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Nestlé acquires majority interest in Blue Bottle Coffee

Nestlé today announced that it has acquired a majority stake in Blue Bottle Coffee, a high-end speciality coffee roaster and retailer based in Oakland, California.

Over the last 15 years, Blue Bottle Coffee has achieved iconic status amongst discerning coffee drinkers. It offers one of the highest quality coffees available, with an uncompromising attention to taste, freshness and sustainability.

The company operates coffee shops in major US cities and in Japan, with a unique minimalist style that also incorporates elements of the surrounding neighbourhood. The total number of Blue Bottle Coffee shops is expected to reach 55 by the end of 2017, up from 29 at the end of last year. Blue Bottle Coffee has also launched super premium ready-to-drink and roast and ground products, sold online and in the retail market.

Blue Bottle Coffee will continue to operate as a stand-alone entity, while having full access to Nestlé's well-recognised capabilities in coffee and its strong global consumer reach. The current management and employees will retain a minority stake and continue to run the business with the same entrepreneurial spirit that has made the brand so successful. That includes Bryan Meehan remaining as CEO and founder James Freeman as Chief Product Officer.

Nestlé CEO Mark Schneider: *"This move underlines Nestlé's focus on investing in high-growth categories and acting on consumer trends. Blue Bottle Coffee's passion for quality coffee and mission-based outlook make for a highly successful brand. Their path to scale is clearly defined and benefits from increasing consumer appreciation for delicious and sustainable coffee."*

With the acquisition of Blue Bottle Coffee, Nestlé is entering the fast-growing, super premium coffee shop segment with an iconic brand for discerning coffee drinkers. Blue Bottle Coffee allows Nestlé to strengthen its position in the US coffee market, the largest in the world, as well as internationally, building on success in Japan. It also offers opportunities to grow in super premium ready-to-drink and roast and ground coffee, largely through online subscription.

Blue Bottle Coffee CEO Bryan Meehan: *"My goal as CEO has been to secure a sustainable future for Blue Bottle Coffee that would enable it to flourish for many years to come. I'm excited to work with Nestlé to take a long-term approach to becoming a global leader in speciality coffee. We felt a real kinship with the team and knew it was the right move for us."*

Nestlé is the world's largest coffee producer, with brands including *Nescafé* and *Nespresso*. *Nescafé* is the world's leading coffee brand available in over 180 countries, with nearly 5,500 cups consumed every second. *Nespresso* has more than 600 boutiques and about 465,000 daily visits to its e-commerce platforms.

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