

■ **Key Facts**

Business address: **Westerville, Ohio, United States**
 Industry: **Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing** (NAICS 311941)
 SEC filer status: **Large Accelerated Filer** as of Mar 2020
 Index member: **S&P 400, Russell 2000**
 Market Cap: **\$4.36b** as of Jul 30, 2020
 Annual revenue: **\$1.31b** as of Jun 30, 2019

■ **Corporate Governance**

CEO: **David A. Ciesinski** since 2017
 CFO: **Thomas K. Pigott** since 2019 1st level

Board Chairman: **John B. Gerlach Jr** since 2017
 Audit Committee Chair: **Kenneth L. Cooke** 2nd level

Auditor: **Deloitte & Touche LLP** since 1961
 Outside Counsel (most recent): **Frost Brown Todd LLC**
Porter Wright Morris & Arthur LLP
Squire Patton Boggs 3rd level

SEC Reviewer: **John D Reynolds** 4th level

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Information in this report is effective Jul 31, 2020 and is taken from the company's public financial and regulatory filings. Latest filing 10-Q filed 05/05/2020. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from [Audit Analytics](#).
 Executive compensation data from [Shore Group and Intrinio](#).
 Data from [Sharadar](#).
[Data from Barchart via Quandl](#).
[Data from Exchange Data International via Quandl](#).

Jul 31, 2020 Jan 1, 2019 Jan 1, 2015

RECENT PERIOD HISTORICAL PERIOD

10-Q filed on May 5, 2020 for period ending Mar 2020

Reporting Irregularities

RECENT		HISTORICAL
✓	Financial Restatements	✓
✓	Revisions	✓
✓	Out of Period Adjustments	✓
✓	Late Filings	✓
!	Impairments	✓
✓	Changes in Accounting Estimates	✓
✓	Disclosure Controls	!
✓	Internal Controls	✓
!	Critical / Key Audit Matters	✓

Anomalies in the Numbers

RECENT		HISTORICAL
✓	Benford's Law	✓
—	Beneish M-Score	—
✓	Accounting Disclosure Complexity	✓

Securities & Exchange Commission Concerns

RECENT		HISTORICAL
✓	SEC Oversight	✓
✓	SEC Letters to Management	!
✓	Revenue Recognition	✓
✓	Non-GAAP Measures	✓

Litigation & External Pressures

RECENT		HISTORICAL
✓	Significant Litigation	✓
✓	Class Actions	✓
✓	Securities Law	✓
✓	Shareholder Activism	✓
✓	Cybersecurity	✓

Management Review

RECENT		HISTORICAL
✓	CEO Changes	!
!	CFO Changes	✓
!	Insider Sales	!
✓	Mergers & Acquisitions	✓
✓	Sales of Assets	✓

Auditor Assessment

RECENT		HISTORICAL
✓	Auditor Changes	✓
✓	Auditor Experience	✓
!	Auditor Tenure	!
✓	Audit Fees	✓
✓	Non-Audit Fees	✓



Overview

Price and Volume History

This graph shows the price and trading history for Lancaster Colony. Warning signs and red flags are marked on the graph according to their disclosure dates.



1 Jun 10, 2020 - Insider Sale

2 Nov 18, 2019 - Insider Sale

3 Aug 27, 2019 - Impairment

4 Aug 27, 2019 - Critical / Key Audit Matters

5 Mar 15, 2019 - Change in CFO

6 Aug 30, 2018 - Insider Sale

7 May 2, 2018 - SEC letters to management

8 May 25, 2017 - Change in CEO

9 May 9, 2016 - Insider Sale

10 Aug 28, 2015 - Disclosure Controls

Notifications

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

There are no notifications for Lancaster Colony at least since 2015.



Peer Group

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

Peer Group

Company	Ticker	Market Cap
Boston Beer Co. Inc.	SAM	\$9.73b
Lamb Weston Holdings, Inc.	LW	\$8.66b
Flowers Foods Inc.	FLO	\$4.78b
Lancaster Colony Corp.	LANC	\$4.36b
Hain Celestial Group Inc.	HAIN	\$3.46b
Sanderson Farms Inc.	SAFM	\$2.62b
J&J Snack Foods Corp.	JJSF	\$2.31b
Cal-Maine Foods Inc.	CALM	\$2.15b
Tootsie Roll Industries Inc.	TR	\$2.09b
Hostess Brands, Inc.	TWNK	\$1.55b

Companies Who Named Lancaster Colony as a Peer

Company	Ticker	Market Cap
Boston Beer Co. Inc.	SAM	\$9.73b
Flowers Foods Inc.	FLO	\$4.78b
Lancaster Colony Corp.	LANC	\$4.36b
Hain Celestial Group Inc.	HAIN	\$3.46b
Energizer Holdings, Inc.	ENR	\$3.28b
Balchem Corp.	BCPC	\$3.14b
Sanderson Farms Inc.	SAFM	\$2.62b
Simply Good Foods Co	SMPL	\$2.34b
Coca-Cola Consolidated, Inc.	COKE	\$2.13b
Tootsie Roll Industries Inc.	TR	\$2.09b



Peer Flag Comparison

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does Lancaster Colony's accounting quality compare to its peer group?

	LANC	PEERGROUP FLAGS		
Reporting Irregularities				
Financial Restatements	✓	9		
Revisions	✓	6	3	
Out of Period Adjustments	✓	7	2	
Impairments	!	5	4	
Changes in Accounting Estimates	✓	8	1	
Disclosure Controls	!	3	4	2
Internal Controls	✓	7		2
Critical / Key Audit Matters	!		6	3
Anomalies in the Numbers				
Benford's Law	✓	6		3
Beneish M-Score	⊖	5	2	
Accounting Disclosure Complexity	✓	6	2	1
Securities & Exchange Commission Concerns				
SEC Oversight	✓	9		
SEC Letters to Management	!	3	6	
Revenue Recognition	✓	8	1	
Non-GAAP Measures	✓	9		

	LANC	PEERGROUP FLAGS		
Litigation & External Pressures				
Significant Litigation	✓	5		4
Class Actions	✓	5		4
Securities Law	✓	6		3
Shareholder Activism	✓	7	2	
Cybersecurity	✓	9		
Management Review				
CEO Changes	!	4	2	3
CFO Changes	!	3	5	1
Insider Sales	!	3	5	1
Mergers & Acquisitions	✓	6	2	1
Sales of Assets	✓	9		
Auditor Assessment				
Auditor Changes	✓	7	2	
Auditor Experience	✓	8	1	
Auditor Tenure	!	5	4	
Audit Fees	✓	1	8	
Non-Audit Fees	✓	5	4	



About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

Our management team is:

CEO: Brian Lawe. Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

CTO: Radu Cugut. Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

Chief Content Officer: Joseph Burke, Ph.D. is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

Director of Research: John Cheffers. John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



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