

Q2  
24

Consumer Industry

# Mirus Food & Beverage REPORT

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# Food & Beverage

## 2024 Food and Beverage Industry Outlook

The Real Economy, RSM US [Full Article](#)

Middle-market food and beverage businesses faced significant profitability challenges in 2023 due to persistently high input costs, consumer sensitivity to price increases, and the high cost of capital. In 2024, however, businesses have been encouraged to invest in infrastructure for long-term value through cost efficiency and growth. Key investments made include enhancing customer engagement platforms, streamlining supply chain operations, and automating business processes.

Additionally, increasing regulatory and reporting requirements emphasize the need for robust data strategies, operational transparency, and advanced analytics. While compliance requirements are intensifying with new mandates from the FDA and SEC, implementing comprehensive data strategies can transform compliance from a burden into an opportunity for growth, improving efficiency and stakeholder confidence. Embracing these changes can position businesses as industry leaders ready to seize future opportunities.

## These Could Be the Next Big Food and Beverage Trends

CNBC [Full Article](#)

The Summer Fancy Foods Show, hosted by the Specialty Foods Association, has gained a reputation for being a place to spot the next big flavors, foods and drinks of the industry. Some of the standout trends seen at June's New York show included using honey as a flavor, taking fish to go, and developing adventurous salami flavors.

Honey has gained popularity due to its health benefits. The show highlighted a variety of uses from honey soda to honey spreads. After last year's TikTok-fueled canned fish trend, specialty canned seafood was found across the show floor, offering more flavor options, different varieties, and trendier packaging. Exhibitors also showed off new ways to eat fish on the go, capitalizing on consumers' desire for convenience and more protein in their diets. Finally, the rise in social media popularity of charcuterie boards has led to a resurgence in artisan salami, including options for non-pork meat.

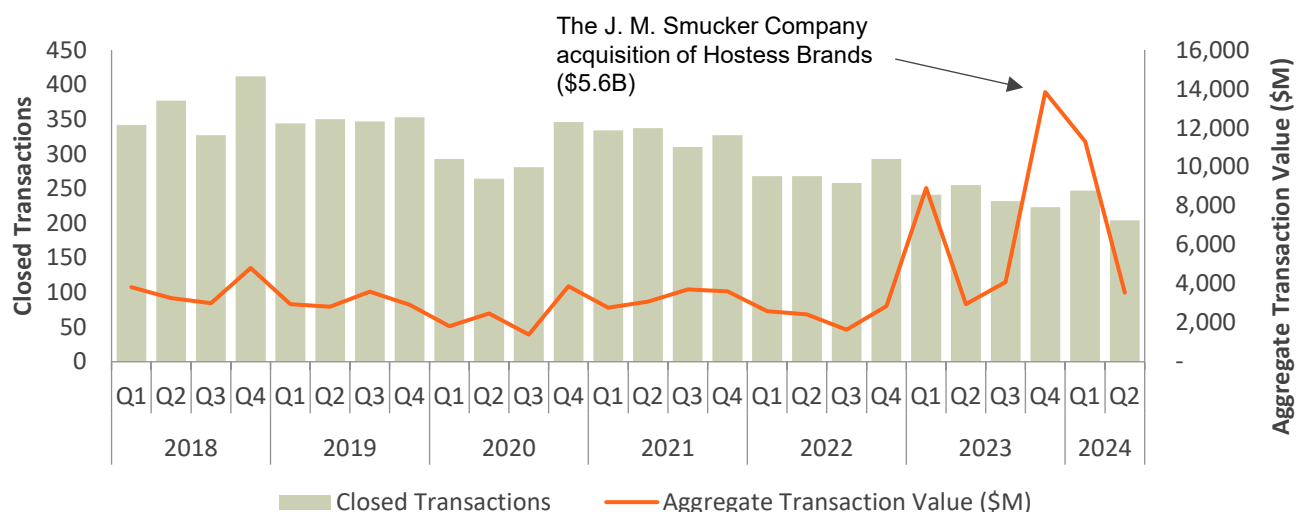
## Brewing Change: Iced Tea Stealing Spotlight from Soda

The Food Institute [Full Article](#)

Tea, the second most popular beverage in the world, following water, has jumped from the seventh most popular drink among Americans to the third most popular drink, according to a Bev50 2024 survey. "Our data suggest this could indeed threaten CSDs [carbonated soft drinks], which dropped to No. 6 in this year's ranking," said Mary Mathes, director of data insights at Alpha-Diver.

The beverage market overall has seen movement towards functional drinks, such as home-brewed loose-leaf teas with herbs, and away from ready-to-drink iced teas and powdered mixes. The polyphenolic compounds present in green and black tea are thought to be effective in the prevention of cardiovascular diseases, including coronary heart disease. Tea may also be benefitting from wider societal trends including reductions in sugar and alcohol consumption by consumers.

# Food & Beverage M&A Environment

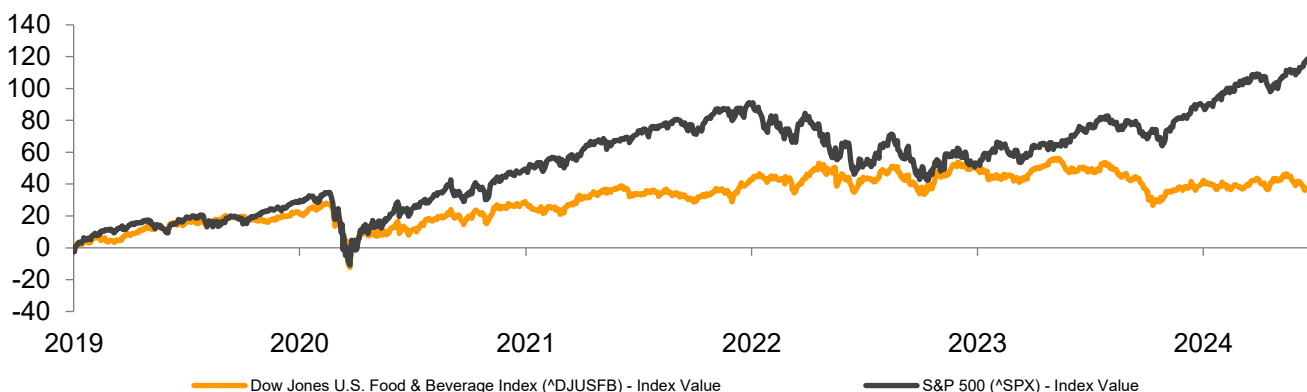


## Selected Q2 2024 Food & Beverage M&A Transactions

Date Closed	Target	Buyers/Investors	Enterprise Value (\$M)
06/30/2024	Sea Smoke Estate Vineyards	Constellation Brands, Inc. (NYSE:STZ)	170.0
06/28/2024	Substantially all the assets of ISE America, Inc.	Cal-Maine Foods, Inc. (NasdaqGS:CALM)	110.0
06/28/2024	Platos Tradicionales S.A.	Grupo Faustino, S.A.	72.9
06/27/2024	Cleanthi Alpha-Olenic Ltd	Zinzino AB (publ) (OM:ZZ B)	2.6
06/25/2024	St. Armands Baking Co., LLC	Engelman's Bakery Inc.	-
06/17/2024	Cheeze Kurls, LLC	Nexus Capital Management LP	-
06/14/2024	Table Talk Pies, Inc.	Rise Baking Company, LLC	-
06/13/2024	Brotalia, S.L.	Above Food Ingredients Inc. (NasdaqGM:ABVE)	56.2
06/13/2024	Only What You Need, Inc.	The Simply Good Foods Company (NasdaqCM:SMPL)	280.0
06/12/2024	Bakery de France, Inc.	La Lorraine Bakery Group NV	-
06/11/2024	Zeal Creamery	Neutral Foods, Inc.	-
05/09/2024	Sweet Eddie's, Inc.	Sweetmore Bakeries	-
05/07/2024	Lucky Spoon Bakery, LLC	Rubicon Bakers LLC	-
05/03/2024	Bar Bakers, LLC	TruFood Manufacturing	-
05/03/2024	Sonoma Creamery LLC	Our Home	-
05/02/2024	Truffle Shuffle Inc.	Butcherbox Opco, LLC	-
04/30/2024	Manufacturing facilities and Assets of Utz Brands, Inc.	Our Home	18.5
04/30/2024	Courvoisier S.A.S.	Davide Campari-Milano N.V. (BIT:CPR)	1,293.5
04/26/2024	Flavor Producers, LLC	Glanbia plc (ISE:GL9)	355.0
04/17/2024	Orkla Food Ingredients AS	Rhone Group L.L.C.	226.6
04/08/2024	That's How We Roll LLC	J&J Snack Foods Corp. (NasdaqGS:JJSF)	7.7

# Sector Update: Food & Beverage

The Specialty Food Association’s Summer Fancy Food Show reflected a growing consumer focus on health and wellness trends and lifestyle diets—like paleo, keto-friendly, and vegan—with a large number of innovative, low-sodium and low-sugar products exhibiting at the show. Millennial and Gen Z shoppers are increasingly turning to functional foods—like oils rich in omega-3s and “better-for-you” drinks with antioxidants and electrolytes—to meet health goals, including mental health. Look for an increasing demand for healthier options in mainstream markets.



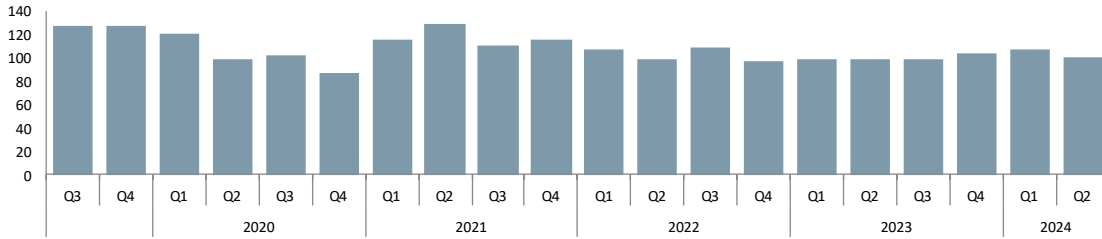
## Select Food & Beverage Public Companies

6/30/2024		LTM Financials			Valuation Metrics		LTM Margins	
Company Name	Ticker	Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
The Coca-Cola Company (NYSE:KO)	NYSE:KO	\$302,566	\$46,465	\$15,584	6.5x	19.4x	60.5%	33.5%
PepsiCo, Inc. (NasdaqGS:PEP)	NasdaqGS:PEP	\$264,404	\$92,054	\$16,842	2.9x	15.7x	54.6%	18.3%
Mondelez International, Inc. (NasdaqGS:MDLZ)	NasdaqGS:MDLZ	\$106,003	\$35,976	\$7,886	2.9x	13.4x	40.3%	21.9%
Keurig Dr Pepper Inc. (NasdaqGS:KDP)	NasdaqGS:KDP	\$61,709	\$15,062	\$4,228	4.1x	14.6x	55.8%	28.1%
The Kraft Heinz Company (NasdaqGS:KHC)	NasdaqGS:KHC	\$58,210	\$26,317	\$6,493	2.2x	9.0x	34.8%	24.7%
Constellation Brands, Inc. (NYSE:STZ)	NYSE:STZ	\$59,643	\$10,109	\$3,787	5.9x	15.8x	51.1%	37.5%
General Mills, Inc. (NYSE:GIS)	NYSE:GIS	\$48,457	\$19,857	\$4,321	2.4x	11.2x	35.0%	21.8%
The Hershey Company (NYSE:HSY)	NYSE:HSY	\$42,352	\$11,014	\$3,019	3.8x	14.0x	45.4%	27.4%
Monster Beverage Corporation (NasdaqGS:MNST)	NasdaqGS:MNST	\$48,551	\$7,386	\$2,149	6.6x	22.6x	53.7%	29.1%
Archer-Daniels-Midland Company (NYSE:ADM)	NYSE:ADM	\$40,667	\$88,768	\$3,988	0.5x	10.2x	7.4%	4.5%
Kellanova (NYSE:K)	NYSE:K	\$26,271	\$12,821	\$1,896	2.0x	13.9x	34.4%	14.8%
Tyson Foods, Inc. (NYSE:TSN)	NYSE:TSN	\$29,147	\$53,092	\$2,556	0.5x	11.4x	6.3%	4.8%
McCormick & Company, Incorporated (NYSE:MKC)	NYSE:MKC	\$23,355	\$6,683	\$1,233	3.5x	18.9x	38.0%	18.4%
Brown-Forman Corporation (NYSE:BF.B)	NYSE:BF.B	\$23,324	\$4,178	\$1,232	5.6x	18.9x	60.5%	29.5%
Conagra Brands, Inc. (NYSE:CAG)	NYSE:CAG	\$22,256	\$12,051	\$2,335	1.8x	9.5x	27.8%	19.4%
Campbell Soup Company (NYSE:CPB)	NYSE:CPB	\$20,871	\$9,411	\$1,826	2.2x	11.4x	31.7%	19.4%
The J. M. Smucker Company (NYSE:SJM)	NYSE:SJM	\$20,103	\$8,179	\$1,881	2.5x	10.7x	38.1%	23.0%
Hormel Foods Corporation (NYSE:HRL)	NYSE:HRL	\$19,029	\$12,046	\$1,302	1.6x	14.6x	16.8%	10.8%
Bunge Global SA (NYSE:BG)	NYSE:BG	\$18,925	\$55,821	\$2,725	0.3x	6.9x	6.9%	4.9%
Molson Coors Beverage Company (NYSE:TAP)	NYSE:TAP	\$17,006	\$11,938	\$2,559	1.4x	6.6x	39.1%	21.4%
Pilgrim's Pride Corporation (NasdaqGS:PPC)	NasdaqGS:PPC	\$11,890	\$17,810	\$1,607	0.7x	7.4x	9.8%	9.0%
Post Holdings, Inc. (NYSE:POST)	NYSE:POST	\$12,401	\$7,858	\$1,298	1.6x	9.6x	29.0%	16.5%
Lamb Weston Holdings, Inc. (NYSE:LW)	NYSE:LW	\$15,959	\$6,468	\$1,412	2.5x	11.3x	27.6%	21.8%
Coca-Cola Consolidated, Inc. (NasdaqGS:COKE)	NasdaqGS:COKE	\$10,314	\$6,731	\$1,047	1.5x	9.9x	39.5%	15.6%
Darling Ingredients Inc. (NYSE:DAR)	NYSE:DAR	\$10,503	\$6,115	\$913	1.7x	11.5x	23.8%	14.9%
Ingredion Incorporated (NYSE:INGR)	NYSE:INGR	\$9,024	\$7,714	\$1,117	1.2x	8.1x	21.8%	14.5%
Celsius Holdings, Inc. (NasdaqCM:CELH)	NasdaqCM:CELH	\$13,254	\$1,490	\$339	8.9x	39.1x	50.4%	22.7%
Freshpet, Inc. (NasdaqGM:FRPT)	NasdaqGM:FRPT	\$6,433	\$875	\$78	7.4x	82.4x	36.9%	8.9%
Flowers Foods, Inc. (NYSE:FLO)	NYSE:FLO	\$6,028	\$5,133	\$495	1.2x	12.2x	48.8%	9.6%
Lancaster Colony Corporation (NasdaqGS:LANC)	NasdaqGS:LANC	\$5,049	\$1,874	\$265	2.7x	19.0x	23.0%	14.2%
Primo Water Corporation (TSX:PRMW)	TSX:PRMW	\$4,414	\$1,846	\$385	2.4x	11.5x	64.8%	20.8%
National Beverage Corp. (NasdaqGS:FIZZ)	NasdaqGS:FIZZ	\$4,518	\$1,192	\$239	3.8x	18.9x	36.0%	20.0%
Seaboard Corporation (NYSEAM:SEB)	NYSEAM:SEB	\$3,741	\$9,070	\$280	0.4x	13.4x	4.4%	3.1%
TreeHouse Foods, Inc. (NYSE:THS)	NYSE:THS	\$3,270	\$3,383	\$290	1.0x	11.3x	16.2%	8.6%
J&J Snack Foods Corp. (NasdaqGS:JJSF)	NasdaqGS:JJSF	\$3,283	\$1,592	\$190	2.1x	17.3x	31.2%	11.9%
The Simply Good Foods Company (NasdaqCM:SMPL)	NasdaqCM:SMPL	\$3,686	\$1,276	\$241	2.9x	15.3x	38.1%	18.9%
Utz Brands, Inc. (NYSE:UTZ)	NYSE:UTZ	\$2,869	\$1,427	\$123	2.0x	23.4x	33.4%	8.6%
The Boston Beer Company, Inc. (NYSE:SAM)	NYSE:SAM	\$3,435	\$2,000	\$237	1.7x	14.5x	43.8%	11.8%
B&G Foods, Inc. (NYSE:BGS)	NYSE:BGS	\$2,701	\$2,001	\$299	1.4x	9.0x	22.2%	14.9%
Cal-Maine Foods, Inc. (NasdaqGS:CALM)	NasdaqGS:CALM	\$2,299	\$2,326	\$394	1.0x	5.8x	23.3%	17.0%
MGP Ingredients, Inc. (NasdaqGS:MGPI)	NasdaqGS:MGPI	\$1,927	\$788	\$196	2.4x	9.8x	38.7%	24.8%
Tootsie Roll Industries, Inc. (NYSE:TR)	NYSE:TR	\$2,007	\$751	\$135	2.7x	14.9x	33.9%	18.0%
WK Kellogg Co (NYSE:KLG)	NYSE:KLG	\$1,848	\$2,722	\$378	0.7x	4.9x	28.7%	13.9%
Westrock Coffee Company (NasdaqGM:WEST)	NasdaqGM:WEST	\$1,645	\$835	\$7	2.0x	NA	17.8%	0.8%
Beyond Meat, Inc. (NasdaqGS:BYND)	NasdaqGS:BYND	\$1,500	\$318	-\$181	4.7x	NA	-0.8%	-56.8%
The Hain Celestial Group, Inc. (NasdaqGS:HAIN)	NasdaqGS:HAIN	\$1,434	\$1,765	\$138	0.8x	10.4x	22.2%	7.8%
The Vita Coco Company, Inc. (NasdaqGS:COCO)	NasdaqGS:COCO	\$1,456	\$500	\$79	2.9x	18.4x	40.4%	15.8%
The Duckhorn Portfolio, Inc. (NYSE:NAPA)	NYSE:NAPA	\$1,357	\$398	\$133	3.4x	10.2x	54.9%	33.3%
John B. Sanfilippo & Son, Inc. (NasdaqGS:JBSS)	NasdaqGS:JBSS	\$1,175	\$1,031	\$111	1.1x	10.6x	0.0%	10.7%
Vital Farms, Inc. (NasdaqGM:VITL)	NasdaqGM:VITL	\$1,859	\$542	\$65	3.4x	28.7x	0.0%	11.9%
Median					2.2x	11.8x	34.6%	16.7%
Mean					2.6x	15.0x	33.3%	15.7%

# Sector Update: Consumer

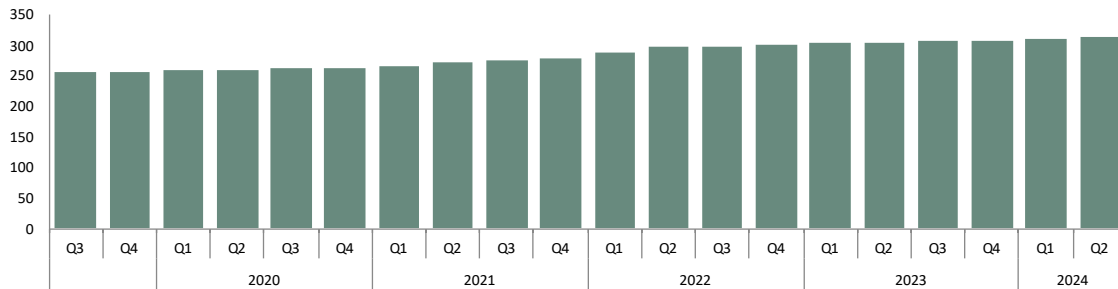
## State of the Industry

### Consumer Confidence Index



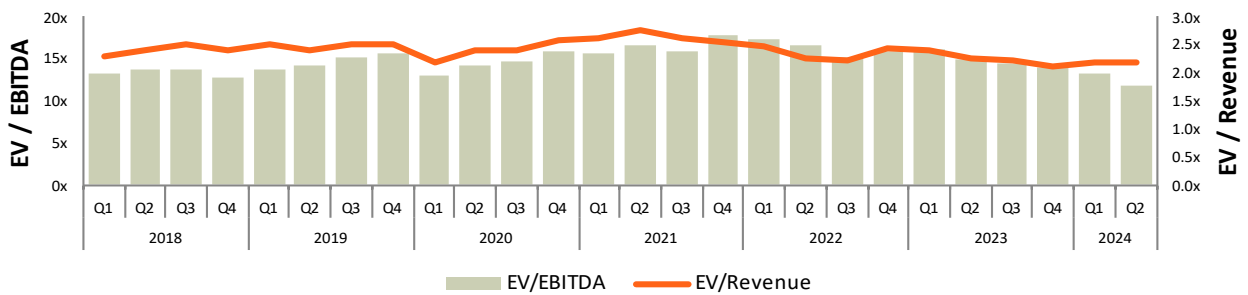
Source: Capital IQ

### Consumer Price Index



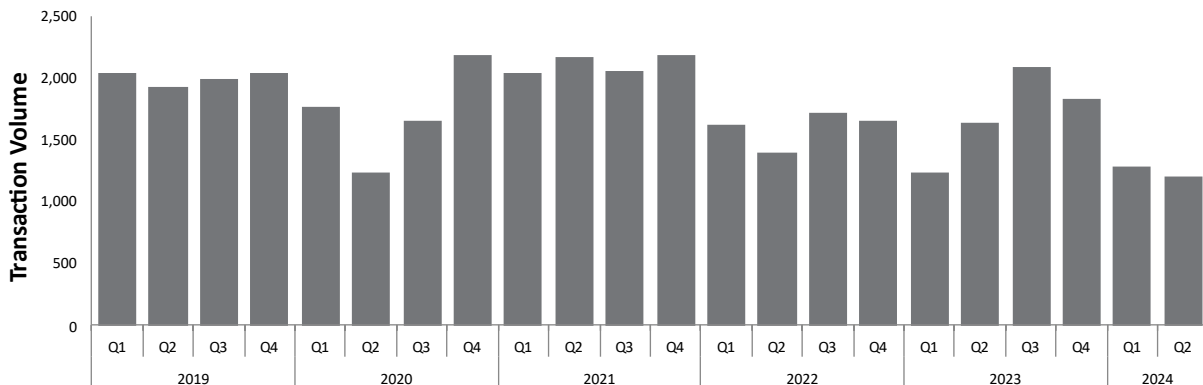
Source: Capital IQ

### Food & Beverage Industry Valuations



Source: Capital IQ

### Consumer Transaction Volume



Source: Capital IQ



35 Years. 350 Deals.

## The Value of Accomplishment

### About Mirus

Spending on consumer products & services drives over two-thirds of the U.S. 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.

### 35 Years. 350 Deals.

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.
- 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.



# Partner Spotlight



**Andrew Crain**

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 food manufacturing business owner and CEO 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.

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**Stuart Rose**

An investment banker since 2005, Stuart has 20 years experience as a senior executive of national retail chains, and e-commerce and direct marketing companies, including shoe, home furnishing, continuing education and food catalogs and companies. He has additional experience in apparel and beauty. Stuart's transaction experience centers on e-commerce and catalog companies, food and beverage, and home and gift. Stuart, a frequent speaker and writer, has an MBA from Harvard University and has taught direct marketing and advertising at Bentley College.

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# Trusted advisors to businesses just like yours

## Notable Mirus consumer transactions



Crystal Rock®  
WATER • COFFEE • OFFICE SUPPLIES • SINCE 1914

has been acquired by



Cott  
(NYSE: COTT)

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.



BERROCO®

has been acquired by



Premier  
NEEDLE ARTS

a portfolio company of



BLUEPOINT  
Capital Partners

Mirus advised Berroco, Inc. in its sale to Premier Needle Arts (PNA), a Blue Point Capital Partners portfolio company. Located in RI, Berroco is a leading brand, designer, importer and wholesaler of yarns, patterns, and knitting supplies in the U.S. and Canada. The Berroco brand is widely known for its high quality, and the Company holds numerous trademarks for its unique yarns. Berroco was founded in 1989 by Warren and Caroline Wheelock.



Brigham's  
ICE CREAM

has been acquired by  
an affiliate of



Hood®

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.



WEBS®  
America's Yarn Store

has been acquired by



-lovecrafts-

Valley Fibers Corporation, dba WEBS America's Yarn Store and yarn.com, has been acquired by LoveCrafts Group Limited. This will bring together two leading companies in the market of yarns, weaving, and spinning supplies. It will also allow for the UK-based LoveCrafts to further expand into the North American crafting- focused e-commerce business. Following this transaction, LoveCrafts plans to keep the Valley Fibers retail store, product development, and marketing staff in Northampton, MA and its shipping operations in Easthampton, MA.

*Note: Includes transactions completed by Mirus partners at prior firms*

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