

## A new chapter for a well-known French herbal tea brand

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### DEAL SNAPSHOT

**FrenchFood Capital has sold Les 2 Marmottes, the third-largest player in the French herbal tea market, to the world-leading Dutch coffee group, Jacobs Douwe Egberts (JDE).**

Founded in 1979 in Haute Savoie, France, Les 2 Marmottes is an emblematic and well-known brand, and ranked third among French herbal tea producers. The company, with 90 employees, generated sales of approximately US\$23 million in 2021, up 32% compared to last year, just behind Lipton and L'Eléphant. From its workshop in Bons-en-Chablais, in the heart of the Alps, Les 2 Marmottes produces herbal tea with no added flavoring, and works directly with small and local suppliers. The arrival of the PE fund FrenchFood in 2018 marked a turning point for the company, which has demonstrated strong organic growth since then.

JDE is a subsidiary of JDE Peet's, the world's leading pure-play coffee and tea company, headquartered in The Netherlands. The group has more than 50 brands in its portfolio, such as L'OR, Senseo, Grand'Mère and Maxwell House. JDE sells 4,500 cups of coffee or tea per second worldwide, and has a turnover of US\$7 billion and EBITDA of US\$1.3 billion. With this acquisition, the group is strengthening its herbal tea division, which accounted for only 3% of its total sales in 2021.

“The acquisition of Les 2 Marmottes by JDE is a turning point in the history of this SME, which has become one of France's favorite brands, thanks to the know-how of the CEO Christian Polge and his team, and thanks to the support of Paul Moutinho and the FrenchFood Capital team. We are convinced that JDE will be able to maintain all the spirit and authenticity that make Les 2 Marmottes so successful, while serving its international ambitions.”

**HADRIEN MOLLARD**  
MANAGING PARTNER  
OAKLINS, FRANCE

### OAKLINS' GLOBAL REACH HELPED FIND THE RIGHT PARTNER

Oaklins' team in France led a very competitive process in which it acted as the exclusive sell-side financial advisor to support Les 2 Marmottes in choosing the best partner from among several PE funds and industrials, in order to pursue its growth. This operation demonstrates Oaklins' expertise in consumer goods, enabling it to support a growing and well-known brand in its ambitious project to develop internationally.



## MARKET TRENDS & DEAL DRIVERS

On average, one out of two French people drinks herbal tea and the market is driven by the growth of several segments such as health, natural products and fresh tea-based drinks that are popular for their low sugar and calorie content, and organic beverages.

The COVID-19 crisis has led to an improvement in sales of teas and herbal teas, as consumers are looking for products that will help them strengthen their immune system and minimize the risk of becoming seriously ill from the virus.

The acquisition of Les 2 Marmottes by JDE illustrates consumers' increasing interest in well-being and health.

## M&A VALUATION ASPECTS

A very competitive process between several PE funds and industrials was carried out.

Finally, JDE made an offer of approximately US\$150 million, well ahead of the offers from PE funds, which were closer to US\$100 million.

## TALK TO OUR ADVISOR



✉ **HADRIEN MOLLARD**

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Hadrien has 15 years' experience in advising clients, with particular expertise in consumer & retail transactions. Notable clients he has recently advised include L'Atelier d'Amaya, Climb Up, Maison Pradier, O'Tacos, Big Fernand and Aurélie Bidermann. He has also worked on a number of LBO transactions for Jimmy Fairly, Les Nouveaux Ateliers, Briconord, Acaudit and Nuxe.



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