

Vegan meal kits supplier has a new owner

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Andy Levitt's vegan venture, **Purple Carrot**, has come a long way since he started it in his garage less than five years ago.

The supplier of vegan meal kits now employs more than 60 people, largely at its headquarters in Needham. It generated \$42 million in revenue last year, and had its first cash-flow positive quarter this year.

And now, Purple Carrot has a new owner as well.

Japanese meal kit service **Oisix** said last week that it will buy Purple Carrot for up to \$30 million. Oisix plans to use Purple Carrot as its launchpad to expand in the United States, and has no plans to cut its management or other employees.

“In conversations with other potential acquirers, it probably would have been a different outcome,” Levitt says. “[Oisix will] probably look to us to be the boots on the ground to help with other acquisition and growth opportunities in the US.”

Purple Carrot sells two subscription plans: \$72 a week, for three plant-based meals with two servings each, or \$96 a week for two meals with six servings apiece.

The firm specifically targets people who eat meat but want to add more plant-based options to their diets, or as Levitt likes to say, “vegan food for nonvegans.” (Only about one-fifth of its customers are vegan.)

Purple Carrot received a crucial assist in April 2016 from **WindSail Capital**, the Boston firm that provided debt financing to the business to help it expand. Venture capital investors **New Crop Capital** and **Stray Dog Capital** made equity investments. Both firms will end up taking a slight discount from their investments, Levitt says, although the total amount they put in has not been made public.

Levitt points to the fact that both VC firms are “mission-based investors” that are looking to disrupt the agricultural industry’s traditional livestock model. He noted that Purple Carrot has shipped more than seven million plant-based meals since its founding.

“The return was a bit less than they were hoping for,” Levitt says of the VC investors. “But the impact was better than they expected.” – JON CHESTO
