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Investment Sciences

Consumer Staples' Marketing Staff Churn Hurts Sales and Stock Prices

Marketing is a core capability of consumer staples companies; the data suggests that churn in the marketing department is negatively correlated with future sales and stock returns: We use data from Revelio to look at the relationship between churn (the % of marketers leaving in any given year), sales growth, and stock returns for 56 securities in the consumer staples sector. We find that on average across the past 10 years, more marketing churn in one year means slower sales growth and lower sector-adjusted excess returns in the subsequent year. This is an intuitively appealing result, with a very simple interpretation—on average, when CPG companies lose a lot of senior marketing staff, their businesses tend to perform worse in the near future.

Revelio's staffing data gives us a new lens into levels and changes for different job functions: Revelio uses job listings and résumé profile data to build granular staffing models for 5,000 public companies that detail the number of employees in 100 functions, divided by global region and seniority. This information has not previously been available for a cross-section of large companies.

For systematic investors, churn appears to be a useful predictive factor for returns. The relationship between churn and returns is statistically significant, and the R-square of 1.2% suggests churn explains more of excess returns than the value, momentum, and quality factors combined. Of course, there are also reasons to be cautious here—Revelio is a new dataset and its point-in-time relationships are generated synthetically. Therefore, additional testing would be required to determine if it is likely to work in practice.

For fundamental investors, this provides an insight into an aspect of operations that might not normally be visible in real time. This data allows company analysts to place staffing levels and changes within a company into the full investment context. If an analyst already has questions about execution within a firm, the insight that the company has seen a higher share of marketers departing may confirm those concerns. That said, on the other end of the spectrum, if a new CEO is taking the strategy in a direction that includes a refresh of talent, churn could well suggest the opposite direction—that the required changes are now done and the company is poised to deliver better results in the future. In a selection of companies with the highest (and lowest) churn rates in 2019, our fundamental analysts discuss what they think the data does (or does not) mean for those businesses in 2020.

INDUSTRY UPDATE

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PLEASE SEE ANALYST CERTIFICATION(S) AND IMPORTANT DISCLOSURES BEGINNING ON PAGE 11.

Using Revelio data on marketing churn to predict returns

Given the central role that marketing plays in the operating performance of consumer staples/Consumer Packaged Goods (CPG) businesses, we believe that insights into how companies are resourcing their marketing departments will prove investment relevant. In the past, the relationship between workforces and performance have not received much attention, in part because it has been difficult to get robust data.

Revelio models the number of staff for 100 roles in each region and for four seniority levels

Revelio is a data provider that uses job postings, online professional profiles and resumes to create a point in time snapshot of a company's employees. Those snapshots can be used to understand how a given function is growing and changing over time.

As a starting point for exploring this potential, we wanted to look at churn in the marketing function within CPG firms. We chose this because it is an intuitively appealing question– *when marketing professionals leave the firm, does the loss of their experience and brand knowledge hurt the business?*

Churn measures staff attrition of all types, we use the average monthly churn over a CY

To test this, we started with 52 securities in the Consumer Staples sector for which we had Revelio data for the marketing function. Every month Revelio lists counts of employees in a number of categories. Jobs are stratified into 100 standardised roles, four world regions, and four job seniorities. To test the effect of marketing turmoil, we selected worldwide staff in the 'marketing manager' roles split by seniority levels as well as all seniorities. We define monthly staff churn as the proportion of staff outflow in a month to the count at the start of the month. An average of the monthly values for the calendar year is taken for the yearly churn.

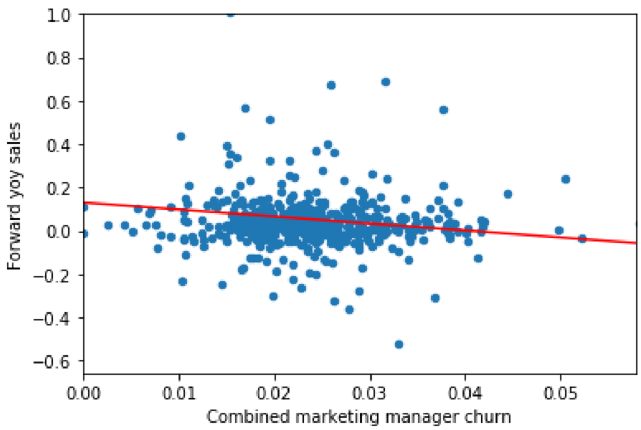
Regressed churn vs forward looking sales growth and returns

We ran regressions on these churn ratios and see a negative relationship between share of 'marketing managers' leaving the firm and both annualised sales growth[1] (Figure 1) and stock excess returns over the MSCI World Consumer Staples Index (Figure 2). These results suggest that the more senior marketing employees leave the firm in a given year, the worse revenue growth is, and the worse stock returns are, in the following year. Looking at all levels of seniority is a reasonable predictor of sales growth, but the loss of senior marketers is more predictive of returns (Figures 3 and 4).

[1] Annualised sales growth as per Bloomberg's functionality

FIGURE 1

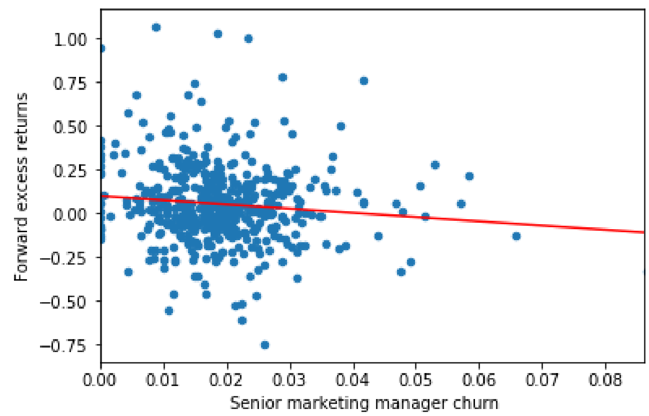
Scatter of CY annualised forward sales and average monthly churn in all seniorities 'marketing managers'



Source: Barclays Research, Bloomberg, Revelio

FIGURE 2

Scatter of CY excess returns over sector index and average monthly churn in most senior 'marketing managers'



Source: Barclays Research, Bloomberg, Revelio

The regressions have statistically significant coefficients at the 99% (sales) and 98% (returns) levels. For example, the average annual churn in marketing departments is about 2.4%; that means we'd expect the average company over the past decade to have sales growth of about 5.2% and outperform the MSCI World Consumer Staples Index by 4.2%. However, a company that had higher churn would be lower: for example, a firm with average churn of 5% would be expected to see -3.1% sales growth and underperform the index by 2.1%.

FIGURE 3

Regression Results for Sales Growth on Prior Year 'Marketing Manager' average monthly Job Churn

```
                            OLS Regression Results
==============================================================================
Dep. Variable:      Forward yoy sales   R-squared:                       0.017
Model:                            OLS   Adj. R-squared:                  0.015
Method:                 Least Squares   F-statistic:                     8.651
Date:                Tue, 21 Jan 2020   Prob (F-statistic):            0.00342
Time:                        12:40:05   Log-Likelihood:                 121.70
No. Observations:                 512   AIC:                            -239.4
Df Residuals:                     510   BIC:                            -230.9
Df Model:                           1
Covariance Type:            nonrobust
==============================================================================
                                   coef    std err          t      P>|t|
------------------------------------------------------------------------------
const                            0.1296      0.027      4.778      0.000
Combined marketing manager churn -3.2152     1.093     -2.941      0.003
==============================================================================
Omnibus:                      560.481   Durbin-Watson:                   1.603
Prob(Omnibus):                  0.000   Jarque-Bera (JB):            33056.987
Skew:                           5.033   Prob(JB):                         0.00
Kurtosis:                      41.056   Cond. No.                         129.
==============================================================================
```

Source: Barclays Research, Bloomberg, Revelio

FIGURE 4

Regression Results for excess returns on Prior Year Senior 'Marketing Manager' Leader average monthly Job Churn

```
                            OLS Regression Results
==============================================================================
Dep. Variable:     Forward excess returns   R-squared:                   0.012
Model:                                OLS   Adj. R-squared:              0.010
Method:                     Least Squares   F-statistic:                 5.853
Date:                    Tue, 21 Jan 2020   Prob (F-statistic):         0.0159
Time:                            12:39:02   Log-Likelihood:             38.584
No. Observations:                     481   AIC:                        -73.17
Df Residuals:                         479   BIC:                        -64.82
Df Model:                               1
Covariance Type:                nonrobust
==============================================================================
                                 coef    std err          t      P>|t|
------------------------------------------------------------------------------
const                          0.1004      0.022      4.668      0.000
Senior marketing manager churn -2.4245     1.002     -2.419      0.016
==============================================================================
Omnibus:                       73.770   Durbin-Watson:                   1.698
Prob(Omnibus):                  0.000   Jarque-Bera (JB):              209.284
Skew:                           0.734   Prob(JB):                     3.59e-46
Kurtosis:                       5.879   Cond. No.                         98.2
==============================================================================
```

Source: Barclays Research, Bloomberg, Revelio

We also tested the relationship between net annual change in 'marketing manager' headcount as a predictor for both sales and returns. The question here was whether increases in marketing staff happen ahead of surges in sales growth; the answer is that they do. For sales growth, this net metric has much a higher statistical significance. However, we also found that net 'marketing manager' count is not a statistically significant predictor of excess returns. We interpret this result as suggesting that to the extent sales growth happens in connection with investments in total marketing spend, it is already well telegraphed to investors. That could happen through guidance, or by work analysts do in making their own estimates.

It also suggests, however, that churn in marketing headcount is not well known, making it potentially more novel source of insight for predicting operating and stock performance.

As with any analysis that depends on statistical evidence, there are caveats to keep in mind here. For making fundamental conclusions, in particular, in any analysis needs to be mindful that the regressions have R-squared between 1-2%, meaning that churn only explains a small portion of sales growth and stock returns. It is statistically significant, and offers more explanatory power in the sector than traditional factors, see *Quantamental factors for Consumer Staples*, September 26, 2019 for details. But it is one driver among many, so at any given company in any given year, other factors can combine to produce results that are contrary to what is suggested by churn alone. In addition, we think the that in some contexts this data is more difficult to interpret:

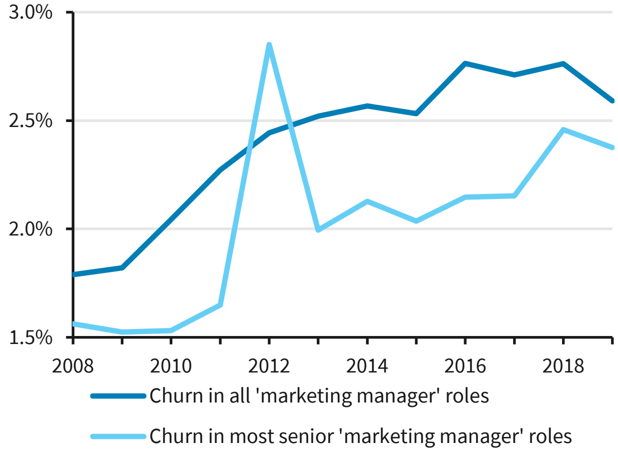
- Where companies have very small marketing staff, a small number of departures can make the values appear very high, even if a more thoughtful assessment would not suggest an unusual volume of change.
- When firms are making divestitures, it can also make the churn appear high relative to what we would consider to be “true” churn, as employees maintaining roles with departing businesses.
- Mergers are handled in the data by combining the marketing staffs of both firms into the successor. We believe provides for consistent measures of churn, but is important to consider in analysis of post-merger companies.

Revelio Data Matches Official Sources in Churn Increasing Since 2008

We note from Figure 5 that churn of ‘marketing managers’ in the sample companies has been increasing since 2008. In Figure 6, we calculate churn in all North American roles for the sample companies and compare with the US QUITS rate provided by the Fed. The sample of consumer staples companies is consistently lower than the QUITS rate, but tracks the increasing trend. In the financial crisis and its immediate aftermath, it would seem logical that employees would wish to keep their current role and opportunities to move into new roles would be lower.

FIGURE 5

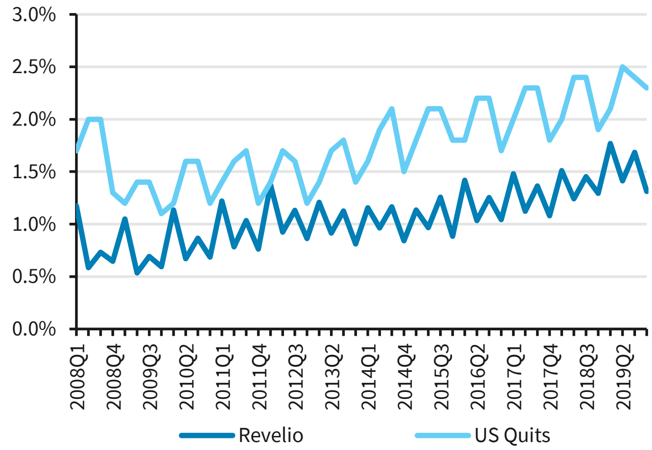
Average monthly churn of all 'marketing manager' roles in sample companies and the most senior in the role



Source: Barclays Research, Revelio

FIGURE 6

Quarterly US QUITS rate and Revelio job churn in all roles in North America



Source: Barclays Research, Bloomberg, Revelio

Could the change over time of job market churn bias the regressions tested earlier? As a sense check, we introduce a normalised churn metric, by subtracting the average annual churn for all sample companies. We observe better statistical significance in both metrics and a 13% increase in R-squared for sales predictability, but no increase in R-squared for return predictability. For simplicity, we have maintained the simpler non normalised metrics in our core analysis.

Who Experienced the Most Marketing Churn in 2019 and What That Might Mean for 2020

Given the statistically significant, but not perfectly predictive, relationship between churn, sales, and returns, we think fundamental investors can make use of this information as long as they place it in the broader context of what is happening with each firm. To that end, we show the securities with the highest senior 'marketing manager' churn in Figure 7 and lowest in Figure 8; our fundamental analysts provide additional commentary for some of the most interesting or notable companies in those groups.

FIGURE 7

Securities with the largest senior 'marketing manager' average monthly churn in 2019, alongside average values since 2008. Also shown, average monthly churn for all roles regardless of seniority

	'marketing manager' churn, senior roles only				'marketing manager' churn, all seniorities			
Security	Average 2008-2019	2017	2018	2019	Average 2008-2019	2017	2018	2019
Mondelez International Inc	3.3%	4.2%	5.6%	7.8%	3.8%	5.0%	6.4%	7.0%
Energizer Holdings	3.1%	4.7%	6.9%	7.6%	3.1%	3.5%	4.7%	5.1%
Hershey Company	3.1%	4.2%	5.8%	6.3%	3.5%	5.8%	7.6%	5.9%
The Kraft Heinz Co	3.2%	2.5%	5.5%	4.9%	2.8%	3.8%	3.6%	2.5%
General Mills Inc	2.5%	3.1%	3.8%	4.8%	3.1%	4.2%	4.6%	5.5%
Keurig Dr Pepper Inc	2.5%	4.2%	5.3%	4.2%	2.8%	3.7%	4.6%	5.8%
Danone SA	2.6%	3.1%	4.6%	3.9%	3.4%	4.2%	4.5%	4.0%
Post Holdings	1.8%	1.9%	3.1%	3.5%	2.6%	3.4%	4.8%	7.0%
Kellogg Co	2.1%	2.1%	2.5%	2.9%	2.4%	2.4%	2.4%	2.4%
Pernod Ricard SA	1.8%	1.8%	2.7%	2.7%	2.3%	2.5%	2.4%	2.4%
Colgate-Palmolive Co	2.4%	2.7%	3.1%	2.7%	2.6%	2.9%	3.0%	2.6%
Kimberly-Clark Corp	2.3%	2.3%	3.5%	2.6%	2.4%	2.6%	3.1%	2.4%
Nestle SA	1.7%	2.0%	2.0%	2.6%	2.1%	2.4%	2.1%	1.9%
Campbell Soup Co	2.2%	3.0%	3.7%	2.6%	2.6%	3.2%	3.6%	2.3%
Brown-Forman Corp	1.8%	1.4%	3.8%	2.5%	1.9%	2.4%	2.2%	2.5%
L'Oreal SA	2.3%	2.1%	2.0%	2.5%	3.5%	3.6%	3.5%	3.3%
Hain Celestial Group	1.6%	2.1%	0.4%	2.4%	2.6%	3.3%	3.7%	3.0%
Unilever PLC	2.3%	2.3%	2.2%	2.2%	2.7%	3.0%	3.0%	2.7%
PepsiCo Inc	1.7%	1.1%	2.1%	2.2%	2.2%	2.5%	2.4%	1.9%
Reckitt Benckiser Group PLC	2.3%	3.3%	2.3%	2.2%	3.0%	3.8%	3.1%	2.4%

Note: Excludes companies where Revelio's data suggests fewer than 30 senior marketing roles exist. Source: Barclays Research, Revelio

FIGURE 8

Five securities with the smallest senior 'marketing manager' average monthly churn in 2019, alongside average values since 2008. Also shown, average monthly churn for all roles regardless of seniority

	'marketing manager' churn, senior roles only				'marketing manager' churn, all seniorities			
Security	Average 2008-2019	2017	2018	2019	Average 2008-2019	2017	2018	2019
Essity AB (publ)	0.1%	0.0%	0.6%	0.1%	0.7%	1.0%	1.4%	0.2%
Shiseido Co Ltd	1.1%	1.3%	0.8%	0.1%	1.9%	2.2%	1.2%	0.2%
Edgewell Personal Care Co	1.0%	1.2%	1.0%	0.3%	0.9%	1.1%	0.9%	0.5%
MD McCormick & Co Inc	1.3%	2.0%	1.1%	0.6%	1.8%	1.8%	1.8%	1.4%
Clorox Company	1.8%	2.2%	1.5%	0.7%	2.2%	2.2%	1.6%	0.9%

Note: Excludes companies where Revelio's data suggests fewer than 30 senior marketing roles exist. Source: Barclays Research, Revelio

Analyst Commentary

As already mentioned, there is a correlation between marketing churn and sales growth over a broad basket of CPG names over a longer timeframe, which is quite interesting for systematic investors. That said, it is important to note that the statistical findings at this level do not indicate that the relationship would necessarily hold for any specific company/situation. Marketing staff churn could be the result of a new senior management team making changes to senior marketing ranks or the organizational structure as a whole. In some cases, a refreshed marketing staff could well signal a better near-term sales growth outlook as opposed to worse. Along these lines, we comment below on a few of our covered CPG names at the extremes of Figures 7 & 8 above to add a bit of context to the discussion.

Packaged Food

Somewhat contrary to the broader correlation discussed in this piece, even though MDLZ senior marketing manager churn has accelerated the past two years, the company's organic sales growth has dramatically accelerated as well over the same timeframe. In this case, specifically, we believe much of the marketing churn is likely directly tied to a new CEO taking the helm some two years ago and putting together a new strategic plan (focused on a pivot to top line from just margin improvement), which has been in operation for about one year. As part of this plan, MDLZ made some organizational changes that sought to bring marketing to a more local level. In fact, in 2018, MDLZ announced the hiring of a new Global Chief Marketing Officer (CMO), but more importantly, also created four new Regional CMO roles to lead each of the company's four geographic reporting regions. This new operating structure should allow for greater collaboration between the global team and the local teams and a more intimate understanding of local consumer preferences. For MDLZ specifically, we continue to look for a continuation of solid +3%+ YOY organic sales growth in 2020, as global category growth should approximate ~+3% YOY and the company's market share gains have accelerated in the past two quarters.

We don't think investors are likely to be particularly surprised by KHC's level of marketing churn the past few years, as the company has weathered several challenging years of performance and more recently gone through a change at both the CEO and CFO positions. Frankly, even going back a few years, we realize that the 3G operating model (focused more aggressively on deal driven integration-led cost saves rather than top line growth) was quite different than that of most packaged food companies (though much of this could well change under the new CEO), which also likely contributed to some senior marketing talent (and talent across other key functions) to move on.

On the flip side, we are not at all surprised that food companies such as MKC and LW are on the lower end of the marketing churn spectrum, as both have delivered some of the most consistent organic sales growth trends in the group the past several years.

CHPC & Beverages

While Energizer and Keurig Dr Pepper rank high in the list on marketing churn and have experienced an accelerated rate of turnover over the last two years, we find this to be reasonable seeing as both companies have been in the midst of integrating large-scale M&A deals over this period. We would note that in the case of Energizer in particular, it took 12 months for the company to close the Spectrum's battery acquisition (closed 01/2019) which caused natural disruption in the business that may well have touched the marketing department as well as the broader organization. In the case of KDP, the company has highlighted organizational restructuring and A&P as key sources of cost savings within its $600mm synergy target, with the focus on A&P being to leverage economies of scale and eliminate non-working spend, we'd think primarily in the legacy DPS business

We're also not surprised to see marketing turnover remain consistent at PEP, CL & KMB even with CEO transitions in the past year as in our view portfolio-market fit has been a more pressing issue for new management to address than brand management/messaging per se. To this point, struggles in the PepsiCo's North America Beverage business have been more a factor of Mountain Dew and Gatorade being slow to evolve with shifting consumer tastes (Gatorade only launched a competitive response to BodyArmor last year and Mountain Dew is just launching a no-sugar variant now). In the case of Colgate, we would note a similar issue with the company relying heavily on its flagship Colgate brand to address emerging consumer preferences for naturals/sensitivity as opposed to launching a new to the world brand. As we took note last Spring, Kimberly-Clark too has lagged from an innovation perspective across different categories within Personal Care (*04/15/19: Late to Participate*).

Appendix: Revelio

Revelio is a HR database built from hundreds of millions of unstructured online profiles, resumes, and job postings. The data is segmented into a taxonomy of one of 100 Revelio defined job roles, one of four regions of the world and one of four role seniorities. In this report, we primarily group together data into a worldwide panel for each company, for both all seniority levels and for the most senior roles. Contingent roles within companies are included, which can differ from annual report staffing figures.

Yearly churn could be defined as the count of staff leaving in year as a proportion of the starting value. However, if a company's net headcount is materially changing over a year, this metric can become skewed.

FIGURE 9

Stylized Example of How Changes in Headcount Would Translate into Measured Churn

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
Headcount	1000	1015	1030	1045	1059	1074	1088	1102	1116	1130	1143	1157
Monthly inflow	25	25	25	25	25	25	25	25	25	25	25	25
Monthly (1%) outflow	10	10	10	10	11	11	11	11	11	11	11	12
Monthly churn	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Year start headcount / sum(outflow)	13.0%											
Yearly figure / 12	1.1%											
Average monthly churn (metric used)	1.0%											

Source: Barclays Research

To illustrate this dynamic we present an example in Figure 9, where for each month 25 hires are added and the company loses 1% of the staff at the start of the month. As the year advanced, the headcount increased so the absolute number of staff leaving also does. Hence, a simple yearly figure of 13.0% (or 1.1% monthly) using only the year's starting headcount, is inflated. In December the company starts with 1,157 staff and churns 1%=12, but as a proportion of January headcount this is 20% larger. Instead, the monthly churn is calculated and the mean for the year taken. Hence, we take the average of monthly churn figures, in this case 1%.

More details on the Revelio data have been summarised by Revelio Labs in the box below.

The Vendors' overview of Revelio Labs

Overview: Revelio Labs is a workforce intelligence company that absorbs and standardizing hundreds of millions of public employment records to create the world's first universal HR database. This enables a deep understanding of the workforce dynamics of any company. Customers include investment analysts, corporate strategists, HR teams, and governments.

Data Source: The underlying data used to create the workforce dataset is collected from unstructured online public profiles, resumes, immigration data, and job postings. The data is curated and structured, to provide employee counts, inflows, outflows, salaries, and prestige. These are then organized by occupation, skill, geography, seniority, education, and gender, for each company in each month. The history extends to 2008.

Key Features:

- Occupational Taxonomy: The key issue with public employment data across multiple companies is that each company has an entirely different way of understanding their workforce. To classify the same occupation, different companies use different titles. It is also not uncommon for identical titles to represent fundamentally different occupations when they are used in different industries. For example, an associate at an investment bank will fundamentally differ from an associate at a law firm. To solve for issues of idiosyncratic names, it is necessary to have a universal occupational taxonomy that every job can be mapped to. This is done in a completely unsupervised way with no human in the loop, so that the taxonomy adjusts to changes in the occupational landscape. Through this taxonomy, every title is mapped to an occupation and a seniority level. This is done in a way that allows for the same titles to be grouped in different occupations, if they are described sufficiently differently.

- Sampling Weights: The raw data from the public web contains a non-random sample of each company's population. To generate data that is representative of the true underlying population of interest, it is necessary to employ sampling techniques based on the representativeness of the different groups we observe. The variables used to stratify estimates are by occupation and country. This is validated through the Bureau of Labor Statistics and the International Labor Organization.

- Lags: Individuals may often delay the rate at which they update their online professional profiles. This introduces a systematic underrepresentation of the rate at which people transition in the very recent past, relative to the distant past. To adjust for this, it is necessary to estimate the adjustment lag based on a set of employee criteria. From that distribution, it is possible to predict the retroactive transition updates that will be revealed in future months. This ensures that the calculated flows are an unbiased point-in-time estimate of true flows in each time period.

The Revelio Labs team has deep experience in natural language processing, labor economics, and internal strategic planning at large technology companies.

For more information about the process, or to receive a historical sampling of the Revelio Labs data, please reach out at info@reveliolabs.com.

ANALYST(S) CERTIFICATION(S):

We, Ryan Preclaw, Ben McSkelly, Lauren R. Lieberman, Andrew Lazar and Warren Ackerman, hereby certify (1) that the views expressed in this research report accurately reflect our personal views about any or all of the subject securities or issuers referred to in this research report and (2) no part of our compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

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Materially Mentioned Stocks (Ticker, Date, Price)

Colgate-Palmolive (CL, 10-Feb-2020, USD 77.35), Equal Weight/Neutral, A/CD/CE/D/J/K/L/M

Energizer Holdings, Inc (ENR, 10-Feb-2020, USD 53.31), Overweight/Neutral, CD/CE/D/E/J/K/L/M

Keurig Dr Pepper (KDP, 10-Feb-2020, USD 28.71), Overweight/Neutral, CD/CE/J

Kimberly-Clark Corp. (KMB, 10-Feb-2020, USD 146.21), Overweight/Neutral, A/CD/CE/D/J/K/L/M/N

Lamb Weston Holdings, Inc. (LW, 10-Feb-2020, USD 94.58), Overweight/Neutral, CD/CE/J

McCormick & Co. (MKC, 10-Feb-2020, USD 163.61), Equal Weight/Neutral, CD/CE/J

Mondelez International (MDLZ, 10-Feb-2020, USD 58.97), Overweight/Neutral, A/CD/CE/D/J/K/L/M

PepsiCo Inc. (PEP, 10-Feb-2020, USD 145.66), Equal Weight/Neutral, A/CD/CE/D/J/K/L/M

The Kraft Heinz Company (KHC, 10-Feb-2020, USD 29.69), Equal Weight/Neutral, A/CE/D/J/L

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Overweight - The stock is expected to outperform the unweighted expected total return of the industry coverage universe over a 12-month investment horizon.

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Positive - industry coverage universe fundamentals/valuations are improving.

IMPORTANT DISCLOSURES CONTINUED

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European Consumer Staples		
A.G. Barr PLC (BAG.L)	Altria Group Inc. (MO)	Anheuser-Busch InBev (ABI.BR)
Associated British Foods (ABF.L)	Bakkavor (BAKK.L)	Barry Callebaut (BARN.S)
Beiersdorf AG (BEIG.DE)	British American Tobacco Plc (BATS.L)	Britvic PLC (BVIC.L)
C&C Group (CCR.L)	Carlsberg AS-B (CARLb.CO)	Chr. Hansen Holding A/S (CHRH.CO)
Coca-Cola Hellenic BC AG (CCH.L)	Danone (DANO.PA)	Davide Campari-Milano SpA (CPRI.MI)
Diageo PLC (DGE.L)	Essity (ESSITYb.ST)	Glanbia PLC (GL9.I)
Greencore Group PLC (GNC.L)	Heineken NV (HEIN.AS)	Henkel (HNKG_p.DE)
Imperial Brands Plc (IMB.L)	Japan Tobacco Inc. (JAPAY)	Kerry Group PLC (KYGa.L)
L'Oréal SA (OREP.PA)	Lindt & Spruengli (LISN.S)	Nestle SA (NESN.S)
Ontex Group (ONTEX.BR)	Pernod-Ricard SA (PERP.PA)	Philip Morris International Inc. (PM)
Reckitt Benckiser Group PLC (RB.L)	Rémy Cointreau (RCOP.PA)	Swedish Match (SWMA.ST)
Tate & Lyle PLC (TATE.L)	Unilever NV (UNA.AS)	Unilever PLC (ULVR.L)
U.S. CHPC & Beverages		
Brown-Forman (BFb)	Church & Dwight Co., Inc. (CHD)	Clorox Company (CLX)
Coca-Cola European Partners PLC (CCE.AS)	Coca-Cola European Partners PLC (CCEP)	Colgate-Palmolive (CL)
Constellation Brands (STZ)	Coty Inc. (COTY)	Edgewell Personal Care Company (EPC)
Energizer Holdings, Inc (ENR)	International Flavors & Fragrances (IFF)	Keurig Dr Pepper (KDP)
Kimberly-Clark Corp. (KMB)	Molson Coors Brewing Company (TAP)	Newell Brands Inc. (NWL)
PepsiCo Inc. (PEP)	Procter & Gamble (PG)	Sundial Growers, Inc. (SNDL)
The Coca-Cola Company (KO)	The Estée Lauder Companies (EL)	
U.S. Food		
B&G Foods (BGS)	BellRing Brands (BRBR)	Campbell Soup (CPB)
Conagra Brands (CAG)	General Mills (GIS)	Hain Celestial (HAIN)
Kellogg Co. (K)	Lamb Weston Holdings, Inc. (LW)	McCormick & Co. (MKC)
Mondelez International (MDLZ)	Nomad Foods Ltd. (NOMD)	Post Holdings, Inc. (POST)
The Hershey Company (HSY)	The J.M. Smucker Company (SJM)	The Kraft Heinz Company (KHC)
TreeHouse Foods (THS)		

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