman-owned SME develops nutritious complementary foods for infants using locally-

sourced ingredients. "I feel really grateful that our contributions towards improved family livelihoods and child survival are recognised and rewarded. This is a welcome pat on the back for us at BabyGrubz," adds Oluwaseun Sangoleye, BabyGrubz Founder. Oluwaseun also received further mentoring from Bopinc on how to digitise her business, a critical skill to ensure resilience during the COVID-19 pandemic and beyond.

A Cambodian enterprise, Danish Care Foods, was awarded USD 10,000 as the first runner-up of the 2020 competition. The company makes ready-to-use therapeutic and supplementary food products, including wafer snacks, to treat malnutrition in children. The second runner-up prize of USD 7,000 was presented to Mealimeter, a Nigerian SME which links hospitals, offices, and schools with nutritious meals by providing food vending machines. It also connects customers with the country's best nutrition-focused chefs and small businesses through a mobile app.

## Partnering for progress

Strategic partnerships were critical to the competition's success and its impact on participants. By engaging other organisations and private sector entities, the competition organisers were able to offer better technical assistance, financial support, and future opportunities for growth. For example, event sponsors and partners including Royal DSM, Cargill, and GAIN offered their own prizes and awards to businesses they selected as being especially innovative – namely <u>Limpho Produtos</u> Alimentares from Mozambique, Poulta Inc from Pakistan, and Sanavita from Tanzania, respectively. Other event partners, such as Philippines-based agribusiness AGREA, offered a mentorship prize, through which Sanavita's founder, Jolenta Joseph, was able to work closely with AGREA's Founder, Cherrie Atilano. "Having a mentor who works in your line of work is important, as they are able to guide you through the toughest hurdles, chief among them access to finance," emphasises Jolenta.

## Championing resilience

SBN continuously seeks opportunities to enhance the support provided to SUN Pitch Competition finalists in overcoming operational challenges. For instance, the 2020 Global SUN Pitch Competition finalists were adversely impacted by the COVID-19 pandemic, as movement restrictions hindered sales and the purchasing power of vulnerable communities plummeted further. For Poulta Inc, which works in Pakistan's poultry value chain, these restrictions were significant, as reductions in demand for chicken and challenges in sourcing manufacturing materials from overseas required drastic changes in operations. Similarly, Sanavita experienced a considerable drop in customers as markets and schools closed during the pandemic. The Global SUN Pitch Competition event organisers are now looking to incorporate resilience training modules in future events, which include key topics around digitisation and strategies for managing production and demand changes.

The Global SUN Pitch Competition initiative is an exciting opportunity for SMEs to showcase their innovations but, more importantly, the event provides crucial support for enterprises aiming to improve the food and nutrition security of their communities. These individuals are well-positioned to make real change in their respective communities, especially for vulnerable populations.

Participation, Nicolette notes, is similar to everything else in life, in that "you get out of it what you are willing to put in." The finalists who worked hard on their pitches, engaged with the training, and valued the opportunity, were able to gain the most benefit from the experience.

