

HARIBO AND THE GUMMI BEAR BUSINESS: A STICKY SITUATION

Alan B. Eisner, School of Management, Clark University

Donna Gallo, School of Management, Clark University

Helaine J. Korn, Zicklin School of Business, Baruch College, CUNY

CASE DESCRIPTION

The primary subject matter of this case concerns decisions about business and international strategy in an industry with slowing growth, increasing competition, and customer power. Secondary issues examined include the strengths and weaknesses of internal operations, the role of company culture and history, and leadership.

This case is appropriate for advanced undergraduate and graduate level students who have had exposure to strategic analysis and strategy formulation. The case can be used at different stages in a strategy course by focusing on different strategy concepts brought out in the case.

Students should expect to spend two hours preparing for the case discussion. The case can be discussed in the classroom in one to one and a half hours depending on instructor preferences and discussion style.

CASE SYNOPSIS

HARIBO is a storied German confectionery company founded in 1920 by Hans Riegel, Sr. and is the creator and manufacturer of the famous Goldbears, a bear-shaped gummy candy sold around the world. Over its 100-year history this small family business grew into a key player in the international sugar confectionery industry.

Hans Guido has led the third generation of this family business since 2013. Since then, HARIBO has been in a tremendous process of change responding to current shifts in the industry and in consumer tastes and trends. Global competition is impacting growth in an already slow-growing industry, and those competitors are innovating their product offerings in response to market demands. Customers, the retail giants, and online grocers, are consolidating and gaining more power. More and more consumers are focusing on the content of the foods they eat and the health impacts.

High turnover in key management positions has been an issue as new executives could not adapt to the business culture. A move to new headquarters in 2018, including the introduction of a new ERP system, did not go smoothly as production problems during implementation resulted in empty store shelves negatively impacting sales for HARIBO and their customers. Adding to the internal turmoil, unfair and unethical practices by some of HARIBO's

suppliers were exposed in a televised documentary on German public broadcasting, casting a shadow on the company's storied image.

The company is making minor changes around the edges as its competitors are using product innovation to meet shifting customer tastes in both domestic and global markets. The question remains if HARIBO can change rapidly enough to hold onto market share, profitability, and margins.

INTRODUCTION

HARIBO is a German based confectionery company founded in 1920 by trained confectioner Hans Riegel. The company is the creator and manufacturer of the famous Goldbears, a bear-shaped gummy candy sold around the world. Over its 100 year history this small family business grew into a key player in the international sugar confectionery industry. Throughout its growth the company has overcome the challenges of changing tastes and business environments. The company faces its biggest challenges to date due to pressures from outside forces and internal struggles.

In 2018, the company's supply chain was under pressure due to problems with the implementation of a new Enterprise Resource Planning System (ERP). In 2019, several newspapers and industry experts reported sharply declining sales for HARIBO products. In its biggest market, Germany, sales for its number one-selling product, Goldbears, dropped nearly 25% from the previous year and total sales declined 10%, according to industry reports.¹ In addition, the company faces accusations from human rights activists and animal rights organizations regarding conditions for workers and animals at HARIBO's suppliers.

The company remained relevant in the industry over its long history, even as trends changed, due to the vision and foresight of its leadership. Brothers Dr. Hans and Paul Riegel took over the company from their mother in 1946. Together they ran and grew the company through international expansion, a series of acquisitions, and product innovations. These initiatives were bolstered by successful marketing and brand-building campaigns. The brothers' success thrived until Paul's sudden death in 2009. Hans continued their tradition and success until his death at the age of 90 in 2013. Carrying on the family-run business tradition, Paul's son Hans Guido took the helm of HARIBO. Since that time there has been unprecedented change in management and in Haribo's historic marketing strategy. Fierce competition in the market and a rise in concerns about health and nutrition among its customers lead industry experts to wonder if HARIBO can once again show its ability to stay relevant in a sluggish market, or if the time has come for the 100-year-old Goldbear to retire.

HISTORY

HARIBO was founded in 1920 by Johannes "Hans" Riegel Sr. in Bonn, Germany. The name is an acronym formed by the first two letters of the founder's first name, last name, and the city in which it was registered – **H**ans **R**iegel **B**onn. As claimed by Riegel, the only capital needed to start the company was for a sack of sugar, a marble block, a stool, a brick oven, a

copper kettle, and a roller. In 1922, the trained confectioner laid the foundation for HARIBO's later success when he invented the Dancing Bear – the first ever gummy candy. The little gummy bears, inspired by the trained bears that were a fixed part of the festivities at annual markets in Germany, were popular right from the very beginning. Gertrud Riegel, Hans' wife and first employee, delivered the gummy bears from door to door by bicycle for the first few years of operation. By 1930, the company employed 160 workers and sold its products in all of Germany through its trade representatives.ⁱⁱ

During World War II business activities declined due to shortages of raw materials and the country's focus on the war. In 1945, Hans Riegel Sr. died at the age of 52. Despite the difficulties brought on by war, Gertrud kept the factory running after his death until their sons Johannes Hans Jr. and Paul Riegel returned to Bonn after the war, and began running the company in 1946. At that time, HARIBO had just 30 employees remaining. Hans Jr. obtained his doctorate in economics at the University of Bonn in 1947 with a dissertation on the role of sugar in world trade. He became the representative for the company, taking responsibility for the administrative side of the business, marketing and sales, and product development. His three years younger brother Paul took responsibility for production, and research and development of new technology. While he was barely involved in any public relations of the company, he had a talent for engineering and developed several production machines on his own. One of his best-known inventions is a licorice wheel winding machine. The still famous Licorice Wheels were made by hand until his invention.ⁱⁱⁱ Paul was especially concerned with high quality standards in his production facilities. To assure that his workers kept that in mind he posted signs with the slogan "Quality Above All" around the production site.^{iv}

During the economic recovery of the war, also known as Germany's Wirtschaftswunder or "economic miracle",^v the two brothers transformed the company into a flourishing business. Reaching 1,000 employees only five years later, the family business epitomized Germany's highly successful Mittelstand—small to medium-sized companies that make up the backbone of the economy in German-speaking countries.^{vi} In 1960, HARIBO invented the Goldbear as successor to the Dancing Bear. The iconic Goldbears are a registered trademark, and have changed their shape only once, in the 1970's, to take on the appearance they have maintained to this day.^{vii}

Owing to Hans' business acumen and Paul's knack for technology, HARIBO conspired to develop the company into an international enterprise with over 7000 employees, 16 production sites, and sales offices across the world. Growth emanated from the acquisition of local businesses in several European countries. The company introduced hundreds of products to become the number one gummy bear producer and a world leader in non-chocolate and licorice products with over 3 billion dollars in sales in March of 2019. (See Exhibit 1 and 2).^{viii}

Exhibit 1 – HARIBO Sugar Confectionery Sales (million US\$) in Selected Regions

Geography	2014	2015	2016	2017	2018	2019*	Market Share 2018
Asia Pacific	51	61	80	97	104	104	0.5%
Australasia	16	16	19	22	25	27	2.2%
Eastern Europe	192	149	153	176	185	191	5.3%
Latin America	32	23	22	25	23	24	0.4%
Middle East and Africa	17	18	23	24	27	29	0.7%
North America	132	163	211	278	349	398	2.8%
Western Europe	2,116	1,873	1,884	1,912	2,009	1,931	14.5%

*Estimates (December 2019).

Source: Euromonitor 2019.

Exhibit 2 – Top 5 Non-Chocolate Chewy Candy Worldwide

Brand / Product	Company (Parent)	Dollar Sales* (in millions)	Unit Sales* (in millions)
Skittles	Wrigley (Mars Inc.)	\$ 329.9	181.5
Private Label		\$ 271	199.7
Starburst	Wrigley (Mars Inc.)	\$ 245.5	129.8
Sour Patch Kids	Mondelez International	\$ 196.7	104.8
HARIBO Goldbears	HARIBO GmbH	\$ 171.3	92.7
Total (includes brands not shown)		\$ 3,723.5	2,292.2

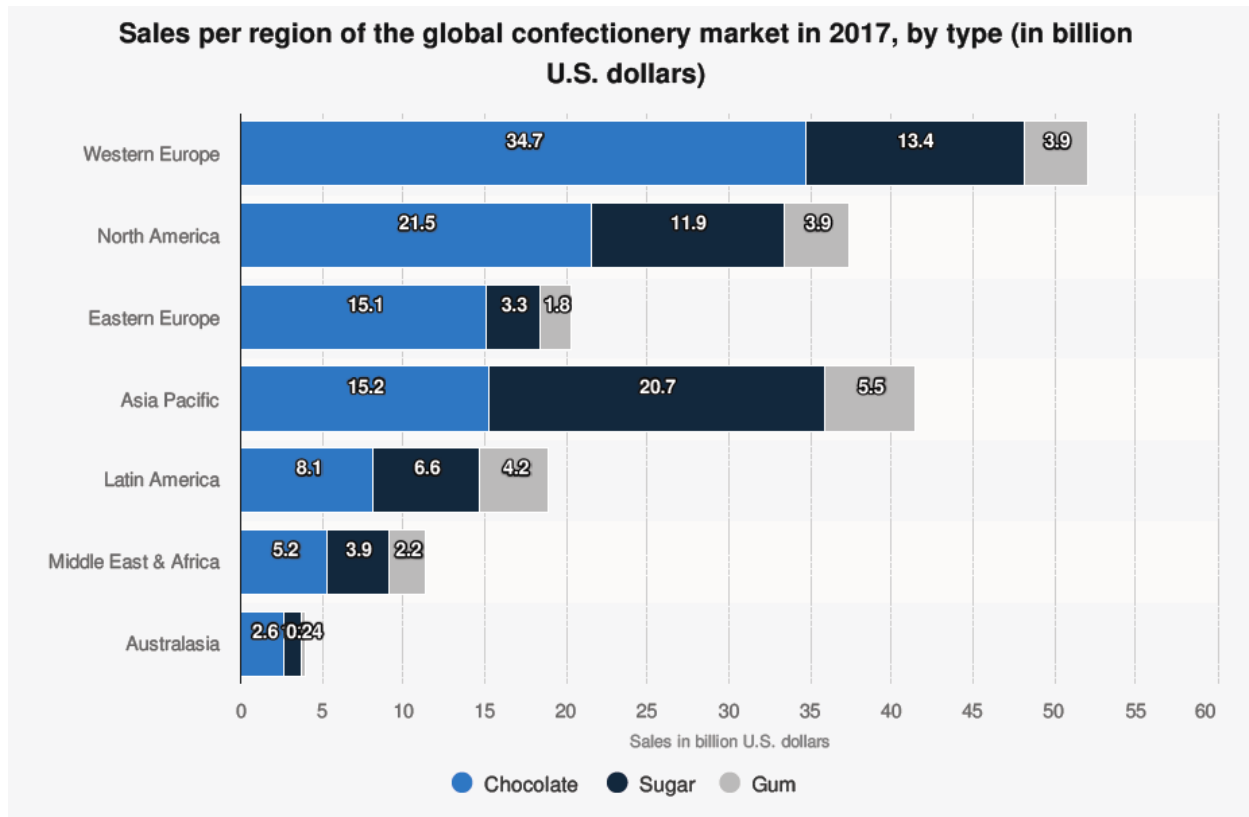
*Last 52 Weeks; March 2019.

Source: Candy Industry; IRI.

INDUSTRY

The Global Candy and Chocolate Manufacturing industry has grown sluggishly over the five years up to 2019 as product prices declined. Chocolate consumption remained strong in developed markets, such as Europe and North America, but sugar confectionery consumption declined. The global confectionery market size is estimated at USD 223 billion in 2019. The industry is segmented into three product types; chocolate, sugar confectionery, and gum. Chocolate is the largest segment in the market accounting for over 55% of sales, with sugar confectionery at about 32% and gum at about 13% in 2017 (See Exhibit 3).

Exhibit 3 – Confectionery Market Sales per Region in 2017

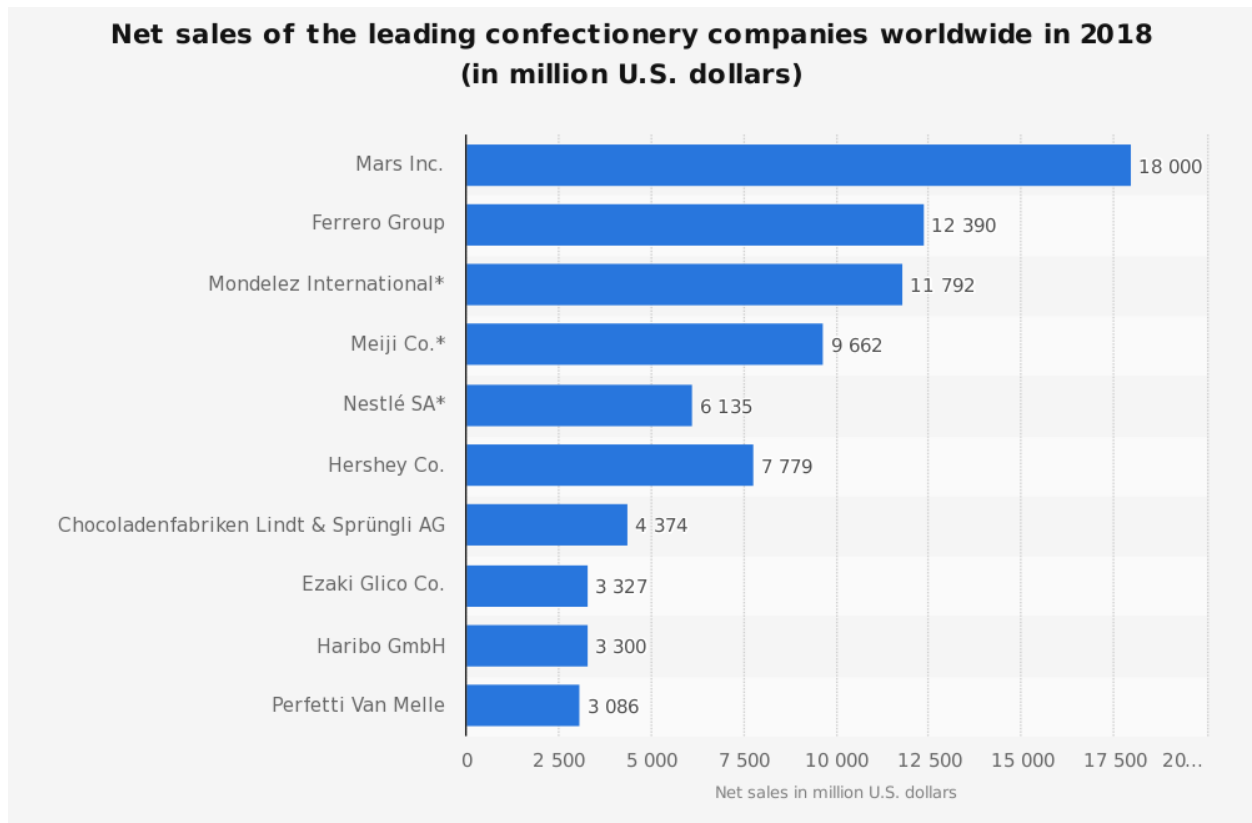


Source Statista 2019; Euromonitor; Candy Industry

COMPETITION

The global confectionery market can be described as fragmented. However, key players with a huge global presence, wide distribution networks, and high-quality products hold prominent market share. These companies include confectionery and snack food conglomerates such as Mars Incorporated, Mondelez International, Ferrero Group, Lindt & Sprungli AG, Nestle, and The Hershey Company (See Exhibit 4). These companies focus their marketing, branding, and distribution efforts in online strategies in order to expand their geographic reach and increase their customer base. They are looking to leverage opportunities posed by emerging markets such as China and India for revenue growth. Rising income levels and an increasing preference for new and different confectionery products in those regions are major factors for investing in those regions. In addition to these large competitors, there are several hundred confectionery manufacturers globally.

Exhibit 4 – Sales of Leading Confectionery Companies 2018



Source: Statista 2019; Candy Industry.

In HARIBO's main product segment, sugar confectionery and in particular non-chocolate chewy candy, the competitive landscape mirrors the overall industry. Mars, and its Wrigley division, lead the market with the two best-selling brands, Skittles and Starburst. Mondelez is also a strong player with its Sour Patch gummies (see Exhibit 2). However, due to the simple nature of the product, private labels have gained high market share in this segment. In 2017 U.S. sales of private label chewy candy brands accounted for nearly the same as market leader Skittles, \$183.2 million and \$185.2 million, respectively.^{ix} Another competitive issue is the big supermarkets and hypermarkets are increasingly placing their private label products at eye level on their shelves. In order to obtain a better positioning, brands often have to give further discounts to the retailers, putting pressure on margins.

In Germany and Western Europe, where the majority of HARIBO's sales come from, market growth has been declining over the period 2014-2018 and is predicted to further decline. In addition, competition is particularly high here since several national and international players are active in the region as it accounts for over 38 percent of the world's confectionery market. International brands have grown stronger in this region by investing resources in advertising and product placement. While HARIBO claims that it has managed to maintain a share of 60 percent in the fruit gummy segment in Germany, national players like Trolli, Katjes and Storck have achieved double-digit growth, gaining substantial market share. They achieved this growth

through product innovation, introducing sugar-free and vegan products.^x In addition, Ferrero, the leader in the chocolate segment, is positioning to enter the fruit gummy market in near future.^{xi}

The Future of Candy

The global confectionery market is expected to reach USD 284.4 billion by 2025, from an estimated USD 223 billion in 2019. Increasing focus on product innovation is anticipated to help the market gain traction over the coming years. Market players are increasingly introducing new flavors and ingredients in their products to retain the interest of their consumers.

Healthier snacking, along with convenience and taste, is the rising trend among consumers, therefore a major focus of companies in the industry. Due to the growing demand for healthy snacks, confectionery companies are introducing convenient packaging that allows consumers to eat in small portions and preserve the rest for later. Concerns about high sugar intake is another global trend, as it is thought to be linked to a number of health problems. To avoid sugar intake, some consumers are choosing sugar-free options. As a result, lower-calorie products, and sugar-free confectionaries, are expected to be a driving force behind the modest growth in the global confectionery market in the coming years.

THE COMPANY

Management Over the Years

Paul and Hans Riegel worked in the company until their respective deaths in 2009 and 2013. While both undoubtedly had their fair contribution in the success of the company and quite a few people believe that the combination of Paul's aptitude for technology and Hans' business talent was the key to the lasting success, it was Hans who took over the steering wheel and managed to navigate the company through good and worse times, inventing new products and always staying ahead of economic trends.

Viewed as a slightly eccentric boss, Hans was a tenacious entrepreneur and workaholic. His management style did not change over all the years he managed HARIBO, for which he was sometimes criticized as being patriarchal and old-fashioned. As described by Frank Hornig in the German news magazine *Der Spiegel*, Hans Jr. opened every letter addressed to his company to stay on top of things, convinced that otherwise "bad news" would be hidden from him. Moreover, he would meet one-on-one with each of his directors every day to discuss the issues and tasks of each department based on his findings.^{xii} Others described the atmosphere at HARIBO as frightening and arbitrary. Bettina Grosse de Cosnac wrote in a biography about the Riegel family: "the ruler of the gummi bears has his court in the company - not only in the executive suite."^{xiii}

Hans was divorced and had no children but told *Der Spiegel* that he did not think that any of his brother's three sons, who all worked at the company, were possible successors.^{xiv} The result was a heavy fight between the two family sides regarding the future ownership and management of HARIBO. Thus, in 2010, Hans placed the management of the inheritance of his

50 percent stake in company in a foundation. The remaining 50 percent was owned by Paul's three sons. Hans Guido took over as one of three general managers to lead the production and technical department, while Hans Jürgen and Hans Arndt were placed on the supervisory board. Andreas Nicking, long-term employee of HARIBO, was promoted as general manager with responsibility for the international business. As general manager for the German business Michael Phiesel, also a long-term HARIBO employee, was named to the management team in 2014.

Products

Gummies, gummy candies, or jelly candies are a broad category of gelatin-based chewable sweets. The number one best seller around the world is HARIBO Goldbears. The Goldbear is HARIBO's biggest sales driver and brand anchor. The Goldbears have not change significantly since its revamp in 1979, with the exception of an apple flavor added to the original 5 flavors in most countries in 2007 (pineapple, strawberry, lemon, orange, raspberry).

As early as 1925 the company started to diversify its product portfolio. Hans Sr. started the production of licorice products and created the famous Licorice Wheels. Many of HARIBO's products were invented by Hans Jr. himself rather than the marketing department. He was credited with inventing some 200 sweets.^{xv} Some of his product ideas included *Saure Sau* – the sour sow, *Red Lips* from wine gum with a cherry taste, and *Kosher* fruit gums for export to Israel. To maintain this momentum, he took his inspiration from children's TV series, magazines aimed at young people, and comics. "I love children. They are my customers. I have to be aware of what sweets appeal to them, what they think, of the language they are speaking," he said explaining his methods.^{xvi}

In addition to key products of sweet and sour gummy candy, licorice, and its MAOAM chewable sweets, seasonal and local products based on national preferences play an important role in HARIBO's product portfolio. HARIBO's subsidiaries are very independent in terms of product innovation and the best-seller list varies widely from one country to another. Even the top secret recipes of the Goldbears vary slightly between regions. The French prefer sugar-coated candies and marshmallow products. In England, Star Mix (a mix-package of gummi candy) is the number one seller. In Scandinavian countries, there is a clear preference for licorice, and the more southern nations, even within Germany, prefer the fruity flavors.

HARIBO offers its products in various package sizes from family sizes—ideal for birthday parties—to mini bags that meet the trend of more conscious “snacking.” In addition, consumers can from single product packages or mixed multi-packs containing different HARIBO products. In Germany alone, HARIBO's product range includes over 200 products of different packaging sizes.^{xvii}

The product is mainly made from sugar, glucose syrup, food coloring, and gelatin, a byproduct from the meat industry. Other than licorice, the company offers a few gummy products that are entirely free of gelatin. In 2017, the company also added a variety of sugar-free and sugar-reduced products to its portfolio in order to attract more health-conscious consumers.

Marketing

One of the biggest contributing factors to HARIBO's success is its brand recognition. The slogan "*HARIBO macht Kinder froh*" a rhyme meaning "*HARIBO makes children happy*," was introduced in the early 1930s. HARIBO noticed that it was not only children who enjoyed HARIBO products and added a second line to establish the still-used slogan "*HARIBO macht Kinder froh – und Erwachsene ebenso*," meaning "*HARIBO makes children happy – and adults as well*." This slogan was later transformed into the international version, "*Kids and grown-ups love it so, the happy world of HARIBO*." This easy-to-remember rhyme was an instant hit and became widely known when HARIBO's first TV advertisement was broadcast on German television in 1962—when television was still in its early stages in Germany. Today, the rhyme has been translated into 22 different languages, with each having a slightly different meaning to keep the melodic rhyme.

HARIBO kept also investing heavily in other forms of advertising. In 1991, the company arranged the very successful and 24 years lasting cooperation with German talk-show legend Thomas Gottschalk as testimonial. He was replaced by colleague Bully Herbig in 2015. However, after Herbig did not want to continue the cooperation in 2018, HARIBO announced it would stop working with famous testimonials. "The brand is self-explaining by now [...] that is why we want to try different advertising concepts," Hans Guido explained.^{xviii} In 2009, the company started adding spectacular promotions such as decorating whole planes with the Goldbear and sponsoring motor rallies.

HARIBO uses different advertising concepts for different countries, often developed by agencies familiar with the local market. In English speaking commercials, HARIBO is lending kids' voices to serious businesspeople or ice hockey teams to summon the child within us all. "We know from experience in the office that if you open a pack of HARIBO, people can't help but smile and dive in," said Jon Howard, planning director at HARIBO's advertising and marketing agency *Quiet Storm*.^{xix}

Besides traditional advertising, the company is also very active in local engagements with the people in its communities. Hans Jr. established the Hans Riegel Foundation, which awards annual scholarships to students at 12 German universities. At the German headquarters, the company offers people the opportunity to exchange collected chestnuts for HARIBO products, to feed the local deer during winter. On social media platforms the firm frequently asks customers for their opinion and lets them vote on the introduction of new products.

Expansion

The company took on the path of expansion from the very beginning. As early as the 1920s, HARIBO made its first business expansion with companies abroad. Its first subsidiary was established in Denmark in 1935, HARIBO Lakrids A/S Kopenhagen. Local expansion was also part of the company's growth strategy. Under Hans Jr.'s management the company acquired several German and international direct and indirect competitors, including Kleutgen & Meier, the company where HARIBO founder Hans Sr. once learned how to cook hard candy. Another

prominent acquisition was the Edmund Münster GmbH & Co. KG in Neuss, a company with long traditions and the producer of the famous MAOAM, a chewy sweet novelty in fruity flavors that ideally complemented HARIBO's product range.^{xx}

The company expanded across Western Europe between 1960 and 1990. This expansion included the acquisition of Dunhills, a traditional English company known for its Pontefract cakes. In 1996 it acquired the widely known Belgian producer of marshmallow products, Dulcia, and rebranded it under the HARIBO moniker in 2007. It established sales offices across Europe and began to reach out to other markets. Starting in the 1980s, HARIBO expanded its business into America. First exclusively marketed as imported, gourmet confection, HARIBO of America was incorporated a couple years later and the gummy candies were introduced to the U.S. mass market. Sales were so popular the first year that Haribo had trouble keeping up with demand.^{xxi} Due to Hans Jr.'s financial conservatism, HARIBO financed all its acquisitions with the company's own funds. After he was unable to pay back a bank credit in time in 1950, the bank seized the company's bags of sugar. It was at that moment he promised himself not to cooperate with banks again, as he described the matter in 2009.^{xxii} This decision did not seem to hinder expansions. As a result of HARIBO's growing international activities, the company's sales abroad grew by two-digit figures throughout the 1990s, reaching more than 55 percent of total sales by 2000.^{xxiii}

Today, HARIBO's products are already available in over 100 countries around the world. While Germany is still its biggest market accounting for approximately 25% of sales, the company is establishing new offices and production sites. In 2016, Brazil became the first country outside Europe to have a factory and in 2017 the company announced its first U.S. factory in Kenosha County, Wisconsin.^{xxiv} The facilities will include a museum and a retail store, and eventually could employ 1,450 people. "Today, our top priority is the expansion outside of Europe," said Hans Guido.^{xxv} HARIBO currently has subsidiaries and offices in 27 countries. (For a complete list of HARIBO's expansions & acquisitions see Appendix 1).

CURRENT CHALLENGES

Since the death of patriarch Hans Riegel in 2013, the company has been in a tremendous process of change. The new management team, led by Hans Riegel's nephew Hans Guido, is attempting to modernize HARIBO but is having difficulty engaging employees in change. Numerous hired top executives from corporations like Coca-Cola and Danone have left this family-run business after often only a few months. The changes were, "In agreement because of differing views on the leadership of the German business," a company spokesman explained.^{xxvi} In 2018, Herwig Vennekens, a long-time employee who grew with the company, became the third managing director for marketing and sales in just three and a half years. Most recently, he was the company's CEO for Great Britain and Ireland.

There are also reports of unfair practices at HARIBO's suppliers. A 45-minute televised documentary by a German public broadcaster found failures of oversight in the production of carnauba wax and animal gelatin. It showed some of Brazil's poorest workers, and pigs in industrial farms in Germany, suffering in horrific conditions. HARIBO offered a statement

saying that it was not aware of a "violation of our guidelines" but that it would "proactively" pursue the matter with its suppliers.^{xxvii} However, this did not prevent fans and customers from openly sharing their anger and indignation on HARIBO's social media channels.

Recently, HARIBO has concerns about its business in Germany. In early 2018, the company moved to new headquarters with attached production facilities in Graftschaff, Germany, 17 kilometers from its old location in Bonn. As part of that move, the company introduced a new ERP system to cope with the rising demands of effective supply chain management. Problems with production occurred during the implementation process of the ERP. This resulted in empty store shelves that negatively impacted sales for both HARIBO and their customers, the retail stores.

LOOKING FORWARD

In sight of the company's 100th anniversary experts see difficult times approaching for HARIBO. Personnel changes did not seem to put an end to the turnover in the head office. In 2019 HARIBO responded with the restructuring of numerous responsibilities at the top level. HARIBO's holding company, led by Hans Guido Riegel, Michael Phiesel, and Herwig Venekens, will be supported by eleven divisional heads who will gain a deeper insight into the reticence of the operating company employees. Despite this restructure, managers who are entrenched in the old ways of the company are being appointed to key roles. This leaves insiders wondering whether the group might fall back into the old patterns of behavior. Although Hans Guido has recently been more transparent internally and externally, he was almost invisible in his first years leading the company. His new-found transparency includes a program where employees can sign up for a breakfast appointment with the bear boss or learn about the financial results and outlook at company town hall meetings. Despite these efforts, it is hard to imagine that he will ever become as publicly involved as his uncle, "I'm convinced that this is the right way. HARIBO should take the center stage, not I," said Hans Guido.^{xxviii}

Industry insiders see the problems in the German market not only in the bottlenecks of the supply chain. Fierce competition, a lack of innovation, and advertising campaigns that do not appeal to current or potential customers add to the operational problems. While other confectionery manufacturers invested in research and the introduction of sugar-free, vegetarian, and vegan products years ago, HARIBO focused investment on different varieties of traditional fruit gummies and repackaging those products, rather than on new product innovations to meet current market demands.

The company's response to falling sales numbers in September 2019 was to add new packaging combinations of its legacy Goldbears product. While considered revolutionary for the company, in the always changing confectionery industry, it was merely change at the margins. Will the HARIBO legacy, strong brand, and history of innovation be enough to build on and keep this long-established family business on a path to another 100 years?

APPENDIX 1 – LIST OF HARIBO’S EXPANSIONS AND ACQUISITIONS

Year	
1972	HARIBO acquires shares in Dunhills of Pontefract, in the north of England.
1976	HARIBO sets up a sales organization in Sweden, with its headquarters in Helsingborg.
1977	HARIBO establishes a sales organization in Austria. Following the acquisition of Panuli Bonbon Ges. m.b.H. of Linz in 1988
1982	HARIBO crosses the pond. Founded American headquarter in Baltimore, Maryland.
1983	HARIBO acquires Stella company in Wattrelos (near Lille) in France.
1986	HARIBO takes over Edmund Munster GmbH & CO. KG in Neuss, Germany.
1989	HARIBO establishes a sales organization in Norway, the headquarters of which are based in Oslo.
1990	HARIBO becomes active in the new eastern states of unified Germany after the fall of the Berlin Wall by acquiring the WESA confectionary factory.
1990	HARIBO acquires 100% of the shares in the Italian company SIDAS DOLCIARIA S.p.A. and founds HARIBO Italien S.p.A, based in the northern Italian city of Milan.
1992	HARIBO establishes a sales organization in Finland, with its headquarters in Helsinki.
1993	HARIBO acquires the famous Vademecum brand of dental chewing gums and cough drops.
1995	After having established a sales presence in Spain in 1985, ten years later HARIBO opens production facilities there.
1995	HARIBO opens the Musee du Bonbon (Candy Museum) in Uzes, France.
1996	HARIBO takes over the Belgian company Dulcia and begins to build up its marshmallow range.
1997	HARIBO opens a new production company in Dublin, Ireland; bringing it closer to consumers there
1998	HARIBO acquires Spanish confectionery producer Geldul S.L. in Alicante, establishing a second foothold here along with its operation in northern Spain.
1998	HARIBO opens a sales office in the Czech Republic, based in Brno.
2000	The year 2000 marks the completion of a production facility in Hungary, enabling significant inroads to be made into the Eastern European markets.
2000	HARIBO buys Dutch confectionery manufacturer Hoepman in Hoogezand in the province of Groningen. The company produces licorice and hard and soft marshmallow candies.
2001	HARIBO acquires the Turkish fruit gum and marshmallow producer Pamir Gida Sanayi A.S, opening up new markets for HARIBO in the Middle East, Turkey, and the Muslim regions of the former Soviet Union.

APPENDIX 1 – LIST OF HARIBO’S EXPANSIONS AND ACQUISITIONS (CONTINUED)

2002	HARIBO builds a sales organization in Poland.
2003	HARIBO taps into the largest Eastern European market-Russia-by setting up a sales agency in Moscow.
2004	HARIBO opens a sales organization in Slovakia.
2005	HARIBO Australia Pty Ltd. Becomes the Bonn confectionery producer’s representative Down Under.
2005	In Portugal marketing is facilitated by the establishment of a new sales organization.
2012	HARIBO establishes sales organization in Singapore to further develop the South-East-Asian markets.
2013	HARIBO opens a sales organization in Shanghai to better reach the important markets of China, Hong Kong and Taiwan
2014	HARIBO builds a sales organization in Dubai for the Arabic market.
2016	HARIBO opens its first production facility outside Europe – in Bauru, Saó Paulo, Brazil
2017	HARIBO announces to build a new factory in Wisconsin, USA. The plant is planned to open in 2022.
2018	Representative for the Asia Pacific region, a sales office in Japan is established

Source: HARIBO Website. <https://www.HARIBO.com/deDE/unternehmen/international.html>

ENDNOTES

ⁱ Varnholt, Hendrik. 2019. “Haribo trifft auf Hindernisse.” *Lebensmittel Zeitung*, August 30, 2019, 35 edition, p. 1.

ⁱⁱ “History of HARIBO.” n.d. Accessed November 30, 2019. <https://www.haribo.com/enUS/about-us/history.html>.

ⁱⁱⁱ Ibid.

^{iv} “HARIBO GmbH & Co. KG - Company Profile, Information, Business Description, History, Background Information on HARIBO GmbH & Co. KG.” n.d. Accessed December 1, 2019. <https://www.referenceforbusiness.com/history2/29/HARIBO-GmbH-Co-KG.html>.

^v Henderson, David R. n.d. “German Economic Miracle.” Econlib. Accessed November 30, 2019. <https://www.econlib.org/library/Enc/GermanEconomicMiracle.html>.

^{vi} Childs, Martin. 2013. “Hans Riegel: Businessman Who Transformed Haribo into a Global.” *The Independent*. October 16, 2013. <http://www.independent.co.uk/news/obituaries/hans-riegel-businessman-who-transformed-haribo-into-a-global-confectionery-giant-8884891.html>.

^{vii} “History of HARIBO.” n.d. Accessed November 30, 2019. <https://www.haribo.com/enUS/about-us/history.html>.

^{viii} Lindell, Crystel, and Alyse Thompson. 2019. “The State of the Global Candy Industry in 2019.” October 6, 2019. <https://www.candyindustry.com/articles/88720-the-state-of-the-global-candy-industry-in-2019?v=preview>.

^{ix} Grocery Headquarters. “Sales of The Leading Non-chocolate Chewy Candy Brands of The United States in 2017 (in Million U.S. Dollars).” Statista, Statista Inc., 1 Apr 2017, <https://www.statista.com/statistics/190409/top-non-chocolate-chewy-candy-brands-in-the-united-states/>

^x Kapalschinski, Christoph, and Katrin Terpitz. 2019. “Andreas Patz und Holger Lackhoff: Haribo-Chefs im Interview: „Wir haben den Goldbären aus den Augen verloren.“” *Handelsblatt*, November 26, 2019. <https://www.handelsblatt.com/unternehmen/handel-konsumgueter/andreas-patz-und-holger-lackhoff-haribo-chefs-im-interview-wir-haben-den-goldbaeren-aus-den-augen-verloren-/25265242.html>.

^{xi} Kapalschinski, Christoph, and Katrin Terpitz. 2019. “Andreas Patz und Holger Lackhoff: Haribo-Chefs im Interview: „Wir haben den Goldbären aus den Augen verloren.“” *Handelsblatt*, November 26, 2019.

^{xii} Hornig, Frank, “König der Gummibärchen,” *DER SPIEGEL*, January 24, 2000, p. 97.

- ^{xiii} Reischauer, R. 2011. "Haribo: Der böse Bär." *Die Zeit*, April 20, 2011, sec. Wirtschaft. <https://www.zeit.de/2011/17/Haribo-Clan>.
- ^{xv} Hornig, Frank, "König der Gummibärchen," *DER SPIEGEL*, January 24, 2000, p. 97.
- ^{xvi} Childs, Martin. 2013. "Hans Riegel: Businessman Who Transformed Haribo into a Global." *The Independent*. October 16, 2013.
- ^{xviii} "Dr. Hans Riegel." n.d. Accessed December 1, 2019. <https://www.haribo.com/enWW/company/dr-hans-paul-riegel/dr-hans-riegel.html>.
- ^{xix} Ramsenthaler, Peter. 2018. "In aller Munde: Haribo und sein Erfolgs-Marketingmix – MARMIND." August 2, 2018. <https://www.marmind.com/de/in-aller-munde-haribo-und-sein-erfolgs-marketingmix/>.
- ^{xx} *Spiegel Online*. 2018. "Werbebotschafter: Haribo Trennt Sich von Bully Herbig," September 1, 2018, sec. Wirtschaft. <https://www.spiegel.de/wirtschaft/unternehmen/haribo-trennt-sich-von-bully-herbig-a-1225918.html>.
- ^{xxi} Nudd, Tim. 2014. "Kids Are Heard but Not Seen in Haribo's Hilariously Kooky Candy Ads." March 14, 2014. <https://www.adweek.com/brand-marketing/kids-are-heard-not-seen-haribos-hilariously-kooky-candy-ads-156287/>.
- ^{xxii} "HARIBO GmbH & Co. KG - Company Profile, Information, Business Description, History, Background Information on HARIBO GmbH & Co. KG." n.d. Accessed December 1, 2019.
- ^{xxiii} Roberts, Emma. 2018. "Why Is Haribo Called Haribo | Rewind & Capture." July 21, 2018. <https://www.rewindandcapture.com/why-is-haribo-called-haribo/>.
- ^{xxiv} Seidel, Hagen. 2009. "Unternehmer: Warum Der Haribo-Chef Den Bankern Misstraut," February 2, 2009. <https://www.welt.de/wirtschaft/article3132880/Warum-der-Haribo-Chef-den-Bankern-misstraut.html>.
- ^{xxv} "HARIBO GmbH & Co. KG - Company Profile, Information, Business Description, History, Background Information on HARIBO GmbH & Co. KG." n.d. Accessed December 1, 2019.
- ^{xxvi} Cremer, Andreas and Matthias Inverardi. 2017. "German Gummy Bear Maker Haribo Plans to Produce Candy in U.S." Reuters. March 23, 2017. <https://www.businessinsider.com/r-german-gummy-bear-maker-haribo-plans-to-produce-candy-in-us-2017-3..>
- ^{xxvii} Goebel, Jacqueline and Mario Brück. 2014. "Gummibärchen sollen die Welt erobern: Die Pläne der neuen Haribo-Herrscher." December 19, 2014. <https://www.wiwo.de/unternehmen/industrie/gummibaerchen-sollen-die-welt-erobern-die-plaene-der-neuen-haribo-herrscher/11110480.html>.
- ^{xxviii} Jordan, Sarah. 2018. "Haribo macht junges Eigengewächs zum CFO." *FINANCE*, March 20, 2018. <https://www.finance-magazin.de/cfo/cfo-wechsel/haribo-macht-junges-eigengewaechs-zum-cfo-2011471/>.
- ¹ Knight, Ben. 2017. "Haribo Gummy Bear Ingredients Made by Modern Slaves, Documentary Shows." *Deutsche Welle*, October 19, 2017. <https://www.dw.com/en/haribo-gummy-bear-ingredients-made-by-modern-slaves-documentary-shows/a-41036821>.
- ¹ Goebel, Jacqueline and Mario Brück. 2014. "Gummibärchen sollen die Welt erobern: Die Pläne der neuen Haribo-Herrscher." December 19, 2014. <https://www.wiwo.de/unternehmen/industrie/gummibaerchen-sollen-die-welt-erobern-die-plaene-der-neuen-haribo-herrscher/11110480.html>.