



FOOD SERVICE & INGREDIENTS

EXPERTS IN CHEESE.

Partners in Your Success.™

NEW FLAVORED CHEESE CURDS



Key Insights

Consumers seek new and different flavors and experiences in the snack category which continues to dominate. Breakfast and PM snacking posted traffic growth this year and Sargento® cheese curds are a great fit for these two growing dayparts. While menu penetration is still low, cheese curds are on a growth trajectory, experiencing strong growth both vs. YAGO and vs 4 YAGO.

Consumers Seeking New & Different Flavors and Experiences

50%

Important For Me To Try New Flavors, Dishes & Cuisines Frequently

61%

'10 vs. '15
Are More Adventurous With Their Food Choices Than They Used To Be

43%

Break From Regular Eating Routine For Variety At Least Once Per Week

Snacking Behavior Continues to Dominate

91%

of Consumers Snack
More Than Once/Day

1 in 2

Consumers Snack
More Than 3x/Day

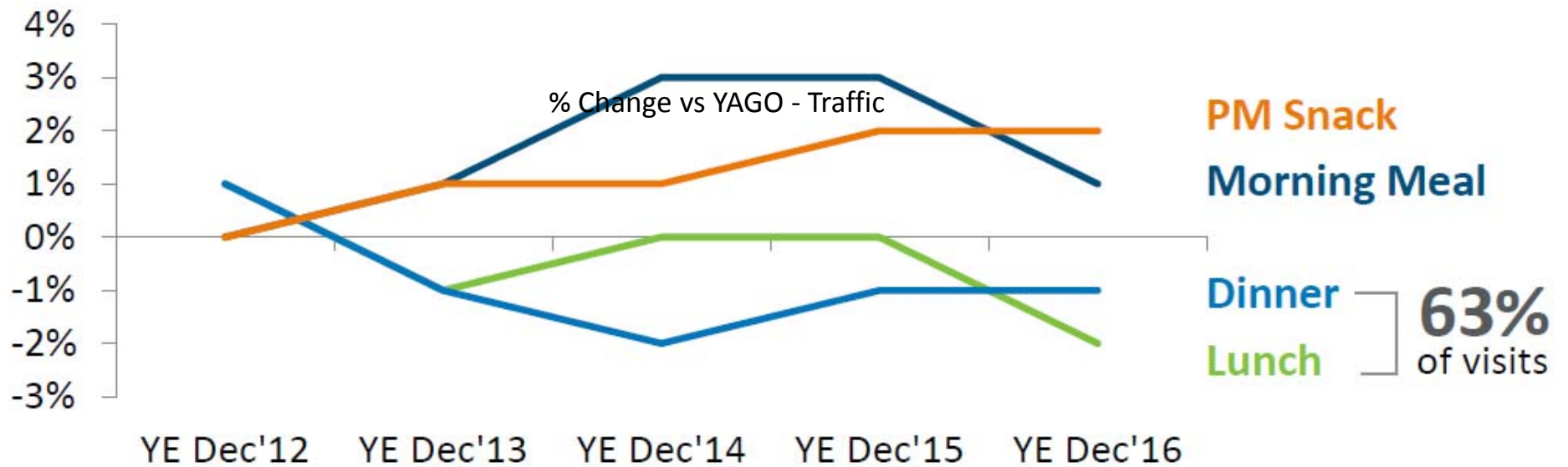
Millennials Have

2x

Snacking Occasions
vs. Boomers

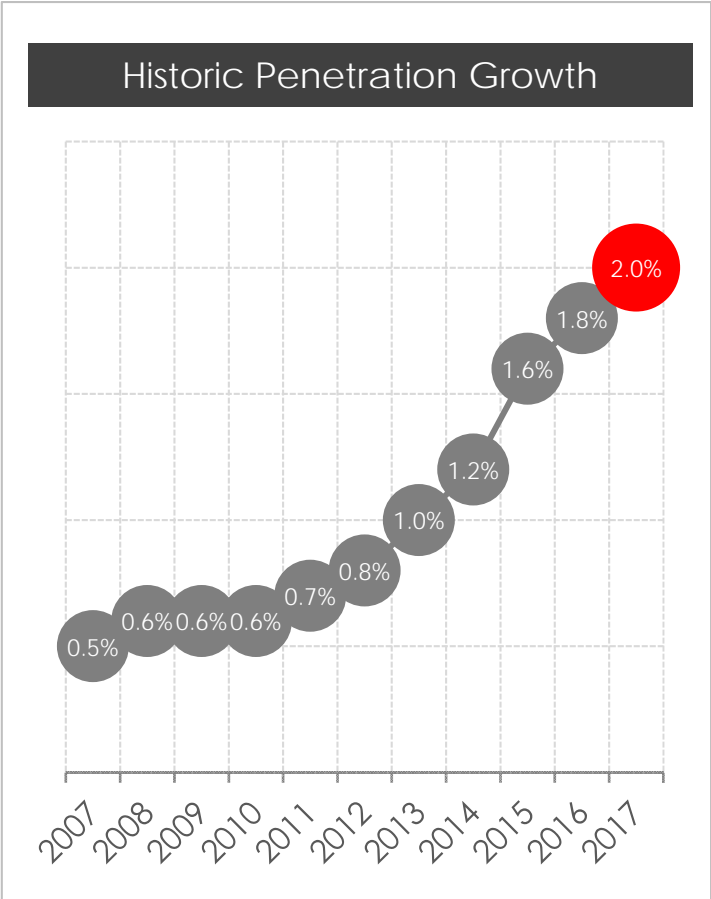
Breakfast & PM Snack Posted Traffic Growth This Year, While Both Lunch & Dinner Struggled

Sargento® Cheese Curds are a great fit for these two growing dayparts



Share of Traffic year ending Dec'16
Source: The NPD Group/CREST®, years ending December

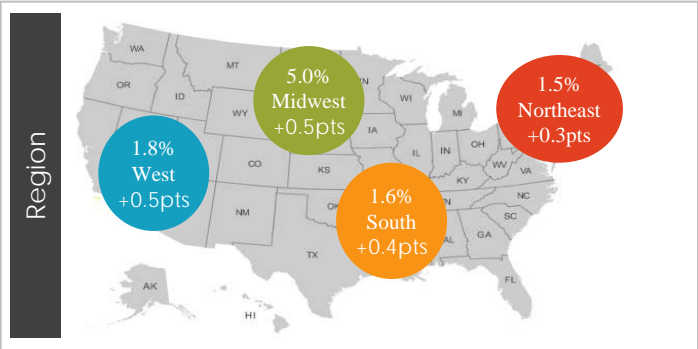
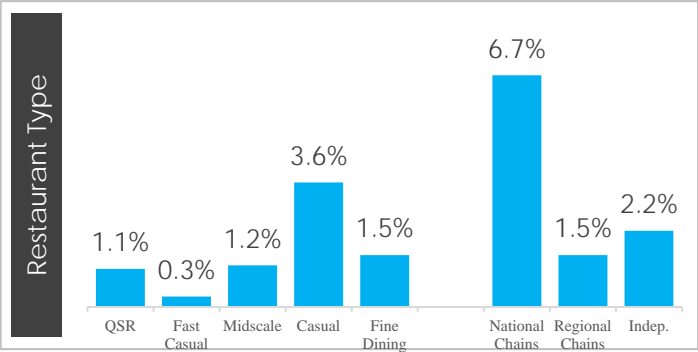
WHILE MENU PENETRATION IS STILL LOW, CHEESE CURDS ARE ON A GROWTH TRAJECTORY, EXPERIENCING STRONG GROWTH BOTH VS YAGO & VS 4 YAGO



2.0%
MenuTrends
PENETRATION

Growth rate (relative % change)

1 year	13.9% vs. 2016	4 year	111.2% vs. 2013
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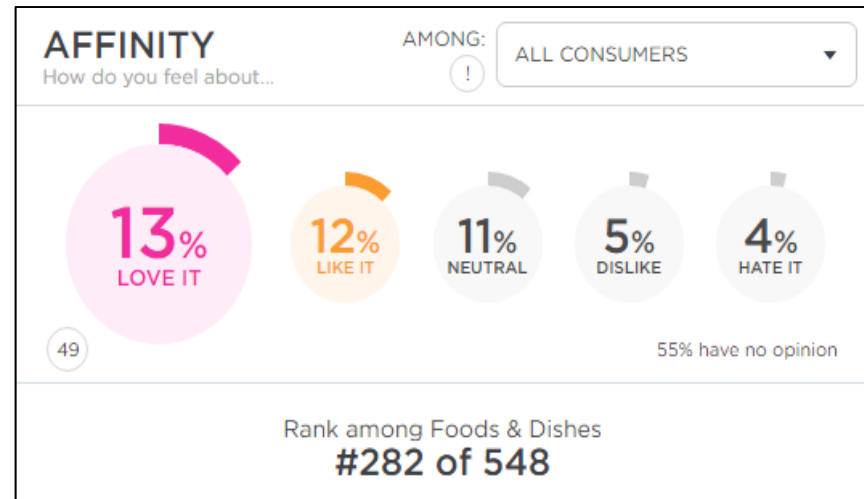
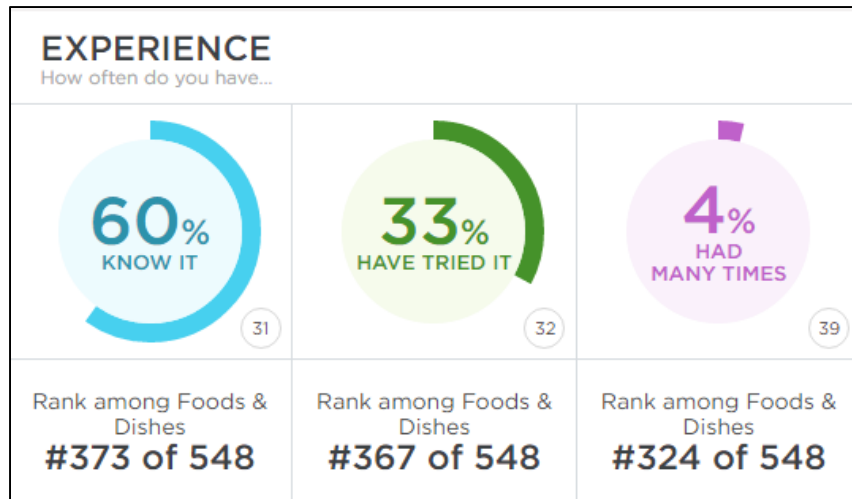


Source: Datassential MenuTrends Direct
US Chains & Independents (2017)

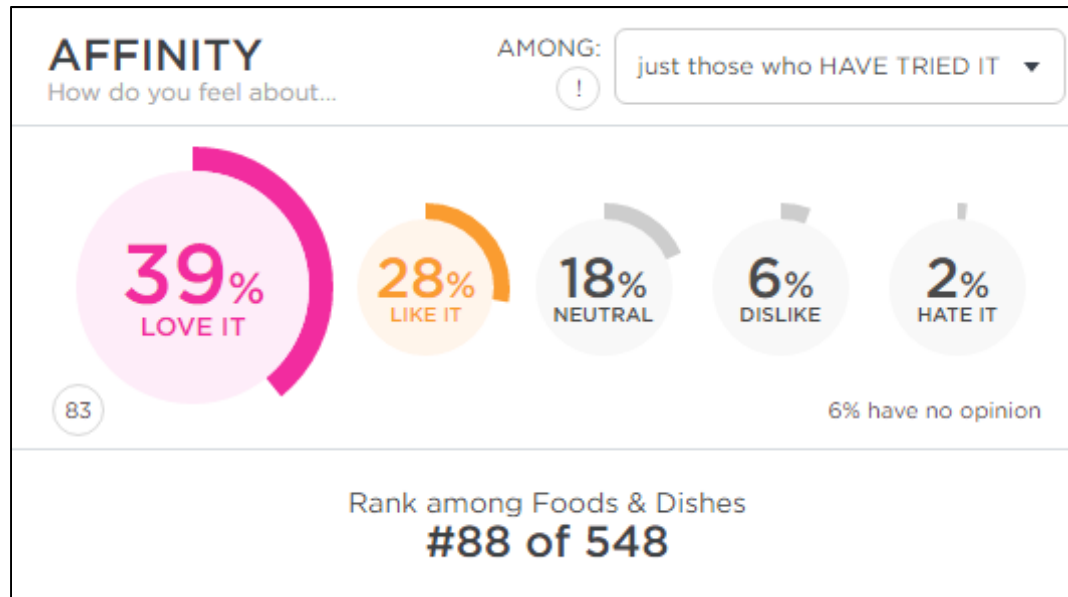
Penetration = % of RESTAURANTS that serve CHEESE
CURD n=4,852 restaurants

60% of consumers know cheese curds, 33% have tried them and 4% have had them many times

13% of all consumers love cheese curds, while 12% like them (25% T2B)



39% Of Consumers Who've Tried Cheese Curds Love Them, Putting Them Ahead Of 83% Of All Other Items On The Database



New Cheese Curd Varieties from Sargento Meet Consumer Needs for Snacking & Flavor Exploration

Every-Day: Deliver flavor and color variation to our current curd

- Classic Cheese Curd
- Parmesan Garlic Cheese Curd

Premium: Deliver on-trend/unique flavor differentiation

- French Toast Cheese Curd
- Beer Flavored Cheese Curd
- Southern Style Cheese Curd
- Italian Cheese Curd
- Jalapeno Cheese Curd

Performance: Deliver against the trend in take-out & delivery

- Extended Hold Cheese Curd

**For More Information Contact Your Sargento Cheese Expert
1-800-558-5802 or visit sargentofsi.com**