



Consumer, Brands & Retail

PERNOD RICARD (NEUTRAL, FV EUR173) | Organisational changes in France

- Yesterday, Pernod Ricard announced the “Reconquer” project which reshapes the organization of the two French distribution subsidiaries, Ricard and Pernod by creating a single company, Pernod Ricard France, with effect from 1 July 2020. Group said that 280 roles will be open to voluntary redundancy.
- This means to address the difficulties of the French market (6% of total sales) which is suffering from the combination of 1/ deflationary pressure arising from the combination of retailers and purchasing agencies and 2/ recent impact of the Egalim Law. Pernod Ricard indicated that, in two years, France have declined EUR60m, which is equivalent to the sales of a European affiliate.
- Note group also announced the disposals of the brand Café de Paris and the Cubzac production site to InVivo wine.

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BUY ratings 50.3%

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