

# FOODTECH IN FRANCE

**2022** REPORT ON THE STATE OF THE  
ECOSYSTEM & TOP STARTUPS



# HELLO,

First of all, we thank you for reading this report. For DigitalFoodLab, many things started with the first report about the French FoodTech ecosystem in 2017. This is the sixth edition, and yet the ambition to provide a clear overview of what is happening in this really exciting ecosystem is stronger than ever.

In 2021, **French FoodTech startups raised €875M, 40% more than in 2020**, which was already an extraordinary year. In the first half of 2022, despite strong headwinds and a global decrease in tech investments, investments are well oriented.

On the bright side, we observe that year after year, the last « historic » challenges of the French FoodTech ecosystem are now solving themselves:

- Foreign investors are much more active in France than they were previously;
- The number of acquisitions is up compared to previous years. Some are notable such as Cajoo's or Frichti's. Many are done by other startups at lower-than-expected valuations. This is nonetheless highly positive for an ecosystem which was (and still is) full of zombie startups (that have raised some money, generate some revenue but don't grow much);

**2021 was a pivotal year. Investments kept rising and enabled the emergence of a set of a pool of potential leaders larger than ever.**

- Early-stage deals are finally growing in size and quantity. Entrepreneurs are now given the means to implement their visions early on. This also translates into a steep rise in the median series A deal, which was smaller than in other European countries.

However, the French FoodTech ecosystem still has many weaknesses, among which:

- its « rank » in Europe (and hence in the global FoodTech ecosystem): 3rd in Europe in 2021, only 4th for the first half of 2022.
- Its focus on B2B, with fintech startups working on restaurant payments which have a hard time differentiating themselves from competitors, and on insects-for-animal-feed startups. This focus also means a very small number of startups and deals made in the « hypest » parts of the Foodtech ecosystem, such as food delivery and alternative proteins. This is changing in 2022, notably with the help of foreign investors.

If we balance the positive and the negative, we see that 2021 was pivotal. Things are changing fast, with many high-potential new ventures getting (well) funded. We remain convinced that if one continent should lead the FoodTech revolution, it should be Europe. And in this continent, who could be better suited than France and Paris to be its beacon?

# HELLO,

**We are DigitalFoodLab's founders, Jérémie & Matthieu. We are:**

- **Food entrepreneurs**, founders of one of the first French FoodTech startups (2010-16), and successfully exited
- **FoodTech experts**, co-founders of DigitalFoodLab
- **Angels, coaches and board members** of FoodTech startups

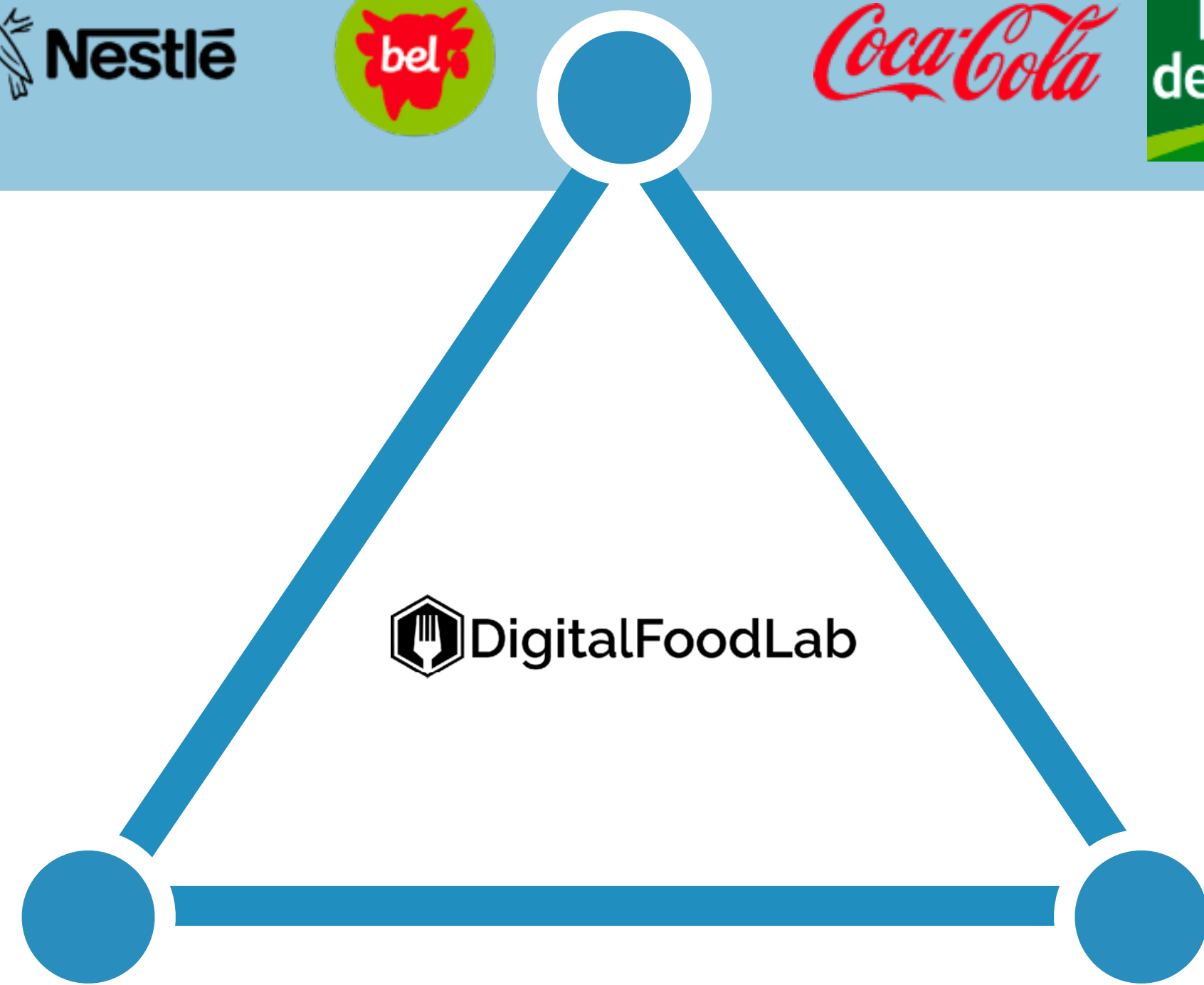
**But first and foremost, we want to accelerate the emergence of the future of food.**



# DIGITALFOODLAB

## WE HELP YOU NAVIGATE THE FUTURE OF FOOD

STRATEGY CONSULTING WITH CORPORATIONS TO BUILD THE FUTURE OF FOOD



### CONTENT

*Leading newsletter in Europe  
First reports on the FoodTech  
trends, investments in Europe*

### INVESTMENT IN STARTUPS

les **miraculeux** **GOURMEY**  
**archie** **Sync** **bolk**

# FOODTECH IN FRANCE IN 2022

## WHAT IS FOODTECH?

DigitalFoodLab's definition is:

“FoodTech is the ecosystem made up of all the agrifood entrepreneurs and startups (from production to distribution) innovating on products, distribution, marketing or business model.”

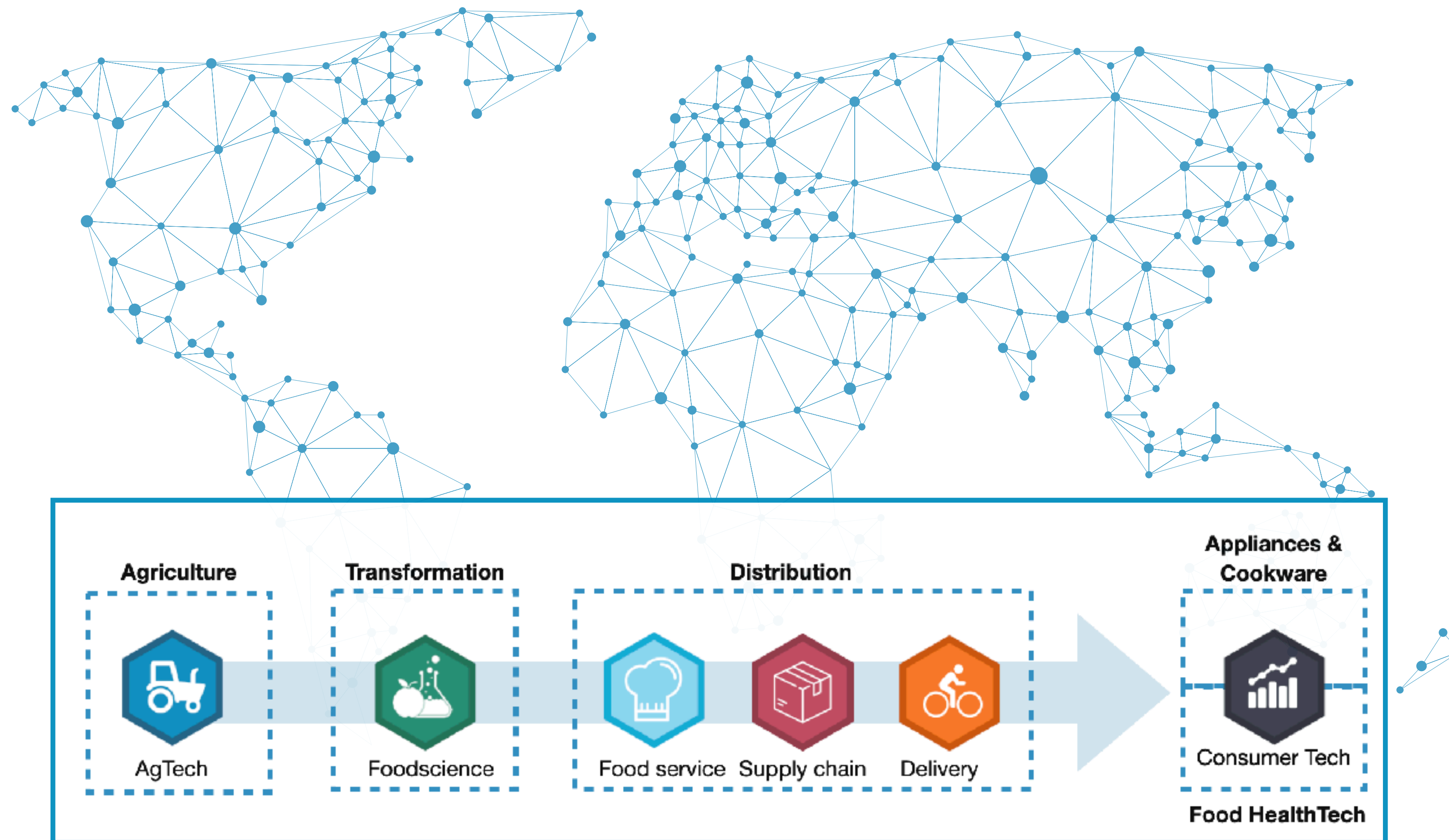


*DigitalFoodLab has identified six categories that made FoodTech, themselves divided in sub-categories (all definitions are available [here](#))*



# FOODTECH IS HAPPENING GLOBALLY

## IT IS IMPACTING THE WHOLE FOOD VALUE CHAIN



- To understand what is happening, it is necessary to have both a:
  - global overview
  - Understanding of how entrepreneurs are reshaping the whole food value chain
- The disruption of the food value chain is only starting.

# FOODTECH IN FRANCE IN 2022

## I - STATE OF THE ECOSYSTEM

*With more than €330M raised since its inception, Ynsect is one of the most well-funded European startups. It is now focusing on its insect for animal feed business model, but is looking beyond, notably toward human food.*

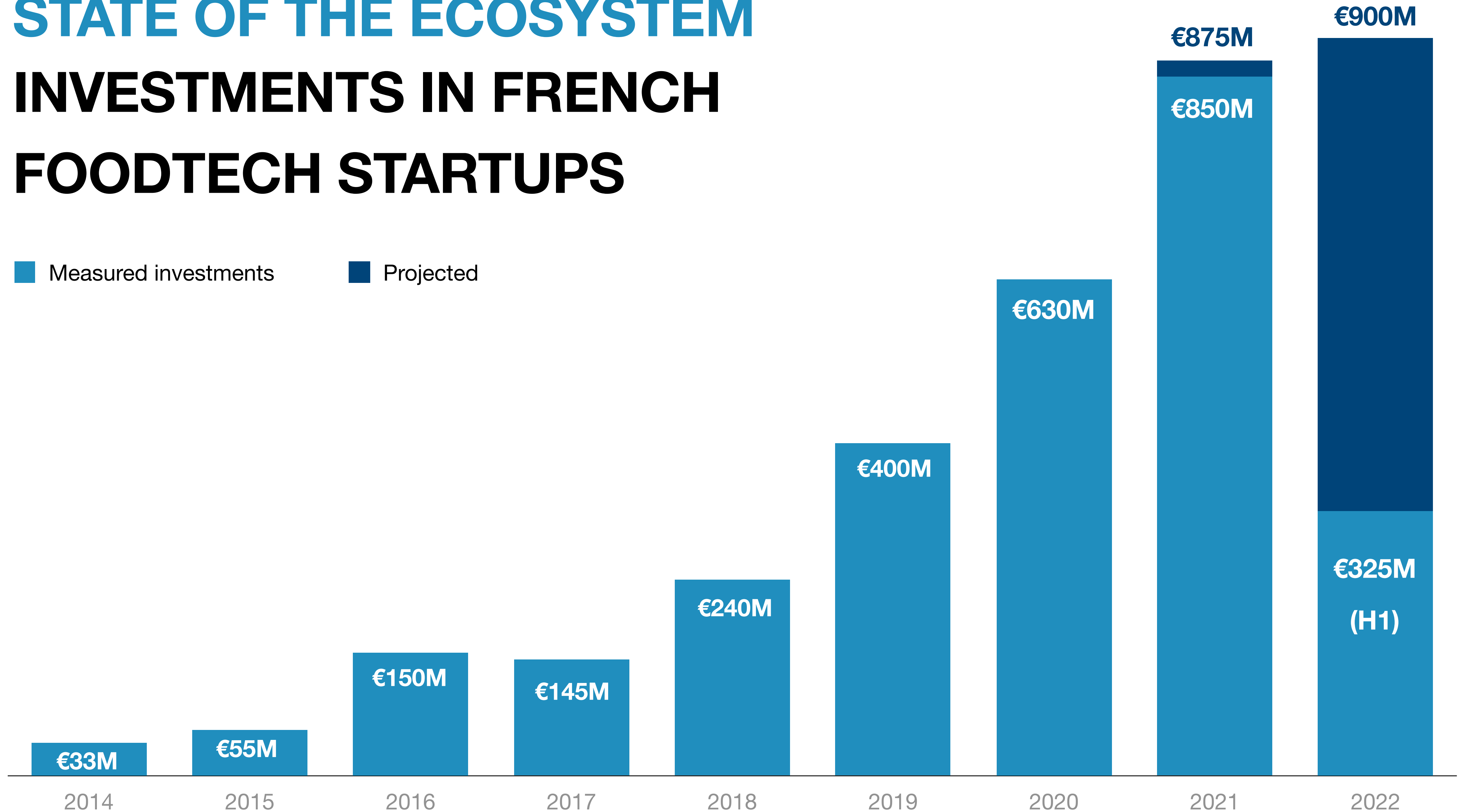




# STATE OF THE ECOSYSTEM

## INVESTMENTS IN FRENCH FOODTECH STARTUPS

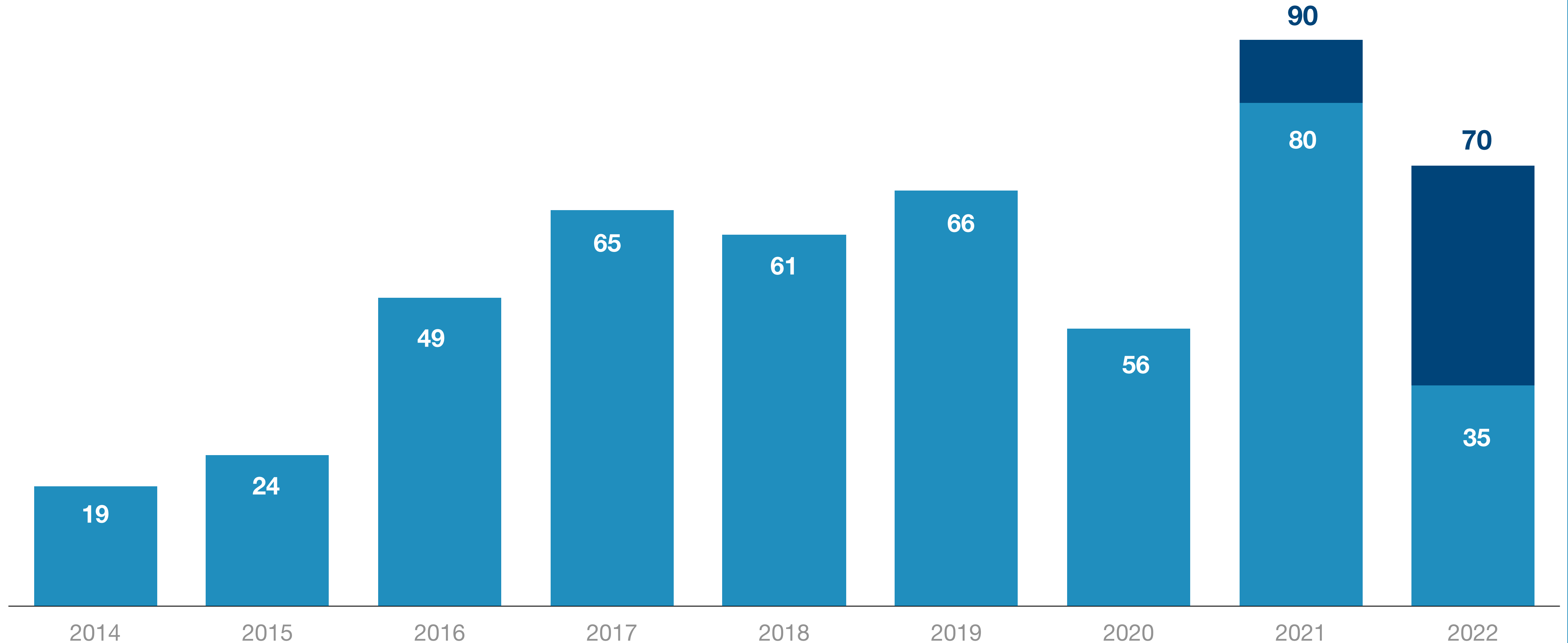
■ Measured investments    ■ Projected



# STATE OF THE ECOSYSTEM

## NUMBER OF NOTABLE (>€500K) DEALS

■ Measured ■ Projected increase



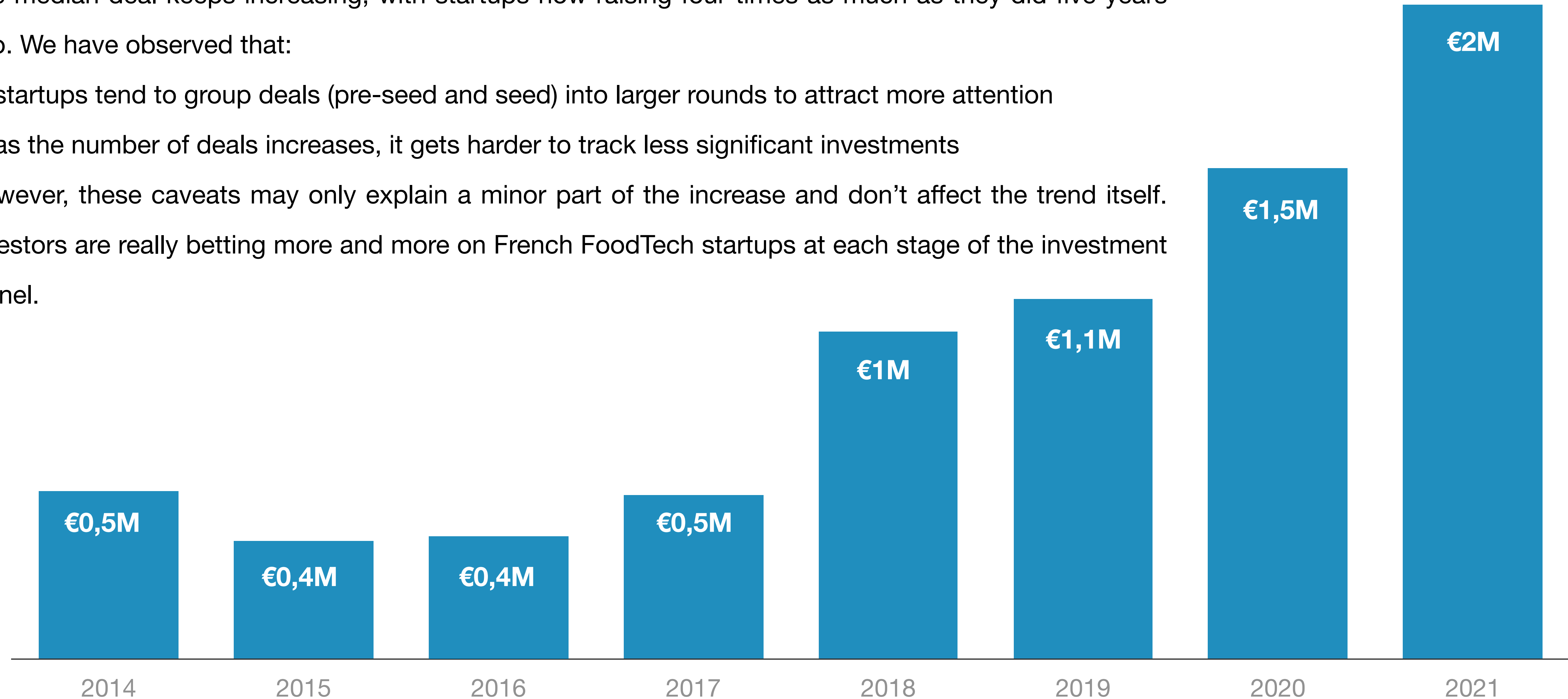
# STATE OF THE ECOSYSTEM

## MEDIAN DEAL SIZE

The median deal keeps increasing, with startups now raising four times as much as they did five years ago. We have observed that:

- 1- startups tend to group deals (pre-seed and seed) into larger rounds to attract more attention
- 2- as the number of deals increases, it gets harder to track less significant investments

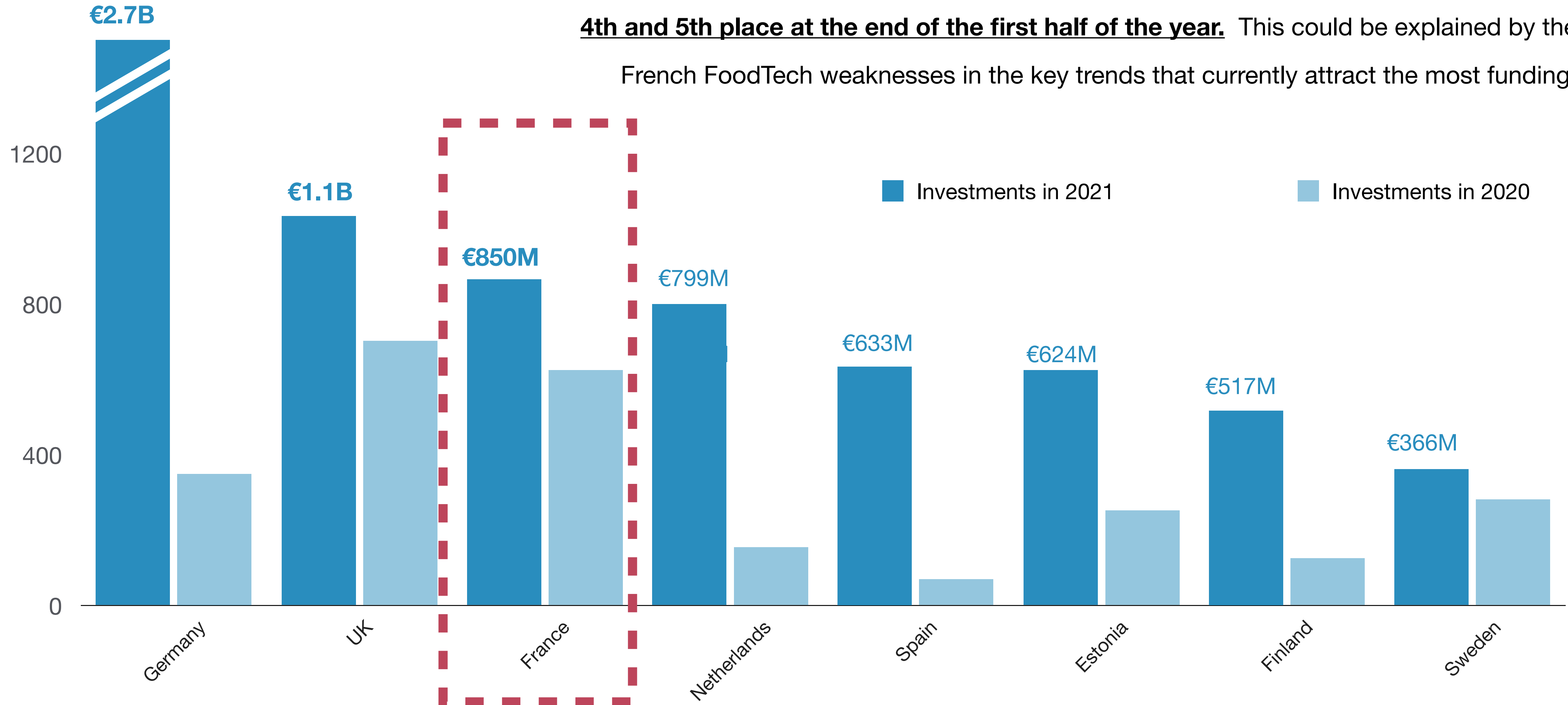
However, these caveats may only explain a minor part of the increase and don't affect the trend itself. Investors are really betting more and more on French FoodTech startups at each stage of the investment funnel.



# STATE OF THE ECOSYSTEM

## FRANCE IN EUROPE

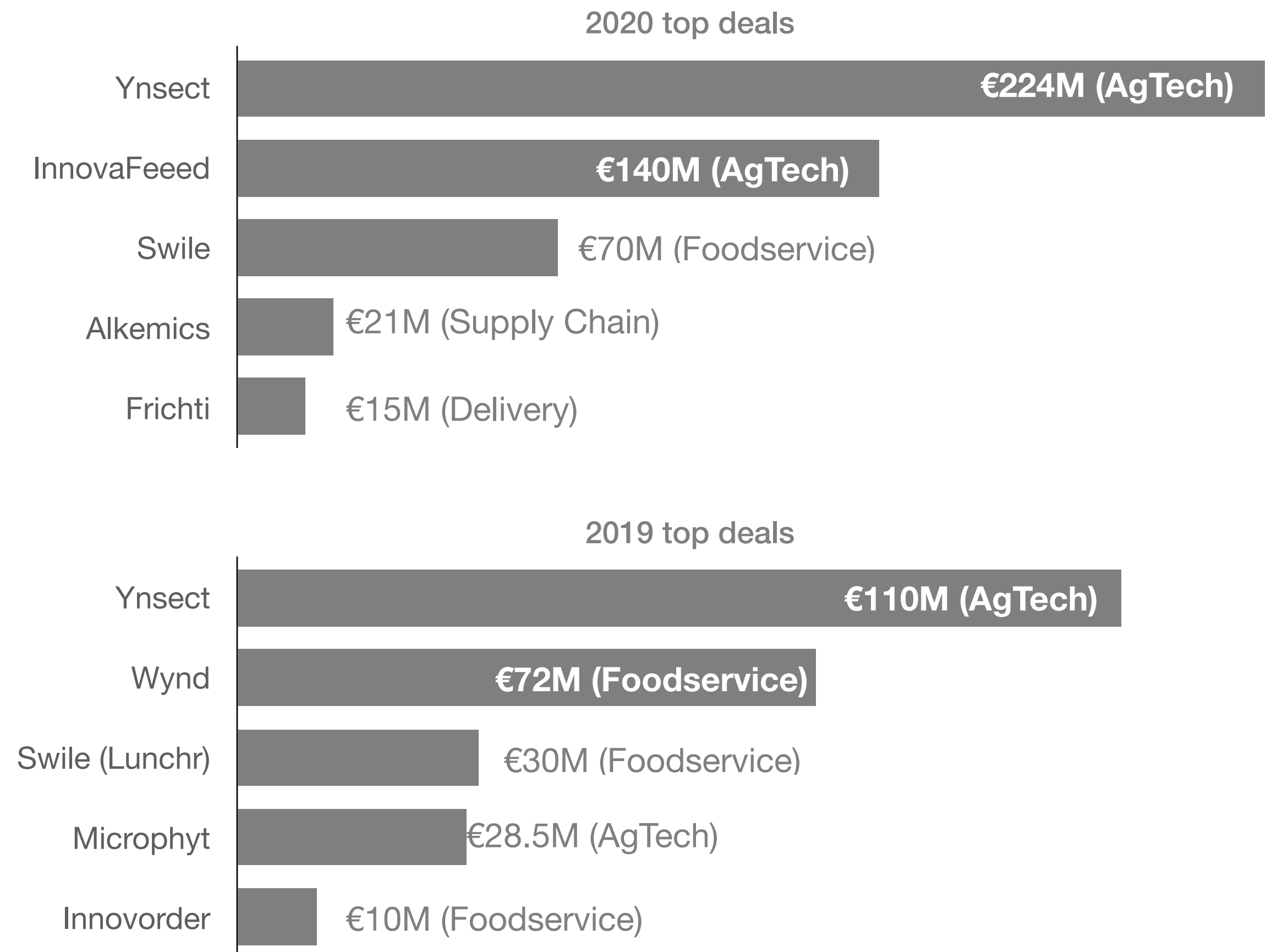
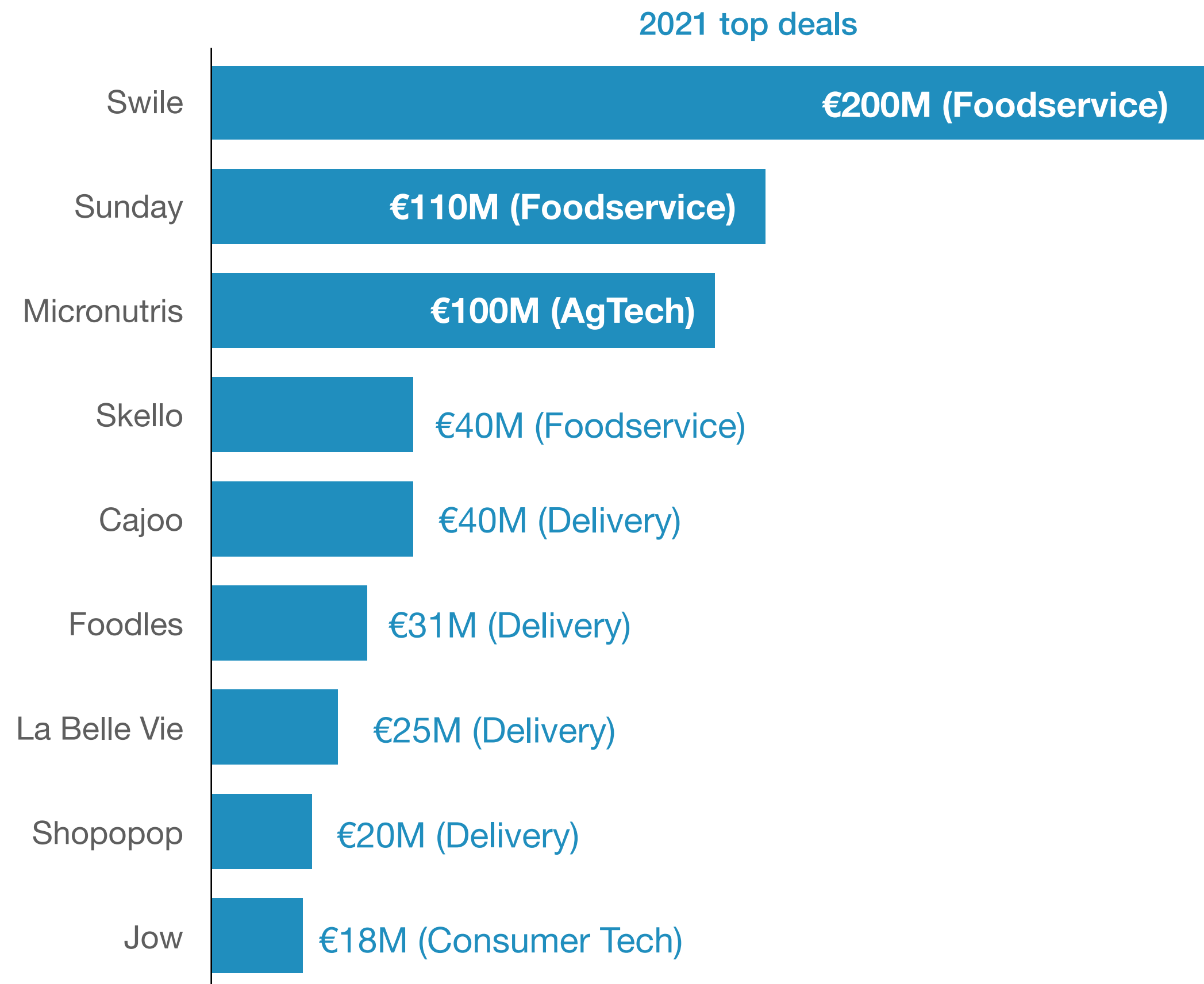
The French ecosystem was in third position in 2021 (2nd in 2020) and only between the 4th and 5th place at the end of the first half of the year. This could be explained by the French FoodTech weaknesses in the key trends that currently attract the most funding.



# STATE OF THE ECOSYSTEM

## TOP DEALS

When we compare the top deals of 2021 to previous years, we are struck by the number of €10-30M deals. From exceptional, they are becoming quite common.



# FOODTECH IN FRANCE IN 2022

## II - TRENDS

*Gourmey reinvents one of the most iconic French foods, foie gras, by using one of the most advanced technologies: cellular agriculture. It has already raised more than \$10M.*

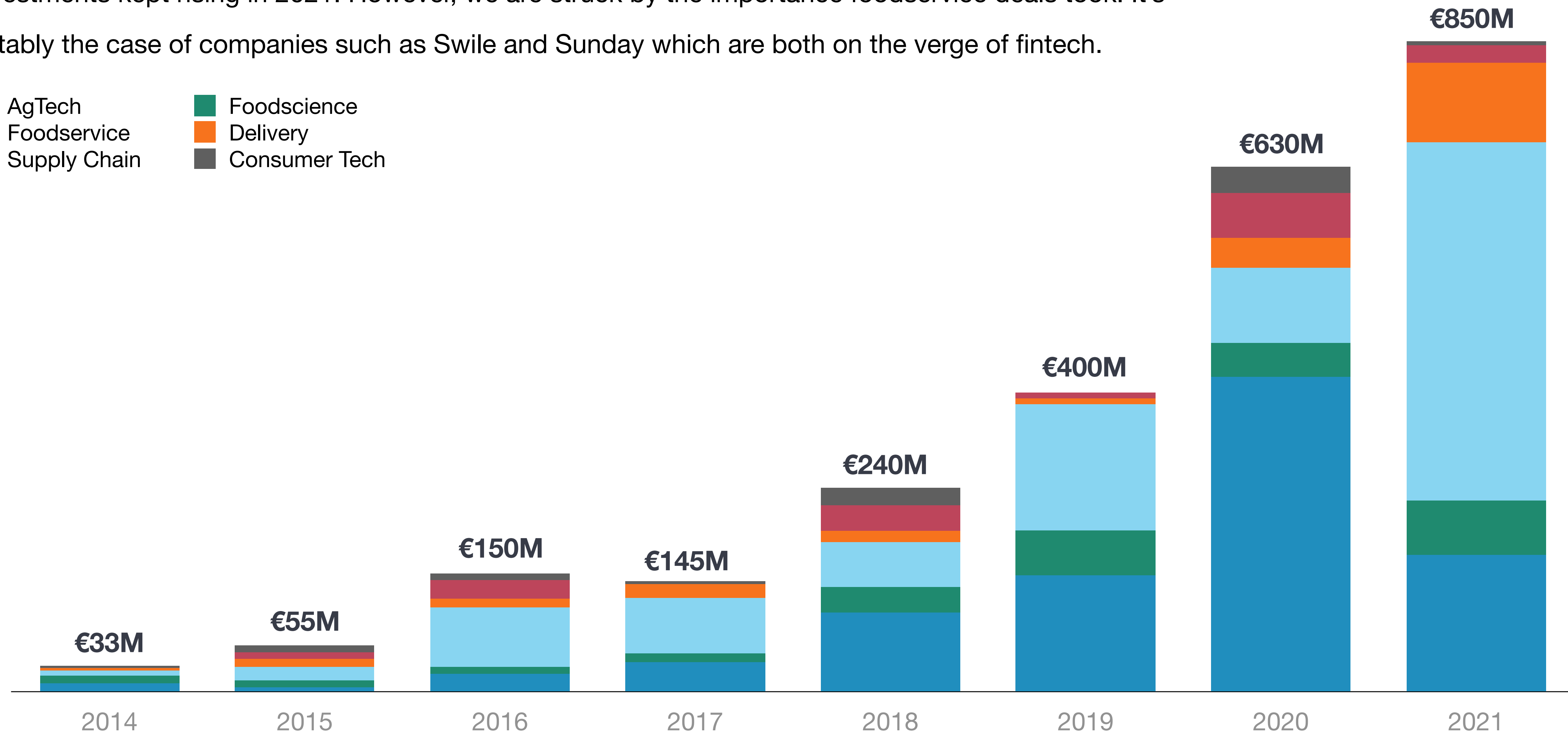
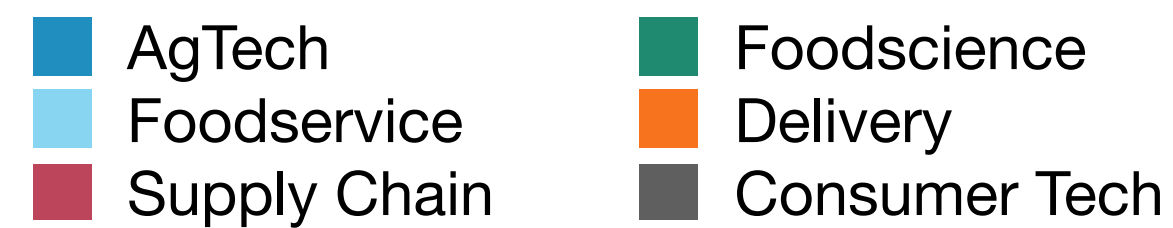
*This combination of science and culture may be the best way for European FoodTech startups to differentiate themselves in an ever more competitive and globalised food landscape.*



# TRENDS

## INVESTMENTS BY CATEGORY

Investments kept rising in 2021. However, we are struck by the importance foodservice deals took. It's notably the case of companies such as Swile and Sunday which are both on the verge of fintech.

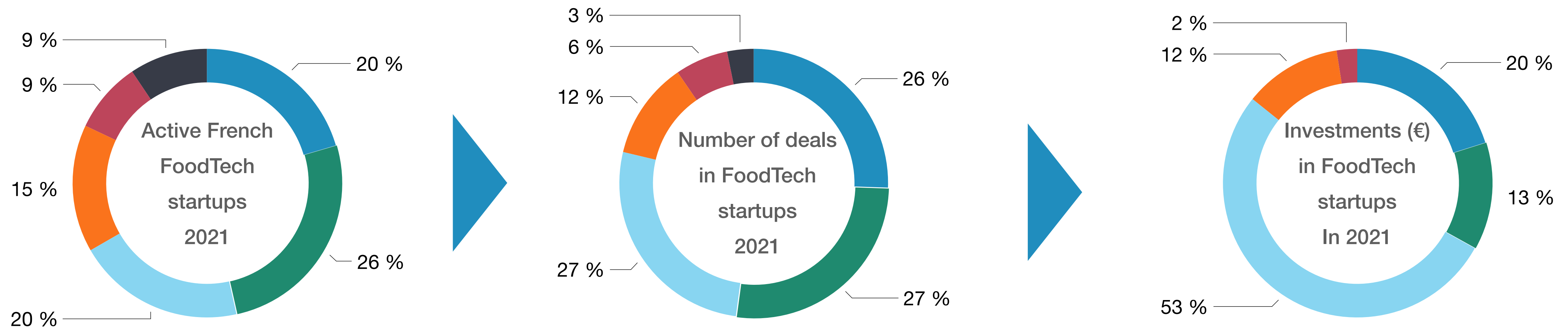


# TRENDS

## UNBALANCED ECOSYSTEM



The three graphs below showcase the differences between the distributions of the active startups, the number of deals made in 2021 and the amounts invested.

















The French ecosystem is still particularly unbalanced:

- The number of foodscience startups is rising year after year. Investors bet on them, but mostly on early stage deals;
- The amounts invested in Foodservice startups dwarf the rest of the ecosystem, while AgTech was leader in 2020. In a year which can be called the « year of quick-commerce », the tiny share of investments in delivery startup underlines the little appetite of investors for French B2C startups.













# TRENDS

## NOTABLE ACQUISITIONS IN FRANCE IN 2021 & H1 2022 - 1/2

STARTUP	CATEGORY	ACTIVITY	COUNTRY (startup / acquirer)	AMOUNT	ACQUIRER
	Supply Chain	Data for e-commerce supply chain	France / USA	Undisclosed	
	Foodservice	Foodservice management	France / Italy	Undisclosed	
	Food science	Gummies / food supplements	France / France	Undisclosed	
	Supply chain	Data for e-commerce	France / USA	Undisclosed	
	Delivery	Delivery of fresh foods from corner stores	France / France	Undisclosed	
	Foodservice	ePOS	France / UK	Undisclosed	
	Delivery	Meal delivery / Smart canteen	France / France	Undisclosed	

# TRENDS

## NOTABLE ACQUISITIONS IN FRANCE IN 2021 & H1 2022 - 2/2

STARTUP	CATEGORY	ACTIVITY	COUNTRY (startup / acquirer)	AMOUNT	ACQUIRER
	AgTech	Vineyard robots	France / Italy	Undisclosed	 Farming Technology. Since 1927.
	Delivery	Fullstack meal delivery and quick-commerce	France / Germany	Undisclosed	
	Foodservice	Services for small merchants	France / Belgium	Undisclosed	
	Supply Chain	Re-usable packaging	France / Sweden	Undisclosed	
	Foodservice	Click&collect for restaurants	France / France	Undisclosed	



# **GOT A QUESTION? CONTACT US!**

[contact@digitalfoodlab.com](mailto:contact@digitalfoodlab.com)

**FIND THIS REPORT INTERESTING?  
[CLICK HERE TO SHARE IT](#)**