TABLE 4 Mergers and acquisitions in the food and beverage sector, 2010–2011

Acquired	Acquirer	Amount ($billion)
Cadbury PLC (UK; chocolate)	Kraft Foods (US)	153
Danisco (Denmark; food additives, biofuel	DuPont (US)	65
Del Monte Foods (US; fruit, juices)	KKR and other private equity groups	53
Winn-Bill-Dan Foods (Russia; dairy products, juices)	PepsiCo (US)	54
P&G's Pringles business (US; snack foods)	Diamond Foods (US)	24
Yoplait (France; yogurt and dairy products)	General Foods (US)	12
Prometheus Labs (US; nutritional solutions to gastrointestinal ailments)	Nestlé (Switzerland)	11
Hansa-Milch (Germany; dairy products) and Allgäuland-Käsereien (Germany; dairy products)	Arlan Foods (Sweden/Denmark)	Not disclosed

Note:
KKR: Kohlberg Kravis Roberts.

industry—especially in dairy products, and with so many companies investing in the field of medical nutrition, and with constant pressure from the bargaining power of giant retailers such as Wal-Mart, Carrefour, and Tesco—Danone was likely to face increasing competitive pressures. As a result, attaining competitive advantage was critical to achieving satisfactory levels of profitability and growth. Riboud and his executive team were convinced that the group's emphasis upon quality, affordability, and innovation directed toward health benefits was consistent both with market opportunities and with Danone's capabilities. However, a key issue was whether Danone's efforts were too fragmented and whether it was gaining sufficient benefit from cross-border linkages. For all of Danone's commitment to decentralization and local autonomy, Riboud was well aware of the advantages of global integration in purchasing, brands, and new product development.

In 2009, Riboud called for increased efforts to exploit cross-border synergies:

> Ties and communication among the units within each business line are now functioning well, but there is room for improvement in relations between business lines and between our operations in Europe and those in other parts of the world. Cross-company operation is perhaps partly a question of structure, but it is above all a matter of attitude. We want the people in the group to learn to work together, whatever the product lines they are concerned with. We need a real cultural revolution in this area. Which does not mean any dilution of the principle of decentralized operation: operational management remains the responsibility of business units, which are now larger and have more resources. Our aim is not centralization, but greater collective efficiency.