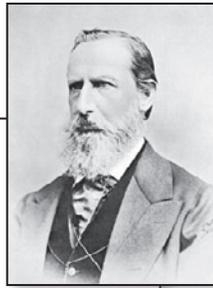


The History of Nestlé

1860s

Swiss pharmacist Henri Nestlé experiments with milks and powders and eventually produces a breastmilk substitute that he calls Farine Lactée Henri Nestlé.

- Product was intended for use only for women who could not successfully breastfeed, but soon is being marketed to mothers all over Europe.



1874

Jules Monnerat purchases the company from Nestlé.

1905

Anglo-Swiss Condensed Milk Company and the Nestlé Company, previously fierce competitors, merge.

- New company soon has factories in USA, Britain, Spain, and Germany.

1904

Nestlé adds chocolate to its range of products.

1875

Vevey, Switzerland resident Daniel Peter creates milk chocolate and founds a company which becomes the world's leading producer of chocolate and later merges with Nestlé.

1907

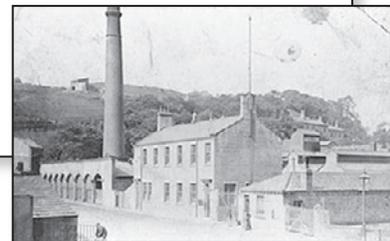
Company begins full scale manufacturing in Australia.

- Warehouses built in Singapore, Hong Kong, and Mumbai to support Asian market.

1914-1918

First World War disrupts product distribution, but creates tremendous demand for dairy products and condensed milk.

- To meet demand, Nestlé buys factories in United States.
- By Armistice Day, company has 40 factories and has doubled production since 1914.



Nestlé Boycott Action Kit





1921

Nestlé records first losses as post-war consumers switch back to consuming fresh milk and world economy slows down.

1922-1938

New products, such as malted milk and powdered beverages, are introduced steadily to reverse Nestlé's fortunes.

- In 1930, Brazilian Coffee Institute asks Nestlé to find a way to use up the country's coffee surplus.
- Result is invention of Nescafé, the world's first widely spread instant coffee. Nescafé soon becomes the company's main product.

1963

Nestlé buys Findus frozen foods.



1959

Sales of instant coffee have tripled since 1950.

- Nestlé's total sales have doubled twice since the end of WWII.

1971

Nestlé acquires Libby's fruit juices.



1974

L'ORÉAL®

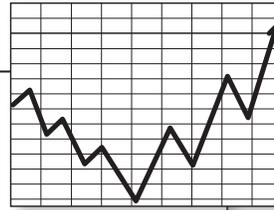
Sales of instant coffee have quadrupled since 1960.

- Nestlé expands outside of food industry and becomes major shareholder of L'Oréal cosmetics.
- The company unsuccessfully sues the Bern Third World Action Group over their pamphlet "Nestlé Babies", and the judgment decrees Nestlé must change its marketing practices.

19



1939-1944



Onset of Second World War decimates Nestlé earnings, as profits drop from \$20 million in 1938 to \$6 million in 1939.

- Switzerland becomes isolated by the war, company moves many executive offices to USA.
- Nestlé activities in impoverished countries expand as factories are built in Latin America to avoid distribution problems.
- Nescafé becomes staple beverage for US soldiers, boosting profits incredibly.
- Sales soar from \$100 million in 1938 to \$225 million in 1944.
- Awareness grows of malpractice in impoverished countries as Dr. Cicely Williams makes her famous "Milk and Murder" speech in Singapore, in which she states aggressive advertising of formula is tantamount to murder.

1950



Nestlé acquires Crosse & Blackwell canned food producer.

1947

Company begins strategy of product diversification and acquisition that proves highly profitable.

- Nestlé merges with Alimentana S.A.

1975-1979



Oil crisis causes financial strain worldwide. Oil prices rise, exchange rates fluctuate, the price of coffee beans quadruples, and the price of cocoa triples.

- Nestlé partially offsets its losses by gaining ground in the global South, where they become highly active and become prolific at immorally marketing breastmilk substitutes.



- Nestlé Boycott is launched by the US group, INFACT (separate from INFACT Canada).

1979



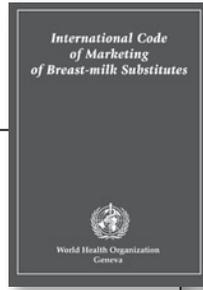
Nestlé acquires Stouffer's frozen foods.

- In testimony at a US Senate Hearing, Nestlé and three US companies admit that they do not intend to abide by WHO's interpretation of the recommendations of a 1979 WHO/ UNICEF meeting in which governments, health organizations, and campaigning groups had called for a marketing code to be applied to infant formula.



1981

International Code of Marketing of Breast-milk Substitutes is adopted by the World Health Assembly after the deadly results of companies like Nestlé's marketing practices in the impoverished world are brought to light. Nestlé's growth continues.



1984

Campaigning groups suspend the Boycott on the condition that Nestlé will abide by the International Code.

1988

Independent monitoring reveals that Nestlé is still in gross violation of the International Code. The Boycott is re-launched.

1985

In the largest takeover in the food industry to date, Nestlé acquires Carnation.



1990s

Trade barriers crumble in the wake of the Cold War. Liberalization of foreign investment allows Nestlé to tighten its grip on markets in the unindustrialized world.

1993

Nestlé sues other baby food companies in the US for agreeing to a ban on advertising infant formula.

2002



Ralston Purina bought out.
■ Breyer's Ice Cream and Chef America acquired.

1997



Nestlé acquires San Pellegrino.

1999

Findus foods is divested.

1998

Nestlé acquires Spillers Petfoods.