TreeHouse Foods, Inc.
Form 424B2
February 23, 2010

Table of Contents

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Offering Price Per Note	Aggregate Offering Price	Amount of Registration Fee[(1)]
7.750% Senior Notes due 2018	$ 400,000,000	100.000%	$ 400,000,000	$ 28,520
Guarantees of 7.750% Senior Notes due 2018[(2)]				

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act), and relates to the registration statement on Form S-3 (File No. 333-164903) filed by the TreeHouse Foods, Inc. and certain subsidiary guarantors.

(2) Pursuant to Rule 457(n) of the Securities Act, no separate fee is payable with respect to guarantees of the debt securities being registered.

Table of Contents

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-164903

PROSPECTUS SUPPLEMENT
(To prospectus dated February 16, 2010)

$400,000,000

TreeHouse Foods, Inc.

7.750% Notes due 2018

We are offering $400,000,000 aggregate principal amount of 7.750% notes due 2018. We will pay interest on the notes on March 1 and September 1 of each year, beginning September 1, 2010. The notes will mature on March 1, 2018.

We may redeem some or all of the notes at any time on or after March 1, 2014 at the applicable redemption prices described in this prospectus supplement under Description of the Notes Optional Redemption. In addition, prior to March 1, 2014, we may redeem all or a portion of the notes at a price equal to 100% of the principal amount plus the make-whole premium described in this prospectus supplement. We may also redeem up to 35% of the notes prior to March 1, 2013 with the net cash proceeds we receive from certain public equity offerings. If a change of control, as described in this prospectus supplement under the heading Description of the Notes Repurchase at the Option of the Holders Upon Change of Control, occurs, we may be required to purchase the notes from the holders at a purchase price of 101% of the principal amount plus any accrued and unpaid interest.

The notes will be our senior unsecured obligations and will rank equally with our other existing and future senior unsecured indebtedness. The notes will be guaranteed on a senior unsecured basis by our domestic subsidiaries that represent substantially all of the revenue, income and assets of all of our domestic subsidiaries, including Bay Valley Foods, LLC, and, following completion of the acquisition described in this prospectus supplement, Sturm Foods, Inc. See Prospectus Supplement Summary Proposed Acquisition of Sturm Foods, Inc. and Use of Proceeds in this prospectus supplement for more information regarding this proposed acquisition. The notes and the guarantees will be effectively subordinated to our and the guarantors secured obligations and will be structurally subordinated to all of the liabilities of our subsidiaries that do not guarantee the notes. The notes will be issued only in registered form in minimum denominations of $2,000 and integral multiples of $1,000 above that amount.

The net proceeds of the notes will be used to fund, in part, the proposed acquisition of Sturm Foods, Inc. We also intend to offer shares of our common stock in an underwritten public offering pursuant to a separate prospectus supplement to finance a portion of the proposed acquisition of Sturm Foods, Inc. This offering of notes is contingent on the completion of the acquisition of Sturm Foods, Inc. However, this offering of notes is not contingent upon the common stock offering, and the common stock offering is not contingent upon this offering of notes.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

Investing in the notes involves risks that are described under Risk Factors beginning on page S-20 of this prospectus supplement.

	Per note	Total
Public offering price (1)	100.000%	$ 400,000,000
Underwriting discount	2.250%	$ 9,000,000
Proceeds, before expenses, to us (1)	97.750%	$ 391,000,000

(1) Plus accrued interest, if any, from March 2, 2010

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, *société anonyme*, on or about March 2, 2010.

Joint Book-Running Managers

BofA Merrill Lynch **Wells Fargo Securities**

Co-Lead Managers

BMO Capital Markets **Rabo Securities USA, Inc.** **SunTrust Robinson Humphrey**

Co-Managers

Barclays Capital **KeyBanc Capital Markets**

The date of this prospectus supplement is February 19, 2010.

TABLE OF CONTENTS

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which contains the terms of this offering of notes. The second part, the accompanying prospectus dated February 16, 2010, which is part of our Registration Statement on Form S-3, gives more general information, some of which may not apply to this offering.

This prospectus supplement and the information incorporated by reference in this prospectus supplement may add, update or change information contained in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the information contained in the accompanying prospectus, the information in this prospectus supplement will apply and will supersede the information in the accompanying prospectus.

It is important for you to read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in Where You Can Find More Information in the accompanying prospectus.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus, and in other offering material, if any, or information contained in documents which you are referred to by this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. See Underwriting. The information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus or other offering material is accurate only as of the date of those documents or information, regardless of the time of delivery of the documents or information or the time of any sale of the securities.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on our behalf or the underwriters, to subscribe to or purchase any of the notes, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See Underwriting.

Unless otherwise stated or the context otherwise requires, as used in this prospectus supplement, references to TreeHouse, the Company, us, we or our mean TreeHouse Foods, Inc. and its consolidated subsidiaries. When w to you in this prospectus supplement, we mean all purchasers of notes being offered by this prospectus supplement and the accompanying prospectus, whether they are the holders or only indirect owners of those securities.

MARKET AND INDUSTRY DATA

Certain market data contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus are based on independent industry publications and reports by market research firms. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness. Some data are also based on our good faith estimates, which are derived from our review of internal surveys, as well as the independent sources referred to above.

Table of Contents

NON-GAAP FINANCIAL MEASURES

We have included financial measures of adjusted EBITDA, adjusted EBITDA margin and free cash flow in this prospectus supplement, which are non-GAAP financial measures as defined under the rules of the SEC. Adjusted EBITDA represents net income before interest expense, income tax expense, depreciation and amortization expense, and other non-cash and non-recurring items. Adjusted EBITDA margin represents adjusted EBITDA as a percentage of net sales. Adjusted EBITDA is not required by, or presented in accordance with, generally accepted accounting principles in the United States, or GAAP. Adjusted EBITDA is a performance measure that is used by our management, and we believe is commonly reported and widely used by investors and other interested parties, to evaluate a company s operating performance on a consistent basis after removing the impact of capital structure, asset base, items beyond the control of management (such as income taxes) and other non-cash and non-recurring items. Because we cannot predict the timing and amount of charges associated with non-recurring items or facility closings and reorganizations, management does not consider these costs when evaluating performance, when making decisions regarding the allocation of resources, in determining incentive compensation for management, or in determining earnings estimates. These costs are not recorded in any of our reportable segments.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect, among other things:
  - our cash expenditures or future requirements for capital expenditures or contractual commitments;
  - changes in, or cash requirements for, our working capital needs;
  - the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; and
  - any cash income taxes that we may be required to pay;
- Assets are depreciated or amortized over estimated useful lives and often have to be replaced in the future, and adjusted EBITDA does not reflect any cash requirements for such replacements;
- Adjusted EBITDA does not adjust for all non-cash income or expense items that are reflected in our statements of cash flows; and
- Adjusted EBITDA does not reflect limitations on, or costs related to, transferring earnings from our subsidiaries to us and the guarantors.

Because of these limitations, adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the operation and growth of our business or as a measure of cash that will be available to us to meet our obligations. You should compensate for these limitations by relying primarily on our GAAP results and using adjusted EBITDA as a supplement.

In evaluating adjusted EBITDA, you should be aware that in the future we may incur expenses similar to those for which adjustments are made in calculating adjusted EBITDA. Our presentation of adjusted EBITDA should not be construed as a basis to infer that our future results will be unaffected by unusual or non-recurring items. Adjusted EBITDA does not reflect the impact of earnings or charges resulting from certain matters we consider to be indicative of our ability to service our debt over the period such debt is expected to remain outstanding.

Free cash flow represents cash flows from operating activities less capital expenditures. Free cash flow is not required by, or presented in accordance with, GAAP. Our management believes that free cash flow provides useful additional information concerning cash flow available to meet future debt service and other payment obligations, satisfy working capital requirements and make strategic investments. Readers should be aware that free cash flow does not represent residual cash flow available for discretionary expenditures.

The non-GAAP measures of adjusted EBITDA, adjusted EBITDA margin and free cash flow used in this prospectus supplement may be different from similar measures used by other companies, limiting their usefulness as comparable measures. These non-GAAP financial measures should not be considered as alternatives to net income or cash flows from operating activities as indicators of operating performance or liquidity.

See footnote (1) to the summary historical and pro forma financial information under Prospectus Supplement Summary Summary Historical and Pro Forma Financial Information for a description of the calculation of adjusted EBITDA and an unaudited reconciliation of adjusted EBITDA to net income.

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information about us and this offering. This summary is not complete and does not contain all of the information that may be important to you in deciding whether to invest in the notes. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section, and the other documents that we refer to and incorporate by reference herein for a more complete understanding of us and this offering. In particular, we incorporate by reference important business and financial information into this prospectus supplement and the accompanying prospectus.

Our Company

We are a leading manufacturer of private label food products in the United States and Canada. Our products are focused in center-of-store, shelf stable food categories. We are the #1 or #2 private label manufacturer in six of our eight largest product categories, and we believe that we are the largest manufacturer of non-dairy powdered creamer, private label salad dressings and pickles in the United States (based on total sales volume). Our business is organized into three operating reportable segments, including North American Retail Grocery, Food Away from Home, and Industrial and Export, which supply our products primarily into the grocery retail, foodservice and industrial food channels. We currently supply more than 250 food retail customers in North America, including 47 of the 50 largest food retailers, and more than 450 foodservice customers, including 74 of the 100 largest restaurant chains and the 200 largest foodservice distributors.

TreeHouse Foods, Inc. was created from Dean Foods spin-off of certain of its specialty businesses to its shareholders. Since we began operating as an independent entity in June 2005, we have significantly expanded our product offerings in center-of-store, shelf stable food categories by completing five strategic acquisitions. During fiscal 2009, we generated net sales of $1,512 million and adjusted EBITDA of $191 million. Our common shares are traded on the New York Stock Exchange under the symbol THS and, as of February 12, 2010, we had an equity market capitalization of approximately $1,323 million.

On December 20, 2009, we entered into a definitive agreement to acquire Sturm Foods, Inc., or Sturm. Sturm s product offerings include hot cereal, sugar free drink mixes, sugar based drink mixes, hot cocoa mixes, cappuccino, nonfat dry milk and organic products. Sturm has the #1 market share in both private label hot cereal and private label sugar free drink mixes. Sturm s strategy is to be an innovation leader, having introduced several new offerings that address consumer preferences for sugar free, organic, nutraceutical enriched and heart healthy products. We believe the acquisition of Sturm, which we refer to as the Sturm Acquisition, will enhance our business by adding leading market share positions in two large categories for private label sales, increasing our scale and further diversifying our product offering. Sturm generated $343 million in net sales, $30 million in net income, and $92 million in adjusted EBITDA during the twelve months ended December 31, 2009. For the twelve months ended December 31, 2009, on a pro forma basis for the Sturm Acquisition, our net sales would have been $1,853 million and our adjusted EBITDA would have been $282 million. We expect the Sturm Acquisition to be accretive to gross margin, adjusted EBITDA margin and earnings per share on a pro forma basis in 2010.

Table of Contents

Products

The following charts set forth TreeHouse and Sturm net sales for the twelve months ended December 31, 2009 by product category ($ in millions):(1)

TreeHouse (Total net sales of $1,512)	Sturm (Total net sales of $343)

TreeHouse Categories

Non-Dairy Powdered Creamer. Non-dairy powdered creamer is used as coffee creamer or whitener and as an ingredient in baking, hot and cold beverages, gravy mixes and similar products. Product offerings in this category include private label products packaged for grocery retailers, such as supermarkets and mass merchandisers, foodservice products for use in coffee service and products for industrial applications such as portion control repackaging and ingredient use by other food manufacturers. We believe we are the largest supplier of non-dairy powdered creamer in the United States. For the twelve months ended December 31, 2009, non-dairy powdered creamer represented approximately 21% of our consolidated net sales.

Soup and Infant Feeding. Soup, broth and gravy are produced and packaged in cans of various sizes, from single serve to larger sized cans. We primarily produce private label products sold to supermarkets and mass merchandisers. We also produce infant feeding products, primarily under the Nature s Goodness® brand, and we co-pack organic infant feeding products for a branded baby food company. Infant feeding production takes place in the same facility that produces most of our soup, broth and gravy products. For the twelve months ended December 31, 2009, soup and infant feeding sales represented approximately 23% of our consolidated net sales, with the majority of the sales coming from soup.

Pickles. We produce pickles and a variety of related products, including banana peppers, jalapeño peppers, pepperoncini peppers, pickled okra and pickled vegetables, along with some sauces and syrups. We produce private label and regional branded offerings in the pickles category. These products are sold to supermarkets, mass merchandisers, foodservice and industrial customers. We believe we are the largest producer of pickles in the United States. For the twelve months ended December 31, 2009, pickles and related products represented approximately 21% of our consolidated net sales.

Salad Dressings. We produce both pourable and spoonable salad dressings. Our salad dressings are sold primarily to supermarkets and mass merchandisers throughout the United States and Canada, and encompass many different flavor varieties. We believe we are the largest supplier of private label salad dressings in both the United States and Canada. For the twelve months ended December 31, 2009, salad dressings represented approximately 12% of our consolidated net sales.

Jams and Other Sauces. We produce jams, pie fillings and other sauces that we sell to supermarkets, mass merchandisers and foodservice customers in the United States and Canada. For the twelve months ended

(1) Due to rounding, dollars and percentages may not sum to actual totals.

December 31, 2009, jams, pie fillings and other sauces represented approximately 10% of our consolidated net sales.

Aseptic Products. Aseptic products are processed under heat and pressure in a sterile production and packaging environment, creating a product that does not require refrigeration prior to use. Our principal aseptic products are cheese sauces and puddings. These products are sold primarily to foodservice customers in cans and flexible packages. For the twelve months ended December 31, 2009, aseptic products represented approximately 6% of our consolidated net sales.

Mexican Sauces. We produce a wide variety of Mexican sauces, including salsa, picante sauce, cheese dip, enchilada sauce and taco sauce that we sell to supermarkets, mass merchandisers and foodservice customers in the United States and Canada, as well as to industrial markets. For the twelve months ended December 31, 2009, Mexican sauces represented approximately 4% of our consolidated net sales.

Refrigerated Products. We produce refrigerated salad dressings and liquid non-dairy creamer, which are sold to supermarkets, mass merchandisers and foodservice customers. For the twelve months ended December 31, 2009, refrigerated products represented approximately 2% of our consolidated net sales.

Sturm Categories

Hot Cereal. Sturm produces a variety of instant and cook-on-stove hot cereal, including oatmeal, farina and grits, single-serve instant packets and microwaveable bowls. In September 2008, Sturm acquired the McCann s Irish Oatmeal® brand to complement its cook-on-stove offering. Sturm has introduced several innovations in their hot cereal category including cereals that are omega-3 enriched, low sugar, heart healthy, organic, and that promote weight management. For the twelve months ended December 31, 2009, Sturm s hot cereal products represented approximately 37% of its consolidated net sales.

Sugar Free Drink Mixes. Sturm produces a variety of powdered drink mixes, principally sugar free products, including lemonade, iced tea and functional drink mixes, such as energy, vitamin enhanced and isotonic sports drinks. Sturm is a pioneer in the private label powdered drink mix category, partnering with leading national retailers to develop their private label programs in this category. For the twelve months ended December 31, 2009, Sturm s sugar free drink mix products represented approximately 43% of its consolidated net sales.

Other. Other Sturm products include sugar based drink mixes, hot cocoa mixes, cappuccino, nonfat dry milk and organic varieties of the previously mentioned products. For the twelve months ended December 31, 2009, these products represented approximately 20% of Sturm s consolidated net sales.

Pro Forma Categories

Following the completion of the Sturm Acquisition, we will hold a leading market share position in eight center-of-store, shelf stable food categories. The combined company will have a broader portfolio that we believe will further diversify our product categories, customers, sales channels and raw materials requirements. We expect that completing the Sturm Acquisition will enable us to accelerate research and development for innovative new products and packaging formats. By providing existing and additional customers with an enhanced portfolio of products, we expect that the Sturm Acquisition will create cross selling opportunities across customers, sales channels and geographies.

The following chart sets forth our pro forma net sales for the twelve months ended December 31, 2009 by product category, after giving effect to completion of the Sturm Acquisition ($ in millions):[2]

Pro Forma Company
(Total pro forma net sales of $1,853)

Industry Overview

The U.S. food total outlet retail market is estimated at close to $350 billion in annual sales, of which private label food represents approximately $65 billion. According to independent market research studies, private label food products have increased their market share in the United States from approximately 11.6% in 1988 to approximately 18.3% in 2009. We believe that product and packaging improvements, along with greater focus by retailers, have fundamentally changed private label from inexpensive, generic brand imitators to store-branded national brand equivalents offering value and product quality that often meet or exceed that of branded competitors. Despite gains in market share, private label penetration across all FMCG sectors in the United States remained below that of many developed economies, including France (26%), Spain (29%), Germany (32%), The United Kingdom (44%) and Switzerland (46%) (market research estimates based on 2008 data).[3]

We expect the convergence of several factors to support the continued growth of private label food product sales in the United States, including:

- Greater focus by grocery retailers in developing their private label food product programs;
- The emergence of private label food products with reputations for quality and value that meet or exceed national brands; and
- Fundamental changes in consumer behavior that favor the secular growth trends in private label food products.

Given the highly competitive nature of the U.S. food retailing industry, we believe that most grocery retailers are seeking to expand their private label food product programs as a means to differentiate themselves from competitors, build customer loyalty and enhance margins and profitability. As the breadth and quality of a particular grocery retailer s private label offering factors more prominently in consumers store selection criteria, we believe that a well developed, high quality private label food product offering can be an effective marketing tool for retailers to further their brand image, drive customer traffic to their stores and enhance shopper loyalty. In addition to the inherent marketing benefits, private label food products generally offer retailers higher gross margins and profits than branded equivalents. Consequently, many grocery retailers have

[2] Due to rounding, dollars and percentages may not sum to actual totals.
[3] FMCG represents fast-moving consumer goods, including food, alcoholic and non-alcoholic beverages, personal care products and household care products.

announced targets for expanding their share of private label food product sales, over the next several years, to drive greater productivity from their store base.

According to industry data, private label products accounted for over 31% of all new product introductions in the U.S. packaged food industry during 2009. This is an increase of 85% when compared to the number of private label product launches in 2004. In the same time period, branded product launches have declined almost 45%. We believe this increase in private label product launches is a direct response to consumer desire for high quality food products that offer compelling value. As private label has grown, many offerings have developed reputations for value and high product quality that often meet or exceed those of branded competitors. According to multiple consumer surveys, the majority of consumers who have tried private label food products during the current economic downturn reported that they will not return to purchasing branded products when the economy improves. We believe many of these consumers will retain their loyalty to private label food products based on the product quality and value proposition associated with these products.

The private label food manufacturing base is highly fragmented. In retail grocery, we believe the top seven private label manufacturers represent less than 20% of category sales. As a result, a typical grocery retailer relies upon hundreds of private label food suppliers. We believe the highly fragmented private label manufacturing base will continue to consolidate as retailers seek out suppliers who can offer value-added capabilities like innovation and category management along with the ability to supply multiple private label products on a national basis.

Competitive Strengths

We believe the following competitive strengths differentiate us from our competitors and contribute to our continued success:

Leading Private Label Market Shares in Attractive Categories. We are a leading private label manufacturer of a broad range of center-of-store, shelf stable food products. Following completion of the Sturm Acquisition, we will have the leading share of private label food product sales in six of our eight largest product categories, namely powdered non-dairy creamer, soups, salad dressings, pickles, hot cereal and sugar free drink mixes. Additionally, we are the second largest private label supplier of jams and jellies and Mexican sauces. Our leading market share positions are supported by low cost manufacturing, research and development capabilities, product and packaging innovation and logistical and category management capabilities, which allow us to provide an enhanced level of service to our retail customers.

We believe that we participate in attractive product categories. Private label food product offerings in our product categories represent 10% or more of total sales in such categories. Sales of private label food products in our eight largest product categories have consistently increased their share of category sales, mirroring the secular trend of increasing private label market share in U.S. grocery. According to market research reports, private label market growth rates have exceeded their respective categories in total for the period from 2003 to 2009.

Scale, Balance and Diversity. As one of the largest private label food product manufacturers in the United States and Canada, we believe that our scale enables us to be more efficient and effective in servicing our customers. As grocery retailers develop their private label food programs, we believe they will seek out suppliers that can provide strategic insight, product innovation, customer service, logistics and economies of scale throughout North America. We believe our category leadership, breadth of product offering and differentiated capabilities put us in position to be their supplier of choice.

We sell our products to a diverse customer base, including many of the leading grocery retailers and foodservice operators in the United States and Canada, and a variety of customers that purchase bulk products for industrial food applications. We currently supply more than 250 food retail customers in North America, including 47 of the 50 largest food retailers, and more than 450 foodservice customers, including 74 of the 100 largest restaurant chains and the 200 largest food distributors. Following the Sturm Acquisition, our top ten customers will continue to account for approximately 50% of our net sales. Walmart will remain our

Table of Contents

largest customer and will represent approximately 20% of our net sales. With the exception of Walmart, no other customer will represent more than 10% of our net sales.

Well-Defined Portfolio Strategy. Our management team has been successful in using economic value added, or EVA, analysis in the private label food products industry for several years. Applying EVA analyses across our product portfolio allows us to evaluate our prospects for profitable growth systematically and direct our resources to the products and categories that we believe offer the greatest potential. EVA analysis also identifies products and categories that lag behind the broader portfolio, focusing management s attention on the areas within our portfolio that must be operated more efficiently. We update our EVA analyses on a quarterly basis and develop and implement operating strategies based on the results. Many of the operating enhancements we have achieved can be directly associated with our EVA efforts, including improving the returns in our pickle business and accelerating the growth of our salad dressing business.

Successful Track Record of Acquiring and Integrating Businesses. Since we began operating as an independent entity in 2005, we have completed five strategic acquisitions, including Oxford Foods in February 2006, Del Monte s private label soup and infant feeding business in April 2006, San Antonio Farms and J.L. DeGraffenreid & Sons in May 2007 and E.D. Smith in October 2007. As a result of these efforts, we have expanded well beyond our original product base of pickles and non-dairy powdered creamer, adding six additional complementary center-of-store, shelf stable food categories. We have a well-defined strategy for identifying, evaluating and integrating acquisitions that we believe differentiates us from many of our competitors. We believe that our proven acquisition capabilities will allow us to participate successfully in the ongoing consolidation trend among private label food product manufacturers.

Strong Financial Performance and Significant Cash Flow Generation. We have grown our net sales from $708 million in fiscal 2005 to $1,512 million in fiscal 2009, representing a compounded annual growth rate, or CAGR, of 20.9%. Net income has increased from $12 million in fiscal 2005 to $81 million in fiscal 2009. We have also grown our adjusted EBITDA from $76 million in fiscal 2005 to $191 million in fiscal 2009, representing a CAGR of 25.7%. Over this period, net income as a percentage of net sales increased 374 basis points and adjusted EBITDA margin expanded by approximately 180 basis points. For the twelve months ended December 31, 2009, on a pro forma basis for the Sturm Acquisition, we generated net sales of $1,853 million, net income of $98 million, and adjusted EBITDA of $282 million, representing CAGRs of 27.2% and 38.6%, respectively, from 2005 through 2009. We have also generated strong, consistent cash flows from our core operations. Since December 31, 2007, we have reduced net debt (defined as total debt minus cash on hand) by $214 million. In 2009, we generated free cash flow (defined as cash flows from operating activities less capital expenditures) of $68 million. Pro forma for the Sturm Acquisition, our free cash flow for the twelve months ended December 31, 2009 would have been $120 million, based on our cash flows from operating activities of $105 million, our capital expenditures of $37 million and Sturm s free cash flow of $52 million.

Strong Management Team. The members of our senior management team have an average of 20 years of packaged food industry experience and have worked together on several successful ventures, including the acquisition, turnaround and sale of Keebler Foods Company. Our senior management team has demonstrated its ability to grow our business, increasing our net sales from $708 million in 2005 to $1,512 million in 2009 and our adjusted EBITDA from $76 million in 2005 to $191 million in 2009. These results have been achieved through a combination of organic growth, EVA-driven portfolio optimization efforts and five complementary acquisitions (excluding Sturm).

Strategy

We intend to grow our business profitably through the following strategic initiatives:

Expand Partnerships with Retailers. As grocery retailers become more demanding of their private label food product suppliers, they have come to expect strategic insight, product innovation, customer service and logistical economies of scale similar to those of our branded competitors. To this end, we are continually developing, investing in and expanding our private label food product offerings and capabilities in these areas.

In addition to our low cost manufacturing, we have invested in research and development, product and packaging innovation, category management, information technology systems and other capabilities. We believe that these investments enable us to provide a broad and growing array of private label food products that generally meet or exceed the value and quality of branded competitors that have comparable sales, marketing, innovation and category management support. We believe that we are well positioned to expand our market share with grocery retailers given our differentiated capabilities, breadth of product offering and geographic reach.

Continue to Drive Growth and Profitability from our Existing Product Portfolio. We believe we can continue to drive strong organic growth from our existing product portfolio. Through insights gained from our EVA analyses, we develop operating strategies that enable us to focus our resources and investments on products and categories that we believe offer the highest potential. Additionally, EVA analyses identify products and categories that lag the broader portfolio and require corrective action. We believe EVA analysis is a helpful tool which maximizes the full potential of our product offerings.

Leverage Cross-Selling Opportunities Across Customers, Sales Channels and Geographies. While we have high private label food product market shares in the United States for our non-dairy powdered creamer, soup, salad dressing and pickles, as well as high branded and private label food product market share in jams in Canada, we believe we still have significant potential for growth with grocery retailers and foodservice distributors that we either currently serve in a limited manner, or do not currently serve. We believe that our size and scale give us an advantage over smaller private label food product producers, many of whom provide only a single category or service to a single customer or geography. Our ability to service customers across North America and across a wider spectrum of products and capabilities provides many opportunities for cross-selling to customers who seek to reduce the number of private label food product suppliers they utilize.

Growth Through Acquisitions. We believe we have the expertise and demonstrated ability to identify and integrate value-enhancing acquisitions. We selectively pursue acquisitions of complementary businesses that we believe are a compelling fit with our existing operations. Each potential acquisition is vigorously evaluated for merit utilizing a rigorous analysis that assesses targets for their market attractiveness, intrinsic value and strategic fit. We believe our past acquisitions of Oxford Foods, the Del Monte Soup and Infant Feeding business, San Antonio Farms, DeGraffenreid, and E.D. Smith were each a success and consistent with our strategy. Since we began operating as an independent company in 2005, our acquisitions have significantly added to our revenue base, enhanced margins and allowed us to expand from an initial base of two center-of-store, shelf stable food categories to eight, including Sturm. We attempt to maintain conservative financial policies when pursuing acquisitions, and our proven integration strategies have resulted in rapid deleveraging. By identifying targets that fit within our defined strategies, we believe we can continue to expand our product selection and continue our efforts to be the low-cost, high quality and innovative supplier of private label food products for our customers.

Proposed Acquisition of Sturm Foods, Inc.

On December 20, 2009, we entered into a definitive Stock Purchase Agreement to acquire Sturm, a privately-owned company majority owned by an affiliate of HM Capital Partners, pursuant to which TreeHouse will acquire all of the issued and outstanding capital stock of Sturm for aggregate consideration of $660 million in cash, payable at closing, and subject to adjustments for working capital and other items. Consummation of the Sturm Acquisition is subject to customary closing conditions. We intend to finance the Sturm Acquisition through a combination of this offering of notes and approximately $100 million from an underwritten public offering of our common stock, with the balance funded from borrowings under our credit facility.

The consummation of this offering of notes is conditioned upon the closing of the Sturm Acquisition. Upon the consummation of the Sturm Acquisition, Sturm will become a domestic subsidiary of TreeHouse and will become a subsidiary guarantor of the notes. See Description of the Notes Subsidiary Guarantees in this prospectus supplement for more information.

Table of Contents

Sturm Acquisition Rationale

We expect to realize several benefits from the Sturm Acquisition, including the following:

Entry into Attractive Categories. Sturm is the leading producer of private label hot cereal and powdered drink mixes, principally sugar free drink mixes. The total hot cereal and powdered drink mix categories generate over $1 billion each in annual retail sales and are margin enhancing categories for TreeHouse, each with a single major branded competitor. Private label holds a significant share of the hot cereal and sugar free drink mix category sales, and these are important categories for many of our customers.

Enhanced Scale and Further Diversification of Our Product Offering. Sturm adds two new categories for growth and diversification. Both categories are consistent with our center-of-store, shelf stable food strategy. Sturm also enhances our scale with our customers. Sturm s manufacturing footprint with geographical proximity to our existing operations will support manufacturing and distribution efficiency efforts.

Accretive to Margins and Cash Flow. We expect the Sturm Acquisition to be accretive to gross margin, adjusted EBITDA margin and earnings per share on a pro forma basis in 2010. We also expect the Sturm Acquisition to be accretive to free cash flow (defined as cash flows from operating activities less capital expenditures), as Sturm generated $52 million of free cash flow for the twelve months ended December 31, 2009.

Equity Offering

In connection with the Sturm Acquisition, pursuant to a separate prospectus supplement, we intend to offer shares of our common stock in an underwritten public offering, which we refer to as the equity offering. We estimate that the total proceeds of the equity offering, before deducting the underwriting discount and estimated expenses, will be approximately $100 million. The equity offering is expected to close simultaneously with the completion of this offering. However, there can be no assurance that the equity offering will be completed or what the terms will be. The consummation of this offering of notes is not conditioned upon the consummation of the equity offering, and the consummation of the equity offering is not conditioned upon the consummation of this offering of notes.

Sources and Uses

The estimated sources and uses of the funds for the Sturm Acquisition, assuming the acquisition had closed December 31, 2009, are shown in the table below. Actual amounts will vary from estimated amounts depending on several factors, including (i) the amount of proceeds that we received from this offering of notes, (ii) the amount of net proceeds, if any, that we receive from the equity offering and (iii) changes in Sturm s debt balances and net working capital from December 31, 2009 to the closing. In addition, there can be no assurance that the Sturm Acquisition will be consummated under the terms contemplated or at all.

Sources	**(In thousands)**	**Uses**	
Credit Facility	$ 182,000	Sturm Equity Consideration(1)	$ 194,670
Senior Notes Offered Hereby	400,000	Refinancing of Existing Sturm Net Debt(2)	465,330
Equity Offering	100,000	Fees and Expenses(3)	22,000
Total Sources	**$ 682,000**	**Total Uses**	**$ 682,000**

(1) Reflects the total consideration to be paid to holders of all the issued and outstanding shares of Sturm s common stock.

(2) Consists of $527,792 thousand of outstanding borrowings plus $3,428 thousand of accrued and unpaid interest, reduced by $65,890 thousand of existing Sturm cash.

(3) Reflects our estimate of fees and expenses associated with the Sturm Acquisition and related financing transactions, including financing fees, advisory fees and other transaction costs. See Unaudited Pro Forma Condensed Combined Financial Information.

Table of Contents

Corporate Information

We are a Delaware corporation incorporated on January 25, 2005. Our principal executive offices are located at Two Westbrook Corporate Center Suite 1070, Westchester, IL 60154. Our telephone number is 708-483-1300. Our website address is www.treehousefoods.com. The information on or accessible through our website is not part of this prospectus supplement and should not be relied upon in connection with making any investment decision with respect to the securities offered by this prospectus supplement.

Table of Contents

The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. For a more detailed description of the terms and conditions of the notes, see the section entitled Description of the Notes. As used in this section, references to the Company mean TreeHouse Foods, Inc. and not any of its subsidiaries.

Issuer	TreeHouse Foods, Inc.
Notes Offered	$400 million aggregate principal amount of 7.750% senior unsecured notes due 2018, which we refer to in this prospectus supplement as the notes.
Maturity	The notes will mature on March 1, 2018.
Interest	7.750% per year.
Interest Payment Dates	Interest is payable semi-annually in arrears on March 1 and September 1 each year, commencing September 1, 2010.
Anticipated Ratings	Moody s Investors Service, Inc.: Ba2 Standard & Poor s Ratings Services: BB– The credit ratings are made by the rating agencies and not the issuer. An explanation of the significance of ratings may be obtained from the rating agencies. Generally, rating agencies base their ratings on such material and information, and such of their own investigations, studies and assumptions, as they deem appropriate. The rating of the notes should be evaluated independently from similar ratings of other securities. A credit rating of a security is not a recommendation by the rating agency or the issuer to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.
Guarantees	The payment of principal, premium, if any, and interest on the notes will be fully and unconditionally guaranteed on a senior unsecured basis by Bay Valley Foods, LLC and, following the completion of the Sturm Acquisition, by Sturm. The subsidiary guarantors will represent substantially all the revenue, income and assets of our domestic subsidiaries.
Ranking	The notes will be senior unsecured obligations of the Company and will rank senior in right of payment to any of the Company s future debt that is expressly subordinated in right of payment to the notes. The notes will rank equal in right of payment with all of the Company s existing and future unsecured senior debt, including our credit facility and our outstanding 6.03% Senior Notes due 2013, which we refer to as the existing senior notes, and will be effectively subordinated to the

Company s secured debt to the extent of the assets securing such debt.

The guarantees will be general unsecured obligations of the guarantors and will rank senior in right of payment to any of their future debt that is expressly subordinated in right of payment to the guarantees. The guarantees will rank equal in right of payment with all existing and future unsecured debt of such guarantors that are not so subordinated and will be effectively subordinated to the guarantors

Table of Contents

secured debt to the extent of the assets securing such debt. The guarantees will also be structurally subordinated to all of the liabilities of any of our subsidiaries that do not guarantee the notes.

As of December 31, 2009, after giving effect to this offering and the use of proceeds therefrom, the equity offering and the use of proceeds therefrom (assuming the equity offering is completed with total proceeds, before deducting the underwriting discount and estimated expenses, of $100 million) and the consummation of the Sturm Acquisition, the Company and the guarantors would have had total unsecured debt of approximately $980 million (excluding letters of credit of $8.8 million), consisting of $400 million of debt under the notes offered pursuant to this prospectus supplement, $100 million of debt under the existing senior notes, $480 million of debt under our credit facility, and approximately $111 million of additional unsecured debt would have been available to be borrowed under our credit facility. In the event the equity offering is not completed, as of December 31, 2009, after giving effect to this offering and the use of proceeds therefrom and the consummation of the Sturm Acquisition, the Company and the guarantors would have had total unsecured debt of approximately $1,075 million (excluding letters of credit of $8.8 million), consisting of $400 million of debt under the notes offered pursuant to this prospectus supplement, $100 million of debt under the existing senior notes, $575 million of debt under our credit facility, and approximately $16 million of additional unsecured debt would have been available to be borrowed under our credit facility. As of December 31, 2009, the notes and the guarantees would have been structurally subordinated to approximately $0.2 million of indebtedness of the non-guarantor subsidiaries.

Optional Redemption

At any time on or after March 1, 2014, we may redeem the notes, in whole or in part, at the redemption prices listed in Description of the Notes Optional Redemption, plus accrued and unpaid interest to the applicable redemption date. At any time prior to March 1, 2013, we may redeem up to 35% of the aggregate principal amount of the notes with the net cash proceeds from certain public equity offerings at the redemption price described in Description of the Notes Optional Redemption, plus accrued and unpaid interest, if any, to the applicable redemption date. In addition, at any time prior to March 1, 2014, we may redeem the notes, in whole or in part, upon not less than 30 nor more than 60 days notice, at a redemption price equal to 100% of the principal amount thereof plus a make-whole premium, plus accrued and unpaid interest, if any, to the redemption date.

Repurchase at the Option of the Holders Upon Change of Control Repurchase Event

If we experience a Change of Control (as defined in this prospectus supplement), each holder of notes may require us, subject to certain conditions, to offer to purchase all or a part of the notes at a purchase price equal to 101% of their principal amount, plus any accrued and unpaid interest. See Description of the Notes Offer to Repurchase upon Change of Control.

Certain Covenants

The indenture governing the notes, as supplemented and amended by a supplemental indenture, which we collectively refer to as the indenture, will, among other things, restrict our ability and the ability of our restricted subsidiaries, with exceptions, to among other things:

incur additional indebtedness and issue certain preferred shares;

make certain distributions, investments and other restricted payments;

sell certain assets;

agree to restrictions on the ability of restricted subsidiaries to make payments to us;

create liens and enter into sale-leaseback transactions;

merge, consolidate or sell substantially all of our assets; and

enter into certain transactions with affiliates.

These covenants are subject to important exceptions and qualifications described under the heading Description of the Notes Certain Covenants.

Use of Proceeds

We estimate that the net proceeds from this offering will be approximately $389.8 million after deducting underwriting discounts and our estimated expenses related to the offering. We will use the net proceeds to fund a portion of the cash consideration payable in connection with the Sturm Acquisition. The consummation of this offering is conditioned on the simultaneous closing of the Sturm Acquisition and there can be no assurance that the Sturm Acquisition will be consummated. We expect that the total cash consideration payable in connection with the Sturm Acquisition will be approximately $660 million. In addition to the net proceeds from this offering, we expect to use net proceeds from the equity offering and borrowings under our credit facility to finance the Sturm Acquisition. The equity offering is expected to close simultaneously with the completion of this offering. However, there can be no assurance that the equity offering will be completed or what the terms will be. The consummation of this offering is not conditioned upon the consummation of the equity offering, and the consummation of the equity offering is not conditioned upon the consummation of this offering.

No Public Market

The notes are a series of securities for which there is currently no established trading market. The underwriters have advised us that they presently intend to make a market in the notes. However, you should be aware that they are not obligated to make a market and may discontinue their market-making activities at any time without notice. As a result, a liquid market for the notes may not be available if you try to sell your notes. We do not intend to apply for a listing of the notes on any securities exchange or any automated dealer quotation system.

Table of Contents

Form	The notes will be represented by registered global securities registered in the name of the nominee of the depositary, The Depository Trust Company. Beneficial interests in the notes will be shown on, and transfers will be effected through, records maintained by The Depository Trust Company and its participants. Clearstream Banking, *société anonyme* and Euroclear Bank, S.A./N.V., as operator of the Euroclear System, will hold interests on behalf of their participants through their respective U.S. depositaries, which in turn will hold such interests in accounts as participants of DTC. Except in the limited circumstances described in this prospectus supplement, owners of beneficial interests in the notes will not be entitled to have notes registered in their names, will not receive or be entitled to receive notes in definitive form and will not be considered holders of notes under the indenture. The notes will be issued only in minimum denominations of $2,000 and integral multiples of $1,000 above that amount.
Risk Factors	Investing in the notes involves risks. See Risk Factors beginning on page S-20 of this prospectus supplement important information regarding us and an investment in the notes.
Trustee	Wells Fargo Bank, National Association.
Governing Law	New York.

Table of Contents

Summary Historical and Pro Forma Financial Information

The following tables set forth certain historical financial information for TreeHouse and Sturm, as well as certain pro forma financial information prepared to illustrate the effect of the Sturm Acquisition.

TreeHouse Historical Financial Information

The following summary historical financial information as of and for each of the five years in the period ended December 31, 2009 has been derived from our audited consolidated financial statements and related notes. See Where You Can Find More Information in the accompanying prospectus for details regarding documents incorporated by reference herein. The summary historical financial information provided below does not purport to indicate results of operations as of any future date or for any future period. For periods prior to June 27, 2005, all of the historical assets, liabilities, sales, expenses, income, cash flows, products, businesses and activities of our business that we describe in this report as ours are in fact the historical assets, liabilities, sales, expenses, income, cash flows, products, businesses and activities of the businesses transferred to TreeHouse by Dean Foods.

	Year Ended December 31,				
	2009	2008	2007	2006	2005
	(In thousands, except per share data)				
Operating data:					
Net sales	$ 1,511,653	$ 1,500,650	$ 1,157,902	$ 939,396	$ 707,731
Cost of sales	1,185,283	1,208,626	917,611	738,818	560,094
Gross profit	326,370	292,024	240,291	200,578	147,637
Operating costs and expenses:					
Selling and distribution	107,938	115,731	94,636	74,884	60,976
General and administrative	80,466	61,741	53,931	57,914	31,977
Management fee paid to Dean Foods					2,940
Amortization of intangibles	13,381	13,528	7,195	3,268	1,732
Other operating (income) expense, net	(6,224)	13,899	(415)	(19,842)	21,423
Total operating costs and expenses	195,561	204,899	155,347	116,224	119,048
Operating income	130,809	87,125	84,944	84,354	28,589
Other (income) expense:					
Interest expense	18,430	27,614	22,036	12,985	1,223
Interest income	(45)	(107)	(112)	(665)	(7)
Loss (gain) on foreign currency exchange	(7,387)	13,040	(3,469)		
Other (income) expense, net	(2,263)	7,123	(36)		(66)
Total other expense	8,735	47,670	18,419	12,320	1,150
Income from continuing operations, before income taxes	122,074	39,455	66,525	72,034	27,439
Income taxes	40,760	10,895	24,873	27,333	15,174
Income from continuing operations	81,314	28,560	41,652	44,701	12,265

Income (loss) from discontinued operations, net of tax				(336)		(30)		155		(689)
Net income	$	81,314	$	28,224	$	41,622	$	44,856	$	11,576

Table of Contents

	Year Ended December 31, 2009	2008	2007	2006	2005
	(In thousands, except per share data)				
Basic earnings per common share:					
Income from continuing operations	$ 2.54	$ .91	$ 1.33	$ 1.43	$ .40
Income (loss) from discontinued operations		(.01)		.01	(.02)
Net income	$ 2.54	$ .90	$ 1.33	$ 1.44	$ .38
Diluted earnings per common share:					
Income from continuing operations	$ 2.48	$ .91	$ 1.33	$ 1.42	$ .39
Income (loss) from discontinued operations		(.01)		.01	(.02)
Net income	$ 2.48	$ .90	$ 1.33	$ 1.43	$ .37
Weighted average common shares:					
Basic	31,982	31,341	31,203	31,158	30,905
Diluted	32,798	31,469	31,351	31,396	31,108
Other data:					
Net Cash provided by (used in):					
Operating activities	$ 104,844	$ 175,636	$ 96,402	$ 59,626	$ 51,808
Investing activities	(34,118)	(41,839)	(467,819)	(296,778)	(14,230)
Financing activities	(69,725)	(139,726)	380,699	229,157	(29,742)
Depreciation and amortization	47,343	45,854	34,986	24,651	16,941
Capital expenditures	(36,987)	(55,471)	(19,184)	(11,374)	(14,244)
Adjusted EBITDA(1)	190,787	157,672	137,641	109,315	76,498
Balance sheet data (at end of period):					
Cash and cash equivalents	$ 4,415	$ 2,687	$ 9,230	$ 6	$ 8,001
Working capital	217,418	165,997	240,955	195,862	97,109
Total assets	1,384,428	1,355,682	1,455,958	935,623	609,697
Long-term debt	401,640	475,233	620,452	239,115	6,144
Other long-term liabilities	31,453	44,563	33,913	26,520	18,906
Total stockholders equity	756,229	620,131	629,309	576,249	513,355

(1) Adjusted EBITDA represents net income before interest expense, income tax expense, depreciation and amortization expense and other non-cash and non-recurring items. There are limitations associated with the use of non-GAAP financial measures as compared to the use of the most directly comparable GAAP financial measure. Management uses adjusted EBITDA to evaluate performance, when making decisions regarding allocation of resources, in determining incentive compensation for management and for determining earnings estimates. Management believes adjusted EBITDA provides investors with helpful supplemental information regarding our underlying performance from period to period. These measures may be inconsistent with measures presented by other companies. See Non-GAAP Financial Measures for the discussion of our use of adjusted EBITDA.

Table of Contents

The following table sets forth an unaudited reconciliation of net income to adjusted EBITDA:

	Year Ended December 31,				
	2009	**2008**	**2007**	**2006**	**2005**
	(In thousands)				
Net income	**$ 81,314**	**$ 28,224**	**$ 41,622**	**$ 44,856**	**$ 11,576**
Interest expense	18,430	27,614	22,036	12,985	1,223
Interest income	(45)	(107)	(112)	(665)	(7)
Income taxes	40,760	10,895	24,873	27,333	15,174
Loss from discontinued operations, net of tax		336	30	(155)	689
Depreciation and amortization	47,343	45,854	34,986	24,651	16,941
Stock option expense	13,303	12,193	13,580	18,794	9,618
Gain on foreign currency hedge transaction			(3,270)		
Acquisition integration and accounting adjustments		508	4,170	1,355	
One time factory costs associated with inventory reduction program		2,500			
Revalue license agreement and other		634			
Loss on intercompany note translation	(4,929)	9,135			
Swap mark to market	(2,104)	6,981			
Plant shut-down costs and asset sales of closed facilities	885	12,905	(274)	1,370	9,897
Gain on curtailment of post retirement benefits plan				(29,409)	
Write-down of trade names	7,600			8,200	4,669
Spin-related costs					9,711
Other operating income					(66)
Fructose settlement, Cairo facility gain, tank yard sale					(2,927)
Gain on insurance replacement of fixed assets	(13,609)				
One-time acquisition costs	1,839				
Adjusted EBITDA	**$ 190,787**	**$ 157,672**	**$ 137,641**	**$ 109,315**	**$ 76,498**

S-16

Table of Contents

Sturm Historical Financial Information

The following tables set forth unaudited reconciliations of (i) Sturm s net income to adjusted EBITDA and (ii) cash flows from operating activities to free cash flow for the twelve months ended December 31, 2009. The summary historical financial information provided below has been derived from Sturm s unaudited consolidated financial statements for the twelve months ended December 31, 2009. Sturm s audited consolidated financial statements as of and for the year ended March 31, 2009, and unaudited financial statements as of and for the nine months ended December 31, 2009, are incorporated in this prospectus supplement and the accompanying prospectus by reference to our Current Report on Form 8-K filed with the SEC on February 16, 2010. See Incorporation by Reference in this prospectus supplement and Where You Can Find More Information in the accompanying prospectus for details regarding documents incorporated by reference herein. The summary historical financial information provided below does not purport to indicate results of operations as of any future date or for any future period.

	Twelve Months Ended December 31, 2009 (Unaudited) (In thousands)	
Net income	**$**	**30,352**
Income taxes		20,383
Interest expense, net		25,555
Amortization of deferred financing costs		1,220
Depreciation		9,179
Stock based compensation		1,963
Transaction costs		1,073