



Andrew Hoffman

Tyson Foods and Alternative Proteins: Where to Invest for Sustainable Growth?

Jack Westcott,¹ executive vice president of corporate strategy and chief sustainability officer at Tyson Foods, sat down and took his desktop globe in his hands. The globe had been a fixture on his desk for years, but now it reminded him of his most pressing concern: “How will we feed the growing number of people on this planet while meeting their demand for protein, in ways that are sustainable?” Medical experts have stated that proteins should amount to 10-35% of caloric intakes for adults,¹ and approximately 78% of U.S. consumers believe that protein contributes to a healthy diet and over 50% of consumers want more of it in their diets.² At the same time, human population is expected to increase from 7.3 billion in 2015 to 11.2 billion in 2100.^{3,4} Moreover, climate change poses severe risks to food security and agricultural productivity.⁵ Westcott has concluded that Tyson Foods’ traditional animal-protein production will struggle to meet demand while still ensuring a sustainable future for the planet. He knows the solution to both the demand and sustainability dilemmas requires a combination of innovative and traditional approaches, but he is unclear which actions Tyson Foods should implement to remain a leading protein supplier.

Westcott believes the company should invest resources into the newly launched Tyson Ventures initiative. After completing his research, he identified four potential investment options for the new venture capital arm: plant-based proteins, lab-grown proteins, insect-based proteins, or agriculture technologies to improve its traditional animal-protein business. He asked himself, “How should Tyson Foods position itself for the future and remain faithful to its heritage, values, and stakeholders?” Westcott set his globe back on the desk and gave it a twirl. Then he stood up and paced the room, pondering his options and how the company would address world hunger needs, what impact they would have on the environment, and how Tyson’s stakeholders would react to these radical investment decisions.

¹ Jack Westcott is a fictional character.