

IS THE STRATEGIC PLAN FOR THE KULI KULI FOODS BENEFIT CORPORATION SUSTAINABLE?

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Introduction

Lisa Curtis, founder and CEO of the five-year-old superfood firm Kuli Kuli Foods, reflected on her past decisions and strategic plan under development during a November 12, 2019 flight to Palm Springs, California. She was one of thirteen women entrepreneurs selected for the prestigious Ernst & Young LLP (E.Y.) program targeting women who were founding CEOs and owners of U.S. or Canadian privately held firms less than ten years old. Curtis had to give an inductee speech the next day at the 2019 Strategic Growth Forum® U.S. (E.Y. Press Release 2019). Lisa's thoughts moved back and forth regarding past Kuli Kuli decisions and events. Her thoughts centered on her dream of creating Kuli Kuli and her pride for receiving the 2019 Entrepreneurship award, but her mind kept returning to the firm's 4Q 2019 sales decline.

Curtis was pleased that her dream of translating personal experiences with the nutrient-rich moringa plant while serving in the Peace Corps in Africa turned into the promising start-up superfood business after she returned to the U.S. in 2011. She learned that benefit corporations (B Corps) had a broader mission than regular corporations because of their focus on profit, people, and the environment. Instead of focusing only on profits, the B Corp format supported her goal to help women moringa farmers in Africa. When Curtis launched Kuli Kuli in 2014, she told her co-founders: *"I want our social purpose to be embedded into our legal DNA."* The B Corp format allowed Curtis to start Kuli Kuli as a firm with a social purpose; the firm was certified the same year as a B Corp through the third-party B Laboratory organization.

In 2016, she incorporated Kuli Kuli in Delaware as a certified B Corp to legally recognize its social goals. Curtis was proud of Kuli Kuli's social impact of planting millions of moringa trees, partnering with local farmers, and providing income to women-led farming cooperatives, non-profits, and family farms.

Curtis contemplated whether the fast growth over the last five years to amass over \$14M in sales and employ 13 full-time people was sustainable? As Lisa's plane approached the Palm Springs airport, her thoughts returned to her speech the next day, but her nagging questions about the 4Q sales decline and what it meant for the next Kuli Kuli strategic plan surfaced again.

Curtis pondered: *What product strategies, leadership approaches, and B Corporation plans should I adopt over the next five years to address the current challenges and grow Kuli Kuli?*

Where Did Moringa and Kuli Kuli Fit in the Super Food Industry?

What is a Superfood?

There was no generally accepted medical definition of a superfood; however, the non-medical term for functional foods - so-called "*superfoods*" - was popularized as a way to describe foods that have health-promoting properties (Stöppler 2019). The functional foods industry consensus definition appeared to be foods that had a great likelihood to reduce one's risk of disease or improve any aspect of physical or emotional health. Stöppler (2019) indicated so-called superfoods had an unusually high content of vitamins, antioxidants, or other nutrients. Some examples were soy, blueberries, salmon, green tea, walnuts, broccoli, and spinach. A Hartman Group poll found the number one ingredient that U.S. consumers sought to increase in their diet was vegetables, closely followed by fiber, calcium, plant-based proteins, and iron (Wellness, Sustainability and Where to Eat 2015). One industry source pegged the U.S. energy and nutritional bars market at more than \$2 billion and estimated growth between 7% to 9% annually. Laskow (2014) estimated that the global superfood market was even bigger, perhaps

in the tens of billions. The U.S. market for "superfoods" was estimated at \$38 billion and growing at 7% annually (Laskow 2014; Company Records 2019).

What is Moringa?

Moringa as a superfood was rather new, but the plant had been in the daily lives of many people for centuries. People who lived in the areas where it grew gave the moringa tree names such as "the tree of life" and "drumstick tree." Exhibit 1 shows Moringa spread across the world in tropical and subtropical areas such as Africa, Asia, the Middle East, the Caribbean, and even North America.

Exhibit 1. Where is Moringa Grown in the World?

Source: Trees for Life <https://treesforlife.org/qive/landing-pages/moringa-trees-2020>

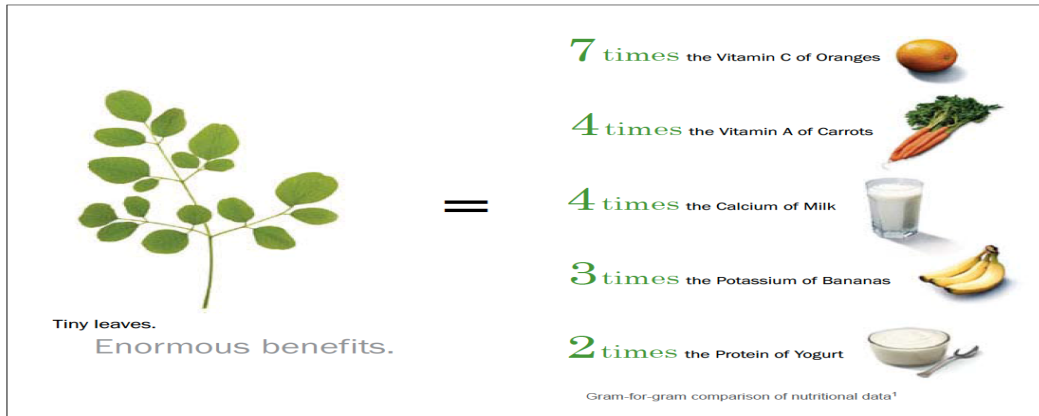
The Moringa tree grows...



Research and industry advocates alike indicated that the leaves of the Moringa tree were packed with protein, essential amino acids, 27 vitamins, and 46 antioxidants (Kuli Kuli Press Release 2018). Industry observers such as Oommen (2015) compared the nutritional benefits of moringa to five well-known foods (see Exhibit 2).

Exhibit 2. Nutritional Benefits of Moringa Leaves

Source: Oommen (2015)



Recent research showed that moringa contained many medicinal benefits, including anti-inflammatory properties that rivaled those of turmeric (Amabye & Gebrehiwot 2016; Graf, Jaja-Chimedza & Raskin 2017). Other sources touted Moringa as more nutritious than kale and rivaling the anti-inflammatory benefits of turmeric (McNeilly 2017; WELL+GOOD Editors 2017). Many other comparisons were based on taste, and moringa was often described as having a mild green flavor and tasted like a peppery version of matcha, without being overpowering.

Superfood Industry and Kuli Kuli Moringa Competition

The nutritional benefits of moringa leaves shown in Exhibit 2 met the consensus definition of a superfood (Oommen 2015; Stöppler 2019). Kuli Kuli's management felt from the start that the moringa superfood market was an attractive option for their firm based on the potential market size, growth, and social impact (Company Records 2019). Management also believed moringa was perfectly positioned to fill the growing U.S. market for superfoods in the business to consumer (B-C) space and concluded that achieving only a small percent of the growing superfood market was needed to have a viable company in this competitive industry. Nonetheless, Curtis understood that selling moringa superfoods in the U.S. had its risks. Her decision involved more than simply market entry timing (Zachary, Gianiodis, Payne & Markman 2015). Besides market timing, she would have to determine how to enter, who the players

were, where to enter, and what type of entry made the most sense to Kuli Kuli (Zachary et al. 2015).

In the same way that Sambazon had introduced acai, Mama Chia introduced chia seeds, and Guayaki introduced yerba mate, Kuli Kuli introduced moringa to the U.S. (Company Records 2019). The success of quinoa, acai, chia, and more recently kale as a superfood supported the CEO's conclusion that superfoods were not only popular, they also were “sticky” and created profitable, durable new product categories. The five-year Kuli Kuli success story attracted direct competitors to the U.S. moringa market, and Sun Foods, MRM, and Organic India were the top three other moringa brands (Company Records 2019). Kuli Kuli competed with the three firms on moringa powder since none of them had ready-to-eat moringa products, and only one was a B Corp (Company Records 2019). Kuli Kuli products also competed indirectly with other powder brands (i.e., Navitas), energy shots (i.e., Guayaki and Red Ace), and bars (i.e., Clif Bar).

Kuli Kuli Moringa as First Market Entry in Superfood Industry

As mentioned, when Kuli Kuli entered the moringa superfood market, management had to decide how to enter, who were the major stakeholders, where to enter the market, and what types of entry made the most sense for the company strategic plan. Kuli Kuli had developed trusted supply chain relationships with moringa farmers in Africa and elsewhere, enjoyed loyalty among some retail customers, and had growing brand name recognition with consumers based on its own work and first-mover advantages. While building these key relationships, Kuli Kuli did not attempt to employ highly competitive low-cost, low-price, high-volume marketing strategies used by many first-to-market movers. Instead, the company sought a value-based differentiation marketing approach (Company Records 2019). For example, Kuli Kuli was one of the few firms to hold an active FDA Generally Recognized as Safe (GRAS) Notice for moringa. Therefore, Kuli Kuli had a unique opportunity to introduce this new superfood to the U.S. market and create an entirely new category. Given the high cost of developing a GRAS Notice, some smaller food companies were deterred from entering the moringa space while larger

companies were challenged by the lack of an established supply chain for moringa. Kuli Kuli management found that through strategic marketing, careful pricing, and strong branding, Kuli Kuli was able to assist quick movement of company products off the shelf. Since Kuli Kuli was a B Corp and first to bring moringa superfood products to the U.S. market, management believed Kuli Kuli had a competitive advantage that was supported by research (Zachary et al. 2015; Lieberman & Montgomery 1998; Lieberman & Montgomery 1988). Kuli Kuli planned to maintain its competitive edge by moving quickly on the first-to-market advantage, product differentiation, developing a strong brand, and shelf product presence (Company Records 2019). Curtis indicated: *"Our social mission along with B Corporation certification should give us an additional competitive advantage that would be even larger if the average customer knew more about the value of the B Lab trademark"* (Personal Communication 2019).

Her Dream and the Formation of Kuli Kuli as a Social Enterprise

Origin of the Kuli Kuli Dream

Lisa Curtis first tried moringa while serving as a Peace Corps volunteer in a small village in Niger, West Africa. As a vegetarian, she was eating mostly rice, a diet that left her feeling weak. When she mentioned her fatigue to women at the community health center, they pulled leaves off a nearby moringa tree and mixed them with a popular peanut snack called Kuli Kuli. Lisa ate the Kuli Kuli moringa snack every day and found her energy return. She began working with villagers to encourage them to use moringa, and they asked her to help them sell the moringa leaves. This unplanned series of events led to the dream Curtis had that one day a moringa based business was possible in the U.S. with these African villagers as her primary suppliers. When Curtis returned from the Peace Corp in 2011, she co-founded Kuli Kuli, a mission-driven business, to drive economic growth, women's empowerment, and sustainable agricultural development utilizing moringa as a tool for nutritional security. She retained her full-time job in another industry and worked part-time with childhood friends to launch a crowdfunding campaign on Indiegogo to raise money to manufacture Moringa Superfood Bars. The

crowdfunding campaign was the most popular food campaign Indiegogo had ever had, enabling the co-founders to launch Kuli Kuli onto the market in 2014. Lisa quit her day job in 2014 and launched Kuli Kuli as the full-time CEO.

Lisa Curtis' dream in the Peace Corps became the framework for a start-up company where she could take direct action to change a poverty situation in West Africa. She believed it also had the potential for larger-scale societal impact. Curtis knew the definition of entrepreneur from her college studies, and she was introduced to the idea of a multi-purpose benefit corporation (B Corp) while working at a start-up firm, Mosaic. She made the two ideas merge when starting Kuli Kuli. Curtis knew that she was involved in entrepreneurial activity at Kuli Kuli but did her activities fit what some academics called a "*social entrepreneur*" (Kickul & Lyons 2012)? Additionally, would the B Corp idea help her superfood start-up with a dual economic and social purpose to survive long-term in the superfood industry? (Benefit Lab website 2019).

Social Impact of Kuli Kuli Mission and External Recognition

Curtis wanted the company's social impact goals to be measured as closely as its financial and human resource goals. Kuli Kuli's social mission was to use nutrient-rich plants as a tool to improve both nutrition and the livelihood of Africa farmers and others worldwide (see Exhibit 4). The company developed three overarching impact objectives for the communities where it did business: to end malnutrition, empower women to achieve gender equality, and plant a tree for every household.

Kuli Kuli was a full-fledged B Corp, meaning that the social purpose was embedded into the legal structure of the firm (see Appendix A and Appendix G). Certified B Corps were required to file annual impact reports tracking company progress towards these goals, and Kuli Kuli underwent a third-party impact audit through the B Lab using the categories shown in Exhibit 8. In addition to planting over 12 million moringa trees and partnering with over 2,400 farmers, Kuli Kuli provided more than \$4M in income to women-led farming cooperatives and family farms as well as invested over \$20,000 in supporting non-profits in the communities where it

worked (Company Records 2019). As a result, Kuli Kuli was selected as a B Corp Best for the World Honoree for (2017, 2018, and 2019) in several different categories (B Lab 2019).

Kuli Kuli was honored for social impact in other forums. Lisa Curtis was awarded the Sixth Annual Muhammad Ali Humanitarian Awards in September, 2018, for individuals around the world who made significant contributions toward the attainment of peace, social justice, and human or social capital (PRNewswire Press release 2018). Her most recent award was the Entrepreneurial Winning Women™ North America award in November 2019 (E.Y. Press Release 2019). Moringa's high levels of protein, calcium, iron, vitamin C, and vitamin A led many international development organizations to advocate the plant as "*natural nutrition for the tropics.*" By importing a portion of the moringa to the U.S. for Kuli Kuli products, the company created an international market for moringa and a sustainable livelihood for farming communities. An increase in moringa demand increased production, and consequential consumption occurred in the villages where moringa was grown. Thus, Kuli Kuli incentivized communities that struggled with malnutrition to invest in a plant that nourished their community, nutritionally and economically, and helped to create a global supply chain.

Importance of Global Coordinated Supply Chain

Curtis knew the moringa suppliers in West Africa were important when she started Kuli Kuli; however, as the company grew, management became even more aware how essential the entire global supply chain was to the sustainability of the firm and its social goals. Kuli Kuli's goal was to build strong, collaborative relationships with all suppliers (see Kuli Kuli Global Supply Chain Exhibit 3). The firm sourced all moringa it purchased from small farmers in Ghana, all females, and developed a new moringa supply chain in Haiti through the support of the Clinton Foundation. Kuli Kuli purchased all of the moringa these suppliers exported and developed legal agreements to encourage them to sell to Kuli Kuli. Management sourced all other ingredients such as almonds and dates from small farmers in California. Kuli Kuli utilized co-manufacturing facilities on the West Coast to make all of its food products, thereby lowering

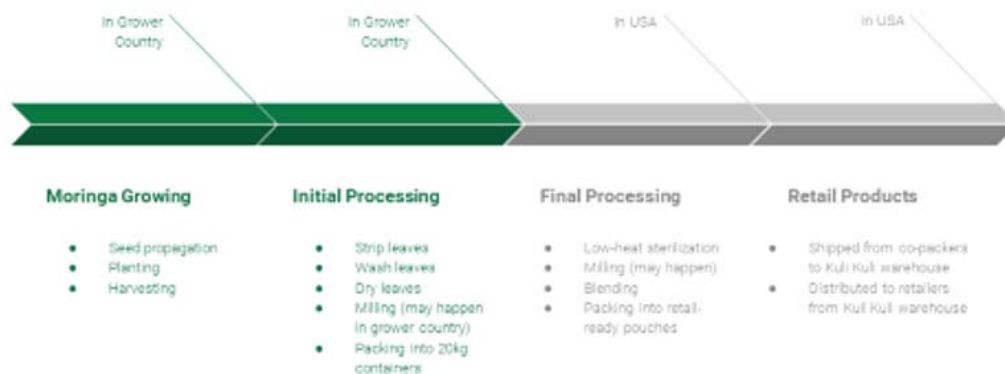
start-up costs. Through this social service and the economically coordinated supply chain, Kuli Kuli planted moringa trees, partnered with local farmers, and provided income to women-led farming cooperatives and family farms. As a result, Kuli Kuli grew each year, the moringa suppliers prospered, and Kuli Kuli won industry, entrepreneurship, leadership, and Benefit Lab awards.

Exhibit 3. Kuli Kuli Global Supply Chain

Source: Company Records (2019)



Kuli Kuli Simplified Moringa Processing Flow Chart



The intricate and integrated supply chain in Exhibit 3 involved several types of risk and required careful management by Kuli Kuli to build trust between stakeholders. Current and future external risk factors such as world hunger, social unrest, political instability, disease, changing climate, disrupting technologies, and economics had the potential to interrupt these delicate relationships. Curtis believed the largest risk in the supply chain was moringa *quality*, and Kuli Kuli built-in quality tests 3-4 times prior to sale. Kuli Kuli management was aware that what academics called the "*bullwhip effect*" showed that small variations at one level in a supply chain could create much larger variations in other parts of the supply chain (Chopra & Meindl 2013; Vitale, Giglierano & Pfoertsch 2010). The raw materials inventory in Exhibit 3 was usually purchased far in advance of sale at the retail level. Curtis stated: "*Kuli Kuli pre-paid contracts*

with the farmers reduced timing and financial risk to farmers, but the small farmers in Africa and the Caribbean had fewer resources to meet large fluctuations than other parts of the supply chain" (Personal Communication 2019).

Consistent with social benefit ideals, Kuli Kuli partnered with farmers to increase demand for moringa in each African market to help offset this risk. Nonetheless, Curtis was concerned about the size of the 2019 4Q sales decrease because it might overshadow built-in risk protections and move up and down the supply chain creating large changes in the amounts of moringa that small farmers needed to grow, harvest, and sell to Kuli Kuli or the local markets.

Company Background

Kuli Kuli Organizational and Governance Structure

As Kuli Kuli grew, Lisa Curtis formed a Board of Directors and Executive Team that consisted of Lisa Curtis, Founder, CEO, Jordan Moncharmont, Co-Founder & CTO, Emma Giloth, Senior Marketing Manager, David Ray, Director of Operations, and Lynne Wilkie, VP of Sales. In November 2019, the Kuli Kuli Foods organizational chart consisted of 13 full-time employees, including the CEO and her four direct reports that were members of the Executive Team (see Appendix C). Appendix C also contains a brief management and leadership profile of the top management people at Kuli Kuli. The Kuli Kuli's board of directors (BOD) and a group of advisors consisted of people with a combination of food industry background, financial experience, and social awareness (Company Records 2019).

CEO, Lisa Curtis Background

Lisa Curtis grew up in Northern California in close proximity to Silicon Valley, but at an early age, she did not view herself as an entrepreneur or leader. However, Curtis was confident, competitive, and took some risks. For example, at age 10, Lisa co-wrote an essay with her childhood best friend about recycling and won a local competition, taking home the outrageously large sum (for her) of \$200. She decided that saving the environment was pretty

cool, and in high school, Curtis started a recycling contest with Cans for Habitat that raised thousands of dollars to build low-income homes. Although Curtis called herself a social activist, she wanted to take direct action to improve the lives of others and make a bigger impact on society. While attending college, Curtis was active in the college newspaper and participated in local environmental and social justice causes. She expanded her reach globally in college as the U.N. Environment's U.S. youth representative at international sustainable development conferences.

After graduating from Whitman College with a Bachelor of Arts degree in Politics and Environmental Studies, Curtis worked in the local Walla Walla community as a social activist and community organizer with a focus on humanitarian and environmental issues. When asked about the motivation for her humanitarian instincts, Curtis said:

I'm proud of living each day to the absolute fullest and finding joy in creating a better world. Also, I wanted to gain a firsthand understanding of the challenges of living off a dollar a day faced by so many people around the world. This is why I joined the Peace Corps in 2010 (Personal Communication 2019).

Prior to serving in the Peace Corps, Lisa wrote political briefings for President Obama in the White House and served as a United Nations Environment Programme Youth Advisor. While at the Peace Corps, she worked in the health center and taught English at the local school in Niger, West Africa. Additionally, she started a moringa project in Niger but was forced to abandon it when the entire program was evacuated after seven months due to a terrorist attack. Before returning to the U.S., she worked for an impact investment firm in India. Then, once back in America, Curtis joined the private business sector, serving as the Communications Director of a start-up firm, Mosaic, where she managed a team of six to grow the company from zero to over \$5M invested in solar energy through Mosaic's online marketplace. Mosaic was a B Corp, and Curtis learned firsthand about growth, risks, and leadership in a start-up culture together with the advantages and disadvantages of B Corps.

Leadership at the Top

When Lisa Curtis co-founded Kuli Kuli, she was aware that many aspects of the company would change as it grew, but she felt that her leadership would be less changeable than other factors. Curtis believed leadership and company culture could be important factors in a firm's strategic competitive advantage. She wanted to continue making these two factors important parts of the future in Kuli Kuli's five-year strategic plan. She knew from her college studies and work experiences that many of the factors mentioned in the internal capabilities of a firm (leadership, organizational culture, and task culture) had a profound effect on the implementation of company strategy (David 2009; Barney 2010; Rothaermel 2015). Curtis also knew it was not unusual for company founders in any industry to have the largest influence on the leadership process and culture of start-up firms (Jones & George 2019; Yukl 2012). When Curtis started Kuli Kuli, she wanted to lead by example and build a collaborative culture to achieve profit and important social goals. In a recent interview with *DotCom Magazine*, Curtis indicated:

Leadership is the most powerful word in the English language. The qualities of a good leader are transparency, consistency, and doing the work, and it helps to have compassion, dedication, and humor. The future of work will be led by the servant leaders, the CEOs who listen and adapt their workplaces based on their employees' feedback (Jacobs 2019).

Curtis indicated that she believed change was important to the success of leaders and stated:

I had a ton of energy and was very opportunistic when I first started Kuli Kuli. I've now learned how to take more time to reflect on an opportunity before jumping into it headfirst. I am not a micro-manager, and I try to lead by encouragement and inspiration. My focus on values in the vision/mission statement show the importance of ethics, my focus on team show I try to share leadership, and I try to change my style to match the situation (Personal Communication 2019).

Curtis wondered about the future and what leadership approach was preferred over the next five years and agreed to take a battery of behavioral style and leadership surveys. Appendix B shows a summary of Lisa's scores on this battery of behavioral style and leadership surveys.

Company Culture

Curtis said in a recent interview: *"Culture doesn't create itself."* (Personal Communication 2019). Building a positive team culture, even at a small start-up like Kuli Kuli, required deliberate thought and structure, she believed. Her co-founders were life-long friends, and Curtis trusted them and sought their expertise and opinions from the start to create a *"family feel"* to the company. Early in the life cycle of Kuli Kuli, Curtis believed that leadership was an integral part of successful teams and thought that leading by example was enough. She modified her earlier belief and became more proactive and transformational about the role of leadership in the team-based company culture. She noted, *"I learned that documenting Kuli Kuli's core values, getting monthly feedback from our team, and putting together a Culture Committee to actively create bonding events has led to an incredible, cohesive team culture that has paid off with a happier and more collaborative team."* (Gould 2017; Personal Communication 2019).

Furthermore, Curtis said in a recent industry interview what she did to foster that culture:

We're a values-driven company, and those values are embedded into our team culture. Our company values are Discipline, Optimism, Gratitude & Respect, and Learn & Innovate. We are optimistic about the potential within ourselves and our company but temper that optimism with discipline to make sure that we think critically about all the goals that we set. After every meeting, we take a few minutes to do "shout-outs," where we express gratitude for each other's hard work. In all our work, we aim to show the utmost respect to all people and planet, hence why we're now a full-fledged Benefit Corporation. Lastly, we regularly host Lunch & Learns with advisors and other outside experts. We push each other to constantly be learning, and we see failure as an opportunity to learn, not something to be punished. We look forward to finding more people who share these values... I believe that our company culture will continue to change and get even better as we grow and have more resources. We spend a lot of time listening to the viewpoints of everyone in our company, and so I think every new person we bring on will help our culture grow and evolve. Our team comes from many different backgrounds, religions, and races. We celebrate our differences and are united in our mission to use moringa to improve nutrition and livelihoods worldwide. We're currently a relatively young team and are excited to learn from new, more experienced hires. (Gould 2017; Company Records 2019)

Kuli Kuli core values (Be a Sponge, Gratitude and Respect, Disciplined Optimism, Own & Lead, and Positive Collaboration) were added to the company vision and mission (see Kuli Kuli Vision,

Mission, and Core Values Exhibit 4). This value-driven family approach was also reflected in the functional, team-based organizational structure (see Appendix C). Additionally, the "worker" component of the independent B Lab Impact Assessment included the employees' positive perception of the Kuli Kuli culture (see Appendix A). External Glassdoor data indicated that employees rated Kuli Kuli as a great place to work and described the Kuli Kuli culture as open, collaborative, team, and family-oriented culture with a supportive management or leadership style yet very budget-conscious (Glassdoor 2018). Employees participated in company culture surveys as part of the H.R. system (Gusto) and said: "We've seen employee happiness fluctuate over time but generally is pretty high" (Personal Communication 2020).

Exhibit 4. Kuli Kuli Vision, Mission, and Core Values

Source: Company Records (2019)

Vision	To use nutrient-dense superfoods, starting with moringa, as a tool to improve nutrition and livelihoods worldwide.
Mission:	To get sustainably sourced, nutrient-dense Kuli Kuli superfood products into 1% of U.S. households nationwide.
Core Values	Be a Sponge
	Gratitude and Respect
	Disciplined Optimism
	Own & Lead Positive Collaboration

Kuli Kuli Product Line

Curtis believed high-quality moringa was the key to final product quality. Kuli Kuli committed to source only the freshest moringa leaves with strict quality control standards even in hand-harvested family farms and women's cooperatives in rural areas (Company Records 2019). Good Morning America and the Sterling-Rice Group described moringa as an extremely versatile and nutritious super green that could be blended into smoothies, baked into cookies

and cakes, sprinkled over savory dishes, or mixed into sauces and soups (The Sterling-Rice Group 2018 Trend Report 2018). Kuli Kuli found moringa paired best with three types of flavors: citrus/fruit (particularly pineapple), rich nutty or chocolatey flavors (particularly almond butter), and spicy flavors (like ginger).

Exhibit 5. Kuli Kuli Major Products

Source: Company Records (2019)



Notes:

- 1. Pure Organic Moringa Powder** - Best-selling 7.4oz powder offers a complete plant protein and the most powerful dose of anti-inflammatory and detoxification benefits of company products. It has a green, earthy flavor that blends well into smoothies, savory dishes like pesto, or even baked goods. Available in the 7.4oz pouch and a 20-count carton of the single-serve 10-gram packets (usually merchandised together).
- 2. Organic Moringa Green Smoothie Mix** - Kuli Kuli's Organic Moringa Green Smoothie mixes are a convenient and delicious way to get your greens on-the-go with a blend of the super green moringa plant protein and other high-quality ingredients such as Fair-Trade cocoa. Stir them into your favorite non-dairy beverage or even just water for a plant-powered boost that will keep you energized and satisfied for hours. Available in Vanilla, Chocolate Peanut Butter, Dark Chocolate, and Unsweetened.
- 3. Moringa Green Tea Energy Shots** - An energizing green smoothie, these shots provide lots of function-forward superfoods and green tea caffeine equal to a cup of coffee. They are on-the-go energizer and perform best when placed near the checkout or in the cooler. The four varieties include Get Well Soon, Focus Focus Focus, Daily Green Boost, and Stress Be Gone.
- 4. Moringa Energy Bars** - Like a "salad in a bar," these tasty, all-natural bars have simple, wholesome ingredients plus half a cup of nourishing moringa greens. More fiber than a bowl of oatmeal and no added sugar (except for chocolate chunks), they are the perfect way to get a satisfying boost of energy and vitamins.

The crowdfunding success enabled Kuli Kuli to launch its first product onto the market in 2014. Kuli Kuli started with one moringa product and grew into four product lines (see Exhibit 5). Whole Foods Market was the first retailer to pick up Kuli Kuli's Moringa Superfood Bars, starting in Northern California. Kuli Kuli then launched the Pure Organic Moringa Powder in 2015 and expanded to over 2,000 retail locations. In 2016, Kuli Kuli partnered with the Clinton Foundation, Whole Foods Market, and a non-profit in Haiti to help reforest Haiti with moringa trees and develop the Moringa Green Energy shots made with Haitian moringa. Kuli Kuli sold Moringa Superfood Bars, Pure Organic Moringa Powder, Moringa Green Energy shots, and new Organic Green Smoothie Mixes in over 7,000 stores nationwide. Management described the in-store target customer as a very active and socially conscious mother in her mid-30s that regularly purchased superfoods at natural food stores. The partnerships with small farming cooperatives in Ghana and Haiti led private foundations like the Clinton Foundation and major retailers such as Whole Foods Market to believe Kuli Kuli had a solid philanthropic business model. Solid, yes, but was it sustainable?

The Kuli Kuli Business Model

At the start, Kuli Kuli management developed goals viewed as simple, measurable, achievable, and realistic that were placed in the five-year plan to attract customers, suppliers, employees, and investors. Management identified strategic objectives they believed were compatible with the vision, mission, and core values of the firm (see Exhibit 4). Kuli Kuli built a five-year plan around growth at the retail level, expansion of strategic partnerships, and continued product innovation (Company Records 2019). As Kuli Kuli scaled up to achieve this ambitious five-year plan, management identified external and internal factors that could either help or hinder the company from reaching the five-year goals. Curtis believed in taking reasonable risks, and financial and social goals should be part of Kuli Kuli's strategic plan and daily use in the firm (see Exhibit 4).

Organization Vision, Mission, and Core Values

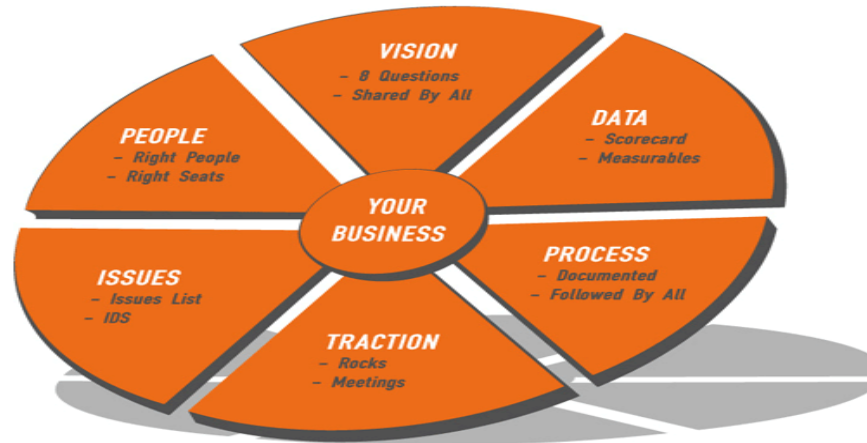
The inspirational goals in Exhibit 4 expressed as vision and mission statements were developed by Kuli Kuli for the first five years, along with supporting values and metrics for operating goals. Thus, the mission-driven moringa business that Curtis co-founded in 2014 had the dual goals of a successful business enterprise and tools to improve nutrition and livelihoods worldwide embedded in its strategic plan. Delaware did not offer benefit corporation status when Kuli Kuli was launched as a B Corp in 2014. Therefore, Curtis was able to get Kuli Kuli certified through the B Lab and re-incorporated Kuli Kuli as a certified benefit corporation in the corporation-friendly state of Delaware in 2016 (see Appendix A and Appendix G). Curtis believed in continuous improvement toward all goals and told her top management team in a 2017 strategic planning meeting, *"A sustainable company must evolve, and this means the mission and vision should be under continuous review"* (Company Records 2019). The team held annual reviews of the strategic plan, and all aspects of the plan were examined for connection to company goals, resources, and metrics. Should these inspirational goals be changed and measured for the next strategic plan cycle?

The Entrepreneurial Operating System (EOS)

The firm stopped creating annual business plans as investors and lenders became less interested in traditional business plan at this stage in Kuli Kuli's life cycle. In 2016, Curtis asked, *"Is there a simple and practical strategic framework beyond the SWOT analysis and B Lab assessment scorecard for a small company like Kuli Kuli where we can plan, capture and measure entrepreneurial success?"* A mentor suggested that Curtis look at the Entrepreneurial Operating System (EOS) described in the book *Traction* (Wickman 2012). Lisa purchased three of Wickman's books and decided to try EOS for the Kuli Kuli strategic framework, planning, and implementation. In 2016, Kuli Kuli stopped the development of traditional business plans and adopted the EOS as its strategic framework (Company Records 2019).

Exhibit 6. Entrepreneurial Operating System (EOS) Model

Source: Company Records (2019)



The Entrepreneurial Operating System (EOS) was presented as a complete set of simple concepts and practical tools that helped thousands of entrepreneurs get what they want from their businesses. (What is EOS? n.d.). EOS was described as composed of a model, toolbox, and process that assisted companies toward success if properly implemented. The focus of the EOS system was helping leadership teams to get better at three things: Vision, Traction[®], and Healthy. The model was described in the *Traction* book as composed of six key components: 1. Vision, 2. People, 3. Data, 4. Issues, 5. Process, and 6. Traction[®] (see Appendix D; Wickman 2012). The EOS Toolbox[™] was described as a set of practical tools to strengthen the Six Key Components of a business (What is EOS? n.d.).

Since 2017, Kuli Kuli used an EOS Stop-Start-Continue framework for strategic planning implementation and measurement. EOS planning and assessments were usually conducted twice a year at leadership retreats. After skipping 2018, two retreats (April & October) were held in 2019. The Kuli Kuli management team used an EOS Vision Organizer tool from the Stop-Start-Continue framework to focus on the marketing strategy, core values, core focus, 2, 5, and 10-year targets goals.

However, in these leadership retreats, the company continued with the development of SWOT analysis for each functional area within Kuli Kuli and the company overall, as well as the B Lab

assessment process and scorecard (see Appendix A). In the annual SWOT analyses at the leadership meetings, Kuli Kuli identified external and internal factors that could either help or hinder the company from reaching the goals that were fleshed out in the EOS discussions.

External Factors

In the 2019 leadership meetings, Kuli Kuli identified several items that might be viewed as opportunities and threats to its first to market competitive advantage. For example, there appeared to be a clear trend toward healthier lifestyles in the U.S., and this trend increased opportunities for moringa based products. The supply chain risk included external threats unrelated to moringa, such as technology disruption, changing environment, disease and hunger, social unrest, political instability, and economic uncertainty. Although Kuli Kuli had introduced moringa to the U.S. market, over time competition for moringa based products emerged. Low-cost moringa was entering the market from India and several less developed countries that might impact supply chain availability, quality, and cost. This competition could be viewed as either an opportunity for Kuli Kuli (because it could lower product cost) or a threat for the firm (because inferior quality moringa might hurt Kuli Kuli's social mission with farmers that emphasized above-market prices and high-quality moringa).

External economic factors such as low-interest rates helped to make the Bay Area housing market very expensive for buyers and renters. As Kuli Kuli grew its internal infrastructure, wages, salaries, benefits, and other employee-related costs escalated. Often, employees were willing to work for Kuli Kuli at a discount to the prevailing wages in the high living cost in the Oakland, California market because of the company's social mission. However, as the Northern California unemployment rate decreased in 2019, and Kuli Kuli's need for special skills grew, this put upward pressure on employment costs. As technology advanced, digital marketing raised the possibility for new superfood markets inside and outside the U.S. as well as the possibility that technology could reduce Kuli Kuli's operational costs.

Internal Factors

Some company strengths and weaknesses were also reviewed in the 2019 leadership meetings. Some major strengths were: passionate, energetic staff with people skills; subject-matter expertise and willingness to learn and use new technologies; strong local market and supplier relations; a range of unique products; doing work that had a global social impact. These company strengths continued in 2019, and both the strengths and weaknesses were factors such as its employees, the company culture, and the products it developed and marketed where Kuli Kuli has some degree of control. Curtis believed Kuli Kuli became more of a learning organization. The underlying core values that support these strengths were included in its vision and mission statements (see Exhibit 4).

In addition to strong product marketing, Curtis wanted the B Lab trademark to increase company sales and remove any perception that moringa was just another superfood fad. Curtis was convinced that product differentiation was the key to product success. She explored with her management team several differentiation options to change the competitive marketplace, such as product and market specialization, as a way to increase sales. Alternatively, perhaps a weakness was Kuli Kuli's products were very different without a coherent theme. Curtis was concerned that employees were becoming too focused on retailer whims rather than what customers wanted, as shown by marketing and sales research. Staff turnover and rushing new products to market reduced the time spent on brainstorming new ideas and acting on these ideas (Company Records 2019).

Discussion of the B Lab scorecard indicated the average score of over 3,000 firms was 80 (see B Lab Formats, Exhibits 7, and Appendix A). Kuli Kuli espoused core values to support its vision and mission that resulted in scores above 80 on the B Lab assessment impact scorecard composed of governance, workers, community, environment, customers, and changemakers criteria (see Appendix A). Exhibit 7 shows Kuli Kuli total scores grew to 102.6 after a slight dip to 90.1 in 2016.

Exhibit 7. Kuli Kuli B Lab Impact Assessment*Source: Company Records (2019)*

Average Company Points	Your Company Points (Kuli Kuli)		
	2014	2016	2019
80	97.3	90.1	102.6

B Lab reports showed that Kuli Kuli employees had high employee motivation and job satisfaction as well as a positive organizational culture. Appendix A shows good Kuli Kuli scores on the B Lab scorecard in other assessment categories (customers, community, and environment) related to good company relationships inside and outside the organization. Even within the certified Benefit corporation community, the high scores that Kuli Kuli achieved were rare. In 2019, Kuli Kuli was selected as a B Corp Best for the World Honoree from among over 3,000 organizations for the "Community" category (see Timeline Appendix E). Again, Appendix E shows Curtis was inducted in the Entrepreneurial Winning Women™ North America Class of 2019, and Kuli Kuli received industry awards as a good place to work.

Funding Sources, Financial Performance Indicators, and Metrics

Kuli Kuli was able to use the dual purpose in its mission statement, business model, and management commitment to raise funds. This approach helped management attract grants, loans, and investors who believed in the social mission to keep the firm going until it generated enough money from operations to become profitable in 2023 (Company Records 2019).

Funding Sources

Kuli Kuli had many small investors but raised larger amounts from venture capitalists as the company grew. Some of the Kuli Kuli venture capital (V.C.) funding sources were \$1M seed round that closed in 2016, \$3.25M Series A that closed in 2017, and \$6.34M Series B that closed in 2019. In 2017, Kuli Kuli was one of the first B Corps to receive investment from a Fortune

500 company, Kellogg. Curtis indicated after noting that the Kellogg venture capital fund eighteen94 capital led Kuli Kuli's Series A financing in 2017 had helped Kuli Kuli's retail business to triple: *"We're thrilled to continue to partner with Kellogg to grow our retail business while partnering with Griffith Foods to expand into the foodservice and ingredient space"* (Company Records 2019). Griffith Foods led the series B financing in 2019 for Kuli Kuli, and Brian Griffith, executive chairman, said: *"Griffith Foods' purpose calls us to find innovative solutions to changing needs"* (PRNewswire 2019). He also indicated that Griffith Foods could not do this alone and said: *"Our strategic partnership with Kuli Kuli will help both companies elevate moringa as an exciting new ingredient, and we look forward to bringing this sustainable and healthy offering to the food sector"* (PRNewswire 2019).

Traditionally, V.C.s wanted their money back quickly with a high return on their investment or control over the company through additional equity. Curtis had been very selective in fundraising and attracted funding sources that took a longer-term view toward Kuli Kuli's social mission. As a safety net, Kuli Kuli had the ability to use a line of credit for emergency short-term cash needs. It appeared that Kuli Kuli had covered the need for funding until it was forecasted to become profitable in 2023. Should Kuli Kuli look for additional investor funding sources or rely on its line of credit?

Funding Emphasis on Social Mission

Many Kuli Kuli partnerships and funding sources took the social mission into consideration when providing funds; however, should Kuli Kuli emphasize the social mission to a greater degree with all stakeholders? Should Curtis become a social activist? Traditional and integrative financial indicators of corporate performance were only the starting point management might need to demonstrate the firm's performance and strategic evaluation (Rothaermel 2015; David 2009; Wheelen & Hunger 2006; Kaplan & Norton 1996). The strategic performance interests by firms were often reflected in the balanced scorecard (BSC) approach that had gained widespread interest (Rothaermel 2015; David 2009; Wheelen & Hunger 2006; Kaplan & Norton 1996). Since Kuli Kuli was a certified B Corp with reporting responsibilities,

Curtis encouraged management to think about the triple bottom line of people, planet, and profit in everyday activities (see B Corp Overview Appendix A; Elkington 2018; Honeyman 2014). Kuli Kuli was committed to paying a living wage to its suppliers and farmers in underdeveloped countries in Africa and the Caribbean. Would an increase in competition for moringa require Kuli Kuli to reduce cost in its supply chain and erode this commitment? Kuli Kuli was also committed to paying competitive wages and salaries to production and H.Q.s employees in California. Could this small firm continue its social commitments as a B Corp and compete for highly skilled employees in the high wage California locations? Would participation in Kuli Kuli's internal Fair Trade 2.0 ideal hurt the firm long term?

The Kuli Kuli Fair Trade 2.0 Initiative

Kuli Kuli's internal Fair Trade 2.0 Initiative sought a way for consumers in the U.S. to gain access to moringa superfoods while farmers in the developing world increased local nutritious crops. One way was careful management of the Kuli Kuli supply chain to source only a portion of each moringa harvest for Western consumption, while paying fair wages, thus ensuring that moringa benefited those who needed it the most. Could Kuli Kuli realistically continue with a high level of social commitment and become profitable in 2023? Curtis was committed to this social benefit initiative and told her team: *"We're trying to balance our strong social mission with creating a sustainable business, and it's always a balancing act"* (Company Records 2019)

Financial Performance Indicators

A summary of key financial performance indicators and metrics for years 2016-2018 are provided in Appendix F. Detailed financials were not available for year-end 2019. Estimates of some key figures, however, were available in November, and Curtis was aware on her flight to Palm Springs that 2019 revenue was estimated to be significantly below the budgeted figure due to the huge 4Q sales decline. What was the impact of this 4Q sales decline on the sustainability of Kuli Kuli and the next five-year strategic plan?

The initial alert from the Kuli Kuli financial area about the 4Q decrease in sales made Curtis anxious to see all final year-end 2019 numbers and compare them to prior years. Lisa told the CTO, Jordan: *"We need to understand why sales decreased and how we can turn them around."* (Personal Communication Lisa Curtis 2019). CTO Executive Team member, Jordan, who was responsible for the financial area, conveyed to Lisa the initial assessment of the large decline in 4Q sales was that it appeared to be the result of a decrease in orders from one large customer. Jordan told Lisa that the executive team would get together to analyze the impact on other areas in the company and create a plan of action. Some short-term trends in financial metrics and indicators over the last three years (2016-2018) gave Kuli Kuli management cause for concern for year-end 2019 financials, while others were quite encouraging (see Appendix F). The inventory trend was disappointing, but Curtis felt that Kuli Kuli had put a plan in place in the second half of 2019 to address supply chain risk that affected inventory levels. She noted that perhaps the implementation of the plan would prevent any *"bullwhip"* effect from taking place in 2020 and beyond. Curtis also noted that revenue grew rapidly, and both assets and cash flow had recovered, but the firm was not yet profitable. She was aware that most start-up firms did not make a profit in the short-run, but Curtis felt that positive cash flow was especially important in the short-run, and profitability was expected in the long-run. Curtis believed Kuli Kuli had sufficient short-term funding to build the business until it became profitable in a few years.

Curtis reviewed the key financial ratios and the trends through 2018 in Appendix F and estimates for 2019 sales revenue and inventory. She remained uneasy about the 4Q sales decline but did not believe the wheels were falling off the company. She strongly believed that management had taken some pro-active steps since implementing the EOS framework in 2017 to address key areas of concern, and she did not want to overreact prior to receiving the year-end 2019 financials. Curtis took a longer-term view and said: *"We're focused on growth and investing in our team, sales and marketing, and our goal is to become profitable by 2023 at the latest"* (Personal Communication 2019). She was aware that traditional integrative financial tools such as the Altman Z statistic and others existed to provide a complete financial picture of

solvency by combining traditional ratios in formulary and multivariate statistical formats (Altman 2013; Wheelen & Hunger 2006). Yet, Curtis was not 100 percent sure these statistical tools were a "*silver bullet*" that would help Kuli Kuli manage the areas of concern, but she indicated a willingness to take a look.

Past and Future Management Challenges

In the five years since Lisa Curtis co-founded Kuli Kuli Foods and incorporated the firm as a B Corp (see Appendix G), things were encouraging but not always smooth. She and her team worked through numerous changes and challenges. (see Appendix E Timeline). On the flight to Palm Springs on November 12, 2019, Curtis looked backward and forwards at her past decisions and events and tried to contemplate whether the past company successes were sustainable. She pondered a number of questions and felt that answers to these questions would help her to manage Kuli Kuli as a sustainable company and achieve the profit, people, and environmental goals over the next five-year plan cycle.

Key Management Questions

As Curtis mulled over the myriad of questions on her mind, the list was reduced to six areas:

1. What is the best way to determine the social impact of a social purpose firm such as Kuli Kuli as it evolved over the next five years?
2. Which strategic approaches would be most effective for Kuli Kuli at this stage of growth and development over the next five years?
3. Should Kuli Kuli substantially modify its mission or vision statement to reflect the company priorities over the next five-year planning cycle?
4. Could Kuli Kuli rely on its first-mover in the moringa superfood market to maintain or improve the firm's competitive advantage?
5. What should be the CEO's leadership style for Kuli Kuli to achieve its goals over the next five-year strategic plan period?
6. Should Kuli Kuli rely on traditional financial evaluation methods or migrate toward methods such as scorecards to measure the impact of the 4Q 2019 decline on the firm and assess the future sustainability of the firm?

These six key forward-looking questions were on the mind of CEO Lisa Curtis during her November 12, 2019 flight to Palm Springs. When Curtis returned home that week, she finally concluded these six specific questions addressed her general concern: What future strategic management, B Corp, and leadership actions should I take now to address the major challenges facing Kuli Kuli Foods and continue our rapid growth while staying true to our social mission over the next five years?



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Appendix A The Goals, Responsibilities, and Certification of B Corporations

Source: Author's Notes (2019)

The governance or legal structure of firms had taken on many different forms, such as a single proprietorship, partnerships, and corporations. The popular corporation format had the advantage of many different owners (shareholders) of the firm and was usually called "*C or S Corporations*" for tax purposes (Kickul & Lyons 2012). C and S Corporations were either privately or publicly held and were for-profit or non-profit in terms of the goals of the organization. C and S Corporations had the primary goal and obligation to maximize shareholder wealth (Collins 2018; Kickul & Lyons 2012). Shareholders had the legal right to sue the management of C and S Corporations that did not pursue the maximization of shareholder profit (Collins 2018; Chen 2016). Kuli Kuli Foods was founded as a B Corporation in 2014 because Co-founder and CEO Lisa Curtis wanted the company to be accountable for business and social goals, and the firm evolved into a certified B Corporation with a third-party assessment of performance goals.

B Corporations

The concept of corporate social responsibility (CSR) raised speculation in the management field regarding the legitimate role of multiple stakeholders and multiple goals in a company (Collins 2018; Chen 2016; André 2012; Montgomery 2012). These "*gray sector organizations*" (GSO) or "*social purpose corporations*" (SPC) emerged as a new organizational form dedicated to legitimizing the pursuit of corporate social responsibility (Collins 2018; Chen 2016; André 2012; Montgomery 2012). Hence, the benefit corporation was a hybrid business organization nestled between a non-profit and a for-profit corporation that used revenue and profit to pursue social goals (Horton 2018). Additionally, Benefit Corporations (B Corporation) usually had the same structure as traditional for-profit C and S Corporations but with a different purpose and no tax advantages. Owners of B Corporations usually developed strategies to attract investors that highly valued contributions to social or environmental causes and highly valued profits and employees that valued social missions as well (Collins 2018; Chen 2016; André 2012; Montgomery 2012). Montgomery (2012) indicated that B Corporations were based on a multiple stakeholder model and suggested a "*scorecard report*" that overall assessed company social and environmental performance was important. Outside the U.S., Italy made B Corporations a legal entity in 2015, and the multiple stakeholders and multiple goal format of B Corporation were aligned with the United Nations development goals established in 2015 (Werber 2019; Collins 2018).

Individual states began to pass legislation to recognize the multiple goals of GSO and SPC organizations, and the Benefit Corporation (B.C.) became a legal outgrowth of these GSO and SPC formats. Maryland was the first state to pass B Corporation legislation in 2010, followed by California in 2011 and Delaware in 2013, which is the legal home to approximately fifty percent of all publicly traded corporations in the U. S. (Collins 2018; Bishop 2017; Chen 2016). Recent research showed that laws covering B Corporations varied from state to state, but overall, they

were required to have a public benefit purpose stated in its articles of incorporation which allowed its directors to consider the needs of society and the environment in addition to profit (Collins 2018; Bishop 2017; Chen 2016; André 2012; Montgomery 2012). Chen (2016) indicated that B Corporations in California were required to be incorporated under the 2011 California law. He pointed out that California B Corporations varied from C Corporations in terms of a stated public benefit, protection for officers and directors to pursue goals other than shareholder wealth, and the requirement to measure social goals against a third-party standard (Chen 2016). However, Chen (2016) noted that B Corporation's goals and activities were not required to be independently certified by the third-party standards that the company adopted.

Certified B Corporation through B Laboratory

The B Laboratory (B Lab) was established in 2007 as a non-profit organization dedicated to measuring the plans and results of firms that desired to pursue social responsibility as an organizational obligation (Collins 2018; Chen 2016; Montgomery 2012). One method to document a firm's overall social and environmental performance was to use the external B Lab third-party standard. The non-profit B Lab performed independent assessments of organizations for a fee and certified the organizations that "*passed*" as a B Corps. Therefore, the certified B Corp was a higher-level commitment to social goals than the regular B Corp. Hence, a company certified through the non-profit B Lab organization was an added step, higher-level accountability, and like the Good Housekeeping Seal of approval for being ethical, sustainable, and socially responsible (Collins 2018). Many certified companies such as Kuli Kuli Foods placed the B Corp logo and trademark on their products to differentiate their brand from non-certified products and show this level of commitment and dedication to social goals (Company Records 2019). Firms paid an annual tiered fee for the certification process based on company revenue. B Lab (2019) indicated firms with annual sales less than \$150,000 paid \$1000, while those over \$1 Billion paid an annual fee of \$50,000 or more depending on the size and complexity of the business. The B Lab certification process also involved completing a scorecard composed of six factors or criteria (Governance, Workers, Community, Environment, Customers, and Change Makers) that evaluated the firm's overall impact on its stakeholders with supporting documentation. For recertification, firms were required to update the assessment every two years and maintain a minimum score of 80 points on the six factors that comprised the B Lab scorecard. Firms that exceeded the minimum threshold of 80 points were publicly recognized, and awards were given annually to firms in each industry that greatly exceeded 80 points (Werber 2019; Collins 2018). Collins (2018) revealed that by 2017, 30 states had passed B Corporation legislation, and 2,026 companies in 50 countries and 30 industries had been certified as B Corps. Typically, B Corp firms were small like Kuli Kuli Foods and middle-size firms, but multinational giant Danone North America became the world's largest certified B Corp in 2018 (Werber 2019). Kuli Kuli was certified in 2014 by the B Lab, and for the last three years (2017, 2018, 2019), the firm was selected as a B Corp Best for the World Honoree in different categories such as "governance and community" from among over 3,000 organizations.

**Appendix B
Survey Results**

Source: Company Records (2019)

Below are the results of Lisa Curtis' scores on a battery of behavioral style surveys. Several surveys are a mix of management and leadership surveys, and the others relate to leadership and personality style.

Exhibit 8. Lisa Curtis Style Survey Results

Source: Company Records 2019

Survey Name	Lisa Curtis Scores				
Supervisory Attitudes Theory X-Y	Self-Score	Actual Survey Score	X	Mixed	Y
	35	31	10-20	20-30	30-40
T – P Leadership	Task	People	Shared Leadership		
	11	13	High, Balanced		
Jungian Type Personality Style	Extrovert/Introvert	Intuitive/Sensing	Thinking/Feeling		
	Perceiving/Judging				
	Extrovert (E)	Intuitive (N)	Feeling (F)	Judging (J)	
Ethical Leadership	Actual Score	Perfect Score			
	40	50			
Conflict Management	Avoiding	Smoothing	Bargaining	Forcing	Problem-Solving
	3	6	8	10	7

Notes:

The X score is similar to Authoritarian, and Y is similar to Participative

The T= Task score is similar to Theory X, and P= People score is similar to Theory Y

ENFJ score is usually described as outgoing, friendly, fun, decisive

The range for Ethical Leadership is 10-50; scores above 25 are considered Ethical Leaders

The highest possible score for each conflict management style is 12

Appendix C Management Backgrounds

Source: Company Records (2019)

Lisa Curtis, Founder, CEO

Lisa began working on the Kuli Kuli framework while in the Peace Corps in Niger, West Africa. As a volunteer in her village's health center, she gained an understanding of nutritional challenges faced in West African villages and how moringa could help address those challenges. Before Kuli Kuli, Lisa served as the Communications Director at Mosaic, wrote political briefings for President Obama in the White House, and worked at an impact investment firm in India. Lisa was recognized as a Forbes 30 Under 30 leader, a Udall Scholar, and a "dedicated humanitarian" by the Muhammad Ali Center and received numerous leadership awards.

Emma Giloth, Senior Marketing Manager

Emma had experience in government, NGOs, and non-profits, before joining Kuli Kuli as Senior Marketing Manager. She worked for over seven years in the U.S., West Africa, Israel, and the Caribbean in non-profits and social businesses to promote social entrepreneurship, economic development, and plant medicine. She co-founded and managed social business start-ups to produce and retail all-natural coconut products. Emma built and maintained local and international partnerships with 10 NGOs, 60+ donors, five embassies, and 100+ customers. She built and administered two IndieGoGo campaigns raising \$10,500 in 2014 and \$5000 in 2015. As a social entrepreneur and marketing professional, Emma dedicated her career to growing businesses that build sustainable supply chains and improved cross-cultural collaboration.

David Ray, Director of Operations

David brought several years of experience working for fast-growth start-ups as well as legacy CPG companies to Kuli Kuli. He was asked to focus on continuous production improvement and developing a productive and efficient supply chain to support growth and innovation within Kuli Kuli. David's previous accomplishments included turning around the snack foods division at ZeroCater and increasing customer retention 90% in 6 months, managing 300% production growth at Hello Fresh, and managing the S.F. Operation for all of S.F. region at Breather during a huge growth phase. David was involved with all of the disciplines of the supply chain in Kuli Kuli and at the same time working for a company whose stated B Corporation mission included improving the lives of others through improved nutrition, providing livelihoods for farmers in different countries as well as making a difference in his community.

Jordan Moncharmont, Co-founder & CTO

Jordan was a software engineer and Co-founder who came to Kuli Kuli by way of Stanford, Facebook, and Tesla Motors. He designed and implemented the online systems for Tesla's cars, one of the largest internet-of-things deployments in the world with over 30 million connected sensors and served as a software engineer at Facebook from 2005 - 2010, where he learned how to scale a company quickly. He had always been interested in how communities and technology interacted to solve the world's problems. Jordan started as the company lead in

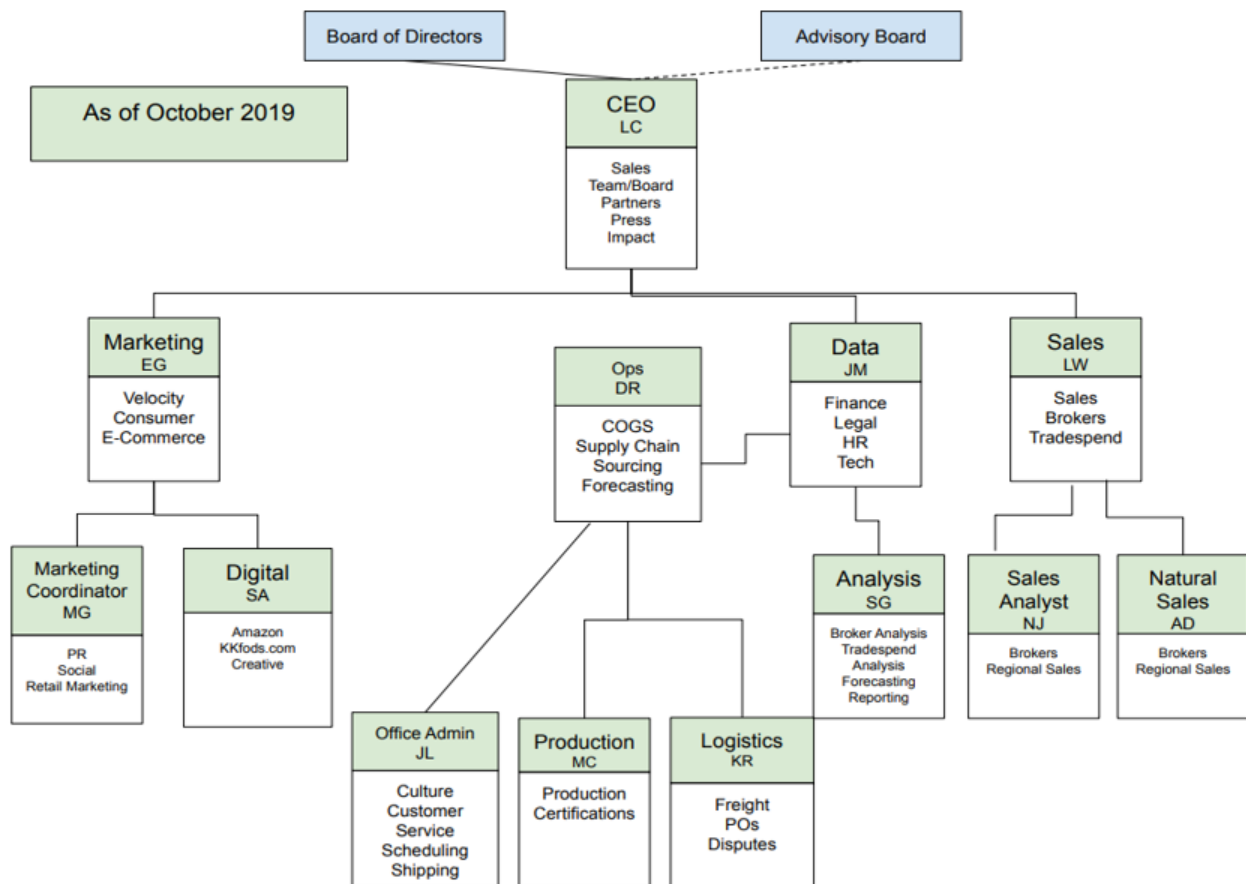
operations and finances while also developing and implementing online sales strategy and online marketplace, which told the stories of the women cultivating moringa.

Lynne Wilkie, VP of Sales

As V.P. of Sales, Lynne brought twenty-five years of experience in the Natural and Organic Food industry to Kuli Kuli. She worked with multiple start-ups and entrepreneurs and helped to pioneer several brands into such retailers as Walmart, Whole Foods, Target, and Publix. Lynne served in the U.S. Peace Corps in Cameroon, West Africa, from 2010-2012, where she first ate Moringa. She was the recipient of the 2004 NASFT Specialty Award for her retail and buying experience, which highlights her commitment to driving the vibrant food industry to more sustainable solutions and empowering women entrepreneurs.

Exhibit 9. Kuli Kuli Foods 2019 Organizational Chart

Source: Company Records 2019



Appendix D New EOS Strategic Planning System

Source: Company Records (2019)

The Entrepreneurial Operating System (EOS) was described in the book *Traction* (Wickman 2012). An overview of EOS is shown in Exhibit 6. In 2016, Kuli Kuli stopped the development of traditional business plans and adopted EOS as its strategic framework the next year. EOS was presented online as a complete set of simple concepts and practical tools that helped thousands of entrepreneurs get what they wanted from their businesses. (What is EOS? n.d.). EOS was described as composed of a model, toolbox, and process that assisted companies toward success if properly implemented (What is EOS? n.d.). The focus of the EOS system was helping leadership teams to get better at three things: Vision, Traction,[®] and Healthy. The six key components of the model were described in the *Traction* book as composed of six key components (Wickman 2012):

1. *Vision*. Strengthening this component means getting everyone in the organization 100 percent on the same page with where you're going and how you're going to get there.
2. *People*. Simply put, we can't do it without great people. This means surrounding yourself with great people, top to bottom, because you can't achieve a great vision without a great team.
3. *Data*. This means cutting through all the feelings, personalities, opinions, and egos and boiling your organization down to a handful of objective numbers that give you an absolute pulse on where things are.
4. *Issues*. Strengthening this component means becoming great at solving problems throughout the organization – setting them up, knocking them down, and making them go away forever.
5. *Process*. This is the secret ingredient in your organization. This means "systemizing" your business by identifying and documenting the core processes that define the way to run your business. You'll need to get everyone on the same page with what the essential procedural steps are and then get everyone to follow them to create consistency and scalability in your organization.
6. *Traction*.[®] This means bringing discipline and accountability into the organization – becoming great at execution – taking the vision down to the ground and making it real.

The EOS Toolbox™ was described as a set of practical tools to strengthen the Six Key Components of a business (What is EOS? n.d.).

Appendix E

Company Milestones- Kuli Kuli Company Milestones and Key Events

Source: Company Records (2019)

2011

Lisa Curtis returns from the Peace Corps determined to introduce moringa to the U.S. in a way that fights climate change and empowers women.

2012

(Feb) Lisa recruits co-founders to begin consumer testing at farmers markets.

2013

(June) Indiegogo campaign to launch Kuli Kuli Bars raises \$53k.

(Nov) Market launch into the Oakland Whole Foods Market store.

(Dec) Named one of the "Top Start-ups that Helped Save the World" by Triple Pundi.

2014

(Feb) Named one of the "Best New Ways to kick 4pm's Butt" by Redbook.

(March) Editor's Pick for "Best Energy Bars from Expo West" by New Hope.

(June) \$350k crowdfunding equity campaign raise via Agfunder,

(July) \$25k grant from shirt maker Ledbury and appearance on Morning Joe,

2015

(May) *Time* covers three Peace Corps inspired businesses, including Kuli Kuli.

(Aug) #Moringa Inspired recipe competition launches with Chef Jose Andres.

(Sept) "Is Moringa the New Kale?" asks NPR.

(Oct) Kuli Kuli partners with the Clinton Foundation to reforest Haiti.

(Nov) Indiegogo campaign to launch Moringa Green Energy shots raises \$100k.

2016

(Jan) Nationwide launch with Whole Foods Market of Shots and Moringa Powder.

(April) Lisa's TEDx talk on optimism launches and receives thousands of views.

(May) Lisa appears on NBC's Power Pitch, and all three investors go "in" on Kuli Kuli.

(July) Kuli Kuli receives a \$100k loan from Whole Foods Market.

(Oct) Kuli Kuli launches into Safeway/Albertsons.

2017

(Jan) Kuli Kuli closes a \$4.25M Series A.

(April) Kuli Kuli goes viral in *NowThis* video with 3M views.

(May) Key Leadership hires start – V.P. of Sales and Marketing Director.

(Sept) Launch of Kuli Kuli's Moringa Greens & Protein in Whole Foods and Sprouts.

2018

(April) Successful launch into Costco with massive distribution.

(Aug) Lisa goes back to her Peace Corps village as part of a partnership with the U.S. State Department to evaluate moringa potential in Niger.

(Sept) Lisa receives the Muhammad Ali award for dedication.

2019

(Jan) Lisa receives a Citizenship Award from the Specialty Food Association and featured on magazine cover.

(April) Kuli Kuli closes a \$6.25M Series B.

(October) Kuli Kuli launches into Walmart.

(November) Lisa receives Ernst & Young LLP Entrepreneurial Winning Women™ North America Award.

Appendix F
Financial Performance Indicators and Metrics

Source: Author's Notes (2019)

Revenue and profit (loss) figures in Exhibit 10 are disguised at the request of the company. However, the financial ratios that are based on the relationship between actual numbers in the company's financial reports. Other financial figures in Appendix F are not disguised, and key financial ratios are based on the relationship between actual numbers in Kuli Kuli's financial report.

Exhibit 10. Kuli Kuli Key Years 2016-2018 Financial Indicators

Source: Author's Notes (2019)

(\$ Values, 000)	2016	2017	2018
Current assets	3,452	2,706	7,457
Current liabilities	240	130	714
Net Working capital	3,212	2,575	6,743
Total assets	3,455	2,739	7,469
Total liabilities	240	130	772
Revenue*	3,006	3,696	7,126
Profit/(loss) *	(236)	(2,786)	(546)
Book value of equity	3,214	2,608	6,696
FG Inventory	238	391	2,303

* Actual Number Disguised for Privacy Concerns of Company.

Appendix G
Kuli Kuli Incorporation as B Corp
Source: Company Records (2019)

**AMENDED AND RESTATED
 CERTIFICATE OF INCORPORATION
 OF
 KULI KULI, INC.**

State of Delaware
 Secretary of State
 Division of Corporations
 Delivered 02:04 PM 12/13/2018
 FILED 02:04 PM 12/13/2018
 SR 20188136887 - File Number 5040725

**(Pursuant to Sections 242 and 245 of the
 General Corporation Law of the State of Delaware)**

Kuli Kuli, Inc. a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the “**General Corporation Law**”),

DOES HEREBY CERTIFY:

1. That the name of this corporation is Kuli Kuli, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on September 20, 2011.
2. That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation, as amended, be amended and restated in its entirety to read as follows:

FIRST: The name of this corporation is Kuli Kuli, Inc., a Public Benefit Corporation (the “**Corporation**”).

SECOND: The address of the registered office of the Corporation in the State of Delaware is

1013 Centre Road Suite 403-A, City of Wilmington, County of New Castle 19805. The name of its registered agent at such address is American Incorporators Ltd.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law. The specific public benefit purpose of the Corporation is to use moringa as a tool to improve nutrition and livelihoods worldwide, as the board of directors may from time to time determine to be appropriate and within the Corporation’s overall mission.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 24,000,000 shares of Common Stock, \$0.00001 par value per share (“**Common Stock**”), and (ii) 9,481,527 shares of Preferred Stock, \$0.00001 par value per share (“**Preferred Stock**”).

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

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