

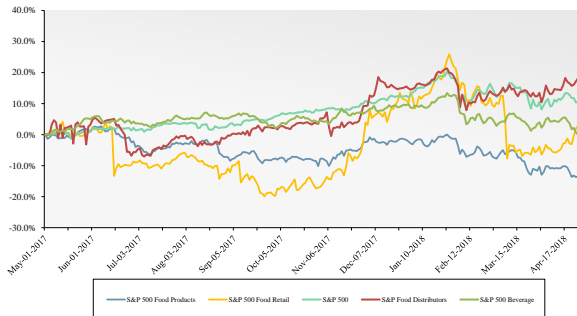
The Cupboard



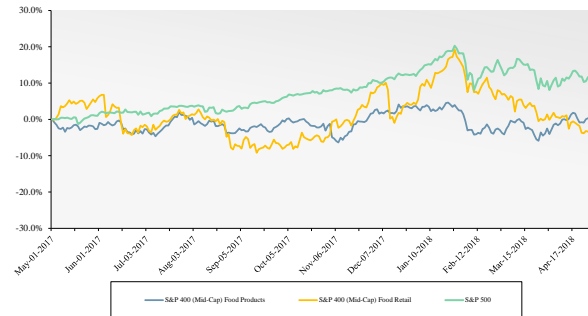
A Food & Beverage Industry Newsletter



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



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



Indices Performance (% change)

	April 2018	LTM		April 2018	LTM		April 2018	LTM
S&P 500	2.8%	10.9%	S&P 500 Food Products	(1.1%)	(14.1%)	S&P 400 Food Products (Mid-Cap)	2.7%	(1.4%)
Dow Jones	2.5%	15.5%	S&P 500 Food Retail	7.7%	1.2%	S&P 400 Food Retail (Mid-Cap)	(2.8%)	(3.0%)
NASDAQ	3.2%	16.0%	S&P 500 Food Distributors	7.9%	18.3%			
			S&P 500 Beverage	(1.3%)	1.0%			

Source: Capital IQ

Largest Beverages Movers and Losers (largest % changes in the month of April)

Primo Water Corporation	18.6%	Molson Coors Brewing Company	(17.0%)
Reed's, Inc.	11.4%	Nuverra Environmental Solutions, Inc.	(16.0%)
The Boston Beer Company, Inc.	10.2%	Monster Beverage Corporation	(11.1%)
Celsius Holdings, Inc.	9.4%	PepsiCo, Inc.	(11.1%)
Willamette Valley Vineyards, Inc.	5.0%	The Coca-Cola Company	(4.1%)

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

TreeHouse Foods, Inc.	17.0%	HRG Group, Inc.	(26.0%)
Pinnacle Foods Inc.	15.3%	Lifeway Foods, Inc.	(17.3%)
Dean Foods Company	14.2%	Farmer Bros. Co.	(15.0%)
John B. Sanfilippo & Son, Inc.	9.6%	Ingredion Incorporated	(13.6%)
B&G Foods, Inc.	8.3%	Pilgrim's Pride Corporation	(10.4%)

Source: Capital IQ

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Select Public Trading Statistics

Beverage:

(\$ in millions, except per share data)

Company	Share Price 04/30/2018	% 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	CY18 P/E	CY19 P/E	Gross	EBIT	EBITDA		
Anheuser-Busch InBev SA/NV	ENX:BR:ABU	\$98.39	75.1%	\$190,265	\$302,574	5.4x	13.9x	17.0x	25.1x	25.2x	22.5x	62.1%	31.1%	38.0%	4.9x
The Coca-Cola Company	KO	\$43.21	88.9%	\$184,269	\$213,850	6.3x	17.8x	19.8x	146.3x	23.6x	21.8x	63.2%	28.6%	32.2%	2.5x
PepsiCo, Inc.	PEP	\$100.94	82.4%	\$143,118	\$166,141	2.6x	13.1x	15.8x	29.7x	20.5x	19.1x	54.5%	16.4%	19.8%	1.8x
Diageo plc	LSE:DEGE	\$34.92	94.6%	\$85,754	\$100,421	6.1x	17.2x	18.6x	20.3x	22.5x	20.8x	61.7%	30.5%	33.1%	2.3x
Constellation Brands, Inc.	STZ	\$233.13	98.5%	\$44,603	\$54,716	7.2x	16.8x	18.4x	20.2x	26.5x	23.7x	50.8%	32.7%	36.6%	NM
Monster Beverage Corporation	MINST	\$55.00	78.3%	\$31,152	\$29,951	8.9x	23.3x	24.3x	38.7x	34.8x	30.8x	62.5%	35.6%	37.0%	NM
Brown-Forman Corporation	BF.b	\$56.04	98.6%	\$28,235	\$30,045	9.4x	25.5x	26.9x	36.2x	31.6x	27.7x	67.6%	34.8%	36.8%	1.5x
Dr Pepper Snapple Group, Inc.	DPS	\$119.96	94.7%	\$21,619	\$26,144	3.9x	17.0x	19.8x	20.6x	24.0x	22.5x	59.1%	19.6%	22.8%	2.9x
National Beverage Corp.	FIZZ	\$88.36	68.1%	\$4,118	\$3,958	4.2x	18.7x	19.9x	29.1x	NM	21.8x	40.0%	21.0%	22.5%	NM
The Boston Beer Company, Inc.	SAM	\$224.15	94.6%	\$2,611	\$2,564	2.9x	14.7x	20.8x	26.4x	29.2x	26.3x	52.7%	13.8%	19.6%	NM
Mean				\$73,574	\$93,036	5.7x	17.8x	20.1x	39.3x	26.4x	23.7x	57.4%	26.4%	29.8%	2.7x
Median				\$37,877	\$42,380	5.8x	17.1x	19.8x	27.7x	25.2x	22.5x	60.4%	29.6%	32.6%	2.4x
High				\$190,265	\$302,574	9.4x	25.5x	26.9x	146.3x	34.8x	30.8x	67.6%	35.6%	38.0%	4.9x
Low				\$2,611	\$2,564	2.6x	13.1x	15.8x	20.2x	20.5x	19.1x	40.0%	13.8%	19.6%	1.5x

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 04/30/2018	% 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	CY18 P/E	CY19 P/E	Gross	EBIT	EBITDA		
Sysco Corporation	SY	\$62.54	97.3%	\$32,641	\$40,600	0.7x	13.2x	17.6x	28.1x	19.7x	17.9x	18.9%	4.0%	5.4%	2.7x
The Kroger Co.	KR	\$25.19	80.1%	\$21,515	\$36,732	0.3x	7.4x	15.0x	12.1x	13.4x	12.3x	22.0%	2.0%	4.0%	3.1x
Casey's General Stores, Inc.	CASY	\$96.60	75.2%	\$3,626	\$4,802	0.7x	9.5x	16.7x	11.3x	24.2x	21.0x	24.4%	4.0%	7.0%	2.3x
Weis Markets, Inc.	WMK	\$46.02	78.3%	\$1,238	\$1,188	0.3x	7.3x	15.5x	12.6x	NM	NM	27.2%	2.2%	4.7%	NM
Ingles Markets, Incorporated	IMKT.A	\$34.25	71.5%	\$694	\$1,571	0.4x	6.5x	11.9x	8.1x	0.0x	0.0x	24.0%	3.2%	5.9%	3.6x
SUPERVALU INC.	SVU	\$17.51	59.0%	\$672	\$2,540	0.2x	5.6x	9.9x	14.0x	9.5x	8.7x	10.4%	1.7%	3.1%	4.3x
SpartanNash Company	SPTN	\$18.18	48.2%	\$657	\$1,391	0.2x	6.5x	10.7x	NM	8.3x	7.8x	14.1%	1.6%	2.6%	3.4x
Village Super Market, Inc.	VULGE.A	\$27.20	97.1%	\$391	\$351	0.2x	5.6x	9.3x	15.5x	NM	NM	27.2%	2.4%	3.9%	NM
Mean				\$7,679	\$11,147	0.4x	7.7x	13.3x	14.5x	12.5x	11.3x	21.0%	2.6%	4.6%	3.2x
Median				\$966	\$2,056	0.3x	6.9x	13.5x	12.6x	11.4x	10.5x	23.0%	2.3%	4.4%	3.3x
High				\$32,641	\$40,600	0.7x	13.2x	17.6x	28.1x	24.2x	21.0x	27.2%	4.0%	7.0%	4.3x
Low				\$391	\$351	0.2x	5.6x	9.3x	8.1x	0.0x	0.0x	10.4%	1.6%	2.6%	3.4x

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



Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 04/30/2018	% 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	CY18 P/E	CY19 P/E	Gross	EBIT	EBITDA		
Fresh Del Monte Produce Inc.	FDP	\$49.15	79.3%	\$2,389	\$2,745	0.7x	11.5x	17.4x	20.6x	18.0x	17.0x	8.1%	4.0%	5.9%	3.1x
Calavo Growers, Inc.	CVGW	\$93.70	94.8%	\$1,644	\$1,675	1.5x	22.1x	26.1x	41.9x	31.2x	NM	10.8%	5.8%	6.8%	0.4x
Seneca Foods Corporation	SENEA	\$27.55	73.2%	\$271	\$717	0.5x	17.0x	57.8x	66.0x	NM	NM	6.6%	0.9%	3.2%	10.6x
Mean				\$1,434	\$1,712	0.9x	16.9x	33.8x	42.8x	24.6x	17.0x	8.5%	3.5%	5.3%	4.7x
Median				\$1,644	\$1,675	0.7x	17.0x	26.1x	41.9x	24.6x	17.0x	8.1%	4.0%	5.9%	3.1x
High				\$2,389	\$2,745	1.5x	22.1x	57.8x	66.0x	31.2x	17.0x	10.8%	5.8%	6.8%	10.6x
Low				\$271	\$717	0.5x	11.5x	17.4x	20.6x	18.0x	17.0x	6.6%	0.9%	3.2%	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 04/30/2018	% 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	CY18 P/E	CY19 P/E	Gross	EBIT	EBITDA		
Tyson Foods, Inc.	TSN	\$70.10	82.8%	\$25,765	\$35,173	0.9x	8.9x	11.0x	9.2x	12.5x	12.0x	13.1%	8.1%	10.1%	2.4x
Hormel Foods Corporation	HRL	\$36.25	95.4%	\$19,196	\$19,694	2.1x	14.4x	16.0x	21.4x	19.2x	17.8x	21.2%	12.8%	14.3%	0.4x
Pilgrim's Pride Corporation	PPC	\$21.60	56.3%	\$5,378	\$7,545	0.7x	5.5x	6.9x	7.7x	10.5x	10.2x	13.6%	10.2%	12.7%	1.6x
Sanderson Farms, Inc.	SAFM	\$111.16	63.0%	\$2,538	\$2,150	0.6x	4.2x	5.3x	8.3x	10.7x	13.5x	18.4%	11.9%	14.9%	(0.8x)
Bridgford Foods Corporation	BRID	\$15.03	69.7%	\$136	\$129	0.8x	9.6x	13.1x	28.9x	NM	NM	35.2%	6.3%	8.4%	(0.5x)
Mean				\$10,602	\$12,938	1.0x	8.5x	10.5x	15.1x	13.2x	13.4x	20.3%	9.8%	12.1%	0.6x
Median				\$5,378	\$7,545	0.8x	8.9x	11.0x	9.2x	11.6x	12.8x	18.4%	10.2%	12.7%	0.4x
High				\$25,765	\$35,173	2.1x	14.4x	16.0x	28.9x	19.2x	17.8x	35.2%	12.8%	14.9%	2.4x
Low				\$136	\$129	0.6x	4.2x	5.3x	7.7x	10.5x	10.2x	13.1%	6.3%	8.4%	(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 04/30/2018	% 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	CY18 P/E	CY19 P/E	Gross	EBIT	EBITDA		
Danone SA	BN	\$79.80	93.0%	\$50,467	\$68,881	2.3x	12.7x	15.6x	17.2x	20.3x	18.6x	49.5%	14.6%	18.0%	3.5x
Dean Foods Company	DF	\$8.61	43.1%	\$786	\$1,683	0.2x	5.2x	10.8x	16.6x	14.2x	11.8x	23.2%	2.1%	4.3%	2.6x
Lifeway Foods, Inc.	LWAY	\$5.31	49.4%	\$84	\$86	0.7x	33.1x	NM	NM	NM	NM	27.9%	(0.4%)	2.2%	0.5x
Mean				\$17,113	\$23,550	1.1x	17.0x	13.2x	16.9x	17.3x	15.2x	33.5%	5.4%	8.2%	2.2x
Median				\$786	\$1,683	0.7x	12.7x	13.2x	16.9x	17.3x	15.2x	27.9%	2.1%	4.3%	2.6x
High				\$50,467	\$68,881	2.3x	33.1x	15.6x	17.2x	20.3x	18.6x	49.5%	14.6%	18.0%	3.5x
Low				\$84	\$86	0.2x	5.2x	10.8x	16.6x	14.2x	11.8x	23.2%	-0.4%	2.2%	0.5x

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 04/30/2018	% 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	CY18 P/E	CY19 P/E	Gross	EBIT	EBITDA		
Lamb Weston Holdings, Inc.	LW	\$65.32	97.7%	\$9,552	\$11,972	3.6x	15.1x	18.0x	24.6x	23.1x	21.2x	25.5%	17.5%	21.3%	3.3x
The Hain Celestial Group, Inc.	HAIN	\$29.13	63.9%	\$3,027	\$3,655	1.3x	13.2x	17.6x	30.7x	27.5x	21.5x	19.4%	6.7%	9.1%	2.4x
Mean				\$6,289	\$7,814	2.4x	14.1x	17.8x	27.6x	NM	21.3x	22.4%	12.1%	15.2%	2.8x
Median				\$6,289	\$7,814	2.4x	14.1x	17.8x	27.6x	NM	21.3x	22.4%	12.1%	15.2%	2.8x
High				\$9,552	\$11,972	3.6x	15.1x	18.0x	30.7x	27.5x	21.5x	25.5%	17.5%	21.3%	3.3x
Low				\$3,027	\$3,655	1.3x	13.2x	17.6x	24.6x	23.1x	21.2x	19.4%	6.7%	9.1%	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 04/30/2018	% 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	CY18 P/E	CY19 P/E	Gross	EBIT	EBITDA		
Nestlé S.A.	NESN	\$76.72	89.1%	\$234,585	\$253,835	2.8x	13.7x	16.5x	33.2x	21.8x	19.9x	50.2%	16.3%	19.7%	1.0x
Mondelez International, Inc.	MDLZ	\$39.50	83.6%	\$58,588	\$76,049	2.9x	15.0x	17.9x	20.7x	19.9x	18.3x	39.6%	15.7%	18.8%	3.7x
General Mills, Inc.	GIS	\$43.74	72.1%	\$25,933	\$35,791	2.3x	10.9x	13.2x	11.7x	15.4x	15.2x	34.2%	16.7%	20.4%	2.7x
Kellogg Company	K	\$88.90	79.3%	\$20,414	\$28,764	2.2x	9.9x	11.8x	16.3x	15.6x	14.8x	40.5%	19.4%	23.1%	2.8x
Conagra Brands, Inc.	CAG	\$37.07	92.1%	\$14,588	\$18,206	2.3x	12.2x	14.0x	17.6x	18.3x	17.2x	29.7%	15.3%	17.8%	2.5x
The J. M. Smucker Company	SMI	\$114.08	85.1%	\$12,959	\$17,716	2.4x	10.9x	14.6x	10.3x	14.1x	13.3x	38.0%	16.5%	22.2%	2.9x
Campbell Soup Company	CPB	\$40.78	69.0%	\$12,260	\$15,967	2.0x	8.2x	9.8x	11.7x	14.6x	13.8x	37.6%	20.7%	24.9%	1.9x
Post Holdings, Inc.	POST	\$79.57	89.5%	\$5,467	\$11,275	2.1x	11.6x	17.7x	24.1x	20.3x	17.0x	30.6%	12.0%	18.3%	6.9x
Lancaster Colony Corporation	LANC	\$125.59	92.4%	\$3,448	\$3,260	2.7x	16.3x	18.8x	26.3x	26.9x	24.1x	24.9%	14.4%	16.6%	(0.9x)
J&J Snack Foods Corp.	JJSF	\$137.41	87.3%	\$2,567	\$2,442	2.1x	14.9x	20.4x	24.9x	30.8x	27.3x	30.0%	10.4%	14.3%	(0.8x)
TreeHouse Foods, Inc.	THS	\$38.50	43.8%	\$2,172	\$4,559	0.7x	7.6x	13.9x	NM	20.8x	16.6x	17.3%	4.6%	8.8%	4.4x
B&G Foods, Inc.	BGS	\$22.75	52.8%	\$1,515	\$3,526	2.1x	10.8x	12.7x	7.0x	15.5x	14.7x	27.4%	16.5%	19.4%	6.1x
Mean				\$32,875	\$39,283	2.2x	11.8x	15.1x	18.5x	19.5x	17.7x	33.3%	14.9%	18.7%	2.8x
Median				\$12,610	\$16,841	2.3x	11.2x	14.3x	17.6x	19.1x	16.8x	32.4%	16.0%	19.1%	2.7x
High				\$234,585	\$253,835	2.9x	16.3x	20.4x	33.2x	30.8x	27.3x	50.2%	20.7%	24.9%	6.9x
Low				\$1,515	\$2,442	0.7x	7.6x	9.8x	7.0x	14.1x	13.3x	17.3%	4.6%	8.8%	(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	5.8x	17.1x
Retail & Distribution	0.3x	6.9x
Fruits, Vegetables & Nuts	0.7x	17.0x
Protein Products	0.8x	8.9x
Dairy	0.7x	12.7x
Organics & Healthy	2.4x	14.1x
Food Conglomerates	2.3x	11.2x
Mean	1.8x	12.6x
Median	0.8x	12.7x

Note: Multiples represent median values

Source: Capital IQ



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Industry Newsletter



Commodity Score Card

Commodity	Units	4/30/2018	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.75	\$3.88	\$3.49	\$3.77
Coffee	\$ per lb.	\$1.19	\$1.18	\$1.27	\$1.36
Cocoa	\$ per lb.	\$1.11	\$1.16	\$0.95	\$0.82
Wheat	\$ per bu.	\$4.51	\$4.51	\$4.27	\$4.56
Live Cattle	\$ per lb.	\$1.10	\$1.03	\$1.21	\$1.24

Source: Capital IQ

Select M&A and Capital Raising News, April 2018

❖ Ferrero Completes Acquisition of Nestle USA's Confectionery Business

April 2, 2018 – The Ferrero Group has completed its acquisition of Nestle USA's confectionery business, adding to its portfolio more than 20 brands, including Butterfinger, BabyRuth, Crunch, SweeTarts, LaffyTaffy and Nerds. The transaction, which was announced in January, was valued at approximately \$2.8 billion. Ferrero, the third largest chocolate confectionery company with global sales of more than \$12 billion, entered the United States in 1969 with Tic Tac and subsequently Ferrero Rocher and Nutella brands. The company recently acquired Fannie May Confections and Ferrara Candy Co. Nestle USA's three confectionery manufacturing plants in Illinois and office space in California will be managed by the Ferrara Candy Co.

❖ Tyson Foods Completes Purchase of Grain Elevators from The Andersons

April 3, 2018 – The Andersons, Inc. finalized the sale of its grain elevators in Humboldt, Kenton and Dyer, Tennessee, to Local Grain Services, a subsidiary of Tyson Foods, Inc. Financial terms of the transaction were not disclosed. The transaction was first announced in mid-February, at which point Tyson Foods said the grain elevators in Dyer, Humboldt and Kenton, Tennessee, would support the company's existing facility in Union City, Tennessee, as well as the chicken complex the company is building in Humboldt.

❖ Smucker Reviewing Options for U.S. Baking Brands

April 5, 2018 – J.M. Smucker Co. has announced it is exploring strategic options for its U.S. baking business, including a potential sale. The announcement comes nearly a month after reports surfaced suggesting the Orrville, Ohio-based maker of Pillsbury and Martha White brands may be considering such a move. Smucker said the review includes its U.S. baking business that primarily encompasses products sold in U.S. retail channels under the Pillsbury, Martha White, Hungry Jack, White Lily and Jim Dandy brands, along with all relevant trademarks and licensing agreements.

❖ Marfrig Global Foods to Acquire 51% Stake in National Beef

April 10, 2018 – Marfrig Global Foods, one of the world's largest animal protein producers, has reached an agreement to acquire a 51% stake in National Beef Packing Co., L.L.C. for \$969 million (0.3x revenue). Based in Kansas City, National Beef is the fourth-largest beef processor in the United States with slaughtering capacity of 12,000 heads of cattle per day and annual sales of \$7.3 billion. National Beef is controlled by Leucadia National Corp., which owns a 79% interest in the company. Once the transaction is concluded, Marfrig Global Foods will become the world's second-largest beef processor with sales of \$13 billion.

❖ Former McDonald's CEO Invests in Veggie Fries

April 10, 2018 – Farmwise, L.L.C., maker of fries, rings and tots made with vegetables, has closed a \$4.5 million financing round led by Cleveland Avenue L.L.C., the venture capital firm founded by former McDonald's Corp. CEO Don Thompson. Founded in 2014, Boston-based Farmwise uses a blend of vegetables, legumes and potatoes to produce its Veggie Fries, Veggie Rings and Veggie Tots. The company experimented with more than 300 recipes before arriving at its current offerings. Farmwise products are all gluten-free and Non-GMO Project verified.

❖ Premium Brands to Acquire Oberto

April 13, 2018 – Premium Brands Holdings Corp. has reached agreement to acquire the assets and operating divisions of Oberto Brands, the Kent, Washington-based manufacturer of beef jerky. Financial terms were not disclosed. Founded in 1918, Oberto Brands markets meat snacks under the Oberto, Pacific Gold, Lowrey's and Cattleman's Cut brands.

❖ Hearthside Food Finds New Owner

April 17, 2018 – An investment group led by Charlesbank Capital Partners and Partners Group has reached an agreement to acquire Hearthside Food Solutions from Goldman Sachs and Vestar Capital Partners. Headquartered in Downers Grove, Illinois, Hearthside is the largest independent bakery in the United States, producing a variety of nutrition bars, cookies, cereals, baked foods and snacks at 25 manufacturing facilities across the United States and Europe. Financial terms of the transaction were not disclosed.

❖ Panhandle Milling Acquires Viobin

April 26, 2018 – Panhandle Milling L.L.C. has acquired Viobin L.L.C., a Monticello, Illinois, producer of defatted wheat germ and specialty oils. With the acquisition, Viobin will operate as a PHM Brands company. Established in 1936, Viobin specializes in nutritional extracts. The company said its wheat germ oil is widely used in cosmetic and hair products, nutrition bars, nutritional supplements for animals and as a supplement for humans. The company's defatted wheat germ may be found in ready-to-eat cereals, snacks, granola bars and crackers. Based in Denver, PHM Brands L.L.C. is a group of companies that include Panhandle Milling, New Mexico Milling, Specialty Grains, Specialty Blends, Specialty Feeds and Viobin.



The Cupboard



A Food & Beverage
Industry Newsletter



Industry News, April 2018

- ❖ **Hershey to Invest \$500 Million in Cocoa Growing Regions**
April 3, 2018 – The Hershey Co. plans to invest \$500 million through 2030 in Cocoa For Good, its cocoa sustainability strategy. The program will focus on West Africa, where about 70% of the world's cocoa is grown, and will address poverty, poor nutrition, at-risk youth and vulnerable ecosystems. Cocoa For Good will seek to increase family access to good nutrition, thereby reducing anemia rates. The program will seek to eliminate child labor and increase youth access to education opportunities.
- ❖ **Campbell Soup Reorganizing Business Structure**
April 6, 2018 – The Campbell Soup Co. is reorganizing its business. The company will be split into two groups, with one focused on its core enterprises of soup, simple meals, shelf-stable beverages and snacks. The other group will be an “accelerator,” according to the company, and focus on long-term innovation, small brand incubation, future consumer experiences, e-commerce and new distribution models.
- ❖ **Bonduelle Names New CEO**
April 9, 2018 – Guillaume Debrosse has been named CEO of vegetable processor Bonduelle Group. He succeeds current chairman and CEO Christophe Bonduelle, who will become non-executive chairman. The changes will take effect July 1. A member of the Bonduelle family, Mr. Debrosse began his career at l’Oreal. He joined the Bonduelle Group in 2007, serving in several finance and management positions in the fresh processed operating segment. Most recently he has held the title of managing director of the Bonduelle EurAsia Markets business unit. In his new role, he will continue to manage that business unit, and three executive co-directors will report to him. They are Philippe Carreau, who leads Bonduelle Europe Long Life and Bonduelle Fresh Europe business units; Gregory Sanson, who leads the group’s Financial and Development Department; and Daniel Vielfaure, who leads Bonduelle Fresh Americas and Bonduelle Americas Long Life business units. Established in 1853, Bonduelle sells canned, frozen, processed fresh and prepared vegetables in 100 countries under various brand names, including Bonduelle, Arctic Gardens, Cassegrain, Globus and Ready Pac Foods, which Bonduelle acquired in 2017. In February, Bonduelle reached agreement with Conagra Brands to acquire the Del Monte processed fruit and vegetable business in Canada.
- ❖ **Walmart to Expand Grocery Delivery with Postmates Partnership**
April 11, 2018 – Walmart plans to expand on-line grocery delivery to more than 40% of U.S. households through a new partnership with Postmates, a logistics company with a fleet of 160,000 couriers. The service will begin in Charlotte, North Carolina, with further expansion planned in the coming months, according to Walmart. Walmart’s on-line grocery delivery service includes a \$9.95 fee and a \$30 minimum order, with no subscription or price markups. Customers may order fresh produce, meat, seafood and bakery items, pantry staples and more at walmart.com/grocery or through the Walmart Grocery app. Orders are picked by Walmart’s personal shoppers and delivered by a Postmates courier. Walmart offers on-line grocery pickup service in 1,200 stores and plans to add 1,000 more this year. The announcement follows similar moves from Amazon and Whole Foods Market, which recently began testing two-hour delivery service to customers in select markets, and the Kroger Co.’s newly expanded partnership with Instacart to offer same-day delivery from stores in central Ohio.
- ❖ **Tim Hortons to Shift Headquarters to Toronto**
April 17, 2018 – Tim Hortons has announced it will relocate its head office and Global Restaurant Support Centre to downtown Toronto later this year. The company currently is based in Oakville, Canada. The company’s new headquarters in the Exchange Tower will encompass 65,000 square feet of space and will focus on innovation labs, idea sharing and creativity.
- ❖ **Supervalu to Shed More Stores**
April 25, 2018 – Competition in the grocery business is prompting Minneapolis-based Supervalu, Inc. to pursue the sale of its Shop ‘n Save and Shop ‘n Save East retail operations. Shop ‘n Save operates stores in the St. Louis area while Shop ‘n Save East operations are located in West Virginia, Maryland, Pennsylvania and Virginia. Additionally, Supervalu announced it has entered an agreement to sell eight of its distribution centers to an undisclosed buyer for approximately \$483 million. Following the sale of the centers, Supervalu said it plans to enter into lease agreements for each of the centers for an initial term of 20 years with renewal options. The news comes after Supervalu in March announced it is selling 21 of its 38 Farm Fresh Food & Pharmacy locations for approximately \$43 million.
- ❖ **Subway to Shutter Hundreds of U.S. Locations**
April 27, 2018 – Sandwich chain Subway Restaurants continues to shift its focus overseas, disclosing in a recent interview with Bloomberg that it will close about 500 U.S. locations in 2018. The announcement comes after the restaurant chain shuttered hundreds of stores in both 2017 and 2016. In an emailed statement to Food Business News, a Subway spokesperson noted that Subway restaurants are 100% franchisee owned and operated, and the company’s commitment to its franchisees is “to work with them to make each restaurant more successful. Subway is the world’s largest restaurant chain, and we are confident we will remain the industry leader.” Worldwide, Subway is the largest restaurant chain with about 44,000 restaurants in 112 countries. Approximately 26,000 of those restaurants are located in the United States.

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Additional information is available upon request.

