

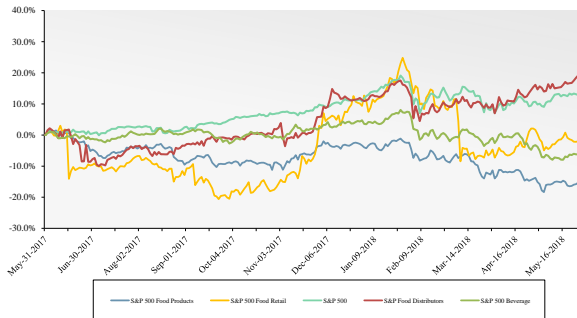
## The Cupboard



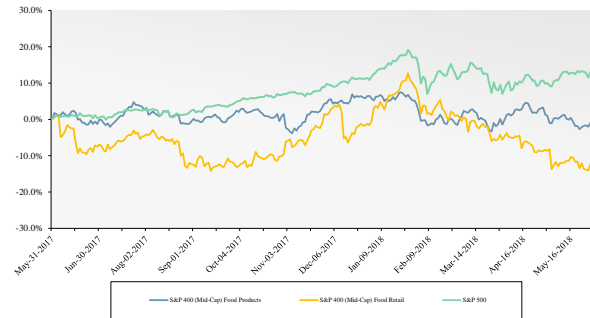
A Food & Beverage Industry Newsletter



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



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



### Indices Performance (% change)

	May 2018	LTM		May 2018	LTM		May 2018	LTM
S&P 500	2.9%	13.0%	S&P 500 Food Products	1.0%	(14.8%)	S&P 400 Food Products (Mid-Cap)	(1.9%)	(1.0%)
Dow Jones	2.7%	17.4%	S&P 500 Food Retail	0.9%	(0.5%)	S&P 400 Food Retail (Mid-Cap)	(3.8%)	(12.5%)
NASDAQ	5.4%	20.4%	S&P 500 Food Distributors	5.4%	21.1%			
			S&P 500 Beverage	0.6%	(4.4%)			

Source: Capital IQ

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

Reed's, Inc.	31.8%	Nuverra Environmental Solutions, Inc.	(41.8%)
Primo Water Corporation	19.5%	Brown-Forman Corporation	(7.0%)
National Beverage Corp.	14.0%	Willamette Valley Vineyards, Inc.	(3.2%)
Monster Beverage Corporation	13.0%	Celsius Holdings, Inc.	(2.2%)
The Boston Beer Company, Inc.	12.5%	Castle Brands Inc.	(0.8%)

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

Lifeway Foods, Inc.	25.8%	Campbell Soup Company	(17.7%)
Farmer Bros. Co.	20.1%	Calavo Growers, Inc.	(10.5%)
Coffee Holding Co., Inc.	19.6%	The J.M. Smucker Company	(9.9%)
HRG Group, Inc.	14.6%	Sanderson Farms, Inc.	(8.4%)
Darling Ingredients Inc.	13.6%	Flowers Foods, Inc.	(6.7%)

Source: Capital IQ

### Food Industry Contacts

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### Select Public Trading Statistics

#### Beverage:

(\$ in millions, except per share data)

Company	Share Price 05/31/2018	% 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		
The Coca-Cola Company	KO	\$43.00	88.5%	\$182,976	\$212,603	6.3x	17.7x	19.7x	145.6x	23.7x	21.8x	63.2%	28.6%	32.2%	2.3x
Anheuser-Busch InBev SA/NV	ENX:BR-ABI	\$94.34	74.7%	\$182,431	\$290,659	5.4x	13.7x	16.7x	26.1x	25.2x	22.3x	62.6%	31.4%	38.5%	4.8x
PepsiCo, Inc.	PEP	\$100.25	81.8%	\$142,139	\$165,162	2.6x	13.0x	15.7x	29.5x	20.3x	19.0x	54.5%	16.4%	19.8%	1.8x
Diageo plc	LSE:DEGE	\$37.02	99.5%	\$90,853	\$105,426	6.5x	18.2x	19.6x	21.7x	23.3x	20.8x	61.7%	30.5%	33.1%	2.3x
Constellation Brands, Inc.	STZ	\$223.08	94.3%	\$42,691	\$52,804	7.0x	16.2x	17.8x	19.3x	26.5x	23.6x	50.8%	32.7%	36.6%	NM
Monster Beverage Corporation	MNST	\$51.16	72.9%	\$28,787	\$27,690	8.0x	21.5x	22.4x	34.3x	34.7x	30.5x	62.5%	35.6%	37.1%	NM
Brown-Forman Corporation	BF.b	\$56.56	94.9%	\$28,720	\$30,530	9.5x	25.9x	27.4x	36.6x	29.4x	27.4x	67.8%	32.0%	34.0%	2.1x
Dr Pepper Snapple Group, Inc.	DPS	\$119.30	94.2%	\$21,502	\$26,027	3.8x	16.9x	19.7x	20.5x	24.4x	22.7x	59.1%	19.6%	22.8%	2.9x
National Beverage Corp.	FIZZ	\$94.28	72.6%	\$4,394	\$4,234	4.5x	20.0x	21.3x	31.0x	27.9x	21.8x	40.0%	21.0%	22.5%	NM
The Boston Beer Company, Inc.	SAM	\$253.85	98.4%	\$2,957	\$2,910	3.3x	16.7x	23.6x	29.9x	29.4x	26.5x	52.7%	13.8%	19.6%	NM
Mean				\$72,745	\$91,805	5.7x	18.0x	20.4x	39.4x	26.5x	23.6x	57.5%	26.2%	29.6%	2.7x
Median				\$35,739	\$41,667	5.8x	17.3x	19.7x	29.7x	25.8x	22.5x	60.4%	29.6%	32.6%	2.4x
High				\$182,976	\$290,659	9.5x	25.9x	27.4x	145.6x	34.7x	30.5x	67.8%	35.6%	38.5%	4.8x
Low				\$2,957	\$2,910	2.6x	13.0x	15.7x	19.3x	20.3x	19.0x	40.0%	13.8%	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 05/31/2018	% 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	SYV	\$65.03	97.8%	\$33,880	\$42,193	0.7x	13.6x	18.1x	27.0x	19.9x	18.2x	18.9%	4.0%	5.4%	2.7x
The Kroger Co.	KR	\$24.33	77.4%	\$19,561	\$34,778	0.3x	7.0x	14.2x	11.6x	13.4x	12.3x	22.0%	2.0%	4.0%	3.1x
Casey's General Stores, Inc.	CASY	\$96.80	75.3%	\$3,633	\$4,809	0.7x	9.6x	16.7x	11.4x	25.4x	21.6x	24.4%	4.0%	7.0%	2.3x
Weis Markets, Inc.	WMK	\$54.53	99.3%	\$1,467	\$1,373	0.4x	8.3x	17.4x	14.3x	NM	NM	26.7%	2.3%	4.8%	NM
SpartanNash Company	SPTN	\$24.76	78.4%	\$889	\$1,613	0.2x	7.5x	12.4x	NM	9.1x	8.6x	13.9%	1.6%	2.6%	3.4x
SUPERVAL INC.	SUVI	\$18.49	63.5%	\$710	\$2,578	0.2x	5.7x	10.1x	14.8x	9.5x	8.7x	10.4%	1.7%	3.1%	4.3x
Ingles Markets, Incorporated	IMKT.A	\$28.70	73.7%	\$581	\$1,463	0.4x	6.0x	11.3x	6.8x	0.0x	0.0x	24.0%	3.2%	5.9%	3.6x
Village Super Market, Inc.	VLGE.A	\$29.04	95.8%	\$417	\$377	0.2x	6.0x	10.0x	16.5x	NM	NM	27.2%	2.2%	3.8%	NM
Mean				\$7,642	\$11,148	0.4x	8.0x	13.8x	14.6x	12.9x	11.6x	20.9%	2.6%	4.6%	3.2x
Median				\$1,178	\$2,096	0.3x	7.3x	13.3x	14.3x	11.5x	10.5x	23.0%	2.3%	4.4%	3.2x
High				\$33,880	\$42,193	0.7x	13.6x	18.1x	27.0x	25.4x	21.6x	27.2%	4.0%	7.0%	4.3x
Low				\$417	\$377	0.2x	5.7x	10.0x	6.8x	0.0x	0.0x	10.4%	1.6%	2.6%	2.3x

Source: Capital IQ

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

LTM = Last Twelve Months



## The Cupboard

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### Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 05/31/2018	% 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	\$44.91	85.3%	\$2,189	\$3,011	0.7x	12.3x	18.3x	19.3x	17.8x	14.8x	8.1%	4.0%	5.9%	3.1x
Calavo Growers, Inc.	CVGW	\$88.00	89.0%	\$1,544	\$1,575	1.4x	20.8x	24.5x	39.3x	33.3x	NM	10.5%	5.5%	6.7%	0.3x
Seneca Foods Corporation	SENEA	\$27.10	74.0%	\$269	\$716	0.5x	17.0x	57.7x	65.0x	NM	NM	6.6%	0.9%	3.2%	10.6x
Mean				\$1,334	\$1,767	0.9x	16.7x	33.5x	41.2x	25.5x	14.8x	8.4%	3.5%	5.3%	4.7x
Median				\$1,544	\$1,575	0.7x	17.0x	24.5x	39.3x	25.5x	14.8x	8.1%	4.0%	5.9%	3.1x
High				\$2,189	\$3,011	1.4x	20.8x	57.7x	65.0x	33.3x	14.8x	10.5%	5.5%	6.7%	10.6x
Low				\$269	\$716	0.5x	12.3x	18.3x	19.3x	17.8x	14.8x	6.6%	0.9%	3.2%	0.3x

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 05/31/2018	% 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	\$67.47	79.7%	\$24,803	\$34,623	0.9x	8.5x	10.7x	9.0x	12.4x	11.9x	13.1%	8.1%	10.1%	2.4x
Hormel Foods Corporation	HRL	\$35.89	94.4%	\$19,005	\$19,553	2.1x	14.3x	16.0x	20.6x	19.6x	18.0x	21.0%	12.5%	14.1%	0.4x
Pilgrim's Pride Corporation	PPC	\$19.49	50.8%	\$4,853	\$7,105	0.6x	5.1x	6.3x	6.7x	9.9x	9.6x	13.5%	10.2%	12.7%	1.6x
Sanderson Farms, Inc.	SAFM	\$97.88	55.5%	\$2,235	\$1,908	0.6x	4.1x	5.3x	7.9x	14.9x	14.4x	17.2%	10.4%	13.6%	(0.7x)
Bridgford Foods Corporation	BRID	\$15.10	70.1%	\$137	\$130	0.8x	9.7x	13.2x	29.0x	NM	NM	33.6%	5.4%	7.6%	(1.1x)
Mean				\$10,207	\$12,664	1.0x	8.3x	10.3x	14.6x	14.2x	13.5x	19.7%	9.3%	11.6%	0.5x
Median				\$4,853	\$7,105	0.8x	8.5x	10.7x	9.0x	13.6x	13.2x	17.2%	10.2%	12.7%	0.4x
High				\$24,803	\$34,623	2.1x	14.3x	16.0x	29.0x	19.6x	18.0x	33.6%	12.5%	14.1%	2.4x
Low				\$137	\$130	0.6x	4.1x	5.3x	6.7x	9.9x	9.6x	13.1%	5.4%	7.6%	(1.1x)

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 05/31/2018	% 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	\$76.90	90.7%	\$48,633	\$66,839	2.3x	12.5x	15.3x	16.7x	20.4x	18.6x	49.5%	14.6%	18.0%	3.5x
Dean Foods Company	DF	\$9.57	51.2%	\$874	\$1,753	0.2x	5.5x	11.7x	15.3x	14.3x	12.1x	23.2%	1.9%	4.0%	2.8x
Lifeway Foods, Inc.	LWAY	\$5.10	47.4%	\$81	\$83	0.7x	32.5x	NM	NM	NM	NM	28.4%	(0.6%)	2.2%	0.9x
Mean				\$16,529	\$22,892	1.1x	16.9x	13.5x	16.0x	17.4x	15.4x	33.7%	5.3%	8.1%	2.4x
Median				\$874	\$1,753	0.7x	12.5x	13.5x	16.0x	17.4x	15.4x	28.4%	1.9%	4.0%	2.8x
High				\$48,633	\$66,839	2.3x	32.5x	15.3x	16.7x	20.4x	18.6x	49.5%	14.6%	18.0%	3.5x
Low				\$81	\$83	0.2x	5.5x	11.7x	15.3x	14.3x	12.1x	23.2%	-0.6%	2.2%	0.9x

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 05/31/2018	% 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	\$63.75	92.8%	\$9,322	\$11,743	3.5x	14.8x	17.7x	24.0x	23.1x	21.2x	25.5%	17.5%	21.3%	3.3x
The Hain Celestial Group, Inc.	HAIN	\$25.52	56.0%	\$2,766	\$3,398	1.2x	13.1x	17.9x	30.4x	27.4x	22.5x	19.0%	6.4%	8.8%	2.4x
<b>Mean</b>				\$6,044	\$7,570	2.3x	13.9x	17.8x	27.2x	NM	21.8x	22.2%	11.9%	15.0%	2.9x
<b>Median</b>				\$6,044	\$7,570	2.3x	13.9x	17.8x	27.2x	NM	21.8x	22.2%	11.9%	15.0%	2.9x
<b>High</b>				\$9,322	\$11,743	3.5x	14.8x	17.9x	30.4x	27.4x	22.5x	25.5%	17.5%	21.3%	3.3x
<b>Low</b>				\$2,766	\$3,398	1.2x	13.1x	17.7x	24.0x	23.1x	21.2x	19.0%	6.4%	8.8%	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 05/31/2018	% 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	\$75.43	86.1%	\$230,636	\$250,224	2.7x	13.3x	15.9x	32.1x	21.8x	19.9x	50.2%	16.3%	19.7%	1.0x
Mondelēz International, Inc.	MDLZ	\$39.27	83.1%	\$57,926	\$76,336	2.9x	14.1x	16.6x	18.5x	19.9x	18.3x	39.6%	15.7%	18.8%	3.7x
General Mills, Inc.	GIS	\$42.29	69.7%	\$25,073	\$34,932	2.2x	10.6x	12.9x	11.3x	15.5x	15.0x	34.2%	16.7%	20.4%	2.7x
Kellogg Company	K	\$64.39	86.7%	\$22,334	\$30,738	2.4x	10.1x	12.1x	15.5x	15.6x	14.8x	40.5%	19.4%	23.1%	2.8x
Conagra Brands, Inc.	CAG	\$37.06	92.1%	\$14,584	\$18,202	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	SM	\$107.50	80.2%	\$12,212	\$16,968	2.3x	10.4x	14.0x	9.7x	12.9x	12.2x	38.6%	17.2%	22.8%	2.8x
Campbell Soup Company	CPB	\$33.64	57.7%	\$10,113	\$19,757	2.4x	10.1x	12.2x	21.0x	13.9x	13.0x	36.5%	20.1%	24.4%	4.9x
Post Holdings, Inc.	POST	\$76.87	86.4%	\$5,172	\$12,445	2.2x	11.9x	18.1x	16.3x	20.2x	17.1x	30.6%	12.0%	18.3%	6.9x
Lancaster Colony Corporation	LANC	\$126.10	92.8%	\$3,465	\$3,278	2.7x	16.4x	18.9x	26.4x	26.9x	24.0x	24.9%	14.4%	16.6%	(0.9x)
TreeHouse Foods, Inc.	THS	\$47.91	54.9%	\$2,699	\$5,086	0.8x	9.3x	17.6x	NM	21.1x	16.9x	17.3%	4.6%	8.8%	4.4x
J&J Snack Foods Corp.	JJSF	\$141.62	90.0%	\$2,649	\$2,524	2.2x	15.4x	21.1x	25.7x	32.9x	28.5x	30.0%	10.4%	14.3%	(0.8x)
B&G Foods, Inc.	BGS	\$28.15	68.3%	\$1,875	\$3,853	2.3x	11.8x	13.9x	9.1x	15.5x	14.7x	27.4%	16.5%	19.4%	6.0x
<b>Mean</b>				\$32,395	\$39,529	2.3x	12.1x	15.6x	18.5x	19.5x	17.6x	33.3%	14.9%	18.7%	3.0x
<b>Median</b>				\$11,163	\$17,585	2.3x	11.8x	15.0x	17.6x	19.1x	17.0x	32.4%	16.0%	19.1%	2.8x
<b>High</b>				\$230,636	\$250,224	2.9x	16.4x	21.1x	32.1x	32.9x	28.5x	50.2%	20.1%	24.4%	6.9x
<b>Low</b>				\$1,875	\$2,524	0.8x	9.3x	12.1x	9.1x	12.9x	12.2x	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	17.3x
Retail & Distribution	0.3x	7.3x
Fruits, Vegetables & Nuts	0.7x	17.0x
Protein Products	0.8x	8.5x
Dairy	0.7x	12.5x
Organics & Healthy	2.3x	13.9x
Food Conglomerates	2.3x	11.8x
<b>Mean</b>	<b>1.9x</b>	<b>12.6x</b>
<b>Median</b>	<b>0.8x</b>	<b>12.5x</b>

Note: Multiples represent median values

Source: Capital IQ



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### Commodity Score Card

Commodity	Units	5/31/2018	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.75	\$4.06	\$3.54	\$3.70
Coffee	\$ per lb.	\$1.19	\$1.25	\$1.32	\$1.28
Cocoa	\$ per lb.	\$1.11	\$1.31	\$0.96	\$0.92
Wheat	\$ per bu.	\$4.51	\$5.29	\$4.35	\$4.29
Live Cattle	\$ per lb.	\$1.10	\$1.06	\$1.27	\$1.25

Source: Capital IQ

## Select M&A and Capital Raising News, May 2018

### ❖ Kellogg Investing \$420 Million in West Africa

May 7, 2018 – Building on its belief that expansion in emerging markets is key to growth, The Kellogg Co. has announced increased investment in its West African businesses. In connection with the release of its first-quarter financials, Kellogg announced it is investing a total of approximately \$420 million to add to its joint venture equity interests in West Africa. As part of the move, Kellogg said it has exercised its option to acquire a stake in Tolaram Africa Foods, a holding company of a leading manufacturer of packaged foods in Nigeria and Ghana. Most of Tolaram's products are distributed by Multipro, the largest distributor of food products in Nigeria and Ghana. Kellogg, along with Tolaram, has had a 50% investment interest in Multipro since September 2015.

### ❖ Mondelez Expands in Premium Cookie Segment with Acquisition

May 7, 2018 – Mondelez International has reached an agreement to acquire Tate's Bake Shop for approximately \$500 million. Founded in 2000 on Long Island, New York, Tate's is owned by The Riverside Co., a global private equity firm, and other shareholders. According to Mondelez, Tate's has been one of the fastest growing cookie brands in the United States over the past 12 months, and sales have quadrupled over the past five years. The company makes thin and crispy cookies. Tate's will operate as a standalone business and will continue to be run by its current leadership from its headquarters on Long Island. The company also plans to continue making all products at its current manufacturing facility. Tate's also operates a specialty bake shop in Southampton, New York.

### ❖ International Flavors and Fragrances to Acquire Frutarom

May 7, 2018 – International Flavors and Fragrances (I.F.F.) has entered into an agreement to acquire Frutarom, Tel Aviv, Israel, for approximately \$7.1 billion (5.2x revenue, 27.1x EBITDA). The transaction has been approved by the boards of directors of both companies, and Frutarom's shareholders will receive for each Frutarom share \$71.19 in cash and 0.249 of a share of I.F.F. common stock, which represents a total value of \$106.25 per share. Frutarom is a manufacturer of flavors and savory solutions. The company primarily is focused on natural ingredients, which generate more than 75% of annual sales and are forecast to be approximately \$1.6 billion in 2018.

### ❖ Tyson Foods to Acquire American Proteins and AMPRO Products Assets

May 15, 2018 – Tyson Foods, Inc. has agreed to acquire the poultry rendering and blending assets of Cumming, Georgia-based American Proteins, Inc. and AMPRO Products, Inc. for a purchase price of approximately \$850 million. The transaction would enable Tyson Foods to recycle more animal products for feed, pet food and aquaculture and expand its presence in the animal feed ingredient business. The acquisition includes four rendering plants in Georgia and Alabama and 13 blending facilities located throughout Southeastern and Midwestern states. The facilities would add capacity to Tyson Foods' current animal byproducts business, and approximately 700 employees of American Proteins would join Tyson Foods.

### ❖ Kroger to Acquire Home Chef Meal Kit Company

May 24, 2018 – The Kroger Co. has agreed to acquire Home Chef, a Chicago-based meal kit delivery company. The initial transaction price is \$200 million, and future earnout payments of up to \$500 million over five years are contingent on achieving milestones, including growth of in-store and online meal kit sales, Kroger said. As part of the transaction, Kroger will make Home Chef meal kits available both on its web site and in its stores. Founded in 2013, Home Chef delivers more than 3 million meals to U.S. consumers each month. The company employs approximately 1,000 and operates three distribution centers in Chicago, Atlanta and San Bernardino, California. Home Chef experienced 150% growth and raked in \$250 million in revenue in 2017, the company said.

### ❖ PepsiCo to Acquire Bare Snacks

May 25, 2018 – PepsiCo, Inc. has agreed to acquire Bare Foods Co. d.b.a. Bare Snacks, a maker of baked fruit and vegetable snacks. Financial terms of the transaction were not disclosed. Founded in 2001, San Francisco-based Bare Snacks offers a portfolio of apple chips, banana chips, coconut chips and recently added beet chips, carrot chips and sweet potato chips. The addition of Bare Snacks expands PepsiCo's nutritious snacking options.

### ❖ JAB Adds to Portfolio with Pret a Manger

May 29, 2018 – Global investment firm JAB Holding Co. has reached an agreement to acquire Pret A Manger from Bridgepoint, another international investment firm. Financial terms were not disclosed. Founded in 1986 in London, Pret's operates 530 stores worldwide, including 92 in the United States, and has sales of approximately €879 million (\$1.0 billion). Pret's offers sandwiches, salads and wraps that are prepared daily in the company's shop kitchens. At the end of each day, Pret offers its unsold food to charity. In 2017, the company said it gave away 3.4 million food items.



## The Cupboard

A Food & Beverage  
Industry Newsletter



### Industry News, May 2018

#### ❖ Boston Market Names New CEO

May 2, 2018 – Frances Allen has been named CEO of Boston Market, a fast-casual restaurant chain with more than 450 U.S. locations. She succeeds George Michel, who has retired after leading the company for nearly eight years. Ms. Allen joins Boston Market from Jack in the Box, where she was president since October 2014. Before that, she spent four years as executive vice-president and chief brand officer for Denny's, and prior to her time at Denny's, she was chief marketing officer for Dunkin' Donuts USA. Earlier in her career, Ms. Allen held leadership roles with PepsiCo, Inc. and Frito-Lay, including vice-president of marketing and innovation.

#### ❖ Subway CEO to Step Down

May 3, 2018 – Trevor Haynes, chief business development officer, has been named interim CEO of Subway. He will succeed Suzanne Greco, who has informed the quick-service restaurant chain of her intent to retire on June 30. Mr. Haynes is an experienced leader with deep knowledge of the company and has held numerous leadership roles at Subway since joining the company in 2006 as territory manager in Australia. He moved to the United Kingdom in 2009 to serve as the senior area development manager for the U.K. and Ireland and in 2014 joined the team in Milford to serve as the global director of operations. Following her retirement, Ms. Greco will become a senior adviser to the company. She joined Subway in 1973 as a "sandwich artist" and would later spend more than two decades as part of the research and development team. She facilitated the creation of the Independent Purchasing Cooperative (IPC) in 1996 to handle the Subway brand's product purchasing. In 2013 she was promoted to vice-president of operations and research and development in 2013 and was named CEO in 2015. Late last month Subway announced it would shift its focus overseas and close about 500 U.S. locations in 2018. The announcement comes after the restaurant chain shuttered hundreds of stores in both 2017 and 2016.

#### ❖ Nestle, Starbucks Enter \$7 Billion Licensing Agreement

May 7, 2018 – Nestle S.A. has entered into a perpetual licensing agreement with Starbucks Corp. to market, sell and distribute certain Starbucks coffees and teas at retail and food service outside of Starbucks stores around the world. Nestle is paying Starbucks \$7.15 billion for the rights to such brands as Starbucks, Seattle's Best Coffee, Starbucks Reserve and Teavana, Starbucks Via and Torrefazione Italia. The components of the Starbucks business Nestle is licensing generate approximately \$2 billion in annual sales. The agreement does not include ready-to-drink products. Approximately 500 Starbucks employees will join Nestle as part of the agreement, but operations will remain in Seattle, Nestle said. The agreement is subject to regulatory approval and expected to close by the end of 2018.

#### ❖ Former Dunkin' President to Lead Cicis Pizza Chain

May 9, 2018 – William Mitchell has been named CEO of Cicis, a pizza buffet restaurant chain with more than 430 restaurants in 31 states. Mr. Mitchell succeeds Darin Harris, who stepped down from the role in January. Before joining Cicis, Mr. Mitchell was president of Dunkin' Brands International at Dunkin' Brands Group, Inc. He also held leadership roles at Papa John's International, including president of global operations. Additionally, Mr. Mitchell was responsible for business planning and operation of 1,400 Popeyes restaurant locations for AFC Enterprises before the Popeyes restaurant chain was acquired by Restaurant Brands International, Inc.

#### ❖ Qdoba Names Guilbault New CEO

May 15, 2018 – Keith Guilbault has been named CEO of Qdoba Mexican Eats, effective immediately. Qdoba was acquired by Apollo Global Management, L.L.C., in March from Jack in the Box, Inc. Mr. Guilbault was most recently brand president and COO for Qdoba, a role he held since 2016 under Jack in the Box's ownership. Prior to leading the Qdoba brand, he held several executive leadership positions at Jack in the Box, including vice-president of franchising and vice-president of menu strategy and innovation. In 2013, he was named senior vice-president and chief marketing officer. Additionally, Susan Dagget has been named CFO of Qdoba, effective May 23. She was most recently interim CFO at Noodles & Co. since June 2017 and vice-president of finance since August 2016. Previously, Ms. Dagget held executive roles at Arby's, Burger King, Einstein Noah Restaurant Group and Pinnacle Restaurant Group.

#### ❖ Longtime PepsiCo Veteran to Join Blue Apron

May 17, 2018 – Tim Bensley has been named CFO of meal kit company Blue Apron Holdings, Inc., effective May 21. Mr. Bensley joins Blue Apron from Acosta, Inc., where he was most recently CFO since 2015. Prior to his time at Acosta, he spent 29 years at PepsiCo, Inc., beginning in the Frito-Lay North America division. He progressed through various supply chain operations roles then spent the next 15 years in various finance leadership positions at Frito-Lay, leading the supply chain finance and sales finance organizations before being promoted to CFO of Frito-Lay Canada in 2005. In 2007, he was appointed vice-president of corporate strategy for PepsiCo then named CFO of Pepsi-Cola North America in 2008. In 2010, Mr. Bensley was promoted to CFO of PepsiCo Americas Foods in 2010 and named senior vice-president of PepsiCo Global Transformation in 2012.

#### ❖ Aryzta to Undertake Three-Year Restructuring Plan

May 24, 2018 – The board of directors of Aryzta AG has approved a three-year restructuring plan aimed at restoring financial flexibility and improving the company's asset and cost base to its current revenue run rate. The plan is expected to deliver €200 million (\$233 million) in cost savings over three years, Aryzta said. The announcement was made in conjunction with the release of Aryzta's third-quarter trading update.

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