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Food and Beverage

Industry News

Coca-Cola Acquires Italian Premium Water Company

Coca-Cola [Full Article](#)

In September 2019, Coca-Cola entered into an agreement to acquire Acque Minerali S.r.l. a privately-held natural mineral water business in Italy. Founded in 1940 in Roccaforte Mondovì, Northwest Italy, Acque Minerali is a producer and distributor of premium, natural mineral water and adult sparkling beverages under the Lurisia brand. The transaction subsequently closed in December.

The acquisition of Lurisia complements the existing Coca-Cola HBC beverage portfolio in Italy and is a strong fit for the company's 24/7 total beverage partner strategy. It supports the company's drive to further premiumise its portfolio and offer consumers an authentic Italian brand with strong heritage and well-rooted Italian origins.

Pernod Ricard Completes Acquisition of Castle Brands

BusinessWire [Full Article](#)

Pernod Ricard, the second largest worldwide producer of wines and spirits, completed its acquisition of Castle Brands in October. Castle Brands is a developer and international marketer of premium and super-premium brands of spirits.

Alexandre Ricard, Chairman & Chief Executive Officer of Pernod Ricard, stated: "We're thrilled about the closing of the Castle Brands acquisition and the opportunity it offers us in the world's largest spirits market, the US, a priority market for the Group."

Campbell Completes Sale of European Chips Business to Valeo Foods

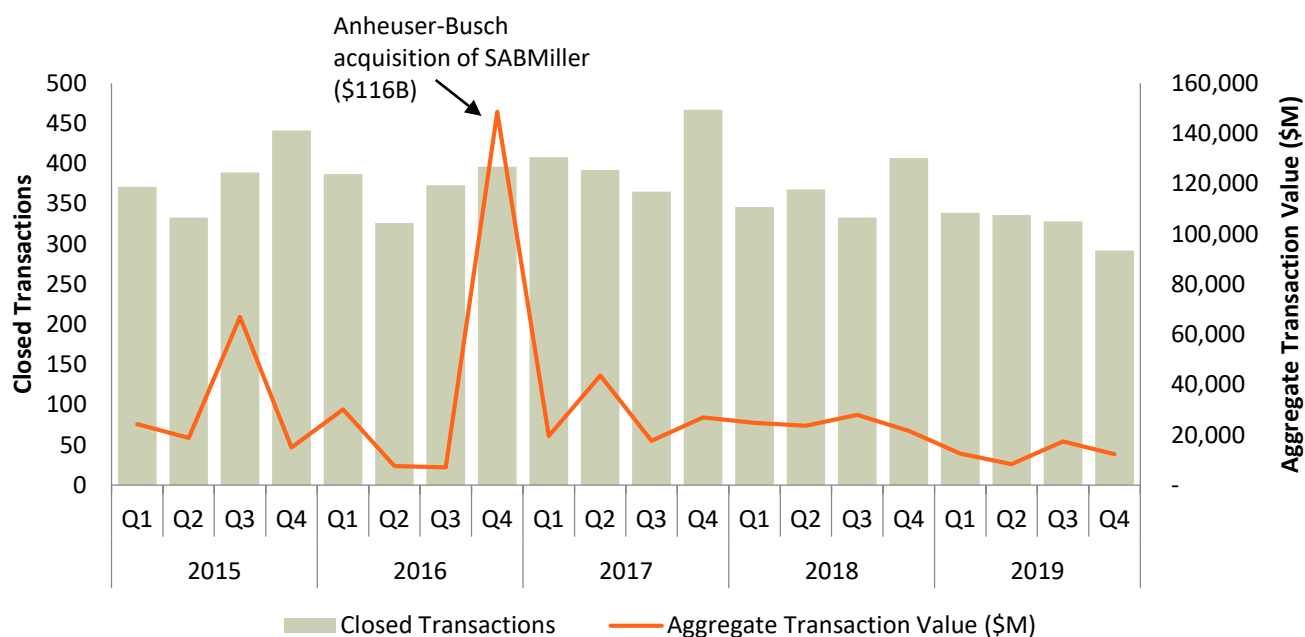
BusinessWire [Full Article](#)

Campbell Soup Company completed the sale of its European Chips Business in October to Valeo Foods, a portfolio company of CapVest Partners. The Campbell European Chips Business includes UK-based Kettle Foods Limited and Netherlands-based Yellow Chips B.V. Campbell will use the proceeds from the divestiture to reduce debt.

Under the terms of the agreement, Campbell will retain the Kettle Brand business in the United States and all other geographies except for Europe and the Middle East. Campbell intends to grow the Kettle Brand as an important part of its Snacks portfolio.

Food and Beverage

Food and Beverage M&A Environment

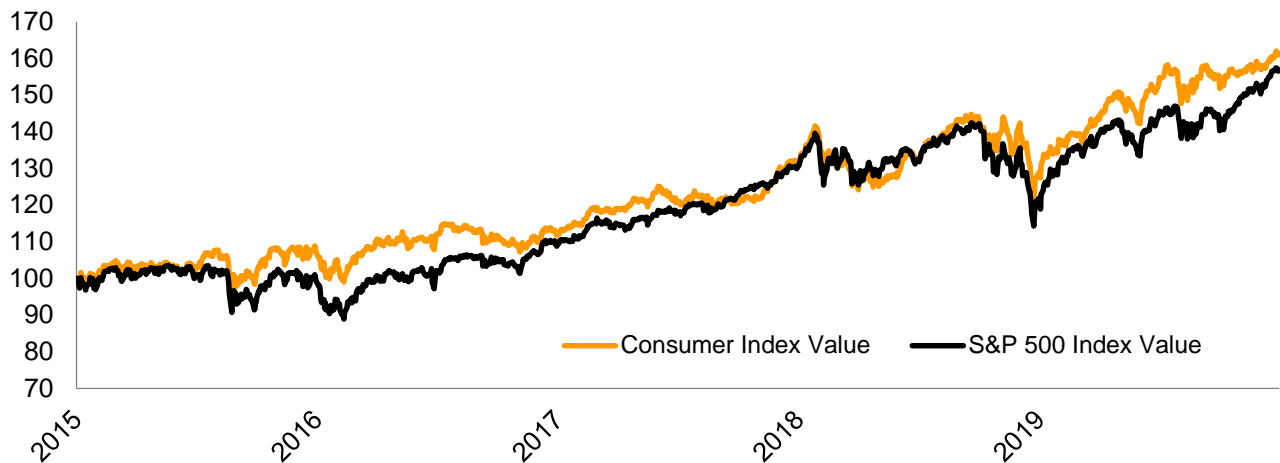


Selected Q4 2019 M&A

Date Closed	Target	Buyers/Investors	Sector	Enterprise	EV / LTM	
				Value (\$M)	Revenue	EBITDA
12/31/2019	Kitchen Cooked Inc.	Utz Quality Foods, LLC	Packaged Foods and Meats	-	-	-
12/27/2019	Country Pure Foods, Inc.	Blue Point Capital Partners, LLC	Packaged Foods and Meats	-	-	-
12/17/2019	PNC, Inc.	Pacific Ventures Group, Inc.	Packaged Foods and Meats	6	0.2x	-
12/16/2019	Sør Farming AS	Lingalaks AS	Packaged Foods and Meats	137	3.9x	-
12/6/2019	Acque Minerali S.r.l.	Coca-Cola HBC AG	Soft Drinks	97	-	-
11/7/2019	Quest Nutrition, LLC	Atkins Nutritionals Holdings, Inc.	Packaged Foods and Meats	1,000	-	-
11/4/2019	International Dehydrated Foods	Symrise AG	Packaged Foods and Meats	900	4.1x	-
10/27/2019	Speciality Cheese Business of Lion Dairy	Saputo Dairy Australia Pty Ltd.	Packaged Foods and Meats	197	1.5x	-
10/21/2019	Direct Store Delivery Snacks Business	Utz Quality Foods, LLC	Packaged Foods and Meats	140	-	-
10/15/2019	Tulip Ltd	Pilgrim's Pride Corporation	Packaged Foods and Meats	355	0.3x	-
10/15/2019	F & B Nutrition Sdn Bhd	Southern Capital Group	Packaged Foods and Meats	239	1.2x	13.3x
10/15/2019	Creative Snacks Co., LLC	KIND LLC	Packaged Foods and Meats	-	-	-
10/11/2019	Kettle Foods Ltd./Yellow Chips	Valeo Foods Ltd.	Packaged Foods and Meats	80	0.6x	-
10/10/2019	Aspen Brewing Company	Legacy Breweries Inc.	Brewers	-	-	-
10/10/2019	Laurelwood Brewing Co.	Legacy Breweries Inc.	Brewers	-	-	-
10/9/2019	Castle Brands Inc.	Pernod Ricard SA	Distillers and Vintners	276	3.1x	61.1x
10/1/2019	Alimentation Sante SA	Midsona AB	Packaged Foods and Meats	64	1.6x	13.1x

Consumer

Despite looming economic uncertainty and election year jitters, the consumer market enters 2020 poised for another year of growth amidst the longest period of economic expansion in U.S. history. Valuations remain near all time highs as the industry leverages new technologies to adapt to the demands of increasingly empowered consumers for whom convenience is king.



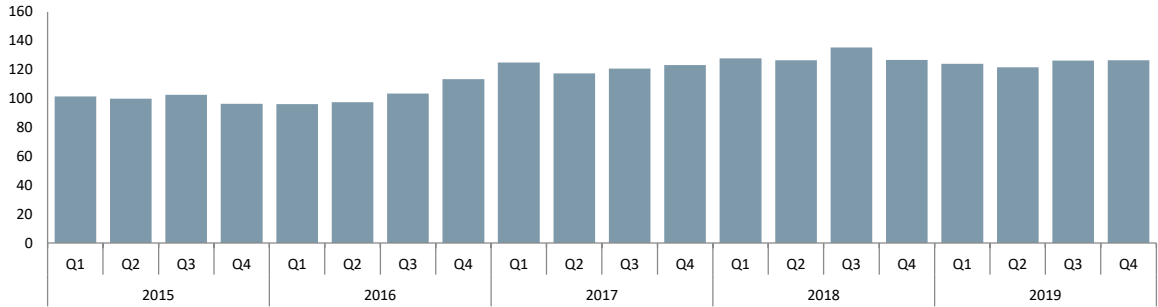
12/31/2019		LTM Financials			Valuation Metrics		LTM Margins		
Company Name	Ticker	Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin	
Altria Group, Inc.	NYSE:MO	\$119,668	\$19,780	\$10,776	6.0x	11.1x	63.8%	54.5%	
Amazon.com, Inc.	NasdaqGS:AMZN	\$947,344	\$265,469	\$34,192	3.6x	27.7x	41.1%	12.9%	
Archer-Daniels-Midland Company	NYSE:ADM	\$34,681	\$64,274	\$2,519	0.5x	13.8x	6.3%	3.9%	
AutoNation, Inc.	NYSE:AN	\$10,387	\$21,199	\$950	0.5x	10.9x	16.4%	4.5%	
Best Buy Co., Inc.	NYSE:BBY	\$25,493	\$43,243	\$2,920	0.6x	8.7x	23.3%	6.8%	
Bunge Limited	NYSE:BG	\$15,877	\$41,900	-\$159	0.4x	NA	1.2%	-0.4%	
CarMax Inc.	NYSE:KMX	\$29,792	\$20,747	\$1,417	1.4x	21.0x	14.9%	6.8%	
Carnival Corporation	NYSE:CCL	\$45,330	\$20,825	\$5,420	2.2x	8.4x	38.0%	26.0%	
Charter Communications, Inc.	NasdaqGS:CHTR	\$187,384	\$45,234	\$16,152	4.1x	11.6x	55.8%	35.7%	
Comcast Corporation	NasdaqGS:CMCS.A	\$308,902	\$108,942	\$34,203	2.8x	9.0x	68.4%	31.4%	
Costco Wholesale Corporation	NasdaqGS:COST	\$130,002	\$154,674	\$6,379	0.8x	20.4x	13.0%	4.1%	
CVS Health Corporation	NYSE:CVS	\$179,119	\$243,331	\$15,751	0.7x	11.4x	17.5%	6.5%	
Dollar General Corporation	NYSE:DG	\$50,829	\$27,246	\$2,731	1.9x	18.6x	30.4%	10.0%	
Dollar Tree, Inc.	NasdaqGS:DLTR	\$31,933	\$23,501	\$2,238	1.4x	14.3x	35.8%	9.5%	
Ford Motor Company	NYSE:F	\$168,725	\$157,978	\$11,635	1.1x	14.5x	8.9%	7.4%	
General Mills, Inc.	NYSE:GIS	\$46,940	\$16,783	\$3,723	2.8x	12.6x	35.1%	22.2%	
General Motors Company	NYSE:GM	\$139,027	\$144,810	\$13,614	1.0x	10.2x	10.1%	9.4%	
Genuine Parts Company	NYSE:GPC	\$19,525	\$19,290	\$1,395	1.0x	14.0x	32.5%	7.2%	
Kimberly-Clark Corporation	NYSE:KMB	\$55,165	\$18,450	\$4,198	3.0x	13.1x	35.0%	22.8%	
Kohl's Corporation	NYSE:KSS	\$13,590	\$19,965	\$2,192	0.7x	6.2x	39.5%	11.0%	
Lear Corporation	NYSE:LEA	\$10,167	\$19,810	\$1,563	0.5x	6.5x	8.8%	7.9%	
Lowe's Companies, Inc.	NYSE:LOW	\$113,159	\$71,768	\$7,775	1.6x	14.6x	31.9%	10.8%	
Macy's, Inc.	NYSE:M	\$12,767	\$25,449	\$1,941	0.5x	6.6x	40.3%	7.6%	
McDonald's Corporation	NYSE:MCD	\$193,077	\$21,077	\$10,676	9.2x	18.1x	52.7%	50.7%	
Mondelez International, Inc.	NasdaqGS:MDLZ	\$98,143	\$25,728	\$5,024	3.8x	19.5x	39.4%	19.5%	
NIKE, Inc.	NYSE:NKE	\$161,570	\$40,781	\$5,961	4.0x	27.1x	45.1%	14.6%	
Penske Automotive Group, Inc.	NYSE:PAG	\$12,671	\$22,727	\$744	0.6x	17.0x	14.9%	3.3%	
PepsiCo, Inc.	NasdaqGS:PEP	\$218,938	\$66,045	\$12,787	3.3x	17.1x	55.2%	19.4%	
Performance Food Group Company	NYSE:PFGC	\$8,207	\$21,447	\$458	0.4x	17.9x	12.3%	2.1%	
Philip Morris International Inc.	NYSE:PM	\$160,265	\$29,591	\$11,673	5.4x	13.7x	64.5%	39.4%	
Rite Aid Corporation	NYSE:RAD	\$7,365	\$21,581	\$516	0.3x	14.3x	21.4%	2.4%	
Starbucks Corporation	NasdaqGS:SBUX	\$112,315	\$26,973	\$5,545	4.2x	20.3x	28.4%	20.6%	
Sysco Corporation	NYSE:SY	\$52,560	\$60,202	\$3,400	0.9x	15.5x	19.0%	5.6%	
Target Corporation	NYSE:TGT	\$78,062	\$77,690	\$7,201	1.0x	10.8x	29.6%	9.3%	
The Coca-Cola Company	NYSE:KO	\$269,934	\$33,560	\$10,670	8.0x	25.3x	61.7%	31.8%	
The Gap, Inc.	NYSE:GPS	\$13,351	\$16,332	\$1,908	0.8x	7.0x	45.7%	11.7%	
The Home Depot, Inc.	NYSE:HD	\$271,074	\$110,934	\$18,315	2.4x	14.8x	34.1%	16.5%	
The Kraft Heinz Company	NasdaqGS:KHC	\$68,346	\$25,332	\$6,245	2.7x	10.9x	32.8%	24.7%	
The Kroger Co.	NYSE:KR	\$43,243	\$120,989	\$5,138	0.4x	8.4x	22.5%	4.2%	
The Procter & Gamble Company	NYSE:PG	\$333,900	\$69,594	\$18,749	4.8x	17.8x	50.7%	26.9%	
The TJX Companies, Inc.	NYSE:TJX	\$82,876	\$40,638	\$5,130	2.0x	16.2x	33.7%	12.6%	
The Walt Disney Company	NYSE:DIS	\$316,224	\$69,570	\$16,113	4.5x	19.6x	39.6%	23.2%	
Twenty-First Century Fox, Inc.	NasdaqGS:FOXA	\$27,064	\$11,515	\$2,776	2.4x	9.7x	36.6%	24.1%	
Tyson Foods, Inc.	NYSE:TSN	\$44,855	\$42,405	\$3,978	1.1x	11.3x	12.0%	9.4%	
US Foods Holding Corp.	NYSE:USFD	\$14,418	\$25,046	\$1,065	0.6x	13.5x	17.7%	4.3%	
Walgreens Boots Alliance, Inc.	NasdaqGS:WBA	\$69,903	\$137,412	\$6,323	0.5x	11.1x	21.6%	4.6%	
Walmart Inc.	NYSE:WMT	\$411,829	\$521,086	\$32,663	0.8x	12.6x	24.8%	6.3%	
Whirlpool Corporation	NYSE:WHR	\$15,606	\$20,419	\$1,909	0.8x	8.2x	17.3%	9.3%	

Median	1.2x	13.7x	32.2%	9.8%
Mean	2.2x	14.1x	31.3%	14.9%

Consumer

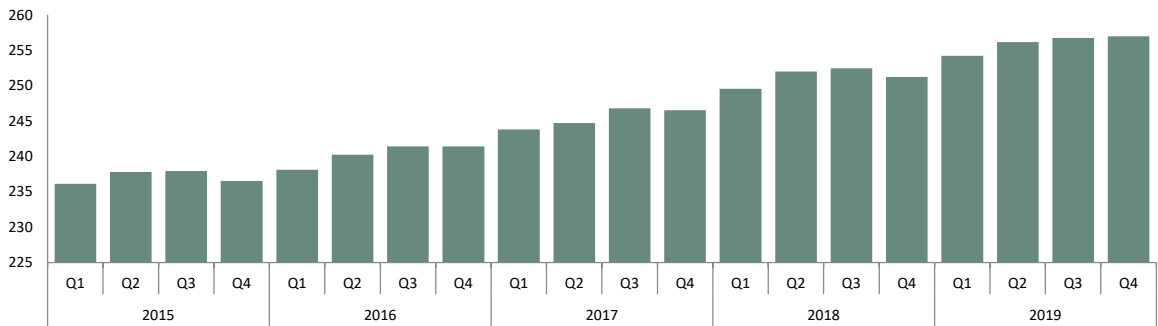
State of the Industry

Consumer Confidence Index



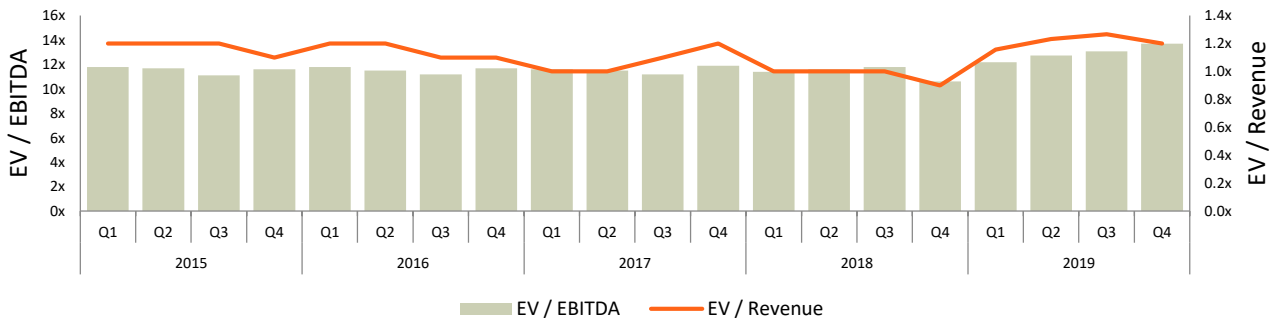
Source: Capital IQ

Consumer Price Index



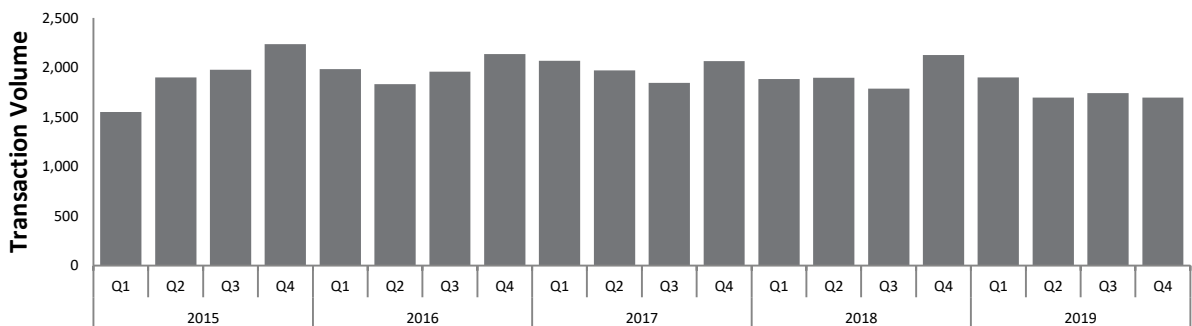
Source: Capital IQ

Industry Valuations



Source: Capital IQ

Consumer Transaction Volume



Source: Capital IQ



The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

About Mirus

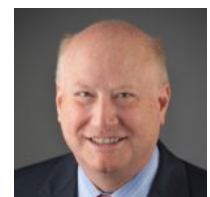
Spending on consumer products & services drives over two-thirds of the US economy, and improving consumer sentiment is driving increased investment activity in the sector. Well-capitalized consumer companies are turning to M&A as a key business strategy to gain access to high growth emerging markets, cover the multichannel landscape, acquire scale, and ensure access to resources. Our Consumer Group understands these trends and can help you best position your company for growth or a successful exit in the midst of ongoing consolidation. Mirus provides direct access to sector-specific expertise, as well as global buyers and sellers.

Partner Spotlight

Andrew Crain brings to Mirus a diverse skillset of transactional, executive and legal acumen. Andy is an experienced dealmaker, and his prior experience as a family business owner gives him a unique vantage point from which to successfully guide clients through the financial, operational and emotional aspects of the transaction process. An investment banker since 2005, Andy provides merger & acquisition and corporate finance advisory services to owners of consumer products, food & beverage, business & industrial services, manufacturing and distribution companies throughout New England and nationwide. He is a trusted senior advisor to closely-held corporations and family businesses, with significant experience executing sell-side and buy-side M&A, leveraged buyouts, and private placements of debt and equity.



Andrew Crain
(781) 418-5950
crain@merger.com



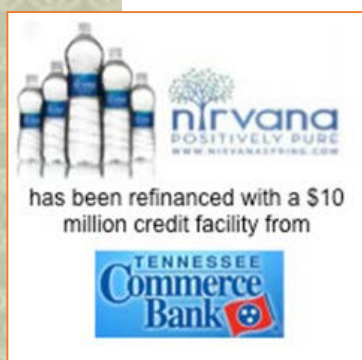
Stuart Rose
(781) 418-5922
rose@merger.com

"Mirus became such an important part of our business during these past months and always brought their best thinking and effort to play. We could not have picked a better partner to help guide Tunstall through this transaction. The Mirus team persisted, remained focused, kept the transaction on track and delivered on their promise." – Oscar Meyer, President & CEO, Tunstall Americas.

Mirus Consumer Spotlight



Crystal Rock is a 100 year old direct-to-consumer home and office water, coffee, filtration and office supply service delivery business. The company bottles and distributes Crystal Rock® Waters purified water, Vermont Pure® natural spring water, Cool Beans® coffee, and other break room items to the commercial office and residential customers throughout New York and New England. Crystal Rock Holdings, Inc. was acquired by Cott Corporation of all outstanding shares of Crystal Rock for \$0.97 per share in cash. Mirus served as the exclusive financial advisor to Crystal Rock in the transaction, which values the company at approximately \$35 million.



Andrew advised Nirvana in a \$10 million growth financing with Tennessee Commerce Bank. Nirvana Inc. has established its brand of positively pure, naturally green, spring water based on the companies' core principles of quality and product integrity. Bottled under its own label as well as for select private label partners, it draws its product from New York State's Adirondack Mountain range of over 2,000 untouched acres, where the firm owns over 50 naturally flowing fresh water springs.



Brigham's Ice Cream Inc. agreed to sell its product lines to a subsidiary of HP Hood LLC in a move that brings together two of the region's biggest and best-loved ice cream brands. Under the agreement, Hood will acquire the Brigham's 94-year-old brand name, all its products, proprietary flavors, and recipes. In a separate transaction, Brigham's 28 retail outlets and restaurants will be sold to Baltimore-based Deal Metrics LLC.

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