

## Wilmington-based Mexican food brand Juanita's Foods sells majority stake to private equity firm

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Juanita's Foods, a prominent manufacturer of Mexican food products, announced that it has sold a majority stake in the company to Miami-based private equity firm Apex Capital.

Financial terms were not disclosed.

Founded in 1946 in Wilmington, Juanita's Foods is the nation's top seller of canned Mexican food staples, including pozole and menudo. The company employs 160 people.

Its popular shelf-stable products are "crafted to deliver the rich, homemade taste of traditional Mexican cooking with modern-day convenience," according to a news release.

Juanita's Foods was previously headed by third-generation family owners, the De La Torres, who will retain partial ownership and will remain involved in business operations.

"Apex Capital brings the expertise and resources needed to support our continued growth while preserving our dedication to our employees and customers. Together, we will drive long-term value and innovation," Aaron De La Torre, chief executive of Juanita's Foods, said in the statement.

Lloyd Greif, CEO of Los Angeles investment banking firm Greif & Co., who represented the family of owners, said the sale was part of an estate planning process to secure the future of the business.

"The company is growing, and it's growing by double digits," Greif said,



Musicians perform at a gathering to honor the late George De la Torre Jr., founder of Juanita's Foods, in Wilmington on Feb. 19, 2020. (MediaNews Group / Getty Images)

adding that the fact that the deal closed during a period of such intense market volatility "speaks to the quality of the asset."

Juanita's Foods is the nation's top seller of canned menudo — a traditional Mexican soup made from cow tripe — boasting more than 95% market share.

"It is a closely guarded family recipe that has been handed down through the generations," Greif said, adding that focus group data showed the brand's canned products were "just as good as homemade."

Apex Capital plans to keep manufacturing in California, Greif said.

Pedro Palma, managing partner at Apex Capital, called the investment a "strong fit with our strategy of nurturing heritage Hispanic brands with high growth potential, guided by a focus on operational excellence and sustainable value creation."

The private equity firm's focus on investing in Latino brands, Greif said, is driven in part by the nation's large and fast-growing Latino population.

"Hands down, Latino growth wins," the executive said.

Apex Capital is affiliated with Grupo Mariposa, a Guatemalan food and beverage conglomerate just beginning to break into the U.S. market.