

Business

Louis Dreyfus Shakes Up Management Again

By [Andy Hoffman](#)

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- ▶ [Andrea Maserati, confidant of owner, has left trading house](#)
 - ▶ [Michael Gelchie named COO and Demare named deputy chairman](#)
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Louis Dreyfus Co. overhauled senior management again, with the departure of an executive close to the commodity trader's billionaire owner Margarita Louis-Dreyfus.

Andrea Maserati, an eight-year company veteran and confidant of the Russian-born heiress and chairwoman, has left, LDC said in a statement on Monday. He will be replaced as chief operating officer by Michael Gelchie, who returned to LDC as head of its coffee platform in July.

Maserati's departure suggests the 168-year-old trading house is making deep changes in a bid to shore up dwindling profits. The COO was seen internally as a powerful executive with strong links to Louis-Dreyfus. The chairwoman and controlling shareholder is seeking cash to repay a loan used to buy out other family member stakes worth about \$900 million.

"These measures will allow us to streamline our organization in order to be able to better focus on the current challenges of our industry," Louis-Dreyfus said in the statement, as LDC also named a new head of risk and compliance and made changes to its board of directors.

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In this article

LDC paid a \$428 million dividend in the first six months of the year, even as profit fell 45% to \$71 million because of the global trade war and weak trading results. Chief Executive Officer Ian McIntosh has said things won't improve until 2020.

Outside-In View

Before his departure, Maserati was LDC's No. 2 executive and often quoted in company statements alongside McIntosh.

Still, Maserati's departure could herald a new era of greater autonomy for McIntosh and his senior executives, said Jean-Francois Lambert, a former commodities banker with HSBC Holdings Plc.

"Ian McIntosh is gathering a strong team around him and this may indicate

HSBA
HSBC HOLDINGS PL
 575.00 GBP
 ▲ +1.30 +0.23%

SB1
Generic 1st 'SB' Future
 12.76 USD/lb.
 ▲ +0.03 +0.24%

RR1
Generic 1st 'RR' Future
 12.09 USD/cwt
 ▲ +0.20 +1.68%

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Michael Gelchie Source: LDC

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he has earned more room to maneuver and steer the company than his predecessors,” said Lambert who is now an industry consultant.

“It seems LDC is on the path to normalization,” he said.

Gelchie, a U.S. national, began his career at LDC in 1990 and worked as a senior trader and executive in its sugar, rice and cocoa businesses. He left the firm in 2010 for roles at other companies including Sudden Americas Corp.

“Gelchie will bring us not only long-standing experience as a member of the LDC leadership team, but also an important ‘outside-in’ view that will help us to adjust better the company’s operations to current market conditions and the opportunities of the future,” Louis-Dreyfus said.

LDC said long-time executive Nigel Mamalis would become the new head of risk and compliance. Mamalis was previously an adviser to McIntosh. Michel Demare, a member of LDC’s board since 2014, was named its deputy chairman.

LDC shocked markets and the industry in 2018 with the departure of its CEO and CFO on the same day. There have been a raft of executive changes and departures in recent years. Before McIntosh was appointed in 2018, the company had had five temporary or permanent CEOs in five years.

(Updates with comment from industry consultant in seventh paragraph)