Portola Europe has developed its new **Easy Flip** sports closure using their reputable light weighting technologies. The new flip top design has a visual tamper evidence that remains on the dust cover (no throw away bands), it is easy to open and closes with an audible snap for re-seal.

**Easy Flip** has an integral double hinge allowing the consumer to hold the dust cover at 180 degrees for ease of consumption. **Easy Flip** has a long spout for drinking comfort, and features the same high flow rate as our other 3 piece sports closures.

Available with natural or opaque covers in a wide range of colours. Ergonomically designed, the **Easy Flip** double hinge fits inside the overall diameter of the closure; thus ensuring that it will perform on existing capping heads with minimal adjustment within the filling machine.

As leaders of light weight closures technology, Portola Europe have reduced the weight of **Easy Flip** by 28% of polymer compared to a normal 3 piece sports closure, so making it one of the lightest functional 2 piece sports closures. Available for 28mm PCO1810 followed by 38mm & 30mm finishes being developed in tandem.

Portola Europe is a ISO 14001 Certified Operation

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**Portola Packaging** are a leading global supplier of plastic CAPS and CLOSURES for the Food and Beverage Industries.

The Easy Flip is a Portola Registered Design

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According to the latest reports from the Food and Drink Federation, exports of soft drinks from the UK have bucked the recessionary trend. Simon Waring discusses how some businesses have achieved this.

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Tidings of good news

As another challenging year for the industry draws to a close, readers can take heart from some upbeat forecasts regarding two categories which had stalled during recent difficult times: bottled water and carbonates.

The past two years have seen a hitherto thriving UK bottled water market decline - the result of poor summers, environmental concerns and the recession. But now Mintel research shows reasons for optimism. In 2009, the decline in sales slowed to only 1% with the British drinking 2.3 billion litres of bottled water and the market worth £1.9 billion. With economic conditions expected to improve, Mintel forecasts that volume sales will start growing steadily from 2011 onwards and that by 2014 the British will be consuming 2.5 billion litres a year, a return to 2007 levels.

The bottom line here for bottled water producers is that as consumers start to loosen their purse strings, they will benefit. The research reveals that 35% of consumers think bottled water tastes better than tap; a fifth of consumers feel that drinking bottled water means they are taking care of themselves, 21% feel that without it they wouldn’t drink enough water and 18% feel that it provides a healthier alternative to drinking sugary soft drinks or caffeine-based beverages. As for carbonates, despite stagnating, in recent times the category remains the most popular of all soft drinks. Canadean research consultants are forecasting better times ahead; they expect the global market growth rate to accelerate next year as economies move out of recession. Whilst the developed markets have reached maturity, there are significant growth opportunities in the developing markets of Asia, the Middle East and North Africa.

Further good cheer – and timely news as the world leaders meet in Copenhagen this month to discuss climate change - is the announcement of The Coca-Cola Company’s new partially plant-based PET plastic packaging. PlantBottle is being rolled out throughout the world. Coca-Cola Canada, for example, is to feature it throughout the Vancouver 2010 Olympic Winter Games.

PlantBottle is a PET package with up to 30% of its material derived from plant-based waste material, made through a process that turns sugar cane and molasses, a by-product of sugar production, into a key component for PET plastic. The sugar cane being used comes from predominantly rain-fed crops that were processed into ethanol, not refined sugar. Coca-Cola says its ultimate goal is to use other types of plant-based waste, such as wood chips or wheat stalks, to produce recyclable PET plastic bottles.

Such a sustainability initiative from the world’s leading brand is likely to influence the packaging decisions of other producers of FMCG brands. Having set the bar at this level, it is to be hoped that others will aspire to it.
Late Bulletin

- **The Coca-Cola Co** is readying its Burn energy drink brand for the Indian market. The brand will initially be available only in selected outlets, reports out of the country have claimed. The Indian version of Burn will be available in a 250ml pack and priced at between INR70 and INR90 ($2). The company’s first introduction in this segment, Shock, has struggled to make a mark on India’s fledgling energy drinks market since its introduction in 2001.

- **Danone Waters** has announced a switch of president and general manager at its Danone Waters of America unit. Nick Krzyzaniak, the current managing director of Danone Waters UK and Ireland, will replace Elio Pacheco in the post. Krzyzaniak previously held the positions of senior vice president of sales as well as executive vice president of commercial development for The Danon Company, also a Danone subsidiary. Pacheco, meanwhile, is moving to become general manager of Danone’s Evian Volvic Export Business Unit.

- **Britvic** is targeting acquisitions as it looks to build on strong sales and profits momentum in its most recent fiscal year. A 23% rise in pre-tax profits, strong cashflow and healthy sales in the year to 27th September have put Britvic in expansive mood. “We’re ready to go,” Britvic Finance Director John Gibney told analysts, although he declined to comment on possible targets. The firm has already looked at three or four possibilities and walked away because “the value was not right”.

- **Voltz International** has secured distribution of its namesake energy shot drink in Spain with **Covaca**. The company said that Covaca will market the brand in Spain, the Canary Islands and Balearic Islands. Specific details behind the tie-up for the drink, which was launched in Europe earlier this year, were not disclosed. The announcement follows the creation of distribution deals with UK franchise network **Card Connection**, as well as the signing up of distributors for Australia and Portugal.

- **CKE Restaurants** has expanded its offering from **The Coca-Cola Co** to include the drinks firm’s Vitaminwater portfolio. The California-headquartered restaurant company will offer Vitaminwater xxx, revive and essential at all of its 1,212 Carl’s Jr. locations. The portfolio will be available in 16oz bottles priced in the region of US$1.69. CKE’s partnership with Coca-Cola has run since 1981.

- **Wimm-Bill-Dann** has reported a drop in sales and seen net profits dented by devaluation of the ruble in the first nine months of 2009. Net income in US dollars dipped 0.1% to US$109.4million for the period ended 30th September, compared to the same period of last year, the Russian drinks and dairy group said. On a constant currency basis (in rubles), net income increased by 33.1% year-on-year in the first nine months of the year. Sales fell by 27.3% to reach US$1.59billion, while operating income dropped by 8.5% to $1.77million.

- **Nestlé Waters** is to cut 250 jobs at its production plant for Vittel and Contrex mineral water brands in eastern France. The group is seeking 250 voluntary redundancies among the plant’s 1,300 staff. To be implemented in 2010 and 2011, the cuts are a consequence of a significant structural decline in France’s bottled water market. Annual production at the Vittel-Contrex plant has fallen more than 30% since 2006.
**Europe**

**Anuga success confirms signs of recovery**

ORGANISERS of Anuga held in Cologne in October report the show generated “high-powered market momentum” for the food industry in Germany and abroad.

“Anuga clearly demonstrated its leading role as a central trade hub and information platform for the international food industry,” said Gerald Böse, CEO of Koelnmesse GmbH. “The outstanding quality of the trade fair resulted in a great atmosphere and excellent business. Against the background of a difficult overall economic situation, the market-oriented trade fair concept of Anuga once again impressed everyone involved.”

Approximately 153,500 trade visitors from more than 180 countries came to the fair; with 61% (about 93,500) coming from abroad. These figures were slightly lower than those for the previous event, but they remained stable overall. The number of exhibitors - 6,522 suppliers from 97 countries - also remained unchanged.

“There was no sign of the economic crisis at Anuga,” concluded Dierk Frauen, President of the Federal Association of the German Retail Grocery Trade (BVL). “The trade fair has shown that the food sector remains stable even in difficult times. Whatever else is going on, people still have to eat. The strong presence of political decision-makers was particularly gratifying.”

 Visitor turnout from the Middle East was particularly high, having increased by more than 30%. The number of buyers from Asia rose by some 10%. A larger number of visitors also came from Africa, with attendance figures increasing by over 20%.

The supporting programmes’ forums (Wellfood Forum, Adult Nutrition and the Drinks Trend Forum) were very well received as was the Zukunftsinstitut study ‘Trends Shaping Drinks’.

The next Anuga will take place from 8th to 12th October 2011.

**Exports up**

EXPORTS of UK food and non-alcoholic drinks bucked the recessionary trend, rising 10.2% to £4.82billion in the first six months of the year, according to new research commissioned by the Food and Drink Federation (FDF).

Star performers in the first half of this year included soft drinks which rose 22.2% to £151.1million.

The FDF believes that if this strong performance is maintained through the second half of 2009, food and non-alcoholic drinks exports could pass through the £10billion barrier for the first time. The sector is already on track for its fourth consecutive year of record export growth.

Europe remains the standout region for exports, with its share of UK food and non-alcoholic drinks exports now at 80.8%, fuelled by strong growth in sales to the Netherlands, France, Italy and Spain.

**Third quarter growth for Nestlé**

NESTLÉ has recorded that for the first nine months of 2009 it achieved organic growth of 3.6%. Real internal growth reached 1.0%.

Divestitures, net of acquisitions, had a negative impact of -0.6% on group sales, as did the currency effect of -5.2% due to the strength of the Swiss franc compared to most other currencies. These two factors contributed to a reduction in Nestlé Group sales of -2.2% to CHF 79.5 billion.

Organic growth for Nestlé’s food and beverage business was 3.5%. Real internal growth accelerated in the third quarter to reach 0.7% for the nine months from 0.1% at the half year. This improvement was evident in each region, resulting in organic growth of 4.4% in the Americas, 0.9% in Europe and 6.5% in Asia, Oceania and Africa for Nestlé’s total food and beverage businesses.

The Nestlé Waters division produced sales of CHF 7.2 billion, -1.8% organic growth and -2.3% real internal growth. Real internal growth for the third quarter improved, mainly due to an acceleration in Europe where the business benefited from renewed brand support. The category as a whole was weak in North America, but the Nestlé business gained market share. The emerging markets business enjoyed strong growth. Nestlé Pure Life continued to achieve double-digit growth in the emerging markets and North America.

**Filter accolade**

The Confructa 2009 award for most innovative product in the fruit juice sector has been presented to Begerow for development of the Becopad, the first mineral-free filter medium. The award was made at the IFW show which ran alongside drinktec in Munich. Begerow is a leading system provider for demanding solutions for liquid filtration. With some 250 employees worldwide and its headquarters in Langenlonsheim, Germany, the company develops and produces technological innovative filtration mediums and filtration systems.

The next Anuga will take place from 8th to 12th October 2011.
Soft Drinks International – December 2009

Refinancing for Calypso

GE Capital has provided a £9.2 million refinancing package for Calypso Soft Drinks Ltd. It will support the continued expansion of the business which supplies a variety of soft drinks using water coming from a natural on-site spring in Wrexham.

Founded by the Cooke Brothers in 1886 as a dairy, Calypso Soft Drinks Ltd continues as a family run business following an MBO in 2005. The Calypso brand accounts for 70% of sales supported by strong sub-brands including Aquajuice 67, Juice Shots and Jubbly.

Peter Cooke, CEO, Calypso Soft Drinks Ltd, explained: “Due to the seasonality of our business we required a funding solution that was tailored to our needs. We chose GE Capital as the team was able to offer us a structured solution that supported our business and offered us the headroom required to expand the business further.”

“This is a strong brand and we are pleased to be able to offer such a long-established family business a flexible funding solution,” said Richard Spielbichler, Regional Director for GE Capital. “The deal highlights the ability of GE Capital to provide tailored funding solutions to businesses, when other providers in the market are looking to reduce their offerings. Calypso Soft Drinks Ltd has a strong management team and we look forward to working alongside the team as the organisation focuses on its goals for the future.”

The opportunity was introduced to GE Capital UK by national firm, Baker Tilly.

Iceland's economy benefits local producers

THE soaring cost of imports, compounded by a weakening currency, is expected to drive-up consumption of Iceland’s domestically produced soft drinks brands.

The demise of the McDonald's restaurant franchise in Iceland at the end of October underlined the difficulties Icelandic importers face using a devalued local currency to purchase foreign goods, said Jón Asbergsson, Managing Director of the Trade Council of Iceland (TCI). McDonald's had operated in Iceland since 1993.

“The current value of Iceland’s krona is less than 70%, on average, of what it was against the euro, pound sterling and US dollar eighteen months ago, and before the onset of our economic crisis. Importers are forced to pay more, and these higher costs are reflected in retail prices,” said Asbergsson.

McDonald's Iceland could not sustain the rising imported cost for its core beverages, meats and vegetables, said Jón Garðar Ógumundsson, the CEO of Lyst which operated the McDonald’s franchise.

“Our restaurant outlets will operate under a new name and will source food ingredients and beverages locally. We will expect to generate a healthy profit without the exposure to currency risks. The McDonald’s outlets were high on turnover but low on profits,” said Ógumundsson.

The sales of international soft drinks brands in Iceland may fall but the currency differential presents a real and unique opportunity for Iceland’s drinks companies to increase sales of locally produced soft drinks, said Ógumundsson.

Iceland’s food and beverage sectors are quickly adapting to the need to sell more goods and services in krona, said Asbergsson. “Our restaurants mainly sourced their beverages and meats from Britain and Germany. They are now ordering from local producers. This can only be good for Iceland’s beverage and foods producers.”

Olgerdín and Vífill are Iceland’s two biggest soft drinks producers. The Olgerdín stable also include the fruit drink Egils Mix and a range of bottled waters; namely Kristall mineral water, Kristall Sport, and the Iceland Spring flavoured water range.

“The market situation for beverages has changed in Iceland and favours local producers. We will make the most of this opportunity,” said Olgerdín’s CEO Andri For Gudmundsson.

Vífill holds the licence to bottle and distribute Coca-Cola products in Iceland and also produces popular local brands, including Appelsin, the leading, based on sales, orange flavoured soft drink on the market. The Vífill stable includes bottled water products Toppur, Avahta, Berg Toppur and Edal Toppur.

Italian event opens doors

As SDI went to press Ente Mostre Enologiche (EME), organisers of Simei, were putting the final touches to this Italian bottling equipment show held in Milan from 24th to 28th November. Simei claims to be the largest specialist exhibition for machinery and equipment for oenology and for beverage production, bottling and packaging.

Amongst others, the event targets bottled water, carbonated and fruit juice producers. EME notes that worldwide more than 560 billion litres of cold non-alcoholic beverages were consumed in 2008. Further consumption of packaged waters has steadily grown amounting to 218.3 billion litres in 2008 against 209 billion litres of carbonated soft drinks. In addition, consumers are turning to low-calorie, natural and functional beverages at the expense of the fruit juice and nectar sector.

In brief…

● Messe München GmbH has taken over the rights to the PETpoint brand from Heidelberg-based business media GmbH (hbmedia). The overall responsibility for drinktec and PETpoint is now with Messe München. PETpoint is a presentation platform for technologies for manufacturing beverage packaging made of PET. Since 2005 it has been integrated into drinktec, the leading trade fair for beverage and liquid food technology.
More members for BBWP

WENLOCK Spring Water and Hall Manor Spring Water have joined British Bottled Water Producers, the association which represents small and medium-sized bottled water suppliers.

Wenlock Spring Water is based in Church Stretton, Shropshire and sources its water from an unspoilt area which is designated as a Site of Special Scientific Interest. There are a number of packaging formats, from glass bottles for fine dining to PET containers for sport and convenience purchases. There are also water coolers and PET promotional bottles on offer, whereby companies and brands can commission Wenlock Spring to incorporate their logo onto bottles. The spring water offers a good balance of minerals and is high in calcium so is particularly recommended for bone health.

Hall Manor Spring Water is sourced in southwest Devon from a natural spring and is controlled by, and belongs to, Hall Manor. No pesticides have ever been used on this land and ensure it is kept free from any pollution. Hall Manor Spring Water is available in glass format (330ml and 750ml) for hotels and fine dining and in PET bottles (500ml, 750ml and 1.5litres) including sports cap options. The company is also capable of producing own label bottles.

Footballers recruited to tackle obesity

RESPONDING to the need to tackle obesity amongst British children, PepsiCo UK has created a new advertising campaign under the Department of Health’s Play4Life banner part of the Government’s multimillion-pound Change4Life initiative. The campaign features football icons Thierry Henry and Frank Lampard, who will help deliver a message to parents on the importance of encouraging children to have an active lifestyle.

The advert aims to persuade families to exercise together and emphasises the importance of being physically active with the message that ‘Active parents make active kids.’ Thierry Henry and Frank Lampard’s personal involvement in the campaign aims to add significant impact to the message and the campaign.

Richard Evans, President of PepsiCo UK and Ireland, said: “Using these role models we are able to speak directly to parents and kids about the importance of exercise and play, as part of a healthy lifestyle. PepsiCo is a committed partner with Change4Life, which aims to tackle the issues of obesity in the UK.”

The Play4Life campaign, which runs in digital, print and poster formats until the end of this year is a Government health campaign and therefore will not feature any PepsiCo branding.

Beverage makers react to Finnish tax

THE Finnish Government’s plan for tax generating reforms on sugared beverage products has already started to impact on the operations of the country’s leading drinks companies. Both Hartwall and Sinebrychoff are reviewing the cost base underlying their soft drinks and beer production and distribution operations and both companies are looking to improve synergy and efficiency levels.

In a bid to reduce costs and centralise production, Hartwall is moving to close its Tornio drinks production unit in northern Finland. The closure, which is scheduled to take place by September 2010, affects 100 personnel, including sales, production and administrative staff.

“Factors such as competition, the planned tax increase on soft drinks, rising alcohol duties, falling demand for beverages, and cheap imports have all applied significant pressure to our business,” said Jan Kees Nieman, Managing Director of Hartwall.

Hartwall plans to expand soft drinks and beer operations in Lahti, in southern Finland, as part of the production efficiency strategy. According to Nieman, the company can no longer afford to maintain two breweries, while efficiencies will be sought across all areas of soft drinks, bottled water and beer production, distribution and marketing.

Under the reorganisation plan, Hartwall will invest in increasing the production of soft drinks and beer; including cans, at Lahti, while the company’s spring water bottling plant will continue to operate in Karijoki. In order to meet the increased demand for beverage cans, Hartwall plans to invest in a new canning line in the Lahti plant. Under the plan, the new line will be operational in June 2010.

Finnish drinks companies face difficult challenges in the light of new taxes, lower consumption, and a rise in passenger imports, said Tero Kallio, the Managing Director of Finland’s Federation of the Brewing and Soft Drinks Industry: “The industry must adjust to tax increase on soft drinks, bottled water and beer production, distribution and marketing. The drinks industry continues to lobby for the exemption of all bottled water products within the new tax regime, Kallio said.

Sinebrychoff is conducting a division-by-division review of operating costs at present. This is expected to continue to the end of the year, with actions to create greater efficiency in its soft drinks and beer units not expected until mid-2010.

Glass investment

UK glass manufacturer Beatson Clark has announced a new £1 million plus investment in machinery for its facility in Rotherham.

The company has installed a K25 machine from the Italian company Bottero Glass Technologies. Bottero is one of the most important manufacturers of machinery for the glass industry worldwide and the K25 is the first of its type in the world, using proven electronic technology to form the products and giving greater control of the process.

The new machine allows for the product forming process to be more controllable, precise and repeatable and also incorporates a revolutionary design for mould and blank cooling. Said Production Manager, Tim Swetnam, “All our machine operators will be receiving extensive training on the new machine, lead by our hot end trainer who has spent time with Bottero in Italy to ensure a quality output from day one.”
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WILD – Innovative Solutions for the Food and Beverage Industry: Ingredient Systems, Flavors and Extracts, Colors and Process Technology
African Drinks event to debut

AFRICA’s Big 7 (AB7) is already an extensive family of food and beverage trade shows and associated activities on one site in Johannesburg, South Africa. From next year it will be joined by DrinkTech Africa, a dedicated exhibition and conference for the continent’s beverage and liquid food markets.

AB7 2010 will run from 18th to 20th July at the Gallagher Convention Centre in Midrand, a suburban area of Johannesburg.

DrinkTech Africa will display equipment, technology, systems and ingredients for manufacturing, filling, packaging and distribution of beverages and liquid food. This will cover fruit juices, carbonated soft drinks, milk and other liquid dairy products, energy and wellness drinks, wine, beer, spirits, tea and coffee, as well as liquid foods.

Other components of AB7 2010 will be AgriFood, FoodBiz Africa, Food Tech Africa, Interbake Africa, Pan Africa Retail Trade Exhibition and Retail Solutions Africa. The organisers, Exhibitions Management Services (EMS), don’t need to amend the umbrella name of the shows: DrinkTech Africa will be held every second year; alternating with IFMA, the meat industry expo.

EMS executives say that AB7 is showing strong growth even in a recessionary economy. Both exhibitor and visitor numbers are continuing to grow and 90% of visitors polled in 2009 said they would return in 2010. This year’s family of shows under the AB7 banner had 238 exhibiting companies from 39 countries.

Rwandan Government selling stake

IT’S been a big year for Rwandan bottler Bralirwa. It has been celebrating 50 years of production, introduced a new logo and recently helped host the on-tour visit of the FIFA World Cup in its role as Rwanda’s Coca-Cola franchisee. It has also launched a new beer brand and there is talking of a new soft drink being prepared for release.

Now the Government of Rwanda, which holds a 30% take, is floating all but 5% in an IPO. Specialist advisers have been sought to handle this operation. They may also provide assistance to the Government in selling all or part of its shares in other private companies.

Earlier in the year the Government indicated it planned to sell the full 30% but, after a re-think, decided it would retain 5% to give it a continuing role in the company’s management. Bralirwa, whose full name is Brasseries et Limonaderies du Rwanda, is majority-owned by Heineken which acquired its 70% stake in 1971.

While the company’s golden jubilee is linked to the start of production at its Gisenyi brewery in 1959, its history can be traced back to 1957 when a brewing company in Congo and Burundi decided to pack both in convenient sachets and in 250ml, 500ml, 1litre and 2litre plastic bottles. It is already available in many supermarket chains and other retail outlets. As it expands with investment, the company plans to access mageu markets in the mines, list its product with catering companies and begin to export beyond South Africa.

Mageu investment

CORPORATE opportunities for investment in Africa’s booming mageu market have opened up this year: Now Maggie’s Original Mageu, which uses a family recipe dating back to the 1930s, is keen to attract investment support so that it can expand its manufacturing plant and benefit fully from the increasing demand for its range, as well as developing further markets.

Mageu – sometimes spelt maheu or in other forms – is a maize drink developed commercially from a traditional energy-giving worker staple enjoyed for generations throughout much of the continent, notably in the southern gold mining townships. In the past decade, several brands have blossomed, selling both classic variants and a breadth of flavoured options. Sales have boomed, thanks partly to a series of promotions by market leaders.

Maggie’s Original Mageu is based in the Garamukwa region, to the north of Pretoria, South Africa. It was established on a small scale in 2006 by Maggie Mogase, then approaching 80, who subsequently applied successfully to the Small Enterprise Development Agency (SEDA) for assistance. Funding was provided from SEDA’s Technology Transfer Fund to acquire bottling, labelling and flavouring equipment which enabled Maggie’s Original Mageu to scale up production while improving quality, capacity and efficiency.

“The business was initially using manual systems to bottle and label the product and this caused bottlenecks,” said SEDA Project Officer Donald Sibanda. “We conducted a full technology assessment to help the business to improve these issues.”

This allowed Maggie’s to “spread its wings across Garamukwa and neighbouring areas and grow into a thriving concern,” he said.

Now the company wants to grow further. It has strong foundations to make this possible, including the integrity of the core recipe. “My recipe was first formulated by my loving grandmother; the late Mrs Sapula Pooe, during the great famine of 1933,” explained Maggie Mogase.

“This was a difficult time in our history when crops failed, scores of livestock perished and lots of people died of starvation. Faced with the challenge of feeding 14 grandchildren, my grandmother decided to make a tasty nourishing meal for us. This is how our Original Mageu was born and, like my grandmother, I have passed the recipe down to my grandchildren who are now my business partners.”

Maggie’s Original Mageu comes in plain, banana, strawberry, pineapple and custard, packed both in convenient sachets and in 250ml, 500ml, 1litre and 2litre plastic bottles. It is already available in many supermarket chains and other retail outlets. As it expands with investment, the company plans to access mageu markets in the mines, list its product with catering companies and begin to export beyond South Africa.
Afrinatural plans drinks shot

A NEWLY expanded South African supplier of medicinal plant material is planning to develop single-shot bottles of functional beverages, primarily for the US market, as well as powdered drinks. It is also targeting producers of ice teas, smoothies and other products for use of its natural extracts.

Afrinatural Holdings merged in September with BZH, which was established in 1998 by botanist Kersten Paulsen and soon became a leader in the field of procuring and supplying verified medicinal plant material from the African continent. BZH set up various cultivation projects and strategic alliances in various parts of Africa to ensure sustainability and quality supply channels.

The original Afrinatural was formed by Tokkie de Beer to bring Africa’s medicinal plants to world markets. Now Paulsen and de Beer, along with a third partner, are developing the marketing programme of the expanded group under the Afrinatural name. Extracts they are dealing with, either as extracts or incorporated in innovative end products, include hoodia, rooibos, grapeseed and honeybush.

De Beer says that as far as possible all products are backed by the company’s verification and are Kosher and Halal-certified. Where applicable, products are harvested, produced and sold with CITES permits and are organically certified. Afrinatural stresses that it does not make any medicinal claims.

Red Bull Street Style

KAMAL Ranchod, who performs under the name of Kamalio, defeated the defending champion from Cape Town, Khris Njokwana, to become the 2009 Red Bull Street Style Champion. He will represent South Africa at the World Final which will be held in Cape Town next April.

The national championships were contested in Soweto, Johannesburg. Competition was intense, with Njokwana delivering his best signature moves, only to be bested by Ranchod’s novel tricks and perfect execution.

“Chris is a great freestyle soccer player,” said Ranchod. “We have become friends since last year’s contest and to be up against him in the final again was difficult.”

In brief…

● The increasing global spread of expatriate South Africans, settled in new homes in other countries but still with a hangkering for the tastes of home, has ensured that shopfront and online retailers of drinks, food lines and other products from South Africa are prospering. Wilde Pure Pressed and Squeezed Fruit Juice, for instance, is now available through a Canadian website, Memories of Africa. Other South African juice drinks, iced teas, cordials and energy drinks are selling through such outlets in steadily growing quantities, complementing the South African delicacies which aficionados find difficult to duplicate in their new homelands.

● Local sourcing of fruit juices, bottled water, coffee and tea – along with a variety of other foods – is helping the Shoprite supermarket chain keep logistics costs down and retail prices competitive as it spreads around Africa. Shoprite is expanding in the Democratic Republic of Congo, Nigeria and Angola, with plans for growth elsewhere. But other retailers are expanding too, which means that Shoprite must pay ongoing attention to pricing competitiveness.

● The delay in bringing the new Inyange Industries water and other beverage production facility online (reported earlier) has contributed to a bottled water supply problem in Rwanda over recent months as a lengthy drought has had a debilitating effect on other water supplies. Many traders have taken the opportunity to push up prices, by as much as 20%. Inyange maintained production levels and ex-factory prices from its Kigali plant while awaiting the debut of the new site, where equipment installation delays threw commissioning off schedule.

● The Nampak packaging group took an impressive 28 separate accolades at the 2009 Gold Pack Awards in South Africa, including several for soft drinks and dairy beverages. One of these was a gold medal recognising the printing and graphics excellence of a one-off promotional product called Springbok Blood Energy Drink, created for the 2007 Rugby World Cup. “Designed to resemble the Springbok jersey, the creative colours and finishes on this can provided the ideal platform to increase shelf shout and deliver against the customer’s request for an exciting, inspiring and interactive packaging format,” said Nampak in a corporate statement.

● Over the past four or five years, the Nigerian Government has adopted various strategies to encourage domestic production of packaged juices and fruit beverages, replacing expensive imports and maximising local resources. Despite a few glitches, these efforts have been very successful in launching new products or strengthening existing lines which struggled against foreign competitors. The country’s President, Umaru Yar’Adua, has added further impetus to beverage localisation by banning foreign carbonated soft drinks, beer and other drinks at official events and in federal government offices. This latest move is, however, a little confusing as many of the international brand carbonates are produced in Nigeria under licence and are thus technically ‘local’.

● Tetra Pak is increasing its post-consumer recycling programme in Kenya as it moves to minimise the impact of a large increase in imported raw materials. The imports were forced on Tetra Pak by the closure of PanAfrican Paper Mills in Webuye. Tetra Pak had worked with PanPaper since 1984 and prior to the paper producer’s closure had been in discussions to support the start of a new production line for ambient paper.

● SABMiller reports that its soft drink sales in Africa grew 5% on an organic basis during the first half of the financial year, to 30th September. While good performances were reported across much of the region, volumes were down 2% in South Africa, reflecting reduced consumer spending which also saw the group’s lager beer volumes drop 3% in South Africa.
Middle East

Mineral water leveraged

LEBANESE investors intend to capitalise on the high profile of a local mineral water brand by leveraging its positive image to develop a wellness resort in the Lebanon mountains. FFA Private Bank, which is Lebanon’s leading investment bank, and a group of other investors have gained an equity stake of approximately 86% in the Naas Bikfaya Mineral Water Company. An initial public offering is planned for 2010.

The new shareholders have a vision of creating one of the world’s most luxurious wellness resorts in the heart of the Lebanese mountains. They say that their guiding themes are ‘luxury’, ‘green’ and ‘water’.

Their aim is to preserve the site’s beauty and rich vegetation, especially because so much of the country has lost its once extensive forests. As we have reported in the past, Coca-Cola and other soft drinks producers have been supportive of re-planting programmes.

Demand for wellness resorts is strong in Lebanon and throughout most of the Middle East. The project will be managed by a subsidiary of FFA Private Bank which has already developed several other residential and tourism projects, some of them featuring a strong environmental aspect.

Mineral water production will be revived, with enhanced presentation of the brand’s green credentials. FFA Private Bank will continue to advise Naas Bikfaya Mineral Water Company, managing a planned IPO and re-listing on the Beirut Stock Exchange.

Bahrain – beverages and food hub

FOOD distribution in the Middle East and further afield is seen as having such huge opportunities for development that GOP, operators of the Bahrain Logistics Zone, are expanding the facility as they seek beverage and foodstuff tenants from both within the kingdom and internationally. Soft drink packaging and distribution are among the targets.

Bahrain’s strategic location is enhanced by its international airport, which is well served by cargo and passenger carriers, and the kingdom’s seaports. The causeway to Saudi Arabia adds to Bahrain’s potential in food and beverage logistics, while the long-awaited Qatar Bahrain Causeway will, when completed, add another dimension for food distribution.

Several food and beverage companies have already signed up, including Maza, a venerable local company which has been in the food distribution business for over 75 of its 79 years. Its facility in the BLZ will handle not only its own brands but also offer services to others, including product packaging.

Another is Chunilal Purushottam & Co – widely known as CP & Co – which has decided to consolidate several of its regional packaging operations, now spread across a number of countries, at the BLZ.

C.V. Patel, Chairman of the Patel Group, says his organisation is “aiming to develop Bahrain as a hub for region-wide food distribution as Bahrain’s favourable geographical location makes it easily accessible by sea, road and air. We aim to act as third party logistics providers for companies, with services including warehousing, transportation, distribution and marketing.”

Hassan Al Majed, GOP’s Director General, is pleased at the way the BLZ is evolving as a food hub. “The encouraging feedback that we have been receiving indicates that there is a growing market for the logistics industry and that Bahrain’s position as a key gateway for the rest of the Middle East is a major deciding factor in the companies’ selection of BLZ as the new home for their operations and as an alternative food distribution hub in the region.”
2010 dates for major events

THE annual Dubai Shopping Festival (DSF) and Dubai Summer Surprises (DSS) have, as reported regularly, a significant impact on soft drinks sales in the emirate and enjoy active producer support. This is especially so for DSS which is held in the summer months and is more family oriented.

Both events are now marketed extensively throughout the Middle East, India and elsewhere, drawing large numbers of international visitors as well as strong local support.

The DSF Office, which co-ordinates both festivals, recently announced the 2010 dates. Dubai Shopping Festival will begin on 28th January and continue through to 28th February, while Dubai Summer Surprises will be held from 17th June to 7th August.

The DSF Office exhibited at this year’s World Travel Market in London, to boost travel trade support. While the emphasis was on the shopping festival, DSS also featured and was represented by the festival’s iconic Modesh character.

Laila Suhail, Chief Executive of the DSF Office, said the 2010 festival, 15th in the series, would be extra important. “This edition is special in many ways and we are eager to embrace this challenge and highlight the fact that DSF is not just a festival but an event that the world looks forward to. Dubai is a rapidly developing city and DSF 2010 will reflect the changes witnessed by Dubai.”

Mineral water at tee-off

THE inaugural Dubai World Championship was a fitting debut for Greg Norman’s remarkable new Earth course at Jumeirah Golf Estates, one of several championship courses planned for this unique estate. With a first prize of US$1.25 million and a total pool of US$7.5 million, it was the centre of golfing attention in the Middle East and drew global coverage.

Sharing the limelight was the UAE’s Masafi natural mineral water and juices brand which was official supplier for these beverages. The Masafi logo was to the fore for participants and the big crowd at the event (who consumed plenty of the product with noticeable enthusiasm), as well as in TV coverage.

The Dubai World Championship had an extra dimension in being the finale of a 50-tournament series in 27 locales around the world, bannered as “The Race to Dubai”. The 60 qualifiers, who included some of the biggest names in golf, played not only for the big event prize fund but also for a bonus pool linked to the Race.

“Our association with the Dubai World Championship is part of Masafi’s ongoing contribution to major sporting events held in the UAE and region,” said Ashraf Abushady, Masafi’s Chief Executive.

“Sponsorship of sporting events in and around the UAE has also demonstrated

Halal single standard sought

THE Organisation of Islamic Conference (OIC) is working on a single standard to be applied to halal beverage and food lines, including soft drinks. But the question of how to handle non-alcoholic beer and associated malt beverages is still being debated because of differing attitudes through the OIC’s membership towards anything which relates to beer.

Where a drink or food line standard is not unanimously accepted, there may be a mechanism for individual countries to apply the rules in a way that meets local requirements without diluting the standard’s core requirements. Most observers believe the product issues will be resolved fairly soon but more problematic are political and economic matters which result in differing lifestyles.

Mohammad Akram Laldin, a religious scholar and legal expert, recently told Reuters that “disagreement within the OIC is due to certain interests of certain countries. Some people might have their own agenda and that might be a hindrance. They might want to push things from their view and not agree with others’ views.”

The OIC was established in 1969 and has its secretariat in Jeddah, Saudi Arabia. It is a powerful organisation which is in some respects akin to the United Nations, although underlined by a strong religious commitment.

Masafi’s social commitment.

Among other sports events supported by Masafi in the past have been the Dubai Tennis Open, the Desert Classic, Dubai International Basketball and the month-long Sportzone carnival.

In brief…

- Two soft drinks producers – Sama Water and Coca-Cola – took part in this year’s clean-up in the world-renowned Petra archaeological heritage area, in Jordan. Organised by the Jordan Inbound Tour Operators Association and the Petra Archaeological Park, in co-operation with the Ministry of Education, the campaign also featured the launch of a national initiative under the banner of ‘Don’t Mess with Nature’.

- Analysts A.T. Kearney Middle East, believe that the UAE food and beverage sector has the potential to improve margins by 35% to 50%. “Key success drivers for retailers to sustain sales and bottom line performance can be found by digging deep into stores’ operational excellence and merchandise productivity,” said Robert Ziegler, the company’s Vice-President. One element was fact-based supplier management, said principal, Christian von Tschirschky. Analysing hard data enabled the supplier assortment to be reviewed on the basis of performance. New products could be benchmarked before introduction and inadequately-performing products identified and delisted where required. “With this approach, a potential bottomline improvement of a further 5-10% is generally achievable.”

- Al Rabie Saudi Food Company, a leading juice and dairy producer in the KSA, has initiated an outreach programme for school and college students as an extension to its staff training operations. “As part of our commitment to better serve our community, we have welcomed 2200 students from various schools and colleges to the Al Rabie factory,” said Mouther Al Harthi, the company’s Chief Executive. “The tour includes a brief training on how our machines work and an explanation of the food and beverage production process from beginning to end, in addition to our strict policies of quality control.”

- Iced tea producers are among those attending the Dubai Tea Health World Congress this month. The event, the third of its kind, has drawn producers, researchers, distributors and packagers from several countries. Marvin Eides, President of the International Society of Antioxidants in Nutrition and Health and chairman of its scientific committee, explained that the organisers’ “objective is to provide answers and to give a future vision of how tea polyphenols as natural antioxidants can enhance human nutrition and help in the prevention and treatment of many chronic diseases.”
India

Judgement made on Maaza dispute

The Coca-Cola Company has won the legal battle with Bisleri International over the intellectual property rights (IPR) of mango drink Maaza. The Delhi High Court has asked Ramesh Chauhan’s company not to sell its mango-flavoured soft drink under the trade name Maaza in India.

Giving its verdict over a petition filed by Coca-Cola, Justice Mannohman Singh directed Bisleri not to use the Maaza trademark in India. Bisleri (formerly Golden Agro) had sold the Maaza trademark to Coca-Cola in 1993 for use in Indian market, but had retained the rights for overseas markets.

However, Coca-Cola had alleged Bisleri had continued to use the trademark in Indian markets through dummy firms. Both companies have been fighting a legal battle over international rights of the Maaza brand for several years, with Bisleri accusing Coca-Cola of registering the Maaza trademark outside India.

Bisleri Chairman Ramesh Chauhan had accused Coca-Cola of ‘stealing’ the IPR of Maaza and infringing an agreement dating back to 1993 and 1994 signed between the Coca-Cola Company and Aqua Minerals, now Bisleri.

Last year, the Delhi High Court was of the view that Coca-Cola was the owner of the Maaza trademark in India. The court however, restrained Coca-Cola and its associates from using the trademark Maaza or any other deceptively similar trademark in relation to non-alcoholic beverages, syrups and other preparations until a final hearing.

Nutritional initiative

CALORIE information will be printed on the front-pack labels of all Coca-Cola India beverages from next year. The move, is in line with that of the parent company, which is trying to avert a possible soft drink tax in the US.

Industry analysts believe that the move will help increase awareness about nutrition and help consumers manage their energy intake, even as the soft drink company terms the move as ‘leadership responsibility’. In India, labels will be put on all Coca-Cola beverages: carbonated drinks (Coca-Cola, Thums Up, Sprite, Limca, Fanta), juice drinks (Maaza and Minute Maid) and packaged water Kinley.

All packs of Coca-Cola beverages - PET bottles, cartons and cans - will be re-labelled with detailed nutritional information. Returnable glass bottles, however, have been exempted from the initiative, as it would involve technical complications, the company said.

The company will include energy information per serving on the front of its product packages, a Coca-Cola India spokesman said. Coca-Cola plans to print calorie information on the front of all its packages worldwide by the end of 2011.

Own label threat

According to a new Datamonitor consumer insight report, ‘The Impact of Private Labels on FMCG Companies in India’, private label products are increasingly posing a threat for FMCG companies. The report, based on a consumer survey, reveals that while the adoption of private labels began with its value proposition, consumers now view own label products as being of equal quality to national brands.

“The increased scale of operations of retailers is shifting the bargaining power from FMCG companies to retailers. The growing adoption of private labels can compel FMCG companies to reassess their trade margins or relationship with retailers,” said Vaibhav Khera, Director, India Consumer Markets Research at Datamonitor.

Retailers, who launched their private labels as a value alternative to national brands, are now mirroring these national brands with respect to product packaging and claims, and are offering these products at a lower price. Retailers are also introducing products with tiered pricing to cater to a wide range of consumers.

Datamonitor expects that a customer satisfied with a private label brand in a ‘low involvement’ category, such as household care, will try other categories such as food and beverages.

Though private labels are increasingly gaining a strong foothold in the organised retail segment, the report says FMCG companies can avoid this competition by investing in innovation and product differentiation.

Price hike possible

Rivals PepsiCo and Coca-Cola are contemplating a price hike for the first time in three years. Both the companies blame soaring sugar prices and a 15-day stock cap on the sweetener for denting their profitability.

According to industry sources, the increases could be somewhere between 20-25%, however, the timing of the hikes has not yet been fixed up.

A PepsiCo India spokesman confirmed the plan to raise prices. “As of now, we do not have an option but to increase prices on most packages. Our teams are working hard on maximising productivity and ensuring procurement efficiencies. But their efforts are constrained by the government’s new ceiling of 15 days’ inventory,” he said.

A spokesman for Coca-Cola India, however, refused to comment on pricing decisions. But, industry watchers say both these companies generally alter prices together.

At current prices, sugar accounts for about 25% of the production cost of soft drinks, other mainstream costs being concentrated and packaging. Sugar prices have more than doubled in the last year.

Meanwhile the federal Indian Government has asked soft drinks manufacturers and bulk users like Coca-Cola, Pepsi and Nestlé to buy sugar overseas.

“We have told manufacturers like Coca-Cola that you should find some other mechanism,” said K.V. Thomas, Minister of State for Agriculture, Consumer Affairs, Food and Public Distribution.

Besides Coca-Cola and PepsiCo, other large industrial consumers of sugar include Britannia, Dabur, Amul, Nestlé and Cadbury.

37% growth

Coca-Cola India (CCI) registered a rise of 37% for the third quarter ended 30th September, 2009. The company had recorded an 18% unit case volume growth in the corresponding quarter of the previous year.

CCI gained volume and value share across most categories, including sparkling, still and juice and juice drinks. The company attributed this growth to an increase in investment in the distribution and expansion of coolers and soft drink equipment, which it claims have gone up not just in the metros but also in Tier-II and Tier-III cities as well.

Overall, the company gained volume and value share in the non-alcoholic ready-to-drink beverages category for the ninth consecutive quarter. The global ‘Open Happiness’ campaign continued to fuel the growth of the brand Coca-Cola.

Coca-Cola unit case volume growth was strong – up 2% in the quarter – across both developed and emerging markets including an 8% growth in Mexico, 6% growth in Italy, 27% growth in India and 3% growth in China.
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Berri facility to close

CONSIDERABLE angst has been aroused in South Australia’s Riverland region with the announcement by National Foods that it plans to phase out production at its Bermera plant by the end of June 2010. This facility produces juice products in several ranges under the Berri brand.

As reported in our last issue, National Foods has been rationalising its production and warehouse sites in a bid to cut costs and improve operational efficiency.

“National Foods decided not to resume production of long shelf-life juice at the Riverland site when equipment for this was badly damaged in an August break-in. This damage became another factor in the decision to cease production completely next year.

The company also accelerated a review that had been under way since June, appreciating that it was not in employees’ best interests to be left in limbo until early next year which had been the original target date for a decision.

“The contribution that our people have made to manufacturing quality products has been outstanding,” said Tony Owen, the National Operations Manager Juice. ‘This decision is not in any way a reflection on them or senior management at Riverland.’

Supporting Philippines’ poorest

BEVERAGE can manufacturer, Rexam has donated 100,000 aluminium can ends to be used to make a selection of striking handbags by people in the Philippines. A percentage of the profit from each bag will provide the parents with a substantial income, while the remaining profit will be invested back into Philippines Community Fund (PCF) programmes.

The company has made the donation to the PCF whose aim is to permanently improve the quality of life for the poorest Filipino communities, through education, nutrition, health, medical and family enhancement programmes.

PCF runs three of its own schools for children who live in the poorest squatter areas in their region; two schools are located on rubbish dumps, and the other is in a cemetery. Children are selected from the poorest families and often have been working on the open dump sites.

John Kirby, Sales Manager for Rexam in UK and Ireland, said: “The tabs will be made into handbags by the most disadvantaged parents of the children who would normally be working on the open dump site scavenging for pieces of plastic and metal to sell.”

Jane Walker, CEO of PCF said: “The parents are now earning four times higher than their normal income and they have a real sense of achievement, not just because they have mastered a new skill but also because they know that they are helping our charity to raise money as well as earning an income for themselves.”

In Manila PCF has started a Materials Recycling Facility (MRF) which handles over eight tonnes of waste materials a day. The rest of the aluminium from the can ends will either be sold in the MRF, with the profits going towards funding the activities of the school, or it will be used to decorate another school that is being made from unwanted shipping containers.

Glass plant being built in Vietnam

MALAYA-Vietnam Glass Ltd, known as MVGL, has begun work on a new high-technology glass bottle production plant in Vietnam. Due to commence output in April 2011, it will handle a variety of beverage containers, including lightweight returnable bottles, shorter production run orders with higher margins, and decorative lines.

The plant will be in My Xuan A Industrial Park, about 120km east of Ho Chi Minh City and near Cai Mep-Thi Vai International Port.

MVGL is owned 70% by Fraser & Neave Holdings, one of Southeast Asia’s biggest and most active soft drinks producers, through its subsidiary Malaya Glass Productions. The other 30% is held by Sabeco, a big Vietnamese beverage producer. F&N Holdings and Sabeco have worked in partnership since 1993, when they set up Vietnam's first glass plant.

Glass production has long been a part of the F&N portfolio, despite the company being best known for soft drinks and dairy products. In the 2008 financial year, the glass division contributed 12% to group revenue.

The new glass facility will replace an ageing plant, increasing capacity by about 56% to 78,000 tonnes annually. It will run on environmentally-friendly natural gas, instead of using fuel oil like the current factory.

Speaking at the groundbreaking ceremony, F&N Holdings Chief Executive Tan Ang Meng said MVGL had “sustained positive growth in Vietnam, which is an emerging market, especially in the beer and soft drink segments, and will continue to focus on these niche areas when the economy improves”.

Tan added that “the increased capacity will also enable MVGL to widen its export market, strengthen its regional position and be the region’s preferred supplier to multi-national customers who have multiple operations in the region”.

F&N Holdings also recently opened a new liquid milk production facility in Ayuthaya, 70km to the north of Thailand’s capital, Bangkok.

Owen said that when National Foods took into consideration “the excess market-ing capability we have on the eastern seaboard [of Australia], where the majority of the market is located, and the declining fruit volume in the Riverland area, the review identified that this site is not viable in the long term.”

The move will see a loss of 64 jobs but National Foods hopes to redeploy some workers elsewhere, providing relocation assistance. It is also working with outplacement advisers to soften the blow to the workforce.

National Foods will continue to source fruit from Riverland for its Berri portfolio.

PCF purses made from ring pulls.
Good results in Indonesia

COCA-Cola Amatil (CCA) reports that it achieved strong volume, revenue and earnings growth in Indonesia during the third quarter. This was attributed largely to an improvement in economic conditions which flowed through to higher consumer demand.

With the economy showing such resilience, CCA increased its investment in cold drink coolers, as well as in production capacity.

Minute Maid Pulpy Orange continued to show pleasing growth, the company reported, leading to a boost in output.

Things are also looking good for CCA in Australia, where Glacéau vitaminwater and Mother energy drink performed above expectations, continuing a growth trend. Mother has consolidated its position as the number one energy drink in food stores, achieving a 31% market share.

This strong position has been helped by the demand for Mother in multi-pack cans and by the launch of the Mother Surge variant.

CCA says it will invest some A$45 million in 2010 to begin the in-line blow-fill manufacture of PET bottles at its Northmead manufacturing facility in New South Wales. This project will deliver savings by eliminating bottle storage, handling and transport costs, as well as a reduction in the amount of PET resin used. In turn, these advances will significantly reduce the total carbon footprint of CCA products.

In a separate advice to the Australian Stock Exchange, CCA reported it had sold US$400 of notes in the US market to refinance debt. The offer was well over-subscribed.

Chinese investments

BALL Corporation has paid around US$90 million in cash and assumed debt for Guangdong Jianlibao Group’s 65% stake in a joint venture metal beverage can and end plant in Sanshui, China. Ball has been in a joint venture with Guangdong Jianlibao – one of China’s major soft drinks producers – since 1992.

As we reported, Jianlibao came under some pressure because of mismanagement from the early 2000s, coming to a head in 2005. This led to court action and the chief executive’s imprisonment. It was subsequently revitalised in production and distribution, although it had lost some pace to Coca-Cola, Pepsi, Wahaha and other brands.

Ball is pleased to have full control of the plant, which David Hoover – Ball’s Chairman, President and Chief Executive – describes as large and efficient.

He says that Ball sees an increasing demand for beverage cans in China. “We are very familiar with the plant and its customers, and this investment allows us greater flexibility to serve the growing Chinese market at a significantly lower cost than building a new facility and without adding additional capacity.”

In another investment, the Tingyi Group is this month seeking to raise some US$440 million in an IPO in Taiwan, its original home base. Now a huge producer of noodles and soft drinks on the mainland, as well as Taiwan, Tingyi has been listed on the Hong Kong exchange.

Several former Taiwanese companies have applied for secondary listing in Taiwan since regulations changed as part of the new political administration’s relaxed approach to trade ties with China.

Call for papers

THE Nutracon Asia 2010 conference is currently accepting workshop and seminar proposals for the forthcoming event to be held in Hong Kong Convention & Exhibition Centre, 26th to 27th August 2010. The deadline for proposals is 31st December, 2009.

The organisers, New Hope Natural Media, welcome the submission of presentations that represent a wide range of topics that are of interest and importance to the health and nutrition industry; topics of interest include, but are not limited to, the following categories: functional food & beverages; beauty, wellness and nutraceuticals; green initiatives for retailers; dietary supplement; organics and ingredients. Further details, visit www.NaturalProductsAsia.com
DR PEPPER Snapple Group Inc reported third quarter 2009 earnings of $0.59 per share (or $0.54 excluding certain items) compared to $0.41 per share in the prior year period. Year-to-date the company reported earnings of $1.73 per share compared to $1.21 per share in the prior year period.

For the quarter, reported net sales were down 4%. Net sales increased 2% on a currency neutral basis and excluding the loss of Hansen product distribution. Pricing actions taken earlier in the year combined with 4% sales volume growth were offset by negative mix from higher sales of carbonated soft drink concentrate and value juice.

Segment operating profit, as adjusted, increased 31% reflecting lower packaging, ingredient and transportation costs, operating efficiencies, and favourable comparisons to discounts and inventory adjustments in the prior year period. Reported income from operations was $272 million compared to $213 million in the prior year period.

DPS President and CEO Larry Young said, “While the economy is showing some signs of recovery, it’s still too early to see this translate into higher beverage sales. For the quarter, liquid refreshment beverage trends remained negative. Against this backdrop, we once again demonstrated the power of our portfolio and the flexibility of our routes to market, posting solid top-line and strong bottom-line growth. A year and a half into our life as a public company, we’re proud of what we have accomplished so far. Our priorities and strategies remain unchanged and continue to support longterm sustainable growth.”

John W. Conway, Chairman and CEO stated the company was pleased with the quarter’s strong performance especially in the current global economic environment. He added: “Our emphasis on growth in emerging markets continues. During the quarter, we began production at our newly acquired beverage can facility in Vietnam and our new beverage can plant in Slovakia remained on plan to ship commercial cans by the end of the first quarter of 2010. We previously announced the construction of a new beverage can plant in southern Brazil and we recently decided to install a second beverage can line in our existing facility in Thailand.”

THE International Bottled Water Association (IBWA)’s consumer website www.bottledwatermatters.com has produced a new, two-minute video, entitled ‘I Am Bottled Water’ which highlights the key role of small family-run businesses in producing bottled water.

“We are showing an important aspect of the bottled water industry,” said Tom Laura, IBWA’s Vice-President of Communications. “Activists want you to think bottled water companies are strictly big business. But in fact, the majority of bottled water companies in the United States are small, family-owned businesses. IBWA proudly represents both large and small companies. Ninety percent of IBWA members are small business owners.”

In the video: http://www.youtube.com/watch?v=fs54F7xw4Tc bottles from Virginia, North Carolina, California, Oregon and Pennsylvania share stories of how building a small business from scratch creates bonds within both families and their communities. In recent years, those critical of the bottled water industry have suggested that only large, multinational corporations are involved in the US market. However; the truth is that from coast to coast a wide majority of single-serve and home and office delivery (HOD) 5 gallon bottled water providers are local or regional businesses that play important community roles.
South Carolina acquisition

PEPSI Bottling Ventures (PBV) has signed a Letter of Intent to purchase the assets of Pepsi Cola Bottling Company of Conway-Myrtle Beach Inc, the Pepsi-Cola franchise bottler based in Conway, South Carolina. The terms of the LOI provide for a closing by the end of December 2009.

The Pepsi Conway-Myrtle Beach business, established by their grandfather William E. Carpenter in the 1930s, is owned today by sisters Anne Ervin and Hayden Quattlebaum. The bottler’s franchise territory of Marion and Horry counties is serviced by Conway and Marion, SC sales and distribution centres. It includes Myrtle Beach and the Grand Strand, popular vacation destinations.

PBV President and CEO Keith Reimer said: “We are very excited to welcome Pepsi of Conway-Myrtle Beach to the PBV family. Contiguous to PBV’s existing territory, this growing business is located in a vibrant area where the population is on the rise. The company has been known for their culture of providing superior customer service with strong ties to the local community. We look forward to building on those strengths and leveraging our scale and operating capability to further expand the Pepsi business in South Carolina.”

Pepsi Bottling Ventures, headquartered in Raleigh, North Carolina, is the country’s largest privately held Pepsi-Cola bottler; operating 26 manufacturing, distribution, and sales facilities in North Carolina, New York, Delaware, Maryland, Vermont and Idaho.

Alliance extended

PEPSI-Cola North America Beverages (PCNAB) and Ocean Spray have expanded their US sales and distribution agreement to include a broader array of single-serve juices and juice drinks.

Beginning in February, PCNAB will produce, distribute and market, under license, five Ocean Spray brand juices - 100% Apple; 100% Orange; Ruby Red Grapefruit; Pineapple Peach Mango; and Strawberry Kiwi. In conjunction with Ocean Spray’s 2010 blueberry innovations, PCNAB also will distribute a 15.2oz blueberry juice cocktail, the first nationally distributed of its kind.

The two companies forged a strategic alliance in 2006 to bring Ocean Spray’s single-serve cranberry juice products to Pepsi bottlers. Tom Silk, Vice-President of Marketing for Hydration and Juice Brands, Pepsi-Cola North America Beverages, commented: “We’re excited to offer our retail customers more Ocean Spray options. Ocean Spray juices and juice drinks represent an important part of our overall beverage strategy, particularly from a wellness standpoint. Not only is Ocean Spray pioneering a beverage innovation with sought-after super fruits like cranberries and blueberries, they have broad equity in a variety of healthy, great-tasting juice options.”

“We’re proud of our association with Pepsi,” added Keith Benoit, Senior Director of Special Markets. “The Ocean Spray name has come to represent quality to Americans everywhere, and we know Pepsi’s distribution strength will bring these flavours and our brand to health-conscious consumers all across the country.”

On shelf…

- Skinny Nutritional Corp producer of Skinny Water, a leader in the zero-calorie enhanced water category, has signed a distribution agreement with San Diego Beverage Group, a division of Markstein Beverage Company. As an established distributor, San Diego Beverage Group will widen the availability of Skinny Water to San Diego’s population of 1.3 million, California’s second largest market.

- Innovative Beverage Group Holdings Inc has entered into an agreement with Pepsi Cola Bottling Company of New York, bringing its relaxation drink, drank, to New Yorkers. Pepsi NY has 20,000 accounts distributing Pepsi products throughout the five boroughs and Westchester County. In partnering with Pepsi NY, Innovative Beverage Group will place drank next to established Pepsi products.

- Zipfizz Corporation, maker of Zipfizz, the healthy energy drink mix, has signed a distribution deal with General Nutrition Centers (GNC) and Ralph’s Grocery. GNC stores will typically stock a wide range of weight loss, bodybuilding and nutritional supplements. It has over 6,000 stores in the US as well as locations in 49 other countries.

- ViB Holdings has signed its latest distributor agreement with Dr Pepper 7-Up Bottling Company for its relaxation drink, Vacation in a Bottle. The Dr Pepper 7-Up Bottling Company is adding ViB to its roster of non-alcoholic carbonated beverages, waters and alternative drinks. The company says it is excited to bring “vacation vibes to stressed Nevadans” in the Reno, Carson City, Sparks and Lake Tahoe areas.

- Reed’s Inc, maker of Reed’s and Virgil’s brands, the top-selling sodas in natural food stores nationwide, has entered into a distribution agreement with 5 Star Beverage of San Diego to increase Reed’s and Virgil’s presence throughout greater San Diego County. 5 Star Beverage services major grocery stores, natural food markets, restaurants, schools and various sized companies with what the company says is the most extensive selection of beverages in the area.

DURING a recent visit to The World of Coca-Cola, Atlanta, Georgia, His All Holiness Bartholomew The Archbishop of Constantinople, New Rome and The Ecumenical Patriarch (left) and His Eminence Archbishop Demetrios, Primate of the Greek Orthodox Church in America, share a joke with the Coca-Cola Polar Bear. (Photo courtesy of The Coca-Cola Company/Michael Pugh.)
Ingredients

A focus on energy, sport and wellness

BENE-O-Palatinose, manufacturer of Palatinose, the functional carbohydrate, has revealed the results of focus group research undertaken in the US, UK and Germany, to gain a better understanding of the emotional and psychological profiles and preferences of consumers in relation to energy, sports and wellness drinks. Some 158 consumers participated.

Claudia Meissner, the company’s Head of Marketing, said: “Whilst the importance placed on taste and physiological benefits in drinks varies from country to country, we did find a common trend across borders in that consumers are more and more interested in naturally derived ingredients with nutritional benefits. In general, the research results have shown that the characteristics of ingredients are being well received by consumers of sports, energy and wellness drinks, which is encouraging.”

Participants knew that with today’s energy drinks they experience a ‘crash’ after consumption which is viewed as a ‘necessary evil’ of getting the boost they need. The group expressed a desire for a healthier, more balanced energy release, but were unsure of how this could be achieved. German consumers, in particular, felt that the ingredients in energy drinks were too artificial and unhealthy.

Regarding sports drinks, participants understood their function to hydrate as well as replace energy. Prolonged or sustained energy was a specific requirement from a sports drink, ranking higher than any other benefit. However, German respondents, in particular, viewed toothfriendly properties as an innovative and relevant added advantage.

There were also country-specific trends. In Germany sports drinks need to taste good, but not be too sweet, whereas consumers from the UK and the US rated taste of little importance, but the use of natural ingredients attractive. In the UK and Germany, balanced energy with no sudden blood-sugar drops, was seen as a real benefit, whilst prolonged energy was a requirement in the US.

Discussing wellness drinks, many respondents described them as important in relaxing and cleansing, providing a feeling of strength inside and out, as well as aiding a clear mind for clear thoughts. They were drunk to hydrate, replacing bottled water which lacked flavour. Further, the majority felt that wellness drinks are a better alternative to beverages such as carbonates because of their so-called health benefits. The perceived ‘natural’ quality attached to wellness drinks appeals to consumers.

Merger signed

THE SPANISH Natraceutical Group, a leading biotechnology corporation researching and developing functional ingredients, and French multinational Naturex, a leading supplier of natural specialty ingredients, have signed a merger agreement. Natraceutical’s Ingredients Division is to be incorporated into Naturex.

The companies have complementary product portfolios: nutraceutical ingredients, flavouring, preservatives from Naturex; and natural colours, fruit and vegetable powders, pectins, functional ingredients, yeasts and caffeine from Natraceutical’s Ingredients Division.

When the merger is complete Naturex will have production sites in France, Italy, Spain, Switzerland, UK, the US, Morocco, Australia and Brazil and own sales offices in the US, Europe and Asia.

Natraceutical is to hold a stake of 39% in Naturex and the company will operate under Naturex management, headed by Jacques Dikansky, Chairman and CEO.

• A recent study, published in the Journal of Sports Science and Medicine (JSSM 2009 Sept 1;8:468-480), demonstrated the effect of Naturex’s Powergrape, a red grape extract, for enhancing antioxidant status and physical performance in elite male athletes. This randomised, double-blind, placebo-controlled, crossover study involved 20 athletes from different sports. After one month of supplementation with 400 mg of Powergrape per day, scientists confirm that it is a natural and safe health and performance-enhancing ingredient that is perfectly suited for use in sports nutrition.

Digestive health award

WINNER of The Frost & Sullivan Digestive Health Ingredient of the Year Award is Solactis, an added value nutritional ingredient launched onto the European digestive health ingredients market by the Belgian Solvay Group. It acts as both a prebiotic and a transit regulariser for consumers who place importance on digestive health. Solactis is based on galactofructose, which gives a soft and sweet taste to food.

The company describes Solactis as an indigestible carbohydrate that both balances the intestinal flora and regulates transit. It encourages development of the natural intestinal flora present in the colon by selectively stimulating the growth and activity of certain bacteria, in particular Bifidobacteria. At the same time it reduces transit time and facilitates the proper functioning of the small intestine and colon, thereby improving digestion comfort and general well-being.

It can be easily combined, in powder or syrup form, with a wide variety of flavours, and can be integrated into a wide range of foods including beverages and fermented milk products.

The Frost & Sullivan Digestive Health Ingredient of the Year Award is given to companies which demonstrate the excellence of their research by developing products for industrial use.

• Tate & Lyle has signed an agreement with Solvay to sell Solactis Galactofructose in food and beverage applications in Europe (excluding Spain and Portugal), the Middle East and Africa. On the Tate & Lyle stand at FIE visitors were able to taste prototype juice drinks.

Symrise answers EC directive

IN RESPONSE to the new EC directive on colourants, Symrise has restructured its SymColor portfolio so that manufacturers can offer consumers natural foods.

The directive becomes mandatory on 20th January, 2010. From 20th July, 2010 onward foods which contain certain artificial colourings (including orange yellow, quinoline yellow and azorubine) will have to be labelled with the warning “may have an adverse effect on activity and attention in children.”

There are two aspects of the SymColor portfolio: natural colourings which provide authentic colourants from components found in nature (the portfolio also contains synthetic colourings which have a molecular structure that is identical to that of natural colourings); and colourant foods derived from natural raw materials such as grapes, hibiscus, tomatoes, beets and other plants. These products are considered ingredients, not colourings, which means they do not need to be labelled with an E-number.

Dirk Bennwitz, Senior Vice-President of Business Unit Sweet at Symrise, said: “SymColor is our way of presenting a contemporary palette of colourings which are tailored to the needs of modern consumers. In other words, you can now make food that tastes good and looks good but is still part of a health-conscious diet.”
Second auction

OCEAN Spray’s Ingredient Technology Group’s second cranberry concentrate auction is due to take place on 20th January 2010. Open to qualified buyers worldwide, the auction will establish aclearing price for Ocean Spray’s concentrate, for delivery within two six-month contract periods. Further information and details on how to register can be found at www.cranberryauction.info.

Winning bidders can take delivery of their concentrate at any time during the six-month contract period at the guaranteed pricing determined through the January auction. The last auction, held in July 2009, sold a total of 230,000 gallons of cranberry concentrate for the two contract periods. The range of starting prices for the 20th January 2010 auction will be announced in early January.

Michael Starnatakos, Vice-President, Agricultural Supply and Development at Ocean Spray, said: “Feedback from participants in the first auction was very positive, and we are expecting a similar response in the upcoming auction because it provides a very efficient and level playing field for bidders, ensuring clarity of pricing and product availability.”

Caramelised

D.D. WILLIAMSON has developed an acid-proof, caramelised sugar flavour in response to consumer demand for natural products and processor demand for clean labelling.

“Class one (plain) caramel colours and burnt sugars are not typically stable in acidic beverages,” said Greg Kreder, Product Development Scientist. “So, D.D. Williamson’s new natural flavour represents a breakthrough for those customers seeking acid stability and a clean label ingredient.”

Applications include beverages. The non-GM product provides the characteristic flavour of burnt sugar. It offers stability in phosphoric acid, citric acid, alcohol (60%), and salt (15%). Ingredient labelling options for customers include ‘Natural Flavouring’ in the European Union and ‘Natural Flavour’ in the US.

In brief...

- A new study sponsored by Lonza demonstrated a positive immune response to the Larch Arabinoxylolan (LAG)-based ResistAid. Presented at the 50th Annual Meeting of the American College of Nutrition in Orlando, Florida, the results of the randomised, double-blind, placebo-controlled, parallel-group study showed that ResistAid increased the antibody (Ab) response to the 23-valent pneumococcal (pneumonia) vaccine. The 72 day trial showed ResistAid, the all natural immune health ingredient, may help support healthy immune function.

- BI Nutraceuticals of Long Beach, California has expanded the function of its GRAS ingredient reference database by segmenting the company’s more than 200 GRAS offerings into 12 condition-specific, functional platforms. Now beverage customers can quickly and easily locate all GRAS ingredients the company offers to help manage a specific health concern. The new functional categories include: energy; immunity; digestive; cognitive; heart health; anti-ageing; eye health; bone health; weight management; sleep; calming; and joint/inflammation.

- GCI Nutrients is celebrating its 40th anniversary. From its roots as an importer of Geosy-132, the company has grown into a network of worldwide offices supporting new product development in nutraceuticals such as Co-Q-10. “The key ingredient to our success has been our committed push to be there for our customers at every level of support,” said Richard Mernam, Founder and President of GCI Nutrients. “From clinical trial backing to technical assistance to product consistency, the success of our customers is what keeps us growing.”


- The US Federal Department of Agriculture has approved PhytoTrade Africa’s GRAS notification ‘Generally Regarded as Safe’ for the African baobab fruit, giving it the green light for import into the US. The move was dubbed ‘a lifeline to millions’ by PhytoTrade Africa, the organisation that made the application and represents rural producers from across southern Africa. Under US legislation new or exotic food ingredients need pre-market approval before being sold and consumed in the US. The European Union gave PhytoTrade Africa approval for baobab to be imported into the EU in 2008.

All-natural

DEVELOPED by CNI (Colloïdes Naturels International), Fibregum is an all-natural Acacia gum particularly rich in soluble fibres. With a high soluble fibre content (minimum of 90%), Fibregum delivers a prebiotic effect, a high digestive tolerance and a beneficial impact on the glycemic index.

Due to its low caloric value and its acarogenic properties, it can be used in numerous functional food formulations including beverages.

CNI says it is committed to protecting the environment, in particularly acacia trees, in a sustainable development approach. Acacia gum is an essential source of income for Africans living in areas threatened by deforestation and desert growth.

This sustainable approach is also applied at the company’s French plant. For example, the company has established an investment programme to reduce the wastewater disposal and to recycle its gum purification waste.

CRA International, who developed the auction platform, will again act as the third-party Independent Auction Manager.
“Soft drinks play a positive role in a balanced diet”

“The soft drinks industry provides choice to meet consumer demand”

BSDA TRAINING PROGRAMME 2010

The British Soft Drinks Association is the national association representing the interests of UK producers of soft drinks, including carbonated drinks, still and dilutable drinks, fruit juices and bottled waters.

All courses are sector specific which means you get the right courses for you

Manufacturing Soft Drinks Today
- A three-day residential training course
- 16 - 18 March 2010 (MSDT0310)

Do you need an in-depth introduction to the processes used in soft drinks manufacture?

Do you want to learn about the innovative practical, technical and scientific aspects involved?

Would you like the opportunity to meet and learn with others associated with the soft drinks industry in a lively and informative environment?

Whether you are new to the world of soft drinks manufacture or have been associated with the industry for a while, if you have answered ‘yes’ to one or more of the above questions then attendance on this course is a must for you.

Through presentations, demonstrations and group syndicate sessions participants will leave the course with an understanding of the innovative practical, technical and scientific aspects of manufacturing processes involved in the production of soft drinks, fruit juices and bottled waters.

Outline programme for the course:
- Water quality and treatment
- Ingredients and flavourings
- Carbonation and filling processes
- Bottled water production
- Primary and secondary packaging

Tuition: Lecturers are drawn from those working within the industry and consultants to the industry, all of whom have a vast wealth of knowledge and expertise.

Accommodation: included for the nights of days 1 and 2 in the course fee. Additional overnight accommodation can be booked through the BSDA, for which an additional charge will be made.

Fees: Include tuition, comprehensive course notes, overnight accommodation and all meals and refreshments for the duration of the course.

Manufacturing/Factor/Franchisor Members: £1005; Associate Members (Includes Beverage Council of Ireland): £1315; Non-members (UK & Overseas): £1725 (exc VAT)

Hazard Analysis of Critical Control Points (HACCP) Workshop
- A two-day practical workshop
- 13 - 14 April 2010 (HACCP0410)

Are you a supervisor/junior manager responsible for monitoring CCPs and corrective actions?

Do you need practical guidance on the implementation of HACCP principles?

There are many training courses in the application of HACCP; however, none are specific to the production of soft drinks, fruit juices and bottled waters.

This practical training programme gives guidance on the implementation of HACCP principles and is the only workshop which shows how they should be applied to the manufacture of soft drinks, fruit juices and bottled waters in a factory environment. A previous knowledge of at least basic food safety is desirable.

Outline programme for workshop:
- Introduction to HACCP and its development
- Legal obligations and future legislation
- Defining hazards, possible causes and risks
- Application of HACCP principles using the WHO/Codex approach
- Making HACCP work for your company
- Management considerations of HACCP for analysis

Tuition: Provided by Dialog, training specialists and consultants to the food industry.

Accommodation: To be arranged by delegate. A list of hotels is available from BSDA.

Fees: Include tuition, course notes and meals for the duration of the course. Excludes accommodation and examination fee.

Manufacturing/Factor/Franchisor Members: £615; Associate Members (Includes Beverage Council of Ireland): £715; Non-members (UK & Overseas): £875. Examination fee £45. (exc VAT)

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Omega-3 may prevent age-related sight loss

INCREASED intakes of omega-3 fatty acids may reduce the risk of developing age-related blindness by 30%, according to a new study from the US National Eye Institute. AMD (age-related macular degeneration) is a major cause of irreversible vision loss among people of Western European ancestry. It is estimated that the number of European and US residents living with sight-threatening AMD are 3.35 and 1.75 million, respectively. Despite the large number of people affected, awareness of the condition is low, according to AMD Alliance International. As the population ages, the Alliance expects incidence increase and tripling by 2025.

There are two types of AMD – wet and dry. The former occurs when blood vessels grow abnormally beneath the macular (neovascular AMD). The blood vessels eventually leak and the macular is scarred, obscuring vision. Dry AMD occurs when normal tissue in the macular slowly disappears. This results in a pale area of the macular called central geographic atrophy. It is known that omega-3 fatty acids, particularly DHA (docosahexaenoic acid), play an important role in the layer of nerve cells in the retina, and studies have already reported that omega-3 may protect against the onset of AMD. The retina is particularly rich in long-chain fatty acids. The phospholipids in retinal tissue contain fatty acids, up to 50% of which may be DHA. This suggests DHA is heavily involved in visual function.

Pleasurable food or drink can blunt pain

A MOUSE study published in the Journal of Neuroscience (14/10/09) by scientists from the University of Chicago has found that eating chocolate or drinking water can blunt pain and reduce a rat’s response to a hot stimulus. The authors of this study, Mason et al, gave rats either a chocolate chip to eat or had sugar water or regular water infused directly into their mouth. As the rats swallowed the chocolate or fluid, a light bulb underneath the cage was switched on. This provided heat and would normally have caused the rat to lift its foot off the floor of the cage. The researchers found that when the rats were eating/drinking they were slower to raise their paw than when they were not. Unlike previous studies, this result was the same for both eating chocolate or drinking the fluid. The researchers then repeated the test but this time gave the rats quinine, a bitter drink that is not liked.

Call for comments on water guidance notes

THE UK Food Standards Agency is reviewing its natural mineral water, spring water and bottled drinking water guidance. It is seeking suggested amendments, clarifications and additional topics to be included in the updated guidance. Comments should be sent by 18th December 2009 to the appropriate contact in England, Scotland, Wales or Northern Ireland, details of which are given on the FSA web site.

Tongue can taste flavour of fizzy drink bubbles

THE human tongue can taste the ‘flavour’ of carbon dioxide in the bubbles of fizzy drinks, according to research in the journal Science (2009, 326 (5951): 443 – 445. doi: 10.1126/science.1174601) which may explain why flat champagne is not so much fun as drinking it fresh from the bottle. In the article, the researchers speculate that the ability to taste carbonation may have evolved as a reaction to help humans avoid foods that are going off and have begun fermenting. They claim that sour and bitter tastes often indicate foods that should be avoided, while sweet, salty, and the savoury taste sensation called umami, are those that can be beneficial.

Food labelling and energy drinks to be reviewed by FSANZ

FOOD Standards Australia New Zealand (FSANZ) is to undertake a review of several aspects of food legislation, particularly food labelling and controls on caffeinated energy drinks. Other topics in the review are trans and saturated fatty acids and special purpose foods. Dr Neal Blewett, a former Minister of Health and a Companion of the Order of Australia, is to head the panel undertaking these legislative reviews.

Caffeinated energy drinks buck recessionary trends

WRITING in The Independent, Holly Williams highlights some of the concerns over the widespread and increasing consumption of energy drinks. While the sales of smoothies have dropped dramatically during the recession, those of sports and energy drinks have continued to rise, with 484 million litres being drunk in the UK last year. Many people take them to keep awake at work or at the wheel of their car or lorry; students take them combined with vodka (Vodbull) to give them a ‘high’. Most come with flashy web sites featuring cool youth-driven activities. Simply, Cocodeine was criticised by anti-drugs campaigners as being likely to encourage drug use by young people.

Although they may be good as a quick fix, the Institute of Advanced Motoring (IAM) warns drivers not to rely on them, saying that after the initial energy boost, tired drivers experience lapses in concentration and slower reactions times. Energy drinks have also been blamed for problems in schools, so much so that a school in Sussex has asked local retailers not to sell energy drinks to pupils.

GM pineapple still high in antioxidant activity

A STUDY has shown that a genetically modified disease resistant (GM) pineapple showed few changes in its overall chemical composition as a result of the modification. The pineapple contains the magainin gene construct based on peptide antibiotics which have a non-specific activity against a wide range of micro-organisms. The changes which were noted in the fruit’s composition included an increased antioxidant activity and increased flavonoid content which were considered favourable rather than detrimental. Pineapple has a number of beneficial properties and from these results, it would appear that GM pineapple may have potential health applications too. (Minal Mhatre et al, Food and Chemical Toxicity, 2009, 47: 2696-2702).
Juices & Juice Drinks

Galla enters market

INDIA Galla Foods has entered the fruit drinks category with the launch of Galla Fruit Drinks. There are two flavours, Classical Mango and Apple-Litchi, targeting young consumers in A & B markets who prefer their juices on-the-go but are unwilling to compromise on taste and health. The juices come in 275ml PET bottles with a wide mouth for drinking straight from the bottle.

Branded fruit juices consumed primarily as thirst quenchers with fruit pulp content up to 21% are classified as fruit drinks, and constitute the most popular segment in India, accounting for nearly 76% in the overall market. The South Indian fruit juices market is estimated at 92 million litres with 98% contributed by fruit drinks.

Announcing the launch, Jay Gall, Managing Director, said: “Galla Thick Mango has already secured the top position among mango nectars in the key cities of AP. As the state consumes the largest volume of thirst quencher drinks in the south we believe our fruit drink will also do very well. Our biggest strength is our ability to source the best direct from the farmer and bring it to the consumer’s table. Beginning with the selection of fruits to the final product in the bottle, every single step goes through the rigorous Gallah Foods quality control. This ensures Galla fruit drinks are the best and the freshest in the market.”

He added the company’s target was to reach 10% market share of the fruit-based beverage category within five years and that more launches were in the pipeline.

Natural lift

USA Minute Maid says it is giving consumers an energy lift with its new Minute Maid Enhanced Strawberry Kiwi flavoured juice drink. The drink combines an extract from yerba mate, a plant native to South America that contains natural caffeine, with real fruit juice.

“Minute Maid is constantly looking for new ways to meet the needs of health-conscious consumers,” said Mike Saint John, President, Minute Maid Business Unit. “Minute Maid Strawberry Kiwi with Yerba Mate is a delicious juice drink providing a natural energy lift with the trusted great taste for which Minute Maid is known.”

At the same time Minute Maid has reformulated Minute Maid Pomegranate Flavoured Tea to contain fewer calories, resulting in 40 calories per serving.

Oh, yes they did…

UK Britvic’s new Robinsons promotional campaign aims to encourage families to ‘Put on a Panto at Home’ during the festive season. It highlights the brand’s sponsorship of First Family Entertainment’s pantomimes and follows Robinsons national Search for a Star campaign seeking out young talent across the country to star in their local show for the season.

The ‘Put on a Panto at Home’ on-pack is supported by a bold pack design and POS material.

Families are invited to visit www.putona-panto.com, where all the tools to produce and stage their own panto at home can be found. The Robinsons’ online panto producer makes the process both engaging and fun, guiding children through their own production with easy to follow step-by-step instructions, using the three P’s – Plan, Practise and Perform.

Leslie Davey, Robinsons Brand Director at Britvic said: “Pantomimes have always been a highlight for families at Christmas and Robinsons continues to refresh generations of families, so we felt this was a perfect partnership. The on-pack promotion will raise awareness of Robinsons exciting new association with this time-honoured tradition and inspire the nation to take pantomime into their homes. For retailers, it will drive visibility and interest around the important squash category during the key Christmas selling period.”

A cherry first

USA Old Orchard Brands, a Michigan-based juice manufacturer, has introduced Very Cherre, a tart cherry juice created from 100% Montmorency cherries making it, claims the company, the world’s first single-variety cherry juice.

Packaged smartly in squat red glass bottles reminiscent of the cherry itself, Very Cherre is high in antioxidants and naturally occurring melatonin, which is said to help

Single serve

USA The Minute Maid Enhanced Juice and Juice Drink line will expand in 2010 by going smaller. Three of its most popular varieties: Pomegranate Blueberry Flavoured 100% Juice Blend of 5 Juices; Pomegranate Lemonade; and Strawberry Kiwi Flavoured Juice Drink will be available from January onwards in 12 floz shrink-wrapped single-serve bottles.

“By launching our most popular varieties in a chilled single-serve, we will continue to meet the needs of health-conscious consumers with a new, convenient package,” said Mike Saint John, President, Minute Maid Business Unit.

www.softdrinksinternational.com
100% fresh

**UAE** The National Food Products Company’s Lacnor brand has launched a juice range under the banner of Lacnor Fresh. As the name indicates, this is 100% juice, with no preservatives, artificial colourings or flavourings. Packaging indicates how many fruit have gone into each bottle – for instance, 25 oranges for a 1.75litre bottle of orange juice. Other flavours are mango, apple, mixed fruits and two smoothie blends: strawberry & banana, and mango & banana.

Lacnor Fresh is offered in 200ml, 500ml, 1litre and 1.75litre packaging variants.

Mohamed Salawy, Juice and Dairy Marketing Manager for the National Food Products Company, says the range has been developed at a time when there is a growing understanding about the importance of consuming more fruit daily. “Nutritionists across the world agree that five portions of fruit and vegetables every day is one of the best ways to stay healthy and live a better life,” he said. Lacnor Fresh was introduced in line with this.

**On-the-go**

**SOUTH AFRICA** Clover South Africa now has a single-serve version of its big-selling Clover Krush juice range. Clover Krush 100% comes in a 330ml plastic bottle with a sports cap.

The variant is being heavily promoted at present, in a trade marketing initiative which runs until the end of December. Clover presents the line as “a spill-proof, on-the-go Krush that is just the right quantity for consumers who are looking for a beverage on-the-go”. It is offered in four flavours: Orange, Apple, Peach & Mango, and Tropical Punch.

The Clover Krush 100% trade promotion, which covers the national forecourt channel, encourages retail staff to give the range high-profile visibility, with a minimum of two facings per flavour at eye level. Stores have been supplied with price flashers, wobblers and other colourful point of sale material to build merchandising displays. Retailers are also encouraged to take a lower margin during the introductory period, allowing a consumer price that maximises impact buying and repurchase.

Minimum sales targets have been set on a graduated basis, depending on each outlet’s normal Clover Krush sales. Prizes are offered for the highest percentage volume growth. The winning store owner will get a trip for two to an overseas destination of choice (from a pre-determined list) while the manager scores a trip for two within South Africa. Both packages include generous spending money. Store cashiers will share a voucher prize worth R4000.

**Blog talk**

**SOUTH AFRICA** Pacmar’s Crystal Falls 100% juice brand is now operating an active blog to engage its consumers.

The female-oriented blog www.pacmar-crystalfalls.blogspot.com features news and pictures of Crystal Falls promotions and sponsorships, such as its support of the Adventure Boot Camp for Women – a four week outdoor programme which takes a fun approach to exercising.

Crystal Falls has also been advertising extensively in South African women’s magazines this year, including an anti-cold campaign during the southern winter.

**Re-launched**

**NIGERIA** Coca-Cola’s 5Alive juice brand has been re-launched in Nigeria, refreshed graphically and in new packaging. The range is now offered in Tetra Prisma Aseptic and Tetra Brik Aseptic, featuring colourful designs which reflect the flavour variant.

5Alive, which had been a very successful line since its Nigerian launch in 2003, came under heavy pressure in mid-2008 when its only local production facility was largely destroyed in a fire caused by a construction accident. The fire resulted in three deaths and several other injuries.

The plant – in Benin City, Edo State – was subsequently rebuilt as a collaborative effort between Coca-Cola Nigeria and the Nigerian Bottling Company. This project has been widely praised for the speed at which it was undertaken, resulting in one of Africa’s largest and most technologically advanced juice facilities.

Rosemary Akpo, Marketing Manager (Still Beverages) for Coca-Cola Nigeria, described the fire as “the acid test of 5Alive’s strength as a product and a brand. It is hard to think of any other consumer goods brand that could be absent from the market for so long and still retain top ratings in the minds of consumers”.

**Advertising supports growth**

**UK** Princes is planning to build on recent brand sales growth with a new £500,000 advertising campaign. Over 72% of UK households buy the Princes brand, which has seen year-on-year sales growth of 19% at retail selling price [source AC Nielsen MAT 8/8/09].

The brand’s latest advertising investment, which builds on the ‘Yours to Enjoy’ TV and multi-media campaign, will reach more than 16 million adults to communicate the quality and versatility of Princes’ entire product portfolio which includes fruit juices.

Ruth Simpson, Marketing Director for Princes, said: “The recession has had a real impact on consumer shopping habits. As a result, many people have rediscovered the quality and value of ambient food and drink – a shift that we’re confident can be maintained, based on the quality and enjoyment our products give.”

The Princes campaign includes advertising and promotions in consumer magazines and supermarket media as well as PR and in-store support.

Send your news to: news@softdrinksinternational.com

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**Soft Drinks International – December 2009**

**PRODUCTS**
Energy & Sports Drinks

Taste priority

USA From, Corona, California, The Masters of Beverages company has developed Spider Energy Drink for consumers who liked what energy drinks do, but can’t stand the taste. Spider Energy contains much of the same ingredients as most energy drinks, although with a slightly higher level of B-vitamins and caffeine.

The main difference, however, is taste. Using a blend of citrus fruits the company says Spider Energy gives a “smooth taste like no other, and with no aftertaste.” The launch is supported by a retailer deal and sales incentive for the distributor sales personnel. Point of sale materials are in development to include a die-cut hanging spider that hangs from the ceiling.

“The possibilities are unlimited of what we can do in terms of design and development,” stated Pete Algarin, the beverage’s creator. “We are in this game to succeed and so far so good, we have interested consumers and retailers from all over the country requesting the brand.”

Distribution deal

UK Voltz Distribution UK has announced a distribution deal with franchisor Card Connection which will result in Voltz being delivered to 15,000 retail outlets throughout the UK by Card Connection’s network of franchisees.

“Our deal with Card Connection creates a win-win situation as Voltz will now be distributed nationwide by an established franchise network and Card Connection’s franchisees will gain the opportunity to maximise the call value of each retail outlet they visit,” explained Rob Arnold, CEO of Voltz.

“Card Connection franchisees, better known for delivering their range of quality greeting cards, will now add the Voltz energy drink to their portfolio. Voltz will be delivered at the same time as the greeting cards shipments on a ‘consignment’ basis so franchisees will gain a further revenue stream with minimal additional effort.”

Voltz comprises a healthy combination of B vitamins, amino acid and antioxidants. It does not contain carbohydrates and only supplies two calories, giving the consumer an energy boost without sugar and high concentrations of caffeine. The product does not need to be refrigerated and takes up little counter space so is the ideal impulse purchase.

Fashionable shot

UK Target Energy Shots has launched its new energy shot aimed squarely at the under 30s female market. Called ‘Gorgeous’, the small, vibrant pink bottle contains a sugar-free mixture of vitamins and amino-acids with just four calories.

“The healthy energy shot market is gaining momentum but many of the products have quite a medical or masculine image,” explained Chris Onslow, Managing Director of Target. “However, as far as we are concerned pink is the new black, and we have designed Gorgeous to be the coolest new, fun fashion accessory for women, as well as being an energy shot.

“The small bottle easily fits into a handbag and appeals to those on a calorie controlled diet,” added Onslow. “As Gorgeous only contains the same amount of caffeine as a cup of coffee, it gives the consumer an energy boost without the sugar and high concentrations of caffeine of more traditional energy drinks. We also anticipate Gorgeous becoming really popular on the club scene and in the gay market.”

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“The possibilities are unlimited of what we can do in terms of design and development,” stated Pete Algarin, the beverage’s creator. “We are in this game to succeed and so far so good, we have interested consumers and retailers from all over the country requesting the brand.”

Distribution deal

UK Voltz Distribution UK has announced a distribution deal with franchisor Card Connection which will result in Voltz being delivered to 15,000 retail outlets throughout the UK by Card Connection’s network of franchisees.

“Our deal with Card Connection creates a win-win situation as Voltz will now be distributed nationwide by an established franchise network and Card Connection’s franchisees will gain the opportunity to maximise the call value of each retail outlet they visit,” explained Rob Arnold, CEO of Voltz.

“Card Connection franchisees, better known for delivering their range of quality greeting cards, will now add the Voltz energy drink to their portfolio. Voltz will be delivered at the same time as the greeting cards shipments on a ‘consignment’ basis so franchisees will gain a further revenue stream with minimal additional effort.”

Voltz comprises a healthy combination of B vitamins, amino acid and antioxidants. It does not contain carbohydrates and only supplies two calories, giving the consumer an energy boost without sugar and high concentrations of caffeine. The product does not need to be refrigerated and takes up little counter space so is the ideal impulse purchase.

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GI sports first

**SOUTH AFRICA** What is billed by Tiger Brands as the country’s first-ever GI sports drink has been launched under the Energade brand.

Energade Champs is aimed at sports people, others seeking healthy lifestyles and active youngsters. The four-flavour range has a GI of 30 which helps keep blood sugar levels low and avoids spiking, ensuring that consumers do not experience an energy high followed by a less-than-pleasant low. The drinks are marketed as preventing hyperglycaemia because low GI carbohydrates are digested slowly, delivering sustained energy.

Tiger Brands says that Energade Champs also helps in converting muscle glycogen, as fat stores are used first. Natural colourants and flavourants make the range suitable for children, with no additives that might lead to hyperactivity.

Energade Champs is available in Naartjie, Pineapple, Apple and Berry. Distribution is national throughout South Africa.

**Motivational**

**UK** Coca-Cola’s Powerade has launched a new music application - Powerade Pulse. The tool, which can be downloaded for free at the new Motivation Zone on www.poweradeuk.com, analyses a runner’s iTunes files, detecting the beats per minute of each track. Runners can then enter their training duration, distance and preferred pattern, with the Powerade Pulse immediately returning a perfect playlist for the training, delivered straight to their iTunes library. The app can be used on any MP3 player and can create as many playlists as needed, allowing runners to tailor their specific training durations and patterns to music of their choice.

**Industrial energy**

**USA** Shadow Beverages and Snacks has linked with Ironclad, makers of industrial apparel, in launching Ironclad Energy & Hydration. Specially formulated for the ‘Industrial Athlete’ it was developed to fight fatigue with hydration and electrolyte replenishing ingredients.

The drink features energising ingredients (taurine and caffeine) and an electrolyte package that the company says “quenches your thirst and pushes the essential supplements quickly into your system allowing the most important tool, your body, to rehydrate and energise for the long days you put it through.”

**Well woman**

**USA** Dr Chao Herbal Lady Drink, recently introduced to Whole Foods Market and other stores, claims to reduce symptoms of PMS, alleviate acne, promote ovarian health, excrete toxic substances and have anti-ageing benefits. “It not only quenches thirst, but is also naturally beneficial to the body,” said Ted Chao, President of People’s Food and Beverages Co of Claremont, California, manufacturer of Lady Drink and other herbal drinks.

The main ingredient in Lady Drink is Herba leonuri, better known as the motherwort herb. Although the herb has not been clinically tested in the west, it is a traditional Chinese medicine, used to promote blood circulation and calm the nervous system. The plant originates from Central Asia.

The other ingredients in Lady Drink are saffron, aloe, and Fructus momordicae. Saffron has been used for both acne and painful menstruation. Aloe is known to ease digestive and skin discomfort. Fructus momordicae relaxes the bowel, promoting detoxification of the body. The Fructus momordicae is also known for its sweet taste and provides a natural sweetener.

Functional Drinks

**Memory health**

**USA** Hydro One Premium Beverages has added Böde Memory Health to its all natural, functional, healthy line of beverages. The drink, which comes in a Passion Fruit Mango flavour, contains essential vitamins, nutrients, minerals and supplements that provide energy and nutrition for the brain cells. Key ingredients are ginko biloba and phosphatidylserine alpha GPC D-ribose.

Founders and Developers of Hydro One Premium Beverages, Dr Babak Baban and Dr Mark Fields stated: “This formula combination we have perfected has been proven to provide a boost of energy for the brain cells in the shortest amount of time. During the day as our brain functions, we reduce the proper amounts of the organic compound, choline, which is a nutrient which is required for proper brain memory and thought process. Our beverage replenishes the choline back into the cells quickly to increase and improve brain functions. This beverage was developed to help slow down the process of our active lifestyles and the increased brain functions needed for our high-tech lives.”

**For brain and body**

**AUSTRIA** Rey is a new functional drink from Rey-Leitner GmbH which is said to strengthen the immune system, promote cell regeneration, and boost concentration. It features biopolyphenols, magnesium, zinc, vitamin B complex, vitamins E and C, a combination which stress researcher Professor Sepp Porta, Director of the Institute of Applied Stress Research, says, “Improves concentration, optimises the body’s energy metabolism and extends performance.”

According to the company, biopolyphenols, obtained from black elderberries, are the ideal antioxidants, as they inhibit the movement of bacteria and have an anti-inflammatory effect. In combination with magnesium, they boost concentration and have a positive effect on physical performance. In contrast, zinc has an anti-viral effect and thus not only strengthens the body’s immune defence but also retains the beauty of skin, hair and nails. Fortified with magnesium Rey can also improve performance in sports: tests with the Austrian COBRA SWAT team proved that their performance improved considerably.

The name is derived from the old Egyptian sun god RE, which simply means ‘sun’. Rey is also derived from the power of the sun and is a combination of the words Re and ray.
Water & Water Plus Drinks

Distribution

BERMUDA Skinny Nutritional Corp’s range of zero calorie drinks are now available in Bermuda through Global Distribution Group, Robert Haydak, CEO of Global Distribution Group, said: “Global is focused on expanding the momentum obtained by Skinny in the US by securing distributors in overseas markets. We are looking forward to increasing the presence of Skinny in overseas markets and adding to overall growth of the brand.”

Global Distribution Group also exports to the Bahamas, Puerto Rico, British Virgin Islands, Brazil, and other Caribbean and South American countries.

Disney promo

USA San Francisco-based bottled water producer Hint Inc has entered its fifth major promotional tie-in with a feature film from Disney. “The Princess and the Frog.”

Hint Essence Water, which appeals to families looking for healthy choices, has created a special version of its Blackberry flavour. The bottle features characters from the Disney film. The promotional bottle will be available at select fine grocery stores and retailers. Hint is also conducting an online promotion where consumers can enter for a chance to win free tickets to the film until 28th December.

Glacier certified

ICELAND Iceland Global Water (IGW) has launched SNO Certified Icelandic Glacier Water onto the international stage. The source is a 20,000 year-old glacier in Snæfellsjökull, Iceland. It is naturally filtered by volcanic lava rock and, according to IGW, has a natural, perfect, body-neutral pH level (ranging from 7.0 to 7.4) which helps the body reach and maintain a state of equilibrium.

“Iceland Glacier Water is proven to have high oxygen content (close to 40mg). That means it quickly adds extra oxygen to the blood. Drinking SNO can be an effective way to increase the body’s oxygenation to help achieve stronger immune system, greater mental awareness, and better ability to detoxify.” stated the company.

For young adults

USA bot beverages, a ‘boutique’ company based in Princeton, New Jersey, is targeting 18-34 year olds with the launch of an enhanced water range in four natural flavours: grape, berry, orange and lemon. The product recently received the Silver Medal in the 2009 Beverage World Global Packaging Design Awards. Since forming the company two years ago bot beverage’s youth-friendly, fortified water known as ‘bot’ has proved to be a cult favourite amongst teens, college students and young adults alike.

To meet this audience’s demand for a healthy, all-natural, low-sugar drink, the company developed bot enhanced water for adults: a 16.9 oz flavoured water containing electrolytes, B vitamins and antioxidants with only 50 calories per bottle.

“bot syncs with the healthy and contemporary pursuits of youthful and modern consumers,” said Cricket Allen, bot beverages’ CEO and Founder. “The trippy social media campaign we are launching in conjunction with the introduction of bot allows us to speak directly to our customer in a whimsical way, wholly unique to us.”

bot’s marketing initiative embraces media technology as a primary method to speak, connect and entertain its audience through the animated ‘botland’ at http://www.botbeverages.com.

The enhanced water has been introduced exclusively in five Northeast states (New York, Pennsylvania, Connecticut, Massachusetts and New Jersey) in select grocery stores, cafes and restaurants that attract healthy and modern consumers.

Zero addition

USA Vitaminwater is introducing a zero variant in seven flavours: XXX (acai-blueberry-pomegranate), Multi-v (lemonade), Essential (orange-orange), Mega-c (grape raspberry), Go-Go (mixed berry), Recoup (peach-mandarin) and Revitalize (green tea).

As its name implies the drinks have zero calories. They are naturally sweetened with the stevia-based sweetener truvia. Matt Kahn, Senior Vice-President of Marketing said, “Vitaminwater zero provides an ideal option for calorie-conscious consumers looking for a great-tasting beverage with the added benefits of vitamins and electrolytes.”
From apple to watermelon, Juices from around the World

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HALAL CERTIFIED UNITED KINGDOM
Carbonates

Flavour to celebrate

USA Jones Soda developed a limited edition Tofurky and Gravy flavour to accompany Thanksgiving celebrations. Launching the variant, Joth Ricci, President and CEO of Jones Soda, said: “While many think that eating turkey is the only way to celebrate Thanksgiving, we at Jones Soda suggest that this year you try something new and toast the noble bird with a cold bottle of Tofurky and Gravy.”

To help Americans get back on the health track after Thanksgiving, Jones Soda launched a Rosé variant to coincide with the Christmas festive season. Created from grape-based drinks comprised of a red and white grape juice drinks, they contain no artificial ingredients, including the finest grape natural ingredients for its taste and colour.

Festive dining

UK Shloer, the sparkling juice drink has launched a Rosé variant to coincide with the Christmas festive season. Created from a blend of red and white grapes Shloer Rosé joins the existing collection of flavours: classic Red Grape, White Grape, Apple, Raspberry and Cranberry.

This Christmas Shloer is also sporting a new look so that the bottle will not appear out of place on any table during the festive season. The company recommends that the drink be served over ice “for the ideal refreshment to make any Christmas meal sparkle,” Shloer contains no preservatives, artificial colours or sweeteners.

School compliant

UK Evoid Drinks has created and launched a fruit-based cola which is school compliant, offering parents and local authorities a viable alternative to traditional colas. Devoid of additives or added sugar, it relies solely on the natural flavours of real fruit juices and natural ingredients for its taste and colour.

Evoid’s fruit-based cola forms part of a new generation of fruit-based drinks designed to encourage young people to make healthier lifestyle choices and bring back healthy drinks sales within schools. Other flavours in the range include Mixed Berry, Lemon and Cream Soda.

The company stated: “There’s no getting away from the fact that kids love cola. Schools have banned it, parents try to steer their children towards healthier alternatives, but young people still want to drink it. And most of us would admit they do have a point – cola may not be the healthiest drink out there, but it does taste good.”

To attract young people to the brand packaging comes in a cool-looking black can. And as part of the brand’s ethos, it operates a can recycling scheme, where young people can crush the cans themselves at school in a giant Evoid can crusher. According to Evoid, “It’s immediate, relevant and is designed to help kids understand the impact of their actions on the environment.” The team at Evoid also plans to sponsor fashion, music and cultural events.

Mini

USA Coca-Cola is introducing a new 90-calories mini-can aimed at health-conscious consumers. The new 7.5 fluid ounce can will debut in Washington and New York in December before rolling out across the nation by spring 2010.

“The Coca-Cola mini can is a great option for smaller thirst occasions, and for calorie-conscious consumers,” said Hendrik Steckhan, President and General Manager, Sparkling Beverages, Coca-Cola North America. “Our new sleek mini can supports the idea of moderation and offers people yet another way to enjoy their favourite Coca-Cola beverage.”

Premium

UK Bottlegreen Drinks Co has launched a range of premium grape sparkling juice drinks aimed specifically at consumers looking for a non-alcoholic alternative to wine, especially during the festive season. The new grape-based drinks comprise a red and a white variant.

Simon Speers, Managing Director for Bottlegreen Drinks Co, said: “With this new range we can offer the UK consumer something that is currently lacking in the UK market: a sparkling grape juice drink that appeals to the sophisticated adult palate that even the most particular consumer would be proud to take along to a dinner party.”

The sparkling grape range is made from natural ingredients including the finest grape juices (26%), natural fruit flavourings and Cotswold spring water. Winemaker and bottlegreen drinks developer, Edward Write describes Red Grape as: “A perfectly balanced combination, with a hint of sweet strawberry and a tart cherry undertone”, whilst he and his team crafted White Grape to be a refreshing blend with subtle notes of delicate elderflower and ripe melon. As with all other bottlegreen drinks, they contain no artificial flavours, colours, sweeteners or preservatives.

The drinks come in 750ml green glass bottles with a distinctive ‘festive’ black and gold label. The launch is being supported by a print advertising and a PR campaign within the trade and consumer press over the next 12 months.
Back in growth

**UK** Britvic Soft Drinks reports Tango is the fastest growing fruit carbonate drink in the category following a series of successful marketing campaigns. The brand has attracted 600,000 new households and is driving fruit carbonate cans back into growth. Tango had the 6th highest ROS of all the single serve SKUs in independent retail outlets over the 12 summer weeks, says Britvic. The brand’s recent activity has driven consumer preference up by 8%, adding 1 million litres to overall soft drinks.

Sally Symes, Senior Brand Manager for Tango, said: “Tango has always had a loyal following; consumers love the fact that the brand doesn’t take itself too seriously and this year’s wave of memorable activity and cunning stunts has helped it gain even more fans. When we asked consumers what they wanted from Tango the one answer that kept coming back was that they just want more of it and that is exactly what we did; we introduced the 440ml can. We have also recently introduced 65p 500ml price-marked packs, which considering the year Tango has had, are likely to fly off the shelves and offer retailers great profit opportunities.”

**Linking tourism**

**NEW ZEALAND** Several towns or regions around the world have a mutually beneficial relationship with a soft drink brand or category; often mineral water. L&P the New Zealand carbonated soft drink which is something of a national icon, has teamed up with the town of Paeroa to mount a quirky tourism promotion.

Paeroa is the ‘P’ in the brand name – the ‘L’ is for lemon – and has, as we have reported in the past, long identified with the beverage, although it is no longer produced locally.

The town features a giant L&P bottle in its main street and several retail stores and cafés carry the brand’s distinctive colours and logo. The main street is also the regional highway, ensuring that a large number of visitors stop briefly, driving a high level of soft drink sales.

However, not many tourists head for Paeroa as a destination of choice, except for race meets and special events.

Now Tourism Paeroa is mounting a promotional roadshow, supported by L&P, as well as YouTube videos, a blog, a Facebook group and Paeroa merchandise. This is being effected under the quirky slogan of ‘Come visit Paeroa...please’.

**In brief...**

- **USA** The Healthy Beverage Co of Newtown, Pennsylvania has introduced Steaz Zero Calorie Sparkling Green Tea, a zero-calorie carbonated soft drink. The product combines 120 mg of tea antioxidants and is available in Raspberry, Orange, Blueberry, Pomegranate and Black Cherry varieties.

- **UK** Shloer, the sparkling juice drink has launched a Rosé flavour, created from a blend of red and white grapes, in time for Christmas. This Christmas Shloer is sporting a new look. The company says the eye catching bottle will not look out of place on any table during the festive season. Shloer contains no preservatives, artificial colours, sweeteners or flavours.

**Sparkling**

**USA** Izze Beverage Co from Boulder, Colorado, has launched a campaign with the theme ‘You’ll Love What’s Inside.’ Print ads supporting the campaign ran in the October issues of Details, Entertainment Weekly, GQ, InStyle, People and People Style Watch. Featuring a visual of real fruit inside Izze bottles, the ads show that the products are made of pure fruit juice and sparkling water; with no refined sugars, caffeine, preservatives, artificial colours or flavours.

An accompanying online campaign centres on the Izze ‘Sparkle Generator’ that connects people with their friends. Consumers can send Sparkles to each other: Those who send 20 Sparkles and have at least 20 accepted by their friends will receive a limited-edition Izze Sparkling Lime T-shirt.

**Seasonal advertising**

**UK** Schweppes has new advertising for Christmas. The ‘Christmas Entertainment from Schweppes’ campaign will be broadcast across eight UKTV channels through December. The campaign’s creatives appear as ten second i-dents. Also a ‘Have yourself a merry little Christmas’ creative appears as a selection of ten second spots across terrestrial stations from early December.

The campaign takes inspiration from classic Christmas illustrations of the 1950s, drawing on quintessentially British scenes and transposing them to a contemporary setting.

Featuring the recognisable voices of British comedians including Smack The Pony star Doon Mackichan, and Martin Freeman (The Office and Love Actually) The creative draws on Schweppes’ legacy of witty, British humour: Cathryn Sleight, Marketing Director for Coca Cola GB said: “These adverts perfectly capture Schweppes’ brand personality, adding a welcome twist and a humorous slant to any occasion and in this case Christmas.”

**Christmas sparkle**

**SOUTH AFRICA** Appletiser is promoting itself – and stalbemates Grapetiser and Pear- tiser – in its homeland as a healthy alternative to heavier beverages during the Christmas and New Year festive season.

“Appletiser is a clear and sparkling beverage that resembles glamorous sparkling wine,” says a message to its target audience. “It looks and feels decadent to drink; all the while remaining pure, light and healthy.”

The message pointed out that “Appletiser will look good on the Christmas lunch table or during a New Year’s Eve toast. It can be enjoyed in the sun at the beach, next to the pool or during a braai or even used for that extra energy boost during crazy Christmas season shopping, thanks to its low GI properties.”

**Send your news to:**

news@softdrinksinternational.com
Smoothies
and the economic downturn

Made from naturally healthy fruits and vegetables and positioned as a refreshing, on-the-go boost of energy, smoothies have been well placed to appeal to health conscious consumers. Sales in several markets have been spurred by on-trade outlets where smoothies are made fresh, and by smaller, conveniently packaged bottles in chiller cases in stores. These factors have typically led to premium prices for most smoothies, and this has made the category particularly vulnerable to the economic downturn.

Contraction in the world’s largest market
After five years of strong growth, the global economic recession hit the category hard in 2008 in the UK, the top global market for smoothies. During the second half of 2008 in particular the sales of smoothies suffered with declines as high as 10% recorded for the latter half of the year. This raises the question of whether the lifecycle of the category has hit its peak, as in the case of functional yoghurt drinks, or whether the decline is purely the result of tightening economic conditions.

The answer most likely lies somewhere in between the two. The move towards healthier choices in UK consumption patterns has been an underlying trend for some years that will not go away overnight. The five-a-day message that the Food Standards Authority has been advocating consistently about fruit and vegetable consumption has also become embedded in the public consciousness in the UK. Nevertheless, the rapid decline of a sector such as smoothies does show that more expensive ‘healthier’ choices like Innocent Smoothies are viewed to be something of an indulgence. Positioned as a premium 100% juice, Innocent saw its core consumers leave the category during 2008 and the company reported a drop in sales from £134 million in 2007 to £107 million in 2008. The glut of innovation that has come into this sector and subsequently failed, with Nestlé’s Boosted Smoothies, for example, being withdrawn after just four months, does highlight that the smoothie opportunity is not perhaps as sizeable as suppliers were predicting.

PepsiCo’s launch of Tropicana Smoothies signaled the first credible contender for Innocent in the smoothies category. Although PepsiCo purchased PJ Smoothies several years ago, the brand had always struggled to compete with Innocent. Attempts were made to compete on a platform of keener pricing but the cheaper prices came at a cost to ingredients with concentrates being used. Innocent’s strap line of ‘Nothing but nothing but fruit’ puts PJ’s offering into sharp relief. It is not perhaps surprising that PJ’s was removed from the market in early 2009.

PJ Smoothies faced a particularly difficult set of circumstances. After the 2005 purchase by PepsiCo, the brand was looking increasingly marginalised by the January 2008 launch of Tropicana Smoothies. This came after the scrapping of PJ’s exotic blends in late 2007 in an attempt to give it mass-market appeal to increase market share. This was followed in early 2008 by a radical repositioning of the product by slashing 30% off its price. Was the price decrease due to worries over consumer purchasing power? In reality, it was purely an attempt to increase volume sales for the brand. Over the course of 2005-2007 PJ Smoothies’ value share of the 100% juice category increased from 1.4% to 1.7%, with a peak of 1.8% in 2006, but its main rivals were faring significantly better, with Innocent making stronger gains, from 2.9% to 8.4%.

The problem for PJ was that its margins were further squeezed by rising raw material costs as global food prices shot up. This, in turn, urged it to switch to nectars, which did not appeal to its health and quality-conscious clientele. The poor performance of PJ, which saw its revenue fall by 70% in 2008, demonstrates the inability of
smoothies to cross over into the mainstream market. Premium niche brands such as Tropicana Smoothies and market leader Innocent Drinks were always going to fare better than a downgraded PJ, but the market outlook within the UK looks relatively bleak across the whole sector.

The rush to launch smoothies and premium juices in 2008 was a signal of the optimism that pervaded the sector in 2007. However, it is clear that in 2009 and 2010 at least consumers will be willing to forego the most expensive juice that in 2009 and 2010 at least consumers will be ket. Premium niche brands such as Tropicana

Despite this downturn in the UK, smoothies enjoyed value sales growth in several other global markets in 2008, offering a glimmer of hope to manufacturers looking to weather the current economic storm.

Smoothies continue to expand in Ireland, where they are seen more as a necessity in the weekly shop rather than a ‘luxury’ product. This rise in popularity is partly due to the provision of the daily recommended vitamins and minerals at a reasonable price, as well as the ease of purchasing. Smoothies, are an attractive proposition for on-the-go consumers, as they offer a quick, healthy and natural way to boost energy levels. Many Irish consumers are now consuming smoothies in the morning as a breakfast substitute.

In Denmark, smoothies sales are growing strongly. Sales are driven by the Innocent brand which controlled an approximate share of 26% in the smoothies niche in 2007. Local players like Ørbæk Bryggeri and Harboes Bryggeri have also launched premium smoothie brands in 2007-2008, indicating a very competitive market with a high number of players competing for a relatively ‘small’ absolute volume sale.

Smoothies continued their market penetration in France in 2008 and rose by a staggering 50% in off-trade current value terms to reach €19 million. However, it is still a niche product. The start-up companies that initially created this segment are now being challenged by large players such as Tropicana, Minute Maid, Joker and private label. Since most of the smoothies are sold chilled, this has resulted in increasing competition for retailing space. Only a few manufacturers offer ambient smoothies, such as Caraibos with Smooth Mix and Slaur Street Food with mySmoothie.

The on-trade offers great potential for growth in France but bar and café owners need to improve the quality of the products they sell by proposing original flavours such as exotic cocktails and smoothies. Following the smoking ban, sales declined in the short term as consumers stayed away from places where they used to gather to smoke. The only option for bars and cafés to recover in the future would be through a more sophisticated offering and smoothies could be the solution.

Smoothies proved particularly popular with busy younger adults in Sweden in 2008. Value sales increased by almost 70% between 2007 and 2008, with growth being fuelled by several new product launches from companies like Heinz, Chiquita, Tropicana, and Innocent following the success of Unilever’s Vie brand.

In the US, packaged smoothies remain a very small portion of overall juice sales, comprising 6% of sales in nectars – the subsector in which they have their largest share – but have steadily grown in popularity over the last few years. Most consumers are more familiar with smoothies from on-trade outlets, such as Jamba Juice. However, packaged versions are consistently gaining distribution in supermarkets and other mainstream outlets, often in stand-alone chilled cases. Brands like Odwalla, Naked Juice and Sambazon have also used this format to debut new flavours like acai and pomegranate. Consumers seeking the antioxidant health benefits of these foods often seek out smoothies as a result, before such flavours cross over into more traditional juice brands.

A wide variety of flavours and fruits have also been major contributory factors to the success of smoothies in the Norwegian market. Healthy smoothies are bought by health conscious consumers and especially by young women. They are also bought for children as a healthier alternative to juice.

**Market performance – risks and forecast**

Euromonitor International’s 2008 figures show that the smoothies category in the UK fell by 3.5% in value terms over 2008 to £252 million. Furthermore, the sector saw its market share of 100% fruit/vegetable juice and nectars fall for the first time since 2004. The credit crunch has clearly hit all sectors, but this high-value niche is proving particularly vulnerable as consumers switch to cheaper premium juices.

Over the next five years smoothies will continue to have some niche appeal but their failure to enter the mainstream market means that they will therefore inevitably run the risk of becoming faddish in nature. The sector has not been helped by a spate of high-profile media attacks on the high sugar content of many brands, undermining their central marketing appeal to health-conscious, fast-living consumers. This shadow will be compounded by the 2010 introduction of stricter EU regulation ‘on nutrition and health claims made on food’ which places the onus upon producers to justify the claims contained in their marketing.

Multinationals must therefore look to other markets such as Greece, Spain and Turkey where smoothies remain in their infancy. Within these markets the niche potential of their brands has not yet reached maturity and good short term growth prospects remain unexploited. However, a further downturn in the general economic situation will threaten the short term success of the smoothies category, and therefore positioning and pricing will be key to new product launches.

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Brian Morgan is Beverages Analyst at Euromonitor International.

www.euromonitor.com
Fortified smoothies
when taste and nutrients meet

Perfectly aligned with the health and wellness trend, smoothies exploded onto the European market in recent years and household penetration reached 57% in 2008, compared to just 31% in 2006. Positioned by marketers as ‘one of your five-a-day’, health conscious consumers have been quick to embrace the taste and convenience smoothies provide. Whether selected as a breakfast boost, mid-morning energizer or evening activator, the smoothie has become a snack, meal replacer, social consumption favourite and nutraceutical, with many roles to fill and even more fans to please.

As the category expands, manufacturers wanting a piece of the smoothie action need to position their products carefully to differentiate and appeal to increasingly selective consumers. The nutritional profiles of smoothies have become more diverse as manufacturers target specific groups concerned about certain health issues. Smoothie developers are using value-added ingredients that complement the healthy fruits in their products, but deliver additional benefits. Ingredients such as green tea extract, omega-3, oats and probiotics are all finding themselves at home in smoothies and can enhance the appeal of standard versions, which often rely heavily on the health benefits associated with antioxidants, fibre and vitamins.

**Protein potential**

As consumers become more aware of the nutritional importance of protein, high protein products are becoming more popular. However, the perceptions of some proteins as having taste concerns has, in the past, hampered progress in this sector of the healthy food and drink market. Now, leading edge ingredients, such as neutral tasting whey protein isolate, Isolac® from Carbery, allow beverage manufacturers to take advantage of protein fortification. Protein appeals to a wide range of consumers, from fit and active people wanting to make the most of their fitness regime, to elderly consumers seeking to supplement their protein intake and dieters who understand its satiating effects.

Ideal for smoothies and fruit beverages, Isolac is highly soluble, as well as being low in fat and calories. Produced using ultra filtration and cross flow micro filtration, it ensures high quality and purity. Isolac provides high protein content to deliver satiating effects and allows for lower inclusion levels in smoothies to achieve an effective and great tasting product.

For a dual boost, Carbelac® Omega-3 offers manufacturers all the traditional nutritional benefits of whey protein with the beneficial eye, brain and heart health properties of essential fatty acids. Produced using the ultra-filtration process, it provides excellent solubility and biological value and is high in branched chain amino acids. Carbelac Omega-3 is an effective way to provide a superior nutritional profile in a single ingredient.

**Taste test**

In most instances, smoothies contain only fruit, yoghurt and sometimes fruit juice, lending them a very low pH level, which acts as a good base for whey protein incorporation. Isolac or Carbelac Omega-3 protein can be added to a smoothie without affecting taste or appearance. This offers manufacturers a means to boost the protein content while retaining the great taste expected from a smoothie.

“Using our subsidiary company Synergy’s flavour expertise, we have been able to establish which fruits work well with whey protein,” comments Carbery’s Ingredients Applications Manager Barbara McCarthy. “Tropical fruits and most berry flavours are ideal because of their flavour compositions, which complement that of whey protein. Our whey protein ingredients, such as Isolac and Carbelac Omega-3, offer a distinct positioning for smoothie manufacturers wanting to stand out in a crowded market, while appealing to a broad and diverse target audience.”
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In the global fruit juice industry, Brazil is probably best known as a huge and consistently dependable supplier of quality orange juice at reasonable prices, in a variety of formats but largely concentrate for repackaging or blending.

This is a profitable, honourable undertaking, albeit currently under global market pressure, but it is just one part of the Brazilian juice phenomenon. And it is only the foundation of what is already being perceived as an interesting – exciting, even – future as Brazil diversifies, backing that with innovative marketing.

Led by several stakeholder groups, Brazil is now building on its existing juice sales by undertaking a concerted marketing push for whole fruit and juices across all categories, with an emphasis on quality – especially natural attributes – as much as quantity.

Among the ventures under way in this new era are a grape juice project which features heavy input from the country’s burgeoning wine industry – whose own emphasis is on quality rather than supplying bulk wines – and development of traditional tropical fruit such as acerola, açaí, cupuaçu and cashew (which will be reported in the next issue of *Soft Drinks International*).

Partners in this huge fruit and juice marketing endeavour include IBRAF – the Brazilian Fruit Institute, IBRAVIN – the Brazilian Wine Institute and ApexBrasil – the Brazilian Trade and Investment Promotion Agency.

IBRAF in turn co-operates closely with category (oranges, apples, limes and papaya, for instance) organisations representing growers, suppliers and processors, as well as regional fruit production groups.

Among several other organisations involved in the juice and fruit development partnership is ASTN – the Associação das Indústrias Processadoras de Frutos Tropicais, which is at the forefront of a particularly innovative venture to encourage the production and consumption of tropical juices, notably acerola, cashew, pineapple, coconut, guava, mango, passionfruit and pitanga.

These stakeholders have, as already noted in *Soft Drinks International*, become increasingly evident on the international stage in the past two to three years. They are now mainstays of beverage and related trade events in Europe, Asia, the Middle East, Hong Kong and elsewhere. Expect them to be even more evident in the years to come as Brazil ramps up its international marketing strategy for juices and whole fruit, along with other food products – the country has, for instance, become a major supplier of candy to the global market.

Many Brazilians seem not to appreciate just what a powerhouse of an economy they are part of. Brazil is currently the world’s eighth largest economy, running at about 12% the size of the United States and 40% that of China. By 2015, however, it is expected to be the fifth largest economy, with an even greater impact on world trends. The fruit and juice industry hopes to be well represented in this growth pattern!

Talking with Brazilians (through a mixture of languages) recently in the charming southern city of Bento Gonçalves, I was impressed by their pride in local production. But few seemed aware of Brazil’s many global achievements, such as the remarkable success of its aviation industry which places it high in the second tier behind the Boeing and Airbus giants. Supermarkets emphasise local produce, including juices – facings of juice variants gave such a broad choice as to be almost mind-boggling at first sight.

Bento Gonçalves, in the state of Rio Grande do Sul and reached from the international gateway of São Paulo via the state capital, Porto Alegre, is not
only at the heart of the Serra Gaúcha (‘gauchó highlands’) wine region but is also seen as Brazil’s wine capital.

It has also become a focal point of the national grape juice project, involving both wineries and specialist juice producers, Golden Suços being prominent among the latter.

I was in Bento Gonçalves not only to talk with juice producers in the Vale dos Vinhedos and elsewhere in the Serra Gaúcha but also to attend the first edition of Frutal Cone Sul, one of several major domestic trade shows in which Brazil’s fruit marketing partners are increasingly active (see page 37).

Organised by the Instituto Frutal (www.frutal.org.br) with wide-ranging support from federal, state and local government agencies, banks, industry organisations (including IBRAF and IBRAV IN) and others, Frutal Cone Sul successfully extended a trade show concept based on the original Frutal whose 2009 event was the 15th in the series.

That show is held in Fortaleza, capital of the northeastern state of Ceará. Frutal Amazônia – Flor Pará is held in Belém, capital of Pará.

Keynote speaker at the opening of Frutal Cone Sul 2009 was Alysson Paolinelli, the former federal Minister of Agriculture. Despite the marathon length of his address, he held the audience enthralled by his review of Brazil’s fruit industry over the past 70 years or so. An agronomic engineer himself, as well as a producer, he outlined the challenges that were overcome by education, the development of technology suited to Brazilian conditions, and the research into the optimum crops for Brazil’s regions.

Speaking afterwards with Soft Drinks International, Paolinelli said that the country had evolved steadily in its agricultural production, especially in tropical areas. “With fruit we started with the traditional – apples, pears, etc – and now we are able to work on tropical fruits that have great potential.”

More work had to be done on understanding the country’s climate, so that fruit production could be tailored more exactly to regional conditions, he pointed out. “Producers are concerned about quality. To export successfully, we must meet a lot of quality standards. We’re achieving this with traditional fruit but for the new varieties we need to develop standards further.” Three building blocks would ensure success, said Paolinelli, emphasising each with a poke at my chest: “Knowledge, technology, innovation.”

Brazita already a key player

According to Moacyr Saraiva Fernandes, IBRAF’s President, fresh fruit production in Brazil increased by some 4.5% in calendar year 2008, while processed fruit output grew by 11.5%. He pointed out that Brazil’s own vast domestic market, growing at between four and six per cent annually (well ahead of GDP growth), underpins the country’s export efforts.

Unlike some other countries, Brazil is able to balance domestic and export sales with no extra pressure on the latter because of output that cannot be consumed at home.

Oranges led both the production statistics and the area under cultivation – in 2007 these were 18.685 million tonnes and 821,575 hectares respectively. Next down the list are bananas, with 7.1 million tonnes in 2007, followed by pineapples, watermelons, coconuts, papaya, grapes, mangoes, tangerines, apples and limes.

Fernandes, like Paolinelli, pointed to the advances in technology and cultivation systems which have been delivering constant improvements in fruit quality, as well as efficiency of output. In 2008, some 888,000 tonnes of fresh fruit were exported, with the Netherlands the main destination: 37% by value. The UK came next, followed by the USA and then Spain.

Grapes were the biggest earner, followed by melons, mangoes and apples – all of these categories recorded growth in both value and volume, although there were some category decreases.

The country’s biggest fruit producing area is the state of São Paulo, with about 43% of the total annual output, followed by Bahia with some 12.5% and Rio Grande Do Sul with 6%.

Diversification of fruit varieties is becoming more evident. For instance, I visited Murtlio Blueberry where Nestor Soga has been working

Continued on page 36
While Brazil does export grape juice concentrates, the project focuses on not-from-concentrate production.

The Grape Juice Project
The market for grape juice within Brazil has been growing at an average of 15 to 20% annually over recent years, while sales of fully natural juice have increased even more — around 40%. “In the past five years, the commercialisation of grape juice has doubled,” said Raquel Rohden, coordinator of the Grape Juice Project. Production output in calendar 2009 is likely to reach about 40 million kilograms, increasing next year to 60 million, 80 million by 2011 and 100 million by 2012.

“The project’s objectives are to align joint efforts for the grape juice sector, reinforcing actions in the correct identification of products, promotion, dissemination and integration,” Rohden explained. The partnership also involved sharing promotional activities in the domestic and foreign markets.

The Grape Juice Project is entwined with the region’s wine industry in many ways, starting with the reality that so many of the juice producers are also wineries. While production processes differ, most of the juice is handled within winery complexes and with the same disciplines as wine. Juice is produced during the harvest and for the most part has no added sugar or preservatives. While Brazil does export grape juice concentrates, the project focuses on not-from-concentrate production.

Grapes for juice production are largely bordô, isabel (isabella), concord and niagara. Bordô is a synonym for the cabernet franc clone when grown in northeastern Italy. It is one of several Italian varieties produced in the Serra Gaúcha, reflecting the strong Italian heritage of the region – Bento Gonçalves is notably Italian, to the extent of an emphasis on Italian-style restaurants, and many of the grand old winemaking families still speak an Italian dialect at home.

We’ll look in more detail at the grape producers of Bento Gonçalves and the wider region in a later report, updating on the pioneering Grape Juice Project. Among the producers are:

- Golden Sucos – a stand-alone juice producer, proud of supplying The Coca-Cola Company with its rigorous quality standards and workplace audits. Also produces apple and other juices. (www.goldensucos.com.br)
- Casa Perini – the Perini family is one of the region’s pioneers, its winery and juice facility an appealing village amid the vineyards. (www.vinicolaperini.com.br)
- Vinhos Muraro – family-owned vineyards in a lovely rural setting at Flores da Cunha. (www.vinhosmuraro.com.br)
- Vinícola Dom Cândido – superb wines made under the direction of the grand old man whose portrait is the company logo, with juices of the
same quality standards. (www.domcandido.com.br)

- Vinícola Aurora – a cooperative whose history is that of Bento Gonçalves. Produces several juices plus an impressive wine portfolio. (www.vinicolaaurora.com.br)
- Vinícola Salton – one of the most impressive of production and tasting complexes, located at Tuiuti, quite new (2004) despite its magnificent old world architecture. (www.salton.com.br)
- Casa de Madeira and Casa Valduga – another stand-out company headquarters, complemented by a traditional inn, a top restaurant and a range of products including juices, wines, balsamic vinegar, preserves and more. (www.casamadeira.com.br, www.casavalduga.com.br)
- Vinícola Cordelier – magnificent winery buildings, with an excellent restaurant. (www.cordelier.com.br)
- Vinícola Aliança – includes organic and rosé juices amongst its portfolio. (www.vinhos-alianca.com.br)
- Vinícola Battistello – (www.vinicolabattistello.com.br)

Further information on the web:
- www.brazilianfruit.org.br
- www.ibraf.org.br
- www.ibravin.org.br
- www.apexbrasil.com.br
- www.anuarios.com.br

With thanks....

Soft Drinks International warmly acknowledges the assistance and co-operation given in the preparation of these reports on the Brazilian fruit juice industry by the Brazilian Fruit Institute, Brazilian Wine Institute, Brazilian Trade and Investment Promotion Agency and the publishers of the Brazilian Fruit Yearbook. Thanks are also given for the help and enthusiasm – as well as the generous tasting sessions – of the juice and wine producers of the Vale dos Vinhedos and other areas of Serra Gaúcha, Rio Grande do Sul. A special thanks, too, to IBRAF’s knowledgeable and patient Luciana Pacheco, a fine ambassador for her country’s fruit industry.

Proactive marketing at home and abroad

Key stakeholders in the Brazilian juice and whole fruit industry are active in both international trade events and at home in regional and national shows aimed at education in addition to marketing and brand promotion.

One initiative is bannered as the Brazilian Fruit Festival. Sponsored by ApexBrasil, IBRAF and Carrefour, this partnership was launched in September 2004 and embraces activities in 18 countries. The concept links publicity and promotional activities with the ready availability of Brazilian whole fruit and juices locally.

It has been a very successful model for raising the profile of Brazil’s whole fruit and juices, contributing to improved availability of product on a sustained basis.

IBRAF and others are also very evident at major food and beverage trade shows around the globe.

The 2010 calendar features shows such as Fruit Logistics, Berlin; Gulfood, Dubai; Alimentaria Barcelona; FHA Singapore; World Food Moscow; and SIAL, Paris.

Among several initiatives developed to ensure Brazil’s international trade fair presence is as dynamic as possible, the Brazil Fruit Juice Festival partners have developed Brazilian Fruit Radio (http://www.brazilianfruit.org.br/ingles/Index_Ing.htm), adding an extra dimension at the shows, plus an additional online marketing tool.

Fruit and juice stakeholders are also well represented at domestic events.

While their own stands tend more towards marketing, brand promotion and information on their goals to boost juice, wine and fruit sales, they also underpin the technical development activities of many other exhibitors.

As well as the Frutal series, they are involved in shows such as Intermodal South America and Fruit & Tech, both held in São Paulo.
Recent figures released by the Food and Drink Federation show that UK exports of soft drinks bucked the recessionary trend to reach £164 million in the first six months of the year.

Between January and June 2009, the UK exported a massive £151.1 million worth of soft drinks and £12.9 million worth of water overseas as the weak pound made international trade an ever-more appealing proposition.

There has never been a better time for UK drink manufacturers to take their business abroad, it’s just a case of identifying the right markets and carefully developing the right strategy for your product to avoid failure.

**International outlook**

In the past the UK has perhaps been rightly chided for its island mentality. A large and attractive home market with powerful retail customers demanding full attention meant that opportunities to spread business risk by looking beyond our shores were often overlooked. Britain’s retail industry had always been acclaimed for its innovation but its British suppliers had been slow to exploit their skills elsewhere. This was a challenge which once Food from Britain vigorously addressed, and which now is a key focus for the Green Seed Group and its international network.

And things do seem to be changing. Companies such as Britvic, Daniels and The Feel Good Drinks Company are increasingly internationally focused, while an increasing number of other companies are successfully picking off additional retail customers on the continent and further afield to broaden their customer base. Those that make a long term commitment to international business development, rather than merely seeing a short term currency opportunity, will be the ones to thrive.

**Soft drinks growth**

The non-alcoholic drinks category saw the highest growth of any this year, with international sales rising by 22.2%. This year, as ever, Europe was the most popular destination, fuelled particularly by growth in sales of soft drinks [not including fruit juices] and waters.

Ireland was the number one destination market for soft drinks, up 9.6% on the same period in 2008. France and Spain occupied second and third places, up 177.7% and 116.1% respectively, whilst the US was also a big growth market for UK beverage companies, with sales to the continent also up by 86.1%.

Bottled water brands also witnessed a surge in demand for their products abroad, with exports rising 20.6% to £12.9 million. Ireland was once again the driving force behind this, with sales to the country climbing by 60.4% in the first six months of this year.

**Export strategies reap rewards**

One company that has really managed to grow its business through working with the Green Seed Group in the Netherlands is Daniels Chilled Foods. When Dutch department store Hema changed its food and beverage strategy to focus on more healthy and fresh concepts, Green Seed jumped at the chance to tap into its broad manufacturer’s network and introduce the retailer to Daniels chilled juices.

To meet the retailer’s demands, Green Seed was asked by Daniels to coordinate the development and launch of a new juices and smoothies range, in line with Dutch consumer preferences.
and Hema’s new strategy. The company worked with Daniels to handle the pre-launch preparation, organisation of factory visits, labelling, logistics and marketing for the launch.

A range of 10 SKUs were launched successfully at Hema and Green Seed is working together with Daniels to further capitalise on Daniels supply potential within Hema. Mike Cassidy, Sales Director at Daniels Chilled Foods, is welcoming the offices’ efforts: “Green Seed were insistent that this was a great opportunity and I’m glad we listened! They set up a strong introduction with Hema and as things progressed they provided the glue that kept the whole process moving forward. We recognise that there is real growth potential on the continent for our core categories. The Hema experience has certainly given us the confidence to embrace more opportunities.”

Another company that has increased international sales with the help of Green Seed is Ocean Spray. Random checks of its fruit juices stocked by Carrefour highlighted that the presence in-store was not optimal and the distributor looked for means on how to improve this penetration.

Green Seed in Belgium subsequently organised a merchandising action group with 19 merchandisers calling on all Carrefour and Super GB stores. Each individual shelf manager was approached with tailored leaflets and sales information about Ocean Spray in order to negotiate more shelf space and product rearrangement. A full ‘before and after’ report was compiled and a subsequent improvement of 14% listings in Carrefour and 22% in Super GB was achieved for Ocean Spray as a result.

Innocent Drinks is also on a roll with its export strategy. The company, which makes 100% pure fruit smoothies, is the number one smoothie brand in the UK and, thanks to a committed approach to exporting, across Europe too. In 2008, Innocent saw a 150% increase in exports to continental Europe compared to 2007 and now has offices in eight European countries.

Another company that has long successfully exported is The Feel Good Drinks Company. The company exports its range of sparkling juice drinks to more than 12 countries worldwide. International expansion first began for the company in Ireland some six years ago and since then the brand has gone from strength to strength in the country.

Campaign success
But it has been its success in Norway that has helped the company build its international business in recent years. In 2007, The Feel Good Drinks Company delivered an integrated media and promotional campaign that was so successful, representatives from Norwegian retailers actually visited the company at its London offices and agreed to significantly expand their ranges through additional flavours and pack sizes.

Thanks to such a dedicated team, strong market insights and great distribution partners, it is now possible to enjoy a Feel Good Drink in the UK, Ireland, Norway, Sweden, Denmark, Finland, Iceland, the Channel Islands, Greece, Spain, Hong Kong and the USA amongst others. This highlights the level of success that can be achieved when a company commits to international expansion.

Don’t forget to keep an eye on the home market!
But even as UK exports reach levels never seen before, the UK still continues to be highly attractive to overseas businesses because of its size, centralised distribution and cosmopolitan and experimental consumer mix. It will take more than a weak national currency to keep away international exporters to the UK.

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The world’s most renowned energy drink brand is the undisputed market leader in China as well. And in collaboration with the technological leader Krones, Red Bull is currently upsizing its canning capacities at its two Chinese production facilities.

Red Bull came to China back in 1995, driven by anticipatory confidence in the nation’s future prosperity, and set up China Red Bull Vitamin Drink Co in Shenzhen, under the management of the well-known Thai entrepreneur Dr Yan Bin. Within just two short years, Red Bull succeeded in impressing itself on the Chinese consumer’s brand memory. Red Bull positioned itself as what it is – the mother of all energy drinks. The company put in place a nationwide distribution network, complementing this with a full-scale marketing campaign, and swiftly became the market leader. In 1997, Red Bull relocated its headquarters to the capital Beijing, invested around €10 million, and was thus at this juncture one of the biggest joint ventures between Chinese and foreign investors in the beverage industry. Red Bull started off by establishing over 20 branches and more than 50 sales offices, and in 2001 was ranked by the China National Food Industry Association among the top ten foreign food and beverage companies.

**Monolith in China**

In a global context, Red Bull’s growth continues to flourish. In 2008, the market leader increased its turnover by almost 8%. By 2010, Red Bull aims to upsize its sales to nearly 6 billion cans. Its share of the global market is currently estimated as 70%.

In China, Red Bull actually exceeds this figure, with a share of over 80% of the nation’s energy drink market. To put the whole thing in perspective: the market for energy drinks in China is of course marginal; measured against the total beverage market it accounts for a mere fraction. But the sheer size of the Chinese market has to be taken into account: 230 million litres of Red Bull were sold in 2008 alone, about four-fifths of the market, for a turnover of approximately €430 million. And the firm is determined to maintain the momentum. Red Bull has accordingly channelled massive investment into its filling capacities over the past three years. After at first importing its wares directly from Thailand, in 1996 Red Bull began with contract canning on an Italian line in China’s southernmost province of Hainan. Back then, turnover was running at about 150 million RMB (about €15 million). One year later, Red Bull built the production base in Beijing and equipped it with two Italian lines each rated at 36,000 cans an hour.

**The Krones era in China began in 2005**

In 2005, Red Bull had reached the milestone figure of 1 billion cans sold, and the era of collaboration with Krones began. At its newly built Xian Ning facility in Hubei Province, Red Bull installed two Krones canning lines each rated at 36,000 cans an hour, which started operation in May 2006. Precisely two years later, in May 2008, a much faster line, rated at 72,000 cans an hour, started operation in the Beijing-Huairou plant. And this was followed in the summer of 2009 by the next two Krones lines, this time at the Xian Ning facility again. Thus Red Bull is now operating a total of five Krones lines in China, producing 70% of its entire output: 3,600 cans per minute out of 5,100 cans per minute in all plants put together.

**Complete from the depalletiser to the palletiser**

The Krones lines are all similar in terms of layouting. In the 72,000-cph line at the facility in Beijing-Huairou, a Pressant Uni can depalletiser unloads the cans onto a high-level discharge.
They are then hot-filled by a Volumetric VOC-G with the flash-pasteurised product at a temperature of 85° celsius, with a Ferrum seamer applying the lids. The filler is enclosed, and in addition entirely walled in, accessible for the operator only via an airlock with a disinfection bath. This is followed by fill-level inspection using X-rays by a Checkmat FX.

The filled cans are passed through a recooler, which was locally sourced by Krones, and then packed by a Variopac Pro to form two times six-bottle shrink-packs, which are inserted two at a time into 24-bottle cartons by a downstream Wrapapac. The cartons are weighed to verify that the package weight is correct, inkjet-date-coded, and then transported on two lanes to a MultiDivider, which creates the layer pattern for the Pressant Uni palletiser, which also operates with a high-level infeed.

### Positioned as a vitamin drink

Like everywhere else in the world, in China Red Bull is sold only in cans, though here still in three-part cans. There are two products on offer: the beverage marketed as Red Bull Vitamin Functional Drink is sold in a golden 250ml short can, and accounts for the lion’s share of the production output, at over 95%. This product, with its high vitamin B content, has been recognised as a health food, and is permitted to display the relevant, much-coveted logo. In the 250ml slim can familiar in Europe (in China likewise a three-part design) featuring the silver-blue look, by contrast, the firm sells Red Bull extra with a taurine content eight times higher.

### Market exploding

“Since 2004, our market has exploded, with annual growth rates of more than 40%”, explains Cheung Lap Kong, Vice General Manager and General Engineer Red Bull Co. “In order to meet this demand, we relied on outstanding support from Krones, creating a win-win situation for both the partners involved.” So both companies see their collaboration as a long-term alliance. The firm is particularly appreciative of the good spare parts delivery service and the responsive support it gets from the Krones LCS subsidiary in Taicang. “It’s extremely important to us that Krones has a service station here in China, because it means we have less line downtime. If any sudden problems do crop up, Krones’ service people are swift to come by”, explains Cheung Lap Kong. “We have the new lines thoroughly overhauled once a year under a service agreement, which covers spare parts, care and maintenance.”

Following the vigorous expansion of recent years, Red Bull is principally to be found along China’s south-east coast, generally where the Chinese economic miracle took place. Red Bull is keen, of course, to extend this distribution area, even though it is already an incredibly popular drink in China. The 2008 Olympic Games in Beijing was a good platform for progressing sponsorship of climbing competitions, football, golf or the martial art of wushu, and to generate more publicity for the energising vitamin drink, which on the markets, at about 50 cents a can, is about twice as expensive as a normal carbonated soft drink.

### Still plenty of scope

But due precisely to the comparatively high price, the worldwide financial crisis is not sparing Red Bull entirely either. “The change is not all that clearly definable, but it’s equally clear that something has changed”, says Cheung Lap Kong. “The disposable income has decreased, and we’ve seen people being laid off at the export-driven companies in the industrial zones around Guangdong and Foshan. This is showing up in the consumption figures for Red Bull as well. And Red Bull is increasingly having trouble with imitations, the progressively fiercer competition is also putting pressure on prices, and possible legislative changes may restrict distribution.”

“There’s nothing we can do about the global economy”, comments Cheung Lap Kong. “The most important thing for us is that we do our best here at Red Bull. China is still a developing country, but this also means that we’re going to have a lot of opportunities to expand. The prospects for Red Bull continue to be very good.”
The third dimension and the future of line design

Until now, two dimension (2D) line design has been the standard procedure. Companies in the beverage, food, and nonfood industries were basically provided with a project drawing showing a view of the required line. As the name suggests, 3D line design now has the advantage of the third dimension. Whichever scale the system is represented in, the machines, conveyors, and all other system components contained in the system are depicted in correct proportion to one another with reference to the length, width, and height of the required interfaces.

At the same time, advances in powerwall and 3D laser scanning make virtual system site inspections possible, allowing even more accurate insights into the world of systems and at the same time more individual and precise operation during line design.

A system that learns
In a 3D representation, for example, it is easy to see the exact inclines and declines on conveyors, or how high the bottle washer is in comparison to other machines, and much more. This makes it possible to easily adapt line conditions to existing building conditions. 3D planning also makes it possible to create an expert system piece by piece and integrate it into planning processes. This makes the 3D system an intelligent system that is capable of learning. For example, for a planned new line the information as to which containers of which size are to be processed in which capacity and, if necessary, altered – an important prerequisite to holistic planning.

Here, the system immediately recognises which maximum inclines and declines are plausibly on the conveyor systems to be integrated. This both shortens the planning phase and eliminates possible sources of error right from the start.

KHS powerwall allows large-scale 3D viewing
It goes without saying that a newly planned system can be better represented and displayed in 3D than in 2D. Large-scale presentation of this 3D system is now possible using the new KHS powerwall. The powerwall is based on the following technical setup: using special software, four PCs split a stipulated 3D line project into two different overlapping images that are then projected onto a screen.

Standing before the powerwall, customers can experience their future line in the third dimension unlike anywhere else. Just like at a 3D movie, ‘theatre-goers’ are presented with special glasses that enable them to see in 3D. With the help of what is known as a fly stick, viewers can enter and navigate through the line as they require by pressing the function buttons and simultaneously moving the fly stick in the right direction. They can take a virtual tour of the system, during which the machines can be viewed from the floor or seen from above, for example. They can also control the speed at which they observe their future system, taking it fast or slow, just as they wish. The software also features panorama viewing, where the perspective is changed simply by turning the head.

Changes allowed
3D imaging on the powerwall is particularly useful when companies in the beverage, food, and nonfood sectors wish to make a virtual assessment of the line they have ordered and planned before it is manufactured. The advantage here is that should one or other component prove less convincing than in the initial planning when seen virtually, this can be recognised in good time and appropriate countermeasures taken. New ideas can be swiftly integrated into the 3D design and then again viewed in 3D. Maximum safety of investment is a given.

Exact representation of individual machines
The powerwall display integrates both a view of the overall line and of the individual machines as required. For this purpose, a link must be made to a 3D presentation of the respective machine. The list of possibilities is endless, with both a virtual tour through the pasteuriser or a detailed inspection of all washing stages in the bottle washer both feasible, for example.

Visualisation of upstream and downstream systems
The system can also visualise any stages in the process connected upstream or downstream of the line equipment, such as the syrup room or the conveying and storage logistics. This allows interfaces to be recognised well in advance, assessed and, if necessary, altered – an important prerequisite for holistic planning.

Looking at the powerwall, customers can also plan how individual machines can be best brought into the plant. For example, where can large machine parts be most easily maneuvered into the designated production shop? Where exactly are the critical points in the building regarding the conveying of individual parts to their intended point of assembly? All this can be visualised on the powerwall, enabling precise preparation when positioning a new line within the plant. This favours the exceptionally quick setup of the new line machinery and shortens the commissioning phase.

Perfect preparation for expected new developments
A mutual virtual site inspection of a new line using the powerwall is the perfect way to familiarise the entire technical staff of a company with new KHS line equipment. A portable powerwall solution makes this possible. Future system operators can thus discuss the new line concept in detail with decision-makers at the respective beverage, food, or nonfood company. Questions from individuals on the new engineering system can be
clarified in advance. This procedure motivates employees and keeps them in pleasant anticipation of their system. The next logical step in the proceedings would be to train employees in advance on the powerwall – something that is also feasible here.

3D laser scanning for maximum precision measurement

Necessary data on the building in which the new system technology is to be installed can be determined in a number of ways for 3D animation on the powerwall. One possibility would be to glean data exclusively from specific architectural plans. However, if the building where the line is to be installed has a number of critical points (such as varying heights and levels or recesses in the production shop area), it is advisable that customers recheck their data using 3D laser scanning (allowing 360° imaging). This is the only way of guaranteeing accuracy right down to the last detail – regardless of whether the shop is empty or full of line machinery. The advance measurement of shop floors filled with line machinery prior to line design is particularly important if certain machines within the line are to be replaced – when integrating a new filler, for example.

Before the production shop is measured using the 3D laser scanner, all measurement processes are precisely planned and measuring positions determined based on the shop floor plan. Ten to 30 scanning processes are required to exactly record the current status. Each measuring process takes 30 seconds to three minutes. During this period, up to 21 million points are recorded. Because of the huge number of points, this is called a scatter plot. After all of the measurements have been taken, the individual scans are merged thereby generating an extremely accurate shop image in 3D, into which the line designed for the respective plant can now be perfectly integrated.

It’s important to know that KHS cordons off a six-meter radius during laser scanning. This means that operating personnel present in the shop during scanning processes are not exposed to any risk.

Performing a 3D laser scan once the new line machinery has been integrated into the plant also has the great advantage of being able to present the company with an as-built documentation at the end of the scanning process, depicting all aspects of the new engineering system in 3D. If conversions are planned in the future, or if certain machines are to be replaced, the 3D design is helpful, allowing new ideas to be rapidly integrated into the 3D animation and shown on the powerwall.

Complete planning of new enterprises made easy

Using 3D line design, the powerwall and 3D laser scanning, KHS is also now perfectly equipped to produce complete plans for new enterprises. Buildings, logistics, and technical systems can all be visualised in detail, with all interfaces precisely defined.

All told, with 3D line design and innovative tool highlights, such as the powerwall and 3D laser scanning, KHS is heralding a new era of line engineering that has many advantages over previous setups. Innovative 3D line design emphasises the company’s competence at providing complete solutions in accordance with the KHS motto of ‘Quality right down the line’.

Peter Hoffmann is Line Design Manager at KHS AG. Tel: +49 (231) 569-1521 www.khs.com
As recently as 2007, the East European soft drinks market registered growth of almost 10%; the region was an important driver in overall global soft drinks consumption and the mood was very much upbeat. By the autumn of 2008, however, the financial situation was deteriorating and soft drinks growth for the full year slowed to 2%. 2009 has been the eye of the economic storm and, according to Canadean’s Quarterly Beverage Tracker, soft drinks sales are projected to fall by as much as 5% by the end of the year with the fourth quarter continuing the pattern of decline.

There is undoubtedly limited optimism in evidence in the beverage industry and overall commercial beverages are expected to fall by between 2 and 3%. Soft drinks players may have little to cheer as we enter the Christmas period but they have not been hit as hard as those involved in the alcoholic sector. Canadean consultants in the region anticipate the alcoholic sector to have contracted by a depressing 7% this year. A key feature of the great recession of 2009 is the stay at home response of consumers which has triggered a slump in on-premise sales. The poor Horeca sales have impacted on alcohol sales more than any other category because they are more reliant on sales through this channel than other sectors.

Summer fails to brighten performance
The performance comes against a backdrop of good weather for parts of East Europe; traditionally as one would expect, soft drinks and beer prosper in good weather. The sunny summer also failed to lift tourism in the region’s tourist hotspots and both visitors numbers and average spend were well down on 2008. In contrast, a good summer in neighbouring West Europe helped the soft drinks market register a small growth for the third quarter. The fact that a good summer failed to ignite a recovery in soft drinks sales highlights how deep rooted the downturn is across much of the region.

Economics is shaping consumption patterns in East Europe and hot drinks, which are generally accepted as the most economical form of refreshment, have managed to maintain sales this year and this beverage sector is expected to edge forward albeit very modestly. Juice is a more expensive way to drink beverages and consequently demand has fallen very steeply this year. Nectars are often consumed as a low cost alternative to juice, but they too have seen sales slip and they are actually the cheaper of the still drinks category and dilutable options that are in slight growth this year.
Energy exception

The exception to the rule has been the high priced energy drinks category; the category makes up less than 1% of the region’s soft drinks volumes but sales are still on the up this year in spite of their cost. On a closer analysis the rise in energy drinks sales can actually be traced to the Polish market; Poland accounts for about a third of East European energy drinks sales and growth in Poland is pushing the overall market. If you discount Poland, East European energy drinks consumption slips into the red.

Private label growth

In West Europe, consumers have been downgrading within categories from the premium or mainstream segments to the lower priced segments of the same soft drinks categories; there has been far less switching from higher priced categories to cheaper categories.

Consumers in East Europe have downgraded from premium categories to lower priced categories. As in West Europe though, East Europe has seen a surge in private label sales and a notable rise in discount retailer activity and investment.

Mixed performance

Across this part of the world there are varying levels of performance; Poland and Turkey are expected to see soft drinks sales rise this year while Bulgaria, Latvia, Lithuania, Russia and the Ukraine will all see double digit soft drinks losses. With around a quarter of the region’s soft drinks sales, the extent of the losses being sustained in Russia has exaggerated the regional picture. Perhaps encouragingly 2009’s third quarter saw the Russian economic decline come to a halt with a small positive increase (0.6%), thanks mainly to an improvement in demand for Russian export commodities in world markets.

Non-commercial resurgence

In what is another indicator of the depth of the recession, East Europe has seen a resurgence in home-made, mainly non-commercial beverages. These had been slipping off the radar but have come out as a viable alternative to more commercialised forms of consumption.

This is highlighted in the influential Russian market, where a good harvest of local apples and berries provided a low cost fruit base for home-made still drinks. This volume is almost impossible to track and does not feature in Canadean’s numbers; it inevitably amplifies the level of decline being seen.

Richard Corbett is a Strategic Analyst at UK-based Canadean Ltd, the leading global beverage research consultants. Email: richard.corbett@canadean.com

Source: Canadean

Alcoholic drinks have taken the biggest hit in 2009.

Richard Corbett is a Strategic Analyst at UK-based Canadean Ltd, the leading global beverage research consultants. Email: richard.corbett@canadean.com

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Packaging

Airline challenge met

ELOPAK Feature Systems along with Bericap have developed a totally transparent cap for the 1 litre Diamond with Curve cartons supplied to the German airline Lufthansa by juice manufacturer Albi. The cap enables the airline staff to easily and accurately differentiate between opened and unopened packs in order to adhere to strict regulations that do not permit opened liquid products across international borders.

The new cap has also helped Lufthansa reduce food waste. Elopak FES conducted testing to develop a configuration that cuts the carton under the cap when it is opened. By using semi-transparent plastic for the cap the user can see if it is opened as the cut removes the white carton board so a ‘black’ hole is visible.

Hans Lippuner, Elopak’s Commercial Manager FES, said: “Simplicity in design which adds key functional benefits enabled our customer Albi to extend its product portfolio and win a major catering contract with Lufthansa. This solution, which meets a very important and specific customer legal and safety requirement, has attracted the attention of other customers who see the added value for aseptic products with minimal technical and cost investment.”

Sidel joins NAPCOR

CONSCIOUS of the environmental challenges faced by the beverage packaging industry, Sidel has joined NAPCOR (National Association for PET Container Resources), the trade association representing the PET plastic industry in the US and Canada. NAPCOR’s membership includes some 50 companies involved in different stages of the PET container life cycle, from preform manufacturers to packaging equipment makers, food and beverage companies and recycling operators.

“Sidel is committed to sustainability innovation and to making PET recycling easier; through both the design of its equipment and the design of packages,” said Luc Descutter, the company’s Sustainability Manager. “We are aware that the environmental aspects of PET are not widely known, that perceptions about this material are not fully in line with reality, that the concerns that regularly come up are due to a lack of knowledge about PET’s technical characteristics, and that its recycling rate is still too low,” explained Keith Boss, Vice-President for North America, who will represent Sidel within NAPCOR from his base in Atlanta.

The most recent seminar organised by NAPCOR, in late September in Chicago, dealt with production, technologies and demand for recycled PET.

FSC-certified first

SIG Combibloc has launched the first FSC-certified beverage cartons for fruit juice drinks and ice teas in Europe. The fruit juice drinks and ice teas in beverage cartons marked with the label of the Forest Stewardship Council (FSC) are on sale in all German branches of the Lidl chain.

The FSC label is internationally acknowledged as one of the most recognised and most widely accepted verifications for the processing of wood fibres. The FSC label states that wood fibres used to manufacture a given product can be proven to originate from forests that are certified according to FSC guidelines, managed responsibly and to the highest standards, or from other controlled sources.

The FSC label on the beverage cartons is a clear visual confirmation to consumers that all the wood fibres used to manufacture the packaging can be traced back to their source and the design of packages,” said Luc Descutter, the company’s Sustainability Manager. “We are aware that the environmental aspects of PET are not widely known, that perceptions about this material are not fully in line with reality, that the concerns that regularly come up are due to a lack of knowledge about PET’s technical characteristics, and that its recycling rate is still too low,” explained Keith Boss, Vice-President for North America, who will represent Sidel within NAPCOR from his base in Atlanta.

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PET supply assured

EUROPEAN customers have been reassured of a continued supply of PET despite the financial health of domestic producers and an EU investigation into anti-dumping, speakers at a PET industry forum said at Global Service International’s (GSI) seventh annual ‘PET day’ recently held in Arthemino, Italy.

“Importers will be the most important suppliers to the European market, if not from Iran, Pakistan and the United Arab Emirates (UAE), then from additional capacity in Oman, Egypt [and] maybe Morocco,” said GSI CEO Francesco Zanchi.

In September the European Commission launched an anti-dumping investigation into PET imports from Iran, the UAE and Pakistan. The Commission’s investigation followed a campaign launched by the PET Committee of Plastics Europe, which said it was acting on behalf of producers representing over 50% of PET production in the EU for anti-dumping duties to be imposed on PET imports from the three countries.

“Whatever decision of the European Commission, imports will continue,” added Zanchi.

Europe was currently importing PET at a rate of 70,000 tonnes/month, up from 30,000 tonnes/month in 2006, according to Zanchi.

Speakers at the forum agreed that there would be continued growth in PET demand.

Lufthansa. This solution, which meets a very important and specific customer legal and safety requirement, has attracted the attention of other customers who see the added value for aseptic products with minimal technical and cost investment.”
Plant-based bottle takes centre stage

A HIGHLIGHT of the 2010 Packaging Conference programme, due to take place from 8th to 10th February in Las Vegas at the new Aria CityCenter, will be a keynote presentation by The Coca-Cola Company’s Dr Shell Huang on the new PlantBottle.

The container is made through an innovative process that turns sugar cane and molasses, a by-product of sugar production, into a key component for PET. Unlike other plant-based plastics, the PlantBottle can be processed through existing manufacturing and recycling facilities without contaminating traditional PET.

The Packaging Conference, produced by Plastic Technologies Inc (PTI) and SBA-CCI Inc, has established a reputation as the must-attend event for the debut of new technology providers, equipment manufacturers, and brand owners to resin suppliers, tech-technology and other key industry announcements.

The conference is designed to provide the latest information for those in the packaging supply chain. Attendees range from retailers and brand owners to resin suppliers, tech-technology providers, equipment manufacturers, and converters. “Now, more than ever, a dialogue between all supply chain participants is key to meeting packaging objectives,” said John Maddox, President, SBA-CCI.

Can award

A LIGHTWEIGHT aluminium bottle that has just started being used commercially by a leading US soft drinks producer won the Can of the Year Award for Exal Corporation at The Canmaker Summit recently held in Dubai.

The 30cl C2C bottle has been under development by US-based Exal for almost ten years. It weighs 40% less than that conventional aluminium bottles, providing significant material savings.

C2C, which stands for Coil-to-Can, uses similar techniques as for making drinks cans, starting with thin aluminium coil, and potentially offers production speeds in the region of 1,000 bottles per minute. Development costs in excess of $30 million have been spent on a pilot manufacturing line in Ohio with capacity to make 120 million bottles a year. The C2C bottle that won the Can of the Year Award was made for Eaux Vives mineral water in Canada for its Eska brand.

Tall and light

PCO 28-21 ComPET Cap-O, developed by MHT Mold & Hotrunner Technology AG, is 21mm tall and weighs just 3.9 grammes, making the new thread a lightweight alternative for bottlers. It is 100% compatible with standard PCO 1810 closures.

The company points out that bottle threads are becoming shorter, offering weight savings, but that a conversion – eg from PCO 1810 (5.1 grammes/21mm length) to PCO 1881 (3.8 grammes/17mm) also means that bottling plants must be converted to handle the new thread length and represents a major investment. By using the 28-21 ComPET Cap-O no conversions costs are incurred.

In brief…

- A new white paper from Axon, a division of Pro Mach, describes the evolution of various types of tamper-evident packaging and then focuses on recent developments in tamper-evident band technology. These include the all-in-one shrink label and tamper band solution; new, thinner materials for cost savings and greater sustainability; new applications and today’s higher throughput machines that reduce labour costs. The white paper is available for download on the Axon website at www.AxonCorp.com/white-papers/.

- The green shoots of recovery were very much in evidence at this year’s PPMA Show, where thousands of senior buyers with major purchasing requirements generated real business opportunities for exhibitors. Visitors were impressed with the diversity of equipment and number of new developments on display, while exhibitors praised the level and quality of enquiries and many reported sales off the stand.

- Pack Expo which took place at the Las Vegas Convention Center 5th to 7th October 2009, attracted 22,721 packaging and processing professionals, making it the second-largest Pack Expo since PMMI launched the show in 1995. “Given the economy this year, we are extremely pleased with the turnout,” said Charles D. Yuska, President and CEO of PMMI. “Trade shows mirror the industries they serve, and the strong attendance may indicate an economic recovery as consumer goods companies leverage the show for their capital equipment investments and packaging innovation efforts.”
UK plastic bottle recycling up

THE latest UK household plastics packaging collection survey 2009, commissioned by Recoup and sponsored by Reckitt Benckiser, shows an encouraging increase in the bottle recycling rate with almost 40% of plastic bottles now being collected for recycling. More local authorities are also reported to be actively collecting non-bottle plastics for recycling.

In 2008 approximately 238,000 tonnes of plastics packaging were collected for recycling. From this total, 216,000 tonnes was specifically attributed to kerbside collection service for the first time – a growth in collection rates of approximately 13%. This has occurred due to the number of local authorities now introducing a kerbside collection service for the first time, the expansion of schemes and overall performance improvement of existing services.

The current collection tonnage for plastic bottles is now 44,000 tonnes including 5,800 tonnes from household waste recycling centres operated by waste disposal authorities. This suggests a 28% recovery increase from last year’s data. An additional 3,000 tonnes of bottles was attributed to local authority-led recycle-on-the-go activities.

The survey responses suggest that kerbside schemes will recover 194,000 tonnes of bottles in 2011 representing 25,000 additional tonnes. If a yearly 10% increase in household kerbside coverage and also performance was applied, the estimated collection could reach over 342,000 tonnes. This suggests that a focus on increasing plastic bottle kerbside infrastructure and indicative performance per household will be key to boosting existing recycling rates and achieve the step change desired.

The full report is available free of charge from the Recoup website: www.recoup.org

Fuel cell technology in use

COCA-Cola Consolidated, second largest Coke bottler in the US, has ordered 40 hydrogen-powered forklifts for its production centre in Charlotte, North Carolina. The forklifts incorporate the GenDrive fuel cell technology developed by Plug Power, a listed American company which is growing an international reputation in the development and deployment of clean, reliable energy solutions.

“With these fuel cell materials handling units, we will be able to maintain productivity, decrease operating costs and lower green house gas emissions by 30%,” said Lauren Steele of Coca-Cola Consolidated.

The company looked at several options for converting its material handling fleet from internal combustion to a cleaner technology, including electric lift trucks. The GenDrive fuel cell forklifts won the contract because they can be run at full speed for an entire shift, with easy refueling from stations around the plant which take up little space. Delivery is scheduled for early 2010.

Engen and Nampak recycle

SOUTH Africa continues to develop further environmental initiatives, many of them involving soft drink producers or retailers, as the country moves to tackle its extensive waste packaging problem. Among the latest projects is a pilot venture involving Woolworths and Engen service stations in the Western Cape.

Woolworths South Africa operates retail stores at some key Engen outlets, with a high turnover in soft drinks and convenience foods. Recycling stations for plastic, glass, paper and cardboard have been positioned at eight Engen locales, with packaging group Nampak handling collection and recycling, much of it for local conversion.

“Like us, our customers are concerned about the wellbeing of our planet and want to recycle their waste,” said Justin Smith ‘Good Business Journey Manager’ for Woolworths. “We want to make it easier for them. For some, dropping recycling waste off at a local service station, that they may visit anyway, will be a convenient solution.”

Smith said that recycling waste was “a fundamental pillar of Woolworths’ good business journey, our plan to help our planet, country and communities”.

June Josephs-Langa, Chief Executive of the South African Government’s environmental campaign, Indalo Yethu, said the organisation endorsed the initiative and looked forward to the national rollout. “Working together as South Africans to reduce the volume of waste that goes to landfill through recycling, we can restore the environment and tackle climate change bin by bin. I encourage others in the private sector to follow this sterling and practical step toward greater sustainability in their own operations.”
EABL steps up environmental work

KENYA-based soft drink bottler East African Breweries has teamed up with the Nation Media Group, Kenya Wildlife Service and the Green Belt Movement in a bid to save the Mau Forest, one of Kenya’s main sources of water.

The group’s social investment wing, EABL Foundation, also announced recently that it is expanding environmental programmes in four East African countries. And Foundation Manager Keith Obure says the organisation is looking at opportunities to extend into Uganda and Tanzania the successful water and sanitation projects it runs in Kenya.

The Mau Forest project is a massive undertaking. The corporate sponsors are not only providing funds themselves for the planting of millions of seedlings in Maasai Mau and Eastern Mau, but have also launched a public awareness campaign.

“Our aim is to involve Kenyans in the sustainability of the Mau Forests, by encouraging people to donate and plant trees in the catchment, rebuilding the forest to its former glory,” said Gerald Mahinda, EABL’s Group Managing Director.

Core goals for the project, spread across several rehabilitation and reforestation projects, are structured on a three year basis but the work will continue for at least five years.

“The Mau region plays an invaluable role as an important water tower in Africa, and a centre for biodiversity for many endemic species of mammals and reptiles,” said Dr Julius Kipng’etich, Director of the Kenya Wildlife Service.

More trees for recycled cans

RECYCLERS of aluminium drinks cans and clean foil have caused an impressive quarter of a million trees to be grown in the UK and Africa since 2004, thanks to Alupro’s current fruit tree programme with British charity Ripple Africa in Malawi. A tree is grown for every tonne of aluminium recycled, with the recycling rate now 57% higher than when the programme started (35,900 tonnes in 2004 to 54,656 tonnes recycled in the 12 months to end June 2009).

“This is a fantastic result, and a great credit to UK recyclers” said Alupro Executive Director Rick Hindley. “Recycling aluminium is 20 times more energy and carbon efficient than making it from the raw material, bauxite, and our tree growing programme helps highlight to consumers that the benefits of recycling go beyond managing household waste efficiently.”

The programme is now entering its third year, with 150,000 fruit trees already grown in 100 community nurseries in an area to the north of the country. Around two-thirds of the trees are native guava and paw paw for local consumption, with up to a third of the trees resulting from grafting larger, juicier improved mango and orange species on to local lemon rootstock.

CO2 cut across European beverage plants

ROMANIAN Combined Heat and Power (CHP) and Coca-Cola Hellenic have inaugurated an advanced energy saving power plant in Romania as part of an initiative to reduce annual CO2 emissions across all of Coca-Cola Hellenic’s operations by more than 20%.

The European Commission has described cogeneration as a “proven tool” for contributing to Europe’s energy challenges. Not only does it see it as a solution for cutting emissions but it believes it will also reduce Europe’s dependence on imported energy, promote competitiveness and job creation and increase export opportunities.

“The CHP plant, constructed in partnership with power development company ContourGlobal, is installed at the Coca-Cola Hellenic bottling facility in the city of Ploiesti. It is the first of 15 plants that Coca-Cola Hellenic has pledged to build in 12 months to end June 2009.”

The opening of the CHP plant represents a milestone to ensure the sustainable development of our operations, and of the communities we serve,” said Mr Doros Constantinou, CEO of Coca-Cola Hellenic.

“Across all of our 28 territories we have been working to increase efficiencies and reduce CO2 emissions, the main culprit in climate change.”

Joseph Brandt, President and CEO of ContourGlobal, stated: “Producing consumer products sustainably is one of the key challenges of our time. Through our partnership with Coca-Cola Hellenic, we have recombined existing technologies to create an innovative energy facility at Coca-Cola Hellenic’s bottling plant in Romania. Our CHP plant is highly energy efficient and substantially reduces CO2 emissions. We are proud that Coca-Cola Hellenic chose ContourGlobal to develop and operate these innovative facilities throughout Europe and Africa.”

The CHP plant supplies highly efficient, clean electricity as well as heat and cooling for the soft drink production facility. At the same time, clean electricity is delivered to the local grid, providing energy efficient power for the surrounding community in Ploiesti.

The development of the Ploiesti plant follows a pilot project in Hungary in 2006 which reduced CO2 emissions by 43%, equivalent to a 20% reduction across all 80 beverage production plants, well ahead of the 2020 deadline for emission reductions set by the European Union.

Coca-Cola Hellenic and ContourGlobal will open three plants more this year with others following in 2010 and beyond.

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The European specialty paper industry has been able to reduce its environmental emissions significantly in just two years, according to the Life Cycle Impact Assessment (LCIA) commissioned by Paperimpact, the European Specialty Paper Manufacturers’ Association.

The industry average for the carbon footprint was reduced by 14 % and a significant reduction was measured in all impact categories. The updated carbon footprint for the specialty paper sector is 1050 kg CO2e/tonne of paper. About 75% of the improvement was accomplished in areas where the plants have the most control, i.e. taking into account fuel-related emissions from their own energy production and emissions associated with purchased electricity and heat. The carbon footprint reduction is largely due to mills changing over to lower emitting, cleaner fuels.

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Human Resources

APPOINTMENTS

In the US Coca-Cola Enterprises has appointed Edward Lopez Chief Diversity Officer to oversee the company’s global diversity initiatives. He was previously Vice-President of Public Affairs and Communications.

The US Honest Tea company of Bethesda, Maryland has appointed Chuck Muth Vice-President of Bottler Relations, effective 1st January. He will be responsible for overseeing the brand’s expansion through the company’s network of Coca-Cola bottlers and independent distributors.

Paul Carter, Managing Director of Phoenix MarCom, becomes the new UK and Ireland Delegate for DECHHEMA in time for the run-up to ACHEMASIA 2010. Carter’s main role as DECHHEMA Delegate is recruiting British and Irish companies within the chemical and allied industries to exhibit at ACHHEMA worldwide events.

The UK Food and Drink Federation (FDF) has appointed Barbara Gallani to the post of Director of Food Safety and Science, replacing Helen Munday who leaves FDF at the end of this year for a role at Coca-Cola. She will start in her new role in January 2010.

Univar, based in Bellevue, Washington a global leader specialising in the sales, marketing, application and safe handling of a wide range of chemicals and ingredients, has announced the appointment of John J. Zilmer as President and Chief Executive Officer.

TricorBraun an industry leader in the design and supply of innovative rigid packaging solutions has named G. Douglas Bolen Vice-President of Information Systems. The company has 34 offices in the US, Canada, Mexico and Asia.

Helen Munday

Women want to work at PepsiCo UK

PEPSICO UK has been named in the Top 50 of The Times’ prestigious ‘Where Women Want to Work!’ league. The listing is designed to provide information on the most progressive large organisations to help women compare and choose where they might want to work. By achieving a place in the top 50, PepsiCo UK had to provide evidence on its commitment to recruiting, developing and retaining female talent through five criteria.

PepsiCo UK entry focused on the progress being made to encourage women into roles traditionally held by men, such as manufacturing. With a variety of manufacturing sites across the UK, employing more than 4000 people, development in this area is key to PepsiCo’s longterm growth and competitiveness.

Jan Woods, HR Director of PepsiCo UK, said: “As a result of our efforts, our representation of female managers in manufacturing stands at 36% against a national average of 28%. Supporting females is one area of focus on our Diversity and Inclusion agenda.

“PepsiCo is one of the very few FMCG companies to have been included in the list. This only builds upon our reputation as a company where talented people from different backgrounds choose to work.”

• PepsiCo’s Chairman and CEO, Indian-born Indra Nooyi, has topped the list of world’s 50 top business women compiled by the Financial Times. However, just 3% of Fortune 500 chief executives are women. Further, across Europe, only 10% of board directors of the largest companies are women (quotas have made Norway the exception, with more than 40%) and the numbers are even lower in Asia.

Lifetime achievement

Dr THOMAS E. Brady, founder of Plastic Technologies Inc (PTI), was recently awarded the 2009 Lifetime Achievement Award by the Society of Plastic Engineers’ (SPE) Blow Moulding Division. The award is presented annually to individuals who have demonstrated exceptional contributions to blow moulding technology.

Dr Brady is well known in the plastics and packaging industries as a technology innovator and founder of seven PTI-related companies. The flagship company, PTI, first opened its doors in 1985. Today, the companies employ 200 people worldwide and operate from corporate locations in Holland and Bowling Green, Ohio, as well as Yverdon, Switzerland.

Prior to founding PTI, Dr Brady was vice-president of plastics technology for Owen-Illinois Inc (O-I). There, he led the development of the first PET soft drink containers and directed the technical activities of O-I’s plastic product lines.

Indra Nooyi.

Accolade

HOT melt adhesive manufacturer Beardow Adams was presented with two awards: the 2009 Business of the Year above £5 million turnover and International Trade – Consistent Performance, made by Milton Keynes and North Bucks Chamber of Commerce. The Chamber represents the ninth largest economy in south east England.

The judges commented that, “Beardow Adams has an impressive track record of growth through niche positioning which has allowed it to exploit and expand in a hotly contested international market by using their specialist knowledge and the strength of their global network”.

“These awards are a tribute to our staff in the UK and our partners around the world,” said Stuart Wetherell, Beardow Adams’ Strategic Marketing Director. “After a tough 12 months’ trading, they demonstrate that the effort, focus and investment in our business, and in the people who make that business possible, is well worthwhile.”

Beardow Adams employs 67 people, most of whom are based in Milton Keynes. Among its customers are Coca-Cola and Nestlé who use its adhesives in packaging and labelling.

Dr Thomas E. Brady.
# Events Diary

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<th>Date</th>
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<td>2nd – 4th</td>
<td>INDIA</td>
<td>International Food &amp; Drink Expo India</td>
<td>Pragati Maiden, New Delhi, India</td>
<td><a href="http://www.indiafooddrinkexpo.com">www.indiafooddrinkexpo.com</a></td>
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<tr>
<td>3rd – 4th</td>
<td>UAE</td>
<td>Tea and Health Dubai 2009</td>
<td>Shangri-La Hotel, Dubai, United Arab Emirates</td>
<td><a href="http://www.indiafooddrinkexpo.com">www.indiafooddrinkexpo.com</a></td>
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<tr>
<td>6th – 8th</td>
<td>UAE</td>
<td>Dubai Drink Technology Expo</td>
<td>Dubai International Convention and Exhibition Centre, Dubai</td>
<td><a href="http://www.drinkexpo.ae">www.drinkexpo.ae</a></td>
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<td><strong>FEBRUARY</strong></td>
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<td>17th – 20th</td>
<td>GERMANY</td>
<td>Biofach</td>
<td>Nuremberg Messe, Nuremberg, Germany</td>
<td><a href="http://www.biofach.com">www.biofach.com</a></td>
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<tr>
<td>21st – 24th</td>
<td>UAE</td>
<td>Gulfood</td>
<td>Dubai International Convention and Exhibition Centre, Dubai</td>
<td><a href="http://www.gulfood.com">www.gulfood.com</a></td>
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<td>21st – 24th</td>
<td>UAE</td>
<td>Ingredients Middle East</td>
<td>Dubai International Convention and Exhibition Centre, Dubai</td>
<td><a href="http://www.ingredientsme.com">www.ingredientsme.com</a></td>
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<td>21st – 24th</td>
<td>ITALY</td>
<td>Pianeta Birra &amp; Beverage</td>
<td>Rimini Fierra, Rimini, Italy</td>
<td><a href="http://www.pianetabirra.com">www.pianetabirra.com</a></td>
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<td>24th – 25th</td>
<td>UK</td>
<td>Packtech</td>
<td>NEC, Birmingham, UK</td>
<td><a href="http://www.easyfairs.com">www.easyfairs.com</a></td>
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<td>22nd – 28th</td>
<td>SPAIN</td>
<td>Alimentaria</td>
<td>Fira de Barcelona, Barcelona, Spain</td>
<td><a href="http://www.alimentari-bcn.com">www.alimentari-bcn.com</a></td>
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<td>24th – 26th</td>
<td>GERMANY</td>
<td>Intervitis Interfructa</td>
<td>Stuttgart Messe, Stuttgart, Germany</td>
<td><a href="http://www.intervitis-interfructa.de">www.intervitis-interfructa.de</a></td>
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<td><strong>APRIL</strong></td>
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<td>2nd – 5th</td>
<td>USA</td>
<td>BevTech</td>
<td>Renaissance Glendale Resort &amp; Spa, Glendale, Arizona, USA</td>
<td><a href="http://www.bevtech.org">www.bevtech.org</a></td>
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<tr>
<td>25th – 27th</td>
<td>UK</td>
<td>Total Processing &amp; Packaging</td>
<td>NEC, Birmingham, UK</td>
<td><a href="http://www.totalexhibition.com">www.totalexhibition.com</a></td>
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<td><strong>MAY</strong></td>
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To include your event on the SDI Events Diary page and also online, contact: publishing@softdrinksinternational.com
**Drugs in American drinks**
The American Bottlers' Protective Association adopted, at its last annual convention, the following significant resolution:

"Whereas, there has of late sprung up a tendency to put upon the market beverages, the basis of which are alkaloidal drugs on the order of the extract of the cola nut and coca leaf, or other caffeine and cocaine extracts, and

Whereas, the consumption of such habit-forming beverages, containing such ingredients is detrimental to the public health, and

Whereas, the sale of beverages containing such ingredients is a stain on the good name of the bottling industry, be it

Resolved, that the American Bottlers' Protective Association of the United States now go on record as uncompromisingly opposed to the manufacture and sale of any beverages containing the aforesaid ingredients or derivatives thereof, and be it further

Resolved, that the secretary be instruct-

ed to convey the sense of this to federal and pure food authorities and to the public press."

**The vigilant Americans**
Soda fountain drinks containing habit-forming drugs are being pounced upon now by the authorities. The manufacturers of a product called Coca-Nola were recently haled into court and fined $100, the charge being that the article contained cocaine without the fact being stated on the label. There was a further charge that the label dishonestly contained the word 'dopeless'. Coca-Cola, another soda drink, is now upon the carpet under the charge of containing caffeine, which is asserted by the Government authorities to be injurious to the public health. It looks, though, as if the Government would fail to sustain its contention in the Coca-Cola case.

**Sporus mineral waters**
Mention has already been made from time to time of frauds in the manufacture and sale of mineral waters in France, which have taken so serious a development of recent years. An interesting statement, having official sanction, has now been published in the report on the Budget of the Ministry of Agriculture. The reporter, M. Noulens, Deputy of the Gers, does not hesitate to say that this traffic in fraudulent mineral waters has taken great extension of recent years, and is even carried on as a regular industry. As an example he cites that on the premises of one firm the anti-adulteration inspector found a complete installation for making imitation mineral waters with a large supply of sodium bicarbonate. A stock of something like 55,000 capsules and bottles was also found ready for use bearing the names of 'Vals' and Evian, etc. The books of the firm showed that within three months no fewer than 46,000 bottles of spurious Vichy water had been prepared and sold.

**Preservatives in soft drinks**
Proposals for amending the Public Health (Preservatives etc in Food) Regulations are contained in the Food Standards Committee Report on Preservatives in Food issued by H.M. Stationery Office.

In 1957, the National Association submitted to the Food Standards Committee, recommendations for the revision of the Regulations so far as they concerned soft drinks.

In brief, the recommendations were:

i that the definitions of the soft drinks items in Part 1 of the First Schedule be amended to bring them in line with present day conditions;

ii that the benzoic acid limits for concentrated and unconcentrated soft drinks be increased from 600ppm and 120ppm to 800ppm and 160ppm respectively;

iii that a mixture of the two preservatives permitted in soft drinks be allowed.

All three proposals have been adopted by the Food Standards Committee and are incorporated in their recommendations.

It must be stressed that the publication of the Report does not commit the Minister and it remains to be seen to what extent the recommendations will be implemented by the introduction of new Regulations.

**400 million gallons almost certain**
An output of 400 million gallons of soft drinks in the UK this year is now almost certain. That represents a per capita consumption of 6 gallons per annum, or 128 half-pint drinks for every man, woman and child in the land...

It is interesting to note that the production of concentrated soft drinks during the first nine months of this year at over 30 million gallons is higher than the total output reached in the record year of 1957. While the increase in the production of unconcentrated drinks was not as great, the 1959 figures show an increase of 17% on the corresponding figures for 1958.

In the final three months of 1958, the total output was 72,196,000 gallons. Provided production in the current quarter does not fall below that figure, the year's total will reach the 400 million gallons and show an overall increase of over 20% on last year's total output.

**Premix Pepsi**
Early this year, Pepsi-Cola Ltd decided to launch a premix vending operation in London and the Home Counties. The machine used in this operation is of their own design, with a capacity of 500 cups. As this is a 'premix' machine, no plumbing is required as the drink is supplied in five-gallon stainless steel containers. With this method of vending, strict quality control can be maintained by the product manufacturer.

Machines have chiefly been placed in industrial and service centres, but highly successful test runs have been carried out in a great variety of sites, including cinemas, swimming pools and garages.

The machines are supplied completely free of charge, to selected sites, and a commission is paid to the site-owner on the total sales return of the machine. Waste bins are supplied with each machine, and all filling, cleaning and servicing is carried out by Pepsi-Cola service engineers.

Pepsi-Cola Ltd are specialists in premix cup vending and are co-operating with caterers and vending machine operators as much as possible in the siting of machines. This enables caterers to offer soft drink vending equipment to their existing accounts without becoming involved in additional labour or financial expenditure.

During 1960, it is anticipated that the number of machines in operation will be more than doubled and it is possible that the operation may be extended to other parts of the country.
**Service deionisation**

ELGA Process Water has launched Service Deionisation SDI Inclusive+ for companies who need cost effective deionised water. It offers all the features of the standard SDI Inclusive package plus continuous deionised water quality monitoring instrument.

ELGA Process Water supplies you with a cylinder containing mixed bed ion exchange resin which you connect to a tap to produce high purity deionised water. When the resins are exhausted a replacement cylinder is delivered and the exhausted one collected. The cylinders are easy to install, no training is required.

Take out an SDI Inclusive+ rental agreement and you will be supplied with a duty and spare cylinder, a connection kit and a choice of water quality monitor. Visit www.elgaprocesswater.com to set up a rental agreement or call 01628 897000.

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**Steam shrink quality**

AXON a division of Pro Mach, introduces ThermoPoint™, a new generation of steam tunnels that ensure a quality shrink process for labels and tamper evident bands even on the most challenging shaped packaging. The ThermoPoint steam tunnel is easy to use and maintain and also decreases downtime by facilitating fast changeover between products.

Each of the tunnel’s heat zones – ThermoPoint comes in three or six zone configurations – can be independently adjusted to deliver steam to the label or band at different rates, heights, and angles. This level of precision leads to improved control of the shrink process and ultimately to higher quality, consistency, and throughput. Heat zone gradually dialed steam injectors and adjustment indicators enable precise control of the process, but also ensure repeatability between batches.

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**Object detection**

NEW adjustable field photoelectric sensors from Banner Engineering provide reliable object detection in beverage applications.

The WORLD-BEAM® Q518 Background Suppression sensor ignores everything beyond an adjustable set distance up to 300 mm, allowing operation in situations where the background cannot be controlled. Its companion product, the WORLD-BEAM® Q516 Foreground Suppression sensor, exempts objects of any shape or colour that come between it and an unchanging background. It does not have a blind zone.

Both are immune to fluorescent light, so they can be placed below conveyors looking toward overhead lighting. Their range is greater than previous models, with background suppression sensing up to 300 mm and foreground suppression up to 200 mm. Cutoff distance is set by a multi-turn screw adjustment. Built-in crosstalk immunity allows multiple sensors to be used in close proximity.

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**Print & apply**

A NEW range of self monitoring print & apply labelling machines giving advance warning of component failure and alerting service engineers automatically to any faults or maintenance needs, has been launched in the UK by Logopak International.

The monitoring software forms part of the new PowerLeap 3 control system developed for Logopak’s 400 Series print & apply machines. It helps reduce the number of personnel required to super­vision the labelling operation; the control can be programmed to alert service staff via an E-mail or text message to simple problems. The software also checks machine components to provide an early warning of potential problems.

Achieving 40-50 cases or shrink-wrap collations a minute, the 400 Series features a touch screen display, full database management facilities and is Ethernet compatible.

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**Re-energising sleeves**

CHADWICKS has created a striking new shrink sleeve to give Slazenger sports drinks a fresh lease of life. Amia Foods needed a shrink sleeve for Slazenger S1 Hypotonic Sports Drinks urgently and appointed Chadwicks after being impressed by its professionalism and excellent turnaround capabilities.

Initial meeting, Chadwicks managed to produce and deliver new two new, challenging shrink sleeve designs in just three days. The S1 Hypotonic Sports Drinks now benefit from 50 micron PVC shrink sleeves, reverse printed via UV Flexo with surface matt lacquer in register with a black background.

Chadwicks is part of the Flexible Packaging Division of the Clondalkin Group which has more than 40 manufacturing sites located across Europe and North America.

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**Promotion opportunity**

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