



Beyond Meat IPO Is Soaring: Canada's Meat Industry Is on Alert

Description

Wall Street was taken by storm when **Beyond Meat Inc.** ([NASDAQ:BYND](#)) appeared on the stock market last May 2. The IPO price of the vegan beef and sausage substitutes maker was set at US\$25.00 but opened at \$46.00. At the end of the first trading day, the stock stood at \$65.75 or 163% above the IPO price.

Beyond Meat was able to raise US\$241 million from the sale of 9.63 million shares. The company's market value was also boosted to US\$3.8 billion. This is 2019's best first day for a U.S. IPO. In Canada, **Maple Leaf Foods Inc.** ([TSX:MFI](#)) is certainly taking notice, as the eating habits of consumers are changing.

Microsoft (NYSE:MSFT) co-founder Bill Gates and actor Leonardo DiCaprio are among the business and celebrity personalities endorsing meat alternatives. Chief Executive Officer Ethan Brown said, "Consumers are looking for products that enable them to be healthier and reduce their footprint."

Plant-based products

More and more people are searching for fresh and healthier options. Market observers are thinking now if Beyond Meat's sizzling debut is creating a fad that would make consumers become flexitarians or semi-vegetarians.

With the increasing number of people shifting to flexible diets or a combination of meat and plant-based protein, **Tyson Foods Inc.** (NYSE:TYN) is introducing a new line of meat alternatives. Tyson Food held a 6.52% share in Beyond Meat but sold it before the IPO.

The company intends to compete with Beyond Meat head on and be a market leader in the alternative meat product industry. According to Noel White, Tyson Foods' CEO Noel White, "Today's consumers are seeking more protein options."

In a related development, Beyond Meat's competitor from the U.K. will start selling burgers in the U.S. The Meatless Farm struck a deal with Whole Foods and their plant-based products will soon be in the

latter's stores. The British company sells meatless products in Sweden, the UAE, and Canada.

Healthy investment option for income seekers

Canadian consumer protein company [Maple Leaf](#) is also expanding its product range. The \$3.65 billion packaged meat producer will not be left out in the soon-to-be billion dollar business. The company's vegan ground beef and burger patties will be available in U.S. stores this summer under the brand name LightLife.

Maple Leaf is facing heavy competition in the U.S., which boasts some of the world's largest packaged food companies. Every company in the industry wants to attract health-conscious customers. With its decades of experience in the packaged food system, the company's chances of succeeding are very strong.

The stock is ideal for income investors who seek exposure in the plant-based food industry. Maple Leaf is a [dividend-payer](#) and currently pays 1.80% dividend. Market analysts are also forecasting a 33% price appreciation in the months ahead.

I'm also bullish about the potentials of vegan beef and other substitutes. Maple Leaf is an investment gem in the making with the company's growing popularity. The stock is a healthy investment option.

CATEGORY

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1. NASDAQ:BYND (Beyond Meat)
2. TSX:MFI (Maple Leaf Foods Inc.)

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