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Boosting The Brach's Brand

STARTING WITH A complete packaging redesign for the Brach's brand, a targeted multimedia campaign and a growing list of new products in chocolate, non-chocolate, better-for-you and licensed segments, big changes are underway at Farley's & Sathers Candy Co., Inc.

This follows extensive consumer research about the Round Lake, MN-based supplier's major brands, including Brach's and Trolli, to make sure it's keeping retailers and shoppers happy. The company has managed Brach's since 2008, spending the first years integrating it into the business and 2010 gearing up for the relaunch.

CEO Liam Killeen tells **Candy & Snack TODAY**: "It's great to have a chance to really push this brand forward. We're really excited about Brach's, and have quite a few things happening with our other brands as well."

Referencing these investments, Matthew Fenton, vice-president of marketing, adds: "It's really about doing the right thing for consumers, and it's about growth, plain and simple. We've got these core brands that deserve consumer investment."

The eight-year-old company is home to brands including Farley's, Sathers, Jujyfruits and Now and Later, as well as a line of fruit snacks and a range of other candy and gum items. In 2011, the company will focus on three key areas, Fenton says: Brach's, Trolli, and its licensed and better-for-you fruit snacks.

"Our top priority is Brach's," Fenton confirms, and says new products, updated formulations and revamped packs are among the changes being made to the brand. He tells **Candy & Snack TODAY**: "It's not a reinvention of the brand, we want to be very clear about that. We are returning to the core and it's about getting back to those things that built the brand and have kept it around for 106 years."

Killeen says Brach's, through changes in management and ownership,

has not been given every opportunity that it deserves. He jokes that he has been warned he's the 15th CEO to manage the brand since he last worked with it in the 1990s, noting it was actually Brach's that brought him from Ireland to America in 1989 to work as a marketing manager.

"There have been a lot of changes in direction," he notes. "But with Farley's & Sathers, you have a very focused company and ownership that will really bring this brand back to life."

Bringing Brach's Back

Fenton says while the new logo and packages look different, the redesign actually harkens back to an earlier strategy.

"It's a return to what we, in the '90s, called the Brach's block," he says, explaining bags were pink and purple, so a lineup of 12 facings caught shoppers' eyes with a solid mass of color.

"We kept the purple and pink because consumers told us those are Brach's colors, but we've updated the design to be modern and appetizing. It has been consumer-tested, and we can say with confidence they not only approved it, but helped us design it."

Mike Sprinkle, vice-president of sales, adds: "We've invested in consumer research for the first time in awhile, and we brought in a design agency to work with us on packaging."

Product formulations are also being revamped, and Sprinkle notes the company is adding Peanut Butter Poppins and reintroducing its "gold standard" chocolate recipe.

"Restoring the classic Brach's chocolate formula was a natural step," he says.

Even non-chocolate items in the Brach's line are being updated, with the company introducing Mandarin Orange Slices, a more modern take on its traditional Orange Slices. Made with real fruit juice, they feature a new shape and brighter color, Fenton explains.

Non-chocolate offerings, Killeen explains, are particularly strong, as are holiday products. "We have consumers who mark their calendar by specific Brach's products, whether it's candy corn or our conversation hearts," he says.

One of the company's goals with the brand, though, is to bring everyday offerings forward while continuing to strongly support its seasonal assortment.

"We focused very closely on the SKU mix, which included some rationalization," Fenton says, explaining the line comprised hundreds of products.

Extending Emotional Connections

Killeen adds the company's strategy of investing in research is the best way to generate sustainable and lasting results.

But, he notes: "We're less interested in knowing what the next great flavor is, and much more concerned with understanding the hearts and minds of consumers and what it is the brand truly does for them."

A consumer marketing push for Brach's will spread the word about the brand during the second quarter of this year and feature the tagline "Life's Little Celebrations," Fenton tells **Candy & Snack TODAY**.

He continues: "There are special moments in every day, big and small, and our products offer ways to celebrate those moments." He notes the brand's target shoppers are moms in their mid-30s, and adds the campaign will include in-store, online and print ads, zeroing in on women's lifestyle media.

"Speaking with our consumers, we found Brach's has an emotional power that few others can match," he says. "We've actually had people in focus groups cry. One woman talked about how her father always had Brach's in the candy dish — it was a 40-year-old memory, but the emotions were very strong."

New Items Reach New Consumers

Another goal for the new campaign is to reach "category consumers" who aren't current users of the brand.

With the brand's marketing program underway, one thing is for certain, Fenton says: "It's definitely not a one-year campaign; It's more of a five-year campaign."

In the meantime, the company launched two Trolli products in late 2010 to draw consumers in and influence a

resurgence of interest in the brand, Fenton says. He notes the company is in the process of "evolving" the Trolli packaging, and adds: "It's our goal to be the innovation leader within gummies. We're starting from a strong base, with the brand growing at about 15 percent per year."

He adds Trolli Sour Brite Crawlers are the fastest-selling gummi candy, according to the company's most recent 52-week SymphonyIRI Group, Inc. data, across FDMx and convenience.

Trolli Soda Poppers, gummies shaped to resemble soda cans, first shipped in December, he says.

Each bag features new graphics and contains the top flavors of soda among teens, including cola, cherry cola, lemon lime, orange and root beer.

Big Bold Bears are also new, with flavors that extend beyond traditional cherry and include blue raspberry and lemon lime.

They're also four times larger than traditional gummi bears, Fenton says.

"Our research shows teens like to rip things apart with their teeth, so we made the arms and legs stick out more," he reveals.

Another key area of focus for the company is its line of fruit snacks.

Fenton explains the company now has a strategic partnership with Dr Pepper Snapple Group and is set to debut three new products with licensed flavors.

Hawaiian Punch Fruit Splashers, fruit snacks filled with Hawaiian Punch juice, will launch in 2011.

The products' debut will coincide with what Fenton terms a "face lift" for the brand's mascot, Punchy, and the candy's packaging will feature the new, more three-dimensional version of the cartoon.

Farley's & Sathers will also debut Mott's for Tots, based on a juice currently on shelves that is made especially for toddlers.

"Through research, we learned kids start eating fruit snacks as early as 18 months," he says.

Also new are Mott's Medleys, fruit snack versions of existing juice products that blend fruit and vegetable juice.

He notes it is the first fruit snack to include vegetable juice.

"It's all about giving consumers something different and something new," Fenton says. **CST**



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LIAM KILLEEN
Farley's & Sathers Candy Co., Inc.

FARLEY'S & SATHERS: NO SALE!

DESPITE REPORTS THAT Farley's & Sathers Candy Co., Inc. had hired financial advisors to help it find a buyer, CEO Liam Killeen dismisses talk that the company is up for sale, saying he considers the company's future to be "secure."

"We're one of the leading confectionery companies in the U.S., especially in non-chocolate," he says.

The company has not said it is currently looking for a buyer, according to Killeen, who points out, rumors about a possible sale often come up because the company has a private equity ownership structure.

"We've had phenomenal supporters of the business over the year, and have made investments in our brands' further growth," he adds.

"Farley's & Sathers will continue to play a major role to help retailers manage category growth, and we're very focused on understanding and growing our business, innovating and providing opportunities for our customers."