



Farmhouse Culture:

Kraut, Punch and the Drive for Crunch

by Bill Giebler

It was bound to happen. The ingredients, from a market standpoint, are well established: fermentation bubbles up, functional foods dominate innovation, probiotics grow across categories and snackification becomes, well, it *becomes a word* reflecting a society of bite-sized motivations. So, when it comes to a cabbage-forward fermented snack chip, is the question less *why* and more *what took so long*?

For Farmhouse Culture, it didn't take long. It was just in 2008 that the company first brought innovative krauts and kimchis to California farmers' markets. Raw, fermented beverages followed close behind. So, when the company introduced the first (that we know of) kraut-flavored tortilla chip, the innovation wasn't without probiotic precedent.

But bringing its favorite flavor profile to the chip aisle isn't just flavor gimmick. Farmhouse packs in more kraut than corn and finishes it off with a dose of active cultures, making a true probiotic sauerkraut chip the market appears to crave.

Farmhouse Culture

Headquarters: Watsonville, California
farmhouseculture.com

Fomenting Fermentables

In 2005, Kathryn Lukas began experimenting with the complex flavor profiles she found possible with fermentation. Her hybrid recipes of krauts and kimchis reached back to her time as a chef in Germany, but did so with less traditional flavors, like the smoked jalapeño kraut still popular in the company's line.

Lukas officially launched Farmhouse Culture in 2008, moving the product through community-supported agriculture (CSA) and a local farmers' market to connect with customers eager for traditional healthful food and great flavors. That remains a



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— Kathryn Lukas, founder, Farmhouse Culture



core connecting point today, said Director of Marketing Marc McCullagh, describing the company as, “dedicated to infusing old world traditions with new world taste unlike any other products on the market.”

But it's not just tradition and taste. Providing gut microbiome-boosting benefits of traditionally fermented cultures quickly rose to the top of the company's purpose. Lukas expanded the line on these principles, adding other fermented veggies, a kvass style ready-to-drink “Gut Punch,” and concentrated probiotic “Gut Shots”—19 refrigerated, fermented varieties in total. “We strive to remain innovative,” McCullagh said, “to provide our customers with products that will make them look forward to their probiotic-rich snacks and meals.”

The key word for its recent innovation is, indeed, “snacks.” But sauerkraut isn't exactly at the fingertips of American snackers. To salt those fingertips, the company needed crunch. To do so with the wellness benefits of the probiotics found in its kraut, the company needed shelf-stability. For the former, Farmhouse created a tortilla chip and built it of sauerkraut seasoned with on-trend flavors. For the latter, it turned to GBI-30 6086, the shelf- (and processing-) stable *Bacillus coagulans* strain marketed by Ganeden.

Not an easy puzzle, but “with a strong innovation team at the helm, the development of our recipe took just nine months before we got it just the way we wanted,” McCullagh said.

Culture Forming

The strong team McCullagh refers to received big boosts in the last 18 months. The spring of 2016 saw the addition of CEO John Tucker, stepping in from executive

BETTER TOGETHER:

PROBIOTICS AND PREBIOTICS

Adding probiotic-rich foods and beverages to your diet is one of the best things you can do to maintain a healthy microbiome – which is linked to better digestion, weight loss, improved immunity, clear skin, dental health, disease prevention and more.

BECAUSE THEY ARE LIVING ORGANISMS, PROBIOTICS NEED FOOD TO SURVIVE. ENTER PREBIOTICS.

Farmhouse CULTURE

PROBIOTICS

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WHAT ARE THEY?

Bacteria that contribute positively to health, the vast majority of which live in our gut.

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PREBIOTICS

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WHAT ARE THEY?

Indigestible fibers that serve as fuel for your gut bacteria, allowing them to thrive.

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WHERE CAN I GET THEM?

SAUERKRAUT

FERMENTED VEGETABLES

KEFIR AND YOGURT

MISO

KIMCHI

GUT SHOTS

KOMBUCHA

TEMPEH

CHICORY ROOT

DANDELION GREENS

JERUSALEM ARTICHOKE (sunchokes)

GRAINS LIKE
barley, oats, sorghum and flaxseed

ASPARAGUS

GARLIC, ONION AND LEEKS

FRUITS LIKE
under-ripe bananas, apples and berries

PULSES
including beans, lentils and chickpeas



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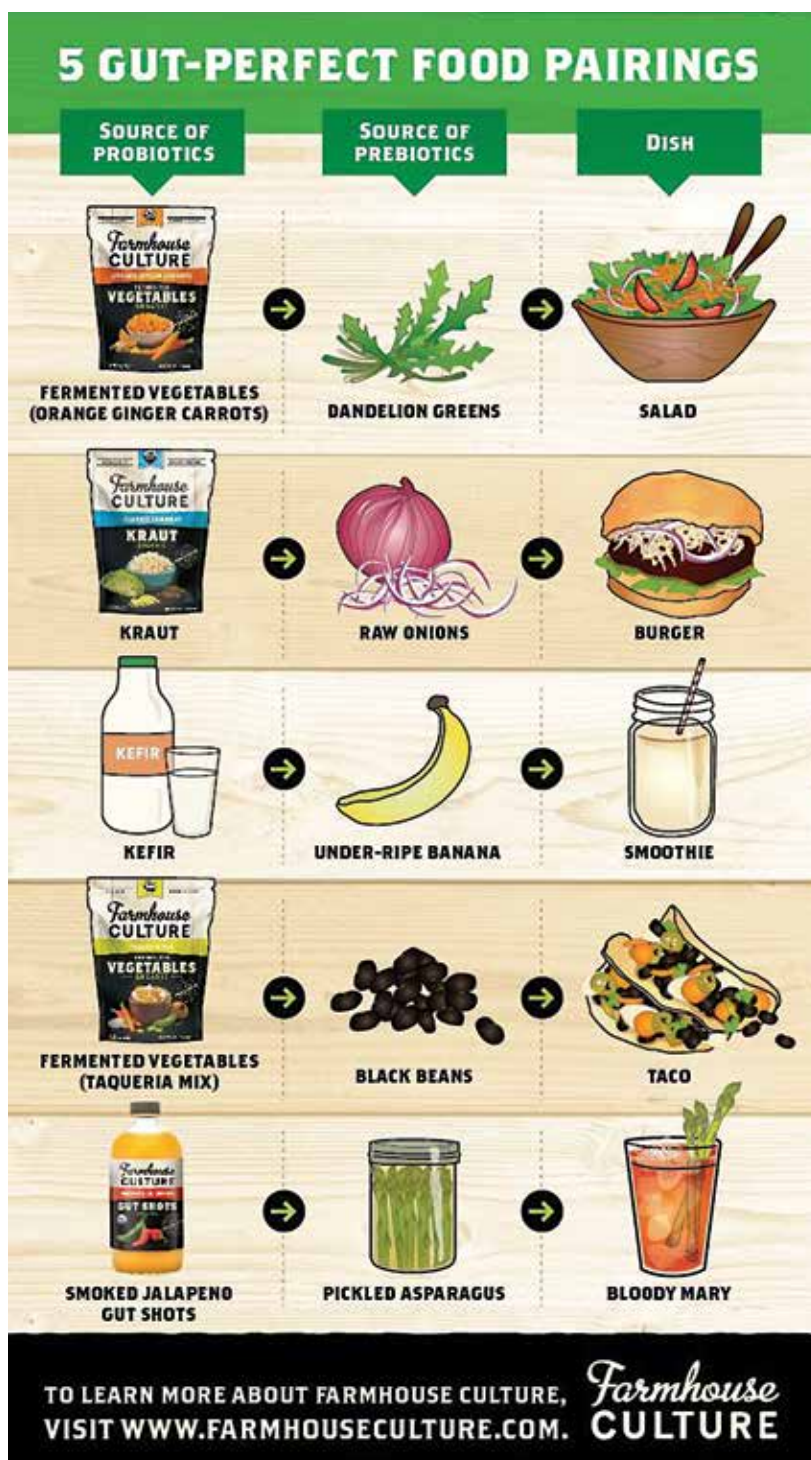
— Marc McCullagh, director of marketing, Farmhouse Culture

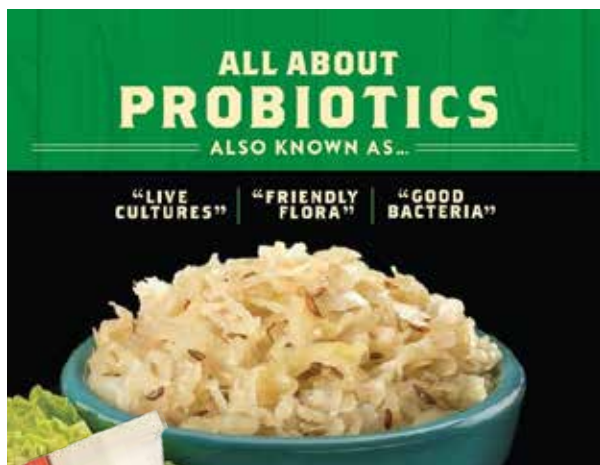
stints at SO Delicious Dairy Free and Dave’s Killer Bread. Tucker’s team was quickly filled with a new CFO, a vice president of sales, a director of manufacturing and McCullagh—all alongside Lukas and several of her long-standing team.

Together, they’ve rapidly extended their reach to thousands of natural and specialty stores nationwide, and are showing no signs of slowing. “Even in the past few months, we’ve seen attitudes toward terms like ‘gut health’ becoming more approachable to mainstream consumers, which is good news for the emerging probiotic-rich foods category,” McCullagh said. “We’re focused on showing consumers how easy it can be to incorporate probiotics into their diets through great-tasting, probiotic-rich food and beverage products.”

To this end, Farmhouse’s website is full of recipes, navigable by product or by meal for ease of use. The site also features infographics that educate on the benefits of a healthy microbiome. Tips and education alike are pushed out on social media through Instagram and other platforms.

The Kraut Krisps mix a hearty serving of sauerkraut, comprising more than 50 percent of the recipe, with corn flour, rice flour and inulin (a prebiotic to feed the





The “All About Probiotics” infographic on the company’s website provides consumers with a easy-to-understand breakdown on the benefits of probiotics.



pros), all fried up like traditional tortilla chips. “After cooking,” McCullagh noted, “the light, airy snacks are seasoned with organic herbs and flavorings,” along with the Ganeden GBI-30, “a plant-based probiotic strain that has been shown to support digestive and immune health.” Expertly executed seasoning builds on the mildly acrid fermented flavor base to create chip classics such as sea salt, white cheddar and zesty garden veggie, and more kraut-centric flavor profiles like dill pickle and smoked jalapeño. “The line is great for dipping into salsa or hummus, or even as a stand-alone snack,” McCullagh said.

Add USDA Organic and Non-GMO Project Verified seals to the recipe—signifying, among other things, the avoidance of genetically modified organisms (GMOs)—and it’s easy to see why Farmhouse Culture is gaining such a devoted following, and some big wins in 2017.

Up Next

Innovative product, vision and a powerhouse team is what caught the attention of General Mills’ venture capital arm, 301 Inc. In March 2017, the group invested \$6.5 million in Farmhouse’s operation.

Around the same time, the Krisps won New Hope Network’s NEXTY award for best snack at Natural Product Expo West. In fact, Farmhouse Culture took two top honors, with its fermented veggies also receiving a NEXTY win in the organic foods category.

The company is expected to carry this momentum into additional categories later in 2017. The 301 investment will certainly help, both directly with funding and indirectly with a drive for the breadth of innovation the fund has shown with prior investment recipients such as Purely Elizabeth, Kite Hill and Beyond Meat.

As astringency dominates flavor profile trends across categories and organic functional snacks captivate the interest

Food For Thought

Incorporating functional ingredients such as probiotics elevates products beyond the traditional snack aisle.

Thinking outside of the box in terms of flavor profile keeps product innovation fresh and on-trend.

Remaining true to your roots not only creates consumer loyalty, but also can attract capital funding from major food players.

of buyers across markets, continued growth seems inevitable for Farmhouse Culture. Even so, the company won’t stray too far from home, neither in what they do nor where they do it.

“Even as we experience growth, we remain true to our roots with standing booths at the Santa Cruz and Cabrillo farmers’ markets and others across the San Francisco Bay area where we sample and sell our kraut and Gut Shots to loyal locals,” McCullagh noted.

