

Bacardi to buy Grey Goose vodka

Deal gives company first major vodka brand

AP Associated Press

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WASHINGTON - Bacardi Limited has agreed to purchase Grey Goose vodka from Sidney Frank Importing Co. for roughly \$2 billion, adding another well-known brand of alcohol to its menu, which includes Dewar's scotch and Bombay Sapphire gin.

The financial terms of the deal, announced Sunday, were not disclosed by the companies. But an industry source familiar with the agreement, speaking on condition of anonymity, said Bacardi would pay around \$2 billion.

Bermuda-based Bacardi said in a press release that with the acquisition of Grey Goose, which is distilled and bottled in France, the company has "fulfilled its long-stated goal of becoming a serious player in the strategically important vodka category."

Bacardi currently markets the Turi brand of Vodka in the United States, although its distribution is limited to about 20,000 cases. Comparatively, some 1.4 million cases of Grey Goose were sold in the United States in 2003, according to industry estimates.

Javier Ferran, the **chief executive** of Bacardi, said in a statement that Grey Goose "fills a significant category gap" for the privately held company, whose other brands include Martini and Rossi vermouth and Cazadores Blue Agave tequila.

Privately held Bacardi had global sales of around \$3.3 billion for the fiscal year ended March 31.

Sidney Frank, the chairman and chief executive of New Rochelle, N.Y.-based Sidney Frank Importing, which markets Jagermeister and other alcoholic beverages in the United States, said he had "mixed feelings on the sale of such a great brand."

But Frank said the deal would "ensure the development of the full potential of Grey Goose."

Grey Goose comes in several flavors: L'Orange, Le Citron and La Vanille.

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