

DOING WELL WHILE DOING GOOD: GOODR

"As a black female founder, I went places that others weren't willing to go so that I could meet needs that others weren't even seeing." – Jasmine Crowe-Houston, Founder & CEO, GoodrCo.

By Lexi Henkel and Cyan Brown

Goodr is a logistics technology company that helps to sustainably manage food waste and provide much needed healthy food to the community. The company partners with businesses to provide them with a sustainable and economically advantageous solution for managing their food waste. Goodr began by delivering unused food to people who need it and now offers a holistic waste management solution that enables companies to get tax and other economic benefits from managing their food waste. Goodr's goal is to end hunger, and its mission is to "Feed More, Waste Less."

HOW IT STARTED: SUNDAY SOUL

Jasmine Crowe-Houston has worked in hunger alleviation for over a decade. Her journey began with "Sunday Soul," a pop-up restaurant she started and ran in Atlanta. Her vision was to provide a "good Sunday dinner" that combined soulful food with soulful music and restored dignity for people experiencing hunger. Jasmine explains, "I saw that there were people feeding people, but they were not getting the dignity and choice. I wanted to do better. I wanted to do goodr." (1) Jasmine herself was food insecure during her childhood; her parents often did not eat so that they could feed her and her sister. (2)

Sunday Soul was no small feat. Jasmine served 350-500 people each week, an endeavor that involved days of preparation. When a video of Sunday Soul went viral on Facebook, Jasmine

Website: https://goodr.co/

received the same question over and over: "Who is donating this food?" The answer shocked people: no one was donating the food; Jasmine was sourcing, funding, and making it herself.

This experience led Jasmine down a rabbit hole of research on food waste. After reading an HBS report, she was shocked by the amount of food that goes to waste in the U.S. As it turned out, people were hungry yet there was excessive food waste across the country.

34 million Americans do not have enough to eat, and several million of them are children. But there is more than enough food to provide for everyone every day. In fact, 40% of the food produced in the U.S. is thrown away, and 27% of landfills are composed of food. This equates to about 80 billion pounds of wasted food. (3) Importantly, there are various downstream effects of this waste. According to Project Drawdown, food waste contributes to about 8% of global emissions. Hunger and food insecurity also are leading causes of illnesses such as diabetes, obesity, heart disease, and mental health disorders. (4)

Faced with this data, Jasmine says, "This was my aha moment. I thought, 'I've gotta connect these two [issues]. (5)

¹ How I Built This Podcast with Guy Raz, Episode 467

² Interview with Jasmine Crowe-Houston

³ How I Built This Podcast with Guy Raz, Episode 467

⁴ National Institute of Health (NIH)

⁵ How I Built This Podcast with Guy Raz, Episode 467

TURNING TO TECHNOLOGY: A LOGISTICS COMPANY

With the insight that hunger may in fact be a logistics problem – not a food quantity problem – Jasmine began brainstorming how to use technology to feed more people. Jasmine entered a hackathon at Georgia Tech and took advantage of every resource available to build a prototype. True to her scrappy form, Jasmine entered pitch competitions and used prize money to develop a prototype that she showed the technology to potential clients for feedback and received positive response. Along the way, she also met an engineer at a coworking space and together they built a more robust product that they could start selling to customers.(6)

Their secret sauce? "We keep the food close. We deliver it to nonprofits that are closeby," Jasmine explained. Goodr also differentiates itself by focusing on being part of the community.

Jasmine's market research was scrappy and hands-on. Rather than sitting at home reading research reports. Jasmine went door to door to ask businesses what they did with their food waste. She left her business card so that they could text her when they had spare food. Using her own car, she picked up and distributed the food herself. Through this experience, Jasmine gathered a lot of information about transporting food that enabled her to build the perfect product. She also gathered data that she could provide back to the company about the types of waste they were producing, the value of the waste, and a complete report that they could use for tax refund purposes. By providing this secondary benefit, she was able to show executives the impact their food donations were having; the data carried material value.

DOING WELL BY DOING GOOD: BUSINESS MODEL

From speaking with business owners, Jasmine learned that businesses were paying to dispose of food into landfills. She thought businesses wo-

uld surely be interested in paying for a more efficient and sustainable way to handle their surplus food. Goodr's value proposition would go beyond waste management: they would help companies reduce costs spent on excess waste pickup *and* offer tax benefits, all while helping companies meet their ESG (Environment, Societal, and Governance) goals.

Based on the insight that businesses were already paying for waste management – coupled with the fact that she wanted a sustainable way to alleviate hunger that did not rely on being a non-profit (NPO) and constantly needing to raise funding – Jasmine set up the company as a for-profit entity from the outset. Jasmine explains, "This would only have worked as a for-profit. The way this has always been solved is philanthropic - we're disrupting that. We're also disrupting the waste industry. There's a better way to do both of these things." (7)

The value proposition was simple: "Instead of paying waste management companies to throw surplus food into landfills, businesses can work with Goodr to deliver that food to local nonprofits that get it to people in need." (8) Plus, they'll get a tax deduction.

Goodr's revenue model also mirrored waste disposal companies which base their pricing on volume and frequency. Goodr's pricing depends on which vehicle (e.g., car vs. truck) and the number of pickups per month. Companies commit to either 8, 12, 20, or 30 pickups on a monthly basis. For every one thousand dollars its customers spend, Goodr donates up to \$4,000 worth of food; customers can then write-off that value as a donation in their tax return. This represents a meaningful return on investment for Goodr's customers.

6 How I Built This Podcast with Guy Raz, Episode 467 7 How I Built This Podcast with Guy Raz, Episode 467 8 Goodr website Hunger for decades since the 1970's has primarily been solved via Food Banks and large-scale hunger relief organizations like Feeding America. While Goodr founder, has stated that food banks and pantries serve a vital purpose she believes that the use of technology and approaching hunger with a dignity-first approach will drive hunger rates down. The adoption to Goodr has been slow as people have not adapted to this new way of solving hunger but Crowe-Houston is hopeful.

Though not a non-profit, Goodr is a certified B Corp. Jasmine says, "I was inspired by Patagonia and Ben and Jerry's who were doing well by doing good and so I definitely wanted to be a B corp and we worked on the certification for over one year." (9) Goodr also has a foundation arm which delivers meals to hard-to-reach neighborhoods for food-insecure children through a project called Neighborhood Eats. One percent of Goodr's profits go toward this foundation.

FROM HUNDREDS OF MILLIONS: SCALING THE BUSINESS

Jasmine describes the product as "reverse Uber Eats or Instacart: it's intuitive tech where they can upload their full menu and how much quantity they have. We estimate the tax value and take care of the pickup. For the client, it's as easy as clicking 'Request Pickup.'" (10) Goodr also provides a sustainability dashboard which converts pounds of food kept out of landfill into carbon emissions.

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It was 2017, and food delivery apps were beginning to take off. Jasmine drew inspiration from the likes of Door Dash and other marketplace models. Initially, she recruited individual drivers (some from Uber and Lyft) to make Goodr deliveries. For the first year and a half – while Goodr was operating only in Atlanta – this model worked. One success story that stands out: Goodr reduced waste by 47% at the Hartsfield-Jackson Atlanta airport, serving 131,392 meals and diverting 157,670 pounds of food from landfill. They also helped concessionaires claim \$200K in tax benefits in six months. (11)

However, she knew this model of individual, contracted drivers would not enable the scale she envisioned. In 2019, Jasmine made a savvy decision to partner directly with logistics companies. This subcontractor model supercharged Goodr's growth.

AN UPHILL BATTLE: FUNDING JOURNEY

Goodr has raised \$8.6 million since its founding in 2017. As is the case for many minority founders, this was a long, uphill battle for Jasmine. She explains, "The statistics are out there - when I first got started I heard that black women were not able to raise venture capital. I took well over 200 meetings to get the first million. We've hit all of the milestones, but it has been hard." (12) Eventually, Jasmine brought on investors from an impressive roster of venture capitalists. In June 2022, Goodr raised a Series A led by Precursor Ventures, with participation from Collab Capital, Gratitude Railroad. Emerson Collective. Backstage Capital, Innovations For Impact, the TELUS Pollinator Fund for Good, Hockey Stick Investments, Kimbal and Christiana Musk, and other angel investors. (13)

Jasmine emphasizes the importance of focusing on customers and driving revenue in order to be I

⁹ Interview with Jasmine Crowe-Houston

¹⁰ How I Built This Podcast with Guy Raz, Episode 467

¹¹ Goodr website

¹² Interview with Jasmine Crowe-Houston

¹³ Goodr press release

ess reliant on venture capital. She says, "My customers are how I am still standing and how I am here."

PROMOTING DIVERSITY: A GOODR CULTURE

Jasmine has built Goodr on the premise of a people-first and humility-centered culture. No task is beneath her, and she has done every role at the company herself. She expects the same from her team members. She is focused on maintaining a healthy, humble, and diverse culture. She still meets with all team members for a one-on-one each quarter and has personally interviewed all new hires. She organizes retreats with employees and their spouses to help build collaboration and commitment among everyone in the Goodr ecosystem. To keep everyone on the same page while growing quickly, Jasmine hosts all-hands-on-deck and culture meetings to ensure transparency and good communication.

The majority of employees are African American, and Jasmine's cofounder is part of the LGBTQ community. There is also a large Jewish contingent within the company. This diversity happened organically because people in these communities reached out because they were interested in our mission.

In a recent survey, 100% of employees expressed satisfaction with Goodr and indicated they would recommend it to their friends and family members. (14) The thread that connects every member of the team is a shared belief in the mission. "Our ultimate goal is to make a dent in the number of people experiencing hunger. Even 15% will be enough food to feed 25 million Americans," Jasmine explains. (15)

KEY INSIGHTS

Spend a lot of time with the people you want to serve.

Jasmine went door-to-door to understand the needs of both businesses disposing of their surplus foods and nonprofits delivering food to hungry people. No amount of desk research could have replaced those insights.

Diversify funding sources for social impact work.

"Look at program related investors (PRI), foundations that also provide grants and other nontraditional financing sources." – Jasmine Crowe-Houston

Focus on serving customers; the money will follow.

"My customers are how I am still standing and how I am here." – Jasmine Crowe-Houston.

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