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Sunshiki raises Â¥80 Mn to turn seaweed into scalable cattle feed solution

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The Japanese start-up is betting that better cultivation economics can unlock the commercial potential of Asparagopsis-based methane reduction

Japanese climate-tech start-up Sunshiki has raised ¥80 million in pre-seed funding to scale production and advance the commercialisation of a seaweed-based cattle feed additive designed to significantly reduce methane emissions. The Kochi University spin-out, based in Shibuya, Tokyo, is developing a cattle feed supplement using kagikenori (Asparagopsis taxiformis), a seaweed that has been associated with methane reductions of 49 to 77 per cent in cattle.

The funding comes as the livestock industry faces growing pressure to reduce methane emissions without compromising productivity. For Sunshiki, however, the next challenge is less about demonstrating the technology and more about producing the seaweed consistently and economically at commercial scale. The funding will support increased production capacity, research and development for commercialisation and new hiring. The round was structured as convertible preferred stock and was led by the Circular Economy Nature Positive No. 1 Fund, co-managed by SBI Shinsei Corporate Investment and Sumitomo Mitsui Trust Investment, with Hazama Ando also participating.

The Real Test Is Scaling Supply

Seaweed-based methane reduction has attracted significant attention because of its potential to address one of livestock agriculture’s most difficult climate challenges. But turning laboratory and pilot results into a dependable feed ingredient requires a reliable supply of the underlying seaweed. Sunshiki says its key challenge is developing low-cost, stable cultivation methods that preserve the active compounds responsible for methane reduction.

The company has already moved beyond small-scale experimentation, reporting stable output in commercial-scale test tanks, including 7,000-litre land-based systems. That transition is critical. A cattle feed additive cannot become a meaningful emissions-reduction tool if its supply is too expensive, inconsistent or difficult to integrate into existing feed chains.

Sunshiki is therefore building capabilities across the production chain, from seaweed seed production to cultivation and optimisation. Its broader Seaweed Platform Initiative also incorporates artificial intelligence-based optimisation, reflecting the company's effort to make cultivation more predictable and commercially scalable.

Japan's Seaweed Economy Adds Another Dimension

The start-up's ambitions also intersect with Japan's broader interest in expanding the economic and environmental value of seaweed cultivation. Research and commercial initiatives are increasingly looking at seaweed not only as a source of food and industrial materials but also as a potential tool for carbon management, marine ecosystem restoration and livestock emissions reduction.

A related Japanese initiative is testing marine cultivation in Yamakawa Bay, with trials running from August through March 2028. The project is examining the cultivation of seaweed while also linking the activity to fisheries and blue-carbon objectives. For coastal communities, that creates the possibility of an additional revenue stream alongside environmental benefits. For livestock producers, meanwhile, a locally developed seaweed supply chain could eventually support the availability of methane-reducing feed ingredients.

From Climate Science To Farm Economics

Sunshiki's investment comes at a point when methane reduction is increasingly moving from a climate-policy discussion towards a commercial question for livestock businesses. The opportunity is significant, but adoption will ultimately depend on more than the headline emissions reduction. Feed manufacturers and cattle producers will need products that can be supplied reliably, incorporated into feeding systems and justified economically.

That makes production efficiency a decisive factor.

Sunshiki's move towards larger cultivation tanks and an integrated production platform suggests that the company sees cultivation technology as its core competitive advantage. If it can maintain the active compounds in Asparagopsis taxiformis while bringing production costs down, the business could move from a promising climate technology towards a scalable livestock-input model.