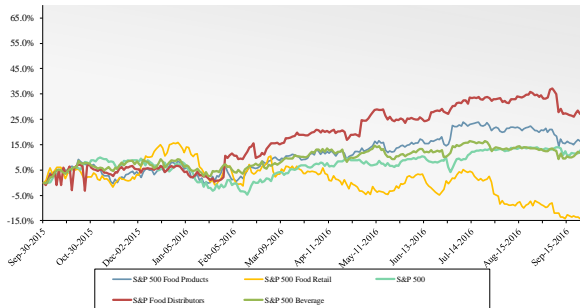


The Cupboard

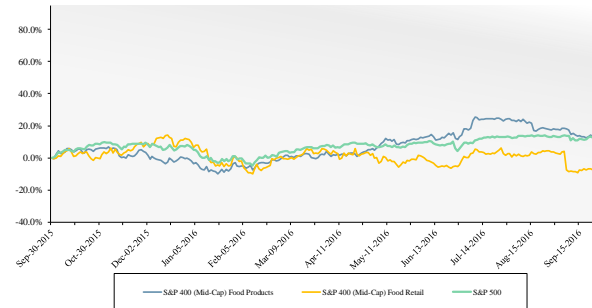


A Food & Beverage Industry Newsletter

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



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



Indices Performance (% change)

	September 2016	LTM		September 2016	LTM		September 2016	LTM
S&P 500	(0.1%)	12.9%	S&P 500 Food Products	(2.8%)	17.1%	S&P 400 Food Products (Mid-Cap)	(4.3%)	13.1%
Dow Jones	(0.6%)	12.4%	S&P 500 Food Retail	(6.5%)	(16.1%)	S&P 400 Food Retail (Mid-Cap)	(8.6%)	(6.2%)
NASDAQ	1.6%	15.0%	S&P 500 Food Distributors	(7.8%)	25.8%			
			S&P 500 Beverage	(0.5%)	12.0%			

Source: Capital IQ

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

Sprouts Farmers Market, Inc.	9.6%	The Kroger Co.	(7.8%)
SUPERVALU Inc.	6.6%		
Natural Grocers by Vitamin Cottage, Inc.	5.5%		
Village Super Market Inc.	3.3%		
Weis Markets, Inc.	2.7%		

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

Lifeway Foods Inc.	12.6%	Bridgford Foods Corp.	(22.0%)
S&W Seed Company	10.4%	Toffuti Brands Inc.	(11.5%)
ConAgra Foods, Inc.	9.4%	Cal-Maine Foods, Inc.	(10.5%)
B&G Foods Inc.	7.2%	Omega Protein Corporation	(7.7%)
Hormel Foods Corporation	5.0%	Calavo Growers Inc.	(4.7%)

Source: Capital IQ

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THE CHICAGO CORPORATION

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A Food & Beverage Industry Newsletter



Select Public Trading Statistics

Beverage:

(\$ in millions, except per share data)

Company	Share Price 09/30/2016	% 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	ENXTR:ABI	\$130.24	93.9%	\$211,269	\$262,064	6.2x	16.3x	19.7x	54.8x	25.2x	35.1x	61.1%	31.2%	37.8%	2.9x
The Coca-Cola Company	KO	\$42.32	89.8%	\$182,654	\$207,194	4.8x	16.4x	19.3x	24.3x	22.6x	24.8x	60.3%	23.3%	27.7%	2.0x
PepsiCo, Inc.	PEP	\$108.77	98.0%	\$155,996	\$176,790	2.9x	14.6x	17.9x	23.9x	23.1x	24.5x	55.7%	16.0%	19.5%	1.7x
Diageo plc	LSE:DJG	\$27.47	99.0%	\$68,905	\$82,307	6.3x	18.9x	20.7x	24.8x	NM	24.1x	59.5%	28.5%	31.3%	2.8x
Constellation Brands Inc.	STZ	\$166.49	98.7%	\$33,387	\$41,675	6.1x	18.2x	20.2x	30.0x	NM	29.3x	47.5%	30.2%	33.4%	NM
Monster Beverage Corporation	MNST	\$146.81	88.2%	\$27,950	\$27,471	9.4x	24.1x	24.9x	45.8x	51.8x	44.5x	62.2%	37.9%	39.2%	NM
Brown-Forman Corporation	BFB	\$47.44	87.0%	\$18,964	\$20,746	6.8x	18.7x	19.8x	18.1x	NM	29.2x	69.0%	34.4%	36.3%	1.6x
Dr Pepper Snapple Group, Inc.	DPS	\$91.31	92.4%	\$16,836	\$19,511	3.1x	12.1x	13.9x	20.9x	22.6x	22.2x	59.8%	22.0%	25.4%	1.7x
National Beverage Corp.	PEZZ	\$44.05	68.1%	\$2,051	\$1,913	2.6x	15.5x	17.2x	28.2x	NM	NM	35.8%	15.1%	16.7%	NM
The Boston Beer Company, Inc.	SAM	\$155.26	59.6%	\$1,909	\$1,882	2.0x	10.0x	13.4x	23.2x	33.4x	24.5x	51.4%	14.9%	19.9%	NM
Mean				\$71,992	\$84,155	5.0x	16.5x	18.7x	29.4x	29.8x	28.7x	56.2%	25.3%	28.7%	2.1x
Median				\$30,669	\$34,573	5.5x	16.3x	19.5x	24.6x	24.2x	24.8x	59.6%	25.9%	29.5%	1.9x
High				\$211,269	\$262,064	9.4x	24.1x	24.9x	54.8x	51.8x	44.5x	69.0%	37.9%	39.2%	2.9x
Low				\$1,909	\$1,882	2.0x	10.0x	13.4x	18.1x	22.6x	22.2x	35.8%	14.9%	16.7%	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 09/30/2016	% 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	\$29.68	69.4%	\$28,023	\$40,149	0.4x	6.8x	11.1x	14.1x	21.3x	16.8x	23.2%	3.2%	5.2%	2.1x
Sysco Corporation	SYF	\$49.01	90.8%	\$27,207	\$30,799	0.6x	11.7x	15.3x	29.9x	NM	23.4x	17.9%	4.0%	5.2%	1.3x
Whole Foods Market, Inc.	WFM	\$28.35	79.7%	\$9,038	\$9,465	0.6x	6.9x	10.7x	20.1x	NM	20.7x	34.5%	5.6%	8.7%	NM
Casey's General Stores, Inc.	CASY	\$120.15	88.2%	\$4,707	\$5,406	0.9x	9.5x	13.7x	20.5x	NM	24.7x	26.5%	6.3%	9.2%	1.2x
Weis Markets, Inc.	WMK	\$53.00	95.5%	\$1,426	\$1,313	0.5x	7.6x	13.0x	22.0x	NM	NM	27.5%	3.5%	5.9%	NM
SUPERVALU Inc.	SVAL	\$4.99	63.6%	\$1,326	\$3,766	0.2x	4.9x	7.8x	8.8x	NM	9.0x	15.1%	2.8%	4.4%	3.2x
SpartanNash Company	SPIN	\$28.92	85.3%	\$1,084	\$1,552	0.2x	6.8x	10.6x	18.2x	14.5x	14.6x	14.6%	1.9%	3.0%	2.1x
Ingles Markets, Incorporated	IMKT.A	\$39.54	68.6%	\$801	\$1,694	0.4x	7.1x	12.8x	14.2x	NM	NM	24.2%	3.5%	6.3%	3.8x
Village Super Market Inc.	VLGEA	\$32.01	97.0%	\$452	\$417	0.3x	6.4x	10.1x	19.3x	NM	NM	27.2%	2.7%	4.2%	NM
Mean				\$8,229	\$10,507	0.4x	7.5x	11.7x	18.6x	17.9x	18.2x	23.4%	3.7%	5.8%	2.3x
Median				\$1,426	\$3,766	0.4x	6.9x	11.1x	19.3x	17.9x	18.8x	24.2%	3.5%	5.2%	2.1x
High				\$28,023	\$40,149	0.9x	11.7x	15.3x	29.9x	21.3x	24.7x	34.5%	6.3%	9.2%	3.8x
Low				\$452	\$417	0.2x	4.9x	7.8x	8.8x	14.5x	9.0x	14.6%	1.9%	3.0%	1.2x

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



Fruits, Vegetables & Nuts:

(\$ in millions, except per share data)

Company	Share Price 09/30/2016	% 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	\$39.90	98.4%	\$3,071	\$3,245	0.8x	10.8x	14.4x	23.6x	0.0x	16.3x	10.3%	5.6%	7.5%	0.5x
Calavo Growers Inc.	CVGW	\$65.43	91.5%	\$1,141	\$1,147	1.3x	18.1x	20.9x	33.9x	NM	32.7x	11.2%	6.1%	7.1%	0.1x
Seneca Foods Corp.	SINEA	\$28.24	69.1%	\$292	\$297	0.5x	5.1x	6.2x	5.5x	NM	NM	11.3%	7.3%	9.0%	2.6x
Inventure Foods, Inc.	SNAK	\$9.40	95.7%	\$185	\$292	1.1x	31.5x	146.2x	NM	NM	155.0x	12.9%	0.7%	3.3%	11.5x
Mean				\$1,172	\$1,320	0.9x	16.4x	46.9x	21.0x	0.0x	68.0x	11.4%	4.9%	6.7%	3.3x
Median				\$717	\$872	0.9x	14.5x	17.7x	22.6x	0.0x	32.7x	11.2%	5.9%	7.3%	1.5x
High				\$3,071	\$3,245	1.3x	31.5x	146.2x	33.9x	0.0x	155.0x	12.9%	7.3%	9.0%	11.5x
Low				\$185	\$292	0.5x	5.1x	6.2x	5.5x	0.0x	16.3x	10.3%	0.7%	3.3%	0.1x

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 09/30/2016	% 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	\$74.67	96.9%	\$28,528	\$34,520	0.9x	9.3x	11.4x	18.2x	NM	16.2x	12.6%	7.9%	9.7%	1.6x
Hormel Foods Corporation	HRL	\$37.93	83.0%	\$20,073	\$20,091	2.2x	14.2x	15.7x	24.6x	NM	24.3x	22.1%	13.4%	14.8%	0.0x
Pilgrim's Pride Corporation	PPC	\$21.12	76.0%	\$5,375	\$6,455	0.8x	6.9x	8.4x	11.5x	8.6x	13.2x	12.0%	9.5%	11.6%	1.2x
Sanderson Farms, Inc.	SAFM	\$96.33	96.9%	\$2,175	\$1,932	0.7x	6.3x	8.7x	15.4x	NM	11.2x	13.9%	8.2%	11.3%	(0.8x)
Bridgford Foods Corp.	BRID	\$12.92	80.8%	\$117	\$105	0.8x	7.4x	8.8x	7.3x	NM	NM	37.8%	8.5%	10.7%	(0.8x)
Mean				\$11,254	\$12,621	1.1x	8.8x	11.1x	15.4x	8.6x	16.2x	19.7%	9.5%	11.6%	0.2x
Median				\$5,375	\$6,455	0.8x	7.4x	10.1x	15.4x	8.6x	14.7x	13.9%	8.5%	11.3%	0.0x
High				\$28,528	\$34,520	2.2x	14.2x	15.7x	24.6x	8.6x	24.3x	37.8%	13.4%	14.8%	1.6x
Low				\$117	\$105	0.7x	6.3x	8.4x	7.3x	8.6x	11.2x	12.0%	7.9%	9.7%	(0.8x)

Source: Capital IQ

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

LTM = Last Twelve Months

Dairy:

(\$ in millions, except per share data)

Company	Share Price 09/30/2016	% 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	\$73.78	93.6%	\$45,108	\$54,665	2.2x	12.7x	15.9x	23.3x	22.8x	23.2x	50.9%	13.9%	17.3%	2.2x
The WhiteWave Foods Company	WWAV	\$54.43	95.8%	\$9,646	\$11,744	2.8x	23.4x	31.8x	51.1x	43.0x	39.4x	34.3%	9.2%	12.4%	4.1x
Dean Foods Company	DF	\$16.40	77.5%	\$1,483	\$2,368	0.3x	5.4x	9.0x	13.6x	16.5x	12.8x	25.7%	3.4%	5.7%	2.0x
Lilway Foods Inc.	LWAY	\$16.94	99.8%	\$273	\$273	2.2x	25.3x	35.9x	64.3x	93.3x	37.8x	31.0%	6.2%	8.8%	(0.0x)
Mean				\$14,128	\$17,263	1.9x	16.7x	23.1x	38.1x	43.9x	38.3x	35.5%	8.2%	11.1%	2.1x
Median				\$5,565	\$7,056	2.2x	18.1x	23.9x	37.2x	32.9x	30.5x	32.7%	7.7%	10.6%	2.1x
High				\$45,108	\$54,665	2.8x	25.3x	35.9x	64.3x	93.3x	39.4x	50.9%	13.9%	17.3%	4.1x
Low				\$273	\$273	0.3x	5.4x	9.0x	13.6x	16.5x	12.8x	25.7%	3.4%	5.7%	0.0x

Source: Capital IQ

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

LTM = Last Twelve Months



The Cupboard

A Food & Beverage Industry Newsletter



Organics & Healthy:

(\$ in millions, except per share data)

Company	Share Price 09/30/2016	% 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	\$54.43	95.8%	\$9,646	\$11,744	2.8x	23.4x	31.8x	51.1x	43.0x	39.4x	34.5%	9.2%	12.4%	4.1x
The Hale Celestial Group, Inc.	HAIN	\$35.58	62.4%	\$3,681	\$4,473	1.5x	12.1x	14.5x	17.8x	NM	21.9x	23.2%	10.7%	12.8%	2.1x
Amplify Snack Brands, Inc.	BETR	\$16.20	92.4%	\$1,148	\$1,350	6.5x	20.9x	22.6x	67.2x	38.7x	30.6x	54.6%	29.0%	31.3%	3.1x
Mean				\$4,825	\$5,855	3.6x	18.8x	23.0x	45.4x	40.8x	30.7x	37.4%	16.3%	18.8%	3.1x
Median				\$3,681	\$4,473	2.8x	20.9x	22.6x	51.1x	40.8x	30.6x	34.3%	10.7%	12.8%	3.1x
High				\$9,646	\$11,744	6.5x	23.4x	31.8x	67.2x	43.0x	39.4x	54.6%	29.0%	31.3%	4.1x
Low				\$1,148	\$1,350	1.5x	12.1x	14.5x	17.8x	38.7x	21.9x	23.2%	9.2%	12.4%	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 09/30/2016	% 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	\$78.12	95.6%	\$235,013	\$257,714	2.8x	14.0x	16.9x	27.4x	23.2x	24.3x	50.4%	15.7%	19.1%	1.2x
Mondelez International, Inc.	MDLZ	\$43.90	92.6%	\$68,288	\$83,874	3.1x	18.8x	23.2x	9.3x	28.2x	26.9x	39.1%	12.7%	15.8%	3.6x
General Mills, Inc.	GIS	\$63.88	87.6%	\$37,778	\$47,105	2.9x	13.7x	16.3x	23.2x	NM	22.6x	35.8%	17.2%	20.5%	2.4x
Kellogg Company	K	\$77.47	88.9%	\$27,135	\$34,815	2.7x	17.3x	23.2x	44.3x	20.0x	22.8x	37.1%	11.4%	15.3%	3.8x
ConAgra Foods, Inc.	CAG	\$47.11	96.5%	\$20,698	\$24,877	2.2x	12.3x	14.9x	41.6x	20.3x	20.6x	27.5%	13.4%	16.4%	2.2x
Campbell Soup Company	CPB	\$54.70	80.6%	\$16,841	\$20,130	2.5x	13.8x	17.5x	30.2x	NM	19.8x	34.9%	14.5%	18.3%	2.2x
The J. M. Smucker Company	SIM	\$135.54	86.2%	\$15,780	\$21,022	2.7x	12.3x	16.2x	22.3x	NM	19.1x	38.8%	16.9%	22.2%	3.1x
Post Holdings, Inc.	POST	\$77.17	86.7%	\$4,989	\$8,767	1.7x	10.3x	15.8x	NM	NM	38.2x	29.6%	10.9%	16.8%	4.4x
Trehouse Foods, Inc.	THIS	\$87.19	83.4%	\$4,945	\$7,793	1.7x	16.7x	28.3x	55.5x	30.7x	36.4x	18.9%	6.2%	10.4%	6.1x
Lancaster Colony Corporation	LANC	\$132.09	95.9%	\$3,622	\$3,504	2.9x	16.8x	19.0x	29.8x	NM	27.7x	25.2%	15.5%	17.5%	(0.6x)
B&G Foods Inc.	BGR	\$49.18	93.1%	\$3,266	\$4,705	3.9x	16.3x	18.4x	31.0x	24.5x	24.1x	32.3%	21.0%	23.8%	5.0x
Snyder's-Lance, Inc.	LNCE	\$33.58	85.9%	\$3,226	\$4,603	2.4x	21.0x	33.7x	160.4x	40.3x	31.9x	34.2%	7.2%	11.6%	6.2x
J&J Snack Foods Corp.	JJSF	\$119.12	94.8%	\$2,223	\$2,110	2.1x	13.6x	18.2x	29.8x	28.6x	29.5x	31.0%	11.7%	15.6%	(0.7x)
Mean				\$34,139	\$40,078	2.6x	15.1x	20.1x	42.1x	27.0x	26.5x	33.4%	13.4%	17.2%	3.0x
Median				\$15,780	\$20,130	2.7x	14.0x	18.2x	30.0x	26.3x	24.3x	34.2%	13.4%	16.8%	3.1x
High				\$235,013	\$257,714	3.9x	21.0x	33.7x	160.4x	40.3x	38.2x	50.4%	21.0%	23.8%	6.2x
Low				\$2,223	\$2,110	1.7x	10.3x	14.9x	9.3x	20.0x	19.1x	18.9%	6.2%	10.4%	(0.7x)

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	5.5x	16.3x
Retail & Distribution	0.4x	6.9x
Fruits, Vegetables & Nuts	0.9x	14.5x
Protein Products	0.8x	7.4x
Dairy	2.2x	18.1x
Organics & Healthy	2.8x	20.9x
Food Conglomerates	2.7x	14.0x
Mean	2.2x	14.0x
Median	2.2x	14.5x

Note: Multiples represent median values

Source: Capital IQ



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Commodity Score Card

Commodity	Units	9/30/2016	1 month prior	6 months prior	1 year prior
Corn	\$ per bu.	\$3.40	\$3.15	\$3.51	\$3.89
Coffee	\$ per lb.	\$1.46	\$1.47	\$1.27	\$1.24
Cocoa	\$ per lb.	\$1.26	\$1.31	\$1.34	\$1.40
Wheat	\$ per bu.	\$3.95	\$3.88	\$4.73	\$5.13
Live Cattle	\$ per lb.	\$1.03	\$1.07	\$1.24	\$1.31

Source: Capital IQ

Select M&A and Capital Raising News, September 2016

❖ Post to Acquire National Pasteurized Eggs

September 1, 2016 – Post Holdings, Inc. has agreed to acquire National Pasteurized Eggs, Inc. (NPE), a producer of pasteurized shell eggs, including cage-free and hard boiled eggs. Financial terms of the transaction were not disclosed. Headquartered in Lansing, Illinois, NPE utilizes a patented in-shell pasteurization process that allows for commercial-scale production of pasteurized eggs. The company operates three egg production facilities located in Lansing; Dows, Iowa; and Flandreau, South Dakota, and distributes its products nationwide, serving the food service, retail and international channels.

❖ Snyder's-Lance Adds to Portfolio with Popcorn Brand Purchase

September 1, 2016 – Eight months after taking a 26% stake in Metcalfe's skinny Limited, Charlotte, North Carolina-based Snyder's-Lance, Inc.'s Kettle Foods subsidiary completed the acquisition of the London-based premium popcorn brand, buying the remaining 74%. Financial terms of the transaction were not disclosed. Founded in 2009 by Julian Metcalfe, the co-founder of Pret A Manger and founder of food service operator itsu, Metcalfe's skinny makes popcorn, corn and rice cake products.

❖ Private Equity Firm Acquires Wetzel's Pretzels

September 6, 2016 – CenterOak Partners L.L.C., a Dallas-based private equity firm, has completed a majority investment in Wetzel's Pretzels L.L.C. Based in Pasadena, California, Wetzel's Pretzels is the second largest owner and franchiser of soft pretzel stores. Financial terms of the transaction were not disclosed. Founded in 1994 by Bill Phelps and Rick Wetzel, Wetzel's Pretzels offers pretzels in a variety of flavors with several complementary toppings and dips. In addition to its signature hand-rolled soft pretzels, its menu includes Wetzel Dogs, Wetzel Bitz pretzel bites, lemonade, granita and other beverages. Currently, Wetzel's Pretzels has more than 300 company-owned and franchise locations in 28 states and six countries. Its stores are located in shopping malls, outlet centers, theme parks, select discount retail stores, train stations and airports.

❖ Arlon Group Acquires Cicis

September 8, 2016 – Pizza buffet restaurant Cicis has been acquired by Arlon Group, a food and agriculture investment firm focused on the food supply chain in the Americas. Financial terms of the transaction were not disclosed. Since its founding in 1985, Cicis has grown to more than 440 restaurants in 33 states and has secured commitments for more than 70 new restaurants. The company recently implemented a brand revitalization, which fueled positive same-store sales for 13 consecutive quarters. The brand refresh was led by Cicis CEO Darin Harris, who will continue to guide the business.

❖ Private Equity Firm Acquires Jimmy John's

September 9, 2016 – Roark Capital Group, an Atlanta, Georgia-based private equity firm focused on franchise and consumer brands, has signed a definitive agreement to acquire a majority interest in Jimmy John's Sandwiches. Terms of the transaction were not disclosed. Jimmy John's has more than 2,500 locations and \$2 billion in system-wide sales. The fast-casual restaurant has opened more than 200 locations in each of the last five years and plans to open more than 1,100 over the next several years. Jimmy John Liautaud, founder of Jimmy John's, will continue as the chairman of the board of directors and will remain the single largest individual shareholder. James North, president and CEO, will continue to lead the day-to-day operations of the business. Upon completion of the transaction, Roark will have acquired 56 franchise/multi-unit brands. It also is an investor in Arby's, Atkins Nutritionals, Corner Bakery and CKE Restaurants, owner of Carl's Jr. and Hardee's.

❖ B&G Foods to Acquire ACH Food Companies Spices Business

September 21, 2016 – B&G Foods, Inc. has entered into an agreement to acquire the spices business of ACH Food Companies, Cordova, Tennessee, for approximately \$365 million. ACH Food makes spices and seasonings under such brands as Spice Islands, Tone's, Durkee and many others. Parsippany, New Jersey-based B&G Foods also markets Weber brand sauces that are sold under license by the company. The acquisition will grow B&G Foods' presence in the center of the retail store.

❖ ConAgra Acquires Frontera, Red Fork Brands

September 27, 2016 – ConAgra Foods, Inc. has acquired the packaged foods businesses of Frontera Foods, Inc. and Red Fork, L.L.C. The transaction includes the Frontera, Red Fork and Salpica brands, which make gourmet Mexican food and contemporary American cooking sauces. Terms of the transaction were not disclosed. Frontera's portfolio contains salsa, sauces and meals featuring the flavors of Mexico. Red Fork offers American cooking sauces, and Salpica is a Tex-Mex salsa line.

❖ Nature's Path Acquires Majority Stake in Snack Food Company

September 28, 2016 – Nature's Path, Inc., a manufacturer of organic and non-G.M.O. breakfast and snack foods, has entered into an agreement to acquire 51% of Gorilly Goods, a Jackson, Wisconsin-based maker of raw and organic snacks. Financial terms were not announced. Nature's Path's will provide the needed capital for Gorilly Goods to increase its manufacturing and leverage Nature's Path retail network to expand distribution in North America and around the world.



The Cupboard



A Food & Beverage
Industry Newsletter



Industry News, September 2016

❖ **McDonald's Taps EVP to Lead U.S. Business**

September 1, 2016 – Chris Kempczinski, executive vice-president of strategy, business development and innovation at McDonald's Corp., has been tapped to lead the fast-food company's U.S. business upon the retirement of Mike Andres at the end of the year. A 30-year veteran of the company, Mr. Andres assumed the role of president of McDonald's USA in 2014, overseeing the company's largest market, with more than 15,500 restaurants in the United States and Canada. Under his leadership, McDonald's most recently has removed artificial preservatives and high-fructose corn syrup from a number of menu items and introduced all-day breakfast nationwide. Importantly, the segment returned to growth last year after seven straight quarters of sales declines.

❖ **President, COO of Fresh Del Monte to Step Down**

September 1, 2016 – Hani El-Naffy, president and COO of Fresh Del Monte Produce Inc., has announced plans to step down from his role early next year. He will remain a member of the company's board of directors. The company said it will move forward with implementing a transition plan for the position. Mr. El-Naffy has been president, director and COO at Fresh Del Monte Produce since 1996. Previously, he was executive director for United Trading Co.

❖ **Former Starbucks Exec to Lead Boudin Bakery**

September 2, 2016 – Clarice Turner has been named CEO of Boudin Bakery, a company known for its "Original San Francisco Sourdough." Ms. Turner most recently was senior vice-president of Food & Evenings America at Starbucks, where she led the company's food business in the United States and Americas. She earlier was a senior vice-president, general manager of the U.S. licensed business at Starbucks and senior vice-president in the U.S. company business.

❖ **Hormel CEO to Retire**

September 7, 2016 – Jeffrey M. Ettinger will retire as CEO of Hormel Foods Corp. at the end of October. He will continue to serve as chairman of the board. James P. Snee, currently president and COO, has been named to succeed Mr. Ettinger as CEO. Mr. Ettinger, who joined Hormel Foods in 1989, was chairman, president and CEO from November 2006 to October 2015, when Mr. Snee was named president. Mr. Ettinger has held a number of positions at Hormel, including senior attorney, product manager for Hormel chili products and treasurer. In 1999, he became president of Jennie-O Turkey Store, the company's largest subsidiary. He advanced to the role of president of Hormel Foods in 2004, the same year he was named to the company's board of directors.

❖ **Former Wal-Mart V.P. Joins Pizza Hut**

September 20, 2016 – Helen Vaid has been tapped for the newly created role of chief customer officer at Pizza Hut, a division of Yum! Brands, Inc. Ms. Vaid will oversee efforts to transform the pizza chain's in-restaurant and digital customer experience in addition to leading the international e-commerce, technology and operations business for Pizza Hut. Most recently, Ms. Vaid was vice-president of digital store operations and experience at Wal-Mart Stores, Inc., where she was responsible for the growth, profitability, traffic growth and conversion of the retailer's web site.

❖ **Former McDonald's Exec to Lead Dunkin' Donuts U.S. and Canada**

September 22, 2016 – David Hoffman, a longtime executive with McDonald's Corp., has been named president of Dunkin' Donuts U.S. and Canada. Mr. Hoffman will succeed Paul Twohig who is retiring and will stay with the company through the end of the first quarter 2017 to ensure a smooth transition. In his new position, Mr. Hoffman will be responsible for Dunkin' Donuts operations and marketing in the United States and Canada, as well as global franchising and store development for both Dunkin' Donuts and Baskin-Robbins. Mr. Hoffman will report to Nigel Travis, chairman and CEO of Dunkin' Brands, and will serve on the Dunkin' Brands Leadership Team.

❖ **Snyder's-Lance Hires New CFO**

September 23, 2016 – Alexander W. Pease has been named executive vice-president and CFO of Snyder's-Lance, Inc. He will succeed Rick Puckett, who earlier this year announced his intent to retire. Mr. Puckett will remain with the company in a consulting role for a period of time to ensure a smooth transition. Mr. Pease joins the company from McKinsey & Co., where he was a leader in their global corporate finance and business functions practice working with CFOs across a range of industries. From 2011 to 2015, he was senior vice-president and CFO of EnPro Industries.

❖ **Nestle Exec Retires, Sparks Leadership Shuffle**

September 27, 2016 – Luis Cantarell, executive vice-president and head of Nestle S.A.'s Europe, Middle East and North Africa zone (Zone EMENA), plans to retire at the end of the year after 40 years with the company. Mr. Cantarell joined the Nestle executive board in 2003 and led Zone Europe from 2005 and Zone Americas from 2008. He played a key role in the creation of the Nestle Nutrition globally managed business, launched Nestle Health Science and shaped the new Zone EMENA organization over the past two years. Marco Settembri, executive vice-president and head of Nestle Waters, will succeed Mr. Cantarell as executive vice-president and head of Zone EMENA. Mr. Settembri joined Nestle Italy in 1987. He was appointed managing director of Sanpellegrino in 2004 and market head in Italy in 2006. In 2007, Mr. Settembri was appointed CEO of Nestle Purina PetCare Europe, and he joined the executive board as head of Nestle Waters in 2013.

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Additional information is available upon request.

