

Kraft To Report First Quarterly Results As Stand-Alone Company

NEW YORK (AP) — Kraft Foods Group Inc., which makes brands including Velveeta, Oscar Mayer and Jell-O, is set to report its first quarterly results as a stand-alone company Wednesday after splitting with its global snacks business.

WHAT TO WATCH FOR: The split, which took place last month, was intended to accelerate growth for both companies by allowing them to focus on a more targeted portfolio of products. Kraft Foods, based in Northfield, Ill., held onto the name of its parent company along with the North American grocery business. Its brands also include its Kraft Macaroni & Cheese, Maxwell House coffee, Philadelphia Cream Cheese and Miracle Whip.

The other company, Mondelez International Inc., took snacks and candy such as Oreo and Cadbury, that have more global followings.

WHY IT MATTERS: CEO Tony Vernon has said that Kraft will continue pruning its lineup of product extensions and focus on growing the strongest performers. For example, he has noted that the company has dozens of salad dressing flavors in a variety of sizes, a good number of which probably aren't necessary.

At the same time, Vernon says innovation will remain a priority, noting the success of Kraft's MiO liquid drops, which were introduced last spring. MiO, which can be squeezed into water for flavored drinks, has spawned copycats including one by the Coca-Cola Co. called Dasani Drops.

Kraft has said it expects to post a 2013 profit of about \$2.60 per share, including 26 cents per share in restructuring costs.

WHAT'S EXPECTED: Analysts on average expect earnings of 69 cents per share on sales of \$4.55 billion, according to FactSet.

Source URL (retrieved on 04/18/2015 - 9:14am):

<http://www.foodmanufacturing.com/news/2012/11/kraft-report-first-quarterly-results-stand-alone-company>