

Hostess Acquires In-store Bakery Company Superior Cake Products, Inc.

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Category Growth and Rising Consumer Demand for Fresh and High Quality Baked Goods Drive Strategic, First-time Acquisition for Hostess

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Tapping into the rapidly expanding in-store bakery category, Hostess Brands has completed its acquisition of Superior Cake Products, Inc., a Massachusetts-based in-store bakery company. This is the company's first acquisition since the Hostess brand returned to the market under new ownership in 2013.

Superior Cake Products, which has been baking quality products for more than a century, produces a range of sweet goods including Éclairs, Madeleines, Brownie Bites, Black and White Cookies and other offerings made under the brand name "Superior on Main". The company also makes premium baked goods that are sold through in-store bakeries at retailers -- a fast-growing segment, according to Nielsen Perishables Group FreshFacts which reported substantial rises in categories such as brownies and dessert bars (up 13%), cookies (up 7%) and cakes (up 4.5%) in 2015.

"We see significant growth potential in the in-store bakery channel and believe that the Superior on Main products bring the same commitment to high quality and best-in-class baking that Hostess exemplifies," said Bill Toler, CEO of Hostess Brands, LLC. "We welcome with excitement the addition of Superior on Main to the Hostess family."

The strategic acquisition comes on the heels of Hostess's recent innovation efforts to extend its offerings well beyond the beloved CupCake, Twinkies, Zingers and Donettes, to fill a robust pipeline of premium, freshly-baked products. In the years since Hostess's July 2013 comeback, the company has embraced creative flavors and concepts, introducing an array of seasonal snack cakes such as Pumpkin Spice Twinkies and [Peppermint Ho Hos](#), as well as adding permanent fixtures such as candy-topped brownies through a partnership with Mars's M&Ms and Milky Way brands.

"This is powerful opportunity to extend Hostess's brand equity across categories, segments and channels, while capitalizing on the upward indulgence trend in the baked goods arena," added Toler.

Superior on Main has a specialty bakery located in Southbridge, Massachusetts, where cookies, brownies, and French pastries are made by expert bakers using modern techniques and time-tested recipes. Superior on Main, like Hostess, takes pride in creating innovative products that stand the test of time while evolving along with ever-changing consumer tastes.

"Superior on Main and Hostess share a mutual excitement for the expanding in-store bakery segment," said Terence Dalton, CEO of Superior Cake Products, Inc. "I'm very pleased to join the Hostess team, and look forward to contributing the legacy of our brand to Hostess's continued innovation efforts."

Hostess Brands, LLC

An icon of American ingenuity, Hostess Brands, LLC has been the baker of many of the world's best known sweet baked goods for nearly a century. The category pioneer continues to lead the way in innovation, quality and creativity that captures the imagination of snack cake enthusiasts generation after generation.

Since being acquired by Metropolous & Company and Apollo Global Management in 2013, Hostess has become a billion dollar, forward-looking retail brand. The company is headquartered in Kansas City, Missouri and operates bakeries in Emporia, Kansas, Columbus, Georgia and Indianapolis, Indiana.

For more information about Hostess products and Hostess Brands LLC, please visit hostesscakes.com. Follow Hostess on Twitter: @Hostess_Snacks; on Facebook: facebook.com/Hostess; on Instagram: Hostess_Snacks; and on Pinterest: pinterest.com/hostesscakes.

Contacts

LAK Public Relations, Inc.

Marie Espinel or Hannah Arnold

212-575-4545

mespinel@lakpr.com or harnold@lakpr.com