

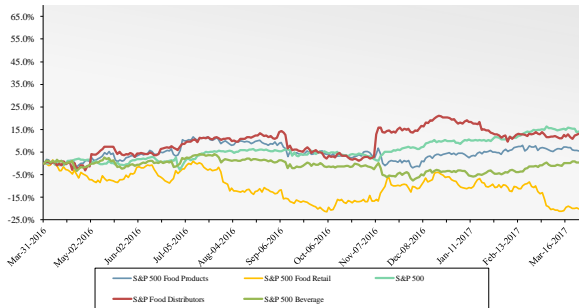
The Cupboard



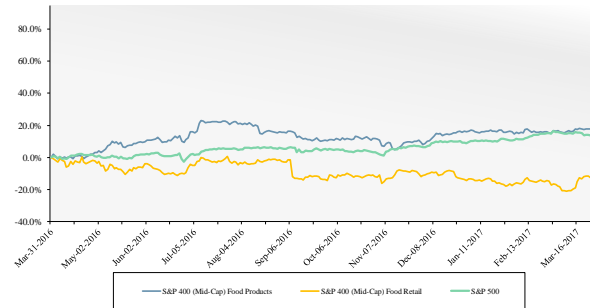
A Food & Beverage Industry Newsletter



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



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



Indices Performance (% change)

	March 2017	LTM		March 2017	LTM		March 2017	LTM
S&P 500	(0.4%)	14.7%	S&P 500 Food Products	(1.9%)	4.9%	S&P 400 Food Products (Mid-Cap)	2.9%	18.3%
Dow Jones	(0.8%)	16.8%	S&P 500 Food Retail	(5.4%)	(18.9%)	S&P 400 Food Retail (Mid-Cap)	6.3%	(10.9%)
NASDAQ	1.8%	21.3%	S&P 500 Food Distributors	(1.7%)	11.1%			
			S&P 500 Beverage	1.4%	0.5%			

Source: Capital IQ

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

Sprouts Farmers Market, Inc.	22.7%	Village Super Market, Inc.	(1.2%)
SUPERVALU Inc.	19.9%		
Whole Foods Market, Inc.	17.7%		
The Kroger Co.	4.4%		
Weis Markets, Inc.	2.8%		

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

Sanderson Farms, Inc.	14.9%	Inventure Foods, Inc.	(20.0%)
Farmer Bros. Co.	12.4%	Lifeway Foods, Inc.	(9.1%)
John B. Sanfilippo & Son, Inc.	11.1%	The J. M. Smucker Company	(8.3%)
S&W Seed Company	10.0%	Bridgford Foods Corporation	(7.8%)
Calavo Growers, Inc.	8.9%	Seneca Foods Corporation	(6.8%)

Source: Capital IQ

Food Industry Contacts

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Select Public Trading Statistics

Beverage:

(\$ in millions, except per share data)

Company	Share Price 03/31/2017	% 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	\$109.68	86.0%	\$212,085	\$331,826	7.2x		20.0x	24.9x	159.7x	25.2x	35.6x	60.9%	28.9%	36.0%	6.6x
The Coca-Cola Company	KO	\$42.44	90.0%	\$182,153	\$205,867	4.9x	16.6x	19.5x	28.5x	22.6x	23.8x	60.7%	23.3%	27.5%	2.0x	
PepsiCo, Inc.	PEP	\$111.86	99.2%	\$159,763	\$180,536	2.9x	14.9x	18.1x	25.7x	23.1x	24.3x	55.1%	15.9%	19.3%	1.7x	
Diageo plc	LSE:DEGE	\$28.74	97.2%	\$72,127	\$85,524	6.0x	17.5x	19.0x	23.9x	22.6x	NM	60.8%	29.4%	32.0%	2.4x	
Constellation Brands, Inc.	STZ	\$162.07	93.4%	\$31,785	\$40,199	5.5x	16.4x	18.2x	25.1x	28.1x	28.5x	47.9%	29.4%	33.4%	NM	
Monster Beverage Corporation	MNST	\$46.17	83.2%	\$26,161	\$25,563	8.4x	21.1x	21.8x	38.8x	51.8x	42.9x	63.7%	38.4%	39.7%	NM	
Dr Pepper Snapple Group, Inc.	DPS	\$97.92	99.1%	\$17,997	\$20,686	3.2x	12.6x	14.4x	21.6x	22.6x	21.0x	59.9%	22.3%	25.6%	1.6x	
Brown-Forman Corporation	BFB	\$46.18	89.6%	\$17,879	\$19,908	6.6x	18.2x	19.3x	17.4x	31.6x	27.3x	67.8%	34.1%	36.0%	1.9x	
National Beverage Corp.	FZZZ	\$84.53	98.9%	\$3,936	\$3,826	4.8x	24.3x	26.5x	41.3x	NM	29.8x	38.5%	18.2%	19.8%	NM	
The Boston Beer Company, Inc.	SAM	\$144.65	74.0%	\$1,763	\$1,672	1.8x	8.9x	12.2x	21.3x	33.4x	24.5x	50.7%	15.2%	20.6%	NM	
Mean				\$72,565	\$91,561	5.1x	17.1x	19.4x	40.3x	29.0x	28.6x	56.6%	25.5%	29.0%	2.7x	
Median				\$28,973	\$32,881	5.2x	17.1x	19.1x	25.4x	25.2x	27.3x	60.3%	26.1%	29.8%	2.0x	
High				\$212,085	\$331,826	8.4x	24.3x	26.5x	159.7x	51.8x	42.9x	67.8%	38.4%	39.7%	6.6x	
Low				\$1,763	\$1,672	1.8x	8.9x	12.2x	17.4x	22.6x	21.0x	38.5%	15.2%	19.3%	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 03/31/2017	% 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		
Sysco Corporation	SYT	\$51.92	91.0%	\$28,048	\$35,650	0.7x	11.9x	16.1x	28.3x	NM	23.2x	18.7%	4.2%	5.7%	2.5x
The Kroger Co.	KR	\$29.49	75.2%	\$26,961	\$40,736	0.4x	6.9x	11.8x	14.4x	21.3x	17.0x	23.0%	3.0%	5.1%	2.3x
Whole Foods Market, Inc.	WFM	\$29.72	83.5%	\$9,468	\$9,795	0.6x	7.2x	11.8x	21.5x	NM	20.0x	34.3%	5.2%	8.6%	NM
Casey's General Stores, Inc.	CASY	\$112.25	82.4%	\$4,400	\$5,215	0.8x	9.8x	15.4x	22.9x	NM	26.2x	26.0%	5.3%	8.3%	1.5x
Weis Markets, Inc.	WMK	\$59.65	86.6%	\$1,604	\$1,587	0.5x	9.0x	16.0x	18.4x	NM	NM	27.8%	3.2%	5.6%	NM
SpartanNash Company	SPN	\$34.99	86.7%	\$1,313	\$1,720	0.2x	7.6x	11.6x	23.0x	14.5x	16.1x	14.4%	1.9%	2.9%	1.8x
SUPERVALU Inc.	SVAL	\$3.86	65.4%	\$1,033	\$3,541	0.2x	4.7x	7.5x	7.4x	12.9x	8.3x	15.0%	2.7%	4.3%	3.4x
Ingles Markets, Incorporated	IMKTA	\$43.15	82.3%	\$874	\$1,759	0.5x	7.4x	13.6x	15.9x	NM	NM	24.5%	3.4%	6.2%	3.7x
Village Super Market, Inc.	VLGEA	\$26.50	72.8%	\$376	\$337	0.2x	5.1x	8.1x	15.5x	NM	NM	27.2%	2.6%	4.1%	NM
Mean				\$8,231	\$11,149	0.5x	7.7x	12.4x	18.6x	16.2x	18.5x	23.4%	3.5%	5.6%	2.3x
Median				\$1,604	\$3,541	0.5x	7.4x	11.8x	18.4x	14.5x	18.5x	24.5%	3.2%	5.6%	2.4x
High				\$28,048	\$40,736	0.8x	11.9x	16.1x	28.3x	21.3x	26.2x	34.3%	5.3%	8.6%	3.7x
Low				\$376	\$337	0.2x	4.7x	7.5x	7.4x	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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A Food & Beverage Industry Newsletter



Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 03/31/2017	% 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	\$39.23	88.6%	\$3,018	\$3,254	0.8x	9.2x	11.9x	13.7x	0.0x	15.9x	11.5%	6.8%	8.8%	0.6x
Calavo Growers, Inc.	CVGW	\$60.60	84.8%	\$1,062	\$1,116	1.2x	16.2x	18.7x	28.7x	NM	33.4x	11.3%	6.3%	7.2%	0.8x
Seneca Foods Corporation	SINEA	\$36.10	84.6%	\$356	\$729	0.6x	9.4x	13.6x	12.8x	NM	NM	10.3%	4.1%	6.0%	4.8x
Adventure Foods, Inc.	SNAK	\$4.42	43.5%	\$87	\$201	0.7x	33.2x	NM	NM	NM	(39.6x)	12.2%	(0.5%)	2.3%	18.9x
Mean				\$1,131	\$1,325	0.8x	17.0x	14.7x	18.4x	0.0x	3.2x	11.3%	4.2%	6.1%	6.3x
Median				\$700	\$923	0.8x	12.8x	13.6x	13.7x	0.0x	15.9x	11.4%	5.2%	6.6%	2.8x
High				\$3,018	\$3,254	1.2x	33.2x	18.7x	28.7x	0.0x	33.4x	12.2%	6.8%	8.8%	18.9x
Low				\$87	\$201	0.6x	9.2x	11.9x	12.8x	0.0x	-39.6x	10.3%	-0.5%	2.3%	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 03/31/2017	% 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	\$61.71	80.1%	\$22,655	\$28,328	0.8x	7.5x	9.2x	12.4x	16.6x	15.7x	13.5%	8.3%	10.2%	1.5x
Hormel Foods Corporation	HRL	\$34.63	78.7%	\$18,316	\$17,960	1.9x	12.4x	13.6x	21.0x	27.0x	23.7x	22.6%	13.5%	14.8%	(0.3x)
Pilgrim's Pride Corporation	PPC	\$22.51	81.0%	\$5,598	\$6,499	0.8x	7.3x	9.1x	13.0x	8.6x	13.1x	11.5%	9.0%	11.2%	1.0x
Sanderson Farms, Inc.	SAFM	\$103.84	98.6%	\$2,361	\$2,136	0.7x	5.4x	6.9x	11.7x	11.0x	10.5x	16.8%	10.7%	13.7%	(0.6x)
Bridgford Foods Corporation	BRID	\$11.43	71.4%	\$104	\$91	0.6x	6.7x	8.6x	12.4x	NM	NM	38.3%	7.8%	9.9%	(0.9x)
Mean				\$9,807	\$11,003	1.0x	7.8x	9.5x	14.1x	15.8x	15.8x	20.5%	9.9%	12.0%	0.2x
Median				\$5,598	\$6,499	0.8x	7.3x	9.1x	12.4x	13.8x	14.4x	16.8%	9.0%	11.2%	(0.3x)
High				\$22,655	\$28,328	1.9x	12.4x	13.6x	21.0x	27.0x	23.7x	38.3%	13.5%	14.8%	1.5x
Low				\$104	\$91	0.6x	5.4x	6.9x	11.7x	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 03/31/2017	% 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	\$67.96	90.4%	\$41,551	\$49,809	2.1x	12.3x	15.3x	22.9x	22.8x	22.7x	51.0%	13.9%	17.4%	2.0x
Dean Foods Company	DF	\$19.66	88.1%	\$1,786	\$2,654	0.3x	5.7x	9.2x	14.9x	16.5x	12.4x	25.8%	3.7%	6.0%	1.9x
Lifeway Foods, Inc.	LWAY	\$10.73	58.1%	\$173	\$171	1.4x	19.4x	29.8x	52.2x	93.3x	58.4x	30.2%	4.9%	7.3%	(0.2x)
Mean				\$14,503	\$17,545	1.3x	12.4x	18.1x	30.0x	44.2x	31.2x	35.7%	7.5%	10.3%	1.2x
Median				\$1,786	\$2,654	1.4x	12.3x	15.3x	22.9x	22.8x	22.7x	30.2%	4.9%	7.3%	1.9x
High				\$41,551	\$49,809	2.1x	19.4x	29.8x	52.2x	93.3x	58.4x	51.0%	13.9%	17.4%	2.0x
Low				\$173	\$171	0.3x	5.7x	9.2x	14.9x	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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A Food & Beverage Industry Newsletter



Organics & Healthy:

(\$ in millions, except per share data)

Company	Share Price 03/31/2017	% 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 Hain Celestial Group, Inc.	HAIN	\$37.20	65.3%	\$3,848	\$4,640	1.6x	12.5x	15.0x	18.6x	NM	21.9x	23.2%	10.7%	12.8%	2.1x
Amplify Snack Brands, Inc.	BETR	\$8.40	47.9%	\$620	\$1,202	4.4x	15.2x	16.9x	23.3x	38.7x	26.3x	48.3%	26.3%	29.2%	7.4x
Inventure Foods, Inc.	SNAK	\$4.42	43.5%	\$87	\$201	0.7x	33.2x	NM	NM	NM	(39.6x)	12.2%	(0.5%)	2.3%	18.9x
Mean				\$1,518	\$2,015	2.3x	20.3x	15.9x	21.0x	38.7x	2.9x	27.9%	12.2%	14.7%	9.5x
Median				\$620	\$1,202	1.6x	15.2x	15.9x	21.0x	38.7x	21.9x	23.2%	10.7%	12.8%	7.4x
High				\$3,848	\$4,640	4.4x	33.2x	16.9x	23.3x	38.7x	26.3x	48.3%	26.3%	29.2%	18.9x
Low				\$87	\$201	0.7x	12.5x	15.0x	18.6x	38.7x	-39.6x	12.2%	-0.5%	2.3%	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 03/31/2017	% 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	\$76.68	96.0%	\$237,553	\$253,601	2.8x	14.0x	16.9x	27.9x	23.2x	23.7x	50.8%	15.9%	19.3%	0.8x
Mondelez International, Inc.	MDLZ	\$43.08	92.8%	\$65,676	\$81,091	3.1x	17.8x	21.8x	41.0x	28.2x	25.3x	39.1%	13.2%	16.4%	3.6x
General Mills, Inc.	GIS	\$59.01	80.9%	\$33,998	\$44,051	2.8x	12.6x	15.0x	21.9x	NM	NM	36.4%	18.1%	21.6%	2.6x
Kellogg Company	K	\$72.61	83.3%	\$25,417	\$32,920	2.5x	14.6x	19.0x	37.0x	20.0x	21.8x	37.9%	13.3%	17.3%	3.3x
Congra Brands, Inc.	CAG	\$40.34	82.6%	\$17,556	\$19,847	1.8x	10.1x	12.2x	28.1x	20.3x	NM	28.3%	13.9%	16.9%	1.2x
Campbell Soup Company	CPB	\$57.24	84.3%	\$17,423	\$20,616	2.6x	15.1x	19.5x	35.7x	NM	NM	19.4x	36.2%	13.7%	2.3x
The J. M. Smucker Company	SIM	\$131.08	83.3%	\$15,263	\$20,210	2.7x	12.2x	16.2x	22.8x	NM	17.4x	38.9%	16.8%	22.3%	3.0x
Post Holdings, Inc.	POST	\$87.52	98.3%	\$5,626	\$9,488	1.9x	10.8x	16.5x	NM	NM	34.5x	31.1%	11.4%	17.5%	4.4x
Treehouse Foods, Inc.	THIS	\$84.66	81.0%	\$4,809	\$7,517	1.2x	12.2x	22.3x	NM	30.7x	29.9x	18.5%	5.5%	10.0%	4.4x
Snyder's-Lance, Inc.	LNCE	\$40.31	99.1%	\$3,890	\$5,169	2.5x	18.7x	28.5x	NM	40.3x	31.0x	36.7%	8.6%	13.1%	4.6x
Lancaster Colony Corporation	LANC	\$128.84	86.3%	\$3,534	\$3,416	2.9x	15.2x	17.0x	26.8x	NM	28.1x	27.1%	16.9%	18.9%	(0.5x)
B&G Foods, Inc.	BGS	\$40.25	76.2%	\$2,675	\$4,372	3.1x	13.6x	15.4x	23.3x	24.5x	22.3x	32.6%	20.4%	23.1%	5.3x
J&J Snack Foods Corp.	JJSF	\$135.56	94.7%	\$2,536	\$2,371	2.4x	15.4x	20.8x	33.2x	28.6x	30.7x	30.8%	11.4%	15.4%	(1.1x)
Mean				\$33,535	\$38,819	2.5x	14.0x	18.6x	29.8x	27.0x	25.8x	34.2%	13.8%	17.6%	2.6x
Median				\$15,263	\$19,847	2.6x	14.0x	17.0x	28.0x	26.3x	25.3x	36.2%	13.3%	17.3%	3.0x
High				\$237,553	\$253,601	3.1x	18.7x	28.5x	41.0x	40.3x	34.5x	50.8%	20.4%	23.1%	5.3x
Low				\$2,536	\$2,371	1.2x	10.1x	12.2x	21.9x	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	17.1x
Retail & Distribution	0.5x	7.4x
Fruits, Vegetables & Nuts	0.8x	12.8x
Protein Products	0.8x	7.3x
Dairy	1.4x	12.3x
Organics & Healthy	3.0x	13.9x
Food Conglomerates	2.6x	14.0x
Mean	2.0x	12.1x
Median	1.4x	12.8x

Note: Multiples represent median values

Source: Capital IQ



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Commodity Score Card

Commodity	Units	3/31/2017	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.78	\$3.82	\$3.29	\$3.54
Coffee	\$ per lb.	\$1.41	\$1.45	\$1.50	\$1.27
Cocoa	\$ per lb.	\$0.87	\$0.86	\$1.24	\$1.31
Wheat	\$ per bu.	\$4.42	\$4.57	\$3.99	\$4.75
Live Cattle	\$ per lb.	\$1.15	\$1.18	\$1.03	\$1.24

Source: Capital IQ

Select M&A and Capital Raising News, March 2017

❖ US Foods to Acquire SRA Foods

March 7, 2017 – US Foods has agreed to acquire SRA Foods, a Birmingham, Alabama-based meat processor and distributor with annual sales of approximately \$80 million. Financial terms of the transaction were not disclosed. SRA Foods offers a product line of more than 1,000 items. The acquisition will help strengthen US Foods' center-of-the-plate offerings to its customers throughout the region due to the large population of barbecue and meat-centric restaurants throughout the south. SRA Foods operates out of a nearly 70,000-square-foot facility and runs a fleet of almost 20 trucks.

❖ JBS to Acquire Plumrose USA

March 14, 2017 – JBS USA has agreed to acquire Plumrose USA, a subsidiary of Danish Crown A/S, in a transaction valued at \$230 million (0.5x revenue). The acquisition expands the JBS portfolio to include the prepared foods and value-added categories, with products that include bacon, deli meats, hams and cooked ribs. Plumrose annual revenue is estimated at \$500 million. JBS will take over operations at two processing plants in Iowa as well as three others in Mississippi, Vermont and Indiana. The transaction also includes two distribution centers in Indiana and Mississippi.

❖ Ferrero International to Acquire Fannie May Confections

March 16, 2017 – Ferrero International has entered into an agreement to acquire Fannie May Confections from 1-800-Flowers.com, Inc. based in Carle Place, New York, for \$115 million. The company has one manufacturing plant, two distribution centers and employs 750. Once the transaction is complete, Fannie May will operate as a standalone entity and brand within the Ferrero Group.

❖ Blue Apron Acquires Grass-Fed Meat Company

March 22, 2017 – Bill Niman's BN Ranch brand, which includes beef sourced from animals that are grass-fed and responsibly raised, already was part of meal kit maker Blue Apron's menus. Now, the brand is part of Blue Apron L.L.C. The meal kit delivery service has announced its acquisition of BN Ranch brand. Financial terms of the transaction were not disclosed. President and founder of BN Ranch, Mr. Niman will join Blue Apron and he will lead efforts to further develop animal welfare and husbandry standards for beef, pork and poultry at Blue Apron while further expanding its network of farmers, ranchers and suppliers.

❖ Sealed Air to Sell Food Hygiene and Cleaning Business

March 28, 2017 – Bain Capital Private Equity, a global private investment firm, has agreed to pay about \$3.2 billion (1.2x revenue) to Sealed Air Corp. for the company's Diversey Care division and its food hygiene and cleaning business within the Food Care division (together "New Diversey"). Diversey Care and the related food hygiene business combined had net sales of about \$2.6 billion in 2016. Charlotte-based Sealed Air expects to use the proceeds of the sale to repay debt and maintain its net leverage at 3.5x to 4.0x, repurchase shares to minimize earnings dilution, and fund core growth initiatives, including potential complementary acquisitions to its Food Care and Product Care divisions.

❖ Coca-Cola Finalizes Transaction for AdeS Beverage Business

March 29, 2017 – The Coca-Cola Co. and several of its bottlers in Latin America have acquired the AdeS soy-based beverage business from Unilever P.L.C. for \$575 million (2.0x revenue). Founded in 1988 in Argentina, AdeS was the first major soy-based beverage brand launched in Latin America. The AdeS brand currently has a presence in Brazil, Mexico, Argentina, Uruguay, Paraguay, Bolivia, Chile and Colombia. During 2015, AdeS generated net revenue of \$284 million.

❖ Danone to Sell Stonyfield

March 31, 2017 – Danone S.A. has announced it will sell its Stonyfield business in the months following the closing of its acquisition of The WhiteWave Foods Co. The move is part of an agreement in principle with the Antitrust Division of the United States Department of Justice to facilitate prompt closing of the WhiteWave acquisition. Stonyfield generated approximately \$370 million in sales in 2016. The organic dairy brand manufactures such products as organic yogurt, milk, cream, smoothies and frozen yogurt.

❖ DuPont to Buy FMC's Health & Nutrition Business

March 31, 2017 – DuPont will acquire substantially all of FMC Corp.'s Health & Nutrition business while FMC Corp. will acquire a portion of DuPont's crop protection business. Additionally, to reflect the difference in the value of the assets, the transaction includes consideration to DuPont of \$1.2 billion in cash and working capital of \$425 million. DuPont said the transaction will satisfy DuPont's commitments to the European Commission in connection with the European Commission's conditional regulatory clearance of DuPont's planned merger with the Dow Chemical Co. FMC's Health & Nutrition business generated more than \$700 million in revenue in 2016 from the two main segments of texturants as food ingredients and pharmaceutical excipients. DuPont said the business complements its existing Nutrition & Health business, giving it broader offerings and an expanded footprint.



The Cupboard



A Food & Beverage
Industry Newsletter



Industry News, March 2017

❖ Hershey to Reduce Workforce by 15%, Seeking to Acquire Snack Brands

March 2, 2017 – The Hershey Co. plans to eliminate approximately 15% of its global workforce as part of a new multi-year restructuring program designed to improve operating profit margin. The company currently employs more than 18,000 employees around the world. The company anticipates the program will result in total cumulative pre-tax charges of \$375 million to \$425 million, including one-time employee separation benefits of \$80 million to \$100 million, with the portion of non-cash program costs expected to be between \$200 million to \$225 million. Hershey expects cash savings to reach an annual run-rate of between \$150 million and \$175 million by the end of 2019.

❖ Popeyes CEO to Step Down

March 2, 2017 – Cheryl Bachelder, CEO of Popeyes Louisiana Kitchen, will resign at the closing of the company's previously announced transaction with Restaurant Brands International Inc., which will announce a new Popeyes leader at that time. Ms. Bachelder joined Popeyes in 2006 as a member of the board of directors and was named CEO in 2007. Under her leadership, the brand has expanded its global presence, with nearly 2,700 restaurants in 26 countries. Additionally, Popeyes' franchise community has grown, with top-line restaurant sales up 45% and bottom-line restaurant operating profit more than doubled.

❖ Former Nestle Executive Joins Chobani

March 8, 2017 – Tim Brown has been named president and COO of Chobani, L.L.C. In his new role, he will report to Hamdi Ulukaya, founder, owner, CEO and chairman, and will oversee the company's operations, sales, marketing, legal and finance teams. Mr. Brown brings more than 30 years of food industry experience to Chobani. Most recently, as president and CEO of Nestle Waters North America, he was responsible for a portfolio of brands, including Perrier, San Pellegrino and Poland Spring, with \$4.3 billion in annual net sales and supported by 8,500 employees. Previously, he held the same role at Nestle Canada, reversing a three-year flat revenue growth trend within two years to achieve profitable sales gains and delivering an increase in margin profitability.

❖ Sabra Selects New CFO

March 8, 2017 – Paula Fitzgerald has been named CFO of Sabra Dipping Co., a company jointly owned by PepsiCo, Inc. and The Strauss Group. Ms. Fitzgerald replaces Chris Hall, who announced his retirement as Sabra's CFO earlier this month. Ms. Fitzgerald joins Sabra with nearly 10 years of experience at PepsiCo, where she has held various financial leadership roles. Most recently, she was senior director, Wal-Mart Sales Finance for PepsiCo North America Beverages, and before that, she was senior director, Brand & Innovation Finance. Prior to joining PepsiCo, Ms. Fitzgerald was finance director for Pfizer's consumer health care strategy and business development team. Ms. Fitzgerald will be CFO for both Sabra and Obela, an international venture between PepsiCo and Strauss Group, and serve on the Sabra Obela board of directors. She will be based out of Sabra's White Plains, New York headquarters.

❖ Perdue Farms Names New CEO

March 9, 2017 – Randy Day has been promoted to CEO of Perdue Farms, effective immediately. Mr. Day has been COO for the company since May 2016. He succeeds Jim Perdue, who has been chairman and CEO of Perdue Farms since 1991. Mr. Perdue will continue to serve as chairman and company brand spokesperson. Mr. Day joined Perdue Farms in 1980 and has held various positions of increasing responsibility in Perdue Foods and Perdue AgriBusiness. In February 2015, he was named president of Perdue Foods, and in May 2016, he was named COO.

❖ John Cywinski Rejoins Applebee's as President

March 10, 2017 – DineEquity, Inc., parent company of Applebee's and IHOP, announced that John Cywinski has been appointed president of Applebee's restaurants, effective immediately. Mr. Cywinski had a previous stint working at Applebee's from 2001 to 2006 as the chief marketing officer. Mr. Cywinski most recently served as executive vice-president of strategic innovation and marketing at Brinker International, parent company of Chili's and Maggiano's. Prior to joining Brinker, Mr. Cywinski worked at Yum! Brands as president of KFC's U.S. business from 2010 to 2014. In addition, he was a franchise owner of Dunkin' Donuts and Sonic restaurants in Chicago. Before that, Mr. Cywinski was vice-president of U.S. brand strategy for McDonald's Corp., president of Buena Vista Pictures Marketing for The Walt Disney Co., and he led U.S. marketing for Burger King.

❖ B&G Foods CFO Resigns

March 16, 2017 – Thomas P. Crimmins, CFO of B&G Foods, Inc., has resigned, effective March 24. He is leaving the company to pursue other opportunities. Mr. Crimmins joined B&G in March 2015. B&G Foods has initiated a search for a new CFO. Amy Chiovari, B&G's corporate controller, will serve as interim CFO upon Mr. Crimmins' departure.

❖ Ferrero Names New CEO

March 30, 2017 – Lapo Civiletti has been named CEO of The Ferrero Group, effective September 1. Mr. Civiletti is currently head of central and eastern European operations. Mr. Civiletti succeeds Giovanni Ferrero, who will assume the role of executive chairman and focus on long-term strategy. Mr. Civiletti will be the first non-family CEO in the company's history. Giovanni Ferrero is the grandson of Pietro Ferrero, who founded the company in 1946.

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Additional information is available upon request.

