

## 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)

	October 2019	LTM		October 2019	LTM		October 2019	LTM
S&P 500	2.2%	12.0%	S&P 500 Food Products	(2.8%)	4.8%	S&P 400 Food Products (Mid-Cap)	(2.1%)	0.9%
Dow Jones	0.5%	7.7%	S&P 500 Food Retail	(3.8%)	(17.2%)	S&P 400 Food Retail (Mid-Cap)	4.6%	8.9%
NASDAQ	4.0%	13.5%	S&P 500 Food Distributors	0.7%	12.0%			
			S&P 500 Beverage	(0.9%)	14.7%			

Source: Capital IQ

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

Celsius Holdings, Inc.	24.0%	Eastside Distilling, Inc.	(15.1%)
Keurig Dr Pepper Inc.	8.4%	Primo Water Corporation	(12.7%)
Brown-Forman Corporation	4.7%	National Beverage Corp.	(10.5%)
Monster Beverage Corporation	4.1%	Craft Brew Alliance, Inc.	(10.2%)
Constellation Brands, Inc.	(1.0%)	The Alkaline Water Company Inc.	(8.6%)

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

TDH Holdings, Inc.	54.3%	Beyond Meat, Inc.	(44.0%)
The Hain Celestial Group, Inc.	28.7%	Dean Foods Company	(38.4%)
The Kraft Heinz Company	23.0%	Farmmi, Inc.	(20.4%)
Farmer Bros. Co.	17.1%	Lifeway Foods, Inc.	(20.1%)
Lancaster Colony Corporation	15.5%	Amira Nature Foods Ltd	(17.2%)

Source: Capital IQ

### Food Industry Contacts

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### Beverage:

(\$ in millions, except per share data)

Company	Share Price 10/31/2019	% 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	\$54.43	97.3%	\$233,205	\$265,992	7.9x	22.8x	25.5x	29.1x	24.9x	27.8x	61.7%	28.1%	31.8%	2.9x
PepsiCo, Inc.	PEP	\$137.17	97.7%	\$191,275	\$219,636	3.3x	17.2x	20.2x	15.6x	20.7x	25.4x	55.2%	16.4%	19.4%	2.2x
Anheuser-Busch InBev SA/NV	ENXTR:ABI	\$79.51	77.7%	\$155,799	\$269,549	4.9x	12.4x	15.0x	16.5x	27.2x	22.4x	62.1%	32.5%	39.3%	4.9x
Diageo plc	LSE:DGE	\$40.71	87.1%	\$95,560	\$112,842	6.8x	18.5x	19.8x	24.3x	23.9x	25.3x	62.2%	32.0%	34.5%	2.6x
Constellation Brands, Inc.	STZ	\$190.33	88.7%	\$36,326	\$50,094	6.1x	28.3x	34.7x	47.7x	26.3x	25.9x	50.6%	32.3%	36.3%	4.5x
Monster Beverage Corporation	MNST	\$56.13	84.6%	\$30,384	\$29,361	7.4x	20.6x	21.6x	29.2x	34.4x	32.4x	59.9%	34.2%	35.7%	(0.9x)
Brown-Forman Corporation	BF.B	\$65.52	99.5%	\$30,719	\$32,949	9.9x	28.3x	30.1x	38.3x	29.4x	32.7x	64.4%	32.9%	35.1%	1.9x
The Boston Beer Company, Inc.	SAM	\$374.46	84.2%	\$4,460	\$4,480	3.8x	20.6x	27.6x	37.7x	36.1x	41.3x	50.1%	13.8%	18.5%	0.1x
National Beverage Corp.	PEZZ	\$43.96	42.4%	\$2,050	\$1,894	1.9x	10.7x	11.7x	16.3x	27.9x	17.6x	37.1%	16.4%	18.0%	(0.8x)
Mean				\$86,664	\$109,644	5.8x	19.9x	22.9x	28.3x	27.9x	27.9x	55.9%	26.5%	29.8%	1.9x
Median				\$36,326	\$50,094	6.1x	20.6x	21.6x	29.1x	27.2x	25.9x	59.9%	32.0%	34.5%	2.2x
High				\$233,205	\$269,549	9.9x	28.3x	34.7x	47.7x	36.1x	41.3x	64.4%	34.2%	39.3%	4.9x
Low				\$2,050	\$1,894	1.9x	10.7x	11.7x	15.6x	20.7x	17.6x	37.1%	13.8%	18.0%	(0.9x)

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 10/31/2019	% 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	\$79.87	100.0%	\$40,894	\$48,577	0.8x	14.5x	18.5x	25.0x	21.9x	22.0x	19.0%	4.4%	5.6%	2.6x
The Kroger Co.	KR	\$24.64	77.0%	\$19,752	\$39,886	0.3x	7.7x	15.6x	12.3x	14.5x	12.7x	22.4%	2.1%	4.3%	3.9x
Casey's General Stores, Inc.	CASY	\$170.81	97.9%	\$6,283	\$7,558	0.9x	12.9x	22.1x	28.8x	26.2x	28.9x	23.8%	4.1%	7.0%	2.2x
Web Markets, Inc.	WMK	\$38.49	72.2%	\$1,035	\$1,125	0.3x	6.5x	14.4x	16.6x	NM	NM	26.5%	2.2%	4.9%	0.4x
SpartanNash Company	SPTN	\$13.10	56.9%	\$476	\$1,477	0.2x	8.8x	18.5x	131.1x	10.6x	10.6x	14.3%	0.7%	1.8%	6.6x
Ingles Markets, Incorporated	IMKTA	\$39.43	90.3%	\$799	\$1,635	0.4x	6.3x	11.2x	10.1x	0.0x	0.0x	24.3%	3.5%	6.2%	3.2x
Village Super Market, Inc.	VLGEA	\$26.50	82.3%	\$381	\$329	0.2x	5.3x	9.6x	15.0x	NM	NM	27.8%	2.1%	3.7%	(0.9x)
Mean				\$9,946	\$14,341	0.4x	8.9x	15.7x	34.1x	14.6x	14.8x	22.6%	2.7%	4.8%	2.6x
Median				\$1,035	\$1,635	0.3x	7.7x	15.6x	16.6x	14.5x	12.7x	23.8%	2.2%	4.9%	2.6x
High				\$40,894	\$48,577	0.9x	14.5x	22.1x	31.1x	26.2x	28.9x	27.8%	4.4%	7.0%	6.6x
Low				\$381	\$329	0.2x	5.3x	9.6x	10.1x	0.0x	0.0x	14.3%	0.7%	1.8%	(0.9x)

Source: Capital IQ

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

LTM = Last Twelve Months

### Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 10/31/2019	% 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		
Calavo Growers, Inc.	CVGW	\$86.73	85.9%	\$1,526	\$1,529	1.3x	25.6x	33.0x	50.4x	36.8x	NM	10.6%	5.6%	6.8%	0.0x
Fresh Del Monte Produce Inc.	FDP	\$31.90	82.2%	\$1,534	\$2,363	0.5x	11.2x	21.3x	26.6x	47.0x	25.0x	6.8%	2.5%	4.7%	3.5x
Seneca Foods Corporation	SENEA	\$35.38	98.4%	\$329	\$683	0.6x	NM	NM	NM	NM	NM	4.3%	(1.2%)	0.8%	31.9x
Mean				\$1,130	\$1,525	0.8x	18.4x	27.2x	38.5x	41.9x	25.0x	7.2%	2.7%	4.1%	11.8x
Median				\$1,526	\$1,529	0.6x	18.4x	27.2x	38.5x	41.9x	25.0x	6.8%	2.5%	4.7%	3.5x
High				\$1,534	\$2,363	1.3x	25.6x	33.0x	50.4x	47.0x	25.0x	10.6%	5.6%	6.8%	31.9x
Low				\$329	\$683	0.5x	11.2x	21.3x	26.6x	36.8x	25.0x	4.3%	(1.2%)	0.8%	0.0x

Source: Capital IQ

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

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### Protein Products:

(\$ in millions, except per share data)

Company	Share Price 10/31/2019	% 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	\$82.79	88.0%	\$30,192	\$42,584	1.0x	10.3x	13.8x	13.9x	11.7x	16.8x	12.6%	7.4%	9.9%	3.0x
Hormel Foods Corporation	HRL	\$40.89	88.4%	\$21,834	\$21,514	2.3x	15.6x	17.7x	22.6x	22.7x	22.4x	20.4%	12.4%	14.1%	NM
Pilgrim's Pride Corporation	PPC	\$30.36	92.8%	\$7,577	\$9,997	0.9x	10.6x	15.2x	21.2x	16.1x	18.4x	8.9%	5.7%	8.2%	2.2x
Sanderson Farms, Inc.	SAFM	\$154.81	97.8%	\$3,429	\$3,385	1.0x	19.9x	79.3x	104.5x	(119.5x)	38.9x	7.8%	1.3%	5.1%	(0.3x)
Bridgford Foods Corporation	BRID	\$24.67	64.9%	\$24	\$20	1.2x	17.8x	26.0x	30.8x	NM	NM	32.7%	5.1%	7.4%	0.5x
Mean				\$12,651	\$15,462	1.3x	14.8x	30.4x	38.6x	-17.3x	24.1x	16.5%	6.4%	8.9%	1.3x
Median				\$7,577	\$9,997	1.0x	15.6x	17.7x	22.6x	13.9x	20.4x	12.6%	5.7%	8.2%	1.3x
High				\$30,192	\$42,584	2.3x	19.9x	79.3x	104.5x	22.7x	38.9x	32.7%	12.4%	14.1%	3.0x
Low				\$24	\$20	0.9x	10.3x	13.8x	13.9x	-119.5x	16.8x	7.8%	1.3%	5.1%	(0.3x)

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 10/31/2019	% 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 S.A.	BN	\$82.08	90.3%	\$53,169	\$69,002	2.5x	13.1x	16.8x	22.3x	21.2x	21.9x	48.4%	14.7%	19.0%	3.0x
Dean Foods Company	DF	\$0.98	12.0%	\$90	\$1,384	0.2x	NM	NM	NM	(23.8x)	(1.1x)	20.5%	(2.3%)	(0.3%)	(60.7x)
Lifeway Foods, Inc.	LWAY	\$2.01	42.3%	\$32	\$34	0.4x	24.9x	NM	NM	NM	NM	27.2%	(2.1%)	1.4%	1.9x
Mean				\$17,764	\$23,473	1.0x	19.0x	16.8x	22.3x	-1.3x	10.4x	32.0%	3.4%	6.7%	-18.6x
Median				\$90	\$1,384	0.4x	19.0x	16.8x	22.3x	-1.3x	10.4x	27.2%	-2.1%	1.4%	1.9x
High				\$53,169	\$69,002	2.5x	24.9x	16.8x	22.3x	21.2x	21.9x	48.4%	14.7%	19.0%	3.0x
Low				\$32	\$34	0.2x	13.1x	16.8x	22.3x	-23.8x	-1.1x	20.5%	-2.3%	-0.3%	-60.7x

Source: Capital IQ  
 Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash  
 LTM = Last Twelve Months

### Organics & Healthy:

(\$ in millions, except per share data)

Company	Share Price 10/31/2019	% 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	\$78.04	93.1%	\$11,399	\$13,790	3.6x	15.3x	18.8x	24.1x	26.0x	24.8x	26.7%	17.9%	22.2%	2.8x
The Hain Celestial Group, Inc.	HAIN	\$23.64	89.4%	\$2,470	\$3,070	1.3x	19.5x	30.6x	NM	26.1x	36.6x	20.6%	4.7%	7.2%	2.4x
The Simply Good Foods Company	SMPL	\$24.54	78.3%	\$2,336	\$2,261	4.3x	24.7x	26.9x	43.8x	36.6x	49.6x	41.5%	16.0%	17.5%	NM
Mean				\$5,402	\$6,373	3.1x	19.9x	25.4x	34.0x	NM	37.0x	29.6%	12.9%	15.6%	2.6x
Median				\$2,470	\$3,070	3.6x	19.5x	26.9x	34.0x	NM	36.6x	26.7%	16.0%	17.5%	2.6x
High				\$11,399	\$13,790	4.3x	24.7x	30.6x	43.8x	36.6x	49.6x	41.5%	17.9%	22.2%	2.8x
Low				\$2,336	\$2,261	1.3x	15.3x	18.8x	24.1x	26.0x	24.8x	20.6%	4.7%	7.2%	2.4x

Source: Capital IQ  
 Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash  
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### Food Conglomerates:

(\$ in millions, except per share data)

Company	Share Price 10/31/2019	% 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	\$105.97	93.0%	\$385,976	\$345,219	3.7x	17.3x	20.4x	33.8x	22.4x	25.3x	50.1%	17.0%	20.2%	2.0x
Mondelēz International, Inc.	MDLZ	\$52.45	92.5%	\$75,519	\$94,256	3.7x	17.1x	20.8x	19.4x	20.1x	24.5x	39.4%	15.7%	19.5%	3.7x
General Mills, Inc.	GE	\$80.86	90.2%	\$30,739	\$45,824	2.7x	12.3x	14.8x	16.4x	14.6x	16.3x	34.7%	18.1%	21.8%	3.9x
Kellogg Company	K	\$63.53	96.8%	\$21,670	\$30,149	2.2x	14.6x	19.4x	30.0x	15.0x	16.8x	32.7%	11.4%	15.1%	3.8x
The J. M. Smucker Company	SDM	\$105.68	82.3%	\$12,053	\$18,048	2.3x	11.1x	15.3x	22.4x	13.5x	13.1x	38.1%	15.3%	21.0%	3.7x
Conagra Brands, Inc.	CAG	\$27.05	75.4%	\$13,164	\$23,971	2.4x	11.4x	13.3x	18.7x	16.2x	17.0x	28.4%	17.1%	20.1%	5.3x
Campbell Soup Company	CPB	\$46.31	95.7%	\$13,948	\$22,400	2.8x	15.1x	20.1x	29.5x	15.3x	18.8x	33.4%	13.8%	18.3%	5.7x
Post Holdings, Inc.	POST	\$102.90	90.5%	\$7,519	\$13,820	2.4x	12.0x	17.8x	45.5x	26.3x	25.4x	31.3%	13.7%	20.1%	5.3x
Lancaster Colony Corporation	LANC	\$139.18	71.6%	\$3,826	\$3,630	2.8x	17.4x	20.6x	25.5x	32.9x	29.0x	25.4%	13.6%	16.1%	NM
TreeHouse Foods, Inc.	THS	\$54.02	79.6%	\$3,036	\$5,524	1.0x	11.5x	19.7x	NM	25.4x	25.5x	16.9%	5.4%	9.1%	4.7x
J & J Snack Foods Corp.	JJSF	\$190.76	96.9%	\$3,594	\$3,398	2.9x	20.6x	29.0x	39.1x	38.0x	37.5x	29.5%	9.9%	14.0%	NM
B&G Foods, Inc.	BGS	\$15.55	49.2%	\$996	\$2,907	1.8x	10.1x	12.6x	5.7x	16.0x	11.1x	24.0%	13.9%	17.4%	6.7x
Mean				\$41,003	\$50,771	2.5x	14.2x	18.6x	26.0x	21.4x	21.7x	32.0%	13.7%	17.7%	4.5x
Median				\$12,608	\$20,224	2.6x	13.5x	19.5x	25.5x	18.2x	21.6x	32.0%	13.8%	18.9%	4.3x
High				\$305,976	\$345,219	3.7x	20.6x	29.0x	45.5x	38.0x	37.5x	50.1%	18.1%	21.8%	6.7x
Low				\$996	\$2,907	1.0x	10.1x	12.6x	5.7x	13.5x	11.1x	16.9%	5.4%	9.1%	2.0x

Source: Capital IQ

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

LTM = Last Twelve Months

### Valuation Summary

#### Public Company Trading Metrics (LTM)

Industry	TEV/Revenue	TEV/EBITDA
Beverage	6.1x	20.6x
Retail & Distribution	0.3x	7.7x
Fruits, Vegetables & Nuts	0.6x	18.4x
Protein Products	1.0x	15.6x
Dairy	0.4x	19.0x
Organics & Healthy	3.6x	19.5x
Food Conglomerates	2.6x	13.5x
<b>Mean</b>	<b>2.1x</b>	<b>16.3x</b>
<b>Median</b>	<b>1.0x</b>	<b>18.4x</b>

Note: Multiples represent median values

Source: Capital IQ

### Commodity Score Card

Commodity	Units	10/31/2019	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.77	\$3.88	\$3.81	\$3.98
Coffee	\$ per lb.	\$1.13	\$1.01	\$0.95	\$1.24
Cocoa	\$ per lb.	\$1.13	\$1.11	\$1.08	\$1.04
Wheat	\$ per bu.	\$5.10	\$4.96	\$4.38	\$5.46
Live Cattle	\$ per lb.	\$1.19	\$1.10	\$1.12	\$1.15

Source: Capital IQ



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### Select M&A and Capital Raising News, October 2019

#### ❖ Hain Celestial Group Divests Two Brands

October 8, 2019 – Hometown Food Co., a portfolio company of the private equity firm Brynwood Partners, has acquired Arrowhead Mills and SunSpire brands from the Hain Celestial Group for \$15 million. The sale includes a manufacturing plant in Hereford, Texas. Arrowhead Mills is a manufacturer and marketer of grain-based foods and ingredients. The Company primarily competes in the baking and breakfast categories. SunSpire is a manufacturer of baking and confectionery chocolates. Hain Celestial Group management has been focused on improving the profitability of the Company's business in the United States. One strategy has been to divest low-margin and low-growth businesses.

#### ❖ Cultured Meat Start-up Secures \$14 Million in Funding

October 10, 2019 – Israel-based cultured meat start-up Future Meat Technologies announced a \$14 million Series A funding round. Along with expanded R.&D. efforts, the funding will be used to build the world's first cultured meat manufacturing facility. The Company plans to begin operations at the Tel Aviv facility in 2020. Products could be commercial-ready as early as 2021. Future Meat was founded last year with the goal of creating cost-efficient, G.M.O.-free meat directly from animal cells. Its technology uses the rapid growth of connective tissue cells, called fibroblasts, to reach high densities before turning the cells to cultured muscles and healthy fats.

#### ❖ Campbell Soup Completes Divestiture of European Chips Business

October 11, 2019 – The Valeo Foods Group, a consumer-packaged goods company based in Ireland, has finalized its acquisition of the European chips business from the Campbell Soup Co. for approximately \$80 million. The business includes Kettle Foods Ltd., which is based in the United Kingdom, and Yellow Chips B.V., which is based in the Netherlands. Under terms of the agreement, Campbell Soup will retain the Kettle brand business in the United States and all other geographies except for Europe and the Middle East. Campbell Soup intends to grow the Kettle brand within its Snacks business unit portfolio.

#### ❖ Cracker Barrel Acquires Maple Street Biscuit Co.

October 14, 2019 – Cracker Barrel Old Country Store acquired fast-casual concept Maple Street Biscuit Co. in an all-cash transaction valued at \$36 million. Cracker Barrel plans to convert its Holler & Dash Biscuit House units into Maple Street Biscuit Co. locations in the coming months. Maple Street Biscuit Co. offers "Comfort food with a modern twist," with fresh biscuits, chicken, sausage (or shiitake) gravy, and house-made jams and jellies as the basis for its menu. Founded by Scott Moore and Gus Evans in Jacksonville, Florida., in 2012, there are 28 locations across seven states. Cracker Barrel expects the acquisition to be approximately neutral to earnings per diluted share in fiscal 2020.

#### ❖ Country Crock Parent to Acquire Plant-based Cheese Producer

October 17, 2019 – Plant-based spreads maker Upfield Group B.V. has agreed to acquire Arivia S.A., manufacturer of plant-based cheeses under the Violife brand, through its Upfield Europe B.V. business. Upon completion of the acquisition, Violife will join Upfield's brand portfolio, which includes Country Crock, I Can't Believe It's Not Butter, Blue Band, Flora, Rama, ProActiv and Becel. Financial terms of the transaction, which is expected to close within three months, were not disclosed.

#### ❖ Private Equity Firm Acquires Innophos

October 21, 2019 – One Rock Capital Partners has entered into an agreement with Innophos Holdings, Inc., to acquire the ingredient company for \$32 per share. The transaction, which is expected to be completed in the first quarter of 2020, is valued at \$932 million. Innophos will become a privately held company upon completion of the transaction, and shares of its common stock will no longer be listed on any public market. The agreement includes a 30-day "go-shop" period, commencing immediately, during which Innophos will solicit alternative acquisition proposals.

#### ❖ LaSalle Capital Acquires Joseph's Frozen Foods

October 23, 2019 – LaSalle Capital has purchased Joseph's Frozen Foods from Brynwood Partners VII L.P. Financial terms of the transaction were not disclosed. LaSalle Capital manages two funds totaling more than \$345 million in committed capital. The firm's portfolio includes Westminster Foods, a Hempstead, New York-based natural food holding company created through the combination of Westminster Cracker Co., Gold's Pure Foods, Dr. Lucy's, L.L.C., and H. Fox & Co., as well as DeIorio Foods, a Utica, New York-based manufacturer of premium frozen dough and other bakery products primarily for food service applications.

#### ❖ Pipeline Foods Agrees to Acquire Ancient Grass Business

October 29, 2019 – Pipeline Foods, a supply chain solutions company focused exclusively on organic, non-G.M.O. and regenerative food and feed, has reached an agreement, in principle, to acquire the ancient grains and specialty products business of Organic Ventures. As part of the acquisition, Organic Ventures' president, Rick Halverson, will join Pipeline Foods as an equity shareholder. Organic Ventures is the parent company to Great River Organic Milling. The acquisition complements Pipeline Foods' product portfolio across the Americas by adding ancient grains to its offerings, and further bolsters its focus on organic corn products. Pipeline Foods will extend all services, including grain merchandising and the Company's Farm Profit and Ag Impact programs, to its expanded grower and customer base.

## The Cupboard

A Food & Beverage  
Industry Newsletter



### Industry News, October 2019

#### ❖ Denali Ingredients Names President and CEO

October 1, 2019 – Neal Glaeser has been named president and CEO at Denali companies. In his expanded role, he will oversee operations at both Denali Ingredients and Denali Flavors. Mr. Glaeser joined Denali Flavors, the licensing company of Moose Tracks ice cream flavors and sister company to Denali Ingredients, in 2001. There, he led efforts to expand the Company's offerings from a flavor concept and licensing business to an ingredients solution provider for ice cream, frozen desserts, dairy and other food applications. He also spearheaded Denali Flavors' purchase of the former Cool Brands/Eskimo Pie ingredient company, which was renamed Denali Ingredients, in 2006. During the past 13 years he has overseen several plant improvements, including the opening of Denali's R.&D. Center, as well as the Company's expansion into new product capabilities such as stabilizers and texture systems, extruded dough, flakes and most recently baked inclusions.

#### ❖ Shake Shack CFO Promoted to President

October 2, 2019 – Shake Shack announced the latest in a series of leadership appointments and promotions, naming Tara Comonte, CFO, to the expanded role of president and CFO. As president, Ms. Comonte will focus on scaling the burger chain's infrastructure, broadening support and guidance on day-to-day operations. She will continue overseeing finance, accounting, technology, internal audit and legal. Ms. Comonte has more than 20 years of strategy, finance, technology and operations experience, primarily with global media and advertising companies. Since joining Shake Shack in 2017, she has helped lead an increased focus and investment in digital technology as well as diversity and inclusion initiatives.

#### ❖ Agropur Cooperative Names New CEO

October 4, 2019 – Émile Cordeau has been named CEO at Agropur Cooperative. Agropur decided to accelerate its succession plan "in view of other opportunities for Mr. Cordeau." Mr. Cordeau joined Agropur in 2013 as vice-president of process improvement. Since then, he has held a series of leadership positions, including vice-president of the cooperative's fine cheese business unit, vice-president of food services and proximity retail and most recently senior vice-president and CFO. He succeeds Robert Coallier, who will retire from the dairy cooperative at the end of the year. Mr. Coallier has been CEO at Agropur for eight years, during which the cooperative implemented an acquisitions plan that made it one of the top 20 dairy processors in the world. Today, the cooperative processes more than 6.2 billion liters of milk per year at 39 plants across North America.

#### ❖ Tim Hortons Promotes Schwan to Regional President of US and Canada

October 9, 2019 – Axel Schwan has been promoted to regional president of Tim Hortons for Canada and the United States. In his new role, Mr. Schwan will oversee the Tim Hortons business in the United States and Canada with a specific focus on delivering growth in both markets. He previously was global CMO at Tim Hortons since 2017. Before joining Tim Hortons, Mr. Schwan was global CMO at Burger King Corp. and earlier was vice-president of marketing and communications for the E.M.E.A. region at Burger King and marketing director for Germany, Austria and Switzerland for Burger King. Earlier, he was CEO of Schwan Restaurant GmbH. He also worked as a marketing manager for Danone Waters.

#### ❖ Walmart US Selects Sam's Club Leader as New CEO

October 11, 2019 – John Furner has been named president and CEO of Walmart U.S. He succeeds Greg Foran, who held the role for five years. Mr. Foran plans to stay with Walmart through January 31, 2020, to ensure a smooth transition. In his new role, Mr. Furner will partner with Walmart U.S. e-commerce CEO Marc Lore to "deliver a seamless omnichannel experience" for Walmart's U.S. customers. Mr. Furner most recently was president and CEO of Walmart's Sam's Club business and earlier was CMO for Sam's Club. Before that, he was chief merchandising and marketing officer for Walmart China. Mr. Furner joined Walmart as an hourly associate in 1993, working part-time in the garden center of a Walmart supercenter. He advanced through various leadership roles, later becoming a store manager, district manager and buyer. During his 26 years with Walmart, he has held leadership roles in operations, merchandising and sourcing in Walmart U.S., Sam's Club and Walmart International.

#### ❖ Hershey Elects Buck to Chair of Board

October 14, 2019 – Michele G. Buck has been elected Chairman of the Board of Directors at The Hershey Co. She succeeds Charles A. Davis, who will reassume the role of lead independent director, a position he held from May 2017 to May 2018. Ms. Buck has been president and CEO of Hershey since March 2017. Under Ms. Buck's leadership, Hershey has delivered strong financial results while executing on the strategic vision of the Company through portfolio expansion and profitable international growth.

#### ❖ Sovos Brands Taps Former PepsiCo Executive

October 30, 2019 – Chris Hall has been named CFO at Sovos Brands, parent company of Noosa Yoghurt, Rao's Homemade and Michael Angelo's. Mr. Hall joins Sovos from Woodbolt Distribution L.C.C., where he was CFO. Before that, he held several leadership positions at PepsiCo. He helped create PepsiCo Foods Canada, which merged the Frito-Lay and Quaker Foods businesses when he was CFO for Frito-Lay Canada. He also was CFO for Quaker Foods North America, as well as Sabra Dipping Company, a joint venture between PepsiCo and Strauss Group.

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Additional information is available upon request.

