TrustBIX Data Management Platform offers Verification of Sustainability

written by InvestorNews | October 27, 2021

In September 2021, the UN Food Systems Summit was held to highlight one of the building blocks needed to reach the UN's Sustainable Development Goals (SDGs) by 2030. The main idea of this Food Systems' Summit was that we all must work together to bring about positive changes to the management of global food systems. Presently the UN has defined 17 SDGs, although right now it appears that the world is somewhat fixated on the "Climate Action" SDG that, however, is really only one aspect of sustainability. Others such as eliminating hunger and building sustainable communities rely on healthy and sustainable food systems. When it comes to the definition of a sustainable food system, added are the concepts of economic profitability, benefits for society, positive impacts on the environment and animal welfare. In other words, sustainable food systems must deliver food security and nutrition for all without compromising economic, social and environmental bases.

Why should we care about defining food systems as sustainable? Because all of the SDGs the world is working towards call for deep transformation in agriculture and food systems to make them more resilient, sustainable, and productive. Action must be taken on all levels, from local to global. Good food begins with farmers who grow produce in a way that doesn't harm the planet, continues with governments and businesses that work together to provide affordable and accessible food, and finishes with consumers who make conscious choices about what, where, and when they buy.

Arguably food is a human right, not a privilege. Today we are going to look at a company that believes in creating a world where we trust more, waste less, and reward sustainable behavior in the food chain. TrustBIX Inc. (TSXV: TBIX | OTCQB: TBIXF) is an innovative data management system that provides chain-of-custody solutions, which allows food processors, retailers, and consumers to have confidence that the claims made around important food attributes are true. This is delivered through a business model that combines hardware, professional services and software solutions. The proprietary BIX (Business InfoXchange System) platform, is designed to create trust and transparency without compromising privacy through innovative, blockchain-derived use of technology and data. TrustBIX delivers independent validation of food provenance and of sustainable production practices within the supply chain. Gate to Plate®, the TrustBIX system is called.

With all that said, let's take a closer look at the sustainability verification business today. While TrustBix management's efforts and the Company's focus is primarily on the development of BIX products and markets, current revenue is generated largely from ViewTrak's products. ViewTrak has developed solutions for many agricultural technology process verification challenges, with an emphasis on feedlots, auctions and meat processors, and its proprietary technology now includes:

- Auction Master Pro and Market Master – livestock auction market software solutions to help build and operate auction activities,
- Feedlot Solutions – livestock feedlot management software,
- Electronic Pork Grader – pork probe technology to help producers price pork carcasses by evaluating carcasses for fat thickness, lean meat thickness, meat percentage and carcass class.

ViewTrak's pork probe technology is now used by the largest pork processor in China and by major pork processors in Canada and Mexico to grade and price pork carcasses.

But the future of the Company belongs to the strategic expansion of the BIX solution, customers for which already include Cargill, which uses BIX as part of its ongoing sustainable-sourcing program for its customers such as McDonald's Canada. Along with enhancing and expanding the capabilities and functionality of TrustBIX's technology and BIX platform to ensure that the Company continues to be innovative and drives value within agri-food supply chains, TrustBIX's stated objective is to expand revenue streams, including ESG and cleantech initiatives. Just last week the Company announced it had signed a contract to develop a Traceability Protocol for the Biomass Quality Network of Canada ("BQNC"). BQNC is facilitating the commercialization of agricultural biomass for industrial applications through the development and adoption of quality standards and methods. This falls in line with a previously announced contract with All West Demolition Ltd. to track biomass and waste streams to divert material from landfills and to create new products for agricultural and industrial markets. Other ESG initiatives include signing up the Sunterra Group as its first client for the BuildSense® suite of energy management solutions. The BuildSense suite of solutions is offered in three discrete solutions as Build Aware, Build Sight, and Build Sense, and gives customers progressively deeper insight into energy consumption and sustainability management in their business operations.

Talk about ticking a lot of boxes for an ESG investor. With only 38.4 million shares outstanding, TrustBIX has a market cap of $6.1 million based on its most recent closing price of $0.16 making this a relatively inexpensive option for some quality ESG exposure in your portfolio. Albeit with a burn rate of roughly

$500k per quarter and only $900k in cash at the end of Jun/21 TrustBix could be getting close to needing to raise capital, depending on how things have progressed over the last 3 months. The good news is that the company is generating revenue and has made a concerted effort to limit expenses, so perhaps the burn rate may subside and the need for capital will be pushed out past year end. In the meantime, who do you trust and who do you value to verify that? I like to choose TrustBIX.