

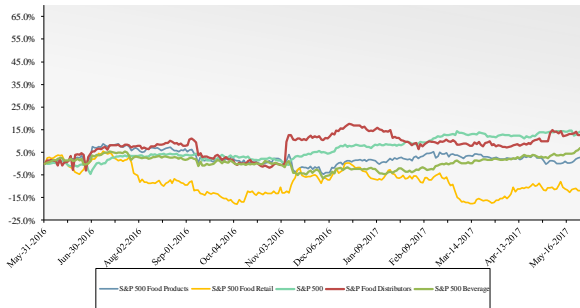
The Cupboard



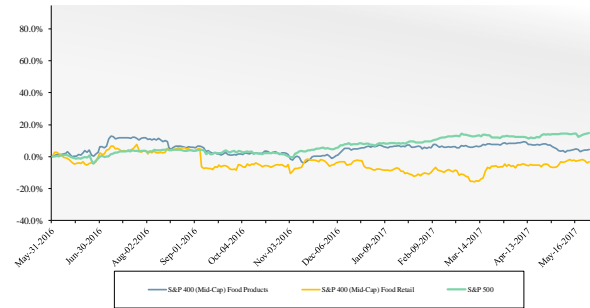
A Food & Beverage Industry Newsletter



Overall Food & Beverage Industry Performance (shown as % change)



Mid-Cap Food Industry Performance (Shown as % change)



Indices Performance (% change)

	May 2017	LTM		May 2017	LTM		May 2017	LTM
S&P 500	1.1%	15.0%	S&P 500 Food Products	1.2%	2.5%	S&P 400 Food Products (Mid-Cap)	(2.8%)	3.5%
Dow Jones	0.5%	18.1%	S&P 500 Food Retail	0.8%	(10.8%)	S&P 400 Food Retail (Mid-Cap)	5.4%	(1.4%)
NASDAQ	2.2%	25.3%	S&P 500 Food Distributors	3.6%	13.4%			
			S&P 500 Beverage	5.1%	7.6%			

Source: Capital IQ

Largest Food Retailers Movers and Losers (largest % changes in the month of May)

Sprouts Farmers Market, Inc.	4.9%	Ingles Markets, Incorporated	(8.9%)
The Kroger Co.	2.5%	Natural Grocers by Vitamin Cottage, Inc.	(7.4%)
		Weis Markets, Inc.	(7.4%)
		Casey's General Stores, Inc.	(3.6%)
		SUPERVALU Inc.	(2.7%)

Largest Food Producers Movers and Losers (largest % changes in the month of May)

Inventure Foods, Inc.	23.6%	S&W Seed Company	(16.7%)
Sanderson Farms, Inc.	13.6%	Farmer Bros. Co.	(10.8%)
Calavo Growers, Inc.	13.2%	Seneca Foods Corporation	(9.0%)
Bunge Limited	12.9%	Omega Protein Corporation	(8.9%)
Limoneira Company	7.2%	Dean Foods Company	(7.7%)

Source: Capital IQ

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Select Public Trading Statistics

Beverage:

(\$ in millions, except per share data)

Company	Share Price 05/31/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Anheuser-Busch InBev SA/NV	ENXTR:ABH	\$116.22	86.8%	\$224,726	\$348,838	6.8x	18.0x	21.8x	NM	25.2x	35.6x	60.7%	31.0%	37.7%	5.9x
The Coca-Cola Company	KO	\$45.47	98.8%	\$194,273	\$216,804	5.3x	17.9x	20.8x	32.0x	22.6x	23.8x	60.9%	23.5%	27.6%	2.0x
PepsiCo, Inc.	PEP	\$116.87	98.9%	\$166,949	\$189,579	3.0x	15.3x	18.5x	25.2x	23.1x	24.3x	55.0%	16.3%	19.7%	1.8x
Diageo plc	LSE:DEG	\$29.64	98.1%	\$74,401	\$87,958	6.1x	17.8x	19.3x	24.4x	22.6x	NM	60.8%	29.4%	32.0%	2.4x
Constellation Brands, Inc.	STZ	\$182.75	98.2%	\$35,572	\$44,626	6.1x	17.7x	19.6x	24.3x	28.1x	28.5x	48.4%	30.7%	34.1%	NM
Monster Beverage Corporation	MNST	\$80.56	91.1%	\$28,709	\$27,923	9.0x	22.5x	23.3x	40.7x	51.8x	42.9x	64.3%	38.5%	39.9%	NM
Brown-Forman Corporation	BFb	\$51.95	87.0%	\$20,128	\$22,157	7.3x	20.3x	21.4x	19.6x	31.6x	27.3x	67.5%	33.0%	34.9%	1.9x
Dr Pepper Snapple Group, Inc.	DPS	\$92.81	93.3%	\$17,060	\$21,469	3.3x	13.3x	15.4x	20.4x	22.6x	21.0x	60.0%	21.6%	25.0%	2.7x
National Beverage Corp.	PZZZ	\$95.95	99.9%	\$4,468	\$4,358	5.5x	27.7x	30.1x	46.9x	NM	29.6x	38.5%	18.2%	19.8%	NM
The Boston Beer Company, Inc.	SAM	\$142.75	73.1%	\$1,752	\$1,692	1.9x	9.4x	13.0x	21.1x	33.4x	24.5x	50.5%	14.8%	20.5%	NM
Mean				\$76,804	\$96,540	5.4x	18.0x	20.3x	28.3x	29.0x	28.6x	56.7%	25.7%	29.1%	2.8x
Median				\$32,140	\$36,275	5.8x	17.9x	20.2x	24.4x	25.2x	27.3x	60.4%	26.5%	29.8%	2.2x
High				\$224,726	\$348,838	9.0x	27.7x	30.1x	46.9x	51.8x	42.9x	67.5%	38.5%	39.9%	5.9x
Low				\$1,752	\$1,692	1.9x	9.4x	13.0x	19.6x	22.6x	21.0x	38.5%	14.8%	19.7%	1.8x

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Retail & Distribution:

(\$ in millions, except per share data)

Company	Share Price 05/31/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
SySCO Corporation	SYT	\$54.56	95.6%	\$29,200	\$37,031	0.7x	12.3x	16.4x	28.8x	NM	23.2x	18.9%	4.1%	5.5%	2.6x
The Kroger Co.	KR	\$29.78	78.4%	\$27,177	\$40,952	0.4x	7.0x	11.8x	14.5x	21.3x	17.0x	23.0%	3.0%	5.1%	2.3x
Whole Foods Market, Inc.	WFM	\$34.99	91.4%	\$11,181	\$11,342	0.7x	8.5x	14.4x	27.9x	NM	20.0x	34.1%	5.0%	8.4%	NM
Casey's General Stores, Inc.	CASY	\$116.39	85.4%	\$4,562	\$5,377	0.8x	10.1x	15.9x	23.7x	NM	26.2x	22.4%	4.1%	6.7%	1.7x
Weis Markets, Inc.	WMK	\$51.62	74.9%	\$1,388	\$1,383	0.4x	8.2x	15.7x	17.6x	NM	NM	27.5%	2.7%	5.2%	NM
SpartanNash Company	SPN	\$29.80	73.8%	\$1,128	\$1,784	0.2x	7.9x	12.3x	18.1x	14.5x	16.1x	14.4%	1.8%	2.9%	2.9x
SUPERVALU Inc.	SVAL	\$3.85	67.1%	\$1,031	\$2,184	0.2x	4.5x	7.8x	44.4x	12.9x	8.3x	14.6%	2.2%	3.9%	2.4x
Ingles Markets, Incorporated	IMKTA	\$36.60	69.8%	\$742	\$1,612	0.4x	7.0x	13.3x	14.9x	NM	NM	24.3%	3.2%	6.0%	3.8x
Village Super Market, Inc.	VLGEA	\$24.88	68.3%	\$553	\$314	0.2x	4.7x	7.5x	14.5x	NM	NM	27.2%	2.6%	4.1%	NM
Mean				\$8,529	\$11,331	0.4x	7.8x	12.8x	22.7x	16.2x	18.5x	22.9%	3.2%	5.3%	2.6x
Median				\$1,388	\$2,184	0.4x	7.9x	13.3x	18.1x	14.5x	18.5x	23.0%	3.0%	5.2%	2.5x
High				\$29,200	\$40,952	0.8x	12.3x	16.4x	44.4x	21.3x	26.2x	34.1%	5.0%	8.4%	3.8x
Low				\$553	\$314	0.2x	4.5x	7.5x	14.5x	12.9x	8.3x	14.4%	1.8%	2.9%	1.7x

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months



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Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 05/31/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Fresh Del Monte Produce Inc.	FDP	\$30.68	75.8%	\$2,590	\$2,856	0.7x	9.2x	12.4x	13.9x	0.0x	15.9x	10.4%	5.7%	7.7%	0.8x
Calavo Growers, Inc.	CVGW	\$67.70	94.7%	\$1,186	\$1,240	1.3x	18.0x	20.8x	32.1x	NM	33.4x	11.7%	6.6%	7.5%	0.5x
Seneca Foods Corporation	SINEA	\$30.80	72.2%	\$312	\$673	0.5x	11.9x	21.3x	24.3x	NM	NM	8.5%	2.5%	4.5%	6.4x
Adventure Foods, Inc.	SNAK	\$4.25	41.9%	\$84	\$178	0.7x	44.7x	NM	NM	NM	(39.6x)	12.2%	(1.3%)	1.5%	23.7x
Mean				\$1,043	\$1,277	0.8x	21.0x	18.1x	23.4x	0.0x	3.2x	10.7%	3.4%	5.3%	7.9x
Median				\$749	\$957	0.7x	15.0x	20.8x	24.3x	0.0x	15.9x	11.1%	4.1%	6.0%	3.6x
High				\$2,590	\$2,856	1.3x	44.7x	21.3x	32.1x	0.0x	33.4x	12.2%	6.6%	7.7%	23.7x
Low				\$84	\$178	0.5x	9.2x	12.4x	13.9x	0.0x	-39.6x	8.5%	-1.3%	1.5%	0.5x

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Protein Products:

(\$ in millions, except per share data)

Company	Share Price 05/31/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Tyson Foods, Inc.	TSN	\$57.34	74.4%	\$21,043	\$27,263	0.7x	7.2x	8.9x	12.0x	16.6x	15.7x	13.4%	8.3%	10.2%	1.6x
Hormel Foods Corporation	HRL	\$33.63	84.1%	\$17,787	\$17,488	1.9x	12.1x	13.3x	20.5x	27.0x	23.7x	22.5%	13.5%	14.9%	(0.2x)
Pilgrim's Pride Corporation	PPC	\$23.27	88.7%	\$5,788	\$7,115	0.9x	8.2x	10.5x	14.1x	8.6x	13.1x	11.2%	8.5%	10.8%	1.5x
Sanderson Farms, Inc.	SAFM	\$118.70	94.3%	\$2,700	\$2,453	0.8x	5.7x	7.2x	12.2x	11.0x	10.5x	17.2%	11.3%	14.3%	(0.6x)
Bridgford Foods Corporation	BRID	\$13.94	77.4%	\$127	\$113	0.8x	8.5x	11.0x	15.4x	NM	NM	38.0%	7.4%	9.5%	(1.0x)
Mean				\$9,489	\$10,886	1.0x	8.4x	10.2x	14.8x	15.8x	15.8x	20.5%	9.8%	12.0%	0.3x
Median				\$5,788	\$7,115	0.8x	8.2x	10.5x	14.1x	13.8x	14.4x	17.2%	8.5%	10.8%	(0.2x)
High				\$21,043	\$27,263	1.9x	12.1x	13.3x	20.5x	27.0x	23.7x	38.0%	13.5%	14.9%	1.6x
Low				\$127	\$113	0.7x	5.7x	7.2x	12.0x	8.6x	10.5x	11.2%	7.4%	9.5%	(1.0x)

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Dairy:

(\$ in millions, except per share data)

Company	Share Price 05/31/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Danone	BN	\$73.95	93.7%	\$46,235	\$54,906	2.2x	12.9x	16.0x	23.7x	22.8x	22.7x	51.0%	13.9%	17.4%	2.0x
Dean Foods Company	DF	\$18.24	81.8%	\$1,658	\$2,518	0.3x	6.4x	11.5x	23.4x	16.5x	12.4x	24.9%	2.8%	5.1%	2.2x
Lifeway Foods, Inc.	LWAY	\$9.82	53.1%	\$159	\$156	1.3x	20.2x	32.9x	59.9x	93.3x	58.4x	30.0%	3.8%	6.2%	(0.4x)
Mean				\$16,017	\$19,193	1.3x	13.1x	20.1x	35.6x	44.2x	31.2x	35.9%	6.9%	9.6%	1.3x
Median				\$1,658	\$2,518	1.3x	12.9x	16.0x	23.7x	22.8x	22.7x	30.0%	3.8%	6.2%	2.0x
High				\$46,235	\$54,906	2.2x	20.2x	32.9x	59.9x	93.3x	58.4x	51.0%	13.9%	17.4%	2.2x
Low				\$159	\$156	0.3x	6.4x	11.5x	23.4x	16.5x	12.4x	24.9%	2.8%	5.1%	-0.4x

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months



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A Food & Beverage Industry Newsletter



Organics & Healthy:

(\$ in millions, except per share data)

Company	Share Price 05/31/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
The Hain Celestial Group, Inc.	HAIN	\$34.93	61.3%	\$3,613	\$4,405	1.5x	11.9x	14.3x	17.5x	NM	21.9x	23.2%	10.7%	12.8%	2.1x
Amplify Snack Brands, Inc.	BETR	\$9.15	52.2%	\$680	\$1,268	4.2x	16.1x	18.6x	35.9x	38.7x	26.3x	45.4%	22.5%	25.9%	7.5x
Inventure Foods, Inc.	SNAK	\$4.25	41.9%	\$84	\$178	0.7x	44.7x	14.3x	NM	NM	NM	12.2%	-1.3%	1.5%	23.7x
Mean				\$1,459	\$1,951	2.1x	24.3x	16.4x	26.7x	38.7x	2.9x	27.0%	10.6%	13.4%	11.1x
Median				\$680	\$1,268	1.5x	16.1x	16.4x	26.7x	38.7x	21.9x	23.2%	10.7%	12.8%	7.5x
High				\$3,613	\$4,405	4.2x	44.7x	18.6x	35.9x	38.7x	26.3x	45.4%	22.5%	25.9%	23.7x
Low				\$84	\$178	0.7x	11.9x	14.3x	17.5x	38.7x	-39.6x	12.2%	-1.3%	1.5%	2.1x

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Food Conglomerates:

(\$ in millions, except per share data)

Company	Share Price 05/31/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Nestlé S.A.	NESN	\$85.23	99.0%	\$264,047	\$280,633	3.0x	15.0x	18.0x	30.1x	23.2x	23.7x	50.8%	15.9%	19.3%	0.8x
Mondelez International, Inc.	MDLZ	\$46.59	99.5%	\$70,690	\$87,733	3.4x	19.1x	23.3x	42.1x	28.2x	25.3x	39.1%	13.5%	16.6%	3.9x
General Mills, Inc.	GIS	\$56.74	77.8%	\$32,690	\$42,723	2.7x	12.2x	14.5x	21.0x	NM	NM	36.4%	18.1%	21.6%	2.6x
Kellogg Company	K	\$71.60	82.1%	\$25,080	\$32,842	2.6x	14.5x	18.9x	32.4x	20.0x	21.8x	37.8%	13.5%	17.5%	3.4x
Campbell Soup Company	CPB	\$57.65	84.9%	\$17,547	\$20,626	2.6x	13.0x	16.1x	36.4x	NM	19.4x	36.5%	16.2%	20.1%	1.9x
Congra Brands, Inc.	CAG	\$38.54	78.9%	\$16,399	\$18,772	1.7x	9.4x	11.3x	26.9x	20.3x	NM	28.3%	13.9%	16.9%	1.2x
The J. M. Smucker Company	SIM	\$127.85	81.3%	\$14,887	\$19,834	2.7x	12.0x	15.9x	22.3x	NM	17.4x	38.4%	16.9%	22.5%	3.1x
Post Holdings, Inc.	POST	\$80.34	90.2%	\$5,324	\$9,278	1.9x	10.9x	16.9x	NM	NM	34.5x	30.3%	10.9%	17.0%	4.6x
Trehouse Foods, Inc.	THIS	\$77.18	73.8%	\$4,395	\$7,061	1.1x	10.9x	19.9x	NM	30.7x	29.9x	18.6%	5.5%	10.0%	4.1x
Snyder's-Lance, Inc.	LNCE	\$36.75	90.0%	\$3,551	\$4,704	2.1x	17.4x	27.4x	NM	40.3x	31.0x	36.6%	7.8%	12.3%	4.2x
Lancaster Colony Corporation	LANC	\$123.83	82.9%	\$3,398	\$3,274	2.7x	14.8x	16.6x	28.9x	NM	28.1x	26.9%	16.5%	18.5%	(0.6x)
B&G Foods, Inc.	BGS	\$40.55	76.7%	\$2,696	\$4,433	3.0x	13.6x	15.6x	24.2x	24.5x	22.3x	32.0%	19.6%	22.3%	5.3x
J&J Snack Foods Corp.	JJSF	\$130.10	90.8%	\$2,435	\$2,313	2.3x	14.9x	20.2x	31.7x	28.6x	30.7x	30.7%	11.3%	15.3%	(0.8x)
Mean				\$35,626	\$41,094	2.4x	13.7x	18.1x	29.6x	27.0x	25.8x	34.0%	13.8%	17.7%	2.6x
Median				\$14,887	\$18,772	2.6x	13.6x	16.9x	29.5x	26.3x	25.3x	36.4%	13.9%	17.5%	3.1x
High				\$264,047	\$280,633	3.4x	19.1x	27.4x	42.1x	40.3x	34.5x	50.8%	19.6%	22.5%	5.3x
Low				\$2,435	\$2,313	1.1x	9.4x	11.3x	21.0x	20.0x	17.4x	18.6%	5.5%	10.0%	(0.8x)

Source: Capital IQ

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

Valuation Summary

Public Company Trading Metrics (LTM)

Industry	TEV/Revenue	TEV/EBITDA
Beverage	5.8x	17.9x
Retail & Distribution	0.4x	7.9x
Fruits, Vegetables & Nuts	0.7x	15.0x
Protein Products	0.8x	8.2x
Dairy	1.3x	12.9x
Organics & Healthy	1.5x	16.1x
Food Conglomerates	2.6x	13.6x
Mean	1.9x	13.1x
Median	1.3x	13.6x

Note: Multiples represent median values

Source: Capital IQ



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Commodity Score Card

Commodity	Units	5/31/2017	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.87	\$3.77	\$3.49	\$4.13
Coffee	\$ per lb.	\$1.27	\$1.36	\$1.53	\$1.22
Cocoa	\$ per lb.	\$0.92	\$0.82	\$1.10	\$1.37
Wheat	\$ per bu.	\$4.45	\$4.56	\$4.08	\$4.73
Live Cattle	\$ per lb.	\$1.24	\$1.24	\$1.10	\$1.17

Source: Capital IQ

Select M&A and Capital Raising News, May 2017

❖ Dean Foods Invests in Plant-based Food and Beverage Company

May 5, 2017 – The Dean Foods Co. has taken a minority stake in Good Karma Foods and entered into a distribution arrangement with the company. Good Karma Foods is a manufacturer of flaxseed-based milk alternatives in such formats as yogurts and beverages. The investment and distribution agreement will allow Good Karma to expand more quickly in the U.S. as well as help company management increase investments in brand building and product development. Dean Foods joins 2X Consumer Products Growth Partners as investors in Good Karma Foods. Terms of Dean Foods' investment were not announced. Dean Foods said as part of the investment agreement it will utilize its sales force to expand Good Karma's presence in conventional retail channels.

❖ Verde Farms Acquires Estancia Beef

May 10, 2017 – Verde Farms, provider of grass-fed and free range beef, has acquired Estancia Beef, the import division of El Raigon Natural Beef Co. Financial terms of the transaction were not disclosed. Estancia grass-fed Angus and Hereford beef is raised on sustainable family-owned farms in the Pampas region of Uruguay. The beef contains no hormones or growth-promotion antibiotics. Founded in 2005, Verde Farms has annual revenue of more than \$50 million. All farms in the Verde Farms network raise free range, grass-fed beef that is never subjected to added growth hormones. Additionally, Verde Farms' 100% Grass-Fed Never Ever, Organic and Reserve product lines are never given antibiotics.

❖ Unilever Invests in Organic Meal Kit Company

May 11, 2017 – Unilever is making a play in the meal kit market. Unilever Ventures, the company's venture capital and private equity arm, along with Baseline Ventures and Founders Circle Capital, led a \$9.2 million Series C-2 funding round for Sun Basket, an organic meal kit delivery service. Founded in 2014, San Francisco-based Sun Basket grew sales 1,300% in 2016 and added \$124 million in new annual run rate revenue since last September. In addition to the \$9.2 million, Sun Basket raised \$15 million earlier this year, adding to a total of \$52 million. The funding will help Sun Basket scale nationally and coincides with the opening of its Midwest facility, which along with its West and East coast facilities, expands its footprint to more zip codes than any grocery store.

❖ Campbell Soup invests \$10 Million in Chef'd

May 24, 2017 – The Campbell Soup Co. has invested \$10 million in Chef'd, an on-line meal kit delivery service, forming a strategic partnership that will help grow Campbell Soup's e-commerce capabilities. Under the terms of the three-year agreement, Chef'd will help with infrastructure and distribution of meal solutions through the Campbell's Kitchen site. Additionally, Campbell Soup will gain access to Chef'd's insights on e-commerce business models, data analytics and insights on shopper behaviors. The two companies also will test capabilities around product innovation and fulfillment. Campbell Soup projects e-commerce sales of food and beverages to reach \$66 billion between 2016 and 2021, a compound annual growth rate (CAGR) of 38%. With the investment, Campbell Soup will become Chef'd's largest strategic investor and will receive a seat on the company's board of directors.

❖ Lavazza Acquires Kicking Horse Coffee

May 25, 2017 – Lavazza Group, an Italian coffee roaster operating in more than 90 countries, has purchased an 80% stake in Kicking Horse Coffee, Ltd. from private-equity fund Swander Pace Capital. Founded in 1996, Kicking Horse Coffee, is a Canadian maker of organic and fair-trade coffee for the Canadian and U.S. markets. The company was valued at C\$215 million (\$162 million).

❖ Bimbo Enters Indian Market with Acquisition of Ready Roti

May 26, 2017 – Grupo Bimbo S.A.B. de C.V. has acquired a 65% stake in Ready Roti India Private Ltd., a New Delhi, India-based maker of bread, pizza bases, and sweet and savory buns. Financial terms of the acquisition were not disclosed. Ready Roti operates four plants, has more than 500 employees and generates annual sales of approximately \$48 million. The company's brands include Harvest Gold and Harvest Selects. In late April, Bimbo entered the African market through the acquisition of Grupo Adghal. Based in Morocco, Grupo Adghal operates three plants, has more than 200 employees and generates annual sales of about \$11 million. The company primarily makes sweet baked foods and cakes under the Belle, Chapela, Rosco and Roscao brand names.

❖ Smucker to Acquire Wesson Oils from Conagra

May 30, 2017 – The J.M. Smucker Co. has signed a definitive agreement to acquire the Wesson oil brand from Conagra Brands, Inc. for approximately \$285 million in cash. The Wesson edible oil portfolio includes vegetable, canola, corn and blended oils. Conagra will continue to manufacture products sold under the Wesson brand and provide other transition services for up to one year following the close of the transaction. After the transition period, Smucker said it plans to consolidate Wesson production into its existing oils manufacturing facility in Cincinnati. Smucker expects the Wesson acquisition to add annual net sales of approximately \$230 million. The transaction is expected to generate EBITDA of approximately \$30 million. Annual cost synergies of approximately \$20 million are expected to be fully realized within two years after closing.



The Cupboard

A Food & Beverage
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Industry News, May 2017

❖ Bob Evans Farms Begins New Chapter

May 1, 2017 – Bob Evans Farms, Inc. has completed the sale of Bob Evans Restaurants to Golden Gate Capital for \$565 million. The company also finalized its \$115 million acquisition of Pineland Farms Potato Co., a Mars Hill, Maine-based processor of value-added potato products serving retail and food service customers. Now, Bob Evans Farms will focus exclusively on its BEF Foods business, which is the national market share leader in refrigerated side dishes and a market share leader in sausage products in core Midwest markets. Saed Mohensi, president and CEO of Bob Evans Farms, has left the company to lead Bob Evans Restaurants. Mike Townsley, president of BEF Foods, has assumed the role of president and CEO of Bob Evans Farms. Following the completion of the transactions, Bob Evans Farms repaid outstanding debt with proceeds from the sale of Bob Evans Restaurants and established a \$300 million credit facility maturing April 28, 2022.

❖ Kraft Heinz Overhauls Oscar Meyer

May 1, 2017 – The Kraft Heinz Co. has given its Oscar Mayer brand a clean label conversion. The entire line now has no added nitrates or nitrites, no artificial preservatives in the meat and no byproducts in any of the hot dogs. The makeover is more than a year in the making, as the company tested and tinkered with several recipes over the past months. Kraft Heinz's Oscar Mayer overhaul follows a similar effort from Tyson Foods Inc. Last month, Tyson said it had removed all added nitrites and nitrates from its Ball Park brand beef hot dogs, in addition to eliminating by-products and added fillers from its meat line.

❖ Harmening Named New CEO of General Mills

May 3, 2017 – Jeffrey Harmening has been elected by General Mills, Inc.'s board of directors to be the next CEO of the company effective June 1. Mr. Harmening will succeed Kendall Powell, who will remain chairman of the company during a transition period and then retire. Mr. Harmening is currently the president and COO of General Mills. Prior to becoming president and COO, Mr. Harmening led General Mills' retail business, where he was instrumental in expanding the company's presence in the natural and organic categories with the acquisition of such businesses as Annie's and Epic Provisions. Mr. Harmening originally joined General Mills in 1994 after graduating from Harvard Business School with an MBA. He holds a bachelor's degree from DePauw University, Greencastle, Indiana.

❖ Coca-Cola Vet to Join Beyond Meat as Chief Growth Officer

May 10, 2017 – Charles Muth has been named chief growth officer of Beyond Meat, a privately held maker of plant-based meat substitutes. In this role, Mr. Muth will be responsible for driving distribution and growth of the brand's products in retail and food service. Mr. Muth joins Beyond Meat from the Coca-Cola Co., where he led the creation of the Venturing and Emerging Brands unit's sales organization as senior vice-president of sales, achieving revenue growth in that segment of more than 200% from 2014 to 2016. Previously, he was vice-president of sales at Honest Beverages, where he tripled growth between 2010 and 2013. Based in El Segundo, Beyond Meat manufactures meat-free burgers, strips, crumbles and single-serve meals. This past October, Tyson New Ventures L.L.C., Tyson Foods' venture capital fund, acquired a 5% stake in Beyond Meat. The company also has received investment from 301 INC, the business development and venturing unit of General Mills.

❖ DanoneWave Cuts Sugar, Fat Across Dannon Portfolio in the U.S.

May 15, 2017 – DanoneWave, the North American operations of Danone S.A., has reduced fat and sugar while increasing key nutrients such as protein, fiber and vitamin D across the Dannon portfolio of products in the United States. The changes were made since the beginning of a three-year commitment period announced July 2013 with Partnership for a Healthier America (PHA). Danone S.A. said it invested more than \$3 million in nutrition research and education. To achieve its goals, DanoneWave reformulated some of its products, including Danimals Smoothies, and introduced new products, such as Oikos Triple Zero Greek nonfat yogurt, which contains zero added sugars and no artificial sweeteners.

❖ Coca-Cola Exec Retires

May 17, 2017 – Hendrik Steckhan, president of USA Operations for The Coca-Cola Co., has stepped down from his role and will retire from the company as of July 31. Mr. Steckhan held various leadership positions within the company since he joined Coca-Cola in 1997. Prior to becoming president of USA Operations in January 2016, he was president of still beverages for Coca-Cola North America (CCNA). From 2010 to 2014, he was president of Coca-Cola's German business, and before that, he was president of CCNA's sparkling business unit from 2007 to 2010. Between 1997 and 2007, he held various roles in South America. Stuart Kronauge has been named business unit president of USA Operations and senior vice-president of marketing for CCNA. In her new role, Ms. Kronauge will be responsible for both brand marketing and strategic marketing.

❖ Aryzta Names New CEO

May 19, 2017 – Kevin Toland has been named CEO of baked foods company Aryzta AG. The news comes a little over three months after Owen Killian, the previous CEO, announced plans to resign at the end of the current fiscal year in July. Mr. Killian has been CEO and executive director since 2008, when Aryzta was formed from a combination of IAWS Group P.L.C. and Hiestand. Mr. Toland is expected to join Aryzta following a customary six-month notice period, or earlier, if both parties agree. Mr. Toland is currently CEO of DAA, formerly Dublin Airport Authority, since 2013. Prior to that role, he was president and CEO of Glanbia USA & Global Nutritionals, a division of Glanbia, where he led the business to become the largest manufacturer and exporter of American style cheese in the United States and the global leader in sports nutrition.

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Additional information is available upon request.

