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ARTICLE

The Impact of GLP-1 on the Food Industry

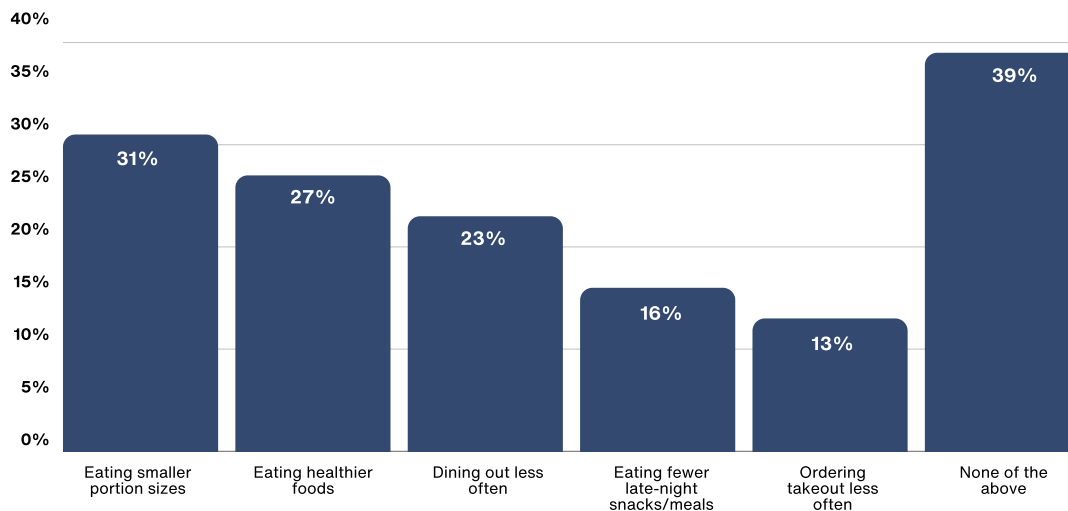
This article, part of our ongoing coverage of the Agribusiness & Food industry, provides an overview of the growing usage of GLP-1 for weight loss and its impact on the food industry -- notably how manufacturers are responding.

Rapid adoption of GLP-1s is reshaping consumer eating habits. For food companies, it's an opportunity to innovate and cater to a growing market.

INTRODUCTION

- The rapid adoption of GLP-1 weight-loss medications such as Ozempic, Wegovy, and Mounjaro is reshaping consumer eating behavior - these drugs are increasingly used not only for diabetes management but also for appetite and weight control, influencing how people select, consume, and prioritize food.
- By controlling appetite and overall caloric intake, GLP-1s reduce demand for traditional snack foods, sugary beverages, and other high-calorie indulgent categories. These segments rely on frequency and impulse, so growth trends are vulnerable when consumers shift toward smaller, more nutritionally focused meals.
- Consumer spending has shifted toward nutrient-dense and functional products that support satiety and wellness. Categories such as lean protein, meal replacement, and healthier snack options have seen significant growth, while indulgent items like chips have declined.
- Large companies are responding by investing in R&D (such as product reformulations) and pursuing strategic acquisitions, targeting emerging brands and specialized players that lead with product innovation and reflect deep consumer trust.

CHANGE IN REPORTED DINING HABITS BY GLP-1 MEDICATION USERS



In many ways, the impact of GLP-1s is reinforcing trends already in motion. Food manufacturers and retailers are reassessing traditional product lines, focusing on offerings that emphasize premium, indulgent snacking – think functional beverages, high-protein and high-fiber foods, and supplements that address GLP-1 side effects.

The GLP-1 Effect: How the Food Industry Is Evolving

HOW FOOD MANUFACTURERS ARE ADAPTING

In response to changing consumer tastes and needs, food and beverage manufacturers are rethinking products, marketing, and packaging.

- **Product Reformulation and Innovation:** Manufacturers are reformulating traditional snacks by reducing sugar, fat, and calorie content while maintaining flavor. Functional ingredients, such as high-protein blends, fiber, and satiety-promoting components are being incorporated to create products that align with the nutritional needs of GLP-1 users.
- **Smaller Portions, Bigger Impact:** Smaller portions and more purposeful ingredients are becoming standard as companies develop offerings that emphasize protein, vitamins, and fiber. Examples include Nestlé's Vital Pursuit, a line of frozen meals designed specifically for GLP-1 users and others on weight-loss plans. Other examples include Danone's Oikos Fusion and Boost drinks, which are designed to support satiety and nutritional balance.
- **Clear and Targeted Labeling:** "GLP-1 Friendly" or nutrient-focused badges help consumers quickly identify products that meet their dietary needs, while also reinforcing the brand's commitment to health-focused innovation.

NOTABLE ADOPTERS

DANONE



OIKOS FUSION

Launched in 2025, Oikos Fusion is a high-protein cultured yogurt drink designed to help users maintain muscle mass during weight loss, specifically GLP-1 users.

Abbott
Nutrition



PROTALITY

In 2024, Abbott launched PROTALITY, a high-protein nutrition shake.

MARS



kevin's
natural foods

In 2023, Mars acquired Kevin's Natural Foods, a producer of high-quality, nutritious, and convenient meals, sides, and sauces.


Nestlé



VITAL
PROTEINS®

Acquired in 2022 by Nestlé, Vital Proteins is a collagen supplement brand designed to support a healthy diet.

PRIVATE LABEL AND CONTRACT MANUFACTURERS: POSITIONED TO BENEFIT

Consumer-facing brands are often the focus when discussing GLP-1s and M&A activity. But when it comes to an attractive space for dealmaking, private label and contract manufacturing aren't to be overlooked. Private label and contract manufacturers are increasingly attracting M&A attention and with the rise of GLP-1s, they stand to benefit from additional buyer interest. As critical partners to manufacturers, these companies serve as innovation engines, offer agility and speed to market, and can shift resources toward growth categories. From an M&A perspective, financial buyers see an opportunity to establish platforms and execute roll-up strategies. Strategics, too, are investing in and acquiring third-party manufacturers to strengthen supply chains and increase production capacity.

RECENT MARKET ACTIVITY

- Alongside investing in R&D, food manufacturers are responding with strategic acquisitions and portfolio realignment, seeking brands that cater to GLP-1 users. For example:
 - Mars' acquisition of Kevin's Natural Foods gives the company access to a portfolio of high-protein, low-carb meals and snacks
 - Kepak's purchase of King West Pack strengthens its position in the high-protein, on-the-go snacking sector, expanding its reach across the UK and international markets
 - Ferrero's acquisition of protein snack maker Power Crunch reflects a move away from indulgent treats, giving the company a Better-for-You snack brand

Date	Target	HQ	Deal Description	Buyer	HQ
Jul 2025			Kepak Group acquired New World Foods Europe, expanding its portfolio into the high-growth meat snacks category.		
Jul 2025			Monogram Capital Partners acquired Western Smokehouse Partners for \$500m, positioning itself to capitalize on rising consumer demand for protein-rich & portable snacks.		
Jan 2025			Ferrero acquired Power Crunch to capitalize on the rising demand for high-protein snacks.		
Nov 2024			Paine Schwartz Partners acquired Promix, a health and wellness company specializing in high-quality nutritional products.		
Nov 2024			1440 Foods acquired Fitcrunch to tap into the GLP-1 surge in demand for high-protein, weight-management snacks.		
Apr 2024			Arla Foods ingredients acquired Volac's Whey Nutrition business to expand its whey-based nutrition solutions.		
Oct 2023			In October 2023, Premier Foods acquired the protein-enriched breakfast brand FUEL10K for £34m.		
Aug 2023			In August 2023, Mars completed its acquisition of Kevin's Natural Foods, a high growth, nutritious meal brand.		

THE OPPORTUNITY AHEAD

As GLP-1s continue to shape consumer eating habits, emerging brands and mid-sized players in hot categories will make for attractive acquisition targets. These companies typically have proven operations, supply chains, and customer loyalty, but still have room to scale. For large strategics, acquiring these companies can fast-track entry into new segments with differentiated products, without having to build something from scratch. For financial buyers, acquisitions of "GLP-1-friendly" foods can strengthen their existing portfolios in addition to offering exit potential to corporate acquirers. The bottom line? The shift from "volume-driven" to "value-driven" offers ample opportunities for middle market companies, from growth and expansion to pursuing an exit.

PRACTICE TEAM



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Robert Adams is a leading Corporate Finance Advisor with a wealth of experience in Debt Fundraising and M&A. He is a Fellow of Chartered Accountants Ireland. He has developed a strong reputation for financing and refinancing business and property based portfolios, working across a broad range of Corporate Finance activities. He has significant commercial experience in undertaking M&A, Business Reviews, Due Diligences and Strategic Advisory for Corporate clients. Robert has developed a large client base across a broad range of sectors throughout Ireland.



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Rick Thomas, FOCUS's CEO, has 25 years of consulting, management and M&A advisory experience across industries including manufacturing, distribution, and food service. Prior to joining FOCUS, he served as Vice President at VSI, a boutique investment banking firm located in Washington, DC. He led M&A activities for publicly and privately held companies in the middle market, several of which have annual revenues in excess of \$1 billion.



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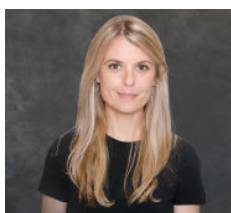
Brian Barrett, a FOCUS Managing Director, has extensive expertise in providing strategic advice to entrepreneurs, business owners and companies to assist them in achieving their strategic ambitions with nearly 20 years of corporate finance experience working with SME's, large corporates and semi state bodies.

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Beth Johnson, a FOCUS associate, supports buy-side and sell-side engagements as well as capital raising. Prior to FOCUS, she led capital raise events at 4P Foods, a fresh foods distributor serving B2B and B2C customers. Her experience includes working with founder owned businesses in the natural/organic segment and agtech ventures, with an emphasis on regenerative agriculture.



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