

**Godrej Consumer Products Limited (GCPL) acquires Strength of Nature, a leading hair care company, to accelerate its growth in Africa**

- Strength of Nature is a USA based company with a strong global presence. It has a compelling portfolio of leading hair care brands with affordable and innovative products, and has been serving women of African descent across 50 countries.
- The acquisition enables GCPL to turbo-charge, creating a strong platform for Wet Hair Care products in Africa and to forge a stronger presence in the USD 1.8 billion global Wet Hair Care category
- Strength of Nature complements GCPL's portfolio in Africa, building on its leadership position in Dry Hair Care and hair colours in the region
- This investment catapults GCPL to become one of the largest players globally, serving the hair care needs of women of African descent. It will, over time, provide a platform for GCPL to further build and drive global leadership.

**Mumbai, India – 01 April, 2016:** Godrej Consumer Products Limited (GCPL) today announced that it has entered into an agreement to acquire Strength of Nature LLC (SON), a leading company of hair care products for women of African descent. This acquisition is a further step to accelerate GCPL's global 3 by 3 strategy and scale up its presence in Africa by being at the forefront of serving the hair care needs of women of African descent. The acquisition is expected to be EPS accretive for GCPL from year one itself.

*“Over the past few years, we have been scaling up our international presence with acquisitions that fit well in our 3 by 3 strategy – a presence in emerging markets in Asia, Africa and Latin America through 3 core categories – hair care, home care and personal care,”* explained Adi Godrej, Chairman, Godrej Group. *“These strategic acquisitions have strongly aided our growth story. Through them, we have both extended our core businesses and implicitly broadened our presence to a wider canvas.”*

*“We are delighted to welcome Strength of Nature into our fold. Strength of Nature enables us to further strengthen our foothold in Africa,”* Godrej added.

SON, a USA based company with a significant presence in Africa and the Caribbean, is one of the fastest growing companies in the hair care category for women of African descent. It is driven by its strong commitment to consumer understanding and product innovation.

SON has a compelling portfolio of heritage, category-leading brands in Wet Hair Care, across relaxers, maintenance, styling and shampoos. This includes iconic hair care brands with affordable and innovative products, which have been serving women of African descent across 50 countries. Among them, are African Pride, TCB, Just for Me, Motions and Profectiv MegaGrowth. Annualised CY 2015 revenues for the company were USD 95 million.

Commenting on the acquisition, Vivek Gambhir, Managing Director, GCPL, said, *“Strength of Nature has a strong track record of serving consumers across Africa and the USA through its robust portfolio of heritage, category leading brands. We look forward to leveraging its strong brand equity for our business.”*

*“Strength of Nature has a seasoned management team with over 100 years of combined experience in the industry,” he added. “Mario de la Guardia and his excellent team have built a great business over the last 16 years. We are very excited to partner with them to build a world-class global portfolio of hair care brands.”*

Mario de la Guardia, Founder and President, SON, added, *“We are excited about Godrej Consumer Products’ investment in Strength of Nature. The investment is a great testimony to the value we have been delivering to our consumers through our innovative products and pioneering hair care brands. Godrej shares our vision and values to deliver the best quality products at affordable prices to meet the needs of our consumers.”*

Speaking on GCPL’s focus on Africa, Godrej said, *“Africa is a key part of our growth strategy and we strongly believe that it holds tremendous potential. Africa has more than half of the world’s fastest growing economies, a fast growing middle class population and increasing urbanisation. Our operating model has enabled us to build a strong business presence in Africa. We have a good understanding of the African market and know what it takes to be successful in the region. Our businesses in the region have been outperforming and we aspire to now double our business in Africa in the next four years.”*

SON complements GCPL’s portfolio in Africa, building on its leadership position in Dry Hair Care and hair colours in the region. The acquisition also enables GCPL to turbo-charge, creating a strong platform for Wet Hair Care products in Africa and to forge a stronger presence in the USD 1.8 billion global Wet Hair Care category.

*“Over the last few years, we have been successfully establishing a leading presence in Sub Saharan Africa to serve the Dry Hair Care and hair colouring needs of women in the region,”* said Gambhir. *“The Strength of Nature portfolio will enable us to address the complete hair care needs of women of African descent. We believe that many hair care needs of women are being under-served and we intend to bring the best quality and innovative products at affordable prices to meet the needs of our consumers.”*

De la Guardia added, *“We believe that with the expertise and resources from Godrej, we will be able to transform our business – both to serve our consumers and communities better and tap into new growth opportunities across the world, particularly in Africa. We are now even better positioned to provide our talented team stronger opportunities to learn, grow and contribute to serving our consumers.”*

*“The USA market is at the forefront of innovation for hair care products and shapes global trends in this space,”* Gambhir explained. *“Through Strength of Nature, we will be able to draw on consumer insights and product expertise that will enable us to launch more innovative products for women of African descent. Strength of Nature’s strong presence in the USA, with deep distribution and world-class manufacturing, additionally provides attractive opportunities for growth. African American women spend more than three times on hair care than other women in the region. There is also a marked increase in their spending power.”*

Describing the future potential of this investment, Gambhir said, *“This catapults us to become one of the largest players globally, serving the hair care needs of women of African descent. It will, over time, also provide a platform for us to further build and drive global leadership.”*

## **ABOUT STRENGTH OF NATURE**

Strength of Nature is one of the fastest growing companies in the hair care category for women of African descent, driven by its strong commitment to consumer understanding and product innovation. A USA based company with manufacturing facilities in Savannah, Georgia, Strength of Nature is committed to providing value-priced, premium-quality hair care products to multicultural consumers around the world. Strength of Nature markets a number of leading brands including African Pride, Profectiv, MegaGrowth, Motions, Just for Me, TCB, Beautiful Textures, Dream Kids, Elasta QP, Proline, Soft & Beautiful and Soft & Beautiful Botanicals.

[www.strengthofnature.com](http://www.strengthofnature.com)

## **ABOUT GODREJ CONSUMER PRODUCTS LIMITED**

Godrej Consumer Products Limited is the largest home-grown home and personal care company in India. We are constantly innovating to delight our consumers with more exciting, superior quality products at affordable prices.

We have bold ambitions and are becoming more agile and future ready. We rank number 1 in hair colour, household insecticides and liquid detergents and number 2 in soaps. In India, you grow up with our brands - Good knight, Cinthol, Godrej Expert, Godrej No. 1 - and we are now on our way to becoming an emerging markets FMCG leader.

In line with our 3X3 approach to international expansion, we are building a presence in 3 emerging markets (Asia, Africa, Latin America) across 3 categories (home care, personal wash, hair care). In 2010, we acquired the Indonesia based Megasari group, a leader in household insecticides, air fresheners and baby care. With the acquisition of Rapidol, Kinky and Frika in South Africa, and the Darling Group, a leading pan-Africa hair care company, we have a strong presence in the fast growing African hair care market. We acquired the Issue and Argencos groups in Argentina, leaders in hair colour, in 2010, and expanded our footprint to Chile through the acquisition of Cosmetica Nacional. The UK based Keyline Brands, which we acquired in 2005, plays in hair and personal care. We also have a business in the Middle East and a strong presence across SAARC countries

[www.godrejcp.com](http://www.godrejcp.com)

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## **PRESS ENQUIRIES**

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