Mid-Year Update

2026

Fast Moving Consumer Goods

Surplus Asset Market Trends

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LIQUIDITY SERVICES

Fast Moving Consumer Goods Surplus Asset Market Trends Report

Mid-Year Update

In January, Liquidity Services published the 2026 FMCG Surplus Asset Market Trends Report, where we projected that plant consolidations, tightening sustainability rules, and the rise of regional brands would continue to drive FMCG processing and packaging equipment through secondary channels in 2026. Six months later, those projections have largely held true. However, the surplus asset wave is developing with more complexity than any forecast anticipated. Many plants scheduled to go idle are instead being retooled. E-commerce is rotating, not retiring, equipment. Additionally, a war that no January model could have predicted has reshaped the economics of energy, freight, and packaging across all three major regions.

The Mid-Year Scorecard

This update details where the industry stands at the halfway mark of 2026, what it means if you are holding idle FMCG assets, and how the specific, verifiable predictions we made in January 2026 have held up, six months in.

Digital Transformation and Direct Engagement

Plant-network rationalization continues on schedule. Major food, beverage, and home-care players, including Tyson, General Mills, and MGP Ingredients, have closed or downsized legacy plants and refocused investment on high-throughput, digitally integrated hubs (Kreiter, 2026a). Each consolidation releases bottling lines, fillers, mixers, and packaging cells into secondary channels, a pattern we projected.

Circular-asset thinking went mainstream. Sustainability is now a top-tier operating priority across the sector, driven in part by younger consumers demanding clean and responsibly sourced products. That pressure is making manufacturers more willing to buy, refurbish, and re-qualify used equipment rather than scrap it, thereby deepening liquidity in the secondary market (Gülşen, 2026). Companies investing in chemical recycling, mono-material flexible packaging, and compostable materials are positioned to unlock the largest long-term value streams (Intel Market Research, 2026a).

Regional brands and private-label producers are active buyers. Small and local brands continue to outmaneuver the giants in terms of agility and authenticity (Smith, 2026). As we anticipated, these challengers are sourcing surplus processing and packaging lines to enter markets quickly without heavy greenfield capital spending.

Where the Market Surprised Us

The idle-asset flood never arrived uniformly. Plants are closing and workforces are shrinking. Nestlé has begun cutting more than 1,000 positions in Europe under a plan to eliminate 16,000 globally (Harvey, 2026). But the dominant pattern is a supply chain reset, not mass mothballing. Companies are shutting legacy plants while concentrating production in fewer, purpose-built, technology-enabled facilities (Kreiter, 2026a), or reallocating within their networks, as Agropur is doing by expanding in Bedford, Nova Scotia while scaling down Sussex, New Brunswick (Mott and Moore, 2026). That reset has limited the supply of distressed surplus and kept prices firm for modern, reconfigurable equipment. A two-tier market has emerged: late-model, flexible gear holds value while single-format legacy lines clear at discounts.

E-commerce is rotating assets, not shrinking footprints. FMCG e-commerce is growing in the high single digits, but most brands are responding by adding automated warehouses and flexible packaging lines rather than trimming their overall equipment footprints (Beumer Group, 2026). The net effect on surplus is rotation, not contraction. Equipment changes hands as formats evolve, and total capacity holds steady.

A war no forecast included. The U.S.–Iran conflict has acted as a cost-push and rerouting factor rather than the system-level shock some feared. Packaging costs have risen and may remain elevated even after hostilities end, with bottled beverages, frozen foods, canned goods, snacks, and dairy products most exposed due to their reliance on protective packaging (Kreiter, 2026b). We address the full surplus-market impact below.

The Mid-Year Scorecard

The global consumer goods market, valued at approximately $2.85 trillion in 2025, is forecast to reach $4.31 trillion by 2034, a 4.7% compound annual growth rate. Growth is fueled by urbanization, expanding e-commerce networks, rising disposable incomes in emerging markets, and demand for premium and sustainable products. Food and beverage hold the largest segment share at 35%, and Asia Pacific leads all regions with 37.2% of global revenue (Data Intelo, 2026). Demand for the products is not the problem. The story of 2026 is about where and on what equipment those products are made.

Challenges Ahead

The defining shift is geographic. For two decades, supply chains prioritized cost efficiency through lean inventories and just-in-time delivery. The pandemic exposed how fragile those networks were, and the lesson has stuck. Key supply chain decisions are now about where you manufacture, not just how. North American producers are building short-loop regional supply chains in dairy, meat, juices, and ready-to-eat foods because disruption has become routine rather than exceptional (Villarreal, 2026).

Mexico illustrates the scale of the move. By Q3 2025, the country had attracted a record $41 billion in foreign direct investment, and its manufacturing exports to the U.S. reached $535 billion, up $150 billion since 2021 (Villarreal, 2026). Proximity cuts transit times from weeks to days, lowering inventory requirements and improving responsiveness in ways no software upgrade can match.

For equipment markets, regionalization cuts both ways. New regional capacity needs machinery fast, and refurbished pasteurizers, fillers, and bottling lines offer a hedge against tariffs and war-inflated logistics costs. Meanwhile, larger groups upgrading to continuous processing and automated filling are releasing their legacy lines into secondary channels for resale.

Packaging

E-commerce-driven multi-pack and flexible formats are the fastest-growing packaging segments (Intel Market Research, 2026b). Beverage and snack producers are buying new modular lines while selling off older vertical form-fill-seal and standard cartoning systems (Soontrue, 2026; ProMatch, 2026). Increasingly, the buyers on the other side of these sales are regional co-packers and contract packaging houses, which recapitalize using used form-fill-seal machines, cartoners, and labelers rather than commissioning new lines (Sharpe, 2026). For brands weighing co-packing against in-house investment, that secondary supply is what makes the co-packer economics work.

Personal Care and Household

Brands are investing in high-speed, modular lines for sachets, pouches, and multi-unit packs to meet e-commerce and sustainability goals (Mordor Intelligence, 2026), while older rigid-format and can-filling lines are retrofitted, upgraded, or sold as surplus (Comac, 2025).

EMEA

Food and Beverage

Producers are consolidating toward large, integrated hubs in Western Europe and the MENA region, with the United Arab Emirates positioning itself as a global supply chain and food security hub (Emirates News Agency, 2026), though the Iran conflict may slow Gulf momentum in the near term. Older regional plants are being downsized, sending a steady stream of mixers, pasteurizers, and canning lines into secondary markets. In parallel, short-circuit regional supply chains for dairy, bakery, and prepared foods are emerging, with co-packers and private-label producers picking up retired equipment to stand up smaller-scale production.

The upgrade cycle at the top of the market is just as telling. Barry Callebaut is investing €250 million to future-proof its Wieze, Belgium, facility, the largest chocolate factory in the world, with another €125 million committed to its Halle plant (Eastlake, 2026). When the industry leaders modernize at that scale, the displaced legacy equipment has to go somewhere. The expectation is secondary channels.

Packaging

The regulatory clock is the story in Europe. The EU Packaging and Packaging Waste Regulation (2025/40) applies as of August 12, 2026, and is already reshaping decisions on disposition (Bonnici et al., 2026). Flexible and sustainable formats are growing fastest, driving surplus in legacy rigid-pack and tray-pack lines as companies shift to flexible-film and mono-material-ready systems. Because circular-economy rules and packaging taxes reward reuse, operators are increasingly re-qualifying and refurbishing equipment rather than scrapping it. That keeps the secondary market firmly priced for high-spec, reconfigurable assets and puts a deadline under every non-compliant line still on a European floor.

Personal Care and Household

The same format shift visible in North America is playing out across European household and personal-care brands: rising demand for concentrated, bulk, and refill-style products is driving investment in modular filling and capping lines for pouches and bottles, while older rigid-bottle-only lines are being retired as surplus.

APAC

Food and Beverage

Convenience and processed-food demand is growing fastest in China and India (Fortune Business Insights, 2026; Markets and Markets, 2026), backed by investment in new automated beverage and dairy plants, such as the Madhur Dairy facility, which opened this year in Gujarat (OpenGov Asia, 2026). As new capacity comes online, older small-scale lines and legacy brewing and carbonated-beverage equipment are being retired and sold, giving surplus buyers a fast, low-capital path into growing markets (ProcureKey, 2026).

Packaging

The APAC FMCG packaging market is growing at 8.9% annually, with strong demand for lightweight, flexible, e-commerce-ready formats (Intel Market Research, 2026a). Snack, beverage, and beauty brands are upgrading lines and selling older cartoners, labelers, and rigid-pack systems as surplus. Buyers are increasingly turning to refurbished, re-qualified lines, often sourced from Japanese, European, and U.S. divestitures, to match regional demand without the long lead times of new imports.

Personal Care and Household

Affordable refill-pack and multi-SKU formats are spreading the fastest across the region, driving new modular filling and assembly lines while older rigid-can and single-format lines are being retired and sold as surplus.

Where are the Idle Assets?

Across FMCG, the highest idle rates are concentrated in personal-care and household portfolios and in legacy beverage and snack lines, not in core food and beverage manufacturing. The pattern reflects channel shifts, SKU rationalization, and asset-light pivots rather than broad plant-level shutdowns.

Personal care and household lead the idle column. Large-cap brands, including Bath & Body Works and Reckitt, are delisting low-volume and underperforming SKUs (Whitey, 2026). Every delisted format leaves the filling, capping, and packaging lines built for it idle. As portfolios shift toward concentrates, refillables, and modular multi-SKU lines, the old rigid-format equipment sits underused or mothballed, creating localized pockets of high-idle assets across Europe and North America.

Legacy beverage and snack lines run less and less. Carbonated drinks and mid-tier juice lines that cannot manage small-pack, e-commerce-ready, or better-for-you formats are losing run time to newer, flexible lines. In snacks, older small-bag lines that cannot flex into multi-pack configurations face the same fate as producers prioritize pouch and multi-pack output (PepsiCo, 2026).

Core food and beverage stay busy. Dairy, bakery, staples, and ready-to-eat production show lower idle rates because demand is steady and necessity-driven. Where idling occurs, it tends to involve surge-capacity or regional overflow lines, which are frequently requalified or rented out rather than left idle.

The takeaway: today's FMCG surplus is being created by format change, not demand collapse. This is good news for sellers. Equipment displaced by a format shift still works, still has documentation, and still has buyers.

The Iran War: Cost Pressure, not a Fire Sale

The conflict's impact on FMCG surplus markets is real but indirect. Higher energy and freight costs from oil price spikes and shipping rerouting have increased the cost of operating legacy, inefficient processing and packaging lines, nudging operators to retire or lease out older equipment rather than run it at thin margins. Packaging inputs are pricier and may remain elevated even after the fighting ends (Kreiter, 2026b).

What has not happened is a wholesale relocation of food-and-beverage capital spending or a wave of shock sales. Gulf-linked rerouting and insurance costs are raising operating expenses for ingredients and packaging materials bound for EMEA, and Strait of Hormuz disruptions have lifted costs for APAC plants. In every region, the effect points in the same direction: the economics of buying and refurbishing local surplus equipment keep improving relative to importing new gear across contested shipping lanes. Regional self-sufficiency programs in key APAC markets are absorbing surplus locally, which is keeping prices firm for high-spec, reconfigurable assets. The situation remains fluid, and cost assumptions made today deserve a short shelf life. But as of mid-2026, the war is reinforcing the secondary market rather than flooding it.

What our Marketplace Data Shows

Liquidity Services delivered a solid second quarter of fiscal 2026, with GMV up 6% to $389.9 million, revenue up 4% to $120.7 million, and adjusted EBITDA up 37%. Registered buyers reached approximately 6.3 million, an 8% year-over-year increase (Liquidity Services, 2026). Within the Capital Assets Group, GMV grew 3%, with results tied to project cycles, including plant closures, capital spending timing, and surplus disposition decisions.

The FMCG numbers tell a sharper story. Bid volume in our FMCG auctions surged more than 250% year-over-year in the second quarter of fiscal 2025. Fiscal 2026 opened slower, with Q1 bidding down 34.7%, before returning to growth in Q2. Seller participation moved the opposite way: it grew steadily through Q1, then declined notably in Q2.

Read together, buyer demand has recovered while the supply of competing assets has thinned. Fewer sellers are chasing a buyer pool that is active and growing. For anyone holding idle FMCG equipment, that is the most favorable entry condition in this report. Sellers who move before the second half consolidation wave and before the August PPWR deadline push European disposals into the market and will face the least competition for buyer attention.

What This Means for Sellers?

The window is open, and three dynamics will shape what you recover.

- **Carrying costs do not pause.** Idle processing and packaging equipment is stranded capital. It depreciates as technologies advance and product formats move on, while continuing to consume floor space, maintenance, cleaning, insurance, and storage budgets.
- **The two-tier market rewards documentation.** Late-model, automation-ready, reconfigurable lines command premium prices. But in every tier, complete documentation moves the needle: maintenance logs, sanitation records, control schematics, and energy profiles broaden the buyer pool and speed the sale. In a sector where food safety compliance and audit trails determine whether a buyer can even use the asset, paperwork is critical to the asset's recovery value.
- **Timing beats waiting.** Plant consolidations will continue to feed the market through year-end, and the EU packaging deadline will push a wave of European disposals into the second half. Selling ahead of that volume means fewer rival assets in front of the same buyers.

Selling assets in place carries an extra advantage right now: it eliminates relocation costs and logistics risk at precisely the moment freight and insurance costs have spiked.

What This Means for Buyers

Conditions favor disciplined buyers. The two-tier market means late-model, connectable equipment holds its price, but complete lines and well-documented legacy assets clear at values that compress budgets and commissioning timelines. With new-equipment lead times stretched and import logistics inflated by the conflict, sourcing surplus regionally is often the fastest and lowest-risk path to capacity. Co-packers, regional producers, and emerging brands that move now will be choosing from the strongest selection before second-half supply draws new competition into the bidding.

The Bottom Line

Six months in, the 2026 FMCG surplus market is healthier and more selective than the January consensus expected. Demand for surplus equipment is broad and growing. Supply is arriving from a format change rather than distress, which keeps quality high. And a volatile geopolitical backdrop is strengthening the case for regional secondary markets rather than weakening it.
The question is no longer whether to engage with the secondary market. It is whether you will do it ahead of the second-half wave or behind it.

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***Disclaimer**: The information in this report, including all references to oil prices, the status of the U.S.-Iran conflict, and related market conditions, was accurate as of June 17, 2026. The situation in Iran and the broader Middle East remains fluid. Details regarding the ceasefire framework, the Strait of Hormuz, sanctions, and any related agreements may change after publication. Readers should verify current conditions. Liquidity Services makes no representation that the information will remain accurate after the date noted above.*

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