



Insights: Perspectives

Recent Trends in Food & Wine Industry and Their Legal Implications | The Patent Landscape

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5 KEY TAKEAWAYS

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[Kilpatrick Townsend](#) Partner [Babak Kusha](#) recently spoke at the Contra Costa County Bar Association's [25th Annual MCLE Spectacular](#) in Walnut Creek, California on "Recent Trends in Food & Wine Industry and Their Legal Implications." His presentation focused on the "The Patent Landscape" and the industry-changing innovations occurring.

Mr. Kusha's five key takeaways from the presentation, include:

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The desire to mitigate climate change, prevent the needless suffering of animals, improve public health and global food access, are amongst the motivations for innovations for transforming the world's food systems. Investors desire to transform consumer demand for meat into a desire to consume alternative proteins. With demand for new products far outpacing supplies, the plant-based food industry is ripe for innovation. Beyond Meat saw one of the most impressive initial public offerings, and the Impossible Whopper fueled Burger King's successful growth.

Strong demand and worthy motivations drive many in the food business toward innovations in various aspects of the alternative protein supply chain. Patents can provide a moat to unfair competition and help protect innovations that are not safeguarded as trade secrets.

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Relatively few big players hold patents in the alternative protein area and there are relatively few granted patent families in the related patent landscape. The granted patents are at very early stages of their lives and are untested. Impossible Foods, Beyond Meat, and JUST are leading the meatless meat revolution; Memphis Meats and others are also close behind.

Impossible Food, Inc.'s 16 granted U.S. patents and several pending applications protect their methods of extracting and purifying non-denatured proteins, genetically engineering methylotropic yeast, soy-based cheese, food product and ground meats. The "bleeding" and meaty flavor secret is due to the iron-rich heme – isolated from leghaemoglobin, isolated from soy plants. Beyond Meat's one granted patent and pending applications protect nutrient-dense meat structured protein products. JUST's three granted patents and pending applications protect functional mung bean-derived compositions and plant-based egg substitutes. Memphis Meats has pending patent application to protect their methods for scalable muscle lineage specification and cultivation. Perfect Day Foods has one granted patent and several pending patent applications to protect their food compositions comprising one or both of recombinant beta-lactoglobulin protein and recombinant alpha-lactalbumin protein, such that the food composition has the characteristics of a dairy food product and the food composition does not comprise any other milk proteins.

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While the patent landscape in the alternative protein area includes relatively few big patent holders, investors do see value in good patent assets that provide an adequate level of protection for the innovation. The patents in the alternative protein field are freshly-granted and untested and there remains tremendous opportunities for innovations and consolidations. There are many food industry giants and other big players who are supporting early startups. Keep in mind that these innovations are occurring in the food sector and commercial actors of all categories from suppliers of additives, amino acids, antioxidants, bakery mixes, colors, fats, fibers, and flavors, to yeasts and yeast product suppliers and their bankers continue as major contributors in this rather complex supply chain, which may be as important to the success of the business, if not more than their patent holdings.

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