

Coca-Cola, PepsiCo spar over Chobani stake

NEW YORK - US soda giants Coca-Cola and PepsiCo are among the companies competing for a minority stake in Greek yogurt maker Chobani, a person familiar with the process said Tuesday.



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Chobani has hired investment bank Goldman Sachs to oversee the sale of 10-20 percent of the company's shares. The yogurt maker is seeking a strategic partner in part to help develop its international business, the person said.

The deal could value Chobani at more than \$3 billion, the person said. It could involve the new investor buying investment fund TPG's 20 percent stake in the yogurt maker, which TPG bought in 2014 for \$750 million.

Based in New Berlin in northern New York state, Chobani has grown rapidly since its founding in 2007 by Turkish immigrant Hamdi Ulukaya. Ulukaya is credited with introducing mass-scale production of Greek-style yogurt into the US market.

Chobani now holds 44 percent of the \$8-billion Greek yogurt market, according to Sanford Bernstein.

Coca-Cola and PepsiCo have been searching for new growth opportunities due to the declining popularity of soda drinks as consumers become more health-conscious.

Some analysts have spoken of a "secular" decline of conventional soda, pushing Coca-Cola and PepsiCo to rely on sales of bottled water and flavored waters and on their snack lines.

Source: AFP

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