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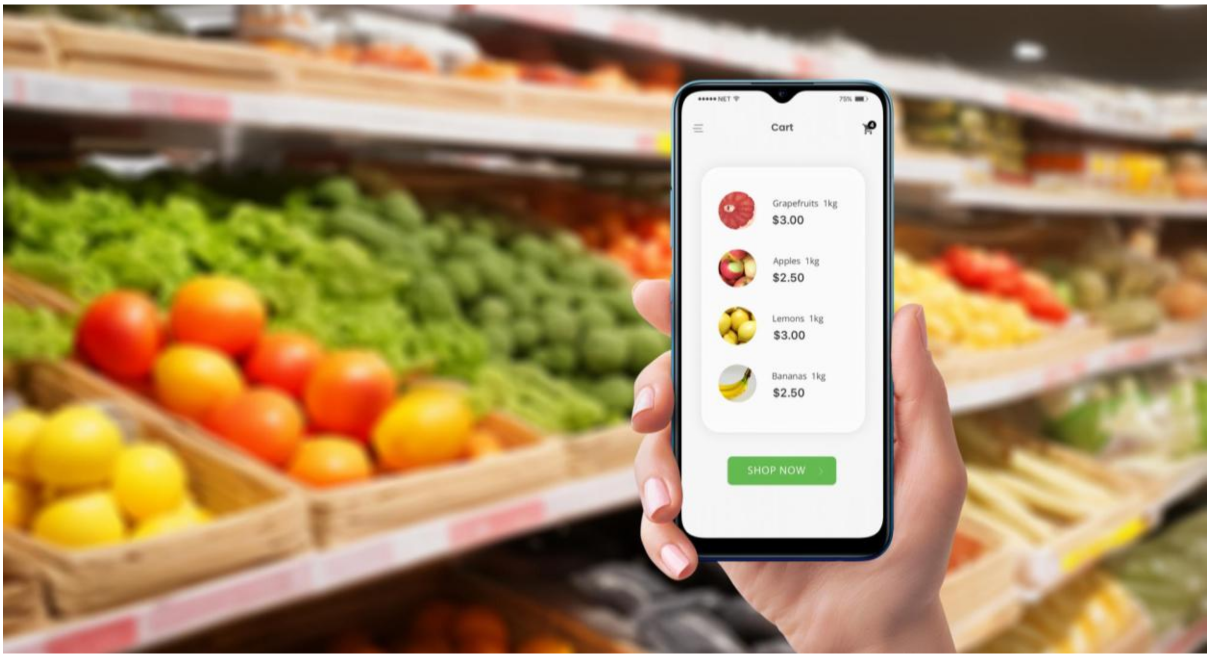

NEWSLETTER JUNE 2026 EDITION

Kottmeyer's Almanac *on*
DOWNSTREAM AG

The Boardroom Brief: What Global Downstream Food & Agribusiness C-Suite Needs to Know

EXECUTIVE SUMMARY: THE 9 STRUCTURAL THEMES OF JUNE 2026

Theme 1: Value Compression Completes Its Channel Migration: Walmart, Target and C-Stores Join the Format War, Leaving Conventional Grocery Without a Defensible Middle

June confirmed that value competition is no longer confined to hard discounters. Walmart's price cuts across 7,200 products and Target's 3,000-SKU food expansion are doing more than taking share. They are shifting where shoppers buy food. Mass merchants have now reached parity with supermarkets as shoppers' primary grocery destination, while 42% of consumers say they plan to switch retailers, up from 31% last autumn.

The critical point is that many of these shoppers are not abandoning brands. They are buying the same brands in cheaper channels. That makes this a channel-defection problem, not a brand-trade-down problem. Trade plans built to protect volume through deeper promotion are therefore mismatched to the real issue. If the shopper has already moved to another format, a sharper discount inside the old channel will not solve the problem. Exposure needs to be modeled by banner and format before the next trade cycle, not after volume loss confirms the shift.

Theme 2: Format Bifurcation: Conventional Grocery Faces a Structural Reset While Digital and Health-Linked Commerce Redefine the Trip

Traditional grocery continues to face pressure from both digital commerce and alternative retail models. Amazon's move into B2B grocery, built on its existing delivery infrastructure, is another signal that the format war is moving in digital's favor. With online grocery expected to reach $452B by 2028, manufacturers that do not have Amazon-first product architecture are already behind in one of the channels gaining the most share.

The larger issue is margin replacement. IRA drug-pricing reform is pressuring the pharmacy profit pool that helped fund years of grocery growth at players like Albertsons and Kroger. The 2027 GLP-1 negotiation wave has not yet fully reached reported results, but the direction is clear. Fresh Connect's healthcare-funded, medically tailored grocery lists show where the next growth engine may sit. For grocers and CPG brands, food-as-medicine is no longer a niche adjacency. It is becoming one of the few credible replacements for the margin pools now under pressure.

Theme 3: C-Store Transformation: The Channel Is Rebuilding Its Identity Around Food, Loyalty and Acquisition

The convenience channel is executing one of the most significant transformations in its history. Sunoco's $500M annual acquisition budget and 7-Eleven's completed Stripes integration confirm that a well-capitalized buyer is now consistently active in the market. That compresses the exit window for regional operators still thinking in three- to five-year timelines. Competitive bidding and favorable terms may not hold if consolidation continues at this pace.

At the same time, Coen Markets' 28% unique-visitor growth shows that loyalty programs are becoming more effective when they are built around actual visit behavior, not blanket discounting. Operators still relying on broad discounts are likely giving away margin to shoppers who would have visited anyway. The 7-Eleven breach highlights the other side of the same shift. The loyalty and foodservice platforms driving c-store reinvention are also becoming the channel's highest-value attack surface. Digital resilience is now a commercial strategy issue, not just an IT concern.

Theme 4: QSR Value War and Performance Bifurcation: The Same Macro Environment Is Producing Radically Different Results

June offered some of the clearest evidence, yet that restaurant performance is increasingly determined by execution rather than market conditions. Cava's 9.7% same-store sales growth and Wendy's fifth consecutive quarterly decline happened in the same macro environment. That makes the lesson harder to ignore today's performance gaps are largely the result of investment decisions made two to three years ago.

Wendy's improving accuracy and cleanliness while still declining proves the point. Operational fixes can reduce service failure, but they cannot fully compensate for a value proposition that is neither differentiated enough to win on quality nor cheap enough to win on price.

The next competitive opening is likely in menu architecture. GLP-1 portion logic and value-seeking are converging around smaller, more targeted items. With LTO growth up 134% over five years, brands that design for both audiences at once are better positioned to capture remaining demand.

Theme 5: Restaurant Capital Architecture and Format Reset: IPO, Securitization and Bankruptcy Tell a Single Structural Story

Restaurant capital markets are increasingly rewarding operational quality and scalable business models. Inspire Brands' IPO filing and Qdoba's $435M securitization sit on one side of the market. Fat Brands' $1.4B Chapter 11 filing sits on the other. Capital is not exiting restaurant investment. It is exiting debt-funded brand assembly.

Any multi-brand roll-up still in progress should stress-test its structure before adding another acquisition. The market is now distinguishing between operators with durable unit economics and portfolios built primarily through leverage.

Red Robin's traffic improvement from –3.5% to –1.6% before its refranchising sale offers the cleaner sequencing lesson: improve the operation first, then use refranchising as the proof point. Starbucks shows a similar pattern at scale. Its 7.1% North America same-store growth, paired with support-center closures and a $100M Nashville HQ, suggests the store layer was creating value while the corporate layer was consuming too much of it.

Theme 6: CPG Portfolio Architecture Under Structural Pressure: The Companies That Invested Early Are Reshaping. The Companies That Did Not Are Restructuring

June marked one of the most active periods of portfolio restructuring across the CPG sector this year. Ingredion's 64% premium for Tate & Lyle and PepsiCo's Poppi acquisition are being priced on where reformulation and functional positioning may be worth over the next 18–36 months, not just on current earnings. That means trailing revenue multiples are becoming a weaker lens for evaluating the best assets.

Brami's decision to put its full $33M Series B into supply-chain development instead of marketing sends the same signal. In functional nutrition, demand creation is no longer the only constraint. Execution capacity is becoming the bottleneck.

Campbell's "tough decisions" language around salty snacks should also be read carefully. Similar phrasing preceded IFF's ingredient exit and Beyond Meat's pivot. This is often the language of future divestiture, not incremental repair. Suppliers with concentrated exposure to brands using this framing should already be qualifying alternative volume.

Theme 7: Protein, Functional Nutrition and the Reformulation Race: The Capability Gap Is Widening Between Companies That Invested Early and Those That Did Not

Reformulation has evolved beyond compliance and consumer perception into a core strategic capability. ADM's expanded five-pillar hub and Kraft Heinz's Jell-O reformulation show that synthetic-dye removal has moved beyond compliance. It is now part of brand equity strategy.

The harder constraint is supply. Whey prices are at historic highs, cocoa-free alternatives are not yet broadly commercial, and companies that did not secure supply-chain partnerships in 2024 are now facing tighter capacity. For many brands, acquiring reformulation capability may be faster than building it internally.

If Ingredion and Tate & Lyle combine, the resulting entity would control broad capability across texture, mouthfeel, sweetening, and reformulation systems at scale. Brands in active contract renewal with either company should treat that integration as a live planning variable, not a distant possibility.

Theme 8: Regulatory and Policy Shocks Running Simultaneously: The Calendar Has Not Cleared Between Waves

The $57M FY27 MAHA budget request behind acting commissioner Kyle Diamantas suggests that the GRAS overhaul, BHT and ADA reassessments, and dye phase-out have momentum beyond any single leader. Reformulation timelines built around a slower regulatory cadence need to be reassessed before the July 13 response deadline.

The DOJ beef-processor investigation also creates downstream risk. It is arriving during the worst cattle shortage in 75 years, and the parallel Agri Stats settlement could extend pricing pressure beyond beef into chicken, pork, and turkey if officials follow through. Operators with material protein exposure need scenario models before any settlement announcement, not after.

SNAP restrictions should also be modeled more precisely. The projected $830M softness is concentrated in soda, candy, and energy drinks, but 63% of SNAP shoppers say they would still buy soda with other funds, while more than 30% name tea, juice, coffee, and fruit as substitutes. Category plans need to separate where volume is lost from where it may land.

Theme 9: Supply Chain, Ingredient Architecture and Digital Infrastructure: Consolidation and Domestic Investment Are Rewriting the Supplier Relationship Map

Two of the world's three largest cocoa processors – Cargill/Voyage Foods and Barry Callebaut – launched non-cocoa platforms in the same week. The industry is no longer quietly hedging cocoa risk. It is naming the risk directly.

This shift comes alongside major ingredient-market restructuring, including Ingredion's Tate & Lyle bid and IFF's CVC divestiture. Brands in active specification or contract renewal with Ingredion or Tate & Lyle should treat a potential combination as a live planning variable. A combined entity would have meaningful leverage across texture, mouthfeel, and stevia capability at a time when reformulation demand is rising.

Discovery is changing too. Google's Universal Cart launch with Target and Walmart moves basket-building ahead of the retailer interface. Brands without structured product data and verified health credentials are already losing algorithmic shelf space, even if traditional brand-awareness metrics still look healthy.

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THEME 1:

Value Compression Completes Its Channel Migration

Walmart, Target and C-Stores Join the Format War, Leaving Conventional Grocery Without a Defensible Middle

1. Mass Merchants Reach Parity with Supermarkets as Shoppers' Primary Grocery Destination

Grocery Dive* | *Read Article

FMI's 2026 U.S. Grocery Shopper Trends survey found that 37% of shoppers now name a mass merchant like Walmart or Target as their primary source of grocery spending, essentially tied with traditional supermarkets, a sharp reversal from a year earlier when supermarkets held a clear lead. Younger shoppers skew toward mass retailers while older generations still favor traditional banners, and in-store browsing for inspiration is increasingly losing ground to social media discovery.

> **SO WHAT:** This signals that shoppers are not just trading down for now. They are changing where they see themselves buying groceries. Supermarkets are losing their role as the default grocery stop, just as more meal and product discovery moves online. That matters because traditional grocers still rely heavily on store visits, so every lost trip hurts them more than it hurts mass retailers.

> **NOW WHAT → FutureBridge:** If you run a traditional supermarket banner, decide now whether you are fighting this defection on price or on format, because the two require different capital. Set a threshold: if more than a third of your lapsed-primary shoppers skew under 40, treat this as a structural format problem and fund a discovery-led store and digital response, not another promotional cycle. **Consumomics PECA-V** scoring separates which of your crossover cohorts are leaving on durable preference versus cyclical value-seeking, so you spend retention dollars where price alone will not win them back.

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2. Walmart Turns Inbound Logistics into a Supplier Lock-In Advantage

Grocery Dive* | *Read Article

Walmart launched a Prepaid Consolidation Program that lets suppliers ship under a single national purchase order to one location instead of coordinating individual shipments to each of 42 regional distribution centers. Walmart then consolidates and redistributes the inventory. Suppliers pay a price-per-case rate through Walmart or approved 3PLs like C.H. Robinson, Hub Group and RJW Logistics, with no markups added on top of Walmart's published rate card.

> **SO WHAT:** This is an operational efficiency play with a strategic edge: by absorbing the complexity of last-mile distribution internally, Walmart is making its own supply chain infrastructure the path of least resistance for suppliers, deepening dependency on Walmart's network in a way that raises the switching cost of working with the retailer. Better in-stock rates from this program should show up first in categories where Walmart already commands outsized share, reinforcing its position rather than spreading benefit evenly across the supplier base.

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3. Value Compression Moves from Rhetoric to Price Execution

Walmart Releases Q1 FY27 Earnings **|** ***Read Article***

Walmart's Q1 FY2027 U.S. comparable sales excluding fuel rose 4.1%, with grocery posting mid-single-digit comps growth led by fresh and pantry, even as the company absorbed a 100-basis-point comp hit from federal drug-pricing legislation changes. Walmart extended its temporary price cuts to 7,200 products, launched a grilling-essentials basket feeding eight people for under $5 per person, and reiterated full-year guidance, but CFO John David Rainey warned that if elevated fuel costs from Strait of Hormuz disruptions persist, the retailer could see "somewhat higher retail price inflation" in Q2 and the back half of the year.

> **SO WHAT:** Extending 7,200 price reductions while simultaneously flagging Q2 inflation risk is Walmart hedging two scenarios at once, sustaining its value positioning as long as possible while pre-warning investors that fuel-driven cost pressure could force pricing to drift upward regardless of strategic intent. Roughly 60% of the U.S. population now reachable within 30 minutes of delivery, with a third of store-fulfilled orders arriving in under three hours, shows speed has become as central to Walmart's value proposition as price itself.

> **NOW WHAT → FutureBridge:** Build your Q3 pricing plan around a Walmart-rollback scenario now, not after it happens. If you are a competing grocer or QSR, identify the 20 to 30 high-visibility SKUs where you could credibly hold or undercut price if Walmart is forced to let inflation drift up, and pre-clear the margin to do it. **Consumomics PECA-V** scoring models how your price-sensitive segments would actually respond to that opening, so you capture trade-down traffic deliberately instead of reacting a quarter late.

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4. Target Reframes Grocery as a Traffic Engine

Grocery Dive **|** ***Read Article***

Target added 3,000 new food and beverage items in Q1 2026, with sales from those items growing more than 50% versus the prior assortment, while the category, 25% of total sales, grew over 6% year-over-year. The retailer is resetting nearly half of its center-store grocery assortment in what executives called the chain's "largest transition in over a decade," and added two new supply chain facilities, including a Colorado food distribution center, to support fresher in-stock positions.

> **SO WHAT:** A 50%-plus sales lift on newly introduced items, against a backdrop of Target's broader sales recovery from a 1.5% prior-quarter decline to nearly 7% growth, suggests the food reset is disproportionately responsible for Target's turnaround, which raises the stakes on Q2's promised "lot of new assortments" landing successfully. Investment in fresh-specific distribution infrastructure signals this is a multi-year capital commitment, not a single-season merchandising refresh.

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5. Kroger Annual Report Spotlights E-Commerce, Private Brands and Efficiency

Grocery Dive | ***Read Article***

Kroger's fiscal 2025 annual report showed identical store sales growth (excluding fuel) nearly doubling to 2.9% from 1.5% the prior year, e-commerce sales crossing $16 billion (up from over $13 billion), and associate headcount declining to 403,000 from 409,000 even as average hourly wages rose above $20. CEO Greg Foran said the e-commerce business is "set to be profitable this year for the first time in the company's history."

> **SO WHAT:** Kroger achieving e-commerce profitability for the first time, in the same year headcount fell and wages rose, indicates the company is finding efficiency through technology and store-fulfilment optimization rather than labor cost-cutting alone. The framing of e-commerce as feeding the retail media business, "advertising not only adds incremental revenue but also allows the grocer to reinvest in lower prices", reveals Kroger's actual growth flywheel.

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6. Grocery Inflation Hits Highest Level Since Mid-2023

Food Dive | ***Read Article***

Food-at-home prices rose 2.9% year-over-year in April 2026, the fastest annual pace since August 2023 and a full-point jump from March's 1.9%, driven by beef prices up nearly 18% for roasts, tomato prices up almost 40%, and coffee up nearly 20%. Egg prices, by contrast, fell more than 39% year-over-year as production recovered from prior avian-flu disruption.

> **SO WHAT:** A full-percentage-point monthly acceleration is the largest single-month jump in grocery inflation since the double-digit inflation period of May 2022, signalling this is a structural reacceleration rather than routine month-to-month noise. The bifurcated pattern, beef, tomatoes and coffee spiking while eggs and poultry stay flat or fall, means blended CPI figures understate the pain concentrated in specific high-visibility categories, and retailers' pricing communication strategy needs to address those specific items rather than citing an aggregate inflation rate that masks the real shopper experience at the meat case and produce aisle.

> **NOW WHAT → FutureBridge:** Stop pricing and communicating inflation as one blended number and rebuild your shopper messaging around the specific aisles where sticker shock actually lives: beef, coffee, tomatoes. If you are a grocer, decide now which high-visibility categories you will absorb margin on to protect price perception and which you will let float, before the meat case alone drives trip defection. FutureBridge **OSINT** reads USDA cattle-herd, coffee-futures and tomato-import signals ahead of the monthly BLS print, giving your pricing team an early read on which categories are accelerating so you set the protect-versus-pass list before the cost lands.

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7. USDA Raises Near-Term Food-Price Pressure Context

USDA ERS | ***Read Article***

USDA's Economic Research Service forecasts all food prices will rise 3.6% in 2026, with food-at-home prices up 3.1% and food-away-from-home up 3.9%, both faster than their 20-year historical average growth rates. Beef and veal prices are projected to climb 10.1% for the year on tight cattle supplies, while egg prices are forecast to fall 26.8% as production recovers from avian flu disruption, and farm-level milk prices are expected to drop nearly 28% on rising U.S. production.

> **SO WHAT:** USDA's own forecast confirms that 2026's food inflation is running above trend on both sides of the food dollar, at home and away from home, which removes the narrative some retailers have used that grocery inflation specifically is the outlier; restaurants face comparably steep pressure. The sharply divergent category forecasts, beef up double digits while eggs and dairy fall double digits, mean blended "food inflation" headlines will understate real pain in protein categories specifically, reinforcing that any retailer or restaurant pricing strategy built around an aggregate inflation number will misjudge consumer reaction to the beef and coffee aisles where the actual sticker shock concentrates.

> **NOW WHAT → FutureBridge:** Plan 2026 menus and assortments around divergence, not the 3.6% headline: lean your promotions and LTOs into the deflating categories (eggs, dairy) and protect margin deliberately in beef before the 10% climb hits the plate. If you run a QSR or grocer, decide now which beef-heavy items get reformulated, downsized, or repriced, because food-away-from-home is rising faster than at-home and you cannot pass it all through. FutureBridge **OSINT** tracks USDA forecast revisions against realized CPI, flagging when beef is running hotter than the official band so your pricing and menu teams act before the variance shows up in your cost of goods.

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8. Grocery Shoppers Prepare to Defect to Lower-Priced Retailers

Grocery Dive* | *Read Article

New survey data shows grocery shoppers increasingly willing to trade out of their traditional primary grocery store in favor of lower-priced retailers, reinforcing the channel-share erosion pattern documented elsewhere this month in FMI's mass-merchant parity findings and NielsenIQ's c-store price-perception data.

> **SO WHAT:** This is now the third independent dataset this month confirming the same underlying shift, value-seeking behavior is becoming structural rather than promotional, with shoppers actively planning defection rather than passively trading down within a single trip. The convergence of three separate research sources (FMI, NielsenIQ, and this consumer survey) on the same trend within a single month substantially raises confidence that this is a real structural shift rather than survey noise, meaning traditional grocers' pricing strategy needs a more aggressive response than incremental promotional adjustments.

> **NOW WHAT → FutureBridge:** Triage your retention spend now: with three independent datasets confirming structural defection, treat this as a real share threat and stop spreading promotional dollars evenly across your base. As a grocer, separate the shoppers actively planning to leave from those merely grumbling, and concentrate price investment on the high-value cohorts closest to walking. **Consumomics PECA-V** scoring identifies which of your segments carry genuine near-term switching intent versus passive dissatisfaction, so your retention budget protects the trips you would actually lose.

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9. Grocery Outlet Improves Sales but Still Lacks Consistency

Grocery Dive* | *Read Article

Grocery Outlet posted improved first-quarter fiscal 2026 sales, but the results continued a pattern of inconsistent quarter-to-quarter performance that has characterized the discount grocer's results over the past several reporting periods, even as Aldi, Sprouts and other fast-growing discount and specialty grocers continue rapid store expansion.

> **SO WHAT:** Inconsistent results at a moment when discount-format peers are expanding aggressively suggests Grocery Outlet's opportunistic, closeout-inventory-driven model may not scale as predictably as the straight-discount model used by Aldi, even though both compete for the same value-seeking shopper base highlighted in this month's trade-down data.

> **NOW WHAT → FutureBridge:** If you operate or are building a discount format, decide which model you are actually underwriting, because the read-through here is that opportunistic closeout buying does not scale as predictably as straight everyday-low-price. Pick your lane before you commit store-expansion capital: predictable assortment economics like Aldi, or higher-margin but volatile closeout sourcing. FutureBridge **Company Genomics** benchmarks the operational capability sets behind steady versus erratic discount performers, while Competitive Intelligence tracks how those peers perform quarter to quarter, so your corporate development team underwrites the format with eyes open on which gaps are fixable and which are inherent to the buying model.

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10. Progressive Grocer Annual Report Points to Cautious Optimism

Progressive Grocer* | *Read Article

Progressive Grocer's 93rd Annual State of the Industry Survey found grocery retailers more optimistic about the year ahead than in 2025, with that optimism tempered by ongoing concerns; survey respondents indicated particular focus on private label, technology investment and perimeter department growth as the primary levers for moving their businesses forward in 2026.

> **SO WHAT:** This survey-level optimism sits in direct tension with nearly every other data point in this month's briefing, trade-down behavior accelerating, c-store and supermarket price-perception under pressure, pharmacy margin erosion, and inconsistent discount-format performance, suggesting grocers' stated optimism may be more aspirational than data-grounded, or alternatively that retailers view the private-label and perimeter investments named in the survey as their answer to exactly the pressures documented elsewhere this month.

> **NOW WHAT → FutureBridge:** If your 2026 plan rests on the same three levers everyone named, private label, technology, and perimeter, assume they are now table stakes, not differentiators, and decide where you will actually break from the pack. Pick one lever to over-invest in versus the field rather than funding all three at parity with competitors who have more capital. FutureBridge **Competitive Intelligence** tracks whether rivals' stated private-label and perimeter bets are converting to real share, while **OSINT** reconstructs their actual store-execution and assortment moves from public signals, so your strategy team allocates against where the consensus is failing rather than crowding into where it is already saturated.

11. C-Stores Face Price Perception Pressure

C-Store Dive* | *Read Article

NielsenIQ data shows c-store chocolate and confection prices running 67% higher than all-retailer averages for the 52 weeks ended March 21, with chips, crackers and popcorn roughly double the price of other channels; as a result, half of surveyed c-store shoppers say they're shopping the channel less often, and channel unit sales fell 2.6% in March even as dollar sales were roughly flat. A third of c-store shoppers say they've cut back on food, drink and nicotine purchases in the channel specifically.

> **SO WHAT:** The category data reveals a structural risk beyond pure price sensitivity: nicotine and alcohol usage hitting long-term lows independently reduces the anchor-category trips that historically pulled $230 million in incidental salty-snack purchases along with them, meaning c-stores face a compounding traffic problem, fewer anchor-category visits AND higher per-item price resistance on the impulse categories those visits used to generate.

> **NOW WHAT → FutureBridge:** Segment your impulse assortment by price-gap severity and act differently on each: defend the categories within a defensible premium and stop trying to price-match the chips-and-crackers gap that is now structurally too wide to close without a cost or assortment overhaul. As a c-store operator, redirect that lost impulse margin toward prepared food and other anchor categories before declining nicotine and alcohol trips erode the traffic that carried snacks along. **Consumomics PECA-V** scoring tells you which gaps are still defensible versus irreparable, so your category team stops spending margin defending price perception that is already lost.

THEME 2:

Format Bifurcation

Conventional Grocery Faces a Structural Reset While Digital and Health-Linked Commerce Redefine the Trip

12. Hard Discounters Are Buying the Map Before You Can Read It

Grocery Dive* | *Read Article

Aisle Intelligence's May 2026 tracker documented the most active year of European grocery capital deployment since 2019. Carrefour is integrating 57 Cora hypermarkets in France and Belgium, removing a mid-market hypermarket competitor. Schwarz Group acquired Romanian hard discounter La Cocos (roughly 100M euros, about 200 stores) to accelerate CEE expansion, using the target's existing brand rather than converting to Lidl. Lidl GB committed 600M pounds of capex for 50-plus new UK stores after passing 1,000 total UK locations. Aldi US is accelerating to 180-plus net new US store openings. Apollo Global is reportedly exiting Prosol (Grand Frais) at an estimated 800M-1.1B euro enterprise value.

> **SO WHAT:** The deals look like a list of unrelated transactions. They are one move repeated: format winners are using current profitability to lock up real estate and catchment areas before consolidation removes availability. The constraint on Lidl GB is no longer demand or capital, it is planning permission and sites, which tells you exactly how scarce the good locations have become. Second-order effect: the Carrefour-Cora integration removes hypermarket depth from the French channel, and the hypermarket is the best footprint format for large packs and promotional displays, so the very channel CPG brands rely on for volume and visibility is structurally shrinking while the discounter channel that limits SKUs is structurally growing. Third-order effect: the Schwarz play in Romania, buying an existing discount brand rather than converting it, is a faster, lower-capital land grab that means the independent acquisition targets a conventional operator might have used to expand are being absorbed first. The catchments are being claimed now, and the brands and operators reacting to the next quarter's results will be reacting to a map already redrawn.

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13. Food-as-Medicine Cards Move From Produce-Only Into the Full Grocery Basket

Grocery Dive* | *Read Article

Fresh Connect, a payments platform that issues prepaid debit cards to healthcare-plan members, launched four-tiered nutrition cards, Produce, Produce+, Grocery, and Grocery Rx, replacing its original single produce-only card with a system that extends into broader grocery categories for consumers managing diet-related disease. The cards are accepted at more than 20,000 retailers across 15 states, including Albertsons, Kroger, Safeway and Walmart Supercenters, and the platform now serves over 25,000 cardholders.

> **SO WHAT:** Food-as-medicine is moving from a produce-prescription pilot concept into a tiered nutrition-benefits infrastructure that mirrors how pharmacy benefit design works. The Grocery Rx tier, covering a medically tailored product list for people managing diet-related disease, effectively creates a new, healthcare-funded demand channel for retailers' better-for-you private label and reformulated SKUs, one that sits outside SNAP and is insulated from the SNAP eligibility fights playing out in state legislatures. Retailers accepted into the network gain a funded reason for shoppers to trade up into health-positioned categories.

> **NOW WHAT → FutureBridge:** Map your better-for-you and private-label SKUs against the Grocery Rx tier criteria now and prioritize the reformulations that unlock this healthcare-funded,

less price-sensitive demand pool before competitors qualify first. As a CPG or grocer, treat network acceptance and SKU eligibility as a deliberate channel-strategy decision, not a passive compliance exercise, because this pool sits outside SNAP and the eligibility fights playing out in state legislatures. **Consumomics PECA-V** scoring identifies which of your categories are best positioned to meet the evidence-based nutrition guidelines across all four tiers, so your R&D and category teams sequence reformulation spend toward funded demand.

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14. FMI Says Store Trust Must Rise as Online Grocery Heads Toward $452 Billion

FMI* | *Read Article

FMI and NIQ project total U.S. online grocery sales will reach $452 billion by 2028, representing 25.5% of grocery-related sales, with e-commerce expected to drive most category growth even though physical stores still account for roughly 80% of current grocery sales. FMI's position is that as more of the shopping journey is shaped by digital systems and AI agents before a shopper ever enters a store, the in-store experience, fresh-department execution, associate expertise, sampling and discovery, becomes a more important differentiator, not a less important one.

> **SO WHAT:** This is a call for grocers to treat physical stores as a trust and discovery layer that justifies investment even as transaction volume migrates online, a positioning that directly counters the instinct to treat declining in-store share as a reason to under-invest in the channel. The framing also implicitly acknowledges that agentic commerce tools like Google's Universal Cart will increasingly mediate the pre-store digital journey, raising the stakes for what happens once a shopper physically arrives.

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15. Pharmacy Profit Headwinds Weaken a Grocery Growth Lever

Grocery Dive* | *Read Article

Supermarket pharmacies, long viewed as a growth driver for grocery retailers, are becoming a source of financial pressure. Changes stemming from the Inflation Reduction Act (IRA) are reducing reimbursement rates for certain prescription drugs, impacting pharmacy profitability. Chains such as Albertsons and Kroger, which have increasingly relied on pharmacy sales to drive overall revenue growth, are already reporting weaker performance linked to these changes. The pressure is expected to intensify as Medicare drug-price negotiations expand to include blockbuster GLP-1 drugs like Ozempic and Wegovy from 2027 onward.

> **SO WHAT:** Pharmacy was the quiet traffic engine grocers leaned on while the center store stagnated, and the IRA just put that engine under structural margin pressure that intensifies, not eases, from 2027. Here is the double bind most grocers are not pricing in: the same GLP-1 drugs entering Medicare negotiation, which compress pharmacy margin, are simultaneously shrinking the grocery baskets of the patients taking them. So the department that drove the trips is losing money at the exact moment the medications it dispenses are cutting the food spend those trips generated. Grocers who built their traffic model on pharmacy are about to need a new one, and the runway is short.

16. Amazon Turns Grocery Scale Into a Platform Claim

Grocery Dive* | *Read Article

Amazon CEO Andy Jassy told investors the company is now the second-largest U.S. grocer, with grocery gross sales exceeding $150 billion in 2025, a claim built almost entirely on online sales and a roughly 550-store Whole Foods footprint, since Amazon Fresh and Amazon Go brick-and-mortar formats were both discontinued. Jassy cited same-day perishable sales growing "over 40x year-over-year" and announced Whole Foods will add 100 locations over the next few years.

> **SO WHAT:** Amazon's "second-largest grocer" claim matters less for the ranking than for the architecture behind it: it killed Amazon Fresh and Go, the purpose-built grocery formats, and is winning on a premium banner plus a logistics backbone. The conclusion Amazon reached is that owning a grocery store format is the hard, low-return part; owning the delivery network is the moat. The second-order effect for incumbents is that Amazon's grocery scale now grows without store density, so your store-count advantage is no longer the defensive wall you thought it was. The competitor with the fewest grocery stores just claimed second place, and that should reframe how you value your own real estate.

17. Lidl Just Passed Morrisons and Your UK Distribution Plan Is Now Incomplete

The Guardian* | *Read Article

Numerator data for the 12 weeks to May 17, 2026 put Lidl's UK market share at a record 8.6%, up from 8.1%, on 8.8% sales growth and more than 661 million pounds in switching gains. Lidl passed Morrisons (8.3%) to become Britain's fifth-largest grocer. The wider rankings: Tesco 28.2%, Sainsbury's 15.2%, Asda 11.5%, Aldi 10.8%, Lidl 8.6%, Morrisons 8.3%. Combined, Aldi and Lidl now hold roughly 19.4% of UK grocery, while Asda continues to decline with sales down 3.3% and earnings off by a third.

> **SO WHAT:** Everyone reads this as another discounter-gains-share story. The real signal is that the mid-market full-service format is being crushed from both ends at once, and the switching is no longer cyclical trade-down, it is structural reallocation that survives inflation moderation. Lidl gained 661 million pounds in switching, not in a downturn, but as prices eased. Second-order effect: nearly a fifth of British grocery now runs through an own-brand-first channel that lists a deliberately narrow range and demands hard-discounter margin structures, which means a national brand absent from Aldi and Lidl is now structurally absent from one in five baskets. Third-order effect: Asda's decline removes a high-volume conventional distribution partner just as the discounters who could replace that volume will only take brands willing to operate at their cost structure. A UK distribution strategy built around the big-four conventional banners is no longer a complete strategy; it is a shrinking one.

18. C&S Uses Sol Select to Arm Independent Grocers with Bilingual Private Brand Scale

Grocery Dive* | *Read Article

C&S Wholesale Grocers launched Sol Select, a bilingual private label line of more than 250 frozen, center-store, household and dairy products featuring English-and-Spanish packaging and Hispanic-influenced branding, now stocked at Grand Union and Piggly Wiggly with rollout to D&W Fresh Market, Family Fare, Martin's and SpartanNash's independent retail network this summer. The launch follows C&S's acquisition of SpartanNash, creating a combined network of 60 distribution centers serving roughly 10,000 independent retail locations.

> **SO WHAT:** This positions C&S's roughly 10,000-location independent network to compete on culturally relevant private label against chains like Kroger and Albertsons that have built dedicated multicultural assortment programs at individual-banner scale, meaning the SpartanNash integration's real strategic value may be less about distribution synergies and more about creating enough combined volume to fund category investments no single independent retailer could afford.

> **NOW WHAT → FutureBridge:** If you supply or operate independent grocery, decide now whether to ride a wholesaler-funded multicultural private label like Sol Select or build your own, because the combined-volume economics that fund culturally relevant assortment are no longer available only to Kroger-scale chains. Pick your multicultural category bets before the shelf space gets allocated. **Consumomics PECA-V** scoring measures whether bilingual, Hispanic-influenced branding actually lifts conversion over standard private label in your shopper base, so your category team funds cultural-relevance investment where the demand signal is real rather than assumed.

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19. Albertsons' Annual Report Shows Pharmacy, E-Commerce and Own Brands Pulling in Different Directions

Grocery Dive* | *Read Article

Albertsons reported nearly 3.5% net sales growth for fiscal 2025 even as operating income fell over 50% and net income dropped more than three-quarters, with long-term debt climbing nearly 8% to about $8.4 billion. Private brand sales rebounded to $16.9 billion (up 3%), e-commerce sales grew 21% (a deceleration from 24% the prior year), and pharmacy, now nearly 14% of total sales, continued its five-year climb as a share of revenue even as the segment offers lower margins and faces PBM pricing pressure.

> **SO WHAT:** It shows how a major supermarket operator is trying to rebuild growth after the failed Kroger merger through own brands, digital, and pharmacy-led traffic. The core food-retail issue is whether Albertsons can make private label and digital engagement strong enough to improve market position while pharmacy becomes a larger but more exposed part of the sales mix. Private label matters especially because Albertsons has more than 14,000 store-brand items and 19 food production facilities, giving it more control over differentiation than a pure resale model.

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20. Amazon Pushes 30-Minute Grocery Delivery Into More Cities

Grocery Dive* | *Read Article

Amazon expanded its Amazon Now rapid delivery service, offering 30-minute delivery on perishable groceries, to additional U.S. cities, continuing the same infrastructure buildout that underpins both its consumer same-day perishables service and its newly launched Amazon Business grocery offering.

> **SO WHAT:** Amazon is now running three parallel grocery delivery speed tiers, 30-minute rapid, same-day, and standard, built on a shared logistics backbone that it can extend to new customer segments (consumers, then businesses) without rebuilding infrastructure each time. This horizontal reuse of delivery infrastructure across consumer and B2B channels is the structural reason Amazon can credibly claim second-largest-grocer status without traditional store density, competitors evaluating whether to match Amazon's speed tiers need to budget for building equivalent infrastructure reuse, not just a single delivery promise.

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21. Natural Grocers Cuts Its FY2026 Performance Outlook

Supermarket News* | *Read Article

Natural Grocers lowered their fiscal 2026 daily average comparable-store-sales guidance to 1.5%-2.5%, down from a prior 1.5%-4% range, despite quarterly net sales rising 0.5% to $337.4 million and net income climbing 2.5% to $13.4 million for the quarter ended March 31. Comparable sales were up 0.5% for the quarter but 9.4% on a two-year stacked basis, while gross margin improved slightly to 30.4% on lower store occupancy costs, and the chain operated 169 stores across 21 states.

> **SO WHAT:** Natural Grocers grew net income and margin while cutting its sales outlook, which means the profit is coming from cost discipline, not demand: store expenses fell while the comp decelerated to 0.5%. The bigger read is in the two-year stack. A 9.4% stacked comp collapsing to 0.5% means the pandemic-era wellness surge has fully normalized, and the specialty natural-and-organic segment may be sliding into the same low-single-digit grind as mainstream grocery. That punctures a comfortable assumption: that MAHA-era wellness demand is a durable structural tailwind. If the category's premium growth story is reverting to the mainstream growth rate, then better-for-you positioning is no longer a free pass to outsized comps.

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22. Dollar General Names a Grocery-Native CEO, Signaling the Discount Channel's Next Competitive Phase Is Food-Led

Grocery Dive / Supermarket News* | *Read Article

Dollar General named JJ Fleeman, departing CEO of Ahold Delhaize USA, where he oversaw Food Lion, Giant Food, Hannaford, Stop & Shop and The GIANT Company across more than 35 years in grocery, as its next CEO, effective January 1, 2027, with Fleeman exiting Ahold Delhaize USA in June 2026 ahead of the handover. The appointment arrives as Dollar General operates produce in more than 7,000 stores, more individual produce distribution points than any other U.S. mass retailer or grocer and is expanding its 8,500-square-foot format explicitly to grow fresh, refrigerated and nutritious assortments in rural and underserved communities.

SO WHAT: Appointing a 35-year career grocery executive from the most operationally complex multi-banner grocery operation in the U.S. is a categorically different signal than promoting from within discount retail, Dollar General is explicitly importing the capability set required to run a food-first retailer, not a dollar store that happens to carry eggs and bread. This is the clearest confirmation yet that Dollar General views its next phase of growth as a grocery-execution problem, not a real estate or price-model problem, which puts it on a direct collision course with both traditional supermarkets and the mass-merchant format peer group it has historically been benchmarked against.

NOW WHAT → FutureBridge: Treat Dollar General as an emerging full-line grocery competitor, not a dollar store, and reset your strategy accordingly before the January 2027 handover. If you are a rural or value grocer, decide now how to defend fresh and refrigerated share against the operator with the most produce distribution points in the country; if you are a CPG, position your fresh and better-for-you lines for the assortment expansion Fleeman will accelerate. FutureBridge **Company Genomics** maps Fleeman's Ahold Delhaize playbook against Dollar General's gaps, while **OSINT** reads Dollar General's store-format, hiring, and fresh-distribution signals as they surface, so your commercial and category teams know which capabilities he closes first and adjust your competitive or supply position ahead of the change.

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23. Ahold Delhaize USA Loses Its Architect as Fleeman's Departure Opens a Leadership Gap Across Five Major Banners

Grocery Dive* | *Read Article

Ahold Delhaize USA CEO JJ Fleeman departed in June 2026 with no immediate successor named, leaving the parent company's U.S. division, which operates Food Lion, Giant Food, The GIANT Company, Hannaford Supermarkets and Stop & Shop across more than 2,000 stores, in an interim leadership position at a moment of meaningful competitive pressure across multiple banners. Stop & Shop has been among the most publicly stressed banners in traditional grocery, having closed dozens of locations and cycled through restructuring investment for several years, while Food Lion has been one of the more consistently performing mid-Atlantic and Southeast grocers by traffic and comparable-sales metrics.

SO WHAT: A leadership gap at the top of a five-banner, 2,000-plus-store operation is materially different from a single-chain CEO transition, Ahold Delhaize USA's commercial and strategic decisions across category management, trade investment, private label expansion and digital platform development are likely to slow or default to conservative continuity during the search period, creating a window of reduced commercial aggressiveness from one of the U.S. grocery sector's largest buyers. The timing is particularly consequential: Fleeman's successor will inherit a banner portfolio where performance is diverging sharply internally, with Food Lion and Hannaford running ahead of Stop & Shop, meaning the new leader's first priority will almost certainly be Stop & Shop's trajectory rather than forward strategy, which delays Ahold Delhaize USA's response to the very value-compression and format-bifurcation pressures documented elsewhere in this briefing.

THEME 3:

C-Store Transformation

The Channel Is Rebuilding Its Identity Around Food, Loyalty and Acquisition

24. 7-Eleven Converts Stripes Integration Into Foodservice and Loyalty Leverage

C-Store Dive* | *Read Article

7-Eleven completed the 24-month integration of all 204 Stripes convenience stores acquired from Sunoco for roughly $1 billion in early 2024, migrating the locations onto 7-Eleven's loyalty and technology platforms and adding renovations, upgraded foodservice and fuel-brand conversions. At the time of the deal, 7-Eleven projected the stores would add $110 million in store-level forward EBITDA and $90 million in operating income within five years.

> **SO WHAT:** A clean two-year close on a 204-store integration, relatively fast by c-store M&A standards, gives 7-Eleven a credible reference case as it continues pursuing its broader large-format, foodservice-forward transformation strategy. The integration's completion timing matters less than what 7-Eleven does next with the now-unified Stripes and Laredo Taco footprint: whether the chain can convert technology-platform consistency into measurable same-store foodservice growth will determine if this acquisition becomes the template for further bolt-on consolidation or a one-off. U.S. operating income growth of just 0.8% year-over-year at the parent level suggests the financial payoff is not yet fully visible in consolidated results.

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25. Coen Markets Proves C-Store Loyalty Can Lift Visit Frequency, Not Just Discount Redemption

C-Store Dive* | *Read Article

After partnering with Paytronix to add CRM, analytics and segmentation capabilities to its loyalty program, the roughly 50-store Pennsylvania-Ohio-West Virginia chain Coen Markets saw unique loyalty visitors rise 28% and total visits rise 35% over the trailing 12 months, with some locations reaching 30%-plus loyalty penetration, the 75th percentile among c-stores per Paytronix benchmarking. Loyalty members spend roughly $2 more per trip on average than non-members, and the chain's tiered ice cream and win-back offers are segmented by actual visit cadence rather than blanket discounting.

> **SO WHAT:** Coen's results decouple two things that are often treated as one in loyalty marketing: penetration and incrementality. The chain isn't just enrolling more members, it is using segmentation to avoid wasting margin on shoppers who would have visited anyway, which is the harder and more durable version of loyalty ROI that most c-store programs never reach. This performance is occurring while the chain is mid-acquisition by Cumberland Farms, suggesting the loyalty infrastructure investment is a deliberate value-building move ahead of integration rather than a program likely to be dismantled post-close.

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26. Prepared Food Growth Makes Packaging a C-Store Foodservice Battleground

C-Store Dive* | *Read Article

Foodservice, prepared foods, dispensed beverages and commissary items, led in-store c-store sales in 2025 at 28.5% of revenue, up from just under 12% in 2005, according to NACS data cited in the report, with prepared items like pizza, chicken and sandwiches now nearly 74% of foodservice sales. In a Technomic Q3 2025 survey, 38% of consumers who considered a QSR instead chose a c-store, and roughly 68% said they believe c-stores can match restaurants on fresh food quality.

> **SO WHAT:** Foodservice climbing from 12% to 28.5% of in-store c-store revenue is not a category shift; it is a redefinition of what a c-store is. With 38% of would-be QSR customers choosing a c-store instead and 68% believing c-stores match restaurant freshness, the channel is now directly contesting stomach share with drive-thrus. The non-obvious consequence lands on the QSR side: c-stores are absorbing the exact lunch and snack occasions QSRs assumed were locked in, and they do it without a drive-thru line. For restaurant operators, the new competitor is not the chain across the street; it is the hot case at the gas station, and shoppers already trust its food.

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27. Private Label Becomes a C-Store Margin Option

C-Store Dive* | *Read Article

Convenience retailers including Love's, Casey's and Wawa are expanding private label programs to compete with national brands on value, differentiation and margin, with experts identifying packaged beverages, salty snacks and alternative snacking, particularly water, nuts/seeds and trail mix, as the categories offering the strongest private label opportunity given low existing brand loyalty and decent category breadth. Industry analysts note private label can attract younger, more loyal customers even when it carries a margin hit, functioning as a strategic differentiation tool rather than a pure profit play.

> **SO WHAT:** The specific category guidance, target low-brand-loyalty categories like water and nuts rather than entrenched categories like carbonated soft drinks or energy drinks, gives operators a concrete prioritization framework, but the timing means private label execution speed now matters more than usual: chains that move first into water and snack private label before the channel's broader price-trust problem deepens further will have a meaningfully easier path than late movers.

> **NOW WHAT → FutureBridge:** Move first into the low-brand-loyalty categories, water, nuts, trail mix, before your channel's price-trust problem deepens, because being a late mover into private label is far harder once shoppers have already recalibrated their c-store price expectations. As an operator, sequence the rollout by loyalty and basket lift, not by margin alone, and treat the early SKUs as a differentiation play that recruits younger, stickier customers. **Consumomics PECA-V** scoring validates which private-label categories actually lift basket size and loyalty among trade-down shoppers, so your category team funds the rollout order most likely to reverse the unit declines, rather than guessing.

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28. 7-Eleven Confirms Franchisee-Document Breach

C-Store Dive* | *Read Article

7-Eleven confirmed that an unauthorized third party accessed systems storing franchisee application documents on April 8, 2026, with stolen data including names, addresses and Social Security numbers; the ShinyHunters extortion group claimed responsibility and published a roughly 9.4-gigabyte archive after 7-Eleven declined to pay a ransom. The breach affects current, former and prospective franchisees rather than customer transaction or loyalty data, though nearly 75% of 7-Eleven's U.S. stores operate under franchise ownership.

> **SO WHAT:** Read this as a growth problem, not just a security one. 7-Eleven's model runs on a continuous pipeline of franchise applicants, and the data exposed was franchisee application records, exactly the prospects whose trust the company needs to keep recruiting. A breach that chills that pipeline bites hardest precisely when consolidators like Sunoco are scaling acquisition-driven growth and courting the same operator pool. The second-order effect is competitive: prospective franchisees weighing 7-Eleven against a sale to a well-capitalized roll-up now have one more reason to take the check. In a franchise-dependent channel, a recruitment-data breach is not an IT incident; it is a leak in the growth engine.

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29. Sunoco Targets $500M Acquisition Pace

C-Store Dive* | *Read Article

Sunoco completed three acquisitions in early 2026, 56 Duck Thru stores from Jernigan Oil, 36 stores from Pops Mart Fuel, and 48 sites from Capitol Petroleum Group, totaling 140 locations, as part of guidance committing to at least $500 million in annual bolt-on acquisitions following its $9.1 billion Parkland Corp. purchase. CEO Joseph Kim said the company is "on track to complete over $500 million" in 2026 deals alone in the U.S., with additional capacity in Canada, the Caribbean and Europe.

> **SO WHAT:** Sunoco's acquisition pace accelerating immediately after the stalled Circle K–7-Eleven merger talks suggest Sunoco is positioning to absorb the consolidation appetite that deal would have otherwise satisfied, becoming the de facto consolidator-of-choice for smaller regional chains. A standing $500 million annual bolt-on budget, explicitly separated from "bigger opportunistic acquisitions," signals Sunoco has institutionalized M&A as a permanent growth channel rather than an opportunistic one-off, which means regional chain owners now have a reliably available, well-capitalized buyer, fundamentally changing the exit-planning calculus for family-owned and mid-size c-store operators nationwide.

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30. C-Stores Redesign the Box Around Food, QSR Partnerships and Destination Trips

C-Store Dive* | *Read Article

Refuel Operating Company is opening its first store paired with a full-menu Whataburger in Kenedy, Texas; Freshies expanded its Bangor, Maine flagship to 7,600 square feet under a "Freshies 2.0" format emphasizing proprietary food programs like Sweet Treats Bakery; and Stewart's Shops is pursuing a rare two-story design for a Saratoga Springs, New York location to upgrade from express to full-line format.

> **SO WHAT:** Three unrelated regional operators independently choosing to expand physical footprint specifically to add food infrastructure, rather than optimizing existing square footage, confirms foodservice has become the primary driver of c-store capital investment decisions, not a secondary add-on to fuel and tobacco. Refuel's choice to pair with a full-menu QSR rather than building proprietary kitchen capacity signals an alternative path to foodservice credibility that smaller chains lacking Freshies' or Wawa's scale can replicate faster than building an in-house program from scratch.

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31. Amazon leaps into B2B grocery

Grocery Dive* | *Read Article

Amazon Business added same-day perishable grocery delivery across the same 2,300-plus-city footprint as its consumer service, letting businesses combine office essentials like printer ink with breakroom staples like milk and fruit in a single checkout with no bulk-purchase requirement. Business Prime members get free same-day delivery on orders over $25; non-members pay $12.99. The move follows Amazon CEO Andy Jassy's claim that Amazon is now the second-largest U.S. grocer by gross sales.

> **SO WHAT:** Extending consumer-grade same-day grocery infrastructure to the B2B channel without requiring new warehouse or fleet investment is the clearest evidence yet that Amazon's grocery strategy is fundamentally an infrastructure-reuse play, the same delivery network now serves three distinct demand pools (consumer same-day, consumer rapid 30-minute, and now business procurement) at minimal incremental capital cost. This directly pressures Sysco, US Foods and other foodservice distributors in a use case they've traditionally owned uncontested, small-business breakroom and office grocery procurement, at the exact moment those same distributors face separate competitive and regulatory pressure from the proposed Sysco–Restaurant Depot merger and independent restaurants' complaints about distributor consolidation.

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32. C-Stores Close the Restaurant Value Gap

C-Store Dive* | *Read Article

Tillster's 2026 Phygital report found 78% of consumers say c-store prices are equal to or better than fast food and fast-casual restaurants, with c-stores jumping from last place (4%) to second place (16%) among "most overall value" meal destinations year-over-year, trailing only grocery stores and surpassing fine dining, fast-casual and casual dining. A third of consumers now visit c-stores more frequently than a year ago, though 22% still never eat at convenience stores at all.

> **SO WHAT:** A jump from 4% to 16% "most value" share in a single year is one of the largest year-over-year perception shifts in this entire month's data set, and it directly complicates the c-store price-perception crisis documented elsewhere this month, c-stores are simultaneously losing ground on absolute price competitiveness in packaged snacks while gaining ground on prepared-food value perception specifically. This split means the channel's two major food categories, packaged snacks and prepared foodservice, are moving in opposite reputational directions at the same time, meaning a uniform channel-wide pricing response would be the wrong strategy; the prepared-food investment thesis (more foodservice, made-to-order stations) is working precisely while packaged-snack pricing needs the opposite fix.

> **NOW WHAT → FutureBridge:** Run a split pricing strategy, not a channel-wide one: keep investing in prepared-food value where perception is climbing, and apply the opposite fix to packaged snacks where price perception is eroding, because a uniform response would undercut the part that is working. As a c-store operator, fund made-to-order and prepared stations against the rising value perception while restructuring packaged-snack cost or assortment separately. As a QSR, treat the c-store's prepared-food value gains as a direct daypart threat. **Consumomics PECA-V** scoring separates value perception by category, so your team builds the category-specific roadmap the data demands instead of a blunt channel-level move.

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33. C-Store AI Deployments Move From Experimentation to Operating Layer

C-Store Dive* | *Read Article

C-Store Dive catalogued eight concurrent AI deployments across the channel: Casey's expanded SoundHound voice-ordering agents to 90% of its stores; Loop Neighborhood Market deployed Tote.ai's Genie assistant for customer service and POS operations; Huck's is rolling Tote.ai's AI-native POS to all 135 locations; Urban Value and VenHub are testing fully autonomous, unmanned store formats; McLane is expanding driverless truck routes between Dallas and Houston; and PDI launched its PDIQ system embedding AI across loyalty, resource planning and other services.

> **SO WHAT:** Eight concurrent AI deployments spanning voice ordering, POS, autonomous trucking, and unmanned stores tell you the c-store channel has stopped piloting AI and started treating it as standard operating infrastructure across functions at once: a faster, broader adoption curve than the slow, multi-year validation QSRs like McDonald's apply to their own operational tech. The data point that matters is Casey's at 90% voice-ordering deployment during peak meal times. That is not a novelty; it is a labor-constraint fix for order processing during rushes, which is why it scaled while the speculative unmanned-store concepts stayed stuck. The lesson cuts against the hype: the AI deployments that scale solve a measured labor or throughput problem; the ones chasing futurism stall at the pilot.

THEME 4:

QSR Value War and Performance Bifurcation

The Same Macro Environment Is Producing Radically Different Results

34. Limited-Time Restaurant Menus Intensify

Restaurant Dive* | *Read Article

Technomic data presented at the National Restaurant Association Show shows limited-time offers grew 134% over the past five years, described by Technomic's Donna Hood Crecca as unprecedented, with another 3% growth forecast for 2026 on top of that elevated base, while core menu items grew 13% at full-service chains and 6% at quick-service since 2021. Value-focused LTOs rose from 21% of all LTOs in 2023 to 32% today, driven by an estimated $125 billion in additional consumer fuel spending tied to Middle East conflict-driven energy price shocks, while GLP-1 medication use, now affecting roughly one in eight American adults, is simultaneously pushing chains toward smaller, protein-forward, lower-calorie items.

> **SO WHAT:** Two structurally different forces, fuel-cost-driven value-seeking and GLP-1-driven portion reduction, are independently pushing restaurant menus in directions that happen to converge on smaller, more frequent, more targeted limited-time items, which explains why LTO growth has become so extreme relative to core-menu growth. The fact that smaller portions designed for GLP-1 users (like Popeyes' snack wraps) can simultaneously function as value plays for price-conscious non-GLP-1 consumers means chains have found a rare single product format that addresses two unrelated demand pressures at once, a design principle that should now be a default consideration in LTO development rather than treating health-driven and value-driven menu strategy as separate workstreams.

> **NOW WHAT → FutureBridge:** Make dual-purpose the default test for your LTO pipeline: design smaller, protein-forward items that serve both GLP-1 portion reduction and fuel-cost value-seeking at once, instead of running health-driven and value-driven menu development as separate workstreams. As a restaurant chain, set a rule that new LTOs must address more than one demand pressure to earn a slot, given how crowded the LTO calendar already is. **Consumomics PECA-V** scoring identifies which formats genuinely serve both segments versus only one, so your culinary and marketing teams prioritize the dual-purpose items that do double duty over single-audience bets.

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35. Chains Stretch Beyond Core Menus

Restaurant Dive* | *Read Article

Five major chains are expanding beyond their core categories to fight for traffic in an industry with 8% less foot traffic than 2019 despite more total restaurants: Papa Johns added Oven Toasted Subs that already exceed prior Papadias sales; Sweetgreen rolled out wraps nationwide after a successful test, hoping to reverse a record 12.8% same-store sales decline; Smoothie King is adding flatbreads and high-protein food items; McDonald's rolled out refreshers and dirty sodas with a new in-store beverage specialist role; and Panera launched Salad Stuffers, a handheld bread-roll format for salads.

> **SO WHAT:** Circana frames this precisely: restaurant traffic is "structurally flat," meaning category-adjacent expansion is now a zero-sum battle for existing visits rather than a play for new restaurant-goers, every chain adding sandwiches, flatbreads or premium beverages is explicitly targeting traffic that would otherwise go to a different chain's core category. McDonald's beverage expansion stands out as the most structurally significant: building a dedicated in-restaurant

beverage specialist position signals McDonald's views premium beverages as permanent infrastructure rather than a seasonal LTO, directly threatening the daypart and occasion territory that dedicated beverage chains like Starbucks and emerging dirty-soda concepts have built their entire business models around.

NOW WHAT → FutureBridge: Before greenlighting a category-adjacent menu extension, prove it captures new occasions rather than cannibalizing your own core, because in a structurally flat traffic environment most adjacency plays just reshuffle existing visits. As a chain, set an incrementality threshold a new platform must clear to justify the operational complexity it adds. If you operate in beverages, treat McDonald's permanent beverage-specialist role as a direct threat to your daypart and respond. **Consumomics PECA-V** scoring isolates which adjacent expansions win genuinely new occasions versus reallocating your own sales, so your menu team funds real traffic-share gains rather than internal churn.

36. Cava Outperforms Fast Casual Peers

Restaurant Dive* | *Read Article

Cava posted Q1 2026 same-store sales growth of 9.7% with traffic growth of 6.8%, its strongest comparable quarter since Q1 2025, while revenue rose 32% to $434.4 million and the chain raised its full-year same-restaurant sales guidance to 4.5%-6% from 3%-5%. The results sharply outpaced fast casual peers Sweetgreen and Wingstop, both of which posted some of their worst-ever comparable sales in the same quarter, while Cava opened 20 net new units and kept price increases below CPI by more than 50%.

SO WHAT: CFO Tricia Tolivar's framing, that Cava is "creating a bit of a bridge in a K-shaped economy" with particular strength among lower-income cohorts, directly contradicts the assumption that fast casual's premium pricing makes it vulnerable in a value-conscious environment; Cava is proving fast casual can hold value positioning across income strata if pricing discipline is strict enough. The divergence between Cava's growth and Sweetgreen's/Wingstop's declines in the identical quarter, identical macro environment, means this is a company-specific execution story, not a category-wide fast casual headwind, which sharpens the read-through for investors and competitors: Cava's design refresh (Project Soul), new menu innovation (glazed salmon, two-year development cycle) and below-CPI pricing discipline are the differentiators, not external tailwinds.

37. Restaurants Frame Immigration as an Affordability Issue

Restaurant Dive* | *Read Article

Restaurant industry groups, including the Texas Restaurant Association and National Restaurant Association, are reframing immigration reform advocacy around consumer affordability rather than partisan terms, reporting that even legislators in deep-red Texas districts are newly receptive given the political salience of inflation. A Chicago restaurateur reported sales falling 30% to 50% in immigrant neighborhoods during the peak of "Operation Midway Blitz" enforcement, while the NRA cites over 900,000 unfilled restaurant and hospitality jobs nationally and is pushing for new visa categories specific to low-margin foodservice industries.

> **SO WHAT:** The 30-50% sales decline figure in affected Chicago neighborhoods is a meaningful leading indicator: if federal immigration enforcement intensity continues or expands to other major metros, restaurant chains and independents with significant exposure to immigrant-community trade areas face a sales-impact risk that isn't currently being modeled into most companies' guidance or risk disclosures.

> **NOW WHAT → FutureBridge:** Map your store footprint against immigrant-community trade areas now and build the 30-to-50% localized sales-shock scenario into your guidance and labor planning, because most chains are not modeling enforcement-driven demand collapse at all. As a restaurant operator, identify the specific locations most exposed and pre-plan staffing and cash-flow contingencies before enforcement expands beyond Chicago. FutureBridge **OSINT** reconstructs enforcement intensity and localized demand shifts from local media, mobility, and regulatory signals to forecast where the next operations are likely to expand, while **Consumomics PECA-V** scoring quantifies the demand hit in affected trade areas, so your operations and finance teams get an early warning for the stores most at risk rather than discovering the exposure in a quarterly miss.

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38. KFC Makes the $10 Bucket a Weekday Dinner Weapon

Restaurant Dive* | *Read Article

KFC expanded its $10 Tuesday bucket promotion across all five weeknights, with Mondays and Fridays offering a 24-piece nugget bucket, Wednesdays a 10-wing bucket, and Thursdays an eight-tender bucket, alongside new Honey Chili Crisp and Jalapeño Ranch sauces developed through its Saucy spinoff concept. The expansion follows KFC's earlier $20 Build-a-Bucket promotion and $7/$9/$11 Value Feast Boxes launched in late March.

> **SO WHAT:** Three distinct value mechanisms launched within months of each other, a $20 customizable bucket, tiered Value Feast Boxes, and now a five-night $10 bucket rotation, shows KFC iterating rapidly through value formats rather than committing to one signature offer, a sign the chain is still searching for the specific mechanism that reliably drives dinner-daypart traffic. Positioning the deal explicitly around "deciding what's for dinner" targets a specific decision-moment rather than generic value-seeking, which is a more precise marketing thesis than most fast-food value plays and worth testing whether occasion-specific framing outperforms generic price messaging.

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39. Burger King Gains While Popeyes Loses Focus in Q1

Restaurant Dive* | *Read Article

Burger King posted a 5.8% U.S. comparable sales increase while sister brand Popeyes saw a 6.5% drop, the largest shifts at both chains in years, with RBI CEO Josh Kobza attributing Burger King's gains to four years of sustained investment in menu, operations and infrastructure rather than any single promotion, while Popeyes' new U.S. president cited LTO overreliance, lost focus on core Louisiana-heritage items, and eroded everyday value as the root causes of its decline.

SO WHAT: Two sister brands under identical corporate ownership, similar capital access and the same parent-company playbook produced opposite results in the same quarter, which isolates brand-specific execution, not RBI's overall strategy, as the determining variable. Popeyes' own diagnosis of its problem (too many LTOs that "didn't resonate with our core guests," eroding service quality) is a structural counter-lesson to the LTO-growth thesis running through most of this month's restaurant coverage: LTO velocity only works as a growth lever when it doesn't crowd out core-menu execution, and Popeyes is the cautionary case of that tradeoff going wrong.

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40. McDonald's Puts Chicken, Beverages and Under-$3 Value Behind Positive Q1 Comps

Restaurant Dive* | *Read Article

McDonald's posted 3.9% U.S. same-store sales growth in Q1 2026, its fourth consecutive quarter of comparable growth, driven by the Netflix KPop Demon Hunters marketing tie-in, the Big Arch Burger, and ongoing Extra Value Menu performance, while traffic rose a more modest 0.6% year-over-year per Placer.ai data after Winter Storm Fern disrupted January. The April launched Under $3 Menu replaced the prior buy-one-get-one offer and reduced app discounts, which BTIG analysts said gives McDonald's a neutral-to-mildly-positive margin profile versus the BOGO mechanism it replaced.

SO WHAT: Traffic growth of just 0.6% alongside 3.9% comp growth means McDonald's Q1 result was driven substantially by ticket size and mix, not new visit volume, a meaningfully different growth profile than the visit-driven 5.3% traffic growth McDonald's posted in Q4 2025 behind Extra Value Meals and Monopoly. BTIG's framing, that McDonald's "has been offering deep value for the past three years, but not getting credit for it" because it wasn't visible on the in-store menu, reveals a marketing-communication problem distinct from a pricing problem, meaning the Under $3 Menu's success depends more on visibility and awareness-building than on the underlying economics changing meaningfully from what was already being offered.

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41. Wendy's Rebuilds Around Accuracy and Clean Stores After a 7.8% Sales Drop

Restaurant Dive* | *Read Article

Wendy's same-store sales fell 7.8% in Q1, its fifth consecutive quarterly decline, though an improvement from Q4's 11.3% drop, as the chain's Project Fresh turnaround expanded menu-label printers from under half to 85% of the system (driving a 170-basis-point order-accuracy improvement) and launched a "White Glove" cleanliness program (driving a 160-basis-point satisfaction gain). Executives acknowledged Wendy's is "performing better with the higher-income consumer than with the lower-income consumer," with continued pressure from price-sensitive diners despite the January launch of tiered $4/$6/$8 Biggie Deals.

SO WHAT: Five consecutive quarters of decline while the broader QSR value wars intensify around Wendy's, Burger King resurging, McDonald's pushing Under $3, Popeyes cutting prices, means Wendy's operational fixes (cleanliness, accuracy) are necessary table-stakes investments rather than differentiating ones, since competitors are simultaneously improving on the same

> dimensions while also winning on price. The explicit admission that Wendy's holds up better with higher-income consumers is a structural vulnerability given this month's broader data showing value-seeking and trade-down behavior intensifying, Wendy's premium positioning is colliding directly with a macro environment moving the opposite direction, making basic execution fixes an uphill fight against demographic headwinds the chain doesn't control.

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42. Papa Johns' 6.4% Comp Drop Raises the Stakes in Pizza Value

Restaurant Dive* | *Read Article

Papa Johns' North American comparable sales fell 6.4% in Q1, its worst quarterly drop in years, driven by lower customer acquisition, trade-down from premium to smaller pizzas, and declining side and dessert attachment, as CEO Todd Penegor acknowledged Domino's deliberate strategy of using scale to compress pizza-category margins industrywide. Papa Johns discontinued its complexity-heavy Papadias and Papa Bites lines in favor of operationally simpler Pan Pizzas and toasted sandwiches, while empowering local advertising cooperatives (now covering about half its system) to compete more effectively at the regional level.

> **SO WHAT:** Penegor's explicit framing of Domino's strategy as deliberately using scale to force margin compression across the category reframes the entire pizza segment's value war as a structural consolidation play, not just competitive promotion, smaller-scale pizza chains may simply lack the unit economics to sustain a prolonged price war against Domino's volume advantage. Discontinuing Papadias and Papa Bites specifically because they were "the biggest rhythm breakers in the restaurant" is a notable admission that menu complexity itself, not just pricing, was actively degrading operational execution, suggesting Papa Johns' turnaround math depends as much on operational simplification as on competing directly on price.

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43. Dutch Bros Converts Awareness, Mobile Ordering and Breakfast Into Growth Momentum

Restaurant Dive* | *Read Article

Dutch Bros posted 31% revenue growth on an 8.3% same-store sales gain and 5.1% transaction increase in Q1 2026, with company-operated shops (72% of its 1,177-store system) growing sales 10.6%. Unaided brand awareness has more than doubled in 18 months per William Blair analysis, food menu deployment reached roughly 485 shops with attachment rates exceeding projections, rewards members now account for 74% of transactions, and the chain increased LTO velocity by 30%.

> **SO WHAT:** Dutch Bros' growth is notable for occurring in the same macro environment where Wendy's, Papa Johns and Popeyes all posted comp declines, the chain is proving that strong brand-awareness investment plus operational infrastructure (mobile ordering, food attachment, loyalty segmentation) can outrun value-war pressure even in beverage-led QSR. The 74% rewards-member transaction share, compared to Starbucks' 60% of company-operated revenue from rewards members, suggests Dutch Bros has built unusually deep loyalty penetration for a

> chain its size, and CEO Christine Barone's comment about moving from "broad offers" to "frequency-level campaigns" signals the loyalty program is still in early innings of sophistication, meaning further same-store sales upside likely remains untapped.

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44. McDonald's Beverage Push Turns Complexity Into an Operating Role

Restaurant Dive* | *Read Article

McDonald's launched three caffeinated refreshers and three cold-foam-topped "dirty sodas" as a permanent McCafé addition on May 6, creating a new dedicated "beverage specialist" in-restaurant role to manage quality and consistency at a standalone station, with high performers trained first before all crew eventually rotate through the position. The launch follows nearly two and a half years of testing since the CosMc's spinoff's 2023 debut and subsequent shutdown.

> **SO WHAT:** Creating a permanent, dedicated labor role specifically for beverages, rather than folding the new drinks into existing crew responsibilities, is McDonald's acknowledging that premium beverage complexity cannot be absorbed into standard QSR throughput without a structural operations change, a more significant commitment than the menu addition alone suggests. Following nearly 2.5 years of testing after CosMc's failure, McDonald's deliberate, slow-walked approach to beverage complexity stands in contrast to the rapid-iteration value-menu experimentation happening elsewhere in its own portfolio this quarter, suggesting McDonald's treats pricing/value as a fast-iteration lever but treats operational-complexity additions like premium beverages as requiring multi-year validation before national rollout.

THEME 5:

Restaurant Capital Architecture and Format Reset

IPO, Securitization and Bankruptcy Tell a Single Structural Story

45. Dairy Queen Uses Development Incentives to Push the Brand Toward Food-Led QSR Growth

Restaurant Dive* | *Read Article

Dairy Queen is offering a $150,000 lump-sum incentive, plus a $200,000 bonus per additional freestanding unit opened within 18 months, exclusively for new and converted Grill & Chill locations, the brand's full quick-service concept, rather than its dessert-focused Treats format. The incentive equals 5.9% to 10% of the $1.5 million to $2.6 million total build cost, and comes after the Grill & Chill store count grew by a net of just 18 units over the past three years.

> **SO WHAT:** The exclusivity of the incentive to Grill & Chill, paired with near-stagnant net unit growth, signals Dairy Queen is steering franchisee capital deliberately away from the lower-capex Treats format and toward full-menu QSR positioning. This is a brand-mix decision being executed through financial engineering rather than marketing, DQ is using development economics to correct a unit-growth imbalance that organic franchisee preference apparently hasn't solved on its own. Average gross sales for freestanding Grill & Chill units rose roughly 7% to $1.5 million between 2022 and 2025, giving the incentive program a credible unit-economics floor to point to.

46. Qdoba Securitizes the Franchise Flywheel to Fund a 2,000-Unit Target

Restaurant Dive* | *Read Article

Qdoba completed a $435 million whole-business securitization, $360 million in senior notes plus a $75 million variable funding note, to refinance existing debt at a lower cost of capital and fund growth toward a 2,000-unit target, less than a year after drawing a separate $527 million continuation fund led by Apollo S3. The chain currently operates 860 units across 45 states plus Canada, Puerto Rico, Japan and South Korea, with a pipeline exceeding 650 additional stores.

> **SO WHAT:** Two large capital-markets transactions inside 12 months signals that Qdoba's private-equity owner Butterfly Equity is treating the brand's franchise royalty stream as a financeable asset class in its own right, not just a growth-funding mechanism. Whole-business securitization, a structure historically associated with mature, heavily franchised giants like Domino's and Wingstop, being available to a sub-1,000-unit chain confirms that capital markets are now pricing fast-casual franchise cash flows as investment-grade collateral well before brands reach historical scale thresholds. This lowers the bar for when emerging chains can access this financing tool, accelerating consolidation-stage growth timelines across the category.

47. Red Robin Sells Company Units to Rebuild a Franchised Growth Story

Restaurant Dive* | *Read Article

Red Robin sold 30 company-owned restaurants in Washington and Western Idaho to 100-plus-unit multi-brand operator Evergreen Dining for $23.5 million, with proceeds earmarked for debt paydown under its First Choice turnaround plan. CEO David Pace said the chain was in final discussions with multiple additional buyers as of mid-May, after previously signaling the brand could ultimately become 65% to 75% company-owned versus its current structure, implying up to 15% of the system could be sold.

> **SO WHAT:** Refranchising at a struggling casual-dining chain is a credibility test as much as a balance-sheet move: each completed sale to a credible multi-unit operator like Evergreen signals to the remaining franchise system and to lenders that Red Robin's operational turnaround is real enough for outside operators to bet capital on it. Comparable restaurant revenue still declined 0.6% in Q1, but traffic losses moderated meaningfully from negative 3.5% to negative 1.6% year-over-year, the refranchising pace is effectively a referendum on whether that traffic improvement is durable enough for buyers to underwrite. With 469 units remaining versus 491 a year ago, the system is shrinking even as the chain insists this is selective discipline rather than retreat.

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48. Dog Haus Buys Operator Credibility With a 50-Unit Franchise Deal

Restaurant Dive* | *Read Article

Dog Haus signed a 50-unit franchising agreement with Chris Rigassio and Garen Khodaverdian, multi-unit franchisees who together operate over 100 restaurants for brands including Wingstop and Jersey Mike's, who simultaneously joined the roughly 50-unit hot dog chain as president/chief development officer and COO, respectively. Under the new model, 15 high-performing operators will be recruited as area directors, each responsible for developing 100 stores in their region, as Dog Haus pursues a long-term goal of 1,500 U.S. locations.

> **SO WHAT:** This follows the same playbook Dave's Hot Chicken used to import operational credibility through its C-suite, suggesting franchisee-to-executive recruitment from proven high-growth systems is becoming a repeatable strategy for brands trying to compress the credibility gap between a 50-unit chain and a 1,500-unit ambition. The area-director structure effectively outsources Dog Haus's growth execution risk to operators who have already demonstrated they can replicate growth at scale elsewhere.

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49. Independent Restaurants Test AI, But Limitations Remain

Restaurant Dive* | *Read Article

Independent restaurant operators are using large language models like ChatGPT, Claude and Google Gemini to analyze customer review data and identify gaps between a restaurant's intended brand identity and actual guest perception, a tactic discussed at the National Restaurant Association Show as a low-cost way to narrow the technology gap with major chains, Chipotle has a $100 million tech venture fund, Yum Brands runs an in-house flavor-trend analytics team, and Wingstop built a $50 million proprietary tech stack. An estimated net 10,000 independent restaurants closed nationwide in the past year even as major chains continued growing.

> **SO WHAT:** The specific use case, mining existing review data for brand-perception gaps, is notable precisely because it requires no new technology investment or data infrastructure from

independents, just a sophisticated prompting approach applied to data they already generate organically through Yelp, Google and TripAdvisor reviews. SpotOn's Bryla draws an important distinction that complicates the "AI levels the playing field" narrative: the differentiator independents actually have, hospitality and local-market intuition, isn't something AI replicates or should try to replace, meaning the realistic AI opportunity for independents is narrowly bounded to administrative and analytical tasks, not the guest-experience layer where independents still hold a genuine structural advantage over chains.

> **NOW WHAT → FutureBridge:** If you run independent or small-chain restaurants, deploy AI narrowly where it pays without new infrastructure, mining the Yelp, Google, and TripAdvisor reviews you already generate for brand-perception gaps, and do not try to match chain-scale tech stacks you cannot staff. Protect the hospitality and local-market intuition AI cannot replicate as your real differentiator. FutureBridge **Technology Scouting** maps which low-cost AI tools are genuinely usable for resource-constrained operators versus those requiring chain-level sophistication, while **Consumomics PECA-V** scoring tells you which guest-perception gaps actually move demand so you fix the ones that matter first, letting your team close the gap without chasing tools you cannot run well.

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50. Fat Brands Assets Approved for Sale

Restaurant Dive* | *Read Article

A bankruptcy court approved the sale of Fat Brands' restaurant assets for nearly $1 billion across multiple transactions: Twin Peaks sold to TWNPKS Bid Co. for $359 million in a debt-to-equity conversion, while Round Table Pizza, Johnny Rockets, Fazoli's, Great American Cookies and seven other concepts sold collectively to lender group FBG Bid Co. for $595 million, with Hot Dog on a Stick and Elevation Burger sold separately for $8 million and $2.5 million respectively. The total represents significantly less than the roughly $1.4 billion debt Fat Brands carried at its January Chapter 11 filing, following years of debt-funded acquisitions and litigation against former CEO Andy Wiederhorn.

> **SO WHAT:** This is a cautionary case study in debt-funded multi-brand roll-up strategy: Fat Brands accumulated over a dozen restaurant concepts through acquisition, and the bankruptcy proves that scale alone didn't generate enough combined cash flow to service the debt taken on to build it, a lesson directly relevant to any other multi-brand restaurant holding company currently pursuing a similar acquisitive growth strategy funded by leverage.

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51. Starbucks Cuts Support Roles and Closes Support Centers

Restaurant Dive* | *Read Article

Starbucks is eliminating roughly 300 U.S. corporate jobs and closing four support centers in Dallas, Atlanta, Chicago and Burbank, its third round of corporate layoffs under CEO Brian Niccol, following 1,100 cuts in February 2025 and 900 more in September 2025, while simultaneously building a $100 million, 2,000-employee secondary headquarters in Nashville. The company says savings will fund its Back to Starbucks turnaround, which has driven 7.1% same-store sales growth and 4.3% transaction growth in North America most recently.

SO WHAT: The explicit connection to "reducing future operational complexity" at Reserve and Roastery locations, paired with cuts that pointedly exclude any coffeehouse-level impact, indicates this round of cuts is aimed at simplifying Starbucks' premium-format experimentation rather than its core retail operations, a sign the company may be quietly scaling back ambitions for Reserve/Roastery expansion even as core-format turnaround metrics improve.

NOW WHAT → FutureBridge: If you compete with Starbucks in premium beverages or specialty formats, read the Reserve and Roastery-focused cuts as Starbucks quietly retrenching from format experimentation, and decide now whether that opens white space for your premium concept while its core turnaround consumes management attention. As an operator, weigh whether a lean-corporate, strong-retail model is one you can adopt to fund your own field investment. FutureBridge **Company Genomics** maps where Starbucks is actually pulling back versus doubling down, so your strategy team targets the premium-format space it is vacating rather than reacting to the headline turnaround number.

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52. Starbucks Drops AI Inventory System

Restaurant Dive* | *Read Article

Starbucks retired its nine-month-old Automated Counting computer-vision inventory system, built with NomadGo and announced with enthusiasm in September 2025, after employees reported persistent mislabeling and miscounting of items like milk varieties and syrups; the chain has returned to manual inventory counting for those categories. CEO Brian Niccol has separately committed to daily replenishment by the end of calendar 2026 to support an expanded food menu, framing reliable in-stock positions as a prerequisite for further menu innovation.

SO WHAT: A nine-month deployment-to-retirement cycle for a flagship AI tool, at a company with Starbucks' technology resources and an enthusiastic public launch just months earlier, is a meaningful data point on the gap between AI demo performance and reliable production deployment in physical-retail computer-vision applications specifically. This follows closely behind a Pizza Hut franchisee's $100 million lawsuit over an AI delivery-aggregator system, meaning two prominent quick-service AI deployment failures have surfaced within weeks of each other, a pattern that should make other restaurant chains more cautious about computer-vision and AI-driven operational tools that haven't been validated at the specific SKU-density and lighting-condition complexity of an actual retail environment before company-wide rollout.

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53. Inspire Brands Files for an IPO

Restaurant Dive* | *Read Article

Inspire Brands, owner of Dunkin', Baskin-Robbins, Buffalo Wild Wings, Arby's, Jimmy John's and Sonic, filed a draft S-1 registration statement, with proceeds earmarked to repay existing term-loan debt. The diversified portfolio spans breakfast/coffee, casual dining/sports bars, sandwiches, burger QSR and desserts, making it more diversified than comparable-scale peers RBI and Yum (primarily QSR) or Brinker and Bloomin' (full-service only), and follows Jersey Mike's recent S-1 filing and Black Rock Coffee's successful prior-year IPO.

> **SO WHAT:** Inspire's IPO timing arrives precisely as individual restaurant subsectors are diverging sharply, chicken QSR struggling (Popeyes), pizza under margin pressure (Papa Johns, Pizza Hut), value burger resurging (Burger King), making the case for Inspire's structural advantage: a six-concept portfolio spanning breakfast, casual dining, sandwiches and desserts is mechanically insulated from any single subsector's downturn in a way single-concept public companies are not. A successful Inspire listing would likely accelerate IPO interest across the rest of Roark Capital's portfolio (Subway, GoTo Foods, Dave's Hot Chicken), while the parallel trend of struggling single-concept chains like Papa Johns exploring going private suggests the public markets may be bifurcating: rewarding diversified multi-brand platforms while penalizing exposed single-concept chains during sector-specific downturns.

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54. Independent Restaurants Put Politics Around Labor, Delivery and Fees on the Agenda

Restaurant Dive **|** ***Read Article***

The Independent Restaurant Coalition is prioritizing immigration reform (citing over-a-year work-permit backlogs and enforcement-driven workplace fear), service-charge tax fairness (service charges are taxed as restaurant revenue while tips are not, despite both funding employee compensation), and the Credit Card Competition Act, while also opposing the proposed Sysco–Restaurant Depot merger, which IRC's Erika Polmar says would eliminate the price-checking leverage independents currently use against Sysco by combining 337 distribution centers with Restaurant Depot's 166 large-format warehouses.

> **SO WHAT:** Independent restaurants' core structural disadvantage, no negotiating leverage with card networks, delivery platforms or distributors, is the same disadvantage immigrant-community-exposed restaurants face with enforcement risk documented elsewhere this month: capital and scale buy insulation from policy volatility that independents simply don't have. The Sysco–Restaurant Depot merger opposition is the most concrete near-term test case: if the FTC clears the deal, independents lose their last informal price-discovery mechanism against their primary distributor, which would functionally extend Sysco's pricing power over a segment that already operates on 3-6% margins with no room for error.

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55. Krispy Kreme Shifts Toward Refranchising, Logistics and Digital Growth

Restaurant Dive **|** ***Read Article***

Krispy Kreme's adjusted EBITDA rose 38% (260 basis points) year-over-year as the company completed its shift to third-party delivery logistics, added a second consecutive quarter of net U.S. door growth (275 new doors concentrated in Publix, Sam's Club and Target) following the end of its McDonald's partnership that removed doughnuts from up to 2,400 locations, and completed a $90 million refranchising deal converting itself from majority to minority owner of West Coast operator WKS Restaurant Group. Average weekly sales rose 17% year-over-year, with 23% of retail sales now coming through digital and third-party channels.

SO WHAT: Exiting the McDonald's wholesale partnership while simultaneously growing average weekly sales 17% suggests Krispy Kreme's turnaround thesis, fewer, more strategically chosen distribution points rather than maximum door count, is working, trading volume for profitability per location. The completion of third-party logistics transition frees Krispy Kreme's internal teams to focus on demand-side growth (digital, loyalty, limited editions) rather than supply-chain management, which is the same operational-simplification logic Papa Johns is applying to its menu, a broader pattern this month of food companies concluding that doing fewer things better outperforms maximizing scale or complexity.

56. Starbucks Seeks to Unlock Food Business With Daily Deliveries

Baking Business* | *Read Article

Starbucks is pushing daily food deliveries to capture more of its own daypart concentration, the company notes 50% of business happens before 10 a.m. and 65% before noon, as it works to grow food attach rates beyond the morning rush, an initiative that follows CEO Brian Niccol's broader commitment to daily replenishment by the end of calendar 2026.

SO WHAT: A daypart-diversification push from the category's largest player is a direct response to the same morning-concentration problem documented elsewhere this period, Starbucks' own data confirming 65% of business happens before noon quantifies exactly why the company is racing to build out afternoon and evening food occasions before competitors like Dutch Bros (which is already winning on breakfast-daypart momentum) and McDonald's beverage expansion erode its remaining daypart advantage.

THEME 6:

CPG Portfolio Architecture Under Structural Pressure

The Companies That Invested Early Are Reshaping. The Companies That Did Not Are Restructuring

57. IFF Exits Food Ingredients to Sharpen Taste, Scent and Biosciences Positioning

Food Dive* | *Read Article

IFF is selling its food ingredients business, texturants, emulsifiers and plant-based solutions, and the company's largest division by revenue at nearly $3.3 billion in 2025, to CVC Capital Partners for $4.3 billion, retaining a 10% stake, in a deal expected to close by mid-2027. The divestiture follows IFF selling 13 non-core businesses for nearly $10 billion in gross proceeds since its $26.2 billion DuPont nutrition acquisition in 2021, and leaves the company with three core units: scent, taste, and health and biosciences.

> **SO WHAT:** Divesting your single largest revenue segment is a stronger signal than typical portfolio pruning, IFF is concluding that scale in food ingredients specifically no longer justifies the capital and management attention it requires relative to higher-margin scent and biosciences. The food ingredients unit's 3% revenue decline in 2025 complicates IFF's "growth and profitability" framing: this reads as much like exiting a structurally challenged segment as it does sharpening focus on winners, and the active deal-making climate among ingredient players, Tate & Lyle's takeover talks with Ingredion, Heartland's purchase of Whole Earth's Americas sweetener business, suggests further consolidation in food ingredients is imminent.

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58. Danone's Huel Move Signals Protein-Led Nutrition Is Moving Into Competition Review Territory

Food Navigator* | *Read Article

The UK Competition and Markets Authority opened an information-gathering review of Danone's roughly $1.2 billion acquisition of meal-replacement brand Huel, inviting comments on competition impact through June 10, 2026, before deciding whether to launch a formal Phase 1 investigation. Huel, which will report revenues exceeding £250 million for 2025 and operates across more than 25,000 retail locations, faces a market growing at a projected 7.46% CAGR through 2031, with Danone framing the deal as expanding its functional nutrition portfolio alongside recent acquisitions of The Akkermansia Company and a majority stake in Kate Farms.

> **SO WHAT:** The signal isn't the deal; it's that regulators are starting to treat 'functional nutrition' as its own definable market rather than a corner of food and beverage. That reclassification quietly raises the antitrust bar for the next wave of challenger-brand roll-ups in protein snacking and complete-nutrition shakes, exactly the high-growth shelf retailers and CPG buyers have been chasing. If the CMA imposes remedies, Danone's freedom to integrate Huel's distribution and pricing narrows, and the deal-structuring template ripples globally. The category everyone wants to buy into is becoming the category regulators most want to scrutinize.

> **NOW WHAT → FutureBridge:** If functional nutrition is on your own acquisition or private-label sourcing roadmap, build regulatory risk into deal screening now rather than at signing. Flag any target above the size where 'functional nutrition' could be carved out as a distinct market, and adjust your offer structure and timeline accordingly. FutureBridge's **Regulatory Prediction** and Impact modeling scores the probability a given functional-nutrition deal draws a CMA or FTC review

based on precedent, and **Company Genomics** builds a patent-backed genome of any target so your corporate development team can judge strategic fit and price regulatory delay into the bid before you commit capital.

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59. Ferrero Revives Wonka With Netflix

Food Dive* | *Read Article

Ferrero is relaunching the Wonka confectionery brand, acquired from Nestlé in 2018 as part of a $2.8 billion U.S. candy business purchase, through an exclusive global partnership with Netflix, introducing 10 seasonal and limited-edition chocolate, sugar confectionery, ice cream and cereal products this fall timed to Netflix's 2026 reality series "The Golden Ticket" and a 2027 animated film. Netflix acquired the Roald Dahl Story Company in 2021 and is actively expanding the on-screen Wonka universe to support the consumer-products tie-in.

> **SO WHAT:** This is a multi-category licensing play, spanning chocolate, cereal and ice cream rather than confectionery alone, that uses Netflix's content calendar as a built-in, multi-year marketing engine Ferrero doesn't have to fund independently, a materially different economics than a traditional one-off movie tie-in promotion. The cross-category stretch into cereal and ice cream signals Ferrero is using Wonka specifically to gain shelf space and trade-spend conversations outside the candy aisle, treating the brand less as a confectionery line and more as a multi-aisle entertainment-IP platform, a strategy that other media-owned food brands (Disney, Sesame Street licensees) may find harder to replicate without Ferrero's confectionery manufacturing depth.

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60. Kraft Heinz Launches America250 Portfolio Campaign

Food Dive* | *Read Article

Kraft Heinz launched "The United Tastes of America," its largest portfolio marketing campaign in company history, as an official America250 sponsor timed to Memorial Day and summer cookout season, featuring Heinz, Oscar Mayer, Kraft Singles, Kraft Real Mayo and Kraft dressings together in coordinated national advertising. The campaign coincides with limited-edition products including Velveeta America Shapes pasta and Jet-Puffed Jumbo Stars marshmallows with glow-in-the-dark packaging, and follows a 37% year-over-year increase in Kraft Heinz's Q1 marketing spend.

> SO WHAT: The 37% marketing spend increase alongside this consolidated approach suggests Kraft Heinz is betting that scale and message coordination, not just total dollars, drive better ROI on its turnaround marketing investment, a test case other multi-brand CPG portfolio companies with similarly fragmented brand marketing structures will be watching closely.

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61. Danone Exits Lifeway Stake

Food Dive* | *Read Article

Danone sold its entire 22.7% stake in kefir maker Lifeway Foods for roughly $67.4 million, at $19.50 per share, well below its 2024 takeover offer of $27 per share, ending a 27-year shareholder relationship marked by multiple rejected acquisition attempts and tit-for-tat litigation. Lifeway reported record 2025 net sales of $212.5 million, up 13.7% year-over-year, with Q1 2026 sales up 36.7%, even as legal costs from the Danone dispute added more than $2 million to administrative expenses in 2025.

> **SO WHAT:** Danone's own kefir business under the Activia brand is simultaneously "flying off the shelves" in Europe per the company's CFO, suggesting Danone concluded it can capture probiotic-dairy growth organically rather than through a contested U.S. acquisition, a strategic pivot that removes a long-standing overhang from Lifeway's cap table and may make Lifeway a cleaner acquisition target for other functional-dairy strategic buyers going forward.

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62. Tostitos and Modelo Stretch Familiar Brands Into New Consumption Occasions

Food Dive* | *Read Article

PepsiCo's Tostitos launched its first-ever refrigerated dip, Chunky Guacamole, entering the chilled aisle for the first time as part of a broader brand refresh emphasizing whole-corn, no-artificial-ingredient positioning; Modelo launched Chelada Suprema, an 8%-ABV blended Mexican beer cocktail in Mangonada and Tropical flavors aimed at Gen Z's appetite for high-proof, international-flavored ready-to-drink options; and Hershey's Jolly Rancher partnered with Ryl Tea on a zero-sugar iced tea line replicating the candy's blue raspberry, green apple and cherry flavors.

> **SO WHAT:** PepsiCo citing that 64% of consumers already eat guacamole with tortilla chips, and Modelo citing Mintel data that over 70% of Gen Z/Millennial drinkers want to experiment with new RTD flavors, shows both companies grounding format extensions in pre-existing behavioral data rather than speculative bets, a more disciplined extension methodology than the broader CPG industry's historical brand-extension failure rate would predict.

> **NOW WHAT → FutureBridge:** Apply the same behavioral test to your own assortment or brand portfolio: before granting shelf space or greenlighting a line extension, require an existing-behavior overlap stat like the 64% guac-and-chips figure, not a trend narrative. Kill extensions that can't show pre-existing cross-category demand. FutureBridge's **Consumomics PECA-V** scores which of your categories or brands carry that kind of structural cross-purchase behavior, so your category and innovation teams back data-grounded extensions and decline the speculative ones before commercial commitment.

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63. Monster Beverage Corp. Updates Innovation Strategy After Crossing $2B Quarterly Revenue

Food Business News* | *Read Article

Monster Beverage crossed $2 billion in quarterly revenue for the first time and is revising its innovation pipeline to defend share as functional and energy beverage competition intensifies.

> **SO WHAT:** When a $2 billion-a-quarter leader resets its innovation pipeline, it isn't defending share; it is resetting the pace every challenger must match on distribution and marketing

simultaneously. For a retailer, that means the next Monster wave will crowd cooler space and trade dollars, squeezing the smaller functional and energy brands you carry for differentiation. The energy and functional set is bifurcating: the scale leader sets the cadence, and the long tail either finds a defensible niche or loses its facing. Your shelf is about to feel the same consolidation pressure the category is feeling.

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64. US Dealmaking Weathers Global M&A Slowdown as PepsiCo Closes $1.95B Poppi Acquisition

Food Business News* | *Read Article

PepsiCo completed its $1.95 billion acquisition of prebiotic soda brand Poppi, diversifying its functional-beverage portfolio even as broader global M&A activity slowed, underscoring continued strategic-buyer appetite for high-growth challenger brands in gut-health and functional categories.

> **SO WHAT:** PepsiCo is running build and buy in the same category at once: organic prebiotic-cola R&D and a $1.95 billion Poppi acquisition. That dual track tells you the gut-health functional set is now a strategic priority big enough that scale players will pay up even while broader M&A stalls. For a retailer or distributor, the read-through is that the independent challenger brands giving your set its discovery edge are acquisition bait, and the ones that get bought will be repriced, repackaged and pushed through PepsiCo's distribution muscle. The white space you stock for differentiation is being bought up underneath you.

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65. Flowers Foods Has High Hopes for Nature's Own Relaunch

Food Business News* | *Read Article

Flowers Foods is relaunching Nature's Own, its core loaf bread brand representing roughly 38% of branded retail sales, after Chairman and CEO A. Ryals McMullian flagged it as a recent soft spot for the business.

> **SO WHAT:** A supplier leaning on one brand for 38% of branded retail sales, and admitting it has gone soft, is a concentration risk that lands on the retailer's shelf, not just Flowers' P&L. When a relaunch resets packaging, formulation and price on a center-store staple that anchors your bread set, your shelf and your private-label loaf are both directly exposed. The relaunch is a tell that the incumbent is on the defensive in a category shoppers buy on autopilot. The slow-bleed categories are exactly where a sharper private-label play quietly takes share while the national brand is busy fixing itself.

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66. Campbell's Co. Facing 'Tough Decisions' in Salty Snacks as Meals & Beverages Organic Sales Fall 4%

Food Business News* | *Read Article

Campbell's reported continued pressure in salty snacks alongside a 4% organic sales decline in its Meals & Beverages unit for the quarter ended May 3, prompting management to signal difficult portfolio choices ahead.

> **SO WHAT:** A 4% organic decline in a core legacy segment, paired with explicit "tough decisions" language from management, is the kind of pre-announcement framing companies typically use ahead of a divestiture, brand discontinuation, or major reformulation push, Campbell's appears to be preparing investors for structural portfolio action rather than incremental fixes. This follows the same pattern seen with IFF's food-ingredients divestiture and Beyond Meat's beverage pivot earlier this period: legacy categories under sustained pressure are increasingly being addressed through portfolio restructuring rather than turnaround marketing alone, suggesting CPG companies broadly have shifted from "fix it" to "reshape it" as the default response to structural category decline.

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67. Brewer Innovation Key to Keurig Dr Pepper's Coffee Spinoff

Food Business News* | *Read Article

Keurig Dr Pepper's planned coffee spinoff is centering on its Alta brewing system, which uses eco-friendly pods free of aluminum and plastic, leaving only grounds after brewing.

> **SO WHAT:** Building a standalone coffee entity around proprietary, sustainable-pod hardware, rather than around brand portfolio alone, gives the spinoff a defensible hardware moat similar to the original Keurig K-Cup ecosystem lock-in, but applied to a sustainability positioning that single-use plastic pod systems increasingly struggle to defend against regulatory and consumer pressure. This creates a dedicated, hardware-anchored commercial counterpart specifically for sustainable packaging and pod-material suppliers, a structurally different supplier relationship than commodity coffee bean sourcing, companies in that supply niche should treat the spinoff's finalization as a discrete go-to-market event worth tracking closely.

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68. Coca-Cola Seeking to Hold Share Among Low-Income Consumers Via Price-Pack Architecture

Food Business News* | *Read Article

Coca-Cola detailed strategies for retaining budget-conscious consumers, including price-pack architecture and channel segmentation, as the company manages affordability pressure across its portfolio amid the same K-shaped economic environment and trade-down behavior documented throughout this period's grocery and restaurant coverage.

> **SO WHAT:** A scale beverage leader formalizing price-pack architecture as an explicit defensive strategy, rather than treating it as routine pack-size variation, signals Coca-Cola views low-income consumer retention as significant enough to merit a named, structured strategic response, consistent with Cava's explicit K-shaped-economy framing and Walmart's price-cut extension

> documented elsewhere in this briefing. This formalization by one of the largest CPG companies in the world is likely to accelerate broader industry migration toward SKU proliferation by price tier, since competitors and retailers will benchmark their own affordability strategies against Coca-Cola's publicly detailed approach, a packaging and co-pack capacity planning signal that suppliers serving multiple beverage categories should treat as a leading indicator.

THEME 7:

Protein, Functional Nutrition and the Reformulation Race

The Capability Gap Is Widening Between Companies That Invested Early and Those That Did Not

69. ADM Shows Reformulation Has Become a Mainstream CPG Capability Race

Food Dive* | *Read Article

ADM is investing $26 million to expand its Erlanger, Kentucky reformulation and innovation hub by 40% in capability, following a $15 million expansion in 2025, as the company structures its formulation work around five pillars: reduced sodium, reduced sugar, more protein, optimized fat and cleaner label. ADM data shows 57% of consumers are trying to minimize sodium intake, 83% are avoiding or reducing sugar, and 66% are actively seeking more protein, with the company estimating roughly 10% of Americans are on GLP-1 medications for weight loss or Type 2 diabetes.

> **SO WHAT:** ADM's framing of reformulation as an "imperative" rather than an innovation nice-to-have, backed by back-to-back capital investments in 18 months, indicates ingredient suppliers see sustained multi-year demand rather than a passing MAHA-driven compliance cycle. The five-pillar structure, sodium, sugar, protein, fat, clean label, is becoming a standardized reformulation taxonomy that ingredient suppliers are organizing R&D investment around, which means CPG brands without a reformulation partner offering coverage across all five pillars risk falling behind competitors who can move faster on bundled solutions. GLP-1 demand is explicitly cited as a driver of protein-fortification investment, confirming ingredient suppliers are underwriting capital expenditure against GLP-1 prevalence assumptions.

> **NOW WHAT → FutureBridge:** Map your own portfolio against the five-pillar reformulation taxonomy and pick a single reformulation partner who covers all five rather than stitching together point suppliers, because the brands that move on bundled solutions will reset shelf within 12 to 18 months. Prioritize the SKUs most exposed to sodium, sugar and clean-label scrutiny first. FutureBridge's **TerraCaptus** uses patent data to show which ingredient suppliers and substitute supply chains (plant proteins, potassium salt substitutes, stevia) can actually scale to your volume, so your R&D and sourcing teams pick a reformulation partner who won't bottleneck your timeline.

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70. WK Kellogg Puts Nutrition Architecture On-Pack to Defend Cereal Relevance

Food Dive* | *Read Article

WK Kellogg is rolling out a SPOONS on-pack nutrition framework, covering simple ingredients, protein, outstanding fiber, other nutritious nutrients, and single-digit sugars, across legacy brands including Corn Flakes, Rice Krispies, Raisin Bran and Frosted Mini-Wheats over the next year, with a QR code linking to further detail. A serving of Raisin Bran under the new label shows 7 grams of fiber and 5 grams of protein, positioned to counter consumer perception that cereal is highly processed and sugar-laden.

> **SO WHAT:** This is a category-defense move executed through labeling rather than reformulation, WK Kellogg is betting that cereal's nutrition profile was already competitive but poorly communicated, rather than spending capital to change the underlying product. Launching SPOONS roughly a year after being acquired by Ferrero signals new ownership is prioritizing perception repair as the fastest lever to stabilize a declining category, ahead of or alongside any reformulation

investment, which is a materially cheaper and faster strategy than the ADM-style ingredient overhaul other CPG categories are pursuing simultaneously.

NOW WHAT → FutureBridge: Before you give SPOONS-fronted cereal incremental facings or promo support, decide whether the labeling actually wins back lapsed buyers or merely reassures your existing cereal shoppers, because the answer determines whether you expand the set or hold it. Set a trial-and-repeat threshold the relaunch must clear to earn space. FutureBridge's **Consumomics PECA-V** measures whether on-pack nutrition frameworks shift purchase intent among cereal-avoidant shoppers specifically, so your category team allocates space to a real recruitment story rather than a repackaging that only slows the decline.

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71. Protein, Snacking and Mocktails Converge in Mainstream Brand Extensions

Food Dive* | *Read Article

Hidden Valley Ranch entered the refrigerated aisle for the first time with 15-gram-protein chicken-and-dressing Dippers developed via licensing with Carl Buddig, citing a 2025 IFIC survey showing seven in 10 Americans are actively trying to consume more protein; Nestlé launched bite-sized Hot Pockets Snack Breaks designed for individual snacking occasions; and Unilever's Liquid IV introduced a caffeinated, sugar-free lime margarita mix-in targeting the nonalcoholic "happy hour" mocktail occasion, in a hydration mix-in category estimated at $635 million and projected to reach $730 million by 2031.

SO WHAT: Three unrelated brand owners independently converging on protein-forward formats, bite-sized snacking occasions, and functional mocktails in the same week confirm these are no longer niche positioning bets but baseline expectations for new product development across center-store categories. Ranch dressing, a condiment, now functions as a licensable flavor platform extending into adjacent categories via partnership rather than internal R&D, which is a faster and lower-capital path to category extension that established CPG brands with strong flavor equity should be replicated.

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72. Kraft Heinz Launches Dye-Free Jell-O Line

Food Dive* | *Read Article

Kraft Heinz launched Jell-O Simply, a gelatin line with no synthetic colors or artificial sweeteners and 25% less sugar than standard ready-to-eat Jell-O, using real fruit juice instead. The launch is part of Kraft Heinz's commitment to remove FD&C artificial colors from its entire U.S. portfolio, including Kool-Aid, Crystal Light and Jet-Puffed, by the end of 2027, backed by new CEO Steven Cahillane's $600 million brand-investment plan.

SO WHAT: Kraft Heinz committing to strip FD&C dyes from its entire U.S. portfolio by end of 2027, backed by $600 million, converts clean-label from a marketing claim into a hard supply-chain deadline that flows straight to retailers. The second-order effect: dual-running reformulated and legacy versions of Kool-Aid, Crystal Light, Jet-Puffed and Jell-O across a transition window creates SKU duplication, label-change churn and assortment decisions on your shelf. Jell-O Simply is the

> test SKU for whether the whole program holds. When a top supplier puts a date on dye removal, every retailer carrying its portfolio inherits that clock.

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73. Bel Buys Brainiac to Expand Better-For-You Snacking in the U.S.

Food Dive* | *Read Article

Bel Group, owner of Babybel, GoGo squeeZ, The Laughing Cow and Boursin, acquired Ingenuity Foods' Brainiac brand, fruit pouches, fruit snacks and gummy vitamins targeting brain, gut and immune health that posted triple-digit sales growth over the past year, in an undisclosed deal led by new North America CEO Peter McGuinness, who previously described inheriting a portfolio of "sleeping beauties" Bel had underinvested in promoting. The deal follows Bel's $200 million Babybel production-capacity expansion and a Foodberry partnership for fruit-based snacks.

> **SO WHAT:** While everyone else crowds into protein and fiber, Bel bought a brain-, gut- and immune-health platform, betting the less-contested functional claim is where the next margin sits. That is the contrarian move worth noticing: the protein shelf is saturating, and differentiated functional positioning is becoming the scarcer, more defensible white space. For a retailer, Brainiac's triple-digit growth under a now better-funded owner means kids' functional snacking is about to get a serious promotional push and a credible challenger to the protein-bar incumbents. The opportunity in functional snacking is no longer 'add protein'; it is owning a benefit the protein crowd hasn't claimed yet.

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74. Protein Powder Shortages Turn Wellness Demand Into a Pricing-Power Test

Food Dive* | *Read Article

Standard whey protein powder prices have risen more than 50% since January per DCA Market Intelligence, with whey protein concentrate (80% protein) spot prices topping $11 and protein isolate "firmly in the $12s" per USDA, as some suppliers report being sold out for the rest of 2026. BellRing Brands CEO Darcy Davenport said whey prices have reached "historic highs," while U.S. dairy producers have announced $11 billion in new manufacturing capacity across 19 states to expand supply, with the International Dairy Foods Association projecting milk production growth of 15 billion pounds by 2030.

> **SO WHAT:** Whey is up over 50% since January and some suppliers are sold out through 2026, but the trap is assuming the $11 billion in new dairy capacity fixes it fast. It doesn't cleanly: making more whey makes more butterfat, and that surplus creates a second price imbalance, so supply normalization will be slower and lumpier than the headline capacity number suggests. For any retailer or foodservice operator stocking protein bars, shakes and high-protein private label, this is a multi-quarter cost shock baked into your fastest-growing set, not a transient spike. The protein boom you have been merchandising is now colliding with the cost of the protein itself.

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75. Oterra and Debut Push Red 40 Replacement Toward Commercial Scale

Food Dive* | *Read Article

Oterra entered a multi-million-dollar partnership with biotech firm Debut to scale a precision-fermentation-derived alternative to Red 40, used roughly 60% of branded candies and 21% of sodas per MIT analysis, with both companies targeting FDA approval and commercial-scale availability within three years. Unlike Oterra's existing crop-based natural colors (red sweet potatoes, beets), the fermentation approach decouples color production from agricultural volatility, offering stable pricing and supply regardless of weather, and could also unlock a future Yellow No. 6 replacement using the same platform.

> **SO WHAT:** The real story isn't the Red 40 replacement; it's the FDA delaying a separate fermentation-derived color after a consumer group argued it was 'synthetic, not natural.' That classification fight will decide whether precision-fermentation colors get to wear a clean-label claim at all, which determines whether the Oterra-Debut three-year timeline holds or slips. For retailers and CPG buyers counting on synthetic-dye replacements to hit shelf on schedule, the supply may arrive but the 'natural' label that justifies the premium may not. The replacement pipeline everyone is banking on faces a labeling verdict, not just a manufacturing one.

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76. Suja Life's IPO Monetizes Health-and-Wellness Demand

Food Dive* | *Read Article

Suja Life, maker of Suja, Slice Soda and Vive Organic, raised nearly $200 million in its IPO, pricing at $21 per share (the low end of its range) before shares slid 14% on the first trading day to around $17.75. CEO Maria Stipp said proceeds will fund production expansion at its 270,000-square-foot California facility and potential acquisitions, even as the company's net losses widened from $21 million to $23 million between fiscal 2024 and 2025 on 26% sales growth.

> **SO WHAT:** A 14% first-day drop and widening losses on 26% sales growth is the market telling health-and-wellness beverage challengers that top-line momentum no longer buys a pass on profitability. Suja is plowing IPO proceeds into owned manufacturing as a 'pillar of strength,' the opposite bet from the SunOpta-Refresco co-manufacturing consolidation, and the market now gets to judge both in real time. For a retailer, the read-through is that the wave of functional-beverage challengers you have been stocking for differentiation is entering a capital-discipline shakeout, and some won't survive it. Stock the brand, but underwrite the balance sheet behind it before you build a program around it.

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77. Beyond Meat Puts Protein Drinks Into Its Turnaround Plan

Food Dive* | *Read Article

Beyond Meat, recently renamed Beyond The Plant Protein Company, is centering its turnaround on Beyond Immerse, a protein-fortified sparkling beverage launching across New York this summer via distributor Big Geyser, with CEO Ethan Brown describing the company as a "beverage company in hiding" backed by board members from Coca-Cola, Boston Beer and Honest Tea. The pivot comes as Q1 net revenue fell 15% to $58.2 million and the core plant-based meat business continues struggling with retailers shifting products from refrigerated to frozen sections.

> **SO WHAT:** Beyond Meat pivoting to a protein beverage while revenue falls 15% and retailers move its core meat product from refrigerated to frozen is not diversification; it is a survival bet on an adjacent, less-scrutinized category. The signal for retailers is twofold: plant-based meat's shelf demotion to the freezer is accelerating, and a struggling brand is about to ask for new beverage facings to fund a turnaround that may not work. Stocking Beyond Immerse means underwriting a company's near-term survival, not adding a proven line. When a brand calls itself 'a beverage company in hiding' under a 15% revenue decline, read it as a distress signal, not a strategy.

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78. Brami Raises $33 Million in Series B Funding Round

Food Business News* | *Read Article

Lupini-bean pasta maker Brami raised $33 million in a Series B round earmarked for supply-chain development, reinforcing investor interest in pulse-based protein platforms.

> **SO WHAT:** A pulse-protein brand raising $33 million and pointing it at supply chain rather than marketing tells you demand isn't the constraint; sourcing and processing capacity is. Read alongside whey shortages, beef antitrust scrutiny and dairy capacity scrambles, this is investors treating pulse proteins as a structural hedge against animal- and dairy-protein volatility, not a niche dietary play. For a retailer, the read-through is that the next reliable, cost-stable protein on your shelf may be lupini, pea and lentil rather than whey or beef, and the brands scaling that supply now will be the ones who can actually deliver volume when animal protein tightens. Where the smart capital is going is the supply chain, not the ad budget.

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79. J.M. Smucker Sees Uncrustables, Café Bustelo Driving Growth as Fiscal 2026 Loss Narrows

Food Business News* | *Read Article

J.M. Smucker recorded a $139 million fiscal 2026 loss, an improvement over the prior year's larger loss, with Uncrustables and a Café Bustelo line, now past $550 million in annual sales, including new 12-gram-protein variants, cited as the company's primary growth engines.

> **SO WHAT:** The template emerging across this period is protein fortification bolted onto already-scaled brands, Café Bustelo, Kraft Mac & Cheese, Doritos, rather than new standalone protein launches, because riding existing equity and distribution is cheaper and lower-risk than building demand from zero. For a retailer, this means protein is no longer a separate set you merchandise; it is a claim migrating onto incumbent SKUs across coffee, snacks and center store. The shelf implication is reformulated-variant proliferation within brands you already carry, not a wave of new brands. Protein has stopped being a category and become an attribute spreading across your whole store.

THEME 8:

Regulatory and Policy Shocks Running Simultaneously

The Calendar Has Not Cleared Between Waves

80. California Packaging EPR Momentum Keeps Foodservice Ware in the Commercial Spotlight

Waste360* | *Read Article

California finalized an overhaul of its SB 54 extended producer responsibility regulations covering single-use packaging and food-service ware, with the rules effective immediately while the formal EPR program launch is set for 2027, following years of regulatory debate.

> **SO WHAT:** With the EPR program's 2027 launch now locked to finalized rules rather than a moving regulatory target, foodservice ware suppliers and restaurant chains have a fixed window to redesign packaging specifications, shifting this from an open-ended compliance risk into a scheduled capital-planning exercise.

> **NOW WHAT → FutureBridge:** Inventory your own packaging and foodservice-ware SKUs against California's finalized EPR fee structure now and sequence redesigns for the highest-fee formats, clamshells, cutlery, cups, before the 2027 launch turns deferral into cost. Set your packaging capital plan to the fixed timeline rather than waiting for fee invoices. FutureBridge's Regulatory Prediction and Impact modeling maps which of your packaging categories carry the steepest EPR cost and how the fee structure is likely to extend to other states, and Intelligence-Agency OSINT tracks which packaging suppliers are already retooling for compliant formats, so your operations and procurement teams redesign the right formats first and lock supply before stranded packaging investment piles up.

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81. Refrigeration-Rule Reset Changes the Timing of Grocery Cold-Chain Investment

FMI* | *Read Article

Following a White House ceremony with President Trump and EPA Administrator Lee Zeldin, the EPA extended compliance deadlines under the Technology Transitions Rule for supermarket refrigeration systems transitioning to low-global-warming-potential refrigerants, remote condensing systems move from a January 2026 deadline to January 2032, and supermarket systems from 2027 to January 2032, while also proposing to exempt Transport Refrigeration Units from the separate Leak Management Rule and announcing reconsideration of that rule's broader equipment-coverage and reporting requirements. FMI estimates the revised timeline will save the industry and consumers hundreds of millions of dollars while preserving the underlying low-GWP transition goal.

> **SO WHAT:** This frees up capital that grocers can now redirect toward store-experience and automation investment in the near term, directly supporting the kind of reinvestment FMI is separately advocating for in its human-connection store strategy, while the underlying environmental commitment remains nominally intact for 2032.

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82. EU Council Simplification Package Resets Food-Contact and Food-Safety Compliance Timing

Council of the EU* | *Read Article

The Council of the EU agreed its negotiating position on part of the "Omnibus X" simplification package, covering rules on sustainable pesticide use, farm-animal record-keeping, and outdated plastics-in-food-contact-materials regulations, as part of a broader "One Europe, One Market" roadmap targeting completion of all ten simplification packages by the end of 2027. The package aims to reduce administrative costs while explicitly maintaining existing food and feed safety, animal welfare and environmental protection standards.

> **SO WHAT:** For food and beverage companies operating across EU member states, the practical effect is a multi-year stream of incremental compliance-rule changes rather than a single large reform, which rewards companies with dedicated regulatory-monitoring capacity over those expecting to react to one major rule change and then stand down.

83. FDA Post-Market Chemical Reassessment Raises the Reformulation Bar

FDA* | *Read Article

The FDA finalized its proactive Post-Market Assessment Program for food chemicals and simultaneously launched reassessments of butylated hydroxytoluene (BHT) and azodicarbonamide (ADA), issuing requests for information on both chemicals' current uses, exposure levels and safety data, with responses due July 13, 2026. The program follows a February 2026 request for information on butylated hydroxyanisole (BHA) and uses an AI-based monitoring platform alongside traditional channels to detect safety signals, triage and prioritize chemicals for review on an ongoing basis.

> **SO WHAT:** BHT and ADA both have well-established, lower-risk reformulation pathways already in commercial use elsewhere in the industry, much of U.S. baking has already voluntarily phased out ADA, which means this reassessment functions less as a genuine safety open question and more as formal regulatory pressure to accelerate reformulation timelines that some manufacturers had been deferring.

84. Frozen-Shrimp Advisory Puts Imported Seafood Compliance Back Into Retailer Risk Systems

SeafoodSource* | *Read Article

The FDA's ongoing response to Cesium-137 contamination traced to Indonesian processor PT. Bahari Makmur Sejati (BMS Foods) has expanded into a standing import alert covering all shrimp and spice shipments from identified firms at every U.S. port of entry, after Customs and Border Protection first flagged contaminated shipping containers at the Ports of Los Angeles, Houston, Savannah and Miami; the contamination has also been detected in cloves from a separate

Indonesian spice supplier, triggering a parallel import alert. Retailers including Walmart (Great Value brand) and Kroger (Mercado brand) issued recalls tied to the affected supply chain.

> **SO WHAT:** A single contamination event originating at one Indonesian industrial site has cascaded across two unrelated commodity categories, seafood and spices, and multiple major retail private-label programs, illustrating how concentrated certain import categories remain at the supplier level despite retailers sourcing under different brand names. The standing, port-wide import alert structure means any future shipment from the flagged firms is blocked by default rather than requiring case-by-case detection, which is a more durable compliance posture than the recall-after-the-fact pattern that characterized the early weeks of this incident. Legislative proposals like the Destruction of Hazardous Imports Act, which would let FDA destroy failed-inspection shipments outright, are gaining momentum directly because of incidents like this one.

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85. DOJ Beef Scrutiny Turns Protein Inflation Into a Channel-Strategy Issue

Food Dive* | *Read Article

The Justice Department confirmed an antitrust investigation into major beef producers, JBS, Cargill, Tyson and National Beef control 85% of processing, as ground beef prices approach $7 a pound amid the worst cattle shortage in 75 years. The DOJ separately plans a "historic settlement" with Agri Stats, a data provider DOJ sued in 2023 for allegedly facilitating price coordination among pork and poultry processors, which officials say will directly affect chicken, pork and turkey prices. A prior, similar antitrust probe opened in 2020 closed after five years with no findings.

> **SO WHAT:** The explicit comparison drawn by White House counselor Peter Navarro, that this investigation differs from the 2020-2025 probe in "velocity, intent and actual action", combined with an imminent Agri Stats settlement rather than just an open-ended beef investigation, suggests near-term regulatory action is more likely this cycle than the prior five-year null result. If the Agri Stats settlement does meaningfully affect chicken, pork and turkey pricing as DOJ officials claim, it would represent the most direct government intervention in protein pricing mechanics in years, a development food retailers and restaurant chains with significant protein cost exposure should be modeling now rather than waiting for the settlement's actual terms to be announced.

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86. The Hemp THC Ban Holds, Forcing Beverage and C-Store Players to Recalculate Shelf Risk

Food Dive* | *Read Article

The House voted to maintain a federal ban on intoxicating hemp beverages as part of the long-delayed Farm Bill, closing a loophole that had allowed production even in states with strict marijuana regulations; the bill now moves to the Senate, where Sen. Rand Paul has proposed a state opt-out provision. The roughly $1 billion intoxicating hemp beverage market has expanded into retailers including Target and DoorDash, and Boston Beer CEO Jim Koch said the intact ban removes "a fair amount of the excitement" around hemp THC's competitive threat to traditional beer.

> **SO WHAT:** The House's decision not to rescue the category, combined with a major beer-industry CEO publicly characterizing the threat as diminished, suggests the alcohol industry's multi-year lobbying effort against hemp THC competition is succeeding at the federal level even before the Senate acts, Koch's comments function as a public declaration of relief from a direct competitor, which is a meaningful market signal in itself. The Senate remains the last viable path for the category's survival via Rand Paul's state opt-out proposal, meaning the roughly $1 billion hemp beverage market's near-term fate now hinges on a single chamber and a single procedural mechanism, retailers like Target who have built shelf space and merchandising programs around the category face a binary, near-term resolution rather than a gradual wind-down.

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87. FDA Leadership Disruption Raises Food-Regulatory Uncertainty

Food Dive* | *Read Article

FDA Commissioner Marty Makary resigned, with Kyle Diamantas, previously deputy commissioner for food and a close ally of HHS Secretary Robert F. Kennedy Jr.'s MAHA agenda, stepping in as acting commissioner. Diamantas has championed efforts to define ultraprocessed foods, push artificial-dye phase-outs, and expand post-market oversight of the GRAS (Generally Recognized as Safe) food-chemical approval process, with the FDA's FY27 budget requesting $57 million in additional funding specifically for MAHA-related food initiatives.

> **SO WHAT:** Replacing a traditionally credentialed physician-commissioner with a food-policy-focused MAHA ally, rather than another medical or pharmaceutical regulatory specialist, is a structural signal that food policy is being elevated as a priority within the FDA's broader portfolio, not just a continuation of existing initiatives under new management. An analyst's observation that FDA predictability is "about as uncertain as it's been in the past decade" was made in a drug-regulatory context, but the same uncertainty logic applies directly to food: Diamantas's expanded authority makes the GRAS overhaul, BHT/ADA/BHA reassessments, and ultraprocessed-food definition efforts documented elsewhere in this briefing more likely to accelerate rather than stall, since their primary champion now controls the agency rather than reporting up through it.

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88. USDA May Food-Price Outlook Confirms Pressure in Beef, Sweets and Beverages

USDA ERS* | *Read Article

USDA's monthly Food Price Outlook, incorporating April CPI and PPI data, continued to project food-at-home prices rising faster than their 20-year historical average in 2026, with beef and veal, sugar and sweets, and nonalcoholic beverages identified as the categories under the most sustained upward pressure, consistent with USDA's earlier-year forecasts of roughly 9-10% beef and veal inflation and mid-single-digit increases for sweets and beverages, while eggs continue trending sharply lower as production recovers.

> **SO WHAT:** The persistence of the same three categories, beef, sweets, beverages, as the primary inflation drivers across consecutive monthly USDA updates this year confirms these are structural,

> not transient, price pressures, which validates the protein-supply-shortage and DOJ-beef-antitrust narratives running through this period's CPG coverage rather than treating them as isolated events. With whey protein prices up over 50% since January and cocoa-driven chocolate-alternative launches accelerating in direct response to commodity volatility, USDA's beef and sweets forecasts are functioning as leading indicators that ingredient buyers and CPG formulators are already visibly reacting to, meaning the inflation forecast itself is now driving observable reformulation and sourcing behavior, not just describing it after the fact.

THEME 9:

Supply Chain, Ingredient Architecture and Digital Infrastructure

Consolidation and Domestic Investment Are Rewriting the Supplier Relationship Map

89. Greencore's Bakkavor Integration Strengthens UK Convenience-Food Scale

Greencore* | *Read Article

Following its £1.5 billion acquisition of Bakkavor completed January 16, 2026, Greencore reported pro forma H1 FY26 revenue growth of 3.2% to £1,318 million and pro forma adjusted operating profit growth of 15.3% to £73.3 million, with margin expanding 60 basis points to 5.6%. The combined group, now the UK's leading fresh convenience food manufacturer with roughly 28,000 employees and approximately £4 billion in pro forma annual revenue, launched 308 new products in the period and remains on track to deliver at least £80 million in annual cost synergies within three years, while leverage of 2.3x came in below the expected 2.5x range.

> **SO WHAT:** The decision to classify the US business as held-for-sale within the same results confirms this deal was conceived primarily as a UK consolidation play, Greencore is simplifying its geographic footprint at the same time it scales its category footprint, a sequencing choice that reduces integration complexity but also reduces the combined entity's diversification.

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90. Aldi UK Locks In £5 Billion of Long-Term Supplier Agreements

Food Manufacture* | *Read Article

Aldi UK committed more than £5 billion to long-term agreements, typically running two years or more, with British fresh produce, dairy, meat and egg suppliers, aiming to source 50% of domestic produce through such agreements by the end of 2027. The commitment builds on a previously announced £1.1 billion investment in UK egg production over five years and follows a separate eight-store London expansion investment, though Aldi has not disclosed how much of the £5 billion represents new spending versus existing supplier commitments being reclassified.

> **SO WHAT:** Discount grocers have historically competed on short-cycle, opportunistic sourcing to maximize price flexibility; locking in two-year-plus agreements at this scale is a structural shift toward supply security over sourcing flexibility. Aldi is effectively trading some near-term pricing agility for guaranteed British-sourced supply continuity, a hedge against the same geopolitical and climate-driven supply shocks (the report explicitly cites Middle East conflict volatility) that are pressuring food cost inflation across the sector, and the move gives Aldi a domestic-sourcing marketing narrative that larger, import-reliant competitors will find harder to match quickly.

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91. Google's Universal Cart Pushes Grocery Toward AI-Mediated Cross-Retailer Shopping

Omni Talk* | *Read Article

Google launched Universal Cart, letting shoppers add items from Search, Gemini, Gmail and YouTube into a single cross-retailer cart that surfaces discounts, tracks prices and flags product incompatibilities, building on Google's Universal Commerce Protocol for agentic shopping; Nike, Target and Walmart are among the first integration partners ahead of a U.S. rollout this summer.

> **SO WHAT:** Retailers integrating early are trading direct-traffic control for visibility inside a discovery layer they don't own, a bet that only pays off if Universal Cart drives meaningfully more total transaction volume than it diverts from retailers' own apps and sites. For grocery specifically, where basket composition and substitution logic are highly retailer-specific (private label availability, loyalty pricing, fulfillment windows), a cross-retailer cart abstraction layer faces real friction that general merchandise categories like Nike's don't.

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92. Your Packaging Compliance Stopped Being a 2027 Problem

Mayer Brown **|** ***Read Article***

On May 1, 2026, California's Office of Administrative Law approved permanent EPR regulations under SB 54, the Plastic Pollution Prevention and Packaging Producer Responsibility Act. That finalization triggered a synchronized May 31 reporting deadline across six states, California, Colorado, Oregon, Minnesota, Maryland, and Washington, requiring comprehensive 2025 packaging supply data submitted to the Circular Action Alliance. California layered on a source-reduction mandate requiring 25% plastic packaging reduction by 2032. Oregon penalties reach $25,000 per day per violation.

> **SO WHAT:** Most operators filed this under future regulatory risk. It is now an operating line item. The non-obvious point is that the May 31 reporting deadline is the cheap part; the expensive part is what the data submission reveals about your own SKU base. Once you have catalogued every package by material across six states, the 2032 plastic reduction mandate becomes a fixed redesign schedule, not an aspiration, and redesign-to-shelf cycles run three to five years. Second-order effect: the packaging architecture you specify in 2026 is the architecture you will be defending against penalty in 2029 through 2032, so a decision made this year carries a six-year compliance tail. Third-order effect: private-label programs, where the retailer is the producer of record, just inherited a regulatory obligation most grocery category teams have never owned. The companies treating this as a paperwork deadline will be the ones scrambling on redesign in 2029; the ones treating it as a redesign trigger today will have already amortized the cost.

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93. CFOs Turn to AI and Synthetic Audiences to Decode Shopper Behavior

Grocery Dive **|** ***Read Article***

At a joint CFO Dive/Retail Dive virtual event, finance executives described AI's expanding role in pricing and forecasting as legacy models struggle with shoppers who have "recalibrated what they're willing to pay and where" rather than simply panic-buying. General Mills is using AI-built "synthetic audiences" to accelerate early-stage product ideation, Albertsons is deploying AI to recommend complementary items in real time (taco shells plus ground beef prompting a salsa suggestion) to grow basket size, and panelists cautioned that AI "amplifies whatever foundation you already have" rather than fixing underlying data-quality problems.

> **SO WHAT:** The "synthetic audiences" technique General Mills is using to accelerate product ideation represents a meaningfully different AI use case than the real-time basket-building

Albertsons is deploying, one compresses R&D timelines pre-launch, the other optimizes transactions post-launch, and companies adopting only one of these two AI applications are likely leaving a structural advantage on the table relative to peers using both.

94. Nestlé Industrializes Creator Content for Brand-Safe Paid Media

Food Dive* | *Read Article

Nestlé is deploying an integration between CreatorIQ and CreativeX that automatically scores creator-submitted content for brand suitability before any media dollars are spent, available to all Nestlé brands including Nescafé, Coffee Mate and Purina at launch. The move responds to data showing creator marketing budgets surged 171% year-over-year with two-thirds of that growth coming directly from paid media budgets, even as CreativeX research found 28% of 2025 creator ad spend on Meta was wasted because branding failed to appear within a video's first three seconds.

> **SO WHAT:** A 28% spend-wastage rate on a single platform is a meaningful enough inefficiency that automating brand-suitability scoring has clear, quantifiable ROI rather than being a nice-to-have governance layer, Nestlé's move is best read as closing a measurable leak, not adopting a trend. Making the tool available to all Nestlé brands simultaneously at launch, rather than piloting with one brand first, signals confidence the underlying scoring logic generalizes across categories as different as coffee and pet food, a meaningfully more aggressive rollout posture than the cautious, multi-year validation approach McDonald's took with its own premium-beverage operational rollout this same month, illustrating how differently CPG and QSR organizations approach operational AI risk.

95. Cargill and Voyage Foods Bring Cocoa-Free Chocolate to the U.S.

Food Dive* | *Read Article

Cargill partnered with Voyage Foods to launch NextCoa, a cocoa-free chocolate alternative made from grapeseeds and sunflower seeds that mimics chocolate's taste and texture via the same alkalization process used on cocoa beans, manufactured domestically at Voyage's 284,000-square-foot Mason, Ohio facility. The product claims a 67% lower carbon footprint than traditional chocolate, is free of common allergens, and arrives as cocoa prices remain volatile after reaching record highs last year due to West African climate disruption, with Barry Callebaut separately unveiling its own cocoa-free ChoViva alternative the same week.

> **SO WHAT:** Two major chocolate and ingredient suppliers launching competing cocoa-free alternatives within days of each other confirms this is now a genuine commercial race rather than a single company's experimental bet, and the domestic Ohio manufacturing specifically addresses the "future-proofing" thesis by removing exposure to the same West African supply concentration that caused last year's price spike. Cargill's framing, explicitly rethinking which "big supply chain" commodities can be domestically sourced, signals a broader sourcing-strategy shift among major

ingredient suppliers toward reducing concentrated-geography dependency, a lesson directly applicable to the whey protein and beef supply constraints also documented this period.

96. Ingredion Bids $3.7B for Tate & Lyle

Food Dive* | *Read Article

Ingredion made a 2.7-billion-pound ($3.7 billion) takeover offer for Tate & Lyle at up to 615 pence per share, a 64% premium to Tate & Lyle's prior closing price, following multiple earlier approaches, with a formal-offer deadline of June 11 under U.K. takeover rules. The deal would combine Ingredion's $7.2 billion-revenue texture and mouthfeel business (backed by a $100 million-plus Indiana facility investment) with Tate & Lyle's 2024 CP Kelco acquisition and its position as the first supplier with an all-American stevia supply chain, even as Tate & Lyle has launched a $200 million, five-year cost-savings program amid slowing demand.

> **SO WHAT:** A 64% premium for a company that is simultaneously announcing cost-cutting due to slowing demand signals Ingredion sees Tate & Lyle's underlying texture, mouthfeel and stevia assets as strategically essential regardless of near-term demand softness, this is a capability acquisition, not a financially opportunistic one. The deal would create a combined texture-and-mouthfeel powerhouse at the exact moment "underappreciated" formulation science is becoming central to the industry's broader clean-label and protein-reformulation wave (per Ingredion's own CEO commentary), positioning the combined entity as a likely gatekeeper ingredient supplier for any CPG brand pursuing the reformulation strategies documented throughout this period's briefing.

97. Barilla Investing $170 Million in New York Facility Expansion

Food Business News* | *Read Article

Barilla is investing $170 million in a New York facility expansion, with $145 million allocated to phase one, to add domestic pasta-manufacturing capacity.

> **SO WHAT:** A category leader committing nine figures to new domestic capacity is a vote of confidence in durable, not cyclical, U.S. pasta demand, arriving at the same moment other commodity-exposed categories (cocoa, whey protein, beef) are documented elsewhere in this briefing as supply-constrained, Barilla appears to be getting ahead of a similar capacity crunch before it materializes rather than reacting to one. This kind of proactive domestic capacity investment, paired with Cargill's and Voyage Foods' parallel domestic-sourcing logic for cocoa-free chocolate, suggests a broader pattern of major food manufacturers preemptively reducing supply-chain concentration risk across multiple categories simultaneously, not just reacting to commodities that have already spiked.

98. What's Next for SunOpta After Acquisition by Refresco?

Food Business News* | *Read Article

SunOpta CEO Brian Kocher outlined increased growth opportunities for the plant-based and better-for-you co-manufacturer following its acquisition by Refresco, a global beverage co-packer.

> **SO WHAT:** Consolidation between two co-manufacturers, one focused on plant-based and better-for-you positioning, one a global generalist beverage co-packer, concentrates capacity decision-making for emerging and challenger beverage brands among fewer players, directly affecting the procurement leverage available to smaller CPG companies that rely on contract manufacturing rather than owning their own facilities. This stands in direct contrast to Suja Life's stated strategy of avoiding "over-reliance on any type of co-manufacturing capabilities" as a competitive advantage, the SunOpta-Refresco consolidation validates exactly the structural risk Suja is trying to insulate itself from, giving smaller brands without owned manufacturing fewer independent co-packing options as consolidation continues.

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99. Sysco Just Bought the One Channel That Kept Independents Honest

Sysco Investor Relations* | *Read Article

Sysco agreed to acquire Jetro Restaurant Depot for $29.1B, the largest foodservice distribution deal ever, creating an entity with roughly $100B in combined annual revenue. Jetro operates about 166 cash-and-carry warehouse locations across 35 states, serving independent restaurants and bodegas that buy on their own terms. On May 5, 2026, Georgia Agriculture Commissioner Tyler Harper formally requested a DOJ/FTC antitrust investigation, arguing the deal concentrates food supply chain power. As of June 2026 no formal challenge had been filed, but opposition was building among independent operators and state officials.

> **SO WHAT:** The story everyone is telling is broadline plus cash-and-carry equals scale. The story that matters is that Sysco just removed the pricing escape hatch. Restaurant Depot was the place an independent operator went when Sysco's delivered price felt too high; cash-and-carry was the competitive discipline on broadline margins. Buy both channels and you do not just add revenue, you internalize the substitute. Second-order effect: independent operators lose their negotiating leverage precisely as their own traffic softens, which accelerates the closure wave already underway. Third-order effect: CPG foodservice sellers now face one counterparty controlling both how product reaches white-tablecloth accounts and how it reaches the corner pizzeria, which means category access and slotting economics get rewritten on Sysco's terms. The antitrust uncertainty is not a footnote; the deal structure and any divestiture remedy will dictate which catchments stay contestable. If you sell into foodservice, your channel just got more concentrated and your fallback buyer is now your primary buyer's subsidiary.

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100. Tyson Foods Names New Chief Executive Officer

Food Business News* | *Read Article

Tyson Foods announced a CEO transition, with outgoing CEO Donnie King remaining on the board through the handover, as the change lands amid persistent input-cost inflation across the protein complex that management continues to flag.

> **SO WHAT:** A leadership change during an active inflationary protein cycle, with beef specifically under DOJ antitrust scrutiny and USDA forecasting sustained beef-price pressure, means Tyson's incoming leadership inherits both a cost environment and a regulatory environment simultaneously in flux, a materially harder starting position than a transition during stable conditions. King remaining on the board through the handover suggests continuity of strategic direction is a deliberate priority, likely intended to reassure downstream buyers and investors that pricing commitments and supply agreements negotiated under the prior CEO will hold during the transition period rather than being reset.

Thought Leadership Pieces, May 2026 Edition:

CLUSTER I

Retail, Shopper & Private Label

TL 1. U.S. Grocery Shopper Trends 2026: The Evolving Physical Store

FMI / The Hartman Group* | *Read Report

FMI's 2026 Grocery Shopper Trends survey of 2,023 consumers found mass merchants have reached statistical parity with supermarkets as shoppers' primary grocery destination, 37% now name a mass merchant first, essentially tied with traditional banners, a sharp reversal from a year earlier when supermarkets held a clear lead. Younger shoppers skew disproportionately toward mass retailers while older generations maintain preference for traditional banners, and in-store discovery through browsing is measurably losing ground to social media and digital tools as the starting point of the shopping journey.

> **SO WHAT:** This is the clearest survey-based confirmation that mass-merchant grocery share gains documented in transaction trackers reflect a genuine identity shift among shoppers rather than temporary trade-down, supermarkets are losing default-destination status at the exact moment digital discovery is eroding one of brick-and-mortar's last structural advantages, compounding a channel-share problem with a harder-to-reverse discovery-share problem. The finding that in-store browsing for inspiration is declining means traditional grocers are losing both the primary-store relationship and the impulse-discovery occasion simultaneously, not just one or the other.

> **NOW WHAT:** Shift discovery investment to where your shoppers now start the trip: build social and digital discovery and a younger-shopper acquisition strategy rather than relying on in-store browse to drive impulse and trial. Set a target for the share of new-item trial and basket discovery you generate through digital channels this year. FutureBridge's **Consumomics PECA-V** identifies which discovery touchpoints actually convert to baskets for your shopper segments, especially younger ones, so your marketing and merchandising teams rebuild the discovery occasion in the channels shoppers use now instead of defending an in-store browse behavior that is structurally declining.

TL 2. Stores Remain the Trust Layer in an Increasingly Digital Grocery Journey

FMI* | *Read Report

FMI projects online grocery sales will reach $452 billion and account for 25.5% of grocery-related sales by 2028. Despite this growth, the organization argues that physical stores continue to serve as the primary trust-building touchpoint for consumers. The report suggests that productivity gains from automation should be reinvested into customer-facing experiences rather than directed exclusively toward cost reduction. As shoppers increasingly research, compare, and plan purchases digitally, physical stores are taking on a different role within the grocery journeys.

> **SO WHAT:** This is FMI making an explicit advocacy case to its retailer membership: don't treat declining in-store transaction share as a reason to under-invest in stores. As AI-mediated shopping (agentic carts, pre-store digital research) takes over more of the decision journey, the in-store moment becomes the differentiator that justifies a grocer's existence versus a pure-digital competitor.

NOW WHAT → FutureBridge: Decide which specific in-store experiences are worth reinvesting automation savings into, and which are nostalgia you should let go, rather than accepting FMI's blanket case for store investment. Set a measurable trust-and-loyalty return that any experience investment must clear before funding it. FutureBridge's **Consumomics PECA-V** quantifies which in-store moments actually drive trust, loyalty and purchase versus which add cost without converting, so your operations team funds the differentiators that hold shoppers against pure-digital competitors.

CONTRARIAN FUTUREBRIDGE POV: The argument that stores remain the industry's trust anchor largely comes from an organization representing physical retailers. The same projection showing online grocery reaching 25.5% of sales by 2028 can also be interpreted as evidence that consumers are becoming increasingly comfortable making purchasing decisions without relying on traditional in-store trust signal

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TL 3. Retail Media Faces Pressure to Demonstrate Incremental Impact

***FMI* | Read Report**

FMI, NIQ, and ThinkBlue introduced a retail media measurement framework designed to standardize performance evaluation across retail networks. The framework defines four in-store advertising zones, entrance, main aisle, category aisle, and checkout, and encourages advertisers to focus on incremental ROI (iROI) rather than traditional return-on-ad-spend metrics. The guidance reflects growing pressure from finance leaders seeking clearer evidence that retail media investments generate incremental sales and profit rather than simply capturing purchases that would have occurred anyway.

SO WHAT: Retail media has become a high-margin revenue pillar for retailers, but the measurement underneath it is soft, and a shift to incremental ROI is the reckoning. Campaigns that look great on return-on-ad-spend often just claim credit for purchases that would have happened anyway, and iROI strips that illusion out. The second-order effect is uncomfortable for the retailers profiting most: if brands start demanding proof of incremental sales, the inflated portion of retail-media revenue gets repriced. The metric change is not a technical tweak; it is a threat to the easiest money on your P&L.

NOW WHAT → FutureBridge: Get ahead of the iROI shift on your own terms: if you sell retail media, build incrementality measurement into your offer before brands demand it and reprice the inventory that won't survive scrutiny; if you buy it, start requiring incremental-sales proof now and cut the zones that only harvest existing demand. FutureBridge's **Consumomics PECA-V** quantifies how each in-store ad zone actually changes shopper behavior versus capturing planned purchases, so your retail-media or trade team can defend or reallocate spend on real incrementality.

CONTRARIAN FUTUREBRIDGE POV: Standardized measurement sounds beneficial in principle, but adoption may be uneven. Retail media operators that have built successful businesses around less stringent performance metrics may have limited incentive to embrace frameworks that could make results appear less favorable.

TL 4. Grocery Shoppers Shift Stores Before They Change Brands

Food Dive / Alvarez & Marsal* | *Read Article

Alvarez & Marsal's Spring 2026 survey of approximately **2,100 shoppers** found **42%** plan to switch to lower-priced grocery retailers, up from **31%** who reported similar intentions for Fall 2025. More than half of planned switchers said they intend to continue purchasing the same brands after changing stores. The study also found that **two-thirds of consumers** believe low-price grocers now offer product selection comparable to traditional supermarkets, while **63%** view their customer service as equally effective.

> **SO WHAT:** The growing threat to traditional grocers is not necessarily brand substitution but transaction migration. If consumers can purchase preferred brands while perceiving little difference in service or assortment, retailers risk losing entire shopping trips rather than individual product sales.

> **NOW WHAT → FutureBridge:** Pinpoint the specific baskets and trip types where you are bleeding entire transactions to discounters, and close the price-format gap on those targeted baskets rather than chasing across-the-board price parity you can't sustain. Set the price-gap threshold per key basket at which a switching shopper stays. FutureBridge's Consumomics PECA-V identifies which value, assortment and service attributes actually hold a shopper's full trip versus which they will concede, so your category and pricing teams defend the baskets that retain whole transactions instead of discounting indiscriminately.

CONTRARIAN FUTUREBRIDGE POV: Grocery being the *only* category where shoppers plan to *increase* spending is arguably the more important finding buried in the same report, total category demand isn't shrinking, it's reallocating, which means the right strategic response for traditional grocers may be matching price-format competitiveness in specific baskets rather than assuming an unwinnable demand-destruction problem.

TL 5. Grocers Continue to Prioritize Private Label, Fresh, and Technology

Progressive Grocer* | *Read Article

Progressive Grocer's 93rd annual industry survey found retailers entering 2026 with greater optimism than a year earlier. Respondents consistently identified **private label**, **technology investment**, and **fresh/perimeter departments** as their primary growth priorities. These themes continue to shape retailer capital allocation, merchandising priorities, and competitive strategies.

> **SO WHAT:** When 93 years of grocers all name the same three priorities, that is not foresight; it is herd behavior, and herd behavior is where margin goes to die. Private label, fresh perimeter, and technology are now table stakes, which means the differentiation no longer comes from doing them but from doing them with a cost structure your competitors cannot match. The retailers who win 2026 will not be the ones who picked these three bets; everyone picked them. They will be the

ones who execute the unglamorous parts: private-label quality control, perimeter shrink, and technology that pays back inside 18 months. Consensus priorities are a floor, not a strategy.

NOW WHAT → FutureBridge: If you run category or merchandising strategy at a retailer, stop benchmarking against the consensus and pressure-test where you can build a durable edge in one of these three lanes within your next capital cycle; pick the lane where your scale or banner identity gives you an advantage rivals cannot copy. Audit your private-label penetration and perimeter productivity against your direct format peers, not the national average. FutureBridge's **OSINT** reconstructs where competing banners are actually deploying capital across private label, fresh, and technology from hiring, equipment, and SKU signals before it is public; Competitive Intelligence layers that into your ongoing planning cycle, so your team spots the crowded lane before you over-invest in it.

TL6. Grocery Price Perception Becomes a Strategic Issue

Supermarket Perimeter* | *Read Report

Supermarket Perimeter highlighted continued inflation pressure on shoppers and operators through 2025 and into 2026. Datassential research cited in the piece suggests shopper perceptions of grocery prices often diverge from actual pricing conditions. At-home consumption budgets are expected to keep rising as consumers continue managing household food spending carefully.

SO WHAT: Here is the uncomfortable truth most merchants miss: you are not competing on price, you are competing on the price shoppers think they are paying. Datassential's finding that perception diverges from reality means a retailer can be price-competitive and still lose the value argument, or be expensive on the basket and still win it. That makes price architecture, known-value-item visibility, and value signaling more powerful levers than another round of margin-eroding cuts. The second-order effect is sharper still: in a value-seeking environment, correcting a too-high price perception can backfire by pulling shoppers off the private-label and promotional behaviors that actually protect your blended margin. Win the perception and you can hold the price.

NOW WHAT: If you own pricing or merchandising at a grocery or convenience banner, run a perception audit before your next price investment: identify the 50 to 100 known-value items shoppers anchor their price image on and make sure you are sharp and visible on those, rather than spreading cuts thinly across the basket. Set a threshold for how much margin you will spend on perception versus actual price before reallocating. FutureBridge's **Consumomics** quantifies, through its PECA-V demand model, which price and value cues actually move purchase decisions in your shopper base; OSINT tracks competitors' real shelf-pricing and promotion moves so you calibrate your perception strategy against what rivals are actually doing, not what they announce. Fund the signals that change behavior instead of cutting prices customers never noticed.

TL 7. Bakery Private Label Moves from Value Option to Quality Competitor

Supermarket Perimeter / FMI / McKinsey / PLMA **|** ***Read Report***

Private label now appears in roughly **90% of bakery categories**. McKinsey research cited in the report found more than **80% of U.S. consumers** believe private label quality is equal to or better than national brands, while nearly **90%** believe private brands offer similar or better value. PLMA data shows 2025 private-brand revenue grew **3.3% to $282.8 billion**, compared with **1.2% growth** for national brands.

> **SO WHAT:** Once 80% of shoppers concede private-label quality matches the brand, the price gap stops being the brand's defense; it becomes the retailer's profit lever. That is the real read-through here: private label growing nearly three times faster than national brands is not a value-shopper story, it is a quality-parity story, and quality parity is structural, not cyclical. For a retailer, that means promotional pressure from national brands no longer claws back the share it used to. For a branded bakery manufacturer, it means the moat you thought you had on quality just evaporated, and you are now defending a price premium with nothing underneath it. When the shopper stops believing the brand is better, the brand is just a more expensive version of the store label.

TL 8. Private Label Fits Both Ends of a K-Shaped Economy

Supermarket Perimeter **|** ***Read Report***

The report applies the K-shaped economy framework to private label, arguing that retailers can serve both inflation-exposed shoppers and higher-income households through tiered private-label portfolios. Value, mainstream, and premium private-label lines allow retailers to capture different consumer needs under one store-brand architecture. The framework reflects the widening role of private label beyond entry-level products.

> **SO WHAT:** The strategic prize in a tiered private-label portfolio is not margin per SKU; it is shopper retention through the economic cycle. A retailer with value, mainstream, and premium store brands can hold the same household whether their income is rising or getting squeezed, moving them up and down the ladder instead of watching them defect to a discounter or a brand. But the K-shaped framing hides a trap: most households are not cleanly rich or poor, they are the anxious middle, and a portfolio built only for the two ends will leave that middle under-served and exposed to whoever serves it better. Build the ladder for the messy middle, not the tidy extremes.

> **NOW WHAT:** If you run private-label strategy at a grocer, build out the mainstream-to-premium middle rungs of your store-brand ladder, not just the value and premium ends, so the anxious middle has somewhere to trade within your banner instead of defecting; set a retention target tied to keeping each household in your private-label range as their budget shifts. FutureBridge's **Consumomics** maps, through PECA-V, exactly where your shoppers sit on the demand ladder and which tier transitions they will actually accept, so you build the rungs that hold the household; OSINT tracks how competing banners are structuring their own tiered private-label architecture, so you fill the middle gap before a rival captures it.

CONTRARIAN FUTUREBRIDGE POV: The K-shaped framework can oversimplify consumer behavior. Many households do not fit cleanly into value or premium segments, and overbuilding around a two-tier model may under-serve the broad middle of the market.

TL 9. IGD's Global Supermarket and Hypermarket Trends 2026 Identifies Which Large-Format Grocery Strategies Are Creating Durable Competitive Advantage

IGD (Institute of Grocery Distribution) **|** ***Read Report***

IGD's Global Supermarket and Hypermarket Trends 2026 report, published June 18, 2026, examines how large-format grocery operators across global markets are adapting their formats, assortment strategies, digital integration and fresh-food architecture in response to competitive pressure from discounters, online players and convenience operators, the same structural forces documented throughout Theme 1 and Theme 2 of this briefing's main articles.

> **SO WHAT:** Large-format supermarkets and hypermarkets face the most acute version of the format-bifurcation challenge documented across this briefing: they are too large to compete on convenience, too generalist to compete on specialty, and too dependent on footfall-driven economics to absorb continued traffic migration toward online and discount formats without structural format response. The IGD analysis provides a cross-market lens on which adaptation strategies, fresh-department investment, private-label depth, in-store health and wellness positioning, and digital integration, are generating measurable competitive differentiation versus those that deliver incremental improvement without changing the underlying competitive position of the format.

TL 10. Retail Performance Diverges Despite Slowing UK Grocery Growth

Nielsen IQ **|** ***Read Report***

NIQ reported UK supermarket Total Till sales up 4.2% in the four weeks ending May 16, but growth slowed to just 0.2% in the final three weeks of that window, the weakest stretch of 2026, driven by cost-of-living pressure and weak consumer confidence. Ocado (+15.1%), M&S (+11.8%) and Lidl (+9.3%) led growth over 12 weeks while Asda declined (-4.7%); nearly half of UK households (48%) expressed interest in the upcoming FIFA World Cup, with NIQ projecting a boost to convenience, snacks and non-alcoholic drinks as only 40% of interested households plan to drink alcohol during later kick-off times.

> **SO WHAT:** Ignore the 4.2% headline; the story is the spread. When Ocado, M&S, and Lidl post double-digit growth in the same weak-confidence market where Asda drops nearly 5%, the market is not slowing, it is reallocating, and the share leaving the laggards is durable, not borrowed. Notice who is winning: pure-play online, premium-quality, and hard discount, the three positions with a clear reason to exist. The mushy middle is bleeding. There is a second-order gift buried in the data: the World Cup is set to lift non-alcoholic drinks and snacks specifically, because later kick-offs keep

more households sober, a near-term occasion most merchants will plan for as a beer event and get wrong. In a flat market, your growth is somebody else's lost share, so know exactly whose.

NOW WHAT: If you run commercial or category strategy at a UK grocer or supplier, build your World Cup plan around non-alcoholic drinks, premium snacks, and convenient sharing formats rather than the default beer-and-crisps assumption, and lock the assortment before the tournament window opens. Separately, identify which competing banner is shedding the share you can credibly capture and target your value and quality investment there. FutureBridge's Consumomics quantifies, through PECA-V, which occasion-led products this specific shopper base will actually buy for late-night, low-alcohol viewing; OSINT tracks which competing banners are gaining or shedding share so you target your value and quality investment at the share you can credibly capture. Stock the trade-up SKUs instead of over-ordering beer.

Thought Leadership Pieces, May 2026 Edition:

CLUSTER II

Regulation, Policy & Consumer Health

TL 11. Regulatory Uncertainty Expands for Private Label Manufacturers

PLMA* | *Read Report

PLMA's May 2026 policy newsletter summarizes several regulatory and legal issues affecting private label manufacturers, including tariff litigation, SNAP purchase restrictions, FDA food-labeling rules, GRAS reform, and national-brand trademark lawsuits against store-brand packaging. The newsletter functions as a policy risk tracker for store brands, showing how trade policy, food regulation, and brand litigation are converging at the same time.

> **SO WHAT:** Private-label manufacturers are navigating simultaneous exposure on three fronts, unresolved tariff litigation that could either refund or compound costs depending on the outcome, a patchwork of state-by-state SNAP restrictions creating inconsistent shelf rules nationally, and an active wave of trademark suits that raises legal risk for any store brand using packaging or naming cues close to national brands.

> **NOW WHAT → FutureBridge:** If you own private-label strategy at a retailer, treat the trademark suits as a coordinated competitive tactic, not stray legal noise, and audit your store-brand packaging for trade-dress proximity to the national brands you shadow before you become the next test case; rework the highest-risk SKUs this cycle. Map your tariff and SNAP exposure by state and category in parallel so you are not surprised by a shelf rule mid-year. FutureBridge's **Regulatory Prediction** and Impact flags which of these converging fronts is most likely to force a portfolio or labeling change first; **OSINT** tracks the national-brand trademark filings and litigation signals as they surface, giving your team the runway to rework at-risk packaging before you become the next test case.

CONTRARIAN FUTUREBRIDGE POV: The trademark disputes are often viewed as isolated legal challenges. However, multiple high-profile cases targeting private label packaging within a relatively short period may indicate a broader effort by branded manufacturers to slow private label momentum through legal channels rather than marketplace competition alone.

TL 12. The New Front Line of Choice: How Front-of-Pack Is Rewiring Canadian Grocery

Nielsen IQ* | *Read Report

NIQ's report analyzes the early market impact of Canada's mandatory front-of-pack nutrition warnings for products high in sugar, sodium, or saturated fat. It finds that household awareness has already reached 77%, while products carrying warning labels account for more than one-third of packaged food and beverage sales and are seeing sales declines of roughly 4.8% to 5.6%.

> **SO WHAT:** Canada just ran the experiment every CPG and retail strategist has been dreading: mandatory front-of-pack warnings that actually move volume, not just awareness. A 5% sales decline on a third of the packaged assortment is not a labeling footnote; it is a category-economics event. But read the second-order signal in the data: total category sales barely moved, which means this is share redistribution, not demand destruction. Shoppers are not eating less; they are

switching to the unlabeled product next to it. That makes reformulation a competitive weapon, not a compliance cost, and the first mover to clear the warning threshold takes the share the labeled incumbents lose.

NOW WHAT → FutureBridge: If you manage categories or private label at a retailer or CPG, identify which of your highest-velocity SKUs would trigger a warning under a Canada-style rule and prioritize reformulating them below the sugar, sodium, and saturated-fat thresholds now, before a similar mandate reaches your market; the prize is the share the labeled competitors will shed. Set a reformulation runway target of under 12 months per priority SKU. FutureBridge's Consumomics quantifies, via PECA-V, whether your shoppers will actually switch to the reformulated version or trade away on taste; Regulatory Prediction and Impact tracks where Canada-style front-of-pack mandates are heading next, so your team sequences reformulation by the SKUs where the share is winnable and the rule is coming, not just by regulatory timeline.

CONTRARIAN FUTUREBRIGE POV: While labeled products are losing share, overall category sales remain largely unchanged. This suggests consumers may be shifting purchases toward reformulated or unlabeled alternatives rather than significantly reducing consumption, making the impact more about share redistribution than demand destruction.

TL 13. EU Advances Long-Term Food Safety Simplification Agenda

Council of the European Union* | *Read Report

The Council of the EU agreed its position on the "Omnibus X" package, which includes measures to simplify pesticide-use requirements, remove duplicate animal record-keeping obligations, and repeal outdated food-contact-material directives. The proposal forms part of a broader initiative to complete 10 simplification packages by 2027. The package aims to reduce administrative complexity while maintaining food and feed safety standards across member states.

SO WHAT: Do not read Omnibus X as deregulation; read it as a moving target. Brussels committing to 10 simplification packages by 2027 means the compliance baseline you build your European sourcing and packaging decisions around will not sit still for the next three years. The trap for downstream operators is treating each package as relief when several obligations may actually tighten even as others fall away. The companies that benefit are the ones who treat this as a recurring planning input, not a one-time cleanup, because every rule that changes a food-contact-material spec or a record-keeping requirement ripples straight into your supplier qualification and private-label sourcing. Simplification on paper is rarely simplification in your supply chain.

NOW WHAT → FutureBridge: If you source private label or imported product into the EU, map which of your supplier specifications and packaging formats touch the food-contact-material and pesticide rules in scope, and require your suppliers to confirm compliance against the revised standard before the package takes effect rather than after. Build the 2027 package calendar into your supplier-qualification cycle as a standing checkpoint. FutureBridge's **Regulatory Prediction** and Impact flags which of the 10 packages carries real spec changes for your categories versus pure administrative cleanup; **OSINT** tracks how your suppliers are actually adapting their plants and specifications to the revised rules, so your team requalifies sourcing against what suppliers are really doing rather than what they certify on paper.

CONTRARIAN FUTUREBRIDGE POV: The package is frequently framed as deregulation. However, the stated objective is to both simplify and strengthen food safety requirements. Reduced administrative burden does not necessarily mean reduced compliance expectations, and some obligations may become more rigorous even as others are removed.

TL 14. EFSA Scrutinizes Glycerol's Expanding Role in Beverages

European Food Safety Authority* | *Read Report

EFSA published a scientific opinion examining acute exposure to glycerol (E422) specifically from beverage consumption. Glycerol is widely used to influence sweetness perception, texture, and mouthfeel in beverages, including many functional and ready-to-drink formats. The review focuses on beverage-specific exposure rather than glycerol's broader use across the food system.

> **SO WHAT:** When EFSA carves out one ingredient inside one format for its own review, that is a leading indicator, not a footnote: regulators target the ingredients that scaled fastest, and glycerol scaled on the back of the functional and ready-to-drink boom. The read-through for downstream beverage players is that the very ingredient making your functional line taste right is now the one most likely to draw a restriction. The second-order risk is reformulation timing: if EFSA tightens acute-exposure limits, every glycerol-dependent SKU needs a backup formulation, and the brands without one will be forced into rushed, costly reformulation while compliant competitors hold the shelf. The ingredient that built the category can be the one that breaks your launch calendar.

> **NOW WHAT → FutureBridge:** If you own beverage innovation or product at a CPG or private-label program, inventory every functional and ready-to-drink SKU that depends on glycerol for sweetness or mouthfeel and commission a backup formulation now, before EFSA sets a limit that forces your hand. Treat any SKU with no alternative and a reformulation runway over six months as a priority. FutureBridge's **Regulatory Prediction** and Impact flags where EFSA's glycerol review is heading and which exposure thresholds are most likely; **Consumomics** tells you which of your functional SKUs depend most on glycerol's sweetness and mouthfeel for repeat purchase, so your R&D team builds the contingency on the SKUs where both the regulatory risk and the demand dependency are highest, not the whole line on speculation.

TL 15. Pesticide Residue Data Highlights Persistent Import Compliance Risks

European Food Safety Authority* | *Read Report

EFSA published its annual compilation of pesticide residue monitoring results from EU member states, Iceland, and Norway. The report provides country-level findings used by regulators and retailers to evaluate food safety compliance and identify areas of elevated risk within imported food supply chains. The dataset serves as a key reference point for import monitoring and supplier evaluation.

> **SO WHAT:** This dataset is not a regulator's report card; it is a sourcing-risk map hiding in plain sight. The country-level residue findings tell a private-label buyer exactly which origins carry elevated reject and recall risk before a shipment ever gets stopped at the border. The non-obvious

move is to use it offensively: the origins flagged here are the ones where your competitors will face supply interruptions and label scares, which means qualifying clean alternative origins now is a competitive position, not just a compliance task. The second-order effect is brand exposure, because for a private label, a residue failure does not name a supplier, it names your store. Your supplier's residue problem becomes your recall.

NOW WHAT → FutureBridge: If you run private-label sourcing or supplier qualification at a retailer, cross-reference your active origin countries against the elevated-risk findings and qualify a backup supplier in a cleaner origin for any category where you are concentrated in a flagged country, before a residue stop interrupts your shelf. Set a hard rule that no single high-risk origin carries more than a defined share of a category. FutureBridge's **OSINT** tracks supplier-country residue, inspection, and compliance signals as they surface, from regulatory filings and local media, so your team reallocates sourcing toward the origins that protect your private label before a residue stop hits your banner; Regulatory Prediction and Impact flags which origin countries are heading toward tighter import scrutiny next, so you qualify the clean alternative ahead of the rule.

TL 16. Regulatory Complexity Continues to Create Monitoring Challenges

Association of Food and Drug Officials* | *Read Report

AFDO published a summary of FDA-related Federal Register entries from May 4–5, providing food industry stakeholders with a curated overview of regulatory developments and notices. The digest reflects the growing challenge compliance teams face in tracking the volume of regulatory activity affecting food manufacturing, imports, labeling, and safety requirements.

SO WHAT: The real cost of regulatory volume is not the reading; it is the false confidence that comes from tracking everything and acting on nothing. When a compliance team drowns in procedural filings, the one notice that actually changes a label or a sourcing rule gets the same attention as the routine ones, and that is how a downstream operator gets blindsided. The strategic edge no longer comes from monitoring more; it comes from triaging better, separating the 5% of filings that force a product or shelf change from the 95% that are noise. The company that wins compliance is not the one that reads the most, it is the one that acts first on the few that matter.

NOW WHAT → FutureBridge: If you carry compliance risk across a retail or CPG portfolio, build a triage rule that routes only filings with direct product, labeling, or sourcing impact to your commercial teams and parks the procedural noise, so your merchants are not chasing every notice. Set a service-level threshold for how fast a material change must reach the affected category owner. FutureBridge's **Regulatory Prediction** and Impact pre-filters the Federal Register stream to the changes most likely to hit your specific categories and suppliers; **OSINT** cross-checks which of your actual suppliers are exposed to a given rule from their filings and facility signals, so your team routes only the rules that force a real supplier or product decision to your commercial owners rather than drowning them in the digest.

TL 17. SNAP Restrictions Could Redirect Rather Than Eliminate Demand

Food Business News* | *Read Article

Numerator estimates SNAP purchase restrictions could reduce category sales by up to **$830 million**, including approximately **$430 million in soda**, **$300 million in candy**, and **$100 million in energy drinks**. The analysis covers **10 states currently implementing restrictions**, with another **10 states expected by year-end**. However, **63% of SNAP shoppers** say they would continue purchasing soda using non-SNAP funds, while roughly **30%** indicate they may switch to alternatives such as tea, juice, coffee, or fruit beverages.

> **SO WHAT:** The $830 million headline is built on an assumption that quietly falls apart in the same data: 63% of SNAP shoppers say they will just buy the soda with cash. This is not demand destruction; it is a payment-method shuffle plus a 30% slice that switches into tea, juice, and coffee. For a downstream operator, that reframes the whole event. The risk is not lost soda volume; it is lost basket control if the SNAP shopper takes their soda purchase to a competitor that merchandises the substitution better. The opportunity is the 30% switching, because that demand lands in adjacent beverage categories you already stock. The restriction does not shrink the basket; it just decides who captures it.

> **NOW WHAT:** If you run category or merchandising at a grocer or convenience operator in a SNAP-restriction state, do not write down soda volume; re-merchandise the affected aisles to keep the cash soda purchase in your store while expanding facings on the tea, juice, and coffee substitutes the 30% will switch into. Set assortment changes before the next 10 states implement by year-end. FutureBridge's **Consumomics** quantifies, through PECA-V, which substitute beverages your specific SNAP shopper base will actually trade into; **OSINT** tracks how competing grocers and convenience operators in restriction states are re-merchandising the affected aisles, so your team stocks the replacements that retain the basket and pre-empts the rivals competing for the same shopper rather than guessing across the whole set.

CONTRARIAN FUTUREBRIDGE POV: The projected **$830 million** impact assumes significant behavioral change. If most shoppers continue purchasing affected products with alternative payment methods, actual category declines could be considerably smaller than forecast.

TL 18. Ultra-Processed Food Concern Grows Faster Than Understanding

Food Business News* | *Read Article

A Cornell-led YouGov survey of **2,000 U.S. adults** found **58%** had heard of "ultra-processed foods," but only **33%** felt confident explaining the term. Many respondents still associate ultra-processed foods with obesity, type 2 diabetes, and cardiovascular disease. Industry transparency tools are expanding in parallel. Consumer Brands Association's SmartLabel recorded more than **9 million scans in 2025**, up **40% year over year**, while Facts Up Front now appears on roughly **350,000 products**, up **65% since 2021**.

SO WHAT: The danger in the UPF debate is the 25-point gap: 58% of shoppers have heard the term, only 33% can explain it, and the difference is pure negative association attaching itself to products with no clear definition to defend against. That is reputational risk that moves faster than any reformulation can. The second-order effect is regulatory, because a vague, fear-driven consumer category is exactly the kind regulators codify badly, and a broad definition could sweep in products that are nutritionally fine. For downstream operators, the SmartLabel surge tells you where the defense is: shoppers are reaching for transparency, so the brands that explain themselves clearly will hold trust while the silent ones get labeled by their critics. In a fear-led category, whoever defines the term first wins the argument.

NOW WHAT → FutureBridge: If you manage brand or category strategy at a CPG or retailer, get ahead of the UPF narrative now: identify which of your products would land inside a broad UPF definition and decide which you reformulate, which you defend with clear ingredient transparency, and which you reposition, before regulators and critics define them for you. Set the transparency upgrade against your highest-volume at-risk SKUs first. FutureBridge's **Regulatory Prediction** and Impact tracks how UPF definitions are forming across markets and flags which classification approach would catch your portfolio; **Consumomics** tells you which of your SKUs carry the highest consumer-trust dependency on the ingredients a UPF label would target, so your team sequences reformulation and transparency by demand risk, not just regulatory timeline.

Thought Leadership Pieces, May 2026 Edition:

CLUSTER III

Commodity & Agricultural Markets

TL 19. Farm-Gate Prices Continue to Signal Emerging Cost Pressures

USDA NASS* | *Read Report

USDA's Agricultural Prices report provided updated pricing data across principal crops, livestock, and livestock products, alongside parity indexes that compare current farm prices against historical purchasing-power benchmarks. The report serves as one of the earliest indicators of commodity cost movements before those changes flow through processors, manufacturers, distributors, and ultimately retail shelves.

> **SO WHAT:** Farm-gate prices are the earliest read on the cost wave that hits your shelf six to nine months later, and most downstream operators react only when it arrives. That lag is the opportunity. When beef, dairy ingredients, and select crops move at the farm, you can see your future cost-of-goods and your future price negotiations before your suppliers formalize them. The contrarian point: a retailer or QSR that reads the farm signal early controls the conversation, locking promotional calendars, private-label specs, and supplier contracts ahead of the increase instead of absorbing it. The shelf price always lags the field; the operators who win margin are the ones who do not wait for the lag to close.

> **NOW WHAT → FutureBridge:** If you set pricing or sourcing at a retailer, QSR, or foodservice distributor, use the farm-level moves in beef, dairy, and constrained crops to lock supplier contracts and plan your promotional calendar now, before the cost works through to wholesale; set a trigger that opens contract renegotiation when a key input crosses a defined farm-price threshold. FutureBridge's **Market Opportunity Assessment** models how the current farm-gate signals translate into your landed category cost six to nine months out; **OSINT** tracks supplier and processor capacity, equipment, and logistics signals that confirm whether the farm move is feeding through to wholesale, so your team prices and contracts ahead of the wave instead of reacting to it on the shelf.

TL 20. Egg Processing Recovery May Not Mirror Retail Egg Price Trends

USDA NASS* | *Read Report

USDA's monthly Egg Products report tracked activity across approximately 60 commercial egg-breaking and processing facilities. The report provides insight into shell-egg breaking volumes and production of liquid, frozen, and dried egg products as the industry continues recovering from prior avian influenza disruptions. The data arrives as shell egg prices have declined approximately 27%–39% year over year following production recovery.

> **SO WHAT:** The 27% to 39% drop in shell-egg prices is the headline every operator will quote, and it is the wrong number for anyone who buys egg as an ingredient. Liquid, frozen, and dried egg markets clear on processing capacity, not retail shelf supply, so the cost relief in your bakery, mayonnaise, or prepared-food inputs can lag, or never fully match, the consumer price collapse. For a QSR or foodservice operator menuing egg-heavy items, assuming your input cost fell as fast as the grocery shelf is how you misprice a menu. The opposite trap exists for retailers: shell-egg

deflation is a powerful traffic-driving story you should be merchandising aggressively right now. Read the right egg market for your business, because the headline is built for the shopper, not the buyer.

NOW WHAT: If you procure egg ingredients for a QSR, foodservice operator, or CPG, verify whether your liquid, frozen, and dried egg contract prices have actually tracked the shell-egg decline before you reprice egg-based menu items or build margin assumptions on the consumer headline. If you run grocery merchandising, feature shell eggs as a loud value and traffic play while prices are down. Set a contract-review trigger tied to the processed-egg, not shell-egg, index. FutureBridge's **OSINT** tracks egg-breaking capacity, processing volumes, and facility signals across the breaker base, so your team knows whether your specific liquid, frozen, or dried egg cost is really falling before you reprice a menu item; **Consumomics** confirms whether shoppers will respond to a shell-egg value feature, so your grocery team merchandises the deflation where it actually drives the trip.

TL 21. Peanut Oversupply Creates a Rare Cost Relief Opportunity

USDA NASS* | *Read Report

USDA data shows commercial peanut inventories running approximately 36% above year-ago levels. Consumption trends remain mixed, with peanut butter usage declining nearly 2%, peanut candy usage declining 2%, and peanut snack usage increasing 7.5%. At the same time, USDA's first outlook for the 2026 crop year points to reduced planting acreage as growers respond to lower prices and excess supply.

SO WHAT: In a period where almost every input is tight and inflating, peanuts are running 36% over last year's inventory, and that is a rare gift with a closing window. The 2026 acreage cut tells you exactly how long: growers are already pulling back, so today's oversupply is tomorrow's correction. The strategic read for a downstream operator is to treat this as a cost-down opportunity, not a permanent condition, and to lean into the one peanut format that is actually growing: snacks up 7.5% while butter and candy slip. The smart move is to lock low-cost peanut supply and push it into the rising snack occasion before the acreage cut tightens the market again. Oversupply this rare does not last; price it in while it does.

TL 22. Food Inflation Pressures Remain Concentrated in Key Categories

USDA ERS* | *Read Report

USDA's monthly Food Price Outlook update incorporated April CPI and PPI data, continuing to project 2026 food-at-home inflation running above its 20-year historical average, with beef and veal, sugar and sweets, and nonalcoholic beverages identified as the categories facing the steepest sustained price pressure, while egg prices continue trending sharply downward as production recovers.

SO WHAT: Food inflation is not easing so much as concentrating, and that distinction changes how a downstream operator should respond. When beef, sugar and sweets, and nonalcoholic beverages carry the pressure while eggs deflate, a blanket pricing or promo strategy is exactly wrong; you need category-specific responses, defending margin in the inflating lanes and driving traffic with the deflating ones. The second-order effect is competitive: the operators who keep treating inflation as a single number will over-promote where they cannot afford it and under-promote where they could win the trip. The headline inflation rate is now useless for decision-making; the category mix is the whole game.

NOW WHAT → FutureBridge: If you own pricing or category strategy at a retailer, QSR, or CPG, split your 2026 plan by category instead of by headline rate: protect margin and pace price increases in beef, sweets, and nonalcoholic beverages while using deflating eggs as a deliberate traffic and value play. Set distinct promo budgets for the inflating versus deflating categories rather than one pool. FutureBridge's **Market Opportunity Assessment** models how the concentrated commodity pressures translate into your specific category economics over the year; **Consumomics** tells you which inflating categories your shoppers will accept a price increase on versus where they will trade down, so your team holds price where demand is sticky and promotes only where it pays back.

TL 23. Cocoa Supply Improves, but Market Stability Remains Elusive

Food Business News* | *Read Article

Ivory Coast's 2025–26 cocoa production outlook improved by approximately **11%**, reaching an estimated **2.0–2.1 million tonnes**. However, payment delays by the country's Coffee and Cocoa Council triggered grower protests and forced some farmers to sell below market prices. At the same time, cocoa futures remained volatile, with London cocoa rising **9% to £3,113 per tonne** and New York cocoa increasing **9% to $4,139 per tonne** during a single trading session. The developments highlight ongoing instability despite improving production conditions.

SO WHAT: Improving production volumes alone aren't resolving cocoa-market instability, because the payment-delay crisis sits upstream of supply at the grower-payment level, this is a structural governance and cash-flow problem within Ivory Coast's cocoa marketing board, not a weather or yield problem, meaning production recovery won't translate into price stability until grower payment reliability is fixed.

NOW WHAT → FutureBridge: If you buy chocolate or cocoa as an input for a CPG, bakery, or confectionery program, do not bank on the 11% production lift as price relief; hold or extend your hedging and lock supply assuming continued volatility while the grower-payment crisis stays unresolved. Set a reformulation and cocoa-reduction contingency for any SKU where a further price spike would break the margin. FutureBridge's **Market Opportunity Assessment** models landed cocoa-cost scenarios under the governance and payment risk; **OSINT** tracks Ivory Coast grower-payment disputes, port flows, and shipment signals on the ground so your procurement team sees the disruption before futures react, and Technology Scouting benchmarks cocoa-reduction and cocoa-free alternatives so your R&D team has a reformulation route ready before the next spike.

CONTRARIAN FUTUREBRIDGE POV: Improved production forecasts are widely viewed as a signal of easing market pressure. However, persistent grower dissatisfaction could discourage future planting and undermine longer-term supply stability, limiting the impact of current production gains.

TL 24. U.S. Rice Supply Tightens as Demand Shifts Toward Imported Varieties

Food Business News* | *Read Article

USDA projects U.S. long-grain rice production at **122.5 million cwt** in 2026–27, down **20% year over year** and the lowest level since **2011–12**. Planted acreage is expected to decline by as much as **22%**, while imports are projected to increase **5% to 39 million cwt** as demand for jasmine and basmati rice continues to grow. Global rice consumption is expected to reach a record **541.4 million tonnes**.

> **SO WHAT:** Two trends are colliding here, and the collision is the story: domestic long-grain rice falls to a 14-year low at the exact moment shopper demand keeps migrating toward imported jasmine and basmati. That is not a supply blip; it is a structural handoff of the rice category from domestic to import sourcing. For a downstream operator, it means rising exposure to global freight, tariff, and origin risk on a staple shoppers expect to always be in stock and cheap. The second-order effect lands on private label hardest, because a store-brand rice gap is a trust hit, not just a margin hit. The category is quietly going global; price your sourcing and your shelf for that, not for the domestic crop you used to rely on.

TL 25. U.S. Sugar Sourcing Patterns Show a Structural Shift

Food Business News* | *Read Article

Mexico's sugar shipments to the U.S. have not returned to pre-2023–24 market share levels, even as Mexican production recovers from drought. High-tier over-quota sugar imports rose **170% to 1.23 million tons** in 2023–24, while Mexican imports fell **53% to 521,000 tons**. The shift is changing a supply structure that has been central to the U.S. sugar program since the **1934 Sugar Act.**

> **So What:** Sugar-dependent CPG categories are facing a sourcing pattern that may no longer behave like a short-term disruption. If reliance on higher-tier imports persists, pricing stability and procurement planning may become more complex for confectionery, bakery, beverage, and sweet snack manufacturers.

> **NOW WHAT → FutureBridge:** If you buy sugar for a confectionery, bakery, beverage, or sweet-snack program, stop treating the Mexico shortfall as temporary and rebuild your sourcing plan around higher-tier import reliance as the new baseline; lock contracts and diversify origins for the SKUs where sugar is a material cost driver. Set a price-and-availability threshold that triggers a forward buy. FutureBridge's **Market Opportunity Assessment models** landed sugar cost across origin markets and tiers; **OSINT** tracks Mexican production recovery, high-tier import flows, and shipment signals on the ground so your procurement team commits to the supply structure that holds price and availability rather than waiting for the old Mexican flow to return.

CONTRARIAN FUTUREBRIDGE POV: The sourcing shift may not mean the sugar program is breaking down. It may indicate that the system is functioning as designed by reallocating supply sources when one origin underperforms. The more important test is whether downstream buyers experience stable price and availability, not whether the source-country mix changes.

TL 26. USDA Forecast Shows Hard Red Winter Wheat Production Lowest in Over 60 Years

Food Business News* | *Read Article

USDA forecasts 2026 hard red winter wheat production at its lowest level in more than 60 years. The outlook comes alongside weaker crop-condition ratings in parts of the Southern Plains and stronger export bookings linked to lower futures prices. The production shortfall affects a wheat class used heavily in flour, bakery, and milling applications.

> **So What:** A 60-year low is not a bad season; it is a structural floor reset for the wheat class that feeds your bread, buns, and bakery shelf. Stack it against the long-grain rice shortfall in the same period and the pattern is clear: this is a multi-grain tightening, not a one-crop scare. The compounding factor makes it worse, because lower futures are pulling stronger export bookings, which means more of a shrinking domestic crop ships overseas, leaving even less for U.S. flour and milling buyers. For a downstream operator, the read-through is a tighter, pricier flour baseline heading into the next cycle, and bakery is one of the categories shoppers most expect to stay cheap. When the cheapest staple gets structurally tight, the value perception you built your traffic on is what is actually at risk.

TL 27. IGD's Food Inflation Forecasts Through 2028 Signal Structural Pressure Beyond the Current Planning Cycle

IGD (Institute of Grocery Distribution)* | *Read Report

IGD's food inflation forecasting viewpoint, published June 19, 2026 and incorporating the most recent commodity and consumer price data, projects food price pressures extending meaningfully through 2026-28 across multiple markets, establishing a multi-year planning horizon for inflation that is broader and longer than the single-year USDA ERS forecasting tracked elsewhere in this briefing's commodity cluster.

> **SO WHAT:** The significance of IGD's multi-year framing versus USDA's annual outlook is not the specific numbers, it is the planning-cycle implication: a 2026 inflation event is a pricing and promotional response, but a 2026-2028 structural pressure period is a capital-allocation, sourcing-architecture and product-portfolio reconfiguration event. Companies building their 2027 and 2028 operating plans around an assumption that current commodity volatility normalizes after this cycle closes are likely underinvesting in the reformulation, sourcing diversification and private-label infrastructure that a sustained inflation environment rewards.

Thought Leadership Pieces, May 2026 Edition:

CLUSTER IV

Protein, Nutrition & Ingredient Innovation

TL 28. Post-GLP-1 Consumers Emerge as a New Protein Opportunity

Food Business News* | *Read Article

Ingredient suppliers including Cargill, Darling Ingredients, Ardent Mills, and CII Foods identified former GLP-1 users as a growing target audience for protein-fortified foods. Companies highlighted collagen, whey-collagen blends, and improved plant-protein technologies as potential solutions for consumers seeking to rebuild muscle mass and increase protein intake after discontinuing weight-loss medications. The discussion points to a more specialized segment emerging within the broader protein market.

> **SO WHAT:** The interesting GLP-1 protein story is not the people on the drug; it is the people coming off it. A consumer discontinuing a weight-loss medication needs to rebuild muscle, which shifts the demand from quantity of protein to quality, digestibility, and absorption. That is a different product and a different shelf position than the generic high-protein bar. For a downstream operator, the opening is a recovery-and-maintenance protein occasion that does not yet have an owner. The catch worth holding onto: this whole segment depends on people actually stopping the drug, and adherence, cost, and coverage all sit outside your control. Build for the post-GLP-1 shopper, but do not bet the category on how many of them there will be.

> **NOW WHAT → FutureBridge:** If you run innovation or category strategy at a CPG or retailer, test a recovery-positioned, high-quality-protein line aimed at the post-GLP-1 shopper as a contained pilot, not a full category bet, given the demand depends on discontinuation rates you cannot control; define a trial-to-repeat threshold before you scale. FutureBridge's **Consumomics** quantifies, through PECA-V, how protein needs shift before, during, and after GLP-1 use in your shopper base; Technology Scouting benchmarks the collagen, whey-collagen, and plant-protein systems that deliver the quality and digestibility this segment needs, so your team positions the product on the cues that drive repeat purchase rather than chasing a population size that may not materialize.

CONTRARIAN FUTUREBRIDGE POV: The opportunity assumes a sizable population of consumers will discontinue GLP-1 therapies. Future demand will depend heavily on long-term treatment adherence, affordability, insurance coverage, and evolving medical guidance, all factors largely outside the food industry's control.

TL 29. Protein Claims Continue to Expand Across Snacking

Food Business News* | *Read Article

Circana data indicates meal-replacement snacking occasions continue to grow, with protein and fiber emerging as the primary innovation platforms across bars, crisps, and baked snacks. However, formulators report ongoing challenges maintaining desirable texture, structure, and eating quality as protein and fiber inclusion levels increase. The trend reflects rising consumer interest in snacks that deliver both convenience and satiety.

> **SO WHAT:** Protein and fiber claims have become so common in snacking that they no longer differentiate anything; the differentiation has quietly moved to whether the product actually tastes

and chews like something a shopper buys twice. That is the real battleground Circana's data points to: as inclusion levels rise, texture and eating quality degrade, and the brands that crack that win repeat purchase while the rest win one trial and a return to the shelf. For a downstream operator, the implication is to stop rewarding the biggest number on the front of pack and start rewarding the SKUs that hold velocity after the trial spike. In high-protein snacking, the claim gets the first purchase; the texture gets the fifth.

NOW WHAT → FutureBridge: If you manage snacking innovation or private label at a CPG or retailer, qualify your high-protein and high-fiber SKUs on repeat-purchase velocity and eating quality, not front-of-pack claim size, and cut or reformulate the ones that spike on trial then fade; set a repeat-rate threshold for shelf retention. FutureBridge's **Technology Scouting** benchmarks the ingredient and processing approaches that hold texture at higher protein and fiber loads; **Consumomics** quantifies the eating-quality thresholds that actually drive repeat purchase in your shopper base, so your R&D and buying teams back the formulations that earn the fifth purchase rather than just the first.

CONTRARIAN FUTUREBRIDGE POV: Higher protein content does not automatically translate into long-term success. Products that sacrifice eating experience for nutritional claims may generate initial trial but struggle to achieve repeat purchases.

TL 30. Creatine Moves Beyond Sports Nutrition

Food Business News* | *Read Article

Creatine is increasingly appearing in mainstream food and beverage products as ingredient suppliers introduce formats with improved solubility, dispersion, and functionality. Traditionally associated with sports performance products, creatine is now being explored in beverages, bars, and broader wellness-oriented formulations. The shift mirrors the path previously followed by protein and fiber ingredients.

> **SO WHAT:** Creatine is walking the exact path protein and fiber already walked: from the sports aisle to the mainstream shelf the moment the solubility and dispersion problems got solved. That is the tell. When the formulation barrier falls, an ingredient stops being a niche claim and becomes a category feature, and the early movers set the consumer expectation before it gets commoditized. For a downstream operator, creatine is the next functional ingredient to ride from specialty into everyday beverages and bars. The window is the same as it was for protein: real for the first movers, gone by the time it is on every label.

> **NOW WHAT → FutureBridge:** If you run beverage or functional-food innovation at a CPG or retailer, evaluate creatine's new solubility-optimized formats as a mainstream line extension on your existing protein and energy SKUs, not a sports-nutrition side bet, and decide this innovation cycle whether to move while the claim still differentiates. Set a go decision tied to taste-neutral dispersion at scale. FutureBridge's Technology Scouting benchmarks the new creatine delivery formats on solubility, stability, and production compatibility; Consumomics tells you which mainstream beverage and bar occasions will actually adopt a creatine claim versus reject it, and Company Genomics maps which competitors have already filed creatine-formulation IP, so your R&D team knows whether you are moving early or already behind before you commit a format.

CONTRARIAN FUTUREBRIDGE POV: Creatine's scientific foundation is strongest in athletic performance contexts. Mainstream consumers adopting the ingredient for general wellness may not experience the same benefits that established its reputation in sports nutrition.

TL 31. Plant-Based Meat and Dairy Continue to Lose Momentum

Food Business News* | *Read Article

Sales of plant-based meat and dairy alternatives declined for another reporting period, extending a multi-year slowdown across the category. At the same time, adjacent categories such as pulse-based pasta and bean-based snacks continue to record growth. The divergence suggests consumer acceptance varies significantly across plant-based formats.

> **SO WHAT:** The plant-based decline everyone keeps reporting is being mislabeled. It is not that consumers are walking away from plants; it is that they are walking away from imitation. Pulse pasta and bean snacks growing while fake burgers shrink tells you the rejection is of the mimicry, not the ingredient. Products that try to be a worse, pricier version of meat lose; products that stand on their own as good food win. For a downstream operator, that reframes the entire shelf decision: the right bet is plant-forward food that competes on its own taste and value, not analog products

that ask the shopper to accept a compromise. Stop merchandising plant-based as a substitute and start merchandising it as a category.

NOW WHAT: If you manage category strategy or private label at a grocer or CPG, rebalance your plant-based assortment away from declining meat and dairy analogs toward plant-forward formats that win on their own taste and price, like pulse pasta, bean snacks, and ingredient-led products; set a velocity floor below which analog SKUs lose facings this reset. FutureBridge's **Consumomics** quantifies, through PECA-V, which plant-based products your shoppers buy for their own merits versus as a reluctant substitute; **OSINT** tracks which competing brands and retailers are scaling pulse-led formats versus retreating from analogs, so your team allocates shelf to the formats with durable repeat demand and reads the category shift before your competitors reset their sets.

CONTRARIAN FUTUREBRIDGE POV: The decline of plant-based meat and dairy does not necessarily indicate a rejection of plant-based eating. Growth in pulse-based and ingredient-led categories suggests consumers may prefer products that stand on their own rather than attempting to replicate animal products.

TL 32. Organic Growth Remains Concentrated in Fresh and Dairy

Food Business News* | *Read Article

Organic Trade Association data shows 2025 USDA Organic-seal sales led by fresh produce, which accounted for roughly 30% of total organic sales and grew 5%. Berries were the top dollar-growth subcategory over a 10-year period, while packaged salads ranked third. Dairy, milk, and cream represented the second-largest organic growth area. The data shows organic momentum remains strongest in categories where freshness and health cues are visible at the point of purchase.

SO WHAT: Organic is not a store-wide premium; it is a perimeter premium. Shoppers pay up for organic where they can see and feel the freshness cue, produce and dairy, and shrug at the same seal buried on a center-store box. That tells a downstream operator exactly where the organic dollar is earned and where the claim is wasted shelf cost. The second-order point matters for margin: extending organic into low-willingness center-store categories ties up working capital and facings in a premium shoppers will not fund, while under-investing in organic produce and dairy leaves the real willingness-to-pay on the table. Put the organic premium where the eyes are, not where the planogram is convenient.

NOW WHAT → FutureBridge: If you run category or private-label strategy at a grocer, concentrate your organic investment in perimeter categories where shoppers actually pay the premium, fresh produce and dairy, and trim or reprice organic center-store SKUs where the seal does not move the basket; set a willingness-to-pay threshold before granting organic facings. FutureBridge's **Consumomics** isolates, via PECA-V, where the organic claim genuinely drives purchase in your shopper base versus where it rides on varietal and merchandising upgrades; **OSINT** tracks where competing banners are expanding or pulling back organic assortment, so your team funds the organic premium where it converts and pre-empts rivals in the perimeter categories that still pay rather than spreading it across the store.

CONTRARIAN FUTUREBRIDGE POV: Berries' strong organic performance may not be driven by organic demand alone. The category has also benefited from years of varietal innovation, premiumization, and merchandising investment, making it difficult to separate organic-specific demand from broader produce-category upgrading.

TL 33. Pulses Gain Relevance as a Lower-Cost Protein Platform

Food Business News* | *Read Article

Ingredient suppliers are positioning beans, peas, lentils, and chickpeas as sources of protein, fiber, and satiety at a lower cost per serving than animal protein. Applications are expanding across soups, grain bowls, snacks, dips, meat extenders, lentil pasta, and frozen meals. The positioning is shifting pulses from a sustainability-led ingredient story to a cost and nutrition platform.

> **SO WHAT:** The story is not that pulses are sustainable; it is that pulses just became a financial hedge. As beef, whey, and dairy protein stay tight and volatile through this period, beans and lentils offer a protein source priced lower and moving calmer, and that reframes them from an ESG line item into a margin tool. For a downstream operator menuing or merchandising protein, the move is to build pulse-based options into the assortment now as deliberate cost insurance against the animal-protein squeeze, not as a niche health play. The caveat keeps it honest: if everyone hedges into pulses at once, the cost advantage erodes. The first movers lock the hedge; the latecomers chase the same correction they were trying to avoid.

> **NOW WHAT → FutureBridge:** If you own menu, category, or private-label strategy at a QSR, foodservice operator, or CPG, build pulse-based protein options into your assortment now as a deliberate hedge against beef, whey, and dairy cost volatility, and lock supply while the cost advantage holds; set a sourcing target before competitor demand bids pulses up. FutureBridge's **Technology Scouting** benchmarks the pulse ingredient and processing systems that deliver acceptable taste and texture across your applications; **OSINT** tracks pulse acreage, supplier capacity, and contracting signals so your team locks the hedge before competitor demand bids pulses up, and Consumomics confirms which pulse formats shoppers will actually repeat-buy so you adopt the systems that hold demand, not just the cheapest base.

CONTRARIAN FUTUREBRIDGE POV: The current cost advantage may not be permanent. If pulse demand accelerates faster than supply-chain capacity, pulses could develop their own sourcing and pricing pressures, reducing the cost benefit that makes them attractive today.

TL 34. ADM Broadens Its Protein Ingredient Portfolio

Food Business News* | *Read Article

ADM launched eight new protein products across North America and Europe, expanding its ingredient portfolio across plant-based and functional protein formats. The broad launch reflects continued demand for multiple protein sources rather than a single dominant technology. The move gives ADM wider coverage across customer needs and application types.

SO WHAT: Eight launches at once is not a product story; it is a positioning statement. ADM is refusing to bet on which protein source wins and is instead selling breadth as the value proposition: whatever trend a customer chases, plant, functional, or blended, ADM can supply it. For a downstream formulator, that is genuinely useful, because it lets you consolidate protein sourcing behind one supplier instead of managing a stable of single-source specialists. But read the other side of the same move: a portfolio that wide can also signal a supplier hedging its own uncertainty, and breadth without depth can mean no single ingredient is fully optimized. Consolidation buys you simplicity; just make sure it does not cost you the best-in-class version of the one protein you depend on most.

Now What: If you run R&D sourcing or procurement at a CPG, evaluate consolidating protein-ingredient relationships behind a broad-line supplier to cut supplier-management overhead, but stress-test each candidate's depth on the one or two proteins that carry your highest-volume SKUs before you commit, since breadth can mask weakness in any single platform. Set a performance benchmark per critical protein that a consolidated supplier must clear. FutureBridge's **Company Genomics** maps a supplier's actual protein-technology depth from its patent and innovation footprint, revealing what it is genuinely building toward versus what it markets; **OSINT** tracks the same supplier's capacity, hiring, and launch signals so your team consolidates with eyes open on where the breadth is real versus thin before you concentrate your sourcing.

CONTRARIAN FUTUREBRIDGE POV: Launching eight products at once may signal breadth, but it may also reflect uncertainty about which protein formats will win. A wide portfolio can reduce risk, but it can also dilute commercial focus behind any one ingredient platform.

TL 35. Premium Muffins: Protein and Unique Flavors Drive Higher Consumption

Supermarket Perimeter* | *Read Report

Bakery operators are using protein fortification and distinctive flavor profiles to differentiate muffins, loaf cakes, coffee cakes, and other premium baked goods. Commercial bakeries such as Strictly From Scratch are expanding 2026 sweet pastry lines around these same product levers. The trend shows protein moving beyond bars, shakes, and overtly health-focused formats.

SO WHAT: Protein in a muffin is not a health claim; it is a permission slip. As the protein cue spreads into indulgent bakery, its job changes from signaling nutrition to reducing the guilt that stops a shopper from buying the treat. That is a subtle but important shift for a downstream operator, because it means protein bakery sells on indulgence first and the claim second, the opposite of the bar-and-shake logic. The risk is overplaying it: load too much functional messaging onto a coffee cake and you remind the shopper it is supposed to be virtuous, killing the indulgence reason they walked over in the first place. Use protein to unlock the treat purchase, not to apologize for it.

NOW WHAT → FutureBridge: If you manage bakery category or private label at a grocer or CPG, add protein as a light permission cue on indulgent bakery, not a dominant health claim, and protect taste and texture first; cut any SKU where fortification degrades eating quality below your indulgent benchmark. FutureBridge's Technology Scouting benchmarks the protein ingredients and systems that hold flavor and texture in sweet bakery applications; Consumomics quantifies how much protein messaging your indulgence shoppers will accept before it dilutes the treat appeal, so your R&D and buying teams fortify to the cue level that adds value without killing the reason shoppers buy.

CONTRARIAN FUTUREBRIDGE POV: Protein fortification may not strengthen every bakery proposition. Muffins and loaf cakes are still primarily purchased for taste and indulgence, and excessive functional messaging could dilute the reason shoppers buy these products in the first place.

TL 36. Cottage Cheese Attracts New Competition Following Category Revival

Supermarket Perimeter* | *Read Report

The success of Good Culture's protein-focused positioning has attracted a wave of startup activity into the cottage cheese category. What was once a relatively stagnant dairy segment is now seeing increased product innovation, marketing investment, and competition for shelf space. The category's revival is closely linked to broader consumer interest in protein-rich foods.

SO WHAT: Cottage cheese did not get reinvented; it got repositioned. The product barely changed; the protein narrative changed, and a dead dairy segment turned into a growth category overnight. That is the real lesson for a downstream operator, and it is portable: there are other tired, high-protein-by-nature SKUs sitting flat on your shelf, kefir, skyr, ricotta, quark, waiting for the same repositioning. The second-order warning comes with the startup wave: when a category heats up this fast, shelf space gets crowded and the premium compresses, so the window to own the protein story in an adjacent dairy segment is now, before twenty brands pile in. The growth is in the story, not the curds; find the next product that is already high-protein and just badly told.

NOW WHAT → FutureBridge: If you own dairy category or private-label strategy at a grocer or CPG, identify the next naturally high-protein dairy segment that is still under-told, kefir, skyr, quark, ricotta, and reposition your own line around the protein story before the startup wave crowds it the way it has crowded cottage cheese; move this innovation cycle while the premium is intact. FutureBridge's **Consumomics** quantifies, through PECA-V, which protein-driven needs are actually pulling shoppers into these dairy segments; **OSINT** tracks the startup and competitor activity flooding into each segment, so your team picks the adjacent category with real demand upside that is not yet crowded rather than chasing the one already saturated.

Thought Leadership Pieces, May 2026 Edition:

CLUSTER V

Food Technology & Future Supply Models

TL 37. Cocoa Alternatives Move Into the Mainstream

Food Business News **|** ***Read Article***

Barry Callebaut introduced ChoViva, a sunflower-seed-based chocolate alternative designed to reduce dependence on cocoa. The launch occurred alongside competing cocoa-free innovations, including Cargill and Voyage Foods' NextCoa platform. The activity reflects growing interest in alternatives as cocoa markets remain volatile.

> **SO WHAT:** When the world's biggest cocoa processor launches a cocoa-free product, pay attention to what it is admitting, not what it is selling. Barry Callebaut's entire business is cocoa; ChoViva is the sound of an incumbent hedging against its own disruption, and the near-simultaneous arrival of Cargill's NextCoa shows two giants racing into a category neither is sure consumers will accept. That ambivalence is the signal a downstream operator should read. Cocoa volatility is now structural enough that even the cocoa establishment is buying insurance, which means your chocolate-dependent SKUs are exposed to the same risk. The opening is real, but so is the uncertainty: cocoa-free is moving from fringe to credible, yet taste parity with mainstream shoppers is unproven. When the incumbent hedges against itself, the disruption is no longer hypothetica.

CONTRARIAN FUTUREBRIDGE POV: Barry Callebaut's core business is built on cocoa sourcing and processing expertise, launching a cocoa-free competitor to its own core product category is as much a defensive hedge against losing customers to true cocoa-free disruptors as it is confidence in the category, and the parallel timing with Cargill's NextCoa suggests both companies may be racing each other into a category neither is certain will reach mainstream consumer acceptance.

TL 38. AI-Driven Cyber Risks Accelerate Across Food Supply Chains

Food Business News **|** ***Read Article***

Nearly two-thirds of U.S. CEOs identified cyberattacks as a top business risk in Q2 2026, up from 56% in Q1. CrowdStrike reported AI-enabled attacks increased 89% year over year, while average breakout times fell to 29 minutes, with the fastest recorded incident occurring in 27 seconds. Industry experts estimate approximately 30% of food-sector cyberattacks originate within supply chains.

> **SO WHAT:** The number that should change a downstream executive's behavior is not the 89% rise in AI attacks; it is the 30% that come through the supply chain. For a grocer, QSR, or distributor, that means your biggest cyber exposure is not your own firewall, it is your weakest vendor's, and a 27-second breakout time means there is no human in the loop fast enough to catch it. The second-order effect hits operations directly: a compromised supplier or logistics partner can halt deliveries, freeze point-of-sale, or leak customer payment data, and the brand damage lands on your banner, not the vendor's. In a connected food supply chain, you have effectively outsourced part of your security to companies you do not control. Your cyber risk is now your supplier's IT budget.

> **NOW WHAT → FutureBridge: :** If you carry operational or risk responsibility at a retailer, QSR, or distributor, make cyber posture a vendor-qualification criterion now: require your highest-dependency suppliers and logistics partners to meet a defined security standard, and build a continuity plan for the categories where a single vendor breach would empty your shelves or freeze your point-of-sale. Set a threshold above which a vendor's risk score forces remediation or replacement. FutureBridge's **OSINT** surfaces third-party and supplier-ecosystem vulnerability signals, from breach disclosures, hiring gaps, and security-posture indicators, before they become incidents; Competitive Intelligence tracks the evolving AI-attack threat landscape across food and retail, so your team hardens or replaces the partners most likely to take your operation down rather than auditing only your own systems.

TL 39. Technology Preview: IoT, Blockchain and Precision Fermentation Set to Reshape Food

Supermarket Perimeter | Read Report

The piece flags Internet of Things, blockchain and precision fermentation as near-term transformative technologies for food, alongside rising interest in regenerative farming and tech-enabled personalized nutrition.

> **So What:** Lumping IoT, blockchain, and precision fermentation together as near-term tech does the reader a disservice, because one of them is already on the shelf and the others are not. Precision fermentation is the quiet engine behind this period's biggest ingredient stories: the Oterra-Debut Red 40 replacement and the cocoa-free race both ride on it. That is not a future bet; it is commercializing infrastructure your suppliers are already using. For a downstream operator, the read is to separate the technology that is reshaping your assortment right now from the ones still stuck in pilots, and to fund evaluation accordingly. Treating all three as equally near-term is how innovation budgets get wasted on the least proven of the group.

> **Now What: :** If you set innovation or sourcing strategy at a CPG or retailer, prioritize precision fermentation for active supplier evaluation now, because it is already entering your ingredient supply through colorants and cocoa-free platforms, and park IoT and blockchain as longer-horizon watch items rather than funding them equally. Set evaluation budget by commercialization stage, not by buzz. FutureBridge's **Technology Scouting** maps which precision-fermentation suppliers and applications are production-ready for your categories versus still in pilot; Company Genomics reveals which players hold the foundational IP and what they are actually building toward, so your team commits resources to the technology already reshaping your shelf, and the partners who own it, rather than the ones years from scale.

CONTRARIAN FUTUREBRIDGE POV: THESE three technologies are at meaningfully different maturity stages, precision fermentation already has commercial products reaching shelves (as this period's ingredient stories show), while blockchain's food-industry use cases have struggled for years to move beyond pilot programs into genuine commercial-scale adoption; treating all three as equivalently "near-term" risks misallocating innovation-scouting resources toward the least commercially proven of the three.

Thought Leadership Pieces, May 2026 Edition:

CLUSTER VI

Fresh, Perimeter & Premium Food Trends

TL 40. Greencore's Early Integration Results Suggest a Strong Start

Greencore* | *Read Report

Following the completion of its **£1.5 billion acquisition of Bakkavor** in January 2026, Greencore reported **£1.318 billion in pro forma H1 revenue**, alongside **15.3% growth in adjusted operating profit** and **5.3% growth** in its convenience-focused "Food for Now" categories. The company remains on track to deliver at least **£80 million in cost synergies over three years**. The results provide one of the first meaningful indicators of how the combined business is performing after the transaction.

> **SO WHAT:** Most large food integrations stumble in the first half; Greencore posting 15.3% operating-profit growth right after closing Bakkavor is the exception, and the exception is the signal. They are consolidating a fresh-prepared-convenience market that is still strikingly fragmented compared with grocery retail, which means scale advantages, buying power, manufacturing efficiency, retailer leverage, are only starting to compound. For a downstream operator, that has two read-throughs. If you are a retailer buying private-label prepared and convenience food, your supplier base is consolidating, and a bigger Greencore negotiates harder. If you are a competing manufacturer or a PE buyer, the fragmentation that Greencore is exploiting is the same white space still open to you. Consolidation in fresh-prepared has started; the question is whether you are the consolidator or the consolidated.

TL 41. Restaurant Growth Becomes Increasingly Concentrated Among Category Leaders

Technomic* | *Read Report

Technomic's Top 500 restaurant ranking found chain sales increased **3%** to **$451.5 billion** in 2025, below **3.8% menu-price inflation**. Median chain sales growth reached just **2.5%**, while nearly half of chains added no net new units.

Growth was concentrated within specific segments such as coffee, chicken, and beverages. In full-service dining, just **three chains, Texas Roadhouse, Chili's, and Olive Garden, generated $1.7 billion of the sector's $2 billion sales growth**.

> **SO WHAT:** Three full-service chains captured 85% of an entire sector's growth. That is not a healthy market; that is a winner-take-most market, and it tells a downstream operator the era of a rising tide lifting all restaurants is over. Growth is concentrating in coffee, chicken, beverages, and a handful of scaled full-service brands, while everyone else fights to merely match inflation. The second-order effect for suppliers and distributors is decisive: your growth now depends on whether you are aligned with the few winners taking share or the many operators slowly losing it. The contrarian note keeps it from being doom: units are still expanding at 1.4%, so capital still believes, but it is backing the leaders, not the field. In this market, picking the right customers matters more than serving the most.

CONTRARIAN FUTUREBRIDGE POV: The slowdown in sales growth does not necessarily indicate industry weakness. Unit growth remained positive at **1.4%**, suggesting investment capital continues flowing into restaurant expansion despite softer same-store performance

TL 42. Dips and Spreads Expand Beyond Traditional Snacking

Supermarket Perimeter **|** ***Read Report***

Brands such as Wholly and ¡Yo Quiero! are increasingly positioning dips and spreads beyond the traditional chip aisle. Products are being incorporated into meal kits, deli-prepared foods, protein pairings, and broader meal solutions rather than being marketed solely as snack accompaniments. The shift reflects efforts to expand usage occasions and increase category relevance across multiple meal moments.

> **SO WHAT:** When a dip stops being a chip companion and becomes a meal ingredient, its competitive set quietly explodes. Wholly and ¡Yo Quiero! moving into meal kits, deli, and protein pairings means dips now compete with sauces, condiments, and spreads, a far bigger and more contested arena than the snack aisle they came from. For a downstream operator, that cuts both ways: the growth ceiling rises because the usage occasions multiply, but the category gets harder to merchandise because the same product now belongs in three different parts of the store. The retailers who win this will stop treating dips as a single-aisle decision and start cross-merchandising them where the meal occasion lives. The dip did not change; the question of where it belongs did.

TL 43. Condiment Brands Experiment with Multiple Consumer Engagement Models

Supermarket Perimeter **|** ***Read Report***

McCormick deployed different marketing approaches across its portfolio, pairing Old Bay with a heritage-focused design collaboration while simultaneously using the FIFA World Cup to support Cholula promotions. Other brands highlighted globally inspired flavor combinations such as garlic-ginger and chili-onion blends. The activity illustrates the variety of approaches companies are testing to maintain relevance and engagement.

> **SO WHAT:** The real story in McCormick's split approach is not the variety of tactics; it is the admission that no single brand voice reaches the whole shopper base anymore. Heritage design for Old Bay loyalists, a World Cup tie-in for Cholula, global flavor blends for the adventurous: that is one company segmenting its own portfolio by consumer mindset, not by product. For a downstream operator, the read-through is that condiments are becoming a flavor-discovery and occasion category, not a commodity refill, which means the shelf decision is now about curating discovery, not just stocking the staples. The second-order effect is that global and limited-edition flavors drive the trips while the base SKUs hold the volume. The condiment aisle is quietly becoming a destination; merchandise it like one.

TL 44. Specialty Cheddar Demand Grows as Shoppers Seek Affordable Indulgence

Supermarket Perimeter* | *Read Report

Demand for specialty and aged cheddar continues to grow as producers focus on craftsmanship, origin stories, and traditional production methods. Manufacturers are increasingly using smaller package formats to maintain accessible purchase prices while preserving premium positioning. The approach allows brands to manage affordability without reducing per-unit value.

> **SO WHAT:** Specialty cheddar is teaching the rest of the premium shelf a lesson worth copying: in a value-conscious market, you do not cut the price, you cut the pack. Smaller formats keep the per-ounce premium intact while lowering the dollar at the register, letting a squeezed shopper buy into a premium product without the full commitment. That is affordable indulgence engineered through pack architecture, not price erosion, and it protects margin in a way promotions never do. For a downstream operator, the read is that pack size is now a strategic lever across every premium category, not just cheese, and the brands that re-format proactively will hold premium positioning that price-cutters destroy. When budgets tighten, change the pack before you touch the price.

TL 45. Flavor Pairing Becomes Part of the Meat Purchase Decision

Supermarket Perimeter* | *Read Report

Prairie Fresh data shows more than **50% of consumers** consider flavor pairings such as sauces, marinades, and rubs when purchasing meat products. Ingredient suppliers also identified combinations such as gochujang-black garlic-maple among emerging flavor trends for 2026. The findings suggest consumers are evaluating meal preparation ideas earlier in the shopping process.

> **SO WHAT:** Over half of meat shoppers are thinking about the sauce before they have chosen the cut, and most stores still merchandise the two aisles apart. That gap is the opportunity. When the flavor decision happens at the meat case, the retailer who puts the marinade, rub, and pairing idea right there captures a second sale and a higher basket; the one who keeps condiments three aisles away leaves it on the table. The second-order effect is meal-occasion ownership: cross-merchandising protein with flavor turns a commodity meat trip into a planned-meal trip, which lifts both categories and builds the kind of basket private label and value formats struggle to copy. The flavor decision is being made at the meat case; stock the meat case accordingly.

TL 46. Pork Benefits from Both Value and Premium Demand Drivers

Supermarket Perimeter* | *Read Report

As the price gap between beef and pork widens, consumers are increasingly turning to pork as a more affordable protein option. At the same time, premium clean-label pork products continue gaining traction. Applegate reported an **18% increase in breakfast sausage velocity** within mass retail channels. The category is attracting both value-focused and premium-oriented consumers.

> **SO WHAT:** Pork is having a rare moment where both ends of the K-shaped shopper push it up at once: the budget shopper trades down from expensive beef, and the premium shopper trades up into clean-label cuts. Two opposite demand drivers, one category winning. But the contrarian read is the part operators should not forget: a chunk of pork's momentum is borrowed from beef's high prices, not earned on its own merits. When cattle supplies recover and beef softens, the trade-down half of that demand can reverse fast. For a downstream operator, that means lean into pork now, but build the durable position on the premium and clean-label half that survives a beef correction, not the value half that depends on it. Ride the trade-down, but bank the premiumization.

> **NOW WHAT → FutureBridge:** If you run meat category or merchandising at a grocer, QSR, or foodservice operator, expand pork now but weight your durable investment toward the premium clean-label end that survives a beef correction, while treating the value trade-down volume as cyclical and reversible; set a beef-pork price-gap threshold that signals when the trade-down demand is at risk. FutureBridge's **Consumomics** quantifies, through PECA-V, which shoppers buy pork on price versus on clean-label quality so you build the assortment on the demand that lasts; **OSINT** tracks cattle-herd recovery, beef-supply, and pricing signals on the ground so your team sees the beef correction coming before the trade-down demand reverses.

CONTRARIAN FUTUREBRIDGE POV: Some of pork's recent momentum may be tied directly to unusually high beef prices. If cattle supplies recover and beef pricing moderates, part of the current trade-down demand could reverse.

TL 47. Fresh Produce Expands Its Role as a Snack Alternative

Supermarket Perimeter* | *Read Report

Value-added fruit and vegetable products continue outperforming as consumers seek convenience, nutrition, and freshness. Naturipe reports that premium berry snacking formats are expanding beyond traditional grab-and-go positioning, increasingly competing with packaged snack products. Fresh produce is being marketed more directly as a snacking occasion.

> **SO WHAT:** Fresh fruit is no longer competing with other produce; it is competing with the chip and the bar for the snack occasion, and that is a far bigger prize than the produce department alone. The opportunity for a downstream operator is to merchandise premium berry and value-added produce as snacking, not as groceries. But here is the ceiling nobody is pricing in: value-added produce carries a steep per-ounce premium over whole fruit, and in this value-conscious, K-shaped market, that premium caps how far the trend travels beyond shoppers already willing to pay for convenience. The trifecta framing oversells it. Treat snackable produce as a real but bounded growth lane, win the convenience shopper, and do not assume the whole snack aisle converts.

CONTRARIAN FUTUREBRIDGE POV: Value-added produce typically carries a meaningful price premium per ounce over whole, unprocessed produce, in the same value-conscious, K-shaped economic environment documented throughout this period, that premium could limit how far the trend extends beyond shoppers already willing to pay for convenience, capping its growth ceiling below what the "convenience-nutrition-freshness trifecta" framing might suggest.

TL 48. Seasonal Specialty Produce Leans Into Scarcity Marketing

Supermarket Perimeter* | *Read Report

Retailers are increasingly highlighting limited seasonal availability for specialty produce such as Mexican lychees and specialty coconut varieties. Rather than minimizing supply limitations, marketers are positioning scarcity as a reason to purchase immediately. The approach mirrors tactics commonly used in fashion and limited-edition consumer products.

> **SO WHAT:** Produce is borrowing the playbook fashion has run for decades: turn a supply constraint into a selling point. Instead of apologizing for the short season on Mexican lychees or specialty coconut, retailers are using scarcity to drive urgency, trips, and a premium. That is a genuine reframe, because produce has always treated limited availability as a problem to manage, not a story to sell. For a downstream operator, the opportunity is to engineer seasonal specialty produce as a recurring traffic and trade-up event, the way limited drops work in apparel, building anticipation rather than just clearing perishable inventory. The catch is execution: scarcity marketing only works if the quality and the moment justify it, or you train shoppers to ignore the urgency. Sell the season, do not just survive it.

TL 49. Sustainability Certification Expands Beyond Seafood Counters

Supermarket Perimeter* | *Read Report

Marine Stewardship Council-certified products now exceed 1,300 SKUs in the U.S., representing growth of more than 200% over the past decade. Certified products now extend beyond traditional seafood categories into pet food, supplements, frozen products, and shelf-stable offerings. The certification is increasingly functioning as a broader trust signal across marine-based products.

> **SO WHAT:** The MSC seal is escaping seafood, jumping into pet food, supplements, and shelf-stable goods as a portable trust signal. That sounds bullish, and it is a real assortment trend, but the contrarian read is the one operators should act on: certified SKUs grew 200% while the consumers willing to pay for certification did not. When certified supply outruns premium-paying demand, the premium compresses, and the seal slides from a price driver toward table stakes. For a downstream operator, the implication is to use certification where it still commands a premium and stop paying up for it where it has become an expected baseline. The seal is becoming a hygiene factor, not a differentiator; price it that way before the market does it for you.

CONTRARIAN FUTUREBRIDGE POV: Stevens' own acknowledgment that willingness-to-pay "has limits" suggests certification growth may be outpacing the depth of consumer willingness to actually pay the associated premium, a 200% increase in certified SKUs doesn't necessarily mean a 200% increase in consumers actively seeking and paying for certification, and oversupply of certified options relative to genuine premium-paying demand could compress the price premium certification currently commands.

Thought Leadership Pieces, May 2026 Edition:

CLUSTER VII

Featured Thought Leadership

TL 50. IGD Global Retail Trends 2026 Mid-Year Scorecard: Seven Trends, Six Months In, Leaders Are Pulling Away and Laggards Are Running Out of Time

IGD (Institute for Grocery Distribution)* | *Read Report

IGD released its mid-year assessment of the seven retail trends it identified for 2026: cybersecurity, AI-powered retail, retail media, multicultural assortment expansion, convenience transformation, health missions, and waste reduction. The review found that leading retailers are moving beyond pilots and embedding these capabilities into their operations. Amazon and Walmart are scaling AI shopping assistants, retailers are strengthening cybersecurity following a series of high-profile attacks, convenience chains are expanding foodservice offerings, health-focused retail ecosystems are emerging around GLP-1 consumers, and retailers such as Albert Heijn are using AI and dynamic pricing to reduce food waste. Across nearly every trend, a handful of retailers are making measurable commercial progress while much of the industry remains in the early stages of adoption.

> **SO WHAT:** The headline is not that seven retail trends are advancing; it is that the industry is splitting in two, and the gap is becoming structural. A handful of retailers are turning AI, retail media, and waste-reduction from pilots into real competitive advantage while most are still assessing, and IGD's warning is blunt: the window to catch up is closing. The part that should reshape how a downstream manufacturer plans is the second-order effect. The retailers pulling ahead are becoming more data-capable, more self-sufficient, and far more demanding partners, while the laggards are becoming less predictable and less investable. That means your customer base is bifurcating too, and treating all your retail accounts as one strategy is now a mistake. You are not selling into one retail industry anymore; you are selling into two, and they need opposite playbooks.

OUR TEAM

Meet our author and experts

As Group Chief Strategy Officer and Global Practice Lead for Food, Agriculture & Nutrition at FutureBridge, I have shaped my work over more than two decades of leadership across complex, regulated, and innovation-driven industries. The focus has consistently been on helping organizations navigate structural shifts in demand, regulation, and technology with greater clarity and confidence.

What defines this approach is a combination of strategic rigour, practical insight, and a strong focus on outcomes. Deep experience across food, agriculture, and nutrition continues to inform how clients assess change, unlock opportunities, and make critical decisions in evolving markets.

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Vaishnavi M

Emerging Sector Voice - Downstream

ABOUT
FutureBridge

FutureBridge is a global innovation and strategy consulting firm that helps companies anticipate disruption, decode emerging markets and technologies, and convert future signals into growth decisions. The firm works with leadership teams across food and nutrition, life sciences, energy, chemicals, mobility and industrial sectors to support innovation strategy, market intelligence, technology scouting, portfolio prioritization and future ready growth planning.

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