TreeHouse Foods

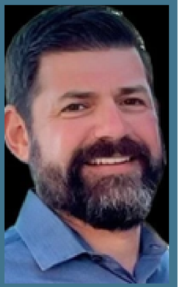
# Grounds for Discussion

Q3 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!

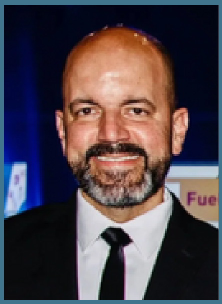
## TreeHouse Foods Happenings

As a leader in Private Label Coffee, TreeHouse continues to invest not only in our state-of-the-art facility, but also in our people. This quarter, we were proud to welcome two seasoned industry veterans to our Coffee Team.



Brent Ginn

**Brent Ginn - Sr. Director - Coffee RDI**
Brent brings over 20 years of leadership experience in product development, process innovation, and technical readiness across the food and beverage industry. Most recently, he served as Director of Pet Product Development at Post Holdings, where he led R&D strategy and infrastructure development for several leading pet food brands. Prior to that, Brent held multiple senior roles at The J.M. Smucker Company, where he drove product innovation for iconic coffee brands such as Folgers, Dunkin', Millstone and Café Bustelo.



Marcio Pereira

**Marcio Pereira - Head of Coffee Procurement & Sustainability**
Marcio brings over 15 years of global experience in coffee procurement, supply chain strategy, and sustainability. Most recently, he served as Chief Procurement Officer at Colcafe/Cameron's Coffee, where he led sourcing operations across Colombia, the U.S., Chile, and Malaysia. Prior to that, Marcio held several leadership roles at The J.M. Smucker Company, where he was instrumental in sourcing over 600 million pounds of coffee annually and supporting the growth of major brands like Dunkin' and Bustelo.

## FLAVOR CORNER

### The Flavor of Fall is Changing

This year didn't disappoint—before the calendar had even flipped to September, coffee shops and store shelves were already filled with Pumpkin Spice. The demand for Pumpkin Spice continues to creep earlier each year, according to recently released data from DoorDash's Fall Flavor Trends report.

But there's a new rising star in the fall flavor landscape: Pecan. This nutty favorite is now the fastest-growing fall flavor, recently taking center stage on Starbucks' menu. The trend is expanding beyond beverages too, with other categories jumping on board—like ice cream, as seen in Blue Bell's recent launch of Classic Pecan Pie. Consumers are leaning into complex, roasted profiles that feel artisanal. Flavors like Pecan add depth without excessive sweetness, and pair perfectly with darker roasts or oat milk-based lattes.*

Whether you're Team Pumpkin or Team Pecan, one thing is clear: fall flavors are arriving faster—and bolder—than ever before. If you are interested in adding these or other fall flavors to your coffee program, please reach out to your TreeHouse Coffee Salesperson for details.

*SOURCE: Datassentia; Beck Flavor Insights

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## THE DRIP

### Nitro Coffee continues to grow

According to a recent publication by Grand View Research, the Nitro Coffee market is continuing to grow. Nitro coffee has gained popularity due to its creamy and smooth texture and lower calorie content compared to traditional coffee shop drinks.

The global market is forecast to grow to **$144.5 million** by 2030 at a **CAGR of 24.4%** according to the research. Large companies such as Starbucks and McDonalds operate in this space, contributing to the U.S. making up 79.4% of the global market share. The most popular flavor to pair with nitro cold brew is vanilla, according to the report.

## Grounded in Costs

Since we connected last quarter, the volatility of the coffee has continued .

Coffee prices saw sharp swings in Q3, trading between **$2.80/lb.** and **$4.20/lb.** as geopolitical tensions and trade policy shifts rattled the market:

- **Late July:** The U.S. imposed a **50% tariff on Brazilian goods**, including coffee – a move that disrupted global trade expectations.
- **August - Mid-September**: With uncertainty around how long the tariff would last, U.S. roasters scaled back Brazilian purchases, turning instead to Colombia, Central America, and Mexico.
- Arabica differentials spiked across origins, while roasters signaled price increases, triggering algorithmic buying and rally in futures.
- **Late September:** Prices peaked at $4.00/lb. prompting algorithmic sell-offs and market reversal.
- **September 23:** President Trump announced a planned meeting with Brazil's president, raising hopes of tariff relief and triggering another sell-off.
- Arabica futures closed the quarter at $3.51/lb., below the 21-day moving average, suggesting bearish sentiment heading into Q4.

## Grounded in Costs - continued

Looking ahead, a tariff reversal - or even speculation around it - could pressure futures lower, along with non-Brazil Arabica differentials. However, U.S. roasters remain cautious about locking in 2026 physical coverage. As the market awaits clarity on trade policy, volatility is likely to persist with both futures and differentials remaining sensitive to tariff developments.

**-22%** ***June C-market decrease***

**+26%** ***September C-market decrease***

Tariffs have also influenced coffee purchasing behavior. According to a recent study by the National Coffee Association, more than half of Americans have adjusted their coffee-buying habits in response to rising prices. On average, consumers reported making at least two changes, with 20% stocking up during sales or cutting back on out-of-home coffee purchases. These shifts highlight that consumers are actively seeking ways to manage household expenses without giving up their coffee routines. This presents a strong opportunity for Private Label coffee to meet evolving consumer needs with affordable and accessible options.


SOURCE: The U.S. Sun, ICE C-Market: 3/31 ($3.79), 6/30 ($2.95), 9/25 ($3.71))
SOURCE: NCA Coffee Data Trends - 2025 Fall Report