



## Futurecasting the Food Industry

### Speakers

Chris Baker, Partner, Oliver Wyman

Michael Boland, Professor of Agricultural Economics, University of Minnesota

George Sent, Managing Director, Cascadia Capital

Cameron Wood, Partner, Dorsey & Whitney, Moderator

### Materials

Program PowerPoint Presentation

# Food Risk Summit

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## A Brave New World

Business, technological, environmental and social changes have all disrupted the food industry and such disruptions will continue. This panel is intended to address the following:

- How do current changes in the food and agricultural industry impact strategic thinking by companies at every step of the supply chain?
- What are the risks and opportunities that arise from these changes?
- How does M&A play a role in helping companies navigate these risks and opportunities? When do you buy and when do you sell?

## Categories of Change

- **Food Production – What factors are impacting how food is produced and how does the agricultural industry respond?**
- **Food Consumption – How have consumer preferences changed and how will that impact the food industry?**
- **Food Retail – How has the purchase of food changed and where are we headed?**

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## Food Production

### **What factors are currently impacting food production:**

- **Declining productivity gains**
- **Price uncertainty arising from biological supply chains**
- **Role of buffer stocks to store food**
- **Climate change**
- **Population growth**
- **Land scarcity**
- **Increased regulations**
- **Animal welfare**
- **Trade policies**

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## Food Production

**How does the food industry respond to these disruptive factors:**

- Globalization and the role of global supply chains.
- Increased overseas investments by countries with scarce resources (e.g., China).
- Consolidation (both vertically and horizontally) and partnerships to help mitigate risk.
- The future of agricultural technological development (e.g., big data).
- The role of cooperatives and the future of M&A in the cooperative world.

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## Food Consumption

**How are consumer preferences changing:**

- Changing palates (e.g., increased meat consumption, ancient grains)
- Globally conscious consumers
- “Organic” vs. processed
- Gluten free
- GMO vs. Non-GMO
- Desire to know where the food is coming from

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## Food Consumption

### Responding to changing preferences:

- M&A as a means of responding to consumer preferences.
- Foreign investment in products and technology.
- Conflict between increased desire for organic “safe” food, on the one hand and population growth and scarcity of resources on the other hand.

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## Food Retail

### How has food retail been impacted in the digital age:

- Brick and mortar vs. online retail.
- Food e-commerce vs. other types of e-commerce.
- Delivery costs and other technological issues (e.g. refrigeration and keeping food fresh)
- Consumer preferences and the desire to see what you buy.

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## Food Retail

### Responding to the digital word:

- Rise of the “Omnichannel”
- Technological innovations in delivery and ordering.
- The future of small, niche brands online.
- The role of brands vs. private label products.
- What type of retailers will thrive in this new environment and how does M&A play a role?

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## Questions?

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