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with confidence



Supply chain exchange debrief

Insights from the Consumer Brands
Association (CBA) CPG Summit

October 2025



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Global supply chains are under unprecedented strain. Rising costs, shifting consumer expectations and geopolitical uncertainties compel consumer brands to rethink their operations. While artificial intelligence (AI) and advanced analytics promise efficiency, technology alone cannot deliver results. Many consumer packaged goods (CPG) companies have yet to realize significant value from their digital and AI investments. The focus must shift from merely optimizing existing processes to reimagining core business functions through AI. Achieving growth and resilience requires bold investments and seamless cross-functional collaboration.

On October 15, 2025, Ernst & Young LLP (EY US) hosted two workshops at the CBA CPG Summit in Carlsbad, California. The first session, “Productivity in an Era of Uncertainty: Lessons from the CPG Summit,” was led by Sameer Anand, EY-Parthenon Americas Supply Chain Leader. Panelists included Manuel Lopez Portillo, Head of Supply Chain for North America at Kellanova, and Don Frieson, EY-Parthenon CEL and former COO of Lowe’s and Sam’s Club. The second session, “Rethinking AI,” featured insights from Ashutosh Dekhne, EY Americas Strategic Enterprise Transformations Leader, and Takshay Aggarwal, EY Americas Digital Supply Chain Leader.

The discussions marked a significant shift in mindset: Productivity is no longer synonymous with cost cutting. Supply chain leaders invest in automation, digitization and sustainability, viewing productivity as a driver of resilience, agility and workforce engagement. Digital transformation alone will not suffice; the integration of digital and AI is essential for gaining market advantage, enhancing margins and fostering an engaging workplace.

Retailers are prioritizing upstream visibility and inventory optimization to better manage volatility and enhance customer service. Transformative partnerships and integrated business planning emerge as key strategies. Silos are dissolving as supply chain leaders adopt strategic roles, leveraging AI and digital tools for predictive analytics and smart factories. The message is clear: Resilience is not just a necessity; it also is a competitive advantage. Growth demands decisive action, even in uncertain times.

This edition of the EY supply chain exchange debrief synthesizes insights from the workshops into actionable strategies. These takeaways illustrate how leading organizations are reshaping their supply chains, technology investments and collaborative efforts to thrive in today's volatile landscape.

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6

Six key takeaways:

Productivity in an era of uncertainty: lessons from the CBA CPG Summit

- 1 There is an evolving definition of productivity.**
Supply chain leaders are moving beyond cost cutting to strategic investments in automation, digitization and sustainability. Productivity now enhances resilience, agility and workforce engagement – not just efficiency.
- 2 Supply chains transform to growth engines.**
Once seen as cost centers, supply chains are now recognized as drivers of growth. Retailers are investing in upstream visibility and inventory optimization to better serve customers and navigate volatility.
- 3 Trust-based partnerships are essential.**
The dynamics between retailers and CPG companies are shifting toward collaborative relationships. Speed to shelf, innovation and data sharing are central to joint business planning, enabling quicker decisions and unlocking new value.
- 4 Silos are being broken down.** Supply chain leaders are stepping into strategic roles, with integrated business planning (IBP) aligning commercial and operational teams. This integration allows supply chains to influence innovation and customer strategy.
- 5 AI and digital tools are transformative.**
From predictive analytics to smart factories, AI is shifting companies from hindsight to foresight. Success hinges on applying AI to the right challenges and leveraging data for targeted transformation.
- 6 Bold action is necessary for growth.**
Despite economic challenges, growth remains a priority. Leaders are leveraging collaboration, data and agility to seize opportunities and capture market share, even in shrinking markets.

7

Seven tactical, high-impact AI and digital priorities

- 1 Focus on immediate ROI.** Prioritize initiatives that deliver positive cash flow and EBIT improvements within 12 months, verifying that AI and digital investments yield tangible returns.
- 2 Reimagine business functions.** Shift from merely optimizing existing processes to fundamentally reimagining business functions through AI capabilities, unlocking new growth avenues.
- 3 Empower leadership across functions.** Encourage business leaders, not just IT, to take accountability for driving AI transformation, fostering a culture of innovation and collaboration.
- 4 Prioritize value creation.** Reframe transformation roadmaps to focus on value creation rather than technology implementation, facilitating alignment with broader business objectives.
- 5 Deploy innovative AI platforms.** Implement enterprise AI platforms utilizing advanced technologies, such as large language models, without waiting for perfect data, enabling rapid adaptation.
- 6 Accelerate delivery cycles.** To stay competitive, deliver digital and AI products swiftly, responding to evolving market needs with agility.
- 7 Fund continuous evolution.** Use EBIT and cash flow improvements to finance the ongoing development of AI capabilities, generating the necessary funds for sustained innovation.

Turning insight into action

The key takeaway from the EY workshops at the CBA CPG Summit is clear: Resilience is no longer a defensive strategy; it is a growth imperative. Supply chains are transforming from cost centers into strategic engines powered by data, AI and collaboration. Leaders who embrace this shift will not only navigate volatility but also capture market share in an uncertain landscape.

The path forward requires bold decisions: rethink capital allocation, embedded AI-driven decision-making and dismantle silos to enable integrated planning. Now is the time to act. Assess your supply chain strategy, prioritize investments that enhance agility and visibility, and cultivate partnerships that unlock shared value. The organizations that lead today will define tomorrow's competitive advantage.

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