



EPOGEE®

CASE STUDY

## THIS SECRET INGREDIENT HELPED DRIVE A U.S. EXPANSION AND \$160M IN FUNDING



# N!CK'S

It's true that the cream always rises to the top. That was certainly the case for N!CK'S! Ice Cream, founded by Niclas "Nic" Luthman in 2017. In the 5 short years since then, the company has managed a massive U.S. expansion (quickly pulling into the lead for retail sales in its category); secured \$160M in funding; and even launched a successful direct-to-consumer initiative.

Luthman attributes some of that success to his drive to make the better-for-you ice cream category, well, better. It was possible, in part, thanks to one vital fat alternative: EPG from Epogee.

"I am constantly evaluating every possible technique to reduce calories and eliminate sugar from our formulations," Luthman says. "We have looked into hundreds of patented technologies and ingredients ... EPG is probably the most exciting ingredient technology I will come across in my career."

In fact, the ingredient itself sparked the company's U.S. expansion: After integrating it into N!CK'S! low-calorie ice cream formulations, the company knew it had a winner on its hands. Luthman says they have been able to achieve a 75% reduction in calories (as compared to traditional ice cream)—without compromising taste or texture. That last part was crucial; while several competitors had already cracked the code on very low-calorie, low-fat ice cream, the taste and texture still left something to be desired.



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## Sweet beginnings

In 2018, Luthman and partner Erik Lennartsen, Head of Innovation at N!CK'S!, were deep in web and patent searches for fat technology innovations. The duo was perfecting N!CK'S! alternative sugar and fat systems, and was determined to find the holy grail: a dramatic calorie reduction with little to no flavor and texture tradeoffs.

Luthman remembers that narrowing things down on the fat side was a relatively quick process—EPG was one of very few innovations in the fat segment in several decades. He seized the opportunity to learn more at Epogee's IFT trade show booth in July 2018 in Chicago.

Epogee Founder David Rowe remembers the moment vividly:

"I met Nic and his opening words to me were, 'You have the only real breakthrough technology at this entire show!'," Rowe says. "From the beginning, I knew it would be a great partnership."

## The cat that got the cream

Why such a fervent search for the perfect fat alternative? Rowe explains that in the ice cream category, "creaminess equals quality." The brand that wins there, wins the market. Freezer shelves were already stocked with low-calorie competition, but nothing that quite cracked the code on creaminess. N!CK'S! knew that could be the strong differentiating factor prior to its U.S.

launch. As Rowe explains, EPG fit the bill.

"Before EPG, truly creamy texture came from high levels of butterfat, which is calorie dense and high in saturated fat," he says. "But better-for-you frozen desserts that remove butterfat are notoriously deficient in creaminess. The end result is sometimes a cold, grainy or chewy mass. Consumers might try it once, but many won't come back."

Judging by the strong success of the U.S. launch, N!CK'S! nailed the elusive low-fat-but-creamy factor. It's thanks to much more than ingredient science: Jayme Caruso, Epogee's Chief Commercial Officer, gives major credit to the hardworking formulation team.

"The recipe development process involved evaluating dozens of iterations of ingredients and steps," he says. "N!CK'S! did brilliant work to reimagine frozen desserts and take full advantage of the unique properties of EPG."

As expansion continues beyond the ice cream category, both parties are excited about what's to come.

"We are delighted with the imagination and energy behind the N!CK'S! brand," says Rowe. "I can't wait to see what they'll come up with next."



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