

CryoLogistics Refrigeration Technologies Ltd.

💡Clean Technology Victoria, BC, Canada

"Our passive transport refrigeration unit solves three key problems facing the cold chain industry: cost, complexity and emissions. "

Company Summary

CryoLogistics is developing a passive, economical, climate friendly temperature controlled pallet box for the global cold chain industry that will vastly improve the efficiency of transport refrigeration worldwide. Our system reduces shipping costs and improves product safety and profit margins. We are at the Vancouver Angel Forum on Nov. 15th. Investor followup is scheduled for Nov. 16 & 17 (2 to 4 pm) at 209-415 W. Cordova St. Vancouver, BC

Executive Summary

Management

Peter Evans, M.A. is the Founder & CEO. Jennifer Thompson, B.A., M.A. (ECON) is our COO. Charlie Hodgins, CA, CPA is our Finance Director. Will Spalding, M.Sc. P.Eng. is our Director of R&D. Kelly Hawes, CEO Cold Star Solutions Inc. is our Joint Development Partner. CryoLogistics is a client of Foresight CAC. Our technology R&D is supported by the University of Victoria, Camosun College, by NSERC, Mitacs and NRC-IRAP.

Customer Problem

Keeping a load of high value perishable product at its correct temperature while in storage, transit and distribution is critical to consumer health, product quality & value retention and industry profitability. Our market study and customer discovery interviews revealed this to be a serious challenge in the global cold chain industry, leading to higher food prices and risk to public health safety, the costs of which are passed on to consumers.

Product/Services

Our patent pending refrigeration technology, with no moving parts, no power inputs, zero noise, particulate matter or GHG emissions and a net-zero carbon footprint is simple, reliable, economical and climate friendly. It can be used for shipping food product by road, rail, sea and air and for stationary cold storage. Our system can be integrated into new or existing transport units to replace or hybridize existing mechanical cooling systems.

Target Market

The current TAM is \$15 billion with a 12 - 25% CAGR by region (NA - BRIC). Our target markets, North America, is valued at \$1.75B and the EU at \$3.75B. Buying behavior is influenced by total cost of equipment ownership and ROI and regulatory pressures, e.g. emission reduction & food safety regulations, which strongly impact our TM. The TAM is expected to double by 2025 with Asia leading the adoption of new refrigeration technologies.

Last Updated: Nov 22, 2017

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Company

URL: <http://www.cryologistics.ca>

Founded: September 2013

Employees: 5

Entrepreneur

Peter Evans

250-588-7539 (Cell)

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Round Overview

Funding Stage: series_seed

Capital Raised: \$125k

Capital Seeking: \$500k

Pre-Money Valuation: \$2.5M

Run Rate: \$0

Net Burn: \$6k

Team

Peter Evans Founder & CEO

Advisors

Jennifer Thompson

Mike Walkinshaw, CA CEO TIMIA

CAPITAL + Foresight CAC EIR

Business Model

CryoLogistics is a privately held company. We intend to supply our proprietary technology via direct sale to transport equipment manufacturers, distributors and integrators who assemble transport truck and trailer bodies, shipping containers, railcars, air cargo load units, cargo pallet boxes and data server closets. Strategic partnerships with some of those companies are presently being explored.

Customers

Paying customer segments include 1) Producers & processors of high value temperature sensitive food & pharmaceutical products; 2) Logistics companies that transport those products to market; 3) Distribution companies that service wholesalers and retailers, 4) Health science centers, and 5) Retailers and consumer service/supply companies. Other customer segments are IT data centers and stationary short and long-term cold storage facilities.

Sales/Marketing Strategy

We intend to target the customers of our customers - producers, distributors and retailers of temperature sensitive goods. We have a clear understanding of their pain points and their buying behavior. Customer discovery interviews within the target market have identified >16 companies that wish to pilot the system, including Sobeys and Canadian Federated Co-Op, who will be our early adopters and drive uptake by transport system manufacturers.

Competitors

The competition, Thermo-King & Carrier-Transicold have ~70% market share followed by Klinge, Mitsubishi, Emerson etc., all manufacturing electro-mechanical systems. Others are experimenting with CO2 and LN4 but have not achieved the cost reduction, operational simplicity or energy efficiency that our system demonstrates. Nor are they motivated to do so because of the minimal recurring revenue generated by a system with no moving parts.

Competitive Advantage

Our system lowers total cost of equipment ownership (CapEx & OpEx); improves temperature reliability, unit performance, versatility, optimization and ROI; facilitates source loading and load mixing; reduces emissions; eliminates noise, lowers transportation costs, improves load integrity. enhances competitiveness and increases profit margins; all with no fuel, electrical power or moving parts.

CryoLogistics Refrigeration Technologies Ltd. Annual Financials

	2016	2017	2018	2019	2020
Customer Sales	--	0	176	506	2800
Revenue\$	0	0	1,063,000	3,500,000	8,500,000
Expenditure\$	50,000	75,000	615,000	1,750,000	3,500,000
Profit (Loss)\$	-50,000	-75,000	448,000	1,750,000	5,000,000

Bootstrapped, friends & family + grant funding from NSERC, Mitacs, NRC-IRAP