

Italian confectionary giant will stay in family hands

Ferrero, the family owned Italian confectionary company that owns globally famous brands like Nutella, Kinder and Ferrero Rocher, will continue to remain under the control of Ferrero family. Earlier, market was rife with rumours of Nestle taking over Ferrero. Nestle already has some large Italian brands in its portfolio like pasta-maker Buitoni, chocolate firm Perugina and San Pellegrino mineral water. However, putting all speculation to rest, the third generation chief executive of the company, Giovanni Ferrero clarified in a statement that though the Swiss food giant, Nestle had approached them, it was told that Ferrero was not for sale.

Though the issue appears to have settled for now, commentators think that the company's control in future is yet to be finally decided. Giovanni's elder brother Pietro died in a heart attack in 2011. Pietro was believed to be more interested to run the company than Giovanni. However, the 88-year-old patriarch, Michele Ferrero still remains in control of the business and is the main decision maker. Observers opine that in case Michele realizes that his family is not able to run the company, he may decide to sell it.

Ferrero is one of Italy's most valuable companies with revenues of Euros 7.8 billion reported in fiscal year 2012. Even in the present times of economic downturn, the company's sales grew by 8% compared to 2011. Ferrero family is considered Italy's richest family with a networth of Euros 14.9 billion.

Source: Campden FB, October 18, 2013