
Chinese drink maker Wahaha reaches amicable settlement with Danone

HANGZHOU, Sept.30 (Xinhua) -- Chinese drink making giant Wahaha Group announced Wednesday that it had reached an "amicable settlement" with Danone, a Paris-based food and beverage producer.

The solution is still subject to approval of the Chinese government, said a spokesman for Wahaha Group Wednesday.

Danone also announced its settlement with the Chinese company at its website on the same day.

According to a press release posted at Danone's website, Danone and Wahaha will conclude their existing joint venture relationship. The French company has agreed to sell its 51 percents take in the Danone-Wahaha joint ventures to Chinese partners.

All legal proceedings related to the disputes between the two partners will be ended if this agreement is executed, said the press release.

"The collaboration between Danone and Wahaha helped to build a strong and respected leader in the Chinese beverage industry. We are confident that Wahaha will continue to be highly successful under its future management guidance," said Frank Riboud, CEO and Chairman of Danone, "Danone has a longstanding commitment to China where it has been present since 1987 and we are keen to accelerate the success of our Chinese activities."

Zong Qinghou, chairman of the board of Wahaha Group, said:" Chinese companies are willing to cooperate and grow with the world's leading peers on the basis of quality and reciprocal benefit."

The feud between Danone and Wahaha began 2006 but was made public in April 2007.

Since May 2007, the two companies had filed numerous complaints and lawsuits against each other.