

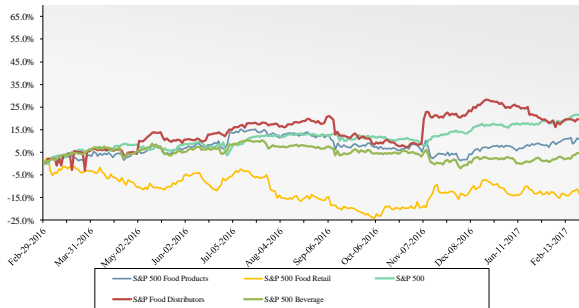
## The Cupboard



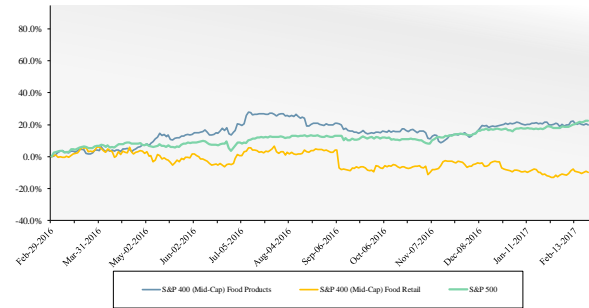
A Food & Beverage Industry Newsletter



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



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



### Indices Performance (% change)

	February 2017	LTM		February 2017	LTM		February 2017	LTM
S&P 500	4.4%	22.3%	S&P 500 Food Products	2.9%	10.2%	S&P 400 Food Products (Mid-Cap)	(0.6%)	19.8%
Dow Jones	5.6%	26.0%	S&P 500 Food Retail	(2.7%)	(16.4%)	S&P 400 Food Retail (Mid-Cap)	0.5%	(12.4%)
NASDAQ	4.0%	27.8%	S&P 500 Food Distributors	1.5%	19.5%			
			S&P 500 Beverage	4.3%	5.0%			

Source: Capital IQ

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

None	The Kroger Co.	(15.3%)
	SUPERVALU Inc.	(12.6%)
	Natural Grocers by Vitamin Cottage, Inc.	(9.4%)
	Village Super Market, Inc.	(8.8%)
	Ingles Markets, Incorporated	(6.3%)

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

Bunge Limited	16.9%	Omega Protein Corporation	(26.0%)
Darling Ingredients Inc.	14.7%	Inventure Foods, Inc.	(18.4%)
Treehouse Foods, Inc.	11.5%	Dean Foods Company	(11.7%)
HRG Group, Inc.	10.7%	The Hain Celestial Group, Inc.	(10.9%)
Coffee Holding Co., Inc.	9.0%	Cal-Maine Foods, Inc.	(9.7%)

Source: Capital IQ

### Food Industry Contacts

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### Select Public Trading Statistics

#### Beverage:

(\$ in millions, except per share data)

Company	Share Price 02/28/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Anheuser-Busch InBev SA/NV	ENX:BRAB	\$109.20	86.3%	\$211,163	\$258,681	6.5x	17.8x	21.5x	61.9x	25.2x	35.6x	60.9%	28.8%	35.9%	6.6x
The Coca-Cola Company	KO	\$41.96	89.0%	\$180,154	\$203,868	4.9x	16.5x	19.3x	28.2x	22.6x	23.8x	60.7%	23.3%	27.5%	2.0x
Pepsico, Inc.	PEP	\$110.38	99.5%	\$157,536	\$178,309	2.8x	14.7x	17.9x	25.3x	23.1x	24.3x	55.1%	15.9%	19.3%	1.7x
Diageo plc	LSE:DEGE	\$27.65	98.9%	\$69,411	\$82,390	6.0x	17.4x	18.9x	23.7x	22.6x	NM	60.8%	29.4%	32.0%	2.4x
Constellation Brands, Inc.	STZ	\$158.81	91.5%	\$31,116	\$39,530	5.5x	16.2x	17.9x	24.6x	28.1x	28.5x	47.5%	29.7%	33.1%	NM
Monster Beverage Corporation	MNST	\$41.44	74.7%	\$23,661	\$23,062	7.8x	20.2x	20.9x	37.2x	51.8x	42.9x	63.7%	38.4%	39.7%	NM
Brown-Forman Corporation	BFB	\$48.76	94.6%	\$18,946	\$20,989	6.9x	19.2x	20.2x	18.5x	31.6x	27.3x	67.8%	33.8%	35.6%	1.9x
Dr Pepper Snapple Group, Inc.	DPS	\$93.44	94.6%	\$17,108	\$19,797	3.1x	12.0x	13.8x	20.6x	22.6x	21.0x	59.9%	22.3%	25.6%	1.6x
National Beverage Corp.	FZZZ	\$58.41	90.2%	\$2,720	\$2,564	3.4x	18.7x	20.5x	33.1x	NM	32.3x	37.1%	16.4%	18.0%	NM
The Boston Beer Company, Inc.	SAM	\$158.65	78.2%	\$1,934	\$1,843	2.0x	9.9x	13.4x	23.4x	33.4x	24.5x	50.7%	15.2%	20.6%	NM
Mean				\$71,375	\$83,103	4.9x	16.3x	18.4x	29.6x	29.0x	28.9x	56.4%	25.3%	28.7%	2.7x
Median				\$27,388	\$31,296	5.2x	17.0x	19.1x	25.0x	25.2x	27.3x	60.3%	26.1%	29.8%	2.0x
High				\$211,163	\$258,681	7.8x	20.2x	21.5x	61.9x	51.8x	42.9x	67.8%	38.4%	39.7%	6.6x
Low				\$1,934	\$1,843	2.0x	9.9x	13.4x	18.5x	22.6x	21.0x	37.1%	15.2%	18.0%	1.6x

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 02/28/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
The Kroger Co.	KR	\$31.80	77.7%	\$29,832	\$43,312	0.4x	7.4x	12.2x	15.3x	21.3x	17.0x	22.4%	3.0%	5.0%	2.4x
Sysco Corporation	SY	\$52.72	92.4%	\$28,480	\$36,082	0.7x	12.0x	16.3x	28.7x	NM	23.2x	18.7%	4.2%	5.7%	2.5x
Whole Foods Market, Inc.	WFM	\$30.67	86.2%	\$9,770	\$10,097	0.6x	7.4x	12.2x	22.2x	NM	20.0x	34.3%	5.2%	8.6%	NM
Casey's General Stores, Inc.	CASY	\$114.58	84.1%	\$4,490	\$5,243	0.8x	9.6x	14.5x	21.6x	NM	26.2x	26.0%	5.3%	8.3%	1.5x
Weis Markets, Inc.	WMK	\$60.00	87.1%	\$1,614	\$1,560	0.5x	9.1x	16.1x	25.8x	NM	NM	27.6%	3.3%	5.8%	NM
SpartanNash Company	SPIN	\$34.90	86.4%	\$1,310	\$1,717	0.2x	7.6x	11.6x	23.0x	14.5x	16.1x	14.4%	1.9%	2.9%	1.8x
SUPERVALU Inc.	SUV	\$3.78	61.3%	\$1,012	\$3,520	0.2x	4.7x	7.4x	7.3x	12.9x	8.3x	15.0%	2.7%	4.3%	3.4x
Ingles Markets, Incorporated	IMKTA	\$46.85	89.4%	\$949	\$1,834	0.5x	7.7x	14.2x	17.2x	NM	NM	24.5%	3.4%	6.2%	3.7x
Village Super Market, Inc.	VLGA	\$29.61	81.3%	\$420	\$399	0.2x	6.0x	9.3x	17.0x	NM	NM	27.2%	2.6%	4.1%	NM
Mean				\$8,653	\$11,529	0.5x	8.0x	12.7x	19.8x	16.2x	18.5x	23.3%	3.5%	5.7%	2.6x
Median				\$1,614	\$3,520	0.5x	7.6x	12.2x	21.6x	14.5x	18.5x	24.5%	3.3%	5.7%	2.4x
High				\$29,832	\$43,312	0.8x	12.0x	16.3x	28.7x	21.3x	26.2x	34.3%	5.3%	8.6%	3.3x
Low				\$420	\$399	0.2x	4.7x	7.4x	7.3x	12.9x	8.3x	14.4%	1.9%	2.9%	1.5x

Source: Capital IQ

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

LTM = Last Twelve Months



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### Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 02/28/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Fresh Del Monte Produce Inc.	FDP	\$57.87	86.6%	\$2,967	\$3,204	0.8x	9.1x	11.7x	13.4x	0.0x	15.9x	11.5%	6.8%	8.8%	0.6x
Calavo Growers, Inc.	CVGW	\$56.40	78.9%	\$984	\$991	1.1x	14.3x	16.4x	25.9x	NM	33.4x	11.3%	6.2%	7.1%	0.8x
Seneca Foods Corporation	SINEA	\$37.55	88.0%	\$370	\$743	0.6x	9.6x	13.8x	13.3x	NM	NM	10.3%	4.1%	6.0%	4.8x
Adventure Foods, Inc.	SNAK	\$5.58	55.0%	\$110	\$225	0.8x	29.9x	NM	NM	NM	(42.4x)	12.6%	0.1%	2.7%	15.3x
Mean				\$1,108	\$1,291	0.8x	15.7x	14.0x	17.5x	0.0x	2.3x	11.4%	4.3%	6.2%	5.4x
Median				\$677	\$867	0.8x	11.9x	13.8x	13.4x	0.0x	15.9x	11.4%	5.2%	6.6%	2.8x
High				\$2,967	\$3,204	1.1x	29.9x	16.4x	25.9x	0.0x	33.4x	12.6%	6.8%	8.8%	15.3x
Low				\$110	\$225	0.6x	9.1x	11.7x	13.3x	0.0x	-42.4x	10.3%	0.1%	2.7%	0.6x

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 02/28/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Tyson Foods, Inc.	TSN	\$62.56	81.2%	\$22,967	\$28,640	0.8x	7.6x	9.3x	12.6x	16.6x	15.7x	13.5%	8.3%	10.2%	1.5x
Hormel Foods Corporation	HRL	\$35.25	78.8%	\$18,640	\$18,280	1.9x	12.6x	13.8x	21.4x	27.0x	23.7x	22.6%	13.5%	14.8%	(0.3x)
Pilgrim's Pride Corporation	PPC	\$20.38	73.3%	\$5,062	\$5,963	0.8x	6.7x	8.3x	11.8x	8.6x	13.1x	11.5%	9.0%	11.2%	1.0x
Sanderson Farms, Inc.	SAFM	\$95.04	95.6%	\$2,161	\$1,935	0.7x	4.9x	6.2x	10.7x	11.0x	10.5x	16.8%	10.7%	13.7%	(0.6x)
Bridgford Foods Corporation	BRID	\$12.37	77.3%	\$112	\$106	0.8x	7.6x	9.8x	14.5x	NM	NM	38.3%	7.8%	9.9%	(0.9x)
Mean				\$9,789	\$10,985	1.0x	7.9x	9.5x	14.2x	15.8x	15.8x	20.5%	9.9%	12.0%	0.2x
Median				\$5,062	\$5,963	0.8x	7.6x	9.3x	12.6x	13.8x	14.4x	16.8%	9.0%	11.2%	(0.3x)
High				\$22,967	\$28,640	1.9x	12.6x	13.8x	21.4x	27.0x	23.7x	38.3%	13.5%	14.8%	1.5x
Low				\$112	\$106	0.7x	4.9x	6.2x	10.7x	8.6x	10.5x	11.5%	7.8%	9.9%	(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 02/28/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Danone	BN	\$66.17	88.7%	\$40,454	\$49,503	2.1x	12.3x	15.5x	22.4x	22.8x	22.7x	100.0%	13.8%	17.3%	0.0x
The WhiteWave Foods Company	WWAV	\$85.08	96.9%	\$9,770	\$11,868	2.8x	21.5x	28.7x	46.7x	43.0x	40.1x	34.7%	10.1%	13.4%	3.7x
Dean Foods Company	DF	\$18.24	81.8%	\$1,655	\$2,524	0.3x	5.4x	8.8x	13.8x	16.5x	12.4x	25.8%	3.7%	6.0%	1.9x
Lilway Foods, Inc.	LWAY	\$10.51	56.9%	\$170	\$168	1.4x	19.0x	29.2x	51.2x	93.3x	58.4x	30.1%	4.7%	7.2%	(0.2x)
Mean				\$13,012	\$16,016	1.7x	14.6x	20.6x	33.5x	43.9x	33.4x	47.6%	8.1%	11.0%	1.3x
Median				\$5,713	\$7,196	1.7x	15.6x	22.1x	34.6x	32.9x	31.4x	32.4%	7.4%	10.3%	0.9x
High				\$40,454	\$49,503	2.8x	21.5x	29.2x	51.2x	93.3x	58.4x	100.0%	13.8%	17.3%	3.7x
Low				\$170	\$168	0.3x	5.4x	8.8x	13.8x	16.5x	12.4x	25.8%	3.7%	6.0%	-0.2x

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 02/28/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
The WhiteWave Foods Company	WWAV	\$55.08	96.9%	\$9,770	\$11,868	2.8x	21.5x	28.7x	46.7x	43.0x	40.1x	34.7%	10.1%	13.4%	3.7x
The Hale Celestial Group, Inc.	HAIN	\$35.38	62.1%	\$3,660	\$4,452	1.5x	12.0x	14.4x	17.7x	NM	21.9x	23.2%	10.7%	12.8%	2.1x
Amplify Snack Brands, Inc.	BETR	\$10.02	57.2%	\$734	\$1,307	5.7x	14.8x	15.8x	34.0x	38.7x	26.3x	52.5%	36.3%	38.6%	6.5x
Mean				\$4,721	\$5,876	3.4x	16.1x	19.6x	32.8x	40.8x	29.4x	36.7%	19.0%	21.6%	4.1x
Median				\$3,660	\$4,452	2.8x	14.8x	15.8x	34.0x	40.8x	26.3x	34.7%	10.7%	13.4%	3.7x
High				\$9,770	\$11,868	5.7x	21.5x	28.7x	46.7x	43.0x	40.1x	52.3%	36.3%	38.6%	6.5x
Low				\$734	\$1,307	1.5x	12.0x	14.4x	17.7x	38.7x	21.9x	23.2%	10.1%	12.8%	2.1x

Source: Capital IQ

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

LTM = Last Twelve Months

### Food Conglomerates:

(\$ in millions, except per share data)

Company	Share Price 02/28/2017	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples			LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY15 P/E	CY16 P/E	Gross	EBIT	EBITDA		
Nestlé S.A.	NESN	\$73.24	92.8%	\$226,897	\$242,762	2.7x	13.6x	16.3x	27.0x	23.2x	23.7x	50.8%	15.9%	19.3%	0.8x
Mondelez International, Inc.	MDLZ	\$43.92	94.7%	\$67,049	\$82,464	3.2x	18.2x	22.2x	41.8x	28.2x	25.3x	39.1%	13.2%	16.4%	3.6x
General Mills, Inc.	GIS	\$60.37	82.8%	\$35,015	\$44,824	2.8x	12.9x	15.3x	22.5x	NM	NM	36.3%	17.7%	21.2%	2.6x
Kellogg Company	K	\$74.07	85.0%	\$26,009	\$33,512	2.6x	14.9x	19.4x	37.8x	20.0x	21.8x	37.9%	13.3%	17.3%	3.3x
Campbell Soup Company	CPB	\$59.35	87.4%	\$18,224	\$21,393	2.7x	13.7x	17.0x	37.0x	NM	19.4x	36.2%	15.8%	19.7%	2.0x
Conagra Brands, Inc.	CAG	\$41.21	84.3%	\$17,935	\$20,025	1.8x	10.3x	12.4x	35.1x	20.3x	NM	27.7%	13.2%	16.3%	1.1x
The J. M. Smucker Company	SIM	\$141.73	90.1%	\$16,503	\$21,451	2.9x	13.0x	17.2x	24.7x	NM	17.4x	38.9%	16.8%	22.3%	3.0x
Post Holdings, Inc.	POST	\$81.87	92.0%	\$5,263	\$9,125	1.8x	10.4x	15.9x	NM	NM	34.5x	31.1%	11.4%	17.5%	4.4x
Treehouse Foods, Inc.	THIS	\$85.08	81.4%	\$4,832	\$7,541	1.2x	12.2x	22.4x	NM	30.7x	29.9x	18.5%	5.5%	10.0%	4.4x
Snyder's-Lance, Inc.	LNCE	\$39.58	99.4%	\$3,809	\$5,088	2.4x	18.4x	28.1x	NM	40.3x	31.0x	36.7%	8.6%	13.1%	4.6x
Lancaster Colony Corporation	LANC	\$131.80	88.3%	\$3,615	\$3,497	2.9x	15.6x	17.4x	27.4x	NM	28.1x	27.1%	16.9%	18.9%	(0.5x)
B&G Foods, Inc.	BGS	\$42.50	80.4%	\$2,822	\$4,519	3.2x	14.4x	16.2x	24.6x	24.5x	22.3x	32.6%	20.4%	23.1%	5.3x
J&J Snack Foods Corp.	JJSF	\$133.80	99.1%	\$2,503	\$2,338	2.3x	15.2x	20.5x	32.8x	28.6x	30.7x	30.8%	11.4%	15.4%	(1.1x)
Mean				\$33,114	\$38,349	2.5x	14.0x	18.5x	31.1x	27.0x	25.8x	34.1%	13.9%	17.7%	2.6x
Median				\$16,503	\$20,025	2.7x	13.7x	17.2x	30.1x	26.3x	25.3x	36.2%	13.3%	17.5%	3.0x
High				\$226,897	\$242,762	3.2x	18.4x	28.1x	41.8x	40.3x	34.5x	50.8%	20.4%	23.1%	5.3x
Low				\$2,503	\$2,338	1.2x	10.3x	12.4x	22.5x	20.0x	17.4x	18.5%	5.5%	10.0%	(1.1x)

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	5.2x	17.0x
Retail & Distribution	0.5x	7.6x
Fruits, Vegetables & Nuts	0.8x	11.9x
Protein Products	0.8x	7.6x
Dairy	1.7x	15.6x
Organics & Healthy	2.8x	14.8x
Food Conglomerates	2.7x	13.7x
<b>Mean</b>	<b>2.1x</b>	<b>12.6x</b>
<b>Median</b>	<b>1.7x</b>	<b>13.7x</b>

Note: Multiples represent median values

Source: Capital IQ



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### Commodity Score Card

Commodity	Units	2/28/2017	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.76	\$3.62	\$3.20	\$3.55
Coffee	\$ per lb.	\$1.41	\$1.52	\$1.45	\$1.15
Cocoa	\$ per lb.	\$0.87	\$0.95	\$1.33	\$1.33
Wheat	\$ per bu.	\$4.56	\$4.20	\$3.97	\$4.46
Live Cattle	\$ per lb.	\$1.15	\$1.17	\$1.05	\$1.37

Source: Capital IQ

## Select M&A and Capital Raising News, February 2017

- ❖ **New Food, Beverage Company Acquires Michael Angelo's**  
February 1, 2017 – Sovos Brands, a new company formed by Advent International private equity investors, has acquired Michael Angelo's Gourmet Foods Inc., a producer of premium, authentic frozen Italian entrees. Financial terms of the transaction were not disclosed. Founded in 1983 and based in Austin, Texas, Michael Angelo's Gourmet Foods generates approximately \$100 million in gross sales. The company offers single-serve and multi-serve frozen meals created with traditional Italian cooking methods and flavors. Michael Angelo's is the first investment by Sovos Brands, a food and beverage company founded to acquire and build brands to establish a scale player in the C.P.G. industry.
- ❖ **Reckitt Benckiser to Acquire Mead Johnson Nutrition**  
February 10, 2017 – Reckitt Benckiser has entered into an agreement to acquire the Mead Johnson Nutrition Co. for \$17.9 billion (4.8x revenue). The purchase price includes \$90 in cash per share of Mead Johnson stock for a valuation of \$16.6 billion plus the assumption of the infant and children's nutrition company's debt. Reckitt Benckiser valued the infant and children's nutrition category as worth approximately \$46 billion and management expects the category to grow at 3% to 5% annually in the medium and long term. The growth projection is underpinned by demographic trends in developing markets. During fiscal 2016, Mead Johnson Nutrition generated sales of \$3.7 billion. Approximately 80% of the company's sales come from its Enfa family of brands.
- ❖ **US Foods to Acquire All American Foods**  
February 15, 2017 – US Foods has agreed to acquire All American Foods, a broadline distributor based in North Kingstown, Rhode Island. Financial terms of the transaction were not disclosed. Established in 1988, All American Foods offers more than 4,000 stock-keeping units to nearly 1,000 customers throughout Rhode Island, Massachusetts and Connecticut. The company has annual sales of approximately \$60 million.
- ❖ **Hain Celestial to Acquire Premium Soup Company**  
February 16, 2017 – The Hain Celestial Group, Inc. has entered into a definitive agreement to purchase The Yorkshire Provender Ltd., a producer of premium branded soup in the United Kingdom. Financial terms of the transaction were not disclosed. Founded in 2007, Yorkshire Provender's products are sold in retailers, on-the-go food outlets and food service providers throughout the United Kingdom. The company will continue to operate from its Yorkshire location. In 2016, Yorkshire Provender had approximately £6 million (approximately \$7.5 million) in net sales and is expected to be accretive to Hain Celestial's earnings in fiscal year 2018.
- ❖ **Palermo Villa Acquires Frozen Pizza Maker**  
February 17, 2017 – Palermo Villa, Inc., a frozen pizza manufacturer based in Milwaukee, Wisconsin, has acquired the assets of Connie's Naturals, L.L.C., a Carol Stream, Illinois-based frozen pizza company. Financial terms of the transaction were not disclosed. Following the acquisition, Connie's frozen pizza will become part of the Palermo's family of brands, which includes Palermo's Pizza, P'mos, Screamin' Sicilian and Urban Pie Pizza Co.
- ❖ **Restaurant Brands to Buy Popeyes for \$1.8 Billion**  
February 21, 2017 – Restaurant Brands International Inc., parent company of Burger King and Tim Hortons, announced plans to acquire Popeyes Louisiana Kitchen, Inc. for \$79 per share in cash, or \$1.8 billion (6.7x revenue). Founded in New Orleans in 1972, Popeyes is one of the world's largest quick-service restaurant chicken concepts, with more than 2,600 restaurants in the United States and 25 other countries producing \$269 million of sales in 2016. The acquisition will complement Restaurant Brands' portfolio of more than 20,000 restaurants in more than 100 countries and U.S. territories. Following the closing of the transaction, Popeyes will continue to be managed independently in the United States while benefitting from Restaurant Brands' global scale and resources.
- ❖ **Maple Leaf Foods to Acquire Meatless Brand LightLife**  
February 22, 2017 – Maple Leaf Foods has signed a definitive agreement to acquire plant-based protein brand Lightlife Foods, Inc. from Brynwood Partners VI L.P. for \$140 million (3.5x revenue). With approximately \$40 million in sales in 2016, Lightlife has 38% market share in the U.S. refrigerated plant-based protein foods category and manufactures more than 30 products, including plant-based tempeh, hot dogs, breakfast foods and burgers, at its facility in Turner Falls, Massachusetts.
- ❖ **French Vegetable Producer to Acquire Ready Pac Foods**  
February 23, 2017 – French vegetable company Bonduelle has entered into an agreement to acquire Ready Pac Foods, the Irwindale, California-based producer of salads and fresh-cut produce. Financial terms were not disclosed. Ready Pac Foods will become a wholly-owned subsidiary of Bonduelle, a family-owned business with more than \$2 billion in revenue. Founded in 1853, Bonduelle owns four brands of canned, frozen and fresh vegetables with a presence in 100 countries around the world.



## The Cupboard

A Food & Beverage  
Industry Newsletter



### Industry News, February 2017

- ❖ **Tim Hortons Taking Brand to Mexico**  
February 1, 2017 – Restaurant Brands International, parent company of Tim Hortons and Burger King, announced a joint venture with a group of investors in Mexico that will bring the Tim Hortons brand to Latin America for the first time. The joint venture company will be the master franchisee of the Tim Hortons brand in Mexico and will be responsible for developing and growing the brand in the country.
- ❖ **Nestle USA to Relocate Headquarters**  
February 2, 2017 – Nestle USA plans to transition its corporate headquarters to Arlington County, Virginia from Glendale, California. The move will commence later this year and is expected to be completed by the end of 2018. With this shift, the company expects to bring approximately 750 jobs to the Washington, D.C. area. The move to Virginia signals Nestle's commitment to future investment and growth in the United States. The new site is also closer to the bulk of its business and stakeholders, as 75% of Nestle USA's facilities and 85% of its top customers are located in the eastern half of the United States.
- ❖ **Former Diamond Foods Exec to Lead SunOpta**  
February 6, 2017 – David J. Colo has been named president and CEO of SunOpta, Inc., a supplier of organic and non-G.M.O. specialty products. He comes to the company from Diamond Foods, where he has been executive vice-president and COO since 2013. In his role with Diamond Foods, Mr. Colo was responsible for marketing, innovation, R&D, operations, supply chain, procurement, quality, food safety, grower services and contract manufacturing. Together with the Diamond Foods executive team, he was responsible for leading the turnaround of the company and its eventual sale for approximately \$1.9 billion to Snyder's-Lance, Inc. in March 2016.
- ❖ **Panera Vet Joins Papa John's**  
February 8, 2017 – Mike Nettles has been named senior vice-president, chief information and digital officer for Papa John's International. In his new role Mr. Nettles will be tasked with enhancing Papa John's digital technology to deliver an improved customer experience. Before joining Papa John's, Mr. Nettles was vice-president of enterprise architecture and IT strategy at Panera Bread Co., where he was responsible for driving information technology architecture and processes for the Panera 2.0 business model. He also led the technical design, development and implementation of digital and in-café Panera assets.
- ❖ **Campbell Soup Controller to Retire June 1**  
February 10, 2017 – William O'Shea, vice-president and controller at Campbell Soup Co., has informed the company of his intent to retire on June 1. Mr. O'Shea joined Campbell Soup in 1996 as controller, U.S. Soup. He later held a diverse range of leadership roles, including vice-president, finance, U.S. Grocery; vice-president and treasurer; vice-president, finance and strategy, North America Soup, Sauces and Beverages; and vice-president, finance operations. In the coming weeks, the company expects to name a successor who will work with Mr. O'Shea through the transition.
- ❖ **Hain Celestial Group Under Investigation by the SEC**  
February 14, 2017 – The Securities and Exchange Commission is investigating the Hain Celestial Group, Inc. The investigation relates to concessions that were granted to certain distributors in the United States. The Hain Celestial Group said it contacted the SEC this past August to advise the agency of the company's delay to file financial reports while the board of directors conducted an internal investigation of the issue. This past November, the company said the audit committee of the board found no intentional wrongdoing related to the accounting issue. The Hain Celestial Group has not issued earnings since May 2016 when it released its third-quarter results.
- ❖ **Tyson Foods Announces New Leadership Team**  
February 15, 2017 – Tyson Foods, Inc. has announced a new senior leadership team a little over a month after Tom Hayes assumed the role of president and CEO on December 31, 2016. The enhanced structure will increase focus on consumers, customers, technology and sustainability. Members of the new leadership team will report to Mr. Hayes and include: Sally Grimes, president, North American Retail; Andy Callahan, president, North American Foodservice & International; Noel White, COO; Monica McGurk, chief growth officer; Dennis Leatherby, CFO; Scott Rouse, chief customer officer; David Van Bebber, general counsel; Devin Graham, interim CTO; Mary Oleksiuk, chief human resources officer; and a yet-to-be-named chief sustainability officer. In connection with these appointments, the company announced the departures of Donnie King, president, North American Operations; Sara Lilygren, executive vice-president, corporate affairs; and Gary Cooper, chief information officer. The departures will be effective over a period of months to ensure a seamless transition.
- ❖ **Dunkin' Brands Shuffles Leadership Team**  
February 23, 2017 – Dunkin' Brands Group, Inc. has announced the promotions of five executives. Grant Benson has been named senior vice-president of franchising and development for Dunkin' Brands. Amanda Helming has been promoted to vice-president of Dunkin' Donuts U.S. brand marketing and pricing. Santhosh Kumar has been named vice-president of enterprise infrastructure, data security and privacy for Dunkin' Brands. Mark Youngworth has been promoted to vice-president of international brand marketing and digital communication for Dunkin' Brands. Jeremy Biser has been named vice-president of international operating systems, learning, food safety and equipment.

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Additional information is available upon request.

