

Mondelez Struggles with Cookie Sales in China

NEW YORK (AP) — [Mondelez](#) [1] reported a fourth-quarter profit Wednesday that fell short of Wall Street expectations as the Oreo maker struggled with cookie sales in China.

The company, which also makes Cadbury, Chips Ahoy, Ritz and Trident gum, said its core revenue for the final three months of the year rose 2.5 percent, primarily as a result of higher volume.

Although gum sales in China were strong in the quarter, weak cookie sales dragged down results by a percentage in the "mid-teens." The company experienced similar problems in the previous quarter, and CEO Irene Rosenfeld had attributed the decline in part to China's cooling economy.

At the time, Rosenfeld said Mondelez was working to address the issues through a variety of measures, such as finding the right package sizes and prices.

Looking ahead, Mondelez expects its core revenue to grow about 4 percent for the year. It had previously forecast growth of 4 percent to 5 percent. The company expects adjusted earnings for 2014 to come in between \$1.73 to \$1.78, better than the \$1.71 Wall Street had expected.

For the quarter, Mondelez International earned \$1.77 billion, or \$1 per share. That compares with \$569 million, or 32 cents per share, a year ago.

But the latest quarter's results included a sizeable gain tied to the resolution of its arbitration with Starbucks over the breakup of its packaged coffee partnership. Not including such items, the company earned 42 cents per share. That was short of the 44 cents per share Wall Street had expected.

Revenue slipped to \$9.49 billion. That was also below the \$9.6 billion analysts expected.

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