

FRAGRANCE AND PERSONAL CARE

Este Lauder denies rumors of sale

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Este Lauder's Pure Color Love lipstick. Image credit: Este Lauder

By STAFF REPORTS

Beauty marketer Este Lauder has quashed market speculation that it is looking to sell.

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Reports had the conglomerate in talks to merge with Unilever or L'Oreal Group, but according to a memo by company leadership, the group intends to stay independent. Este Lauder is the latest in a string of takeover rumors, as consolidation remains a growing trend in the luxury industry.

Shutting down speculation

According to [Bloomberg](#), Este Lauder's \$39 billion business is an appealing purchase for Unilever, as the combined company's size would help protect it from takeovers of its own. Unilever was courted by Kraft Heinz earlier this year, but Unilever turned its prospective buyer down.

After speculation of an Este Lauder sale surfaced, the 71-year-old company's stock rose, reaching a record high.

However, despite the reported interest, Este Lauder is not interested in selling. [WWD](#) quotes the memo from executive chairman William P. Lauder and president and CEO Fabrizio Fedà as saying, "We are aware of recent press that speculates that the Este Lauder Companies may be in discussions regarding a potential sale or merger. There is no truth to these rumors. The Este Lauder Companies is not for sale."



Este Lauder has made a number of strategic investments. Image credit: Este Lauder

Este Lauder Cos. expects its momentum to continue in 2018, after reporting full-year net sales that increased by 5 percent in fiscal year 2017, partly due to its own acquisitions.

Este Lauder also ended the fourth quarter on a high note with net sales increasing by 9 percent, for the period ending June 30. During the fourth quarter of 2017, Este Lauder reported net sales of \$2.89 billion, compared to \$2.65 billion from the year-ago quarter ([see story](#)).

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