

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:
Food, Beverage & Agribusiness

April recap

Mesirow All-Food Equity Composite **0.11%** for the month ended 4/30/25

Mesirow All-Grain Commodity Composite **2.20%** for the month ended 4/30/25

S&P 500 **-0.76%** for the month ended 4/30/25

NASDAQ Composite **0.85%** for the month ended 4/30/25

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Notable April Transactions

Beck's Capital / Holding Pattern - Beck's Capital acquired Holding Pattern, a multi-concept franchise of Little Caesars, Janes, Longmire, Diner, James, Miller, Crumley, Red Robin, and Coney Island, operating in a total of 10 markets across the United States. (S. 17.5% EBITDA, 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 other food products, for \$118 million (3.7x revenue). The deal includes Cap Mgmt's support in the value-added segment and strengthens its position across retail, CDP, and foodservice channels.

Handley / Tupperware - Handley announced its acquisition of Tupperware for \$170 million in this quarter, highlighting the premium valuation commanded by high-growth, scalable B2B (better-for-you) snacking platforms.

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 reformulations.

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

Traceability Standards Tightening - FICMA Section 204 now requires disclosure of supply chain traceability by July 2026, 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 reformulating product claims under scrutiny (artificially-for-free).

As of 4/30/25, the Mesirow All-Food Equity Composite, All-Grain Commodity Composite, and S&P 500 index are up 1.1%, 2.2%, and 0.8%, respectively, for the month ended 4/30/25. The Mesirow All-Food Equity Composite is up 0.11%, the All-Grain Commodity Composite is up 2.20%, and the S&P 500 index is down 0.76%, for the month ended 4/30/25. The NASDAQ Composite is up 0.85%, for the month ended 4/30/25.