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MarketLine Industry Profile

Nut Growers in the United States

March 2011

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EXECUTIVE SUMMARY

Market value

The United States nut growers industry grew by 18.2% in 2010 to reach a value of \$7.2 billion.

Market value forecast

In 2015, the United States nut growers industry is forecast to have a value of \$6.8 billion, a decrease of 6.2% since 2010.

Market volume

The United States nut growers industry grew by 14.6% in 2010 to reach a volume of 4.1 million tons.

Market volume forecast

In 2015, the United States nut growers industry is forecast to have a volume of 3.8 million tons, a decrease of 8.4% since 2010.

Category segmentation

Almonds is the largest segment of the nut growers industry in the United States, accounting for 57% of the industry's total value.

Geography segmentation

The United States accounts for 20.7% of the global nut growers industry value.

Market rivalry

Nut growers range from small scale family owned holdings to large co-operatives.

TABLE OF CONTENTS

Executive Summary	2
Market value.....	2
Market value forecast.....	2
Market volume.....	2
Market volume forecast.....	2
Category segmentation	2
Geography segmentation	2
Market rivalry.....	2
Market Overview	7
Market definition.....	7
Market analysis	7
Market Data	8
Market value.....	8
Market volume.....	9
Market Segmentation	10
Category segmentation	10
Geography segmentation	11
Market Outlook.....	12
Market value forecast.....	12
Market volume forecast.....	13
Five Forces Analysis	14
Summary.....	14
Buyer power	15
Supplier power	17
New entrants	18
Threat of substitutes.....	20
Degree of rivalry.....	21
Leading Companies	22
Blue Diamond Growers	22
Paramount Farms	23
Primex.....	24
John B. Sanfilippo & Son, Inc.....	25

Macroeconomic Indicators	28
Country Data	28
Appendix	30
Methodology.....	30
Industry associations.....	31

LIST OF TABLES

Table 1: United States nut growers industry value: \$ billion, 2006–10	8
Table 2: United States nut growers industry volume: million tons, 2006–10	9
Table 3: United States nut growers industry category segmentation : \$ billion, 2010	10
Table 4: United States nut growers industry geography segmentation : \$ billion, 2010	11
Table 5: United States nut growers industry value forecast: \$ billion, 2010–15	12
Table 6: United States nut growers industry volume forecast: million tons, 2010–15	13
Table 7: Blue Diamond Growers: key facts	22
Table 8: Paramount Farms: key facts	23
Table 9: Primex: key facts	24
Table 10: John B. Sanfilippo & Son, Inc.: key facts	25
Table 11: John B. Sanfilippo & Son, Inc.: key financials (\$)	26
Table 12: John B. Sanfilippo & Son, Inc.: key financial ratios	26
Table 13: United States size of population (million), 2006–10	28
Table 14: United States gdp (constant 2000 prices, \$ billion), 2006–10	28
Table 15: United States gdp (current prices, \$ billion), 2006–10	28
Table 16: United States inflation, 2006–10	29
Table 17: United States consumer price index (absolute), 2006–10	29
Table 18: United States exchange rate, 2006–10	29

LIST OF FIGURES

Figure 1: United States nut growers industry value: \$ billion, 2006–10.....	8
Figure 2: United States nut growers industry volume: million tons, 2006–10.....	9
Figure 3: United States nut growers industry category segmentation : % share, by value, 2010.....	10
Figure 4: United States nut growers industry geography segmentation : % share, by value, 2010.....	11
Figure 5: United States nut growers industry value forecast: \$ billion, 2010–15.....	12
Figure 6: United States nut growers industry volume forecast: million tons, 2010–15.....	13
Figure 7: Forces driving competition in the nut growers industry in the United States, 2010.....	14
Figure 8: Drivers of buyer power in the nut growers industry in the United States, 2010.....	15
Figure 9: Drivers of supplier power in the nut growers industry in the United States, 2010.....	17
Figure 10: Factors influencing the likelihood of new entrants in the nut growers industry in the United States, 2010..	18
Figure 11: Factors influencing the threat of substitutes in the nut growers industry in the United States, 2010.....	20
Figure 12: Drivers of degree of rivalry in the nut growers industry in the United States, 2010.....	21
Figure 13: John B. Sanfilippo & Son, Inc.: revenues & profitability.....	27
Figure 14: John B. Sanfilippo & Son, Inc.: assets & liabilities.....	27

MARKET OVERVIEW

Market definition

The nut growers industry includes the production of almonds, areca nuts, brazil nuts, cashews, chestnuts, groundnuts, hazelnuts, pistachios, walnuts and other nuts. Producer price is used to value the industry. Any currency conversions included in this report have been calculated using constant 2010 annual average exchange rates.

For the purposes of this report, the Americas consists of North America and South America.

North America consists of Canada, Mexico, and the United States.

South America comprises Argentina, Brazil, Chile, Colombia, and Venezuela.

Market analysis

The US nut growers market has experienced a mixture of growth and decline in recent years. With the exception of 2011, modest growth rates are expected for the forecast period.

The US nut growers market had total revenue of \$7.2 billion in 2010, representing a compound annual growth rate (CAGR) of 5.4% for the period spanning 2006-2010. In comparison, the European and Asia-Pacific markets grew with CAGRs of 5% and 7.2% respectively, over the same period, to reach respective values of \$5.4 billion and \$18.4 billion in 2010.

Market production volumes increased with a CAGR of 8.5% between 2006-2010, to reach a total of 4.1 million tonnes in 2010. The market's volume is expected to fall to 3.8 million tonnes by the end of 2015, representing a compound annual rate of change (CARC) of -1.7% for the 2010-2015 period.

The almonds segment was the industry's most lucrative in 2010, with total revenue of \$4.1 billion, equivalent to 57% of the industry's overall value. The groundnuts segment contributed revenue of \$1.1 billion in 2010, equating to 15.3% of the industry's aggregate value.

The performance of the market is forecast to decelerate, with an anticipated compound annual rate of change (CARC) of -1.3% for the five-year period 2010-2015, which is expected to drive the market to a value of \$6.8 billion by the end of 2015. Comparatively, the European and Asia-Pacific markets will grow with CAGRs of 5.1% and 4.1% respectively, over the same period, to reach respective values of \$6.9 billion and \$22.5 billion in 2015.

MARKET DATA

Market value

The United States nut growers industry grew by 18.2% in 2010 to reach a value of \$7.2 billion.

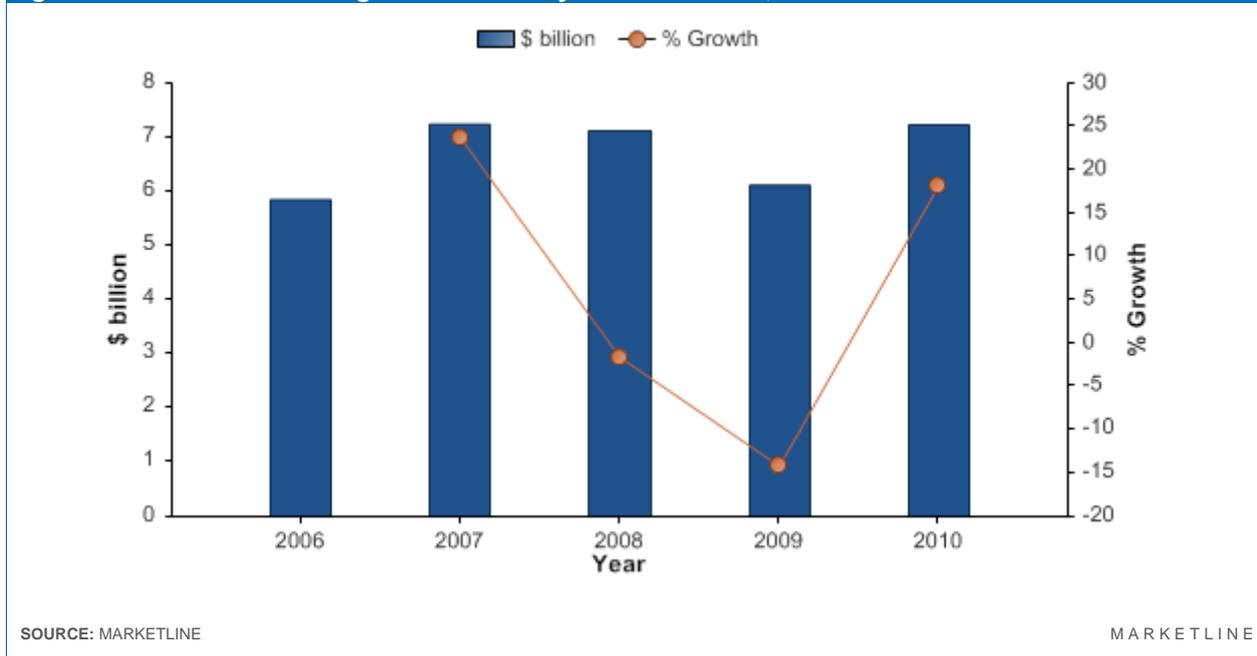
The compound annual growth rate of the industry in the period 2006–10 was 5.4%.

Table 1: United States nut growers industry value: \$ billion, 2006–10

Year	\$ billion	€ billion	% Growth
2006	5.9	4.4	
2007	7.2	5.5	23.7%
2008	7.1	5.4	(1.6%)
2009	6.1	4.6	(14.2%)
2010	7.2	5.4	18.2%
CAGR: 2006–10			5.4%

SOURCE: MARKETLINE MARKETLINE

Figure 1: United States nut growers industry value: \$ billion, 2006–10



Market volume

The United States nut growers industry grew by 14.6% in 2010 to reach a volume of 4.1 million tons.

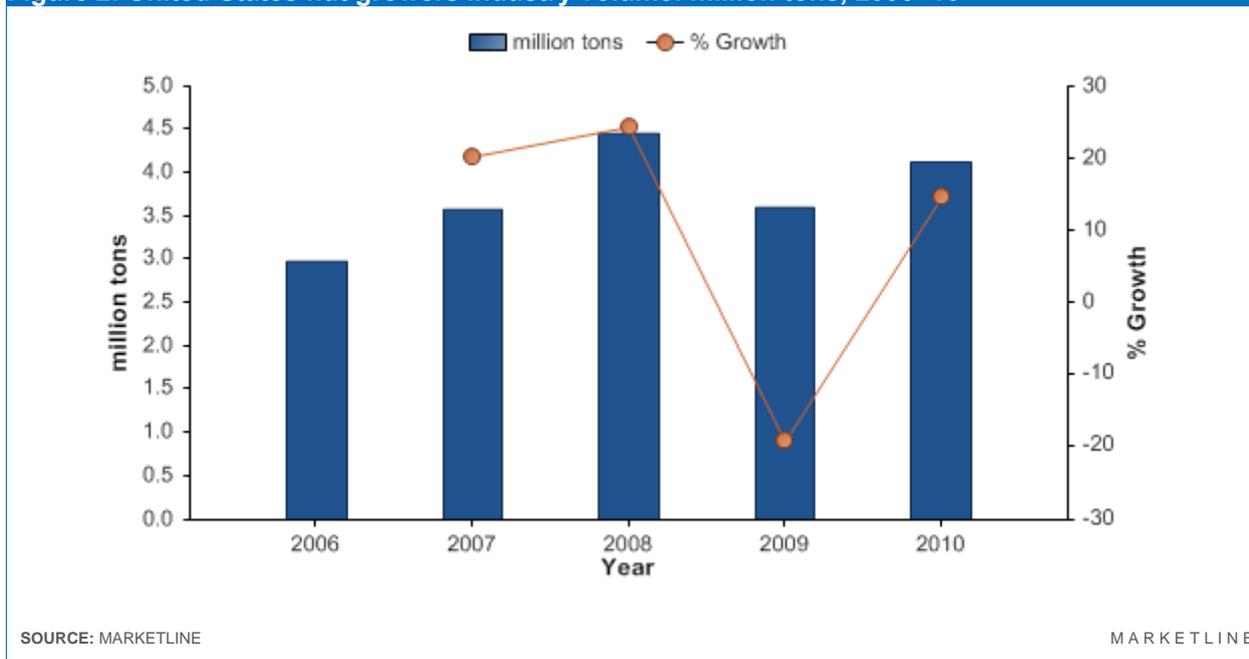
The compound annual growth rate of the industry in the period 2006–10 was 8.5%.

Table 2: United States nut growers industry volume: million tons, 2006–10

Year	million tons	% Growth
2006	3.0	
2007	3.6	20.2%
2008	4.5	24.4%
2009	3.6	(19.2%)
2010	4.1	14.6%
CAGR: 2006–10		8.5%

SOURCE: MARKETLINE MARKETLINE

Figure 2: United States nut growers industry volume: million tons, 2006–10



MARKET SEGMENTATION

Category segmentation

Almonds is the largest segment of the nut growers industry in the United States, accounting for 57% of the industry's total value.

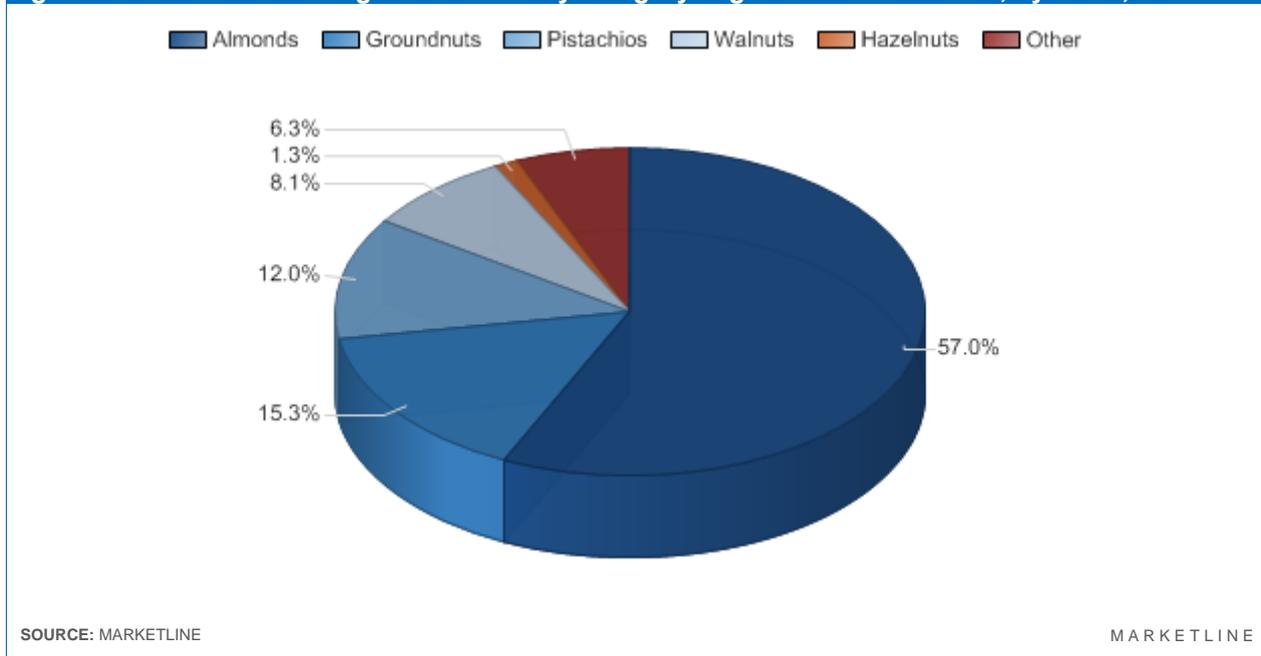
The groundnuts segment accounts for a further 15.3% of the industry.

Table 3: United States nut growers industry category segmentation : \$ billion, 2010

Category	2010	%
Almonds	4.1	57.0%
Groundnuts	1.1	15.3%
Pistachios	0.9	12.0%
Walnuts	0.6	8.1%
Hazelnuts	0.1	1.3%
Other	0.5	6.3%
Total	7.3	100%

SOURCE: MARKETLINE MARKETLINE

Figure 3: United States nut growers industry category segmentation : % share, by value, 2010



Geography segmentation

The United States accounts for 20.7% of the global nut growers industry value.

Asia-Pacific accounts for a further 52.7% of the global industry.

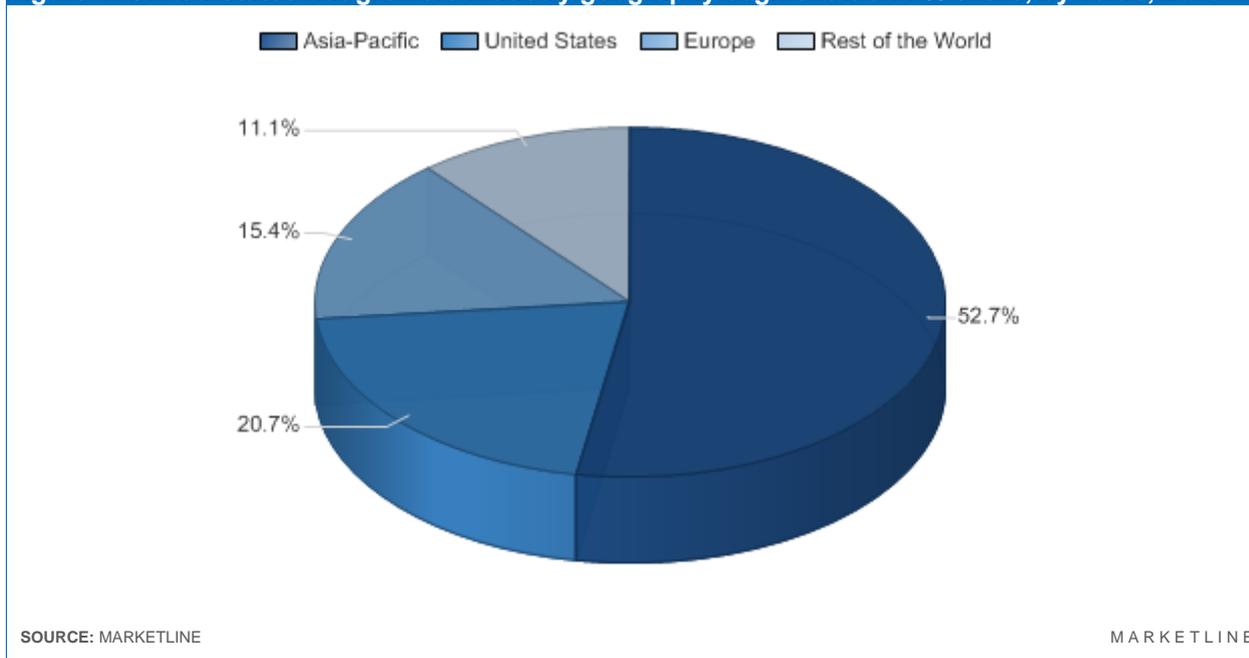
Table 4: United States nut growers industry geography segmentation : \$ billion, 2010

Geography	2010	%
Asia-Pacific	18.4	52.7
United States	7.2	20.7
Europe	5.4	15.4
Rest of the World	3.9	11.1
Total	34.9	100%

SOURCE: MARKETLINE

MARKETLINE

Figure 4: United States nut growers industry geography segmentation : % share, by value, 2010



SOURCE: MARKETLINE

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MARKET OUTLOOK

Market value forecast

In 2015, the United States nut growers industry is forecast to have a value of \$6.8 billion, a decrease of 6.2% since 2010.

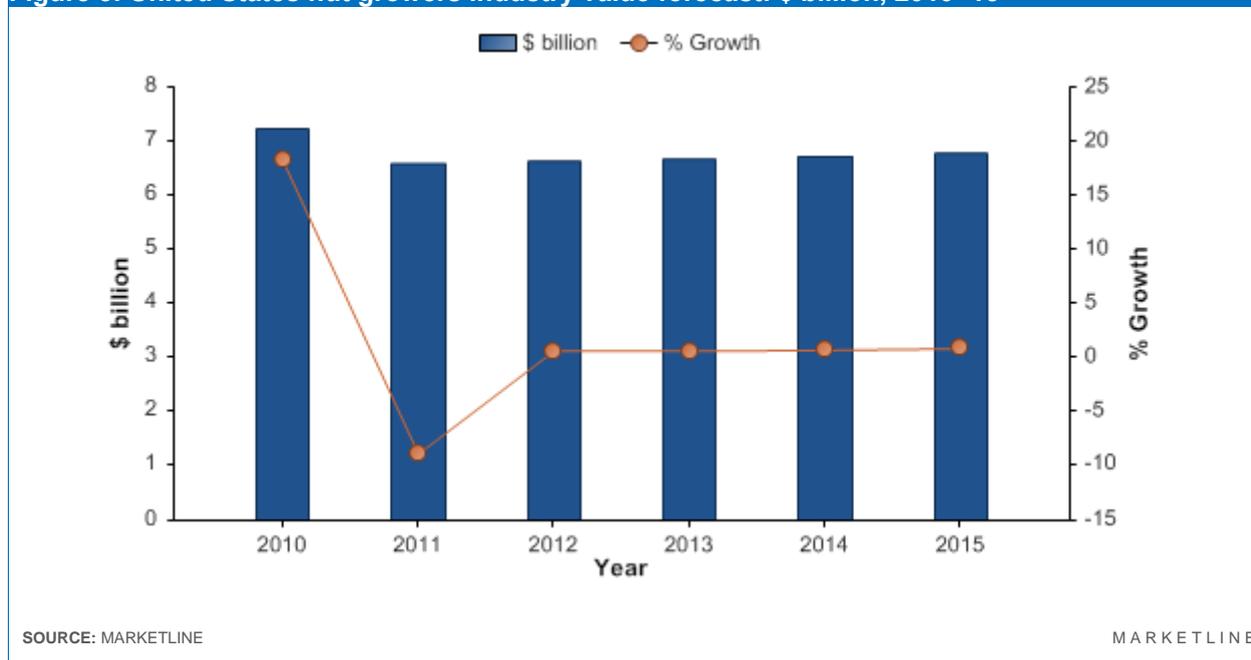
The compound annual rate of change of the industry in the period 2010–15 is predicted to be -1.3%.

Table 5: United States nut growers industry value forecast: \$ billion, 2010–15

Year	\$ billion	€ billion	% Growth
2010	7.2	5.4	18.2%
2011	6.6	5.0	(8.9%)
2012	6.6	5.0	0.7%
2013	6.7	5.0	0.6%
2014	6.7	5.1	0.7%
2015	6.8	5.1	0.9%
CAGR: 2010–15			(1.3%)

SOURCE: MARKETLINE MARKETLINE

Figure 5: United States nut growers industry value forecast: \$ billion, 2010–15



Market volume forecast

In 2015, the United States nut growers industry is forecast to have a volume of 3.8 million tons, a decrease of 8.4% since 2010.

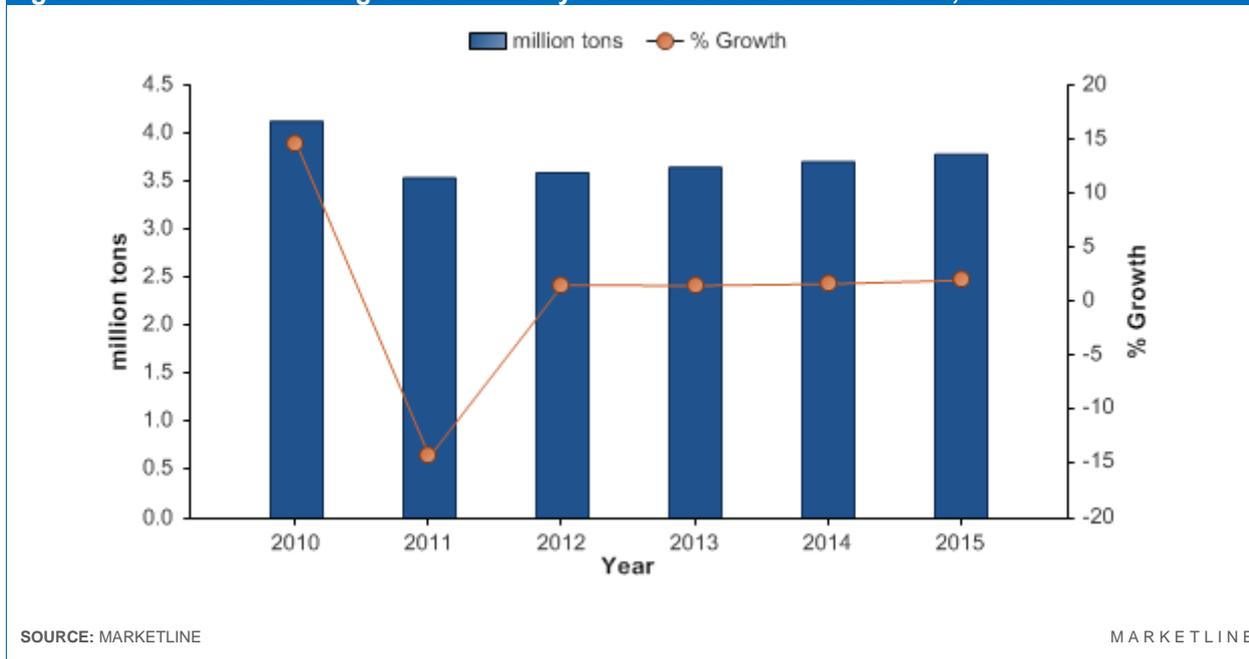
The compound annual rate of change of the industry in the period 2010–15 is predicted to be -1.7%.

Table 6: United States nut growers industry volume forecast: million tons, 2010–15

Year	million tons	% Growth
2010	4.1	14.6%
2011	3.5	(14.3%)
2012	3.6	1.6%
2013	3.6	1.5%
2014	3.7	1.7%
2015	3.8	2.0%
CAGR: 2010–15		(1.7%)

SOURCE: MARKETLINE MARKETLINE

Figure 6: United States nut growers industry volume forecast: million tons, 2010–15



FIVE FORCES ANALYSIS

The nut growers market will be analyzed taking nut growers as players. The key buyers will be taken as grocery retailers, wholesalers, and food processing companies, and fertilizer and machinery providers as the key suppliers.

Summary

Figure 7: Forces driving competition in the nut growers industry in the United States, 2010



Nut growers range from small scale family owned holdings to large co-operatives.

The major buyers of market-ready nuts tend to be large grocery retailers and wholesalers, whereas the major buyers of nuts used as ingredients for food products are food processing companies. The costs of machinery and the land required to work a nut growth holding tends to involve less fixed costs than large-scale agricultural farms, furthermore due to the fragmented nature of the industry resulting in smaller operations many of the supplies can be purchased from wholesalers. The threat of new entrants is fueled by the lucrative business dealings available with grocery retailers and food processors in addition to the current high prices of nuts.

Buyer power

Figure 8: Drivers of buyer power in the nut growers industry in the United States, 2010



Buyers within this industry can be divided into three broad groups: grocery retailers, food processing companies, and wholesalers.

Grocery retailers tend to be large organizations who will buy pre-packaged market-ready nuts. Wholesalers will resell nut products to a number of smaller retailers who don't have the financial muscle and influence to deal effectively with nut growers directly like the large grocery retailers. Food processing companies will purchase large quantities of nuts as either an ingredient for another food such as chocolate products, or even to package nuts for a variety of different companies if the relevant market player is unable to achieve this. Large supermarket chains wield their large purchasing power to negotiate minimal prices through bulk purchasing. Contractual arrangements between suppliers and the large supermarkets they supply typically favor the interests of the latter. The resultant low switching costs combined with a relatively low level of product differentiation enhance buyer power considerably.

Products in this market are largely undifferentiated, which increases buyer power. However, limited differentiation is possible in certain cases for products which are fair-trade, organic or sourced domestically although the core product remains the same.

The market for nuts is highly volatile; in 2009 almonds saw a large decrease in value with prices falling by 30% through August to December 2008. By April of 2010 wholesale costs had increased 39% with almonds experiencing a sharp increase in price. Price sensitivity can be an issue, however supermarket retailer's price margins tend to be quite high and can absorb a degree of price rises in nuts but ultimately any price increases will hit the end user.

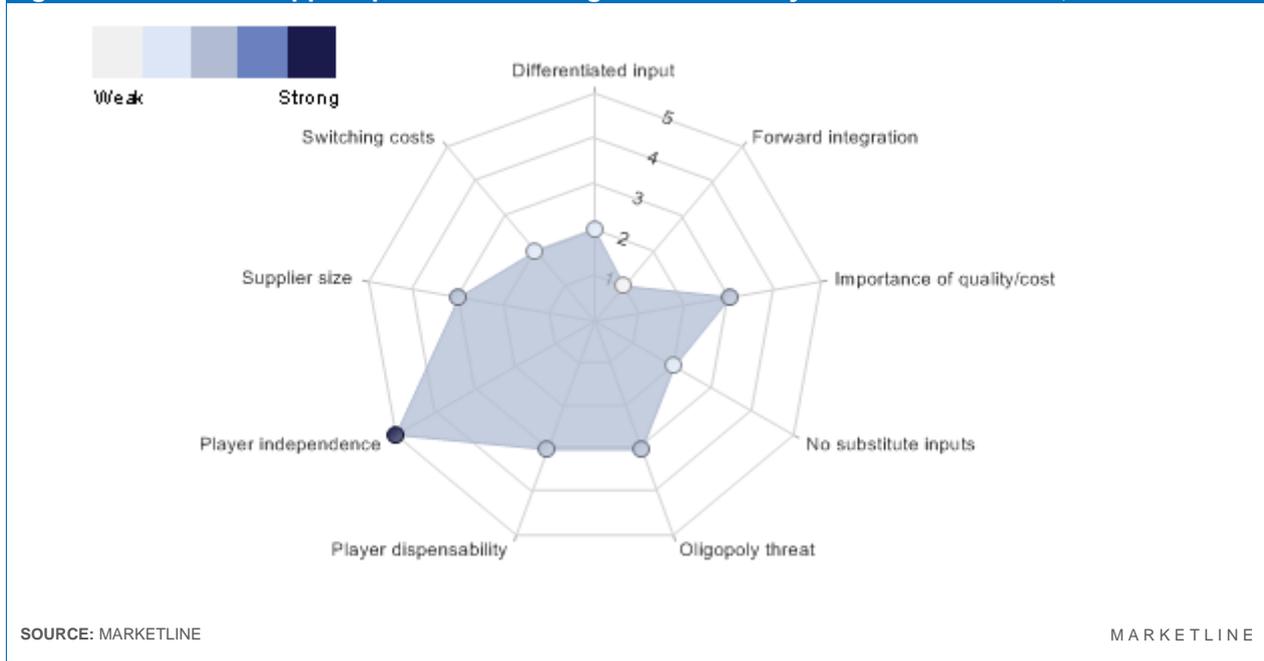
There are substitutes in regards to the nutritional benefits nuts provide, with nuts not being seen as a necessity unless as part of an ingredient to a food product. Furthermore, any increases in price will reduce end user demand which in turn reduces the size of orders wholesalers, food processors and grocery retailers place with the market players. The relative dispensability of the product coupled with the price sensitivity serve to increase buyer power.

There is a possibility that buyers could integrate backwards, particularly with grocery retailers who have the financial clout to either merge or buyout nut growers in order to create a more efficient supply chain particularly if the demand for nuts continues to grow as the market data suggests. There is a relatively low likelihood of this occurring which reduces buyer power somewhat.

Nut growers may be able to forward integrate and sell its produce direct to consumers through an outlet store; however, these practices currently operate on a small scale, and are unlikely to have any noticeable affect on buyer power. Overall, buyer power with respect to nut growers is moderate.

Supplier power

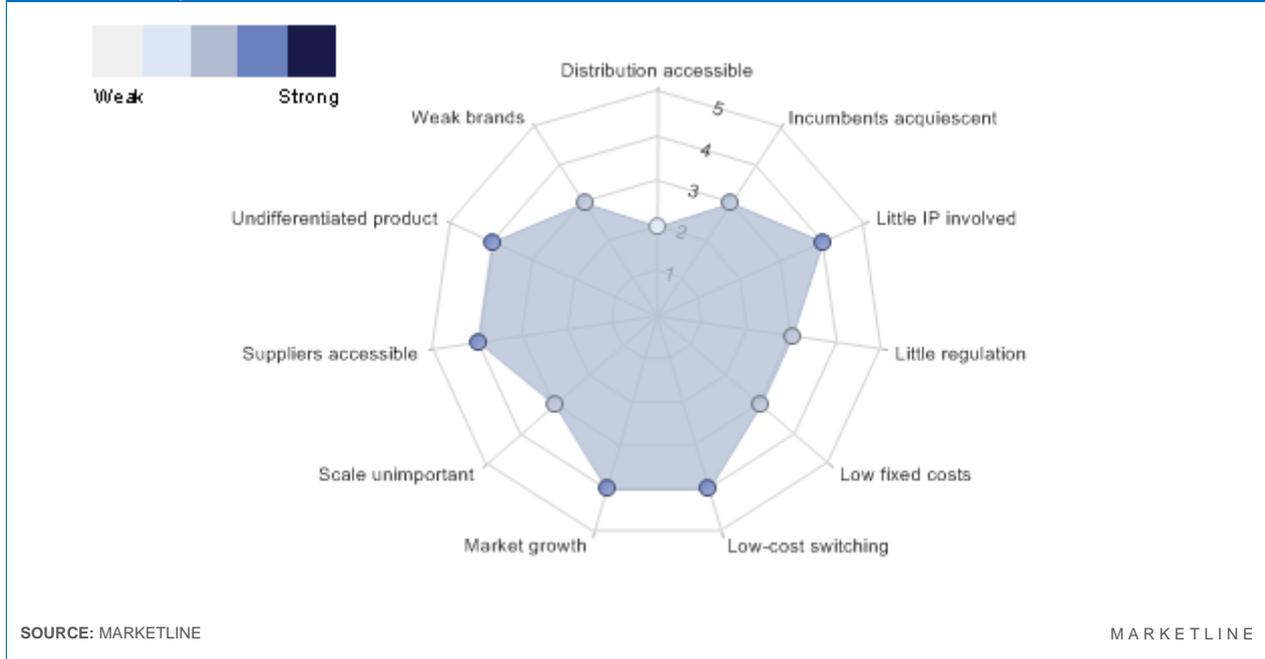
Figure 9: Drivers of supplier power in the nut growers industry in the United States, 2010



Fertilizer products are typically manufactured and supplied by large chemical companies. High demand for such products allows chemical companies to control prices, which are highly dependent upon the price of inputs into their manufacturing processes. For example, the price of nitrogen-based fertilizers, such as ammonia and ammonium nitrate, has increased dramatically recently, in line with the spiraling cost of natural gas. Similarly, a global shortage of phosphate has led its price to increase dramatically. However, fertilizer products are typically relatively simple chemicals and thus lack differentiation, with a fairly consistent quality available from a larger number of suppliers, however due to the generally small size of nut growers fertilizer will typically be purchased from wholesalers thus increasing the number of companies to purchase from and reducing switching costs significantly. Furthermore, alternatives include the use of animal waste as fertilizer, or organic farming practices, which eliminate the use of artificial fertilizer products. The increased demand for organic products in some countries may slightly reduce the power of chemical companies, as their fertilizer products have reduced popularity. Growth in nut consumption worldwide has led to burgeoning demand for nut growing machinery, along with the specialized nature of some of the equipment required for nut growers. Consequently, supplier power is strengthened although in smaller holdings and developing economies a lot of nut harvesting is still done via manual labor. Overall, supplier power with respect to the nut growers industry is moderate.

New entrants

Figure 10: Factors influencing the likelihood of new entrants in the nut growers industry in the United States, 2010



The cost of entrance into the nut growing industry typically involves the purchase of suitable land, and if necessary the required nut trees and crops, machinery and the provision of working capital to sustain initial operations. The barriers to entry are not particularly high; the required machinery typically consists of a sweeper to gather fallen nuts, a harvester to collect the gathered nuts, a nut cart to hold the collected nuts and a forklift truck to stack fully loaded totes. This machinery is relatively inexpensive when compared with other agricultural machinery such as combined harvesters. Fixed costs can be quite low in this industry. As a consequence, the nut growing industry is fairly fragmented and consists of a large number of small or family owned farms. However there are large scale co-operatives in existence, such as Blue Diamond in the US. The low fixed costs and low economies of scale result in a higher threat from new entrants. Players operating in this industry face standardized regulation relating to hygiene, such as the harvesting of tree nuts from ground that is not used for grazing and the protection of nuts from contamination as well as minimum requirements of quality for the suitability of sale. The lack of intellectual property is a further boost for new entrants as is the undifferentiated nature of the product, increasing the threat from new players entering the industry.

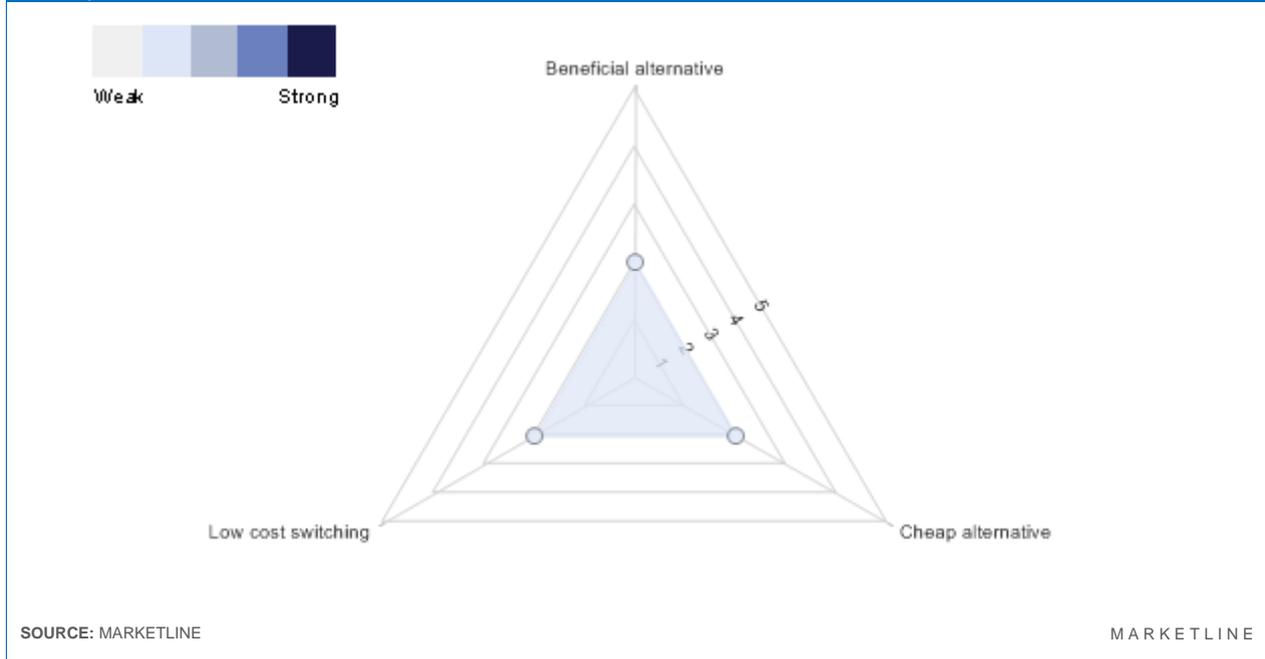
There are a number of strong brands that sell nuts as a snack. However, there are a wide range of smaller brands and generic grocery store brands. Again nuts that are used as ingredients of food products have many strong brand images but as the nuts are an ingredient rather than the finished product it would be easier for new entrants to penetrate the industry and sell their products to food processing companies through lower pricing for example, thus increasing the threat of new entrants.

Low-cost switching also plays into new entrant's hands, with buyers usually negotiating contracts that favor them, allowing them to switch players if a cheaper deal is available. There is also a relatively low threat from incumbents in regards to retaliation due to the fractured nature of the industry, particularly with the existence of co-operatives whereby it may be in the interests of the co-operatives to allow new entrants to become members.

Suppliers would be accessible to new entrants, with fertilizer and machinery easily purchased from the relevant stores due to the generally small scale of nut grower's operations; however, this is offset by the distribution of their product with wholesalers, food processors and grocery chains driving a hard bargain. As such it may be difficult for new entrants to enter the market profitably, thus decreasing the threat of new entrants. Overall, the threat of new entrants to the nut growing industry is moderate.

Threat of substitutes

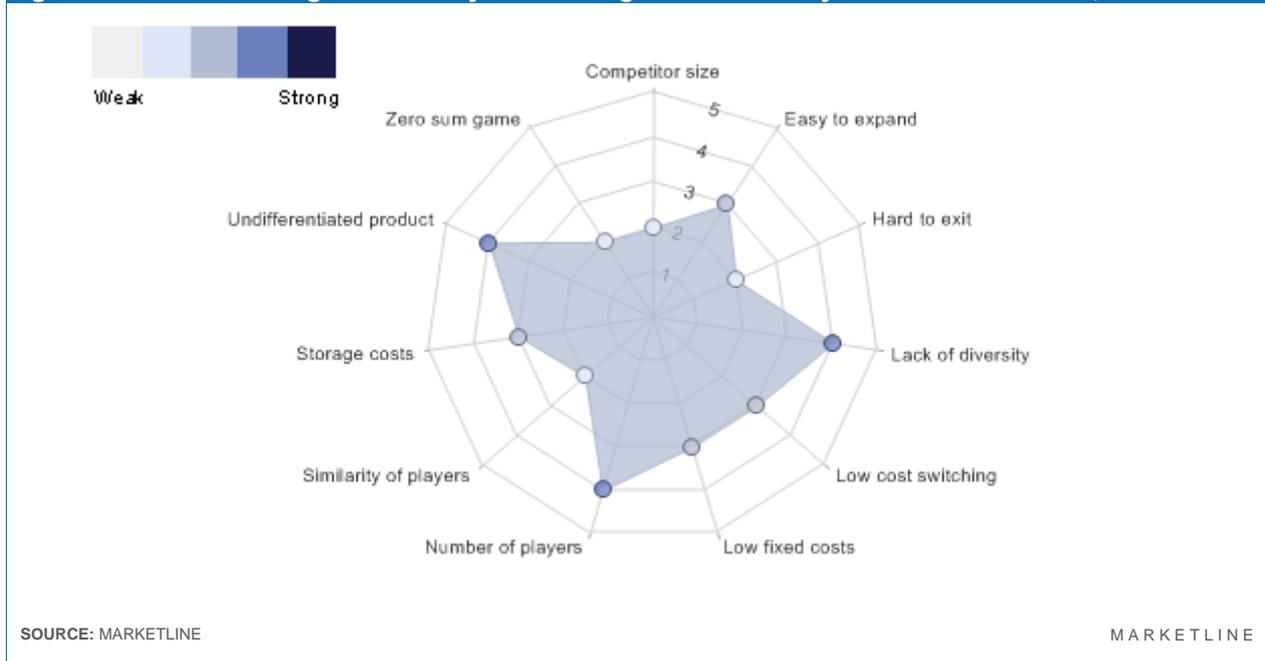
Figure 11: Factors influencing the threat of substitutes in the nut growers industry in the United States, 2010



The nut growing industry encompasses a wide range of nut types for which there are no real substitutes when used as an ingredient for a specific food product. However as an independent food product that is used for snacks there are alternatives such as fruit. The cost of switching to alternatives in regards to the finished food product would be relatively low with the only costs arising when switching to a more expensive commodity. Fruit tends to be a cheaper alternative to nuts particularly with the rise in nut prices; however it is susceptible to the same environmental factors as nuts, such as drought or floods, which can cause price shocks. Furthermore fresh fruit spoils quicker than nuts which is less beneficial to buyers as there is potentially more waste caused due to produce unfit for sale to end users. Also, there are no viable substitutes for food products that use nuts as an ingredient. Overall the threat from substitutes is weak in this market.

Degree of rivalry

Figure 12: Drivers of degree of rivalry in the nut growers industry in the United States, 2010



Although large co-operative nut growing companies do exist, the nut growing industry is typically made up of many smaller companies. The abundance of companies increases rivalry; however this is offset by their relatively small size. Rivalry between the market players is primarily for supply contracts to either grocery retailers, wholesalers or food processing companies. Although these contracts are highly lucrative and serve to increase rivalry, switching costs are low for the buyers, unless it is a long term contract, further fuelling rivalry as the industry players' fight to retain business. Furthermore, the commoditized nature of the product means buyers can make the purchasing decisions based primarily on price which again increases rivalry.

Fixed costs are relatively low, with no large scale industrial machinery required and a majority of equipment and supplies available from wholesalers, this is also tied in to player's ability to exit the industry being relatively simple and these factors serve to alleviate rivalry. Expansion can be difficult in this industry with the purchasing of suitable land and nut crops being time consuming, furthermore the storage of nut crops can drive costs up and these factors serve to increase rivalry.

The lack of diversity amongst nut growers increases rivalry as they are heavily reliant on demand for nuts either as a snack or an ingredient of food products; however, this is offset by the similarity of players. Overall the degree of rivalry is assessed as moderate in this industry.

LEADING COMPANIES

Blue Diamond Growers

Table 7: Blue Diamond Growers: key facts

Head office:	1802 C Street, Sacramento, California 95811, USA
Telephone:	1 916 446 8500
Website:	www.bluediamond.com
Financial year-end:	August

SOURCE: COMPANY WEBSITE **MARKETLINE**

Blue Diamond Growers (Blue Diamond), founded in 1910, is a California based agricultural cooperative and marketing firm that specializes in almonds. The company markets hazelnuts, macadamia nuts and pistachios, and owns a hazelnut plant in Salem, Oregon.

The company offers its products under the brand name 'Blue Diamond'. Blue Diamond is co-operatively owned by approximately 3,000 growers. Their orchards can be found from Red Bluff in the North to the base of the Tehachapi Mountains. Some are less than 10 acres, while the largest covers several thousand acres.

The company provides online shopping facility, offering products such as nuts, gift items and natural foods. These products are offered under the trademarks: Almond Breeze, Nut Thins and Smokehouse.

Blue Diamond operates facilities that include processing plants in Sacramento and Modesto, California; receiving stations located throughout the almond-producing areas of the Sacramento and San Joaquin valleys; and three Blue Diamond Grower Stores in Sacramento, Chico and Salida, California. Blue Diamond also has offices in Japan.

The company operates administration, research, processing, distribution, and storage facilities in Sacramento, and a Blue Diamond visitor's center and growers' store.

Blue Diamond markets its products to all 50 states in the US and more than 90 foreign countries.

Key Metrics

The company recorded revenues of \$775.3 million in 2010, as compared to \$709.3 million in 2009. The net income totaled \$496.5 million in 2010, comparing to \$481.3 million in 2009.

Paramount Farms

Table 8: Paramount Farms: key facts

Head office:	11444 W. Olympic Blvd., Suite 310, Los Angeles, CA 90064
Telephone:	1 310 966 4650
Website:	www.paramountfarms.com
SOURCE: COMPANY WEBSITE	
MARKETLINE	

Paramount Farms is one of the largest growers and processors of almonds and pistachios in the world. Its operations comprise farming, harvesting, hulling and processing, roasting and packaging of nuts.

The company' orchards are located in San Joaquin Valley, California. It's processing and storage facilities span more than 1.3 million square feet.

Paramount' consumer product portfolio includes Wonderful® Pistachios, Almond Accents® and Everybody's Nuts!® Pistachios.

The company distributes its pistachio and almond products to diverse overseas markets. It mainly operates in the US but also has its farms in Canada, Mexico, the UK, Russia, China, Japan and South Korea. It manages a large global network of agents, brokers, distributors, importers, exporters and direct customers. Paramount Farms' international sales comprise nearly a quarter of the company's total sales volume.

Key Metrics

Financial details of the company are not available.

Primex

Table 9: Primex: key facts

Head office:	5777 West Century Blvd. Suite 1485, Los Angeles, CA 90045, USA
Telephone:	1 310 568 8855
Fax:	1 310 568 3336
Website:	www.primex-usa.com

SOURCE: COMPANY WEBSITE MARKETLINE

Primex, established in 1989, is a fourth generation grower and processor of pistachios, as well as an international trader and exporter of other dried fruits and nuts, including almonds, hazelnuts and walnuts.

In 1990, the company planted its first pistachio trees in Lost Hills, California. Currently, it owns 1,800 acres of pistachio orchards in Kern County, California. In 2005 and 2006, the company added 2,400 acres of pistachio orchards in Madera County, California.

In 2002, the company expanded its operations by building its new pistachio processing plant, with an initial capacity of 20 million pounds. In 2006, the capacity was increased to 48 million pounds.

The company has affiliate offices around the world.

In 2010, the company's shipments of almonds totaled 276.7 million pounds, up 7.2% from the same period last year. Domestic shipments were up 14.8%, and export shipments were up 4.2%.

The shipments of pistachios totaled 59 million pounds, down 19% from the same period last year. Domestic shipments were down by 10%, and export shipments were down by 23%.

Key Metrics

Financial information for the company is not available.

John B. Sanfilippo & Son, Inc.

Table 10: John B. Sanfilippo & Son, Inc.: key facts

Head office:	1703 North Randall Road, Elgin, Illinois 60123, USA
Telephone:	1 847 289 1800
Fax:	1 847 289 1843
Website:	www.jbssinc.com
Financial year-end:	June
Ticker:	JBSS
Stock exchange:	NASDAQ

SOURCE: COMPANY WEBSITE MARKETLINE

John B. Sanfilippo & Son (JBSS) is a processor and marketer of tree nuts, peanuts and other variety of snack products in the US. The company operates through its wholly-owned subsidiary, JBSS Properties. The company primarily operates in the US.

The company operates in a single operating segment that consists of selling various nut products through multiple distribution channels.

The nut product line includes peanuts, almonds, Brazil nuts, pecans, pistachios, filberts, cashews, English walnuts, black walnuts, pine nuts and macadamia nuts. The nut products are sold in numerous package styles and sizes, from poly-cellophane packages, composite cans, vacuum packed tins, plastic jars and glass jars for retail sales, to large cases and sacks for bulk sales to industrial and food service customers.

JBSS offers its nut products in a variety of different styles and seasonings, including natural, blanched, oil roasted, dry roasted, unsalted, honey roasted, flavored, spicy, butter toffee, praline and cinnamon toasted. The company manufactures and markets peanut butter in several sizes and varieties, including creamy, crunchy and natural. JBSS' products are sold through the major distribution channels to significant buyers of nuts, including food retailers, industrial users for food manufacturing, food service companies and international customers. The company sells to approximately 950 clients.

The company has built a vertically integrated nut processing operation, including procurement from growers, shelling, processing, packing and marketing.

In 2009, JBSS's Fisher brand introduced over 20 new products to its portfolio, including an exclusive line of cooking and baking nuts under its Fisher Culinary Touch Cooking and Baking Add-Ins and Toppings Line.

JBSS markets and distributes, and in some cases manufactures, a variety of other food and snack products including snack mixes, salad toppings, natural snacks, trail mixes, dried fruit and chocolate and yogurt coated products sold to retailers and wholesalers; baking ingredients sold to retailers, wholesalers, industrial and food service customers; bulk food products sold to retail and food service customers; an assortment of corn snacks, sunflower seeds, snack mixes, sesame sticks and other sesame snack products sold to retail supermarkets, vending companies, mass merchandisers and industrial customers; and a wide variety of toppings for ice cream and yogurt sold to food service customers.

The company's nuts are sold under a variety of private labels and under the Fisher, Flavor Tree, Sunshine Country and Texas Pride brand names.

Key Metrics

The company recorded revenues of \$562 million in the fiscal year ending June 2010, an increase of 1.4% compared to fiscal 2009. Its net income was \$14 million in fiscal 2010, compared to a net income of \$7 million in the preceding year.

Table 11: John B. Sanfilippo & Son, Inc.: key financials (\$)

\$ million	2006	2007	2008	2009	2010
Revenues	579.6	540.9	541.8	553.8	561.6
Net income (loss)	16.7	13.6	6.0	6.9	14.4
Total assets	390.9	367.3	350.8	322.7	358.3
Total liabilities	210.8	204.3	192.4	157.2	178.4
Employees	1,800	1,600	1,500	1,350	1,350

SOURCE: COMPANY FILINGS

MARKETLINE

Table 12: John B. Sanfilippo & Son, Inc.: key financial ratios

Ratio	2006	2007	2008	2009	2010
Profit margin	2.9%	2.5%	1.1%	1.2%	2.6%
Revenue growth	(0.4%)	(6.7%)	0.2%	2.2%	1.4%
Asset growth	11.9%	(6.0%)	(4.5%)	(8.0%)	11.0%
Liabilities growth	37.5%	(3.1%)	(5.8%)	(18.3%)	13.5%
Debt/asset ratio	53.9%	55.6%	54.9%	48.7%	49.8%
Return on assets	4.5%	3.6%	1.7%	2.1%	4.2%
Revenue per employee	\$321,980	\$338,036	\$361,181	\$410,256	\$416,024
Profit per employee	\$9,289	\$8,486	\$3,971	\$5,124	\$10,685

SOURCE: COMPANY FILINGS

MARKETLINE

Figure 13: John B. Sanfilippo & Son, Inc.: revenues & profitability

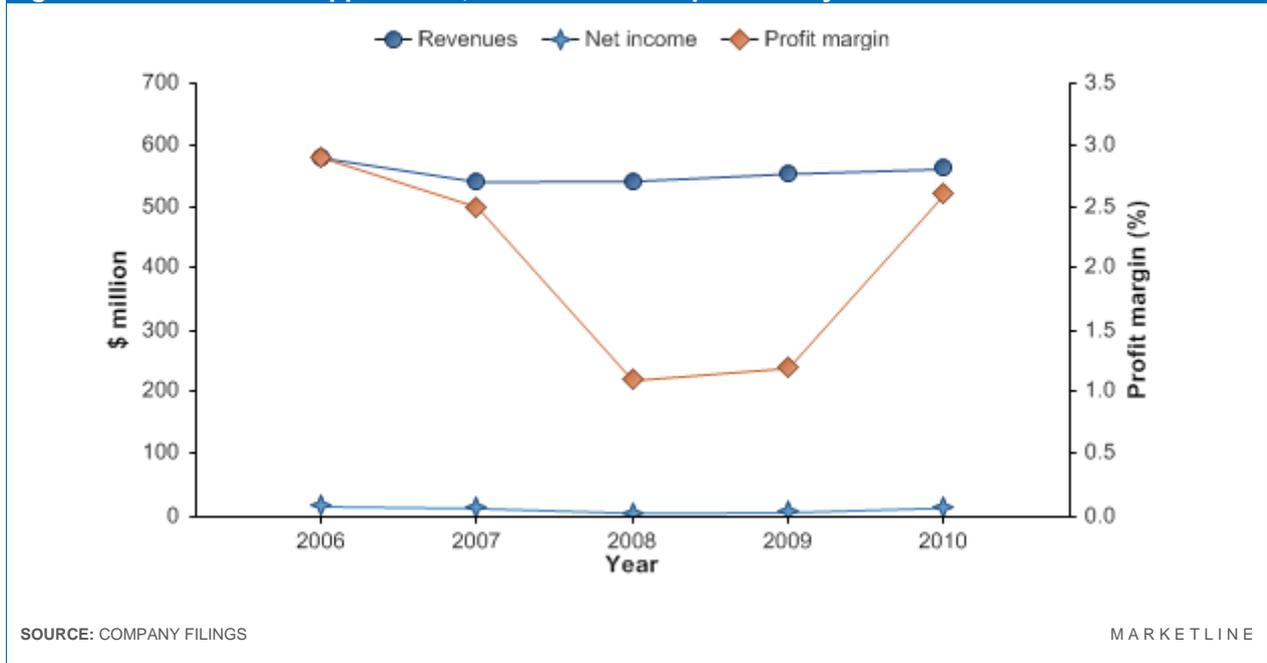
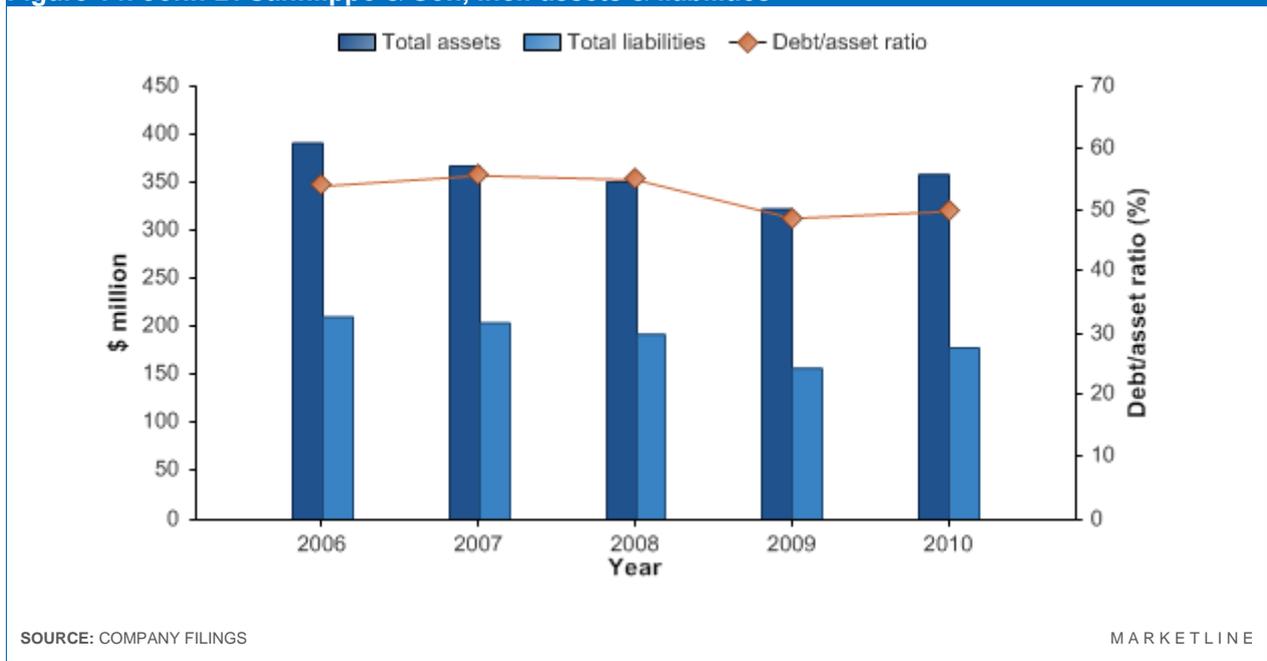


Figure 14: John B. Sanfilippo & Son, Inc.: assets & liabilities



MACROECONOMIC INDICATORS

Country Data

Table 13: United States size of population (million), 2006–10

Year	Population (million)	% Growth
2006	298.4	1.0%
2007	301.4	1.0%
2008	304.2	0.9%
2009	306.7	0.8%
2010	309.1	0.8%

SOURCE: MARKETLINE MARKETLINE

Table 14: United States gdp (constant 2000 prices, \$ billion), 2006–10

Year	Constant 2000 Prices, \$ billion	% Growth
2006	11,509.5	2.7%
2007	11,733.0	1.9%
2008	11,697.8	(0.3%)
2009	11,288.4	(3.5%)
2010	11,627.0	3.0%

SOURCE: MARKETLINE MARKETLINE

Table 15: United States gdp (current prices, \$ billion), 2006–10

Year	Current Prices, \$ billion	% Growth
2006	13,473.0	6.0%
2007	14,127.7	4.9%
2008	14,624.0	3.5%
2009	14,064.7	(3.8%)
2010	14,724.8	4.7%

SOURCE: MARKETLINE MARKETLINE

Table 16: United States inflation, 2006–10

Year	Inflation Rate (%)
2006	3.2%
2007	2.9%
2008	3.8%
2009	(0.3%)
2010	1.6%

SOURCE: MARKETLINE

MARKETLINE

Table 17: United States consumer price index (absolute), 2006–10

Year	Consumer Price Index (2000 = 100)
2006	117.1
2007	120.4
2008	125.0
2009	124.6
2010	126.6

SOURCE: MARKETLINE

MARKETLINE

Table 18: United States exchange rate, 2006–10

Year	Exchange rate (€/€)
2006	1.2547
2007	1.3683
2008	1.4633
2009	1.3905
2010	1.3279

SOURCE: MARKETLINE

MARKETLINE

APPENDIX

Methodology

MarketLine Industry Profiles draw on extensive primary and secondary research, all aggregated, analyzed, cross-checked and presented in a consistent and accessible style.

Review of in-house databases – Created using 250,000+ industry interviews and consumer surveys and supported by analysis from industry experts using highly complex modeling & forecasting tools, MarketLine's in-house databases provide the foundation for all related industry profiles

Preparatory research – We also maintain extensive in-house databases of news, analyst commentary, company profiles and macroeconomic & demographic information, which enable our researchers to build an accurate market overview

Definitions – Market definitions are standardized to allow comparison from country to country. The parameters of each definition are carefully reviewed at the start of the research process to ensure they match the requirements of both the market and our clients

Extensive secondary research activities ensure we are always fully up-to-date with the latest industry events and trends

MarketLine aggregates and analyzes a number of secondary information sources, including:

- National/Governmental statistics
- International data (official international sources)
- National and International trade associations
- Broker and analyst reports
- Company Annual Reports
- Business information libraries and databases

Modeling & forecasting tools – MarketLine has developed powerful tools that allow quantitative and qualitative data to be combined with related macroeconomic and demographic drivers to create market models and forecasts, which can then be refined according to specific competitive, regulatory and demand-related factors

Continuous quality control ensures that our processes and profiles remain focused, accurate and up-to-date

Industry associations

National Association of State Departments of Agriculture

1156 15th Street, N.W., Suite 1020, Washington, D.C. 20005, United States

Tel.: 1 202 296 9680

Fax: 1 202 296 9686

www2.nasda.org/NASDA

International Food and Agribusiness Management Association

IAMA Business Office 333 Blocker Building 2124 TAMU College Station, Texas 77843-2124, United States

Tel.: 1 979 845 2118

Fax: 1 979 862 1487

www.ifama.org

International Federation of Agricultural Producers

60 rue Saint-Lazare, 75009 Paris, France

Tel.: 33 1 4526 0553

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