

Executive summary

**STØP
FAKE
FOOD**

The Problem

Food crime is a global \$300 billion industry and no one is safe. Food adulteration, substitution, mislabeling, counterfeiting or outright fraud – there are numerous ways consumers are fooled into eating what they're not expecting or not get what they paid for. There are numerous shocking instances around the world – from unintentional supply mismanagement down to unethical businesses, illegal use of toxins or mafia-run mass counterfeiting operations. Just in 2017 alone a Europol-INTERPOL anti-food crime operation seized €230 million worth of fake or substandard food products and beverages.

Food crime is a systematic global problem that is constantly advancing. And our current systems are struggling to keep up – laboratory research remains expensive, slow and unscalable, supply chain tracking cannot address the issue of faking food before packaging while consumer level protection is inadequate and reliant on trust in third-parties.

Solutions and Uniqueness

Stop Fake Food (SFF) is offering a genuinely innovative solution to address the problems plaguing the food industry. SFF is combining the newest achievements in Laser (Raman spectroscopy), Artificial Intelligence (Neural Networks) and Blockchain technologies to create a new type of commercial research service for food product authentication and composition analysis.

The SFF food product analysis solution is able to deliver reliable, user-friendly results significantly faster (in minutes rather than days) and 10 times cheaper than current methods. Furthermore, the solution is non-invasive (most products don't need to be unpacked), flexible and scalable to meet global demand. The solution has been in R&D since 2017, with a highly competent team built and a functional demonstration version (MVP) already developed from the initial seed funding.

Besides technical achievements, the main SFF business innovation is the creation of a model for investment into new digital assets – Authenticity Stamps (the AI reference models used when providing services). Authenticity Stamp investors will receive 80% from the average \$10 SFF service price as royalties. All transaction within the SFF Ecosystem will be carried out with the use of a native SFF Token. This token-based incentive structure will ensure continued third-party investment into new SFF services and global growth of the business model.

Customer base and Business strategy

SFF seeks to become a global industry standard in food safety and authenticity assurance of all parties involved in the food industry, both in the Governmental, Business and Consumer segments. Up to 1000 accredited, mostly state-run laboratories around the world are planned to be provided with SFF-integrated Raman spectrometers. This approach will create an initial base of B2G clients that engage in food product analysis on a daily basis.

From there on the SFF solution has huge growth and application potential in the B2B segment (for food manufacturers, supply chain companies, retailers) and eventually ordinary consumers. The SFF company itself is projecting to deliver around 8 mln. product analysis services per year in 2025, reaching an annual gross revenue of \$82.6 mln. and a net income of \$29.9 mln.

Financing and Investment

SFF is seeking to raise up to \$19 mln. in funding for further product and business model development up to their full commercialization phases. Fundraising is done through a Token Generation Event (TGE), organized in two financing rounds – an early (current, up to \$1.9 mln.) and a main (in 2019, up to \$17.1 mln.) round. Investors are offered the purchase of 380 mln. SFF Tokens (38% of total supply) at a price of \$0.05 each (+150% bonus during early round), or company equity acquisition (on a company evaluation of \$7 mln.).



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