

Famous Brands buys major stake in Wakaberry

Famous Brands has acquired a 70% stake in the Wakaberry Frozen Yoghurt Bar business for an undisclosed amount, it was announced today, 25 March 2014.



Wakaberry founders: (L-R) Ken Fourie, Michele Fourie, and David Clark.

The purchase consideration falls below the threshold of a categorised transaction in terms of the Listings Requirements of the JSE Limited and will be settled from cash reserves. The effective date of the transaction is 1 April 2014.

Established in 2011 in Durban, this first-to-market self-serve frozen yoghurt brand is the brainchild of husband and wife team Ken and Michele Fourie and their business partner, David Clark. Wakaberry currently comprises 33 franchised stores which extend across eight provinces, and with over 175,000 Facebook followers, carries great appeal and relevance amongst its core LSM 8 - 10 consumer base.

Growth of frozen yoghurt market

Famous Brands chief executive Kevin Hedderwick says, "Over the past two years the food services industry has witnessed the emergence of frozen yoghurt as a robust new category in South Africa. This fast growing global phenomenon with its roots in the USA and Europe, is quickly gaining momentum locally.

"...As a result of its first-to-market self-serve pay per weight system and 100% real yoghurt, [Wakaberry] has established a remarkable reputation in a short space of time.

"In addition, the brand is highly sought after by landlords, and given its low set-up and running costs, is an attractive business proposition for potential franchisees."

"Furthermore," he says, "In the short-term we have the ability to significantly ramp up growth of the brand across the South African landscape given our regional structures... In the longer term, we have the capability to extend the brand into the rest of Africa region, achieving first-mover status, because of our existing structures within these markets."

"A key factor underpinning this acquisition is the opportunity to fully integrate the Wakaberry brand into the Famous Brands business," he notes.

Wakaberry co-founder, Michele Fourie, says, "We received offers from a number of potential buyers, but are pleased to have selected Famous Brands as our partner because we recognise the value that the group can add to our brand."

"Our strategic intent is to unlock the massive potential of Wakaberry, bringing our 'bowls of happiness' to all corners of South Africa. Famous Brands provides the proven and successful business model to make this a reality for us," she adds.

It is anticipated that by June 2014, the total network will comprise 40-plus restaurants, with further openings scheduled for the balance of the year.

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