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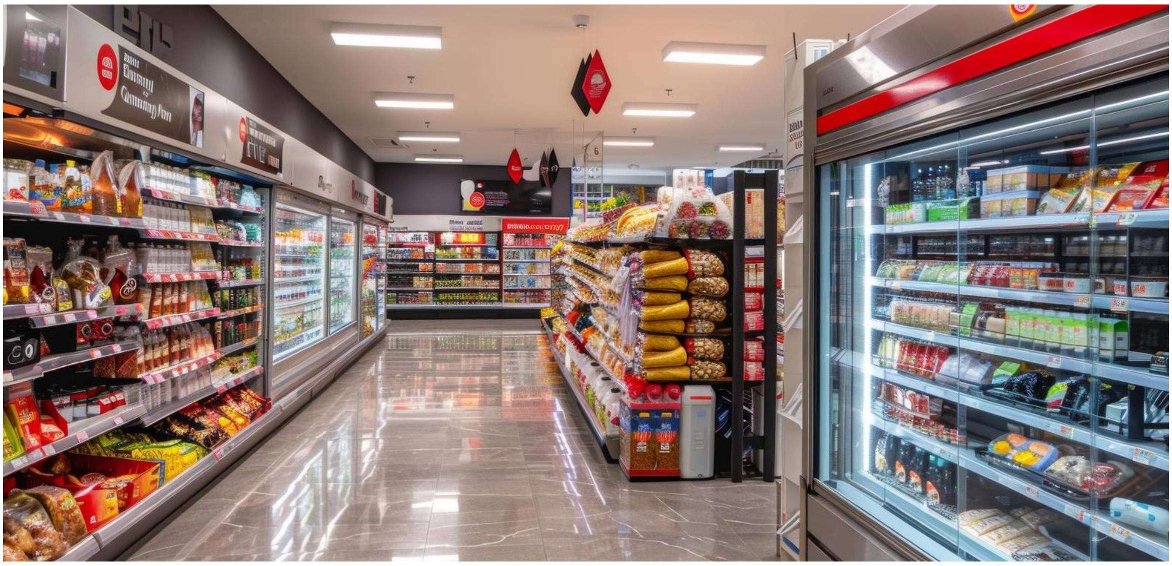

NEWSLETTER AUGUST 2026 EDITION

Kottmeyer's Almanac *on* DOWNSTREAM AG

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

EXECUTIVE SUMMARY: THE 5 STRUCTURAL THEMES OF AUGUST 2026

Theme 1: The Consumer Affordability Reset

Affordability moved from a pricing story to a solvency story this month. More than 4.5 million Americans lost SNAP benefits, with Arizona losing roughly half of its participant base. Circana estimates that SNAP-funded baskets have fallen from more than 10% to about 7% of total food and beverage spending in two years – a roughly $10 billion funding gap concentrated in specific trade areas rather than distributed evenly across the market. At the same time, U.S. grocery unit volumes declined for a fifth consecutive month, even as Walmart, Whole Foods, Target, and Costco reset the category's reference price within the same week.

For grocery and CPG executives, the **second-order effect** is that dollar growth driven by price increases is masking real unit losses. The **third-order effect** is more consequential: a 2027 plan built on category recovery is effectively a hidden market-share assumption. The demand floor is failing first in SNAP-dependent trade areas – the same arithmetic behind Yellow Banana's Chicago closures – long before the weakness becomes visible in national averages. If the category is not growing, every incremental unit in next year's plan has to come from somebody else.

Theme 2: The Battle for Channel, Format, and Occasion Control

Four operators expanded their claim on where, how, and for which occasions consumers eat – each using a different weapon. **Amazon's** active perishables customer base grew by more than 50%, making it the second-largest U.S. grocer by gross merchandise sales. **Uber's** $14.8 billion acquisition of Delivery Hero compressed the delivery negotiating landscape from many platforms to two before consumers noticed a different app icon. **Aldi** is bringing a structurally lower-cost model into more U.S. trade areas, backed by $9 billion in expansion capital. Meanwhile, **Starbucks** demonstrated that growth does not require ceding economics: its 7.9% U.S. comparable-sales growth came from execution and experience, not price.

For grocery, restaurant, and delivery-dependent executives, the **second-order effect** is the emergence of fewer, larger counterparties across format, platform, and channel simultaneously. The **third-order effect** is that contracts, trade areas, and traffic missions considered protected six months ago may no longer be defensible. Channel, format, and occasion are now being contested simultaneously; standing still on any one front creates exposure across all three.

Theme 3: Portfolio, Brand, and Margin Reconfiguration

Portfolio economics changed on both the demand and margin sides this month. GLP-1 use now reaches roughly one in five U.S. households (more than double the January 2025 rate) reducing grocery spending by ~5.5% per household and putting an estimated $30–55 billion of annual industry revenue at risk by the early 2030s. This is a structural reduction in addressable consumption, not a passing dietary trend.

At the same time, **Conagra** placed its entire 5,500-SKU portfolio under review, while private-label pricing accelerated for a third consecutive month even as private label continued taking units from national brands. **Nestlé** demonstrated that recovering volume can still destroy economics: 3.6%

organic growth came alongside a 31% decline in profit when growth was supported by pricing actions and restructuring rather than underlying operating leverage. **Coca-Cola's** 5% volume growth without comparable margin deterioration provides a useful control case.

For CPG executives, the **second-order effect** is that innovation is competing for fewer eating occasions within a shrinking basket. The **third-order effect** is that every SKU a competitor prunes creates potential white space for someone else before the shelf ever appears empty. Growing volume and protecting margin are no longer the same instruction.

Theme 4: Consolidation, Capital, and Competitive Restructuring

Four transactions changed who sits across the table before any of the deals closed. **Kroger's** required divestitures surrounding its Giant Eagle transaction – at a time when four national chains already control 69% of U.S. grocery sales – are creating acquisition inventory for regional grocers that might otherwise never gain access to those assets. **Jersey Mike's** is testing what public markets will pay for scalable restaurant economics, with a potential listing valuing the chain at ~$7.9 billion. **McCormick** named its post-merger operating model and executive team more than a year before its $44.8 billion Unilever transaction is expected to close. And **Intersnack's** 91% premium for Utz reset expectations for what every serious snack platform may now be worth – or expected to become.

For suppliers, competitors, and account teams on the other side of these transactions, the **second-order effect** is that counterparties begin behaving like the combined entity well before legal close. The **third-order effect** is that negotiating leverage, shelf authority, and category valuations start resetting on a timeline that deal paperwork has not yet caught up with. In consolidation, the competitive reset begins on announcement day – not closing day.

Theme 5: Supply Chain, Traceability, and Packaging Move to the Operating Line

Five stories made the same point from five different directions: the supply chain is no longer merely a cost center; it is increasingly where revenue gets decided. **(1) Taco Bell** lost 31% of an average day's traffic (6 times the category decline) after a cyclospora outbreak demonstrated the commercial cost of slow traceability documentation. **(2)** Nearly 19 million eggs sold under five separate private-label brands were recalled from two Texas farms tied to a single producer, illustrating how brand diversification can conceal a concentrated point of failure.

External cost pressures intensified at the same time. **(3)** Russia extended its diesel export ban without a firm end date after seaborne exports fell 39% in a single month, pushing U.S. diesel futures up 11% in one session. **(4)** A 50% Section 338 tariff on Canadian packaging inputs takes effect August 19 with no stated expiration, while **(5)** the EU's Packaging and Packaging Waste Regulation turns packaging specifications into a market-access requirement in the same month.

For grocery, restaurant, CPG, and foodservice executives, the second-order effect is that fuel, packaging, and ingredient costs are flowing into delivered-product margins faster than commercial contracts can be renegotiated. The **third-order effect** is that companies that treated traceability, freight, and packaging primarily as procurement functions now have the least runway to adapt as those functions become operating-line risks. None of these five developments will wait for the next quarterly planning cycle.

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THEME 1:

The Consumer Affordability Reset

1. A $10 Billion SNAP Cut Is About to Hit Value Grocery

The Shelby Report* | *Read Article

Circana projects SNAP-related policy changes will reduce EBT funding by roughly $10 billion in 2026 compared with 2025, with baskets carrying SNAP dollars now accounting for about 7% of total retail food and beverage spend, down from over 10% two years ago. The firm estimates the program has lost roughly 2 million participating households this year, concentrated unevenly by trade area, the same pattern behind Yellow Banana's Chicago closures.

> **SO WHAT:** The problem with a national $10 billion number is that nobody operates a national-average store. For a value grocer or c-store executive, concentrated unit pressure in specific trade areas can make store labor, inventory turns, and fixed occupancy costs uneconomic before corporate averages look distressed. Portfolio decisions made from chain-level data will arrive late. SNAP exposure is a store-level operating variable, not a macroeconomic footnote.
>
> **NOW WHAT -> FutureBridge:** Consumomics can quantify provisioning dependence and likely basket changes across your customer base, while Market Opportunity Assessment can translate lower SNAP funding into store-level demand and viability scenarios for your own footprint.

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2. SNAP Benefit Cuts Are Hitting Grocery Baseline Demand

CBPP* | *Read Article

More than 4.5 million Americans have lost SNAP benefits since the One Big Beautiful Bill's changes took effect, according to the Center on Budget and Policy Priorities. Arizona has been hit hardest, losing roughly half its SNAP participant base due to a combination of stricter federal rules and state administrative capacity strain. States are separately weighing restrictions on SNAP purchases of sugary drinks and snacks, moves Numerator estimates could remove several hundred million dollars from those categories.

> **SO WHAT:** SNAP cuts do not hit grocery demand evenly. They remove purchasing power from specific stores, categories and neighborhoods where baseline economics were already thin. For a value grocer, c-store operator or center-store brand, lower units can quickly break assortment and labor economics at individual locations long before national sales data looks alarming. The national average will tell you about the problem after your weakest stores already feel it.
>
> **NOW WHAT -> FutureBridge:** Consumomics can quantify SNAP dependency by category and store cluster across your footprint, while Market Opportunity Assessment can translate the state-level restrictions still being finalized into a store-by-store demand scenario, so assortment and labor decisions are made before the rules lock in.

CONTRARIAN POV: The instinct is to treat every SNAP restriction as demand destruction. It may not be. A ban on SNAP-funded soda and snacks doesn't remove the trip, it redirects the dollars, for a retailer with strong center-store staples and private label, that reallocation can be share-positive. The risk is cutting exposed categories preemptively before checking whether your own assortment is positioned to catch the spend instead of losing it.

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3. Yellow Banana Shows the Vulnerability of SNAP-Dependent Grocery Models

Supermarket News* | *Read Article

Six Save A Lot stores operated by Yellow Banana in underserved Chicago communities faced closure after SNAP-funded sales declined roughly 27% year over year. SNAP purchases represented close to half of revenue at the stores. The business was also dealing with leadership disruption following the death of its CEO.

> **SO WHAT:** A grocery store can be operationally sound and still become economically nonviable when one source of household purchasing power disappears. For a value grocer or distributor, lower basket value can push fixed store and route costs below their viability threshold. Treating Yellow Banana as a one-company failure risks missing the same arithmetic in your own footprint. When public benefits fund the demand floor, policy becomes part of store economics.

> **NOW WHAT -> FutureBridge:** Consumomics can quantify provisioning dependence across your trade areas, while Market Opportunity Assessment can stress-test store and route viability under lower-benefit scenarios, identifying where intervention, assortment, format, or exit, is required before a closure decision gets made under the same pressure Yellow Banana faced.

4. U.S. Grocery Unit Volumes Fell 1.8% in June

CNBC* | *Read Article

U.S. grocery unit sales fell 1.8% in June, the fifth consecutive month of decline, according to a Bain & Company analysis of NielsenIQ data, a sharp reversal from the roughly flat (+0.1%) growth recorded in June 2025. Eight in ten Americans say they are trying to spend less, with nearly 30% making a deliberate effort to cut grocery spending; more than half of that group are trading to lower-priced brands and roughly 40% are leaning more on coupons and promotions.

> **SO WHAT:** Inflation can make a shrinking business look stable longer than it deserves. For a grocery GM, positive dollar sales do not rescue a category losing units when trip productivity is weakening and competition for every remaining unit is intensifying. A 2027 plan built on category recovery is therefore a hidden market-share assumption. If the category is not growing, every unit in your plan has to come from somebody else.

> **NOW WHAT -> FutureBridge:** Consumomics can separate price-led dollar growth from structurally durable unit demand across your categories, identifying where your 2027 plan depends on unrealistic market recovery and where pricing, assortment or format moves can capture share.

5. Walmart Mass Price Rollbacks Turn the Grocery Price War Systemic

The Street* | *Read Article

Walmart announced thousands of additional price rollbacks in July, including ground beef down 12%, Coca-Cola 24-packs down roughly one-third and some seasonal produce reduced by more than

50%. The move extended approximately 7,200 rollbacks introduced during the second half of 2025. Whole Foods also cut prices on more than 900 private-label SKUs, while Target and Costco increased value activity.

> **SO WHAT:** This is not promotion. It is a reset of the consumer's reference price. For a grocery retailer or branded CPG executive, widening price gaps can make products that looked competitive six months ago suddenly appear structurally expensive without changing a single list price. Matching every rollback destroys economics, but ignoring them can destroy traffic and share. The price war is now about where you refuse to match, not whether you participate.

> **NOW WHAT -> FutureBridge:** Consumomics can identify which SKUs in your own assortment function as reference-price anchors for shoppers, while OSINT can track which competitors are matching Walmart's rollbacks versus holding price, so selective matching protects share without giving up margin across the store.

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6. Circana Says Consumers Are "Rationalizing," Not Just Trading Down

Circana | ***Read Article***

U.S. retail food and beverage grew 2.2% in the first half of 2026, in line with Circana's forecast, with volume growth flat. Circana projects growth settling into a 2-3% range in 2027, closer to pre-pandemic averages, as shoppers optimize spending through pack-size selection, private label, AI-assisted shopping and waste reduction rather than simply cutting back. "Consumers are no longer simply trading down or cutting back," said Sally Lyons Wyatt, Circana's global EVP and chief advisor. "They are becoming more intentional and efficient."

> **SO WHAT:** The consumer is not simply buying cheaper, it is becoming harder to sell unnecessary volume to. For a CPG or grocery executive, oversized packs and marginal SKUs face more pressure, and portfolios can lose units even when household penetration holds. Planning for a return to pandemic-era basket expansion is planning for a consumer who no longer exists. The growth question has shifted from "How do we recover volume?" to "Which products still earn their place in a smaller basket?"

> **NOW WHAT -> FutureBridge:** Consumomics can score your categories and SKUs against the Provisioning, Emotional, Cognitive, Automaticity and Validity demand levers, identifying which products remain structurally necessary and which are vulnerable to comparison, right-sizing or elimination from the basket.

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7. Giant Eagle Cuts Prices on 300+ Items Ahead of Kroger Consolidation

Grocery Dive | ***Read Article***

Giant Eagle temporarily lowered prices on more than 300 frequently purchased products by an average of 10% through Labor Day, spanning protein, snacks, and produce categories. The move follows Kroger's announced $1.65 billion deal to acquire Giant Eagle, positioning the price cuts ahead of a consolidation that will reshape the chain's pricing and assortment narrative.

> **SO WHAT:** Temporary price cuts are becoming a strategic reset mechanism, not just a traffic promotion. For grocery executives, the bigger issue is what happens to shopper reference prices once hundreds of everyday items suddenly get cheaper. That puts more pressure on assortment, private label, supplier funding, and promotion architecture to carry margin without damaging the value message. Once the consumer's price anchor moves down, getting it back up is expensive.

> **NOW WHAT -> FutureBridge:** Consumomics can identify which high-frequency categories in your assortment have the greatest price sensitivity and trust dependency, while Market Opportunity Assessment can quantify where price investment generates enough traffic, basket expansion, or loyalty to justify the margin give-up.

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8. White House Pressures Major Grocers on Beef Prices, Walmart Capitulates

The Wall Street Journal* | *Read Article

USDA convened Walmart, Kroger, and Albertsons to discuss beef pricing, and Walmart announced a 12% cut to ground beef, from $6.74 to $5.94 per pound, a move President Trump claimed on Truth Social as an administration success. Beef prices had surged to $9.64 per pound in April, driven by the smallest U.S. cattle herd in 75 years, and the pressure escalated over the course of the week as the White House pushed other major food retailers to match Walmart's cut.

> **SO WHAT:** Beef pricing has crossed from category economics into political economics. Once government pressure starts influencing shelf prices, retailers have less freedom to pass through commodity inflation and more exposure to consumer scrutiny on other visible staples. Grocery executives need to know which price points preserve trust without turning the meat department into a permanent margin sink. When politicians start setting the reference price, category managers lose room to discover it themselves.

> **NOW WHAT -> FutureBridge:** Consumomics can model price tolerance and trust thresholds across your beef assortment, while OSINT can reconstruct supplier availability, procurement signals, and competitor shelf-price movements, so you can set your own pricing and sourcing posture before political pressure compresses the decision window.

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9. Millions of Americans Are Taking on Debt to Buy Groceries

CBS News* | *Read Article

A July 12 Urban Institute study found roughly 20% of working-age U.S. adults tapped long-term savings to pay for groceries in the past 12 months. Among low- and middle-income adults who used credit cards for grocery purchases, 12% missed a minimum payment, roughly triple the rate among higher-income consumers, and CBS News covered the findings the same week under the headline "Millions of Americans take on debt and drain savings to afford food."

SO WHAT: Food affordability is no longer just squeezing discretionary spending; it is damaging household balance sheets. That accelerates trade-down into private label, smaller packs, and promotion-led purchasing while making low-utility categories easier to cut entirely. Downstream executives should assume more consumers are managing the grocery basket like cash flow, not shopping from habit alone. If the grocery basket increasingly competes with the credit-card minimum, every SKU has to earn its place.

NOW WHAT -> FutureBridge: Consumomics can score your categories and SKUs against provisioning pressure, price sensitivity, habitual demand, and trust, identifying where shoppers are most likely to trade down, abandon the category, or remain loyal so you can reset assortment, pack architecture, and promotion before volume breaks.

10. Walmart Makes Grocery Part Of The Back-To-School Wallet Battle

Grocery Dive* | *Read Article

Walmart is promoting its lowest back-to-school pricing since 2019 on 14 popular school supplies, with select items starting at 25 cents. The retailer also highlighted more than 1,300 additional rollbacks, an average lunch basket priced under $2, and a college grocery basket under $35, tying school supplies, lunches, and dorm groceries into a single seasonal value push.

SO WHAT: Seasonal retail occasions are expanding into wallet-control ecosystems. Back-to-school is no longer just about stationery or lunchbox items; it is becoming a coordinated battle across supplies, snacks, meals, dorm provisioning, and household staples. Grocery executives should manage these periods as total-basket occasions rather than a series of disconnected category promotions. The retailer that owns the occasion owns more of the wallet.

NOW WHAT -> FutureBridge: Consumomics can map how your shoppers bundle school supplies, lunch solutions, snacks, and household staples into a single seasonal mission, allowing you to redesign bundles, promotions, placement, and digital journeys around total occasion capture rather than category-by-category discounts.

11. Kroger Beats Walmart And Aldi In A 15-Item Price Basket

Supermarket News* | *Read Article

Kroger posted the lowest price on 10 of 15 items in a head-to-head basket comparison against Walmart and Aldi. The result landed during a stretch of heightened shopper price-sensitivity and follows Kroger's continued push toward simplified, everyday value messaging across its banners.

SO WHAT: Price perception is increasingly shaped by a narrow set of highly visible benchmark items, not by the economics of the entire store. That gives retailers room to invest aggressively in a few price-signaling SKUs while recovering margin elsewhere through assortment, private label, and mix. Downstream executives need to know which products shoppers actually use to judge whether a banner is cheap. You do not need the lowest price everywhere; you need it where the shopper is keeping score.

NOW WHAT -> FutureBridge: Consumomics can identify the KVIs and behavioral reference prices that shape value perception in your own assortment, while OSINT can benchmark live competitive pricing at those exact decision points, so you concentrate price investment where it changes banner perception without surrendering margin across the store.

THEME 2:

The Battle For Channel, Format, And Occasion Control

12. Amazon's Active Perishables Customer Base Grew 50%

Supermarket News* | *Read Article

Amazon's monthly active perishables customers grew more than 50% since the start of 2026, CEO Andy Jassy said on the company's Q2 earnings call, with same-day perishables orders averaging over three times more units than non-perishables orders and fresh groceries now making up six of the top 20 best sellers on amazon.com. Same-day perishables delivery is now available in 2,300 U.S. cities, and Jassy called grocery a "needle mover" for the business, which he said is now the second-largest grocer in the U.S. by gross merchandise sales.

> **SO WHAT:** The strategic barrier was never whether Amazon could list fresh food. It was whether consumers would trust it enough to make perishables habitual. For a grocery executive, more trips are migrating online while fresh-food expectations reset around same-day reach and digital convenience. Once fresh groceries become habitual online, physical retailers lose one of their last protected traffic missions.
>
> **NOW WHAT -> FutureBridge:** Consumomics can identify which fresh-shopping missions and customer segments in your business are most vulnerable to digital migration, while OSINT can map same-day assortment, service, and fulfillment pressure across your trade areas, so you know where your format and delivery proposition must change first.

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13. Uber Acquires Delivery Hero for $14.8 Billion

MLQ News* | *Read Article

Uber agreed to acquire Germany's Delivery Hero for approximately $14.8 billion, taking control of brands including Talabat, HungerStation, Glovo, foodpanda and PedidosYa. The deal nearly doubles Uber's global footprint from 50 to 99 markets, creating a combined platform with pro-forma gross bookings of $236 billion. Delivery Hero sells operations separately in 14 other markets to SSW Partners for roughly $1.6 billion to address antitrust concerns.

> **SO WHAT:** Consolidation changes contract economics before it changes the consumer app. For a QSR, food platform or CPG executive using third-party delivery, less competition for your volume means weaker leverage on commissions, data access, exclusivity and promotional funding. When two platforms become one negotiating counterparty, your existing contract becomes a strategic asset or a strategic liability.
>
> **NOW WHAT -> FutureBridge:** OSINT can reconstruct how platform terms, coverage, and merchant economics are shifting as the deal integrates, while Market Opportunity Assessment can model direct, multi-platform, and exclusive-channel scenarios ahead of your own next delivery contract renewal, so leverage lost to consolidation gets rebuilt through channel diversification instead of assumed away.

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14. Aldi Commits $9 Billion to U.S. Expansion

CRE Daily* | *Read Article

Aldi is investing approximately $9 billion in U.S. expansion through new stores and conversions of former Winn-Dixie and Harveys locations. The retailer completed around 90 conversions in 2025 and planned roughly another 80 in 2026. Aldi states that its pricing is approximately 37% below the national average.

> **SO WHAT:** Aldi is not simply adding stores. It is importing a structurally lower operating model into more trade areas. For a conventional grocery executive, traffic pressure will expose every expensive layer in assortment, labor, merchandising and promotion. You cannot promotion-plan your way out of a structural cost disadvantage.

> **NOW WHAT -> FutureBridge:** OSINT can map structural price, format, and store-density pressure across your trade areas, including incoming discount capacity, while Consumomics can identify which parts of your assortment and proposition shoppers value enough to defend, so you know where your current format can hold share and where it requires intervention.

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15. Starbucks Posts 7.9% U.S. Comp Growth

Starbucks* | *Read Article

Starbucks reported 7.9% U.S. comparable sales growth in Q3 FY2026, with transactions up 4.2% and average ticket up 3.6%. The company attributed the improvement to progress under its “Back to Starbucks” plan, including increased store staffing, faster service and greater emphasis on the in-store experience. Higher spend per visit was supported by delivery, more food attachment and increased beverage customization, rather than relying solely on menu price increases.

> **SO WHAT:** Starbucks is showing that restaurant growth does not have to come from pushing price harder. For a QSR or fast-casual operator, the more important read-through is that better execution can lift traffic while food attachment, customization and delivery expand the value of each visit. That changes the question from “How much more can we charge?” to “Where are we leaving traffic and ticket growth on the table inside the experience we already operate?” When traffic and ticket rise together, execution becomes a growth lever, not just a cost line.

> **NOW WHAT -> FutureBridge:** Consumomics can isolate which parts of your customer journey, from service speed and occasion choice to food attachment, customization and delivery, have the strongest impact on traffic and spend, so you know where operating investment can create growth without depending on another round of price increases.

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16. Wonder Raises $600 Million Ahead of a Potential IPO

Restaurant Dive* | *Read Article

Marc Lore's Wonder, owner of Grubhub and Blue Apron and operator of a multi-brand food hall delivery chain, filed an SEC disclosure showing it had secured $355 million of a targeted $600 million round, valuing the company at roughly $9 billion. Wonder has raised more than $2.8 billion since 2021, operates over 130 locations, and projects nearly $2 billion in net revenue in 2026, rising to $5.5

billion by 2030; The Information has reported the round is likely Wonder's last before a possible IPO as early as 2027.

> **SO WHAT:** The threat is not another restaurant chain; it is the consolidation of restaurant choice, delivery, food halls, and meal provisioning into one consumer interface. That pushes grocery retailers into direct competition for prepared-food occasions they once treated as incremental. The strategic question is whether prepared foods remain a department or become a platform for controlling dinner, lunch, and convenience missions. The battle is moving from who sells dinner to who controls the dinner decision.

> **NOW WHAT -> FutureBridge:** Consumomics can map which meal occasions your shoppers are most willing to shift between grocery, restaurant, and delivery formats, while Market Opportunity Assessment can quantify which prepared-food propositions, dayparts, and fulfillment models deserve investment in your own network.

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17. Ahold Delhaize's Giant Banner Treats Store Experience As A Format Weapon

Grocery Dive* | *Read Article

Grocery Dive reported that The Giant Company announced at least four store openings, three renovations, and one grand reopening planned for 2026. The renovations touch fresh departments, center-store aisles, the wine and beer set, grab-and-go prepared foods, and pharmacy consultation rooms.

> **SO WHAT:** Physical stores are being repositioned as multi-mission assets rather than distribution boxes. Fresh food, prepared meals, pharmacy, beverage, and grab-and-go are increasingly the parts of the store that determine trip frequency and basket expansion. That means remodel capital has to change shopper behavior, not just improve aesthetics. A remodel that looks better but does not change the trip mission is expensive decoration.

> **NOW WHAT -> FutureBridge:** Consumomics can determine which departments and experiences actually change trip frequency, dwell, basket size, and loyalty among your shoppers, while Market Opportunity Assessment can rank your stores and formats by expected remodel return so capital goes where behavior can move.

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18. Rapid Delivery Becomes A Routine Grocery Channel

Grocery Dive* | *Read Article

A Coresight Research online grocery survey, cited by Grocery Dive, found 37.9% of surveyed shoppers used rapid delivery for most or nearly all of their digital grocery shopping over the past year. Among rapid-delivery platforms, DoorDash edged out Instacart in reported usage, 45.2% to 43.9%.

> **SO WHAT:** The economic risk is not delivery speed; it is the basket fragmentation that speed normalizes. As shoppers shift more of the weekly grocery basket into smaller, immediacy-driven replenishment missions, retailers face a different operating model for assortment, inventory

placement, picking, and service economics. The strategic question is whether rapid delivery creates incremental demand or simply breaks a profitable planned basket into more expensive transactions. Once speed becomes habitual, yesterday's premium service becomes tomorrow's minimum expectation.

NOW WHAT -> FutureBridge: Consumomics can identify which consumer missions and categories in your business have the strongest rapid-delivery automaticity, while OSINT can map local fulfillment economics, assortment patterns, and competitor service levels, so you determine where 30-minute delivery deserves dedicated inventory, pricing, and capacity.

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19. Panera Caps Sip Club And Resets Subscription Economics

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

Restaurant Dive reported July 14 that Panera will cap its Sip Club subscription at 30 drinks per month starting August 19, replacing a prior structure that allowed unlimited monthly beverage redemptions.

SO WHAT: Subscription programs eventually collide with unit economics. Growth in membership only matters if redemption behavior, frequency, and incremental spend still produce a profitable customer. Retail and restaurant executives should expect more loyalty programs to move from unlimited access toward controlled benefits designed around contribution margin. A subscription only works when customer habit and company economics reinforce each other.

NOW WHAT -> FutureBridge: Consumomics can model redemption frequency, habit formation, price sensitivity, and perceived fairness across your own loyalty or subscription proposition, identifying the benefit caps and price architecture that preserve customer utility without destroying contribution margin.

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20. Hy-Vee Makes 30-Minute Grocery Fulfillment A Chainwide Promise

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

Hy-Vee introduced a "Get it faster" pickup and delivery option promising fulfillment in as fast as 30 minutes. Pickup carries no minimum order size, Hy-Vee Perks members receive free rapid pickup, and delivery carries a reduced fee for members.

SO WHAT: Thirty-minute fulfillment turns speed from a local experiment into a brand promise. That puts pressure on inventory accuracy, labor allocation, store-level picking economics, and item availability all at once. Before retailers market velocity, they need to know whether the operating model can deliver it consistently. Speed without in-stock accuracy simply delivers disappointment faster.

NOW WHAT -> FutureBridge: Consumomics can identify which shopper missions justify a rapid-fulfillment premium or loyalty benefit, while OSINT can benchmark fulfillment models, local assortment depth, service fees, and operating footprints, so you design your own speed proposition around profitable demand rather than headline parity.

21. Grocers Move AI From Buzzword To Budget Line

Grocery Dive* | *Read Article

FMI research cited by Grocery Dive found 68% of surveyed food retailers now use AI, up from 47% in 2025, and 59% use generative AI, up from 43%. Retailers allocated nearly 2% of total sales to technology in 2025, double the 2024 level, and 71% expect to spend more in 2026.

> **SO WHAT:** The first AI losers will be operators that buy tools before they redesign the work those tools replace. As technology budgets rise, retailers will increasingly separate use cases that materially improve merchandising, labor, pricing, and inventory from software deployments that add cost without changing operating performance. The execution gap will widen between companies that redesign workflows around AI and those that simply layer new tools onto old processes. The next AI advantage will come from workflow ownership, not software ownership.

> **NOW WHAT -> FutureBridge:** Company Genomics can map where retail, commerce, and supply-chain technology developers are building defensible AI capabilities, while Technology Scouting can rank the solutions against your merchandising, labor, inventory, and customer-service workflows, so your technology budget goes to use cases with measurable operating impact.

22. Instacart Buys Shelf-Scanning AI To Strengthen Grocery Inventory Intelligence

Grocery Dive* | *Read Article

Grocery Dive and Retail Dive reported that Instacart acquired Arpalus, an AI inventory and computer-vision shelf-scanning startup whose technology lets store workers record shelf product levels through a smartphone app. The acquisition strengthens Instacart's Caper Cart platform and item-availability capabilities; prior Arpalus materials cited roughly 95% item-identification accuracy.

> **SO WHAT:** Shelf intelligence is becoming a strategic control layer between digital demand and physical inventory. Better item-level visibility can improve replenishment, substitution, online availability, and digital customer experience, but it also raises a control question for retailers relying heavily on third-party platforms. If you do not control the shelf data, somebody else will eventually control the decision built on it.

> **NOW WHAT -> FutureBridge:** Company Genomics can benchmark the shelf-intelligence, computer-vision, and inventory technology landscape against your current capabilities, while Technology Scouting can identify build, buy, and partner options for improving your own item-level availability and digital fulfillment accuracy.

THEME 3:

Portfolio, Brand, And Margin Reconfiguration

23. GLP-1 Drugs Are Reshaping FMCG Product Architecture

PwC* | *Read Article

Roughly one in five U.S. households (21%) now includes a current GLP-1 user, up from 9% in January 2025, according to PwC analysis of Numerator data. GLP-1 users are cutting grocery spend by roughly 5.5% per household on average as they swap snacks, sugary drinks and alcohol for fresh produce, protein and supplements, while apparel spend rises nearly 10% after 6-8 months of use. JPMorgan projects the drugs could reduce annual U.S. food and beverage industry revenue by $30-55 billion between 2030 and 2034.

> **SO WHAT:** GLP-1 is not primarily a health trend for food companies. It is a reduction in addressable consumption. For a CPG or grocery executive, smaller baskets in calorie-dense categories are pushing innovation toward protein density, satiety and portion control. Reformulation without portfolio pruning creates more SKUs chasing fewer eating occasions. When appetite shrinks structurally, innovation has to compete for fewer bites.

> **NOW WHAT -> FutureBridge:** Consumomics can quantify which of your categories and SKUs are most exposed to lower appetite and changing satiety behavior, while Company Genomics can map the IP and innovation frontier around protein density, portion control and GLP-1-oriented formulation.

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24. Conagra Puts 5,500 SKUs Under Review

Reuters* | *Read Article

New CEO John Brase cut Conagra's quarterly dividend in half, freeing up roughly $335 million in annual discretionary cash, while raising advertising and supply-chain investment and launching a bottom-up review of all 5,500 SKUs in the portfolio. The company guided fiscal 2027 to a 1-3% organic sales decline and lower adjusted EPS of $1.40-$1.50, with more detail promised at an investor day in early 2027.

> **SO WHAT:** A 5,500-SKU review is a signal that shelf support is about to become much less democratic. For a grocery category leader or competing CPG executive, investment will concentrate behind fewer products, creating white space wherever marginal SKUs lose distribution, promotion or innovation support. Portfolio pruning by a major supplier creates opportunity before it creates empty shelves.

> **NOW WHAT -> FutureBridge:** OSINT can identify emerging shelf, promotional, and supplier-support gaps across the categories where your portfolio competes, while Company Genomics can map the innovation and IP white space against your own portfolio, so you accelerate launches or shelf asks before newly available category space closes.

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25. Private-Label Acceleration Is Now Measurable

Supermarket News* | *Read Article

Numerator's Consumer Goods Price Index shows prices for everyday household purchases rising 0.44% in April, 0.51% in May and 0.70% in June, the third straight month of acceleration, pushing year-over-year inflation to 3.4%, the highest rate in nearly three years. Low-income and Gen Z households continue to see the sharpest cumulative increases since 2018.

> **SO WHAT:** Private label is no longer winning only by staying cheap. It is gaining enough consumer permission to raise price and still take units. For a branded CPG GM, promotional defense is weakening while retailers expand private-label margin without surrendering the volume advantage. If private label can raise price and still gain units, discounting your brand is no longer a strategy.
>
> **NOW WHAT -> FutureBridge:** Consumomics can identify which of your specific SKUs are losing share to private label fastest and why, price, trust, or habit, giving your team a prioritized response list instead of a category-wide alarm.

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26. Nestlé's Volume Returns, But So Does the Margin Squeeze

Nestlé* | *Read Article

Nestlé grew organic sales 3.6% to CHF43.1 billion in the first half of 2026, its strongest volume-led growth in recent memory, while net profit fell 31.4% to CHF3.5 billion due to increased restructuring costs and a write-down on assets held for sale. Real internal growth improved to 1.5% from 0.2% a year earlier, with particular strength in emerging markets, even as underlying trading operating margin slipped 10 basis points year-over-year.

> **SO WHAT:** Recovering volume can be the expensive part of recovery. For a CPG executive, using price and investment to restore units can squeeze gross margin and leave less cash for innovation, marketing and portfolio renewal precisely when competition is intensifying. Volume recovery that destroys the margin needed to sustain it is not recovery.
>
> **NOW WHAT -> FutureBridge:** Consumomics can identify which price points, pack structures, and demand levers in your own portfolio can recover units without overpaying for volume, while Market Opportunity Assessment can test the margin impact of alternative pricing scenarios before your next planning cycle locks one in.

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27. Coca-Cola Grows Volume 5%

CNBC* | *Read Article

Coca-Cola reported 5% growth in unit case volume in Q2 2026, while price/mix contributed 2%. Volume growth was strongest in several lower-priced markets and affordable pack formats. In Asia Pacific, unit case volume increased 8% while price/mix declined 9%, reflecting unfavorable mix and affordability initiatives. Coca-Cola also activated its FIFA World Cup campaign across more than 180 markets, with Trademark Coca-Cola volume up 5% and Powerade up 8% during the quarter.

SO WHAT: Coca-Cola is showing that volume growth can still be created without leaning primarily on price. For a CPG executive, the more useful read-through is the combination of affordability architecture and occasion creation: lower-priced packs helped unlock consumption in price-sensitive markets, while a global event gave consumers another reason to buy. The trade-off is that volume generated through affordability can dilute mix, while event-led demand may not repeat once the occasion disappears. The growth question is not simply whether volume is back, but whether the levers creating it can keep working after the campaign ends.

NOW WHAT -> FutureBridge: Consumomics can separate which of your own volume gains are structurally durable versus event-driven, so your 2027 plan doesn't mistake a campaign quarter for a repeatable growth pattern.

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28. Private Label Widens Its Lead Over National Brands

FoodNavigator* | *Read Article

FoodNavigator reported that private label is widening its unit-sales lead over national brands in 2026. FMI separately reported that younger shoppers are driving a disproportionate share of that growth, following several years of rising store-brand penetration during the inflationary period.

SO WHAT: Private label is moving from inflation hedge to structural consumer franchise. If shoppers continue choosing store brands after the peak of inflation, retailers gain more control over category economics, innovation, and pricing architecture while national brands face a tougher burden of proof on premium value. Private label should now be managed as a strategic portfolio, not as a gap-filling alternative. **When private label wins after inflation eases, the behavior is no longer temporary.**

NOW WHAT -> FutureBridge: Consumomics can identify which categories in your assortment have the highest structural propensity for private-label conversion and which still depend heavily on branded trust, while Company Genomics can map product and technology white space where your own private-label pipeline can differentiate beyond price.

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29. IFF Sells Natural Colors And Functional Ingredients As Specialization Wins

Food Dive* | *Read Article

IFF agreed on July 22 to sell a range of natural colors and functional ingredients to nutraceutical firm SuanNutra. The move follows IFF's broader portfolio reshaping in ingredients, including its previously announced $4.3 billion sale of its food ingredients business.

SO WHAT: Ingredient portfolio restructuring can create downstream consequences long before consumers notice. Changes in supplier ownership and focus can alter formulation support, availability, pricing leverage, and technical service for private-label and prepared-food programs. Retailers need visibility into where they are more dependent on upstream supplier decisions than they realize. **Portfolio restructuring upstream can become formulation risk on your shelf.**

NOW WHAT -> FutureBridge: OSINT can map supplier ownership, capacity, production, and sourcing changes across the ingredients embedded in your private-label and prepared-food portfolio, while Company Genomics can identify alternative suppliers with comparable technical capabilities, reducing dependency before supplier restructuring reaches your operating line.

THEME 4:

Consolidation, Capital, And Competitive Restructuring

30. Kroger's Giant Eagle Acquisition Moves Into Antitrust Review

Grocery Dive* | *Read Article

Kroger's $1.65 billion deal to acquire Pittsburgh-based Giant Eagle, announced July 1, is now under FTC review, with the companies expecting to make a "limited" number of store divestitures concentrated around Columbus, Ohio overlaps. The National Grocers Association has called for a robust antitrust review, noting that four national chains now control 69% of U.S. grocery sales. Unlike the blocked Kroger-Albertsons deal, legal observers expect a friendlier reception from the current FTC.

> **SO WHAT:** Antitrust risk for Kroger can become acquisition inventory for somebody else. For a regional grocery CEO, forced divestitures create a rare window to add stores, density and distribution leverage without waiting for greenfield availability. The best asset in this deal is the store Kroger is forced to sell.
>
> **NOW WHAT -> FutureBridge:** OSINT can identify likely divestiture assets, ownership changes, and early sale-process signals relevant to your expansion footprint, while Market Opportunity Assessment can rank those sites against your own trade-area economics, so you know which assets deserve an early acquisition posture before a formal process becomes crowded.

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31. Jersey Mike's IPO Could Raise Nearly $1.1 Billion

Fortune* | *Read Article

Jersey Mike's began its IPO roadshow in mid-July, planning to offer roughly 43.5 million shares at $21-$25 each to raise up to $1.1 billion, a listing that would imply an equity value of about $7.3-7.9 billion, among the largest restaurant IPOs in decades. The Blackstone- and Abu Dhabi Investment Authority-backed sandwich chain plans to list on the NYSE under the ticker JMKE.

> **SO WHAT:** The IPO matters less as an exit than as a new price tag on scalable restaurant economics. For a QSR or fast-casual executive, it creates a fresh valuation benchmark and raises the pressure on private operators to prove their expansion model can produce comparable demand durability without destroying returns. The market can tell you what growth is worth, but not whether your growth deserves the same price.
>
> **NOW WHAT -> FutureBridge:** Market Opportunity Assessment can benchmark your unit economics, growth runway, market density, and expansion potential against relevant public-market restaurant comparables, while Consumomics can test whether the demand proposition supporting your growth model is structurally durable, so you know which parts of your valuation story can survive investor scrutiny.

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32. McCormick Names Its Post-Merger Operating Model for Unilever Foods

Food Dive* | *Read Article

McCormick disclosed the operating model and executive team it plans to put in place after closing its $44.8 billion acquisition of Unilever's global food business (excluding India), expected to close mid-2027. The combined company will reorganize into four commercial divisions and McCormick will seek a secondary London Stock Exchange listing alongside its primary NYSE listing to reflect Unilever's global shareholder base. The deal, structured as a tax-efficient Reverse Morris Trust, is the second-largest food transaction in history behind the 2015 Kraft-Heinz merger.

> **SO WHAT:** Integration risk becomes commercial risk when the future organization is named before the deal closes. For a competing CPG supplier, account and category authority can shift early as portfolio rationalization, bundled selling and greater negotiating leverage begin to take shape. The merger closes later, but the competitive reset has already started.

> **NOW WHAT -> FutureBridge:** OSINT can map how consolidation is likely to alter buying authority, account ownership, portfolio overlap, and commercial leverage across the customers you serve, so your sales and category teams know where to renegotiate positioning before the combined operating model fully takes effect.

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33. Intersnack Buys Its Way Into the U.S. Through Utz

Progressive Grocer* | *Read Article

Intersnack Group's acquisition of Utz, at a roughly $2.9 billion enterprise value ($14.25 per share, a 91% premium to Utz's July 20 closing price), hands the German snack conglomerate direct ownership, not a partnership or supply deal of a major U.S. salty snack platform. Intersnack and the Rice and Lissette founding family entities will each hold 50% after close, and Utz will delist from the NYSE.

> **SO WHAT:** Private ownership can change competitive behavior faster than ownership itself changes the brand. For a mid-cap snack executive, greater freedom for investment, pricing and promotion can reset category valuations and shelf expectations around a better-capitalized competitor. The deal does not just reprice Utz; it reprices what every serious snack platform is expected to become.

> **NOW WHAT -> FutureBridge:** Consumomics can identify which parts of your snack portfolio have the strongest consumer permission to defend price, shelf space, and occasion ownership, while OSINT can map changing investment, promotion, and distribution intensity across your category, so you know where your own portfolio requires reinforcement before competitive capital resets the shelf.

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34. Restaurant Capital Splits Sharply Between Pruning and Expansion

Restaurant Dive **|** ***Read Articles***

MTY plans to close 68 corporate locations within six to nine months, including 45 to 50 Papa Murphy's stores that lost more than $10 million combined over the prior 12 months, in a system that is roughly 97% franchised or operator-run. Qdoba signed agreements covering 113 new units across seven states, pushing the roughly 865-store brand toward 1,000 units and a longer-term 2,000-unit target, while Wingstop added 382 net domestic restaurants in 2025, ending the year at 2,586 U.S. locations and $5.3 billion in systemwide sales against a long-term goal of 10,000 stores.

> **SO WHAT:** Restaurant capital is becoming brutally selective. Weak units are being cut faster while proven concepts continue to attract aggressive expansion capital, which raises competition for trade areas, franchisees, and high-value meal occasions. Operators should stop relying on systemwide averages and evaluate growth market by market and format by format. Capital is not leaving restaurants; it is concentrating behind concepts that can prove unit economics.

> **NOW WHAT -> FutureBridge:** Consumomics can identify where your own formats have durable occasion-level demand, while Market Opportunity Assessment can rank markets and trade areas by unit potential, competitive saturation, and economics, so you know where to prune, defend, or expand your network.

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35. Cumberland Farms Makes Foodservice the Centerpiece of Its IPO Story

C-store Dive **|** ***Read Article***

Cumberland Farms' public-market filing targets 600 to 700 rebrands over five years, 60 annual store refreshes, and 500 Krispy Krunchy Chicken locations by 2030, a plan that would nearly double the flagship banner's footprint.

> **SO WHAT:** Convenience retail is increasingly being valued on foodservice growth, not fuel adjacency. More investment in kitchens, fresh food, and branded restaurant partnerships will push convenience stores into direct competition with QSRs, grocery grab-and-go, and other meal formats. Executives across those channels should expect the boundary between retail and restaurant to keep collapsing. The convenience store is becoming a restaurant with pumps, not a gas station with snacks.

> **NOW WHAT -> FutureBridge:** Consumomics can map which foodservice occasions your own stores are structurally positioned to win, while Market Opportunity Assessment can determine where kitchen investment, branded partnerships, menu expansion, or format upgrades produce sufficient incremental traffic and margin.

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36. Albertsons Collapses 11 Divisions Into 4 Regions the Same Day It Posts Weak Comps

Grocery Dive* | *Read Article

Albertsons consolidated 11 divisions into four regions the same morning it reported comparable store sales down roughly 1%, flat net sales growth, and cut full-year guidance to a 0.5% to 1.5% decline. President and CFO Sharon McCollam is also preparing to retire.

> **SO WHAT:** Large retailers are stripping organizational layers because weak growth makes complexity expensive. Centralizing merchandising, procurement, technology, and pricing can create leverage, but too much standardization can also weaken local market responsiveness. The real operating question is which decisions benefit from scale and which still require local knowledge. Centralization creates leverage only when it removes duplication without removing market intelligence.
>
> **NOW WHAT -> FutureBridge:** Consumomics can quantify where shopper behavior genuinely differs across your markets, while OSINT can benchmark competitor regional structures, assortment localization, and operating models, so you determine which decisions belong at enterprise level and which still require local control.

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37. Seven & i Shows Transformation Can Still Move North American Merchandise

C-Store Dive* | *Read Article

Seven & i reported fiscal Q1 operating income up 122.4% year over year and North American same-store merchandise sales up 1.4%, alongside a $349 million year-over-year lift in North American fuel sales.

> **SO WHAT:** Transformation programs earn credibility only when they move merchandise productivity. Investors and operators are increasingly looking for direct links between restructuring, assortment, format changes, and same-store performance rather than accepting activity as proof of progress. Retail executives need to tie transformation capital to measurable commercial outcomes. **Transformation without a measurable demand signal is just reorganization with better slides.**
>
> NOW WHAT -> FutureBridge: Consumomics can identify which merchandising, assortment, and format changes in your own transformation agenda are most likely to alter shopper behavior, while Market Opportunity Assessment can quantify the revenue and margin upside attached to each initiative so capital follows measurable commercial impact.

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38. UNFI Reorganizes Leadership Around Sales, Supply Chain And Technology

Grocery Dive* | *Read Article

Grocery Dive reported that UNFI promoted Giorgio "Matteo" Tarditi to president and COO, named Alfredo Luchini CFO, and shifted Louis Martin to chief commercial officer. Tarditi will oversee product sales, enterprise customer relationships, supply chain operations, technology, and lean implementation.

> **SO WHAT:** Distribution leadership structures are converging around commercial execution, supply chain, and technology because customers experience all three as one service outcome. Availability, service levels, digital capability, and account growth are becoming inseparable operating questions. Retailers and foodservice operators should expect distributors to compete less on isolated functions and more on end-to-end execution. **The old functional silos are collapsing because the customer experiences one supply chain, not five departments.**

> **NOW WHAT -> FutureBridge:** OSINT can map resilience, service levels, facility investment, technology adoption, and capacity signals across your distributor and supplier network, allowing you to qualify partners against the operating requirements of your own assortment, fulfillment model, and growth plans.

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39. Nestlé Sells Half Its Waters Business In A $3.4 Billion Platform Reset

Food Dive* | *Read Article

Nestlé agreed to sell a 50% stake in its waters and premium beverages business to Platinum Equity in a deal expected to raise about $3.4 billion. The new company, Peranel, will house brands including S.Pellegrino and Source Perrier.

> **SO WHAT:** Major brand owners are becoming more willing to separate ownership from control when a category needs different capital and operating logic. For retailers, that can change commercial behavior even when the brands on shelf stay the same, including promotion strategy, distribution priorities, innovation cadence, and negotiation dynamics. Supplier continuity cannot be assumed simply because the consumer-facing brand is unchanged. A familiar brand can become a very different supplier after the ownership model changes.

> **NOW WHAT -> FutureBridge:** OSINT can reconstruct ownership, route-to-market, portfolio, and commercial changes among suppliers serving your categories, while Company Genomics can identify where ownership changes may redirect innovation pipelines, helping you adjust your own assortment, negotiation, and supplier strategy before the new model fully lands.

THEME 5:

Supply Chain, Traceability, And Packaging Move To The Operating Line

40. Taco Bell's Cyclospora Outbreak Shows Traceability Is a Revenue System

CNN Business* | *Read Article

Taco Bell customer visits fell roughly 31% below the chain's day-of-week average on July 17, per Placer.ai data, after the FDA linked a nationwide cyclospora outbreak to lettuce likely supplied by Taylor Farms. The broader fast-food category posted only a 1.9% traffic decline the same day, making Taco Bell's drop roughly sixteen times worse than its peers. Yum Brands later said Taco Bell's U.S. same-store sales were down 2% for the quarter to date, with the sharpest impact concentrated in the first two weeks after the outbreak was linked to the chain.

> **SO WHAT:** Food-safety risk does not stop at the contaminated SKU or affected chain. It jumps categories, suppliers and competitors through consumer association. For a QSR or fast-casual executive, traffic can fall immediately, and weak supplier documentation can prolong uncertainty long after the physical hazard is removed. If you cannot prove where the ingredient came from in hours, you spend months paying for the uncertainty.
>
> **NOW WHAT -> FutureBridge:** OSINT can pressure-test your own fresh-produce supplier documentation against outbreak-investigation standards now, while Market Opportunity Assessment can model the traffic-recovery timeline against the Taco Bell precedent, so a contained supplier issue doesn't become a prolonged, category-wide traffic problem.

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41. Nearly 19 Million Eggs Recalled Over Drug-Resistant Salmonella, Linked to 98 Illnesses Across 17 States

CDC* | *Read Article

Midwest Poultry Services voluntarily recalled 1,589,577 dozen shell eggs roughly 19 million individual eggs on July 22 after identifying possible Salmonella Enteritidis contamination at two Texas farms. The recalled eggs, sold under the Kroger, Simple Truth, Brookshire's, Country Morning and Cal-Maine Sunups brands across Texas, Oklahoma, Louisiana and neighboring states, have been linked by the CDC to 98 illnesses and 26 hospitalizations across 17 states as of early August, with the outbreak strain confirmed resistant to standard antibiotic treatment.

> **SO WHAT:** Private label can make five brands look diversified while one producer keeps the supply chain concentrated underneath them. For a grocery executive, one supplier failure can trigger simultaneous recalls across banners and reputational damage when affected lots cannot be isolated quickly. A diversified brand portfolio can still hide a single point of failure.
>
> **NOW WHAT -> FutureBridge:** OSINT can map your private-label supply chain back to shared co-pack and production sources, flagging hidden single-point-of-failure exposure across store brands before the next recall, not during it.

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42. Russia's Diesel Export Ban Hits Food Distribution Economics

The Moscow Times* | *Read Article

Russia introduced a ban on diesel exports on July 8 after systematic Ukrainian drone strikes on its refinery network triggered gasoline shortages and domestic price spikes. Russian seaborne diesel and gasoil exports had already collapsed 39% month-over-month in June to roughly 1.8 million metric tons, down 46% from a year earlier. The shock pushed European gasoil futures to a record premium over Brent crude and sent U.S. diesel futures up 11% in a single session. The ban was originally slated through July 31, but Russia extended restrictions later in the month, with officials declining to give a firm end date.

> **SO WHAT:** The real exposure is not the diesel price. It is the lag between fuel inflation and when that cost finally lands in your delivered-product margin. For a grocery retailer, foodservice distributor or restaurant operator with European freight exposure, higher inbound costs will push suppliers to reprice contracts and service levels to protect themselves. Treat the stated end of an export ban as a political date, not a cost-normalization date.

> **NOW WHAT -> FutureBridge:** OSINT can map your freight lanes, supplier exposure, and delivered-cost sensitivity against refinery outages, diesel availability, and freight-rate movements, giving you an evidence-based view of where margin pressure will hit first and when procurement assumptions should change.

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43. Canadian Tariffs Become a Packaging Problem

Packaging Dive* | *Read Article

President Trump signed three proclamations under Section 338 of the Tariff Act of 1930 imposing a 50% tariff on a range of Canadian goods, including paperboard, cartons and other wood-based packaging inputs effective August 19, regardless of USMCA-origin status. The tariffs, covering roughly $20 billion in annual imports, mark the first modern use of Section 338 and carry no fixed expiration date.

> **SO WHAT:** Trade policy has moved upstream of where many food companies look for it. For a CPG, restaurant or private-label executive, packaging inflation can disrupt reformulation, launch and promotional calendars when printed materials or board specifications no longer clear cost hurdles. A tariff on the box can kill the economics of what is inside it.

> **NOW WHAT -> FutureBridge:** OSINT can trace your packaging supply chain back to Canadian-origin inputs and flag exposure by SKU and print run ahead of the August 19 effective date, before the cost locks into your next production run.

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44. Europe's Packaging Rules Hit Their General Application Date

EU* | *Read Article

The EU Packaging and Packaging Waste Regulation generally applies from August 12, 2026. The regulation covers packaging placed on the EU market and establishes requirements covering packaging composition, recyclability, waste prevention, reuse and producer responsibility. It also includes restrictions affecting certain single-use formats and PFAS in food-contact packaging above specified thresholds.

> **SO WHAT:** This is not another sustainability target to put into a 2030 deck. For a CPG, foodservice or grocery executive selling into Europe, packaging specifications now sit inside market-access risk, affecting supplier qualification and threatening assortment continuity if compliant alternatives cannot be qualified in time. The companies that treated packaging as procurement have the least runway to fix it. From August 12, packaging architecture becomes part of the license to sell in Europe.

> **NOW WHAT -> FutureBridge:** OSINT can map which of your packaging formats and materials fall short of PPWR requirements market by market, while Company Genomics can identify compliant suppliers and alternative materials able to qualify in time, so assortment continuity in Europe isn't decided by whichever supplier gets there first.

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45. FDA Links Frozen Blueberries to E. Coli Cases

FDA* | *Read Blueberries* | *Read PFAS

FDA and CDC tied an E. coli O145:H28 outbreak to recalled GreenWise organic frozen blueberries sold in 10-ounce packages under lot code 60401, with 12 cases and four hospitalizations linked to distribution through Publix stores across eight states. Separately, FDA rejected a petition to set enforceable PFAS limits in food, pointing instead toward non-binding action levels; recent FDA testing found PFAS in 70% of seafood samples, while independent testing found PFAS in 12% of 50 milk samples.

> **SO WHAT:** Food-safety exposure increasingly travels through retailer and private-label trust regardless of where the failure originated. A recall can create shelf disruption, consumer uncertainty, and category-wide reputational damage well beyond the affected lot. Downstream executives should treat traceability as customer-risk infrastructure, not a compliance back office. The costliest part of a recall is often the uncertainty about what else might be affected.

> **NOW WHAT -> FutureBridge:** OSINT can map supplier, processor, facility, distribution, recall, and regulatory exposure across your high-risk categories, allowing you to prioritize supplier qualification and contingency sourcing where a single event could create disproportionate shelf and reputation risk.

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46. UPF Lawsuit Dismissed, But Legal Pressure Escalates

Food Dive* | *Read Article

A Pennsylvania federal judge permanently dismissed the landmark ultra-processed food lawsuit against Kraft Heinz, PepsiCo, Mondelez, and others, ruling that correlation between UPF consumption and childhood Type 2 diabetes "does not amount to causation." Law firm Morgan & Morgan has already re-filed a more detailed successor case, Ford v. Kraft Heinz, the San Francisco City Attorney has filed a separate public nuisance case modeled on tobacco litigation, and HHS has separately promised front-of-pack UPF warning labels.

SO WHAT: The dismissal does not remove ultra-processed food risk; it shows that the battlefield is fragmenting across litigation, municipal action, labeling, and policy. That creates strategic uncertainty for assortment, formulation, and merchandising even before a single national standard exists. Retailers and restaurant chains that wait for complete regulatory clarity may lose valuable reformulation and supplier-negotiation time. Waiting for a clean regulatory definition leaves the portfolio decision too late.

NOW WHAT -> FutureBridge: Consumomics can identify which of your categories and SKUs have the highest consumer trust dependency around processing and ingredient perception, while OSINT can map emerging litigation, labeling, and regulatory signals, so you prioritize reformulation, assortment, and supplier engagement by combined demand and legal exposure.

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47. Florida Subpoenaed General Mills Over Potassium Bromate

Food Dive | Read Article

Florida's attorney general requested safety research, supply-chain information, and details of disclosures made to purchasers regarding potassium bromate, a federally permitted additive now under state-level scrutiny.

SO WHAT: Ingredient regulation is becoming state-fragmented before federal standards change. For national retailers and restaurant chains, that raises the cost of managing different formulations, supplier requirements, and compliance rules across markets. The practical response may be to reformulate toward the strictest commercially relevant standard rather than maintain a patchwork of exceptions. Once state action fractures the rulebook, formulation simplicity becomes an operating advantage.

NOW WHAT -> FutureBridge: OSINT can map state-level additive scrutiny against the ingredients used across your private-label, bakery, and prepared-food portfolio, while Consumomics can identify which reformulations carry the greatest consumer trust or acceptance risk, so you sequence supplier changes before compliance fragmentation raises cost.

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48. Fairlife Ransomware Converts Cyber Risk Into Dairy Shelf Risk

Food Dive* | *Read Article

Coca-Cola suspended U.S. production at Fairlife after a ransomware attack, while stating that product quality and safety were unaffected. Fairlife surpassed $1 billion in annual retail sales starting in 2022; Coca-Cola announced a $650 million Coopersville, Michigan expansion in March, and Fairlife had separately planned a 745,000-square-foot Webster, New York facility to open this year.

SO WHAT: Cybersecurity has become an availability problem. A ransomware attack at a major supplier can interrupt production, create shelf gaps, force substitution, and destabilize category planning even when food safety is unaffected. Retailer resilience now depends partly on the digital defenses of companies outside its own firewall. **A supplier's cyber weakness can become your out-of-stock tomorrow morning.**

NOW WHAT -> FutureBridge: OSINT can map production concentration, facility dependency, cyber incidents, capacity expansion, and alternative supply across your strategically important suppliers, allowing you to identify single points of failure and prequalify backup sources before a digital disruption becomes a shelf problem.

49. FDA Targets Orange B and Citrus Red No. 2

FDA* | *Read Article

FDA announced two July 22 actions targeting petroleum-based color additives: a final order revoking authorized use of Orange B, and a proposal to revoke authorized use of Citrus Red No. 2, continuing the agency's broader push on food color additives.

SO WHAT: Color-additive scrutiny is moving faster than normal reformulation cycles. As more ingredients come under review, manufacturers, private-label owners, and foodservice operators could end up competing for the same compliant substitutes, technical support, and reformulation capacity. Retailers should treat color reformulation as a sequencing problem now rather than wait for every rule to become final. **The decision window is before substitute demand becomes the bottleneck.**

NOW WHAT -> FutureBridge: OSINT can map regulatory exposure and supplier availability across the color additives embedded in your private-label and prepared-food portfolio, while Company Genomics can identify alternative ingredient technologies and suppliers with credible IP, so you build a reformulation runway before capacity tightens.

August 2026 Edition:

Thought Leadership Pieces

TL1. U.S. Grocery Has Entered Genuine Volume Contraction

Bain & Company* | *Read Article

Bain & Co.'s analysis of NielsenIQ data found U.S. grocery unit sales declined for five consecutive months after increasing 1.7% in January 2026. Units fell 2.0% in February, 0.4% in March, 2.2% in April, 1.9% in May and 1.8% in June. Grocery prices, meanwhile, continued increasing roughly 2-3% year over year. Bain also found that 80% of surveyed Americans were trying to spend less; among consumers cutting grocery spending, 56% were switching to lower-priced brands, 49% were buying fewer items and 44% were using more coupons and promotions.

> **SO WHAT:** Price increases have stopped disguising the underlying volume problem. For a grocery GM or CPG category leader, that changes the growth equation: a plan built around category recovery is increasingly a plan built on an assumption that the consumer will start buying more units again, when the current evidence says the opposite. Cutting price alone is not enough either, because even value-oriented mass, club, discount and dollar channels are seeing sluggish units. The decision now is where your business has enough differentiation, value or habitual demand to take units from another brand or retailer rather than wait for the market to give them back. In a contracting unit market, growth becomes a share-capture strategy, not a category-growth forecast.

> **NOW WHAT → FutureBridge:** Consumomics can separate inflation-supported dollar growth from durable unit demand across your categories and SKUs, identify where shoppers are trading down versus deleting purchases altogether, and pinpoint the price, pack, habit and value levers most likely to recover units, so your growth plan is built around specific share-capture opportunities rather than an assumed market rebound.

TL2. Consumers Are Rationalizing the Basket, Not Just Trading Down

Circana* | *Read Article

Circana forecasts U.S. retail food and beverage growth of only 2-3% in 2027, primarily from pricing and mix, with underlying volume expected to remain flat. That follows 2.2% retail F&B growth in the first half of 2026, when volume was flat and price/mix increased 2.3%. Circana said consumers are responding to continued economic pressure through pack-size optimization, private-label and brand selection, AI-assisted shopping and reduced food waste. Rabobank, cited alongside the outlook, expects future inflation pressure to fall unevenly across income groups, with lower- and middle-income consumers more likely to trade down, migrate toward value channels and increase deal seeking.

> **SO WHAT:** Calling this "trade-down" understates what has changed. The shopper is becoming better at eliminating unnecessary spend, choosing the right pack for the occasion and comparing brands before the product reaches the basket. For a grocery or CPG executive, that puts more pressure on oversized packs, marginal varieties and products whose value proposition depends primarily on habitual purchasing rather than genuine differentiation. It also means that improved household finances may not automatically restore the old basket, because some of these efficiency behaviors can persist after the immediate economic pressure eases. The strategic question is no

longer how to get consumers back to their old basket; it is which products still earn a place in the basket they have redesigned.

NOW WHAT -> FutureBridge: Consumomics can score your own categories and SKUs against the same efficiency behaviors Circana describes, pack-size optimization, brand comparison, waste reduction, identifying which products are structurally necessary to the redesigned basket.

CONTRARIAN POV: The instinct is to treat basket rationalization as bad news across the board. It isn't evenly bad. A shopper who's gotten better at eliminating unnecessary spend is also a shopper who will pay for genuine differentiation once the clutter is cleared out, rationalization raises the bar for what earns a place, it doesn't lower the ceiling on what a truly differentiated product can command.

TL3. UPF Awareness Is Rising, But Convenience Just Overtook Healthfulness

Food Business* | *Read Article

IFIC's 2026 Food & Health Survey found 52% of U.S. consumers were familiar with the term "ultra-processed food," up from 44% in 2025 and 32% two years earlier. When consumers decided whether a food was ultra-processed, the most frequently cited inputs were the ingredient list, at 56%, and Nutrition Facts panel, at 51%; 36% said they had tried to limit highly processed foods during the past year. At the same time, the survey found taste remained the leading food-purchase driver at 88%, followed by price at 78%, convenience at 61% and healthfulness at 56%. It was the first time convenience had ranked above healthfulness since the survey began in 2006.

SO WHAT: The consumer is becoming more suspicious of processing without becoming more willing to do the work that less-processed food often demands. That is the tension CPG and foodservice teams need to design around. A reformulation that improves the ingredient story but adds preparation time, shortens shelf life, complicates portability or weakens taste solves the regulatory and health narrative while losing on the purchase drivers that still rank higher. Conversely, convenience-led products that ignore rising UPF awareness face a growing trust problem as shoppers become more fluent in ingredient lists and processing language. The winning proposition is not "less processed" or "more convenient"; it is making convenience feel less processed without making the consumer pay for the compromise.

NOW WHAT -> FutureBridge: Consumomics can identify where your own portfolio's convenience and health positioning are working against each other, so reformulation investment goes toward products that can win on both purchase drivers instead of trading one for the other.

TL4. Natural-Color Reformulation Has a Consumer-Literacy Problem

Food Business News* | *Read Article

A NATCOL survey of 1,004 U.S. adults found consumers were much more likely to recognize familiar ingredients as natural color sources than less familiar alternatives. Beet was identified as natural by 77% of respondents, vegetable juice by 76%, paprika by 74%, elderberry by 73% and turmeric by 72%; recognition fell to 37% for spirulina, 32% for annatto, 30% for gardenia blue and 24% for galdieria blue. Consumer acceptance of naturally sourced colors increased from 66% before respondents received an explanation of their origins to 81% afterward. The survey also found 47% said they bought fewer foods and beverages containing artificial colors. The FDA's Red No. 3 ban has compliance dates beginning in 2027, while state measures are also targeting artificial colors.

> **SO WHAT:** Removing an artificial color does not automatically improve the consumer proposition. A replacement ingredient can be technically natural and legally acceptable yet still look synthetic to shoppers who have never heard of it. For a CPG or private-label executive, that creates a gap between regulatory reformulation and consumer acceptance: changing the formulation solves one problem, but an unfamiliar ingredient name can create another at the point where shoppers read the label. The survey's jump in acceptance after a simple explanation is the important signal because it shows that perception is not fixed; communication can materially change permission. The reformulation race will not be won by whoever removes artificial colors first, but by whoever makes the replacement easiest for consumers to understand and trust.

> **NOW WHAT -> FutureBridge:** Consumomics can test consumer recognition and acceptance of specific natural-color alternatives in your own formulations before launch, using the same before/after explanation lift NATCOL found, 66% to 81%, so reformulation solves the regulatory problem without creating a new label-trust problem.

TL5. U.S. Rice Supply Is Tightening as Long-Grain Acreage Falls to a 50-Year Low

World Grain* | *Read Article

U.S. long-grain rice acreage fell 29% in 2026, with Arkansas, the largest producing state, planting about 851,000 acres, down 41% from 2025 and the lowest level in roughly 50 years. September rough-rice futures reached new contract highs on July 22 and were up 36% from the start of 2026. USDA projected global rice consumption at a record 541.4 million tonnes for 2026-27, while U.S. consumption has also been trending higher over the longer term.

> **SO WHAT:** This is not just a commodity-price story. The acreage decline says domestic rice is losing the competition for farmland even while demand remains firm, which creates a sourcing problem downstream before it becomes a shelf-price problem. For food manufacturers, restaurants and retailers with meaningful rice exposure, higher domestic prices can eventually push more procurement toward imports, changing origin mix, freight economics and supplier dependence. The issue is therefore less about whether the U.S. "runs out" of rice and more about who controls the replacement supply when domestic economics stop clearing the market. A staple category

becomes strategically different when import dependence starts rising by necessity rather than choice.

NOW WHAT -> FutureBridge: OSINT can map your current rice sourcing, supplier concentration and import exposure against changing U.S. acreage and trade flows, while Market Opportunity Assessment can compare domestic and alternative-origin landed-cost scenarios, so procurement teams know where to diversify supply before higher prices force the decision.

TL6. Familiar Flavors Are Migrating Into New Formats

Dairy Processing* | *Read Article

Social-media conversations around cheesecake increased 17% in 2025, according to Tastewise, with the flavor moving beyond traditional desserts into beverages, granola, beer, toppings and snackable formats. At IDDBA, suppliers showcased single-serve and bite-sized cheesecake products, while brands including Naked Smoothies, Tim Hortons and Nature's Path have introduced cheesecake-inspired products outside the conventional cheesecake occasion. Tastewise also identified fast-growing combinations including chocolate-pistachio, chocolate-sea salt and strawberry-matcha.

SO WHAT: The bigger signal is not cheesecake. It is that innovation can come from moving an already understood sensory experience into a different format or occasion, rather than asking consumers to learn an entirely new flavor. For a CPG or restaurant innovation leader, that can reduce one of the biggest risks in new-product development: novelty may attract attention, but unfamiliarity can limit repeat purchase. Familiar flavor systems also give brands more room to innovate through texture, portability, portion size and occasion while preserving something the consumer already recognizes. The next white space is less about inventing a flavor and more about finding where an existing one has not yet been allowed to compete.

NOW WHAT -> FutureBridge: Consumomics can identify which of your established flavor equities have enough recognition, emotional permission, and occasion elasticity to travel into new formats, while Market Opportunity Assessment can size the most attractive format and occasion white spaces before you commit innovation spend.

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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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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