



FoodPriceTruth.org

Labor Day Cook-Out Menu Favorites

Why Your Labor Day Weekend Will Cost You More This Summer ...



Ice Cream, Hamburgers, Hotdogs, Corn-on-the-Cob, Pasta Salad, Crackers & Dip

Corn-on-the-Cob – Corn-on-the-cob is one of America’s favorite summertime treats, so it’s good news that sweet corn prices are falling. Since corn-on-the-cob goes pretty much from the farmer to the market, large food companies haven’t been able to mark-up their profits on corn-on-the-cob like they have for other products using sweet corn. So enjoy!

Hamburgers – For those meat eaters, nothing smells better than a juicy hamburger cooking on the grill. Uncooked ground beef is up about 14 cents/pound from last year. Farmers are not making more money, but meat wholesalers like Cargill certainly are. In fact, Cargill’s [profits are up](#) 86% from this time last year because their “prices are setting new highs...”

Source: Cargill and USDA

Note: Q3 net earnings (14 April) was \$1.03 billion, up 86% from \$553 million in the same period a year ago

Hot Dogs – Nothing beats grilled hot dogs – especially for the kids. But the price of a hot dog is more this year than last. Sara Lee, the maker of the well known hot dog brand, *Ball Park*, recently [claimed in a press release](#) that “higher commodity costs were more than offset by higher prices.” You heard that right. Sara Lee raised its profits higher than commodity costs and made a hefty profit along the way. That’s one thing not to like about Sara Lee hot dogs.

Source: Sara Lee

Note: Q3 operating income (6 May) was \$242 million, compared to \$150 million in the third quarter of fiscal 2007, an increase of 61.2%

Ice Cream – Nothing says summer like ice cream. And nothing says bummer like paying more for ice cream at the grocery store. General Mills, the maker of *Haagen-Dazs*, [claims that](#) “price” was a key factor in their ability to turn a nice profit last quarter. Indulging with a little ice cream might still be nice, but there’s a little more than rising dairy costs on top of that cone.

Source: General Mills

Note: Q4 earnings (25 June) increased 13 percent to \$3.5 billion

Pasta Salad – Pasta prices are up, but wheat prices are coming down due to “nearly ideal” growing conditions in the Midwest, according to the US Department of Agriculture. But that won’t keep companies like Kraft Foods from reaching deeper into your wallet over Labor Day. Kraft Foods sells pasta salad, and Kraft’s profits are up 27% since last year due to “[pricing actions](#)” (translation: price increases). This means Kraft’s price increases have far exceeded the rise in commodity costs, giving the company an \$11.2 billion profit for the second quarter – a 21.4% increase from last year.

Sources: US Department of Agriculture and Kraft Foods.

Dips – Everyone loves a cool summer dip, especially the creamy ones made from dairy. Regrettably, dips cost more these days. Here’s one reason why: Dean Foods, which makes some of our favorite dips, [reported that](#) they are making healthy profits “primarily due to the pass through of higher dairy commodity costs...” We understand the need to pass through operating costs, but profiting from cost increases means that prices are higher than they need to be. Maybe it’s best to make the dip at home.

Source: Dean Foods

Note: Q2 net income (6 August) was \$48.9 million, compared with \$28.2 million in the prior year’s second quarter – a 71.63% increase from the same time last year.

Crackers – Nothing goes better with dip than crackers. These days, crackers, like everything else, cost more. Kellogg’s, one of the largest producers of crackers in the world, is part of a trade association who is [blaming rising food costs](#) on biofuels. But did you know Kellogg’s is turning a [handsome profit](#) these days and credits “price realization” and “recent price increases”? The Kellogg’s trade association recently told Congress that “*at a time when thousands of Americans are losing their homes and jobs, it makes no sense to artificially increase the price of food ...*” We couldn’t have said it better ourselves!

Source: Kellogg

Note: Q2 net earnings (30 July) was \$312 million, a 4% increase over last year’s \$301 million