



Lindt & Sprüngli says Godiva could be a possible target CEO of top confectioner says \$600 mln deal taps into 'key competence'

By Martin Gelnar, Dow Jones

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ZÜRICH (MarketWatch) -- Swiss chocolate producer Chocoladefabriken Lindt & Sprüngli AG (LISN.EB) said Monday Godiva, the premium chocolate business of Campbell Soup Co. (CPB: 36.35, +0.10, +0.3%) could be a possible acquisition target.

"We are always looking at interesting companies in the premium segment, and that's obviously also true for Godiva," a spokeswoman for Lindt & Sprüngli said.

She added that it's still uncertain whether or not Campbell intends to really sell the Godiva business. "As far as we're concerned, it's not official yet. Godiva divestment rumors come up a couple of times every year," she said.

Even if Godiva should be on the block, it's far from clear whether Lindt would eventually be seriously interested, she added.

Campbell recently said it will explore strategic alternatives for the Godiva unit.

Analysts however doubted Lindt & Sprüngli could be a serious contender for Godiva.

Zürcher Kantonalbank's Patrik Schwendimann said while Lindt & Sprüngli could afford a possible takeover price of around \$1 billion given its strong balance sheet, it doesn't need a partner. Also, Godiva follows a different business model which is much more shops-based.

Brokerage Helvea said the possibility of Lindt & Sprüngli's acquisition of Godiva is marginal because the Swiss premium market leader has in the past few years bolstered its high-end portfolio by purchasing U.S.-based Ghirardelli, for example.

However, Godiva may be a good fit for food and beverages giant Nestle SA NESN.VX, Helvea analyst **James Amoroso** said.

Nestle, currently developing its global super premium strategy, would have the financial means and could launch Godiva on a global scale, he added.

Nestle may be the only interested party because all other chocolate plays such as Kraft Foods Inc. (KFT), Hershey Co. (HSY) and Barry Callebaut BARN.EB mostly follow different strategies, **Amoroso** said.

He sees the possible sale price ranging between \$750 million and \$1 billion.

Nestle couldn't be immediately reached for comment.

Company Web Site: <http://www.lindt.com> ■

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