The New Supply Chain in Consumer Goods

What trends are impacting your operation and what you can learn from the failures of others.

Pedrom Rejai

Founder, Elevate Growth Partners | Contract Packaging Association | August 27, 2026

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CPA

Service, Solutions, Sustainability

What the CPA offers today!

- The voice and source for those looking for Contract Packaging and Manufacturing resources since 1992
- Leader in increasing the knowledge and expertise within the contract packaging industry and their customers
- Encourage the effective use of contract packaging services via innovation and flexibility
- Increase the industry profile, capabilities, innovation of its members

CPA
THE ASSOCIATION FOR
CONTRACT PACKAGERS & MANUFACTURERS

MORE Leading CP/CMs are CPA Members

- **MORE RFQ**

  OVER 90
  RFQ / MONTH
  2018 Avg

- **MORE growth**

  11.9% CAGR
  5-year

- **MORE networking** opportunities with hundreds of industry executives

  UP TO TEN
  EVENTS
  per year

- **MORE education and training** opportunities for your entire team

THE ASSOCIATION FOR CONTRACT PACKAGERS & MANUFACTURERS

Core Member Benefits

INDUSTRY EXPOSURE

Pack EXPO

- Resource Center
- PE Forum

Conferences

CPA Magazine

NETWORKING

CPA Annual Meeting

PACK EXPO Meet & Greet

Open & collaborative community

Regional Meetings

EDUCATION

Webinars

Associate Member hosted events

Industry partner education

State of the Industry report

CPG RFQ

> 1,100 annually

Online member directory – 4000+ unique visitors per month

The go to source for CP/CM's.

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CONTRACT PACKAGERS & MANUFACTURERS

UPCOMING CPA EVENTS

September 10
CPA/FPSA Regional Meeting, Kansas City
Preparing for the Future of Food Manufacturing

October 7-9
NACS Show 2026, Las Vegas. Booth C 3568

October 18-21
PACK EXPO International, Chicago. Booth N-4486

November 16
Brand and Manufacturer Partnerships that Work and **CPA/CFBN Reception**
PLMA, Chicago

February 16-18, 2027
ENGAGE 2027
Hilton Orlando Lake Buena Vista

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Thank You

contractpackaging.org

Where we're going

01 What changed in the last 10 years

02 Three trends that hit your P&L

03 What to do about them

04 Actions to do right away

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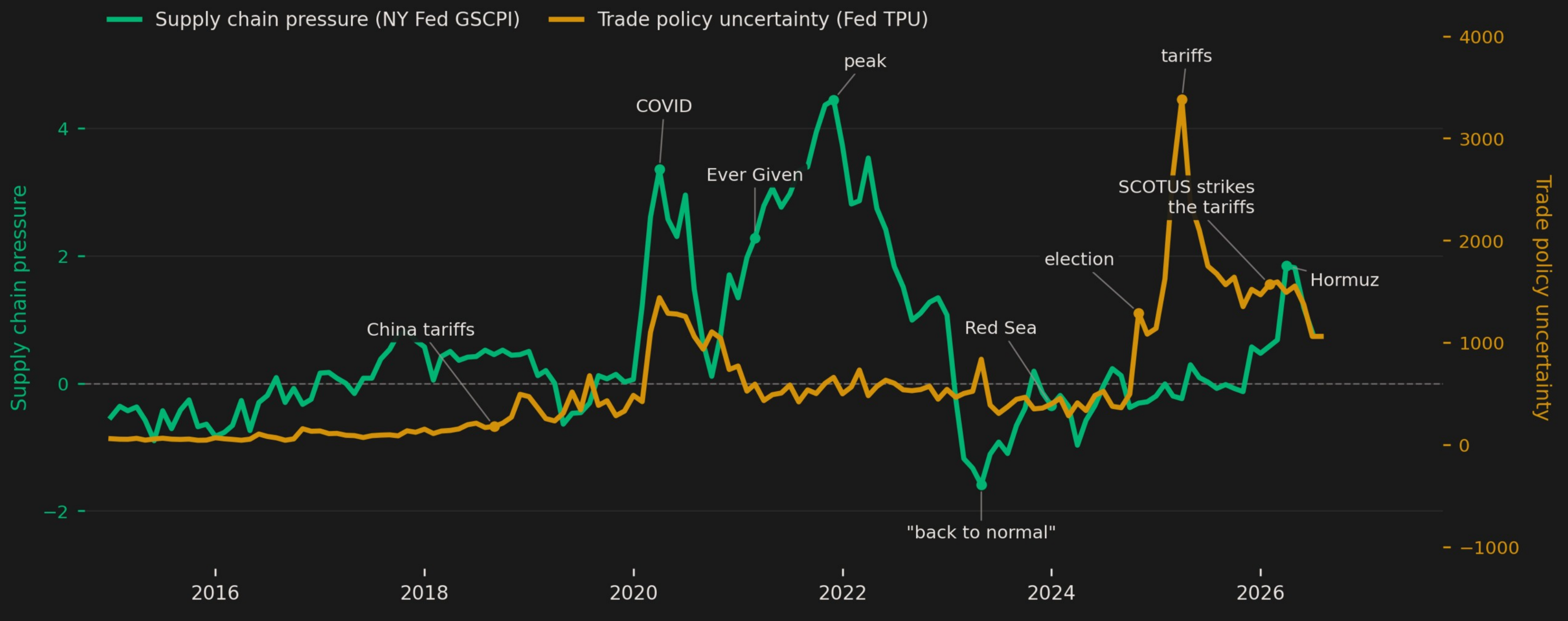
This didn't start with tariffs



106 months since trade policy was last "normal."

NY Fed Global Supply Chain Pressure Index; Federal Reserve Trade Policy Uncertainty Index, through Aug 2026

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Three current trends

+9.9%
Producer price change in the last 12 months on commodity inputs

78%
of companies dual-source their critical raw materials *(2025 survey)*

98% / 12%
have adopted AI / call themselves any good at it. *(Aug '26 survey)*

Whether you want to or not, you're impacted by all three.

BLS Producer Price Index, 12 months to July 2026 | McKinsey Supply Chain Risk Pulse, 2025 | IDC / Kinaxis, Aug 2026 (n=2,000+)

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Trend 1: Tariff Exposure is set at the base level

Campbell's, Q2 FY2026

250 bps

gross margin decline

92%

of it was tariffs

"There's not enough capacity [of tinplate] available in the United States."

– Campbell’s CEO

Campbell's Q2 FY2026 earnings release, March 11, 2026

While McCormick Had Success

17,000 ingredients, 80 countries → 70% of exposure reduced

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Then everything changed...

B&G Foods

42%

of its tariff cost recovered ($4M of roughly $9.5M). Suppliers filed the rest.

Karat Packaging

$20.2M

recovered in a single quarter. Kept the entry filing in its own name.

If your supplier or 3PL is the importer of record, you absorbed the duty and they collect the refund.

B&G Foods Q2 FY2026 earnings call, Aug 18, 2026 | Karat Packaging Q2 2026 earnings call, Aug 13, 2026

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Trend 2: Resiliency is worth paying for

California Dairies

into Utz, Ghirardelli and six more brands

- One lot of dry milk powder, sold into a shared seasoning house
- At least eight brand owners pulled product
- Utz recalled two sub-brands, narrow date windows

Zero illnesses

Clover Hill Dairy

into five private-label brands

- One small cheese co-manufacturer
- Downstream brands couldn't isolate which lots were affected
- So they pulled everything

12 sick. 10 hospitalized. 1 death.

Discipline and diversification can protect your business, for a cost.

FDA recall notices and outbreak investigations, spring and summer 2026

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Trend 3: A great pilot ≠ great rollout

Starbucks AI inventory tool, May 2026

8x

faster cycle count in the pilot,
at 99% accuracy

11,000

stores it rolled
out to

9 months

until they went back
to counting by hand

- Reflections off the fridge doubled the milk count.
- It mistook syrup bottles for trash cans.
- The backend was an IBM AS/400 from the 1990s.
- The 8x and the 99% were the vendor's numbers, not Starbucks.

AI changed how fast you can pilot, **not** how fast you can rollout.

Reuters, Fast Company, Fortune, GeekWire, Restaurant Dive, May 2026

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So what?

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The strategy

01

Price the risk, don't predict it

Know your landed-cost exposure by input and filing entity.

02

Build the option before you need it

Second-source what's critical. Confirm they'd have capacity and capability the day you call.

03

Buy mission critical tech, build the layers

Big builds break. Start small, on a process that already works.

3(a): 55% of Supply Chain leaders reducing entry-level hiring
→ Follow them you'll pay senior rates for the same work by 2030.

Gartner, May 2026 | Horváth SAP S/4HANA study (n=200), 2025

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Questions to guide your actions next week

What's your biggest single-supplier risk, and what do you do in major failure? Who else has capacity?

How much of what you buy is actually imported, including everything that comes through a distributor?

What's the one annoying process everyone complains about, and could you fix a piece of it in 90 days? What can you buy off the shelf and integrate tomorrow?

A one-page worksheet is in your inbox to help you through this.

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Take this with you

Go check your email for survey with link to slides and worksheet

Or use this QR code.

elevategrowth.partners/free-resources

Depending on survey results, CPA workshop series on these and other deeper topics are coming.

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