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PUBLICLY TRADED RETAIL CORPORATIONS

4.1 Overview

Stocks for 94 retail corporations are traded on the New York Stock Exchange and NASDAQ. As of First Quarter 2021, the combined market capitalization for these 94 companies was \$3.6 trillion.

4.2 Retail Stocks and Market Capitalization

Publicly traded retail corporations and their market capitalization as of First Quarter 2021 were as follows:

| Company | Ticker | Market Cap |
|---------------------------------------|---------------|-------------------|
| • Amazon: | AMZN | \$1.70 trillion |
| • Walmart: | WMT | \$ 408.7 billion |
| • Home Depot: | HD | \$ 298.8 billion |
| • Costco: | COST | \$ 156.3 billion |
| • Lowe's: | LOW | \$ 129.8 billion |
| • CVS Health Corp.: | CVS | \$ 98.1 billion |
| • Target: | TGT | \$ 95.9 billion |
| • TJX Companies: | TJX | \$ 81.6 billion |
| • Dollar General: | DG | \$ 48.7 billion |
| • Lululemon Athletica: | LULU | \$ 44.7 billion |
| • Walgreens Boots Alliance: | WBA | \$ 43.5 billion |
| • Ross Stores: | ROST | \$ 42.5 billion |
| • O'Reilly Automotive: | ORLY | \$ 31.4 billion |
| • Best Buy Co: | BBY | \$ 31.2 billion |
| • Wayfair: | W | \$ 29.1 billion |
| • Autozone: | AZO | \$ 26.1 billion |
| • The Kroger Co: | KR | \$ 25.8 billion |
| • Dollar Tree: | DLTR | \$ 25.5 billion |
| • Carmax: | KMX | \$ 20.3 billion |
| • Tractor Supply Co: | TSCO | \$ 18.6 billion |
| • Ulta Salon Cosmetics and Fragrance: | ULTA | \$ 18.0 billion |
| • Burlington: | BURL | \$ 17.4 billion |
| • L Brands: | LB | \$ 13.1 billion |
| • Five Below: | FIVE | \$ 10.7 billion |
| • Advance Auto Parts: | AAP | \$ 10.4 billion |

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|------------------------------------|-------|----|-------------|
| • Williams-Sonoma: | WSM | \$ | 9.7 billion |
| • Gap: | GPS | \$ | 8.6 billion |
| • Kohls Corp: | KSS | \$ | 7.9 billion |
| • Casey's General Stores: | CASY | \$ | 7.7 billion |
| • AutoNation: | AN | \$ | 6.9 billion |
| • Dick's Sporting Goods: | DKS | \$ | 6.7 billion |
| • Ollie's Bargain Outlet Holdings: | OLLI | \$ | 6.1 billion |
| • Nordstrom: | JWN | \$ | 5.5 billion |
| • Foot Locker: | FL | \$ | 5.4 billion |
| • Penske Automotive Group: | PAG | \$ | 5.3 billion |
| • Macy's: | M | \$ | 4.6 billion |
| • Overstock.com: | OSTK | \$ | 4.6 billion |
| • Carter's: | CRI | \$ | 4.2 billion |
| • American Eagle Outfitters: | AEO | \$ | 4.1 billion |
| • GameStop Corp: | GME | \$ | 3.7 billion |
| • Murphy USA: | MUSA | \$ | 3.5 billion |
| • Bed Bath & Beyond: | BBBY | \$ | 3.4 billion |
| • Medifast: | MED | \$ | 3.2 billion |
| • PriceSmart: | PSMT | \$ | 3.1 billion |
| • Urban Outfitters: | URBN | \$ | 3.0 billion |
| • Group 1 Automotive: | GPI | \$ | 2.8 billion |
| • Sprouts Farmers Market: | SFM | \$ | 2.6 billion |
| • Big Lots: | BIG | \$ | 2.4 billion |
| • Michaels Companies: | MIK | \$ | 2.3 billion |
| • Office Depot: | ODP | \$ | 2.3 billion |
| • Signet Jewelers Ltd: | SIG | \$ | 2.3 billion |
| • 1-800-Flowers.com: | FLWS | \$ | 2.1 billion |
| • Buckle: | BKE | \$ | 1.9 billion |
| • Sonic Automotive: | SAH | \$ | 1.9 billion |
| • Boot Barn Holdings: | BOOT | \$ | 1.8 billion |
| • Dillard's: | DDS | \$ | 1.8 billion |
| • Rush Enterprises: | RUSHA | \$ | 1.8 billion |
| • Sally Beauty Holdings: | SBH | \$ | 1.7 billion |
| • Abercrombie & Fitch Co: | ANF | \$ | 1.6 billion |
| • Systemax: | SYX | \$ | 1.6 billion |
| • Weis Markets: | WMK | \$ | 1.5 billion |
| • Rite Aid Corp: | RAD | \$ | 1.4 billion |
| • Zumiez: | ZUMZ | \$ | 1.2 billion |
| • Childrens Place: | PLCE | \$ | 1.1 billion |
| • Hibbett Sports: | HIBB | \$ | 1.0 billion |
| • Ingles Markets: | IMKTA | \$ | 1.0 billion |
| • Lands End: | LE | \$ | 1.0 billion |
| • Carparts.com: | PRTS | \$ | 987 million |
| • MarineMax: | HZO | \$ | 967 million |

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|---------------------------------------|-------|----|-------------|
| • America's Car-Mart: | CRMT | \$ | 891 million |
| • Party City: | PRTY | \$ | 885 million |
| • Lumber Liquidators Holdings: | LL | \$ | 816 million |
| • Container Store Group: | TCS | \$ | 808 million |
| • Sportsmans Warehouse Holdings: | SPWH | \$ | 763 million |
| • Petmed Express: | PETS | \$ | 752 million |
| • Shoe Carnival: | SCVL | \$ | 690 million |
| • Citi Trends: | CTRN | \$ | 676 million |
| • Winmark Corp: | WINA | \$ | 674 million |
| • Genesco: | GCO | \$ | 653 million |
| • Haverty Furniture Companies: | HVT | \$ | 587 million |
| • Conns: | CONN | \$ | 451 million |
| • Barnes & Noble Education: | BNED | \$ | 377 million |
| • Kirkland's: | KIRK | \$ | 369 million |
| • Natural Grocers By Vitamin Cottage: | NGVC | \$ | 354 million |
| • Big 5 Sporting Goods Corp: | BGFV | \$ | 342 million |
| • Chico's FAS: | CHS | \$ | 326 million |
| • Village Super Market: | VLGEA | \$ | 325 million |
| • Tillys: | TLYS | \$ | 323 million |
| • Cato Corp: | CATO | \$ | 280 million |
| • Gaia: | GAIA | \$ | 188 million |
| • Express: | EXPR | \$ | 181 million |
| • Build-A-Bear Workshop: | BBW | \$ | 99 million |
| • Vitamin Shoppe: | VSI | \$ | 41 million |

CONSUMER PACKAGED GOODS

5.1 Market Assessment

Mass Market Retailers (MMR), based on analysis by IRI (www.iriworldwide.com), assesses annual sales of consumer packaged goods (CPG) as follows:

- 2015: \$760 billion
- 2016: \$777 billion
- 2017: \$794 billion
- 2018: \$811 billion
- 2019: \$828 billion
- 2020: \$844 billion
- 2021: \$859 billion
- 2022: \$874 billion

5.2 Sales By Retail Channel

IRI assesses the distribution of in-store CPG sales by channel as follows:

- Grocery: 63%
- Warehouse clubs: 17%
- Drug stores: 10%
- Discount stores/supercenters: 6%
- Dollar stores: 3%
- Home centers and hardware: 1%
- Health and vitamin stores: <1%

5.3 Sales By Product Category

Sales of various product categories in supermarkets, drug stores, supercenters, and discount stores for the 52-week period ending November 29, 2020 were as follows (sources: *MMR* and IRI):

| | Total Mass Market | Food Store Sales |
|-------------------------|-------------------|------------------|
| • Carbonated beverages: | \$22.67 billion | \$12.76 billion |
| • Salty snacks: | \$22.54 billion | \$12.65 billion |
| • Beer: | \$20.41 billion | \$13.95 billion |
| • Natural cheese: | \$15.90 billion | \$11.16 billion |
| • Milk: | \$15.34 billion | \$10.08 billion |

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|---------------------------------|-----------------|-----------------|
| • Fresh bread & rolls: | \$14.80 billion | \$10.28 billion |
| • Bottled water: | \$14.74 billion | \$ 8.03 billion |
| • Wine: | \$13.80 billion | \$10.67 billion |
| • Pet food: | \$12.71 billion | \$ 4.76 billion |
| • Chocolate candy: | \$12.19 billion | \$ 4.52 billion |
| • Toilet tissue: | \$11.11 billion | \$ 4.08 billion |
| • Coffee: | \$10.82 billion | \$ 6.00 billion |
| • Frozen dinners/entrees: | \$10.28 billion | \$ 6.02 billion |
| • Cigarettes: | \$10.23 billion | \$ 3.71 billion |
| • Cold cereal: | \$ 9.22 billion | \$ 5.45 billion |
| • Vitamins: | \$ 9.13 billion | \$ 1.95 billion |
| • Cookies: | \$ 8.89 billion | \$ 4.85 billion |
| • Breakfast meats: | \$ 8.13 billion | \$ 5.42 billion |
| • Laundry detergent: | \$ 8.06 billion | \$ 2.52 billion |
| • Crackers: | \$ 7.74 billion | \$ 4.87 billion |
| • Yogurt: | \$ 7.54 billion | \$ 5.29 billion |
| • Soup: | \$ 7.40 billion | \$ 2.05 billion |
| • Ice cream/sherbet: | \$ 7.30 billion | \$ 5.45 billion |
| • Soap: | \$ 6.99 billion | \$ 4.68 billion |
| • Frozen seafood: | \$ 6.96 billion | \$ 4.05 billion |
| • Spirits/liquor: | \$ 6.95 billion | \$ 4.73 billion |
| • Paper towels: | \$ 6.83 billion | \$ 2.71 billion |
| • Refrigerated meat: | \$ 6.82 billion | \$ 3.46 billion |
| • Refrigerated juices/drinks: | \$ 6.70 billion | \$ 4.44 billion |
| • Fresh eggs: | \$ 6.69 billion | \$ 4.56 billion |
| • Luncheon meats: | \$ 6.24 billion | \$ 3.85 billion |
| • Frozen pizza: | \$ 6.06 billion | \$ 3.78 billion |
| • Bottled juice - shelf stable: | \$ 6.05 billion | \$ 3.37 billion |
| • Frozen novelties: | \$ 5.79 billion | \$ 3.78 billion |
| • Non-chocolate candy: | \$ 5.74 billion | \$ 1.81 billion |
| • Snack bars/granola bars: | \$ 5.46 billion | \$ 2.79 billion |
| • Spices/seasonings: | \$ 5.45 billion | \$ 3.64 billion |
| • Food and trash bags: | \$ 5.13 billion | \$ 1.84 billion |
| • Frozen/refrigerated poultry: | \$ 5.02 billion | \$ 2.89 billion |
| • Pet supplies: | \$ 4.90 billion | \$ 978 million |
| • Diapers: | \$ 4.89 billion | \$ 876 million |
| • Cold/allergy/sinus tablets: | \$ 4.88 billion | \$ 1.10 billion |
| • Snack nuts/seeds/corn nuts: | \$ 4.74 billion | \$ 2.38 billion |
| • Cups and plates: | \$ 4.72 billion | \$ 1.61 billion |
| • Household cleaners: | \$ 4.71 billion | \$ 1.51 billion |
| • Creams/creamers: | \$ 4.67 billion | \$ 3.25 billion |
| • Sports drinks: | \$ 4.55 billion | \$ 2.27 billion |
| • Baby formula/electrolytes: | \$ 4.47 billion | \$ 1.85 billion |
| • Dinner sausage: | \$ 4.37 billion | \$ 2.96 billion |

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| • Skin care: | \$ 4.34 billion | \$ 619 million |
| • Shortening and oil: | \$ 4.27 billion | \$ 2.62 billion |
| • Energy drinks: | \$ 4.25 billion | \$ 1.79 billion |
| • Internal analgesics: | \$ 4.24 billion | \$ 1.04 billion |
| • Weight control: | \$ 4.20 billion | \$ 1.40 billion |
| • Frozen/refrigerated processed poultry: | \$ 4.13 billion | \$ 2.19 billion |
| • Frozen breakfast food: | \$ 4.09 billion | \$ 2.26 billion |
| • Vegetables - shelf stable: | \$ 3.99 billion | \$ 2.70 billion |
| • Pet treats: | \$ 3.95 billion | \$ 1.38 billion |
| • Pastry/doughnuts: | \$ 3.89 billion | \$ 2.20 billion |
| • Butter/butter blends: | \$ 3.82 billion | \$ 2.70 billion |
| • Tea/coffee - ready-to-drink: | \$ 3.81 billion | \$ 2.02 billion |
| • Air fresheners: | \$ 3.73 billion | \$ 703 million |
| • Frozen meat: | \$ 3.70 billion | \$ 2.14 billion |
| • Refrigerated side dishes: | \$ 3.68 billion | \$ 2.93 billion |
| • Kitchen storage: | \$ 3.64 billion | \$ 524 million |
| • Culinary: | \$ 3.61 billion | \$ 873 million |
| • Mexican foods: | \$ 3.59 billion | \$ 2.44 billion |
| • Dish detergent: | \$ 3.59 billion | \$ 1.32 billion |
| • Toothpaste: | \$ 3.48 billion | \$ 937 million |
| • Gastrointestinal - tablets: | \$ 3.45 billion | \$ 798 million |
| • Shampoo: | \$ 3.38 billion | \$ 767 million |
| • Processed cheese: | \$ 3.27 billion | \$ 2.07 billion |
| • Deodorant: | \$ 3.25 billion | \$ 750 million |
| • Batteries: | \$ 3.23 billion | \$ 752 million |
| • Frozen plain vegetables: | \$ 3.15 billion | \$ 2.14 billion |
| • Rice: | \$ 3.10 billion | \$ 1.98 billion |
| • Spaghetti/Italian sauce: | \$ 3.02 billion | \$ 2.12 billion |
| • Pickles/relish/olives: | \$ 2.95 billion | \$ 2.09 billion |
| • Canned/bottled fruit: | \$ 2.93 billion | \$ 1.70 billion |
| • Sanitary napkins/tampons: | \$ 2.89 billion | \$ 696 million |
| • Seafood - shelf stable: | \$ 2.83 billion | \$ 1.77 billion |
| • Baking needs: | \$ 2.82 billion | \$ 1.80 billion |
| • Toothbrushes/dental accessories: | \$ 2.81 billion | \$ 543 million |
| • Frankfurters: | \$ 2.80 billion | \$ 1.84 billion |
| • Frozen appetizers/snack rolls: | \$ 2.76 billion | \$ 1.47 billion |
| • Cleaning tools/mops/brooms: | \$ 2.74 billion | \$ 666 million |
| • Refrigerated entrees: | \$ 2.73 billion | \$ 1.84 billion |
| • Bakery snacks: | \$ 2.72 billion | \$ 1.43 billion |
| • Pasta: | \$ 2.68 billion | \$ 1.97 billion |
| • Meat - shelf stable: | \$ 2.65 billion | \$ 1.50 billion |
| • Nut butter: | \$ 2.53 billion | \$ 1.54 billion |
| • Refrigerated lunches: | \$ 2.52 billion | \$ 1.38 billion |
| • Dinners - shelf stable: | \$ 2.51 billion | \$ 1.32 billion |

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| • Hair conditioners: | \$ 2.44 billion | \$ 512 million |
| • Baby feeding/care & safety/travel: | \$ 2.40 billion | \$ 136 million |
| • Dry packages dinner mixes: | \$ 2.36 billion | \$ 1.39 billion |
| • Salad dressing - shelf stable: | \$ 2.35 billion | \$ 1.56 billion |
| • Home health care/kits: | \$ 2.34 billion | \$ 304 million |
| • Dough/biscuit dough - refrigerated: | \$ 2.31 billion | \$ 1.50 billion |
| • Socks: | \$ 2.29 billion | \$ 142 million |
| • Frozen potatoes/onions: | \$ 2.27 billion | \$ 1.49 billion |
| • Fabric softener: | \$ 2.26 billion | \$ 614 million |
| • Hand and body lotion: | \$ 2.22 billion | \$ 413 million |
| • Cat/dog litter: | \$ 2.22 billion | \$ 844 million |
| • Refrigerated tea/coffee: | \$ 2.21 billion | \$ 2.48 billion |
| • Cream cheese and spreads: | \$ 2.20 billion | \$ 1.48 billion |
| • Mexican sauce: | \$ 2.09 billion | \$ 1.39 billion |
| • First aid accessories: | \$ 2.09 billion | \$ 288 million |
| • Mayonnaise: | \$ 2.09 billion | \$ 1.33 billion |
| • Adult incontinence: | \$ 2.02 billion | \$ 438 million |
| • Eye/contact lens care products: | \$ 2.01 billion | \$ 419 million |
| • Other sauces: | \$ 1.97 billion | \$ 1.33 billion |
| • Jellies/jams/honey: | \$ 1.97 billion | \$ 1.29 billion |
| • Dried meat snacks: | \$ 1.92 billion | \$ 657 million |
| • Pies and cakes: | \$ 1.87 billion | \$ 1.22 billion |
| • Sugar: | \$ 1.87 billion | \$ 1.06 billion |
| • Blades: | \$ 1.84 billion | \$ 386 million |
| • Laundry care: | \$ 1.82 billion | \$ 511 million |
| • Cosmetics - eye: | \$ 1.80 billion | \$ 200 million |
| • Candles: | \$ 1.79 billion | \$ 525 million |
| • Tomato products: | \$ 1.72 billion | \$ 1.26 billion |
| • Hair coloring: | \$ 1.72 billion | \$ 300 million |
| • First aid treatment: | \$ 1.72 billion | \$ 242 million |
| • Gum: | \$ 1.71 billion | \$ 601 million |
| • Baby food: | \$ 1.69 billion | \$ 841 million |
| • Facial tissues: | \$ 1.68 billion | \$ 702 million |
| • Cosmetics - nails: | \$ 1.65 billion | \$ 167 million |
| • Cosmetics - facial: | \$ 1.64 billion | \$ 148 million |
| • Baking mixes: | \$ 1.64 billion | \$ 1.02 billion |
| • Mouthwash: | \$ 1.59 billion | \$ 441 million |
| • Gravy/sauce mixes: | \$ 1.59 billion | \$ 1.12 billion |
| • Baby wipes: | \$ 1.57 billion | \$ 319 million |
| • Mustard and ketchup: | \$ 1.53 billion | \$ 969 million |
| • Nasal products: | \$ 1.52 billion | \$ 297 million |
| • Motor oil: | \$ 1.50 billion | \$ 50 million |
| • Tea - bags/loose: | \$ 1.49 billion | \$ 961 million |
| • Household cleaner cloths: | \$ 1.48 billion | \$ 498 million |

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| • Frozen fruit: | \$ 1.47 billion | \$ 918 million |
| • Frozen soups/sides/other: | \$ 1.46 billion | \$ 992 million |
| • Hot cereal: | \$ 1.45 billion | \$ 932 million |
| • Refrigerated whipped toppings: | \$ 1.42 billion | \$ 993 million |
| • Foils and wraps: | \$ 1.41 billion | \$ 647 million |
| • Hair accessories: | \$ 1.41 billion | \$ 180 million |
| • Sour cream: | \$ 1.40 billion | \$ 997 million |
| • Flour/meal: | \$ 1.40 billion | \$ 941 million |
| • Margarine/spreads: | \$ 1.40 billion | \$ 920 million |
| • Aseptic juices: | \$ 1.39 billion | \$ 714 million |
| • Cold/allergy/sinus liquids: | \$ 1.38 billion | \$ 315 million |
| • Gastrointestinal - liquids: | \$ 1.34 billion | \$ 320 million |
| • Refrigerated dips: | \$ 1.33 billion | \$ 899 million |
| • Other snacks: | \$ 1.28 billion | \$ 546 million |
| • Asian food: | \$ 1.27 billion | \$ 920 million |
| • Sleeping remedies: | \$ 1.25 billion | \$ 271 million |
| • Dry fruit snacks: | \$ 1.20 billion | \$ 504 million |
| • Frozen bread/dough: | \$ 1.19 billion | \$ 790 million |
| • Suntan products: | \$ 1.18 billion | \$ 233 million |
| • Bagels: | \$ 1.17 billion | \$ 845 million |
| • Sexual health: | \$ 1.14 billion | \$ 121 million |
| • Baking nuts: | \$ 1.14 billion | \$ 692 million |
| • Dried fruit: | \$ 1.13 billion | \$ 763 million |
| • Cosmetics accessories: | \$ 1.13 billion | \$ 134 million |
| • Cottage cheese: | \$ 1.10 billion | \$ 806 million |
| • Other health remedies: | \$ 1.08 billion | \$ 148 million |
| • Light bulbs: | \$ 1.07 billion | \$ 271 million |
| • Popcorn/popcorn oil: | \$ 1.07 billion | \$ 606 million |
| • Foot care products: | \$ 1.06 billion | \$ 149 million |
| • External analgesic rubs: | \$ 1.02 billion | \$ 166 million |
| • Refrigerated spreads: | \$ 1.02 billion | \$ 814 million |
| • Drinkware: | \$ 1.01 billion | \$ 239 million |
| • Antismoking products: | \$ 998 billion | \$ 90 million |
| • Hair styling gel/mousse: | \$ 997 billion | \$ 181 million |
| • Canned juices - shelf stable: | \$ 996 billion | \$ 591 million |
| • Office products: | \$ 992 billion | \$ 170 million |
| • Charcoal: | \$ 985 billion | \$ 497 million |
| • Bleach: | \$ 969 billion | \$ 289 million |
| • Syrup: | \$ 949 billion | \$ 618 million |
| • Toaster pastries/tarts: | \$ 921 billion | \$ 424 million |
| • Moist towelettes: | \$ 909 billion | \$ 238 million |
| • Drink mixes: | \$ 904 billion | \$ 437 million |
| • Disposable tableware: | \$ 884 billion | \$ 245 million |
| • Salad toppings and croutons: | \$ 879 billion | \$ 568 million |

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| • Automobile fluids/antifreeze: | \$ 875 billion | \$ 62 million |
| • Pest control: | \$ 873 billion | \$ 186 million |
| • Barbecue sauce: | \$ 866 billion | \$ 570 million |
| • Lip treatment: | \$ 866 billion | \$ 143 million |
| • Refrigerated seafood: | \$ 865 billion | \$ 653 million |
| • Refrigerated desserts: | \$ 858 billion | \$ 579 million |
| • Gelatin/pudding products & mixes: | \$ 851 billion | \$ 545 million |
| • Baked beans: | \$ 851 billion | \$ 531 million |
| • Baby needs: | \$ 831 billion | \$ 160 million |
| • Household plastics: | \$ 817 billion | \$ 44 million |
| • English muffins: | \$ 816 billion | \$ 654 million |
| • Coffee/espresso/tea: | \$ 802 billion | \$ 53 million |
| • Frozen desserts/toppings: | \$ 800 billion | \$ 556 million |
| • Non-fruit drinks - shelf stable: | \$ 797 billion | \$ 509 million |
| • Children's art supplies: | \$ 791 billion | \$ 105 million |
| • Dry beans/vegetables: | \$ 781 billion | \$ 536 million |
| • Vinegar: | \$ 769 billion | \$ 517 million |
| • Sugar substitutes: | \$ 765 billion | \$ 408 million |
| • Paper napkins: | \$ 753 billion | \$ 360 million |

5.4 Market Leaders

Ranked by annual revenue, the following are the largest suppliers of consumer packaged goods (sources: *Forbes*, *Fortune*, and company reports):

| | |
|---|----------------|
| • Procter & Gamble (www.pg.com): | \$67.7 billion |
| • PepsiCo (www.pepsico.com): | \$67.2 billion |
| • Unilever (www.unilever.com): | \$60.4 billion |
| • Tyson Foods (www.tyson.com): | \$42.4 billion |
| • Coca-Cola (www.thecoca-colacompany.com): | \$37.3 billion |
| • Mars (www.mars.com): | \$37.0 billion |
| • Mondelez International (www.mondelez.com): | \$25.9 billion |
| • Kraft Heinz (www.kraftheinzcompany.com): | \$25.0 billion |
| • Kimberly-Clark (www.kimberly-clark.com): | \$18.4 billion |
| • General Mills (www.generalmills.com): | \$16.9 billion |
| • Colgate-Palmolive (www.colgate.com): | \$15.7 billion |
| • Estée Lauder (www.elcompanies.com): | \$14.9 billion |
| • Land O'Lakes (www.landolakesinc.com): | \$13.8 billion |
| • Kellogg (www.kelloggcompany.com): | \$13.6 billion |
| • Keurig Dr. Pepper (www.drpeppersnapplegroup.com): | \$11.1 billion |
| • Molson Coors (www.molsoncoors.com): | \$10.6 billion |
| • Campbell Soup (www.campbellsoupcompany.com): | \$ 9.9 billion |
| • ConAgra Foods (www.conagrafoods.com): | \$ 9.5 billion |
| • Hormel Foods (www.hormelfoods.com): | \$ 9.5 billion |
| • Coty (www.coty.com): | \$ 8.6 billion |

- Constellation Brands (www.cbrands.com): \$ 8.1 billion
- Hershey (www.thehersheycompany.com): \$ 7.9 billion
- J.M. Smucker (www.smucker.com): \$ 7.8 billion
- Dean Foods (www.deanfoods.com): \$ 7.3 billion
- Clorox (www.thecloroxcompany.com): \$ 6.2 billion
- Avon Products (www.avoncompany.com): \$ 5.7 billion
- Post Holdings (www.postholdings.com): \$ 5.7 billion
- Spectrum Brands (www.spectrumbrands.com): \$ 5.0 billion
- McCormick (www.mccormick.com): \$ 4.8 billion
- E&J Gallo Winery (www.gallo.com): \$ 4.7 billion
- Dole Food (www.dole.com): \$ 4.5 billion
- Del Monte Foods (www.delmonte.com): \$ 4.1 billion
- Flowers Foods (www.flowersfoods.com): \$ 3.9 billion
- Church & Dwight (www.churchdwight.com): \$ 3.8 billion
- Rich Products (www.rich.com): \$ 3.6 billion

5.5 Market Resources

Mass Market Retailers (MMR), Racher Press, Inc., 220 Fifth Avenue, New York, NY 10001. (212) 213-6000. (www.massmarketretailers.com)

IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221. (www.iriworldwide.com)

6

PRIVATE LABEL

6.1 Market Assessment

Across all major U.S. retail channels sales of private-label products reached an all-time high of \$200 billion in 2020, an 11.6% increase from the prior year, according to the Private Label Manufacturers Association (PLMA, www.plma.com) based on data from Nielsen (www.nielsen.com). Distribution by retail channel was as follows:

- Supermarkets: 42%
- Mass merchandisers: 30%
- Discount stores, specialty retailers, and wholesale clubs: 22%
- Drug stores: 6%

Unit sales of private label products were 48.6 billion, a 7.2% increase from the prior year.

The PLMA/Nielsen assessment did not include private label sales in baby care, consumer electronics, convenience stores, dollar store retailers, hardware and home improvement, health and beauty, home decor and domestic goods, office supplies, and pet care.

2020 Power Of Private Brands, by the Food Industry Association (www.fmi.org), reported that 85% of retailers boosted their private brand strategies in the wake of the pandemic.

“Consumer demand for private brands, already high, surged in the early days of the Covid-19 pandemic.”

Mass Market Retailers, 11/16/20

6.2 Marketshare

In 2020, store brands' market penetration was 19.5% in dollar share and 23.4% in unit share.

According to IRI (www.iriworldwide.com), private label marketshare was distributed by retail channel as follows (source: Nielsen):

| | Unit Share | Dollar Share |
|-----------------------|------------|--------------|
| • Supermarkets: | 29.2% | 24.2% |
| • Warehouse clubs: | 24.1% | 23.7% |
| • Drug stores: | 17.4% | 18.3% |
| • Mass/superstores: | 16.6% | 16.1% |
| • Dollar stores: | 13.9% | 15.0% |
| • Convenience stores: | 3.0% | 2.1% |

In the supermarket segment, private label share in the value channel (i.e., Aldi and Lidl) was 78% in 2020.

6.3 Store Brands For National Retailers

Retail chains develop and market store brands in various ways. They may create a whole line of products around a particular feature such as Safeway's O Organics, Eating Right and Open Nature offerings; Kroger's Simple Truth, Comforts for Baby, and Private Selection; Albertsons' Essential Everyday and Wild Harvest brands; and Aldi's Simply Nature.

In other cases, a majority of the store brands offerings in a chain carry the same name, such as Costco's Kirkland Signature, Wal-Mart's Great Value, Whole Foods' 365 Everyday Value, and Meijer Gold. The chain's name can also serve as a store brand; Walgreens, CVS, Rite Aid, Family Dollar, DG, Wegmans, Giant Eagle, Publix, Raley's and Trader Joe's are examples.

Private Label Proliferation, by Numerator (www.numerator.com), reported private label share of CPG sales for all U.S. retailers at 17%. The percentage for select retailers was as follows:

| | |
|------------|-----|
| • Costco: | 29% |
| • Kroger: | 19% |
| • Walmart: | 19% |
| • Target: | 13% |
| • Amazon: | 1% |

6.4 Comparison With National Brands

In a survey by Accenture (www.accenture.com), 39% of consumers said they increased their purchases of store brands or private label brands in recent years because of the economy. Another 28% said they had already been buying private label brands for many years.

Even with the improved economy, consumer preference for store brands continues to grow. Accenture found that 50% of consumers find the quality of private label brands to be just as good as national brands; 36% feel they are "just another brand."

According to a survey by Ipsos (www.ipsos.com/marketing), consumers find store brands to be the same or better than national brands with respect to the following criteria (percent of responses):

- Good value for the money: 89%
- Products that meet my needs: 87%
- Convenient products: 87%
- Good for the family: 86%
- Products my family requests: 83%
- Products that taste good: 81%
- Products that work well: 81%
- Products that I trust: 80%
- High quality products: 73%
- Unique products: 69%
- Innovative products: 69%
- Appealing packaging: 65%

6.5 Private Label CPG

IRI reported private label share garnered by consumer packaged goods (CPG) products by retail channel as follows:

| | Unit Sales | Dollar Sales |
|-----------------------|-------------------|---------------------|
| • Multi-outlet: | 17.1% | 14.1% |
| • Food stores: | 21.6% | 18.3% |
| • Drug stores: | 17.4% | 17.1% |
| • Convenience stores: | 2.7% | 1.9% |

By department, private label share garnered by CPG products was as follows:

| | Unit Sales | Dollar Sales |
|--------------------------|-------------------|---------------------|
| • Refrigerated products: | 30.1% | 30.5% |
| • Health products: | 25.3% | 22.4% |
| • General merchandise: | 26.4% | 22.0% |
| • Frozen food: | 19.4% | 19.1% |
| • General food: | 16.7% | 14.5% |
| • Beverages: | 8.8% | 7.8% |
| • Home care: | 11.3% | 7.6% |
| • Beauty products: | 11.4% | 7.0% |
| • Tobacco: | 0.4% | 0.5% |
| • Liquor: | 0.1% | 0.1% |

Private label share garnered by CPG products for select product categories was as follows:

| | Unit Sales | Dollar Sales |
|--------------------|-------------------|---------------------|
| • Fresh eggs: | 55.5% | 51.4% |
| • Cups and plates: | 58.4% | 50.3% |

| | | |
|-------------------------------|-------|-------|
| • Refrigerated meat: | 51.4% | 49.9% |
| • Food/trash bags: | 54.8% | 43.9% |
| • Refrigerated salad: | 35.9% | 37.4% |
| • Internal analgesics: | 36.1% | 34.5% |
| • Cold/allergy/sinus tablets: | 38.4% | 31.9% |
| • Vitamins: | 33.3% | 27.6% |
| • Ice cream/sherbet: | 24.7% | 20.7% |

6.6 Market Resources

IRI, 150 North Clinton Street, Chicago, IL 60661. (312) 726-1221.
(www.iriworldwide.com)

Private Label Manufacturers Association, 630 3rd Avenue, New York, NY 10017.
(212) 972-3131. (www.plma.com)

RETURNS

7.1 Returns and Fraud

Since 2005, the National Retail Federation (www.nrf.com) has annually published *Consumer Returns in the Retail Industry*. The study is sponsored by Appris Retail (www.apprisretail.com).

In 2020, retail returns and fraud/abuse in the U.S. were as follows:

| | Rate | Total |
|------------------------|----------|---------------|
| • Returns: | 10.6%* | \$428 billion |
| • Receipted: | 82.2%** | \$352 billion |
| • Non-receipted: | 17.8%** | \$ 76 billion |
| • Return fraud: | 5.9%** | \$ 25 billion |
| • Online returns: | 18.1%*** | \$102 billion |
| • Online return fraud: | 7.5%** | \$ 8 billion |

* Percentage of total retail sales

** Percentage of returns

*** Percentage of online sales

7.2 Return Rate by Category

The return rate by category in 2020 was as follows:

| | |
|----------------------------|-------|
| • Auto parts: | 19.4% |
| • Apparel: | 12.2% |
| • Home improvement: | 11.5% |
| • Housewares: | 11.5% |
| • Department stores: | 11.4% |
| • Footwear: | 9.1% |
| • Sporting goods: | 7.6% |
| • Beauty: | 4.3% |
| • Hard goods: | 3.8% |
| • Drugs stores/pharmacies: | 1.6% |

7.3 Online Returns

According to a study by the United Parcel Service (UPS, www.ups.com), 75% of online shoppers returned merchandise by shipping goods back to the merchant. The expense of processing and shipping returned items can range from 20% to 65% of an online retailer's cost of goods sold.

“Online sales are growing at about three times the rate of those from bricks-and-mortar stores, in part, because of the popularity of free shipping. But that’s led to a big problem: an explosion of online returns.”

Bloomberg Businessweek

Online merchants are seeking ways to make returns less costly. The following are some examples (source: *Bloomberg Businessweek*):

- Amazon.com allows free returns to the lockers it has installed in many areas. Consumers process the return online, pick an available locker location, and receive a code to open the locker door.
- BestBuy.com lets customers print a prepaid return label; the shipping fee is deducted from the refund.
- Retailers are providing more sizing information and photos of goods, obviating the need for many returns. Dockers.com, for example, gives the size in inches of thigh and leg openings for its eight clothing fits for men. And online retailer ModCloth lets customers upload photos of themselves wearing its clothes.
- Many merchants craft return policies to get merchandise back quickly enough to resell at a good price before it goes out of style or is superseded by a later model. Most customers at Best Buy, for instance, are allowed 15 days to return items. Elite members (those who spend \$1,500 in a calendar year) get double that period, and Elite Plus members (who spend \$3,500 in a year) get 45 days.

The UPS survey found that 58% of consumers prefer being able to return goods to a physical store. Among those who bring back online orders to a physical store, 66% make a new purchase during that visit.

“Even when consumers don’t purchase a product in a brick-and-mortar store, they prefer to return it there.”

Chain Store Age, 1/8/21

7.4 Holiday Season Returns

A survey by Morning Consult (www.morningconsult.com) found that 18% of U.S. adults planned to return at least one gift they received during the 2020 holiday season. Seventy-four percent (74%) planned to return gift items to the store; 31% planned to ship their returns.

CBRE (www.cbre.com) assessed returns from the 2020 holiday season at \$70.5 billion, a 73% increase from the previous five-year average.

7.5 Secondary Market

Most returned items end up in the secondary market, a segment which includes unsold merchandise and flawed goods as well as returns. Researchers at Arizona State University and Colorado State University assessed the U.S. secondary market at \$486 billion.

“For retailers and manufacturers, [returns are] a big headache. Dealing with unwanted goods can amount to a tenth of the cost of making and distributing them in the first place. But for a whole string of logistics firms, discount chains, brokers, dollar stores and more, they are a big earner. The world’s top clothing retailer is now TJX, which snaps up surplus inventory and shifts it at a discount. Lots of smaller firms make money from returned goods, too: a collection of companies transport, evaluate, dispose of and resell goods that mainstream retail has snubbed.”

The Economist

Only a small percentage of returned items are resold by the very same retailer. By the time an item is returned it might be either damaged or stale, and many retailers prefer to offer newer wares. Luxury goods are often destroyed to preserve a brand’s aura of desirability. Some retailers dictate that their returns only be sold to exporters.

CHRISTMAS SEASON SHOPPING

8.1 Overview

According to the National Retail Federation (NRF, www.nrf.com), more than 90% of Americans celebrate either Christmas, Kwanzaa, or Hanukkah.

“The holiday season generally accounts for 20% of retailer’s annual sales, according to the National Retail Federation, and Thanksgiving weekend alone typically represents about 10% to 15% of those holiday sales.”

The New York Times

8.2 Market Assessment

According to the Census Bureau (www.census.gov) of the U.S. Department of Commerce, year-over-year growth of December retail sales has been as follows:

| | Total Retail* | GAFO** | | Total Retail* | GAFO** |
|---------|---------------|--------|---------|---------------|--------|
| • 2007: | 3.1% | -0.3% | • 2014: | 3.9% | 1.9% |
| • 2008: | -6.8% | -6.0% | • 2015: | 2.1% | 1.5% |
| • 2009: | 5.6% | 1.4% | • 2016: | 3.3% | -0.3% |
| • 2010: | 6.4% | 3.2% | • 2017: | 4.3% | 1.7% |
| • 2011: | 5.6% | 4.0% | • 2018: | 0.0% | -1.8% |
| • 2012: | 1.6% | 0.6% | • 2019: | 5.7% | 0.2% |
| • 2013: | 3.7% | 1.8% | • 2020: | 0.9% | -3.8% |

* excluding motor vehicle and parts dealers

** GAFO: (general merchandise, apparel, furnishings, and other)

The National Retail Federation reported retail sales (excluding autos, gas, and restaurant sales) in November and December as follows:

- 2007: \$526.0 billion
- 2008: \$501.5 billion
- 2009: \$502.7 billion
- 2010: \$528.8 billion
- 2011: \$553.3 billion
- 2012: \$567.6 billion
- 2013: \$584.4 billion
- 2014: \$614.1 billion
- 2015: \$632.9 billion
- 2016: \$652.6 billion
- 2017: \$687.4 billion
- 2018: \$700.7 billion
- 2019: \$729.1 billion
- 2020: \$789.4 billion

Year-over-year (YOY) changes in retail sales in November and December have been as follows:

- 2007: 2.7%
- 2008: -4.6%
- 2009: 0.2%
- 2010: 5.2%
- 2011: 5.6%
- 2012: 2.6%
- 2013: 2.9%
- 2014: 5.0%
- 2015: 3.2%
- 2016: 3.6%
- 2017: 5.5%
- 2018: 2.9%
- 2019: 4.1%
- 2020: 8.3%

The NRA forecasted 2020 holiday sales to increase 3.6% to 5.2%. Actual holiday season sales increased 8.3%, exceeding the forecast despite the economic challenges of the coronavirus pandemic.

“Despite unprecedented challenges, consumers and retailers demonstrated incredible resilience this holiday season. Faced with rising transmission of the virus, state restrictions on retailers and heightened political and economic uncertainty, consumers chose to spend on gifts that lifted the spirits of their families and friends and provided a sense of normalcy given the challenging year.”

Matthew Shay, President
National Retail Federation, 1/15/21

YOY sales changes in key retail sectors during the November-December 2019 and 2020 holiday seasons were as follows (source: NRF):

| | 2019 | 2020 |
|--|-------|--------|
| • Online and other non-store: | 14.6% | 23.9% |
| • Building materials and garden supply stores: | 1.0% | 19.0% |
| • Sporting goods stores: | -0.4% | 15.2% |
| • Grocery and beverage stores: | 2.9% | 9.6% |
| • Health and personal care stores: | 1.6% | 5.4% |
| • General merchandise stores: | 0.4% | -0.1% |
| • Clothing and clothing accessory stores: | -1.6% | -14.9% |
| • Electronics and appliance stores: | -2.0% | -14.4% |
| • Furniture and home furnishings stores: | 2.6% | 2.2% |

Mastercard SpendingPulse (www.mastercardservices.com/en/solutions/spendingpulse) reported that holiday retail sales (November 1 through December 24) increased by 2.4% in 2020. Online spending increased 47.2% over the previous holiday season; e-commerce sales accounted for 19.7% of total retail sales during the 2020 holiday season.

Adobe Digital Insights (www.adobe.com/experience-cloud/digital-insights) reported that online sales reached \$188.2 billion during November and December 2020, a year-over-year increase of 32.2%. For comparison, online holiday season sales were up 13.1% in 2019. Sales via smartphones accounted for almost two-fifths (39%) of e-commerce sales. Online spending during Cyber Week 2020 were as follows (YOY change in parenthesis):

| | |
|----------------------------|------------------------|
| • Thanksgiving Day: | \$ 5.1 billion (21.5%) |
| • Black Friday: | \$ 9.0 billion (21.6%) |
| • Small Business Saturday: | \$ 4.7 billion (30.2%) |
| • Cyber Monday: | \$10.8 billion (15.1%) |