



LAKE SHORE

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



Weekly Update

Monday July 26th, 2021

U.S. Economic Growth Slowed in June, According to Chicago Fed. On Thursday, the Federal Reserve Bank of Chicago released data showing that the U.S. economy lost momentum in June. The Chicago Fed National Activity Index, which is a measure of overall economic activity and related inflationary pressure, declined from 0.26 in May to 0.09 in June. Despite this measure, the Dow reached an all-time high on Friday.

The **Dow Jones Industrial Average** rose 1.1% this week, ending at 35,062.

The **S&P 500** increased 2.0% on the week, finishing at 4,412.

The **NASDAQ Composite** increased 2.9% on the week, finishing at 14,837.

Yield on the **10-year Treasury** decreased four basis points during the week, ending at 1.27%.

Crude oil fell 0.5% on the week, ending at \$71.91 per barrel.

Corn increased 1.7% on the week, ending at \$5.61 per bushel.

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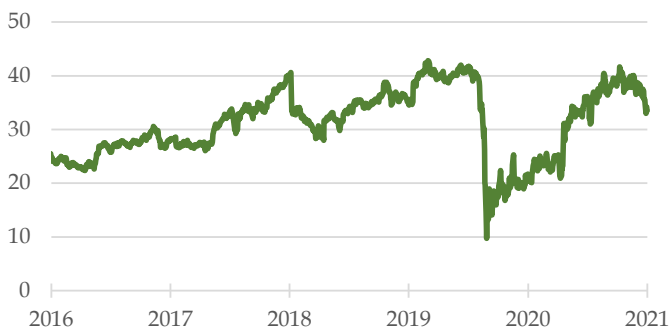
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NASDAQ Highs: Costco Wholesale Corporation, Lancaster Colony Corporation, Mondelez International, Inc., PepsiCo, Inc., Rocky Mountain Chocolate Factory, Inc., Starbucks Corporation **Lows:** Bridgford Foods Corporation, Calavo Growers, Inc., Cal-Maine Foods, Inc.

NYSE Highs: Chipotle Mexican Grill, Inc., The Coca-Cola Company, Dollar General Corporation, The Hershey Company, McDonald's Corporation, **Lows:** None.

Featured Stocks of the Week:

US Foods Holding Corp. (NYSE:USFD) 5-Year History



Beyond Meat Inc. (NASDAQ:BYND) 3-Year History



The Lakeshore Food Chain

Company Name	Price 7/23/21	Price		Price as Compared to			Enterprise Value to		Total Debt to LTM EBITDA	
		Compared to 7/16/21	52-Week Range		YE:		Forward P/E	LTM:		
			High	Low	2020	2019		Revenue		EBITDA
Dow Jones Industrial Average	35,062	1.1%	34,996	26,314	14.6%	22.9%	0.0x			
S&P 500	4,412	2.0%	4,385	3,216	17.5%	36.6%	22.4			
NASDAQ Composite Index	14,837	2.8%	14,733	10,363	15.1%	65.4%				
Sector Average:					15.7%	41.6%				
AGRICULTURAL LAND HOLDINGS										
Farmland Partners Inc.	\$12.53	1.3%	\$14.85	\$6.27	44.0%	84.8%	NM	21.78x	39.1x	17.3x
Gladstone Land Corporation	23.70	(1.0%)	26.04	13.55	61.9%	82.7%	NM	22.68	29.2	15.4
Limoneira Company	17.86	(0.4%)	20.74	13.18	7.3%	(7.1%)	52.0	2.83	NM	NM
Sector Average:					37.7%	53.5%	52.0x	15.76x	34.2x	16.4x
INPUTS										
American Vanguard Corporation	\$16.69	(0.5%)	\$22.49	\$12.68	7.5%	(14.3%)	0.0x	1.37x	13.0x	3.1x
CF Industries Holdings, Inc.	47.31	0.3%	57.19	25.30	22.2%	(0.9%)	10.2	3.79	9.2	2.3
Corteva, Inc.	42.13	0.8%	49.98	24.83	8.8%	42.5%	21.0	2.16	10.6	0.8
FMC Corporation	106.36	1.2%	123.66	98.16	(7.5%)	6.6%	14.0	3.71	13.7	3.0
Intrepid Potash, Inc.	30.50	4.1%	39.19	7.94	26.3%	12.5%	12.0	2.67	14.8	2.0
The Mosaic Company	29.85	0.9%	38.23	13.10	29.7%	37.9%	8.8	1.71	8.6	2.5
* Nutrien Ltd.	74.32	(0.8%)	79.67	43.15	21.4%	19.5%	14.7	2.18	11.7	3.1
S&W Seed Company	3.46	(1.1%)	4.36	2.15	18.1%	64.8%	NM	2.00	NM	NM
The Scotts Miracle-Gro Company	182.54	1.3%	254.34	143.08	(8.3%)	71.9%	22.6	2.59	14.0	3.0
Zoetis Inc.	203.71	2.0%	202.04	141.41	23.1%	53.9%	43.7	14.11	33.2	2.5
Sector Average:					14.1%	29.5%	16.3x	3.63x	14.3x	2.5x
AGRICULTURAL EQUIPMENT										
* Ag Growth International Inc.	\$32.64	(1.7%)	\$48.47	\$25.24	9.5%	(29.7%)	16.4x	1.42x	25.0x	14.1x
AGCO Corporation	125.48	1.6%	158.62	61.78	21.7%	62.4%	14.3	1.08	9.2	1.4
Art's-Way Manufacturing Co., Inc.	3.47	(5.9%)	5.48	2.04	20.5%	96.1%	0.0	0.98	NM	NM
* Buhler Industries Inc.	3.08	(1.3%)	3.89	2.20	18.5%	5.1%	0.0	0.53	NM	NM
CNH Industrial N.V.	16.17	2.7%	18.49	6.75	25.9%	47.0%	14.0	1.39	16.1	10.2
Deere & Company	354.70	3.6%	400.34	172.91	31.8%	104.7%	18.2	3.79	18.6	5.9
Lindsay Corporation	158.53	1.6%	179.10	91.41	23.4%	65.2%	34.0	3.13	19.1	1.6
Titan Machinery Inc.	28.73	3.5%	35.24	10.44	47.0%	94.4%	15.3	0.59	9.3	3.5
Sector Average:					24.8%	55.6%	18.7x	1.61x	16.2x	6.1x
AGRIBUSINESS										
The Andersons, Inc.	\$25.74	(3.0%)	\$34.41	\$13.74	5.0%	1.8%	16.6x	0.32x	9.8x	6.5x
Archer-Daniels-Midland Company	58.01	(0.3%)	69.30	40.80	15.1%	25.2%	13.4	0.64	10.1	3.3
Bunge Limited	74.94	1.8%	92.38	42.85	14.3%	30.2%	11.1	0.42	5.2	2.1
Darling Ingredients Inc.	67.01	2.2%	79.65	27.23	16.2%	138.6%	18.2	3.35	13.1	2.5
* Gruma, S.A.B. de C.V.	214.08	(3.2%)	290.27	204.97	(9.6%)	10.3%	15.4	0.89	5.5	0.5
Ingredion Incorporated	87.28	(0.0%)	98.05	68.71	10.9%	(6.1%)	13.1	1.27	7.8	2.4
Landec Corporation	11.83	2.1%	12.88	8.55	9.0%	4.6%	255.3	0.98	30.4	12.0
MGP Ingredients, Inc.	62.09	1.7%	76.68	34.43	31.9%	28.2%	20.6	3.39	16.4	0.5
* Olam International Limited	1.38	(6.1%)	1.87	1.24	(9.8%)	(23.8%)	0.0	0.45	9.8	9.3
Sector Average:					9.2%	23.2%	40.4x	1.30x	12.0x	4.3x
DIVERSIFIED FOODS										
B&G Foods, Inc.	\$29.43	(1.9%)	\$47.84	\$25.26	6.1%	64.1%	13.7x	2.11x	11.1x	6.2x
Campbell Soup Company	44.54	(2.2%)	54.08	43.82	(7.9%)	(9.9%)	15.6	2.14	9.4	2.7
Conagra Brands, Inc.	34.24	(1.8%)	39.34	32.55	(5.6%)	0.0%	13.8	2.26	10.2	3.8
General Mills, Inc.	59.40	(1.1%)	66.14	53.96	10.9%	10.9%	15.8	2.63	10.9	3.0
The Hain Celestial Group, Inc.	39.80	0.4%	46.02	30.11	(0.9%)	53.3%	24.7	2.08	16.5	1.4
The J. M. Smucker Company	130.50	(2.0%)	140.65	107.36	12.9%	25.3%	14.6	2.32	9.6	2.5
Kellogg Company	63.43	(1.3%)	72.88	56.61	1.9%	(8.3%)	15.4	2.14	12.0	3.3
The Kraft Heinz Company	39.22	(0.2%)	44.95	28.56	13.2%	22.1%	15.4	2.75	8.4	3.2
Lancaster Colony Corporation	197.80	(1.1%)	201.31	156.14	7.7%	23.5%	33.5	3.66	21.9	0.1
Mondelez International, Inc.	64.89	1.0%	64.97	52.51	11.0%	17.8%	21.7	4.04	15.8	3.1
* Nestlé S.A.	115.62	(0.1%)	117.44	95.00	10.9%	10.3%	25.4	4.14	17.9	2.3
* Nomad Foods Limited	26.69	(2.6%)	31.85	21.45	5.0%	19.3%	14.4	2.18	11.9	4.0
Post Holdings, Inc.	104.16	(1.6%)	117.91	81.38	3.1%	(4.5%)	23.0	2.35	12.4	6.8
The Simply Good Foods Company	37.79	2.9%	38.50	18.62	20.5%	32.4%	27.6	4.10	20.3	2.7
SunOpta Inc.	13.38	(3.3%)	21.63	7.09	(10.0%)	314.2%	125.8	1.68	21.4	2.8
TreeHouse Foods, Inc.	45.59	(0.2%)	55.50	35.15	7.3%	(6.0%)	15.5	1.07	8.3	3.9
Unilever PLC	48.47	(4.6%)	51.89	43.00	(2.2%)	NA	0.0	2.96	13.8	2.6
Sector Average:					4.4%	35.3%	24.5x	2.62x	13.6x	3.2x

Company Name	Price	Price	52-Week Range		Price as Compared to		Forward P/E	Enterprise Value to		Total Debt to LTM EBITDA
	7/23/21	7/16/21	High	Low	YE:			LTM:		
					2020	2019		Revenue	EBITDA	
ETHANOL										
Alto Ingredients, Inc.	5.11	1.4%	11.44	0.99	(5.9%)	686.2%	6.8	0.55	5.4	1.4
Green Plains Inc.	33.17	4.3%	35.00	11.86	151.9%	115.0%	NM	1.09	31.9	16.8
Renewable Energy Group, Inc.	62.17	(3.5%)	117.00	26.09	(12.2%)	130.7%	15.2	1.14	13.3	0.4
Sector Average:					44.6%	310.6%	11.0x	0.93x	16.8x	6.2x
FRUIT & VEGETABLE										
Calavo Growers, Inc.	\$56.76	(1.3%)	\$85.40	\$56.11	(18.2%)	(37.3%)	26.5x	1.10x	18.7x	1.8x
Fresh Del Monte Produce Inc.	31.24	(2.2%)	36.57	20.71	29.8%	(10.7%)	14.1	0.53	7.3	2.3
Lamb Weston Holdings, Inc.	75.13	(3.2%)	86.41	58.68	(4.6%)	(12.7%)	26.8	3.69	17.9	4.0
Mission Produce, Inc.	19.37	(0.1%)	22.93	11.75	28.7%	NA	20.5	1.75	15.3	2.0
Seneca Foods Corporation	54.26	1.7%	62.37	34.86	36.0%	33.0%	0.0	0.41	3.0	0.8
* Total Produce plc	2.55	0.2%	2.78	1.00	85.5%	78.0%	16.3	0.35	9.7	3.6
Sector Average:					26.2%	10.1%	17.4x	1.30x	12.0x	2.4x
PROTEIN										
Beyond Meat, Inc.	\$126.54	1.3%	\$221.00	\$99.86	1.2%	67.4%	NM	19.37	NM	NM
Cal-Maine Foods, Inc.	35.10	(3.0%)	46.66	33.85	(6.5%)	(17.9%)	47.5	1.13	36.7	0.1
Hormel Foods Corporation	47.37	(1.9%)	52.97	43.45	1.6%	5.0%	24.8	2.52	17.9	0.8
Industrias Bachoco, S.A.B. de C.V.	44.46	(3.5%)	48.47	33.91	(1.6%)	(14.5%)	9.5	0.40	3.5	0.4
* JBSS.A.	30.61	7.0%	36.12	19.03	29.4%	18.6%	6.7	0.51	4.6	2.4
Nathan's Famous, Inc.	68.32	2.6%	78.89	50.00	23.7%	(3.6%)	0.0	4.65	12.0	5.3
Pilgrim's Pride Corporation	21.54	2.0%	26.28	14.06	9.8%	(34.2%)	10.2	0.60	7.4	2.6
Sanderson Farms, Inc.	184.84	1.8%	195.25	108.57	39.8%	4.9%	12.6	1.02	4.6	0.1
Seaboard Corporation	3,940.00	0.3%	4,199.99	2,624.50	30.0%	(7.3%)	0.0	0.61	7.6	2.4
Tyson Foods, Inc.	71.31	(0.1%)	81.79	55.82	10.7%	(21.7%)	12.6	0.82	6.9	2.0
Vital Farms, Inc.	18.96	(1.3%)	43.30	17.85	(25.1%)	NA	NM	2.92	39.5	0.0
Sector Average:					10.3%	(0.3%)	13.8x	3.14x	14.1x	1.6x
BAKING & INGREDIENTS										
* ARYZTA AG	\$1.17	1.6%	\$1.33	\$0.43	71.8%	8.3%	NM	0.71x	22.7x	14.7x
Balchem Corporation	131.69	1.4%	134.58	92.60	14.3%	29.6%	34.1	6.00	25.1	1.0
Flowers Foods, Inc.	23.73	(2.5%)	25.48	21.66	4.9%	9.2%	20.8	1.38	10.2	2.2
* Grupo Bimbo, S.A.B. de C.V.	44.86	(0.0%)	46.00	36.80	3.7%	30.3%	19.0	0.93	6.2	2.4
J & J Snack Foods Corp.	166.65	(0.5%)	181.71	115.00	7.3%	(9.6%)	43.7	3.01	42.7	0.8
* Kerry Group plc	124.40	2.0%	124.70	97.05	5.0%	12.0%	32.3	3.45	24.9	2.7
McCormick & Company, Incorporated	85.71	(2.5%)	105.54	82.03	(10.3%)	1.0%	27.8	4.62	21.2	4.4
* Tate & Lyle plc	7.40	1.5%	8.21	5.87	9.7%	(2.7%)	13.7	1.37	7.2	1.6
Sector Average:					13.3%	9.8%	27.3x	2.68x	20.0x	3.7x
CANDY, NUTS, & SNACKS										
Bridgford Foods Corporation	\$12.81	(1.9%)	\$21.80	\$13.00	(29.7%)	(48.3%)	0.0x	0.69x	23.1x	4.4x
The Hershey Company	179.25	(0.4%)	182.24	134.00	17.7%	22.0%	25.1	4.78	17.4	2.0
John B. Sanfilippo & Son, Inc.	91.42	(0.5%)	94.97	71.00	15.9%	0.2%	16.7	1.27	11.2	0.5
Laird Superfood, Inc.	28.14	(1.8%)	60.80	27.21	(40.5%)	NA	NM	6.91	NM	NM
Rocky Mountain Chocolate Factory, Inc.	8.25	4.7%	8.40	2.55	103.7%	(10.6%)	0.0	1.67	7.6	0.4
Tootsie Roll Industries, Inc.	34.32	2.4%	57.26	28.15	19.0%	6.6%	0.0	4.36	25.6	0.1
Utz Brands, Inc.	22.95	0.9%	30.09	12.76	4.0%	123.2%	34.3	NA	NA	NA
Sector Average:					12.9%	15.5%	12.7x	3.28x	17.0x	1.5x
PET FOOD AND PRODUCTS										
Central Garden & Pet Company	\$49.95	(1.8%)	\$62.91	\$35.96	29.4%	60.8%	18.8x	1.18x	9.6x	3.0x
Freshpet, Inc.	158.19	3.2%	186.98	86.53	11.4%	167.7%	NM	18.88	281.7	0.3
Sector Average:					20.4%	114.2%	18.8x	10.03x	145.6x	1.7x
WINE & BEVERAGE										
The Boston Beer Company, Inc.	\$701.00	(24.2%)	\$1,349.98	\$653.06	(29.5%)	85.5%	36.9x	5.46x	30.2x	0.2x
Brown-Forman Corporation	72.01	0.1%	83.40	66.52	(9.3%)	6.5%	40.8	10.09	30.8	2.3
The Coca-Cola Company	57.01	1.1%	57.56	46.22	4.0%	3.0%	24.3	7.54	18.8	3.2
Constellation Brands, Inc.	224.67	0.3%	244.75	160.63	2.6%	18.4%	21.3	6.12	15.3	2.9
Crimson Wine Group, Ltd.	8.61	(3.9%)	10.48	4.70	60.9%	16.4%	0.0	2.78	NM	NM
* Diageo plc	35.06	0.1%	35.75	24.26	21.8%	9.5%	28.6	8.42	24.6	4.3
Monster Beverage Corporation	96.28	3.4%	99.24	74.59	4.1%	51.5%	34.6	9.88	27.0	0.0
Jones Soda Co.	0.94	54.1%	1.00	0.13	306.5%	224.2%	0.0	4.94	NM	NM
National Beverage Corp.	43.26	(1.1%)	98.22	29.70	1.9%	69.6%	23.5	3.65	15.1	0.2
PepsiCo, Inc.	157.18	0.9%	157.54	128.32	6.0%	15.0%	24.3	3.37	17.5	3.0
Starbucks Corporation	125.97	6.1%	122.92	74.56	17.8%	43.3%	35.8	6.88	26.3	4.0
Willamette Valley Vineyards, Inc.	13.04	1.7%	16.54	5.79	104.7%	88.2%	0.0	3.41	14.3	1.9
Sector Average:					41.0%	52.6%	22.5x	6.05x	22.0x	2.2x

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	7/23/21	Compared to 7/16/21	High	Low	YE: 2020 2019			LTM: Revenue EBITDA		
DAIRY										
* Danone S.A.	58.19	(1.7%)	61.50	46.03	8.2%	(21.3%)	17.5	2.12	10.6	3.7
Lifeway Foods, Inc.	6.80	16.4%	8.89	2.61	25.7%	241.7%	0.0	0.99	10.2	0.3
* Saputo Inc.	36.09	(0.7%)	42.42	31.85	1.3%	(10.2%)	21.4	1.30	12.9	2.9
Sector Average:					11.7%	70.1%	13.0x	1.47x	11.3x	2.3x
WHOLESALE, FOOD SERVICE, & DISTRIBUTION										
The Chefs' Warehouse, Inc.	\$26.37	(2.9%)	\$35.57	\$11.06	2.6%	(30.8%)	NM	1.34x	NM	NM
Core-Mark Holding Company, Inc.	42.62	(0.7%)	47.84	25.29	45.1%	56.7%	21.3	0.18	11.3	2.7
Performance Food Group Company	44.89	(1.0%)	59.89	26.51	(5.7%)	(12.8%)	19.9	0.33	14.4	4.8
SpartanNash Company	19.12	2.2%	23.94	15.75	9.8%	34.3%	10.5	0.16	5.4	3.0
Sysco Corporation	72.87	1.8%	86.73	50.90	(1.9%)	(14.8%)	23.7	1.03	28.4	8.4
United Natural Foods, Inc.	31.91	(0.1%)	42.40	14.23	99.8%	264.3%	9.9	0.20	4.6	3.1
US Foods Holding Corp.	33.50	(3.6%)	42.10	19.42	0.6%	(20.0%)	17.3	0.57	22.5	10.3
Sector Average:					21.5%	39.5%	17.1x	0.54x	14.4x	5.4x
MASS MERCHANDISE & CLUB STORES										
BJ's Wholesale Club	\$50.60	7.1%	\$50.18	\$36.07	35.7%	122.5%	19.1x	0.64x	8.8x	2.8x
Costco Wholesale Corporation	423.43	3.2%	418.60	307.00	12.4%	44.1%	37.4	0.99	20.3	1.1
Walmart Inc.	142.43	0.6%	153.66	126.28	(1.2%)	19.9%	23.9	0.79	10.3	1.5
Sector Average:					15.6%	62.1%	26.8x	0.81x	13.1x	1.8x
DOLLAR STORES										
Dollar General Corporation	\$228.76	3.0%	\$227.56	\$173.50	8.8%	46.7%	22.0x	1.97x	11.9x	2.5x
Dollar Tree, Inc.	100.15	2.0%	120.37	84.41	(7.3%)	6.5%	16.4	1.22	6.3	2.0
Sector Average:					0.7%	26.6%	19.2x	1.59x	9.1x	2.2x
TRADITIONAL RETAIL										
Albertsons	\$20.21	1.6%	\$21.29	\$12.91	15.0%	NA	11.0x	0.34x	5.0x	3.0x
* Ahold Delhaize	25.85	1.0%	26.86	21.50	11.9%	15.9%	13.6	0.53	6.4	2.8
Ingles Markets, Incorporated	59.24	(0.8%)	67.60	34.92	38.9%	24.7%	0.0	0.38	3.8	1.5
The Kroger Co.	39.89	1.3%	42.99	30.35	25.6%	37.6%	13.1	0.37	7.6	3.3
Village Super Market, Inc.	23.19	(1.4%)	27.19	21.00	5.1%	(0.0%)	0.0	0.32	6.2	4.0
Weis Markets, Inc.	52.48	(1.4%)	59.70	44.35	9.8%	29.6%	0.0	0.34	4.5	0.6
Sector Average:					17.7%	21.6%	6.3x	0.38x	5.6x	2.5x
SPECIALTY RETAIL										
Natural Grocers by Vitamin Cottage, Inc.	\$10.31	(5.2%)	\$18.75	\$9.36	(25.0%)	4.5%	15.6x	0.60x	5.7x	3.8x
Sprouts Farmers Market, Inc.	24.73	(3.8%)	29.35	18.21	23.0%	27.8%	12.4	0.65	5.5	1.9
Sector Average:					(1.0%)	16.1%	14.0x	0.63x	5.6x	2.9x
TRADITIONAL RESTAURANTS										
Brinker International, Inc.	\$56.61	(1.7%)	\$78.33	\$24.50	0.1%	34.8%	11.2x	1.65x	10.6x	4.8x
The Cheesecake Factory Incorporated	51.79	3.9%	65.81	22.75	39.7%	33.3%	17.6	2.13	23.0	8.8
Cracker Barrel Old Country Store, Inc.	138.78	(1.5%)	178.82	104.06	5.2%	(9.7%)	16.3	1.74	15.6	5.1
Darden Restaurants, Inc.	144.46	1.9%	150.20	73.88	21.3%	32.5%	19.4	3.15	16.0	3.5
Dine Brands Global, Inc.	78.35	(4.5%)	100.70	39.77	35.1%	(6.2%)	11.9	4.35	19.3	11.6
Jack in the Box Inc.	109.50	4.4%	124.53	76.38	18.0%	40.3%	16.0	4.14	8.7	4.2
McDonald's Corporation	243.01	3.5%	239.69	191.64	13.2%	23.0%	26.7	11.45	20.6	4.6
The Wendy's Company	22.82	3.3%	29.46	18.86	4.1%	2.7%	31.1	5.82	18.5	8.1
Yum! Brands, Inc.	122.78	6.0%	122.73	88.08	13.1%	21.9%	28.5	7.97	22.3	5.5
Sector Average:					16.6%	19.2%	19.9x	4.71x	17.2x	6.3x
HIGH-GROWTH RESTAURANTS										
Chipotle Mexican Grill, Inc.	\$1,830.92	17.3%	\$1,806.66	\$1,094.93	32.0%	118.7%	62.5x	7.73x	40.6x	2.6x
El Pollo Loco Holdings, Inc.	18.84	3.1%	21.96	13.96	4.1%	24.4%	21.2	2.17	11.6	3.2
Noodles & Company	12.15	3.4%	13.55	6.25	53.8%	119.3%	34.2	2.05	16.2	5.4
Potbelly Corporation	6.68	(5.0%)	9.07	2.41	51.8%	58.3%	NM	1.42	22.8	12.9
Shake Shack Inc.	101.02	9.0%	138.38	47.13	19.2%	69.6%	NM	7.80	63.3	9.7
Wingstop Inc.	169.84	9.6%	172.87	112.47	28.1%	97.0%	116.5	20.55	73.0	6.4
Sector Average:					31.5%	81.2%	58.6x	6.95x	37.9x	6.7x

Notes:

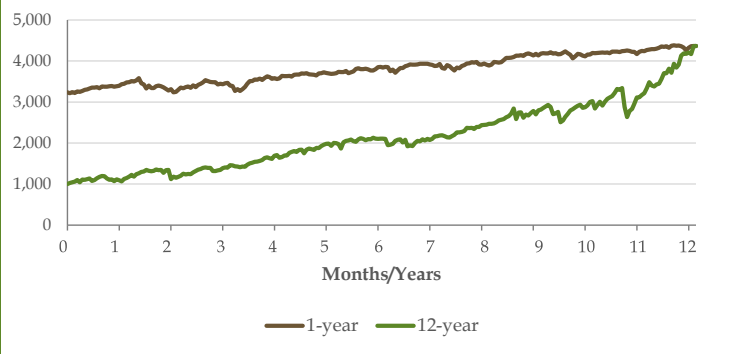
* Denotes local currency.

Source: Capital IQ.

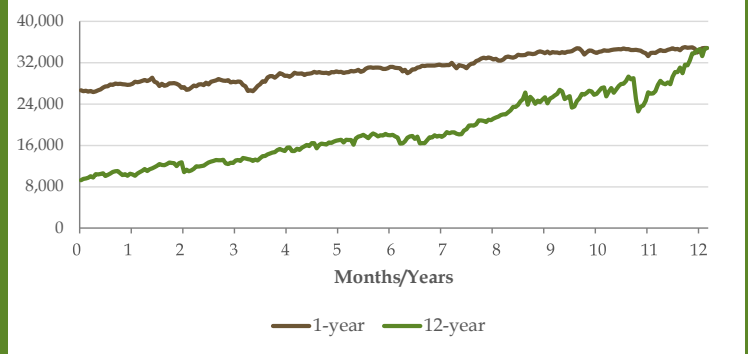
Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

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

S&P 500



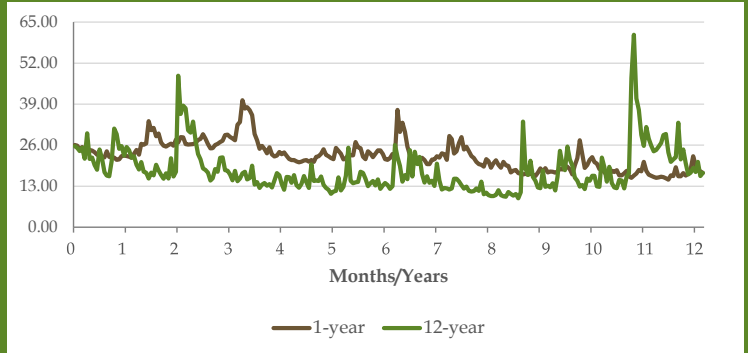
Dow Jones Industrial Average



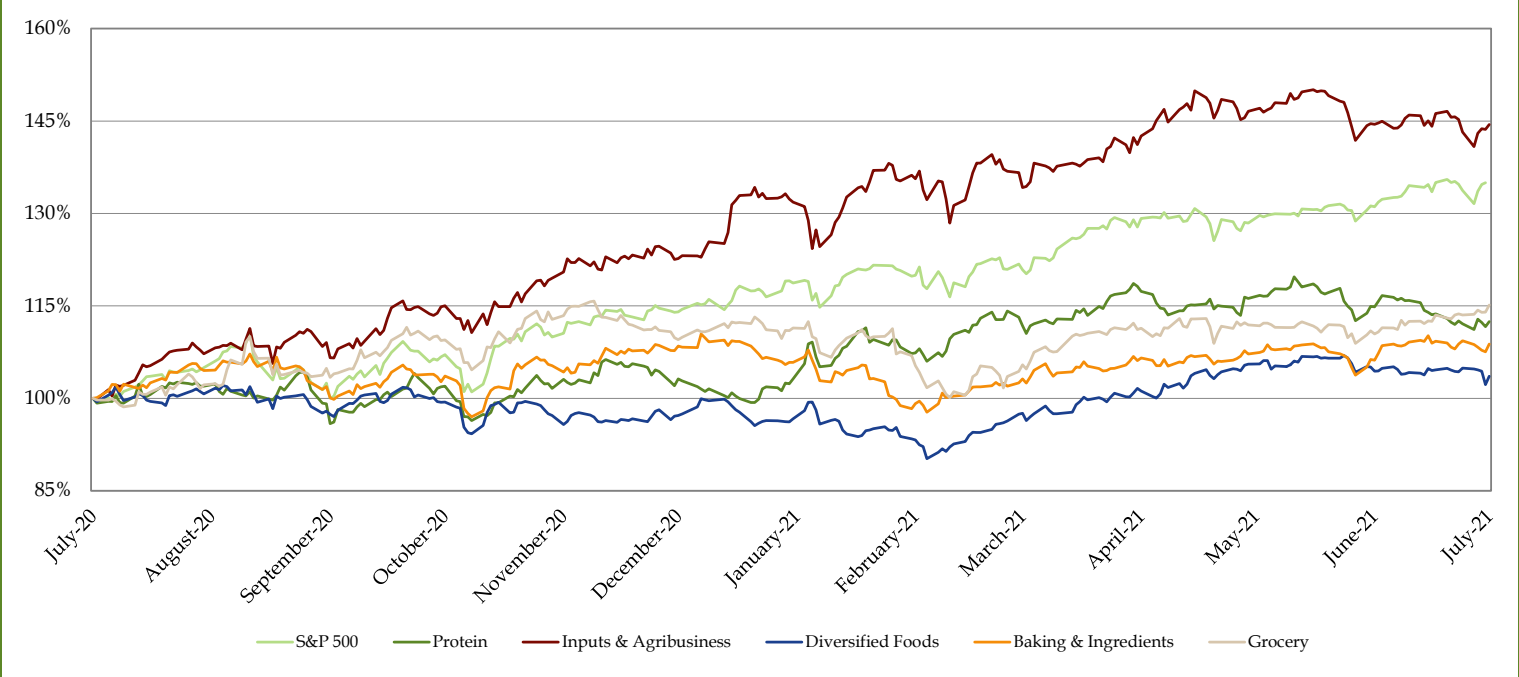
10-year Treasury



CBOE Market Volatility Index - VIX



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



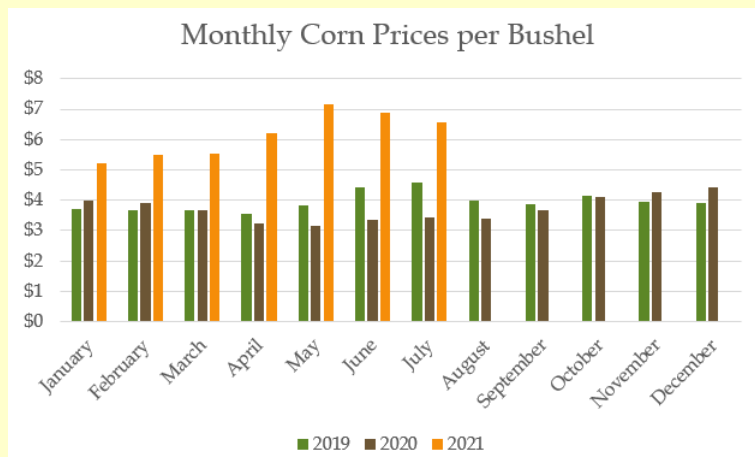
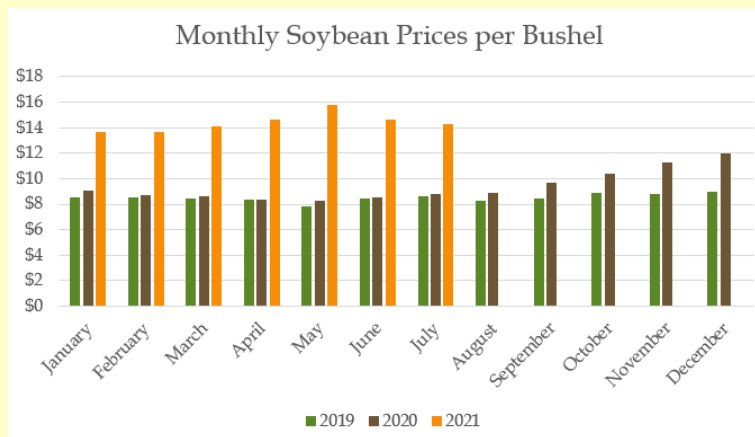
Food For Thought...

Partner Column

Written By Mary Burke

We have all seen the commodity price increases for corn and soybeans over the past months, amongst others. There are many reasons why this has occurred and continues to occur. What is unusual this time is so many commodities have had their prices increase all at the same time. Usually, a couple are up and some are down...not this year. As earnings announcements come out, expect to hear more about it. These two charts tell the story, I believe.

Understanding social media and how to describe your product is critical but hard to do. Who thought bottled cranberry juice could see any growth? Well, a crowdsourced skateboarding video with a Fleetwood Mac soundtrack managed to ignite interest in this long-moribund category and make a venerable company hip all over again.



Brand	Dollar sales	Change % vs year earlier
Ocean Spray	\$691,061,924	28.9%
Ocean Spray Diet	178,951,243	20.9%
Private Label	146,599,102	11.6%
Pepsico Ocean Spray	66,855,140	6.8%
Minute Maid	48,853,140	5.7%
Ocean Spray Light	30,620,379	8.5%
Langers	19,578,568	10.6%
Tropicana	13,021,226	(4.2%)
Ocean Spray Pink	8,999,708	4.3%

Source: IRI data 52 weeks though 3/21/21

Speaking of beverages, all the major categories continued to grow last year. Companies adjusted how they marketed so people consumed at home and the growth is impressive.

Topline category volume	Dollar sales	Change % vs year earlier
Sports drinks	\$7.9B	10.1%
Bottled juices	\$7.7B	8.5%
Bottled water	\$18.9B	2.1%
Energy drinks	\$14.5B	6.7%
Tea/Coffee	\$7.3B	6.6%
Liquid drink enhancers	\$486MM	25.1%

Source: IRI data 52 weeks though 3/21/21

Summer is flying along---it is hard to believe that August is just around the corner beginning next week. As is the Lakeshore tradition, we will be taking the month of August away from publishing the expanded Weekly Update. Instead, the abbreviated version will appear in your mailboxes on next Monday with the sector tables. Enjoy those and we will be back with the full Weekly Update after Labor Day! Stay healthy!

Have a good week!

Chipotle Reports Q2 Earnings; Dine-In Sales Make Comeback. Chipotle Mexican Grill reported its Q2 earnings last week, beating analyst expectations and showing significant improvement in dine-in customers across its 2,622 locations.

The fast casual Mexican food chain reported EPS of \$7.46, up from the \$6.52 that was expected. Revenue was \$1.89 billion vs. the \$1.88 billion expected. Additionally, the company reported net income of \$188 million up from \$8.2 million a year earlier. The company attributed the success of its higher bottom line to lower food and beverage costs, menu price hikes, and lower beef prices, compared to a year ago.

During the pandemic, Chipotle online orders skyrocketed almost immediately. Digital sales jumped 10.5% YoY, comprising 48.5% of total quarterly company sales. In the first quarter of this year, Chipotle's online orders overtook its in-person sales for the first time. The company introduced quesadillas, a popular new online-only order item, which helped boost its online sales. Chipotle said that 10% of its online orders include a quesadilla.

"I fully expect the percentage to probably go down a little bit as the dining rooms come back," C.E.O. Brian Niccol said last Tuesday. "The thing that I keep an eye on are the absolute dollars that we're doing in our digital business."

During the most recent quarter, the company opened 56 new locations, of which 45 have "Chipotlanes", digital order drive-thru lanes. Executives said that restaurants with Chipotlanes have 20% higher sales than drive-thru-lane-less locations.

"Over the next few quarters, we'll have greater visibility on how much of this inflation is permanent versus transitory and we can take the appropriate actions as needed to help offset any lasting impacts," C.F.O. Jack Hartung said.

Coca-Cola Reports Q2 Earnings; Outperforms 2019 Numbers. Coca-Cola reported its Q2 earnings last week, beating analyst expectations and outperforming its 2019 same-quarter revenue numbers.

The iconic international beverage giant reported EPS of \$0.68 vs the \$0.56 that was expected. Revenue was \$10.13 billion vs. the \$9.32 billion expected. Additionally, the company reported net income of \$2.64 billion, up from \$1.78 billion, a year earlier. The company attributed some of this performance to rebounding away-from-home sales in international markets such as China and Nigeria. During the pandemic, the company saw its largest drop in revenue in nearly 30 years, due to plummeting demand.

"India and Southeast Asia were our only areas that did not see sequential volume acceleration on a two-year basis this quarter," C.E.O. James Quincey said.

"Putting it all together, we realize there's a range of possible outcomes when it comes to the pandemic in the second half of the year given the asynchronous recovery," Quincey told wall street analysts. "While we over-delivered relative to our expectations in the first half and have raised guidance for 2021, we are biased towards a growth mentality and will invest behind this momentum going into the rest of the year."

What's Buzzing? A Look at Recent Alcohol Trends. COVID-19, a revision of direct-to-consumer delivery laws, and development of new flavors helped lift U.S. alcohol consumption last year. Will this trend continue? Overall consumption of alcohol in the U.S. rose 2% in 2020 - this attributed to \$31.2 billion in sales. Despite mass closures of restaurants and bars, this was the largest increase since the early 90's.

"Last year was a really good year for sales," Erik Owens of the American Distilling Institute said in an interview. "The big trend was home delivery. The two biggest growth sectors were ready-to-drink and tequila."

"A key driver of U.S. beverage alcohol consumption is flavor," Brand Rand, IWSR C.O.O. for the Americas, said in a press release. "Flavored subcategories - from beer to vodka to U.S. whisky - are significantly outperforming traditional non-flavored subcategories."

"We saw a 300% increase in online sales during the pandemic, most likely attributed to how easy it was to have product shipped right to the customer's door," said Rand.

Another interesting trend that emerged recently was the growth of non-alcoholic beer, which outpaced beer growth 5-to-1. Donna Wamsley, Director of Research Analytics at SoRSE Technology, said that Consumers are looking for health benefits across most product lines.

"Consumers are thinking more about their health and wellness - and are more aware that a beverage like a hard kombucha can offer health benefits," she said. "Consumers choose items like hard seltzers and low-dose beverages because they won't significantly impact their daily caloric intake and are also enjoyable."

Heard on the Street...

Piggly Wiggly Midwest Grocery Stores to be Acquired by C&S Wholesale Grocers. C&S Wholesale Grocers, the U.S.'s biggest grocery distributor recently announced its intention to buy Sheboygan, WI based Piggly Wiggly Midwest. Terms of the transaction were not publicly disclosed.

Keene, New Hampshire based C&S Wholesale would be acquiring 11 corporate-run Piggly Wiggly locations, 84 Piggly Wiggly franchise locations throughout Wisconsin, as well as 14 Butera Market supermarkets through Chicagoland.

"The purchase of Piggly Wiggly Midwest is a natural expansion of our already successful Piggly Wiggly Carolina business and reinforces our strong commitment to this beloved brand," C&S Wholesale Grocers CEO Bob Palmer said in a press release. "It is a well-established legend in grocery retail that is valued by customers for its competitive pricing and focus on service."

Currently, C&S has 530 independently operated subsidiaries in 17 states that license the iconic Piggly Wiggly banner. C&S believes that adding the Midwest stores will significantly enhance its footprint outside of the Southeast.

"Although it has been a very difficult decision, the sale of Piggly Wiggly Midwest to C&S is a natural next step for this historic brand. Piggly Wiggly is more than a supermarket; it is a family of franchise operators, employees, and loyal Pig Point customers, too," stated Paul Butera Sr., president of Piggly Wiggly Midwest and founder of Butera Market. "C&S has the experience and knowledge to ensure that this 100-year old icon continues for the next 100 years."

Private Equity Firm Acquires BakeMark USA. Clearlake Capital Group, LP, a California based Private Equity Firm with over \$39 billion in AUM, has announced their intention to purchase BakeMark USA from Pamplona Capital Management. Terms of the transaction were not publicly disclosed.

"We are thrilled to partner with BakeMark and support the company in its next stage of accelerated growth," said José E. Feliciano, Managing Partner of Clearlake Capital. "The BakeMark investment is a natural extension of Clearlake's deep experience investing in both the food and beverage and distribution and logistics ecosystems. We believe long-term market tailwinds, including increased focus on supply chain simplification and growing demand for ethnic and specialty bakery products, offer a unique opportunity to invest behind a category leader like BakeMark. We are eager to support the management team and bring together all of Clearlake's

available resources to drive value creation, accelerate organic growth, and create an industry consolidation platform."

Pico Rivera, CA based BakeMark has a network of 5 manufacturing facilities and 29 distribution centers across North America. BakeMark's diverse product lines supply ingredients and general supplies to the Food Industry under brands such as Westco, Best Brands, BakeQwik, and more. The company has 1,000 employees across its network of businesses.

Clearlake Capital Group's has been targeting companies in the consumer, industrial, and tech spaces since 2006. With over 300 closed investments, the Private Equity shop's portfolio includes Chef's Cut Real Jerky and Proven Brands. Additionally, the firm has exited World Gourmet Marketing, LLC to Hain Celestial in 2010.

"It has been an absolute pleasure working with Jim (Parker, CEO of BakeMark) and his team to establish BakeMark as an independent platform and to aggressively grow the business into the clear market leader in the bakery distribution space through both organic initiatives and add-on acquisitions. We wish BakeMark and Clearlake continued success in the next chapter of growth."

Upscale Convenience Store Foxtrot Unveils 50-Store Expansion Plan. Upscale corner store brand Foxtrot announced last week that the company intends on adding 50 new stores over the next two years. Located in Chicago with additional locations in Washington D.C. and Dallas, the company hopes to be able to expand into New York City, Miami, Boston, L.A., and other large cities throughout the U.S.

The expansion plan will feature a larger layout, more on-premises dining, more café-style menu options, and more CPG-trending items on shelves.

"We first introduced ourselves to customers through online only, rapid-delivery of our dream convenience store," said Mike LaVitola, C.E.O. of Foxtrot. "In an increasingly digital world, and especially as we exit the pandemic, we believe retail will continue to thrive if done right – beautiful spaces, tailored to the neighborhood, highlighting local makers and artisans, and providing a friendly, warm gathering space for all. We can't wait for new cities across the country to experience the Foxtrot difference."

The company recently raised \$42 million in a series B round, led by Almanac Insights and Monogram Capital Partners.

Recent U.S. Food & Agribusiness M&A Activity

(\$ in millions)

Date	Target	Acquirer	Enterprise Value	EV/ Revenue	EV/ EBITDA	Target Description
7/22/2021	Urban Remedy, Inc.	Obvious Ventures, L.P.; Builders Fund; Manna Tree Partners	\$18.0	-	-	Urban Remedy, Inc. produces and delivers ready-to-eat meals, juices, and snacks in the United States through its stores, as well as online.
7/21/2021	Terminal Produce Corp.	GrubMarket, Inc.	-	-	-	Terminal Produce Corp. distributes tropical fruits, vegetables, and seafood.
7/21/2021	Undercover Chocolate Company LLC	Octagon Capital Group, LLC	\$13.7	-	-	Undercover Chocolate Company LLC manufactures and sells gluten-free chocolate snacks through its online store, and other stores and wholesale.
7/20/2021	BakeMark USA LLC	Clearlake Capital Group, L.P.	-	-	-	BakeMark USA LLC produces and sells bakery supplies and food ingredients.
7/19/2021	Substantially All of the Assets of The Sweetwater Company, Inc.	DS Services of America, Inc.	-	-	-	Substantially All of the Assets of The Sweetwater Company, Inc. comprises bottled water production business.
7/16/2021	Assets of Good Superfoods, LLC	Disruptive Technologies, LLC	-	-	-	Assets of Good Superfoods, LLC comprises snack food and protein bar contract manufacturing assets.
7/16/2021	Salome Water and Ice, LLC	Hiru Corporation (OTCPK:HIRU)	\$0.2	0.34x	-	Salome Water and Ice, LLC engages in ice manufacturing and water purification business.
7/16/2021	Wild Blueberry Assets of Allen's Blueberry Freezer Inc	Jasper Wyman & Son, Inc.	-	-	-	Wild Blueberry Assets comprises 2,800 acres of wild blueberry land, substantial freezing capacity, and more than 50,000 square feet of cold storage.
7/15/2021	Piggly Wiggly Midwest, LLC	C&S Wholesale Grocers, Inc.	-	-	-	Piggly Wiggly Midwest, LLC owns and operates grocery stores throughout the Midwest and is a former subsidiary of Certified Grocer's Midwest Inc.
7/15/2021	Spyhouse Coffee Roasters	FairWave Holdings, LLC	-	-	-	Spyhouse Coffee Roasters manufactures coffee products and operates a chain of coffee shops throughout Minneapolis, MN.
7/14/2021	PetHonesty LLC	Vestar Capital Partners, LLC	-	-	-	PetHonesty LLC engages in the research, development, production, and sale of pet supplements and products. The company has locations in Austin and New York.
7/14/2021	Awakened Foods, LLC	Clover Capital Partners LLC	-	-	-	Awakened Foods, LLC manufactures grain snacks under the Ka-Pop! brand name. It also offers private label and co-manufacturing services.
7/14/2021	FOTP US Inc	Founder Collective Management Co, LLC	\$10.0	-	-	FOTP US Inc produces the one, move, and harmony dog nutrient products.
7/13/2021	Egg Beaters Liquid Egg Business of Conagra Brands, Inc	Post Holdings, Inc. (NYSE:POST)	-	-	-	Egg Beaters Liquid Egg Business of Conagra Brands, Inc comprises the business of food products production in the U.S.
7/13/2021	Drink Miura US Ltd.	Clearco	-	-	-	Drink Miura US Ltd. produces and sells flash chilled coffee and oat milk based lattes in New York.
7/13/2021	Suja Life, LLC	Paine Schwartz Partners, LLC	-	-	-	Suja Life, LLC produces and sells cold-pressed and organic juices out of their facilities in Oceanside, California and Philadelphia, Pennsylvania.
7/12/2021	US manufacturing operations of NewAge, Inc.	TCI Co., Ltd. (TPEX:8436)	\$3.5	-	-	US manufacturing operations of NewAge, Inc. comprises juice manufacturing operations.
7/12/2021	Pomp & Whimsy Inc.	Demerara Distillers Limited; Golden Seeds LLC; Oxford Angel Fund; Next Act Fund LLC	\$2.7	-	-	Pomp & Whimsy Inc. manufactures and sells gin online and through other stores.
7/12/2021	The Plug Drink, Inc.	Bagel Boy Equity Group, II, LLC; The Baine Companies, LLC	\$1.5	-	-	The Plug Drink, Inc. develops and produces recovery drinks made up of plants, fruits, and flowers combined with the bedrock water.
7/9/2021	North Star Processing, LLC	Welcome Dairy Holdings, LLC	-	-	-	North Star Processing, LLC manufactures food ingredients. It offers spray drying, wet processing, and research and development services.
7/9/2021	International Wine & Spirits Ltd.	Sycamore Partners Management, L.P.	\$1,200.0	1.95	-	International Wine & Spirits Ltd., through its subsidiary Ste. Michelle Wine Estates Ltd., produces and markets wines.

Source: Capital IQ.

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

Soybeans



Sugar



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: Thompson 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.

Please send your feedback and comments to Mary Burke at mlburke@lakeshorefoodadvisors.com.