

# Sysco buys rival US Foods for \$3.5b

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American foodservice giant Sysco Corp. has bought its longtime rival, US Foods, in a deal worth USD 3.5 billion (EUR 2.6 billion), according to a statement from both companies.

Each company's board of directors approved the transaction, which will create a merged firm worth approximately USD 8.2 billion (EUR 6 billion).

Bill DeLaney, Sysco's president and CEO, will lead the company, which will retain the Sysco brand and operate from the company's headquarters in Houston.

"Sysco and US Foods have highly complementary core strengths including a broad product portfolio and passionate food people deeply committed to customer service, quality-assured products and safety," DeLaney said.

John Lederer, president and CEO of US Foods, said, "Combining and maximizing the significant strengths of two outstanding companies is certain to be of tremendous advantage in supporting our customers as they tackle the challenges of today's demanding environment."

Sysco will purchase US Foods with USD 3 billion (EUR 2.2 billion) in Sysco common stock and USD 500 million (EUR 364 million) in cash. Sysco will also refinance US Foods' USD 4.7 billion (EUR 3.4 billion) in net debt. Sysco said it will combine the staff, customers and suppliers of both companies.

- See more at: <http://www.seafoodsource.com/en/news/foodservice-retail/24948-sysco-buys-rival-us-foods-for-3-5b#sthash.mvGFu7k5.dpuf>