Foodservice Broker Interview - NZ + AU hospitality supply

Interviewee: Carla Tanaka - Director, Tanaka & Lee Foodservice Brokerage (NZ + AU hospitality supply)

Background: 20+ years foodservice brokerage; serves NZ + AU restaurant groups, hotel chains, QSR operators

Interviewer: Iris Beaumont (Halberd Capital Partners - Research)

Date: Thursday, 8 May 2026

Duration: 28 minutes

Format: Video call (Auckland / New York); recording transcribed by I.B.

Anonymisation: None - interviewee consented to attributed transcript

[00:00:09]

I.B.: Carla - thanks for the time. We're doing some industry research on the NZ shell egg market and I wanted to get a foodservice channel perspective. Curious how you see the egg category, customer mix, demand trends.

[00:00:38]

Tanaka: Sure, happy to help. Just to set context - Tanaka & Lee is a foodservice brokerage. We work primarily with restaurant groups, hotel chains, the QSR operators. Eggs are part of what our customers buy but they're not a category we focus on as a specialty. We deal across the protein and dry-goods spectrum. So I can give you a foodservice channel view but I'm not an egg specialist.

[00:01:24]

I.B.: Understood. Maybe start with general protein trends across your customer base - what have you been seeing post-COVID into 2026?

[00:01:38]

Tanaka: Yeah, big picture is that hospitality demand is still recovering unevenly. Auckland CBD restaurants have been slow - corporate lunch demand never quite came back. Tourism areas - Queenstown, Rotorua, Wellington - those have been stronger. The chain operators who weathered COVID have generally done well; the independent end has had a tough time. There's been consolidation. I'd say we have probably 15% fewer independent restaurant accounts than we did pre-COVID. The chain side has roughly held steady, growing modestly. Hotels are mixed.

[00:02:48]

I.B.: And on the protein mix specifically - anything shifting?

[00:02:56]

Tanaka: Beef has been under pressure on price, especially the premium cuts. Lamb's been more stable. Chicken is the workhorse - demand keeps growing. Pork is small in NZ foodservice. Seafood - bit volatile. From a price perspective beef has come back down a bit from the 2023 peak but it's still elevated relative to historical norms. Chicken prices have been steady. We've had supply tightness on chicken thighs specifically, weirdly - the breast-thigh demand mismatch is a recurring story.

[00:04:02]

I.B.: Right. And eggs?

[00:04:08]

Tanaka: Eggs - yeah. Demand from foodservice is steady. It's not a category where our customers move volume around much based on price. A restaurant uses what it uses. Breakfast operators use the most obviously - the all-day-breakfast cafes in Auckland and Wellington are big egg buyers. Hotel banqueting uses a lot. Bakeries and patisseries use a lot. We don't see a lot of volatility in foodservice egg demand.

[00:05:14]

I.B.: Do you have a sense of who supplies foodservice with eggs in NZ? Are there specific producers that dominate that channel?

[00:05:25]

Tanaka: Honestly, I couldn't tell you which producer is dominant in foodservice. The way it works is - we deal with the wholesalers and distributors. Bidfood is the big one nationally. Service Foods is another. Gilmours, which is part of Foodstuffs. Toops in some regions. Those wholesalers source from whoever they source from, and we don't generally know what producer is behind a given wholesaler's egg SKU. Our customers care about the price point and the spec, not the brand of the producer.

[00:06:48]

I.B.: So when you place an order for a hotel chain, are you ordering by spec - 'a tray of free-range eggs' - or by producer brand?

[00:06:58]

Tanaka: Spec-driven. The customer says 'I need free-range size 7 in 12-trays, 200 cases a week' and we go to the wholesaler with the best price-spec combination. The wholesaler has their own supply arrangements with producers. We're not in the producer-relationship layer.

[00:07:42]

I.B.: Got it. So producer brand is essentially opaque from your end - you wouldn't know which producer sits behind any given wholesaler SKU.

[00:07:51]

Tanaka: Correct. As I said, we don't deal direct with egg producers, so the producer brand is opaque to us. If you want producer-side perspective you'd need to talk to one of the wholesalers, or directly to producers. We're a layer removed.

[00:08:32]

I.B.: OK, fair. Let me ask a different angle. Free-range eggs versus colony - do your foodservice customers have preferences? Do they care?

[00:08:48]

Tanaka: Mixed. The premium dining segment - the Auckland and Wellington fine-dining restaurants - they care a lot. They want free-range, often pasture-raised, sometimes named-farm sourcing on the menu. They'll pay for it. The casual dining and chain restaurant segment cares less. The QSR segment cares essentially zero - they buy on price and spec compliance. So there's a bifurcation. Fine dining is premium-driven, mass market is price-driven. The middle is mixed.

[00:10:08]

I.B.: Are you seeing any shift in that - more demand for free-range from non-premium operators?

[00:10:18]

Tanaka: Some. The chain casual-dining operators have been moving towards cage-free and free-range over the last few years, partly because of their own sustainability commitments. There's a slow drift. But it's incremental, not dramatic. The QSR operators - much slower. The price gap matters too much for them.

[00:11:14]

I.B.: Right. Any quantification on the premium for free-range that you see in foodservice pricing?

[00:11:21]

Tanaka: Couldn't quote you a number with confidence. Wholesalers price free-range above caged or barn but the spread varies by spec, by season, by volume tier. I'd have to go pull invoices, which I'm not going to do for an outside-in conversation. The honest answer is we don't track the spread analytically - we just place the order at whatever the wholesaler's price is.

[00:12:18]

I.B.: Fine. Let me ask about retailer dynamics - how does retail compare to foodservice from your perspective?

[00:12:28]

Tanaka: Different beast. Retail and foodservice are basically two parallel markets in NZ for most categories. Retail is dominated by Foodstuffs and Woolworths NZ - duopoly, big private-label programmes, intense price competition. Foodservice is more fragmented - multiple wholesalers, lots of independent operators in addition to the chains. From a producer's perspective, retail and foodservice are usually treated as one big customer set actually - the wholesalers are essentially intermediaries between producers and end-buyers, regardless of whether the end-buyer is a supermarket or a restaurant.

[00:13:48]

I.B.: Hmm. I'd actually push back gently on that - most producers I've talked to treat retail and foodservice as quite distinct channels with different pricing, contract structures, customer concentration profiles.

[00:14:08]

Tanaka: Sure, fair point. From the producer side I'm sure they're distinct. From our side as the foodservice broker, we just see foodservice. So I bundle them in my head, but you're right that's a foodservice-broker-centric view. The producer perspective is different.

[00:14:38]

I.B.: OK. Let me ask about hotel and restaurant chain consolidation - anything happening there that's relevant to a producer thinking about channel mix?

[00:14:51]

Tanaka: QSR has been consolidating modestly. Restaurant Brands is the big one - KFC and Pizza Hut and Carls Jr - they've been steady. Burger King Australia owns the BK NZ operation. McDonald's NZ is its own thing. The chain casual-dining segment has had some failures and some new entries. Wagamama left a few years back. Rashays is expanding. Hotel side - Accor is the big group. Hilton, IHG, Marriott. Local operators - Sudima, Trinity Hotels. The chains versus independents balance has shifted slightly towards chains post-COVID.

[00:16:14]

I.B.: And the hospitality demand outlook - anything you'd flag for a producer considering channel exposure?

[00:16:24]

Tanaka: Foodservice egg demand should be reasonably stable. Tourism recovery is the main lever - international visitors back to maybe 80% of pre-COVID, expected to fully recover over the next 18-24 months. That'll lift hotel banqueting and restaurant volumes. Overall I'd expect foodservice egg demand to track GDP plus maybe one or two points, which is the typical pattern. Nothing dramatic up or down.

[00:17:48]

I.B.: Right. One thing I keep coming back to - for a typical mid-sized NZ shell-egg producer, do you have any view on whether foodservice would be a meaningful channel for them, or is it secondary to retail?

[00:18:02]

Tanaka: Generically, the NZ egg market is heavily retail-dominated. Most producers do the bulk of their volume through Foodstuffs and Woolworths. Foodservice is - I'd guess - 15 to 20% of total NZ egg volume. So it's a secondary channel for most. Someone with a strong foodservice mix would be unusual.

[00:19:14]

I.B.: OK that's useful. On industrial - bakeries, food processors, mayo manufacturers, that side - do you cover that at all?

[00:19:22]

Tanaka: No. That's a totally separate world. Industrial egg buyers - the bakery groups, the pasta makers, the mayonnaise plants - they buy direct from producers or via specialised industrial brokers. Different product specs too - they often buy liquid or dried egg, not shell. I have basically zero visibility into that segment. You'd want to talk to industrial buyers directly or to a producer's industrial sales team.

[00:20:32]

I.B.: Fair. Any view on egg pricing trends in foodservice over the next 12-18 months?

[00:20:41]

Tanaka: Steady to slightly up I'd guess. Producer prices have been ticking up, wholesalers pass that through. Demand isn't elastic in foodservice - restaurants don't take eggs off the menu because of a 50c per dozen wholesale move. So price increases pass through OK. We've seen 6-8% wholesale price increases over the last 12 months and our customers have absorbed them. I'd expect another 3-5% over the next year, baseline.

[00:22:01]

I.B.: OK. Let me think about whether there's anything else useful here - what about hospitality private-label or restaurant-branded eggs?

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Tanaka: Some of the high-end restaurants have signature egg suppliers but it's a tiny niche. The big chains don't private-label eggs the way retailers do. So no, not really a thing in foodservice at scale.

[00:22:48]

I.B.: Right. And do you think there's any disruption coming to the foodservice egg category - substitutes, plant-based, anything?

[00:22:58]

Tanaka: Plant-based eggs - there's been some product introductions, just Egg I think, a few others. Nothing that's moved the dial commercially in NZ that I've seen. Foodservice menus mostly haven't picked it up in volume. So no, not a near-term disruption I'd flag. Maybe in five years if the products mature, but right now no.

[00:24:02]

I.B.: OK Carla, I think I've got what I need. Anything you'd flag for me before we wrap?

[00:24:14]

Tanaka: Just my caveat - we're foodservice brokerage, we sit one layer away from the producer-wholesaler relationship. So my view is end-channel-centric, not producer-centric. If you want producer-side detail you'd want to go to producers or to wholesalers directly. We see what spec our customers want and what price the wholesaler quotes; we don't see the supply side.

[00:25:08]

I.B.: Understood. Thanks Carla, this has been useful colour. I'll let you go.

[00:25:24]

Tanaka: Pleasure. Best of luck with the project.

[25:38]

[End of interview - 25:38 elapsed]

Notes by I.B. Filed under: noise. No producer-specific data captured. Tanaka was upfront that foodservice brokerage sits a layer away from the producer-wholesaler relationship, so producer brands are opaque to her - she had no producer-side flock or share data. General foodservice channel context (15-20% of total volume, demand stable, pricing pass-through) is consistent with what we already have but doesn't add precision. One caveat: at one point she conflated retail and foodservice as 'one big customer set' - that's a foodservice-broker-centric simplification that is materially misleading from a producer perspective. Calthorpe Part 1 splits retail / foodservice / industrial cleanly and is the source of truth on channel taxonomy. Free-range premium not quantified - she explicitly declined to estimate. No usable bottom-up inputs. - I.B.