



# DealReader Food & Beverage

Q1 2016

## Lincoln's 2016 Consumer Conference

Lincoln International will hold its annual Consumer Conference on **Thursday, May 12, 2016** at the Hotel Nikko in San Francisco. [Click here to register and to learn more.](#)

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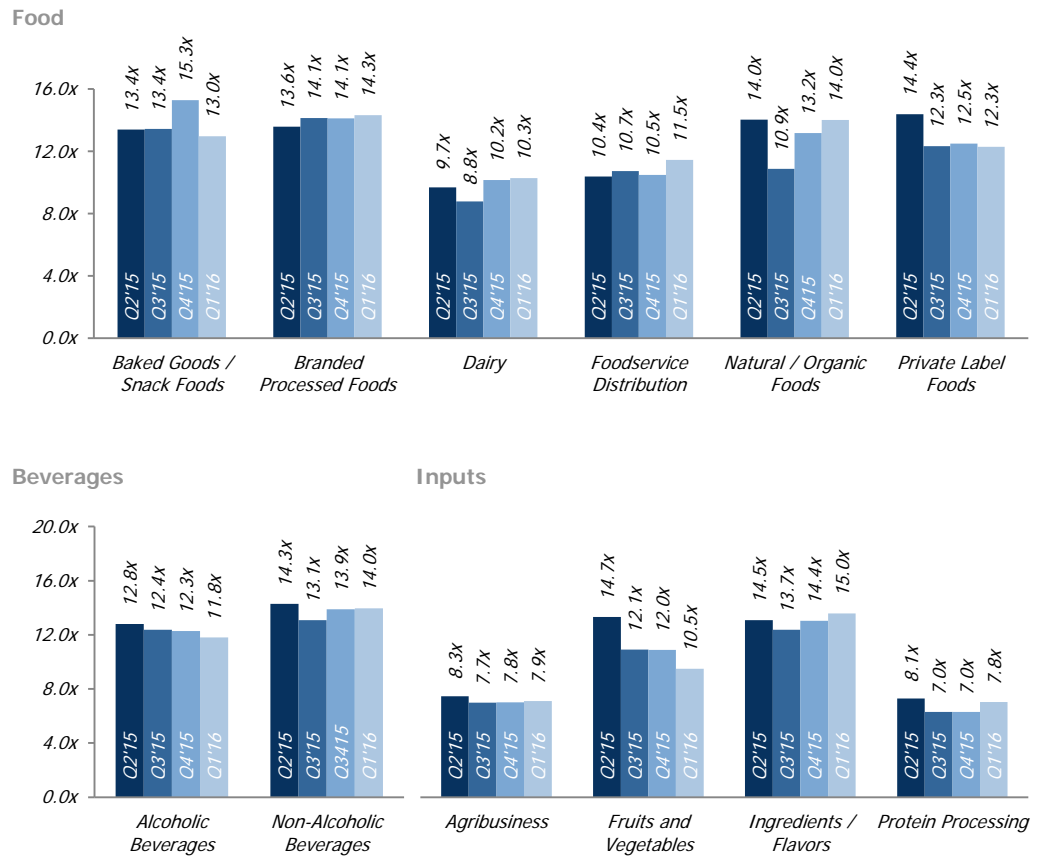
**Market Intelligence**

- Strong M&A activity in craft beer signals a continued trend towards consolidation, highlighted by **Fireman Capital's** acquisition of **Cigar City Brewing** via **United Craft Brews** and **Ulysses Management's** acquisition of **Victory Brewing Company** via **Craft Revolution**
- General Mills'** acquisition of **EPIC Provisions** marks continued strong interest in key themes such as on-the-go, snacking and protein

Sources: Capital IQ, Mergermarket and Bloomberg

# Food & Beverage Public Comparables

## Historical Enterprise Value / EBITDA

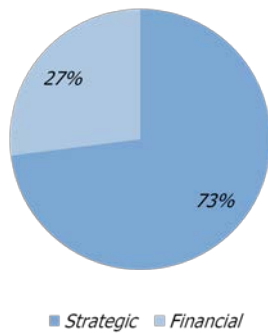


## Median Statistics

Sector (# of Companies)	Quarterly Stock Performance	% of 52 Week High	EV / LTM		P / E Multiple	Net Debt / LTM EBITDA	LTM Growth		LTM Margin	
			Revenue	EBITDA			Revenue	EBITDA	Gross	EBITDA
<b>Food</b>										
Baked Goods / Snack Foods (13)	(4.2%)	92.3%	1.7x	13.0x	29.8x	2.9x	(2.6%)	(3.9%)	30.8%	11.5%
Branded Processed Foods (19)	7.0%	98.1%	2.7x	14.3x	28.8x	2.1x	(3.6%)	0.0%	35.8%	16.6%
Dairy (9)	6.7%	92.3%	1.1x	10.3x	27.9x	1.5x	(10.4%)	(7.6%)	34.8%	9.6%
Foodservice Distribution (17)	8.1%	88.0%	0.8x	11.5x	26.9x	1.3x	(3.9%)	(6.9%)	30.6%	9.4%
Natural / Organic Foods (5)	1.3%	57.9%	0.7x	14.0x	21.6x	2.2x	15.1%	11.2%	23.4%	9.0%
Private Label Foods (8)	3.6%	86.9%	1.4x	12.3x	33.0x	3.2x	(4.8%)	(4.1%)	21.3%	11.4%
<i>Median</i>			<i>1.2x</i>	<i>12.6x</i>	<i>28.3x</i>	<i>2.2x</i>	<i>(3.8%)</i>	<i>(4.0%)</i>	<i>30.7%</i>	<i>10.5%</i>
<b>Beverage</b>										
Alcoholic Beverages (11)	2.5%	88.0%	3.2x	11.8x	23.9x	2.8x	(4.0%)	(6.1%)	49.0%	27.0%
Non-Alcoholic Beverages (9)	(0.5%)	93.3%	2.7x	14.0x	27.8x	1.9x	4.9%	10.5%	46.8%	19.5%
<i>Median</i>			<i>3.0x</i>	<i>12.9x</i>	<i>25.9x</i>	<i>2.4x</i>	<i>0.5%</i>	<i>2.2%</i>	<i>47.9%</i>	<i>23.3%</i>
<b>Inputs</b>										
Agribusiness (9)	(2.1%)	66.5%	1.1x	7.9x	12.0x	2.1x	(7.9%)	(7.0%)	22.1%	13.5%
Fruits and Vegetables (3)	16.4%	91.8%	0.6x	10.5x	35.0x	1.0x	3.3%	20.0%	10.1%	6.3%
Ingredients / Flavors (16)	4.1%	92.1%	1.8x	15.0x	27.4x	1.5x	(7.5%)	(7.7%)	32.8%	12.2%
Protein Processing (6)	10.7%	88.3%	0.7x	7.8x	16.3x	2.7x	0.2%	3.8%	14.2%	10.3%
<i>Median</i>			<i>0.9x</i>	<i>9.2x</i>	<i>21.8x</i>	<i>1.8x</i>	<i>(3.6%)</i>	<i>(1.6%)</i>	<i>18.2%</i>	<i>11.2%</i>
<b>Overall Median</b>			<b>1.2x</b>	<b>12.0x</b>	<b>27.6x</b>	<b>2.1x</b>	<b>(3.8%)</b>	<b>(4.0%)</b>	<b>30.7%</b>	<b>11.4%</b>

Source: Capital IQ as of 3/31/2016

## Deals by Acquirer Type



## Food & Beverage M&A Activity — North America

### Summary Observations

During Q1 2016, there were 63 announced M&A transactions involving the acquisition of North American food and beverage targets, equal to the number in Q1 2015

73% went to strategic acquirers, 27% went to financial and other acquirers.

Notable deals announced in Q1 2016 include:

- General Mills acquired EPIC Provisions for \$100 million or approximately 5.0x revenue
- Brynwood Partners acquired Sunny Delight Beverages for \$195 million
- Reignwood Investments acquired Voss Water for \$181 million or approximately 2.3x revenue
- Monster acquired American Fruits and Flavors for \$690 million or approximately 7.0x EBITDA
- Craft Revolution, owned by Ulysses Management, acquired Mark Anthony Group's craft beer and cider brands and Victory Brewing Company

### Selected North American M&A Transactions

Announced Date	Target	Acquirer	Enterprise Value (\$mm)	Enterprise Value	
				Sales	EBITDA
3/29/16	Noga Dairy, Inc.	Raymundo's Food Group, LLC (AUA Private Equity)	-	-	-
3/22/16	VEEV Spirits, LLC	JAB Holdings	-	-	-
3/22/16	Emballages C & C Packing, Inc.	Premium Brands Holdings Corporation	112	0.6x	-
3/21/16	That's How We Roll, LLC	Clearlake Capital Group, LP	-	-	-
3/14/16	Cigar City Brewing	United Craft Brews (Fireman Capital)	-	-	-
3/11/16	Rex's Outrageous, LLC	Clearlake Capital Group, LP	-	-	-
3/10/16	Grass Run Farm Inc., Meat Snacks Division	Link Snacks, Inc.	-	-	-
3/7/16	Chocolate Pizazz, LLC	Michael's Cookie Jar, LLC	-	-	-
3/7/16	Wright Foods, Inc.	AmeriQual Group, LLC (Ares Private Equity)	-	-	-
3/2/16	South Coast Baking, LLC	Le Petit Pain Holdings, LLC (Arbor Investment)	-	-	-
3/1/16	Clearbrook Farms, Inc.	Glencoe Capital, LLC	-	-	-
2/29/16	Haddon House Food Products, Inc.	United Natural Foods, Inc.	218	0.4x	-
2/25/16	North Star Seafood, LLC	Sysco Corporation	-	-	-
2/23/16	American Fruits And Flavors	Monster Beverage Corporation	690	-	7.0x
2/23/16	Grandma Lu's Spice Cabinet, LLC	Snack It Forward, LLC	-	-	-
2/22/16	Chef Creations, Inc.	Kettle Cuisine, Inc. (Kainos Capital)	-	-	-
2/16/16	Mark Anthony Group, Inc., Craft Beer / Cider Brands	Craft Revolution, LLC (Ulysses Management)	-	-	-
2/16/16	Victory Brewing Company	Craft Revolution, LLC (Ulysses Management)	-	-	-
2/15/16	Liguria Foods, Inc.	CTI Foods Holding Co., LLC (Thomas H. Lee Partners)	-	-	-
2/12/16	Davy Crockett Whiskey	Ole Smoky Distillery, LLC. (Centerview Capital)	-	-	-
2/10/16	L.B. Maple Treat, Inc.	Champlain Financial Corporation	-	-	-
2/4/16	National Deli, Inc.	K2d, Inc.	-	-	-
2/3/16	Totally Chocolate, Inc.	Tricor Pacific Founders Capital, Inc.	-	-	-
2/2/16	Harvest Innovations, LLC	Archer-Daniels-Midland Company	-	-	-
2/2/16	Panos Brands, LLC	Hammond, Kennedy, Whitney & Company Inc.	-	-	-
2/2/16	Wing's Food Products	Ventura Foods, LLC	-	-	-
2/2/16	Raymundo's Food Group, LLC	AUA Private Equity Partners, LLC	-	-	-
1/26/16	Fresh & Ready Foods, Inc.	Food Evolution, Inc. (Akoya Capital)	-	-	-
1/22/16	Vero Wine Group	Landmark Vineyards	-	-	-
1/14/16	Brown-Forman Corporation, Southern Comfort	Sazerac Company, Inc.	544	-	-
1/14/16	Sunny Delight Beverages Co.	Brynwood Partners	195	-	-
1/11/16	Voss Water	Reignwood Investments UK Ltd.	181	2.3x	-
1/6/16	Bruce Foods Corporation, Mexican Food Business	Teasdale Foods, Inc. (Snow Phipps Group)	-	-	-
1/6/16	EPIC Provisions, LLC	Annie's, Inc. (General Mills)	100	5.0x	-

Sources: Capital IQ as of 3/31/2016, Mergermarket

## Global Industry Groups

Aerospace & Defense  
Automotive & Truck  
Building & Infrastructure  
Business Services  
Chemicals  
Consumer  
Distribution  
Electronics  
Energy & Power  
Financial Institutions  
Food & Beverage  
Healthcare  
Industrials  
Packaging  
Technology & Media

## Global Locations

Amsterdam  
Beijing  
Chicago  
Frankfurt  
London  
Los Angeles  
Madrid  
Milan  
Moscow  
Mumbai  
New York  
Paris  
São Paulo  
Tokyo  
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