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Cornell Capital Leads Bets on Health and Nutrition Company INW
By Laura Cooper
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INW has acquired Bee Health, a U.K.-based developer and manufacturer of nutritional supplements

Cornell Capital, a private-equity firm that has backed beauty brands Fekkai and Bastide, is turning its focus to inner beauty with an investment in INW: Innovations in Nutrition + Wellness, which supports the nutritional supplement industry.

The private-equity firm is partnering with a group of investors and INW's leadership team to acquire the company from prior backer Rosewood Private Investments, which will exit from the company. In addition to the new ownership, INW has acquired U.K.-based Bee Health Ltd., which develops and manufactures nutritional supplements.

The combined enterprise value of the two deals is over \$500 million, according to a person familiar with the matter.

Justine Cheng, a partner at Cornell, said the private-equity firm became interested in INW after learning more about the vitamins, minerals and supplements category through another portfolio company that it backed in 2018, Knowlton Development Corp. Knowlton, now known as KDC/ONE, offers custom formulation, manufacturing and packaging for producers of beauty, personal-care and household products.

Ms. Cheng said that in the course of evaluating more than 100 acquisition targets for KDC/ONE, her firm became more aware that "brand customers were looking at beauty and wellness solutions from within." That led her to the fast-growing vitamins, minerals and supplements industry.

Data provider IBISWorld said the vitamin and supplement manufacturing industry is slated to continue steady growth over the next five years, with revenue benefiting from an aging U.S. population. A report from IBISWorld projects that industry revenue will grow at an annualized rate of 3.7% to \$44 billion in the five years ending in 2026.

An aging demographic is driving demand for age-specific products to help with issues like memory loss, muscle retention and skin care, among others.

The Bee acquisition marks the first in what likely will be a string of deals for INW and opens a window for the company to expand into the fast-growing market in Western Europe, Ms. Cheng said. She also sees growth potential in Asia, where Cornell has an office and on-the-ground expertise.

Cornell backed the new deal out of its second fund, a person with knowledge of the deal said.

A 2020 filing with the Securities and Exchange Commission indicated that the fund was in the market with Cornell Capital Partners II LP but didn't specify a fundraising target. Cornell, which has offices in New York and Hong Kong, raised around \$1.33 billion for its first fund in 2018.

The firm has backed at least one other deal this year. Last month, Cornell and Trilantic North America said they have agreed to acquire Fastaff Travel Nursing and U.S. Nursing Corp. That deal had an enterprise value north of \$1 billion, according to a source familiar with the deal at the time.