



LAKE SHORE

F O O D A D V I S O R S



Weekly Update

Monday, May 15, 2017

S&P 500 and Dow Post First Weekly Loss in Almost a Month.

Markets fell slightly on Friday closing lower for the session and week upon weak earnings within the retail sector and political uncertainty stemming from the dismissal of the FBI Director, James Comey.

The **Dow Jones Industrial Average** declined 0.5% during the week, finishing at 20,897.

The **S&P 500** fell 0.3% on the week, closing at 2,391.

The **NASDAQ Composite** increased 0.3% on the week, finishing at 6,121.

Yield on the **10-year Treasury** declined six basis points on the week, ending at 2.33%.

Crude oil rose 3.0% on the week, ending at \$47.83 per barrel.

Corn futures posted a gain of 2.0% on the week, ending at \$3.66 per bushel.

NASDAQ Highs: Bridgford Foods Corporation, SunOpta Inc., The Wendy's Company, Whole Foods Market, Inc.

Lows: Jamba, Inc.

NYSE Highs: Darden Restaurants, Inc., Deere & Company, McDonald's Corporation, Syngenta AG, Unilever N.V., Wal-Mart Stores, Inc. **Lows:** Natural Grocers by Vitamin Cottage, Inc., Terra Nitrogen Company, L.P.

Featured Stocks of the Week:

Cal-Maine Foods, Inc. (Nasdaq: CALM) 10-year History



Whole Foods Market, Inc. (Nasdaq: WFM) 10-year History



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The Lakeshore Food Chain

Company Name	Price		Price as Compared to		Price as Compared to		Enterprise Value to		Total Debt to LTM EBITDA	
	Price 5/12/17	Price Compared to 5/5/17	52-Week Range		YE:		Forward P/E	LTM:		
			High	Low	2016	2015		Revenue		EBITDA
Dow Jones Industrial Average	20,897	(0.5%)	21,116	17,140	5.7%	19.9%	19.8x			
S&P 500	2,391	(0.3%)	2,400	2,001	6.8%	17.0%	17.9			
NASDAQ Composite Index	6,121	0.3%	6,129	4,594	13.7%	22.2%	25.3			
Sector Average:					8.7%	19.7%				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$10.23	(4.7%)	\$11.98	\$10.00	(8.3%)	(6.7%)	37.2x	28.31x	47.4x	21.8x
Gladstone Land Corporation	10.93	(1.4%)	12.89	9.51	(2.8%)	26.4%	156.1	19.25	27.2	17.1
Limoneira Company	19.29	(0.3%)	21.78	14.62	(10.3%)	29.1%	37.5	3.42	21.0	5.7
Sector Average:					(7.1%)	16.2%	37.3x	17.00x	31.9x	14.9x
INPUTS										
* Agrium Inc.	\$124.67	(0.2%)	\$146.99	\$111.72	(7.6%)	0.8%	17.2x	1.30x	10.7x	3.2x
American Vanguard Corporation	17.50	(1.4%)	20.00	12.60	(8.6%)	24.9%	28.1	1.73	12.8	0.7
CF Industries Holdings, Inc.	26.78	(5.8%)	37.17	20.77	(14.9%)	(34.4%)	NM	3.72	13.1	4.8
DuPont	79.30	(2.3%)	82.37	61.12	8.0%	19.1%	21.1	2.95	13.8	2.0
FMC Corporation	72.75	(0.7%)	75.93	41.80	28.6%	85.9%	27.9	3.57	16.3	2.8
Intrepid Potash, Inc.	2.20	4.3%	3.04	0.93	5.8%	(25.4%)	NM	2.50	NM	NM
Monsanto Company	116.22	0.0%	117.33	96.83	10.5%	18.0%	23.2	4.00	13.6	2.2
The Mosaic Company	22.91	(2.3%)	34.36	22.77	(21.9%)	(17.0%)	21.3	1.61	10.8	3.7
* Potash Corporation of Saskatchewan Inc.	22.37	(0.5%)	26.62	19.93	(7.9%)	(5.6%)	27.1	4.88	13.7	3.7
S&W Seed Company	4.50	(10.0%)	5.35	4.15	(2.2%)	6.6%	91.5	1.36	21.0	NM
The Scotts Miracle-Gro Company	87.21	(3.3%)	98.82	65.80	(8.7%)	35.2%	20.0	2.54	16.1	NM
* Syngenta AG	463.00	0.4%	471.20	360.50	15.0%	18.0%	NA	3.44	16.8	1.4
Zoetis Inc.	59.88	0.7%	60.19	45.28	11.9%	25.0%	24.8	6.71	19.5	2.6
Sector Average:					0.6%	11.6%	23.4x	3.10x	14.8x	2.7x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$58.82	5.3%	\$57.24	\$34.70	12.0%	76.9%	16.8x	2.54x	15.8x	4.8x
AGCO Corporation	63.74	(0.4%)	65.67	44.68	10.2%	40.4%	21.1	0.90	10.8	3.3
Art's-Way Manufacturing Co., Inc.	3.15	(4.5%)	4.70	2.50	(7.4%)	1.6%	NA	0.91	NM	NM
* Buhler Industries Inc.	4.51	(3.0%)	6.00	4.37	1.6%	(17.1%)	NA	0.50	142.2	90.3
CNH Industrial N.V.	10.72	(2.8%)	11.30	6.26	23.4%	56.7%	23.5	1.48	14.3	10.2
Deere & Company	113.11	0.0%	114.17	76.73	9.8%	48.3%	22.1	2.56	17.5	8.9
Lindsay Corporation	84.49	(3.9%)	89.98	65.78	13.2%	16.7%	30.9	1.80	16.6	2.1
Titan Machinery Inc.	15.05	(1.4%)	16.80	8.68	3.3%	37.7%	NM	0.52	23.2	13.3
Sector Average:					8.3%	32.7%	22.9x	1.40x	16.4x	19.9x
AGRIBUSINESS										
AGT Food and Ingredients Inc.	\$25.31	(16.2%)	\$42.16	\$31.56	(30.9%)	(25.5%)	13.4x	0.57x	10.9x	5.4x
The Andersons, Inc.	33.15	0.7%	44.90	25.78	(25.8%)	4.8%	14.8	0.42	12.8	6.3
Archer-Daniels-Midland Company	41.96	(1.1%)	47.88	37.00	(8.1%)	14.4%	15.3	0.48	10.2	2.8
Bunge Limited	69.93	0.6%	82.66	56.69	(3.2%)	2.4%	11.5	0.34	10.3	3.6
Darling Ingredients Inc.	15.03	(3.7%)	15.93	11.51	16.4%	42.9%	20.5	1.20	8.3	4.0
* Gruma, S.A.B. de C.V.	242.82	(2.0%)	288.99	240.38	(7.7%)	0.4%	16.3	1.66	10.4	1.2
Ingredion Incorporated	118.01	(2.2%)	140.00	113.07	(5.6%)	23.1%	15.4	1.73	9.7	1.9
Landec Corporation	13.85	1.1%	15.50	9.85	0.4%	17.1%	21.6	0.78	12.6	1.6
* Olam International Limited	1.96	3.2%	2.17	1.59	(0.5%)	7.7%	16.4	0.83	15.2	12.5
Omega Protein Corporation	19.00	(6.2%)	26.99	18.00	(24.2%)	(14.4%)	13.9	1.07	4.5	0.0
Sector Average:					(8.9%)	7.3%	15.9x	0.91x	10.5x	3.4x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$40.60	1.6%	\$52.84	\$38.60	(7.3%)	15.9%	18.6x	3.05x	13.6x	5.4x
Campbell Soup Company	57.22	(0.3%)	67.89	52.59	(5.4%)	8.9%	18.4	2.60	15.1	2.6
Conagra Brands, Inc.	37.46	(0.7%)	48.86	33.61	(5.3%)	(11.1%)	20.1	1.67	9.2	1.6
General Mills, Inc.	56.25	(1.8%)	72.95	55.67	(8.9%)	(2.4%)	17.4	2.70	12.1	2.9
The Hain Celestial Group, Inc.	38.13	2.9%	56.99	32.87	(2.3%)	(5.6%)	18.6	1.64	12.8	2.5
The J. M. Smucker Company	124.75	(1.1%)	157.31	122.05	(2.6%)	1.1%	15.9	2.63	11.8	3.1
Kellogg Company	70.83	0.2%	87.16	68.67	(3.9%)	(2.0%)	18.1	2.53	14.4	3.6
The Kraft Heinz Company	88.95	(0.8%)	97.77	79.69	1.9%	22.3%	23.6	5.25	16.4	3.9
Lancaster Colony Corporation	123.08	(0.3%)	149.30	116.11	(12.9%)	6.6%	25.3	2.72	14.7	0.0
Mondelez International, Inc.	44.87	0.1%	46.40	40.50	1.2%	0.1%	20.7	3.29	18.6	4.3
* Nestlé S.A.	81.40	1.8%	81.45	67.00	11.4%	9.2%	23.1	2.99	14.8	1.4
Pinnacle Foods Inc.	57.94	(0.1%)	61.65	41.47	8.4%	36.5%	21.8	3.09	14.6	4.5
Post Holdings, Inc.	80.77	(0.6%)	89.04	68.76	0.5%	30.9%	29.1	1.86	10.9	6.4
SunOpta Inc.	11.49	14.1%	11.52	4.14	20.1%	21.5%	45.2	1.02	18.3	5.8
Treehouse Foods, Inc.	75.85	(0.9%)	104.53	62.64	5.1%	(3.3%)	20.4	1.08	10.8	4.3
* Unilever N.V.	49.15	2.1%	49.70	36.22	25.6%	22.5%	22.8	2.91	17.0	1.9
Sector Average:					1.6%	9.4%	22.4x	2.56x	14.1x	3.6x

Company Name	Price 5/12/17	Price Compared to 5/5/17	Price		Price as Compared to		Forward P/E	Enterprise Value to		Total Debt to LTM EBITDA
			52-Week Range		YE:			LTM:		
			High	Low	2016	2015		Revenue	EBITDA	
ETHANOL										
Green Plains Inc.	\$24.50	(4.9%)	\$29.85	\$14.74	(12.0%)	7.0%	18.5x	0.55x	8.8x	4.9x
Pacific Ethanol, Inc.	\$6.90	0.0%	\$10.95	\$4.09	(27.4%)	44.4%	9.9x	0.27x	9.0x	3.9x
Renewable Energy Group, Inc.	11.65	(1.3%)	12.65	7.90	20.1%	25.4%	7.4	0.28	6.2	2.4
Sector Average:					(3.6%)	34.9%	11.9x	0.37x	8.0x	3.8x
FRUIT & VEGETABLE										
Calavo Growers, Inc.	\$65.53	0.1%	\$71.48	\$48.75	6.7%	33.7%	26.5x	1.26x	17.5x	0.9x
Fresh Del Monte Produce Inc.	53.76	0.4%	66.86	49.47	(11.3%)	38.3%	12.9	0.75	9.7	0.9
Lamb Weston Holdings, Inc.	\$42.20	1.5%	\$43.48	\$28.75	11.5%	NA	18.9x	2.79x	13.9x	4.3x
Seneca Foods Corporation	35.55	(2.2%)	42.65	27.03	(11.2%)	22.7%	NA	0.57	9.3	4.9
* Total Produce plc	1.97	0.4%	2.04	1.25	0.3%	34.0%	15.6	0.24	8.8	2.4
Sector Average:					(0.8%)	32.2%	18.5x	1.12x	11.9x	2.7x
PROTEIN										
AdvancePierre Foods Holdings, Inc.	\$40.49	0.0%	\$40.79	\$22.99	36.0%	NA	30.8x	2.63x	16.2x	4.2x
Cal-Maine Foods, Inc.	\$37.15	(1.8%)	\$49.31	\$35.10	(15.9%)	(19.8%)	21.4	1.49	NM	NM
Hormel Foods Corporation	34.41	(1.0%)	40.54	33.18	(1.1%)	(13.0%)	20.5	1.88	12.3	0.2
Industrias Bachoco, S.A.B. de C.V.	54.33	0.4%	56.10	45.32	10.8%	10.4%	13.8	0.74	6.8	0.7
* JBS S.A.	10.97	2.5%	12.95	8.65	(3.8%)	(11.2%)	8.3	0.46	6.7	4.8
Nathan's Famous, Inc.	69.05	(1.4%)	71.95	40.28	6.4%	33.9%	NA	3.77	13.3	4.8
Pilgrim's Pride Corporation	24.87	(0.7%)	26.50	17.15	31.0%	12.6%	10.5	0.94	8.7	NM
Sanderson Farms, Inc.	112.70	(2.9%)	116.76	74.07	19.6%	45.4%	12.1	0.81	5.9	0.0
Seaboard Corporation	3,763.25	(5.2%)	4,545.00	2,590.00	(4.8%)	30.0%	NA	0.69	8.6	1.8
Tyson Foods, Inc.	58.24	(8.0%)	77.05	55.72	(5.6%)	9.2%	12.2	0.75	7.3	1.7
Sector Average:					4.1%	10.8%	16.2x	1.41x	9.5x	2.6x
BAKING & INGREDIENTS										
* ARYZTA AG	\$35.12	(3.0%)	\$45.87	\$26.14	(21.7%)	(31.1%)	11.9x	1.25x	10.8x	5.1x
Balchem Corporation	79.77	(1.4%)	89.50	56.60	(4.9%)	31.2%	31.5	4.99	20.2	2.0
Flowers Foods, Inc.	19.35	2.9%	21.00	14.35	(3.1%)	(10.0%)	21.8	1.28	11.3	2.2
* Grupo Bimbo, S.A.B. de C.V.	45.84	1.6%	60.86	43.90	(2.5%)	(0.2%)	25.0	1.11	9.2	2.5
J&J Snack Foods Corp.	132.04	0.6%	143.21	99.52	(1.0%)	13.2%	29.3	2.32	15.1	0.0
* Kerry Group plc	80.54	(1.2%)	82.34	61.03	18.6%	5.5%	23.2	2.55	18.8	2.5
McCormick & Company, Incorporated	99.40	(0.8%)	107.84	88.64	6.5%	16.2%	23.9	3.16	17.5	2.2
* Tate & Lyle plc	7.64	(0.5%)	8.50	5.95	8.0%	27.5%	16.0	1.57	10.8	2.1
Sector Average:					(0.0%)	6.5%	22.8x	2.28x	14.2x	2.3x
CANDY, NUTS, & SNACKS										
Amplify Snack Brands, Inc.	\$8.92	(6.8%)	\$17.53	\$7.86	1.2%	(22.6%)	19.2x	4.12x	15.9x	7.6x
The Hershey Company	107.07	(0.4%)	117.79	89.17	3.5%	19.9%	21.7	3.39	14.7	1.6
Inventure Foods, Inc.	4.09	10.2%	10.15	3.31	(58.5%)	(42.4%)	NM	0.67	43.9	24.1
John B. Sanfilippo & Son, Inc.	64.71	0.3%	74.69	40.75	(8.1%)	19.8%	19.0	0.94	11.1	1.3
Rocky Mountain Chocolate Factory, Inc.	11.85	(6.9%)	13.23	9.50	16.3%	10.2%	NA	1.77	9.3	0.6
Snyder's-Lance, Inc.	36.15	5.6%	40.86	28.92	(5.7%)	5.4%	31.1	2.12	17.2	4.3
Tootsie Roll Industries, Inc.	36.20	(1.0%)	40.44	32.88	(6.2%)	21.6%	NA	4.23	19.2	0.1
Sector Average:					(8.2%)	5.8%	22.7x	2.46x	18.8x	5.6x
PET FOOD AND PRODUCTS										
Blue Buffalo Pet Products, Inc.	\$23.90	(4.1%)	\$28.80	\$15.19	(0.6%)	27.7%	25.1x	4.05x	17.4x	1.4x
Central Garden & Pet Company	34.68	(0.9%)	39.33	17.20	4.8%	156.5%	23.1	1.16	11.6	2.6
Freshpet, Inc.	13.95	4.9%	14.50	7.60	37.4%	64.3%	NM	3.52	63.9	0.8
Sector Average:					13.9%	46.0%	24.1x	2.91x	31.0x	1.6x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$143.15	(2.2%)	\$195.35	\$135.10	(15.7%)	(29.1%)	26.3x	1.93x	9.4x	0.0x
Brown-Forman Corporation	49.20	0.4%	51.55	43.72	9.5%	(0.9%)	27.1	6.95	19.3	2.0
The Coca-Cola Company	43.59	(0.2%)	46.01	39.88	5.1%	1.5%	23.1	5.13	17.3	4.2
Constellation Brands, Inc.	178.57	0.0%	179.85	144.00	16.5%	25.4%	22.4	5.98	17.4	3.7
* Cott Corporation	17.30	(0.5%)	22.66	13.42	13.8%	13.5%	40.8	1.28	11.9	7.3
Craft Brew Alliance, Inc.	16.10	(4.5%)	22.40	7.50	(4.7%)	92.4%	59.2	1.63	24.3	2.0
Crimson Wine Group, Ltd.	11.29	6.5%	11.30	8.25	20.5%	28.3%	NA	4.11	24.7	1.4
Dr Pepper Snapple Group, Inc.	90.35	(0.9%)	99.47	81.05	(0.4%)	(3.1%)	19.6	3.25	13.0	2.8
Monster Beverage Corporation	47.62	0.4%	55.50	40.64	7.4%	(4.1%)	31.3	8.44	21.2	0.0
Jones Soda Co.	0.54	6.3%	0.69	0.33	20.0%	41.2%	NA	1.50	NM	NM
National Beverage Corp.	83.71	0.8%	92.85	39.14	63.9%	84.2%	27.8	4.77	24.1	0.0
Pepsico, Inc.	112.91	(0.3%)	114.61	98.50	7.9%	13.0%	21.7	2.92	14.8	3.1
Starbucks Corporation	59.93	(1.7%)	61.94	50.84	7.9%	(0.2%)	26.7	4.02	16.5	0.8
Willamette Valley Vineyards, Inc.	8.00	0.1%	9.00	7.11	(0.1%)	13.0%	NA	2.58	9.9	1.8
Sector Average:					10.8%	19.6%	26.7x	3.89x	17.2x	2.2x

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			High	Low	2016	2015		Revenue	EBITDA	
DAIRY										
* Danone	\$67.12	3.2%	\$70.53	\$57.66	11.5%	7.8%	19.2x	2.22x	12.8x	5.6x
Dean Foods Company	18.91	(1.7%)	22.31	15.69	(13.2%)	10.3%	12.5	0.33	6.5	2.3
Lifeway Foods, Inc.	9.86	4.2%	18.48	8.68	(14.3%)	(11.2%)	58.0	1.27	17.3	0.8
* Saputo Inc.	44.60	(1.0%)	48.98	36.40	(6.1%)	34.7%	21.5	1.65	14.0	1.2
Sector Average:					(5.5%)	10.4%	27.8x	1.37x	12.7x	2.5x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$14.50	5.5%	\$17.15	\$10.31	(8.2%)	(13.1%)	34.2x	0.56x	12.8x	6.3x
Core-Mark Holding Company, Inc.	35.05	(1.8%)	50.00	30.00	(18.6%)	(14.4%)	24.1	0.16	14.2	2.0
Performance Food Group Company	27.65	6.8%	29.13	18.82	15.2%	19.5%	21.0	0.25	13.0	4.1
Sysco Corporation	53.95	(2.5%)	57.07	47.15	(2.6%)	31.6%	20.3	0.67	12.2	2.9
United Natural Foods, Inc.	40.29	(4.9%)	52.18	33.16	(15.6%)	2.4%	15.7	0.29	8.3	1.8
Sector Average:					(6.0%)	5.2%	23.1x	0.38x	12.1x	3.4x
MASS MERCHANDISE & CLUB STORES										
Costco Wholesale Corporation	\$170.88	(5.2%)	\$183.18	\$138.57	6.7%	5.8%	28.4x	0.61x	14.7x	1.0x
Wal-Mart Stores, Inc.	75.71	(1.0%)	77.05	62.72	9.5%	23.5%	17.5	0.56	8.3	1.4
Sector Average:					8.1%	14.7%	23.0x	0.59x	11.5x	1.2x
DOLLAR STORES										
Dollar General Corporation	\$71.58	(2.8%)	\$96.88	\$66.50	(3.4%)	(0.4%)	16.1x	1.03x	9.3x	1.3x
Dollar Tree, Inc.	81.29	(0.9%)	99.93	72.55	5.3%	5.3%	18.1	1.19	10.5	2.7
Fred's, Inc.	14.71	(1.3%)	21.77	7.89	(20.7%)	(10.1%)	51.0	0.32	NM	NM
Sector Average:					(6.3%)	(1.8%)	28.4x	0.85x	9.9x	2.0x
TRADITIONAL RETAIL										
* Ahold Delhaize	\$19.96	1.8%	\$23.03	\$17.89	(0.4%)	(3.6%)	14.7x	0.50x	7.9x	2.0x
Ingles Markets, Incorporated	38.45	(8.2%)	52.40	35.77	(20.1%)	(12.8%)	15.1	0.43	7.2	3.8
The Kroger Co.	29.52	0.6%	37.97	28.29	(14.5%)	(29.4%)	13.4	0.35	6.9	2.4
SpartanNash Company	36.50	(0.8%)	40.38	25.29	(7.7%)	68.7%	15.8	0.23	7.9	1.9
SUPERVALU Inc.	3.95	(5.0%)	5.74	3.20	(15.4%)	(41.7%)	11.6	0.18	4.5	3.1
Village Super Market, Inc.	25.33	(4.1%)	36.42	24.42	(18.0%)	(3.9%)	NA	0.20	4.8	0.7
Weis Markets, Inc.	54.02	(6.8%)	68.88	46.00	(19.2%)	21.9%	NA	0.45	8.6	0.4
Sector Average:					(13.6%)	(0.1%)	14.1x	0.33x	6.8x	2.3x
SPECIALTY RETAIL										
Natural Grocers by Vitamin Cottage, Inc.	\$9.90	0.0%	14.21	9.76	(16.7%)	(51.4%)	20.0	0.38	6.2	1.3
Sprouts Farmers Market, Inc.	23.89	1.4%	26.16	17.38	26.3%	(10.2%)	25.7	0.88	12.6	1.4
Whole Foods Market, Inc.	36.28	(1.6%)	38.29	27.67	17.9%	8.3%	27.5	0.74	8.8	0.8
Sector Average:					9.2%	(17.8%)	24.4x	0.55x	6.9x	1.2x
TRADITIONAL RESTAURANTS										
Bob Evans Farms, Inc.	\$66.87	(2.1%)	\$69.16	\$35.63	25.7%	72.1%	28.6x	1.22x	11.6x	2.3x
Brinker International, Inc.	42.81	(1.5%)	55.84	40.92	(13.6%)	(10.7%)	13.1	1.06	7.5	2.9
The Cheesecake Factory Incorporated	58.94	(6.5%)	67.14	46.93	(1.6%)	27.8%	19.5	1.21	9.6	0.4
Darden Restaurants, Inc.	88.31	1.1%	89.14	59.50	21.4%	38.8%	20.6	1.57	11.7	0.5
DineEquity, Inc.	51.14	(2.7%)	88.00	49.53	(33.6%)	(39.6%)	10.4	3.51	9.1	5.8
Jack in the Box Inc.	100.30	(5.3%)	113.30	73.29	(10.2%)	30.8%	21.5	2.60	12.1	3.0
McDonald's Corporation	145.36	1.0%	145.50	110.33	19.4%	23.0%	22.6	5.87	15.0	2.9
The Wendy's Company	15.84	4.8%	16.12	9.15	17.2%	47.1%	32.6	4.65	16.5	6.9
Yum! Brands, Inc.	68.90	(0.6%)	91.99	59.57	8.8%	(5.7%)	24.6	5.14	16.4	4.6
Sector Average:					3.7%	20.4%	21.5x	2.98x	12.2x	3.2x
HIGH-GROWTH RESTAURANTS										
Bojangles', Inc.	\$17.45	(8.6%)	\$22.35	\$14.55	(6.4%)	10.0%	18.8x	1.51x	9.7x	2.3x
Chipotle Mexican Grill, Inc.	489.33	3.0%	497.48	352.96	29.7%	2.0%	52.5	3.25	40.7	0.0
El Pollo Loco Holdings, Inc.	13.95	0.4%	14.61	10.08	13.4%	10.5%	19.9	1.64	10.4	1.7
The Habit Restaurants, Inc.	19.25	0.3%	19.75	13.20	11.6%	(16.5%)	64.7	1.27	12.7	0.3
Noodles & Company	4.83	(13.1%)	10.47	3.16	17.7%	(50.2%)	78.5	0.53	22.7	4.6
Panera Bread Company	312.85	(0.1%)	316.21	185.69	52.5%	60.6%	39.0	2.59	17.4	1.1
Papa Murphy's Holdings, Inc.	4.82	(6.9%)	8.33	3.56	14.2%	(57.2%)	22.6	1.51	15.7	9.0
Potbelly Corporation	10.95	(3.5%)	14.55	10.80	(15.1%)	(6.5%)	28.0	0.60	5.9	0.0
Shake Shack Inc.	36.10	(0.2%)	42.94	30.36	0.9%	(8.8%)	72.0	3.14	20.4	0.2
Wingstop Inc.	30.74	(4.8%)	33.42	24.74	3.9%	34.8%	45.7	10.77	30.7	4.3
Zoe's Kitchen, Inc.	18.18	(1.0%)	39.45	16.39	(24.2%)	(35.0%)	NM	1.37	16.6	1.3
Sector Average:					8.9%	(6.6%)	40.4x	2.56x	18.4x	2.3x

Notes:

* Denotes local currency.

Source: Capital IQ.

Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

Major Indices (1-year & 12-year History)

S&P 500



Dow Jones Industrial Average



10-year Treasury



CBOE Market Volatility Index - VIX



Lakeshore Sector Indices vs. S&P 500 (1-year Only)



Food For Thought...

Partner Column

Written By Mary L. Burke

Food Deflation. The effects of food deflation and grocery price war continue to be seen in the earnings results that have come out. We continue to see food prices declining now lapping over what happened last year. The decline has slowed but still continues. The price war in retail shows no sign of slowing. As an illustration, price checks in the Nashville between Kroger and Aldi and in Northern New Jersey and Orlando between Wal-Mart and Aldi show the effects of the competition. In January 2016 Kroger had a 22.4% price premium to Aldi compared to an 18.6% in April 2017. This is most prominently seen in the center store 22.6% premium in January 2016 reduced to a 14.6% premium in April 2017 and in frozen form a 24% to a 9.5% premium. Similarly Walmart narrowed its price premium to Aldi from 15.4% in January 2016 to 10.3% in April 2017. Interesting both Walmart and Kroger increased their meat prices to increase the spread over Aldi during this time.

Central Grocers Files Chapter 11. Central Grocers, a co-op wholesaler which filed for Chapter 11 protection last week reminds me of what happened to Fleming Companies. Consumer purchasing is changing and their 1,000,000 sq. foot facility which formerly had over \$800 million in revenue now has no volume to go through it. It has been picked up by other wholesalers and other suppliers. There is not a need for this space nor this company. So poof and it is gone!

M&A Activity. As you will see on page 9 of this Update, M & A activity for April was down compared to previous months worldwide but is up in the US. North American M&A activity continues to be strong with many foreign companies' acquiring companies in the US. This trend is for all sectors not just food and agribusiness. In our sector the deal flow has declined slightly in the past six months as there appears to be some uncertainty over trade implications and the continued impacts of disruptors occurring in our sector.

e-Commerce Disruption. Although foodservice outlets account for 40% of all food sales, ecommerce is taking a growing piece of the pie. This includes companies such as Amazonfresh, Freshdirect and Peapod.

The below chart of market share of ecommerce by category, demonstrates how much room food and grocery can to grow.

Food & Grocery	1.0%
Health & Beauty	8.3%
Apparel	15.6%
Hobby	15.5%
Furniture	16.5%
Electronics & Appliances	19.6%
Computers	23.2%
Books	29.3%
Home & Garden	30.7%
Media	36.8%

We only expect this to continue as consumers find different ways to meet their busy lifestyles.

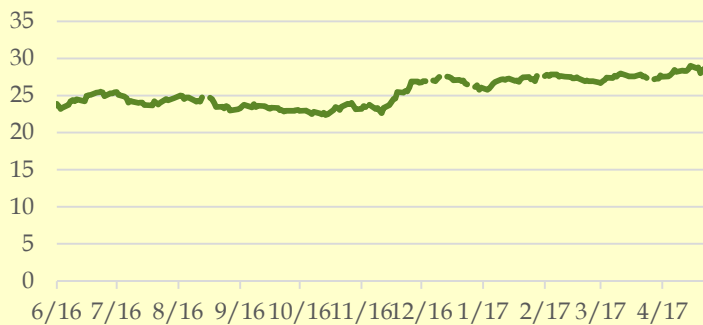
Have a Good Week!

Food For Thought...

Volume Growth Helps Propel U.S. Foods. U.S. Foods Holding Corp. (NYSE: USFD) announced last Tuesday that net sales increased 3.5% to \$5.8 billion in Q1 2017, due in large part to a 4.3% increase in total case volume compared to Q1 2016. The company said that 2.7% was organic growth, and independent restaurant volume (which has been a focus for U.S. Foods) grew 4.0%.

The company did experience some deflation in the quarter, most notably in the dairy, beef, and produce categories. U.S. Foods noted that sales from acquisitions completed in the past twelve months boosted net sales by approximately 1.3%. Net income in the quarter was \$27 million, up from \$13 million a year ago.

U.S. Foods Holding Corp. (NYSE: USFD) 11-Month History



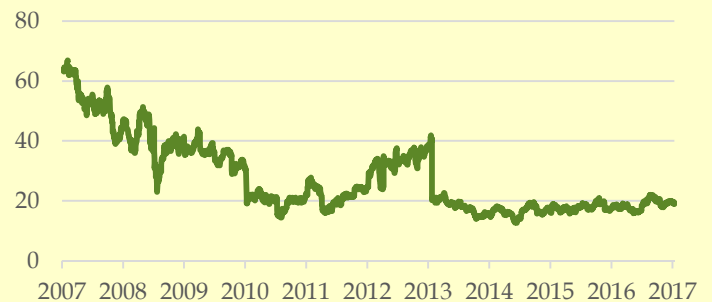
Tyson Slips On Lower Income And Legal Investigations. Tyson Foods, Inc. (NYSE: TSN) last week reported second quarter earnings which fell 21% from 2016. Quarterly net income was \$340 million, compared to \$432 million in 2016. Chicken segment operating income declined to \$233 million (from \$347 million) due to fires at two chicken plants in Georgia and Mississippi. Operating income in beef rose to \$126 million (from \$46 million) while pork was stable at \$141 million and prepared foods declined from \$197 million to \$87 million.

In its quarterly filing, the company also disclosed it was being investigated by the state of Florida for possible anticompetitive practices. Tyson said the Florida Attorney General's office is looking into "possible anticompetitive conduct in connection with the Georgia Dock, a chicken products pricing index formerly published by the Georgia Department of Agriculture." This is in addition to the ongoing SEC probe announced in January. Tyson has denied SEC allegations, calling them "baseless". The company has noted that production increased during the time the plaintiffs claim it declined.

Dean Foods Reports Record Sales Despite Declining Milk Volumes. Dean Foods Co. (NYSE: DF) reported net sales just shy of \$2.0 billion for the quarter ended March 31. This is a 6.2% increase over a year ago, and was driven by growth in the ice cream market. In the quarter, total volume of 633 million gallons across all products represents a 1.3% year-over-year decline, which was in line with expectations.

CEO Ralph Scozzafava stated, "Our branded white milk volume in all channels was down 4.3% year-over-year. The decline is predominantly driven by one region, mostly in the food and drug channels. In non-measured channels, our branded white milk volume is flat to prior year, and we continue to see growth in our flavored milk volume, up 4% year-on-year. In addition, we experienced an increase in ice cream volume of 19%, driven primarily by volumes associated with our Friendly's acquisition." The company noted according to the USDA, fluid milk sales declined 3.4% through February.

Dean Foods Co. (NYSE: DF) 10-Year History



Weak Retail Sales Slow B&G Foods. B&G Foods Holding Corp. (NYSE: BGS) reported first quarter earnings last week. While total revenues increased to \$417.9 million (from \$353.0 million) due primarily to acquisitions, base business sales (excluding acquisitions) declined \$8.6 million or 2.4% in the quarter. The company attributed this decline to a difficult quarter for retail in general, but noted that March was better than January and February. Within the company's main products, the Green Giant frozen business saw sales decline \$4.7 million, while the Ortega brand increased approximately 2%. B&G is close to new product introductions to both lines, including a baked bean line under the Green Giant label, and new taco toppers in jalapeno and onion flavors for Ortega. Despite the lower base business sales, B&G reaffirmed its full year guidance for sales of \$1.64 - \$1.68 billion and EBITDA of \$360 - \$375 million.

Heard on the Street...

Meal Kit Industry Gains Attention This Week. The meal kit industry had an active session this past week as three noteworthy events occurred.

First, Unilever invested \$9 million in Sun Basket, a meal kit startup focused on organic, vegetarian, paleo, and gluten-free meals. Unilever Ventures led the Series C-2 round of venture funding with other investors including Baseline Ventures and Founders Circle Capital. Sun Basket has now raised a total of \$52 million.

Second, interested in the opportunities of the meal kit industry, both Kroger and Publix announced this week they entered the meal kit business by offering in-store meal kits for purchase. Kroger Corp. launched its Prep + Pared line, which features boxes with recipes and prepped ingredients in particular pilot stores. Florida-based Publix Supermarkets also announced it is serving prepared meal kits in two stores in their Aprons department, which provides recipes, cooking classes, event-planning services and in-store demos.

Lastly, Peapod announced on Tuesday it is expanding its meal kits line featuring new Frontera brand kits. Peapod now has three new meal kits which feature Frontera, the gourmet Mexican food line from Rick Bayless and ConAgra Brands. These meal kits are currently available in the Chicago market, and they will be expanding to other markets over the summer.

Yili Places Bid for Stonyfield. Inner Mongolia Yili Industrial Group ("Yili") is lining up an estimated offer of \$850 million for Danone's Stonyfield organic brand. In late March, Danone announced the decision to put Stonyfield up for sale to secure U.S. antitrust approval for its acquisition of WhiteWave Foods. Yili, China's largest dairy company, is competing with Dean Foods, though Yili is considered the leader at this point due to favorable pricing.

Sales of premium organic dairy products - especially those of Western brands - are growing rapidly in China. After a 2008 incident in which hundreds of babies became ill from consuming melamine-tainted milk, Chinese dairies have placed emphasis on buying overseas dairy farms and producers to improve their quality and to restore consumer confidence. The \$850 million bid represents a 2.3x sales multiple and a 17.0x EBITDA multiple, based on estimated sales and EBITDA of \$370 and \$50 million, respectively.

High Liner Acquires Rubicon Resources. Canadian seafood company High Liner Foods has acquired U.S.-based shrimp importer and distributor Rubicon Resources for approximately \$107 million CAD (\$78 million USD). Rubicon is engaged in the import and distribution of sustainably-sourced frozen shrimp in the private-label retail market. High Liner's CEO, Keith Decker, stated, "Rubicon is an ideal acquisition for High Liner that will provide sales and earnings growth and expedite diversification of our product portfolio to aquaculture species, like shrimp, that are experiencing stronger growth rates in North America."

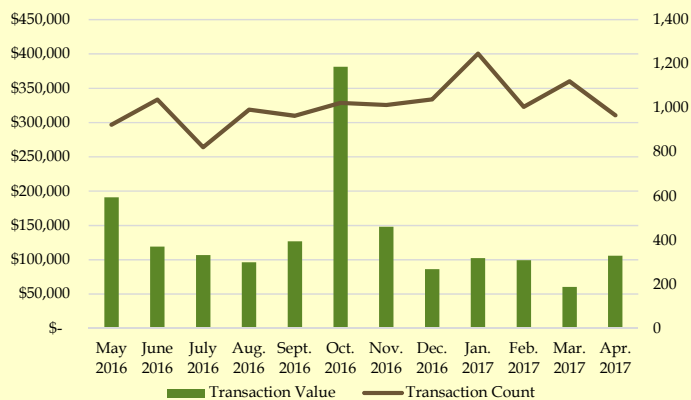
In 2016, Rubicon's annual sales were estimated at \$234 million (4.7x multiple) with a pro forma EBITDA of \$16 million (6.7x multiple). High Liner does not expect significant synergies from the business but believes the acquisition will be immediately accretive to earnings in 2017. The deal is subject to approval from lenders and the Toronto Stock Exchange, but it is expected to close in the second quarter of 2017.

Marsh Files For Bankruptcy. Marsh Supermarkets filed for Chapter 11 of the U.S. Bankruptcy code on Thursday to preserve the company and its value as it seeks a buyer. Earlier this week, the company released a statement indicating it would close all of its stores within 60 days if unable to find a buyer. In addition to this, Marsh is also in the process of closing 16 stores currently.

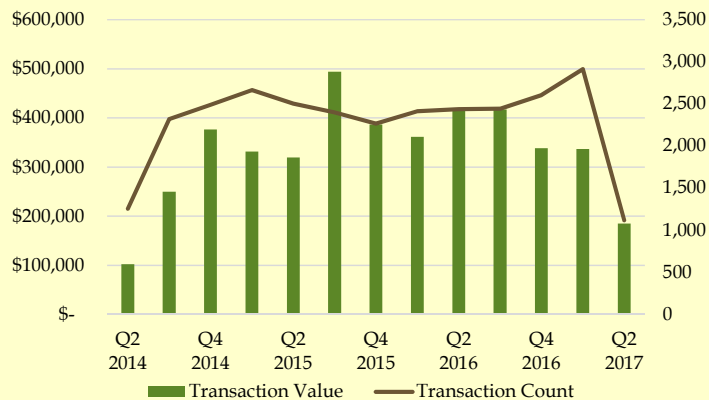
Dean Foods Invests In Dairy Alternatives. Dean Foods, the largest milk supplier in the U.S., recently invested a minority stake in Good Karma Foods, a manufacturer of non-dairy milk and yogurt. Dean Foods' investment is a strategic opportunity for the company as it integrates into the vegan space. Good Karma will remain an independent company and will be led by existing management, allowing Dean Foods to enter the space without needing to devote its resources and workforce. As the demand for dairy decreases, the investment helps diversify the company's offerings.

The dairy industry has suffered in recent months according to the U.S. Department of Agriculture, as supply has far exceeded demand, lowering milk prices across the board. Dean Foods recognizes consumer preferences are changing though, and this investment will help Dean Foods diversify its portfolio. Additionally, the investment will help Good Karma financially as it increases its marketing and production.

U.S. Monthly M&A Closed Activity
(\$ in millions)



U.S. Quarterly M&A Completed Activity
(\$ in millions)



Recent U.S. Food & Agribusiness M&A Activity
(\$ in millions)

Mergers & Acquisitions

Date	Target	Acquirer	Enterprise Value	Enterprise Value/Revenue	Enterprise Value/EBITDA	Target Description
5/10/2017	Rubicon Resources, LLC	High Liner Foods Incorporated	\$78.0	3.39	4.9	Rubicon Resources, LLC imports and distributes seafood and seafood products in North America
5/10/2017	Ohio Pizza Products, Inc.	Performance Food Group Company	n/a	n/a	n/a	Ohio Pizza Products, Inc., doing business as Presto Foods, distributes food products and equipment
5/9/2017	Estancia Beef, Inc.	Verde Farms, LLC	n/a	n/a	n/a	Estancia Beef, Inc. produces and processes grass-fed beef
5/8/2017	Bell Foods International, Inc., Operating Assets	Alkame Holdings, Inc.	n/a	n/a	n/a	Bell Foods International, Inc. produces and sells specialty food products internationally
5/4/2017	Lagunitas Brewing Company	HEINEKEN USA Incorporated	n/a	n/a	n/a	Lagunitas Brewing Company produces and markets beer and ale
5/3/2017	Garber Bros., Inc.	Consumer Products Distributors, Inc.	n/a	n/a	n/a	Garber Bros., Inc. distributes products, programs, and services to retailers in the Northeast
5/3/2017	Wicked Weed Brewing LLC	Anheuser-Busch Companies, LLC	n/a	n/a	n/a	Wicked Weed Brewing LLC produces and sells craft beers
5/2/2017	Borton & Sons, Inc.	Altafresh LLC	n/a	n/a	n/a	Borton & Sons, Inc. produces, packages, and distributes fruits
5/2/2017	Karoun Dairies, Inc.	LAG Holding Inc.	130.0	2.08	n/a	Karoun Dairies, Inc. produces and distributes cheeses, natural yogurts, and cultured dairy products in the U.S.
5/2/2017	The Scotts Miracle-Gro Company, European and Australian Businesses	Exponent Private Equity LLP	250.0	0.48	n/a	The Scotts Miracle-Gro Company manufactures consumer lawn and garden products
4/28/2017	Petmatrix, LLC	Spectrum Brands Holdings, Inc.	n/a	n/a	n/a	PetMatrix, LLC operates as a manufacturer and marketer of non-rawhide pet chews for dogs under the brand SmartBones and DreamBone
4/27/2017	Plantation Sweets Inc., Plantation Sweets Vidalia Onion Operations	Shuman Produce, Inc.	5.5	n/a	n/a	Plantation Sweets Vidalia Onion Operations of Plantation Sweets Inc. harvests and produces onions
4/26/2017	AgTech Global Inc.	True Colors International, Inc.	n/a	n/a	n/a	AgTech Global Inc. provides controlled environment hydroponic agricultural solutions
4/26/2017	Cargill Cattle Feeders, LLC, Two Cattle-Feeding Operations	Green Plains Cattle Company LLC	35.7	n/a	n/a	Cargill Cattle Feeders, LLC, Two Cattle-Feeding Operations comprises two cattle feeding operations
4/25/2017	Fat Point Brewing LLC	Seaboard Craft Beer Holdings LLC	n/a	n/a	n/a	Fat Point Brewing LLC produces and sells hand-crafted beers to bars and restaurants in Florida
4/25/2017	Treehouse Foods, Inc., Soup and Infant Feeding Business	Riverbend Foods LLC	n/a	n/a	n/a	Produces private label condensed and ready-to-serve soup, baby food, and gravy packaged in cans and glass jars
4/25/2017	Cafesa. Co.	JunkieDog.com, Inc.	0.6	n/a	n/a	Big Bottom Distilling, LLC produces spirits
4/25/2017	AdvancePierre Foods Holdings, Inc.	Tyson Foods, Inc.	4,338.7	2.77	17.7	Produces and distributes ready-to-eat sandwiches, sandwich components, and other entrées and snacks
4/24/2017	Vampt America, Inc.	Ennoble Progressive Beverage Distribution Inc.	n/a	n/a	n/a	Vampt Beverage USA, Corp. produces and distributes malt beverage products
4/24/2017	Firstclass Foods, Inc.	US Foods Holding Corp.	n/a	n/a	n/a	Produces and supplies meat products
4/20/2017	S.M. Sneider Co., Inc.	Sharon Food Distributors Inc.	n/a	n/a	n/a	S.M. Sneider Co., Inc. distributes poultry, meat, fish, dairy, and other specialty products
4/20/2017	Beanfields, PBC	Powerplant Ventures, LLC	n/a	n/a	n/a	Beanfields, PBC produces and sells snacks and chips
4/20/2017	Kensington & Sons, LLC	Unilever, PLC	140.00	n/a	n/a	Produces and sells condiments
4/18/2017	Legacy Farms, LLC	Silver Oak Services Partners, LLC	n/a	n/a	n/a	Legacy Farms, LLC grows, packs, and ships fresh produce
4/18/2017	Arthur Dogswell, L.L.C.	Whitebridge Pet Brands	n/a	n/a	n/a	Arthur Dogswell, L.L.C. offers natural pet food products for dogs and cats
4/18/2017	Weetabix Limited	Post Holdings, Inc.	1,400.0	3.50	11.7	Aka Weetabix Food Company, produces and sells wholegrain breakfast cereals to customers in the United Kingdom and internationally
4/17/2017	CTT Management Company, LLC, Whittier, Alaska Salmon Plant	Marine Fishing International, Inc.	n/a	n/a	n/a	Select assets of CTT Management Company
4/17/2017	Pharmachem Laboratories, Inc.	Ashland Global Holdings, Inc.	660.0	2.20	n/a	Supplies ingredients to the food and beverage industry
4/11/2017	Atkins Nutritionals Holdings, Inc.	Conyers Park Acquisition Corp.	730.12	n/a	9.9	Manufactures food products, nutritional supplements, and dietary products
4/11/2017	Trident Seafoods Corporation, Surimi Processing Plant In Newport	Pacific Sea Food Company, Inc.	n/a	n/a	n/a	Surimi Process Plant of Trident Seafoods Corporation

Source: Capital IQ.

Commodities Overview (1-year & 12-year History)

Soybeans



Sugar



Live Cattle



Milk



Cotton



Oil



Broiler price based off spot closing price. All other commodity prices are based off the closing price of their respective nearby futures contract.

Sources: Thomson Financial Data Securities, Capital IQ, Reuters, Edgar Online, Wall Street Journal, Barron's, New York Times, Bloomberg, Chicago Tribune, Denver Post, MarketWatch, USDA, The Economist, BusinessWeek, Food Institute, Food Business News, Supermarket News, LPC, Company Press Releases. The information contained in this publication is compiled using publicly available news/media sources and industry-specific sources that Lakeshore Food Advisors, LLC ("LFA") believes to be reliable, but the accuracy and completeness of which LFA cannot guarantee.

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