

Summer 2022

Consumer Biz Buzz

News That Makes Teeth Whiter, Clothes Brighter,
and Life Just Plain Better

TRANSACTION NEWS

Beauty is in the eye of the new owner.

- **Philip Morris** is buying **Swedish Match**, the smokeless tobacco company, for \$16 billion. It puts PMI back in the US for the first time since the 2008 spinoff from **Altria**.
- **Mondelez** is buying **Ricolino**, the Mexico-based confections business of **Grupo Bimbo**. The price is \$1.3 billion.
- **General Mills** is buying **TNT Crust**, a frozen pizza crust company. **Peak Rock Capital** is the happy seller.



R.E.D.D.

- **Lesser Evil** bought **REDD Bar**, a maker of plant-based protein bars. It is Lesser Evil's first foray into bars.

- Speaking of protein bars, **Ferrero** is buying **Fulfil Nutrition**. The Irish company makes low-sugar protein bars with added vitamins.



- **Constellation Brands** bought the rest of **Austin Cocktails**, a ready-to-drink brand. They bought their first stake in 2018.



- **Diageo** bought **21Seeds**, a three-year-old tequila brand flavored with real fruit.
- **Post Holdings** bought **Lacka Foods**, the UK-based makers of *Üfit* protein shakes. It will be added to their **Weetabix** subsidiary.
- **Helen of Troy** bought **Recipe Products** for their *Curlsmith* brand of curly and wavy hair products. The price was \$150 million.
- **Wella** bought hair care brand **Briogeo**. It is the **KKR**-backed company's first acquisition since spinning off from **Coty**.



Briogeo

- **J&J Snack Foods** is buying **Dippin' Dots**, the frozen novelties brand focused mostly on foodservice. The price was \$222 million.

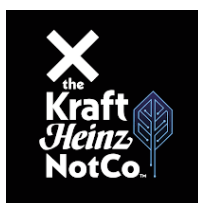


TRANSACTION NEWS...CONTINUED

- **Ohio Processors**, a dairy company, bought **Pierre's Ice Cream**. It is a regional brand based in Cleveland.
- South Korean beauty company **LG H&H** is paying \$120 million for 65% of **The Crème Shop**, a skincare and makeup brand.
- **L'Occitane** bought a majority stake in **Grown Alchemist**, a clean skincare brand from Australia.

Groupe
L'OCCITANE

GROWN ALCHEMIST



- **Kraft Heinz** formed a JV with **NotCo**, a food tech company. The new company, creatively called **Kraft Heinz NotCo**, will focus on plant-based innovation.

- **Upfield**, the spreads spinoff from **Unilever**, bought a minority stake in **Oggs**. They make an egg alternative.
- **AS Beauty** acquired **Cover FX**, a Toronto-based cosmetics company focused on sensitive skin.
- **JBS** scrapped their plan to buy the remaining 20% of **Pilgrim's Pride**. The two companies could not agree on a price.
- **Bolthouse Farms** is buying the *Evolution Fresh* juice brand. Starbucks has owned it since 2011.

Private equity firms continue to be active buyers and sellers:

- **Swander Pace** invested in **Purely Elizabeth**, a maker of premium granola, oatmeal, and pancake mixes.

purely elizabeth.

- Meanwhile, **Swander Pace** sold **T-Bev**, an ingredients company, to **Florida Food Products**.

- **CapVest Partners** is buying **Second Nature Brands** from **Palladium Equity**. The company's brands include *Kar's Nuts*.



- **Goode Partners** invested \$30 million for a minority stake in **Jocko Fuel**. They make sports and lifestyle nutritional products.
- **L Catterton** and their **Beauty Industry Group** company acquired **Bellami**. The brand is a leader in hair extensions.



- Speaking of **L Catterton**, their **Kodiak Cakes** received a minority investment from **Patricof Co.** That fund invests on behalf of professional athletes.
- **WP Strategic Holdings** bought a majority stake in **Larry's All-Natural**. They make six types of salsas and cooking sauces.
- **Gridiron Capital** bought **Performance Health**, a rehab and wellness company. Their lead brand is *Theraband*.
- **Vestar** and **New Mountain Capital** sold **IRI**, the CPG data supplier, to **Hellman & Friedman**. The company will be combined with research supplier **NPD Group**.

Among earlier stage companies:

- **Next Gen Foods** raised a \$100 million series A round. It is the largest ever for a meat alternative company, and they will use it to bring their *Tindle* brand to the US.



- **Scotch Porter**, a grooming brand for Black men, raised an \$11 million series B round.



- **Mikuna Foods** raised \$6 million in a seed round, backed by pro athletes and business leaders. They make a plant-based protein.
- **Haofood** of Shanghai raised a \$3.5 million seed round. They use peanuts to make a vegan chicken alternative.
- **Everything Legendary**, a Black-owned maker of plant-based burgers, raised a \$6 million series A round. It was led by **CircleUp**, with **Mark Cuban** and the **General Mills** venture fund joining in.
- **Cake**, a sexual wellness brand, raised a \$2.5 million bridge round. Among other things, it will fund their launch in Target.
- **Lemon Perfect** raised a \$31 million series A round. **Beyoncé** is one of the investors in this bottled lemon water brand.



- **Tractor Beverage Company** is raising \$60 million in growth funding, led by **Keurig Dr Pepper**. The brand focuses on foodservice.
- **Madison Reed** raised \$33 million to add more retail hair color bars. **Sandbridge Capital** led the round.
- **Resugar** raised a \$3 million series A round. They make a plant-based sugar substitute.
- **Umara Foods** raised \$3 million in seed funding. Their technology turns seaweed into bacon ... and everyone loves bacon.
- **Acid League** raised \$6 million while launching a dozen products in Whole Foods. They make vinegars, sauces, condiments, and no-alcohol wines.
- **Neutral Foods** raised a celebrity round that involves **LeBron James** and **John Legend**. The carbon-neutral milk is gaining distribution in natural grocery chains.



Appearing soon on a stock exchange near you:

- **Bausch + Lomb** hopes to raise \$788 million when they list on the NYSE and Toronto Stock Exchange. That would value the company at \$8 billion.
- **L Catterton** is reportedly looking at an IPO this summer. They hired Goldman and Morgan Stanley to assist.

COURTROOMS AND BUREAUCRACY

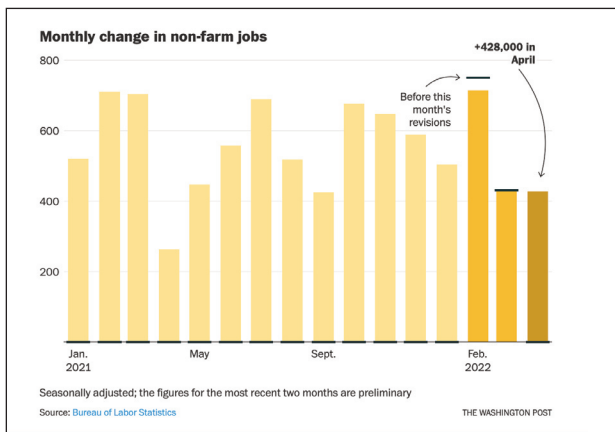
Hey, lawyers are people too.

- The FDA has proposed a **ban on menthol cigarettes**, which now account for more than a third of the US market. The ban would not take effect until at least 2024.
- Speaking of the FDA, new legislation will close a loophole that kept them from being able to regulate all e-cigarettes. **Puff Bar** and others evaded a prior ban on flavored products by switching to synthetic nicotine.
- A federal judge ruled against the FTC. They had tried to block **Altria's** purchase of a 35% stake in **Juul** in 2021.
- **Clif Bar** agreed they are not “The Ultimate Energy Bar” with “an optimal blend of protein, fat, and carbs.” The NAD agreed with **KIND's** complaint, saying the first part is hyperbole but the second part involves measurable product attributes.
- A **mistrial was declared** – for the second time – when a jury could not reach a verdict in a chicken price-fixing case. The ten defendants came from several companies.

EXPANDING AND CONTRACTING

Obviously, we prefer the former.

- The US economy **added 428,000 jobs** in April. That marks 12 straight months of 400,000+ growth, although we sense a slowdown.



- **Barry Callebaut** is building a new factory in Canada to make specialty chocolates. No word on how many jobs will be added.



- **PepsiCo** is closing an R&D center in Chicago that has housed the *Gatorade Sports Science Institute* since 1985. The decision cuts 78 jobs, with 212 moving.
- Meanwhile, **Mars Wrigley** is building a \$40 million addition to their R&D center in Chicago. It will add 30 jobs.



PEOPLE NEWS

Time to update your scorecards.

CEOs

- **Peter McGuinness** joined **Impossible Foods**, the meat alternative company, as CEO. He was at **Chobani**.
 - **Chris Boever** is joining **Stryve Foods**, a maker of air-dried meat snacks, as CEO. He was at **Hain Celestial**, **Pinnacle Foods**, **Conagra**, and **Hormel**.
 - **Michael Marquis** joined **Raw Sugar**, a personal care brand, as CEO. He comes from a long tenure at **J&J**.
 - **Craig Stevenson** joined **Lundberg Family Farms**, an organic rice and quinoa company, as CEO. He was at **Scholl's Wellness**, **Clorox**, and **P&G**.
 - We missed it last issue, but **Bobby Chacko** joined **TruRoots LLC**, the new owners of *RW Knudsen* and *TruRoots*, as CEO. He was at **Ocean Spray**, **Mars**, and **Coca-Cola**.
 - Also, **Paul Schiraldi** joined **Murad** as CEO late last year. He was at **Dermalogica**, **L'Oréal**, and **Revlon**.
- A number of moves failed to utilize a highly-skilled executive recruiter. Or our competitors.*
- **Keurig Dr Pepper** promoted **Ozan Dokmecioglu** to CEO. The former CFO and president of international succeeds **Bob Gamgort** as he retires.
 - **L'Oréal** named **David Greenberg** as CEO of the US unit. He has been at the company 28 years, after starting at **Unilever**.
 - In a move we missed last issue, **Bob's Red Mill** promoted **Trey Winthrop** to CEO. He was the CFO.

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L'ORÉAL

**Keurig
DrPepper**

Murad®

**Bob's
Red Mill®**
To Your Good Health
Bob Moore
AN EMPLOYEE-OWNED COMPANY

PRESIDENTS AND GMs

- **Jackson Jeyanayagam** joined **AB InBev** to develop and launch a new product. He was at **Clorox** most recently.
- **Noel Geoffroy** joined **Helen of Troy** as COO. She was at **Sanofi, Kellogg, Heinz, and P&G**.
- **Kevin Burns** rejoined **Chobani** as president. He was at **Juul** most recently, but he was at Chobani from 2014 to 2016.
- **Quincy Troupe** joined **Zevia**, the healthy soft drink company, as COO. He was a board member.
- **Jean-Christophe Flatin** is joining **Oatly**, the oat milk company, as president. He was at **Mars** most recently.
- Meanwhile, **Daniel Ordonez** is also joining **Oatly**. The new COO has spent his career at **Danone**.

Other moves failed to support the vital headhunter sector of our economy:

- **Mondelez** named **Jay Cooper** as president of Northern Europe. **Clive Jones** is moving to president of Central Europe.
- **McCormick** named **Brendan Foley** as president and COO. He will now oversee all the business units and the supply chain.
- **P&G** named **Chris Heiert** as GM of their new specialty beauty division. The brands include *Farmacy, Tula Skincare, Quai, First Aid Beauty, See Me Beauty, and Keep It Anchored*.
- **Newell Brands** added the president title for **Chris Peterson**. He is also the CFO.



SALES AND MARKETING

- **Andy Judd** joined **Laird Superfood** as chief commercial officer. His career includes **Yasso**, **Boulder Brands**, **WhiteWave**, and **Campbell Soup**.
- Meanwhile, **Daryl Moore** also joined **Laird Superfood**, becoming SVP of sales. His history includes **Bulletproof Nutrition**, **Aryzta**, and **Starbucks**.
- **Jennie Laar** joined **e.l.f. Beauty** as chief commercial officer. She was at **Forma Brands** and **Bare Escentuals**.
- **Kara Trousdale** joined **Beautycounter**, a clean beauty leader, as chief commercial officer. She comes from Amazon.
- **Keith Diggs** joined **Pabst Brewing** as chief sales officer. He was at Amazon and **Anheuser-Busch**.
- **Blair Cornish** joined **Kite Hill** as SVP of sales. She was at **Vive Organic**, **Harmless Harvest**, **Big Heart Pet**, and **Frito-Lay**.
- **Gayle Bartscherer** joined **Duckhorn**, a luxury wine company, as CMO. She was at **Jackson Family Wines**.
- **Jon Lessor** joined **Daring**, a plant-based alternative to chicken, as SVP of marketing. He was at **KIND Snacks** and **Dannon**.
- We missed it in the last issue, but **Kelly Solomon** joined **KIND** as CMO. She was at **Estée Lauder**, **L'Oréal**, and **Godiva**.

Other people moved up without changing companies:

- **Clorox** named **Eric Schwartz** as CMO. He was a business unit general manager.
- **Unilever** named **Conny Braams** as chief digital and commercial officer. She had been the chief marketing and digital officer.
- **Brown-Forman** named **David Rodiek** to run global travel retail. The 17-year company vet succeeds **Aude Bourdier**, who will run the France/BeLux region.
- **L'Oréal** named **Han Wen** as chief digital and marketing officer. She was running e-commerce for the professional unit.
- **AB InBev** named **Marcel Marcondes** as global CMO. He was CMO in the US and then president of the Beyond Beer division.
- Meanwhile, **AB InBev** named **Ricardo Tadeu** as chief growth officer. He has been at the company 15 years.
- Finally, **AB InBev** named **Lucas Herscovici** as chief direct-to-consumer officer. He was the global sales head.
- **Sargento** promoted **Chris Regennitter** to SVP of sales and **Joy Judski** to VP of sales.

OTHER FUNCTIONS

- **Anna Basista** joined **Pabst Brewing** as chief HR officer. She comes from Superior Essex, but earlier she was at **Ralcorp**.
- **Melissa Napier** joined **Conagra** as SVP of investor relations. She was at **US Foods**, **Tyson**, **Hillshire**, and **Sara Lee**.
- **Nelson Urdaneta** joined **Kimberly-Clark** as CFO. He was at **Mondelez**.
- **Tad Godsil** joined **Signature Brands**, the dessert decorations company, as CFO. His CPG work includes **Zesty Paws**, **Ancient Nutrition**, and **Kellogg**.
- **Joe McDermott** joined **Philadelphia Macaroni Company** as CFO. Most recently he was at jam company **Zentis**.
- **Dara Killilea** joined **My/Mochi Ice Cream** as CFO. He was at beverage company **Stratus Group** and **ARYZTA**.
- **Travis Leonard** joined **Hostess Brands** as CFO. He was at **Cardinal Health**, **Cargill**, and **Kraft Foods**.
- **Denise Beckles** joined **Zevia**, the healthy soft drink company, as CFO. She was on the board.
- **Deb O'Connor** joined **ACCO Brands**, an office products company, as CFO. She was at **True Value**.
- **Kristina Johnston** joined **Vintage Wine Estates** as CFO. She was at **Constellation Brands**.
- **Sergio Cervantes** joined **Grove Collaborative** as CFO. He was at **Unilever** and **Gillette**.
- Meanwhile, **Drew Barrymore** became **Grove Collaborative's** first global brand and sustainability advocate. We suspect she will keep her day job as an actor.
- **Chris Clark** joined **Black Rifle Coffee** as chief technology officer. He was at **Levi Strauss**, **Lululemon**, and **Gap Inc.**

Yada yada yada about internal moves:

- **McCain Foods** promoted **Chris Jones** to VP of manufacturing. He joined the company from **General Mills** in 2016.

BOARDS OF DIRECTORS

- **Gary McCullough** joined the board of Freeman Company, a corporate events leader. His CPG background includes **Abbott Nutrition**, **Wrigley**, and **P&G**.
- **Joe Scalzo** joined the **TreeHouse** board. He is the CEO of **Simply Good Foods**.
- **James Park** joined the **Kraft Heinz** board. He co-founded FitBit and now runs that business for Google.
- Meanwhile, **Kraft Heinz** added the chairman title to **Miguel Patricia**'s responsibilities. He will continue as CEO.
- **Jody Macedonio** and **Alicia LeBeouf** joined the board of **Nutrabolt**, a sports nutrition brand. Jody was most recently the CFO of **Chobani**, while Alicia is at Meta (formerly known as Facebook).
- **Arturo Nuñez** joined the **Estée Lauder** board. He is the CMO of NuBank, a digital banking platform headquartered in Brazil.
- **Gina Boswell** joined the board of **ACCO Brands**, the office products company. She ran customer development at **Unilever**.
- **Caroline Levy** joined the board of **Health-Ade**, a maker of kombucha and other gut-health beverages. She was an analyst focused on the beverage industry.
- **Adrian Mitchell** joined the **Stanley Black & Decker** board. He is the CFO of Macy's. Meanwhile, **Andrea Ayers** was named chair.
- **Tabata Gomez** and **Elena Otero** joined **Helen of Troy's** board. Tabata is a division president at **Stanley Black & Decker**, while Elena was the CMO at **Clorox**.
- **Dan Fachner** and **Roy Jackson** joined the **J&J Snack Foods** board. Dan is the company's CEO; Roy is a foodservice pro who has retired from **Coca-Cola**.
- **Juliana Chugg** joined the Darden Restaurants board. We care because she was the chief brand officer at **Mattel**.
- **Procter & Gamble** named **Jon Moeller** as chairman. He is the company's CEO.

OBITUARIES

We lost some good ones recently.



■ **Jack Cakebread** died at 92. The former auto mechanic founded **Cakebread Cellars**, a brand that helped make Napa Valley a world-renowned wine region.



■ **Charles Entenmann** died at 92. He was one of three brothers who turned **Entenmann's** from a Long Island bakery into a national baked goods leader.



■ **Jeanette Wagner** died at 92. She led the company's international expansion during her 27 years at **Estée Lauder**.



■ **Durk Jager** died at 78. The blunt and demanding Dutchman was **P&G's** first CEO to be born outside the US.



■ **Peter Moore** died at 78. He was part of the team that created the *Air Jordan* shoe for **Nike**, creating an enduring brand that changed sneaker culture forever.



■ **Garth Merrick** died at 75. He founded **Merrick Pet Care**, a food and treats company that is now part of **Nestlé Purina**.



■ **Philip Hilts** died at 74. His reporting for *The New York Times* in 1994 proved tobacco companies knew cigarettes were addictive and linked to lung cancer.

MARKETING AND STRATEGY

Some of this stuff is really smart!

- **Flowers Foods** is extending the *Dave's Killer Bread* brand into snack bars. It starts with three varieties.



- **Kellogg** unveiled *InGrained*, a \$2 million program to reward farmers for reducing greenhouse gases. It starts with rice farmers in Louisiana.

- The JV created last year by **Beyond Meat** and **PepsiCo** launched their first product, *Beyond Meat Jerky*. The three flavors are Beyond Meat's first shelf stable product.

- Speaking of **PepsiCo**, they launched *Nitro Pepsi*. Each can has a widget that releases nitrogen bubbles for a creamy texture.



- **Nestlé** partnered with **Kellogg** to launch a new flavor of *Carnation Breakfast Essentials* nutrition drink. This one is *Rice Krispies Treats*, after a *Froot Loops* flavor launched last year.



- **Hostess** is rolling out caffeinated donuts using the *Hostess Boost* name. We don't know why we love this idea so much.



- Meanwhile, we don't fully understand the partnership between *Cup Noodles* ramen noodles and *HipDot* makeup. We were unaware the world needs a makeup collection based on ramen noodle colors.



- **Tyson** has signed on as title sponsor of the **Black College World Series** for the next three years. It features eight top teams from historically Black colleges and universities.



IN CLOSING

We hope you enjoyed your Memorial Day cookout ... but remembered the reason for the holiday.

- *Fortune* released their list of the **top 100 companies to work for**. It is outrageous that no CPG company was included.
- Speaking of outrageous, **Walter Orthmann** owns the record for longest tenure at a single company. At age 100, he has worked for a Brazilian textile maker for 84 years!
- Ethisphere Institute released their 16th list of the **world's most ethical companies**. Alphabetically, CPG honorees included **Brown-Forman, Colgate-Palmolive, Grupo Bimbo, Hasbro, illycaffè, Kao, Kellogg, Kimberly-Clark, L'Oréal, and PepsiCo**.
- Chalk it up to schadenfreude, but we note the world's 50 richest people **lost half a trillion dollars** so far this year. That figure comes from Bloomberg Billionaire Index.
- *Progressive Grocer* has ranked the biggest food retailers. The top four are **Walmart, Amazon, Costco, and Kroger**.
- As a warning about IUI (Instagramming Under the Influence), we present **John Demsey**. He was fired by **Estée Lauder** after posting a racist meme. And no, we don't actually know if he had been drinking.



- We have said it before, but **hyphens can make a big difference**. We submit "resign" and "re-sign" as a great example. These days, would you rather be "recession proof" or "recession-proof"?

CPG TRIVIA CHALLENGE



- Last issue's trivia question asked what CPG product was first scanned with a UPC code. **Tim Fallon** was the first to answer with all the details: a pack of *Juicy Fruit* gum from **Wrigley** in 1974. Honorable mentions go to **Meg Luby, Kevin Chamberlain, Andrew Towle, and Scott Klein**.
- **This issue's trivia question: What are the four CPG brands or companies currently operating as title sponsors of tournaments on the PGA Tour?**

