Recovery Opportunities in the Food Industry

LATAM

December 2021

MINTEL

The Global FoodBanking Network®

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Background & Methodology

The Global FoodBanking Network (GFN) herein sought information from Mintel around how companies respond to food loss and waste, including current mix and magnitude of loss and waste and reasons behind it, as well as potential future solutions.

Mintel fielded an online insights survey approximately 20 minutes in length from November 1 to November 29, 2021. A total of **n=400 interviews** were completed among B2B respondents in relevant food manufacturing, handling, distribution, and retail space who have knowledge of the food supply chain.

Bolivia	Costa Rica	Dominican Republic	Ecuador	Guatemala	Honduras	Nicaragua	Panama	Paraguay	Peru	Uruguay
n=43	n=34	n=30	n=38	n=31	n=39	n=33	n=37	n=35	n=42	n=38

This survey reviewed how food loss occurs at various points in the supply chain in relevant industries as well as how companies currently handle food loss. The survey reviewed awareness and usage of various food banks and other charities, identifying interest in and barriers to food recovery and donation. Specific reasons for food loss and waste including marketability, production/technical factors, market fluctuations, environmental or weather factors, quality degradation/product age, and transportation/distribution were also reviewed. Question numbers and text are referenced throughout the report.

KEY FINDINGS

Key Findings: Current Landscape

- Respondents estimate an average of **23.1% is lost at any point in the supply chain**. 62% of respondents state that food is sold/given to employees, and 43% state their company donates to a food bank.

- **Awareness of food banks is strong, but regular engagement could be stronger**. 76% of respondents are aware of food banks and 62% are aware of GFN.
  - However, 18% of respondents surveyed report their company has a food recovery/donation program set-up today. Limiting factors for donation include transportation constraints (51%) and food expiration before distribution (49%), though those without active programs are also significantly more likely to cite a lack of understanding of options (44%) and inconvenient donation locations (39%) than those with active programs.

- **Lost food is of course lost value for a company**. COVID-19 had a profound impact on LATAM: half (50%) of respondents have experienced an increase in excess food due to the pandemic, suggesting more food loss than previous years. Understanding each industry in the supply chain is integral to engage companies and rescue food successfully.

Journey of Loss in the Food Supply Chain

Agriculture/Farming
Est. 26% total loss

One-third of this food loss happens in field/orchards.

63% of ag/farming respondents believe over-production contributes to food loss here, followed closely by weather (60%).

Supplier/Ingredient
Est. 20% total loss

One-quarter of this food loss happens in inventory, followed closely by in transport (22%).

Reasons are varied, but the most common contributor to food loss among supplier/ingredient respondents is food trimming (23%).

Manufacturing/production
Est. 20% total loss

One-fifth of this loss happens in transport, with another one-fifth in inventory.

Over-production is most commonly cited among manufacturing/production respondents (53%) as driving food loss in this stage, followed by normal production processes like line starts, change-overs or underweights (33%).

Distribution/Wholesale
Est. 22% total loss

Just over half of this loss happens in inventory.

Expiration dates (70%) are most often believed by distribution/wholesale respondents to create food loss here, followed by excess inventory such as customer changes or consumer demand (56%).

Retail grocery
Est. 22% total loss

Nearly one-fourth occurs on shelf.

Most grocery respondents (54%) believe expiration dates contribute to food waste at the retail stage.

Foodservice
Est. 28% total loss

Almost one-third of this occurs as customer waste.

Excess inventory such as customer or demand changes (44%) are the most common issues creating waste among foodservice respondents.

A detailed understanding of industry status and needs is key to informing your product sourcing strategy

Agriculture/Farming

- For those in the ag/farming industry, loss typically occurs **in field**. Top reasons of loss at this stage include over-production and weather (60%+ of respondents each).
- With over-production being a top reason for loss, over one-fourth (28%) of LATAM ag/farming respondents state they are incentivized to overproduce.
- In terms of **environmental factors**, pest infestations (e.g., swarming) most often impact those in ag/farming (80%), with flooding second in impact (among 62% of these respondents). Drought effects disproportionately impact ag over other parts of the chain (48%).

Supplier/Ingredient Company

- The majority share of food loss (46%) occurs either in transport to the distributor/market or in inventory.
- Loss reasons are diverse here, though most common are **food trimming** (23%) and **over-production** (19%).
- Old/ineffective tools/machines create product waste in this industry when it comes to production/technical issues (60%), more often than any other industry. When looking at transportation, refrigeration and infrastructure issues are top drivers of loss (55% and 50%, respectively).
- Supplier/ingredient companies are least likely to have programs in place to reduce food loss (17%).

Manufacturer / CPG Producer

- Similar to supplier/ingredient industry, manufacturers/CPG producer most food loss (44%) occurs in inventory or in transport to the distributor/market.
- **Over-production** is the single largest issue driving waste for this group (53%), followed by **normal production processes** like line starts (33%).
- **Refrigeration** and **infrastructure issues** drive transportation issues for producers (57% and 55% each).
- Manufacturers/producers are more likely to have programs in place to reduce food loss (42%) as well as food recovery/donation programs specifically (32%).

A detailed understanding of industry status and needs is key to informing your product sourcing strategy

Distributor/Wholesaler/ Warehousing

- Food loss for these companies in LATAM skews slightly toward inventory (55%), with 45% occurring in transport.
- **Expiration dates** and **excess inventory** drive loss within this industry (70% and 56%, respectively).
- Refrigeration is the top issue when it specifically comes to transport (61%) and storage (83%) for distributors.
- When considering ways of recovering or donating products past sell-by date, this industry leads others for health and wellness concerns (93%, compared to the total average of 80%); it also co-leads (with grocery) on actively working on innovations around expiration dates (41%).

Retail Grocer

- Most food loss occurs on shelf for retail grocery, attributed most to **expiration dates**. Customer waste is the second largest source of loss in grocery.
- Likely spurred by these expiration issues, most (63%) grocery respondents indicate their companies are actively working on solutions to extend shelf life.
- The largest share of excess food in grocery within LATAM is sold/given to employees (45%), higher than any other industry.
- Awareness of GFN is also highest among retail grocers (68%), though only a relatively average share of grocers in LATAM (16%) have a food recovery/donation program in place.

Food Service/Restaurant

- When it comes to food service, the largest share of food loss takes place in customer waste (31%), followed by on shelf (17%).
- Naturally, excess inventory (such as changes in consumer demand) contribute significantly to waste in LATAM's food service; among those experiencing planning issues, oversized portions or servings drive this trend the most (65%) which tend to occur on a daily to weekly basis.
- Most food service respondents (62%) indicate any increase in excess food due to COVID, higher than any other industry in the food chain.

Key Findings: Across Industries

- Top drivers of food loss regardless of industry include **transportation**, **expiration dates**, **excess inventory (such as changes in customer/consumer demand)**, and **machinery issues**.
    - Refrigeration and adequate warehousing are top drivers of age/quality issues specifically.

- 51% of respondents in LATAM report transportation constraints or food expiration before distribution currently limit donation of lost food from their company, key challenges to address.
    - Respondents state their company would be interested in **support with logistics and transportation** (81%) or **support with refrigeration and storing** (80%). **Connecting with each company to uncover specific points of loss and making donation seamless is crucial to a strong partnership.**

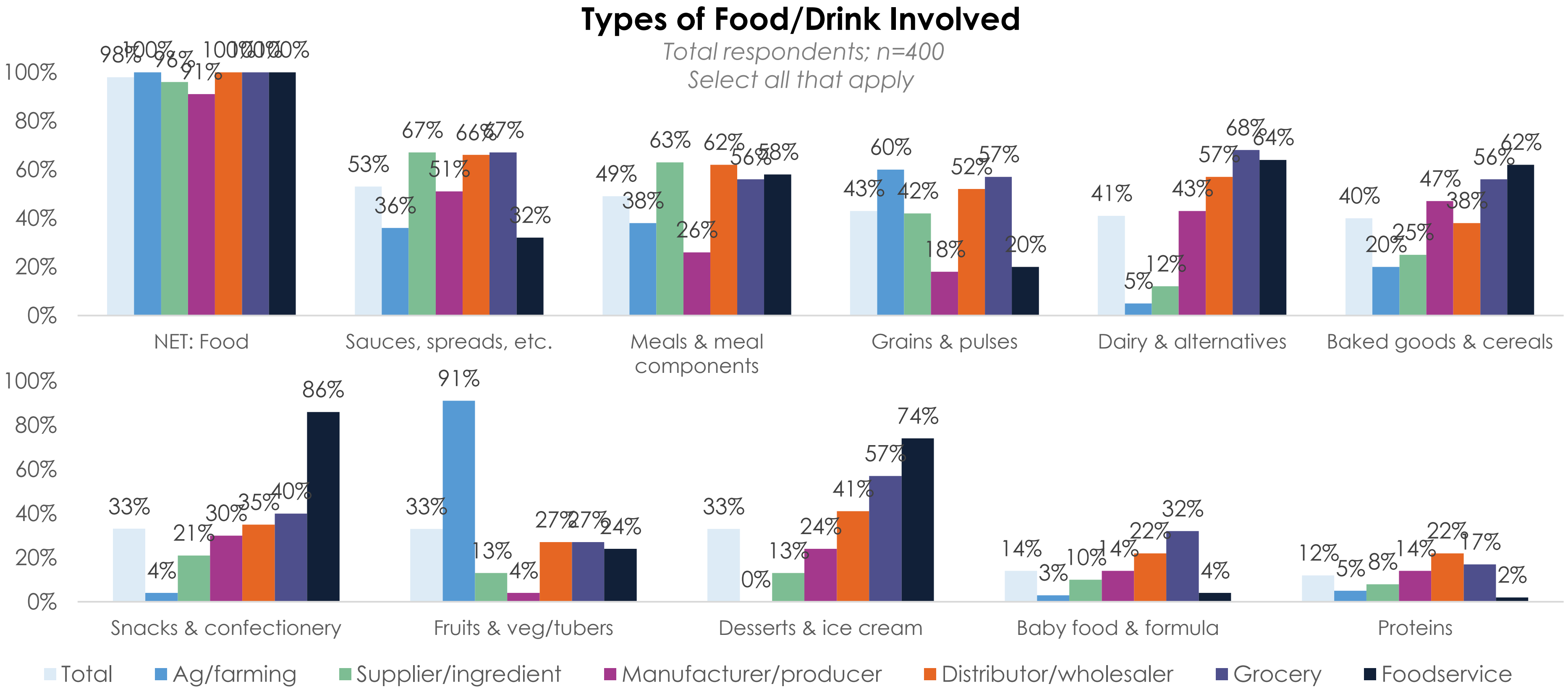
- When it comes to LATAM companies, respondents express interest in partnership, with roughly respondents interested in being introduced to a local food bank to learn more (74%) and building connections with local food banks to partner and serve the community (67%).
    - **Fuel interest around participation by both allowing and encouraging employee participation and promoting the company's support of the community, possibly by sharing stories similar to the Los Angeles Food Bank.**

DETAILED FINDINGS

FOOD MIX & FOOD LOSS

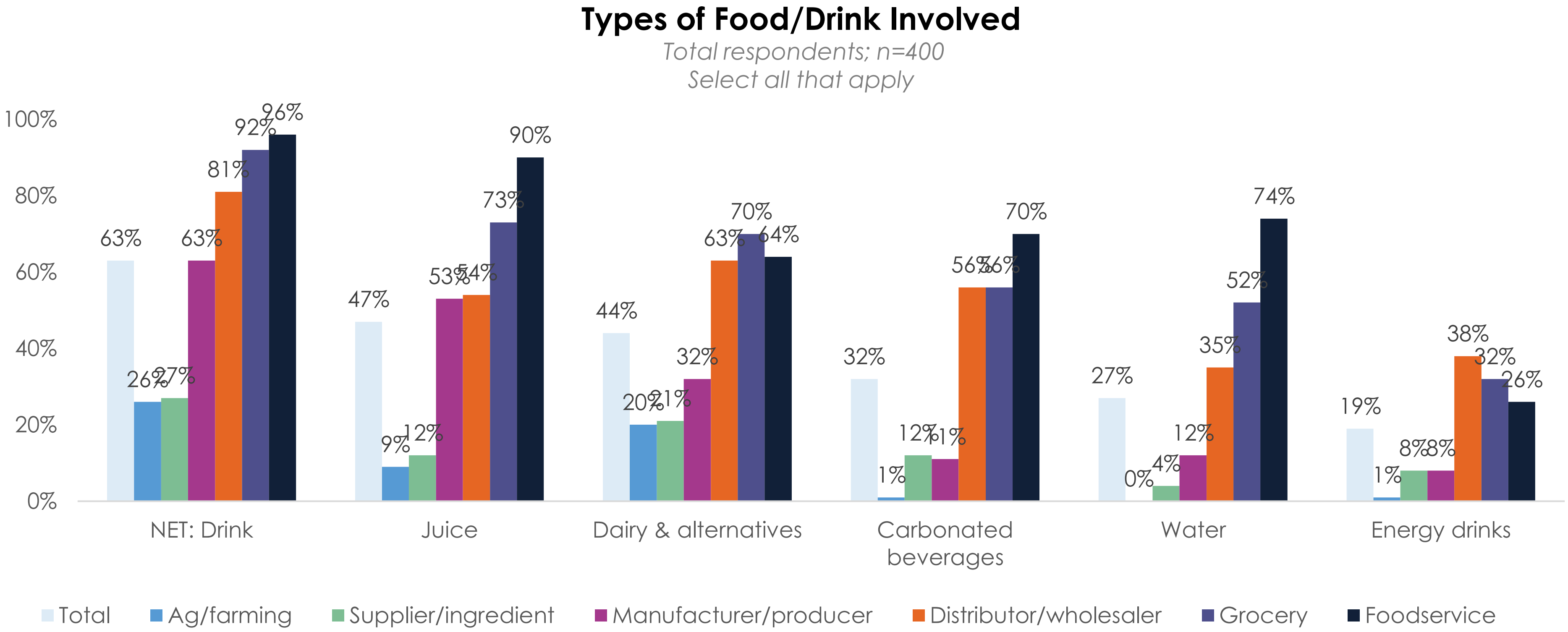
Understanding Food Mix

Most respondents work in food, with prepared components like sauces and meals/components frequently involved (roughly 50% each).



*S5. Which of the following types of food and drink does your company **[PIPE IN FOODVERB]**? (Select all that apply)*

63% of respondents work in drinks, with foodservice respondents the most heavily involved.

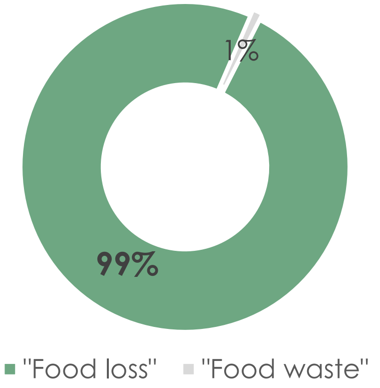


*S5. Which of the following types of food and drink does your company **[PIPE IN FOODVERB]**? (Select all that apply)*

“Pérdida de alimentos” is the most widespread expression used, with just under 25% of all food/drink estimated to be lost at any point in the food supply chain.

Use of “pérdida de alimentos” Terminology

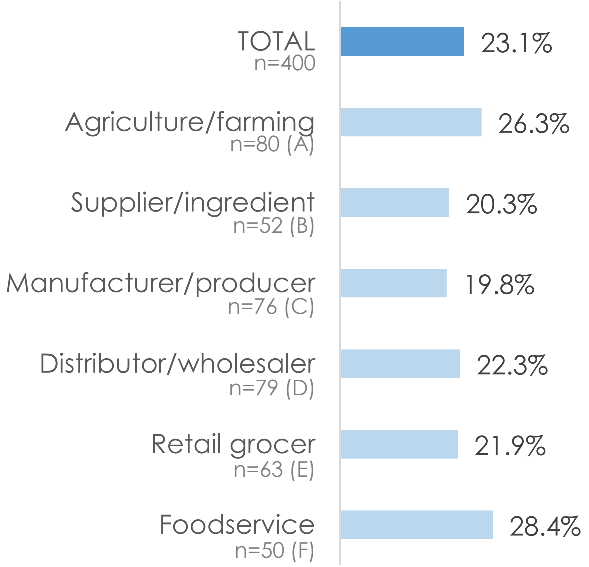
Total, n=400



Though small, use of “food waste” (“desechos alimentarios”) occasionally occurs in foodservice.

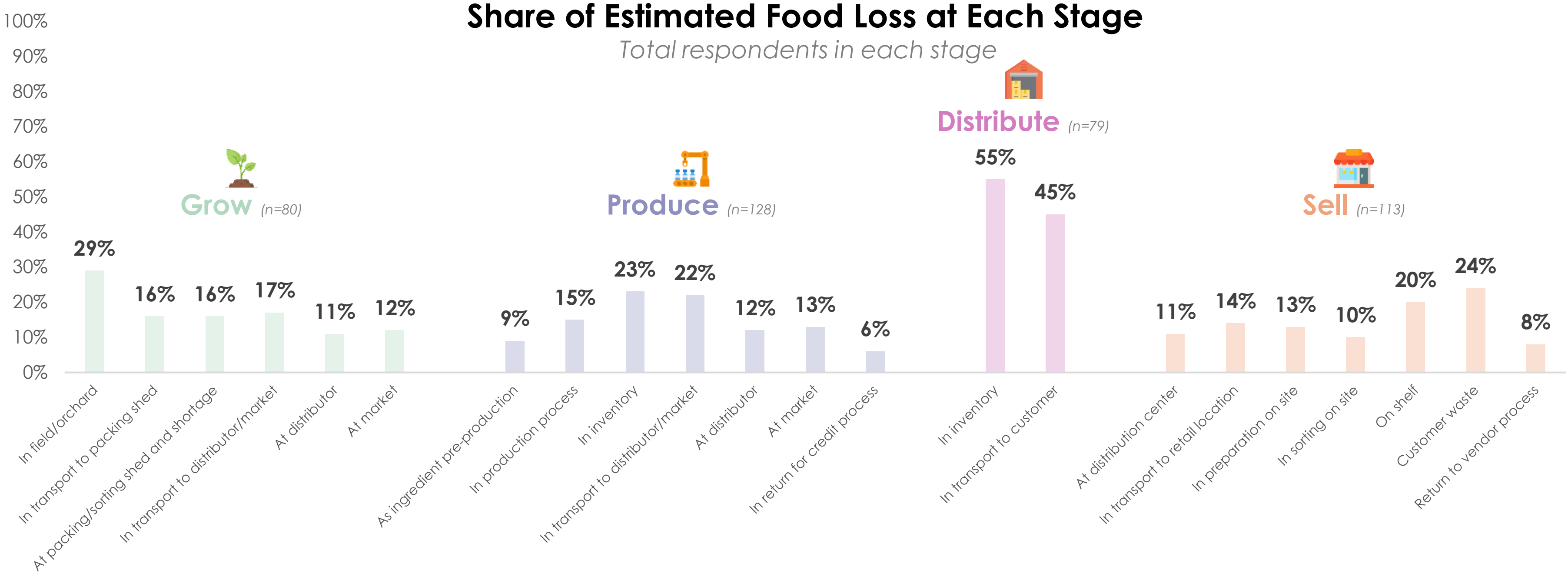
Total Share of Food/Drink Lost

Self-estimated, by respondent industry



A1. *Before we begin, though, how does your company reference food material that is not able to be sold for any reason? Is ‘food loss’ a good description? (Select one response)* ***A2.*** *Thinking, specifically, about the food and drink categories that your company* ***[FOODVERB]****s in* ***[COUNTRY]****, what is the total percentage of this type of food and drink that you estimate is lost at any point during the food supply chain? (Enter a percentage)*

Food loss causes are distributed relatively evenly across each industry; loss in agriculture skews earlier in that stage, while mid to later in other stages.



__A3.__ Below is a list of seven stages of the food supply chain. Thinking about the total volume of food loss for your food and drink categories in __[COUNTRY]__, how much would you estimate is lost at <u>each stage</u> in the food supply chain? Please enter the percentage of the total loss that occurs at each stage. The sum of the numbers you enter should equal 100. If you do not feel there is any food loss at a particular supply chain stage, please enter '0' next to that stage of the supply chain. Your best estimate is fine. (Enter a percentage. Must total 100.)

Most respondents believe packaging (driven by machinery issues), transportation, and distribution (esp. expiration dates) contribute to food loss.

Reasons for Food Loss by Supply Chain Stage

Total respondents; n=400
Select all that apply

Packaging throughout		Transportation throughout		Distribution / wholesale / warehousing stage		Retail stage (grocery, foodservice)		Manufacture/ production stage		Agriculture/ farming stage*		Consumer consumption*		Food supplier/ ingredient stage*	
Machinery issues	38%	Transportation issues	68%	Expiration dates	47%	Expiration dates	33%	Over-production	31%	Over-production	13%	Excess inventory / changes in demand	10%	Food trimming	6%
Mislabeled foods / missing ingredients / allergens	33%	Weather impact	32%	Excess inventory / changes in demand	38%	Excess inventory / changes in demand	30%	Machinery issues	17%	Weather impact	12%	Expiration dates	9%	Over-production	6%
Product blocking / mechanical mishandling	20%	Quality compromised by damage	27%	Stock rotation errors	34%	Seasonal / limited offer / promo items	20%	Normal production processes (line start/change overs)	16%	Normal production processes (line start/change overs)	9%	Seasonal / limited offer / promo items	8%	Normal production processes (line start/change overs)	6%
Safety recalls / concerns	15%	Discontinued/slow moving products	21%	Product blocking / mechanical mishandling	28%	Imperfections (e.g., color, appearance)	19%			Food trimming	7%	Imperfections (e.g., color, appearance)	7%	Weather impact	5%
Imperfections (e.g., color, appearance)	15%	Product blocking / mechanical mishandling	17%	Machinery issues	26%	Stock rotation errors	15%								
		Machinery issues	16%	Imperfections (e.g., color, appearance)	24%										
				Quality compromised by damage	23%										

Only reason categories with at least 15% are shown. The starred stages are the exception: their top four are listed.

A4. *You mentioned that at least some food loss occurs at the following stages in the supply chain. Please select all of the reasons that you believe contribute to food loss in each of these stages of the food supply chain in* ***[COUNTRY]****. (Select all that apply within each supply chain stage.)*

**No single reason earned above 15% for consumer consumption and food supplier/ingredient stages; instead, top four reasons are displayed.*

STATE OF FOOD LOSS

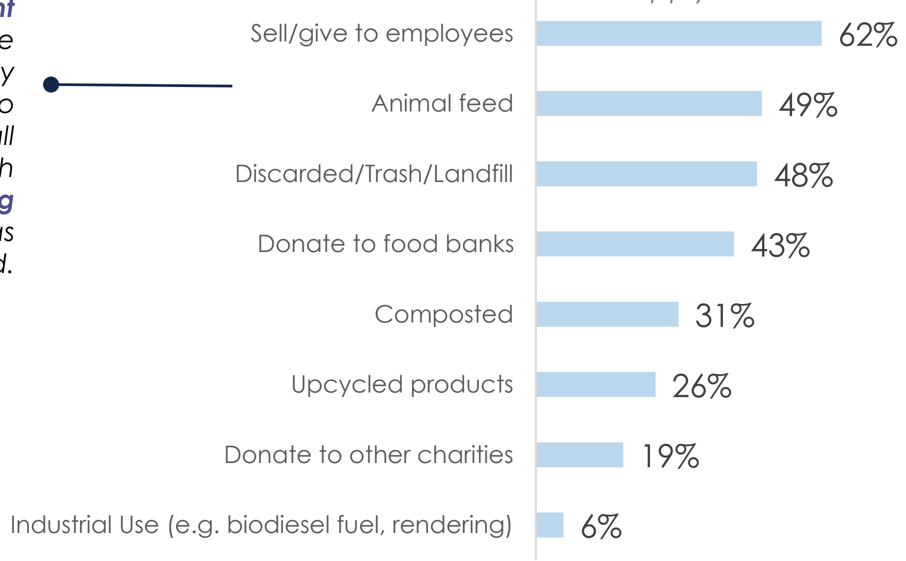
Current state of handling food loss and waste

62% report that their company currently sells/gives lost food away to employees, with half stating it is used as animal feed or thrown out. Those familiar with food banks, as well as GFN are less likely to discard or throw it away.

Food Service/Restaurant *respondents are significantly more likely to sell or give to employees than all other industries, with* ***agriculture/farming*** *more likely to use as animal feed.*

Current Process with Lost Food

Total; n=400
Select all that apply

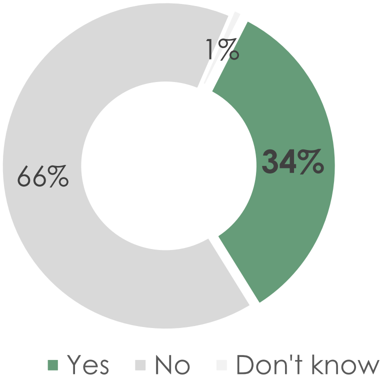


*C0. What does your company **currently** do with lost food? (Select all that apply) **C0a.** You mentioned that your company currently handles excess food through the below. What percentage of lost food do you estimate goes to each? (Responses must total 100)*

82% of companies are working on active solutions to repurpose lost food, only 34% report they have a current program or initiative in place. 43% of respondents state they are working on extending shelf life, followed by solutions around expiration date and upcycled ingredients.

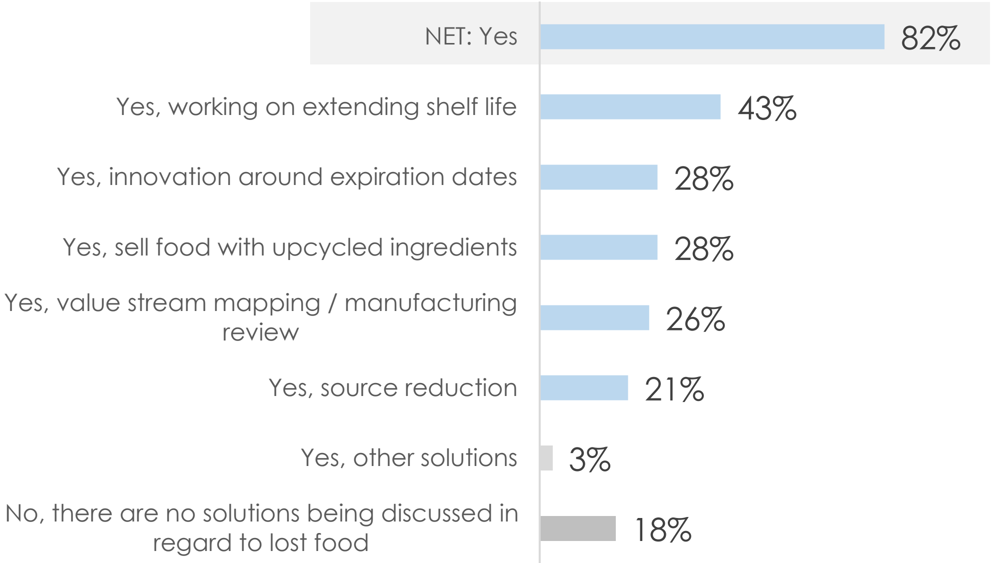
Current Programs/Initiatives to Reduce Food Loss?

Total; n=400



Active Solutions to Repurpose Lost Food

Total; n=400
Select all that apply

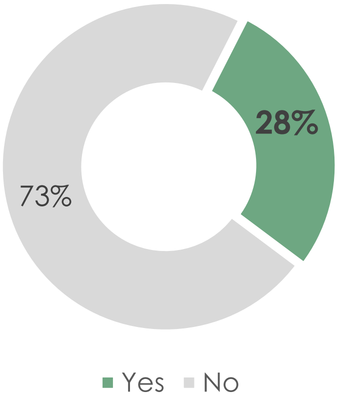


C1. Does your company currently have any programs or initiatives to reduce food loss?(Select one response) ***C2.*** *Is your company actively working on any of the below solutions to repurpose lost food in the future? (Select all that apply)*

28% report they are incentivized to overproduce. LATAM respondents report lost food from overproduction is typically used for animal feed or composted.

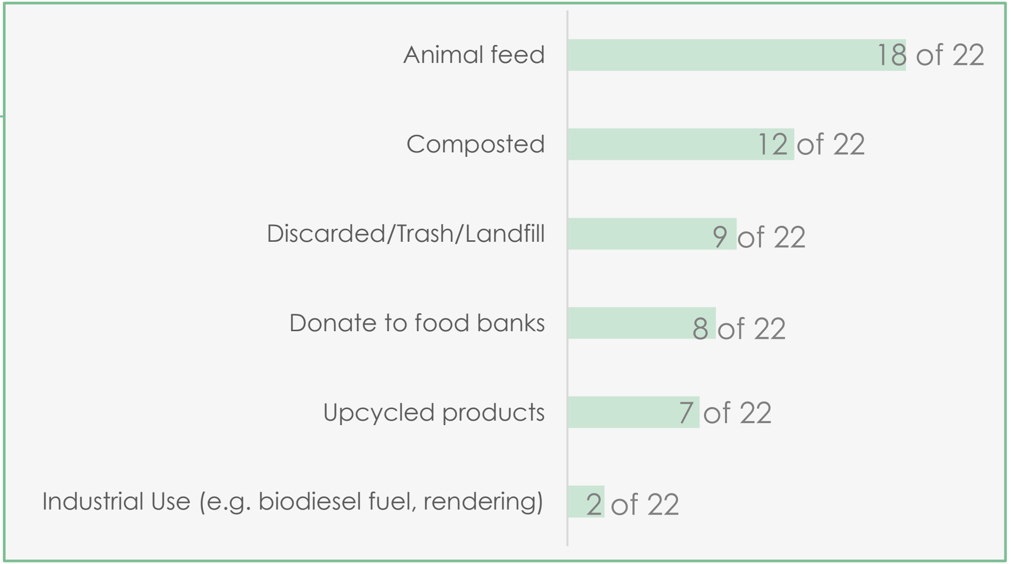
Incentivized to Overproduce?

Farming/Agriculture; n=80



Lost Food from Overproduction

*Farming/Agriculture who overproduce for incentives; n=22**
Select all that apply; ***Note: Low Base Size; Interpret with Caution***



C3. *Are you incentivized in any way to overproduce in order to meet order expectations?* ***C3a.*** *You mentioned you are incentivized to overproduce to meet order expectations. What is currently done with lost food produced from* ***overproduction*** *specifically? (Select all that apply)*

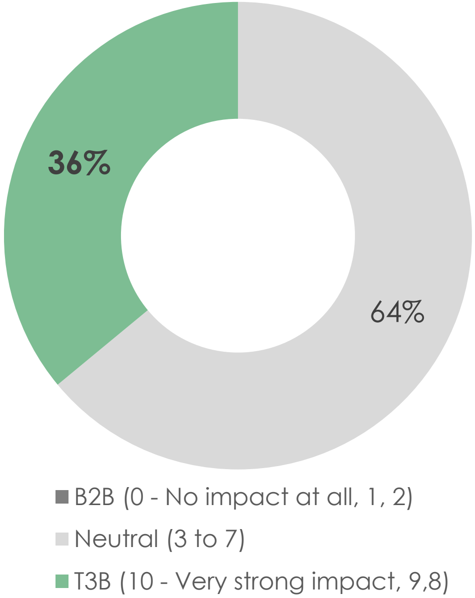
****Low base size; interpret with caution***

Most respondents rated the impact of COVID-19 on how their company handles food loss a '5' or higher, with 36% feeling it has a strong impact.

Respondents who ***express interest in a new or expanded food recovery or donation program*** *are significantly more likely than those who do not to rate the impact of COVID as very strong (67% T3B score vs. 23%).*

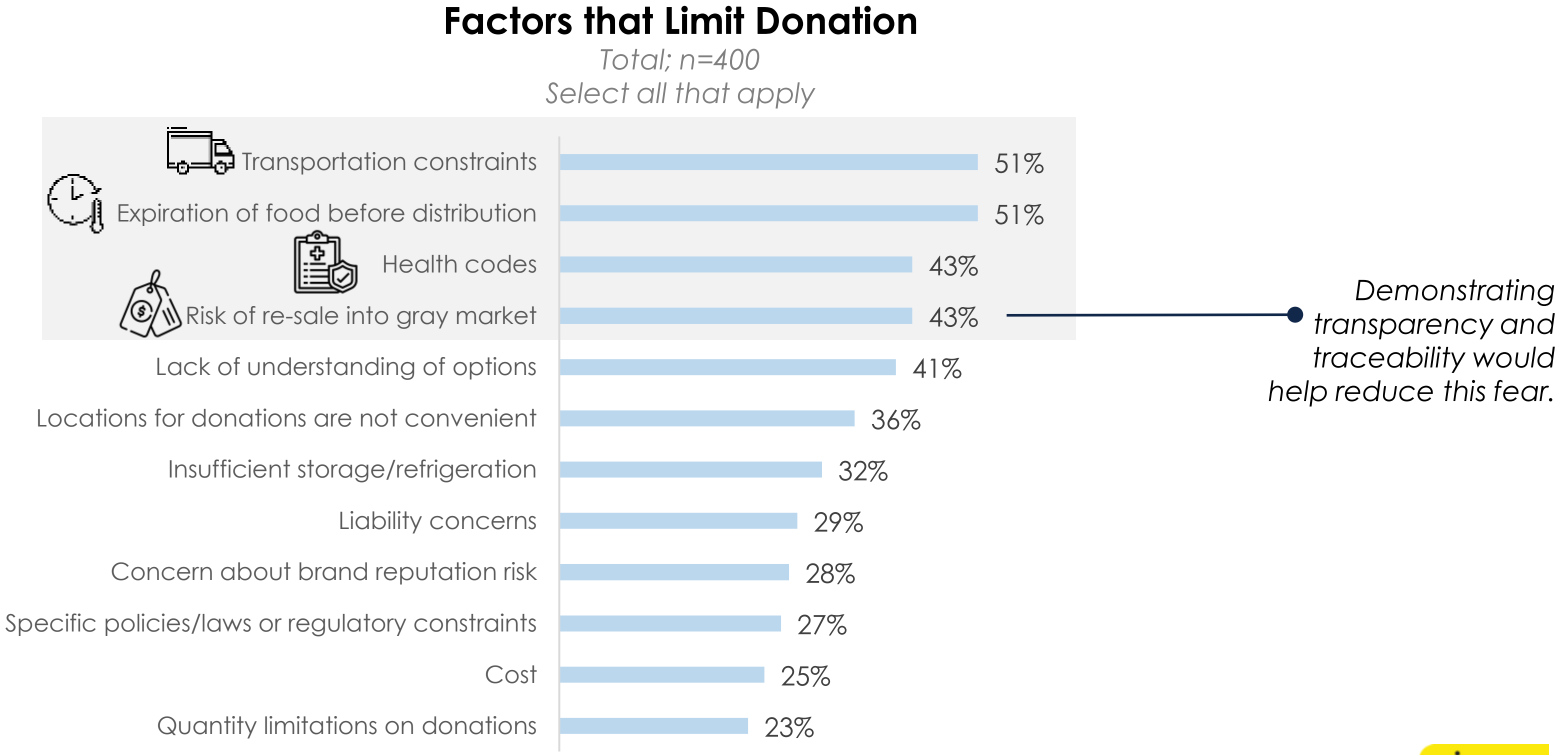
Impact of COVID-19 on handling food loss

Total; n=400



C4. *How would you rate the impact that COVID-19 has had on how your company chooses to handle food loss? (Select one response)*

Transportation and food expiration emerge as the top factors that limit food donation, followed by health codes and re-sale risk. Limiting factors are not significantly different between countries or industries.



C5. *From the below, which factors limit the donation of lost food from your company currently?(Select all that apply)*

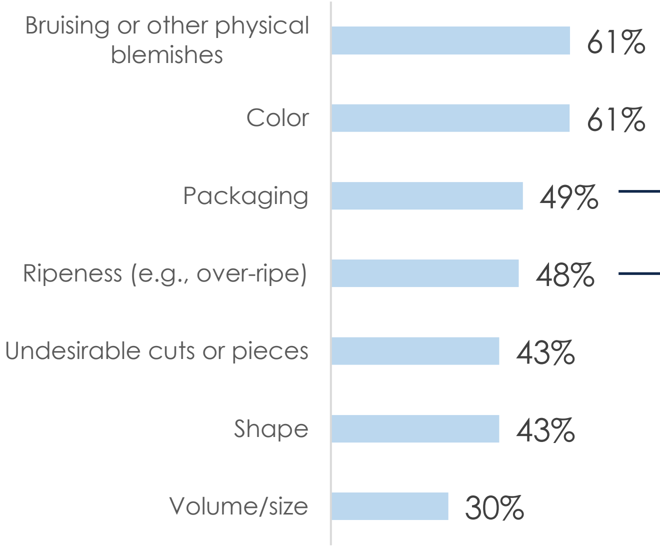
DETAILS: MARKETABILITY

Discontinued / Slow moving product, Seasonal / Limited Offer / Promotional Items, Quality Compromised by Damage, Food Trimming, Mislabeled Foods / Mislabeled Ingredients / Allergens, Imperfections

Physical blemishes are the most universal marketability issue overall, but product ripeness, however, occurs more frequently (weekly-plus).

Reasons for Marketability Issues

Any Marketability Issues; n=290
Select all that apply

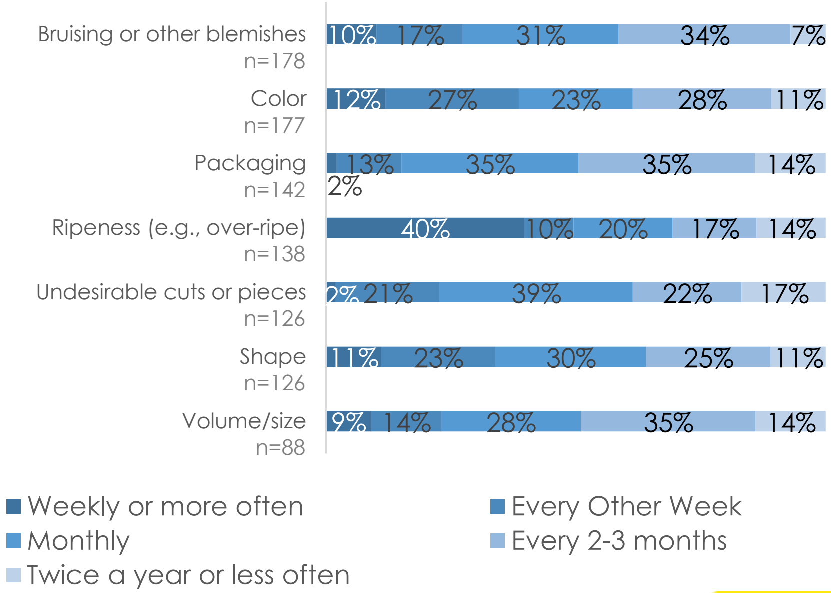


Color and ripeness are the biggest marketability issues for ***agriculture/ farming*** *(77% and 72%, respectively), significantly more common versus most other stages of the supply chain.*

Packaging is naturally most common marketability issue for ***grocery*** *(80%), significantly more so than other parts of the supply chain.*

Frequency of Marketability Issues

Bases vary



__M1.__ Which types of cosmetic/aesthetic imperfections have you encountered in your operations that have created product waste? (Select all that apply.) ***M3.*** *About how frequently do you experience imperfections and subsequent product waste in your operations for each of these areas? (Select one response for each row. Your best estimate is fine.)*

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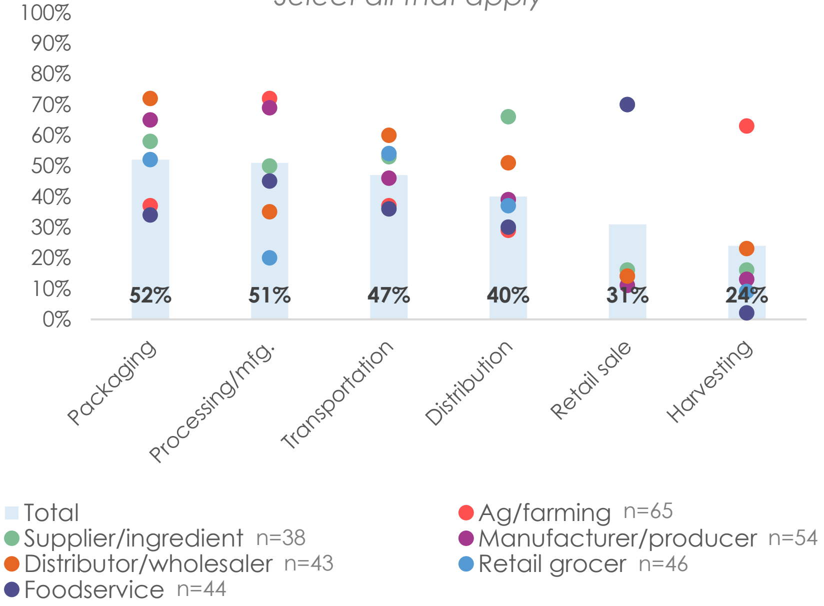
The packaging and processing stages see most cosmetic imperfections (packaging mostly in distribution and processing in ag and production).

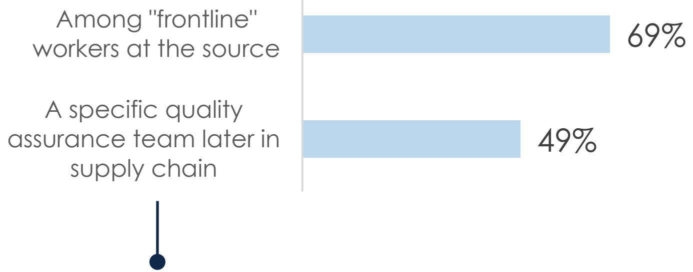
Stages Where Cosmetic Imperfections Occur

Any Marketability Issues; n=290
Select all that apply



Marketability Assessment Location

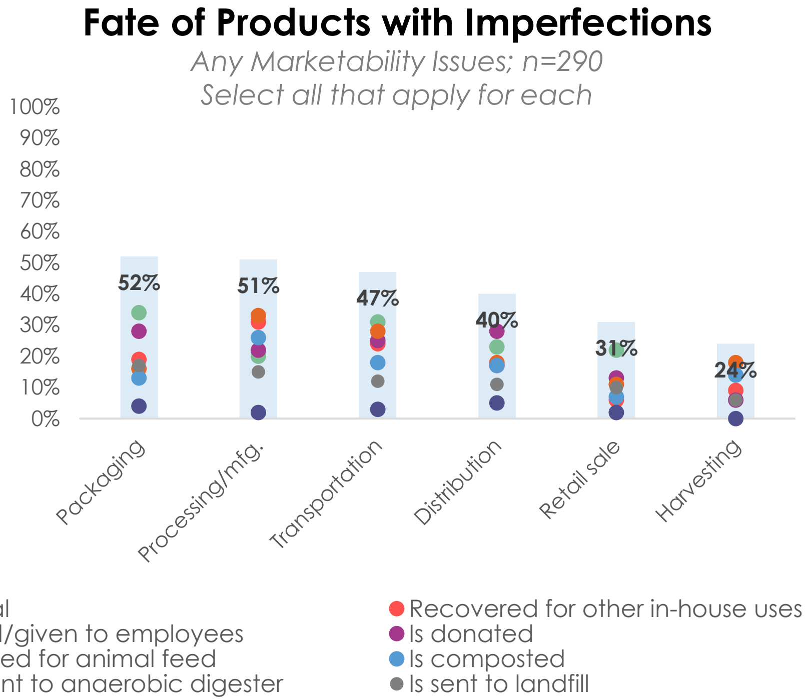
Any Marketability Issues; n=290
Select all that apply



A vast majority of ***agriculture, supplier, grocery,*** *and* ***foodservice*** *respondents (69%, 82%, 70%, and 80% respectively) assess marketability among "frontline" workers (e.g., pickers).* ***Distributors/wholesalers*** *tend to assess on the frontline and with specific QA teams about the same. Meanwhile,* ***manufacturer/producer*** *companies skew toward specific QA teams (65%).*

M5. *At which stages of production do you typically see cosmetic imperfections occur? (Select all that apply.)*
M6. *Where does the assessment of a product's ability to be sold occur? (Select all that apply.)*

Packaging imperfections tend to be routed toward employees or donations, while processing/manufacturing imperfections skew toward repurposing.



__M7.__ What currently happens to products with cosmetic/aesthetic imperfections at each of the following stages? (Select all for each.) [share of total]

__M8.__ Please briefly describe the points at which your products go from a "pass" to a "fail" in terms of being fit for sale, along with what typically happens to "failed" products. (Any details are appreciated.); excludes stop-words and terms with less than 7 occurrences

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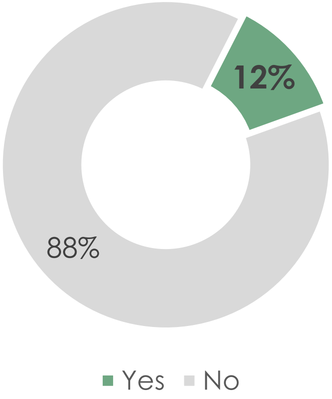
Efforts are seldom made to influence acceptability of imperfect products, but when they do, discounts are used or product quality is re-messaged.

Ever Tried to Change/Influence Acceptability

Any Marketability Issues; n=290



*Those who have a **food recovery or donation program in place** are directionally more likely to have ever tried to change/influence acceptability of imperfect products than those without.*

Most strategies to influence change/acceptability of imperfect products revolve around lowered price, but some have frustrations with this:

Sample verbatim (translated):

"We have tried this in the past, but it did not work well. We try to sell the rejected food at a lower price, but that hampers our brand image, so we stop doing it."

"We do not directly convince our partners; instead, we offer them products with minor defects at a discounted price, which helps us maintain our checking account."

"We have gotten tired of convincing our customer about the food product if it has some irregular shape but is good to consume. If the consumer agrees, we sell it at a reduced price."

"We have tried to sell our food product at a discount on a few occasions. If food is rejected due to any of our quality requirements, we have tried to convince our customers of the quality of the food."

"There are a lot of buyers ready to buy defective products until they are ready to be consumed, we just need to sell at a price lower than the base price."

"There are very few occasions when we need to persuade a buyer, as most customers understand if the package is partially broken and will buy the product at a lower price."

"There are smart shoppers associated with us who take the opportunity to buy products at a lower price, so it is easy for us to convince them."

***M9.** Have you ever tried to change or influence how customers think of product that is acceptable (for example, attempted to market/repurpose imperfect products or offer reduced price on damaged packages)? (Select one response.)*

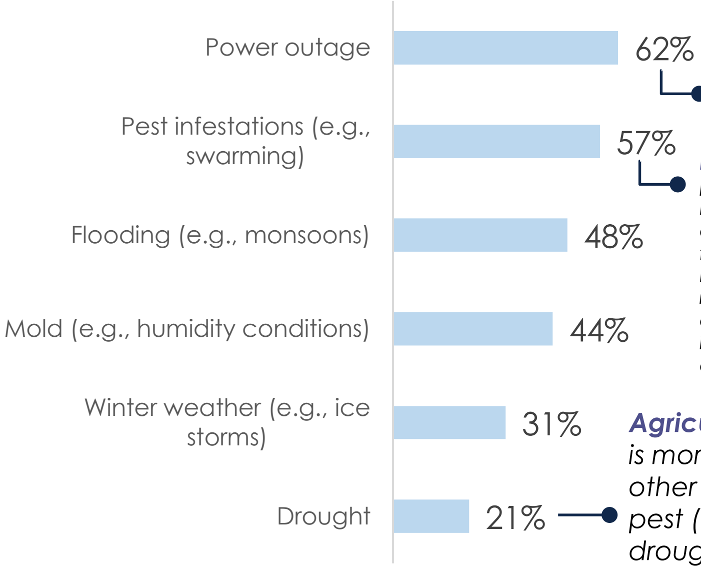
DETAILS: ENVIRONMENTAL OR WEATHER FACTORS

Weather Impact

Pests and power outages are the biggest environmental drivers of product waste, with pests affecting ag and power outages downstream in the chain.

Types of Environmental Issues Encountered

Any environmental issues; n=217
Select all that apply



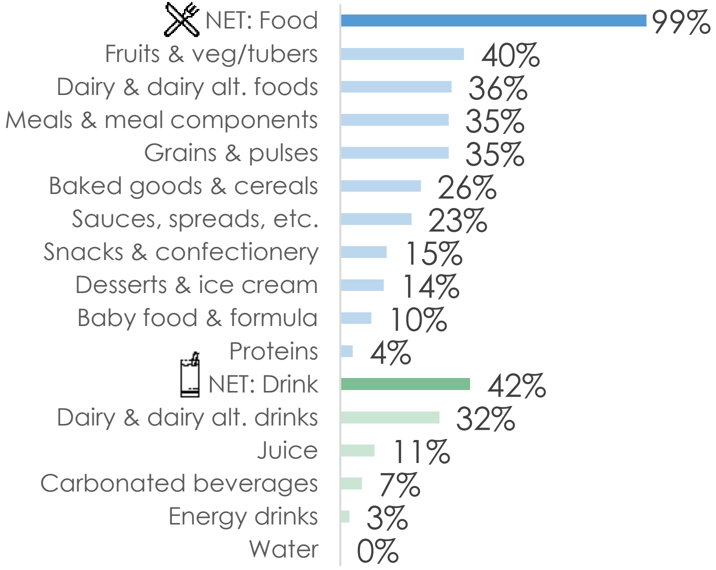
*Outages more often affect downstream supply chain elements (**manufacturing** on).*

***Edibility** of pest-infected products was not directly measured. But among those dealing with pests, effects on fruits & vegetables (52%) is hinted. Many of these respondents also generally experience cosmetic imperfections like color (76%) and physical blemishes (67%)*.*

***Agriculture/ farming** is more sensitive than other industries to pest (80%) and drought (48%).*

Product Types Most Impacted

Any environmental issues; n=217
Select all that apply



***E1.** Which type(s) of environmental factors have you encountered in your operations that have created product waste? (Select all that apply.)*

***E4.** Briefly, what types of products in your operations are most impacted by these weather events (and most likely to be wasted)?(Select all that apply.)*

**While some stored commodities may be considered technically edible even if pest-infected, a recent study here analyzes nutritional losses due to pests*

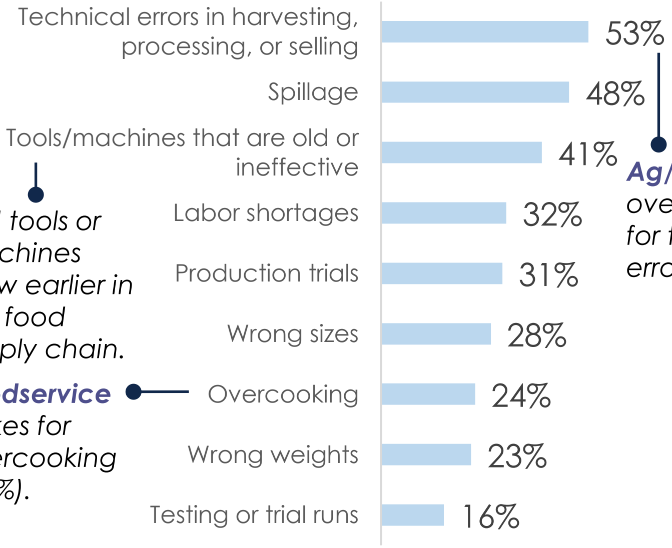
DETAILS: PRODUCTION & TECHNICAL FACTORS

Over-production, Machinery issues, Normal Production Processes, Stock Rotation, Product Blocking / Mechanical Mishandling / Loss of Power

Technical errors and spillage are the most common production issues, with spillage occurring more frequently (most instances weekly to monthly).

Reasons for Production/Technical Issues

Production/Technical Issues; n=366
Select all that apply



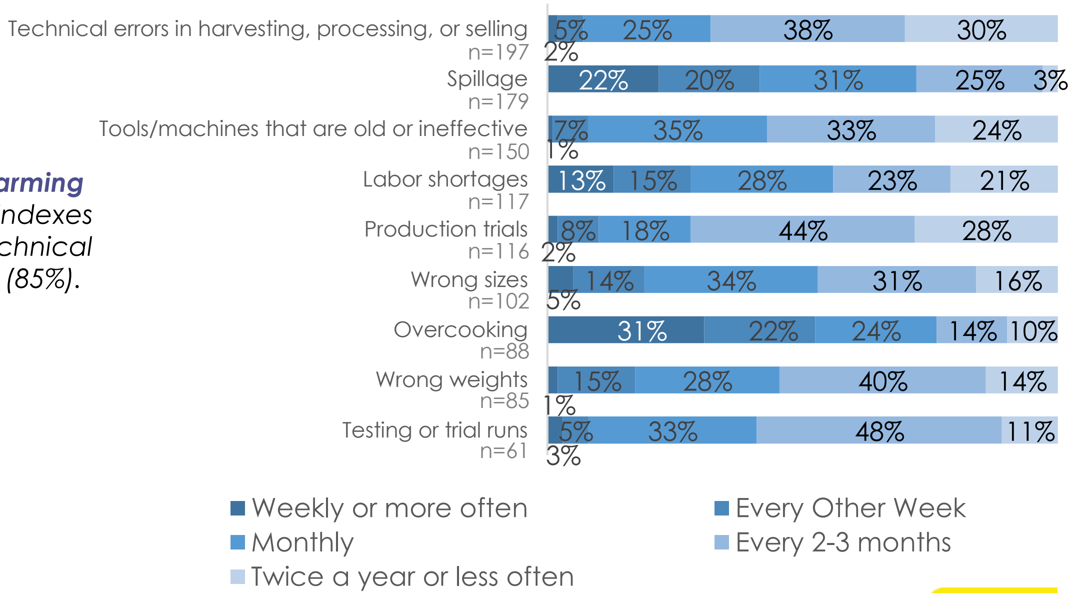
Ag/ farming *over-indexes for technical errors (85%).*

Old tools or machines skew earlier in the food supply chain.

Foodservice *spikes for overcooking (89%).*

Frequency of Production Issues

Bases vary



T1. Which production or technical issues have you encountered in your operations that have created product waste?(Select all that apply.)

T2. About how frequently do you experience production issues and subsequent product waste in your operations for each of these areas? (Select one response for each row. Your best estimate is fine.)

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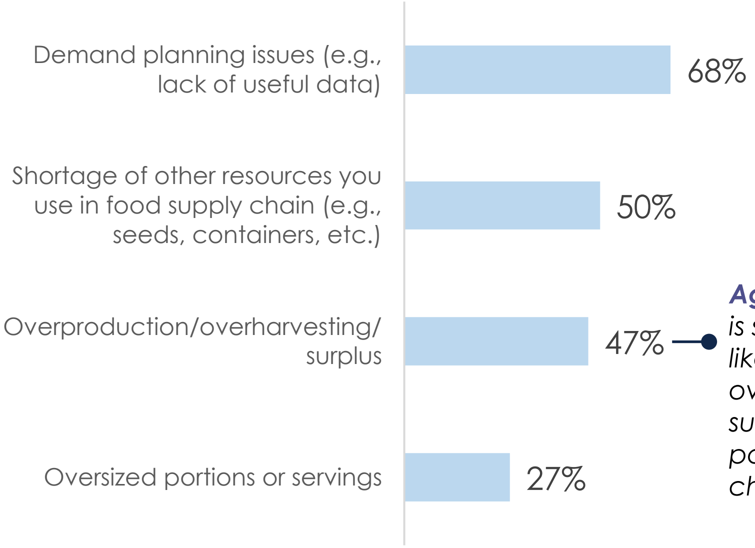
DETAILS: MARKET FLUCTUATIONS

Excess Inventory / Changes in Customer / Consumer Demand

Among those experiencing planning issues, demand planning (e.g., lack of useful data) is most common, followed closely by resource shortages.

Reasons for Planning/Fluctuation Issues

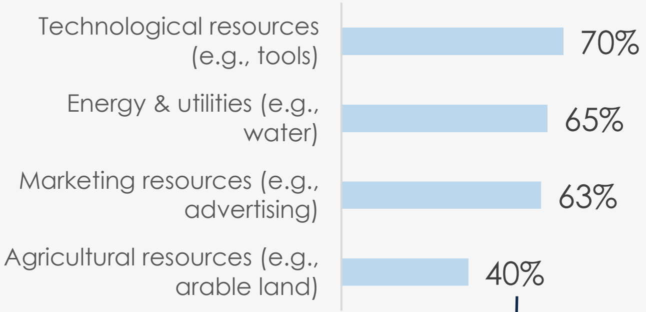
Market Fluctuation Issues; n=268
Select all that apply



***Ag/ farming** (90%) is significantly more likely to encounter overproduction/ surplus than other parts of the supply chain.*

Resources in Short Supply

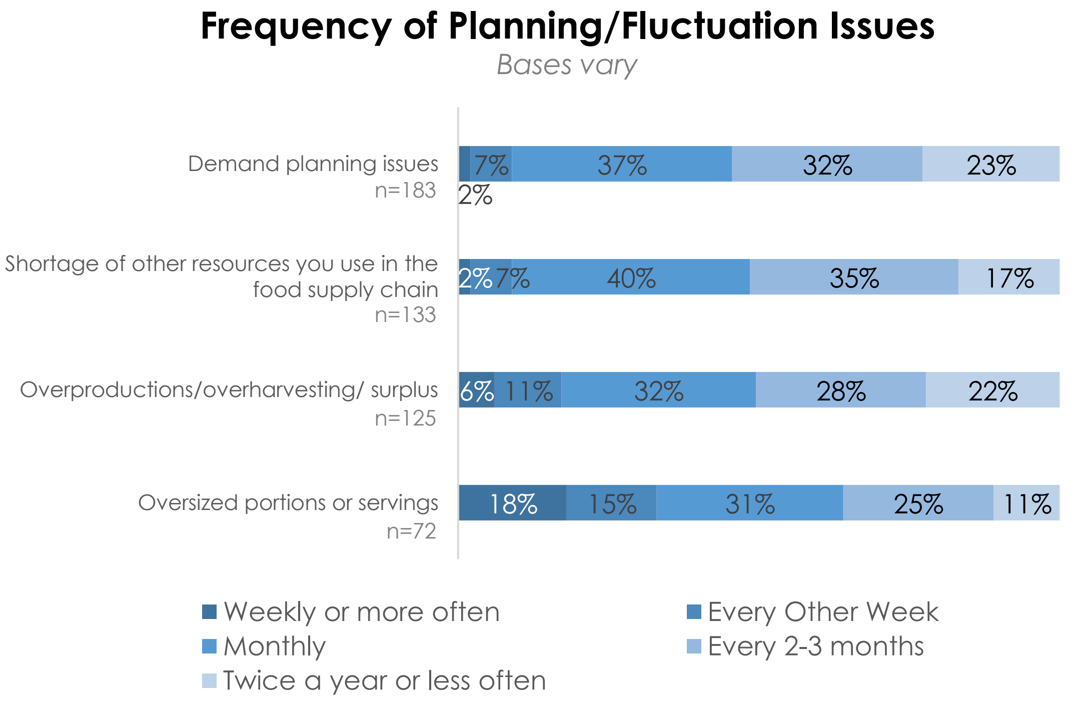
Those encountering other resource shortages; n=133
Select all that apply

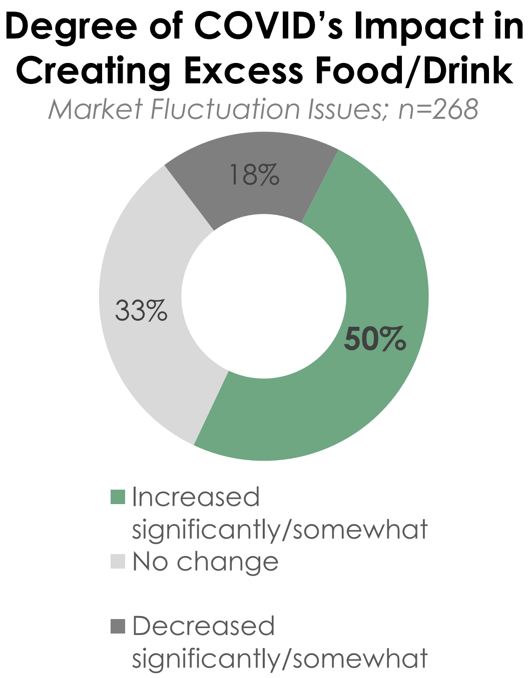


***Agriculture/ farming** naturally skews for shortages on agricultural resources (93%), but also directionally more often lack necessary technological resources (83%). Energy and utilities are in shorter supply among **suppliers**, **manufacturers**, and **foodservice**.*

***P1.** Which planning issues have you encountered in your operations that have created product waste? (Select all that apply.)*
***P1b.** Which resources are typically in short supply when considering how they lead to product waste?(Select all that apply.)*

The most common planning issues tend to happen on a monthly basis, though COVID has increased excess product for about half of all firms.





P2. About how frequently do you experience planning issues and subsequent product waste in your operations for each of these areas? (Select one response for each row. Your best estimate is fine.) P4. Thinking about your total volume of food loss for reasons selected, how has COVID impacted the amount of excess food created by your company? (Select one response)

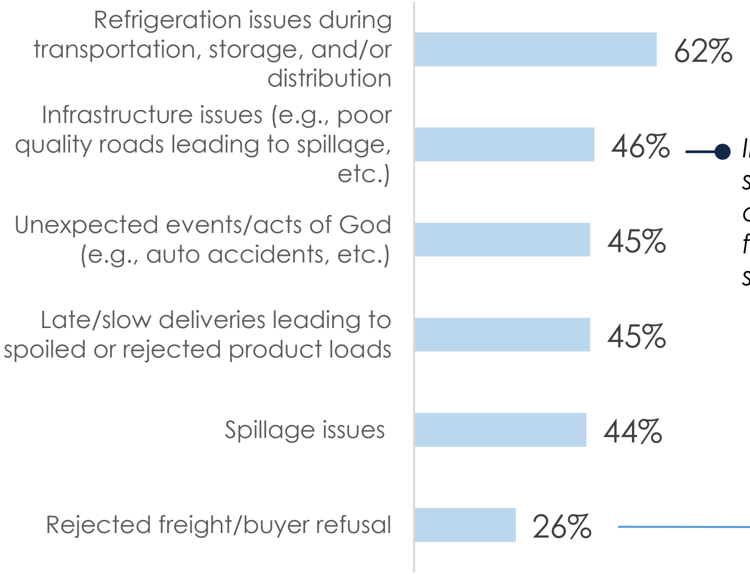
DETAILS: TRANSPORTATION & DISTRIBUTION

Transportation Issue

Most transportation issues stem from refrigeration. Freight rejection happens less, but is driven by damaged implements or improper containment.

Transportation/Distribution Issues that drive Waste

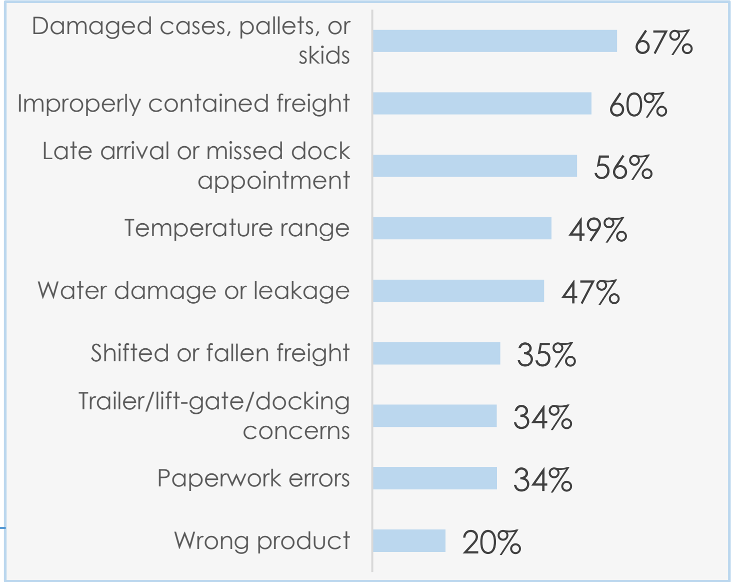
Transportation/Distribution Issues; n=329
Select all that apply



Infrastructure issues seem to more commonly impact firms earlier in the supply chain.

Types of Freight Rejection

Those who experience freight rejection; n=85
Select all that apply



__F1.__ Which transportation and/or distribution issues have you encountered in your operations that have created product waste?(Select all that apply.) __F1b.__ Specifically, what types of freight rejection have you encountered in your operations?(Select all that apply.)

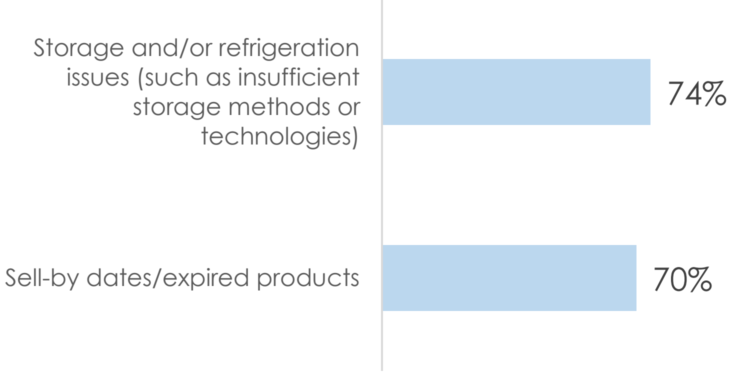
DETAILS: PRODUCT AGE, CLOSE TO CODE, QUALITY DEGRADATION

Safety recalls / Concerns

Storage and expiration issues occur at roughly the same rate in LATAM, with refrigeration and warehousing availability creating storage issues most.

Age/Quality Issues that drive Waste

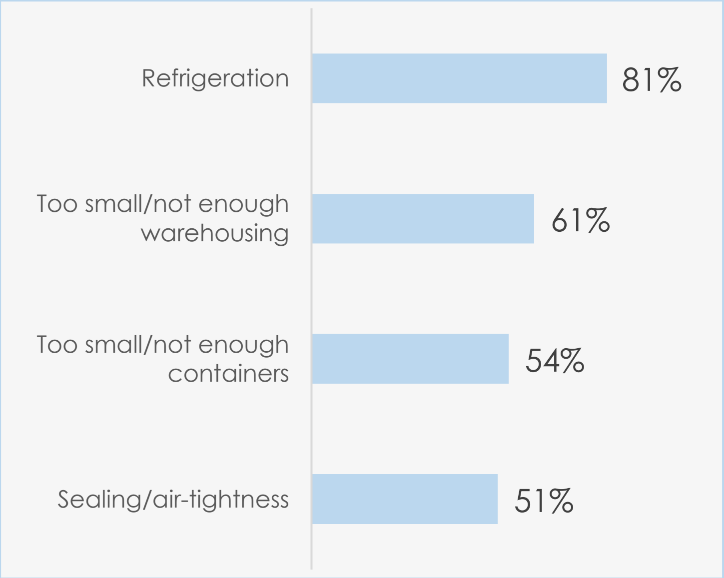
Safety Recalls/Concerns; n=133
Select all that apply



38% of respondents who experience safety recalls/concerns report seasonality plays a role, with most occurring during the summer.

Types of Storage Issues

Those who experience storage issues; n=98
Select all that apply

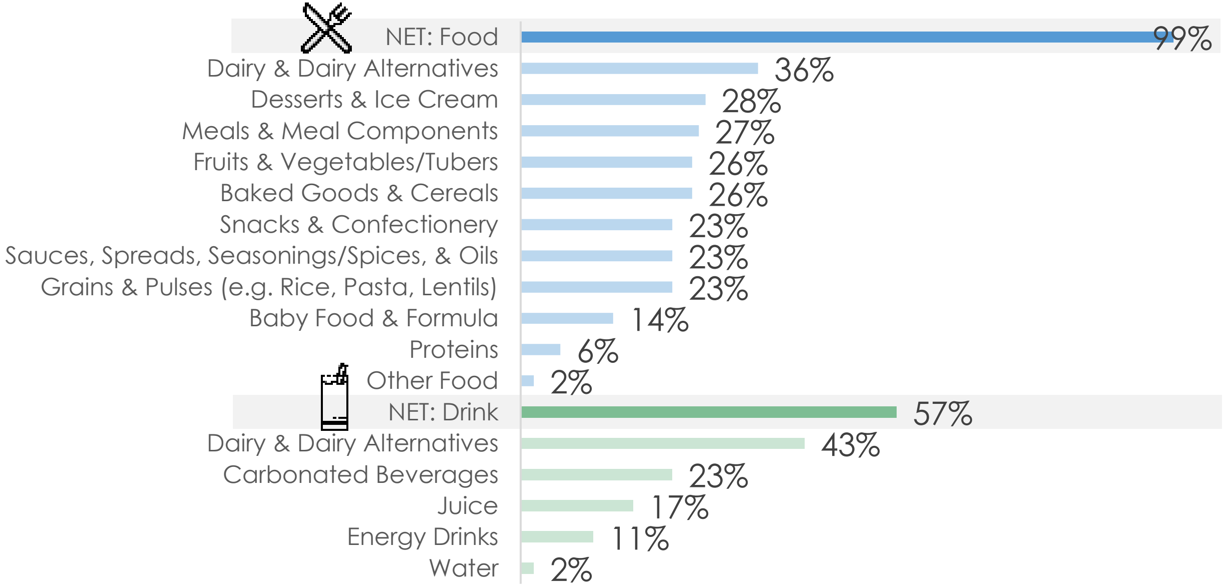


Q1. *What are the typical reasons you encounter age/quality issues that have created product waste? (Select all that apply.)*
Q1b. *Specifically, what types of storage issues do you experience that regularly lead to product waste? (Select all that apply.)*

Food products (especially dairy) are most impacted by safety issues. Health and wellness are behind most concerns for product recovery or donation.

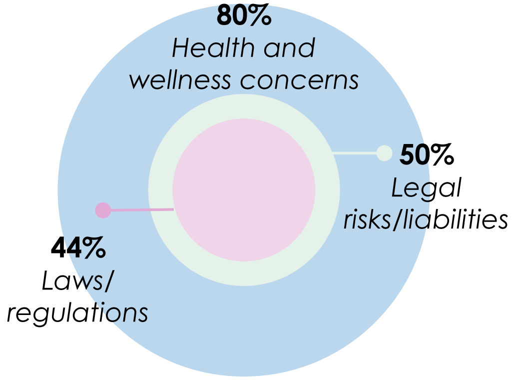
Products Most Likely to Have Safety Recalls/Concerns

Those who selected Safety Recalls/Concerns;
Bases vary dependent on response at S5 (type of food/drink); Select all that apply



Concerns for Recovering/Donating Food Past Sell-by-date

Safety Recalls/Concerns; n=133
Select all that apply



Q5. Briefly, what types of products in your operations are most likely to have safety recalls or concerns (and most likely to be wasted)? (Select all that apply.) Q6. When you consider ways of recovering and/or donating product that is past its sell-by date, which of the following are of concern?(Select all that apply.)

FOOD RECOVERY LANDSCAPE

Food Bank Awareness & Interest

72% respondents agree there should be more support around food donation options. Circulation issues are a big barrier for donation, with 63% concerned about past-due distribution and 56% about resurfacing in the marketplace.

*Those who are **aware of GFN** are significantly more likely to state desire for more support options for food donation (76%, vs. those unaware at 64%).*

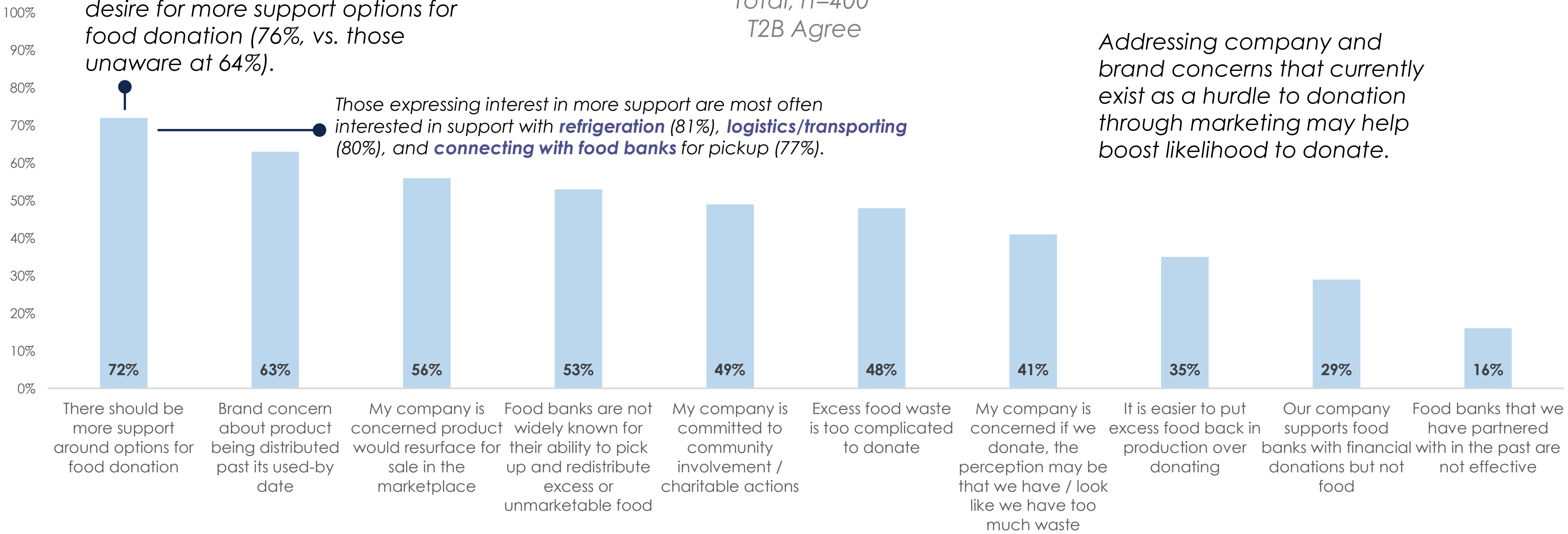
Statement Agreement

Total; n=400

T2B Agree

*Those expressing interest in more support are most often interested in support with **refrigeration** (81%), **logistics/transporting** (80%), and **connecting with food banks** for pickup (77%).*

Addressing company and brand concerns that currently exist as a hurdle to donation through marketing may help boost likelihood to donate.



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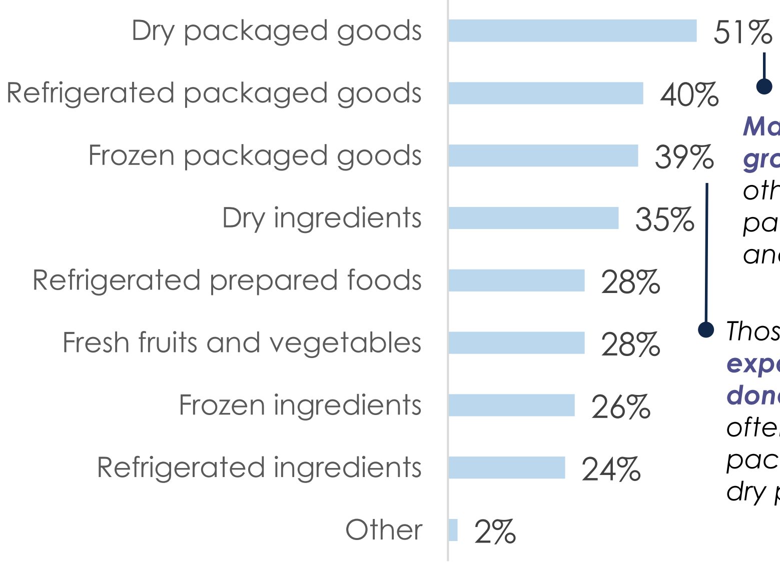
D5. How much do you agree or disagree around each of the following statements? (Select one for each)

Most have packaged goods (specifically dry) to donate, with most having excess food available once a month or every few weeks.

Product for Redistribution

Total; n=400
Select all that apply

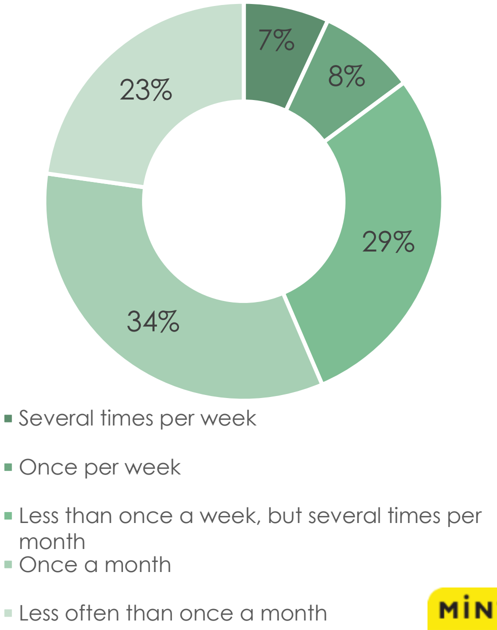


***Manufacturers, distributors,** and **grocers** are more likely than other industries to indicate dry packaged goods (64%, 63%, and 59%, respectively).*

*Those **interested in new or expanded food recovery/ donation programs** most often indicate frozen packaged goods (54%) and dry packaged goods (48%).*

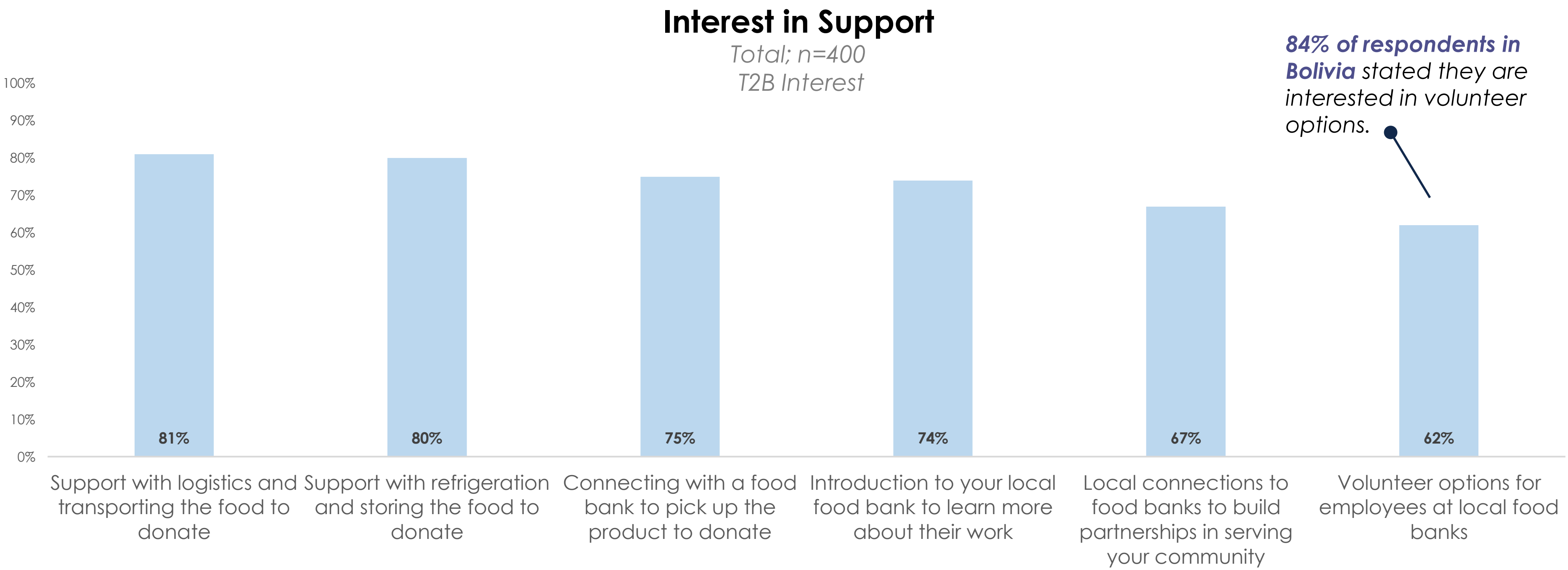
Frequency of Excess Food

Total; n=400



***D6a.** What types of product might your company have for a food bank to redistribute? **D6b.** How frequently would excess food be available? (Select one response)*

At least 80% of respondents state their company would be interested in transportation and storage support. LATAM respondents are also interested in understanding more about the process and feeling connected to the food bank.



D7. Finally, how interested would your company be in each of the below? (Select one for each)

Transparency around practices and donation as well as assistance with coordinating the donation emerge as key factors to engage companies to work with a food recovery organization.

Factors Required for a Food Recovery Organization

Total; n=400

"The option of volunteering for our employees, the easy pickup at our site, and the timely delivery of donated food are some of the factors to consider." – ***Uruguay*** *(Retail Grocer)*

"To work successfully with us, the organization must provide adequate support by providing transportation and experienced volunteers." – ***Paraguay*** *(Agriculture/Farming)*

"There are some associated transportation costs when we donate food; It would be great if food recovery organizations can help us through the transportation process." - ***Ecuador*** *(Distributor / Wholesaler / Warehousing)*

"We need adequate refrigeration and storage support to donate food in the future." – ***Nicaragua*** *(Agriculture/Farming)*

"There should be more clarity by the end of the food bank on the recipients of donations." – ***Costa Rica*** *(Manufacturer / Consumer Packaged Goods Producer)*

"To work with us, you must support with your transportation and logistics." - ***Bolivia*** *(Supplier / Ingredient Company)*

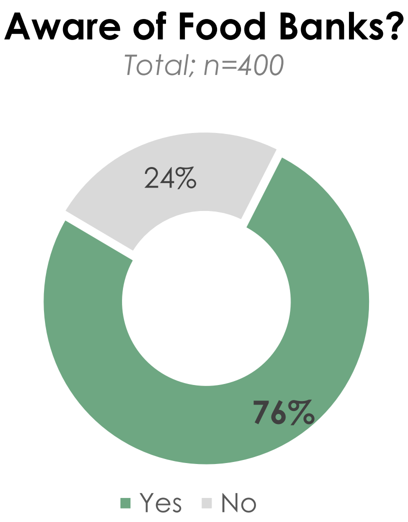
"Transparency on operations and awareness programs on reducing food waste." - ***Guatemala*** *(Supplier / Ingredient Company)*

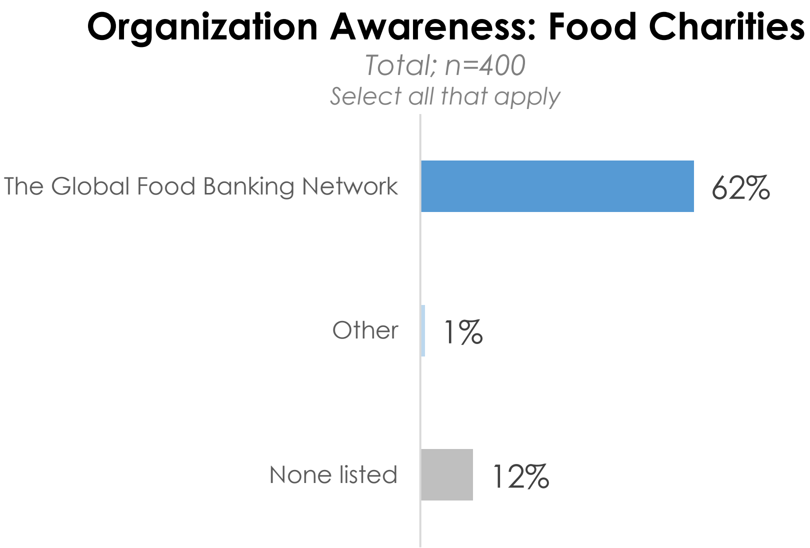
D6c. *Are there any other factors that a food recovery organization need to consider in order to successfully engage with your company? (Briefly explain below)*

FOOD BANK AWARENESS

Food Bank Awareness & Participation

62% of respondents are aware of GFN, with 76% reporting awareness of food banks in general. At least 70% of respondents in Ecuador, Dominican Republic and Nicaragua report awareness of GFN.



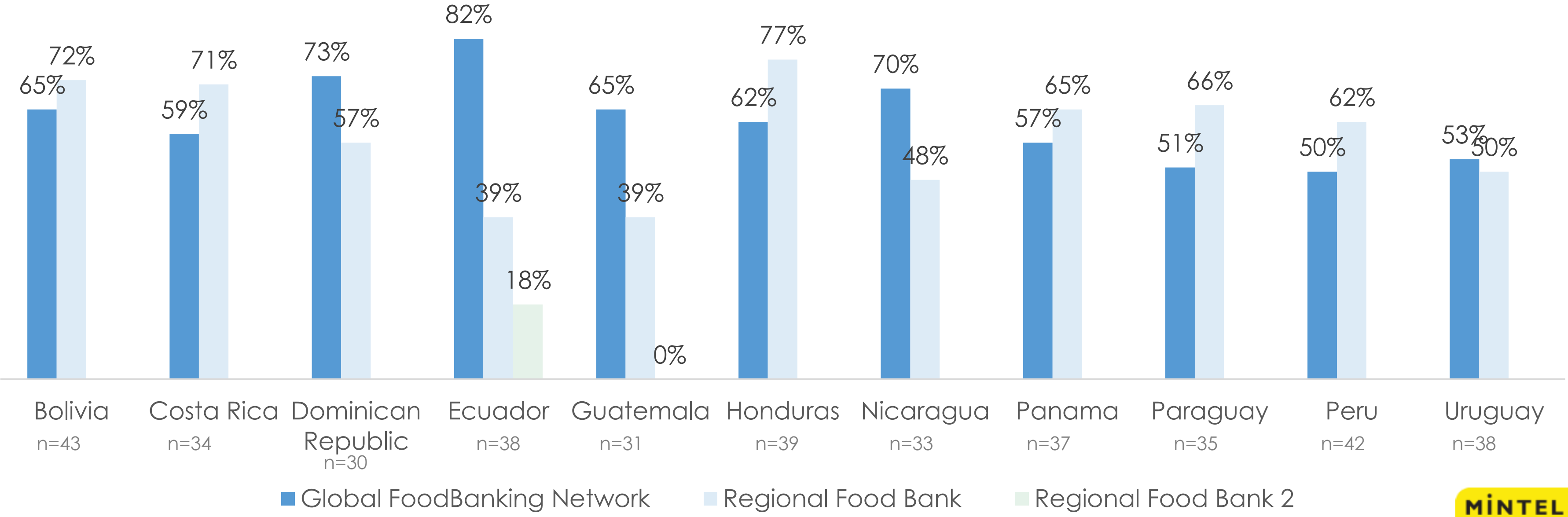


D00. Are you aware of food banks – organizations that operate in the way we've been discussing: accessing excess food from partners at all points of the supply chain and redistributing it to men women and children in need so that it feeds people and doesn't go to waste? D0. Below is a list of charitable and community organizations. Before taking the survey today, which of the following organizations were you already aware of? (Select all that apply)

Awareness of GFN exceeds local food bank awareness in countries such as the Dominican Republic, Ecuador, Guatemala, Nicaragua and Uruguay. At least half of respondents in all countries have heard of GFN, closely behind some local food banks if not above it.

Organization Awareness: Food Charities – By Country

Bases vary; Regional foodbanks vary dependent on country (see appendix for details)
Select all that apply



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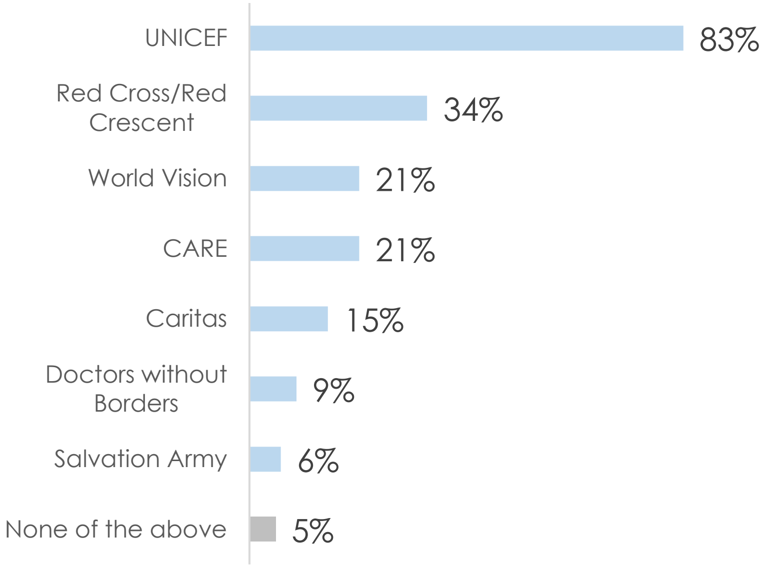
__D0.__ Below is a list of charitable and community organizations. Before taking the survey today, which of the following organizations were you already aware of? (Select all that apply)

The majority of respondents report they are aware of UNICEF, with only 40% stating their company currently works with any charitable organization. Of those who do work with an organization, GFN and UNICEF are top.

Organization Awareness: Other Charities

Total; n=400
Select all that apply



Charities: Currently Work With

Those aware of any organization; n=380

60%

*State their company **does not** currently work with any charitable organization*

Of those who do, top organizations are The Global Food Banking Network (11%) and UNICEF (9%) in addition to larger country specific food banks.

__D0.__ Below is a list of charitable and community organizations. Before taking the survey today, which of the following organizations were you already aware of? (Select all that apply) __D0c.__ You stated you are aware of the following charitable and community organizations. Does your company __currently__ work with any of the following? (Select all that apply)

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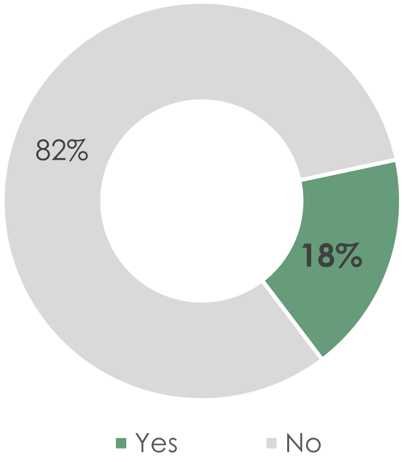
Just 18% of LATAM respondents report their company has a food recovery/donation program in place today. Those who do report working with local food banks, with multiple respondents working with GFN and UNICEF.

Food Recovery/Donation Program in Place Today

Total; n=400



Name of the Program

"Yes" at D2; n=70

Plato Para Todos - Ecuador

Global FoodBanking Network – Honduras, Uruguay, Peru, Dominican Republic, Guatemala

Nicaragua Food Bank Foundation

AFS COMITE COCHABAMBA - Bolivia

UNICEF – across multiple countries

BAMX Tapachula - Guatemala

How the Program Works

"Yes" at D2; n=70

"We have a system that tells us the total amount of food lost at each of our locations. We segregate food based on its status for use, act accordingly, and notify the donation organization to distribute the food to the underprivileged" – Uruguay (UNICEF, GFN)

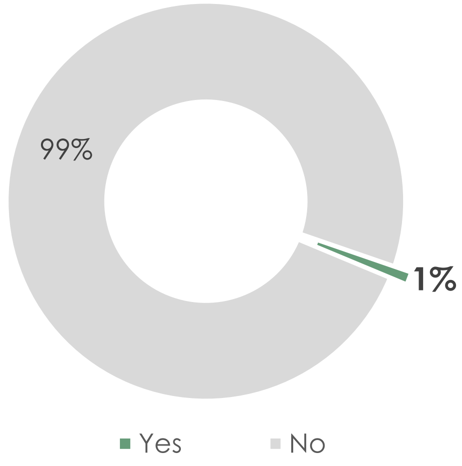
"They work collaboratively and send their volunteers for the food drive, they also give us the option to participate and donate food to the right people." – Panama (Banco de Alimentos Panama)

*D2. Does your company have a **food recovery or donation program** in place today? (Select one response) D2a. What is the name of the food recovery or donation organization that your company currently works with? (Please briefly describe) D2b. In your own words, please describe how this **food recovery or donation** program works at your company? (Please briefly describe)*

Only 1% of respondents who do not have a program set up state their company has participated in a food recovery or donation program in the past. However, 30% of all respondents are interested in a new program.

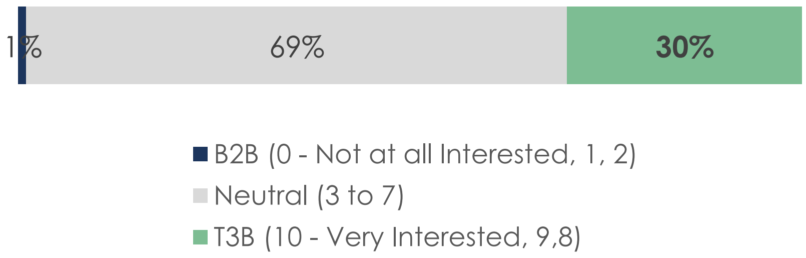
Past Company Participation in Food Recovery/Donation Program

Those who do not currently have one in place; n=304



Interest in Participating in New or Expanded Food Recovery/Donation Program

Total; n=400



*Though not statistically significant, **distributors** (39%), **manufacturer/CPG producers** (33%), **food service/restaurant** (32%) and **suppliers/ingredient companies** (31%) are most likely to be interested.*

D3. *To your knowledge, has your company ever participated in a **food recovery or donation program** in the past?(Select one response)*

D4. *And using the scale below, please rate how interested your company would be in participating in new or an expanded **food recovery or donation program** within the next 12 months? (Select one response)*

FIRMOGRAPHICS

Firmographics

Firmographics

- **Title:** Most respondents hold the title of Manager or Senior Manager.
- **Industry**: Respondents almost evenly represented each industry of the food supply chain.
- **Tenure:** The majority of respondents have been in the industry 5 to 14 years, and at their current company for about 5 to 9 years.
- **Company Footprint:** Most respondent firms are mid-sized: 67% report their company has 4 or fewer locations globally, with 65% having 50 to 499 employees.

Food Charities by Country:

Country	Charities Displayed
Bolivia	Banco de Alimentos de Bolivia
Costa Rica	Banco de Alimentos Costa Rica
Dominican Republic	Banco de Alimentos República Dominicana
Ecuador	Banco de Alimentos Diakonía, Banco de Alimentos de Quito
Guatemala	Banco de Alimentos Guatemala, Desarollo en Movimiento
Honduras	Banco de Alimentos Honduras
Nicaragua	Fundación Banco de Alimentos Nicaragua
Panama	Banco de Alimentos Panamá
Paraguay	Fundación Banco de Alimentos Paraguay
Peru	Banco de Alimentos Peru
Uruguay	Banco de Alimentos Uruguay

__D0.__ Below is a list of charitable and community organizations. Before taking the survey today, which of the following organizations were you already aware of? (Select all that apply)

Terminology:

Potential reasons for food loss across each stage of food supply chain:	Directed To:
Over-production	Production/Technical
Excess inventory / changes in customer / consumer demand	Market Fluctuations
Discontinued/slow moving products	Marketability
Seasonal / limited offer / promotional items	Marketability
Quality compromised by damage	Marketability
Weather impact	Environmental or Weather Factors
Safety recalls/concerns	Product age / close to code /quality degradation
Food trimming	Marketability
Mislabeled foods / missing ingredients / allergens	Marketability
Machinery issues	Production/Technical
Normal production processes [line start / change overs / underweights]	Production/Technical
Product blocking / Mechanical mishandling / loss of power	Production/Technical
Imperfections (e.g. color ,appearance)	Marketability
Expiration dates	Product age / close to code /quality degradation
Stock rotation errors	Production/Technical
Transportation issue	Transportation/Distribution

Potential Innovations and Food Waste

While still in the distant future, several developments may impact the way food waste is created and handled:

Automation and robotics in agriculture
More controlled dosages reduce input wastes, and 3D printing may use perishable or by-product waste

Circular feed and upcycling
Production of microbial protein from organic waste streams increases economic value of waste

Cellular agriculture (lab-grown meat)
Prime cut alone is produced, mitigating waste created by traditional carcass trimming

Non-thermal processing technologies
Traditionally perishable products are stored longer-term at room-temperature

Personalized nutrition
Biologically tailored food deepens one's connection to the food system and reduce waste

Smart and/or nano-tech packaging
Biosensors reduce consumer waste through behavioral nudges based on date labels

Blockchain technology
Rapid response contaminant tracing helps avoid unnecessary food disposal and limit loss/waste

Understanding these technologies and their impact on the supply chain may not be necessary in the immediate, but looking forward, food banks may need to account for these in shaping their strategy of company engagement.

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Questions? Get in Touch!

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