

CATEGORY NEWS

Cargill Buys ADM Chocolate Business For \$440M

MINNEAPOLIS — Archer Daniels Midland Co.'s (ADM) global chocolate enterprise has been purchased by Cargill, Inc. for \$440 million in a deal expected to close in the first half of 2015.

The transaction is part of ADM's ongoing portfolio management activities, according to Chairman and CEO Patricia Woertz.

Cargill will extend and complement its production capacity and presence, particularly in North America, through the acquisition of six manufacturing facilities in the U.S. and Europe. Further, the company asserts the deal will broaden its product portfolio through the addition of ADM's Ambrosia, Merckens and Schokinag brands while offering customers greater access to innovations and product development support.

Upon closing, Cargill will absorb approximately 700 ADM employees. ADM will end its cocoa processing operations in Hazleton, PA, but continue to supply its deZaan brand of cocoa ingredients globally.



Process To Reduce Nut Allergies Explored

SAN FRANCISCO — Researchers at the USDA's Agricultural Research Service are investigating a method for altering the proteins in cashews that trigger an immune response when eaten by persons with tree and ground nut allergies.

In his research presentation at the 246th National Meeting and Exposition of the American Chemical Society, Chris Mattison, PhD, explained that in the allergic response, the antibody immunoglobulin E (IgE) recognizes and attaches to nut proteins. Modifying the shape of the proteins, using compounds generally recognized as safe (GRAS) by the FDA, could prevent IgE antibodies from identifying them, interrupting the response mechanism.

"We found sodium sulfite can effectively disrupt the structure of a couple of the cashew allergens," Mattison reported, adding tests indicate reduced IgE binding to proteins treated with the GRAS compound.

The next step will be to conduct experiments on whole nuts and test the altered proteins on cells in the laboratory, the researcher reports.

Mattison's team also is investigating another approach: using enzymes to modify protein structure.



Frito-Lay Chip Promo Wins GMA Award

COLORADO SPRINGS, CO — A promotion by PepsiCo, Inc.'s Frito-Lay division inviting consumers to submit ideas for new flavors and vote on them captured the 2014 Consumer Packaged Goods Award for Innovation and Creativity from the Grocery Manufacturers Association (GMA).

Geared toward millennial consumers on multiple levels, the company's "Do Us A Flavor" campaign used events, celebrity spokespersons, shopper marketing and other tactics to encourage consumers to visit its Facebook site and engage directly with the brand.

Millions of votes were cast, and brand sales, market penetration and social media activity increased among the target demographic.

In the end, Cheesy Garlic Bread was added to the Frito-Lay flavor portfolio.

The "Do Us A Flavor" program earned the top award among companies with more than \$3 billion in total sales.



Digital Coupons Stimulate Engagement, Sales

AUSTIN, TX — Digital coupons play a major role in persuading shoppers to purchase, and increasing their loyalty, promotion-related purchases and total ring, according to a study from Forrester Research, Inc. commissioned by RetailMeNot, Inc.

The reason, according to Forrester analysts, is "coupons often have an expiration date so consumers have a strong incentive to use them. However, there's also an opportunity for retailers to couple expiration with location."

Whether they shop online or in-store, 95 percent of consumers have used a digital coupon, offer or online promotion up to 20 times in a three-month period, and slightly more than half (59 percent) say it influenced their decision to buy, according to the research firm. For more than two-thirds, digital coupons build brand awareness and loyalty, and half of all respondents would be more likely to pay full price for repeat purchases of brands that offer digital coupons.

However, just 47 percent say receiving a digital coupon while in a store would tempt them to buy a new brand, and only 36 percent say it would induce them to switch brands.

Most digital coupons are redeemed within several days, the research indicates, but almost one-third are used immediately. Most are accessed from retailer websites, direct mail, social media and blog sites and apps. Of those redeemed on the spot, 60 percent are delivered by smartphone and 30 percent by tablets.

Jelly Belly Consolidates U.S. Production

CHICAGO — Jelly Belly Candy Co. reports it is consolidating domestic manufacturing at its Fairfield, CA,

headquarters and reducing the workforce at its North Chicago plant to better position itself for future growth.

The Illinois facility will focus solely on private label and contract manufacturing, according to the company, noting private label products have logged double-digit growth in recent years. Sixty-six employees will receive outplacement services and an opportunity to transfer.

