

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

FLO.N - Q3 2024 Flowers Foods Inc Earnings Call

EVENT DATE/TIME: NOVEMBER 08, 2024 / 1:30PM GMT

OVERVIEW:

Company Summary

CORPORATE PARTICIPANTS

J.T. Rieck *Flowers Foods Inc - EVP – Finance and Investor Relations, Treasurer*

A. Ryals McMullian *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

R. Steve Kinsey *Flowers Foods Inc - Chief Financial Officer, Chief Accounting Officer*

CONFERENCE CALL PARTICIPANTS

Stephen Powers *Deutsche Bank Securities Inc. - Analyst*

Bill Chappell *Truist Securities Inc. - Analyst*

Robert Dickerson *Jefferies LLC - Analyst*

Jim Salera *Stephens Inc. - Analyst*

Mitchell Pinheiro *Sturdivant & Co., Inc. - Analyst*

Max Gumpert *BNP Paribas Securities Corp. North America - Analyst*

PRESENTATION

Operator

Good morning, and thank you for standing by. Welcome to the Flower Foods Third Quarter 2024 Results Conference Call. Please be advised that today's event is being recorded.

I would now like to hand the conference over to your opening speaker today, J.T. Rieck, Executive Vice President of Finance and Investor Relations. Please go ahead.

J.T. Rieck - *Flowers Foods Inc - EVP – Finance and Investor Relations, Treasurer*

Thank you, Josh, and good morning. I hope everyone had the opportunity to review our earnings release, listen to our prepared remarks and view the slide presentation posted earlier on our Investor Relations website. After today's Q&A session, we will also post an audio replay of this call.

Please note that in this Q&A session, we may make forward-looking statements about the company's performance. Although we believe these statements to be reasonable, they are subject to risks and uncertainties that could cause actual results to differ materially.

In addition to what you hear in these remarks, important factors relating to Flowers Foods business are fully detailed in our SEC filings. We also provide non-GAAP financial measures for which disclosure and reconciliations are provided in the earnings release and at the end of the slide presentation on our website.

Joining me today are Ryals McMullian, Chairman and CEO; and Steve Kinsey, our CFO. Ryals, I'll turn it over to you.

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Good morning, everybody. We're quite pleased with the strong performance of our leading brands in what continues to be a pretty challenging environment. While consumers value-seeking behavior pressured category sales, we did grow dollars and units in fresh packaged breads. And that growth drove the largest share gains in the category, which validates our investments in differentiation. In our other segment, execution of our portfolio strategy enabled sales growth as strong pricing initiatives more than offset volume losses.

As we look to close out the year and look ahead to 2025, we remain focused on enhancing shareholder value, of course, and delivering results consistent with our long-term financial targets. That process includes maximizing our opportunities in areas that we can control by targeting pockets of growth in branded retail, margining up our private label and away-from-home businesses and executing on our cost savings plan.

So Josh, with that, we'll open up the floor for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Steve Powers, Deutsche Bank.

Stephen Powers - Deutsche Bank Securities Inc. - Analyst

I was hoping we could actually start with the areas of expansion as we think about next year, both Dave's Snack Bites and Wonder. Just give a little sense for sort of the scale of those expansions and the ramp you're expecting?

And I guess a little bit of -- a little bit more detail around on the Wonder side, your confidence in the sweet baked goods category, which has obviously faced some pressure of late? And on the Daves side, just a little bit more detail on where you think you're going to get placement for those snack bites and just signs of confidence that you haven't -- we're not at risk of overextending that brand, I guess, is the question?

A. Ryals McMullian - Flowers Foods Inc - Chairman of the Board, Chief Executive Officer

Yes, of course. Let me start with the Wonder line. We should -- we'll probably have more details for you on that in February. I mean, we're very early in rolling it out to customers. I can tell you that the early returns have been quite good. There's been a lot of enthusiasm from retailers. We noted the top 10 item at the NACS show just a few weeks back. So the items are unique. The quality is fantastic. The packaging looks great.

And honestly, we all know we need some help in the sweet baked goods category. I mean the category has been down -- we have not -- we performed kind of in line with the category, but that's not a good story. And so I think the important takeaway is that we are taking proactive steps to inject some growth into that category, and we're quite excited about doing it with the Wonder brand just given a very high unaided awareness for Wonder.

In terms of the DKB snack line, the bars continue to do well, the original three. The protein bars, we have more SKU innovation in the pipeline to deliver as early as next year. And then, of course, as you mentioned, the snack bites as well.

Steve, I don't think we're in danger of overextending. I mean if anything, if you take the bars, for example, shelf space and visibility are so important. And we were out of the gate with three SKUs did quite well, but now expanding to six and then beyond on that.

And then, of course, the snack bites are completely differentiated from that and in a different category and quite unique for the category. There's really nothing quite like it out there. Most analogous, I would say, is probably some of the granola products that you see out on the shelf. But with three savory items, three sweet items, we're very excited about the prospects for that. Retailer acceptance of it has been great.

But I always like to remind you guys that these things take time. I mean this is very much like a startup. And it takes a while to get the ramp to build the consumer base. Some of these consumers are not current DKB shoppers, which is great because we're expanding consumption of the brand, but it does take time to do that. Having said all that, we remain very bullish on this burgeoning snack business we have for DKB.

Stephen Powers - *Deutsche Bank Securities Inc. - Analyst*

Okay. Great. And I'll pass it on, but I did want to ask Steve, if I could, on the CapEx reduction for the year. It does look like it's not the ERP side because that actually went up a little bit. Can you maybe just talk about what drove the reduction? And is that sort of -- is that true kind of efficiency? Or is that going to be something we should consider as we think about capital planning in '25?

R. Steve Kinsey - *Flowers Foods Inc - Chief Financial Officer, Chief Accounting Officer*

Sure, Steve. This is Steve. I mean the main reason for the change there is really just kind of the pace of spend for the year. I mean, you're right, it's not necessarily ERP, it's other projects, primarily bakery. And a lot of those got pushed, we just weren't able to get to them. So they will roll over to 2025. So you should consider that as you think about next year.

Operator

Bill Chappell, Truist Securities.

Bill Chappell - *Truist Securities Inc. - Analyst*

Just wanted to talk a little bit about the sweet baked goods or the snack cake business. And just on the declines, are you seeing anything different, kind of a year in, from Smucker's owning Hostess, in terms of more competitive, more promotion, or even pushing down into kind of the store brand type stuff? Or is this just kind of the continued kind of ups and downs of the category for you?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes. I think for us, it's just more generally --

Operator

Please hold. Your --

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Bill, can you hear me?

Bill Chappell - *Truist Securities Inc. - Analyst*

Yes.

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Okay. There was a sound interruption there. Yes, it's really just the ups and downs of the category. I think that is more attributable to consumers pulling back on discretionary spend pulling back on indulgence. You've seen some weakness even in the salty snack category, which has typically been very strong. I think it's temporary. But I do think it relates to consumers' pocketbooks more than anything else.

Bill Chappell - *Truist Securities Inc. - Analyst*

Got it. And just to follow up on what -- as you've seen this in the past, how long do you think it lasts? Just -- this doesn't seem to be a dire financial crisis. It's just pulling back. So do you think you can get back to growth as we move into '25? Or is it just too early to tell?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Well, I mean, I don't have a crystal ball, but I think it's -- it would be reasonable to think that at some point next year, things start to normalize and the category gets a little bit healthier. I mean, you'll recall among before we hit this inflationary cycle. The sweet baked goods category was the strongest of the snacking categories despite all the stuff, health and wellness trends going on out there. So I do expect it to return.

We're focused on delivering super high-quality items to the consumer under great brands. And that's why we're excited about this Wonder brand. Tastykake is a great, iconic Philadelphia brand but for us, just speaking for us specifically doesn't play quite as well outside of that category. And I think you've seen that over the last several years, particularly as Hostess got stronger out of bankruptcy. So pivoting a bit to the Wonder brand, we think, can help us be more competitive with some of those stronger brands in the category, particularly if we deliver on the quality promise.

Bill Chappell - *Truist Securities Inc. - Analyst*

Got it. And just sorry, one more. On the promotional level of the bread, bun and roll business, is it primarily coming from the largest competitor? Or are you seeing it in the smaller regional players as well?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes. I mean it's fairly broad-based. And look, I mean, our promotional activity has increased, too. Now the intensity of that is not as high, and we're still very well below pre-pandemic levels, but we've increased our promotions, too. So it's across the category. However, with our number one in differentiated brands, we are seeing pretty good lift from those promotions. And I think that may be a little bit different than what some others may have said.

Operator

Robert Dickerson, Jefferies.

Robert Dickerson - *Jefferies LLC - Analyst*

Great. Maybe just quick housekeeping. I think you said in the prepared remarks, some of the trends didn't continue in Q3 relative to Q2, but then kind of improved at the end of the quarter. It sounds like maybe a little help from a hurricane. So I'm just curious, I'm not sure if you want to quantify or if you can quantify how much do you think that might have helped the quarter? And then maybe how you kind of saw those trends coming out of the hurricane, even though it's only been a couple of weeks?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes. So some of the stronger category trends that we noted in didn't continue. It did get a little bit weaker as we moved through the third quarter. The hurricanes had an impact, Rob, but not particularly material, honestly. I mean it did help. It was positive, of course but not really that significant in the quarter. I think, again, the important thing to emphasize specifically to Flowers in the quarter is that while the category continues to be a bit soft, we're outperforming the category.

And our -- if you look at fresh packaged breads, our units were up some 70 basis points. We gained 20 basis points of dollar share, 20 basis points in share, both of those, the largest among competitors in the category. So our innovation, our brands, our differentiated items continue to make a difference even in the face of a bit of a soft category at the moment.

Robert Dickerson - Jefferies LLC - Analyst

Okay. Great. And then maybe just more broadly speaking, you also had made the comments around the perimeter of the store doing a little bit better, and maybe that's helping certain subcategories of overall bread like buns or tortillas. And I'm just curious, maybe if you could just opine on that a bit, like someone's buying chicken on the perimeter of the store, I mean, I guess a burger, or using a bun, chicken, maybe you're going to throw it in a tortilla. So maybe there's just kind of a little switch in terms of like traditional sandwich bread relative to some of the other subcategories.

And then, I guess, just kind of as like a tack on to that, you always kind of comment on M&A when you say kind of the deal activities out there, right? Are any of those areas that you actually would like to be bigger in, just to kind of diversify that portfolio?

A. Ryals McMullian - Flowers Foods Inc - Chairman of the Board, Chief Executive Officer

In terms of the perimeter, you mean?

Robert Dickerson - Jefferies LLC - Analyst

Yes. Just like buy a big tortilla brand. Now we have tortillas. We have lunch bread, and keto, and buns.

A. Ryals McMullian - Flowers Foods Inc - Chairman of the Board, Chief Executive Officer

Yes. I mean, look, we've said before, we're looking across baked goods. So that picks up the perimeter, that picks up the freezer case, that picks up center-store takes up away from home and convenience, those sorts of things. So we're looking across the expanse of Baked Foods, which altogether is a massive total category.

In terms of the trends, if you harken back, Rob, the perimeter of the store was sort of a big deal, pre-pandemic, right? And I think coming out of the pandemic, one of the questions we would get every single quarter was when do you expect the reversion to happen? When do you expect the reversion to? We actually haven't gotten that question in many quarters, but I think that that's a bit of what you're seeing now in terms of shopping patterns but also the trend now to in-home meeting just given the inflationary pressures and consumers trying to stretch their food budget. I do think that that trend tends to impact the traditional segment of our business more than the other parts.

We've talked in the past how that's arguably the least differentiated piece of our portfolio and we have plans to increase that level of differentiation there to kind of fight back, but obviously, much less impact on the buns and rolls, as you mentioned, on the Dave's Killer Breads of the world, on the Canyons of the world. So we continue to beat this drum that innovation and differentiation matter, and that's what's fueling our business overall.

Robert Dickerson - Jefferies LLC - Analyst

Okay. Great. Makes sense. And then maybe just a quick one, one last one. Just around the guide for EBITDA. If we kind of think about what's implied maybe for Q4, it seems like at least at the midpoint, there could still be a little bit of year-over-year kind of margin improvement.

So kind of a couple of questions in here. Just kind of what -- and the range, I guess, for quarters still seems like a little wide, right, which is fair, complicated backdrop. But kind of curious like kind of what could get you to the higher end of that implied margin guide for Q4, maybe what gets

you at the lower end? And then like is part of this just also kind of playing it safe just given the promotional environment all in and kind of how you're thinking about the price piece?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes. I think overall, it's just a continued conservative outlook. Look, I get that we're into the fourth quarter, and we -- on the one hand, you think why don't you have better visibility. I think that we do have that visibility, Rob, but we're just trying to remain cautious just given the outlook.

We started off the year when we issued guidance, noting the things that could impact the year including increased promotional activity and some of those things have happened. But offsetting that has been fantastic execution on our savings program, great execution in the marketplace continuing to grow our bread bun and roll units.

The drag on the business is away from home and primarily the QSR of the business, which has been a bit weaker than we anticipated, honestly, just with the shift to in-home due to elevated pricing. And we've already covered the weakness in the Cake business. The fresh packaged bread business is doing great. I mean there's just -- there's really no issue on that part of the business. It's really those other pieces.

So your question, what could get you to the higher end of the range? A bit better performance out a cake and QSR and continued strong performance in the core of the business could get you to the upper end of that range.

Operator

Jim Salera, Stephens.

Jim Salera - *Stephens Inc. - Analyst*

Ryals, I wanted to dig down a little bit on the other category. And you talked about some of the headwinds in food service and certainly the softness in QSR is well known. Can you maybe break out how much of a headwind the foodservice was to other volume relative to the business exits? Because I think we still have some of those in the third quarter. So if we just strip those out, how much would the other volume have been down? And maybe any color on your private label piece in that category as well would be helpful.

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes. So we were finishing out the cycling of the strategic exits in the third quarter. I would say sort of mid-single digits from strategic exits the rest of it is kind of channel category dynamics, if you will. So mostly external factors, Jim.

But I would also say that the steps that we've taken in terms of pricing to improve the profitability of that business more than overcame the volume losses. So that's an important note to take away.

Jim Salera - *Stephens Inc. - Analyst*

For sure. And then -- so is it safe to say that if I break out, and I realize for competitive reasons, you guys don't break out the private label piece anymore? But is it safe to assume that the private label component of that other segment is positive on volume?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Actually, no. The private label, if you look at the -- we can just talk syndicated data, actually, private label is losing share and our volume in private label was down as well. Private label pricing has increased a little bit, Jim, and the price gaps have narrowed a bit as private label is going up and branded has gotten promoted a little bit more. So now you're starting to see that shift back a bit more to branded.

Jim Salera - *Stephens Inc. - Analyst*

Okay. Great. And then I think you also mentioned in your prepared remarks, is it possible we could see some incremental benefit if you have some new business wins that ramp up faster just curious on what would be a driver of kind of a faster or slower ramp with new customers and is there anything that we, on the outside can kind of look at that might give us some insight into -- if it's scaling faster or scaling slower?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes. So the new business for the remainder of the year has pretty much already been captured. Now obviously, we'll have more for 2025 but the incremental gains that we expected to get for this year have been captured. So when we get to the end of the year and we come back to you in February, we'll have a much clearer picture on just how well that went but we're off to a good start.

Service is good. It's great that we're ramping up with some of these customers that we needed to be more strategic with, if you will. And this is going to have a nice added benefit for our branded business as well, reaching more consumers.

Operator

Mitchell Pinheiro, Sturdivant & Company.

Mitchell Pinheiro - *Sturdivant & Co., Inc. - Analyst*

Yes. So I guess when you -- your fresh bread category gains, we're obviously at the expense, I guess, a little bit of private label but like who's losing share? Is it broad-based? Is it regionals, our major national competitors, where are your gains being picked up from, do you think?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

They are coming some from private label. They are coming from some of the regionals, although other of the regionals are doing pretty well, actually. And Pepperidge, for example, looking at syndicated, they look like they had a good quarter. I know they're promoting a bit more, but it looks like they're also getting some lift. So I mean, it's coming from around the category, but that's not really a new story. I mean we -- Mitch, as we continue to talk about being a leader in innovation and bringing differentiated products to the consumers, that we're pulling business away from other competitors in the category due to that focus on innovation.

Mitchell Pinheiro - *Sturdivant & Co., Inc. - Analyst*

I mean, is any of that coming in a geographic market dynamic like you happen to be winning more than east or west? Or can you talk a little bit about that?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes, sure. So it's been -- more recently, it's been stronger in, frankly, in newer markets, the Northeast, the Midwest, et cetera, where we've had a little bit of share of pressure, Mitch, has actually been in the Southeast. So it's our most mature market.

There tends to be quite a bit more competitive activity on soft variety. I'm really kind of harping on software. We're still higher than we were five years ago, but we've seen a little bit of share erosion there. But obviously, we're aware of it and taking steps to counteract it.

So there are differences in geography. And in the newer geographies, we're -- those are the areas where we are gaining the most share.

Mitchell Pinheiro - *Sturdivant & Co., Inc. - Analyst*

And what -- so I mean it's obviously very important to kind of grow your share in those newer geographies. Are there any near-term obstacles that are out there -- what's -- why wouldn't you be growing maybe at an accelerated rate in some of those new geographies? What's the challenge that you're seeing right now?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

I'm not really sure I get the gist of your question, because we are growing in those new geographies. Obviously, you're new to the market, you've got to get consumer awareness and get trial and repeat and all those things. But we've been talking about the Northeast for a while, and we continue to grow share there. We're newer to the Midwest, so we just launched into one of the major Midwest retailers in the spring. So we're really just getting started there.

But no, I mean, it -- obviously, there's competitive activity. There are some very big competitors in those markets, but with the strength of our number 1 brands, we feel very confident that we can consistently grow share.

Mitchell Pinheiro - *Sturdivant & Co., Inc. - Analyst*

Okay. No, I guess I was more looking for a little obviously, quicker share gains. You were -- I don't know exactly where you are today. You were a 10% share in the Northeast, say, two years ago. I'm not sure where that is today. And I know share gains, it's a very, obviously, a hypercompetitive business. But I just thought perhaps there was something maybe stopping you from growing at an even quicker rate. That's all.

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

No, nothing specific. It's just I think you hit it right on the head. I mean, this is a competitive category. And it takes time to build share. Now at some point, capacity can become a constraint, but we're planning well ahead of that so that we don't get in a situation where we don't have enough capacity to continue to grow. But aside from that, it's just -- it's a competitive category. The Northeast, specifically, there's a lot of independents and co-ops up there, too. It takes time to get fully penetrated there. So yes, just things like that.

Mitchell Pinheiro - *Sturdivant & Co., Inc. - Analyst*

Okay. Okay. And then when I haven't really looked at this lately, but you used to have -- your capacity utilization. I guess the OEE back a couple of years ago was in the mid-60s. And I was curious if there was any update on that. Where are you -- because that would seem to be a significant part of the margin story, the fixed cost leverage as you increase your capacity. Can you -- is there any update or any detail you could provide there?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Sure. So our OEE now is running -- it obviously depends on when you look, it gets a little bit more pressure in the summer when we're so busy in full. But call it, 70%, 71%. Obviously, we want it to be higher than that. But you're right, it's quite a bit better than it has been. So we've made some great strides. And we're seeing that in the bottom line. I mean, that's a component of the gross margin performance. So it's good to see us operating more effectively there.

Mitchell Pinheiro - *Sturdivant & Co., Inc. - Analyst*

And so --

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Sorry. In terms of overhead coverage, we've talked about before the strategic exits, long term are certainly the right thing to do because we had some very poor margin business that we jettisoned but it does leave us with a little bit of fixed overhead stranded. But as we refill that volume with higher-margin business, that also is going to have a direct bottom line impact.

Mitchell Pinheiro - *Sturdivant & Co., Inc. - Analyst*

Okay. And then I know we're not ready to talk '25 guidance, but you're kind of nipping on the heels of your EBITDA margin on the lower end of 12% to 14% sort of range that the long-term range. I mean, is it too early to call that you can get that lower end next year? And I know you're not ready to provide that kind of guidance, but are we still going to see progress in the EBITDA growth next year? Or is there anything out there that you want to call out that we'd have to be -- have to consider?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

So yes, I mean, we're not ready to talk '25 yet, but we can talk long term, Mitch. And certainly, we think it's within reach, we think, frankly, 13% to 14% is in reach. And if you run the long-term algorithm out, you can see where we can get there. And that's without including accretive M&A, which obviously we're focused on it as well.

So I think that we've shown between the growth of our branded business, the shift in the portfolio the cleaning up of the portfolio, the jettisoning of low-margin business, a lot of our savings initiatives. The OE, we talked about all these things factor in network optimization, et cetera. Not to mention accretive M&A. We feel quite confident that over time, we can get to that low teens EBITDA margin level.

Operator

Max Gumpport, BNP Paribas.

Max Gumpport - *BNP Paribas Securities Corp. North America - Analyst*

You're clearly observing an increasingly challenged US bread category as consumers continue to shift to the perimeter of the store and also as you see a ramp-up in competitive activity in the second half, and you noted this headwind is expected to be temporary, which seems reasonable to me given it's largely driven by the consumer feeling financial pressure. But I'm curious at this point in time, should we be expecting that these category pressures persist through a meaningful portion of 2025?

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes, sure. I mean, again, no crystal ball, but Max, we've been through this many, many times before in our history. When the consumer feels a little bit of weakness, there's trade down, consumption patterns shift, [perimeter of the store], all the things that we talked about but they've always proven to be temporary.

So we're working hard on the things that we can control. We continue to make sure that we are as efficient as we can possibly be that we're delivering the highest quality of the consumers and that we continue to innovate. And I think that those things are showing up quite nicely in our market share performance and frankly, in our bottom line performance as well.

Max Gumport - *BNP Paribas Securities Corp. North America - Analyst*

Great. And then on Dave's Killer Bread and just I'm talking about the classic bread offering. Are you concerned by the slowdown you're seeing in trends for that business? I think in the most recent scanner data, it's flattish, maybe even just down slightly in dollar sales terms. I realize a lot of that could be pointed at the category feeling pressure, but just curious for an update on what you're seeing for bread within the bread category and whether or not it can become the growth engine again that it had been over the past several years. I'll leave it there.

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Yes, sure. Thanks, Max. And we can talk about this offline too if you will. We saw your note and the data -- our data does not match up with yours. Dave's is still positive. It is not down, both in terms of dollars and units, it's up. Sequentially, it's down from last quarter, but there's always seasonality. If you go back and look as you get towards the back half of the year, there is a little bit of seasonality in our category, but Dave's is still growing dollars and units.

Operator

I would now like to turn the call back over to Ryals McMullian for any closing remarks.

A. Ryals McMullian - *Flowers Foods Inc - Chairman of the Board, Chief Executive Officer*

Okay. Thanks, Josh, and thanks, everybody, for taking time today and joining us for questions. We appreciate your interest in our company, and we certainly look forward to speaking with you next quarter. Everybody, take care.

Operator

Thank you. This concludes the conference. Thank you for your participation. You may now disconnect.

DISCLAIMER

Refinitiv reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2024, Refinitiv. All Rights Reserved.