

Insights

April 2025 Market Update: Food, Beverage and Agribusiness

M&A Activity Maintains Momentum:

Transaction volume held steady in April, driven by sustained buyer appetite across the food industry, particularly in categories with strong consumer relevance and margin visibility. Diversified packaged food and snacking & confections accounted for half of the total U.S. deal flow, while restaurants (~20%) and wholesale/foodservice distribution (~15%) continued to attract strategic and financial sponsors.

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April 2025

Monthly Market Update:
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April recap

Mesirow All-Food Equity Composite **0.11%** for the month ended 4/30¹

Mesirow All-Grain Commodity Composite **2.20%** for the month ended 4/30²

S&P 500 **-0.76%** for the month ended 4/30³

NASDAQ Composite **0.85%** for the month ended 4/30⁴

M&A Activity Maintains Momentum

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Notable April Transactions

Heart Capital / Holding Pattern - B&W agreed to acquire Holding Pattern, a multi-concept franchise of Little Caesars, Janes, Longmire, Diner, James Hill, Crumbl, Pie Hut, and Coney Street, comprising a total of approximately 1,000 units across 10 U.S. markets, source: PitchBook.

Cap Mgmt / Value Label Foods - Cap Mgmt announced its intent to acquire Value Label Foods, a multi-facility manufacturer of coffee, granola, French toast, and more, for \$150 million (30% revenue). The deal includes Cap Mgmt's support in the value-added segment and strengthens its position across retail, CDP, and foodservice channels.

Handmade / Taster Food - Handmade announced its acquisition of Taster Food for \$150 million in this quarter, highlighting the premium value proposition for high growth, scalable B2B (bakery-for-us) snacking platform.

Regulatory Overhang Gains Traction

Key FDA & EU Actions

Specifically Done Under Scrutiny - The FDA is intensifying its focus on artificial colors such as Red No. 3. Health Canada began exploring reformulations in anticipation of possible regulatory bans.

Food of Poly (Labeling on the Horizon) - Proposed FDA guidelines would require simpler "at a glance" nutrition information (e.g., sodium, saturated fat, added sugar), prompting packaging redesigns and potential product reformulation.

EU Packaging Mandates - Under the EU's Packaging and Packaging Waste Regulation (PPWR), all packaging must be recyclable by 2025, with recycled content requirements for plastic packaging phased in by 2030.

Traceability Standards Tightening - FICMA Section 204 now requires domestic supply chain traceability by July 2025, extended from 2024, necessitating tighter infrastructure upgrades across the industry.

Allergen Labeling Reinforced - New FDA guidance calls for clearer allergen disclosure and improved cross-contact controls, ensuring visibility to food allergy patients.

Healthier / Claims in Holding Pattern - Initial new substantiation studies, companies may continue using "healthier" product claims under existing definitions for now.

As of 4/30/25. The Mesirow All-Food Equity Composite is a market index of food and beverage companies in the U.S. The Mesirow All-Grain Commodity Composite is a market index of grain and commodity companies in the U.S. The S&P 500 is a market index of U.S. stocks. The NASDAQ Composite is a market index of U.S. stocks. The Mesirow All-Food Equity Composite is a market index of food and beverage companies in the U.S. The Mesirow All-Grain Commodity Composite is a market index of grain and commodity companies in the U.S. The S&P 500 is a market index of U.S. stocks. The NASDAQ Composite is a market index of U.S. stocks.