

SE News
HD **Meadow Lea and Wonder White set to become latest Australian brands sold to foreign owners, as Asian investors close in on \$1.37 billion buy-out**
WC 527 words
PD 21 May 2014
ET 17:48
SN Mail Online
SC DAMONL
LA English
CY © 2014 Associated Newspapers. All rights reserved
LP

- * Asian investors look poised to takeover Australian-owned food brands
- * Goodman Fielder, who own Praise, Wonder White, in sell-off process

TD

- * Dick Smith slams looming \$1.37 billion move saying Australians left with little choice at checkout
- * It follows an exodus of proudly-owned Aussie foods now in overseas hands

Meadow Lea margarine and other signature Australian-owned brands, such as Helgas and Wonder White breads, could become the latest home-grown food products to be sold in to foreign hands after Asian investors bid \$1.37 billion.

The companies, owned by Goodman Fielder, could be moved offshore in as little as four months as the company board paves the way for Singapore oils trader Wilmar International and Hong Kong investment house First Pacific to enter into a takeover.

Goodman Fielder owns and operates sugar refineries in North Queensland and Victoria, and the company employs about 6000 people in Australia, NZ and Asia. A company spokesman said it wasn't clear how many Australian-based jobs would be affected by the move.

Australian entrepreneur Dick Smith says the looming take-over is a blow to the Australian home-grown food industry and customers who prefer to buy locally manufactured products.

A statement from Goodman Fielder released on Thursday said a recommendation had been put to its board to accept a takeover bid from the two Asian investors at 71 cents a share.

Goodman Fielder has a portfolio of well-known consumer brands in some of Australia's largest grocery categories, including Meadow Lea, Praise, White Wings, Pampas, Mighty Soft, Helga's, Wonder White, Meadow Fresh and Irvines.

If the buy-out proceeds, the once proudly-owned Australian food brands will join the long list of former iconic products Cottees Cordials, milk brands Dairy Farmers and Dare Iced Coffee, Bushells and Nerada Teas and big biscuit manufacturer Arnott's to fall into foreign hands.

Smith said moves such are contributing to the demise of Australian-owned products.

"With more than 80 per cent of product in a typical supermarket trolley already either imported or coming from a foreign-owned company, how long will it take for this figure to reach 90 per cent or even 95 per cent?" he said.

Company Chairman Steve Gregg said the move would be a positive for the company's expansion into the Asian market.

"We believe this revised proposal also demonstrates the strength of our underlying business and brands but also the opportunity to leverage these assets to grow the business across the Asian

region.”

Mr Smith said the growing sell-off of Australian-owned products into foreign hands leaves shoppers with almost next to no choice but to **buy** foreign-owned at the checkout.

He said: 'Even the most patriotic consumers who want to **buy** Australian-made-and-Australian-owned find they increasingly don't have a choice and the problem is becoming exponentially worse.'

The **buy**-out will be subject to rigorous approvals, including a majority shareholder agreement and a Federal Court decision.

CO fdgl : Goodman Fielder Ltd
IN i41 : Food/Beverages/Tobacco | icnp : Consumer Goods
RE austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania
PUB Associated Newspapers
AN Document DAMONL0020140521ea5l001ut