

Nestlé SA to get homegrown CEO

By [Adele Shevel](#)

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Nestlé, the world's biggest food group, last week announced a new chairman and managing director of Nestlé South Africa, effective from the beginning of next month.

Sullivan O'Carroll, current CEO of Nestlé Malaysia, will be the first South African since 1994 to head the domestic operations.

He replaces Yves Manghardt, who has been running Nestlé South Africa for the past five years and moves to run Nestlé Middle East, based in Dubai.

O'Carroll has been with the company for 36 years, since 1973, and has also worked in Switzerland and Poland.

He said there are enormous challenges and opportunities in South Africa.

"I'm very mindful that many things have changed in the past eight-and-a-half years," he said.

O'Carroll said he hopes to make a contribution to the global vision of the group to shift from being a food group to a nutrition and wellness company and to contribute to the wider society.

Nestlé has nine factories in South Africa and three main distribution centres. Turnover is R8.5-billion, and expected sales growth this year is close to 15%.

Nutrition comprises 21% of operations in South Africa, followed by dairy at 18%, coffee at 15% and chocolate at 13%.

The group has 83% of the milk modifier market with products such as Milo and Nesquik, 47% of ice cream, 74% of infant milk and 68% of infant cereals with brands like Cerelac and Nestum.

The group plans to spend R3-billion over the next five years to expand capacity and upgrade certain facilities in the country.

The company also plans to introduce more products in the next 18 to 24 months.

Nestlé South Africa is 100% foreign owned, but Manghardt said there could be the sale of an asset in the next two to three years. It was too premature to discuss, however. Nestlé has been operating in South Africa for 93 years.

Gwen Mahlangu-Nkabinde, the deputy minister of economic development, said at the briefing that while government ignites the fire for economic development, “the private sector is the best player to keep the fire burning”.

Source: The Times

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