

Jimmy Dean Moves Beyond Breakfast Table for the First Time

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NEW YORK (AP) — Jimmy Dean is coming to dinner — and lunch, too.

The sausage brand started by the late country singer of the same name has become a breakfast staple, with products even including a pancake-and-sausage on a stick. Now the brand is hoping its new bowls and sandwiches can lure eaters at other meals.

Jimmy Dean, owned by Hillshire Brands, is rolling out 16 microwavable products that cost around \$3 each and are designed to be eaten later in the day, including a pulled pork sandwich and grilled steak bowl.

Hillshire's expansion into products that aren't made entirely out of meat has been critical in helping fatten the company's profit margins. The problem is that there's little Hillshire can do to manage rising costs to make products like hot dogs, sausages and lunch meats, which are basically just meat. With foods like sandwiches and bowls, however, meat is just one of several ingredients — meaning profit margins are much higher.

In an earning call with analysts and investors last summer, CEO Sean Connolly even cited Jimmy Dean breakfast sandwiches as an example of how the company is managing cost pressures, noting that "only a fraction of the weight of the product is meat." Some Jimmy Dean sandwiches — including an egg white and spinach variety — don't have any meat at all, he has also noted.

Jimmy Dean's sales have grown over the years, boosted by the introduction of various breakfast bowls and sandwiches. Last year, sales of Jimmy Dean's frozen foods were \$658.3 million, up 18 percent from 2011, according to market researcher Euromonitor International

Such products are also among the reasons Tyson Foods Inc. got into a bidding war to acquire Hillshire earlier this year, with the meat giant beating out Pilgrim's Pride with a \$7.75 billion offer. Tyson, based in Springdale, Arkansas, already makes some convenience foods, but its primary business has traditionally been the less-profitable fresh meat sold in supermarkets, and supplying restaurants and other food sellers. Tyson's acquisition of Hillshire is expected to close by late September.

As for the new Jimmy Dean sandwiches and bowls that started hitting shelves earlier this month, Hillshire is hoping they can tap into Americans' changing eating habits. Eric Schwartz, general manager of the Jimmy Dean unit, said in a phone interview that the products are designed to cater to the trend of snacking or eating

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Published on Food Manufacturing (<http://www.foodmanufacturing.com>)

several smaller meals throughout the day.

"Even entrees today are used as between-meal snacks," he said.

Nutritional content for the new bowls and sandwiches ranges from about 300 to 500 calories for the regular items. For the "Delights" line, the products are 300 calories or less.

As for whether Jimmy Dean has anything like the pancake-and-sausage on a stick planned for the lunch and dinner crowd, the company declined to say.

"We're really focused on the launch of these 16 new items," said Karmen Conrad, director of brand marketing for Jimmy Dean.

Source URL (retrieved on 01/28/2015 - 11:37pm):

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