

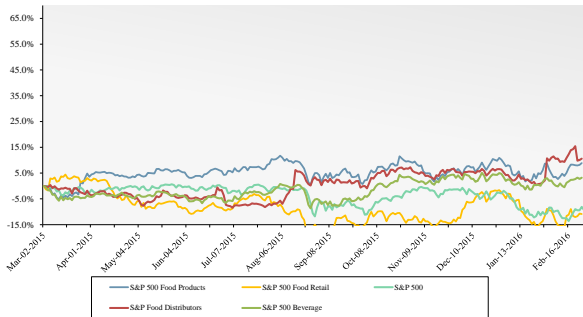
The Cupboard



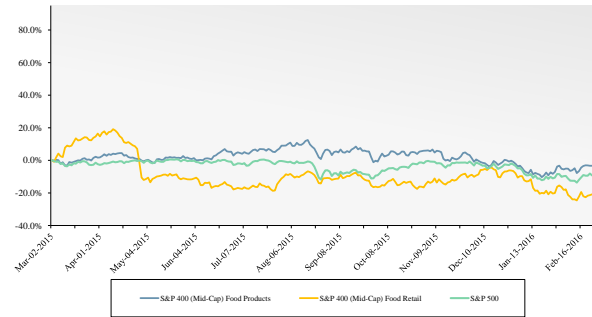
A Food & Beverage Industry Newsletter



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



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



Indices Performance (% change)

	February 2016	LTM		February 2016	LTM		February 2016	LTM
S&P 500	1.2%	(8.9%)	S&P 500 Food Products	3.9%	8.9%	S&P 400 Food Products (Mid-Cap)	4.4%	(2.9%)
Dow Jones	1.7%	(9.9%)	S&P 500 Food Retail	4.5%	(10.9%)	S&P 400 Food Retail (Mid-Cap)	(0.8%)	(20.1%)
NASDAQ	(0.5%)	(9.3%)	S&P 500 Food Distributors	9.9%	10.6%			
			S&P 500 Beverage	2.7%	3.2%			

Source: Capital IQ

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

SUPERVALU Inc.	25.9%	Fairway Group Holdings Corp.	(19.2%)
The Fresh Market, Inc.	22.1%	Casey's General Stores, Inc.	(12.0%)
Sprouts Farmers Market, Inc.	18.9%	Ingles Markets, Incorporated	(9.8%)
Natural Grocers by Vitamin Cottage, Inc.	13.7%	The Kroger Co.	(8.3%)
Whole Foods Market, Inc.	13.5%	Village Super Market Inc.	(1.7%)

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

Darling Ingredients Inc.	41.3%	Flowers Foods, Inc.	(12.2%)
Tyson Foods, Inc.	22.8%	Alico Inc.	(9.0%)
Limoneira Company	17.3%	Bunge Limited	(7.3%)
Sanderson Farms, Inc.	16.3%	Diamond Foods, Inc.	(5.5%)
Seneca Foods Corp.	15.9%	Calavo Growers Inc.	(5.4%)

Source: Capital IQ

Food Industry Contacts

Tom Denison (312) 283-0819 thomas.denison@thechicagocorp.com	Diane Selph (312) 283-0828 diane.selph@thechicagocorp.com	Fred Floberg (312) 283-0802 fred.floberg@thechicagocorp.com
Phil Clarke (312) 283-0803 philip.clarke@thechicagocorp.com	Jeff Schneiders (312) 283-0807 jeff.schneiders@thechicagocorp.com	Stan Cutter (312) 283-0804 stan.cutter@thechicagocorp.com



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Select Public Trading Statistics

Beverage:

(\$ in millions, except per share data)

Company	Share Price 02/29/2016	% 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	CY14 P/E	CY15 P/E	Gross	EBIT	EBITDA		
The Coca-Cola Company	KO	\$43.13	97.6%	\$186,731	\$211,466	4.8x	16.7x	19.7x	25.8x	21.5x	22.6x	60.5%	23.1%	27.6%	2.0x
Anheuser-Busch InBev SA/NV	ENXTR:AB	\$114.10	83.4%	\$183,293	\$230,013	5.2x	13.7x	16.6x	22.7x	21.8x	25.2x	60.7%	31.3%	37.8%	2.6x
PepsiCo, Inc.	PEP	\$97.82	94.6%	\$141,390	\$162,627	2.6x	13.3x	16.2x	26.6x	21.9x	23.1x	55.0%	15.9%	19.4%	1.7x
Diageo plc	LSX:DGE	\$26.44	93.9%	\$66,340	\$81,789	5.5x	16.8x	18.4x	18.9x	20.9x	22.6x	57.6%	27.8%	30.7%	2.9x
Constellation Brands Inc.	STZ	\$141.43	90.8%	\$28,211	\$35,239	5.5x	17.3x	19.2x	28.0x	24.0x	28.1x	45.5%	28.4%	31.7%	NM
Monster Beverage Corporation	MNST	\$125.50	78.2%	\$25,466	\$22,546	8.3x	22.5x	23.2x	44.2x	42.0x	51.8x	60.0%	35.7%	36.8%	NM
Brown-Forman Corporation	BF.B	\$98.47	88.7%	\$20,513	\$22,100	7.1x	20.1x	21.1x	30.2x	30.9x	31.6x	69.6%	34.5%	36.2%	1.3x
Dr Pepper Snapple Group, Inc.	DPS	\$91.53	95.5%	\$17,148	\$19,612	3.1x	12.9x	15.0x	23.1x	18.2x	22.6x	59.3%	20.8%	24.2%	1.6x
The Boston Beer Company, Inc.	SAM	\$188.11	67.7%	\$2,354	\$2,260	2.4x	11.3x	14.4x	26.0x	42.3x	33.4x	52.3%	16.3%	20.8%	NM
National Beverage Corp.	PIZZ	\$38.02	79.2%	\$1,765	\$1,685	2.5x	18.1x	20.7x	33.3x	NM	NM	33.5%	12.1%	13.9%	NM
Mean				\$67,321	\$78,934	4.7x	16.3x	18.5x	27.9x	27.0x	29.0x	55.4%	24.6%	27.9%	2.0x
Median				\$26,839	\$28,893	5.0x	16.7x	18.8x	26.3x	21.9x	25.2x	58.4%	25.5%	29.1%	1.9x
High				\$186,731	\$230,013	8.3x	22.5x	23.2x	44.2x	42.3x	51.8x	69.6%	35.7%	37.8%	2.9x
Low				\$1,765	\$1,685	2.4x	11.3x	14.4x	18.9x	18.2x	22.6x	33.5%	12.1%	13.9%	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 02/29/2016	% 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	CY14 P/E	CY15 P/E	Gross	EBIT	EBITDA		
The Kroger Co.	KR	\$39.91	93.4%	\$38,901	\$49,860	0.5x	8.9x	14.2x	19.8x	18.7x	21.3x	22.2%	3.3%	5.2%	2.1x
Sysco Corporation	SY	\$44.13	97.8%	\$24,916	\$28,728	0.6x	12.0x	15.7x	34.0x	20.6x	21.4x	17.7%	3.7%	4.9%	1.6x
Whole Foods Market, Inc.	WFM	\$31.31	54.9%	\$10,164	\$10,410	0.7x	7.4x	11.1x	21.2x	28.4x	19.2x	34.9%	6.0%	9.0%	NM
Casey's General Stores, Inc.	CASY	\$105.57	81.5%	\$4,118	\$4,899	0.7x	8.9x	12.7x	18.7x	21.7x	24.2x	24.3%	5.9%	8.5%	1.4x
SUPERVALU Inc.	SVU	\$5.11	42.6%	\$1,359	\$3,947	0.2x	4.9x	7.5x	8.8x	13.9x	12.9x	15.2%	2.9%	4.5%	3.2x
Weis Markets, Inc.	WMK	\$41.63	80.2%	\$1,120	\$1,014	0.4x	6.5x	11.7x	19.6x	NM	NM	27.3%	3.2%	5.6%	NM
The Fresh Market, Inc.	TFM	\$23.07	54.8%	\$1,084	\$1,079	0.6x	5.6x	8.6x	17.8x	24.3x	16.4x	34.0%	6.9%	10.6%	(0.0x)
SpartanNash Company	SPTN	\$27.45	81.0%	\$1,032	\$1,504	0.2x	6.7x	10.7x	16.4x	14.7x	14.5x	14.6%	1.8%	2.9%	2.1x
Ingles Markets, Incorporated	IMKT.A	\$33.73	58.5%	\$683	\$1,600	0.4x	6.8x	12.2x	11.9x	0.0x	0.0x	23.8%	3.5%	6.2%	3.9x
Village Super Market Inc.	VLSGA	\$26.51	76.7%	\$375	\$365	0.2x	5.4x	8.3x	12.1x	NM	NM	27.3%	2.7%	4.1%	NM
Mean				\$8,375	\$10,341	0.4x	7.3x	11.3x	18.0x	17.8x	16.2x	24.1%	4.0%	6.2%	2.0x
Median				\$1,239	\$2,773	0.4x	6.8x	11.4x	18.2x	19.6x	17.8x	24.0%	3.4%	5.4%	2.1x
High				\$38,901	\$49,860	0.7x	12.0x	15.7x	34.0x	28.4x	24.2x	34.9%	6.9%	10.6%	3.9x
Low				\$375	\$365	0.2x	4.9x	7.5x	8.8x	0.0x	0.0x	14.6%	1.8%	2.9%	(0.0x)

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 02/29/2016	% 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	CY14 P/E	CY15 P/E	Gross	EBIT	EBITDA		
Fresh Del Monte Produce Inc.	FDP	\$40.11	84.5%	\$2,061	\$2,333	0.6x	10.1x	14.7x	34.3x	NM	NM	8.4%	3.9%	5.7%	1.0x
Calavo Growers Inc.	CVGW	\$53.56	86.2%	\$931	\$965	1.1x	18.5x	21.8x	34.1x	27.7x	36.7x	9.9%	5.2%	6.1%	0.6x
Seneca Foods Corp.	SENEA	\$33.26	98.1%	\$329	\$660	0.5x	6.4x	8.1x	7.8x	NM	NM	10.1%	6.5%	8.2%	3.2x
Inventure Foods, Inc.	SNAK	\$6.12	49.7%	\$120	\$227	0.8x	17.7x	44.3x	NM	30.0x	NM	5.7%	(6.8%)	(4.1%)	(9.8x)
Mean				\$860	\$1,046	0.8x	13.2x	22.2x	25.4x	28.8x	36.7x	8.5%	2.2%	4.0%	-1.2x
Median				\$630	\$813	0.7x	13.9x	18.2x	34.1x	28.8x	36.7x	9.2%	4.5%	5.9%	0.8x
High				\$2,061	\$2,333	1.1x	18.5x	44.3x	34.3x	30.0x	36.7x	10.1%	6.5%	8.2%	3.2x
Low				\$120	\$227	0.5x	6.4x	8.1x	7.8x	27.7x	36.7x	5.7%	-6.8%	-4.1%	(9.8x)

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 02/29/2016	% 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	CY14 P/E	CY15 P/E	Gross	EBIT	EBITDA		
Tyson Foods, Inc.	TSN	\$64.75	97.1%	\$25,288	\$30,819	0.8x	9.2x	11.6x	19.3x	16.4x	16.6x	11.0%	6.7%	8.4%	1.6x
Hormel Foods Corporation	HRL	\$42.51	93.0%	\$22,465	\$22,340	2.4x	16.7x	18.6x	30.8x	23.4x	27.0x	21.0%	12.6%	14.1%	(0.1x)
Pilgrim's Pride Corporation	PPC	\$24.45	85.1%	\$6,230	\$6,808	0.8x	5.6x	6.5x	9.8x	12.4x	8.6x	15.3%	12.8%	14.7%	0.5x
Sanderson Farms, Inc.	SAFM	\$91.26	98.3%	\$2,060	\$1,915	0.7x	5.8x	7.6x	12.8x	7.4x	11.0x	14.6%	9.2%	12.1%	(0.4x)
Bridgford Foods Corp.	BRID	\$8.77	74.6%	\$80	\$75	0.6x	6.8x	NM	5.2x	NM	NM	37.2%	8.9%	11.2%	(0.9x)
Mean				\$11,225	\$12,391	1.1x	8.8x	11.1x	15.6x	14.9x	15.8x	19.8%	10.1%	12.1%	0.1x
Median				\$6,230	\$6,808	0.8x	6.8x	9.6x	12.8x	14.4x	13.8x	15.3%	9.2%	12.1%	(0.1x)
High				\$25,288	\$30,819	2.4x	16.7x	18.6x	30.8x	23.4x	27.0x	37.2%	12.8%	14.7%	1.6x
Low				\$80	\$75	0.6x	5.6x	6.5x	5.2x	7.4x	8.6x	11.0%	6.7%	8.4%	(0.9x)

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 02/29/2016	% 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	CY14 P/E	CY15 P/E	Gross	EBIT	EBITDA		
Danone	BN	\$70.74	94.8%	\$43,367	\$52,653	2.1x	12.9x	16.0x	30.6x	21.3x	22.8x	100.0%	12.9%	16.0%	0.0x
The WhiteWave Foods Company	WWAV	\$38.72	73.7%	\$6,828	\$8,923	2.3x	20.0x	27.3x	41.2x	40.6x	43.0x	34.2%	8.7%	11.8%	4.6x
Dean Foods Company	DF	\$19.29	91.1%	\$1,769	\$2,550	0.3x	6.4x	11.4x	NM	NM	16.5x	24.3%	2.7%	4.9%	2.0x
Lifeway Foods Inc.	LWAY	\$11.29	50.4%	\$184	\$184	1.5x	28.6x	54.1x	113.8x	84.1x	93.3x	28.2%	2.9%	5.4%	0.0x
Mean				\$13,037	\$16,078	1.6x	17.0x	27.2x	61.9x	48.7x	43.9x	46.7%	6.8%	9.6%	1.6x
Median				\$4,298	\$5,737	1.8x	16.5x	21.7x	41.2x	40.6x	32.9x	31.2%	5.8%	8.6%	1.0x
High				\$43,367	\$52,653	2.3x	28.6x	54.1x	113.8x	84.1x	93.3x	100.0%	12.9%	16.0%	4.6x
Low				\$184	\$184	0.3x	6.4x	11.4x	30.6x	21.3x	16.5x	24.3%	2.7%	4.9%	0.0x

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 02/29/2016	% 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	CY14 P/E	CY15 P/E	Gross	EBIT	EBITDA		
The WhiteWave Foods Company	WWAV	\$38.72	73.7%	\$6,828	\$8,923	2.3x	20.0x	27.3x	41.4x	40.6x	43.0x	34.2%	8.7%	11.8%	4.6x
The Hain Celestial Group, Inc.	HAIN	\$36.97	52.3%	\$3,812	\$4,617	1.6x	12.9x	15.4x	20.0x	34.0x	30.1x	23.4%	10.7%	12.8%	2.2x
Amplify Snack Brands, Inc.	BETR	\$10.29	59.8%	\$713	\$911	5.3x	24.2x	27.4x	153.3x	NM	38.7x	56.0%	20.8%	23.3%	4.3x
Mean				\$3,784	\$4,817	3.1x	19.0x	23.4x	71.6x	37.3x	37.3x	37.9%	13.4%	16.0%	3.7x
Median				\$3,812	\$4,617	2.3x	20.0x	27.3x	41.4x	37.3x	38.7x	34.2%	10.7%	12.8%	4.3x
High				\$6,828	\$8,923	5.3x	24.2x	27.4x	153.3x	40.6x	43.0x	56.0%	20.8%	23.3%	4.6x
Low				\$713	\$911	1.6x	12.9x	15.4x	20.0x	34.0x	30.1x	23.4%	8.7%	11.8%	2.2x

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 02/29/2016	% 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	CY14 P/E	CY15 P/E	Gross	EBIT	EBITDA		
Nestlé S.A.	NESN	\$70.68	91.0%	\$218,022	\$235,979	2.6x	13.1x	15.8x	24.3x	21.0x	23.2x	49.8%	15.5%	19.0%	1.0x
Mondelez International, Inc.	MDLZ	\$40.53	83.4%	\$63,586	\$77,232	2.6x	16.6x	20.5x	9.1x	23.6x	28.2x	38.8%	12.7%	15.7%	2.9x
General Mills, Inc.	GIS	\$58.85	97.8%	\$34,918	\$44,278	2.6x	12.5x	14.7x	24.3x	19.5x	18.9x	35.4%	17.0%	20.1%	2.4x
Kellogg Company	K	\$74.02	97.1%	\$25,926	\$33,444	2.5x	16.6x	22.5x	43.0x	16.1x	20.0x	36.5%	11.0%	14.9%	3.7x
Campbell Soup Company	CPB	\$61.75	96.6%	\$19,144	\$22,682	2.8x	14.5x	18.0x	28.4x	16.5x	18.0x	35.5%	15.7%	19.6%	2.3x
ConAgra Foods, Inc.	CAG	\$42.06	92.5%	\$18,259	\$26,183	1.7x	10.9x	14.2x	NM	15.8x	20.3x	22.3%	10.9%	14.4%	3.4x
The J. M. Smucker Company	SIM	\$127.57	98.1%	\$15,266	\$20,410	2.7x	13.0x	17.5x	36.7x	18.6x	23.2x	37.2%	15.3%	20.7%	3.3x
Trehouse Foods, Inc.	THIS	\$84.42	93.5%	\$4,761	\$5,954	1.9x	15.8x	23.3x	32.1x	23.9x	30.7x	20.2%	8.0%	11.8%	3.2x
Post Holdings, Inc.	POST	\$69.46	97.3%	\$4,452	\$8,321	1.7x	12.0x	20.2x	NM	(91.8x)	51.2x	26.7%	8.5%	14.4%	5.6x
Lancaster Colony Corporation	LANC	\$101.77	84.9%	\$2,786	\$2,699	2.3x	14.4x	16.5x	25.8x	0.0x	28.0x	23.6%	14.1%	16.2%	(0.5x)
Snyder's-Lance, Inc.	LNCE	\$32.71	83.7%	\$2,321	\$2,719	1.6x	14.7x	23.8x	33.1x	26.9x	40.3x	35.0%	6.9%	11.2%	1.9x
J&J Snack Foods Corp.	JJSF	\$110.79	88.2%	\$2,070	\$1,960	2.0x	13.0x	17.4x	29.2x	29.8x	28.6x	30.8%	11.4%	15.3%	(0.7x)
B&G Foods Inc.	BGS	\$34.59	85.4%	\$2,005	\$3,760	3.9x	17.5x	20.1x	28.4x	20.4x	24.5x	30.6%	19.4%	22.3%	8.1x
Mean				\$31,809	\$37,355	2.4x	14.2x	18.8x	28.6x	10.8x	27.3x	32.5%	12.8%	16.6%	2.8x
Median				\$15,266	\$20,410	2.5x	14.4x	18.0x	28.4x	19.5x	24.5x	35.0%	12.7%	15.7%	2.9x
High				\$218,022	\$235,979	3.9x	17.5x	23.8x	43.0x	29.8x	51.2x	49.8%	19.4%	22.3%	8.1x
Low				\$2,005	\$1,960	1.6x	10.9x	14.2x	9.1x	-91.8x	18.0x	20.2%	6.9%	11.2%	(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	5.0x	16.7x
Retail & Distribution	0.4x	6.8x
Fruits, Vegetables & Nuts	0.7x	13.9x
Protein Products	0.8x	6.8x
Dairy	1.8x	16.5x
Organics & Healthy	2.0x	16.4x
Food Conglomerates	2.5x	14.4x
Mean	1.9x	13.1x
Median	1.8x	14.4x

Note: Multiples represent median values

Source: Capital IQ



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Commodity Score Card

Commodity	Units	2/29/2016	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.58	\$3.65	\$3.75	\$3.88
Coffee	\$ per lb.	\$1.21	\$1.19	\$1.24	\$1.38
Cocoa	\$ per lb.	\$1.36	\$1.27	\$1.41	\$1.36
Wheat	\$ per bu.	\$4.60	\$4.72	\$4.83	\$5.00
Live Cattle	\$ per lb.	\$1.36	\$1.35	\$1.44	\$1.53

Source: Capital IQ

Select M&A and Capital Raising News, February 2016

❖ Treehouse Finalizes Transaction with ConAgra

February 2, 2016 – TreeHouse Foods completed the acquisition of the private brands business of Omaha-based ConAgra Foods. TreeHouse paid \$2.7 billion in cash plus transaction expenses for the business. The transaction was financed through the closing of its previously announced offerings of \$775 million in aggregate principal senior notes due in 2024 with a 6% annual interest rate and common stock issuance of 13.3 million shares at a price of \$65 per share, aggregating to \$862.5 million in gross proceeds. The remainder of the purchase price was financed under TreeHouse's revolving credit facility. The transaction first was announced in early November 2015.

❖ ChemChina to Acquire Syngenta for \$43 Billion

February 3, 2016 – China National Chemical Corp., also known as ChemChina, has agreed to acquire Syngenta for \$43 billion, a transaction billed as the largest foreign acquisition by a Chinese company. ChemChina has offered to acquire the company at \$465 per ordinary share plus a special dividend of 5 Swiss francs to be paid conditional upon and prior to closing, which equates to about 480 Swiss francs per share. The transaction should allow Syngenta to significantly increase the potential for its seed business. Syngenta agreed to the takeover bid after spurning a \$46.5 billion offer from St. Louis-based Monsanto in August 2015. Beijing-based ChemChina will keep existing Syngenta management in place following the transaction. The company said it also would consider an initial public offering of the business.

❖ RPM International Subsidiary Buys Illinois-based 'Food Stabilizer' Supplier

February 12, 2016 – A subsidiary of Medina, Ohio-based RPM International, Inc. has acquired a "food stabilizer" supplier for an undisclosed amount. Westport, Connecticut-based Mantrose-Hauser Co. Inc. of RPM's Specialty Products Group has purchased Holton Food Products Co. of La Grange, Illinois. Holton is a supplier of "high strength dry egg white products" to the bakery and prepared food markets, which are used to help with factors like appearance, texture and shelf life of foods. The Chicago Corporation advised Holton Food Products on this transaction.

❖ CTI Foods Acquires Premium Pizza Topping

February 16, 2016 – CTI Foods has acquired Liguria Foods, a Humboldt, Iowa-based producer of pepperoni, salami and other premium protein pizza toppings for pizzerias and sandwich shops. Financial terms of the transaction were not disclosed. CTI Foods, based in Wilder, Idaho, provides custom food solutions to U.S. restaurant chains. The company's value-added products include fajita and taco meat, beans, soups and sauces produced at six plants across the United States.

❖ Monster Acquires Flavor Supplier for \$690 Million

February 24, 2016 – The Monster Beverage Corp. has acquired American Fruits and Flavors for \$690 million. American Fruits and Flavors is a supplier to the company and the transaction allows the energy drink maker to take ownership of intellectual property related to flavor development and Monster's products. The acquisition also will allow Monster to more effectively deploy American Fruit and Flavors' products in the beverage company's growing international supply chain. American Fruits and Flavors is based in Los Angeles and operates two divisions, a flavors unit and a juice operation.

❖ US Foods to Acquire Cara Donna

February 29, 2016 – US Foods has agreed to acquire the assets of Cara Donna Provision Co., a wholesale distributor of food to restaurants and food service customers throughout New England. Terms of the transaction, expected to close March 4, were not disclosed. Cara Donna has been family owned for three generations and serves approximately 1,300 customers in Massachusetts, Rhode Island, New Hampshire, Maine and Connecticut. The company's headquarters in Braintree, Massachusetts, will stay open through the summer then shift business to the US Foods locations in Seabrook, New Hampshire, and Norwich, Connecticut. Cara Donna is the second distributor US Foods has acquired in the past few months, as the company acquired Dierks Waukesha in Wisconsin last December.

❖ United Natural Foods to Acquire Gourmet Ethnic Foods Distributor

February 29, 2016 – United Natural Foods, Inc. (UNFI) has entered into a definitive agreement to acquire all outstanding stock of Haddon House Food Products, Inc., a privately owned distributor and merchandiser of natural and organic and gourmet ethnic products throughout the Eastern United States and abroad. The cash transaction is valued at approximately \$217.5 million, subject to certain customary post-closing adjustments.

Founded in 1960, Medford, New Jersey-based Haddon House provides more than 20,000 dry grocery, frozen and refrigerated products to a diverse customer base that includes conventional supermarkets, gourmet food stores and independent retailers. The combination is expected to expand the company's operating scale and resources to further develop its product and service offering.



The Cupboard

A Food & Beverage
Industry Newsletter



Industry News, February 2016

❖ Post Executive Joins Welch's Board

February 3, 2016 – Chris Neugent, president and CEO of Post Consumer Brands, a division of St. Louis-based Post Holdings, has joined the board of directors of Welch's, a family-farmer-owned cooperative and marketer of Concord and Niagara grape-based products. Mr. Neugent has nearly 30 years of consumer products experience that he plans to use to help Welch's achieve its goals.

Mr. Neugent was named president and CEO last year when Post Holdings consolidated MOM Brands and Post Foods. Previously, as chairman and CEO of MOM Brands, Mr. Neugent delivered innovation that enhanced the company's reputation. Before joining Malt-O-Meal, Mr. Neugent was vice-president of marketing for the Wholesome Snacking Business Unit at Pepsi's Frito-Lay division. During 12 years with Frito-Lay, Mr. Neugent progressed through several sales and marketing roles, where he managed brands, including Doritos, optimized profitability, led innovation and reinvigorated the "Baked Line" of products.

❖ SuperValu Picks New President, CEO

February 4, 2016 – SuperValu Inc. has appointed Mark Gross as the company's newest president and CEO, effective February 5. Mr. Gross will replace Sam Duncan, who announced his retirement in October. SuperValu also said that Mr. Duncan will be stepping down from the company's board of directors effective with his retirement on February 29. He will be a special adviser to the board until then to assist in a smooth changeover.

❖ WhiteWave Commits to Sustainable Cocoa

February 4, 2016 – The WhiteWave Foods Co. said all of the cocoa powder its uses to make plant-based, dairy and creamer products in North America will be independently certified sustainable by the end of the year. Brands included in the transition are Silk, So Delicious Dairy Free, Vega, Horizon Organic and International Delight. As of 2015, a fourth of WhiteWave's cocoa was certified sustainable, and by the end of 2016, 100% of the cocoa purchased by the company will be certified by UTZ, an independent certification program for the socially and environmentally responsible production of cocoa, coffee and tea. WhiteWave's shift to sustainable cocoa supports environmentally sound farming methods and fair working conditions.

❖ Two Join Panera's Board

February 4, 2016 – James D. White, former chairman, president and CEO of Jamba Juice, Inc., and Mark Stoever, president and COO of Monster Worldwide, Inc., have been appointed to the board of directors of Panera Bread Co., expanding the company's board to nine directors from seven. Mr. Stoever will serve as a Class I director, whose term is scheduled to expire at Panera's 2017 annual meeting of stockholders and Mr. White will serve as a Class II director, whose term is scheduled to expire at Panera's 2018 annual meeting of stockholders.

Mr. White was CEO and president of Jamba, Inc. and Jamba Juice Co. from December 2008 until January 2016. He also was a member of the board of directors of Jamba, Inc. from December 2008 until January 2016, including as chairman of the board from May 2010 until January 2016. He previously held senior executive roles at Safeway, Gillette and Ralston Purina. He started his career at the Coca-Cola Co. Mr. Stoever currently is president and COO of Monster, a global on-line employment company. Prior to joining Monster, Mr. Stoever was president and CEO of Lycos, Inc., an early dot-com search engine and web portal. Previously, he held management positions with ON Technology Corp. and Microcom, Inc., an early modem technology company.

❖ General Mills Ahead of Natural, Organic Sales Goal

February 17, 2016 – General Mills anticipates U.S. sales of natural and organic food and beverage products will reach \$1 billion by fiscal 2019, a year ahead of the company's previously announced goal of fiscal 2020. With fiscal 2015 sales of natural and organic products currently reaching approximately \$675 million, company executives anticipate investments in such businesses as Epic Provisions and expansion of the Annie's brand into new categories will support the forecasted sales growth.

❖ McCormick Sets Cost-Cutting Goal of \$400 Million

February 18, 2016 – Executives for McCormick & Co. announced a four-year plan to reduce costs by \$400 million on February 17 at the Consumer Analyst Group of New York Conference at the Boca Raton Resort & Club in Boca Raton. They continue to expect an increase in organic and non-bioengineered items to help drive sales growth this year. The company anticipates the savings will approximate 2% of sales, or about 3.5% of cost of goods sold over the next four years. McCormick plans to use a portion of the savings to fund investments in growth, for continued increases in brand-building equity and research and development.

❖ Ruby Tuesday Names Chief Development Officer

February 29 2015 – Mike Ellis joins Ruby Tuesday, Inc. as chief development officer, effective immediately. Most recently, Mr. Ellis held the same position at Einstein Noah Restaurant Group. In his new role, Mr. Ellis will oversee all aspects of development for Ruby Tuesday, including both company and franchise growth. As of December 1, 2015, the company owned and franchised a total of 734 Ruby Tuesday brand restaurants in 44 states, 12 foreign countries and Guam. With more than 30 years of restaurant industry experience, Mr. Ellis has held senior development positions at BP Products North America, Carlson Restaurants Worldwide, Burger King, Darden Restaurants and DF&R Restaurants. Prior to his time at Einstein Noah, he was chief development officer of O'Charley's.

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

Additional information is available upon request.

