



Source: Vitamin Angels

# FUELING THE FUTURE

## Investing in Global Nutrition Initiatives

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### GREENWICH CAPITAL GROUP

Since the creation of brand management at CPG and Big Pharma companies in the 1950s, consumer health brands have understood the importance of marketing. During the 1950s, consumer health brands began aligning their products with social causes and making donations to social policy change. The internet and rise of the eCommerce channel took this “consumer values connection” to a new level with the advent of Buy One, Give One (BOGO).

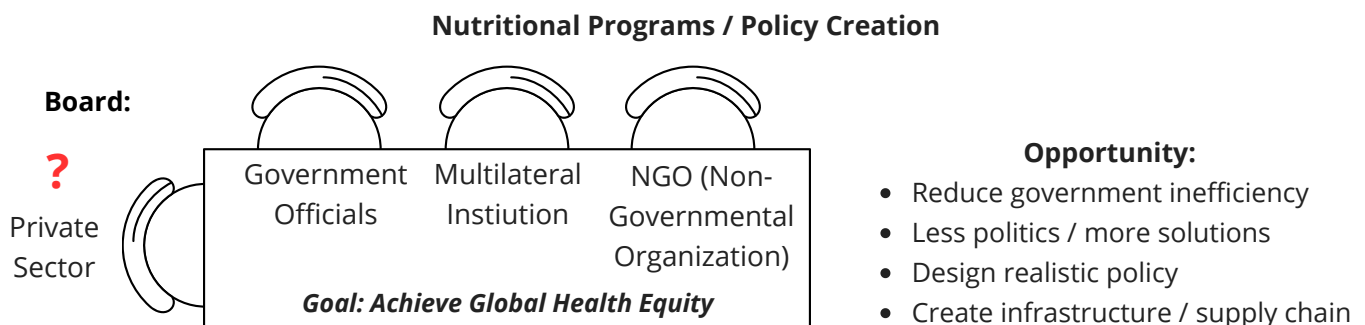
Today, difference-making consumer health brands have evolved their brand-consumer alignment: a strategic partnership model of non-governmental organizations (NGOs) working with private companies to differentiate consumer resonance, better engage/retain employees, and create more awareness. Where an authentic brand/mission alliance is created, the “Halo Effect” can translate into significant goodwill brand accretion (30%+) upon M&A exit.

## TAM Opportunity: \$1 Trillion

According to The World Bank, developing countries spend half a trillion dollars annually out of their own pockets to access healthcare services for their populations. The major nutritional problems in developing countries include:

1. Maternity nutritional anemia
2. Protein-energy malnutrition
3. Vitamin A deficiency
4. Lactation failure
5. Addiction to milk-feeding
6. Inadequate prep and use of artificial milk products

Private companies are the missing seat in international policy creation and supply chain solutions:



## Consumer Health Brand / NGO Partnership

For emerging consumer health brands, especially those with global market ambition, a public/private partnership with a qualified NGO, can produce tangible brand/EV benefits:

- The consumer health brand can outsource its sustainability mission by having the NGO as a “sustainability consultant.” As your consultant, the NGO can advise the brand on ESG impact analysis and point out new product/market risks and competitive blind spots.
- In addition to executing your current business strategies, an NGO partnership can direct the consumer health brand on how to best invest in higher-level initiatives that could bring further legitimacy to the nutrition sector, globally.
- A deep understanding of real Sustainability should increase the value of your “brand equity” to investors and larger CPG and drug companies looking to acquire growth brands with authentic missions and deep-rooted consumer loyalty.
- Studies have been done between like-use consumer products: one with a mission/cause (outside the business) and one without. Upon exit or value creation event, the “Halo Effect” for the more purposefully built company yielded enterprise values on average 30%+ above those brands that did not possess this outside mission/purpose.

Growth-oriented consumer health brands, early on, developed successful NGO partnerships by:

- Defining the role of the partnership and how to structure the relationship
- Utilizing best practices for start-ups targeting a niche and mature brand looking for “re-birth”
- Elevating the “giving back” message to a more strategic business-centric sustainability platform

## History 1.0 - Causes / Donation

The history of consumer brands aligning with causes and missions outside of their company is not a new phenomenon. This alignment of core values can be viewed as an outgrowth of marketing initiatives and brand management.

In the 1950s, consumer packaged goods (CPG) companies like Procter & Gamble, General Mills, and Unilever developed the business line discipline of “brand management.” The resulting silo alignment of each brand as a distinct business unit with a separate brand manager and P&L was in direct response to competitive products from smaller growth companies, rapidly improving in quality and price point.

This brand management proposition led to modern-day marketing strategies, including the concept of “brand proposition,” which creates the perception of the product’s brand functionality aligning with an emotional value to the consumer - “how did the brand make you feel.” This emotional value later translated into higher pricing and more margin for CPG or Big Pharma. Often, this brand “bonus” became greater than the cost of building the brand.

In the 1950s and 1960s, brands like Tide, Kraft, and Lipton excelled in marketing and created benchmarks, later KPIs, for others to be measured against. The brand became a “contract” between a company and a consumer. Brands that are well “articulated” show a clear sense of their core value. The emotional bond created must go beyond functionality and resonate with the consumer’s heart. Trust in the product’s “needs” must translate to a love of the product.

Cause-related marketing can be originally attributed to American Express. Consumer health brands quickly followed suit, aligning with outside causes as the next logical step in cementing the love affair between their brand and a consumer. Some best-of-breed examples include:



### Breast Cancer Crusade

- Aligned with breast cancer research in 1992
- Has donated more than \$1 Billion
- Educated 200 million people, worldwide
- Funded breast screening for 20 million people around the globe



### Nourish and Transform the Lives of Children

- Established by Paul Newman in 1982
- Help with childhood hardships in America
- Commitment to “give it all away”
- Joyful experience for children with illness
- Indigenous food justice



### Ice Cream Can Change the World - Founded in 1970

- Progressive, nonpartisan social mission
- Eliminate injustices in communities
- Radical Justice / Fair Trade / Democracy / Campaign Finance / LGBTQ+ Rights / Climate
- Unilever bought B&Js in 2000; recently announced its intent to sell



### Diapers, Training Underwear, Baby Wipes - Founded in 1961

- Ongoing donation efforts and partnerships
- Feeding America: 200 food banks feeding 46 mm people
- Operation Homefront: Strong and stable military families
- Matthew 25: Ministries for humanitarian relief
- P&G invented Pampers after acquiring Baby Fresh Wipes from Kimberly-Clark in 1996

## Internet 2.0 - Buy One, Give One (BOGO)

With the growth of online marketplaces in the mid-1990s, companies like Amazon, eBay, and Alibaba introduced younger consumers to the ease of online shopping. Suddenly, Millennials (Gen Y), Gen Z, and Generation Alpha had more “purchasing power” with CPG and Drug Companies.

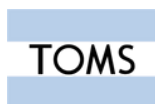
- 82% of millennials and Generation Z purchase from companies invested in social good
- 70% of those consumers will pay more for a brand aligned with their values
- 30% faster growth of brands practicing and promoting social and environmental good

### 6 Steps to Increase Social Impact and ROI

- 1 Start by clearly articulating your authentic brand values - what do you stand for?
- 2 Hone in on a specific issue - clarity and direction
- 3 Do some research. How does the non-profit represent themselves?
- 4 Many ways to give: donate a %, BOGO, events, etc
- 5 Tell your social good campaign with a relatable and compelling story
- 6 Couple growth with impact, supply chains, and community involvement

Source: ChuckJoe

With the maturation of online shopping and the continued growth of this consumer shopping channel, many digitally native consumer brands have aligned with the Buy One, Give One cause marketing model. Some of the better examples of this embedded giving business model include:



- Founded in 2006 by Blake Mycoskie
- In business to improve lives. Pioneered one for one model
- 105 mm pairs of shoes have been donated globally
- Today, 1/3 of profit for grassroots good
- 2014 Bain Capital buys 50% at \$625 mm valuation
- Tom’s revenue: \$300 mm at time of Bain purchase
- Rumors of displacing local shoemakers creep up
- 2019: almost bankrupt, bondholders takeover



- Founded in 2010 by former UPenn students
- Over 15 mm pairs of glasses have been distributed
- Empowering people to administer basic eye exams
- Giving vision care and glasses to those in need
- Nonprofits in India, Mexico, Zimbabwe, Sri Lanka
- Leading Investor: Tiger Global
- Publicly Traded (NYSE: WRBY): \$1.5 B Market Cap.



- Founded in 2014. Better nights sleep, mattress innovation
- Donated more than 40,000 mattresses to those in need
- Better rest leads to mental wellness, educational empowerment and enhanced productivity
- Partners: The Bowery Mission (NYC), Thrive Arizona, The Green Chair Project (NC), Win Victim Services (PA)
- Early investor: One Better Ventures
- 2023: Leesa acquired by 3Z Brands (Cerberus Capital)



- Launched in 2013 - socks: one of the most requested items in homeless shelters
- Mission: Donate one pair for every pair sold
- Network of 3,500 giving partners - distribution
- 100 mm items donated, globally
- 2022: First published Impact Report
- Lead institutional investor: Great Hill Partners

## Today 3.0 - The NGO Partnership



One of the better examples of a successful NGO partner is Vitamin Angels - Santa Barbara, CA. Their mission statement is simple but powerful: Improve nutrition for every mother, every child, everywhere. Vitamin Angels works with over 1,200 local organizations, including governments, to deliver evidence-based nutrition interventions and provide technical assistance. Vitamin Angels is exclusively funded through private contributions and has a 30-year track record of working with large and small consumer health companies. Both Charity Navigator and GuideStar give Vitamin Angels their highest marks for financial transparency.

### **What does Vitamin Angels Do?**

Vitamin Angels delivers proven nutrition solutions to underserved pregnant women/infants and young children in the US and around the world.

### **What nutrition solutions does Vitamin Angels deliver?**

- Vitamin A - essential for children to prevent blindness and support healthy immune systems
- Deworming - antiparasitic treatment to enable uptake of critical nutrients
- Prenatal Vitamins and Minerals - to support healthy pregnancies and improve birth outcomes
- Supplementary Feeding Programs - increase access to nutritious foods to support healthy development

### **Who has Vitamin Angels partnered with?**



Leading  
University



### **What is Vitamin Angels' global impact?**

Each year, Vitamin Angels reaches 72 million underserved pregnant women and children with essential vitamins and minerals. Vitamin Angels has done outreach to 65 countries.

### **What is Vitamin Angels' domestic impact?**

- Prenatal vitamins and minerals to underserved pregnant women in every US state, Puerto Rico
- On track to reach 1 in 2 underserved pregnant women in the US by the end of 2024

### How does Vitamin Angels enhance my brand?

- Bring your company's mission and values to life
- Customizable cause marketing (photos, videos)
- Build brand awareness and strengthen loyalty
- Differentiate your brand from the competition
- Foster employee engagement/retention
- Appeal to retailers and financial investors
- Align with CSR & ESG initiatives/reporting
- UN Sustainable Development Code (#3)

### What type of marketing capabilities does VA have?



Brand + Content



Public Relations



Social Media



Digital Marketing



Retail Marketing



Customization

### What are the Partnership Models?

#### Promotional Partnership

- 1 for 1 sales-based donation model
- Customer and employee engagement
- Digital push to launch partnership
- Library of logos, videos, photos  
→ Sales-Based Donation

#### Corporate Partnership

- Custom partnership messaging
- Account manager to support the partnership  
→ Annual Donation



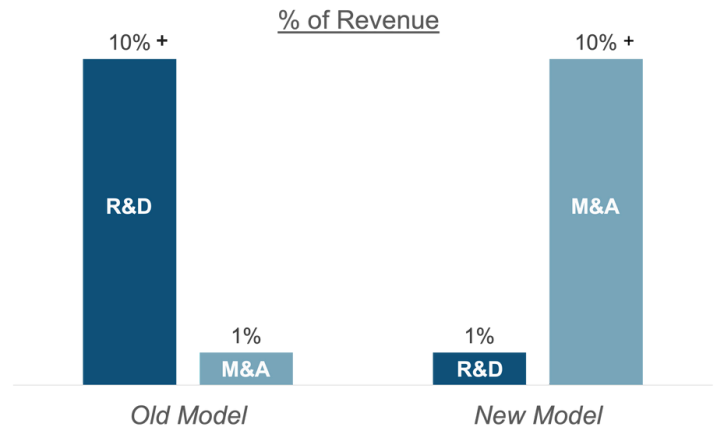
Source: Vitamin Angels

## CPG vs. Pharma / R&D vs. M&A

Just as the name implies, Consumer Health is the intersection of CPG and Drug/Pharma. Historically, the leading companies in each industry have battled each other for growth company acquisitions. The target brand should have a competitive advantage, loyal customer base, product differentiation, some science or IP moat, an inspired management team, and brand authenticity. Larger acquirers will be interested at scale. Scale fluctuates with the health of the economy:

- Slower economic markets: **\$100 mm revenue; 50% GP**
- Healthier capital markets: **\$50 mm revenue; 30% GP**

Historically (pre-2000), larger CPG, Drug, and Pharma companies devoted approximately 13% of their revenue to internal R&D efforts. Right around the turn of the century, with Private Equity firms starting to invest/buy in the consumer health space, the larger strategic buyers began to divert R&D funding into their M&A programs, typically exceeding 10% of revenue per year.



The ultimate goal for the larger strategic buyer is to find growth brands that can eventually become \$1B+ revenue brands. Public investors in large-cap food companies tend to focus on how many \$1B brands in the portfolio are rising or falling.

## Serial Acquirers Emerge








With the historic levels of M&A since 2000, CPG has emerged as much more consistently M&A active in Consumer Health vs Pharma/Drug buyers. Four of the most active serial CPG buyers:

UNILEVER	CHURCH & DWIGHT	PRESTIGE BRANDS	GLANBIA
2023 <b>yasso K18</b> BIOMIMETIC HAIRSCIENCE	2022 <b>Hero.</b>	2021 <b>thera tears</b>	2024 <b>FLAVOR PRODUCERS</b>
2022 <b>NUTRAFOL</b>	2021 <b>TheraBreath</b>	2016 <b>Fleet Laboratories</b>	2021 <b>PACMOORE</b>
2021 <b>PAULA'S CHOICE</b> SKINCARE	2020 <b>MATRIX</b>	2015 <b>DenTek</b>	<b>LEV LUP</b>
2020 <b>LIQUIDIV.</b>	2017 <b>waterpik</b>	2014 <b>insight Pharmaceuticals</b>	2018 <b>SlimFast</b>
<b>SMARTY PANTS</b> VITAMINS	2012 <b>Lil Critters</b>	<b>Hydralyte</b>	2017 <b>BODY&amp;FIT</b>
2019 <b>OLLY</b>	2011 <b>vitafusion</b>	2012 <b>DELROX</b>	<b>Amazing Grass</b>
2018 <b>THE VEGETARIAN BUTCHER</b>	<b>Batiste</b>	2011 <b>Gaviscon</b>	<b>NUTRAMINO</b>
2016 <b>DSC DOLLAR SHAVE CLUB</b>	2010 <b>FelinePine</b>	2011 <b>beano</b>	2015 <b>thinkThin</b>
2015 <b>REN</b> CLEAN SKINCARE	<b>Simply Saline</b>	2010 <b>BLACKSMITH BRANDS</b>	2014 <b>ISOPURE</b>
2000 <b>BEN &amp; JERRY'S</b>	2008 <b>Orajel</b>		2011 <b>ON</b>
	2006 <b>Oxi CLEAN</b>		2008 <b>ON</b> OPTIMUM NUTRITION

## Institutional Investment

As leading mission-based consumer health brands' growth rates and size have risen, so too has the appetite for institutional investment. Seeing the rise of strategic buyers into the space, private equity, venture capital, and family offices have inserted into earlier rounds of growth financing, hoping to make 5x their money in 5 years. Two great examples of this institutional strategy:

<b>Fund:</b>	Partners with companies across three themes to create long-term value and meaningful social impact at scale. One of Double Impact's portfolio companies is Cotopaxi, a maker of performance-based outdoor gear. Cotopaxi donates 10% of revenue to non-profits and published a 50-page Impact Report in 2023.
	<b>Portfolio:</b>     
<b>Focus:</b>	
<div style="background-color: #e0e0e0; padding: 10px; border: 1px solid #ccc;"> <p>Health &amp; Wellness</p> <p>Education &amp; Workforce Development</p> <p>Sustainability</p> </div>	

<b>Fund:</b>	Partners with exceptional entrepreneurs to unlock potential and build an inspired community to do well and good. OBV wants to become the most trusted consumer-centric impact investment partner. OBV donates 10% of profits to charity and contributes 10% of the equity to an employee bonus pool. Successes include: Burt's Bees - acquired by Clorox; Seventh Generation - sold to Unilever in 2016 for an estimated \$700mm.
	<b>Portfolio:</b>      
<b>Focus:</b>	
<div style="background-color: #e0e0e0; padding: 10px; border: 1px solid #ccc;"> <p>Consumer-Centric/Positive Impact</p> <p>Mission Driven</p> <p>Brands, Products, Models, Teams</p> </div>	





## GIIN estimates Impact Investing AUM = \$1 Trillion +

GIIN is the global champion of impact investing and is dedicated to increasing its scale and effectiveness around the world. GIIN works with like minded institutional investors to:

- Accelerate scale and effectiveness
- Facilitating knowledge exchange
- Highlighting innovative investment approaches
- Building evidence base
- Fund solutions to the world’s most intractable challenges
- Establishing strategic alliances globally

### 6 CATEGORIES OF ACTION

The GIIN Roadmap offers eighteen specific actions that need to be taken on by the impact investing community with urgency. The steps taken today will not only address the industry’s most immediate and pressing needs, but also set in motion ripple effects far into the future.

<p><b>1. Identity</b></p> <p>First, we need to strengthen the identity of impact investing by establishing clear principles and standards for practice, such as by more clearly articulating the defining characteristics of an impact investor, developing standardized best practices for impact measurement and management, and facilitating collaboration among investors with different goals and preferences.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>Establish Principles for Impact Investing</li> <li>Share Best Practices for Impact Measurement, Management, and Reporting</li> <li>Clarify the Roles of Various Types of Capital</li> </ul>	<p><b>2. Behavior &amp; Expectations</b></p> <p>Second, we need to reshape the paradigm that governs investment behavior and expectations about the role of finance in society. Those who control capital must set incentives and design requirements to access their capital that align with positive impact. In addition, the theoretical models that underpin investment practice must be updated to integrate impact alongside risk and return.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>Align Incentives with Impact</li> <li>Launch a Campaign to Change Mindsets About the Role of Capital in Society</li> <li>Update Fundamental Investment Theory</li> </ul>	<p><b>3. Products</b></p> <p>Third, the accessibility of impact investments must be increased by developing products suitable for the full spectrum of investors (from retail to institutional) and to accommodate the capital needs of various types of investees (including innovative early-stage businesses operating in frontier markets). This will help translate the current, latent demand for impact investments into a higher volume of activity.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>Develop Retail Products</li> <li>Expand Institutional-Quality Investment Products</li> <li>Commit Capital to Emerging Fund Managers</li> <li>Advance Blended-Finance Vehicles</li> </ul>
<p><b>4. Tools &amp; Services</b></p> <p>Fourth, we need tools and services to support the integration of impact into investors’ routine analysis, allocation, and deal-making activities. The essential services provided by investment banks, ratings agencies, and data providers must be expanded to incorporate impact considerations and accommodate the needs of the full spectrum of impact investors.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>Develop Ratings for Impact</li> <li>Build Analysis and Allocation Tools that Incorporate Risk, Return, and Impact</li> <li>Expand Impact Investment Banks</li> </ul>	<p><b>5. Education &amp; Training</b></p> <p>Fifth, education and training of professionals in finance and business is necessary to increase awareness of impact investing, maintain the integrity of practice, and drive talented human capital into the industry.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>Train Finance Professionals</li> <li>Support the Development of Businesses Focused on Impact</li> </ul>	<p><b>6. Policy &amp; Regulation</b></p> <p>Sixth, policy and regulation can catalyze industry growth by establishing incentives for impact investments and create a supportive regulatory environment for investors and businesses generating impact.</p> <p><b>ACTIONS:</b></p> <ul style="list-style-type: none"> <li>Clarify Interpretation of Fiduciary Duty with Respect to Social and Environmental Considerations</li> <li>Establish Tax Incentives for Impact Investments</li> <li>Create an Environment Conducive to Impact Investing</li> </ul>

Source: Global Impact Investing Network

## Consumer Health M&A Predictions

Before we attempt to predict the future, let's reflect on recent history:

**2021:** Strong year for Consumer Health M&A - pent-up demand from the Pandemic combined with healthy capital markets, low interest rates, and the rise of patient self-care

**2022:** Transactions fell significantly in 2022 - rising inflation fears and interest rate hikes

**2023:** Further decline in the M&A market - unfavorable economic environment, global war tension, interest rate moves and cost of living pressures

**2024:** Forecast continued subdued activity as buyers wait for the US election to be settled and for the Fed's planned interest rate-cutting strategy to actually take place

## Trend Predictions - Top 10

While the overall market for consumer health will likely be sluggish, small sub-segments seem to have favorable tailwinds and M&A interest from buyers/investors:

- vitamins, minerals, and supplements (VMS)
- organic/alternative products
- digital solutions
- focus on physical and mental health

- 1. Rise of self-care:** rising costs and challenges embedded in the US Healthcare system, a growing range of consumer health and wellness solutions, and Pandemic fatigue.
- 2. Large Pharma** players are likely to continue divesting non-core consumer health portfolio brands; GSK and J&J are leading the field.
- 3. Healthy valuations for VMS, nutraceuticals, and sports nutrition.** Despite restrained growth, COVID-19 is linked to greater consumer focus on personal health and well-being.
- 4. Consumer behavior changes:** Today's consumers are better informed and empowered to take control of their health and wellness needs, embracing a more holistic approach.
- 5. More interest in digital solutions/use of AI:** wearables, telemedicine platforms, and fitness apps are all on the rise - digitalization of consumer health.
- 6. Omnichannel Importance:** COVID-19 significantly shifted the migration to online. Consumers returning to stores but with an optimized footprint; channels must work together.
- 7. Importance of the Chinese market:** The US is the largest Consumer Health market, followed by China and then Europe. Western brands remain relatively under-penetrated in China.
- 8. Absence of Pharma M&A/Increase in CPG activity:** Consumer Health products have expanded from specialized settings to mainstream retail channels. Pharma has cut back on M&A, opening the door for more CPG activity to take place.
- 9. Innovation—Form and Function:** Unlock growth by driving consumers to newly created categories. Consumers' needs are now met in ways not previously considered.
- 10. The evolving role of the Healthcare Practitioner:** New technologies, better-informed consumers, and a shift in focus from curing to prevention are all available, transforming the healthcare delivery system.

## Consumer Health M&A

The vast majority of buyers in consumer health M&A transactions have been strategic. Transaction values typically center around EBITDA multiples, with Revenue multiples playing a secondary role, depending on top-line growth rate.

Date	Acquiree	Acquiree Description	TEV (\$mils)	TEV/Revenue	TEV/EBITDA	Acquirer
Feb-24	Dr. Dennis Gross	Medical Skincare	\$ 450.0	5.6x		Shisedio Americas
Jan-24	The Honey Pot	Feminine Care Hygiene	\$ 380.0	3.1x	13.1x	Compass Diversified
Nov-23	Bonafide Health	Women's Health	\$ 425.0			Pharmavite
Oct-23	Thorne Research	Nutritional Supplements	\$ 662.9	2.6x	30.6x	L Catterton
Oct-23	Natarium (Center)	Fragrance and Skincare	\$ 333.0	3.7x	19.6x	e.l.f. Cosmetics
Sep-23	Quten Research	Nutritional Supplements	\$ 1,342.0			Sanofi
Oct-22	Hero Cosmetics	Acne Care, Cosmetics	\$ 630.0	5.5x	14.0x	Church & Dwight
Jul-22	Nutrawise	Capsules and Powders	\$ 400.0		10.0x	Jamieson Wellness
Apr-22	HRA Pharma	Women's Endocrinology	\$ 1,908.8	6.3x		Perrigo Company
Feb-22	Chantecaille	Natural Skincare	\$ 640.0	6.4x		Beiersdorf
Dec-21	TheraBreath	Oral Healthcare	\$ 556.0	6.5x	15.4x	Church & Dwight
Nov-21	Sol de Janeiro	Specialty Suncare	\$ 450.0	1.4x		L'Occitane Int'l
Aug-21	Bountiful Co.	Nutritional Supplements	\$ 5,750.0			Nestlé Health
Aug-21	Paula's Choice	Skincare Products	\$ 2,221.0			Unilever
Jul-21	Akorn - Consumer	Pharmaceutical OTC	\$ 228.9			Prestige Healthcare
Jun-21	Bentley Labs	Cosmetic Manufacturer	\$ 255.0			The Hut Group (THG)
Dec-20	Amberen (Biogix)	Menopause Relief	\$ 110.0	4.1x	15.7x	Alliance Pharma
Dec-20	Matrixx Initiatives	OTC Healthcare (Ziam)	\$ 532.7			Church & Dwight
Nov-20	Natrol	Brain Health, Sleep	\$ 550.0	3.5x		Vytalogy Wellness
Nov-20	Ariix	Supplements	\$ 333.0	1.5x	16.7x	NewAge Beverage
Sep-20	Perricone	Organic Skincare	\$ 60.0			The Hut Group (THG)
Apr-20	High Ridge (Oral)	Oral Healthcare	\$ 106.0			Perrigo Company
Jan-20	Hello Products	Natural Oral Healthcare	\$ 351.0			Colgate-Palmolive

Mean	\$ 828.4	4.1x	16.9x
Median	\$ 437.5	3.7x	15.6x

**M&A Highlights**

acquires:

**November 29, 2021****September 6, 2022**
**Business:**

Purchase Price:	\$580mm	<b>Acne Patch</b>
LTM Sales:	\$86mm	\$630mm
LTM EBITDA:	\$27mm (31% margin)	\$115mm
Synergies:	\$6mm run rate	\$45mm (40% margin)
Projected Sales:	\$100mm	\$150mm
Projected EBITDA:	\$36mm	
Tax Shield:	\$85mm	

**Goodwill Accounting**

Goodwill is an intangible asset that accounts for a target company's "excess" purchase price (over its asset base). It represents the value for the acquiring company's "competitive advantage."

- A portion of the purchase price that is higher than the sum of the net fair value of all assets purchased and liabilities assumed
- Typical goodwill components could be a company's name, brand recognition, loyal customer base, solid customer service, strong employee retention, and proprietary technology
- The intangible value is why an acquirer will pay a "premium" for a target

A strategic NGO/Private-sector partnership can increase goodwill and drive the purchase price.

**Capital Markets - May 14, 2024**

**Raises** **\$3,646,591,000** **By** **182,329,559** **At \$20.00**  
**For Johnson & Johnson** **Selling** **Common Shares** **per Share**

**J&J fully exited their stake in Kenvue**

**Monetized \$45B in Kenvue since IPO spin-off in May 2023**

**Company Overview**

- World's largest pure-play consumer health company by revenue, operating at the intersection of healthcare and consumer goods. Global portfolio of iconic and modern brands built over 135 years, Kenvue empowers ~1.2bn people to live healthier lives.
- The Company operates a balanced and synergistic portfolio of widely recognized brands across three segments: Self Care, Skin Health & Beauty, and Essential Health.
  - Brands include: Aveeno, Band-Aid, Listerine, Neutrogena, Tylenol, and Zyrtec
  - Currently holds numerous #1 brand positions across major categories globally
- Best-in-class product innovation capabilities with ~1500 dedicated R&D professionals.
- Well-diversified omnichannel and distribution across North America, EMEA, LatAm, and APAC.
- In the last twelve months, Kenvue generated \$15.5bn in revenue and \$3.8bn in Adj. EBITDA.

## Real NGO/Private Sector Partnerships

There are a handful of historical examples of NGO/Private-sector partnerships that go beyond just brand alignment/cause marketing. In the truest sense of the word partnership, the NGO can consult the private sector on governmental and healthcare-specific issues, prior to launching new products into foreign countries. Product development, supply chain, distribution, marketing, and consumer awareness can all be vastly improved with an NGO's insights, ahead of launch.

Best-of-breed NGO/Private Sector Partnerships worth noting include:



Save the Children

GSK



World Health Organization



Unilever

- NGO and Big Pharma working together
- Solving societal problems beyond "philanthropy"
- Beyond donating to a charity/product placements
- Designed to save 1M children's lives in Kenya/Congo
- STC will have a seat on the GSK R&D Board
- GSK will pay for more healthcare workers
- Led to reformulation and alternative products
- Fighting unsafe sanitation/poor hygiene
- 50% of world in danger/disease - safe toilet
- Should be a basic human right
- Unsustainable Developmental Goal #6: adequate and equitable sanitation hygiene for all
- Unilever toilet hygiene brand: Domestos - #1 disinfectant kills germs and bacteria

Walgreens



vitamin angels®

- Partnered with a leading university - Center for Human Nutrition
- Advance implementation science in nutrition
- 2022: to advance science in the area of maternal, infant, and young children nutrition (MIYCN)
- Address barriers to effective implementation
- Share access to technical expertise in network
- Analyze data, disseminate knowledge, facilitate global advocacy of evidence-based nutrition interventions

## Analogy to Climate Change

20 years ago, NGOs were working with governmental agencies and non-profit institutions to write the guidelines and KPIs needed to combat climate change.

Climate Just Now was a large coalition of NGOs that essentially pressured the UN to adopt climate change as an important priority. Putting the issue on the radar of key decision-makers is step # 1.

December 16, 2009: Copenhagen - the invasion of Belle Centre/Reclaim Power March. The Climate Justice Action and Climate Justice Now (CJN) were all involved

- UN Climate Change Conference
- Legitimacy of NGOs as environmental actors: identify the constituency
- Large paid memberships - public surveys

## NGO Case Study: and

One of the best ways to illustrate the potential of a Strategic NGO/Private-Sector partnership is to walk through the 10+ year relationship between SmartyPants and Vitamin Angels:

**Challenge:** When SmartyPants founders, Courtney and Gordon Gould, were preparing to launch their vitamin startup in 2011, they knew that giving back had to be a key component of their company's mission. They recognized that this would help drive customer loyalty and employee engagement and help fulfill their mission of making good health accessible for everyone.

**Solution:** A partner that would demonstrate significant and measurable impact on a global scale, teaming up with a nonprofit that was credible, transparent, and financially efficient.

**Enter:**  vitamin angels®

With over three decades of cause-marketing experience, Vitamin Angels partners with multinational retailers and brands, to create custom platforms that help companies demonstrate their commitment to giving back on a global scale.

### How the Partnership Drove Success

1. Differentiation from Competitors: Made a huge decision that is rare for small growth companies to make: no donation cap - customers felt empowered with every purchase they made. Created loyalty and sales.
2. Raise Brand Awareness: Vitamin Angels provided a host of tools to support the story, including marketing/PR materials, powerful images, videos, and the "Proud Supporter" logo. Incorporated their Vitamin Angels partnership into the SmartyPants website, social media, promotions, and packaging to show the value of their product goes beyond what's inside every bottle.
3. Engage/Retain Employees: An added bonus? Employees love working for a company associated with a meaningful cause. More often than not, job candidates bring up Vitamin Angels as one of the top reasons they applied. Vitamin Angels and SmartyPants offer unique opportunities for their employees to connect and engage with a shared impact. Overall, the company's partnership gives employees a sense of purpose and commitment to their work, which helps attract the best talent, and increases long-term retention.

**Results:** Since 2011, SmartyPants Vitamins has experienced aggressive growth, outpacing their category and expanding into other territories. As business grows, so too has its contributions - their annual donations are now about 800x higher than when the Vitamin Angels partnership began.

**BY THE  
NUMBERS**

**10+ Years**  
of partnership

**25M+**  
lives impacted

**100M+**  
lives changed

## Unilever Acquires SmartyPants

In 2020, SmartyPants was acquired by Unilever. As a leading multinational consumer goods company rooted in purpose and sustainability, Unilever embraced SmartyPants' 10-year partnership with Vitamin Angels in announcing the acquisition. As described in Unilever's Press Release dated 11/25/2021, Vitamin Angels was a differentiating component in their acquisition:

"Rooted in the belief that good health should be made accessible to everybody, SmartyPants Vitamins has a long-standing partnership with non-profit organization, Vitamin Angels, to provide life-changing vitamins for mothers, expectant mothers, and children in need worldwide."

Fabian Garcia, President of Unilever North America, said: "We are delighted to welcome SmartyPants Vitamins to the Unilever family and our portfolio of purpose-led brands. SmartyPants Vitamins aligns strongly with our mission to improve the health and well-being of consumers and empower people to take charge of their health with solutions they can understand and trust."



**For more information, please contact GCG's Consumer Co-Lead, Alex Chefetz**



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## ABOUT US

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Greenwich Capital Group LLC ("GCG") is a leading investment bank that advises clients including closely-held and family-owned businesses, private equity firms, and public companies. GCG's senior bankers have collectively advised on hundreds of transactions over many years of experience in mergers and acquisitions, with most having backgrounds with large U.S. and global firms. GCG is focused on advising clients in key industry verticals throughout the U.S.

GCG was founded by entrepreneurially minded investment banking professionals focused on building an organization centered around advising clients. We strive to build relationships by representing our clients' long-term interests and earning their trust. In contrast to the practice of pushing transaction responsibilities to junior resources, our philosophy is to deliver personalized, senior-level attention and experience to every GCG engagement. We are proud to offer references that will speak to a differentiated level of service and results.