

Follow-Up Questions for The Good Food Institute Part 2 (2017)

Does “creating a healthy, humane, and sustainable food supply” fairly describe GFI’s mission? Do you have a more complete or accurate statement of GFI’s mission that you could share with us?

Our mission is to create a healthy, humane, and sustainable food supply. We do that by harnessing the power of markets and food technology to create alternatives to industrial animal agriculture that are delicious, cost competitive, and convenient. Our theory of change is based on the fact that literally everybody in the developed world thinks about taste and price when making their food choices, but very few people think about ethical issues. We want to make the ethical choice the default choice by making plant-based and clean meat alternatives to the products of industrial animal agriculture taste- and price-competitive, and widely available in grocery stores and on restaurant menus everywhere

Fifteen years ago, plant-based milk represented roughly 0% of the milk market; now it is at 10%. This radical shift occurred because the plant-based milk industry made products that taste great, that are reasonably priced, and that are convenient, i.e. readily available on grocery store shelves everywhere. GFI is laser-focussed on replicating (and exceeding!) the success of plant-based milks, to achieve radically increased market shares of plant-based meat and clean meat products.

What is your projected income for 2017? Are you expecting to meet your fundraising goal of \$4.66 million?

GFI is 100% supported by philanthropy and our goal for 2017 is to secure \$4.66 million in gifts and grants. This is an ambitious goal, representing an increase of 61% over funds raised in 2016, our launch year. This goal was set following discussions with our supporters and potential donors, and our intent was to challenge ourselves with a hopefully-achievable stretch goal. (Our fiscal management strategy at GFI is to spend each year what we raised the prior year: this enables us to budget on a rolling 12-month timeframe.)

Reaching this goal will enable GFI to fully implement our Year 2 programs and projects detailed in our Strategic Plan (available on request). From January 1 through September 30 2017, we secured \$3,514,767—including gifts received and pledges receivable in 2017—giving us reason to be cautiously optimistic going into the fourth quarter of the year. However, reaching this stretch goal is certainly not a foregone conclusion, and at the time of this evaluation GFI’s development team is crafting a comprehensive year-end fundraising plan.

As a new nonprofit in our second year of operations, and as an organization entirely supported by gifts and grants, it is vital that GFI build an operating reserve as soon as possible. This reserve will be our safety net, protecting GFI against external factors beyond our control—such as fluctuations in the economy—that could impact future fundraising. Our ultimate goal is to build a reserve equal to 10 to 12 months of operating costs, which will put us into a more stable position

financially than 75 percent of nonprofits. Seventeen percent of our \$4.66 million goal for 2017 is earmarked to be set aside to help build this operating reserve.

Some might suggest that technological progress will come eventually, and what matters most, in the long run, is whether we've achieved the social change necessary to use those new technologies to help animals. Why is GFI working to advance technology rather than to shift public attitudes?

We believe that a big part of what is holding back animal liberation as a philosophy is the cognitive dissonance experienced by the 98% of Americans who continue to consume animal products. It is very difficult to support liberation for animals and a more inclusive ethic with regard to other species while simultaneously causing abuse through our purchasing decisions. By removing animals from industrial animal agriculture and making it easier for people to choose products that do not cause harm, we are also making it easier for people to extend their circle of compassion to farm animals in a way that is similar to their current compassion for dogs and cats.

Why does GFI invest some of its resources in plant-based foods as well as cultured foods when (a) plant-based options already exist, and (b) the development of cultured foods seems like it could relieve the need for better plant-based options?

If X = percent of meat from plants and Y = percent of meat from clean meat, our goal is that X plus Y equal 100% as quickly as possible. Although we are optimistic about the prospects for clean meat, we are also optimistic about the prospects for plant-based meat. While it is certainly true that plant-based meat options exist, they are currently too expensive, and only a limited number of them are taste- and price-competitive with meat produced in factory farms.

We have a long way to go in our quest to create plant-based meat that is both taste- and cost-competitive with animal-based meat, and we believe that resources spent on getting us there are resources very well spent. Only when plant-based products are true analogs for the products of factory farming will the vast majority of consumers consider choosing them.

What can GFI do to ensure that consumers will embrace cultured meat?

For starters, we can ensure that everybody calls it clean meat instead of cultured meat. "Clean meat" does at least 20 percent better with consumers than "cultured meat," and it's a more accurate way of framing what we're talking about, as I [discuss here](#).

That said, we believe that once clean meat is price and taste competitive with meat from industrial animal agriculture, consumers will happily switch over.

Right now, people eat meat *despite* how it's produced, not *because* of how it's produced. They don't think about the inefficiency, the disgusting conditions on industrial farms and in factory slaughterhouses, or the cruelty. People have not been presented with two options--meat from overcrowded factory farms and slaughterhouses versus meat grown in a factory. Once there are viable alternatives, people will switch. I talk about this more in [this blog](#).

Some reports, such as the Open Philanthropy Project's [Animal Product Alternatives \(2015\)](#) report and [Van der Weele & Tramper \(2014\)](#) suggest it is unlikely that cultured meats will ever

be cost-competitive with conventional meat. Factors like the minimum costs of growth medium are cited as supporting evidence. Is GFI concerned about this possibility?

We are certainly concerned, but I will say that the more our scientists dive in, the more optimistic they become.

When GFI's scientists started working on this issue in June 2016, Friedrich told them explicitly that GFI does not need to promote clean meat—if we think it cannot become cost-competitive with the products of industrial animal agriculture then we should stop promoting it and focus on plant-based meat. However, the more they dig in, the more optimistic they become. This should not be surprising, since clean meat is so much more efficient when compared to animal-based meat.

In fact, one of our scientists, Dr. Liz Specht, has been meeting with venture capital firms and other venture investors to encourage them to invest in clean meat. Based partly on her analysis of the likelihood that clean meat can reach price parity with industrial animal meat, many leading VCs have made significant investments in clean meat companies. We will be releasing a white paper that synthesizes Liz's analysis in the next few months.

About a year ago, we received a call from a McKinsey analyst who wanted to look at the viability of clean meat, a project he has been engaged in over the past year. Friedrich saw this basically as an opportunity to have a disinterested party check our work on a parallel track. We have been checking in with him every few months over the past year as he interviewed literally everyone working in clean meat and did his analysis.

We just chatted with him a few weeks ago, and he is so enthused about the prospects for clean meat that he will be starting his own company. We asked him a question about price parity explicitly, and he is absolutely convinced that reaching the price points of industrial meat is possible; if he weren't, he would not be launching this company.

Does GFI directly support work on developing products other than those that could decrease animal product consumption (e.g., promoting yeast-based vanillas or flower fragrances)? Why or why not?

We focus primarily on plant-based meat and clean meat at the moment, because that is where the most animals suffer the most. We are hoping to do more work than we have been with eggs, for the same reason. So far, we have just been so busy with our focus on meat. We don't see GFI moving beyond animal products, since our goal is to help animals, and not many animals would be helped through enhanced fermentation focused on vanilla or flower fragrances.

It seems that GFI's room for funding may be limited by its apparent difficulty filling open positions. Is GFI confident that it will be able to expand as quickly as it would like?

Yes, we are absolutely confident that we will be able to expand as quickly as our budget allows.

It is certainly true that our hiring process is rigorous and that we hire exclusively extraordinary employees who we feel confident will excel in their roles (see our [team page](#)); we are also

committed to adding staff in a methodical way that ensures organizational cohesion and a culture of cooperation and mutual support.

Because we are so methodical, it might be argued that we have hired somewhat slowly. However, note that we had 10 staff at the end of 2016, and only two of them were directors. We have 24 now, and we have hired 6 more directors over the past 8 months, so that we now have 8 of our 9 director roles filled (and our SciTech director will be serving as acting innovation director until that role is filled). Because we were so focused on getting the absolute best people into our top positions, we hired a little more slowly than we will be able to hire going forward, now that all additional staff will be hired by their respective supervisors.

Based on our current pool of applicants, we expect to have 4-5 more staff hired by mid-November, taking us to 28-29 staff, a growth of 18+ staff over 11 months. If we can meet our \$4.66 million target for 2017, that will allow us to grow to 47 staff, and we are confident that we can hire those additional 18-19 people within about 6 months. The only currently open positions that we think will prove difficult are major gifts officer, foundations relations manager, and director of innovation.