

Summary of Kellogg to buy Pringles for \$2.7 billion in cash deal article

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The article under consideration is very valuable as it discusses the advantages one company may have when buying another company. The article “ Dealbook; Kellogg to Buy Pringles for \$2.7 Billion in Cash Deal” informs about the decision of Kellogg Company to buy Pringles for the price of \$2.7 billion taken in 2012. The decision was taken because Kellogg wanted to buy a snack company to expand its business. At first, it had an agreement with Diamond Food, which ended.

This decision plays a very important role for Kellogg Company first of all because it aimed at expanding its presence in snacks. In the past, the business of the company was greatly dependent on Corn Flakes and Rice Krispies. The company considers such dependence to be not very perspective at the same time as business connected with snacks is not very prestigious according to the heads of the company. This attempt to get rid of the dependency on mainstay cereal business was the second after buying Keebler in 2000.