

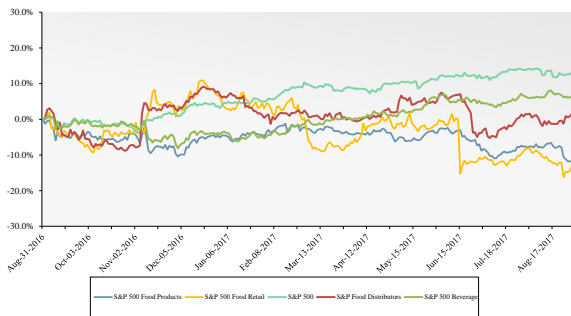
## The Cupboard



A Food & Beverage Industry Newsletter



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



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



### Indices Performance (% change)

	August 2017	LTM		August 2017	LTM		August 2017	LTM
S&P 500	(0.2%)	13.9%	S&P 500 Food Products	(5.0%)	(13.0%)	S&P 400 Food Products (Mid-Cap)	(3.1%)	(2.7%)
Dow Jones	(0.2%)	19.3%	S&P 500 Food Retail	(6.0%)	(14.2%)	S&P 400 Food Retail (Mid-Cap)	(7.5%)	(16.7%)
NASDAQ	1.0%	23.3%	S&P 500 Food Distributors	0.2%	1.6%			
			S&P 500 Beverage	0.5%	6.5%			

Source: Capital IQ

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

Casey's General Stores, Inc.	0.2%	SUPERVALU Inc.	(14.5%)
		Sprouts Farmers Market, Inc.	(14.3%)
		Ingles Markets, Incorporated	(14.1%)
		The Kroger Co.	(12.0%)
		Weis Markets, Inc.	(5.9%)

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

Pilgrim's Pride Corporation	11.1%	Lifeway Foods, Inc.	(13.0%)
Inventure Foods, Inc.	9.5%	The J. M. Smucker Company	(12.3%)
Sanderson Farms, Inc.	9.1%	Treehouse Foods, Inc.	(11.2%)
Darling Ingredients Inc.	8.3%	Campbell Soup Company	(9.9%)
Farmer Bros. Co.	7.4%	The Hain Celestial Group, Inc.	(7.4%)

Source: Capital IQ

### Food Industry Contacts

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### Select Public Trading Statistics

#### Beverage:

(\$ in millions, except per share data)

Company	Share Price 08/31/2017	% 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:BRAB	\$119.13	83.2%	\$230,359	\$356,481	6.3x	17.8x	22.0x	NM	25.2x	35.6x	60.9%	29.2%	36.1%	5.8x
The Coca-Cola Company	KO	\$45.55	98.1%	\$194,285	\$216,869	5.6x	18.3x	21.0x	48.1x	22.6x	23.8x	61.2%	24.1%	28.0%	2.1x
Pepico, Inc.	PEP	\$115.73	96.9%	\$164,974	\$187,271	3.0x	15.1x	18.2x	24.5x	23.1x	24.3x	54.9%	16.2%	19.6%	1.8x
Diageo plc	LSE:DEGE	\$35.04	99.5%	\$87,996	\$101,143	6.2x	17.8x	19.3x	24.1x	22.6x	NM	61.2%	29.7%	32.2%	2.1x
Constellation Brands, Inc.	STZ	\$200.10	99.7%	\$39,002	\$48,023	6.5x	18.3x	20.3x	25.1x	28.1x	28.5x	49.5%	31.6%	35.1%	NM
Monster Beverage Corporation	MINST	\$55.82	98.9%	\$31,715	\$30,614	9.6x	24.0x	24.8x	42.2x	51.8x	42.9x	64.7%	38.7%	40.0%	NM
Brown-Forman Corporation	BF.b	\$53.04	88.8%	\$20,818	\$22,808	7.5x	21.1x	22.3x	29.3x	31.6x	27.3x	67.4%	33.5%	35.4%	1.8x
Dr Pepper Snapple Group, Inc.	DPS	\$91.05	91.5%	\$16,546	\$20,962	3.2x	13.3x	15.4x	21.8x	22.6x	21.0x	59.9%	20.7%	24.0%	2.8x
National Beverage Corp.	FIZZ	\$116.21	98.6%	\$5,414	\$5,272	6.4x	30.1x	32.4x	50.7x	NM	29.6x	39.7%	20.3%	21.8%	NM
The Boston Beer Company, Inc.	SAM	\$149.00	79.7%	\$1,771	\$1,700	1.9x	9.1x	12.6x	21.2x	33.4x	24.5x	51.2%	15.3%	21.1%	NM
Mean				\$79,288	\$99,114	5.6x	18.5x	20.8x	31.9x	29.0x	28.6x	57.1%	25.9%	29.3%	2.7x
Median				\$35,359	\$39,318	6.3x	18.1x	20.7x	25.1x	25.2x	27.3x	60.4%	26.7%	30.1%	2.1x
High				\$230,359	\$356,481	9.6x	30.1x	32.4x	50.7x	51.8x	42.9x	67.4%	38.7%	40.0%	5.8x
Low				\$1,771	\$1,700	1.9x	9.1x	12.6x	21.2x	22.6x	21.0x	39.7%	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 08/31/2017	% 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	SYV	\$52.67	92.3%	\$27,804	\$35,211	0.6x	11.6x	15.7x	25.3x	NM	23.2x	19.1%	4.0%	5.5%	2.4x
The Kroger Co.	KR	\$21.87	60.0%	\$19,625	\$32,703	0.3x	5.9x	10.7x	13.2x	21.3x	17.0x	22.7%	2.6%	4.7%	2.4x
Casey's General Stores, Inc.	CASY	\$105.42	78.3%	\$4,031	\$4,878	0.7x	9.6x	15.6x	23.5x	NM	26.2x	25.3%	4.5%	7.5%	1.8x
Weis Markets, Inc.	WMK	\$44.21	64.2%	\$1,189	\$1,160	0.3x	6.7x	12.6x	14.5x	NM	NM	27.5%	2.7%	5.1%	NM
SpartanNash Company	SPTN	\$24.64	61.0%	\$918	\$1,556	0.2x	6.8x	10.7x	14.1x	14.5x	16.1x	14.4%	1.8%	2.9%	2.8x
SUPERVALU Inc.	SUVI	\$19.99	49.8%	\$767	\$2,016	0.2x	4.3x	7.6x	50.6x	39.7x	25.7x	14.3%	2.0%	3.6%	2.7x
Ingles Markets, Incorporated	IMKT.A	\$21.95	41.9%	\$445	\$1,307	0.3x	5.7x	11.1x	9.1x	NM	NM	24.2%	3.0%	5.9%	3.8x
Village Super Market, Inc.	VULGE.A	\$23.13	63.5%	\$333	\$297	0.2x	4.4x	7.0x	13.4x	NM	NM	27.2%	2.6%	4.1%	NM
Mean				\$6,889	\$9,891	0.4x	6.9x	11.4x	20.5x	25.2x	21.6x	21.8%	2.9%	4.9%	2.6x
Median				\$1,054	\$1,786	0.3x	6.3x	10.9x	14.3x	21.3x	23.2x	23.4%	2.7%	4.9%	2.6x
High				\$27,804	\$35,211	0.7x	11.6x	15.7x	50.6x	39.7x	26.2x	27.5%	4.5%	7.5%	3.8x
Low				\$333	\$297	0.2x	4.3x	7.0x	9.1x	14.5x	16.1x	14.3%	1.8%	2.9%	1.8x

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 08/31/2017	% 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	\$46.99	70.3%	\$2,355	\$2,582	0.6x	8.8x	12.2x	14.9x	0.0x	15.9x	9.7%	5.2%	7.1%	0.7x
Calavo Growers, Inc.	CVGW	\$67.15	87.4%	\$1,177	\$1,216	1.2x	16.3x	18.6x	29.2x	NM	33.4x	10.5%	5.6%	6.5%	0.4x
Seneca Foods Corporation	SENEA	\$29.80	69.9%	\$293	\$671	0.5x	12.5x	24.7x	25.1x	NM	NM	8.1%	2.1%	4.2%	7.0x
Adventure Foods, Inc.	SNAK	\$3.43	33.8%	\$68	\$156	0.6x	47.0x	NM	NM	NM	(39.6x)	12.7%	(1.6%)	1.3%	26.6x
<b>Mean</b>				\$973	\$1,156	0.7x	21.2x	18.5x	23.1x	0.0x	3.2x	10.3%	2.8%	4.8%	8.7x
<b>Median</b>				\$735	\$943	0.6x	14.4x	18.6x	25.1x	0.0x	15.9x	10.1%	3.6%	5.4%	3.9x
<b>High</b>				\$2,355	\$2,582	1.2x	47.0x	24.7x	29.2x	0.0x	33.4x	12.7%	5.6%	7.1%	26.6x
<b>Low</b>				\$68	\$156	0.5x	8.8x	12.2x	14.9x	0.0x	-39.6x	8.1%	-1.6%	1.3%	0.4x

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 08/31/2017	% 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	\$63.30	82.2%	\$25,225	\$33,834	0.9x	8.9x	11.0x	13.3x	16.6x	15.7x	13.3%	8.2%	10.1%	2.8x
Hormel Foods Corporation	HRL	\$30.74	79.1%	\$16,248	\$15,864	1.7x	11.0x	12.0x	19.0x	27.0x	23.7x	22.5%	13.7%	15.2%	(0.3x)
Pilgrim's Pride Corporation	PPC	\$29.45	99.8%	\$7,326	\$8,477	1.0x	8.5x	10.5x	14.9x	8.6x	13.1x	12.6%	9.8%	12.2%	1.1x
Sanderson Farms, Inc.	SAFM	\$147.52	99.2%	\$3,355	\$2,957	0.9x	5.6x	6.8x	11.8x	11.0x	10.5x	19.6%	13.4%	16.4%	(0.8x)
Bridford Foods Corporation	BRID	\$11.91	66.2%	\$108	\$97	0.6x	7.0x	9.0x	12.8x	NM	NM	37.6%	7.5%	9.6%	(0.7x)
<b>Mean</b>				\$10,052	\$12,246	1.0x	8.2x	9.9x	14.4x	15.8x	15.8x	21.1%	10.5%	12.7%	0.4x
<b>Median</b>				\$7,326	\$8,477	0.9x	8.5x	10.5x	13.3x	13.8x	14.4x	19.6%	9.8%	12.2%	(0.3x)
<b>High</b>				\$23,225	\$33,834	1.7x	11.0x	12.0x	19.0x	27.0x	23.7x	37.6%	13.7%	16.4%	2.8x
<b>Low</b>				\$108	\$97	0.6x	5.6x	6.8x	11.8x	8.6x	10.5x	12.6%	7.5%	9.6%	(0.8x)

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 08/31/2017	% 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	\$79.18	93.8%	\$50,045	\$71,989	2.6x	14.5x	17.9x	22.6x	22.8x	22.7x	50.2%	14.3%	17.7%	4.5x
Dean Foods Company	DF	\$11.00	49.3%	\$1,000	\$1,873	0.2x	5.0x	9.4x	17.8x	16.5x	12.4x	24.3%	2.5%	4.8%	2.3x
Lifeway Foods, Inc.	LWAY	\$8.70	47.1%	\$140	\$137	1.1x	21.1x	38.2x	89.1x	93.3x	58.4x	29.5%	2.9%	5.2%	(0.4x)
<b>Mean</b>				\$17,062	\$24,666	1.3x	13.5x	21.8x	43.2x	44.2x	31.2x	34.7%	6.6%	9.2%	2.1x
<b>Median</b>				\$1,000	\$1,873	1.1x	14.5x	17.9x	22.6x	22.8x	22.7x	29.5%	2.9%	5.2%	2.3x
<b>High</b>				\$50,045	\$71,989	2.6x	21.1x	38.2x	89.1x	93.3x	58.4x	50.2%	14.3%	17.7%	4.5x
<b>Low</b>				\$140	\$137	0.2x	5.0x	9.4x	17.8x	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



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### Organics & Healthy:

(\$ in millions, except per share data)

Company	Share Price 08/31/2017	% 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	\$40.22	88.2%	\$4,171	\$4,774	1.7x	17.6x	23.6x	61.9x	NM	27.0x	19.0%	6.7%	9.1%	2.3x
Amplify Snack Brands, Inc.	BETR	\$7.21	41.1%	\$553	\$1,128	3.3x	13.9x	16.4x	47.9x	38.7x	26.3x	41.7%	19.9%	23.5%	7.1x
Inventure Foods, Inc.	SNAK	\$3.43	33.8%	\$68	\$156	0.6x	47.0x	NM	NM	NM	(39.6x)	12.7%	(1.6%)	1.3%	26.6x
<b>Mean</b>				\$1,597	\$2,019	1.9x	26.2x	20.0x	54.9x	38.7x	4.6x	24.4%	8.3%	11.3%	12.0x
<b>Median</b>				\$553	\$1,128	1.7x	17.6x	20.0x	54.9x	38.7x	26.3x	19.0%	6.7%	9.1%	7.1x
<b>High</b>				\$4,171	\$4,774	3.3x	47.0x	23.6x	61.9x	38.7x	27.0x	41.7%	19.9%	23.5%	26.6x
<b>Low</b>				\$68	\$156	0.6x	13.9x	16.4x	47.9x	38.7x	-39.6x	12.7%	-1.6%	1.3%	2.3x

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 08/31/2017	% 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	\$84.40	94.6%	\$261,510	\$283,444	3.0x	15.1x	18.1x	27.2x	23.2x	23.7x	50.5%	15.8%	19.2%	1.2x
Mondelēz International, Inc.	MDLZ	\$40.66	86.1%	\$61,301	\$78,974	3.1x	17.1x	20.8x	35.8x	28.2x	25.3x	38.8%	13.9%	17.1%	4.0x
General Mills, Inc.	GIS	\$53.26	74.7%	\$30,736	\$40,720	2.6x	11.6x	13.9x	19.2x	NM	NM	35.8%	17.9%	21.5%	2.8x
Kellogg Company	K	\$65.46	79.1%	\$22,593	\$30,579	2.4x	13.5x	17.4x	29.6x	20.0x	21.8x	37.7%	13.8%	17.7%	3.5x
Campbell Soup Company	CPB	\$46.20	71.9%	\$14,002	\$17,219	2.2x	8.7x	10.3x	16.0x	NM	19.4x	38.8%	21.2%	25.2%	1.6x
Conagra Brands, Inc.	CAG	\$32.46	66.4%	\$13,492	\$16,324	2.1x	9.9x	11.8x	26.5x	20.3x	NM	30.1%	16.8%	20.1%	1.7x
The J. M. Smucker Company	SIM	\$104.76	72.9%	\$11,899	\$16,941	2.3x	10.5x	14.2x	22.0x	NM	17.4x	37.9%	16.2%	22.0%	3.1x
Post Holdings, Inc.	POST	\$85.13	95.6%	\$5,632	\$9,752	1.9x	10.9x	16.7x	NM	NM	34.5x	30.1%	11.6%	17.7%	4.6x
Trehouse Foods, Inc.	THIS	\$66.99	70.4%	\$3,831	\$6,274	1.0x	9.6x	16.9x	NM	30.7x	29.9x	18.8%	5.8%	10.2%	3.7x
Snyder's-Lance, Inc.	LNCE	\$35.52	86.9%	\$3,433	\$4,569	2.1x	17.2x	27.3x	NM	40.3x	31.0x	36.7%	7.6%	12.0%	4.2x
Lancaster Colony Corporation	LANC	\$116.47	78.0%	\$3,197	\$3,054	2.5x	14.0x	15.8x	27.7x	NM	28.1x	26.5%	16.1%	18.2%	(0.7x)
J&J Snack Foods Corp.	JJSF	\$127.49	89.0%	\$2,389	\$2,247	2.2x	14.8x	20.4x	31.8x	28.6x	30.7x	30.2%	10.7%	14.7%	(0.9x)
B&G Foods, Inc.	BGS	\$30.50	60.0%	\$2,028	\$3,798	2.5x	12.0x	13.9x	20.0x	24.5x	22.3x	30.7%	18.0%	20.9%	5.6x
<b>Mean</b>				\$33,542	\$39,530	2.3x	12.7x	16.7x	25.6x	27.0x	25.8x	34.1%	14.3%	18.2%	2.7x
<b>Median</b>				\$11,899	\$16,324	2.3x	12.0x	16.7x	26.8x	26.3x	25.3x	35.8%	15.8%	18.2%	3.1x
<b>High</b>				\$261,510	\$283,444	3.1x	17.2x	27.3x	35.8x	40.3x	34.5x	50.5%	21.2%	25.2%	5.6x
<b>Low</b>				\$2,028	\$2,247	1.0x	8.7x	10.3x	16.0x	20.0x	17.4x	18.8%	5.8%	10.2%	(0.9x)

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	6.3x	18.1x
Retail & Distribution	0.3x	6.3x
Fruits, Vegetables & Nuts	0.6x	14.4x
Protein Products	0.9x	8.5x
Dairy	1.1x	14.5x
Organics & Healthy	1.7x	17.6x
Food Conglomerates	2.3x	12.0x
<b>Mean</b>	1.9x	13.1x
<b>Median</b>	1.1x	14.4x

Note: Multiples represent median values

Source: Capital IQ



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### Commodity Score Card

Commodity	Units	8/31/2017	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.76	\$3.77	\$3.82	\$3.23
Coffee	\$ per lb.	\$1.41	\$1.38	\$1.45	\$1.51
Cocoa	\$ per lb.	\$0.87	\$0.92	\$0.86	\$1.31
Wheat	\$ per bu.	\$4.68	\$4.61	\$4.57	\$3.94
Live Cattle	\$ per lb.	\$1.07	\$1.13	\$1.18	\$1.04

Source: Capital IQ

## Select M&A and Capital Raising News, August 2017

### ❖ H.I.G. Capital Announces the Sale of Albertville Quality Foods

August 1, 2017 – H.I.G. Capital announced the sale of its portfolio company Albertville Quality Foods, Inc. to OK Foods, a subsidiary of Industrias Bachoco S.A.B. (NYSE: IBA). Albertville is among the largest independent further processors of protein-based products and focuses on the development and production of customized center of the plate products that meet the demanding specifications of national and regional restaurant chains and other foodservice channels. The company operates two facilities in Albertville, Alabama. H.I.G. acquired Albertville in 2010 and subsequently completed the strategic add-on acquisition of Sunrise Foods in 2012.

### ❖ Smithfield Invests \$25 Million in Chef'd; Smithfield Acquires Kansas City Sausage Co.

August 14, 2017 – Smithfield Foods, Inc. has invested \$25 million in on-line meal kit company, Chef'd, as part of a Series B round of funding. Other investors included Campbell Soup Co. and Fresh Direct. With its investment, Smithfield has become the brand's largest strategic investor and has claimed a seat on the company's board of directors.

August 15, 2017 – Smithfield Foods, Inc. has acquired Kansas City Sausage Co. L.L.C. (KC Sausage), a producer and processor of pre-rigor sausage. Terms of the agreement were not disclosed. Smithfield formed a 50/50 joint venture with KC Sausage and its sister company, Pine Ridge Farms L.L.C., in February 2013. The agreement enabled Smithfield to expand its breakfast and dinner sausage categories, which generated \$4 billion in retail and food service sales at the time.

### ❖ Hormel Acquires Fontanini for \$425 Million; Hormel Acquires Cidade do Sol

August 17, 2017 – Hormel Foods Corp. has acquired Fontanini Italian Meats and Sausages, a branded food service business, from Capitol Wholesale Meats, Inc. for \$425 million. Fontanini manufactures Italian meats and sausages as well as a variety of other premium meat products, including pizza toppings and meatballs. Fontanini will report into Hormel's Refrigerated Foods segment and will continue to operate out of its 188,000-square-foot facility in McCook, Illinois.

August 24, 2017 – Hormel Foods Corp. has acquired Cidade do Sol, a Brazilian meat processor, for approximately \$104 million. Cidade do Sol processes such value-added products as mortadella, sausage and salami. The products are sold both in retail and food service under the Ceratti brand.

### ❖ J&J Snack Acquires Labriola Baking

August 21, 2017 – J&J Snack Foods Corp. has acquired Labriola Baking Co., a producer of bread products and artisan soft pretzels located in Alsip, Illinois. Financial terms of the transaction were not disclosed. Labriola Baking was founded as a local Chicago-area bakery in 1993 and has grown into a national supplier of prebaked bread, rolls and soft pretzels for instore bakery and food service channels.

### ❖ B&G Foods to Acquire Back to Nature Foods Co.

August 22, 2017 – B&G Foods, Inc. has added another snack manufacturer to its portfolio. The company entered into an agreement with the private equity firm Brynwood Partners VI L.P. and Mondelez International to acquire Back to Nature Foods Co. for approximately \$162.5 million. Back to Nature Foods Co. is a joint venture between Brynwood and Mondelez, and features the Back to Nature and Snackwell's brands. Products manufactured under the brands include cookies, cakes, pretzels, popcorn, nuts and trail mix, granola, cereals, soups and juices. Many of the products sold under the Back to Nature brand are Non-GMO Project verified or certified organic.

### ❖ Farmer Brothers to Acquire Boyd's Coffee for \$58.6 Million

August 22, 2017 – Farmer Bros. Co., a coffee roaster, wholesaler and distributor of coffee, tea and culinary products, has entered into an agreement to acquire substantially all the assets of Boyd Coffee Co. for \$58.6 million (0.6x revenue). The purchase price consists of \$42 million in cash plus preferred stock. Founded in 1900 in Portland, Oregon, Boyd's provides coffee, tea and other beverages to restaurants, hotels and convenience stores. Boyd's generated approximately \$95 million in revenue during the previous 12-month period, with coffee accounting for 65% of its sales. Once fully integrated, Farmer Brothers expects the acquisition of Boyd's to deliver between \$13 million to \$16 million in annual incremental adjusted EBITDA. The integration is expected to be completed in 12 to 18 months.

### ❖ Caribou Coffee to Acquire Bruegger's Bagel

August 24, 2017 – Caribou Coffee, the second-largest company-operated premium coffeehouse in the United States, has agreed to acquire the Bruegger's Bagels chain from Le Duff America. Caribou Coffee is part of JAB Holding Co., which, over the past year, has also acquired Panera Bread Co. and Krispy Kreme Doughnuts, Inc. Financial terms of the transaction were not disclosed. Founded in 1983 in Troy, New York, Bruegger's operates approximately 300 restaurants in 26 states, the District of Columbia and Canada.



## The Cupboard

A Food & Beverage  
Industry Newsletter



### Industry News, August 2017

#### ❖ Dr Pepper Snapple Shuffles Leadership Team

August 1, 2017 – Jaxie Alt has been named executive vice-president of human resources for Dr Pepper Snapple. She was previously senior vice-president of marketing for the company, leading brand marketing and activation for the Dr Pepper brand as well as 7UP, A&W and Sunkist. Andrew Springate has been named senior vice-president and CMO. Mr. Springate has been with the company since 2000, most recently as senior vice-president of sales and general manager of the Coca-Cola Affiliated Sales Organization (CASO) since 2014. He was also senior vice-president of marketing, innovation and strategic planning for the company and senior vice-president of brand marketing for Dr Pepper, 7UP, Canada Dry, A&W, Sunkist, Crush, Hawaiian Punch, Mott's juices and Snapple teas. Succeeding Mr. Springate, Jason Butter has been named senior vice-president and general manager of CASO. Mr. Butter joined DPS in 1998 and has held a variety of positions within the company. Previously, he was vice-president of sales development since 2013.

#### ❖ Rosenfeld to Retire as CEO of Mondelez International

August 2, 2017 – Irene Rosenfeld will step down as CEO of Mondelez International, Inc. in November. At that time Dirk Van de Put, the former CEO of McCain Foods, a privately held Canadian frozen food manufacturer with sales of approximately \$7.3 billion, will take the reins of the global snack maker. Ms. Rosenfeld will remain chairman of Mondelez's board until March 31, 2018.

#### ❖ Two Executives Depart Tyson Foods as Part of Restructuring

August 3, 2017 – Two executives will depart Tyson Foods, Inc. as part of a company restructuring. Monica McGurk, chief growth officer, and Andy Callahan, president, North American Foodservice & International, will be leaving the company. The new structure is designed around Tyson Foods' Beef, Pork, Chicken and Prepared Foods segments. Group presidents have been tapped to lead the segments end-to-end. Sally Grimes will become group president of Prepared Foods, Doug Ramsey has been named group president of Poultry, and Noel White has been selected as group president of Fresh Meats (Beef and Pork) & International. Each will report to Tom Hayes, president and CEO of Tyson Foods.

#### ❖ McCain Foods Promotes Koeune to President, CEO

August 4, 2017 – The board of directors of McCain Foods Ltd. has approved the appointment of Max Koeune to the role of president and CEO, effective November 1. Mr. Koeune will succeed Dirk Van de Put, who is leaving McCain after seven years to become CEO of Mondelez International. Mr. Koeune will assume the role of CEO-designate with immediate effect, and then the role of president and CEO in November 2017. Mr. Koeune joined McCain Foods as CFO in 2012, and over the past five years he has played a key role in the development and delivery of a successful global growth and transformation strategy, organically and through acquisitions. Prior to joining McCain, he spent many years at Groupe Danone, including as head of corporate development, finance vice-president for the Americas Beverages Division and Americas Business Development and finance director.

#### ❖ Schwan's Co. Partners with Sustainable Shrimp Producer

August 14, 2017 – Schwan's Co. has formed a strategic partnership with Ralco affiliate the Trü Shrimp Co., a producer of sustainable and traceable shrimp. The partnership was created to "help propel in-land shrimp production forward." As part of the partnership, Schwan's Co. is making an investment in the Trü Shrimp Co. Terms of the partnership were not disclosed. To begin their cooperation, the companies will renovate available manufacturing space in Marshall owned by Schwan's and convert it into Schwan's first shrimp processing facility. Trü Shrimp also is planning to locate a shrimp hatchery in Marshall.

#### ❖ Del Monte Foods Taps Hormel Vet as CEO

August 17, 2017 – Gregory Longstreet has been named CEO of Del Monte Foods, Inc., a subsidiary of Del Monte Pacific Ltd., effective September 5. Mr. Longstreet joins Del Monte from Hormel Foods Corp., where he was most recently president and CEO of CytoSport Inc. In this position, his responsibilities included brand and product expansion within the beverage, bar and powder segments of the sports nutrition category, with a focus on brand development, new product introductions and multi-channel expansion.

#### ❖ Hormel Hires New CytoSport CEO

August 21, 2017 – Lisa Selk has been named CEO of CytoSport, Inc., a subsidiary of Hormel Foods Corp. that produces Muscle Milk, Evolve and Cytomax protein products. Ms. Selk succeeds Gregory Longstreet, who recently left his position to become CEO of Del Monte Foods, Inc. Ms. Selk was most recently marketing director for a portfolio of brands at Hormel Foods, including Skippy peanut butter, Herb-OX bouillon, House of Tsang Asian goods and divisional innovation. Ms. Selk joined Hormel in 1998 as a food scientist in the research and development department.

#### ❖ Dean Foods CFO to Step Down

August 23, 2017 – Chris Bellairs, executive vice-president and CFO of Dean Foods Co., will leave the company September 1. Mr. Bellairs joined the company in 2008 and has been CFO since March 2013. Scott Vopni, senior vice-president and chief accounting officer, has been named interim CFO while the company searches for a new CFO. Mr. Bellairs will assist in transitioning Mr. Vopni into the role. Mr. Vopni joined Dean Foods in May 2008 and has held multiple senior roles in the company's finance organization. He currently leads the accounting team and oversees the finance function for both the supply chain and commercial organizations.

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Additional information is available upon request.

