

Grounds for Discussion

Q1 2025

Welcome to **Grounds for Discussion**, the TreeHouse Foods quarterly newsletter designed to keep you, our loyal customer, in the loop about everything coffee! Whether you're a seasoned coffee aficionado or just starting your journey, there's something here for everyone. So, grab a cup of your favorite TreeHouse Foods brew, get comfortable, and enjoy the read!

TreeHouse Foods Happenings

Not only have we launched our newsletter, but we now have a dedicated page on our website for all things coffee. Here, you can dive deeper into our capabilities, explore our commitment to sustainability, learn about our diverse product offerings and get to know the talented team behind our exceptional coffee program.



Members from our Procurement and R&D Teams attended NCA Conference in March. The team connected with our key green suppliers and attend educational sessions.

Pictured above: Angela Pelaez, Sustainability Director at RGC and Kris Wieser, Director of Coffee Excellence at TreeHouse Foods

We believe that crafting the perfect cup goes beyond just sourcing great beans – it takes dedication, expertise, and a true passion for the craft. With over 100 years of combined coffee experience among our Q graders, TreeHouse Foods is committed to delivering excellence, every step of the way, from bean to brew. Learn more about us here → Coffee@THS

FLAVOR CORNER

Keep it Cold to Keep it Hot



Cold coffee has become a favorite refreshment for many, especially as the warm weather approaches. The chilled twist on the classic caffeinated drink continues to grow in popularity across all demographics with Gen Z leading the trend -- **57% enjoyed iced coffee as their 1st coffee beverage.** * Unlike traditional hot coffee, cold coffee is often prepared using specialized methods. Common preparations include cold brew with ambient or cold-water steeping, or a concentrated hot brew served over ice; both enhancing the smoothness and flavor. To meet the rising demand for iced coffee, TreeHouse is introducing our **Brew over Ice** assortment specially designed for coffee pod users. Our flavors include **Classic Black, Vanilla Caramel, and Hazelnut**, offering a refreshing and flavorful chilled experience.

*SOURCE: Mintel Coffee and RTD Coffee - US -2023

Grounded in Costs

The skyrocketing price of coffee is justifiably in the headlines. Prices are at unprecedented highs, and experts have little visibility into their future path. What's driving this surge? It's a perfect storm of adverse weather in Vietnam and Brazil, market speculation, and supply chain challenges driven by congested ports and longer transit times. Taken together, it's no surprise we're seeing record prices.

As your partner in procuring green coffee, our procurement team, will bring their expertise to our customers on the C-Market and Differentials.

+44%

*C-market costs increase over the past 6 months.**

SOURCE: ICE C-Market on 10/1/24: \$2.57; C-Market on 3/15/25: \$3.71.

TRENDS SET TO TAKE OVER 2025



1. **Increased at-home coffee consumption**
2. **Rising popularity of cold brew coffee**
3. **Growth of alternative coffee additives**
4. **Demand for sustainability and wellness**
5. **Limited-time offerings bring new consumers into the category**

SOURCE: Country & Town House Magazine, Stokescoffee, Foodnavigator