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BDO MANUFACTURING OUTPUT

HOW TO MINIMIZE YOUR SUPPLY CHAIN'S EXPOSURE TO EXTREME WEATHER & NATURAL DISASTERS

By Howard Sosoff and Clark Schweers

From Hurricane Sandy to Typhoon Haiyan, there is no denying that extreme weather is almost a yearly expectation.

Weather- and climate-related disasters have caused $2.4 trillion in economic losses and nearly 2 million deaths globally since 1971 according to the World Meteorological Organization. For companies leveraging global supply chains that are susceptible to high-impact weather patterns or natural disasters, these numbers are important to pay attention to. They should send a signal to organizations that if their supply chains are not prepared now for the next extreme weather event or natural disaster, they should start planning to be to ensure they can continue business as usual to the best of their abilities after it passes.

And they are. The second annual BDO USA, LLP analysis of risk factors listed in the most recent 10-K filings of the largest 100 publicly traded U.S. manufacturers included natural disasters as one of the top ten challenges. In fact, 88 percent of manufacturers noted risks related to natural disasters in the analysis. When natural disasters strike, employees' safety is at risk, assets are vulnerable, transportation could break down, significant delays could occur and companies could be displaced or even shut down entirely. This is why advanced preparation could prove essential to minimizing the damage these disasters or extreme weather events can cause.

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BDO's Manufacturing & Distribution practice consists of multi-disciplined professionals, well versed in compliance and consulting matters. Our professionals have many years of experience in financial reporting and accounting, tax and auditing issues and are continually updating their knowledge and, therefore, are dedicated to giving timely and accurate advice.

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EXTREME WEATHER & NATURAL DISASTERS

Think of it this way: supply chains are like professional football teams. If a key wide receiver or quarterback is benched due to serious injury, the team's ability to perform diminishes, impacting overall game performance and possibly eventually ticket sales. Similarly, if one step in the supply chain crashes, the whole company can face irreparable damages, from millions of dollars lost in sales to possible plant closures. However, just as with a football team, if there is a second stringer trained to takeover, such as a supplier in an unaffected area, the business impact could ultimately be avoided.

A few examples highlighting how extreme weather or natural disasters could significantly weaken companies' supply chains include:

- **2013-2014 U.S. Winter Season:** Last year's winter weather season slammed U.S. manufacturers, disrupting supply chains across the country due to slow outbound and inbound deliveries. In fact the Journal of Commerce reported, "Ten industries reported slower supplier deliveries in January (2014), from the makers of plastics, rubber and paper products, to appliance and electronics manufacturers."

- **2010 Thailand Flooding:** For three weeks the country experienced massive flooding that left thousands of factories throughout central Thailand, including many of the most notable hard-drive manufacturers, underwater and unable to operate. Some of the world's largest computer makers were without a reliable forecast about when crucial parts would be available once again according to *The New York Times*, and the Business Forward Foundation noted that as a result "Production by consumer electronics manufacturers in the U.S. dropped by one-third."

- **The 2011 Great Tohuko Earthquake and Tsunami:** As one of the strongest earthquakes ever recorded, Tohuko caused significant casualties and infrastructure damage, which was only amplified by the destruction of several nuclear reactors responsible for providing the region with electricity. It also greatly impacted the automobile industry. According to *Automotive News*, "The March 11 disasters temporarily closed the plants that make 17 of the top 20 models of Japanese vehicles sold in the United States and prompted General Motors to close a plant in Louisiana and Peugeot a plant in Europe."

With so much potentially at stake, from customer satisfaction to stock price, in the event of extreme weather or natural disaster, how can companies prepare for what really is the unpredictable? A few considerations for strengthening supply chains include:

- Use diverse suppliers and production locations to more adequately protect the supply chain;

- Work collaboratively with suppliers to develop a resilient supply chain that can withstand the event of extreme weather;

- Create or update disaster recovery plans. Consider changes in secondary or back-up locations and operations, mitigation strategies, logistic alternatives, tested employee safety and evacuation plans, critical contracts and other significant impacts to the business's risk profile;

- Assess whether accounting systems can adequately capture information to quantify and document losses, including lost orders, cancellations, decline in demand, extra expenses, property remediation and property repair;

- Assess whether employees have been adequately trained to capture relevant loss data and documentation;

- Review insurance policies for appropriate values and coverage, including: deductibles and self-retentions, coverages such as flood, contingent business interruption, extended period of indemnity, civil authority, ingress/egress, ordinary payroll, power outages and claim preparation fees; and

- Back-up records and other critical information.

Preparing for the unpredictable is never easy. By implementing these baseline measures, a company can minimize its supply chain's exposure to any weather event or natural disaster, which will help it keep calm before, during and after the storm.

Article was reprinted from Manufacturing.net.

Howard Sosoff was the former Manufacturing & Distribution Practice Leader at BDO USA LLP, and Clark Schweers is the Principal at BDO Consulting and Head of the Forensic Insurance & Recovery (FI&R) Practice.

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SPOTLIGHT ON:
FOOD PRODUCTION

3 Steps for Manufacturers to Improve Water Practices and Keep Supply Chains Afloat During the Water Shortage and Beyond

By Rick Schreiber, Manufacturing & Distribution practice leader

As the state of California enters into a fifth year of historic drought, water shortages in the nation's breadbasket and beyond bring up a complex array of risks for manufacturers, both within supply chains and at the factory level. The global food sector, which uses 70 percent of the world's freshwater, could be facing mounting risk from dual challenges of water shortages and water pollution. Rising competition for resources, combined with aging water infrastructure, an ever-changing regulatory environment and climate change are creating a global water crisis that the World Economic Forum recently ranked as the world's top global risk.

For U.S. manufacturers, these broader global threats materialize into concrete challenges, including disruption to operations and the need for expensive production inputs to overcome water-related obstacles. With 40 states expected to face water shortages in the next decade, according to a nonpartisan report, these challenges are not likely to diminish. To mitigate these mounting risks, manufacturers need to consider revising their strategies, or possibly face constraints on growth and decreased profit margins.

Here are three actionable and impactful steps to put manufacturers on the right track to mitigate the risks associated with water shortage, now and into the future:

1. CONDUCT BROAD RISK ASSESSMENT AND INCREASE BOARD OVERSIGHT

While many companies conduct broad environmental oversight, water risks should be specifically addressed as water shortage concerns become more pronounced. The process begins with a thorough audit of water-related risk, including analysis of supply chain, regulatory and reputation risks to which the company may be exposed. According to the ***2015 BDO Manufacturing Risk Factor Report***, 100 percent of manufacturers cited concerns around supply chains and vendors, up from 83 percent just two years earlier. Additionally, 96 percent of companies mentioned environmental regulations, up from 87 percent last year. The recent high incidence of extreme weather, like the California drought, may have contributed to the growing concern around these risks.

As drought conditions persist in California and nationwide, manufacturers should prioritize and accelerate the risk assessment process, as the potential consequences of inaction can be costly. According to a recent report, many companies' processes for collecting and interpreting data on

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FOOD PRODUCTION

water risk were incomplete, and did not translate into actionable water management strategies. A thorough risk snapshot can help manufacturers address short and long-term threats, and create and implement manageable changes and solutions within supply chains and factories alike.

2. MITIGATE RISK AND IMPROVE CORPORATE SOCIAL RESPONSIBILITY BY ADDRESSING WATERSHED CONCERNS

Often, water issues begin long before the water supply reaches its final destination and becomes available for use in manufacturers' plants and factories. Too often, companies are limiting their investment in water management to curbing factory water use. While such measures are without a doubt important and impactful, they may not be sufficient to alleviate the challenges brought about by an aging water infrastructure, which can result in overall mismanagement of water resources. Addressing degradation issues in watersheds can help stimulate water efficiency from the source, improving sustainability along the entire water supply chain.

Coca-Cola has been a leader among food and beverage producers in its water replenishment and watershed management efforts, taking part in more than 350 water conservation projects between 2005 and 2012. For example, the company has invested heavily in a watershed project in Indian Valley, an area in California's Sierra Nevada Mountains that is home to streams which eventually feed the San Francisco Bay area and one of Coca-Cola's bottling plants. These efforts promote efficiency both along the water supply chain and within the company's own operations, and provide an excellent opportunity to improve corporate image with social responsibility.

Corporate social responsibility initiatives are becoming a valuable contributor not only to a company's reputation and image, but to their bottom lines. An important part of manufacturers' supply chains, a healthy water supply is also a crucial building block for healthy communities. Because water is a universally necessary resource, investing in watershed and water conservation efforts can be a mutually beneficial way for manufacturers to sustain their own supply chains as well as the communities in which they and their customers work, live and play.

3. TAKE ADVANTAGE OF REBATES AND INCENTIVES FOR SUSTAINABLE FACTORY PRACTICES

Reducing water consumption in industrial production, particularly for food manufacturers, begins with taking steps to design new and redesign existing manufacturing processes to do more with less. Development and adaption of new technology in manufacturing processes is critical to alleviating the effects of water shortages and moving toward more sustainable models of water use in the industry.

Promising technology and innovation exist to revolutionize water treatment and usage as well as water-intensive manufacturing practices, and further new developments are possible with continued research and development. However, companies need incentive to make the extensive capital investments necessary to develop these technologies and practices, and bring them to fruition.

For example, the Metropolitan Water District of Southern California has begun offering rebates and incentive programs to industrial producers that implement solutions, based on the amount of water saved. To stimulate development and innovation by manufacturers that depend on inputs from California's breadbasket, it would be beneficial to see incentives continue and expand to manufacturers across the country.

WHAT COULD BE NEXT FOR MANUFACTURERS?

While food manufacturers experience unforeseen risks and potential business complications brought on by the historic drought conditions on the West Coast, so too do other manufacturing subsectors, including apparel manufacturers and producers of fabricated metal products. Concern among all manufacturers around extreme weather patterns has jumped sharply in the past two years, according to the ***2015 BDO Manufacturing RiskFactor Report***, and these challenges likely won't ease up in coming years. Coupled with other industry shifts such as new workforce demographics and technological advancement, they make the time ripe for innovation and restructuring. Manufacturers have evolved in the past, and if the industry can take advantage of rampant opportunities for growth and innovation, food manufacturers can expect a sunnier future.

Rick Schreiber is a national leader within BDO's Manufacturing & Distribution Practice with more than 23 years of public accounting experience. His clients have included both domestic and international public and private entities, and he has significant experience with initial public offerings (IPOs), secondary debt offerings, and mergers and acquisitions. For more information, contact Rick at RSchreiber@bdo.com.

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SEAL THE DEAL: MINIMIZING POST-ACQUISITION DISPUTES IN THE FOOD PROCESSING SECTOR

By Jeffrey M. Katz, Partner and Dispute Advisory Services practice leader with BDO Consulting

The recent trend toward consolidation in the food processing sector of the manufacturing and distribution industry has resulted in additional M&A activity, as well as increased competition for deals.

For CFOs involved in M&A transactions, it is important to understand the post-acquisition dispute issues that can often arise after closing. CFOs who proactively consider common post-acquisition dispute issues before an agreement is reached can minimize the chances of being distracted with such post-closing disputes and can instead focus on integrating the newly acquired business, driving operational efficiency and setting the company on a path for growth.

M&A agreements often contain clauses that adjust the purchase price post-closing. These adjustments are generally predicated on changes to the acquired company's balance sheet between the date a deal is negotiated and the date the transaction actually closes. While the metrics for adjustments may vary from one agreement to the next, a common adjustment is based on the change in a business's net working capital. Disputes often arise because the buyer and seller have different opinions regarding the appropriate amounts to be included on the closing date balance sheet. These disputes often focus on the application of generally accepted accounting principles (GAAP) within the context of the terms of the M&A agreement.

As an example, M&A agreements may contain language that requires the closing date balance sheet to be prepared in accordance with GAAP, as well as consistently with the acquired company's past policies, practices and procedures. Within the manufacturing industry (including the food processing sector), manufacturing and processing costs are typically accounted for utilizing standard costs. Many companies have a policy of only recognizing variances between actual and standard costs at the company's year-end in order for the company's financial statements to be in accordance with GAAP. If a business is sold at a time other than its year-end, a post-closing purchase price adjustment dispute can arise when one party wants the manufacturing and processing variance adjustment recorded in accordance with GAAP, while the other party argues that consistency with the company's past policies, practices and procedures would preclude recording of those variances as of the closing date. The crux of these disputes often stems from the M&A agreement being silent on which should prevail – past practice or GAAP – when there is a difference. CFOs in the manufacturing and processing industry can play an important role in minimizing such transaction disputes by suggesting clarifying language in the agreement that specifies which methodology prevails. Alternatively, they can suggest language for the M&A agreement that makes clear the closing balance should be prepared as if it were the company's year-end.

When drafting an M&A agreement, parties often believe that the phrase "GAAP consistent with the company's past policies, practices and procedures" provides sufficient and unambiguous instruction for preparing the Closing Date Balance Sheet. As CFOs are aware, however, GAAP requires management to make judgments and estimates in preparing financial statements. The buyer and seller's respective management teams may have differing estimates for the same balance sheet item, even though both parties' estimates are in accordance with GAAP. In transactions involving Food Processing businesses, one item that is oftentimes disputed when determining the post-closing purchase price adjustment is whether production levels were abnormally low. According to GAAP, if production levels are abnormally low, then certain costs that would normally have been capitalized into the cost of the inventory would have to be expensed.

The determination of whether production levels were abnormally low is an accounting estimate that is made by management. If there is a question with regard to abnormally low production levels, then the buyer of such a business often takes the view that the costs should have been expensed; thereby lowering the cost of the inventory and resulting in a reduction to the purchase price. Before signing an M&A agreement, CFOs involved in M&A transactions involving food processing businesses should consider performing a detailed review of the target company's production levels in order to assess the reasonableness of the company's determinations.

Another often-disputed item when determining post-closing purchase price adjustments is the establishment of appropriate reserves for known and/or potential food recalls. Once again, this is an accounting estimate for which two different managements (buyer and seller) could have different views of the costs. CFOs involved in an M&A transaction may want to suggest the inclusion of language in the agreement that removes the liabilities related to such matters from the calculation of the purchase price adjustments due to the subjective nature of this estimate.

Understanding that M&A agreements are often subject to interpretation and disagreement between the buyer and seller, CFOs can serve as a valuable resource to attorneys throughout the drafting process of the M&A agreement. In doing so, they can significantly help to minimize post-acquisition disputes, which will in turn allow them to focus on their businesses.

Jeff Katz leads BDO's Dispute Advisory Services practice with more than 25 years of experience providing forensic accounting services. Jeff has significant experience in matters involving the calculation of lost profits and other economic damages, business valuations, and accounting related issues, having provided expert witness testimony in over 25 matters. For more information, contact Jeff at JKatz@bdo.com.

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Q&A with RICK SCHREIBER, Recently Appointed Manufacturing & Distribution Practice Leader

Estimates from Euromonitor International predict that growing population and demand will drive global retail sales of processed food to $2.15 billion this year. This uptick in demand and competition could explain why 90 percent of companies cited threats to international business operations in this year's RiskFactor Report, up from 80 percent a year ago. What other global conditions could be driving uncertainty abroad this year?

Currency risk is still a big issue. The dollar remains strong, and that has threatened exports for many manufacturers. For food manufacturers, currency is an especially complex issue – global demand for Western food products is high, but a strong dollar and simultaneously weakening foreign currencies threaten international purchasing power of U.S. goods.

The strength of the dollar, along with lowered energy costs and strong economic fundamentals, have also contributed to the widespread trend of reshoring, or bringing production back stateside. For example, Walmart's "Made in America" initiative focuses on stocking products made or assembled by U.S. manufacturers, supporting domestic goods and stimulating nationwide manufacturing. This is a reversal of the long-standing trend of companies moving production abroad and could threaten manufacturers' international operations.

Additionally, U.S. food manufacturers typically dip their toes in international waters through acquisitions, according to economists from the U.S. Department of Agriculture. Entering a new market via acquisition of a high-profile or respected brand allows companies to establish leadership and a prominent market position. This might be why mention of M&A jumped along with international risks in this year's RiskFactor Report. The transition into new markets isn't easy, as foreign currencies fluctuate and global food demand diversifies.

Food manufacturers are also sourcing globally, exposing themselves to risks related to the complexity of their production. Sourcing internationally exposes companies to the risks associated with those countries, whether that is civil unrest, extreme weather or labor issues.

This year's RiskFactor Report showed a decline in concern around financial reporting standards within the industry. How are companies successfully managing the industry's unique financial reporting obligations?

Publicly traded companies, including manufacturers, have felt more confident in their ability to efficiently and effectively comply with financial reporting obligations since they gain more practice in abiding by the standards laid out in the Sarbanes-Oxley Act each year. Last year, some manufacturers expressed concern around the updated COSO Framework, but the update proved largely quiet in the industry.

Manufacturers have also been required to invest resources in new technology around EMV standards, leading to a more thorough data presence within companies, which can help CEOs obtain a fuller financial picture and make better decisions around financial reporting.

California is experiencing its worst drought in 1,200 years, according to a recent study. At the same time, environmental regulations are tightening and food manufacturers are experiencing increased liability, evidenced by 90 percent of food manufacturers mentioning it as a risk, up from 80 percent in 2014. What can manufacturers do to minimize the costs and potential disruptions associated with implementing compliance measures?

As the EPA works to combat climate change by beefing up environmental regulations, manufacturers will benefit from remaining as lean and nimble as possible, so that they can streamline the implementation of needed process improvements. Consider investing in employees with technology experience and working to foster a culture and tone of sustainability across the company, especially at the executive level. Look out for incentives, grants and credits available to companies that invest in new technology or process improvements. At a broader long-term level, manufacturers can get out in front of the issues and join organizations such as the National Association of Manufacturers, which advocates for legislation that supports business efforts.

Extreme weather conditions also threaten commodity prices and availability. How can manufacturers structure their supply chains and raw material sourcing practices to promote consistency and avoid disruption?

Historically, some manufacturers have chosen to rely on a few suppliers, or even just one. As business interruptions become more widespread, this practice carries more inherent risk. Spreading out vendors and supply chains can be a daunting process – manufacturers

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should encourage communication and, if possible, collaboration between vendors to minimize inconsistency and ensure even product specifications and quality across the board.

Beyond the supply chain, extreme weather, like the record-breaking snowfall in the Northeast region during this past winter, can cause major fallout in distribution and delivery processes. Already in remote areas, fresh food shortages known as "food deserts" have emerged due to difficulty distributing food to areas without established farming communities, leading some companies to alter their sourcing and distribution strategies.

One of the major food manufacturing industry drivers is consumer demand. According to this year's RiskFactor Report, 95 percent of companies cite their ability to develop and market products to meet consumer needs as a risk, up from 80 percent a year ago. As attitudes and tastes shift in favor of healthier, fresher choices, what opportunities for innovation and growth might major shifts in demand offer manufacturers?

Strategic mergers and acquisitions can offer a world of opportunity for manufacturers from a branding perspective. By partnering with a company with a health-centric brand or healthful niche, companies can expand their brands and diversify their offerings to appeal to a wider range of audiences and tastes.

Consumers' inclination toward healthier choices also fuels an increase in demand for sustainably sourced foods and ingredients, even in products that may not fall under the conventional umbrella of health food, such as meats, cheeses and snack foods. Shifting consumer demands offer the opportunity for food processors to refresh product recipes and implement sustainable sourcing practices to attract consumers, and even target previously untapped consumer demographics.

Demand for healthier food trickles down from consumers to restaurants and food manufacturers. Some food processors have begun investing in sustainable farming practices and healthful ingredients. Doing so might be a smart move as more major restaurant chains eliminate artificial or genetically modified ingredients, as we've seen recently by Taco Bell, Subway and Panera Bread.

As product choices proliferate to meet varied and sky-high consumer demand, how can CEOs identify the best competitive strategy and the right product mix to maximize their viability within their markets?

The first step to finding the right product mix is to use good data and be as nimble and responsive as possible to the implications of that data. Real-time monitoring of key metrics, such as gross margin by product, can help companies respond to sales changes as they happen and alter production or distribution schedules as needed. Sometimes, finding the right product means engaging in strategic M&A to expand capacity and processing power to meet demand. Other times, it means marketing existing products to better align with consumer preferences.

Ultimately, executing successful competitive strategy is all about how well you can understand, drive and meet consumer demand. Thorough and timely data around sales and other key metrics should play a vital role in helping inform competitive strategy. From there, companies can move forward with strategic initiatives, such as expanding product offerings, tweaking marketing messages or adjusting production tactics.

Rick Schreiber is a national leader within BDO's Manufacturing & Distribution Practice with more than 23 years of public accounting experience. His clients have included both domestic and international public and private entities, and he has significant experience with initial public offerings (IPOs), secondary debt offerings, and mergers and acquisitions. For more information, contact Rick at RSchreiber@bdo.com.

Did you know…

Growing international demand for Western food could be driving new business considerations for food manufacturers, according to the ***2015 BDO Manufacturing RiskFactor Report***. Risks associated with both strategy implementation and threats to international operations were mentioned by 90% of manufacturers.

According to the National Association of Manufacturers' updated ***Manufacturers' Outlook Survey***, more than three-quarters (76.3%) of manufacturers polled reported feeling positive in regard to their company's outlook.

Manufacturing management salaries are up over last year, with more than two-thirds (69%) reporting a salary increase, according to IndustryWeek's ***2015 Salary Survey***.

The plastics and rubber, transportation equipment and nonmetallic mineral products sectors reported the strongest job growth this spring, according to statistics from the ***Bureau of Labor Statistics***.

The ***Commerce Department*** reported strong automobile sales, up 2% in May, along with increased consumer spend on gas, fueled a spike in the U.S. retail sector this spring.

The ***MAPI foundation*** has lowered its manufacturing production forecast from 3.7% growth to 2.5%, but predicts that a return to normal winter conditions will help manufacturers bounce back to post an estimated 4% growth in 2016.

According to a new report from the ***Reshoring Initiative***, transportation and electrical equipment accounted for the most reshored U.S. jobs in the last five years. Ford and General Motors led the way, bringing 3,250 and 1,800 production jobs, respectively, back to the U.S. from Mexico.

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PErspective in MANUFACTURING

Worldwide, the food manufacturing sector has seen high levels of deal-making during the first half of this year, as firms look to cut costs and scale up in what has become a low-growth industry, the *Financial Times* reports.

Several mega-deals have captured national attention this year, including the recent Kraft-Heinz merger, which could push other large food manufacturing and distribution companies to seek consolidation in order to remain competitive, according to the *Wall Street Journal.*

"In the 2015 RiskFactor Report for Manufacturing, 96 percent of manufacturers mention competition and consolidation, up from 94 percent last year," said Howard Sosoff, Assurance Partner and national Manufacturing practice leader. "This increase could likely be attributed to the number of strategic acquisitions food manufacturers continue to make in order to enter new markets or expand their existing portfolios."

Brazilian PE firm 3G, together with Berkshire Hathaway, purchased Heinz in 2013 as part of a series of big acquisitions over the last five years that included Burger King and Tim Hortons. 3G cut costs so successfully at Heinz with its "zero-based budgeting" approach that other firms in the industry, such as Kellogg, Mondelez and Kraft, have been trying to emulate it, *The Wall Street Journal's* MoneyBeat blog reports. More takeovers could be on the horizon for 3G, although it could take some time – the Kraft deal was two years in the making.

The U.K. saw generally subdued deal-making during the run up to its general election in April – especially in the middle market. But there were a couple of large, one-off transactions, including PE firm Nomad's April acquisition of frozen foods maker Iglo in a deal valued at EUR 2.6 billion. This is the first in a series of deals as Nomad looks to build a global consumer brands business, according to the *Financial Times*. The PE firm is currently in talks to acquire the continental European business of frozen foods maker Findus.

Large food manufacturing companies (Mondelez International, Hain Celestial Group, J.M. Smucker, Hershey, Campbell Soup, Kellogg and General Mills) are increasingly targeting smaller "healthy" brands with labels such as "all natural," "organic" or "gluten-free", to take advantage of evolving eating trends, according to *The Deal*. Firms are prepared to pay huge multiples to win auctions – Hershey paid nine times revenues for the all-natural gourmet meat snack brand Krave Pure Foods earlier this year, *The Deal* reports.

Food tech – using technology to disrupt the food industry – is another hot sector, in both Silicon Valley and India. VC funding is flowing to the space: Maple, Munchery and Blue Apron have raised hundreds of millions of dollars in recent months. In India, food tech M&A activity is up, as food startups look to scale up operations, according to the *Economic Times*.

Global PE firms are also increasingly interested in Indian food distribution and agri-logistics companies. For example, according to *Reuters*, after bidding against other firms including Blackstone, Carlyle Group and Bain Capital, Canadian fund Fairfax India Holdings is set to take a minority stake in Indian firm National Collateral Management Services, which designs and implements risk management solutions for clients at commodity multi-link points and factory locations. PE firms are drawn to the scalability the sector potentially offers – 45 percent of farm produce currently gets wasted due to inefficiencies in the existing food distribution infrastructure, the *Economic Times* reports.

With deal-making activity high, there are opportunities for PE firms of all sizes – be they giants like 3G, or smaller players looking to pick up a portfolio of smaller, (domestic or global) food tech, health brand or food distribution assets.

PErspective in Manufacturing is a feature examining the role of private equity in the manufacturing and distribution industry.

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ASME Advanced Manufacturing 2015
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August 4-7
NAM Council of Manufacturing Associations Summer Leadership Conference
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SEPTEMBER

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NAM Leadership Engagement Series
Houston

September 23-24
Association for Manufacturing Technology Distribution Summit
Columbus, Ohio

September 23-25
Women in Manufacturing Summit
Minneapolis

OCTOBER

October 2
National Manufacturing Day

October 7-8
Design & Manufacturing
Philadelphia

October 25-27
IMPACT Manufacturing Summit
Baltimore

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