



# Skippy<sup>®</sup> Peanut Butter: Driving Consumer Demand

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Hormel Foods

July 25, 2014



# Agenda

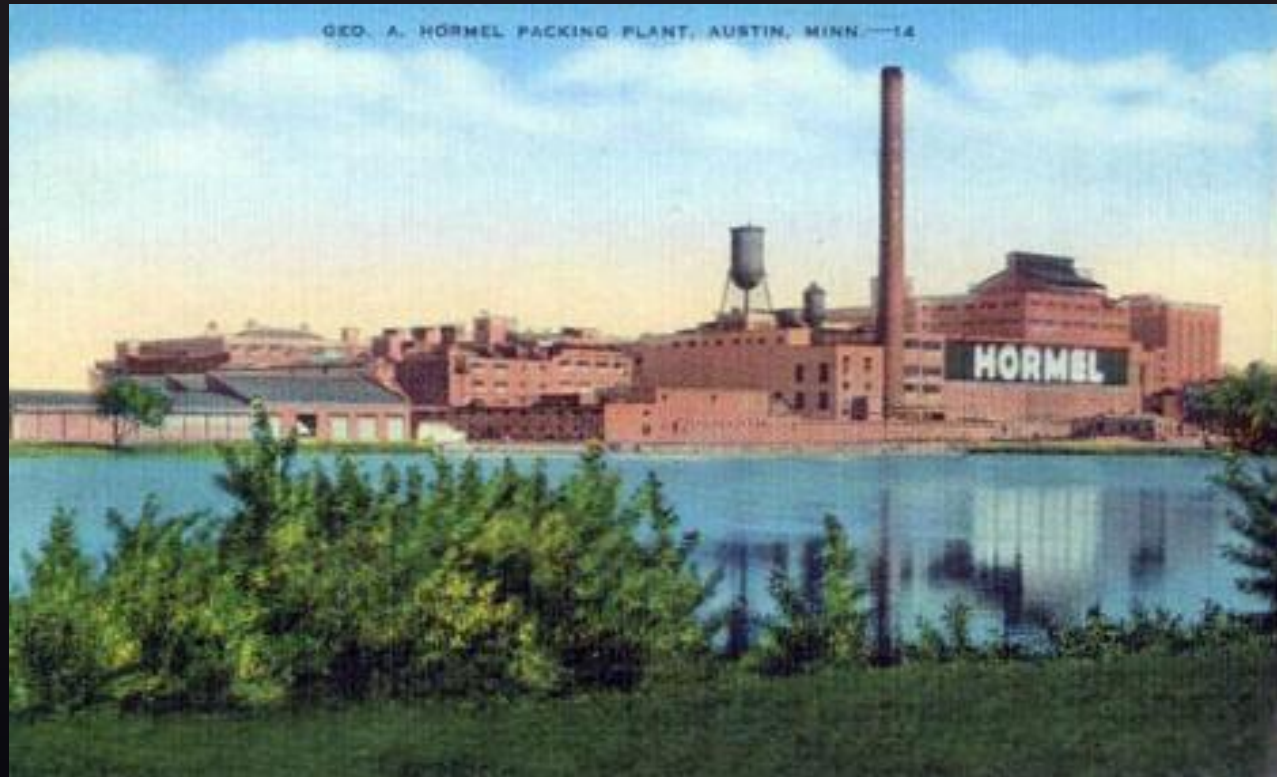
1. Hormel Foods Overview
2. Skippy<sup>®</sup> Brand Update
3. Outlook on Peanut Butter Demand



{COUNTRY LINKed}







# Hormel Foods Overview

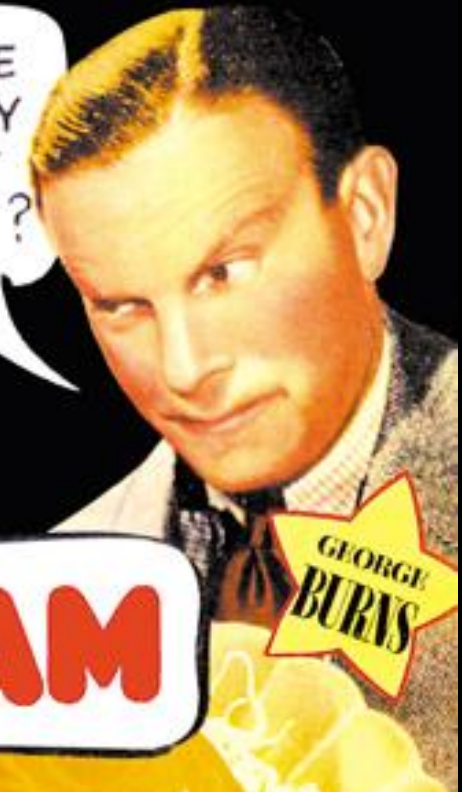




GRACIE...IF A STRANGE  
MAN OFFERED TO BUY  
YOU A LUNCH, WHAT  
WOULD YOU SAY?



GRACIE  
ALLEN



GEORGE  
BURNS

**SPAM**







Founded 122 years ago



Headquartered in Austin,  
MN



**“Originate, don’t imitate.”**

*- George A. Hormel*



# Hormel Foods Background



Over 2,000  
food  
products



Over 456  
trademarks



Strong  
balance  
sheet and  
cash flow



47  
consecutive  
years of  
increased  
dividends



Processed  
nearly 9.4  
million hogs  
last year

122 years later...





SINCE 1891

Exceeded \$8.8 billion in sales in 2013

33 brands - either #1 or #2 in their category

More than 19,800 employees

Conservative financial management

U.S. Fortune 500 Company



1891



1930's



1980-90's



Today

Tradition of Innovation



## Value-Added Turkey



## Grocery Products



## Value-Added Protein



## Mexican



## Refrigerated Foods



## Specialty Foods



# Strategic Acquisitions



Skippy<sup>®</sup> Brand Update





- ✓ Competency of managing protein-based foods
- ✓ Enhance our balanced model
- ✓ No. 2 brand in domestic peanut butter
- ✓ Synergies with marketing and sales organizations
- ✓ Provides international growth opportunities

# Acquisition Rationale





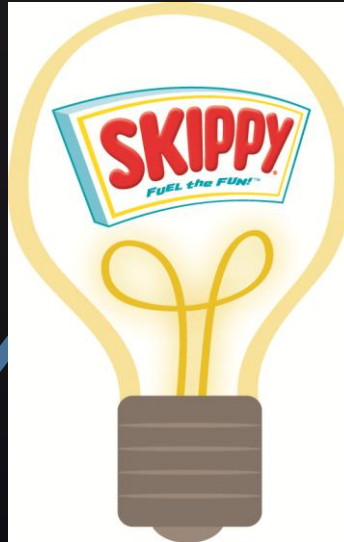








# Innovation



Focus



Advertising



+110%









16.4



17.3

May 2013

(Full Integration)

May 2014

(One year later)

**Consumer Response**

Ticker Symbol: HRL

+54%



January 3, 2013  
Acquisition Announced

Market Response





# Outlook on Peanut Butter Demand



# Dr. Oz's Protein Prescription

Control your weight and fight off diseases like heart disease and diabetes by eating the best proteins at the right times.

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ROGEN



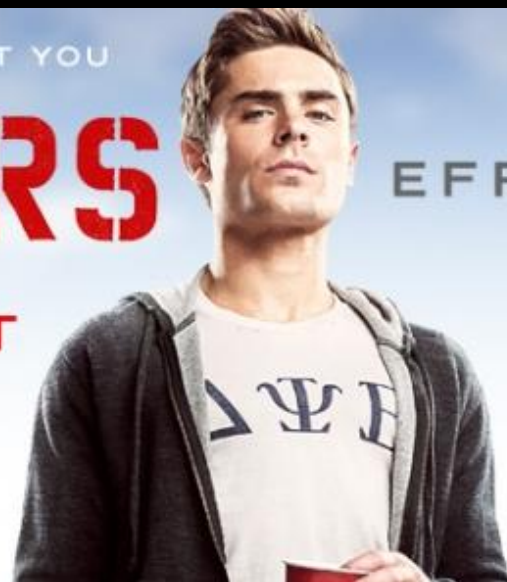
FROM THE GUYS WHO BROUGHT YOU  
THIS IS THE END

# NEIGHBORS

IN THEATERS MAY 9

FAMILY VS. FRAT

EFRON











Thank you

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