FOOD & BEVERAGE

A Roundtable Discussion

POOJA NAIR
Partner
Ervin Cohen & Jessup LLP

MICHAEL SECCURO
Managing Director and Head of Food, Beverage & Agriculture
Intrepid Investment Bankers

DONALD SNYDER
Partner and Food and Beverage Practice Leader
Green Hasson Janks

The food and beverage industry as a whole is unique in many ways — and here in Los Angeles, where we have some of the best dining and food-for-purchase options in the nation, there's perhaps an even more finely tuned set of rules for success. Stir in this year's uncharted obstacles (primarily the COVID-19 pandemic), an unpredictable economy and unique regulatory conditions and you've got a sector of Southern California business that continues to evolve as swiftly as any other, despite facing an increasing number of complexities.

To make some sense of this unpredictable realm, the Los Angeles Business Journal has once again turned to some of the leading experts in the region to get their diverse insights and assessments regarding the current state of the industry that Angelenos most certainly couldn't live without.

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How severe a hit has the COVID-19 pandemic been on the food and beverage industry?

SECCURO: The food and beverage industry, like most of the economy, saw a dynamic shift as monthly expenditures on food in the U.S. were approximately 28% lower in April than pre-pandemic levels, according to the U.S. Department of Agriculture. Early signs in recent months, however, are showing modest improvements back to normalization. Looking deeper within the food and beverage industry, food expenditures at home, groceries, for example, have naturally outperformed and even grown as consumers look to handle their own products to avoid possible exposure to COVID-19. Meanwhile, other subsectors tied to commodities (such as meat, dairy, and produce), food service, and distribution have been exposed to more risk due to COVID-related plant closures and disruptions to operations and supply chains that took time to adjust. The food and beverage industry as a whole should continue to outperform most sectors as food remains an essential need for all consumers.

NAIR: COVID-19 has taken a devastating toll on some segments of the food and beverage industry, particularly on restaurants and bars. The restaurant business is already fraught with uncertainties, even in the best of times. The cost of a lease can go up, employee turnover in Los Angeles can be difficult to deal with. The blow of the shutdowns caused by the pandemic, and the regulatory and legal uncertainty of if restaurants can be open, what rules they must follow, and how they can navigate employee and public health concerns while running a business has had a huge negative impact, and led to permanent closures. On the other hand, other segments of the industry, such as consumer-packaged goods, alcohol, and grocery have seen a significant rise in demand, and have had challenges related to the supply chain, e-commerce, and delivery to ensure that they can get products to consumers.

How have the businesses you work with responded to the situation and how have you counseled them regarding what they should do?

SNYDER: At the onset of the COVID-19 pandemic, the biggest concerns were cash flow and how to cope with the immediate loss of revenue. GHJ advises its clients to develop several cash flow models to fit the possible scenarios they may face in the coming months as everything is so fluid. One major focus for businesses was applying for Paycheck Protection Program (PPP) loans to preserve their workforce. Our firm has seen that once most of our clients were able to obtain these types of loans, they changed their focus to revenues and finding new areas for growth, and innovation is just one key to that growth. Companies also have had to focus on diversifying their supply chains to ensure they can maintain their inventory levels to guarantee supplies and ingredients for their products. With respect to infrastructure, many of our clients have to use additional health safety precautions in order to keep their employees healthy. To do so, all companies need to follow CDC safety guidelines, and it has been a major impact to ensure their infrastructure could handle the “new normal.”

SECCURO: Businesses that have been negatively impacted by the pandemic have taken a “wait and see” approach when considering a deal, whether it be an M&A transaction or financing. We have advised these clients to focus on strengthening their position by improving their liquidity situation, optimizing operating costs, and gaining visibility on a near-term financial plan. All of these are instrumental in maximizing value to shareholders, and success in executing these initiatives will drive timing for the businesses to re-enter the deal market. Businesses that have benefitted (been less impacted) from the pandemic will still be able to commence a deal process in the current environment. Given the uncertain nature of the pandemic many of the same precautionary measures will apply, especially clear visibility into near-term performance as investors seek certainty in an uncertain time. Overall, private equity dry powder remains high at $740 billion according to PitchBook, and assets that have an especially differentiated position should remain attractive.

NAIR: My clients have been extremely resilient and innovative, and have thought creatively about how to adapt to a changing reality. For example, restaurants who had primarily relied on in-person customers developed websites and social media accounts, and offered delivery and takeout services within days of the restaurant shutdown. Startups who sold directly to consumers through farmers’ markets or in-person events have had to utilize delivery platforms to get their products to consumers. Larger companies have had to make changes to the supply chain to ensure they have the capacity to fulfill orders, and have had to rework supply contracts and relationships accordingly. As a lawyer, my job is to make legal agreements for companies of all sizes line up with the new business reality, which takes a healthy dose of flexibility and negotiations. Clients come to me with contract disputes that arise when their existing supply deals, leases, or partnerships do not work with the new reality. I also help with navigating federal and state programs such as PPP loans and state business initiatives.

How long do you think the industry will take to fully recover from this pandemic?

SNYDER: There are many experts that say that the pandemic will probably go to mid-2022. Companies are getting used to the “new normal” right now. Depending on how long businesses are restricted from operating the way they used to, it will likely take at least one to two years to recover — if not more. Throughout 2022, do not be surprised if the ghost of 2020 still lingers. Even if they are doing well, it is unlikely many companies will fully recover in less than a year. Lingering changes such as changes to safety and health guidelines, consumer behavior shifts, supply chain access, etc. will have a longer-term effect even after business are fully opened. The future is unknown, so it is important for companies right now to plan for multiple scenarios so they can be prepared for all possibilities and timelines.

What should food and beverage companies and entrepreneurs expect from their legal counsel in the wake of the pandemic?

NAIR: Food and beverage companies should expect their legal counsel to demonstrate adaptability, creativity and reliability in the wake of the pandemic. While the future of the industry is constantly evolving, clients should be able to rely on their lawyers to be on top of changing regulations and laws, and help ensure that their businesses remain in compliance. This landscape requires thinking outside the box to creatively solve problems in a way that makes sense for a business. The most important component of the relationship between a lawyer and a client is trust, which is built through open communication, responsiveness and dependability on the part of the lawyer. With so much uncertainty right now, it is paramount that companies have confidence that their attorney is always working in their best interest.

What business opportunities have presented themselves during COVID-19 for food and beverage companies?

SECCURO: The food and beverage industry should be poised for M&A and industry consolidation as business closures and bankruptcy filings have already shown massive year-over-year increases. Chapter 11 filings were up 48% in May and 30% in April compared to prior-year levels according to Epiq Global. The opportunity for consolidation should be especially true in foodservice. Cash holdings by the largest publicly traded restaurant companies have grown meaningfully from pre-pandemic levels. This may have been primarily a defensive move to improve liquidity and strengthen their balance sheets, but also provides the opportunity to take a more aggressive M&A stance. In addition, many large food and beverage manufacturers have seen their results benefit from the pandemic and have maintained their investment-grade credit ratings, putting them in a strong position to continue to evaluate M&A. We expect those subsectors that have been less affected by the pandemic to see M&A activity continuing to function with industry buyers showing a willingness to move forward on add-on acquisitions that are highly strategic or fill some gap in their businesses.

SNYDER: Companies are definitely innovating and trying things they have not done before. One shift is that many companies are now selling directly to consumers, such as we have seen in the beverage industry or seafood wholesalers offering discounts and home delivery. What will be interesting is whether this shift in consumer behavior goes back to the old ways once the crisis is over, and I am not convinced that it will. Many will also continue to look for new and innovative revenue streams, different products and more. This innovation has resulted in many food products — both branded and private label — doing extremely well during this period. Innovation and changes in marketing and delivery strategies will also benefit restaurants or startups having a rougher time circumventing high delivery fees or a lack of being able to sample products.

What do businesses need to do to prepare for a potential future crisis or an uncertain future?

SECCURO: Businesses need to build their financial plans with sensitivities that illustrate the possible effects of another crisis on liquidity and free cash flow. Building this cushion will allow shareholders to better understand how they need to readjust their cost structures and to see how much additional capital they may need to not only fund growth but for cash reserves. This also means having enough reserves to fund

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cash interest payments, amortization, or other fixed charges that may come with issuing debt. While it will be impossible to predict specific disruptions, the pandemic has made it clear that risk planning will become an essential part for all businesses. While federal programs such as the Payroll Protection Program or the Main Street Lending Program have provided useful lifelines, companies should be evaluating and pursuing other non-governmental sources of capital during the reprieve that this aid has provided.

SNYDER: The food industry is universally interesting because people fundamentally have to eat. The most successful companies during this pandemic have been those that have a solid cash flow plan. They had a fair amount of cash reserves already built up, were not too leveraged and had a product that catered to everybody. Shelf-stable products, for example, have performed extremely well (for example, following a 94-percent jump in mid-March, overall frozen food saw a 30 to 35 percent increases in April compared with a year earlier according to a survey by the American Frozen Food Institute), whereas the peripheral part of the store have not fared as well. This shift was a little against the grain, and it may not continue once life goes back to business as usual. But with these cash flow decisions, keep in mind it is important to have both short- and long-term plans with multiple levers — and innovate when needed. Ultimately, ensuring cash flow, expansion of e-commerce and expansion of social media is a great way to weather the storm and prepare for any type of future crisis.

Have most food and beverage industry companies been forced to change their operational business models? What trends are you seeing in that regard?

SECCURO: There has been an increased focus on safety, especially with businesses tied to distribution and manufacturing, such as Amazon, Kroger, and UNFI, which have all invested heavily in protective protocols and procedures for workers on the frontlines. The shift to online purchases of groceries was supposed to be much more gradual, but the pandemic has changed that dramatically. Online grocery sales are estimated to surge by 40% in 2020, according to Coresight Research with some of the larger beneficiaries being Walmart and Amazon. The food and beverage industry had been one of the slower sectors to gravitate towards e-commerce, but the pandemic has dramatically increased the rate of adoption. Social distancing and increased online purchases have also changed retail formats and increased curb-side services. Quick-service restaurants with smaller footprints have been well-equipped during the pandemic while other players are now rethinking their traditional brick and mortar layouts. The surge in grocery sales and supply constraints have raised costs and are forcing companies to focus on their best-selling, strategic products. This also means reducing excess promotion spend to maintain margins.

How does California's outlook differ from other parts of the country?

NAIR: California consumers are at the forefront of food and beverage trends, from plant-based diets, gluten-free products, and CBD-infused packaged goods. Consumers are hungry for new ways of eating and drinking, and view food as an experience, which makes for a great testing ground for food and beverage companies. In terms of challenges, California has consistently higher labor costs than the rest of the country. Minimum wage in Los Angeles went up to $15 on July 1, 2020 for employers with 26 employees ($14.25 for smaller employers). At the same time, California employers also face more stringent employment laws in terms of providing benefits and sick leave, and keeping employees safe. With regard to the pandemic, the California state government has been more aggressive in imposing stay at home orders and shutting down businesses to prevent spread than other states, often without advance notice, forcing businesses to pivot rapidly.

How has COVID-19 changed the business tax landscape?

SNYDER: Green Hasson Janks has seen a substantial impact on the global economy from COVID-19, and the food and beverage industry has been hit particularly hard. However, there are options available to help alleviate some of this impact, including an emergency declaration triggering disaster loss provisions, alcohol excise tax exemptions and charitable contributions. The Coronavirus Aid, Relief and Economic Stability ("CARES") Act also included provisions to the food and beverage industry, including specific deferrals for some employer payroll tax payments, for special loans from retirement funds. If a company received a PPP loan, the IRS states that any amounts deferred up to the date of the PPP loan forgiveness can remain deferred until the applicable payment dates. This means an employer will not be required to immediately pay back any previously deferred amounts if their loan is eventually forgiven, which is welcome news for businesses.

Speaking long-term, how has the coronavirus changed the legal landscape for food and beverage companies?

NAIR: The pandemic has been a major disruptive force across the food and beverage industry. Public health has become the central focus for all aspects of the food and beverage sector that interact directly with customers, which puts grocery stores, restaurants, bars, and their employees into a tenuous new position as public health gate-keepers. Legal protections for employees are creating tensions and potential liabilities as companies try to reopen while facing the risk exposing employees and customers to the coronavirus. Some trends that have built over time are reversing. After a long decline caused by environmental concerns and legislation, we are seeing a return to single-use plastics due to public health concerns. For the first time in the past several years, sustainability concerns are not at the forefront of the industry. The federal government has shown some flexibility in certain areas like nutrition labeling and aspects of the manufacturing process in order to prioritize getting food products to consumers.

Do you see any silver lining to come from the pandemic scenario?

SECCURO: Businesses that are digitally native or that have previously made meaningful investments in e-commerce are seeing the benefits now and are reducing risks associated with brick and mortar retail. Some of these risks, especially for packaged goods companies, are delayed resets, slotting fees, and on-shelf competition. However, this can be the silver lining for some brands that are already on-shelf. Even with delayed resets, we believe grocery sales will continue to be stable. Most retailers are also reducing promotions, which tend to be expensive for brands anyway. Plus, with increased spend on groceries, consumers are likely grabbing whatever they can get and trying things out. This should be beneficial for emerging brands as retailers need to compete with new, innovative products instead of purely on price. This was showcased after the Great Recession as smaller brands, especially those that were pure-play focused on high-growth categories, were able to take previous downturns as opportunities for expansion.

NAIR: The pandemic has opened up some opportunities in the food and beverage industry. U.S. consumers and businesses spent $1.77 trillion on the food and beverage industry in 2019, and that number is expected to grow by 2%, while almost every other industry declines. Across the food and beverage sector, companies have embraced innovative new solutions to reach consumers directly and promote their brands. For example, some restaurants are using their space to set up as bodegas or markets for consumers facing produce and quality food shortages. There are huge opportunities for companies to engage with consumers and integrate food and beverage products with that consumer experience. That creates new legal challenges as well, in terms of ensuring that business contracts are suitable for popup operations, and that companies are complying with advertising and consumer privacy regulations. For physical restaurants, some aspects of permitting will become easier and less bureaucratic. Counties and cities are streamlining traditionally strenuous processes for alcohol permits and outdoor dining due to the pandemic, and those changes will be here to say.

How have e-commerce and the digital marketplace (such as Amazon, InstaCart, etc.), impacted the food and beverage industry?

SNYDER: For companies that had an e-commerce platform and were selling to Amazon or through Shopify, it resulted in substantial growth as online spending in May alone grew by 77 percent when compared to last year according to a report by Adobe. However, with the pandemic, there has been a tremendous increase — ordering food or doing grocery shopping through platforms such as Instacart (who has reported that customer order volume is up more than 500 percent year-over-year). A recent RBC Capital Markets survey found that 55 percent of respondents had purchased groceries online, up from just 36 percent in 2018 and 15 percent in 2015. If you were isolated at home, the first thing you did was turn to e-commerce. The big question is, will this drop down once the pandemic is over? I think there is a fair amount of stickiness to online grocery shopping and that this pandemic will actually solidify people's decisions — whereas first people may have been hesitant to purchase food online, now they may be more inclined to do so. Companies who have invested in these e-commerce platforms have done extremely well — and for online sales for alcohol in particular, sales have skyrocketed with alcohol delivery aps such as Saucey seeing growth of around 400 percent.

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Principal,
Green Hasson Janks

ANDREW HOLOUBEK
Senior Manager,
Green Hasson Janks

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How do you view the supply chain in California today for the food and beverage industry?

SNYDER: For the most part, at the very beginning of the pandemic, this was an issue. Companies who were reliant on primarily one supplier found themselves short on inventory and were forced to expand their supply chain beyond one vendor. However, now companies have a pretty good handle on their supply chains, with the exception of some meat processing clients. Many meat processors, especially in the Midwest, have experienced closures during the pandemic. Generally speaking, in California it seems most people have found their sweet spot of getting raw materials and ingredients — but the question now revolves around what type of pricing should be charged at present. Another issue is delays in packaging materials. Interestingly enough, the supply chain for packaging seems to be what is affecting our clients the most.

What are the most critical legal issues that a new start-up food/beverage company should allocate its limited resources to addressing at the very beginning, and what items can wait a while until additional funds have been secured?

NAIR: Here are three of the most critical issues for new companies to consider:
(1) Proper formation and founders’ agreement- If a food and beverage company has multiple founders, the most critical thing those founders can do is have clear legal agreements with each other (i.e. an operating agreement for a limited liability company, or shareholders’ agreement for a corporation). I have seen several successful companies, particularly family businesses, rely on handshake agreements and then have messy and expensive disputes down the line.
(2) Protect your brand: At the minimum, companies should have a confidentiality and inventions assignment agreement. Founders should also be aware of their potential IP protections (i.e. trade secrets, trademarks, and patents). As soon as practical, the company should secure those protections.
(3) California employment law: California employment laws are the most stringent and complex in the country, making it easy for a new company to make mistakes. Accidentally misclassifying employees, or failing to provide breaks or sick leave can have severe consequences. It is worth the investment in legal fees to make sure the company is doing this right from the outset.

How is food safety impacting the food and beverage industry?

SNYDER: Companies now need to comply with more stringent safety requirements and change their existing operating policies for food safety and personnel safety measures. The CDC has robust guidelines for suppliers and food processors to adhere to, such as additional washing stations, temperature checks, social distancing, ensuring clean airflow, additional cleaning or even ensuring employees can work without having their hands involved. This is forcing companies to invest in new and innovative technologies. Suppliers purchasing new machinery or automated equipment are now forced to rethink their operating procedures in ways that they may not have otherwise thought they would immediately need to. This acceleration of incorporating automated equipment is a trend that will stay, even after the pandemic. All of these variables have an impact on the amount of food being sold to retailers, and some prices will likely be raised as a result.

Moving forward, what product and consumer trends will continue to have the greatest impact on the industry?

NAIR: Here are five trends that will have impact on the industry:
(1) Omnichannel marketing: Brands must engage with consumers on multiple platforms, especially e-commerce.
(2) Demand for consumer engagement and brand communication: Consumers are looking for a more involved at-home experience with food and beverage to make up for fewer opportunities to go to in-person events.
(3) Ghost kitchens: Ghost kitchens have gone from a trend to a survival tool, and the convenience of the contactless consumer model and the ability to deliver food without engaging in full-scale restaurant operations and staffing is here to stay.
(4) Social justice: An increase in consumer consciousness about race and social justice is affecting all industries, including food and beverage.
(5) Contactless options: Consumers will expect the option of contactless ordering, payment, and pickup.

SECCURO: Grocery and retail sales have been particularly strong during the pandemic. Refrigerated, produce, and shelf-stable departments have benefited, but frozen has consistently seen the highest increase in business over the past few months. This is especially true as the category’s products generally have a longer shelf life; it is ideal for stocking up; it lessens the number of trips to the store and helps with convenience and safety. As at-home meal preparation increases and the quality of frozen foods and entrees improve, the shift towards this category and away from dining may stay long term. Similar to what occurred in the Great Recession, we expect continued high levels of unemployment and economic stress will benefit share gains for private label, value brands and food-at-home versus food-away-from-home.

SNYDER: There are several trends. If it becomes increasingly difficult to get meat, there will likely be a rise in plant-based proteins and companies like Impossible Burger or Beyond Meat will continue to make a huge impact on the marketplace. We have also seen companies like CAULIPOWER diversify their product lines by adding new options that are healthy yet easy to prepare at home. People also are not going to rush out into restaurants as fast as they have in the past, even though they are ordering a tremendous amount of takeout. People seem to be enjoying cooking and have gained confidence in their kitchens. According to a recent survey in a New York Times article, 54 percent of respondents said they cook more than before the pandemic, 75 percent said they have become more confident in the kitchen and 51 percent say they will continue to cook even when the crisis ends. When people cook their food, even with meal kits, they tend to cook healthier.

What legal and regulatory trends do you see impacting the food and beverage industry going forward?

NAIR: Here are three:
(1) Advertising and labeling: Product advertising and labeling are a growing source of consumer lawsuits targeting food and beverage companies. The Federal Trade Commission and state agencies closely scrutinize how companies advertise their products to consumers. Even seemingly innocuous claims in advertising, like calling something “all-natural,” “organic,” or flavored with “real vanilla,” can lead to lawsuits.
(2) Insurance: The exclusion and denial of business interruption insurance claims by insurance companies has caused scrutiny and a slew of litigation to be decided. Food and beverage companies should be closely reviewing their insurance policies and have a clear idea of what is covered.
(3) Consumer privacy for e-commerce: The California Consumer Privacy Act (CCPA) went into effect this year and it creates strict obligations for anyone collecting customer information online.

What is a good piece of advice you would share with an entrepreneur entering the food and beverage industry for the first time?

SECCURO: Take a measured approach to understand what your position in the market is and the opportunity your products and/or services will address. This means understanding what consumer demands are and where in the food and beverage industry this is not being currently addressed. Also, you need to know what the key barriers to entry are and what the competitive landscape looks like. Entrepreneurs should ask how they will win versus these incumbents and what will differentiate their product or service. Business owners should have a realistic understanding of how much of the market they can capture as the size of the opportunity will be determined by the distribution channels and consumers that are most relevant. Unique to entrepreneurs entering the market in the COVID environment of today, consider your e-commerce strategy from the beginning and your co-packing and sourcing strategies to have multiple vendors and sources of supply to reflect new consumer behaviors and the likelihood of supply chain disruptions.

NAIR: Focus on the product and your overall vision first. Your product or concept is the foundation of your business and should drive everything else. Once you have a clear vision then you can hone your business plan and think through the long-term vision of how you want to grow the brand. Be thoughtful about who you partner with as co-founders, advisors and investors. No entrepreneur does it all alone, and it is important to have a good team by your side, and to work with people who share your values. Once you have your team together, make sure that you have binding legal agreements with those individuals to make your roles and obligations clear. Don’t rely on handshake deals. Try to meet other founders in the industry and do your research into your competitors and market alternatives. Educate yourself on the legal and regulatory landscape for your product or concept.

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New Research Reveals Food Shoppers See Transparency as Essential

Last month, FMI and Label Insight released the research report, "Transparency Trends: Omnichannel Grocery Shopping from the Consumer Perspective." The 2020 research touts the rationale for how 81% of shoppers say transparency is important or extremely important to them both online and in-store. The analysis offers the leading considerations among consumers for how they define transparency when grocery shopping.

The "Transparency Trends: Omnichannel Grocery Shopping from the Consumer Perspective" Report is based on data collected between March 5 - March 18, 2020 from 1,000 U.S, omnichannel grocery shoppers who shopped online for groceries in the previous month — in addition to shopping in-store. The report is a follow up to "The Transparency Imperative: Product Labeling from the Consumer Perspective" study conducted in 2018 which examined the growing importance of transparency. This year's research builds off of the 2018 study, diving deeper into shoppers' behaviors and expectations for transparency with in-store and online shopping.

"It's one thing to know consumers want transparency, it's another thing to act on it. We're seeing more and more that providing detailed product information is key to building trust and loyalty with consumers," said Tim Whiting, VP of Marketing at Label Insight. "Moving forward, brands will need to continue to listen better to their customers, continuously update their online and in-store content to keep pace with changing consumer preferences and be an open book when it comes to their products so that they can maintain and grow market share."

Key findings included:

- Consumers evaluate core factors that make a brand transparent. Shoppers say a brand or manufacturer is transparent if they provide a complete list of ingredients (62%), the description of ingredients is in plain English (53%), provide certifications, such as USDA organic (48%), and provide in-depth nutritional information (47%).
- Responsibility for transparency is met with distrust. Sixty-one percent of omnichannel shoppers believe manufacturers, brands or government institutions are completely responsible for providing detailed product information; however, less than one-half of shoppers completely trust product information from manufacturers and brands (41%) or from government institutions (46%).
- Consumer needs have changed and transparency needs to evolve along with them. More shoppers are sticking to a diet or health related eating program in 2020 (64%) than in 2018 (49%); and their shopping behaviors are impacted even more by food allergies, intolerances or sensitivities than two years ago with 44% indicating this in 2018, and 55% in 2020.
- Online expectations for transparency are higher than for brick-and-mortar. Forty-two percent of shoppers believe online grocery retailers should be responsible for providing detailed product information, compared to brick-and-mortar grocers (35%).
- Consumers go online to get more information. When met with a need to get more detailed product information or clarify questions, shoppers turn to the internet. Forty-seven percent of shoppers will choose to research ingredients online in the face of confusion and 89% of would be more likely to seek details on a product if it had more online information.

FMI Vice President, Industry Relations, Doug Baker commented that transparency matters for omnichannel grocery shoppers, but there are distinctions among the platforms employed by these consumers. "Pre-pandemic, online shoppers expressed a desire for expanded features that would enable search capabilities, exploration and better ways to compare products. The analysis helps food retailers prioritize how consumers want to engage with them and their brands in an authentic way."

Label Insight drives growth for CPG brands and grocery retailers through unparalleled product transparency. As the trusted partner of over 300 retail banners, over 5500 CPG brands, and organizations including the FDA, USDA and American Heart Association, its best-in-class product attribute data and patented data science empower companies to unlock new growth opportunities both online and in store.

Label Insight covers more than 80 percent of U.S. food, pet, and personal care products, and over 99% of all consumer online searches, with a market-leading database of over 200,000 product nutrients, 400,000 product ingredients and 9 million product claims.

To get the full report, visit fmi.org.

As the food industry association, FMI works with and on behalf of the entire industry to advance a safer, healthier and more efficient consumer food supply chain. FMI brings together a wide range of members across the value chain — from retailers that sell to consumers, to producers that supply food and other products, as well as the wide variety of companies providing critical services — to amplify the collective work of the industry. Learn more at fmi.org.