

Fresh dogfood provider Butternut Box has appetite for £500m valuation

Butternut Box, Europe's largest fresh dogfood provider by revenues, has been valued at well over £500m in a funding round that will defy difficult financing markets for growth-stage companies.

Sky News has learnt that Butternut Box, which launched in 2016, has raised more than £275m from investors led by General Atlantic, the private equity firm which is also a backer of companies such as Gymshark.

L Catterton, an existing investor in the dogfood brand, also participated in the round, the announcement of which will be brought forward to later on Monday, according to insiders.

The £500m-plus pre-money valuation implies that Butternut Box is now on the brink of unicorn status, depending upon how much of the £275m is in the form of new shares.

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Butternut Box was launched by David Nolan and Kevin Glynn after the former decided to feed home-cooked food to his sick rescue dog, Rudie.

The company has expanded rapidly across Europe, including through the acquisition in Poland of PsiBufet earlier this year.

It had previously raised more than £100m in funding from investors including Claret Capital, Passion Capital, Whitestar Capital and HSBC.

Butternut Box, which achieved B-Corp status last year, plans to use the new funding to establish a new manufacturing facility, according to an industry source.

The investment bank Harris Williams advised Butternut Box on the fundraising.

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The financing round has been finalised even as many growth and technology companies struggle to secure new funding to stay afloat, with many also having to accept substantially reduced valuations.

Butternut Box did not respond to requests for comment.