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Brief: BRUMBYS(B)



**NOT AT THAT PRICE:** Founding director Michael Sherlock is not convinced with the bid offered for Brumby's Bakeries.

## Brumby's Bakeries in bunfight

A \$40 MILLION brawl for control of Brumby's Bakeries is under way after the recently listed Retail Food Group yesterday swooped on the Brisbane baking icon.

Retail Food, the owners of the Donut King and bb's cafe franchises, is offering \$2.84-a-share cash for control of Brumby's – a company listed on the Bendigo Stock Exchange with extensive franchise operations throughout the state.

The offer comprises \$2.685 cash and a fully franked special dividend of 15.5c, an offer RFG chief executive Tony Alford described as "exceedingly generous".

Brumby's chairman Terry O'Dwyer agreed, recommending the offer to shareholders in the absence of any second higher bid.

However, Brumby's founding director, Michael Sherlock, and fellow director Marcus Barlow are not convinced, advising the company they were working on a management buyout alternative.

Mr Sherlock, along with Mr Barlow and general manager Steve Brown, are confident they have a blocking stake for the bid.