

## The Billionaire Driving A Brazilian Cosmetics Firm's Acquisition Of Avon

Natura Cosméticos, the Brazilian cosmetics giant, is in advanced talks to buy American beauty company Avon for a reported price north of \$2 billion. The deal would represent a more than 40% premium over Avon's closing price on Tuesday.

The *Financial Times*, which first [reported](#) the news, wrote that both parties have already agreed to those terms. Avon and Natura subsequently issued press releases on Wednesday disputing that element. "There can be no assurance any transaction will result from these discussions," wrote Avon.

Still, the companies have been negotiating for months, and multiple outlets report that the acquisition is likely. The combined entity would have a market capitalization above \$8 billion and would have significant presence both in the U.S. and the developing world.

Shares of Avon rose nearly 13% on the news, as of 11 a.m. Eastern Time on Wednesday; Natura's stock jumped close to 5%.

One beneficiary of that surge is Antonio Luiz Seabra, who formed Natura in 1969 as Brazil's answer to Avon. Seabra, 76, owns roughly 23% of the company's stock. His net worth jumped \$70 million Wednesday morning, to \$1.9 billion.

Natura began as a small store on Rua Oscar Freire in São Paulo, where Seabra offered personalized beauty consulting. By 1977 the business had 40 products, and in 2004 the company went public on Brazil's Novo Mercado.

Seabra and his business partner Guilherme Peirao Leal [became billionaires in 2006](#). At the time Natura emphasized its commitment to ethical business practices, like buying products from native communities in the Amazon. "In the beginning of the 1990s we made a very strong commitment to make the company an agent of social transformation," said Leal. (He fell off the billionaires list in 2015.)

Today Natura employs an army of over 1.4 million "consultants" who hawk its products door-to-door in Brazil, other parts of Latin America and France. The company also owns The Body Shop, which it acquired from L'Oréal in 2017 for over \$1 billion.

Avon was founded in California in 1886. It leverages its own army of independent contractors to sell product. The company went public in 1946 and now generates over \$5 billion in annual revenue. Avon and its affiliated foundation say they have donated more than \$1 billion to women's causes between them, with a focus on breast cancer and domestic violence.

<https://forbesmiddleeast.com/the-billionaire-driving-a-brazilian-cosmetics-firms-acquisition-of-avon>