



# **Goodr**: How a startup is using blockchain technology to feed more people and waste less food

AN INTERVIEW WITH

# Jasmine Crowe, Founder of Goodr

Jasmine Crowe is the founder of Goodr, a company that uses blockchain technology to provide a secure ledger tracking an organization's surplus food waste from pickup to donation and offering real-time social impact reporting analytics. Amy Ahearn, Associate Director, Acumen, and Alexandria Coari, Capital and Innovation Director, ReFED, sat down with Jasmine to understand how Goodr got started, how their model has evolved, and how they look to collaborate with others.



This interview was produced as part of <u>The ReFED</u> Nonprofit Food Recovery Accelerator.

# Jasmine Crowe, Founder of Goodr

AMY AHEARN: For those who might not be familiar with Goodr, can you give us a basic summary of the company and its mission?

JASMINE CROWE: Yes, our mission is really simple: feed more and waste less. We are a sustainable food waste management company. We started with edible food, which I believe is the most important thing that ends up landfills, but we have aspirations to help businesses take control of all of their

food waste. That would mean expanding into animal food, biodigestion, composting, and even mulch. We leverage technology to combat hunger and keep food out of landfills.

AMY: How did this all come about? What motivated you to start this company?

JASMINE: It started very organically. Before I launched Goodr, I was very involved in

the social impact nonprofit space. I had an initiative of my own, which was called Sunday Soul. I started in 2013 and I was feeding people that were experiencing homelessness and hunger across the country, mainly in Atlanta, Baltimore, Washington, DC, Charlotte and New Orleans. I created a pop-up restaurant and would go to areas with large homeless populations and set up these



# Jasmine Crowe, Founder of Goodr

restaurants. A video for one of those events went viral on Facebook. People were asking which restaurants were donating the food, but the reality was nobody was donating. I was couponing and price matching and cooking all the food myself and loading it into my car and going downtown and feeding people.

I saw how much good food was going to waste while so many people were going hungry and that made me upset. That's really what got me started.

AMY: What were your first steps? Who were your first clients for Goodr? How did you approach them? How did you convince them to sign up with you?

JASMINE: It was really hard because I had an idea to build technology, but I didn't have money to actually build it. I spent a lot of time meeting with potential developers and they didn't get it. For the first few months, nobody understood the idea. I started going to hackathons and went to one at Georgia Tech. There were some students who helped me create a prototype. Then I used that prototype to create a pitch deck and started entering pitch competitions to try and raise capital to build the product. In late 2017, we spoke to Turner Broadcasting Systems and they were the first major company to let me

start testing out the model. Then I landed a contract with the Atlanta Airport. That was our first major customer. I just approached them, oftentimes with data and information about food waste, and really looked at it as a teaching moment trying to educate them on food waste and on hunger and how we can solve it.

AMY: What did that first prototype look like? How did you operationalize it behind the scenes?

JASMINE: The first one was very basic. It was just very clickable, basic buttons where you could input what you were donating – like meat or fruit – and how it was packaged. That was pretty much it. Then I decided that I needed to give businesses a lot more data. There are tons of leading organizations and nonprofits that were doing the work, but there was really no data on what was getting donated and who it was going to. I wanted to have more transparency into the full chain of custody. I started building towards that, but the first prototype looked very different.

AMY: Describe to me what your model looks like today. How does it work? How has it evolved since that first prototype?

JASMINE: We've created a very easy user experience where someone can click on

# Jasmine Crowe, Founder of Goodr

an item, tell us how much it weighs or what the quantity is, and then request a pickup. We leverage our network of logistics partners and get that fleet picked up and delivered to a nonprofit within a five to ten-mile radius of that business. That's pretty much how the app works. Businesses can see their tax savings and access a sustainability dashboard where they can see things like how many gallons of water they saved, how many trees can

be planted as a result of their donations, how many labor hours were saved, etc. We give them some really deep analytics on the items that are actually being donated and allow them to look across multiple locations. For example, if they have 4,000 Chick Fil A's, they can search by city and state and export a lot of different reports and use that to make better decisions around food production.



# Jasmine Crowe, Founder of Goodr

ALEXANDRIA COARI: Amazing. Jasmine, when you're talking about your logistics partners, do you manage that all yourselves or are you partnering? Have you learned any best practices?

JASMINE: As I said in my TED Talk, I don't see hunger as an issue of scarcity; I look at it as a matter of logistics. We've built a really robust logistics partner network and we're going to have more and more that will allow us to turn on markets everywhere. We are a very asset-light organization. We have one sprinter vehicle that we use in Atlanta, but as we began expanding into other markets, we do all our transports via partners. I believe that we can get to every market without having to have our own vehicles.

AMY: You mentioned that the Atlanta Airport was your first major customer. How would you define your core customer segments at this point?

JASMINE: Our core customer segments are airports, convention centers, franchises, and food service vendors. We have a few distribution centers that are coming on board as well. We want to work with colleges, universities, hospitals, and primary schools. Wherever there is food, we want to be involved.

AMY: How are you funded today? Is it all fee-for-service? Do you have any grant funding?

JASMINE: We don't have any grant funding, but that is definitely something I'm really interested in. It's really hard to convince people that have always been funding nonprofits to consider funding or working with a B Corps or a social enterprise.

I decided to make Goodr a for-profit business because I believe that to make a nonprofit work you have to spend a lot of time fundraising as opposed to solving problems. I have a lot of experience working in nonprofits before I started this. That's really where I spent the last 10 years. I knew that I was going to be constantly worried about whether I had enough donations coming in and would literally have to create development positions to raise funding. I wanted to spend more time focusing on solving a problem and getting people to come to the table.

I also found that it was, again, a logistics problem. The reality was that businesses are already paying to essentially throw away the food. They're already paying a waste management provider. We want to come in and offer an alternative to what they were already doing.

# Jasmine Crowe, Founder of Goodr

AMY: Have you been entirely bootstrapped or have you raised investment capital at this point?

JASMINE: We've raised very little investment. We've only raised a million dollars, which in the venture capital world is essentially considered a preseed round and not a lot of money at all. We only raised capital late last year.

AMY: How do you think about partnering with nonprofits? Do you do that right now? Would you do that in the future?

JASMINE: We partner with

thousands of them. That's who we partner with to get the food donated. We also partner with nonprofits in more non-traditional ways. We're not so focused on just supporting big nonprofits. We support Grandma's House, which is a local nonprofit in Atlanta that focuses on keeping seniors in their homes once gentrification starts to happen. We also work with a lot of low-income apartment communities that are nonprofits. We try to not only get food to the same people that have always



gotten it for years, like your big food banks and pantries, but are also focused on eliminating transportation barriers and the stigma that essentially people have when they're getting food. We don't want to give food to a pantry where someone has to come stand in line. Instead, we like to support models like grocery stores and partner with neighborhood markets that are really trying to do the work.

# Jasmine Crowe, Founder of Goodr

AMY: What have you learned about building a business model based around tax donation incentives? I know that you've achieved compliance with the IRS, can you talk about what that process entailed and what you learned from it?

JASMINE: It's really about having a lot of data and tracking what's being donated. Too often people are creating pricing models and business structures on pounds of food and that no longer works. There's a different value to donating 100 pounds of apples vs. 100 pounds of filet mignon. I've learned that a lot of tracking needs to be more precise.

ALEXANDRIA: Are you seeing that most corporates are generally interested in taking better advantage of tax donation credits or deductions? We've been hearing mixed feedback from corporates and retailers about how viable a business model based on a shared revenue model from maximizing tax donation incentives is so I'm curious about your perspective on it.

JASMINE: I think the reality is, whether or not the companies use the tax deductions, we need to give them everything they need to claim them. They can carry the rollover tax deductions for up to five years so no one should be maxed out. However, for many donors, it is less of a priority to look at tax savings and instead more important for them

to frame this as a sustainability issue. Or they're seeing that, next year, 50% of all the workforce is going to be millennials, and they care a lot more about supporting businesses that are doing the right thing. They recognize they need new attitudes around food waste, recovery, recycling, and being good stewards of the environment. I think all of those things come into play. So, for most of our customers, tax benefits are not the biggest driver.

AMY: Another very interesting part of your model is that you use blockchain technology to provide the secure ledger. Can you talk about how that works for someone who might be intimidated by things like blockchain?

JASMINE: Essentially we want to secure all of the data and all of the information that customers are providing to us and make sure that it will stay encrypted. Beyond that, we want to be able to show a chain of custody for where that food has been. A donor might say, well, we donated 54 million pounds of food to Feeding America, but if I asked them, who does that actually go to? Who are the community partners and the nonprofits that you're supporting? A lot of times, they don't know that level of detail. They're getting an Excel spreadsheet from Feeding America every 45 days that says the dates they picked up food and distributed it, but they don't know much beyond that.

## Jasmine Crowe, Founder of Goodr

One of the things that people need to understand is that hunger is a state people will not stay in forever. I've experienced hunger. I have friends and family who have experienced hunger, and we came out of it. A business needs to know who they're supporting and how the person might eventually come back and be a paying customer. It's vital to have technology that can show exactly who that end user was. You can create a heat map that shows exactly which city and what zip code they live in and which kind of people receive it.

AMY: It strikes me that you're a particularly effective translator between the technologists and engineers using blockchain and the donating companies or receiving nonprofits to help them understand this use case. Can you describe how you get people to understand the potential applications of blockchain to tackling problems of hunger?

JASMINE: I still think it's not going to be super clear to a lot of people. For us, we explain it in terms of making food donation more transparent. There's a lot of things that

blockchain is being used for, but we're very simple in how we're trying to use it. I think that's what's been helpful.

AMY: Where do you think that innovation is still needed when it comes to using blockchain in the food recovery sector?

JASMINE: I think maybe in food safety and being able to track temperature better. Monitoring transit is a big opportunity and something that we're looking at.



# Jasmine Crowe, Founder of Goodr

ALEXANDRIA: What lessons have you learned at Goodr when it come to ensuring food safety? We know that's an area where donors often raise concerns.

JASMINE: Everyone is concerned about food safety. That's one of the most common questions we get. Eventually, we'd love to figure out how to do things like monitor temperature during transit using innovative methods like RFID tags, but that's further down in the pipeline for us.

I always try to remind businesses that the Good Samaritan Act holds them harmless in agreements that we have in place with nonprofits. And our agreements say that once we take on the food, we will own all the liability. We will be the bad guy if it ever comes down to it.

We also provide all the packaging materials and all the labels so once this food gets to nonprofits, it's coming in all of our packaging.

AMY: As you look towards the future, what are the biggest opportunities for Goodr? What's on the horizon?

JASMINE: We are focused on expansion and trying to get to more cities. I'm also really excited about rural communities. I think that's the next big thing for me. I think this

model will work in every urban city and my goal is to be in 20 by next year. But then after that, I want to figure out what it looks like to get food in a similar fashion as a meal kit to communities in rural neighborhoods? How do we make sure that we're not only serving the inner cities when there are so many people that are living in small rural towns that are desperately struggling with hunger in greater numbers?

What would it look like to work with local nonprofits in these areas and get food right to the doors of people who need it the most? That's really big for me.

We also need to grow and expand our technology and raise more money via grants or even investment so that we can build out all the products and all these really big ideas that I have to solve this problem.

I just want to see a reduction in hunger. I'm someone who cares a lot about this issue. I didn't get into this as a means to make money or because I thought it would be cool to have a startup. I didn't live in a place where everybody else around me had a startup. I just had an idea. I got into this because I knew what it was like to be hungry. I had friends and family that were hungry. That gives me a different perspective that so many people don't have. When people

# Jasmine Crowe, Founder of Goodr

try and come into this space from a vanity standpoint, that bothers me, because I'm really in this space from the standpoint of a person who has been hungry. I know a lot of people who are still hungry, I was feeding people on the streets before out of my own pocket. I'm just excited about being a thought leader in this space and really solving this problem because I get it probably more than most.

AMY: That's such a critical perspective to have. I'm wondering how would you advise others who are entering this space to keep the perspectives of the end recipients of food top of mind? What should they understand?

JASMINE: I think they should know the people. I've always been a big critic of people that write statistics if they're writing statistics about experiences they've never had. If you've never been someone on the street who was homeless and hungry, you might be assuming that they should just take anything. That's not true. People who are homeless could still have dietary restrictions.

You need to get out and have conversations. Form a community council comprised of people who are currently experiencing homelessness, or veterans that have been homeless before, or seniors. Learn from

low-income families what their struggles actually are. What do they see can actually be done? Why do they have to choose between paying for food and paying for prescriptions? We want to make sure that we are not just using our own knowledge, but are open to what other people are saying. At Goodr, we host nonprofit lunches in the office once a month and bring different nonprofits together to learn from them. We also talk to them about the things that we hear from our council. We're making sure that everybody feels connected.

So that's the biggest thing: get to know your customer. We spend so much time on customer discovery. I spend a lot of time on the end user.

AMY: What advice might you have for nonprofit food recovery organizations?
Where do you see opportunities for continued innovation and partnership?

JASMINE: I think the biggest thing is collaboration. Organizations and social enterprises in the food recovery space should not be looking at ourselves as competition. We should be seeing ourselves as collaborators trying to solve a problem. I think that's the biggest opportunity. I don't even think that's an innovation thing; it is just a human thing.

10

# Jasmine Crowe, Founder of Goodr

Work with organizations like Feeding America to help grow food recovery efforts by driving efficiencies in existing processes. If we all continue to look at each other as competition, and not as an opportunity to collaborate, this problem will not get solved. When you look at how big of an issue food waste is, even when Goodr scales, we are not going to be able to get all the food. There won't be a single organization that can be everywhere. Even Uber, as massive as they are, they're not

in every city. They're not in every county. That's what people have to think about. We're going to have to learn how to work with each other and have best practices shared. Solving hunger should be the least competitive thing.

So overall, my advice to nonprofits would be to try and collaborate with other nonprofits, other startups, other organizations that are trying to do the work.

