

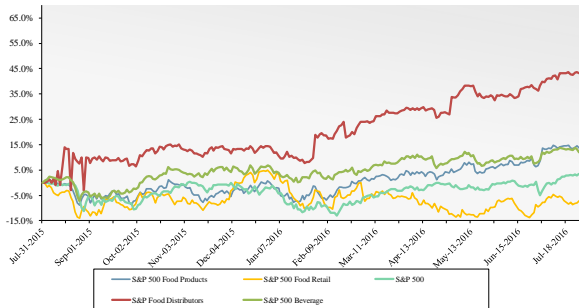
The Cupboard



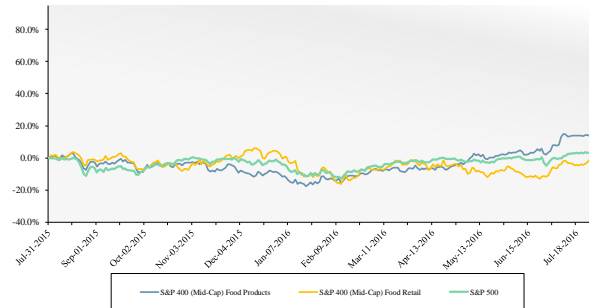
A Food & Beverage Industry Newsletter



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



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



Indices Performance (% change)

	July 2016	LTM		July 2016	LTM		July 2016	LTM
S&P 500	3.4%	3.3%	S&P 500 Food Products	(0.2%)	13.1%	S&P 400 Food Products (Mid-Cap)	5.9%	13.9%
Dow Jones	2.7%	4.2%	S&P 500 Food Retail	(6.0%)	(13.8%)	S&P 400 Food Retail (Mid-Cap)	2.2%	(4.4%)
NASDAQ	5.8%	0.7%	S&P 500 Food Distributors	2.9%	42.6%			
			S&P 500 Beverage	0.0%	11.3%			

Source: Capital IQ

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

Village Super Market Inc.	6.1%	Natural Grocers by Vitamin Cottage, Inc.	(11.1%)
SUPERVALU Inc.	4.2%	The Kroger Co.	(8.7%)
Casey's General Stores, Inc.	0.9%	Whole Foods Market, Inc.	(8.0%)
		Ingles Markets, Incorporated	(4.4%)
		Weis Markets, Inc.	(1.6%)

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

Inventure Foods, Inc.	20.9%	The Hain Celestial Group, Inc.	(26.6%)
HRG Group, Inc.	13.6%	Flowers Foods, Inc.	(20.1%)
Omega Protein Corporation	13.1%	Seneca Foods Corp.	(13.9%)
S&W Seed Company	12.4%	Darling Ingredients Inc.	(9.2%)
Rocky Mountain Chocolate Factory Inc.	9.2%	Dean Foods Company	(8.7%)

Source: Capital IQ

Food Industry Contacts

Tom Denison
(312) 283-0819
thomas.denison@thechicagocorp.com

Phil Clarke
(312) 283-0803
philip.clarke@thechicagocorp.com

Diane Selph
(312) 283-0828
diane.selph@thechicagocorp.com

Jeff Schneiders
(312) 283-0807
jeff.schneiders@thechicagocorp.com

Fred Floberg
(312) 283-0802
fred.floberg@thechicagocorp.com

Stan Cutter
(312) 283-0804
stan.cutter@thechicagocorp.com



The Cupboard



A Food & Beverage Industry Newsletter



Select Public Trading Statistics

Beverage:

(\$ in millions, except per share data)

Company	Share Price 07/31/2016	% 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:ABI	\$130.53	92.8%	\$209,852	\$261,330	6.1x	16.0x	19.4x	54.2x	25.2x	33.7x	61.1%	31.2%	37.8%	2.0x
The Coca-Cola Company	KO	\$43.63	92.6%	\$188,308	\$212,848	4.9x	16.8x	19.8x	25.1x	22.6x	24.8x	60.3%	23.3%	27.7%	2.0x
PepsiCo, Inc.	PEP	\$108.92	98.2%	\$156,753	\$178,976	2.9x	14.8x	18.0x	30.8x	23.1x	24.4x	55.6%	16.0%	19.5%	1.8x
Diageo plc	LSE:DEGE	\$28.50	97.4%	\$71,536	\$84,982	6.1x	18.0x	20.0x	24.3x	NM	22.7x	59.5%	28.5%	31.3%	2.8x
Constellation Brands Inc.	STZ	\$164.63	97.9%	\$33,038	\$41,326	6.1x	18.1x	20.0x	29.7x	NM	29.0x	46.6%	29.6%	33.0%	NM
Monster Beverage Corporation	MNST	\$160.63	98.7%	\$32,615	\$29,578	10.7x	28.3x	29.2x	45.8x	51.8x	44.3x	62.2%	37.9%	39.2%	NM
Brown-Forman Corporation	BFB	\$49.10	88.4%	\$19,971	\$21,209	6.9x	19.1x	20.1x	18.8x	NM	29.4x	69.4%	34.1%	35.9%	1.1x
Dr Pepper Snapple Group, Inc.	DPS	\$98.51	99.7%	\$18,264	\$20,939	3.3x	13.0x	15.0x	22.6x	22.6x	22.3x	59.8%	22.0%	25.4%	1.7x
National Beverage Corp.	PZZZ	\$57.36	88.6%	\$2,670	\$2,560	3.6x	24.4x	27.5x	43.8x	NM	NM	34.3%	13.2%	14.9%	NM
The Boston Beer Company, Inc.	SAM	\$182.88	70.2%	\$2,249	\$2,222	2.4x	11.9x	15.8x	27.4x	33.4x	25.3x	51.4%	14.9%	19.9%	NM
Mean				\$73,526	\$85,597	5.3x	18.0x	20.5x	32.2x	29.8x	28.4x	56.0%	25.1%	28.5%	2.1x
Median				\$32,826	\$35,452	5.5x	17.4x	19.9x	28.5x	24.2x	25.3x	59.6%	25.9%	29.5%	1.9x
High				\$209,852	\$261,330	10.7x	28.3x	29.2x	54.2x	51.8x	44.3x	69.4%	37.9%	39.2%	2.9x
Low				\$2,249	\$2,222	2.4x	11.9x	15.0x	18.8x	22.6x	22.3x	34.3%	13.2%	14.9%	1.3x

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 07/31/2016	% 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 Kroger Co.	KR	\$34.19	80.0%	\$32,446	\$44,483	0.4x	7.5x	12.0x	16.0x	21.3x	17.9x	23.0%	3.3%	5.3%	2.0x
Sysco Corporation	SYV	\$51.79	99.0%	\$29,184	\$33,012	0.7x	13.3x	17.5x	37.7x	NM	23.7x	17.9%	4.0%	5.3%	1.3x
Whole Foods Market, Inc.	WFM	\$30.48	83.6%	\$9,717	\$10,144	0.6x	7.4x	11.5x	21.6x	NM	21.0x	34.5%	5.6%	8.7%	NM
Casey's General Stores, Inc.	CASY	\$133.54	98.0%	\$5,227	\$5,989	1.0x	10.7x	15.3x	23.3x	NM	24.8x	25.6%	6.2%	8.9%	1.4x
Weis Markets, Inc.	WMRK	\$51.67	95.9%	\$1,390	\$1,277	0.4x	7.4x	12.7x	21.5x	NM	NM	27.5%	3.5%	5.9%	NM
SUPERVALU Inc.	SVU	\$4.88	52.1%	\$1,297	\$3,737	0.2x	4.9x	7.7x	8.6x	12.9x	9.2x	15.1%	2.8%	4.4%	3.2x
SpartanNash Company	SPIN	\$31.50	93.1%	\$1,180	\$1,667	0.2x	7.4x	11.6x	19.0x	14.5x	14.2x	14.6%	1.9%	3.0%	2.1x
Ingles Markets, Incorporated	IMKT.A	\$38.83	67.3%	\$787	\$1,685	0.4x	7.2x	12.9x	13.7x	NM	NM	24.2%	3.5%	6.3%	3.8x
Village Super Market Inc.	VLGEA	\$31.64	99.3%	\$447	\$411	0.3x	6.4x	10.0x	19.1x	NM	NM	27.3%	2.6%	4.0%	NM
Mean				\$9,075	\$11,379	0.5x	8.0x	12.3x	20.0x	16.2x	18.5x	23.3%	3.7%	5.8%	2.3x
Median				\$1,390	\$3,737	0.4x	7.4x	12.0x	19.1x	14.5x	19.5x	24.2%	3.5%	5.3%	2.0x
High				\$32,446	\$44,483	1.0x	13.3x	17.5x	37.7x	21.3x	24.8x	34.5%	6.2%	8.9%	3.8x
Low				\$447	\$411	0.2x	4.9x	7.7x	8.6x	12.9x	9.2x	14.6%	1.9%	3.0%	1.3x

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



Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 07/31/2016	% 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.	FDW	\$56.85	98.2%	\$2,889	\$3,177	0.8x	11.8x	16.2x	29.7x	0.0x	16.3x	10.3%	5.6%	7.5%	0.3x
Calavo Growers Inc.	CVDW	\$65.78	95.6%	\$1,147	\$1,173	1.4x	20.8x	24.4x	38.7x	NM	33.2x	10.7%	5.6%	6.5%	0.4x
Seneca Foods Corp.	SINELA	\$39.17	95.8%	\$387	\$692	0.5x	5.9x	7.2x	7.6x	NM	NM	11.3%	7.3%	9.0%	2.6x
Inventure Foods, Inc.	SNAK	\$8.62	86.7%	\$170	\$276	1.0x	29.8x	138.5x	NM	NM	160.0x	12.9%	0.7%	3.3%	11.5x
Mean				\$1,148	\$1,330	0.9x	17.1x	46.6x	25.3x	0.0x	69.8x	11.3%	4.8%	6.6%	3.8x
Median				\$767	\$923	0.9x	16.3x	20.3x	29.7x	0.0x	33.2x	11.0%	5.6%	7.0%	1.5x
High				\$2,889	\$3,177	1.4x	29.8x	138.5x	38.7x	0.0x	160.0x	12.9%	7.3%	9.0%	11.5x
Low				\$170	\$276	0.5x	5.9x	7.2x	7.6x	0.0x	16.3x	10.3%	0.7%	3.3%	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 07/31/2016	% 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	\$73.60	99.5%	\$28,354	\$34,462	0.9x	9.8x	12.2x	19.9x	NM	17.2x	12.6%	7.9%	9.7%	1.6x
Hormel Foods Corporation	HRL	\$37.35	81.7%	\$19,790	\$19,664	2.1x	14.4x	15.9x	25.8x	NM	24.5x	22.2%	13.5%	14.9%	0.0x
Pilgrim's Pride Corporation	PPC	\$23.25	83.7%	\$5,917	\$6,997	0.9x	7.5x	9.1x	12.6x	8.6x	24.5x	12.0%	9.5%	11.6%	1.2x
Sanderson Farms, Inc.	SAFM	\$87.59	91.3%	\$1,977	\$1,754	0.6x	5.9x	8.1x	14.4x	NM	11.3x	13.8%	8.0%	11.0%	(0.7x)
Bridgford Foods Corp.	BRID	\$13.64	91.0%	\$124	\$114	0.8x	8.0x	NM	7.7x	NM	NM	37.8%	8.5%	10.7%	(0.8x)
Mean				\$11,233	\$12,598	1.1x	9.1x	11.3x	16.1x	8.6x	16.5x	19.7%	9.5%	11.6%	0.2x
Median				\$5,917	\$6,997	0.9x	8.0x	10.7x	14.4x	8.6x	15.0x	13.8%	8.5%	11.0%	0.0x
High				\$28,354	\$34,462	2.1x	14.4x	15.9x	25.8x	8.6x	24.5x	37.8%	13.5%	14.9%	1.6x
Low				\$124	\$114	0.6x	5.9x	8.1x	7.7x	8.6x	11.3x	12.0%	7.9%	9.7%	(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 07/31/2016	% 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	\$77.98	99.4%	\$48,093	\$57,778	2.3x	13.3x	16.6x	24.3x	22.8x	23.0x	50.9%	13.9%	17.3%	2.2x
The WhiteWave Foods Company	WWAV	\$85.49	97.7%	\$9,833	\$11,945	3.0x	25.4x	34.7x	56.3x	43.0x	39.4x	34.3%	9.2%	12.4%	4.1x
Dean Foods Company	DF	\$18.46	87.2%	\$1,694	\$2,444	0.3x	5.6x	9.7x	16.4x	16.5x	13.1x	25.7%	3.4%	5.7%	2.0x
Lilway Foods Inc.	LWAY	\$9.99	64.0%	\$161	\$163	1.3x	22.4x	39.6x	82.8x	93.3x	32.4x	31.0%	6.2%	8.8%	(0.0x)
Mean				\$14,945	\$18,083	1.7x	16.7x	25.2x	45.0x	43.9x	27.0x	35.5%	8.2%	11.1%	2.1x
Median				\$5,763	\$7,195	1.8x	17.8x	25.6x	40.3x	32.9x	27.7x	32.7%	7.7%	10.6%	2.1x
High				\$48,093	\$57,778	3.0x	25.4x	39.6x	82.8x	93.3x	39.4x	50.9%	13.9%	17.3%	4.1x
Low				\$161	\$163	0.3x	5.6x	9.7x	16.4x	16.5x	13.1x	25.7%	3.4%	5.7%	0.0x

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 07/31/2016	% 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 WhiteWave Foods Company	WWAV	\$55.49	97.7%	\$9,833	\$11,945	3.0x	25.4x	34.7x	56.3x	43.0x	39.4x	34.3%	9.2%	12.4%	4.1x
The Hain Celestial Group, Inc.	HAIN	\$52.79	74.7%	\$5,461	\$6,253	2.2x	16.9x	20.2x	26.4x	NM	22.2x	23.2%	10.7%	12.8%	2.1x
Amplify Snack Brands, Inc.	BETR	\$14.26	82.9%	\$1,067	\$1,255	6.5x	20.2x	21.8x	80.8x	38.7x	30.4x	54.6%	29.0%	31.3%	3.1x
Mean				\$5,453	\$6,484	3.9x	20.8x	25.6x	54.5x	40.8x	30.7x	37.4%	16.3%	18.8%	3.1x
Median				\$5,461	\$6,253	3.0x	20.2x	21.8x	56.3x	40.8x	30.4x	34.3%	10.7%	12.8%	3.1x
High				\$9,833	\$11,945	6.5x	25.4x	34.7x	80.8x	43.0x	39.4x	54.6%	29.0%	31.3%	4.1x
Low				\$1,067	\$1,255	2.2x	16.9x	20.2x	26.4x	38.7x	22.2x	23.2%	9.2%	12.4%	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 07/31/2016	% 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	\$80.80	98.6%	\$243,050	\$261,569	2.8x	14.1x	17.0x	26.9x	23.2x	23.5x	50.4%	15.7%	19.1%	1.2x
Mondelez International, Inc.	MDLZ	\$43.98	90.5%	\$68,412	\$83,998	3.1x	18.9x	23.3x	9.3x	28.2x	27.4x	39.1%	12.7%	15.8%	3.6x
General Mills, Inc.	GIS	\$71.89	98.5%	\$42,920	\$51,810	3.1x	14.9x	17.7x	26.0x	18.9x	23.2x	36.0%	17.2%	20.4%	2.3x
Kellogg Company	K	\$82.71	94.9%	\$28,952	\$36,898	2.8x	18.0x	24.0x	52.7x	20.0x	22.8x	37.1%	11.4%	15.3%	3.8x
ConAgra Foods, Inc.	CAG	\$46.76	95.8%	\$20,515	\$25,289	2.2x	14.7x	18.6x	42.9x	20.3x	21.6x	27.0%	10.5%	13.6%	3.0x
Campbell Soup Company	CPB	\$62.27	91.7%	\$19,219	\$22,550	2.8x	14.2x	17.6x	28.2x	NM	20.1x	35.4%	16.1%	20.0%	2.1x
The J. M. Smucker Company	SJM	\$154.16	99.5%	\$17,949	\$23,269	3.0x	13.8x	18.3x	26.8x	NM	19.2x	38.2%	16.2%	21.6%	3.1x
Trehouse Foods, Inc.	THIS	\$103.19	98.7%	\$5,823	\$8,737	2.4x	20.8x	32.2x	50.5x	30.7x	36.5x	18.9%	6.2%	10.4%	6.1x
Post Holdings, Inc.	POST	\$86.67	97.4%	\$5,574	\$9,459	1.9x	11.8x	18.7x	NM	NM	39.4x	29.6%	10.9%	16.8%	4.4x
Lancaster Colony Corporation	LANC	\$129.96	98.4%	\$3,562	\$3,468	2.9x	17.2x	19.6x	30.5x	NM	26.8x	25.2%	15.5%	17.5%	(0.6x)
Snyder's-Lance, Inc.	LNCE	\$34.26	87.6%	\$3,283	\$4,669	2.7x	22.8x	35.6x	176.1x	40.3x	31.9x	34.2%	7.2%	11.6%	6.2x
B&G Foods Inc.	BGS	\$51.59	97.6%	\$3,232	\$4,672	3.8x	16.2x	18.3x	32.5x	24.5x	23.5x	32.3%	21.0%	23.8%	5.0x
J&J Snack Foods Corp.	JJSF	\$121.61	96.8%	\$2,269	\$2,157	2.2x	13.9x	18.6x	30.4x	28.6x	28.6x	31.0%	11.7%	15.6%	(0.7x)
Mean				\$35,751	\$41,427	2.7x	16.2x	21.5x	44.4x	26.1x	26.5x	33.4%	13.3%	17.0%	3.0x
Median				\$17,949	\$22,550	2.8x	14.9x	18.6x	30.5x	24.5x	23.5x	34.2%	12.7%	16.8%	3.1x
High				\$243,050	\$261,569	3.8x	22.8x	35.6x	176.1x	40.3x	39.4x	50.4%	21.0%	23.8%	6.2x
Low				\$2,269	\$2,157	1.9x	11.8x	17.0x	9.3x	18.9x	19.2x	18.9%	6.2%	10.4%	(0.7x)

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	5.5x	17.4x
Retail & Distribution	0.4x	7.4x
Fruits, Vegetables & Nuts	0.9x	16.3x
Protein Products	0.9x	8.0x
Dairy	1.8x	17.8x
Organics & Healthy	3.0x	20.2x
Food Conglomerates	2.8x	14.9x
Mean	2.2x	14.6x
Median	1.8x	16.3x

Note: Multiples represent median values

Source: Capital IQ



The Cupboard

A Food & Beverage
Industry Newsletter



Commodity Score Card

Commodity	Units	7/31/2016	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.43	\$3.65	\$3.72	\$3.76
Coffee	\$ per lb.	\$1.42	\$1.46	\$1.16	\$1.24
Cocoa	\$ per lb.	\$1.41	\$1.34	\$1.25	\$1.44
Wheat	\$ per bu.	\$4.44	\$4.45	\$4.79	\$4.99
Live Cattle	\$ per lb.	\$1.10	\$1.15	\$1.34	\$1.48

Source: Capital IQ

Select M&A and Capital Raising News, July 2016

❖ Gores Holdings to Acquire Hostess Brands

July 5, 2016 – Gores Group Holdings, a private equity firm, has entered into an agreement to acquire a majority stake in Kansas City-based Hostess Brands L.L.C. and plans to introduce the snack maker as a publicly traded company with an enterprise value of approximately \$2.3 billion, which equates to 10.4x adjusted EBITDA.

❖ Danone to Acquire WhiteWave Foods

July 7, 2016 – Infant formula and yogurt manufacturer Danone S.A. has entered into an agreement to acquire The WhiteWave Foods Co. for \$56.25 per share in a transaction valued at approximately \$12.5 billion (3.1x revenue). The transaction has been approved by the board of directors of both companies. Based in Denver, WhiteWave Foods is an international competitor in the plant-based, organic dairy and organic produce categories. The company owns such brands as Silk, So Delicious, Horizon Organic, Earthbound Farm and Alpro. The company generated approximately \$4 billion in sales during fiscal 2015.

❖ Healthy Food Ingredients to Buy Flax Company

July 14, 2016 – Healthy Food Ingredients (HFI) has agreed to acquire Heartland Flax, a manufacturer of flax and flax oil based in Valley City, North Dakota. The transaction, expected to close this fall, will add to HFI's portfolio of non-bioengineered/non-G.M.O., organic and gluten-free ingredients, including pulses, grains, seeds, soybeans, expeller oils and Suntava purple corn. Heartland Flax has a 5-log micro-reduction process in a gluten-free Global Food Safety Initiative (G.F.S.I.) facility. The company has capabilities for ancient grain processing, retail packaging and availability of climate-controlled warehouse facilities. Heartland Flax works with North Dakota State University and the Northern Crops Institute, both based in Fargo, North Dakota.

❖ AAK Expands U.S. Presence, Acquires CalOils

July 15, 2016 – AAK has acquired Richmond, California-based California Oils Corp. from Tokyo-based Mitsubishi Corp. Financial terms of the transaction were not disclosed. California Oils Corp., also known as CalOils, in 2015 had revenue of approximately SEK 1,350 million (\$158 million) and a volume of approximately 110,000 tonnes, with 65 employees. The company's product line includes a variety of oils, including palm and palm kernel oils, different forms of coconut oil, high-oleic and high-linoleic safflower oils, high-oleic and mid-oleic sunflower oils. The company also specializes in supplying a variety of vegetable oils and their blends to fit customer needs. All CalOils products are kosher certified.

❖ Gryphon Investors to Acquire Premium Dessert Maker

July 18, 2016 – Gryphon Investors, a middle market private equity firm based in San Francisco, has agreed to acquire Lawler Foods, a manufacturer of gourmet cheesecakes, layer cakes, pies and other desserts for retail and food service customers across North America. Financial terms of the transaction were not disclosed. Following completion of the transaction, Lawler Foods will become part of the same premium dessert platform as The Original Cakerie, which Gryphon acquired in December 2015. The Original Cakerie makes frozen desserts for retail and food service customers across North America. Based in Humble, Texas, Lawler Foods is a family-owned business founded in 1976 by Bill and Carol Lawler. The Lawler family will retain a significant investment in the company.

❖ Utz to Acquire Golden Flake Snack Foods

July 19, 2016 – Utz Quality Foods, Inc. has entered into an agreement to acquire Golden Enterprises, Inc., the Birmingham, Alabama-based manufacturer and distributor of Golden Flake Snack Foods, for about \$146 million (1.1x revenue). Golden Enterprises share price jumped following the news, climbing to as high as \$11.95 per share in mid-morning trading on July 19 after closing at \$7.50 on July 18.

❖ ConAgra Completes Two Divestitures

July 26, 2016 – ConAgra Foods, Inc. on July 26 completed two separate divestitures: the sale of its JM Swank business to Platinum Equity and the sale of its Spicetec Flavors & Seasonings business to Givaudan. ConAgra in mid-May agreed to sell its Spicetec Flavors & Seasonings business for approximately \$340 million. A few weeks after that, the company entered into a definitive agreement to sell its JM Swank business, a national food ingredient sourcing and distribution company. ConAgra Foods should generate approximately \$488 million in combined net proceeds from the divestitures.

❖ Bretèche Industrie Group acquires Shick Solutions

July 29, 2016 – Bretèche Industrie Group, a global company with eight plants located in France, Germany and the Czech Republic that focus on the baking, dairy, pharmaceutical and cosmetics markets, has acquired Shick Solutions, a Kansas City-based ingredient automation company. Financial terms of the transaction were not disclosed. Bretèche Group's most well-known brands include mixing companies Diosna and VMI, as well as ingredient handling company Esteve. Shick and Esteve are expected to work together to enhance their ability to supply ingredient handling systems to a global customer base. The combined companies will operate manufacturing plants in North America and Europe and will implement both Rockwell and Siemens system control platforms.



The Cupboard

A Food & Beverage
Industry Newsletter



Industry News, July 2016

❖ Dean Foods Expands Executive Leadership Team

July 7, 2016 – Russell F. Coleman has been named executive vice-president, general counsel, corporate secretary and government affairs for Dean Foods Co., effective August 1. Mr. Coleman joins Dean Foods from Meadows Collier law firm, where he was a partner. Before Meadows Collier, he was general counsel of national media company Belo Corp.

❖ Del Monte Foods Announces Leadership Changes

July 8, 2016 – Del Monte Foods, a producer, distributor and marketer of premium branded food products, has announced two additions to its leadership team. Paul Miller has been named senior vice-president and CFO. Most recently, Mr. Miller was senior vice-president of finance and chief accounting officer at Del Monte Foods. He joined the company in March 2014 as senior vice-president and controller. In his new role, he will be responsible for financial and risk management, including treasury for the company. Robert Long has been named vice-president and chief information officer. Mr. Long joins the company from Big Heart Pet Brands, where he was vice-president of information technology. Previously, he was vice-president of technical services and information technology at Copart and chief information officer at Anristu. Both will report to Dave Meyers, executive vice-president and chief administrative officer.

❖ Applegate Furthering non-GMO Commitment

July 13, 2016 – Applegate, a subsidiary of Hormel Foods Corp., announced plans to remove genetically modified organisms from its entire supply chain, from the animal feed to the finished product and to achieve third-party certification. In conjunction with the announcement, the company launched its first-ever non-GMO verified products: Applegate Organics Chicken Nuggets and Applegate Organics Gluten-free Chicken Nuggets. The move furthers Applegate's non-G.M.O. commitment. Last year, the company removed bioengineered ingredients from all of its products; however, its new endeavor includes animal feed crops, the vast majority of which in the United States are genetically modified. Last July, Hormel completed its acquisition of Applegate Farms, L.L.C. and its Applegate brand for \$775 million.

❖ ConAgra Taps Former Godiva Executive as CFO

July 15, 2016 – David Marberger has been appointed executive vice-president and CFO of ConAgra Foods, Inc., effective Aug. 29. Mr. Marberger will succeed John Gehring, who plans to retire in September. Currently, Mr. Marberger is the CFO of Prestige Brands, a provider of over-the-counter health care products with a portfolio of more than 80 brands. Before joining Prestige, he was the CFO of Godiva Chocolatier and Tasty Baking Co. and before that he spent 10 years at Campbell Soup Co. in various finance roles.

❖ Quiznos Promotes Lintonsmith to President, CEO

July 15, 2016 – Susan Lintonsmith has been promoted to president and CEO of Quiznos. She succeeds Katie Scherping, who has served as interim president and CEO since June. Ms. Scherping, who also was the company's CFO, is leaving the company to pursue an opportunity outside the restaurant industry. Ms. Lintonsmith joined Quiznos in 2012 as chief marketing officer and helped lead the revitalization of Quiznos marketing efforts with a greater focus on quality ingredients, menu improvements and simplification to re-energize store level growth and economics. She most recently was global chief marketing officer, where she was instrumental in opening the China market and leading the opening of Quiznos Grill, a foray into a premium sandwich in a fast-casual environment.

❖ AdvancePierre Appoints New SVP

July 20, 2016 – Linn Harson has been named senior vice-president, general counsel and corporate secretary of AdvancePierre Foods Holdings, Inc., effective August 1. In her new position, Ms. Harson will oversee all legal, corporate governance and compliance and reporting requirements for AdvancePierre. Most recently, Ms. Harson was a partner at the Dayton office of Thompson Hine, a law firm that has provided legal services to AdvancePierre for the last 25 years. Ms. Harson has worked with AdvancePierre since 2005 and has been the company's outside general counsel for the last several years. AdvancePierre, which markets and distributes ready-to-eat sandwiches, sandwich components and other entrees and snacks, made its debut as a public company on the New York Stock Exchange (NYSE) on July 15.

❖ Chipotle to Open Burger Restaurant in Ohio

July 29, 2016 – Ending months of speculation, Chipotle Mexican Grill confirmed plans to open Tasty Made, a restaurant specializing in premium hamburgers. The restaurant will open this fall in Lancaster, Ohio, and the menu will focus only on burgers, fresh-cut french fries and milkshakes. Tasty Made will use Responsibly Raised brand beef, which indicates that the cattle are raised using humane handling practices and without the use of antibiotics or added hormones. The burgers will be served on buns free of preservatives, dough conditioners and other artificial ingredients. The Tasty Made venture comes as Chipotle Mexican Grill continues its recovery from a series of food safety mishaps that occurred last year. Some analysts covering the restaurant industry questioned the wisdom of opening a burger-centric restaurant given concerns associated with ground beef and E. coli. Tasty Made isn't Chipotle's first venture beyond tortillas. The company operates ShopHouse Southeast Asian Kitchen and remains a partner in Pizzeria Locale.

The Cupboard is a monthly newsletter published by The Chicago Corporation. To subscribe, please visit www.thechicagocorp.com.

Information contained in this publication is based on data obtained from sources we deem to be reliable, however, it is not guaranteed as to accuracy and does not purport to be complete. Nothing contained in this publication is intended to be a recommendation of a specific security or company nor is any of the information contained herein intended to constitute an analysis of any company or security reasonably sufficient to form the basis for any investment decision. Nothing contained in this publication constitutes an offer to buy or sell or the solicitation of an offer to buy or sell any security. Officers or employees of affiliates of The Chicago Corporation, or members of their families, may have a beneficial interest in the securities of a specific company mentioned in this publication and may purchase or sell such securities in the open market or otherwise.

Sources include foodbusinessnews.net, Capital IQ and various publicly available news publications.

Additional information is available upon request.

