

Summer 2025

FROM THE BOARD ROOM

Last Gen Foodservice Distribution – Next Gen Foodservice Distribution



Steve Push,
Chairman

Special thanks to LFG board member [Barry Friends](#) for contributing this article.

A generation ago, the foodservice distribution industry had a runaway performance leader in Sysco. Their 16% market share coupled with superior operating processes, high gross margins, and unparalleled economies of scale translated to a bottom line equal to (or possibly greater than) the entire balance of the industry combined...truly remarkable.

But the industry matured, and others caught up, not entirely, but surely collectively. Independents emulated Sysco and other leaders (US Foods, Gordon, PFG) greatly improving their operations and results. And as commonly occurs in large, mature industries, three mega-players emerged at the top. We call them the *Big 3*.

To be fair, while organic growth fueled progress and scale-building, the *Big 3*'s ability to acquire strategically situated independent competitors played an equally important role. Sysco founder John Baugh's ingenious vision spawned a nine-company roll-up that became a publicly traded firm within the year, setting the stage for crazy-fast growth powered by swapping SYC common shares for founder/owner equity at valuations which in turn multiplied geometrically in the years that followed.

Furthermore, each of the *Big 3* executed blockbuster M&A deals over time. Sysco acquired then #2 CFS Continental in 1988. Serial acquirer US Foods, initially spun out of Sara-Lee's PYA Monarch as JP Foodservice merged with Unifax-Swan (hence, "US"), then Rykoff-Sexton, and later Alliant (formerly Kraft) Foodservice, former parent PYA Monarch, and SGA. PFG routinely scooped up regional players as well as powerhouses Reinhart Foodservice and Cheney Bros. And lest we forget, Sysco spent 18 months and a \$1½ billion attempting to acquire USFoods in 2013-15, a deal the FTC squashed out of a distaste for the thought of *Big 3* becoming *Big 2*.

While all this consolidation was occurring, the industry continued chugging along and independent distributors by the thousands were improving their businesses, and in

many cases, starting new ventures to leverage demand for differentiated products and services in the space left by homogenization at the top. So, while one can argue the industry is “concentrated,” it remains highly fragmented with nearly one-third of its volume transacted by firms with less than one tenth of one percent market share, a number which in 2025 one could find to be every bit, and much more delightfully, as remarkable as Sysco’s market dominance at the turn of the century.

If you want to learn more how Legacy Food Group is approaching the future, [click here](#).

INDUSTRY UPDATES

Adapting to a Changing Foodservice Landscape

The foodservice industry is shifting quickly in 2025—and Legacy Food Group is evolving right alongside it. With 75% of restaurant traffic now off-premise, driven largely by Gen Z and Millennials, takeout and delivery are more important than ever.

Affordability remains a top priority. Consumers want more than low prices—they’re looking for value through portion size, quality, and promotions. Nearly 80% are using deals like “Buy One, Get One Free” and loyalty rewards to stretch their dining dollars.

Technology is also reshaping the industry. From kitchen automation to AI-powered ordering, innovation is helping operators improve efficiency and manage labor challenges.

At Legacy Food Group, we’re committed to supporting our divisions and customers with the tools, products, and insights they need to thrive in this fast-changing environment. [See examples here](#).



DIVISION SPOTLIGHT

Halsey Foodservice

As one of the oldest food distributors in the country, Halsey Foodservice has been serving their communities since 1879 with a reputation built on trust, quality, and service. A proud division of Legacy Food Group, Halsey brings over 140 years of experience to the table—delivering fresh, frozen, and dry goods to schools,

healthcare facilities, restaurants, and more across the region.

Rooted in Huntsville, Alabama, Halsey's legacy is one of strong partnerships and local commitment. Their customer-first mindset, paired with a responsive and reliable team, makes them a standout in the foodservice industry. From sourcing premium products to ensuring timely delivery, Halsey continues to support the evolving needs of foodservice operators with integrity and care. We're proud to highlight Halsey Foodservice as a division exemplifying tradition, innovation, and service excellence.



TEAM SPOTLIGHT

Meet the Team Behind Our Supply Chain Success

At Legacy Food Group, our supply chain is a critical pillar of our operations—and it's powered by a standout team of professionals who bring expertise from various major food distributors, efficiency, and dedication to everything they do.



Troy Small, VP of Supply Chain, brings 31 years of experience in marketing, merchandising, and supply chain leadership. His strategic vision ensures we stay agile, efficient, and aligned with our customers' evolving needs.

Kimberly Dunn, Inbound Logistics Manager, oversees all inbound operations. Her attention to detail and strong coordination skills help ensure our supply chain processes run smoothly and on time. Has 15 years of supply chain experience.



Jessica Rogero, Procurement Manager, leads sourcing strategies and negotiates with vendors to secure the best possible terms and quality products. Bringing 18 years of supply chain experience, her work ensures we're building strong, value-driven partnerships.



Christina Rosenberg, Supplier Revenue Specialist, is our go-to expert on invoicing, revenue tracking, and managing local marketing and UniPro programs. Her precision and organization are key to keeping things on track. She has worked in supply chain for 21 years.

We're proud to recognize this talented team for their essential contributions to our mission—and to the success of our partners.

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Legacy Food Group | 301 Concourse Blvd #100 | Glen Allen, VA 23059 US

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