

# THE ONES TO WATCH

inside FMCG



## EDITOR'S NOTE

Hello, and welcome to *Inside FMCG's* 2023 Ones to Watch report. Here, we've collected ten exciting Australian brands with big ambitions for growth, while still showing that business can be a force for good in the world.

We all know that business' role in environmental, social and governance has changed dramatically in the past few years.

Not only are many big businesses overhauling their operations to fall in line with what customers increasingly want, but they're being challenged by younger brands that have these values built into the very core of their identity.

In the following pages, you'll learn about brands that are utilising waste products to create new types of goods and ones that are rethinking global supply chains in a way that supports the makers and customers.

You'll also discover brands that are taking their role in society seriously, partnering with charities to solve some of the biggest issues facing society, from poor mental health to period poverty.

We believe that any business, big or small, can learn from those that are pushing the industry in new and exciting directions.

So sit back, put up your feet, and get inspired by some of the amazing things happening in the Australian FMCG industry.

**DEAN BLAKE**  
*Editor – Inside FMCG*





# NAKED LIFE

## Why you should watch: The next big non-alcoholic disruption

Founded by David Andrew on his kitchen counter in 2016, Naked Life has grown rapidly to become the leading player in Australia's booming low- and no-alcohol drinks category, and with distribution and market expansion plans in the works, the business is well on its way to becoming a household name.

A former business analyst, Andrew started Naked Life as an experiment to reduce sugar in his own diet. Over the years, the entrepreneur expanded the range from premium sugar-free mixers to more than a dozen non-alcoholic ready-to-drink cocktails and spirits, including a Scottish malt "whisky", classic G&Ts, espresso martinis and more.

The business recently entered the bubble-tea category, with the launch of the Betta Boba range, which features 50 per cent less sugar, in September 2022. But there's no question that the driving force behind Naked Life's success – it was named the fastest growing company in Australia in 2022 by the Australian Financial Review – is the rising demand for low- and no-alcohol drinks.

According to Naked Life's equity crowdfunding pitch, which opened to expressions of interest in May, the low- and no-alcohol market is worth \$14.7 billion globally, and is expected to grow at a CAGR of 9 per cent to 2026. An estimated one in three Aussies are already purchasing non-alcoholic products, with 71 per cent indicating that they plan to increase their consumption as they embrace healthier lifestyles.

Naked Life has a substantial slice of this market in Australia, thanks to its widespread distribution through Coles, Woolworths, Dan Murphy's and First Choice. The business has grown its revenue from \$400,000 in 2019 to almost \$13 million in 2022, and is reportedly outselling low- and no-alcohol options from industry

giants, such as Heineken and Gordon's.

Now, the business is looking to accelerate its expansion into liquor stores and enter the largely untapped hospitality and food-service space.

"We're already in over 300 bars and restaurants – yet there are 33,000 up for grabs. We've signed multi-year deals that will see Naked Life at major sporting events and live stadium tours," Andrew said.

"Yes – you'll be able to watch Taylor Swift while enjoying the world's best non-alc G&T. And we've got iconic hotel chains, Village Cinemas, and a potential major airline announcement about to drop, so watch this space."

International expansion is also on the cards, with the launch into New Zealand already underway, and the US and UK still to come.

"Our company wants to give every Australian a better option than lemon lime and bitters when they're out drinking with their mates, and the money raised [from equity crowdfunding] will help widen our reach so more people can live a healthier life without feeling left out," Andrew said.

As part of its mission to promote healthy lifestyles by creating better-tasting alternatives, Naked Life has started raising awareness about the downsides of corporate drinking culture, and in December 2022, it gave away 12,000 zero-alcohol drinks to Australian offices to encourage a more balanced approach to party season.

Andrew traces this back to his Samoan roots, and says that sharing special moments is part of his DNA. Enabling everybody to partake in these moments without compromise on taste or health is his – and the brand's – driving force. Cheers to that!



# EMOTIONS

**Why you should watch:** Toilet paper that teaches you on the loo

Founded by Rochelle Rich, Emotions Toilet Paper is transforming the bathroom experience by providing quality, sustainable products with a focus on mental well-being. The brand – which took off during Covid-19 lockdowns when toilet paper was a hot commodity – came about as Rich was seeking tools to help her son process his feelings and emotions following the tragic loss of his niece.

Initially, Rich worked with a freelance designer to create an emotions chart with facial expressions, to be printed around the house. However, the idea to wrap this chart around toilet paper enabled her to share this concept around the world and with people while they're on the bog.

Starting with toilet paper, the project has now expanded to include hand paper towels in the kitchen, and baby wipes in the baby room. The design also features information and resources relating to the brand's three charity partners: Beyond Blue, Lifeline, and the Black Dog Institute. Further, Emotions is donating 50 per cent of its profits toward mental health research.

"I've got a passion for helping new parents because I suffered post-natal depression and anxiety, and those few minutes you take to go to the bathroom can be the only time you have alone that day," Rich told FMCG. "We're coming at it from a really holistic way. Naming the emotions and opening the discussion is only the first stage, and is a very non-direct way of approaching the problem."

Setting Emotions Toilet Paper apart from competitors is its innovative use of packaging and graphics, with the striking drawings cleverly used as a conversation starter. And while Rich still calls the business a startup, it is ready to scale.

As of December 2022, it had generated more than \$300,000 in sales, with 63 per cent average monthly growth and more than 5,000 orders. The brand's return on advertising is five-fold, with Crowdfunding used to propel the next stage of its expansion, as it looks to expand its marketing and logistics, and continue its relationship with supermarkets and charities. A 4.9/5 average on Google Reviews also demonstrates the popularity of the brand.

Further, all of Emotional Toilet Paper's products are locally manufactured, 100 per cent recycled, with the six packs made from bamboo. It is also certified by Social Traders – an Australian organisation that promotes inclusive business practices – highlighting that sustainability is at the forefront. (from article linked above)

While still providing high quality toilet paper, Emotions enables consumers with the opportunity to take stock of their mental health, and give back to organisations doing critical work in the field. It also turns trips to the bathroom into an opportunity to create meaningful conversations.

"I am a business woman, and I of course want our products to be in every household and every workplace in Australia, but my ulterior motive is actually to save lives and really be donating more money to mental health charities," she said.





# STUFF

**Why you should watch:** A skincare brand focused on redefining masculinity

Stuff skincare was launched in mid-2021 with the mission of being an ethical, modern alternative to often-outdated men's grooming products, which also focused on exploring mental health issues in men. The business initially kicked off as a direct-to-consumer option, selling only via its website, but has since expanded into being stocked across Woolworths, Priceline, and will soon be launching in Sephora.

Not only has the brand formulated vegan and cruelty-free products and achieved B Corp certification, it has worked together with founder Hunter Johnson's preventative mental health charity Man Cave to help young Australian men understand their place in a changing world.

"We saw that so many brands that target boys and men are focused on perpetuating toxic and outdated stereotypes that didn't represent modern masculinity and only reinforced negative behaviours, so we decided to do something about it," Johnson told *Inside FMCG*.

For every Stuff product sold, a percentage of that sale is sent to Man Cave to deliver mental health programs in low socio-economic communities, which help boys grapple with who they are and who they can be.

And, while there is still work to be done, the next generation of men are largely on board with a shift in what it means to be masculine.

"There has been a significant cultural shift, and men are starting to take better care of themselves on the inside and the outside," Johnson said. "For us, education through humour, vibrancy and light-heartedness are definitely important ingredients in appealing to modern men - we know from our research that many guys cringe at the old-school, hyper-masculine stereotype that is marketed so often to them, but they often have limited choices to find alternatives."

Beyond the changing identity of its target market, Stuff has also embraced the social and ethical impact a modern consumer expects from brands.

According to Johnson, the business worked with some of the best chemists in the industry to design formulations that are the "best of nature and science", and are still available at an affordable price.

And, now being available in Woolworths and Priceline - two of the biggest sellers of skincare products in Australia - is a massive moment for the business.

"[It's] really a dream come true for us this early in our journey," Johnson said.

"Many of our customers are mum's purchasing for the boys and men in their family, and we know that the female demographic are particularly important and prominent customers of Priceline."

The next step, according to Johnson, is to deepen the brand's presence in the Australian market, invest into new product development, and launch across new grocery and pharmacy channels.

"We don't have the massive budgets that the big multinationals have... which can be tricky at times, [but] we love the challenge," Johnson said.

Founder Hunter Johnson



# TASTE BUBS

**Why you should watch:** A lab-born food-based delivery of allergens, aimed at keeping Australia's kids healthy

Did you know that Australia has the highest rates of food allergy in the world? 1 in 10 babies in Australia experience food allergies, which costs the Australian economy more than \$7 billion a year. And, worst of all, most of it is preventable.

Introducing food allergens to babies from the moment they start eating solids can dramatically reduce their chances of developing a life-long food allergy, according to Dr. Mariam Chaalan, family GP and co-founder of Taste Bubs.

"That's why we created Taste Bubs, an Australian-first, natural food product designed to help parents safely introduce their bubs [to] seven of the most common allergens, such as peanuts, egg, sesame, and soy," Chaalan told *Inside FMCG*.

Together with co-founder Dr. Rob McLeod, Chaalan has taken these common allergens, broken them down into powdered sachets, and created a four-week program where parents add a single sachet to one of their kids' meals per day.

The end result could go a long way in eliminating the burden of allergies in Australia, Chaalan said, and came after years of consultation with parents that were often overwhelmed and uninformed about allergen introduction.

"There are a lot of misconceptions and fears about introducing allergens to babies, which unfortunately results in delayed introduction and much unnecessary stress and anxiety to the parent or carer," Chaalan explained.

"As doctors, we've managed children on death's door with anaphylaxis that could have been prevented, [but that's just] the tip of the iceberg. We meet families struggling to manage their

children's allergies, constantly on edge that their child may slip into anaphylaxis without notice."

In order to combat this, the team at Taste Bubs did the research and simplified the process to make it as easy as possible to introduce the most common allergens through food. The allergens included are selected based on current clinical guidelines.

While the introduction of allergens to a child's diet can feel counterintuitive to parents, the practice is backed by a 2015 study which saw early introduction of peanuts significantly reduce the frequency of peanut allergies among children that were already at high risk.

Despite that, parents are still largely uninformed and uncertain around the process of allergen introduction, which is why Chaalan and McLeod launched the business.

"Confusion around what to give, when to give it, and how to give it leads most parents to put it off. Additionally, no simple and safe allergen-introducing solutions are available in Australia for parents to use," Chaalan said,

"Taste Bubs was created as a solution for all these reasons, to make it easier and safer for parents to introduce their bubs to common allergens."



*Taste Bubs co-founders,  
Dr. Mariam & Dr. Rob*





# I AM GROUNDED

**Why you should watch:** A brand turning upcycled coffee fruit waste into a superfood snack

We all love coffee. It's the lifeblood of the modern world, in many ways. We also all hate food waste.

Enter I Am Grounded, a Queensland-based brand turning coffee waste into a flavourful superfood bar, which is also vegan and gluten-free. The brand estimates that up to 80 per cent of coffee fruit is wasted during the harvesting process – a massive loss for coffee producers – due to the fact that the fruit is largely farmed for its seeds, and not the fruit itself.

I Am Grounded co-founders Vanessa Murillo and Lachlan Powell identified the opportunity, and started upcycling what would otherwise be wasted into something new.

"As a Colombian-born Australian, I grew up in my family's coffee-importing and barista-training business," Murillo explained to *Inside FMCG*.

"After taking a course in Colombia on how to grow coffee in 2015, I saw firsthand how byproduct innovation can empower coffee farmers, that is the use of their leaves, husk, fruit and stalks in addition to the beans."

Concurrently, Powell grew up with Ironman-athlete parents that instilled the importance of mindful eating from a young age, ensuring that he understood the impact what goes into the body has on a person's output.

And, together, the pair came to the conclusion that there was a way to create something nutritious, delicious, ethical, and sustainable – both environmentally, and financially for the coffee farmers they work with.

"Our mission as a business from inception has been to find a way to use the innovative ingredient that is the coffee fruit," Powell told *Inside FMCG*.

"With Vanessa's background as a Colombian and our close involvement with the coffee community, we feel a deep connection to this space and our mission of change in this industry – we're out to champion eco-innovation by making a range of delicious and naturally caffeinated snacks that give consumers an actual functional benefit to get them through their day."

While the business started off targeting snack bars, I Am Grounded also launched a range of 'superfruit protein clusters', which offer another means of upcycling coffee fruit into food.

According to Murillo, each snack offsets approximately 50 grams of coffee fruit from landfill – an effort to tackle the 20 billion kilos of coffee fruit dumped globally each year.

"Not only is this a huge food waste problem, but the discarded coffee fruit [is a] functional, super high antioxidant and naturally caffeinated energy source that is significantly missing in today's snack food market," Murillo said.

"Since launching to market in 2020, we have upcycled just over 15,000 kilos of coffee fruit from ending up in landfill or as waste on a farm."



Co-founders Vanessa Murillo and Lachlan Powell





# MELTDOWN ARTISAN

**Why you should watch:** Artisanal chocolate that's traceable back to the farm

Operating out of Sydney's Blue Mountains, Meltdown Artisan is artisanal chocolate at its best. Utilising sustainably grown cocoa, and handmade by veteran chocolatier and founder Jen Lo, the business offers a number of impressive products online, as well as its workshop.

Launched in 2019, the business was initially born on Sydney's north shore, though Lo and her husband moved to the mountains following the impact of the pandemic. Initially called Bakedown Cakery (and, unsurprisingly, being focused on cakes), the business took a left turn when Lo realised the opportunity that chocolate provided – and the need for more sustainably made chocolate.

"We, as makers and creatives, have a huge responsibility to make sure we're doing things as sustainably and ethically as possible," Lo told Cake with Amber.

"When I started, I used really cheap chocolate [and worked] my way up to the more premium brands – now I don't use anything unless it's 100 per cent traceable and sustainable.

"I believe this is the best way [I can] make a direct positive impact on the cocoa industry."

According to research by sustainability-focused non-profit

Ceres, Cocoa production has grown by more than 50 per cent in the past 20 years driven by increasing demand, and is largely farmed in Côte d'Ivoire and Ghana in Africa. Cocoa farming has long been linked to deforestation in these regions, as well as child labour, and while public commitments have been made by many companies there has yet to be much action.

Lo recognised this when creating Meltdown Artisan and, as of earlier this year, she launched a new line called 'Just' which is made from beans sourced through suppliers that ensure their farmers are being paid a fair wage, and that the beans are of high quality, rather than high quantity.

The result is a line of chocolate that is made in a fully traceable manner, and which offers a number of single-origin products that allow the actual flavours of each region to come through – rather than just the taste of sugar and cream.

"I spend a lot of time researching ingredients, and trying to source things that are packed with flavour in a natural way," Lo told Cake with Amber.

"A lot of the process starts with the ingredient. I find something that sounds interesting to me and think — can I make that work? If I'm not sure it will work, it often makes me want to try it more."



# HEMP OZ

**Why you should watch:** A collection of hemp-infused beverages seeking to take on the Australian health market

The story of Hemp Oz doesn't begin in a boardroom, or even a marketplace. It begins in a hospital.

Founder John Leith didn't know why he felt so fatigued and sick all the time, but chalked it up to the general stress of his full calendar of study and travel. When he was admitted to hospital, and told that he had Type 2 Diabetes, it was a shock to the system.

"I was in total disbelief, and I was even more devastated to learn there was no cure," Leith recounts on the Hemp Oz website. "I was determined to look after my health, and I tried all the traditional treatments - but in the end I needed a natural, complementary alternative."

This was when his doctor suggested the benefits of hemp, which has been shown to help control blood glucose levels, and kombucha, which has shown to lower blood sugar.

Leith started experimenting, and, after creating a batch of hemp-infused kombucha, found his product.

"After drinking one litre a day my diabetes symptoms improved dramatically. The doctors were stunned [and] I was inspired," he said.

"When I discovered what the powerful combination of pure, unpasteurised kombucha with the boost of hemp did for my gut and overall health, it was only natural to want to spread it around."

The result of his experimentations in creating drinks that wouldn't set off his diabetes is Hemp Oz: a business focused on delivering a healthier alternative to traditional soft drink and which, now, sells a number of products infused with hemp.

The business sells hemp kombucha, tea, oil, protein powder, seeds, and serums, as well as a kombucha starter kit and scoby (the 'symbiotic culture of bacteria and yeast', and lifeblood of any kombucha), enabling customers to start up their own culture if they so wish.

The star ingredient has long been associated with cannabis, and has, by extension, been seen as an illicit substance, but with hemp having been legalised in 2017 in Australia, the business is seeking to change people's perceptions of hemp products.

And it seems to be working, with Hemp Oz's products now available across large-scale retailers Dan Murphy's and Healthy Life, as well as a number of online health stores, to name a few.

Not only that, but profits from the sale of Hemp Oz products directly support the United in Compassion charity, which advocates for patients to have access to cannabis extracts in a safe, effective, and affordable way, to relieve unnecessary suffering.





# SOBAH BEVERAGES

## Why you should watch:

A First Nations-owned and operated non-alcoholic drinks brand promoting Indigenous culture, art and history

Non-alcoholic drinks are undoubtedly having a moment. Younger generations are cutting back on their alcohol consumption and prioritising their mental and physical health, the opportunity for drinks that simulate the taste of beer and cocktails without the adverse effects is booming.

But, what if you could feel good and do good at the same time? That's the question posed by Gold Coast-born Sobah Beverages, which aims to use its financial successes to better support First Nations people and share their culture with wider Australia.

Sobah's products are all focused on delivering strong Australian native flavours, with brews such as Wattleseed (derived from the Acacia tree), Davidson's Plum, and Pepperberry, and are created chemical- and preservative-free.

According to co-founder and Gamilaraay man Dr Clinton Schultz the business is a social enterprise at its core, but that doesn't exclude financial success.

"Quite the opposite," Schultz told First Nations Founders. "We completely understand that we have an opportunity to prove to big business that social responsibility is simply good business."

"More and more people are willing to part with money in support of great causes, businesses, organisations and products that they feel have a bigger agenda than simply capitalist gain."

Sales at Sobah Beverages support a number of charities, including the Preston Campbell Foundation, the Wayne Weaver Foundation, the Foundation for Indigenous Sustainable Health, Half Cut Org, and the Sea Women of the Great Barrier Reef, and is itself driven by a respect for the natural world and a commitment to make its business zero-carbon.

And so far, Sobah seems to be a success. After raising \$1 million on equity crowdfunding platform Birchal through releasing 10 per cent of the business' ownership to investors, Sobah has been valued at \$10 million after only four years on the market.

Now, the business' products are available across Dan Murphy's and Coles supermarkets, as well as private enterprises across the country. And, soon, the business is launching a new brewery and cafe in Burleigh Heads.

"For the first few years we literally had our sanity questioned," Schultz said. "Now we often have people asking what we feel has been the key to our success."

"For us, the answer is simple: We have remained true to our cause, to our values, and to those people who have supported us from the start."





# HEY ZOMI

**Why you should watch:** A brand redefining sustainable menstrual care

Hey Zomi is revolutionising the way menstruators experience their periods by offering innovative, sustainable, and lifestyle-centric care solutions. Founded by sisters Zoe Fehlberg and Mika Koelma, Hey Zomi is driven by a mission to provide a period experience that is comfortable, convenient, and sustainable.

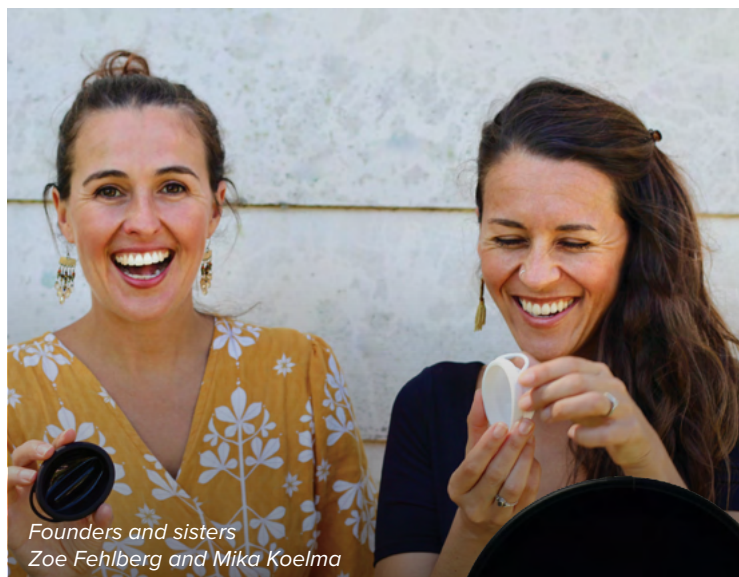
The inspiration behind Hey Zomi came from the personal experiences of the founders. Fehlberg, an avid outdoor enthusiast, often found herself in situations where access to bathrooms was limited during activities like scuba diving, mountaineering, and trail running. Meanwhile, Koelma, who had a background in corporate banking and finance, faced challenges managing her period during long working hours and back-to-back meetings. These experiences led them to realise that traditional period care options were often sub-par

"[Hey Zomi] was built from our own experiences [as well as] other menstruators. It's so evident that period care is still below par, and we wanted to make our own reusable menstrual discs," Koelma said. "It's not just finding a period solution, but finding a lifestyle solution for menstruators."

Determined to create a better alternative, Zoe and Mika embarked on a journey to develop their own reusable menstrual discs. Collaborating with silicone engineers, they carefully designed and prototyped five different sizes of discs to ensure the perfect fit, comfort, and flexibility. They also patented a unique design that includes a handle for easy removal.

Unlike traditional products like tampons and pads, Hey Zomi's discs are reusable and made from medical-grade silicone, ensuring safety and comfort. They can be worn for up to 12 hours, providing all-day protection without the need for frequent changes. This feature is particularly beneficial for menstruators with active lifestyles who don't want their periods to hinder their daily activities.

Hey Zomi also emphasises a commitment to sustainability and social responsibility. The brand's packaging is compostable, reducing waste and minimising its environmental footprint. Moreover, Hey Zomi donates five per



cent of its sales to Share the Dignity, which is committed to tackling period poverty.

Since its launch, Hey Zomi has experienced strong momentum and sales. The brand's commitment to innovation, sustainability, and social good has resonated with menstruators who are seeking a better period care experience.

"I think it's a bit of a game changer for a lot of menstruators out there. The products are made from medical grade silicone, comply with TGA regulations and we're really proud that it's Australian designed, owned and made. It's also cost effective," Koelma added.

"There's a huge behavioural change that's taking place [and] I think the increase in sales [is] because people are on the hunt for something better."

Hey Zomi is also expanding its reach, with plans for international expansion and collaborations with major retailers. The brand's success has paved the way for international expansion, with wholesalers in Austria and Thailand and a focus on entering the US market. Hey Zomi also intends to make its products more widely accessible, with the vision of collaborating with major retailers such as Woolworths and Coles in the future.

While the femtech industry is experiencing exponential growth, projected to reach \$20 billion globally by 2030, there is still work to be done with regard to the affordability and accessibility of quality menstrual care products. By championing sustainable and reusable period care, Hey Zomi is certainly a brand to watch in the menstrual care product space.



# MOXIE

## Why you should watch:

### A progressive period-care brand

Period care brand Moxie first made waves with the launch of its innovative packaging for tampons in 2005. Instead of cardboard boxes, which tend to fall apart, Moxie sold its tampons in unique and stylish reusable tins. The concept was an instant hit, and the brand was soon on the shelves of Woolworths, Coles and Priceline.

Over the years, Moxie has undergone a rebrand and elevated its look and feel with a more minimalist and premium design, but it has always remained focused on solving pain points related to women's health. And the recent launch of its postpartum pads, as well as its efforts to end period poverty and adapt its marketing language to be more inclusive of the LGBTQIA+ community, prove that it is still disrupting the feminine hygiene industry.

According to Moxie founder Mia Klitsas, the idea to launch postpartum pads came from a friend, who revealed how poor the current product offering was.

"After sharing her birth story with me, and how she was given a sliced-up maternity pad with an ice-finger inserted in the middle of it to help soothe her perineal area post-birth – which, as she describes it, was too cold, too thick and really uncomfortable – I knew there had to be a better way," Klitsas told *Inside FMCG*.

Moxie spent about 18 months developing its postpartum pads, which launched in May and not only provide an absorbing function, but also come with an extra pocket attached to the back to hold a reusable gel pack that can be warmed or cooled.

"The idea seemed simple, but production was actually really difficult, as the technology to create such a product didn't exist – we actually had to build new machinery to manufacture the product," Klitsas said.

While there is growing interest – from investors and retail stockists – in the so-called femtech space, which is expected to be worth US\$20.6 billion in 2030, Klitsas noted that many brands and industry stalwarts are still catching up with consumer demand for period care, maternity, postpartum and sexual wellness products.

"I think a lack of awareness of, or in some cases, the dismissal of women's health issues, has certainly had an impact on the products that are made available to us as consumers," she said. "But I do feel that there has been a shift in recent years, as consumers become more vocal about the products they expect to see on the shelves."

Moxie is very much positioned at the forefront of this movement. It has taken steps to use more inclusive language to describe its products – referring to period care, rather than feminine care, in recognition of the fact that not everyone who has a period identifies as female – and it has revamped its product range and packaging with sustainability in mind.

As the brand states on its website: "We know we won't get it right all of the time, and the lesson is never over, but we promise to continually listen, learn and act in the best interest of everyone, and in the interest of being a progressive (not perfect) period care provider."

