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GENERAL MILLS INC
Form SC 13D/A
October 29, 2002

Page 1 of 7
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934

AMENDMENT NO. 1

General Mills, Inc.

(Name of Issuer)

Common Stock, \$0.10

(Title of Class of Securities)

370334104

(CUSIP Number)

Timothy D. Proctor
Diageo plc
Group General Counsel
8 Henrietta Place
London W1G 0NB
+44-207-927-5200

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

Copy to:

Richard C. Morrissey
Sullivan & Cromwell
1 New Fetter Lane
London EC4A 1AN
+44-207-959-8900

October 23, 2002

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box [].

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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Page 2 of 7

1 Name Of Reporting Persons/I.R.S. Identification Nos. of Above Persons
(Entities Only)

Diageo plc

2 Check the Appropriate Box if a Member of a Group (a) []
(See Instructions)

(b) []

3 SEC Use Only

4 SOURCE OF FUNDS (See Instructions)
N/A

5 Check if Disclosure of Legal Proceedings is Required Pursuant to
Item 2(d) or 2(e) []

6 Citizenship or Place of Organization
England and Wales

| | | |
|--|------------|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | Sole Voting Power |
| | 0 | |
| | 8 | Shared Voting Power |
| | 79,000,000 | |
| | 9 | Sole Dispositive Power |
| | 0 | |
| | 10 | Shared Dispositive Power |
| | 79,000,000 | |

11 Aggregate Amount Beneficially Owned by Each Reporting Person
79,000,000

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares
(See Instructions) []

13 Percent of Class Represented by Amount in Row (11)
21.5%

14 Type of Reporting Person (See Instructions)

CO

Page 3 of 7

1 Name Of Reporting Persons/I.R.S. Identification Nos. of Above Persons
(Entities Only)

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Diageo Holdings Netherlands B.V.

2 Check the Appropriate Box if a Member of a Group (a) []
(See Instructions) (b) []

3 SEC Use Only

4 SOURCE OF FUNDS (See Instructions)
N/A

5 Check if Disclosure of Legal Proceedings is Required Pursuant to
Item 2(d) or 2(e) []

6 Citizenship or Place of Organization
The Netherlands

| | | |
|--|----|--|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | Sole Voting Power 0 |
| | 8 | Shared Voting Power 79,000,000 |
| | 9 | Sole Dispositive Power 0 |
| | 10 | Shared Dispositive Power 79,000,000 |

11 Aggregate Amount Beneficially Owned by Each Reporting Person
79,000,000

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares
(See Instructions) []

13 Percent of Class Represented by Amount in Row (11)
21.5%

14 Type of Reporting Person (See Instructions)
HC, CO

Page 4 of 7

1 Name Of Reporting Persons/I.R.S. Identification Nos. of Above Persons
(Entities Only)

Diageo Midwest B.V.

2 Check the Appropriate Box if a Member of a Group (a) []
(See Instructions) (b) []

3 SEC Use Only

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4 SOURCE OF FUNDS (See Instructions)
N/A

5 Check if Disclosure of Legal Proceedings is Required Pursuant to
Item 2(d) or 2(e) []

6 Citizenship or Place of Organization
The Netherlands

| | |
|--|---|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 Sole Voting Power 0 |
| | 8 Shared Voting Power 79,000,000 |
| | 9 Sole Dispositive Power 0 |
| | 10 Shared Dispositive Power 79,000,000 |

11 Aggregate Amount Beneficially Owned by Each Reporting Person
79,000,000

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares
(See Instructions) []

13 Percent of Class Represented by Amount in Row (11)
21.5%

14 Type of Reporting Person (See Instructions)
HC, CO

Page 5 of 7

This Amendment No. 1 ("Amendment No. 1") amends and supplements the Schedule 13D ("Schedule 13D") of Diageo plc, a public limited company incorporated under the laws of England and Wales ("Diageo"), and Selviac Nederland B.V., a company organized under the laws of the Netherlands and an indirect wholly owned subsidiary of Diageo ("SNBV"), filed with the U.S. Securities and Exchange Commission on November 13, 2001, with respect to the common stock of General Mills, Inc., a Delaware corporation ("General Mills"), beneficially owned by Diageo (the "Shares").

Item 2. Identity and Background.

Item 2 of the Schedule 13D is hereby amended and supplemented by adding the following paragraphs at the end thereof.

On December 3, 2001, SNBV transferred the Shares to Diageo Midwest B.V. ("DMWBV"), a company organized under the laws of the Netherlands and an indirect wholly owned subsidiary of Diageo. The principal business activities of DMWBV relate to the holding and the financing of certain subsidiaries of Diageo. The principal executive offices of DMWBV are located at Molenwerf 10-12, 1014 BG Amsterdam, The Netherlands.

The sole director of DMWBV is Diageo Holdings Netherlands B.V.

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("DHNBV"), a company organized under the laws of the Netherlands and an indirect wholly owned subsidiary of Diageo. The principal business activities of DHNBV relate to the holding and the financing of certain subsidiaries of Diageo. The principal executive offices of DHNBV are located at Molenwerf 10-12, 1014 BG Amsterdam, The Netherlands. References to the "Reporting Persons" herein are to Diageo, DMWBV and DHMBW.

The name, business address, present principal occupation or employment and citizenship of each of the executive officers and directors of Diageo and DHNBV are set forth in Schedule I hereto and are incorporated by reference herein.

During the last five years, to the knowledge of each of the Reporting Persons, none of the persons listed on Schedule I hereto: (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); or (ii) was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Page 6 of 7

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Item 3. Source and Amount of Funds and Other Consideration.

The third sentence of the first paragraph of Item 3 in the Schedule 13D shall be replaced with the following:

In addition, pursuant to the Merger Agreement Gramet received a contingent value right to receive up to \$395,000,000 of cash from the Company on April 30, 2003, the 18-month anniversary of the Closing Date, depending on the average of the daily high and low sales prices per share of the Common Stock during the 20 regular trading sessions on the New York Stock Exchange for the 20 full trading days immediately preceding April 30, 2003 (the "Market Value") and the number of shares of the Common Stock still held by Diageo and its subsidiaries on April 30, 2003.

The second sentence of the third paragraph of Item 3 in the Schedule 13D shall be replaced with the following:

On December 3, 2001, pursuant to the terms of the Stockholders Agreement, SNBV transferred 79,000,000 shares of Common Stock (the "Shares") to DMWBV. As of the date hereof, DMWBV is the current record owner of the Shares.

Item 4. Purpose of the Transaction.

Item 4 of the Schedule 13D is hereby amended and supplemented by adding the following paragraphs at the end thereof.

The Call Option Agreement. On October 23, 2002, DMWBV and General Mills entered into a Call Option Agreement (the "Call Option Agreement") in which DMWBV granted to General Mills a call option over 26,183,088 of General Mills' ordinary shares (the "Option Shares") that are held by DMWBV.

Under the Call Option Agreement, from a date no earlier than May 1, 2003 through September 28, 2005, General Mills may exercise the call options subject to certain limitations. If General Mills exercises any call options during the period from September 29, 2005 to October 28, 2005, General Mills will be obligated to exercise the call options in respect of all Option Shares

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not previously purchased.

The premium for the call options was \$3.07 per Option Share or an aggregate of \$80,382,080.16. General Mills has agreed to pay \$51.56 per share upon exercise of the call options. The call options expire on October 28, 2005.

The descriptions of the Call Option Agreement in this item and throughout this Amendment No. 1 are qualified by reference to such Call Option Agreement, a copy of which is attached hereto as Exhibit (f).

Page 7 of 7

Item 6. Contracts, Arrangements, Understandings or Relationships

with Respect to Securities of the Issuer.

Item 6 of the Schedule 13D is hereby amended and supplemented by adding the following at the end thereof.

As more fully described in Item 4 above, DMWBV and General Mills are parties to a Call Option Agreement. A copy of the Call Option Agreement is attached hereto as Exhibit (f).

Item 7. Material to be filed as Exhibits.

Item 7 of the Schedule 13D is hereby amended and supplemented by adding the following at the end thereof.

| Description ----- | Exhibit ----- |
|--|------------------|
| Call Option Agreement, dated as of October 23, 2002, by and between Diageo Midwest B.V., a company organized under the laws of the Netherlands, and General Mills, Inc., a Delaware corporation. | (f) |
| Joint Filing Agreement, dated as of October 25, 2002 by and between Diageo plc, Diageo Holdings Netherlands B.V. and Diageo Midwest B.V. | (g) |

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this statement is true, complete and correct.

Dated: October 25, 2002

DIAGEO plc

By: /s/ Roger H. Myddelton

Name: Roger H. Myddelton
Title: Company Secretary

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DIAGEO HOLDINGS
NETHERLANDS B.V.

By: /s/ Margaretha Gerichhausen

Name: Margaretha Gerichhausen
Title: Director

By: /s/ Thomas H. Creighton

Name: Thomas H. Creighton
Title: Director

DIAGEO MIDWEST B.V.

By: /s/ Margaretha Gerichhausen

Name: Margaretha Gerichhausen
Title: Director

By: /s/ Thomas H. Creighton

Name: Thomas H. Creighton
Title: Director

SCHEDULE I

DIAGEO PLC

DIRECTORS AND EXECUTIVE OFFICERS

| Name ----- | Present Business Address ----- | Present Principal Occupation ----- |
|---------------------------------|---|--|
| Directors ----- | | |
| Lord Blyth of Rowington | 8 Henrietta Place, London W1G 0NB, United Kingdom | Chairman and non-executive Director of Diageo |
| Paul S. Walsh | 8 Henrietta Place, London W1G 0NB, United Kingdom | Chief Executive |
| Nicholas C. Rose | Kingsley House, 1A Wimpole Street, London W1G 0DA, United Kingdom | Finance Director |
| Rodney F. Chase | 1 Finsbury Circus, London EC2M 7BA, United Kingdom | Deputy Group Chief Executive, BP plc |
| Lord Hollick of Notting Hill | Ludgate House, 245 Blackfriars Road London SE1 9UY, United | Chief Executive, United Business Media plc |

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| | | |
|-----------------------------|--|--|
| | Kingdom | |
| Maria Lilja | Engelbrektsgatan 23, 114 32 Stockholm, Sweden | Non-executive Director |
| John K. Oates | 9 Kensington Gate, London W8 5NA, United Kingdom | Non-executive Director |
| William S. Shanahan | 300 Park Avenue, New York, NY 10022, USA | President, Colgate-Palmolive Company |
| Paul A Walker | Sage House, Benton Park Road, Newcastle upon Tyne NE7 7LZ, United Kingdom | Chief Executive, The Sage Group plc |
| Sir Robert Wilson | 6 St James's Square, London SW1Y 4LD, United Kingdom | Chairman, Rio Tinto plc |
| Executive Officers ----- | | |
| Paul S. Walsh | 8 Henrietta Place, London W1G 0NB, United Kingdom | Chief Executive |
| | | |
| Name ----- | Present Business Address ----- | Present Principal Occupation ----- |
| | | |
| Nicholas C. Rose | Kingsley House, 1A Wimpole Street, London W1G 0DA, United Kingdom | Finance Director |
| Paul A. Clinton | 6 Landmark Square, Stamford, Connecticut, 06901-2704, USA | President, North America |
| Stuart R. Fletcher | Kingsley House, 1A Wimpole Street, London W1G 0DA, United Kingdom | President, Key Markets |
| James N.D. Grover | 8 Henrietta Place, London W1G 0NB, United Kingdom | Strategy Director |
| Robert M. Malcolm | Kingsley House, 1A Wimpole Street, London W1G 0DA, United Kingdom | President, Global Marketing, Sales and Innovation |
| Ian K. Meakins | 8 Henrietta Place, London W1G 0NB, United Kingdom | President, European Major Markets and Global Supply |
| Ivan M. Menezes | 6 Landmark Square, Stamford, CT 06901-2704, United States | Chief Operating Officer, North America |
| Andrew Morgan | 8 Henrietta Place, London W1G 0NB, United Kingdom | President, Venture Markets |

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| | | |
|--------------------|---|--------------------------|
| Timothy D. Proctor | 6 Landmark Square, Stamford, CT 06901-2704, United States | General Counsel |
| Gareth Williams | 8 Henrietta Place, London W1G 0NB, United Kingdom | Human Resources Director |
| Roger H. Myddelton | 8 Henrietta Place, London W1G 0NB, United Kingdom | Company Secretary |

DIAGEO HOLDINGS NETHERLANDS B.V.

DIRECTORS AND EXECUTIVE OFFICERS

| Name ----- | Present Business Address ----- | Present Principal Occupation ----- |
|-----------------------------------|---|--|
| Directors ----- | | |
| Margaretha C.T.M. Gerichhausen | Molenwerf 10-12, 1014 BG Amsterdam, The Netherlands | Director of Business & Legal Director of Diageo Holdings Netherlands |
| Thomas H. Creighton | Molenwerf 10-12, 1014 BG Amsterdam, The Netherlands | Finance Director of Diageo Amsterdam |
| Peter W.B. Kreutzner | Molenwerf 10-12, 1014 BG Amsterdam, The Netherlands | Global Brand Director Gin & Portfolio Brands of Diageo Amsterdam |
| Charles D. Coase | St James's Gate, Dublin 8, Ireland | Finance Director of Guinness UDV Ireland |
| Ravi Rajagopal | Kingsley House, 1A Wimpole Street, London W1G 0DA, United Kingdom | Controller of Diageo |
| James D. Marshall | 6 Landmark Square, Stamford, Connecticut 06901-2704, USA | Vice President Tax Diageo North America |
| Timothy D. Proctor | 6 Landmark Square, Stamford, CT 06901-2704, United States | General Counsel of Diageo |
| Robert J. Moore | 8 Henrietta Place, London W1G 0NB, United Kingdom | Treasurer of Diageo |
| Joel W. Walters | 8 Henrietta Place, London W1G 0NB, United Kingdom | Tax Director of Diageo |
| John O. Stewart | 6 Landmark Square, Stamford, Connecticut 06901-2704, USA | Chief Financial Officer of Diageo North America |

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Executive Officers

There are no Executive Officers of Diageo Holdings Netherlands B.V.

EXHIBIT INDEX

- (f) Call Option Agreement, dated as of October 23, 2002, by and between Diageo Midwest B.V., a company organized under the laws of the Netherlands and General Mills, Inc., a Delaware corporation.
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