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## Smucker looking strong - with Folgers on deck

*The Associated Press*

Jam maker J.M. Smucker Co., poised to nearly double its size with the upcoming acquisition of Folgers coffee from Procter & Gamble, said Thursday that first-quarter earnings increased 4 percent, helped by higher prices and its Carnation and Knott's Berry Farm acquisitions.

Wall Street cheered the results, sending the company's stock up \$3.84 per share, or 7.6 percent, to \$54.34 in trading Thursday, near the upper end of its 52-week trading range of \$40.18 to \$57.49.

The Orrville, Ohio-based company said it earned \$42.3 million, or 77 cents per share, in the three months ending July 31, up from first-quarter 2007 earnings of \$40.8 million, or 71 cents per share.

Sales increased 18 percent, from \$561.5 million in last year's first quarter to \$663.7 million in the most recent quarter.

Excluding restructuring costs, Smucker earned 82 cents per share in the most recent first quarter. Analysts polled by Thomson Reuters predicted a profit of 77 cents per share. Analyst estimates typically exclude one-time items.

The company confirmed its outlook for the year and estimated earnings per share, before one-time costs mostly related to the Folgers deal, in the range from \$3.45 to \$3.50.

Smucker said the strength of its brands allowed it to increase prices and offset higher commodity costs. The company sold more Smucker's fruit spread, Uncrustables sandwiches, Pillsbury mixes and Hungry Jack potatoes and pancakes.

Oil and peanut butter volume sales declined.

Smucker expects to acquire Folgers by Dec. 31 in a \$2.95 billion, all-stock deal. The brand will become Smucker's biggest.