



FOOD AND BEVERAGE

The food and beverages industry is all companies involved in processing raw food materials, packaging, and distributing, in addition to ultimate availability and consumption. This includes fresh, prepared foods as well as packaged foods, and alcoholic and nonalcoholic beverages.



CAPTRUST Experience

Clients at a Glance

Clients - 57
 AUM - \$5.6 billion
 Plans / Pools - 92
 Plan / Pool Types - DC (69), DB (13), NQ (8), OAP (2)
 Top Providers - Fidelity (21), Empower (17), Principal (7), Wells Fargo (7), Bank of America / Merrill Lynch (5), Prudential (5), John Hancock (4), Mass Mutual (3)

Experienced Advisors

- Deanna Bamford (4)
- Rick Bernhardt (3)
- John Davenport (2)
- Dan Esch (8)
- Todd Jones (2)
- Jeff Loehwing (2)
- Drew McCorkle (2)
- Andrew Shimp (2)
- Jason Stanicek (2)
- Jimmy Talton (4)
- Scott Wertheim (2)
- Steve Wilt (4)

Industry Background

Points of Interest

- Food safety issues are costing the industry billions each year
- Revenue from food and beverage sales is expected to surpass \$27 billion by 2023
- A study showed that 7 in 10 consumers would be willing to give up their favorite products for alternatives that didn't contain artificial ingredients
- Food and beverage industry employs more than 3.2 million workers annually

Common Terms

- Chain stores
- Dietary guidelines
- Distribution
- Genetically Modified Organisms (GMOs)
- Margins
- Packaging
- Retail/wholesale
- Supply chain
- Sustainability

External Resources

- American Beverage Association
www.ameribev.org
- Beverage Industry
www.bevindustry.com
- Food Business News
www.foodbusinessnews.net
- Food Dive
www.fooddive.com
- Food Processing
www.foodprocessing.com
- National Restaurant Association
www.restaurant.org
- Society for Hospitality & Foodservice Management
www.shfm-online.org
- The Food Institute
www.foodinstitute.com



FOOD AND BEVERAGE



For the Challenger

Clients Outcomes

- Reduced plan expenses
- Simplified and tiered investment menu
- Auto-enrollment features and safe harbor traditional match or QACA match
- Improved investment lineup
- Uses flat dollar match to control cost and annual benefit cost creep, helps with discrimination testing
- Mirrored nonqualified plan investment menu to mirror 401k plan and improved funding strategy
- Created a better level of fiduciary understanding
- Improved investment process and consistency to that process
- Improved provider relationship and service offerings

Challenges

Corporate

- Competition for, and high turnover of, employees
- Budget challenges with minimum wage increase demand
- Shrinking margins
- Weather
- Wage structure often based on tips, causing concern for ability to participate in certain benefit features
- Industry consolidation
- Workers in multiple locations
- Unions

Retirement

- Turnover and education
- Collective bargaining
- Auto enrollment is great, but cost is not sustainable
- Financial wellness and participant advice due to lack of employee contact information
- Dual workforce- stable higher management; non-stable workforce
- Lack of corporate interest in retirement planning overall
- Participation and engagement
- Low HCE contributions

Notes