

THE STORY OF BRUSSELS (THE STORY OF A TEDDY BEAR)



Brussels, the Grand-Place. With buildings dating from the 1400s to 1600s, it is one of the most magnificent medieval market squares in Europe.

*a live webcam feed of the far end of the square can be seen at:
<https://balticlivecam.com/cameras/belgium/brussels/grand-place-brussels/>
or <http://www.bruxelles.be/webcam-grand-place>
(The view at night, before about 11.00am Malaysia time,
with the old buildings illuminated, is quite stunning.)*



I have visited this square many times in my life. The first was in 1958. After that I was in the square many times during personal and business travels around Europe. Between 1974 and 1979 we lived in Belgium at Liège and were often in this square. After our Belgian period in the 70s, I saw the square occasionally during brief business trips to Brussels. The last of those was in 2005. Before me, my father had got to know the square in the 1940s when stationed briefly with the British Army nearby in Bruges, at the end of the 2nd World War.

My last trip was in December 2005 when I made a one-day business trip from London to Brussels. The day's business was conducted in traditional Belgian style over lunch in a traditional Brussels restaurant (the Aux Armes de Bruxelles, founded 1921, in the rue des Bouchers, close to the Grand-Place.) Afterwards, I and my colleague from London gravitated back to the Grand-Place itself to enjoy the views, before heading for the train back to London.

In the north-east corner of the square stood one of the elegant boutiques of the Belgian luxury chocolates¹ brand Godiva. Visible through the window were a number of Godiva teddy bears hoping to be sold as Christmas gifts alongside the rich assortment of chocolates available. After a close inspection inside the shop it took me only a few minutes to decide that one of the teddy bears should accompany me back to London.

And so this teddy duly travelled back with me to London that day on the train through the Channel Tunnel. He became named Brussels, in honour of his origin and in memory of the good times that members of our family had enjoyed in that place over some 60 years.

The Godiva shop that he came from can be seen at the extreme right edge of the large photo on page 1. There is a green sunshade that carries the name Godiva.

The square was heavily damaged in the year 1695 when most of its surrounding houses (built largely in wood) were destroyed during a bombardment of the City by French forces using flaming cannonballs. The City Hall, completed around 1450 with its 96m (315ft) tower, was a prime target, but the stone façade of the building and the tower survived. The houses around the square were quickly rebuilt, in the last years of the 1690s, but in stone this time, by the various guilds. These are the buildings seen around the square today that give it its character.

¹ For clarity, I use the term "chocolates" in the plural always, to emphasise that we are talking about the individual sweets, with a hard chocolate shell and a softer chocolate or other filling (which are locally referred to as pralines) and that we are not alluding to chocolate as a substance, in the form of slabs, bars other chocolate end-products.



Brussels in the Godiva shop in in the Grand-Place on 7 Dec 2005 before departing for London. He is the uppermost of the two teddy bears on the right. The City Hall across the square can be seen through the window.

Brussels lived with us in London for just under two years until we moved permanently to SE Asia.

We left London in October 2007, but Brussels stayed behind, in storage with our household possessions somewhere in north London, until we were ready to receive our possessions in a new home.



Brussels in London, October 2007, before being packed.



Brussels is somewhere in this van on 10 Oct 2007, which is about to take our household possessions away from Rotherhithe in London to storage for almost a year.

We finally asked the removals company to ship our possessions from London to Penang on 12 Sep 2008. Brussels travelled swiftly by ship from Southampton to Port Klang in the Hapag Lloyd container ship Hannover Express, arriving finally by road in Penang on 10 Nov 2008.



The MV Hannover Express, built in 2007 and thus new at the time, in which Brussels travelled from Southampton to Port Klang in 2008.

After nearly a year in storage and transit, Brussels was in need of a good wash when he arrived in Penang, and this was duly arranged.



Brussels hung up to dry in Penang in October 2008.



Brussels subsequently settled down comfortably in his new home in Penang in 2008.

Brussels's place of origin was China: "Made in China," according to his label. We therefore calculated that he must have been twice through the Suez Canal (once from China to Europe, once again from London to Malaysia with our possessions) – as well as making the Brussels-London train trip through the Channel Tunnel, so he was a well-travelled teddy bear.

However, several year later, in 2021, this all proved to be less than the truth. Brussels's travel turned out to be rather more extensive than we had imagined.



Brussels in 2021 in Penang, on bed duty.

One day in 2021 I looked again at the “Made in” label on Brussels's rear. It confirmed his China origin. However, this time, I made an effort to understand the other information on the label. At the bottom I saw what looked like a company name and a U.S. address in Reading, Pennsylvania: SPI Reading, PA 19604.



The label on Brussels's rear, pointing to the involvement with Reading, Pennsylvania.

I duly researched these details and a more complex story about Brussels's origins emerged.

“SPI Reading, PA 19604” is a company called Stichler Products Inc at 1800 North 12th Street in Reading, PA. This was a toy importer from China, connected with the confectionery industry, for which it sourced promotional material. Since the early 2000s Stichler seems to have moved decisively into the confectionery business itself, where it now (2021) operates as an importer, wholesaler and distributor. It owns a number of confectionery-making businesses too and its current website is www.megabuttons.com which is totally dedicated to confectionery. So, Stichler Products appears to have organised the sourcing of teddy bears for the Godiva company from China in 2005 and possibly at other dates before and after that.

We understand that Brussels, with Godiva and 2005 embroidered on the bottom of one paw, was one in a long line of Godiva Year-End teddy bears, sold as a gift item alongside the Christmas/Year-End chocolates and other chocolate product ranges.

The question that logically arises is: did Brussels ever pass through Reading, PA? Why would a Reading, PA company be organising the sourcing from China of soft toys as promotional items for a customer company miles away in Europe – unless the toys actually transited through Reading or were in some other way connected with Reading?

Godiva was founded in 1926 in Brussels, Belgium, where it has long been known as an expensive, luxury chocolates brand, sold almost entirely as a gift product and heavily promoted to foreign visitors as an iconic brand of an iconic Belgian artisanal product, chocolates. It is not the oldest Belgian chocolates brand by far (some of the many brands go back to the 1800s), nor the most popular brand in Belgium, (that brand is Leonidas, founded 1913 and still in business today), nor is it even a Belgian-owned brand any more, but it is the most expensive Belgian brand and has positioned itself as a luxury product with a very wide international presence. In Europe it has become much dependent on gift business and impulse purchases in tourist locations – contrasting with Leonidas which has fiercely maintained itself as an affordable brand appealing to local populations for everyday purchase.

Godiva originally sold its chocolates through a variety of shops in Brussels, including department stores, but more recently has focused on opening its own shops (called boutiques) in prime locations, such as major shopping malls, upmarket shopping streets, airports and heavily visited tourist areas. In Brussels, these Godiva-owned outlets probably came only after the 2nd World War, say late 1940s onwards, but they now represent the standard format of the company. The Godiva shop in the Grand-Place in Brussels was not the first Godiva outlet, although it has been referred to as such by some commentators, without any correction from Godiva itself. Likewise, the shop opposite the famous Manneken-Pis fountain in Brussels is fairly recent – yet is often referred to as: “the original Godiva shop in the centre of Brussels.”

One interesting Belgian souvenir that my father brought back with him from the Continent in his army kitbag, during one of his leave trips home in the 1940s, was three small brass statuettes of the famous Manneken-Pis statue in Brussels. This wasn't the only interesting thing that travelled back in his kitbag; a live Christmas tree came back with him in the kit bag from Germany on a later occasion – but that's another whole story in itself.



A Manneken-Pis "souvenir" (file pic)

This small bronze fountain, of a small boy peeing, dates from around 1620, possibly earlier, and is located just 250 metres from the Grand-Place in one of the side streets with medieval buildings. There are many legends associated with its origins. It was always a curiosity in Brussels and, primed by my father's knowledge of it from the 1940s and the brass statuettes of it that were displayed in our home, I duly made my way to see it on my first time in Brussels in 1958. It has (unfortunately) now become one of the main foreign tourist attractions in this part of the old city and the tourist industry has duly flooded the area with its tourist paraphernalia, souvenir shops and Belgian chocolate shops of many types – including a Godiva boutique in prime position directly opposite the statue.



Brussels, rue de l'Étuve, looking towards the Grand-Place, showing tourist crowd at the Manneken-Pis fountain (recent file pic)

Further research into the history of Godiva Chocolates reveals that the Belgian company was sold in 1967 to the American Campbell Soup Company. Campbell shortly thereafter opened a Godiva manufacturing plant at Reading, Pennsylvania (at East Neversink Road, Reading, PA 19606) and made New York City the Godiva corporate world headquarters under the name Godiva Chocolatier Inc. The Reading factory became the sole manufacturing point for all Godiva markets and outlets in north America. All other world markets continued to be supplied from Godiva's Belgian operations.

This manufacturing connection with Reading, Pennsylvania seems to explain the choice of a toy importer in Reading for the sourcing of the teddy bears. This seems to make it likely that Brussels was indeed sourced and processed initially through Reading, PA, before part of the teddy bear order was shipped on to Europe for distribution in the business there. Assuming that this is correct, Brussels can therefore be recognised as a teddy bear who has circled the globe: by sea across the Pacific from China to USA, then by surface to Pennsylvania; thereafter by sea again to Europe, where he joined us from the Godiva shop in 2005.

The Campbell Soup Company, after 40 years as owner, decided that Godiva's luxury brand was not a good long-term fit with rest of the Campbell Group's fast-moving grocery brands and in 2007 sold the Godiva company and business to the large Turkish food conglomerate Yildiz Holding. Yildiz maintained the Godiva business as it was, including the Godiva HQ in New York City and the factory in Reading.

In 2016 Yildiz Holding placed a number of its internationally-oriented food and confectionery businesses, including Godiva and the UK's United Biscuits (acquired by Yildiz in 2014 with biscuit brands including McVitie's, Jacobs, Crawford's, Carr's) into a new subsidiary, based in UK, called Pladis Global.

In 2019 Yildiz sold a 50% interest in Godiva Chocolatier Inc to South Korea's largest private equity firm, MBK Partners. The official explanation was that this would provide new and valuable expertise for the development of Godiva's Asian business in China, Japan and Korea.

That is where things now seem to stand. Godiva Chocolatier Inc has two joint owners, one Turkish, one South Korean. It remains headquartered in New York City with factories in Reading, Brussels, and Turkey. R&D and product development remains in the business's birthplace, Belgium.

Looking ahead, it should be noted that South Korea's MBK rarely, if ever, takes a minority stake in a business and that it normally plays the usual private equity role of restructuring the acquired company, cutting out costs and then reselling it quickly at a profit. Its activity so far in its 16 years of life has been restricted to its region of expertise: east Asia only. So it is somewhat puzzling that MBK has apparently become a sleeping partner in Yildiz's overall international Godiva business, with its major European and N American interests, and did not simply acquire the assets and IP related to the Asian markets. From a point like that it would have been logical to go on and redevelop the assets as a new Asian entity, unrelated to the N American/European parts of the Godiva business.

MBK's 2019 purchase of 50% of the Godiva business did inject significant funds into Godiva; according to Godiva at the time, these were going to be used to finance an accelerated expansion programme of its café business in the Americas, including Latin America. The café business, as distinct from the pure sale of products, has become an increasingly important part of the Godiva mix in recent years. However, all of those and other plans have now become extremely uncertain due to the various economic disruptions arising from the Covid19 pandemic. The Godiva business model is directly affected by many of these, including: the fall-off in customer traffic in shopping malls, where much of the Godiva sales and existing café business is done; the near-total disappearance of international tourist traffic, which accounts for a significant portion of Godiva business; the slump in the luxury and gift retail markets. In early 2021, Godiva Chocolatier Inc announced that it was closing all 128 of its existing retail/café outlets in North America, due to the reduced levels of business, and that in North America it would henceforth operate only as a manufacturer and wholesaler, depending for the sale of its products purely on non-Godiva outlets.

At the same time, Godiva has recently had its fair share of social and operational problems that have come to the notice of the media. Three years ago it was highlighted as one of the chocolate manufacturers most guilty of employing child labour in the upstream sourcing of the cocoa product – along with Hershey, Fowlers, Nestlé, Mars, Kraft. Two years ago the German consumer test organisation, Stiftung Warentest, did a ranking of milk chocolate bars on the local market and found that the most expensive, that of Godiva, was heavily contaminated with nickel (although not seen as dangerous to health). An additional problem for Godiva in Europe arose after April 2017 when the Turkish owners, Yildiz, enforced the removal of all alcohol from all Godiva chocolate recipes – without telling anybody – in order to allay Muslim sensitivities, in view of their being a major food-related company in a Muslim country. Godiva had traditionally used alcohol, for flavouring purposes, widely across its product range. This turned out to be something of a marketing disaster for Godiva. The change in taste was quickly detected by regular customers and gave rise to uncomplimentary newspaper headlines in Europe such as: “Turkish-owned Godiva appeases Muslims by going booze-free.”

The future for Godiva Chocolatier Inc thus seems uncertain at present. It is quite possible that the Godiva Brand is approaching the end of its life-cycle, now nearly 100 years old.



Brussels in 2021 in Penang, now finally retired from bed duty