



Planting Hope's RightRice Deal Drives Mantra To "Do Better"



The Planting Hope Company acquired legume-based rice alternative brand RightRice from Betterer Foods for \$7 million in an all-cash acquisition earlier this week. The deal places all of Betterer's assets under the publicly traded company. Speaking to NOSH after the announcement on Tuesday, Planting Hope co-founder and CEO Julia Stamberger said the acquisition will compliment the plant-based company's portfolio while taking the alt-rice brand "to the next level."

The Planting Hope Company said it jumped at the chance to acquire the assets to Betterer Foods' RightRice brand, only two months after the female-led corporation went public on the Toronto Stock Exchange. According to Stamberger, RightRice's potential to scale globally and its nutrient-dense positioning made it the right fit for the company's first, post-IPO acquisition. Stamberger said Bellings reached out about the company's sale, but could not say if RightRice had spoken to other buyers.

"Aside from knowing that the brand that was built very intelligently and strategically because [founder] Keith [Bellings] was at the helm, was where it focuses with plant-based nutrition. That, for us, is an absolute key," Stamberger stated.

Stamberger emphasized that the deal, which closed in mid-January, came together quickly in the weeks following Planting Hope's IPO, as it recognized an opportunity to accelerate its long-term goals by acquiring an established brand.

"We [typically] develop our own brands because we feel we've got such a strong pulse given the amount of experience on our team, on the market and the opportunities," she said. "We want to develop things from scratch that really meet those opportunities the best way possible, rather than trying to take something and adapt it, but what RightRice has done is just phenomenal."

In the three years since its launch, RightRice has entered 7,000 doors including Whole Foods Market, Wegmans, Kroger, Sprouts, Safeway/Albertsons, Ahold and Meijer, along the way expanding beyond its flagship line of rice alternatives into pilafs and "risotto" offerings.

The acquisition, Stamberger said, allows Planting Hope to leverage its existing resources while simultaneously accelerating its “drive towards profitability.” Sharing back office departments of a larger corporation to scale a smaller brand is not a new strategy, utilized by other rollups such as VMG’s Velocity Snack Brands (VSB), but it can be particularly advantageous for products that are limited in how big they can ultimately become.

By having a group of shelf stable pantry staples, Planting Hope believes it can gain more retail placements and create integrated marketing campaigns that target customers looking for items where nutrition and sustainability go hand-in-hand. It also knows how to appeal to flexitarian consumers looking for shelf-stable, plant-based complete proteins that can be “a true alternative” to animal proteins, Stamberg said. According to [a recent survey commissioned by Sprouts Farmers Market](#), approximately half of Americans aged 24 to 39 follow a flexitarian diet.

Unlike rollups such as VSB though, Planting Hopes products span categories and core ingredients, including plant-based sesame milk (Hope and Sesame), popped vegetable chips (Mozaic) and chickpea-based dips (Veggielopia). While the portfolio offers sustainable and nutrient-dense versions of high-velocity pantry staples, the range means the company will have to manage an array of supply chains, co packers and, in many cases, retail buyers.

Still, Stamberger sees potential in focusing on the broader concept of targeting the “top 30 items the household has to have, or else it grinds to a screeching halt,” noting that it’s also about the impact the company can have.

“That’s the place to make the change when it comes to nutrition and sustainability,” Stamberger said. “Your impact when you really focus on strong nutrition — something that people eat every day — that’s a much bigger impact than something they eat occasionally. From a sustainability standpoint, you really magnify your imprint there as well.”

RightRice can also help the company make progress on its goal of integrating more naturally regenerative ingredients, such as legumes.

“We’re not completely sustainable across everything we do yet, but we’re trying, we’re making more changes... It’s about continuing to push the envelope, look at new technologies, at new opportunities and evolve piece by piece in realistic ways that we can actually achieve and measure,” she said.

Stamberger believes embracing the plant-based movement at a global level will be essential to her company’s long term growth and said RightRice brings significant opportunity in this space as it “lends itself very well to export.” Additionally, the company is looking to increase its presence in food service – where RightRice brings an established relationship with QSR chain Cava. Hope and Sesame also has plans to debut a new barista milk line next month.

She also said Planting Hope plans to integrate more give-back elements to its mission, inspired by RightRice’s own pledge to donate 1% of its sale price to nonprofit No Kid Hungry. Though Stamberger said the organization did not directly benefit from this sale because only the assets of the company were sold, Planting Hope has pledged to give the charity stock options for every year Belling stays on as a paid consultant.

“We’ll continue to double down on our three core tenets which is more nutrition, more sustainability and more representation,” she said. “That includes our suppliers and everything throughout our supply chain, not just the faces of the people that work at the company. This mantra has evolved at the company... to say ‘do better.’ [It has evolved] just because we say it all the time.”

RightRice Founder and CEO Keith Belling was unable to comment for this story.