

Brazil's Havaianas Maker Buys Argentina Firm and Dreams of Going Global

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Brazil-based São Paulo Alpargatas, the country's largest textile and Footwear Company announced Friday the acquisition of Alpargatas Argentina, turning the consolidated company into a bi-national corporation leader in its sector in Mercosur and Latin America.

According to a release from the Brazilian company addressed to Buenos Aires stock exchange, Argentina's National Commission for the Defense of Competition approved the takeover of a 60.17% stake of the Argentine company, following a full year of negotiations.

"We have created a theater of challenges and growth possibilities for our Brazilian and Argentine workers," said Alpargatas CEO Márcio Utsch, "this is a company rapidly becoming a player in the international field."

The consolidation of both companies will promote the strengthening of the Argentine Topper brand in Brazil which already has 33% of the Argentine market.

"We're going to invest in the Topper portfolio, both marketing and promotion, to boost its participation in the Brazilian market," promised Utsch.

São Paulo Alpargatas is famous for its beach sandals Havaianas and other brands such as Dupe, Topper, Rainha, Mizuno and Timberland in Brazil.

Alpargatas Argentina, started by the British back in 1885 has its main operations in Argentina and Uruguay in sports shoes, causal wear, textiles and quality fabrics.

Last year the combined companies had sales equivalent to 900 million US dollars, with an annual production of 250 million pairs of footwear and sandals, with operations in 80 countries and 150.000 outlets.

The new consolidated company will have a working force of 19.000, said Utsch.

The acquisition was announced October last year by the Brazilian Camargo Correa Group which owns Alpargatas Brazil and in a first move purchased a 34.5% stake for US\$ 51.7 million.

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