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Published on Chem.Info (<http://www.chem.info>)

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The Associated Press

Avon Products Inc., a direct seller of beauty products, agreed to buy Silpada Designs for at least \$650 million in an effort to expand its jewelry business, the company said Monday.

Silpada is a direct seller of sterling silver jewelry in the U.S., Canada and the U.K. Its headquarters are in Lenexa, Kan. Avon said the company will continue to operate as a standalone business with its existing 32,000 independent sales representative.

Silpada co-founders Bonnie Kelly and Teresa Walsh, CEO and co-founder Jerry Kelly and the entire Silpada management team will stay with the company.

Beauty-products seller Avon could make an additional payment in 2015 if some earnings growth targets are met. It expects the deal will help net income by 3 cents to 5 cents per share in 2011.

Avon, based in New York, says the acquisition will help it reach new customers and sales representatives. Silpada makes more expensive jewelry than Avon currently sells.

The deal is expected to close in the third quarter.

Avon shares rose 22 cents to \$28.29 in pre-opening trading Monday.

Source URL (retrieved on 01/27/2015 - 4:25pm):

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