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

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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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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

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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

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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

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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.

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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).

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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.
- (g) Joint Filing Agreement, dated as of October 25, 2002 by and between Diageo plc, Diageo Holdings Netherlands B.V. and Diageo Midwest B.V.