

Juicing the Worth out

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The market for carbonated drinks is seeing a sharp decline as obesity-hit urban India is shunning colas and hunting for healthier and natural options. Leaving aside the global growth of cold pressed juices, Indian entrepreneurs are hopeful of getting plum prospects in this area.



Cold-pressing has become the latest in-vogue way of juicing in which a hydraulic press is used for applying thousands of pounds of pressure to extract the maximum amount of liquid from fresh fruits and vegetables. No additional heat or oxygen is used in the process implying that no nutrients are lost in the heat of traditional pasteurization. As a result, cold pressed fruit and vegetable juice products come across as an essential source of vitamins, antioxidants, enzymes and proteins.

It does sound like a perfect solution to help people keep up with today's fast-paced, health-conscious lifestyle but the fact remains that eating whole fruits and vegetables are better than any kind of juices. To add to it, there is not much scientific evidence to prove the nutritional benefits of these cold pressed fruit and vegetable juices in comparison to the other fresh juices. "Most cold pressed juices do not contain added sugars or chemical additives. They may also be less diluted than other fresh juices. Since they are prepared using fresh fruits or vegetables, they retain most of the nutritional value. But one of the main disadvantages of cold pressed juices is reduced or no fibre content. Also the calorie content of any juice is higher

than that of a fresh fruit eaten as it is. Contrary to the popular belief, cold pressed juices are not a quick fix solution to unhealthy eating habits. They could also be more expensive than a bowl of veggies or a couple of fresh fruits”, highlights **Sheela Krishnaswamy, RD, Nutrition & Wellness Consultant.**

Cold pressed products come with another disadvantage i.e. they can stay fresh only for 72 hours or so. Although, thermal pasteurization is an effective preservation technique for extending shelf life of juices, it often negatively impacts both nutritional and quality parameters as well as fresh-like flavour. “Ideally, minimal preservation technologies such as mild heat or non-thermal methods are expected to be used to retain the fresh characteristics and flavor with extended refrigerated shelf-life of this type of product. That is why another buzzword often used with cold pressing is high pressure processing, or HPP. Studies have shown that HPP is effective against common pathogenic and spoilage organisms and is capable of extending shelf-life up to 45 days in refrigerated conditions”, points out **Dr Tatiana Koutchma, Research Scientist, Agriculture and Agri-Food Canada.**

But as it is said, all good things come with a price. HPP is associated with high startup and operational costs of batch processing while also requiring a large amount of space and use of plastic packaging. This eventually adds up to the high prices of the end product in the market. “The high costs of cold pressed juices can be a hindrance to the growth of this sector. However, in affordable segments of society and urban regions, the growth is probably going to be much better. Also, it all depends on how well the cold pressed juices are promoted and marketed”, adds **Sheela Krishnaswamy.**

In the past five years, the Indian market has seen a steady rise in the growth of the cold pressed juices. Since 2013, RAW Pressery has managed to get funding of over \$27 million, making it the most funded cold-pressed juice startup in India. “People are becoming very conscious of ingredients in their food along with being watchful of what they’re consuming. The trend of cold pressed juices started back in 2010 with many brands especially in USA scaling up in multi cities in 3 to 4 years. The market is poised to grow, locally and globally. Our products are priced comparatively higher in the market since our manufacturing equipment is expensive. Our Pressery’s machinery is used for larger juice extraction. But in general, the investment for cold pressing equipment and machinery is not very high as it all depends on the scale of operation. The small cold press juicers now available in the market can range anywhere from 1.5 to 2 lakhs”, shares **Anuj Rakyan, CEO, RAW Pressery.**

Along with RAW Pressery, many other startups have joined the bandwagon and are gradually gaining attention of the investors. Fresh Food Concepts, a cold-pressed juices startup based out in Delhi-NCR recently secured \$2 million in a Pre-series A round. Another startup based out of Delhi-NCR, MyGreens has secured \$1 million in its angel round of funding. Around the same time, the startup went ahead to acquire an older rival JusDivine to stay strong in the field.

While these startups are in the process of carving a niche for themselves, global beverage companies are busy painting their own picture. Starbucks rolled out its maiden line of cold pressed juice in March 2016 under the Evolution Fresh brand, which it bought in 2011 for \$30 million. Evolution produces five types of juice (orange, grapefruit, lemonade, apple and tangerine) with a high-pressure process called pascalization that gives it a 40-day shelf life.

PepsiCo also jumped into this line with the Naked Juice brand in 2016. However, things turned sour when the Centre for Science in the Public Interest in the US objected to the false claims on the labelling of these cold pressed juice products. PepsiCo was asked to clearly highlight whether the product is a “Fruit Juice,” “Fruit & Veggie Juice,” or a smoothie. The company was also asked to include an asterisked statement saying that the product is “not a low-calorie food.”

On the other hand, rival Coca-Cola has had a profitable experience after moving into the cold-pressed territory back in 2015. The company teamed up with Goldman Sachs to buy a 50 per cent stake in the organic, cold-pressed juice maker Suja Life based in the US. Two years later, Coca-Cola invested another \$11 million and increased its stake by another 3 per cent. The reason being the popularity the products have gained in the US households. Last year, Suja hit \$100 million in revenue for the first time.

Leaving aside the global growth of cold pressed juices, Indian entrepreneurs are hopeful of getting plum prospects in this area. Considering the fact that the market for carbonated drinks is seeing a sharp decline as obesity-hit urban India is shunning colas and hunting for healthier and natural options, the optimism is justified.

“Conceptually cold pressing seems to be a very novel and innovative solution to the health and nutrition requirements of the urban population. A small segment of people will be keen to buy the cold produces even with the high prices. However, there is stiff competition from the category of packed fruit juices and fruit drinks that are much more affordable and have a high shelf life. One of the limiting factors for the business will be the higher price of the end product and that is why seeing very high sales is not an immediate future of cold pressing. The hope remains that, maybe, with better distribution channels, deeper pockets and outreach, cold pressing companies might be able to spread the word further than the current niche they are in”, comments **Manjari Chandra, Consultant Nutritionist, Max Healthcare.**