Silo is utilizing tech to prevent waste and ease strains on the food supply chain.

From a ripe seasonal harvest, to sorting, to a distributor, then soaring through the sky in a cargo plane or rattling along in the back of an 18-wheeler along the highway, to stocked on the shelves of a retailer and finally landing on table tops across the world, the journey of produce is a long, arduous and often wasteful journey. Silo, a San Francisco based tech company, is looking to streamline that process.

30-40 percent of the American food supply ends up spoiled, wasted and thrown out, according to the <u>Food and Drug Administration</u>. Food is the greatest single category of waste in civil landfills, costing \$161 billion and weighing 133 billion pounds. It's having drastic effects on the climate. <u>The Environmental Protection Agency</u> estimates that carbon dioxide emissions from food waste in 2021 was equivalent to the annual output of 42 coal-fired plants.

According to the <u>U.S. Department of Agriculture</u>, the majority of food waste comes along the supply line from farm to shelf. At every step along the chain, large corporations with available capital and resources can afford not only to waste products, but utilize the most advanced technology to mitigate loss– further widening the gap between mass markets and family businesses.

Seeing this technological disparity, In 2018, Ashton Braun founded Silo, a company with the goal of equipping everyone involved in the purchasing, selling, farming and transportation of food with the same adaptive technology as other modern industries.

Silo started as a handful of people running around the Bay Area trying to learn the process of delivering produce and figuring out where the pain points were, according to Silo data analyst Max Morrison.

In the past six years, Silo has continued to blend the ever-evolving tech world with the seemingly stagnant world of agriculture. Now, Silo supports 2000 different agricultural and seafood products.

"What we take for granted in America is you can go to a store like Whole Foods anytime of the year and have a full section of produce to pick from," Morrison said. "There's a very intense and complicated system behind that, which felt stuck in a bygone era."

At the very base, Silo helps the agricultural system of wholesale distributors and shippers be more efficient with their inventory and logistics through its ERP, enterprise resource product.

"There's a lot of waste and money that moves through different pieces of the system," Morrison said. "We try to make that run smooth and in an organic fashion, so distribution business owners, buyers and shippers can be organized. We're just trying to make their lives easier."

Agriculture is a market untapped by much tech. Before Silo, small and medium businesses that didn't have the ability to integrate advanced intelligence models and machine learning outputs would be stuck with Excel spreadsheets, older inventory and accounting software or a pen and piles of paper to manage the logistics of product shipping.

"We're helping generational businesses get up to speed with the technology out there," Morrison said.

Silo's inventory management system, IMS, has over 100 active core users and continues to grow. It has created thousands of connections throughout the country. When a core user buys from or sells to a different company, it's considered a business connection. Silo's platform of products has created 123,000 business connections.

"A distribution company can sell to hundreds of other unique companies through the movement of products," Morrison said. "That network becomes this massive sprawling web of what our agricultural system is in the U.S."

With buying and selling covered, Silo is now tackling the difficulties of communication by beta testing an OMS, Order Management System.

OMS enables suppliers and vendors to arbitrate and meet the needs of both parties. The goal is to funnel all logistics and communication into one place, creating a quasi social media for agriculture.

Alongside the IMS, a buyer can shoot an instant message to one of their sellers to adjust an order in real time, without having to wait on Whatsapp or email.

Initially just offering IMS, Silo has begun to offer a modular suite of products, where users can pick and choose which tools they would like. This caters to each business individually, from the

needs of niche companies to major market clients looking to handle all logistics and accounting in a single place all on a single streamlined platform

Gross Merchandise Value, GMV, shows the dollar value of a product that was bought and sold within the IMS system.

When Silo first began IMS in January 2020, it had a total GMV of \$2 million worth of product bought or sold by our users on our product. At the end of May 2024 Silo had \$275M in GMV on its platform.

Customer feedback is critical to the way Silo develops products. With most of the company lacking an agricultural background, innovation is dependent on clients explaining their needs.

"We take a user first approach in the way we do development," Morrison said. "You don't need to develop some new crazy spaceship. We just need to make the system much better than it is. Everything we do is with their direct feedback. That's hard to find in the tech world."