

Anyone for Pimm's? Diageo seeks buyer for British summer staple

Diageo, the FTSE-100 alcoholic beverages giant, is exploring the sale of a trio of non-core brands including Pimm's, the quintessentially English drink.

Sky News has learnt that the company has hired bankers at Rothschild to explore whether to sell Pimm's, which it acquired in 1997 as part of the tie-up between Grand Metropolitan and Guinness plc which led to the formation of Diageo.

The process is at a very early stage, and may not lead to the British-based company offloading the Pimm's business, one insider said on Thursday.

Long-known for its slogan 'Anyone for Pimm's?', buoyed by the brand's association with the Wimbledon tennis championships, the product is predominantly made for domestic consumption.

Pimm's was created in London in 1840 by James Pimm who, according to Diageo, "blended his famous No.1 Cup – a secret recipe of gin, herbs, and liqueur – as an aid for digesting oysters in his London Oyster bar".

The company does not break down sales data by individual brands, but industry sources said that Pimm's was likely to draw interest from other drinks companies as well as financial investors.

Alongside Pimm's, Diageo is exploring the sale of Safari, a fruit liqueur, and Pampero, a rum brand.

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It was unclear whether the company would countenance selling the brands separately or whether it was only interested in offers for all three.

The process of disposing of more non-core brands from its

portfolio of 200 products comes at a challenging time for Diageo and its relatively new chief executive, Debra Crew.

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The company has just [kicked off the search for a new chairman](#) as it grapples with a sharp slowdown in sales in key growth markets.

Javier Ferran, who also chairs British Airways' parent company, International Consolidated Airlines Group, has chaired the [Guinness-to-Johnnie Walker maker](#) since 2017.

Diageo, which has a market capitalisation of £66bn, has experienced a torrid few months in the wake of a profit warning in November which blamed weak sales of Scotch whiskey in Latin America and the Caribbean.

Those markets collectively account for roughly a quarter of Diageo's global whisky sales, with that category in turn representing about 25% of the group's overall revenues.

Last month, the company said a "perfect storm" of overstocking and slowing demand had combined to depress profits.

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Ms Crew, who only took over in June following the untimely death of predecessor Sir Ivan Menezes, pledged to get the business performing again, declaring herself "restless" to improve its fortunes.

Diageo's portfolio includes some of the world's best-known drinks brands, including Smirnoff vodka, the cream liqueur Baileys and gin brand Tanqueray.

It recently settled a long-running [dispute with the former rapper Diddy](#) over their tequila joint venture, in the process terminating their business relationship.

Diageo's shares have fallen by over 17% in the last 12 months.

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The company declined to comment.