

## **Unit 1 Case Study**

### **Acquiring and Growing a Business**

Once Upon a Farm was originally founded by Cassandra Curtis and Ari Raz with a goal of creating nutritious, convenient baby food after not being able to find any. Initially, Curtis began by creating her own recipes and selling the cold-pressed food at retail. Coincidentally, actress, spokesperson, and then-new-mom Jennifer Garner was also seeking nutritious, convenient baby food and stumbled across the small business. Intrigued, she visited the company in 2017 and partnered with former Annie's CEO John Foraker to acquire the business from Curtis and Raz.

While Foraker came to partnership with experience in the food industry, Garner had nothing but enthusiasm and commitment. Together, they shared a common goal of improving nutrition in children's food. Their mission, to "Nurture our children, each other, and the earth in order to pass along a healthier and happier world for the next generation," led them to convert the company from an LLC to a public benefit corporation and eventually earn B Corp Certification. They aimed to revolutionize the market for nutritious, chemical-free children's food, partnering with the Clean Label Project and eventually obtaining First 1,000 Day Promise Certification for select products.

Introducing a fresh, affordable line of baby food came with its share of hurdles, including the necessity for refrigeration and adjustments to store layouts. Equally vital was educating parents about the product's worth. Despite Once Upon a Farm's pouches being showcased in stores and efforts to engage with customers through feedback sessions and in-store appearances, the products struggled to meet sales expectations. Consequently, they lost half their store placements, reducing their stock from 17 stock-keeping units (SKUs) to just five.

Gerner termed these challenges "key learnings," encompassing the insights and lessons gained from conducting business. For instance, they discovered their primary consumers were not infants but rather older children, prompting the removal of "baby" from the packaging of certain products. By pivoting to "kids' food" instead of just "baby food," the company expanded its market by 10 to 15 times in size. As of 2024, the company was valued at over \$100 million and was considering an initial public offering (IPO).

Making numerous adjustments and introducing additional products contributed significantly to Once Upon a Farm's success and sustained growth, enabling them to pursue their deeply passionate social mission. One such initiative involved donating a percentage of online sales to the Alex's Lemonade Stand Foundation for Childhood Cancer.

1. To what extent do you think Jennifer Garner's celebrity status helped in promoting a new concept of nutritious food?

**Answer:**

2. What risks did John Foraker and Jennifer Garner undertake?

**Answer:**

3. What do you think B Corp Certification means in terms of business structure?

**Answer:**

4. Conduct an online search using the phrase Clean Label Project to determine if your business would be interested in having this distinction.

**Answer:**

5. Imagine you were working in a grocery store. Would you have been hesitant to stock these pouches in 17 different SKUs? Why or why not?

**Answer:**

6. What were your “key learnings” from this case study?

**Answer:**