



News That Makes Teeth Whiter, Clothes Brighter, and Life Just Plain Better

Transaction News

As they say, beauty is in the eye of the beholder ... or at least the new owner.

The Consumer BizBuzz

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- **Carl Icahn** fired his first shots at **Clorox**, where he owns a 9% stake. The board is resisting his \$11 billion bid, but what he really wants are offers from big CPG companies. They may not come.
- **Foster's** rejected a \$10 billion offer from **SABMiller**, which would have continued beer's global consolidation. Look for a higher bid, either from them or from **Molson Coors** and **Modelo** ... or even **A-B InBev**.
- **PepsiCo** is exercising their right to buy the other 23% of **Wimm-Bill-Dann Foods**, a Russian dairy and juice company. They paid \$3.8 billion for 77% in February.
- The Korean owners of **Fila** led a group that is paying \$1.2 billion for **Acushnet**, the golf business of **Fortune Brands**. The brands are *Titleist* and *Footjoy*.
- **Nestlé** is buying **Sweet Leaf Tea**, a \$50 million business. They made an initial investment two years ago.
- On a much bigger scale, **Nestlé** wants to buy all or part of **Hsu Fu Chi**, the #1 candy maker in China. The company could cost \$3 billion, but Nestlé wants to get 50% of their future sales from emerging markets.
- **Diageo** finally got regulatory approval to buy **Shui Jing Fang**, China's oldest maker of baijiu. (Baijiu is to China as tequila is to Mexico.) The deal was set 16 months ago.
- **British American Tobacco** is paying \$452 million for **Protabaco**, the #2 cigarette maker in Colombia. **Philip Morris** made the same deal in 2009, but dropped the bid this year after regulatory roadblocks.
- **Smucker** bought **Rowland Coffee Roasters** for \$360 million. The \$110 million company has two strong Hispanic brands.
- **McCormick** is paying nearly \$300 million for **Kamis**. They are a leader in spices, seasonings, and mustards in Poland.
- **Smithfield Foods** canceled plans to buy **Campofrio** of Spain. They may seek another deal in packaged meat instead.
- **Ralcorp** plans to spin off the **Post Food** cereal business, which they bought in 2008. Ralcorp will be focused on private label ... if **ConAgra** doesn't buy them first.
- **Tata Global Beverages** (*Tetley* tea and *Eight O'Clock* coffee) will reportedly sell a 20% stake to a strategic investor.

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Continued.

- **ConAgra** paid \$58 million for the *Marie Callender's* trademark, after the restaurant chain filed Chapter 11. They have licensed the brand for frozen foods since 1994.
- **Brown-Forman** is buying *Maximus* vodka. It's a minimus deal, but it helps in Poland.
- **Catterton** bought **Cover FX**, a cosmetics company based in Toronto.

If you missed the "For Sale" signs:

- **Madison Dearborn** wants to sell **Topps**, the confection and trading card company.
- Organic tea maker **New Leaf Brands** is looking at strategic alternatives.
- **TTI Floor Care** (*Dirt Devil* and *Hoover* brands) put themselves on the block.

Courtroom Drama

Please, no wagering.

- A Chicago woman sued **Frito-Lay**, saying she swallowed pins and needles when eating *Ruffles* chips. If true, it must make her the dumbest person on earth.
- The Justice Department filed an antitrust suit after **Tyson** sold a chicken plant to a competitor. It was only a \$3 million deal, so it shows the DOJ's new aggressiveness.
- **Hershey** dropped a suit that said **Mars** used colors for *Dove* packaging that were too close to *Reese's*. Or as Rosanne Roseannadanna would say, "Never mind."
- A Canadian appeals court decided **Molson Coors** has a valid sponsorship with the NHL, replacing **Labatt**. The latter thought they had a "good faith" extension in place.
- **Dr Pepper Snapple** is suing **Dr Pepper**. The Plano company wants a Texas bottler to stop selling *Dublin Dr Pepper*, which is made with cane sugar. The cult favorite has gone beyond the bottler's territory, including that new interweb thingy.
- Federal prosecutors are looking into **Avon** employees who bribed officials in China and Latin America. Two execs have been fired, and criminal charges may follow.
- **Diageo** settled with the SEC, paying up to \$20 million to end a bribery investigation. It involved South Korean customs officials.
- **P&G** agreed to pay \$3 million to settle a suit claiming *Pampers Dry Max* caused diaper rash. No real link was found.
- The FDA warned **Kellogg** a second time about listeria, this time at a Georgia cookie plant. A problem last year closed their *Eggo* frozen waffle plant.
- The FDA announced nine very **graphic photos for cigarette packages**. As an example, one shows a man blowing smoke through his tracheotomy hole. They are due to appear in late 2012.
- An environmental group in California **sued 26 cosmetics** companies, saying their products are improperly labeled as organic. State law requires at least 70% organic ingredients.
- **Dean Foods** will pay \$140 million to settle a suit by a group of Southeastern dairy farmers. They claimed Dean and other big buyers suppressed milk prices.
- **Big tobacco companies** struck a tentative deal with 46 states to keep \$2 billion. The dispute traces to a 1998 agreement to pay \$200 billion for sick smoker care. The companies complained that small firms are not being dunned, so their prices are lower.

People News

All the moves fit to print.

CEOs

- **Dave West** is joining **Del Monte** as CEO. He held the same role at **Hershey**, with earlier work at **Nabisco**.
- **Mike Polk** is joining **Newell Rubbermaid** as CEO. He was at **Unilever** and **Kraft**, and he was already on Newell's board.
- **Chip Bergh** is joining Levi Strauss as CEO. He was at **P&G** for 28 years.
- **John Cochran** joined **Pabst Brewing** as CEO. He was at **Fiji Water** and **Roll International**.
- **Jude Rake** joined **ETA/Cuisenaire**, a maker of education materials, as CEO-designate. His CPG roots include **Recycled Greetings**, **Kodak**, **SCJ**, **Pepsi**, and **Clorox**.
- **Debo Mukherjee** joined **Redco Foods**, the maker of teas and dessert mixes, as CEO. He was at **General Cigar**, **Mars**, **Unilever**, **Heinz**, and **Hershey**.

■ **Scott Almquist** joined **Zeno**, the beauty device company, as CEO. He was at **Evenflo** and **P&G**.

■ **Tony Thornley** is the interim CEO at **Callaway Golf**, replacing **George Fellows**. He worked most recently at **Qualcomm**, but has been on Callaway's board since 2004.

■ **Rick Lenny** joined **Friedman Fleischer & Lowe** as an operating partner. He was most recently the CEO of **Hershey**.

A couple of moves failed to utilize a highly-skilled executive recruiter. Or our competitors:

■ **Hershey** promoted **JP Bilbrey** to CEO. He was COO, and he started at **P&G**.

■ **McCain Foods** promoted **Dirk Van de Put** to CEO. He succeeds **Dale Morrison**, who left to join a private equity firm.

■ **Campbell Soup** officially named **Denise Morrison** as CEO. She succeeds **Doug Conant**, who is retiring.

Presidents and GM's

- **Gareth Edgecombe** is joining **Campbell Soup** as president of Asia Pacific. He was at **Coca-Cola**.
- **Diane Teer** joined **MeadWestVaco** to run their global food packaging business. She was at **World Kitchen**, **ConAgra**, **Campbell Soup**, **Kraft**, and **P&G**.
- **Chris Steffanci** joined **Pabst Brewing** as COO. He was at **Heineken**.
- **Dean Robinson** joined **Kid Brands** as president of their **Sassy** subsidiary. He was at some companies you wouldn't know.
- **Matt Wiant** joined **Murray's Specialty Cheese Company** as general manager. His CPG work includes **Atkins**, **Allied Domecq**, **Dannon**, and **Kraft**.

■ **Gordon Hardie** (no relation, except his love of CPG) joined **Bunge** to run their food and ingredients business. He was at **Southcorp**, **Fosters**, and **Pernod Ricard**.

Some moves failed to support the vital headhunter sector of our economy:

■ **Beiersdorf** named **Bill Graham** as president of their US business. He ran sales previously.

■ **P&G** named **Patrice Louvet** as president of global male grooming. **Joanne Crewes** succeeds him to run global prestige.

■ **Unilever** named **Harish Manwani** as COO, a new role. They also named **Dave Lewis**, **Kevin Havelock**, and **Antoine de Saint Affrique** as presidents of global categories.

People News

Presidents and GM's continued

Continued.

- **Constellation Brands** promoted **Jay Wright** to COO, a new role. He ran their North American business.
- **Kraft** named **Tim Cofer**, a 19-year veteran, as president of Europe. He replaces **Mike Clarke**, who left to run **Premier Foods**.

- Darden promoted **John Caron** to president of their *Olive Garden* chain. We care because of his **Unilever** roots.

Sales and Marketing

- **Paul Chibe** joined **Anheuser-Busch** as VP of US marketing. He was at **Wrigley** for 11 years, preceded by **Quaker Oats**.
- **Bryan Crowley** joined **Pabst Brewing** as CMO. He was at **Mars**.
- **Betty Noonan** joined **Panasonic** to lead marketing and branding in North America. She was at **Kodak**.
- **Brad Jakeman** is joining **PepsiCo** to run global marketing for *Pepsi-Cola*, *Diet Pepsi*, and *Pepsi Max*. He was at Activision.
- **David Kroll** joined **Dyson** as VP of marketing for the US. He was at **Alberto-Culver**, **Wrigley**, and **P&G**.

- **Jennifer Steeves-Kiss** joined **Schiff Nutrition** as CMO. She was at **P&G**.
- **Donald Young** joined **Merrick Pet Care** as VP of sales. He was at **Nutro Products**.
- **Aaron Gold** joined **Frozen Specialties**, makers of private label pizza, as VP of sales. He was at **Sturm Foods**, **ConAgra**, and **Keebler**.
- **Greg McCormick** joined **Revlon** recently to run their Walgreens business. He was at **J&J**, **Pfizer**, **Coca-Cola**, and **P&G**.
- **Fernando Salido** joined Symphony IRI as a VP of marketing solutions. His CPG work includes **Tyson**, **Miller**, and **Diageo**.

Other Functions

- **Kevin Walling** joined **Hershey** as SVP and chief people officer. His background includes early work at **PepsiCo**.
- **Liz Dunlap** joined Panera Bread as chief people officer. She was most recently at Christie's, but her CPG roots include **Campbell Soup** and **Carnation**.
- **Kimberly Ross** is joining **Avon** as CFO. She was at Ahold, Ernst & Young, **Seagram**, and **Anchor Glass**.
- **Maria Henry** is joining **Sara Lee** as CFO of North America. She was at Culligan.

- **Ralph Nicoletti** joined CIGNA as CFO. He was at **Alberto-Culver**.
- **Fabio Sandri** joined **Pilgrim's Pride** as CFO. As pure coincidence, the Brazilian-owned company hired someone from, let's see, Brazil.
- **Robin Jansen** joined **Sara Lee** as VP of investor relations. He was at **Danone** and **Numico**.
- **Neil Wilcox** joined **Lorillard** as chief compliance officer. He was at the FDA.
- **Steve Patrick** joined Rothschild, the financial firm, as an advisor. He just retired from **Colgate-Palmolive** as CFO.

People News

Other Functions *continued*

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- **Daniel Myers** is joining **Kraft** as EVP of supply chain. He was at **P&G**.

There were a couple of celebrity sightings in CPG:

- **Jennifer Lopez** joined **Snyder's-Lance** as packaging manager. Apparently being an *American Idol* judge wasn't all that great.

- **Campbell Soup** named **Nancy Reagan** as VP of global Wal-Mart. It proves there is life after the White House, and it is great to see her doing so well at age 90.

Board of Directors

- **Alberto Weisser** is joining **PepsiCo's** board. He is the CEO of **Bunge**.

- **Carl Johnson** was named non-executive chairman of **Nautilus**. He was at **Campbell Soup** and **Kraft**.

- **Jeff Simmons** joined the **Chiquita** board. He runs the animal health unit of **Eli Lilly**.

- **Ron Williams** joined the **J&J** board. He retired recently as the CEO of **Aetna**.

- **Fabian Garcia** joined **Kimberly-Clark's** board. He runs innovation and Europe for **Colgate-Palmolive**.

- **Steve Gilbert** joined the **Freshpet** board. He is an investor in CPG companies.

- **Clyde Tuggle** joined the board of apparel company **Oxford Industries**. He runs public affairs and communications for **Coca-Cola**.

- **Robert Dixon** joined the board of **WellPoint**, the health insurer. He is the CIO for **PepsiCo**.

- **Doreen Wright** is joining the **Crocs** board. She was the CIO for **Campbell Soup**.

- **Dean Hollis** and **Thomas McInerney** joined the **Smart Balance** board. Hollis is with **Oaktree Capital** and was at **ConAgra**, while **McInerney** is at a small search firm.

Obituaries

- **Wallace McCain** died at 81. He co-founded **McCain Foods**, becoming the king of French fries. After a family squabble, he left and bought **Maple Leaf Foods**, growing it into one of Canada's top meat companies.

- **Charles Koch** died at 88. A retired brewer, his recipe for *Samuel Adams Boston Lager* enabled his son to launch **Boston Beer**. He remained a board member.

- **Leonard Stern** died at 88. He was a sitcom writer and producer, but we love that he co-invented *Mad Libs*. The party game sold over 100 million copies.

- **Eugene Kummel** died at 88. As the retired CEO of **McCann Erickson**, he oversaw iconic campaigns for CPG brands such as *Coca-Cola* and *Miller Lite*.

- **George Ballas** died at 85. He made a fortune with his *Weed Eater* invention, although his main occupation was owning dance studios.

- **Norma Lyon** died at 81. As the queen of butter sculptors, she and her work were loved by dairy farmers everywhere.

Marketing and Strategy

Some of this stuff could actually work.

- **Dr Pepper Snapple** introduced *7Up Retro*. Packaging was designed on “Celebrity Apprentice” by **Marlee Matlin** and **John Rich**.
- Food companies are feeling heat about **palm oil**, with demands ranging from sustainability to elimination. Some Girl Scouts even want to stop selling cookies.
- **Anheuser-Busch** is cutting *Tilt’s* alcohol level from 12% to 8%. They removed caffeine in 2008, but binge drinking concerns persisted because it was 24 ounces, high-alcohol, and fruit-flavored.
- **MillerCoors** will soon brew *Molson Golden* and *Molson Ice* in Ohio. *Molson Canadian* will still be brewed in, well, Canada.
- **P&G** revealed a study of their *Olestra* fat substitute. Unfortunately, rats gained more weight after they stopped eating the stuff.
- **Hydrive Energy** is launching *Hydrive Decaf*, the first caffeine-free energy drink. That’s an oxymoron if we ever heard one.
- We love that **Beam Global** is introducing *Jim Beam Devil’s Cut*, which includes whiskey extracted from the wood of barrels. The term plays off “angel’s share”, which is wine or whiskey that evaporates from barrels.
- Australia wants to enact the world’s toughest **cigarette packaging** restrictions. They would use identical olive green packaging for all brands, with the name (and no logo) on the front ... under full-color pictures of the dangers of smoking.
- Speaking of cigarettes, **Lorillard** recalled some *Newport* packs that may contain small pieces of plastic. After all, they could be hazardous to your health.
- An industry group announced **revised guidelines** for foods marketed to children. The enraged Center for Science in the Public Interest complained: “Rather than have government come up with the standards for food marketing, they want to develop them themselves.” Isn’t that the idea?
- We hate government gridlock. When Minnesota closed many government offices because of budget issues, **MillerCoors** was unable to get their license renewed. They were forced to begin pulling products from stores and bars across the state.
- **Kraft** is putting the “wiener” in *Wiener-mobile*. After 75 years, one of the *Oscar Mayer* fleet will actually serve hot dogs.
- The FDA instructed **Pfizer** to change the label of *Chantix*, their smoking cessation drug, to warn about heart attacks. On the bright side, at least you won’t get cancer.
- **PepsiCo** is drawing flak for using polar bears and Santa Claus in new *Pepsi* ads. *Coke* has “owned” Santa since the 1930s, and their polar bear ads started in 1993.
- Have you seen the ads that admit *Miracle Whip* is not for everyone? (We are in the hater camp.) **Kraft** is running a contest that will pay \$25,000 toward the cost of a divorce ... if it is caused by the product.
- **Campbell Soup** is closing their four-year-old business in Russia. People there love soup, but it needs to be homemade.
- In the “Who Cares?” innovation department, **Schick** has introduced a disposable razor with a scented handle.
- In case you missed it, **sliced bread** celebrated its 83rd birthday this month. The next best thing, Herbert Mines Associates, is 32 years old.

Free Thoughts

Titillating tidbits and tenuously timely trivia.

- *Working Mother* magazine named 23 top companies for **multicultural women**. The CPG honorees, alphabetically: **Colgate, General Mills, PepsiCo, and P&G**.
- *Black Enterprise* magazine named 40 top companies for **diversity**. The honored CPG companies, alphabetically: **Coca-Cola, General Mills, Kellogg, and PepsiCo**.
- As a **public service notice**, unemployment is 9.2% now. Real patriots would create a job today ... especially if we get the search.
- The UN says an **insect diet** provides as much protein as meat (plus key vitamins and minerals), with fewer emissions from farming. They plan a world conference to encourage insect eating. We won't attend.
- There is no CPG connection, but we can't resist an **all-name** shoutout to Monique **Lawless**, who made a citizen's arrest of three shoplifters in Texas. Making it even more surreal, the three arrested brothers are all named **Sylvester Thompson**.
- We would have guessed Wisconsin. It turns out New Hampshire is **the top beer sales state**, at nearly 33 gallons per capita. The average US rate is 21 gallons.
- Chickens can barely fly, but KLM flew on chicken fat from Amsterdam to Paris. They used **biokerosene**, a renewable fuel made from fats, oils, and grease by a **Tyson** venture.
- A survey by *Glad* shows 76% of Americans say trash is the **smelliest thing** in the house. The other 24% must have met our dogs.