

SE News
HD **Peters ice cream to be the next Australian brand sold offshore after French company 'tables \$450 million bid'**
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* Pacific **Equity** Partners rumoured to have been offered \$450 **million** by French ice cream giant R&R

* Aussie favorites by Peters include Drumstick, Billabong and Connoisseur

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* Comes as Meadow Lea looks set to be bought by Asian investment **firm**

Peters ice cream could become the latest iconic Australian **brand** this to be **sold** off after its parent **company** entered talks with a foreign investor.

Unlike many of the other brands which are being snatched up by Asian buyers, Pacific **Equity** Partners is in exclusive negotiations with French ice cream manufacturer, R&R.

As the largest producer of ice cream in Europe - and the second largest in the world - R&R are reported to have offered \$450 **million** for Peters, according to The Australian.

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If the deal goes through, the French ice cream giant, located in the UK but owned by French private **equity firm** PAI Partners, will produce some of Australia's favourite treats including Drumstick, Billabong and Connoisseur.

Pacific **Equity** Partners could nearly double their profits after they bought Peters for about \$250 **million** from Nestle in 2012.

The deal would also confirm that the **company** will not be floating Peters on the sharemarket, which had been expected.

As the market leader in Australia's multi **million** dollar ice cream industry, Peters' revenue is projected to rise from \$269.3 **million** in 2014 to \$290.3 **million** in 2015, according to the Sydney Morning Herald.

More than 100 years old, the **brand** is no doubt one of Australia's most iconic brands, founded in 1907 by Fred Peters in Manly.

Australian entrepreneur Dick Smith has spoken out for the second time this week about the damage foreign ownership is doing to Australian brands.

His first statements came on Wednesday when Meadowlea announced it was moving offshore, Smith saying the move was a blow to Australian customers.

On Friday in light of iconic Australian **brand** Peters' potential **sale**, the **business** owner told the Sydney Morning Herald that his '**company**'s days are numbered.'

'I think the days are numbered because basically anyone who is any good as a food producer is pretty much immediately bought out by the Northern Hemisphere. These companies have to get growth and the only way they can get growth is by buying out other companies,' he said.

Smith also told of the struggle to source produce from local companies, and the impact this is having on consumers who want home-grown products.

'This is going to happen more and more where in the end Dick Smith Foods is going to be forced to close,' he told the publication.

Earlier this week, Australian-made Meadow Lea margarine and **bread** brands Helgas and Wonder White, were also announced to be falling into 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 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.

CO paipar : PAI partners | peptr : Pacific Equity Partners

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