



# INDUSTRY NEWS

## FOOD, AGRICULTURE & INGREDIENTS

By Lisa Finney



## As we enter into 2023, most organisations are bracing themselves for a challenging year and the pressure is on to remain ahead of the innovation curve in a competitive consumer landscape.

CEOs and functional leaders are under pressure to find senior talent and technology to chart the course through uncertainty, with a focus on managing any costs and strategic investment wisely.

Three of the biggest challenges facing the industry are.....

### Rise of Conscious Consumers

How the food we eat impacts our health and our environment, is a trend well under way across the industry and it is here to stay. Most businesses are pivoting accordingly to meet increased consumer consciousness around food. According to Innova Health Surveys created in 2020 and 2021, 30% of global consumers have converted to organic, especially millennials. In a similar vein, the health supplement sector is set to grow to a CAGR of 9.9% by 2030 and the non-alcoholic beverage industry by 8.8% throughout this year. B2B and Consumer businesses are pivoting their strategies to accommodate this across all regions.

#### Alcohol

Low or zero alcohol beer consumption is already growing and will grow further. Carlsberg have extended their focus on non-alcoholic beer from Europe to Asia, by launching products in Hong Kong, Singapore and China in the summer of last year. Heineken have launched their non-alcoholic beverage range in 58 markets. In 2022 ABI set a goal of 25% of its beer production being non-alcoholic by 2025. DSM and other Ingredients companies are already preparing for the changes in the brewing process to assist the FMCG world in this pursuit.

#### Sugar

Traditional confectionery businesses are adapting to accommodate to the consumer of the future. Mars Wrigley's recent acquisitions including KIND, Nature's Bakery and Tru Fru have been focused on developing their Health and Nutrition Snacks portfolio. Similarly, multinational beverage companies like Coca-Cola, Dole and Suntory are all engaged in projects to reduce sugar in their products. As a result, the synthetic sweetener market is set to grow by 7.7% GAGR until 2027.

#### Plant Based Foods

The industry has seen an explosion of activity in Alternative Proteins and Plant Based products over the last few years as the number of vegans, vegetarians and 'flexatarians' rise. With many multinational FMCG companies, Flavour Houses and Ingredients companies heavily invested in this area, the competition is already high and will continue to grow. Whilst the rate of growth in this sector and number of start-ups in this space might be tempered slightly by macro-economic events throughout 2023, it's still deemed a major growth area.



**Lisa Finney**  
Senior Partner,  
Food, Agriculture & Ingredients  
Coverage: Global

T: +852 2970 1008

E: [lisa.finney@procoglobal.com](mailto:lisa.finney@procoglobal.com)





## Sustainability & Traceability

Creating sustainable and transparent supply chains is critical across all industries and particularly the F&B industry. Most major multinational Food & Beverage and Agricultural businesses have ambitious goals in place related to sustainability. Consumers want to know the carbon footprint related to the products they consume, as well as the nutritional impact of the food they eat. There is increased pressure on companies in all aspects of the value chain and increasing legislation from governments in relation to how we label food and drink. This impacts all areas of the value chain; from farms and laboratories to fork.

Legislation is being tightened everywhere; in Singapore for example a nutrigrade labelling system debuted for Soft Drinks, which will make it clear how much sugar is a drink from lowest to highest which will already impact many businesses. In Thailand, an increase tax 'penalty' has been proposed for salt for packaging foods. Whilst this has not been imposed yet, it has been discussed for some time.

Similarly, in September 2022, the EU approved a deforestation regulation law to ban the importation of any products that do not meet EU laws in terms of origination. The law has been contested by many palm oil producing countries and in the short term, it may increase prices of palm oil into Europe as companies and more developing nations grapple with the new legislation. This is one example of many, which demonstrates the initial short-term pain associated with creating impactful and meaningful change in relation to sustainability and its knock-on effect on the consumer.

Companies will be under pressure to invest in technology and systems to ensure transparency across the value chain. From AI to SMART FACTORY, LoT to Block Chain, the pressure is on to improve transparency. In addition, the effort and vigor around sustainability must remain but it will be more complex for companies as they face challenges with the economic down-turn, continued volatility across commodities, political instability and inflation.

## Inflation & Price Volatility

At the same time as trying to balance innovation, future technology and sustainability, across the world, inflation and volatility regarding commodities may continue to hit businesses hard. From Animal Feed to Ingredients, Flavours, FMCG and QSR, few organisations will be immune to mounting cost pressure. This will add significant pressure to all functions from R&D to Procurement, to Supply Chain and Sales.

In the face of uncertainty and challenges across the value chain, we're seeing significant opportunities and investment in senior talent and technology.



**Lisa Finney**  
Senior Partner,  
Food, Agriculture & Ingredients  
Coverage: Global

T: +852 2970 1008

E: [lisa.finney@procoglobal.com](mailto:lisa.finney@procoglobal.com)





## Recent Senior Appointments/Leadership changes

As we embark on 2023, below is a snapshot of leadership changes over the last few months.

- > Makiko Ono is appointed first female CEO of Suntory Beverage & Food at **Suntory Beverage and Food** (March 2023).
- > Janelle Orozco joins **Kraft Heinz** as North America Zone CPO from Diageo, where she most recently held the Chief Procurement Officer title for the company.
- > Brian Sikes begins as President and CEO of **Cargill** (Jan 2023).
- > Joao Abecasis appointed Executive VP Asia **Carlsberg** (September 2022).
- > **Unilever** CEO Alan Jope will retire and Hein Schumacher, ex CEO of FrieslandCampina has been announced as new CEO of Unilever.
- > **Beam Suntory**: Greg Hughes, currently President North America, and Jessica Spence, currently President Brands, will swap roles effective January 1, 2023. As President North America, Spence will be responsible for leading commercial operations in the region that includes the company's largest and most profitable market, the US.
- > **FrieslandCampina** have appointed a new Global Chief Supply Chain Officer, **David Cutter**.
- > Yuri Grebenkin, who has led **Beam Suntory's** EMEA business for the last six years, is appointed President International, one of the company's three operating regions.
- > David Hunter, SVP Global Supply Chain Officer, will retire in early 2023 from **Beam Suntory**. Alex Alvarez will be his successor following a 15-year career at Brown Forman.
- > **Beam Suntory** also announced the following market alignment changes to its regional structure: Oceania will become part of the company's newly renamed Asia Pacific region, which will continue to be led by Sho Semba, President of Asia Pacific and Global RTD. Mexico, previously part of the North America region, will become part of the International region so as to leverage the team's expertise in building successful emerging markets.
- > Evguenia "Jeny" Stoichkova has been named president of Global Ventures, a unit of the company that focuses on globally scaling acquisitions and brands, including Costa Coffee and **Coca-Cola's** investment in Monster Beverage Corp. Stoichkova will be succeeded as president of the Eurasia & Middle East operating unit by Sedef Salingan Sahin, who currently serves as president of the nutrition, juice, dairy and plant category for the company (Jan 2023).
- > **Perfetti Van Melle** has named Paula Dart as VP, Growth & Transformation, for Perfetti Van Melle North America. She was previously with Diageo (October 2022).
- > **Tyson Foods** announced Brady Stewart as Group President, Fresh Meats, who will begin his new role at the start of the new year. Stewart will report to President and Chief Executive Officer Donnie King and will be responsible for strengthening the competitiveness of the company's beef and pork businesses through innovation, technology, data and analytics (Jan 2023).
- > **IFF** announced in December that Nicolas Mirzayantz, president of IFF's Nourish division, will leave the Company following a successful 34+ year tenure, effective Dec. 31, 2022. Upon his departure, IFF CEO Frank Clyburn will lead IFF's current Nourish division until a replacement is named.
- > Tamsin Vine appointed Chief Human Resources Officer at **Tate & Lyle** (December 2022). Previously she was employed with Sodexo.
- > Kellie Sears appointed Chief Human Resources Officer at **Bunge**, previously she was CHRO at BeautyHealth (Jan 2023).
- > **Maggie Beer Holdings** appointed Kinda Grange, former Managing Director at Goodman Fielder, as new CEO (March 2023).



**Lisa Finney**  
Senior Partner,  
Food, Agriculture & Ingredients  
Coverage: Global

T: +852 2970 1008

E: [lisa.finney@procoglobal.com](mailto:lisa.finney@procoglobal.com)



The market remains competitive for talent. In fact, as market challenges deepen and economic pressure mounts, it becomes even more critical to have the right leaders in the right roles.



## M&A Activity

- > PVM announced acquisition of Mondelez gum and candy business (Dec 2022)
- > Nestlé announced to buy Seattle's Best Coffee from Starbucks (Oct 2022)
- > Keurig Dr Pepper announced a \$863M for stake in C4 Energy maker (Dec 2022)
- > Ferrero announced acquisition of Wells Enterprises (Dec 2022)
- > Chr. Hansen will merge with Novozymes in a \$12.3B deal in 2023 (Dec 2022)
- > Mars Petcare is acquiring Champion Petfoods (Nov 2022)
- > IRCA will acquire Kerry Group's Sweet and Ingredients business (Jan 2023)

## FUTURE THINKING

Many senior HR leaders may have to consider how the [proposed ban of non-compete clauses in employment contracts by the US Federal Trade Commission](#) will affect their business. The clause if enforced will propose a complete ban on non-compete clauses. Any decisions in the US could have significant implications for businesses in Asia Pacific and other countries like the U.K where there has been some debate on this issue.

An estimated 60-80% of Executives in the US are likely to have signed non-competes, prohibiting them from taking jobs with competitors, or starting up as a competitor, so it's something we're often helping our clients to successfully navigate, when considering talent, making offers or considering offers from their competitors.

Research demonstrates that this clause could increase talent mobility, wages and overall entrepreneurship, but on the other hand it raises in relation to the protection of intellectual property as well as training and talent development. Particularly in the current climate, this is clearly a contentious and nuanced issue.

Over the coming weeks, we'll be sharing insight from our network on whether they think these non-compete clauses exist and if so at what level and for what functions should they be applicable.



**Lisa Finney**  
Senior Partner,  
Food, Agriculture & Ingredients  
Coverage: Global

T: +852 2970 1008

E: [lisa.finney@procoglobal.com](mailto:lisa.finney@procoglobal.com)

Lisa Finney, Senior Partner, has over 16 years of experience in Headhunting and Recruitment at a global level. She and her team expedite senior searches within Food & Beverage, Agriculture and Ingredients.





## Reaching talent far and wide

---

**Proco Global** is an executive search firm that works hard to create value beyond traditional executive search methodology. Our business model is not to work with everyone; **it is about investing our time and energy into understanding the clients** we do work with, and ultimately becoming an extension of that business.

By doing this, we forge strong and productive working relationships that enable us to proactively identify where we can support you with our insight and expertise in **strategic hiring**.