

# Boss bows out to revive Stock Spirits

Vodka distiller's chief executive is victim of campaign to oust him after market share plunge

By Ben Martin and Kate Palmer

THE boss of Stock Spirits has bowed to pressure from the company's biggest shareholder and stepped down from the struggling vodka distiller after seven years at the helm.

Chris Heath is taking early retirement from the London-listed business with immediate effect and will be replaced on an interim basis by Miroslaw Stachowicz until a permanent successor is found. It comes after **Luis Amaral**, a Portuguese cash-and-carry tycoon who owns almost 10pc of Stock Spirits, launched a campaign earlier this month to oust Mr Heath, 55, amid concerns the company has been mismanaged since its October 2013 float.

David Maloney, the chairman of Stock Spirits, revealed today that the board had been discussing successors to Mr Heath for "several months" and that a headhunting firm had been appointed in February to identify potential replacement. However, Mr Amaral's actions "have clearly interrupted our careful planning and so we decided to accelerate the CEO process", Mr Maloney said. The early exit of Mr Heath was welcomed by Mr Amaral, who said that

he "strongly" supported the appointment of Mr Stachowicz, as well as the hiring of Marek Sypek, who was last week named managing director of Stock Spirits's key Polish operations.

Mr Amaral has been critical of the company's decision to have its headquarters in Buckinghamshire, far removed from Poland, which is its most important territory and where a vicious vodka price war has seen its share of the market plunge.

Stock Spirits had been without a permanent MD in Poland since January last year, which the Portuguese tycoon had claimed meant the company was

managing its operations in the eastern European country by "remote control".

Stock Spirits's shares, which rose 0.5pc to 154p yesterday, have plunged by 32pc since its initial public offering as it has lost its market leadership position in Polish vodka.

As a result, the company's market value has shrunk from £470m to £307.5m. Since Mr Amaral started his campaign, pressure on Mr Heath has grown after other investors voiced support for the tycoon, whose Polish

wholesaling business, Eurocash, is also Stock Spirits's biggest customer.

Some 47pc of Stock Spirits's shares, including Mr Amaral's stake, are owned by Eurocash investors. Shares in Eurocash have surged in recent years, and it was thought that investors who had done well out of the Polish wholesaler and who have cross-holdings in Stock Spirits would back Mr Amaral's campaign against Mr Heath.

It is understood that Mr Heath will receive 12 month's pay following his departure, which amounts to £490,000. Mr Heath's temporary replacement, Mr Stachowicz, joined as non-executive director last November, after senior jobs at food producer Bestfoods and ICI paints.



Stock Spirits' Chris Heath, right, is taking early retirement following pressure from investor Luis Amaral