



Food heroes

Born out of a passion for food and a desire to help outstanding food brands maximise their potential, BiaVest is Ireland's first dedicated food investment company. Maev Martin talks to one of its founders and CEO, HILLIARD LOMBARD, about recent high-profile investments and its plans for future growth

Lombard and his business partner David McKernan are well-known executives who have worked in the food industry for over 50 years combined, achieving industry success in the food sector in Ireland and across Europe. David McKernan built the Java Republic coffee brand, while Hilliard Lombard previously ran the Irish operation of Valeo Foods and was also a senior executive with the international bakery giant.

“Although we would have been aware of each other in the food industry, we met for the first time about a year and half ago through a mutual contact at a food innovation

day in Zurich. Both the timing, and our interest in getting back into food and helping owners scale, led us to set up BiaVest,” says Lombard. “We could both see the need for BiaVest as an investment vehicle because there is a large cluster of dynamic and fast-growing food and food-related businesses that are in an early stage of their development and are in the sub-€5 million earnings bracket.

“They will need support to break through that ceiling and progress to the next level where they are looking to really scale, both domestically and internationally. That is not an easy thing to do. Both myself and David know that from our own experience, and we have the

scars to prove it! BiaVest exists to provide funding to help support that growth, but also to provide expertise and help to open doors, especially in the context of export markets.”

BiaVest is offering investment, marketing, and product development services to brands. “Our objective is to build a diversified portfolio of high-quality food and food-related brands with potential for both domestic and international growth,” he says. “We are not just providing strategic investment to brands, but will also be advising in terms of marketing, product development and more.”

Significant investments

March was a busy month for BiaVest as it saw the fledgling operation make two significant investments, firstly in dairy-free ice-cream and chocolate producer, Nobó, and then in the OffBeat Donuts company.

Health food brand Nobó came to life in the kitchen of husband-and-wife Brian and Rachel Nolan back in 2012. Its multi-award winning dairy free ice-cream is made from four natural ingredients, including coconut milk and

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avocado, and the pair have launched their own healthier take on milk chocolate, made with no refined sugar or dairy. Their creamy vegan chocolate is now being sold across Ireland and Canada and is due to launch in mainland Europe this summer. Nobó has partnered with BiaVest to accelerate its growth into new products and new international markets.

More recently, BiaVest teamed up with Noel Smith, the founder of the Fresh The Good Food Market supermarket chain, to take a major stake in OffBeat Donuts, a chain of 10 shops that also wants to expand abroad. Offbeat Donuts, set up in 2016 by husband-and-wife team Brian and Sandra O’Casey, operates eight company-owned shops, while there are also two franchisees operating under its name, all in the Dublin area. Its most recent new outlet opened in Blanchardstown Shopping Centre in December 2020. The company also sells its wares through aggregator apps such as Deliveroo and Just Eat. The business intends to use the BiaVest investment to help finance expansion, such as opening shops outside Dublin, and OffBeat Donuts also intends to expand internationally to the UK, the US and the Middle East.

Premium brands

“It’s exciting to work with great brands such as Nobó and OffBeat Donuts,” says Lombard. “It’s also very exciting to be able to partner with passionate and ambitious entrepreneurs such as Brian and Rachel Nolan and Sandra and Brian O’Casey, as well as Noel Smith, to



help them realise their vision. Both are brilliant indigenous brands. Nobó is a strategic investment for us. Rachel and Brian have taken Nobó from their kitchen to where it is today – a fast-growing, successful, healthy food brand with a loyal consumer base. BiaVest’s role is to support the founders in taking the business to the next stage and achieving their vision for international growth. We share their vision and the passion for this great product. They will run the business and we are providing some investment, but also market knowledge, advice and experience on scaling international food businesses. Nobó is a good example of the type of business that we are looking to partner with - a premium brand in a rapidly growing category with strong credentials in the areas of provenance and innovation.”

Noel Smith of Fresh The Good Food Market is a well-known leader in the retail space in Ireland and is a keen supporter of emerging food brands. “He introduced us to Brian and Sandra O’Casey, the founders of Offbeat Donuts, who have a partnership with Fresh and operate out of a number of Fresh outlets,” says Lombard. “We are supporting Offbeat in expanding both nationally and internationally. Offbeat recently opened one of its busiest stores to date at the Blanchardstown Centre, despite the challenges they were facing with the public health restrictions, which is a strong indicator of the strength of the brand and the level of loyalty to that brand.”

While he won’t reveal how much BiaVest is investing in both Nobó and OffBeat Donuts,

Lombard says that both deals are “significant, however we won’t be going into more detail on that at present as both companies are privately held. The crucial point for us, and for the founders, is that these are partnerships with a shared vision and ambition between BiaVest and the individual businesses.”

Promising pipeline

Apart from Offbeat Donuts and Nobó, BiaVest are also talking to other food and food-related business that they believe have great potential for growth. “We have a very promising pipeline,” he says. “The sweet spot for us is in the €1 million to €5 million earnings bracket where you have businesses that are assessing their strategic options as they look to scale to the next level. It is a familiar trope in Irish business that entrepreneurs exit promising businesses too early. That is a gap that BiaVest wants to help fill. We also like to work with passionate and ambitious founders who want to expand internationally, and with high-quality brands who have a strong market segment, such as Offbeat Donuts and Nobó.

“Of course, it is also important to us to invest in food brands that are catering for, or responding to, new and emerging consumer trends. We are looking at established brands that have either carved out a niche within an existing category or are positioned strongly to take advantage of an emerging one. There are some exciting prospects, for example, in the health and wellness category. Equally, as Offbeat Donuts has proven, innovation and



Nobó

premiumisation can open up new possibilities and create new growth opportunities.”

In addition to working directly with brands, BiaVest plans to work with retailers to either help get brands listed with specific retail groups, or to expand their reach in the Irish market. “Further down the road we will be reaching out to a range of retailers to ensure that brands get maximum exposure for their products, so we look forward to working with a variety of retail groups in the future,” says Lombard.

Key trends

When it comes to the key consumer trends and changes in shopping behaviors that are here to stay, courtesy of Covid-19, Lombard says that the pandemic has highlighted the

inherent value in food brands that place a premium on provenance, craft and quality. “People who never baked before are now experts at producing sourdough bread or banana bread!” he says.

“They want either a homemade or restaurant quality experience, so there has never been a greater focus on ingredients and food quality, and I think this will continue long after the pandemic is over.

“Brands that meet and exceed those high expectations will be the ones to thrive, whether they are targeting the health/wellbeing or functional food megatrends or producing indulgent treats to be enjoyed sparingly.

“That’s exactly where we are looking to invest, and we see this as the perfect time to

invest and a moment where the skills and experience we have gleaned during our careers to date can help promising Irish food businesses get to the next level and overcome those immediate challenges to growth.”

The most successful brands out there have a passionate and ambitious team behind them. They care deeply about their product and want only the highest quality food for their consumers. “This is a key moment for food brands,” he says. “Who among us hasn’t sought out a food product or experience to help capture some joy in lockdown? The brands, outlets, restaurants or delivery services that have found ways to satisfy that demand will be the ones to inspire loyalty and generate sustainable value.” ■

About BiaVest

HILLIARD LOMBARD TRAINED AS an accountant and has worked in the food industry, both nationally and internationally. Most recently, he was CEO of Valeo Foods Ireland and prior to that he was CEO of Aryzta Europe and Asia Pacific. “Both positions provided me with a

lot of experience in executing buy and build strategies in the food sector,” he says. David McKernan is one of Ireland’s leading food and beverage entrepreneurs and is a veteran of the coffee, café and foodservice industry. He set up Java Republic over 20 years and saw it become Ireland’s second

largest coffee roaster and retailer. McKernan sold Java Republic to Cafento in 2019 and he now works as an ambassador for the company. “BiaVest is a new chapter for both of us and it is brilliant to be able to use our experience to date to help food brands grow,” he says.