



# LAKE SHORE

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



## Weekly Update

Monday, September 18<sup>th</sup>, 2023

**U.S. Markets Hold Steady Amid Inflation Uptick.** Last week, U.S. stock indexes showed minimal change. The Consumer Price Index rose 3.7% annually and 0.6% monthly in August, largely due to higher energy prices. U.S. crude oil prices climbed over 14% in three weeks amid renewed supply concern.

The **Dow Jones Industrial Average** rose 0.1% this week, ending at 34,618.

The **S&P 500** was down 0.2% on the week, finishing at 4,450.

The **NASDAQ Composite** decreased 0.4% on the week, finishing at 13,708.

Yield on the **10-year Treasury** rose seven basis points during the week, ending at 4.33%.

**Crude oil** was up 2.9% on the week, ending at \$90.01 per barrel.

**Corn** decreased 1.6% on the week, ending at \$4.76 per bushel.

Mary Burke  
Partner  
312.348.7081  
mburke@lakeshorefoodadvisors.com

Lakeshore Food Advisors, LLC  
20 North Wacker  
Suite 2800  
Chicago, IL 60606

**NASDAQ Highs:** Lifeway Foods, Inc. **Lows:** Dollar Tree, Inc., Mission Produce, Inc., Noodles & Company, SunOpta Inc.

**NYSE Highs:** Walmart Inc. **Lows:** American Vanguard Corporation, B&G Foods, Inc., Conagra Brands, Inc., Diageo plc, Dine Brands Global, Inc., Dollar General Corporation, FMC Corporation, The Hershey Company, The J. M. Smucker Company, Kellogg Company, Tootsie Roll Industries, Inc.

## Featured Stocks of the Week:

The J. M. Smucker Company (NYSE: SJM) 10-Year History



FMC Corporation (NYSE: FMC) 10-Year History



# The Lakeshore Food Chain

Company Name	Price 9/15/23	Price Compared to 9/8/23	52-Week Range		Price as Compared to YE:		Forward P/E	Enterprise Value to LTM:		Total Debt to LTM EBITDA
			High	Low	2022	2021		Revenue	EBITDA	
Dow Jones Industrial Average	34,618	0.1%	35,631	28,726	4.4%	(4.7%)	NA			
S&P 500	4,450	(0.2%)	4,589	3,577	15.9%	(6.6%)	19.5			
NASDAQ Composite Index	13,708	(0.4%)	14,358	10,213	31.0%	(12.4%)	NA			
Russell 3000 Index	2,553	(0.2%)	2,644	2,076	15.2%	(8.4%)	NA			
Sector Average:					16.6%	(8.0%)				
<b>AGRICULTURAL LAND HOLDINGS</b>										
Farmland Partners Inc.	\$10.68	(0.2%)	\$14.55	\$9.44	(14.3%)	(10.6%)	46.6x	18.39x	33.3x	14.4x
Gladstone Land Corporation	15.26	1.1%	22.13	14.95	(16.8%)	(54.8%)	NM	12.53x	15.9	9.1
Limoneira Company	15.14	4.5%	17.90	11.00	24.0%	0.9%	79.4	1.86x	NM	NM
Sector Average:					(2.4%)	(21.5%)	63.0	10.92x	24.6	11.8
<b>INPUTS</b>										
American Vanguard Corporation	\$12.41	(5.8%)	\$24.13	\$12.37	(42.8%)	(24.3%)	10.6x	0.94x	9.9x	3.4x
* BASF SE	46.25	4.0%	54.04	37.90	(0.3%)	(25.1%)	11.0x	0.80x	13.3x	2.6x
* Bayer Aktiengesellschaft	49.40	(1.6%)	65.66	46.70	2.2%	5.1%	7.0x	1.80x	7.7x	4.0x
CF Industries Holdings, Inc.	82.10	(2.0%)	112.44	60.08	(3.6%)	16.0%	13.3x	2.13x	4.0x	0.7x
Corteva, Inc.	52.55	6.0%	68.43	48.68	(10.6%)	11.1%	17.4x	2.30x	11.6x	1.5x
FMC Corporation	75.65	0.3%	134.38	73.00	(39.4%)	(31.2%)	10.6x	2.49x	10.4x	3.8x
Intrepid Potash, Inc.	24.86	(2.0%)	46.88	17.23	(13.9%)	(41.8%)	129.1x	1.09x	3.5x	0.0x
The Mosaic Company	38.39	2.0%	57.46	31.44	(12.5%)	(2.3%)	10.9x	0.96x	3.8x	1.0x
* Nutrien Ltd.	86.60	1.0%	122.45	70.69	(12.4%)	(8.9%)	13.2x	1.39x	5.4x	1.7x
S&W Seed Company	1.00	11.1%	2.14	0.63	(32.9%)	(63.4%)	NM	1.39x	NM	NM
Zoetis Inc.	180.25	(3.0%)	194.99	124.15	23.0%	(26.1%)	31.7x	10.71x	25.4x	2.0x
Sector Average:					(13.0%)	(17.4%)	25.5x	1.53x	9.5x	2.1x
<b>AGRICULTURAL EQUIPMENT</b>										
* Ag Growth International Inc.	\$55.79	(3.1%)	\$63.40	\$31.02	28.7%	76.1%	10.2x	1.28x	9.7x	4.7x
AGCO Corporation	122.88	(0.7%)	145.53	93.53	(11.4%)	5.9%	8.1x	0.79x	5.3x	1.2x
Art's-Way Manufacturing Co., Inc.	2.43	(4.0%)	3.11	1.80	25.9%	(31.4%)	NA	0.65x	8.8x	3.7x
* Buhler Industries Inc.	2.40	2.1%	2.79	1.51	24.4%	(18.9%)	NA	0.49x	20.2x	11.7x
CNH Industrial N.V.	13.48	(0.3%)	17.98	10.89	(16.1%)	(30.6%)	7.2x	1.63x	11.0x	7.1x
Deere & Company	412.11	3.1%	450.00	328.62	(3.9%)	20.2%	12.7x	2.88x	12.0x	4.3x
Lindsay Corporation	114.19	(5.3%)	183.08	110.43	(29.9%)	(24.9%)	18.9x	1.79x	9.4x	1.0x
Titan Machinery Inc.	27.48	(2.1%)	47.87	24.90	(30.8%)	(18.4%)	5.8x	0.53x	6.4x	3.6x
Sector Average:					(1.6%)	(2.8%)	10.5x	1.26x	8.9x	3.7x
<b>AGRIBUSINESS</b>										
The Andersons, Inc.	\$50.50	0.3%	\$53.45	\$30.00	44.3%	30.5%	16.7x	0.15x	6.5x	1.9x
Archer-Daniels-Midland Company	79.35	0.7%	98.28	69.92	(14.5%)	17.4%	12.1x	0.51x	8.1x	1.8x
Bunge Limited	112.41	0.0%	116.59	80.41	12.7%	20.4%	9.6x	0.35x	4.2x	1.1x
Ingredion Incorporated	98.86	(1.0%)	113.46	78.81	0.9%	2.3%	10.7x	1.07x	7.4x	2.1x
MGP Ingredients, Inc.	107.82	(4.7%)	125.74	90.69	1.4%	26.9%	19.5x	3.35x	15.5x	1.9x
* Olam Group Limited	1.08	(15.6%)	1.71	1.04	(26.0%)	(38.3%)	NA	0.34x	9.0x	8.5x
Sector Average:					3.1%	9.9%	13.7x	0.96x	8.5x	2.9x
<b>DIVERSIFIED FOODS</b>										
B&G Foods, Inc.	\$10.56	(5.1%)	\$19.75	\$9.90	(5.3%)	(65.6%)	9.9x	1.42x	9.2x	7.0x
Campbell Soup Company	43.04	2.0%	57.78	40.76	(24.2%)	(1.0%)	14.0x	1.85x	9.7x	2.6x
Conagra Brands, Inc.	28.94	(0.5%)	41.30	28.35	(25.2%)	(15.3%)	10.6x	1.90x	9.2x	4.1x
General Mills, Inc.	65.85	(0.5%)	90.89	64.70	(21.5%)	(2.3%)	14.7x	2.48x	12.7x	3.1x
The Hain Celestial Group, Inc.	9.99	4.2%	22.14	9.36	(38.3%)	(76.6%)	23.5x	0.98x	11.2x	5.8x
The J. M. Smucker Company	126.83	(10.4%)	163.07	126.25	(20.0%)	(6.6%)	12.9x	1.98x	9.2x	2.5x
Kellogg Company	59.96	0.9%	77.17	58.82	(15.8%)	(6.9%)	14.5x	1.76x	13.2x	3.5x
The Kraft Heinz Company	33.45	1.5%	42.80	32.42	(17.8%)	(6.8%)	11.6x	2.23x	8.0x	2.7x
Lancaster Colony Corporation	172.50	8.2%	220.65	149.76	(12.6%)	4.2%	28.3x	2.57x	20.2x	0.1x
Mondelez International, Inc.	71.94	3.0%	78.59	54.72	7.9%	8.5%	21.3x	3.44x	15.0x	2.9x
* Nestlé S.A.	105.42	0.2%	116.84	102.78	(1.6%)	(17.3%)	20.6x	3.53x	16.7x	3.1x
* Nomad Foods Limited	15.76	(4.5%)	19.76	12.50	(8.6%)	(37.9%)	9.2x	1.44x	8.5x	4.4x
Post Holdings, Inc.	87.47	0.8%	98.84	80.39	(3.1%)	(22.4%)	17.4x	1.71x	11.4x	6.1x
The Simply Good Foods Company	33.86	3.7%	40.16	29.21	(11.0%)	(18.5%)	19.0x	3.07x	16.2x	1.6x
Sovos Brands, Inc.	22.65	0.7%	22.71	12.74	57.6%	50.5%	31.5x	2.78x	14.8x	2.8x
SunOpta Inc.	5.28	1.7%	15.90	4.92	(53.6%)	(39.8%)	NA	1.03x	11.2x	5.4x
TreeHouse Foods, Inc.	47.69	5.0%	55.30	40.56	(3.4%)	17.7%	18.6x	1.23x	10.8x	4.3x
Unilever PLC	47.67	1.3%	50.93	43.94	1.7%	1.3%	NA	2.42x	12.5x	2.7x
Utz Brands, Inc.	14.33	1.6%	19.15	13.61	(9.6%)	(10.2%)	24.2x	2.01x	23.5x	8.6x
Sector Average:					(10.8%)	(12.9%)	17.7x	2.10x	12.8x	3.9x

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			High	Low	2022	2021		Revenue	EBITDA	
<b>ETHANOL</b>										
Alto Ingredients, Inc.	\$4.39	17.7%	\$4.46	\$1.20	52.4%	(8.7%)	18.7x	0.32x	NM	NM
Green Plains Inc.	33.80	2.9%	37.49	26.33	10.8%	(2.8%)	40.8x	0.75x	NM	NM
REX American Resources Corporation	39.19	(0.8%)	41.63	26.05	23.0%	22.5%	13.8x	0.57x	8.2x	0.3x
Sector Average:					28.8%	3.7%	24.5x	0.55x	8.2x	0.3x
<b>FRUIT &amp; VEGETABLE</b>										
Calavo Growers, Inc.	\$28.53	1.6%	\$38.97	\$22.64	(3.0%)	(32.7%)	18.4x	0.62x	16.8x	2.8x
Dole plc	11.98	6.6%	14.01	7.20	24.1%	(10.1%)	11.2x	0.28x	5.9x	3.6x
Fresh Del Monte Produce Inc.	25.45	0.9%	32.49	23.09	(2.8%)	(7.8%)	10.7x	0.41x	5.1x	1.7x
Lamb Weston Holdings, Inc.	99.59	1.2%	117.38	75.07	11.4%	57.1%	19.0x	3.33x	11.2x	3.2x
Mission Produce, Inc.	9.34	3.1%	16.96	8.55	(19.6%)	(40.5%)	17.2x	0.99x	21.0x	6.8x
Seneca Foods Corporation	53.44	2.2%	68.74	32.50	(12.3%)	11.4%	NA	0.56x	7.7x	4.2x
Sector Average:					(0.4%)	(3.7%)	15.3x	1.03x	11.3x	3.7x
<b>PROTEIN</b>										
Beyond Meat, Inc.	\$10.35	(5.4%)	\$22.87	\$9.82	(15.9%)	(84.1%)	NM	4.69x	NM	NM
Cal-Maine Foods, Inc.	46.08	(7.1%)	65.32	43.29	(15.4%)	24.6%	12.2x	0.51x	1.5x	0.0x
Darling Ingredients Inc.	57.23	(2.3%)	82.69	51.77	(8.6%)	(17.4%)	9.7x	1.96x	8.1x	4.0x
Hormel Foods Corporation	38.24	3.0%	49.73	36.78	(16.0%)	(21.7%)	22.1x	1.93x	12.1x	1.7x
* JBS S.A.	18.92	2.7%	28.00	15.12	(14.0%)	(50.1%)	11.8x	0.38x	6.6x	5.0x
Nathan's Famous, Inc.	74.17	4.7%	83.00	62.00	10.4%	27.0%	NA	2.68x	9.3x	2.2x
Pilgrim's Pride Corporation	24.76	0.9%	26.57	19.96	4.3%	(12.2%)	13.6x	0.54x	8.6x	3.7x
Seaboard Corporation	3850.00	8.5%	4090.63	3295.00	2.0%	(2.2%)	NA	0.46x	5.3x	2.1x
Tyson Foods, Inc.	54.54	4.8%	72.83	47.11	(12.4%)	(37.4%)	23.2x	0.53x	8.1x	2.7x
Vital Farms, Inc.	10.82	(5.3%)	18.18	10.00	(27.5%)	(40.1%)	30.9x	0.85x	2.0x	0.1x
Sector Average:					(9.3%)	(21.4%)	15.5x	1.09x	6.8x	2.4x
<b>BAKING &amp; INGREDIENTS</b>										
Balchem Corporation	\$134.78	2.4%	\$143.88	\$116.68	10.4%	(20.1%)	31.2x	5.00x	22.9x	2.1x
Flowers Foods, Inc.	22.90	(0.7%)	30.16	22.47	(20.3%)	(16.6%)	18.5x	1.24x	10.4x	2.3x
* Gruma, S.A.B. de C.V.	284.70	(0.7%)	303.76	190.82	9.2%	8.4%	14.0x	1.28x	8.8x	2.3x
* Grupo Bimbo, S.A.B. de C.V.	81.95	(2.1%)	103.41	68.83	(0.5%)	30.1%	20.0x	1.18x	8.6x	2.3x
J&J Snack Foods Corp.	171.84	1.9%	177.71	127.80	14.8%	8.8%	30.8x	2.25x	20.0x	1.0x
* Kerry Group plc	82.96	(1.3%)	100.00	82.52	(1.5%)	(26.7%)	18.0x	1.87x	13.9x	2.1x
Krispy Kreme, Inc.	13.13	0.1%	16.22	10.21	27.2%	(30.6%)	37.8x	2.24x	13.1x	4.8x
McCormick & Company, Incorporated	79.79	(1.1%)	94.39	70.60	(3.7%)	(17.4%)	29.0x	4.02x	20.8x	4.0x
* Tate & Lyle plc	7.10	2.2%	8.38	6.48	(0.2%)	(8.0%)	12.8x	1.75x	10.9x	2.3x
Sector Average:					3.9%	(8.0%)	23.6x	2.31x	14.4x	2.6x
<b>CANDY, NUTS, &amp; SNACKS</b>										
Bridgford Foods Corporation	\$11.23	5.9%	\$15.38	\$10.03	(5.8%)	(7.3%)	NA	0.38x	7.2x	0.6x
The Hershey Company	212.36	1.6%	276.88	206.69	(8.3%)	9.8%	21.4x	4.44x	16.9x	1.8x
John B. Sanfilippo & Son, Inc.	101.81	(2.2%)	127.26	74.33	25.2%	12.9%	NA	1.19x	10.8x	0.1x
Laird Superfood, Inc.	1.06	8.2%	2.38	0.65	26.2%	(91.9%)	NM	NM	NM	NM
Rocky Mountain Chocolate Factory, Inc.	4.89	(2.8%)	6.98	4.77	(14.2%)	(37.7%)	NA	0.93x	NM	NM
Tootsie Roll Industries, Inc.	30.12	(1.0%)	46.11	29.82	(27.1%)	(11.8%)	NA	2.81x	16.9x	0.1x
Sector Average:					(0.7%)	(21.0%)	21.4x	1.95x	13.0x	0.7x
<b>PET FOOD AND PRODUCTS</b>										
Central Garden & Pet Company	\$46.92	10.4%	\$48.48	\$35.60	25.3%	(10.8%)	16.8x	1.03x	8.4x	3.4x
Freshpet, Inc.	72.24	(1.6%)	84.70	37.92	36.9%	(24.2%)	NM	5.27x	NM	NM
Sector Average:					31.1%	(17.5%)	16.8x	3.15x	8.4x	3.4x
<b>WINE &amp; BEVERAGE</b>										
The Boston Beer Company, Inc.	\$371.56	(0.9%)	\$422.75	\$296.27	12.8%	(26.4%)	41.6x	2.11x	20.4x	0.2x
Brown-Forman Corporation	63.73	(0.9%)	74.76	60.90	(3.0%)	(12.5%)	30.6x	7.85x	25.2x	2.3x
The Coca-Cola Company	57.94	(0.7%)	64.99	54.02	(8.9%)	(2.1%)	21.3x	6.33x	17.7x	3.0x
Constellation Brands, Inc.	260.34	0.4%	273.65	208.12	12.3%	3.7%	21.5x	6.27x	46.8x	3.5x
Crimson Wine Group, Ltd.	5.90	(4.7%)	6.99	5.11	5.2%	(28.5%)	NA	1.54x	26.0x	4.4x
* Diageo plc	31.62	(1.2%)	39.37	31.11	(13.4%)	(21.7%)	19.1x	5.15x	14.4x	3.0x
Monster Beverage Corporation	56.14	(0.4%)	60.47	42.81	10.6%	16.9%	34.0x	8.30x	29.3x	0.0x
National Beverage Corp.	46.64	(1.1%)	55.12	38.40	0.2%	2.9%	24.7x	3.54x	17.5x	0.2x
PepsiCo, Inc.	179.84	2.0%	196.88	160.98	(0.5%)	3.5%	23.1x	3.16x	17.1x	2.6x
Starbucks Corporation	96.23	1.0%	115.48	82.43	(3.0%)	(17.7%)	24.4x	3.74x	13.7x	2.6x
Willamette Valley Vineyards, Inc.	5.93	0.2%	6.59	5.59	(0.6%)	(31.5%)	NA	2.36x	37.3x	8.5x
Sector Average:					1.1%	(10.3%)	26.7x	4.58x	24.1x	2.8x

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			High	Low	2022	2021		Revenue	EBITDA	
<b>DAIRY</b>										
* Danone S.A.	\$53.79	0.4%	\$61.88	\$46.75	9.3%	(1.5%)	15.3x	1.61x	10.0x	3.7x
Lifeway Foods, Inc.	12.00	7.1%	12.77	5.22	116.2%	160.9%	17.5x	1.16x	13.9x	0.5x
* Saputo Inc.	29.02	(0.1%)	37.50	27.17	(13.4%)	1.8%	15.2x	0.90x	10.6x	2.7x
Sector Average:					37.4%	53.7%	16.0x	1.22x	11.5x	2.3x
<b>WHOLESALE, FOOD SERVICE, &amp; DISTRIBUTION</b>										
The Chefs' Warehouse, Inc.	\$28.65	1.5%	\$39.54	\$26.94	(13.9%)	(14.0%)	20.1x	0.65x	10.8x	5.0x
Performance Food Group Company	60.45	2.2%	64.34	42.77	3.5%	31.7%	13.9x	0.27x	9.5x	3.2x
SpartanNash Company	21.25	(0.3%)	37.75	20.57	(29.7%)	(17.5%)	9.2x	0.16x	6.3x	3.4x
Sysco Corporation	71.02	1.5%	87.41	68.18	(7.1%)	(9.6%)	16.5x	0.61x	15.5x	3.7x
United Natural Foods, Inc.	18.80	2.2%	47.88	17.71	(51.4%)	(61.7%)	16.6x	0.15x	4.7x	3.6x
US Foods Holding Corp.	40.58	4.1%	44.52	25.49	19.3%	16.5%	14.1x	0.42x	10.2x	3.5x
Sector Average:					(13.2%)	(9.1%)	15.1x	0.37x	9.5x	3.7x
<b>MASS MERCHANDISE, CLUB STORES, &amp; DOLLAR STORES</b>										
Bj's Wholesale Club	\$69.38	3.9%	\$80.41	\$60.33	4.9%	3.6%	17.0x	0.64x	9.2x	2.3x
Costco Wholesale Corporation	556.36	0.9%	571.16	447.90	21.9%	(2.0%)	36.1x	1.03x	22.7x	0.8x
Dollar General Corporation	115.68	(9.1%)	261.59	115.35	(53.0%)	(50.9%)	14.7x	1.11x	7.3x	3.1x
Dollar Tree, Inc.	112.35	(3.2%)	170.36	111.73	(20.6%)	(20.0%)	17.1x	1.18x	7.4x	2.2x
Grocery Outlet Holding Corp.	30.09	(1.9%)	36.54	25.71	3.1%	6.4%	27.1x	1.11x	12.9x	4.2x
Walmart Inc.	164.64	0.5%	165.85	128.07	16.1%	13.8%	24.4x	0.80x	12.4x	1.7x
Sector Average:					(4.6%)	(8.2%)	22.7x	0.98x	12.0x	2.4x
<b>TRADITIONAL &amp; SPECIALTY RETAIL</b>										
Albertsons	\$23.54	(0.4%)	\$29.19	\$19.14	13.5%	(22.0%)	8.7x	0.36x	5.5x	2.9x
* Ahold Delhaize	29.12	0.7%	32.51	25.45	8.5%	(3.4%)	11.2x	0.48x	6.2x	2.7x
Amazon.com, Inc.	140.39	1.6%	145.86	81.43	67.1%	(15.8%)	57.7x	2.90x	20.8x	2.3x
Ingles Markets, Incorporated	75.90	1.2%	102.99	73.38	(21.3%)	(12.1%)	NA	0.31x	4.0x	1.3x
The Kroger Co.	46.32	(1.3%)	50.41	41.82	3.9%	2.3%	10.2x	0.34x	5.9x	2.3x
Natural Grocers by Vitamin Cottage, Inc.	13.01	0.8%	13.80	8.00	42.3%	(8.7%)	15.9x	0.59x	5.5x	3.1x
Sprouts Farmers Market, Inc.	40.80	2.4%	41.28	26.35	26.0%	37.5%	14.8x	0.84x	7.0x	2.0x
* Tesco PLC	2.71	4.7%	3.07	1.94	20.7%	(6.6%)	12.2x	0.46x	7.1x	3.6x
Village Super Market, Inc.	22.60	0.7%	24.86	19.09	(3.0%)	(3.4%)	NA	0.28x	3.9x	2.5x
Weis Markets, Inc.	64.26	0.9%	95.57	58.75	(21.9%)	(2.5%)	NA	0.32x	5.0x	0.6x
Sector Average:					13.6%	(3.5%)	18.7x	0.69x	7.1x	2.3x
<b>TRADITIONAL RESTAURANTS</b>										
Brinker International, Inc.	\$31.42	0.9%	\$42.12	\$23.94	(1.5%)	(14.1%)	9.4x	0.86x	6.1x	3.7x
The Cheesecake Factory Incorporated	30.48	0.6%	41.28	27.91	(3.9%)	(22.1%)	10.1x	0.97x	7.6x	4.2x
Cracker Barrel Old Country Store, Inc.	69.43	(7.1%)	121.17	68.71	(26.7%)	(46.0%)	13.0x	0.76x	7.4x	3.1x
Darden Restaurants, Inc.	150.06	0.4%	173.06	120.20	8.5%	(0.4%)	17.1x	2.26x	12.1x	3.0x
Dine Brands Global, Inc.	53.86	2.6%	82.43	51.40	(16.6%)	(29.0%)	8.8x	2.69x	11.0x	7.5x
Jack in the Box Inc.	72.03	(7.5%)	99.56	65.72	5.6%	(17.7%)	11.0x	2.58x	7.3x	5.2x
McDonald's Corporation	278.23	(0.4%)	299.35	230.58	5.6%	3.8%	23.5x	10.32x	17.0x	3.3x
Papa John's International, Inc.	76.87	0.4%	97.78	66.74	(6.6%)	(42.4%)	26.6x	1.68x	14.3x	4.1x
Texas Roadhouse, Inc.	101.23	0.2%	118.16	83.29	11.3%	13.4%	20.0x	1.70x	13.2x	1.3x
The Wendy's Company	20.11	2.1%	23.90	18.50	(11.1%)	(15.7%)	19.2x	3.60x	15.3x	8.4x
Yum! Brands, Inc.	127.99	1.2%	143.25	103.97	(0.1%)	(7.8%)	23.4x	6.82x	19.4x	5.0x
Sector Average:					(3.2%)	(16.2%)	16.5x	3.11x	11.9x	4.5x
<b>HIGH-GROWTH RESTAURANTS</b>										
Chipotle Mexican Grill, Inc.	\$1,912.50	(1.7%)	\$2,175.01	\$1,344.05	37.8%	9.4%	40.5x	5.96x	24.2x	1.7x
El Pollo Loco Holdings, Inc.	9.07	(2.3%)	13.00	8.35	(8.9%)	(36.1%)	11.1x	1.14x	7.3x	3.4x
Noodles & Company	2.62	(5.1%)	6.55	2.54	(52.3%)	(71.1%)	NM	0.78x	6.0x	4.2x
Potbelly Corporation	8.07	2.4%	11.14	4.31	44.9%	44.6%	53.8x	0.83x	5.3x	2.6x
Shake Shack Inc.	62.08	(4.8%)	80.58	40.83	49.5%	(14.0%)	173.7x	2.95x	18.8x	4.8x
Wingstop Inc.	170.36	6.2%	223.77	113.20	23.8%	(1.4%)	73.3x	13.65x	46.3x	6.0x
Sector Average:					15.8%	(11.4%)	70.5x	4.22x	18.0x	3.8x
<b>CANNABIS &amp; CBD</b>										
Canopy Growth Corporation	\$1.83	44.1%	\$6.44	\$0.46	(41.7%)	(83.4%)	NM	4.69x	NM	NM
Cronos Group Inc.	3.25	9.1%	4.88	2.15	(5.5%)	(34.7%)	NM	1.10x	NM	NM
Jones Soda Co.	0.18	(5.3%)	0.48	0.17	(32.1%)	(75.3%)	NA	0.76x	NM	NA
The Scotts Miracle-Gro Company	55.05	3.5%	88.61	39.06	13.3%	(65.8%)	30.5x	1.75x	11.2x	5.8x
Tilray Brands, Inc.	2.93	(3.0%)	5.12	1.50	8.9%	(58.3%)	NM	3.61x	NM	NM
Village Farms International, Inc.	1.01	11.0%	2.54	0.55	(24.6%)	(84.3%)	NM	0.60x	NM	NM
Sector Average:					(13.6%)	(67.0%)	30.5x	2.09x	11.2x	5.8x

**Notes:**

\* Denotes local currency.

Source: Capital IQ.

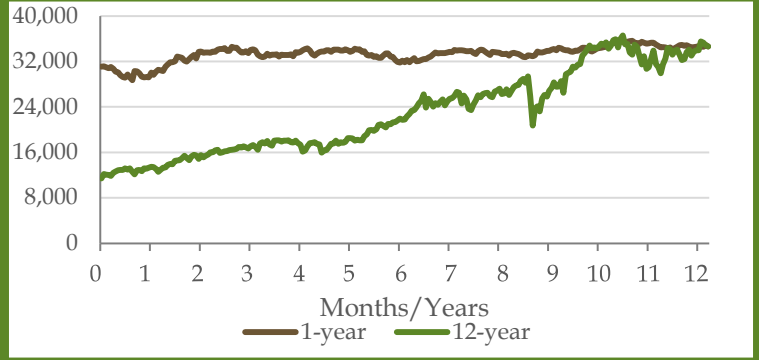
Summary multiples adjusted for extraordinary and non-recurring items; outliers excluded from mean calculation.

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

### S&P 500



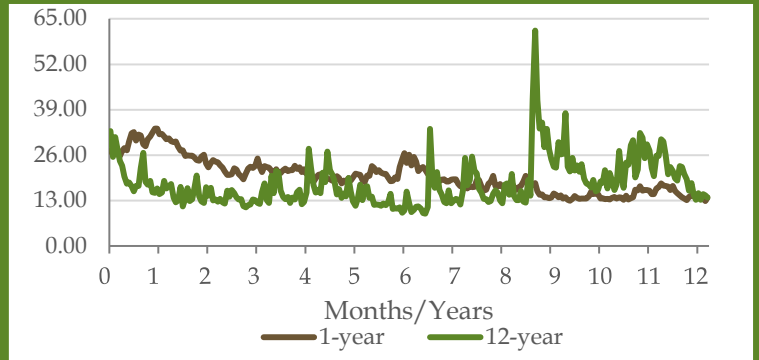
### Dow Jones Industrial Average



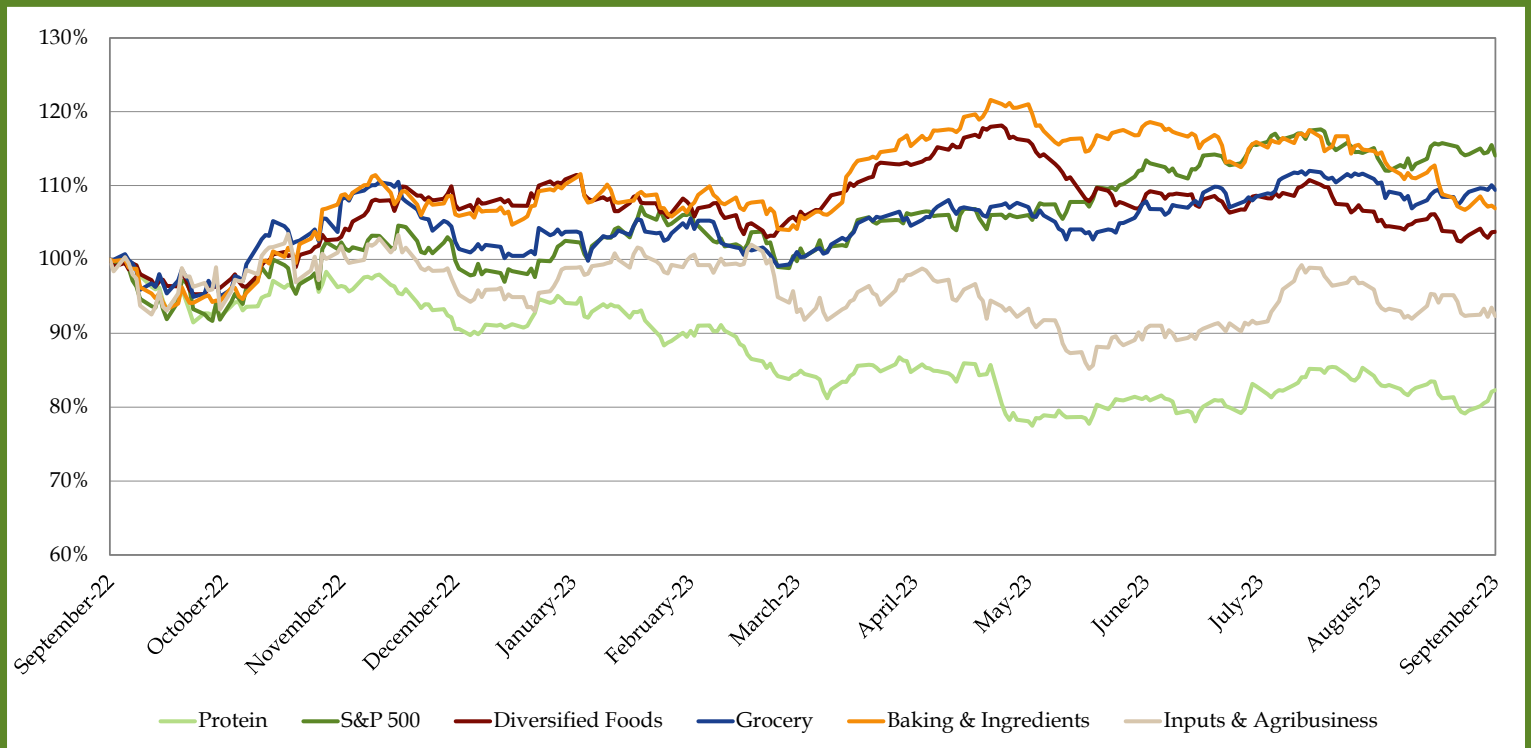
### 10-year Treasury



### CBOE Market Volatility Index - VIX



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



# Food For Thought...

Partner Column

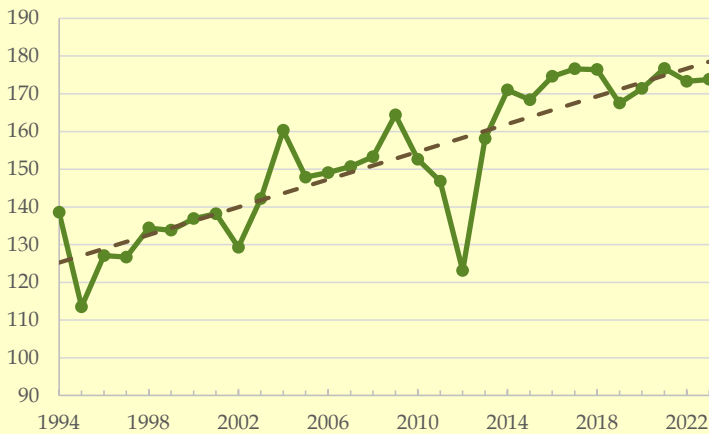
Written by Derek Bogdan

The U.S. is the largest corn producer and one of the top soybean producers. The most recent USDA estimates of 2023 planted acres are 94.1 million acres of corn and 83.5 million acres of soybeans. These are the 3<sup>rd</sup> highest and 5<sup>th</sup> highest planted acreages respectively. Seed technology, farming practices, and ag equipment improvements have enabled continuous growth of each crops production over the past 30 years. As the charts

below show, other than the 2012 drought and normal variations, corn and soybean yields have steadily increased since 1994, rising more than 40% in total. These technological and farming advancements have resulted in yield gains even in less than perfect growing conditions, and larger and larger harvests to help meet the world's growing demand for corn and soybeans.

*Have a good week!*

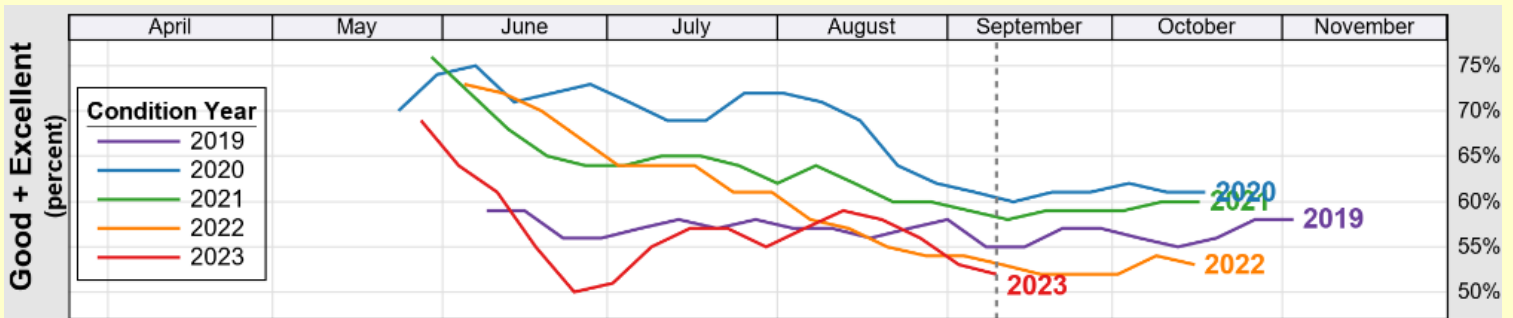
**U.S. Corn Yield (Bushels per Acre) 1994-2023**



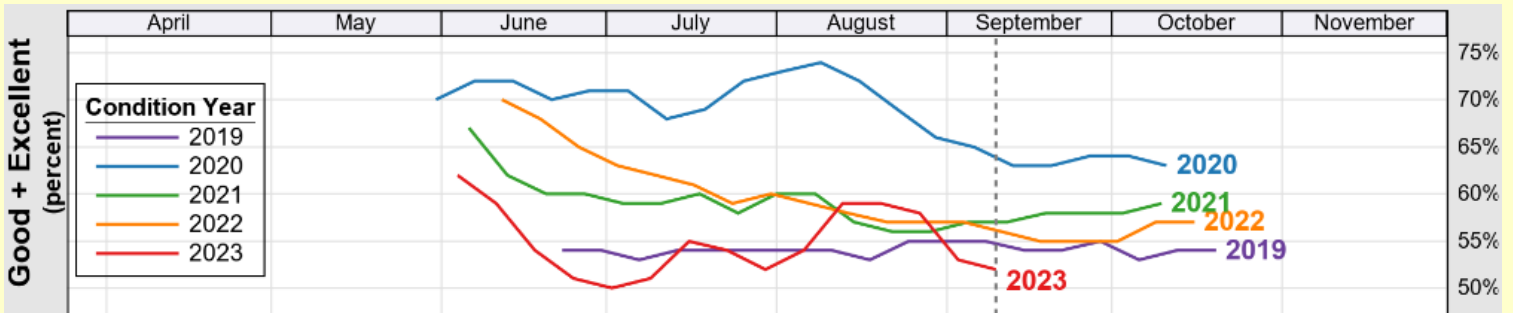
**U.S. Soybean Yield (Bushels per Acre) 1994-2023**



**U.S. Corn Crop Condition 2019-2023**



**U.S. Soybean Crop Condition 2019-2023**



Source: USDA.

## Food For Thought...

**Mission Produce Announces Results for its Third Fiscal Quarter.** Last week, Mission Produce, one of the world's largest grower/packer/shippers of fresh Haas avocados, reported below expectation results for its third fiscal quarter of 2023. The company experienced higher volumes of sold avocados which were more than offset by price declines from the comparable quarter last year. The price declines represent a return to normalcy following last year's high prices resulting from a poor Mexican harvest. Mission's stock fell 2% in after-hours trading following the release and is down over 22% on the year.

### Three Mo. Ended July 31

	2022	2023	%
Lbs. of Avocados Sold (mms)	149.6	183.8	22.9%
Average Sales Price/Lb	\$ 2.03	\$ 1.36	-33.0%
Total Avocado Sales (mms)	\$ 303.9	\$ 249.2	-18.0%
Total Other Sales (mms)	\$ 9.3	\$ 12.2	31.2%
<b>Total Net Sales</b>	<b>\$ 313.2</b>	<b>\$ 261.4</b>	<b>-16.5%</b>
Gross Profit	\$ 42.6	\$ 28.4	-33.3%
Gross Margin - %	13.6%	10.9%	-20.1%

Lower received prices fell to the bottom line with adjusted EBITDA falling 33% from the comparable quarter to \$21.2 million. Gross profit margin fell 20.1% related to lower selling prices on avocados grown by company owned farms.

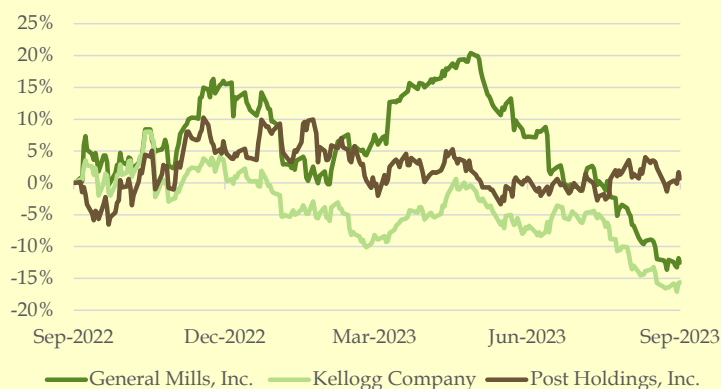
Despite the return to normalcy, the company remains focused on expanding its footprint and further integrating its business. Having grown export volume to each of its key export markets, Mission will continue to look overseas for growth including the opening of a new forward distribution center in the United Kingdom this spring.

### Cereal Consumption is Experiencing Long-Term Declines.

Breakfast cereal was a staple of the American breakfast in the 1980's and 1990's. As consumer trends have shifted, the cereal market has been in a gradual state of decline. Despite the pandemic briefly boosting cereal sales, executives from both Post Holdings and Kellogg recently stated expectations for the cereal industry to return to its prepandemic state of decline.

Unit sales of ready-to-eat cereal rose 5.2% in 2020 as a result of the COVID-19 pandemic. Since, unit sales have fallen by 8.7% in 2021 and a further 3.9% in 2022. Leaders in the category such as General Mills, Post Holdings, and Kellogg have been tireless in updating their products to match changing consumer trends and habits. Declines in cereal consumption have been largely attributed to consumers shifting away from the high carb-high sugar breakfast towards higher protein options such as frozen breakfast burritos and sandwiches, bars, and shakes for themselves and their children.

Stock Performance Over the Past Year



The market has not been friendly to cereal producers with both Kellogg and General Mills down +10% over the past year. Post Holdings stands out as an outlier with a 3% year to date decline. Post has been able to outperform the others has falling cereal sales have been offset by growth in their foodservice and pet food businesses. In response to slowing growth, Kellogg is in the process of spinning out its cereal business into a new entity, WK Kellogg.

As demonstrated with cereal, while shifting consumer preferences can provide opportunity, they are also a risk.

### U.S. Bureau of Labor Statistics Releases August CPI Data.

Last week, the U.S. Bureau of Labor Statistics released its monthly report on consumer price index data. In total, inflation rose 3.7% in August compared to the year ago period. Despite the larger than anticipated increase, economists still anticipate the Federal Reserve to hold rates flat given a weak consumer spending report and colder U.S. jobs market.

Monthly Changes in CPI	Food at Home	Food Away from Home
Feb-23	0.4	0.3
Mar-23	0.1	-0.3
Apr-23	0.4	-0.2
May-23	0.1	0.1
Jun-23	0.2	0
Jul-23	0.2	0.3
Aug-23	0.6	0.2

Contributing to the CPI, beef prices hit record levels in August with the price of all-fresh beef reaching \$7.82 per pound. Retail beef prices were up 8.6% from last year to \$8.23 per pound. As prices continue to rise, consumers are shifting spending habits. Brands are losing market share to private label while premium offerings, like beef, are being replaced with lower cost alternatives.

## Heard on the Street...

**J.M. Smucker Enters Definitive Agreement to Acquire Hostess Brands.** Last week, J.M. Smucker entered a definitive agreement to acquire Hostess Brands. The deal will provide Smucker potential revenue synergies by offering it new outlets such as convenience to sell its current brands into. The total transaction value is \$5.6 billion with each shareholder of Hostess receiving \$30 in cash and ~0.03 shares of J.M. Smucker per share of Hostess. The purchase price represents a 54% premium over Hostess's closing price of \$22.18 on August 24, 2023, the last trading day prior to press reports of a potential transaction.

	TTM Ended	
	12/31/2022	6/30/2023
Revenue	\$ 1,358.2	\$ 1,383.4
Implied EV/Rev.	4.12x	4.05x
EBITDA	\$ 277.0	\$ 292.9
Implied EV/EBITDA	20.22x	19.12x

The acquisition provides J.M. Smucker an established sweet snacking platform. The brand portfolios complement each other well with Hostess having strong inroads to the convenience sector whereas J.M. Smucker's strength resides in retail. Through the deal, Smucker will add a full stable of established brands to its portfolio including Hostess, Twinkies, CupCakes, Ding Dongs, and Voortman cookies. These brands will join Smucker's existing portfolio which includes Smuckers, Jif, Folgers, Milk-Bone, and Meow-Mix.

News of the transaction was met with mixed reviews as Smuckers has had varying success with acquisitions such the \$7.7 billion it spent in total to enter the pet food category in 2015 and 2019. The company has divested over 60% of its pet food category for \$1.3 billion over the past two years.

**Olymel to Close Two Processing Facilities.** Last week, Olymel, a diversified protein processing business, announced plans to close two facilities including a pork deboning plant and a poultry further processing facility. The company cited a reorganization in pursuit of returning to profitability as the primary driver of the decision.

The decision comes shortly after Olymel announced a significant reduction in its hog production and the closing of a processing facility in April. In total, the company has closed three facilities and plans to close a further two.

As processors continue to face weak margins, they are looking for ways to lower costs. With Tyson (four), Perdue (one), and Olymel (five) reducing facilities, expect more to follow.

**U.S. CPG Companies Hunt New Revenue through Acquisitions.** U.S. leaders in the consumer packaged goods space have faced recent lulls in revenue growth as unit volume sales have fallen across the category. Over the past few years, declines in volume growth have been more than offset by price increases. As inflation slows, these companies are no longer able to grow their revenues through price hikes and must look for alternative avenues such as acquisitions.

Despite higher borrowing costs straining corporate cost of capital, branded food deals are getting done. See below for a summary of the most notable domestic deals announced this year.

\$'s in mms	Value	EV/EBITDA
Smucker - Hostess	\$ 5,600	19.1x
Campbell - Sovos	\$ 2,330	19.8x
Mars - Kevin's	\$ 800	-
Unilever - Yasso	-	-

While mega deals such as Smucker's acquisition of Hostess (see the first article), and Campbell's \$2.3 billion acquisition of Rao's Pasta Sauce owner, Sovos Brands, have garnered the headlines, smaller transactions are also getting done. As of September 1, 248 transactions have occurred in the U.S. food and beverage industry, representing a 17.5% increase from the same period last year. Despite the notable big deals and increased volume, total transaction value has fallen approximately 3% compared to last year. Average deal size has fallen from \$52.2 million to \$41.9 million.

Overall, companies need to continue to seek revenue growth through new concepts, flavors, and items. They can do so organically through research and development or via acquisitions. As packaged food volumes continue to fall, expect the deal making environment to remain active.

**Instacart Files for an IPO.** Last week, Instacart filed a prospectus with the SEC to go public via an initial public offering. The company intends to offer shares at an implied valuation of \$10 billion, down from the \$39 billion valuation Instacart last raised capital at in 2021.

Instacart's decline in value is telling of the evolution of online grocery sales. Despite growing revenue to \$2.55 billion in 2022, consumers returning to the aisles and oversaturation in the delivery market have all contributed to a decline in demand for Instacart's services. Over the same period of time, retailers have fought to remain relevant by developing their own online delivery services (Kroger-Ocado) and offering store pick-up services further straining the delivery market.



## Recent U.S. Food &amp; Agribusiness M&amp;A Activity

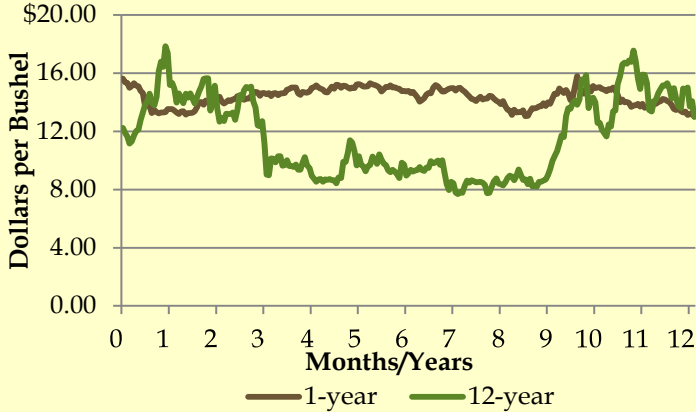
(\$ in millions)

Date	Target	Acquirer	Enterprise Value	EV/Revenue	EV/EBITDA	Target Description
09/15/2023	Lamm Food Service, LLC	CS Foods Group, Inc.	-	-	-	Lamm Food Service, LLC markets and distributes food products to institutions including correctional facilities, schools, and hospitals.
09/12/2023	Altius Farms, Inc.	Jewish Family Service Of Colorado, Inc.	-	-	-	Altius Farms, Inc. operates a greenhouse farm that grows crops, herbs, and green leaves. Jewish Family Service Of Colorado, Inc. acquired Altius to stock its food pantries.
09/11/2023	Hostess Brands, Inc. (NASDAQ: TWNK)	The J.M. Smucker Co. (NYSE: SJM)	\$5,600	-	17.2x	Hostess's family of brands in attractive categories includes Twinkies, Donettes, CupCakes, DingDongs, HoHOs, and more.
09/08/2023	North Country Packaging Inc.	Heartisan Foods	-	-	-	North Country Packaging Inc., dba North Country Dairy, manufactures Wisconsin cheese products such as gourmet cheese spreads, bulk cheese, and specialty cheeses.
09/08/2023	Keck's Food Service, Inc. & E.B. Thomsen Inc.	Legacy Food Group, LLC	-	-	-	Legacy Food Group announced the two foodservice distributor acquisitions as part of its first round of M&A.
09/07/2023	Pasquesi Farms, LLC	Pure Hothouse Foods Inc	-	-	-	Pasquesi Farms, LLC grows and produces glasshouse tomatoes for the greater Chicagoland area. The company was incorporated in 2010 and is based in Chicago, Illinois.
09/06/2023	Roasting business of Benelux Coffee	Raleigh Coffee Company	-	-	-	On September 6, 2023, Raleigh Coffee Company acquired the Roasting business of Benelux Coffee.
09/01/2023	New England Charcuterie, LLC	PARMACOTTO S.p.a.	-	-	-	New England Charcuterie, LLC produces cured meat products including chops, sausages, and salamis and sells them through restaurants, retailers, distributors, and online.
09/01/2023	Nagatoshi Produce USA, LLC	Kamei North America Co., Ltd.	-	-	-	Nagatoshi Produce USA, LLC engages in the wholesale distribution of USA-grown Japanese fruits and vegetables.
08/31/2023	Massican LLC	E. & J. Gallo Winery, Inc.	-	-	-	Massican LLC, a boutique white winery, is the latest acquisition by the U.S.'s largest wine company
08/25/2023	Superior Foods International, LLC	Virus A.	-	-	-	Superior Foods International, LLC distributes frozen fruits, vegetables, food blends, and herbs. The company was founded in 1980 and is based in Watsonville, California.
08/22/2023	Assets of Argo Tea, Inc.	The Planting Hope Company Inc. (TSXV:MYLK)	-	-	-	As of August 22, 2023, Assets of Argo Tea, Inc. were acquired by The Planting Hope Company Inc.
08/21/2023	ifIGOURMET, LLC	Roland Foods, LLC	-	-	-	ifIGOURMET, LLC distributes and sells baking and pastry products. The company was founded in 1993 and is based in Gurnee, Illinois.
08/16/2023	INTERNATIONAL FRUIT GENETICS, LLC	Paine Schwartz Partners, LLC; EQT AB (publ) (OM:EQT); AM FRESH Group	-	-	-	INTERNATIONAL FRUIT GENETICS, LLC provides grapes and berries breeding services.
08/08/2023	Blue Run Spirits, Inc.	Molson Coors Beverage Company (NYSE:TAP)	-	-	-	Blue Run Spirits, Inc. manufactures and provides bourbon whiskey online. The company produces a variety of Ryes and Bourbons in Georgetown, KY.
08/04/2023	Arctic Circle Wild Seafood LLC	Red Lake, Inc.; Tocabe Holdings Company LLC	-	-	-	Red Lake and Tocabe each purchased a 25% stake in Arctic Circle Wild Seafood LLC which produces and sells sea food.
08/03/2023	London Fruit, Inc.	GrubMarket, Inc.	-	-	-	London Fruit, Inc. imports and distributes avocados, mangos, and limes to wholesalers and retailers in the United States of Pharr, TX.
08/03/2023	Watershed Distillery LLC	Marussia Beverages Usa, Inc.	-	-	-	Watershed Distillery LLC manufactures bourbon, gin, craft vodka, and a variety of specialty spirits. The company also offers daily tours along with Watershed Kitchen + Bar.
08/03/2023	AMES International, Inc.	Puyallup Tribe Of Indians	-	-	-	AMES International, Inc. produces and supplies chocolates, roasted and salted nuts, and cookies to wholesalers, specialty retailers, grocers, and drugstores.
08/02/2023	Nona Lim, LLC	Grand Leader Technology Limited	-	-	-	Nona Lim, LLC produces Asian broths, soups and noodles.
08/02/2023	Leachman Cattle of Colorado, LLC	URUS Group LP	-	-	-	Leachman Cattle of Colorado, LLC raised maternal cattles and produces seedstocks in Fort Collins, Colorado.
07/31/2023	Weibel Family Winery	Rack & Riddle Winery	-	-	-	As of July 31, 2023, Weibel Family Winery was acquired by Rack & Riddle Winery. Weibel, Inc. grows grapes, and produces and sells California champagne and fine wines.
07/25/2023	High Brew Coffee, Inc.	Beliv LLC	-	-	-	High Brew Coffee, Inc. produces cold-brewed coffee in single-serving cans. It serves customers through stores, as well as online.
07/20/2023	Dean Foods Co., Marie's Dressings and Dean's Dips Businesses	Brynwood Partners Management LLC	-	-	-	Marie's Dressings and Dean's Dips Businesses produce and market dips and salad dressings. Dean Foods Co. is based in Dallas, Texas.
07/20/2023	Twin City Bagel, Inc.	Bimbo Bakeries USA, Inc.	-	-	-	Twin City Bagel, Inc., dba National Choice Bakery, owns and operates a bagel bakeries in South St. Paul, MN; and Pageland, SC.
07/18/2023	Casa Azul Spirits, LLC	Rivulet Media Ventures, LLC	61	-	-	Casa Azul Spirits, LLC manufactures and retails tequila beverages. The company offers flavored tequila sodas, with flavors such as lime margarita and peach mango.

Source: Capital IQ.

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

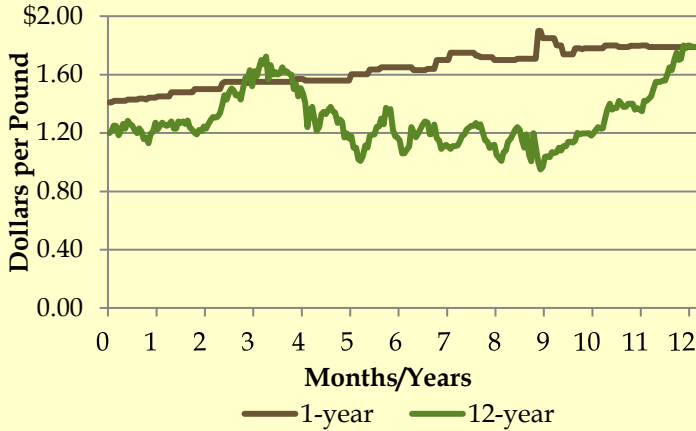
### Soybeans



### Sugar



### Cattle



### Milk



### Cotton



### Oil



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 (312) 348-7081 or mburke@lakeshorefoodadvisors.com.