

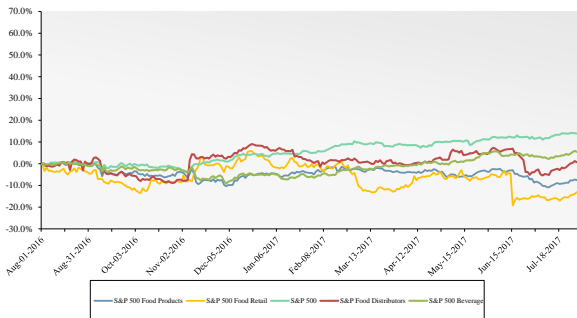
The Cupboard



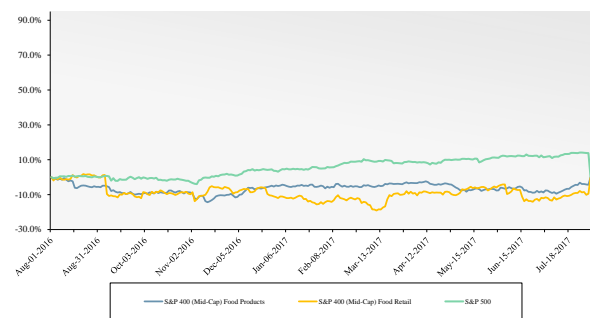
A Food & Beverage Industry Newsletter



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



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



Indices Performance (% change)

	July 2017	LTM		July 2017	LTM		July 2017	LTM
S&P 500	1.9%	13.8%	S&P 500 Food Products	1.1%	(7.5%)	S&P 400 Food Products (Mid-Cap)	3.3%	(4.4%)
Dow Jones	2.2%	18.9%	S&P 500 Food Retail	2.0%	(12.6%)	S&P 400 Food Retail (Mid-Cap)	2.5%	(9.5%)
NASDAQ	4.6%	22.5%	S&P 500 Food Distributors	4.0%	1.4%			
			S&P 500 Beverage	1.9%	5.1%			

Source: Capital IQ

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

The Kroger Co.	2.5%	Natural Grocers by Vitamin Cottage, Inc.	(25.2%)
Village Super Market, Inc.	1.1%	Ingles Markets, Incorporated	(11.0%)
Sprout Farmers Market, Inc.	1.0%	Weis Markets, Inc.	(1.8%)
Casey's General Stores, Inc.	0.7%	Whole Foods Market, Inc.	(0.6%)
		SUPERVALU Inc.	(0.4%)

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

Sanderson Farms	22.0%	Dean Foods Company	(20.6%)
Pilgrim's Pride Corporation	22.0%	S&W Seed Company	(19.0%)
The Hain Celestial Group, Inc.	9.0%	Treehouse Foods, Inc.	(11.5%)
Tyson Foods, Inc.	7.3%	Bridgford Foods Corporation	(11.0%)
Snyder's-Lance, Inc.	7.1%	HRG Group, Inc.	(8.9%)

Source: Capital IQ

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Select Public Trading Statistics

Beverage:

(\$ in millions, except per share data)

Company	Share Price 07/31/2017	% 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	ENX:BRABI	\$119.40	85.1%	\$230,883	\$354,461	6.6x	18.1x	22.3x	NM	25.2x	35.6x	60.9%	29.2%	36.1%	5.8x
The Coca-Cola Company	KO	\$45.84	98.7%	\$195,522	\$218,106	5.6x	18.4x	21.1x	48.4x	22.6x	23.8x	61.2%	24.1%	28.0%	2.1x
PepsiCo, Inc.	PEP	\$116.61	98.6%	\$166,229	\$188,526	3.0x	15.2x	18.3x	24.7x	23.1x	24.3x	54.9%	16.2%	19.6%	1.8x
Diageo plc	LSX:EDGE	\$31.48	98.8%	\$79,036	\$91,337	5.9x	16.7x	18.3x	22.7x	22.6x	NM	61.2%	29.7%	32.2%	2.1x
Constellation Brands, Inc.	STZ	\$193.35	96.7%	\$37,862	\$46,682	6.3x	17.9x	19.9x	24.3x	28.1x	28.5x	49.5%	31.6%	35.1%	NM
Monster Beverage Corporation	MNST	\$52.75	95.0%	\$29,952	\$29,166	9.4x	23.5x	24.4x	42.5x	51.8x	42.9x	64.7%	38.7%	40.0%	NM
Brown-Forman Corporation	BF.B	\$49.40	82.7%	\$19,344	\$21,311	7.1x	20.3x	21.5x	28.9x	31.6x	27.3x	67.5%	33.1%	35.0%	1.9x
Dr Pepper Snapple Group, Inc.	DPS	\$91.16	91.6%	\$16,566	\$20,982	3.2x	13.3x	15.5x	21.9x	22.6x	21.0x	59.9%	20.7%	24.0%	2.8x
National Beverage Corp.	PIZZ	\$102.12	92.3%	\$4,757	\$4,616	5.6x	26.3x	28.4x	44.6x	NM	29.6x	39.4%	19.6%	21.2%	NM
The Boston Beer Company, Inc.	SAM	\$156.80	80.4%	\$1,864	\$1,793	2.0x	9.6x	13.3x	22.3x	33.4x	24.5x	51.2%	15.3%	21.1%	NM
Mean				\$78,202	\$97,718	5.5x	17.9x	20.3x	31.1x	29.0x	28.6x	57.0%	25.8%	29.2%	2.7x
Median				\$33,907	\$38,024	5.8x	18.0x	20.5x	24.7x	25.2x	27.3x	60.4%	26.7%	30.1%	2.1x
High				\$230,883	\$354,461	9.4x	26.3x	28.4x	48.4x	51.8x	42.9x	67.5%	38.7%	40.0%	5.8x
Low				\$1,864	\$1,793	2.0x	9.6x	13.3x	21.9x	22.6x	21.0x	39.4%	15.3%	19.6%	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 07/31/2017	% 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	SY	\$52.62	92.2%	\$28,162	\$35,993	0.7x	12.0x	16.0x	27.7x	NM	23.2x	19.1%	3.7%	5.3%	2.5x
The Kroger Co.	KR	\$24.52	67.3%	\$22,003	\$35,081	0.3x	6.4x	11.4x	14.8x	21.3x	17.0x	22.7%	2.6%	4.7%	2.4x
Whole Foods Market, Inc.	WFM	\$41.76	95.3%	\$13,372	\$13,421	0.8x	10.3x	17.7x	34.4x	NM	20.0x	33.9%	4.9%	8.3%	NM
Casey's General Stores, Inc.	CASY	\$106.75	78.7%	\$4,115	\$4,962	0.7x	9.7x	15.9x	23.8x	NM	26.2x	25.3%	4.7%	7.7%	1.7x
Weis Markets, Inc.	WMK	\$47.31	68.7%	\$1,273	\$1,267	0.4x	7.6x	14.4x	16.1x	NM	NM	27.5%	2.7%	5.1%	NM
SpartanNash Company	SPTN	\$27.74	68.7%	\$1,050	\$1,706	0.2x	7.6x	11.8x	16.8x	14.5x	16.1x	14.4%	1.8%	2.9%	2.9x
SUPERVALU Inc.	SVU	\$25.06	62.4%	\$961	\$2,210	0.2x	4.7x	8.4x	63.4x	39.7x	25.7x	14.3%	2.0%	3.6%	2.7x
Ingles Markets, Incorporated	IMKT.A	\$29.50	56.3%	\$598	\$1,468	0.4x	6.4x	12.1x	12.0x	NM	NM	24.2%	3.0%	5.9%	3.8x
Village Super Market, Inc.	VLGE.A	\$24.73	67.9%	\$357	\$320	0.2x	4.8x	7.5x	14.4x	NM	NM	27.2%	2.6%	4.1%	NM
Mean				\$7,988	\$10,714	0.4x	7.7x	12.8x	24.8x	25.2x	21.4x	23.2%	3.1%	5.3%	2.7x
Median				\$1,273	\$2,210	0.4x	7.6x	12.1x	16.8x	21.3x	21.6x	24.2%	2.7%	5.1%	2.6x
High				\$28,162	\$35,993	0.8x	12.0x	17.7x	63.4x	39.7x	26.2x	33.9%	4.9%	8.3%	3.8x
Low				\$357	\$320	0.2x	4.7x	7.5x	12.0x	14.5x	16.1x	14.3%	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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A Food & Beverage Industry Newsletter



Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 07/31/2017	% 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	\$51.47	77.0%	\$2,631	\$2,896	0.7x	9.3x	12.5x	14.1x	0.0x	15.9x	9.7%	5.2%	7.1%	0.7x
Calavo Growers, Inc.	CVOW	\$74.05	96.4%	\$1,298	\$1,337	1.3x	17.9x	20.4x	32.2x	NM	33.4x	11.7%	6.6%	7.5%	0.5x
Seneca Foods Corporation	SENEA	\$28.70	67.3%	\$287	\$665	0.5x	12.3x	24.4x	24.1x	NM	NM	8.1%	2.1%	4.2%	7.0x
Inventure Foods, Inc.	SNAK	\$3.90	38.4%	\$77	\$171	0.7x	43.0x	NM	NM	NM	(39.6)	12.7%	(1.6%)	1.3%	26.6x
Mean				\$1,073	\$1,267	0.8x	20.7x	19.1x	23.5x	0.0x	3.2x	10.6%	3.1%	5.0%	8.7x
Median				\$792	\$1,001	0.7x	15.1x	20.4x	24.1x	0.0x	15.9x	10.7%	3.6%	5.7%	3.9x
High				\$2,631	\$2,896	1.3x	43.0x	24.4x	32.2x	0.0x	33.4x	12.7%	6.6%	7.5%	26.6x
Low				\$77	\$171	0.5x	9.3x	12.5x	14.1x	0.0x	-39.6x	8.1%	-1.6%	1.3%	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 07/31/2017	% 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	\$63.36	82.2%	\$23,252	\$29,472	0.8x	7.8x	9.6x	13.2x	16.6x	15.7x	13.3%	8.2%	10.1%	2.8x
Hormel Foods Corporation	HRL	\$34.17	85.4%	\$18,061	\$17,765	1.9x	12.3x	13.5x	20.8x	27.0x	23.7x	22.5%	13.5%	14.9%	(0.2x)
Pilgrim's Pride Corporation	PPC	\$24.29	92.6%	\$6,042	\$7,368	0.9x	8.5x	10.9x	14.7x	8.6x	13.1x	12.6%	9.8%	12.2%	1.1x
Sanderson Farms, Inc.	SAFM	\$130.75	99.6%	\$2,974	\$2,727	0.9x	6.3x	8.0x	13.4x	11.0x	10.5x	17.2%	11.3%	14.3%	(0.6x)
Bridgford Foods Corporation	BRID	\$11.16	62.0%	\$101	\$88	0.6x	6.6x	8.6x	12.4x	NM	NM	38.0%	7.4%	9.5%	(1.0x)
Mean				\$10,086	\$11,484	1.0x	8.3x	10.1x	14.9x	15.8x	15.8x	20.7%	10.1%	12.2%	0.4x
Median				\$6,042	\$7,368	0.9x	7.8x	9.6x	13.4x	13.8x	14.4x	17.2%	9.8%	12.2%	(0.2x)
High				\$23,252	\$29,472	1.9x	12.3x	13.5x	20.8x	27.0x	23.7x	38.0%	13.5%	14.9%	2.8x
Low				\$101	\$88	0.6x	6.3x	8.0x	12.4x	8.6x	10.5x	12.6%	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 07/31/2017	% 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	\$74.00	89.5%	\$46,768	\$68,269	2.5x	14.1x	17.3x	21.5x	22.8x	22.7x	50.2%	14.3%	17.7%	4.5x
Dean Foods Company	DF	\$15.00	67.2%	\$1,363	\$2,223	0.3x	5.6x	10.1x	19.2x	16.5x	12.4x	24.3%	2.5%	4.8%	2.3x
Lifeway Foods, Inc.	LWAY	\$9.17	49.6%	\$148	\$145	1.2x	18.9x	30.7x	55.9x	93.3x	58.4x	29.5%	2.9%	5.2%	(0.4x)
Mean				\$16,093	\$23,546	1.3x	12.8x	19.4x	32.2x	44.2x	31.2x	34.7%	6.6%	9.2%	2.1x
Median				\$1,363	\$2,223	1.2x	14.1x	17.3x	21.5x	22.8x	22.7x	29.5%	2.9%	5.2%	2.3x
High				\$46,768	\$68,269	2.5x	18.9x	30.7x	55.9x	93.3x	58.4x	50.2%	14.3%	17.7%	4.5x
Low				\$148	\$145	0.3x	5.6x	10.1x	19.2x	16.5x	12.4x	24.3%	2.5%	4.8%	-0.4x

Source: Capital IQ

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

LTM = Last Twelve Months



The Cupboard

A Food & Beverage Industry Newsletter



Organics & Healthy:

(\$ in millions, except per share data)

Company	Share Price 07/31/2017	% 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	\$44.71	78.5%	\$4,636	\$5,263	1.8x	19.8x	26.8x	NM	NM	27.0x	19.1%	6.8%	9.2%	2.4x
Amplify Snack Brands, Inc.	BETR	\$10.46	59.7%	\$777	\$1,366	4.5x	17.4x	20.0x	41.0x	38.7x	26.3x	41.7%	19.3%	23.0%	7.2x
Inviture Foods, Inc.	SNAK	\$3.90	38.4%	\$77	\$171	0.7x	43.0x	NM	NM	NM	(39.6)	12.7%	(1.6%)	1.3%	26.6x
Mean				\$1,830	\$2,267	2.3x	26.7x	23.4x	41.0x	38.7x	4.6x	24.5%	8.2%	11.2%	12.1x
Median				\$777	\$1,366	1.8x	19.8x	23.4x	41.0x	38.7x	26.3x	19.1%	6.8%	9.2%	7.2x
High				\$4,636	\$5,263	4.5x	43.0x	26.8x	41.0x	38.7x	27.0x	41.7%	19.3%	23.0%	26.6x
Low				\$77	\$171	0.7x	17.4x	20.0x	41.0x	38.7x	-39.6x	12.7%	-1.6%	1.3%	2.4x

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 07/31/2017	% 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	\$83.91	95.0%	\$260,005	\$281,719	3.1x	15.1x	18.2x	27.3x	23.2x	23.7x	50.5%	15.8%	19.2%	1.2x	
Mondelez International, Inc.	MDLZ	\$44.02	93.2%	\$66,791	\$83,834	3.2x	18.3x	22.2x	39.8x	28.2x	25.3x	38.8%	13.9%	17.1%	4.0x	
General Mills, Inc.	GIS	\$55.66	77.1%	\$32,121	\$42,105	2.7x	14.4x	20.1x	NM	NM	NM	36.2%	18.2%	21.9%	2.6x	
Kellogg Company	K	\$68.00	80.7%	\$23,819	\$31,581	2.5x	14.0x	18.2x	30.8x	20.0x	21.8x	37.7%	13.8%	17.7%	3.5x	
Campbell Soup Company	CPB	\$52.83	82.3%	\$16,011	\$19,119	2.4x	11.9x	14.7x	33.4x	NM	19.4x	36.5%	16.4%	20.4%	1.9x	
Conagra Brands, Inc.	CAG	\$34.24	70.1%	\$14,264	\$17,096	2.2x	10.4x	12.3x	27.9x	20.3x	NM	30.1%	16.8%	20.1%	1.7x	
The J. M. Smucker Company	SJM	\$121.90	77.5%	\$13,828	\$19,060	2.6x	11.4x	15.3x	23.9x	NM	17.4x	38.4%	16.9%	22.5%	3.1x	
Post Holdings, Inc.	POST	\$83.20	93.4%	\$5,513	\$9,468	1.9x	11.1x	17.3x	NM	NM	34.5x	30.1%	11.6%	17.7%	4.6x	
Trehouse Foods, Inc.	THS	\$84.83	81.4%	\$4,830	\$7,497	1.2x	11.6x	21.1x	NM	NM	30.7x	29.9%	18.8%	5.8%	10.2%	3.7x
Lancaster Colony Corporation	LANC	\$122.62	82.1%	\$3,365	\$3,240	2.7x	14.6x	16.4x	28.7x	NM	28.1x	26.9%	16.5%	18.5%	(0.6)	
Snyder's-Lance, Inc.	LNCE	\$34.79	85.2%	\$3,362	\$4,514	2.1x	16.7x	26.3x	NM	40.3x	31.0x	36.7%	7.6%	12.0%	4.2x	
J&J Snack Foods Corp.	JJSF	\$131.40	91.8%	\$2,462	\$2,320	2.3x	15.3x	21.1x	32.8x	28.6x	30.7x	30.2%	10.7%	14.7%	(0.9)	
B&G Foods, Inc.	BGS	\$36.25	70.0%	\$2,410	\$4,148	2.8x	12.7x	14.6x	21.7x	24.5x	22.3x	30.7%	18.0%	20.9%	5.6x	
Mean				\$34,522	\$40,439	2.4x	13.5x	17.9x	28.6x	27.0x	25.8x	34.0%	14.0%	17.9%	2.7x	
Median				\$13,828	\$17,096	2.5x	12.7x	17.3x	28.3x	26.3x	25.3x	36.2%	15.8%	18.5%	3.1x	
High				\$260,005	\$281,719	3.2x	18.3x	26.3x	39.8x	40.3x	34.5x	50.5%	18.2%	22.5%	5.6x	
Low				\$2,410	\$2,320	1.2x	10.4x	12.3x	20.1x	20.0x	17.4x	18.8%	5.8%	10.2%	(0.9)	

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	18.0x
Retail & Distribution	0.4x	7.6x
Fruits, Vegetables & Nuts	0.7x	15.1x
Protein Products	0.9x	7.8x
Dairy	1.2x	14.1x
Organics & Healthy	1.8x	19.8x
Food Conglomerates	2.5x	12.7x
Mean	1.9x	13.6x
Median	1.2x	14.1x

Note: Multiples represent median values

Source: Capital IQ



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Commodity Score Card

Commodity	Units	7/31/2017	1 month prior	6 months prior	1 year prior
Com	\$ per bu.	\$3.76	\$3.69	\$3.62	\$3.34
Coffee	\$ per lb.	\$1.41	\$1.26	\$1.52	\$1.43
Cocoa	\$ per lb.	\$0.87	\$0.84	\$0.95	\$1.33
Wheat	\$ per bu.	\$4.68	\$4.96	\$4.20	\$4.06
Live Cattle	\$ per lb.	\$1.07	\$1.17	\$1.17	\$1.14

Source: Capital IQ

Select M&A and Capital Raising News, July 2017

- ❖ **Lactalis to Acquire Stonyfield from Danone**
July 3, 2017 – The Lactalis Group has entered into an agreement to acquire the organic yogurt maker Stonyfield from Paris-based Groupe Danone for \$875 million (2.4x revenue). Danone’s divestiture of the Stonyfield business is part of an agreement the company reached with the U.S. Department of Justice in connection with Danone’s acquisition of WhiteWave Foods. With sales of \$370 million in 2016, Stonyfield is a manufacturer of numerous yogurt varieties, including organic, grass-fed and soy. The company also manufactures frozen yogurts, drinkable yogurts, and milk and creams.
- ❖ **Campbell Soup to Acquire Organic Soup Maker Pacific Foods**
July 7, 2017 – Campbell Soup Co. has agreed to acquire organic soup maker Pacific Foods for \$700 million (3.2x revenue) in cash. Founded in 1987, Tualatin, Oregon-based Pacific Foods produces organic broth, soup, shelf-stable plant-based beverages, meals and side dishes. Products manufactured by the company are sold under the Pacific brand. The company generated approximately \$218 million in sales in the 12 months ended May 31. The acquisition will expand Campbell Soup’s footprint in the \$11 billion organic food and beverage category, which grew at a compound annual growth rate of 15.3% over the past four years.
- ❖ **Guenther Acquires Canadian Frozen Meal and Snack Company**
July 10, 2017 – H. Guenther & Son, Inc. has acquired Les Plats Du Chef (P.D.C.), a frozen meal and snack company headquartered in Montreal. Financial terms of the transaction were not disclosed. The company’s products are sold under the Cuisine Adventures brand and include soups, oatmeal, dips, empanadas, mini quiche and other snacks. P.D.C. also makes private label products and serves the food service industry under its Cuisi-Prestige and Thyme & Truffles brands.
- ❖ **US Foods to Acquire Three Distribution Companies**
July 17, 2017 – US Foods has agreed to acquire broadline distributors The Thompson Co., Braunger Foods and Variety Foods, all owned and operated by TOBA Inc. Terms of the transaction were not disclosed. With more than \$130 million in combined annual sales, the three companies serve independent restaurant, school, grocery and convenience store customers in seven states across the Midwest.
- ❖ **Private Equity Firm Acquires Gold Coast Bakeries**
July 17, 2017 – Peak Rock Capital, a middle-market private equity firm, has added to its portfolio with the acquisition of Gold Coast Bakeries, L.L.C. Based in Santa Ana, California, Gold Coast Bakeries makes fresh and frozen specialty and organic bread, buns, rolls and sweet goods for distribution to consumer packaged goods companies, grocery retailers and food service customers. The company has two U.S.D.A. organic-certified facilities in California and Illinois.
- ❖ **JAB Finalizes Purchase of Panera Bread**
July 18, 2017 – JAB BV, an investment arm of the JAB Holding Co., has completed its acquisition of St. Louis-based Panera Bread Co. for approximately \$7.5 billion (2.7x revenue, 17.9x EBITDA). Panera’s shareholders approved the transaction on July 11. Under the agreement, JAB acquired Panera for \$315 per share in cash and the assumption of \$340 million in debt. The acquisition adds to JAB’s growing global roster of bakery-cafe chains that also includes Caribou Coffee, Einstein Noah, Espresso House, Krispy Kreme Doughnuts and Peet’s Coffee and Tea.
- ❖ **McCormick to Acquire Reckitt Benckiser’s Food Business for \$4.2 Billion**
July 19, 2017 – McCormick & Co. has entered into an agreement to acquire the food business of the Reckitt Benckiser Group (RB Foods) of Parsippany, New Jersey, for approximately \$4.2 billion (7.2x revenue, 19.5x EBITDA). Brands that will be a part of the acquisition include French’s mustard, Frank’s RedHot and Cattleman’s. RB Foods is forecast to generate \$581 million in revenue during 2017 with an adjusted EBITDA of \$215 million.
- ❖ **Grupo Bimbo to Acquire East Balt Bakeries**
July 21, 2017 – Grupo Bimbo S.A.B. de C.V. has reached an agreement to acquire Chicago-based East Balt Bakeries from One Equity Partners for \$650 million (1.5x revenue, 9.3x EBITDA). Founded in 1955, East Balt produces and supplies buns, English muffins, rolls, tortillas, bagels, artisanal bread and other baked foods to quick-service restaurants around the world. The company employs approximately 2,200 and operates 21 bakeries in 11 countries across the United States, Europe, Asia, the Middle East and Africa. The company generated sales of approximately \$420 million and EBITDA of \$70 million in the most recent fiscal year.
- ❖ **Anheuser-Busch Acquires Hiball Energy Drink Company**
July 21, 2017 – Anheuser-Busch Companies L.L.C. has agreed to acquire Hiball Inc., maker of organic energy drinks, sparkling energy waters and cold brew coffee under the Hiball brand as well as Alta Palla brand organic sparkling juices and sparkling waters. Financial terms were not disclosed. Founded in 2005, Hiball produces energy drinks and sparkling energy waters made with a proprietary, organic-certified energy blend, consisting of caffeine, guarana and ginseng.



The Cupboard



A Food & Beverage
Industry Newsletter



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❖ **TreeHouse Taps New Treasurer, VP**

July 6, 2017 – Lee Wise has been named vice-president and treasurer of TreeHouse Foods, Inc. Mr. Wise joins TreeHouse from Mead Johnson Nutrition Co., where he was vice-president, treasurer and corporate development since 2011. Prior to Mead Johnson, Mr. Wise was director of strategy and development for Brunswick Corp. He brings more than 15 years of experience across finance to TreeHouse, including treasury, risk management, strategy, planning and tax.

❖ **Cyberattack Hits Mondelez International's Top Line**

July 7, 2017 – A June 27 cyberattack that affected companies around the world has taken a toll on Mondelez International. The company released a partial financial forecast in the wake of the attack and estimated that the revenue impact will be a negative 300 basis points on second-quarter growth. Management said it is still assessing the full financial impact, but reaffirmed its full year organic revenue growth outlook of "at least 1%."

❖ **Former General Mills Flour Executive to Lead LifeLine**

July 11, 2017 – Kevin Kelly, a grain-based foods industry veteran with more than 30 years of experience, has joined LifeLine Foods, L.L.C. as CEO. Mr. Kelly most recently was vice-president at Rembrandt Foods, an egg producer based in Spirit Lake, Iowa. He began his career with The Procter & Gamble Co. in 1980 and was with Michael Foods, another egg producer, from 1986 to 1998. He joined The Pillsbury Co. in that year, then General Mills with the latter's 2001 acquisition of Pillsbury. At General Mills, Mr. Kelly was vice-president of wholesale bakery and bakery flour.

❖ **Amazon Files for Meal Kit Trademark**

July 18, 2017 – Amazon recently filed a trademark application for meal kits. Amazon is joining a fast-growing meal kit market. Tyson Foods Inc. debuted Tyson Tastemakers in 2016, and Martha Stewart partnered with Marley Spoon, a subscription meal delivery service, to convert Ms. Stewart's 18,000 recipes into meal kits called Martha & Marley Spoon. Both meal kits are sold through AmazonFresh.

❖ **Dunkin' Brands Names New SVP of Baskin-Robbins**

July 18, 2017 – Jason Maceda has been promoted to senior vice-president of Baskin-Robbins U.S. and Canada for Dunkin' Brands Group, Inc. In his new role, Mr. Maceda will assume operational and marketing responsibilities for the more than 2,500 Baskin-Robbins restaurants in the United States and Canada. Additionally, he will serve on the Dunkin' Brands leadership team. During his 19-year tenure with Dunkin' Brands, Mr. Maceda has held several leadership positions in the Dunkin' Brands finance department. Most recently, he was vice-president of U.S. financial planning and corporate real estate for the company.

❖ **Sysco CEO to Step Down**

July 18, 2017 – William DeLaney, CEO of Sysco Corp., will step down on January 1, 2018, after 30 years with the company. Thomas Bené, president and COO, will succeed Mr. DeLaney and become president and CEO effective January 1, 2018 and also will join Sysco's board of directors. Mr. DeLaney will serve as an adviser to Mr. Bené through December 31, 2018. Mr. Bené joined Sysco in 2013, holding several roles at the company before being appointed president and COO in January 2016. Prior to joining Sysco, he held a variety of positions of increasing responsibility in marketing, sales, operations, franchise development and general management during a 23-year career at PepsiCo, Inc., culminating with his role as president of PepsiCo's North American food service business.

❖ **Campbell Soup Hires Leader for New E-Commerce Initiative**

July 20, 2017 – Shakeel Farooque has been appointed to the newly created role of vice-president and head of digital and e-commerce of the Campbell Soup Co. In this role, Mr. Farooque will build and lead the digital and e-commerce organization with a focus on scaling Campbell Soup's digital marketing capabilities, creating an integrated e-commerce approach, driving innovation and developing a new supply chain model. Campbell Soup plans to accelerate its digital and e-commerce capabilities by forming an e-commerce unit representing all three Campbell divisions in North America, which Mr. Farooque will lead. The company has a goal of generating \$300 million in e-commerce sales over the next five years.

❖ **PepsiCo Taps New President**

July 20, 2017 – Ramon Laguarta has been named president of PepsiCo, Inc., effective September 1. Currently, Mr. Laguarta is CEO of Europe Sub-Saharan Africa (ESSA) for the company. Mr. Laguarta has been with PepsiCo for more than 20 years. Prior to his most recent position, he was president of developing and emerging markets for PepsiCo Europe. His previous roles at the company include president of PepsiCo's Eastern Europe Region, commercial vice-president for PepsiCo Europe, general manager for Iberia Snacks and Juices and general manager for Greece Snacks.

❖ **Starbucks Executive to Lead Godiva as CEO**

July 28, 2017 – Annie Young-Scrivner has been named CEO of premium chocolate brand Godiva, part of the Pladis family of businesses under Yildiz Holding. Ms. Young-Scrivner joins Godiva from Starbucks Coffee Co., where most recently she was executive vice-president, Global Digital and Loyalty Development. During her eight-year tenure at Starbucks, she also was president of Teavana and executive vice-president, Global Tea, president of Starbucks Canada, and global CMO and president of Tazo Tea. Prior to Starbucks, she held roles at PepsiCo, Inc., including president and chairman of PepsiCo Food in China.

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