Soft Drinks International
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MARCH 2011

PET PACKAGING
JUICES AND NECTARS
FLAVOURS
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MARKET REPORT - NIGERIA

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From a soft drinks investor’s perspective, Nigeria should represent an attractive proposition, albeit a long term one, reports Richard Corbett.

Hot Fill
A well-recognised and simple method of filling and sterilising products, hot fill no longer presents a challenge for PET packaging.

Promoting Brands
For brand owners, PET’s design flexibility has been critical to its success, according to APPE.

Predicting Shelf Life
Scott Steele discusses computer modeling of multiple package scenarios and how it assists brand owners to understand risks and cost trade-offs.

Bangladesh Recycles
Akij Food & Beverage has recently installed a Krones bottle-2-bottle system, the first PET recycling line of its kind in Asia.

Unleash The Monster
ELGA Process Water worked closely with CCE’s Project Management Team to ensure that the plant would meet the specified quality.

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The price has to be right

International food and grocery analyst, IGD reports that nine out of 10 UK shoppers think food prices will be higher in the next 12 months; a third believe food will be much more expensive. Compared to 18% in October 2010, 25% now say they will buy more of the lowest-priced supermarket private label products in the next 12 months.

Statistics released by food and drink research specialist MMM Research show that 30% more UK shoppers look for health claims than ethical ones: free range is twice as looked for as Fairtrade, although 90% recognise the Fairtrade logo. ‘Healthy’ is by far the most looked for product claim (51% of people) followed by ‘low or no fat.’

UK consumers, it seems, are anticipating price rises, but will want ‘healthy’ value-for-money products. With well-reported rising commodity prices (see page 00 for the impact on Britvic) combined with higher living costs, shoppers will be keeping a close hold on purse strings. Healthier choices have to be made more affordable.

Outside the UK, IGD tells us that Brazil, Russia, India and China are forecast to be in the top five grocery markets for the first time by 2015. China’s strong growth is set to continue with its grocery market forecasted to overtake the US in 2012, largely due to the impact of the prolonged recession in the US and quick recovery in China; this will make it the largest market in the world, worth €1,042 billion in 2015.

Growth in Russia’s grocery market is predicted to double in value from €194 billion in 2010 to €394 billion in 2015. The Indian market, which has been steadily climbing up the ranks in recent years, is predicted to reach third place at a worth of €428 billion whilst Brazil, currently ranking fifth, has overtaken France for the first time this year and is set to retain this position in 2015 with an estimated value of €330 billion.

IGD further reports that by 2015 the top four global grocery retailers – Walmart, Tesco, Carrefour and Metro – will account for €717,208 million of turnover, of which 43% will be derived from their international operations.

The world’s largest retailer will remain Walmart, with a CAGR of 4.7% taking global sales to €401,753 million; Tesco is forecast to grow sales to €106,074 million by 2015 (compared to its €73,777 million in 2010); Carrefour’s new hypermarket format, Carrefour Planet, and strong growth in emerging markets, will support its position at number two in the global rankings; whilst Metro will rely on its international operations which are predicted to grow faster than its domestic ones.

Despite the success of these supermarket giants, but they must not lose sight of their moral and ethical responsibility to customers: to market, promote and sell healthy beverages and food items in an open and transparent manner, at a price the consumer can afford.

EARTQUAKES

The scale of the earthquake and tsunami in Japan unfolds as we go to press. Previous natural disasters have always illustrated the swiftness of relief aid from the soft drinks industry (see page 14 for the help given to Christchurch, New Zealand). The Coca-Cola Company, for instance, has immediately pledged 600 million Japanese yen (US $7.3 million) in cash and product donations including more than 7 million bottles of needed beverages.
Late Bulletin

• **The Coca-Cola Co** is to allow its shareholders to have their say on executive pay. The US soft drinks giant said in a regulatory filing that shareholders can now vote to register either their approval or disapproval of the company’s most recent pay packages and the frequency of votes in the future. The procedure will begin at the company’s next annual meeting on 27th April.

• **PepsiCo** has laid claim to having developed the first PET plastic bottle made from plant-based, fully renewable resources. The bottle is recyclable, PepsiCo said, and is made from bio-based raw materials, including switch grass, pine bark and corn husks. The company hopes to broaden the renewable sources used to create the bottle to include orange peels, potato peels, oat hulls and other agricultural by-products from its foods business.

• **Pussy Drinks** is set to launch a marketing campaign in the UK for its namesake energy drink brand. The campaign will be created by newly-appointed marketing agency Beattie McGuinness Bungay (BMB). As part of the deal BMB has become a shareholder in the business, the firm said, without specifying the size of BMB’s stake. The campaign will include a nationwide social media, digital and experiential campaign to launch in April.

• **National Beverage Corp** has recorded a healthy rise in net profits for its third quarter. For the three months to 29th January, profits climbed by 34% to US$7.4m. Sales in the period edged up by 0.3% to US$131.9million. Meanwhile, for the first nine months of National beverage’s fiscal year so far, profits increased by 26% to $29.7million, while sales rose by 0.9% to $448million.

• **Coca-Cola Enterprises** is set to apply for a second listing, in Europe, to complement its presence on the New York Stock Exchange. The Coca-Cola marketer, distributor, producer and bottler, which sold its North American business to The Coca-Cola Co last year, confirmed that it will seek a secondary listing of its ordinary shares on the ‘Professional Segment’ of NYSE Euronext in Paris.

• The **Pepsi Lipton Tea partnership**, a joint venture between PepsiCo and Unilever, has signed Swedish golfer Annika Sorenstam as sponsor of its Lipton ready-to-drink (RTD) iced teas for the US. As part of the deal, Sorenstam will make marketing event appearances and feature in regional advertising for the iced tea range.

• **Jones Soda** saw its full-year net losses narrow in 2010 and has said that it is confident it can now begin expanding its market share in the US. In the year to the end of December, the US soft drinks maker reduced its net losses by 42% to US$6.6million. Operating losses were also cut, by 37% to $6.6million. Sales in the period slid by 33% to $7.5million.

• **Nichols** has acquired the remaining 50% of Dayla Liquid Packing as it looks to build on strong rises in sales and profits in 2010. For the 12 months to the end of December, Nichols’ net sales rose by 16% versus 2009 to UK£83million (US$134million). The group said that operating profits increased by 24% to UK£14.8million, while net profits leapt by 29.5% to UK£10.8million.

[Image: IDEXX Water Microbiology]

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Europe

Weather and raw material impacts performance

SUBSEQUENT to announcing its first quarter results at the company’s AGM, Britvic Soft Drinks has warned that full year profits would be lower than expected because of the recent rapid rise in raw materials, mainly plastic and sugar. Paul Moody, CEO, is reported to have said that although full year profits would be lower than forecast, he still expects operating performance to be materially ahead of last year.

At the AGM Gerald Corbett, Chairman, said adverse weather affected trading in the first quarter, particularly in Great Britain’s Pub & Club channel where revenues grew by 0.8% against a challenging comparative performance of 15.4% revenue growth.

GB take-home market volumes grew by 3.4%, broken down into carbonates category volumes up by 5.8% and stills category volumes up by 0.8%. Britvic's take-home share was flat in the period, although the company posted a further 2% volume share gain in the GB Impulse market.

Carbonates performed well led by the 2010 launches of both the new 600ml PET range and Mountain Dew Energy. “Our GB carbonates performance was, in part, impacted by increased promotional activity from the competitor set, which contributed to a Britvic GB Carbonates volume decline of 0.2%. However, our maintained focus on value over volume, as well as further on-the-go distribution gains, meant that ARP grew by 4.6%.”

Adverse weather conditions was given as the reason why single-serve GB Stills portfolio within the Pub & Club sector saw a volume decline of 3.5%. The resulting impact on both product and channel mix of sales led to a 0.7% fall in the GB Stills ARP.

Britvic’s international business, however, delivered exceptional revenue growth of 41.5% with ARP growth bolstered by the inclusion of a first-time revenue contribution from Fruit Shoot franchise revenues. Underlying ex-franchise volumes were up by 16.9% as the company’s Nordic and Netherlands operations continued to put in a strong performance.

The Irish soft drinks market showed a modest improvement in the quarter, with Republic of Ireland (ROI) market grocery volumes and value up by 2.8% and 0.7% respectively. But, the rate of decline in the ROI Pub & Club channel slowed in the quarter, with a 7% fall in both volume and value. In line with its expectations, Britvic Ireland volumes declined by 9.9%, although ARP grew by 1.1%, the result of a period of intense Britvic promotional activity.

Meanwhile, Britvic France, acquired in May 2010, delivered comparative quarterly revenue growth in excess of 5%. The French take-home market delivered a volume increase of 3.2% in the period.

Coinage delay

THE Automatic Vending Association (AVA) has been informed by Justine Greening, Economic Secretary to the Treasury, that the implementation of the new 5p and 10p coins will be delayed until 1st January 2012.

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Whey investment

VOLAC, the leading supplier of whey protein to the lifestyle sector in Europe, has invested in a £2.5 million upgrade and expansion of its factory in Felin Fach, Wales.

This move, combined with the £10 million joint investment being made with Milk Link at its Taw Valley Creamery in Devon, will increase production capacity of whey protein isolate by 100%, responding to increasing sector demand for premium fat-free protein.

The new microfiltration and ultrafiltration membrane systems at the heart of the expansion at Felin Fach have been designed in-house and fabricated by Axium Process in Swansea, which has been working with Volac since 2007.

Aseptic buy combines expertise

SEALED Air Corporation (SAC) of France has acquired majority ownership of ProAseptic Technologies, a Barcelona-based company that designs and manufactures packaging and filling equipment for aseptically and ultra-clean filled food and beverage products.

SAC provides solutions for the packaging of fluids in hot and cold fill from 100ml to 10 litres, and up to 1,000 litres. Recently it has pioneered and marketed retort and aseptic flexible packaging for high and low acid fluids in food service.

The systems developed by ProAseptic Technologies produce aseptic/ultra clean stand up pouches with fitment in various formats, particularly adapted to the retail format from 100ml up to 1 litre.

Their combined expertise and Sealed Air Cryovac global sales and technical professional network means customers can benefit from a total equipment and film system for aseptic packaging provided from a single source in all regions of the world.

“This is an opportunity to strengthen our commitment to the growing aseptic processing market,” commented Jean-Marie Demeautis, President Sealed Air Food Solutions. “Additionally, ProAseptic Technologies’ aseptic pouch systems will complement our growing food solutions portfolio.”
Nestlé posts buoyant figures

REPORTING from Switzerland, the Nestlé group has announced a strong 2010 performance with 6.2% organic growth and increased EBIT margin. Growth was recorded in all regions and categories.

Paul Bulcke, Nestlé CEO, said: “In 2010, we delivered another year of strong top and bottom line growth, outperforming the market. We increased investment in our brands, our operations and our people. We continued to drive efficiency and effectiveness in both developed and emerging markets while at the same time accelerating innovation, serving well over a billion consumers a day across the world.

“We are starting 2011 with continued momentum, well placed to face uncertainties ahead, including volatile raw material prices. We are therefore confident of achieving the Nestlé Model in 2011: organic growth between 5% and 6% and an EBIT margin improvement in constant currencies.”

Food and Beverages achieved good growth with market share gains in all categories and regions. Significantly, organic growth in emerging markets stood at 11.5% compared to 5.7% in the Americas, 3.7% in Europe and 10.2% in Asia, Oceania and Africa.

Nestlé Waters achieved growth in all three zones, with momentum building throughout the year as growth returned to the industry in the developed world and continued to be very strong in emerging markets. The company gained market share in Europe and North America, as well as in most emerging markets. Nestlé Pure Life, the biggest water brand in the world, had another year of double-digit growth. There were good performances also from Perrier and S. Pellegrino, as well as many regional brands.

In Europe, all markets improved their growth levels over 2009, and it was double-digit in the UK. France, where Vittel and Contrex performed well, saw mid-single digit growth and a gain in market share.

Nutritional acquisition

ROYAL DSM NV, the Dutch global life sciences and materials sciences company, and Martek Biosciences Corporation have entered into a definitive agreement under which DSM will acquire all the outstanding shares of common stock of Martek for US$31.50 in cash per share for total consideration of US$1.087 million. The transaction is expected to close in the first or second quarter of 2011.

The purchase of Martek, a US-based producer of high value products from microbial sources that promote health and wellness through nutrition, will be the first major acquisition by DSM after its successful transformation into a life sciences and materials sciences company. It is in line with DSM’s strategy for its nutrition cluster “continued value growth” and adds a new growth platform for healthy and natural food ingredients for infant formula and other food and beverage applications, especially focused on polyunsaturated fatty acids (PUFAs) such as microbial omega-3 DHA (docosahexaenoic acid) and omega-6 ARA (arachidonic acid).

With the acquisition DSM becomes a leading player in the field of microbial PUFAs.

The two companies have a longstanding relationship as DSM supplies Martek with the key base material for its ARA product. DSM has complementary intellectual property to the broad range of patents and intellectual property Martek owns, which will further extend the competitiveness of the combined company’s proprietary products.

Further, Martek’s algal and other microbial-based biotechnology platform and its robust algal technology pipeline which complements DSM’s own biotechnology portfolio, is expected to deliver new nutritional and non-nutritional (industrial) growth opportunities.

Martek is headquartered in Columbia, Maryland, US and had annual net sales of US$450 million for its fiscal year which ended 31st October, 2010. Martek has five principal locations and some 600 employees.
Some diary dates

- The new Portuguese trade fair Alimentaria Horexpo Lisboa which combines the food, distribution, hotel and catering business and food technology sectors will take place from 27th to 30th March 2011 in FIL’s venue (Feira Internacional de Lisboa). The organisers, Aliminetaria Exhibitions, reports there are exhibitors from more than 20 countries headed by Spain, followed by France, Italy, the UK, Ireland, Belgium, Luxembourg, Austria, Bulgaria, Poland, Lithuania and Mexico. A major new feature of the show is the addition of groups from Argentina, China, Korea, Thailand, Romania and Morocco, taking part for the first time. Highlights include the return of the group of exhibitors from Germany after a brief absence.

- The European Vending Association will hold its bi-annual conference, EurOp’s, on 14th and 15th April 2011, in Lisbon, Portugal. The conference theme is ‘Getting more from less, opportunities to raise the profitability of vending operating’. The conference programme will be divided into three sessions on vending operating, entitled Efficiencies, Opportunities and Finance Management.

  The conference aims to provide operators with first-hand information from fellow colleagues on how to improve their business profitability. The EVA will be running its very first ‘Image of Vending’ award. Applications for the award are now open to the EVA’s members and national association members (http://www.vending-europe.eu/en/events/eva-conferences/image-of-vending-award.html).

- European Bioplastics, the association of the growing bioplastics industry in Europe, has announced that the 6th European Bioplastics Conference will take place on 22nd and 23rd November 2011 at the Maritim proArte Hotel in Berlin. Representatives expected at this year’s conference will be presented with excellent networking platforms and a product exhibition claimed the biggest event of its kind. “We aim to set a new attendance record with 400+ participants in 2012”, said Hasso von Pogrell, Managing Director of European Bioplastics. Last year European Bioplastics welcomed over 360 participants from more than 170 companies around the world to its conference. Registration for the 6th European Bioplastics Conference opens in April 2011.

- An overview of the latest developments in bottling and wine making market will be displayed at the SIMEI – International Enological and Bottling Equipment Exhibition – from 22nd to 26th November 2011 in the halls of Fiera Milano in Rho. The focus will be on versatility and flexibility to suit the different products and containers, such as personalisation to satisfy each customer’s requirements, and automation and computerisation. These are some of the trends that characterise the production of bottling machines, that together with the beverage producing and packaging sector is at the heart of the biannual Milan exhibition.

- Alimentaria, the International Food and Drinks Exhibition, will return to Barcelona from 26th to 29th March 2012. The event’s organising committee has now been established – although new additions with ties to specific sectors are anticipated. This body will set the guidelines for the show in preparation for the event. The trade fair is warming up for a new edition that will focus all its strategic attention on competitiveness, international expansion and brands in the food and drinks industry.

  Josep Lluís Bonet, Chairman of Fira de Barcelona and Freixenet, is once again President of the Alimentaria 2012 Organising Committee. The committee includes new members Bernard Meunier, Managing Director of Nestlé España, and Horacio González Alemán, Secretary General of the FIAB (Spanish acronym for the Spanish Food and Drink Industry Federation).

- Bta, Barcelona Food Technology, and Hispack, International Packaging Exhibition, will be held from the 15th to 18th May 2012 at Fira de Barcelona’s Gran Via venue. The two triennial shows have joined forces to create one of the largest business platforms in the European Union for the food and drinks manufacturing industry. The supply side is represented by more than 2,000 packing machinery, packaging and food technology companies. Over 45,000 visitors are expected to attend. Bta 2012 is organised by Alimentaria Exhibitions, a joint venture between Fira de Barcelona and Reed Exhibitions. The event includes three shows encompassing the entire range of machinery and technological solutions for the food and drinks manufacturing industry: Tecnalimentaria-International machinery and technology show for manufacturing and the food and drinks trade; Tecnocárnicas-International machinery, technology, equipment and supplies show for the meat and meat products industry; and Ingretecno-International intermediate food products show for the food and drinks manufacturing industry.
Unification in rebranding

READING Scientific Services Ltd (RSSL) has undertaken a rebranding exercise. The UK Reading-based consultancy has unified the company’s services under one brand, reflecting the cross-over that already exists between services offered to RSSL’s food, pharmaceutical, cosmetic and chemical industry clients.

A new logo has been designed that evokes a sense of RSSL’s scientific tradition, but also illustrates the intimate and valuable link between its analytical, training and consultancy services. It also demonstrates the expertise that RSSL can share across different industry sectors, bringing best practice ideas to bear in every situation. New corporate literature is also available.

“For many of our clients, RSSL is the technical and scientific hub for everything they do,” said Tracey Gale, General Manager. “They know they can trust RSSL for help and advice on a whole range of technical issues related to product quality, performance and safety. When RSSL first entered the market in 1987, we provided expert analysis in a few key areas for the food industry. Our old logo only spoke of our analytical service. So much has changed since then, and the rebrand is a clear statement that RSSL is committed to innovation and providing more mission-critical services to our clients. Today, we are a strategic partner for manufacturers in a wide range of industries, and our analytical testing now supports and informs the value-added consultancy and training services we provide.”

RSSL has also announced a significant investment over the next two years. This is in addition to the extension of its headquarters which is already underway with the refitting and upgrading of eight laboratories.

SIDEL has inaugurated a new training lab at its Parma site, dedicated to the manufacture of fillers and end-of-lines for liquid foods, thereby enhancing its classroom and hands-on training services for customers and group experts on its range of standard or aseptic fillers. The Parma site is already home to one of the Sidel Group’s main training centres. Nearly 200 sessions are held each year by multilingual expert trainers, with more than 1,000 customer-trainees trained yearly within the training centre of Parma. The site has expanded its training centre in order to help customers acquire hands-on knowledge by letting them deal with real situations on machines and sub-assemblies.

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Keynote speaker:
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INDIA'S RJ Corp, which last year expanded its soft drink interests into the fast-growing Sri Lankan market, has taken a further big step with the purchase of the Pepsi-Cola franchise bottling operations in Morocco. The company sees this move as a launching pad for large-scale market development, not only in Morocco but also elsewhere in Africa where the group is already very active.

It bottles Pepsi brand beverages in Zambia and has built a new bottling plant and warehouse in the Chirika area of Lusaka, the capital. This began production in September last year. The group's local subsidiary, Varun Beverages Zambia, has plans to build further facilities, having pledged to invest at least US$30 million in Zambia over six years.

It is currently working with the Zambia Development Agency on a project to set up a juice concentrate plant in the Mwinilunga District, an area of the Northwestern Province well known for its pineapple growing. Since an earlier pineapple processing plant closed down in the 1990s, much of the crop has been sold at unprofitable prices and overall output has dropped.

RJ Corp is closely aligned to PepsiCo which is very keen to build sales in Africa and has indicated confidence that RJ Corp will be successful in building market share, especially in the ongoing battle with Coca-Cola. The company's wide-ranging interests in Africa also include Pepsi bottling in Mozambique, KFC fast-food in Nigeria and dairy product marketing in Uganda and Kenya.

Headed by Ravi Kant Jaipuria, a charismatic and entrepreneurial businessman, RJ Corp is the biggest Pepsi bottler in South Asia, with plants in many cities around India and in Nepal, as well as Sri Lanka. It holds franchise rights in India for KFC, Pizza Hut and Costa Coffee, and has interests in education, ice cream, brewing, healthcare, hospitality and real estate.

The group is structured largely in two arms, named after Jaipuria's children Varun and Devyani. US-educated Jaipuria had a successful business in Canada before returning to India to run the family soft drink operations which had started in the 1960s. He soon built this into a major conglomerate. RJ Corp's headquarters are in Gurgaon, Haryana, which is about 30 km south of New Delhi and part of the National Capital Region.

**Familiar brands change hands**

SOUTH Africa's Tiger Brands, whose soft drinks interests include Energade, Halls and Oros, is buying the Davita Trading powdered beverages and seasonings business, dependent on regulatory approval and other conditions.

Its Davita (premium powdered beverages), Jolly Jus (mass-market beverages) and Benny (seasonings) are among several well-known South African brands in the food and beverage sector to change hands in recent months. The Davita brands are familiar beyond South Africa; they are sold in nearly 30 countries around Africa and the Middle East.

This is a key reason for the purchase. Tiger explained in a statement announcing the deal that it was in line with its strategy to expand beyond its South African homeland.

“Tiger Brands has been progressively building its sales and marketing infrastructure to service Africa,” the statement noted. “This has resulted in strengthened regional sales and market representation across large parts of the continent, enabling the company to increase brand awareness and improve product activation for new products and markets.”

Davita has an established distribution system which Tiger will leverage, as well as using its own export operation to boost sales and extend into further markets. Davita is also being seen as a potential manufacturer of some products for Tiger Brands' South African business units.

In another deal, fast food giant Famous Brands – which also produces juices and mineral water for the South African retail trade as well as its own franchise outlets – has bought the Juicy Lucy chain brand.

“Juicy Lucy is a well-loved niche South African brand which affords us the opportunity to fill a gap in our portfolio,” said Kevin Hedderwick, Chief Executive of Famous Brands. “We have for some time been evaluating a range of specialist and stand-alone health food-focused type brands and are happy that Juicy Lucy offers the group entry into this category.”

Juicy Lucy was purchased from Java Brands, along with the Milky Lane casual dining ice-cream brand.

**Kisumu plants given green light**

TWO soft drink production facilities owned and operated by Equator Bottlers, a Kenyan Coca-Cola franchisee, were forced to close when complaints were filed with public health authorities relating to our products very seriously,” said a spokeswoman from TCCC's regional office in Nairobi. “The ingredients and manufacturing process used in the production of our beverages are rigorously regulated by government and health authorities in the more than 200 countries in which we operate.”

**Drink Tech Africa**

Africa's Big Seven (AB7), claimed to be the biggest Food and Beverage Expo on the African continent, will take place at the Gallagher Convention Centre in Midrand from 17th to 19th July.

For the past decade, this seven-in-one trade show has attracted hundreds of exhibitors and thousands of visitors from around the world. Last year attracted 300 exhibitors from 42 countries and 7,600 visitors.

For the last three years AB7 has been colocated with SAITEX (Southern African International Trade Exhibition), and AB7 2011 will be 47% bigger than last year's expo, according to the organisers.
Juice plant for Uganda

BRITANIA Allied Industries, the Uganda juice producer whose Splash range is becoming familiar throughout many countries in Africa, is planning a new plant in Mukono which would mostly process mango and pineapple juice. The project is being planned in partnership with the Uganda Investment Authority. Mukono District is in central Uganda; its main town, also called Mukono, is about 30km from Kampala.

BRITANIA Allied Industries intends to work with farmers in several areas to increase fruit production, choosing Mukono as a hub which can be easily reached by road. Production will be both for Ugandan and export markets. Currently, BRITANIA Allied Industries produces its juices at a complex in the Ntinda district of Kampala, the capital. As well as Splash, it also offers juice drinks under the Yo-Jus brand and the Sunsip squash range. It began production of Refresh mineral water in 2006.

Owned by the House of Dawda, which is headed by Hasmukh Dawda, BRITANIA Allied Industries was formed in 2002 through the merger of Britania Products and Britannia Foods. It is also a major producer of biscuits, confectionery and health powders.

Another Uganda producer of juices, mineral water and biscuits, Riham, is also on the expansion trail, with plans to introduce carbonated soft drinks and other juice drinks. Riham recently received ISO 9001:2008 and ISO 22002:2005 quality management systems and food safety management systems certification.

Community support in Ghana

OUR industry has done a huge amount for sports development in Africa. Cargill, which has a cocoa processing operation in Ghana, has furthered that reputation by holding a week-long football training clinic for youngsters from six schools in the Tema region. Cargill opened a world-class plant in Tema in 2008.

Coaches from the Chelsea Foundation, an offshoot of the Chelsea Football Club, helped the young players develop their skills and also held a training session for football coaches and physical education teachers. The programme culminated in a gala football tournament.

“At Cargill, we are committed to supporting and enriching local communities where we operate,” said Kojo Amoo-Gottfried, Managing Director of Cargill Ghana. “One of our key focus areas is to promote healthy lifestyles, particularly for children.”

Also in Ghana, the Coca-Cola Africa Foundation in partnership with UNAID and other organisations, has built a video learning centre for a group of schools in the Ga East district of the Greater Accra Region. The learning centre is also open to the public, benefiting the area widely and boosting interest in education.

The Coca-Cola Africa Foundation and its partners have been very active in the Greater Accra Region over recent years, providing teaching aids and other assistance to many schools. The foundation is also involved in clean water, sanitation and anti-malaria projects both in the region and other areas of Ghana.

Young players attending a football clinic sponsored by Cargill and the Chelsea Foundation.
Middle East

New juice facility for Dubai

AMERICAN food processing solutions specialist JBT FoodTech is working on two complete high-speed lines for Aujan Industries in Dubai. They are scheduled to be operational in the third quarter of 2011.

The lines will process Aujan’s unique beverage recipe of smooth juice with real fruit pieces, notably as featured in the enormously successful Rani range. JBT Corporation, the parent company of JBT FoodTech, said that the contract was worth around €6.1 million.

The processing solution enables the unloading of citrus pulp cells, the dosing and mixing of both intact pulp cells and juice at constant ratios, the pasteurisation of the pulp fruit beverage, and the filling into retail containers.

“We are very pleased with the opportunity to continue supporting Aujan’s impressive success in pulp fruit juices and beverages,” said JBT FoodTech’s Juan Podesta, noting that the long relationship had led to steady improvements in process efficiency and product quality.

JBT Corporation currently operates in over 25 countries.

PET producer to expand

OMAN-based OCTAL, one of the world’s largest PET manufacturers, is proceeding with phase two of its expansion strategy. This follows the signing earlier in the year of funding arrangements with six Middle Eastern banks. OCTAL has secured a US$296 million senior term loan from the banks, as well as a junior debt facility of US$15 million from existing shareholders.

The expansion programme focuses on the PET resins and sheet packaging facility opened in January 2009 in the sultanate’s south-eastern port city of Salalah, renowned for its pleasant climate. The plant currently has an annual capacity of 400,000 tonnes. This will grow by a further 527,000 tonnes, making OCTAL the world’s biggest PET producer and the Salalah facility the largest producer of PET resins on one site.

“In less than five years, we have established a world-class manufacturing complex and export operation in the sultanate, serving more than 40 countries,” noted Sheikh Saad Suhail Bahwan, OCTAL’s Chairman. He said the plant generated diversified growth for the region, as well as making a significant contribution to the development of the Salalah Free Zone and the Port of Salalah:

Abdul Razak Ali Issa, Chief Executive of BankMuscat which is part of the funding group, said it was excellent to see an Omani company become a genuine world player in its industry.

The expanded plant will be commissioned from June 2012.

Sharjah’s food group active

THE Sharjah Chamber of Commerce and Industry’s food trade and industry work group, set up to improve the performance of the emirate’s food and beverage sector as well as establishing best practices and overall development, is now under way. One key aim is to attract further investment into the sector, and to foster partnerships between the public and private sectors.

“The food industry is one of Sharjah’s strategic sectors and plays a key role in boosting the emirate’s GDP,” said the Chamber of Commerce’s Assistant Director General of Economic and International Affairs, Mohammed Ahmed Amin. “Its major segments include dairy, vegetable oils, meats, seafood, cereal and fodder; chocolate and sweets, pastry, soft drinks and mineral water.

“The industry’s diversity was the main motivation for establishing the food trade and industry work group which provides a platform for us to hear the points of view of all stakeholders and aim for greater collaboration.”

Chiquita signs agreement

CHIQUITA has signed an agreement with UAE beverage producer and food marketing company Agthia Group with gives Agthia exclusive rights to manufacture and distribute a range of natural fruit juice products under the Chiquita brand. The arrangement covers the UAE, other GCC countries, the Levant and Egypt.

“With the goal of becoming UAE’s leading food and beverage company, we believe Agthia’s partnership with Chiquita is in line with its expansion and diversification strategy,” said Agthia’s Chairman, Rashed Mubarak Al Hajeri.

The licensing agreement is another step in Agthia’s beverage portfolio expansion.

“For Chiquita the link also makes good sense. “Expanding our geographic presence in the GCC is part of our strategy to leverage Chiquita’s brand and to expand our healthy, fresh products around the globe,” said Brian Kocher; President of Chiquita Europe and the Middle East.

“We believe Agthia has a well-established distribution network in the UAE, world-class manufacturing capabilities and a professional management team.”

Bottler helps launch Fursa Program

PEPSICO Jordan has formed a partnership with the kingdom’s Vocational Training Corporation to launch a programme aimed at providing high school graduates with theoretical and practical training opportunities, as well as helping them employ their skills in various fields.

Participants in the Fursa Program will have access to several benefits such as a monthly salary, social security, health insurance, vocational training certificate and the possibility of a career with PepsiCo-Jordan. Training courses will be held at VTC’s training and assessment institute in Marka, near Amman.

At the signing of the agreement between the two organisations, Sufian Al Salman, Human Resources Director for PepsiCo East

**Rani juice, one of Aujan Industries’ most successful soft drink ranges.**

**Aghthia and Chiquita executives signing the licensing agreement.**

**Signing the Fursa Program agreement in Amman are (left) Sufian Al Salman and Majed Al Habashneh.**

Med and Africa, praised VTC “as it has proven itself to be very capable in supplying the local market with trained and qualified labour”.

Majed Al Habashneh, VTC’s General Manager; in turn commended PepsiCo-Jordan for its ongoing support of initiatives to enhance labour skills and to employ young Jordanians.
Greater awareness of ingredients

A REPORT from Frost & Sullivan, which bills itself as 'the growth partnership company', says that the higher demand for innovative food and beverage ingredients is catalysing the growth of health beverages and foods in the United Arab Emirates and Saudi Arabia. Enhanced consumer awareness about the benefits of healthy dietary habits, changing lifestyles and a rising per capita income have encouraged consumers to switch to healthy food alternatives.

“The market has got a boost from the growing preference for foods with health and wellness advantages to offset the sedentary lifestyle due to urbanisation,” said Research Associate Srividyarajani V.

“Functional ingredients, in particular, are going a long way in hiking the sales of health foods and beverages, and this trend is expected to continue as consumers become more aware of the greater functional benefits of ingredients.”

He said it was important for manufacturers to position their products strategically to create brand loyalty and product niches that will reduce confusion about products. Better positioning to differentiate health foods from the conventional variants of the product will not only ensure greater product clarity but also attract traditional customers who are sceptical about consuming such products.

Crashed Ice in Qatar

RED Bull Crashed Ice is a combination of ice hockey, downhill skating and boardcross (snowboarding), all done at a fast pace and following unique rules. Crashed Ice was invented in Sweden 10 years ago, with one commentator describing it as a sport of the new century; it has evolved constantly.

This year’s world championships will be held in Quebec in late March. They have been preceded by a series of qualifiers, one of which was – for the first time ever – in Doha, capital of Qatar.

Skiing and other snow or ice sports are increasingly popular in the Middle East, with purpose-built facilities – such as an indoor ski field in the heart of Dubai, with the appearance of an Austrian or Swiss ski village – both catering for this interest and building it further.

Many industry sponsorships

BEVERAGE producers and marketing companies in the Middle East have long been active in community sponsorships but recent months have brought a series of new arrangements. Among these is the sponsorship agreement between juice producer Al Rabie Saudi Foods and the British International School in Saudi Arabia, allowing the bottler to offer nutritional beverages to the school’s students.

As well as encouraging the youngsters to pay more attention to healthy drinks and foods, the agreement also covers assistance for activities such as basketball and volleyball. The UAE’s Al Ain Mineral Water Company has become official mineral water sponsor for the Dubai Duty Free Tennis Championships.

Colm McLoughlin, Managing Director of Dubai Duty Free, said the bottler had signed as sponsor until the end of 2012. He explained that the championships “first began with the ATP men’s week back in 1993 and we have been fortunate to retain many of the same sponsors since the very beginning. We hope to continue that tradition with Al Ain Mineral Water.”
India

Ground breaking for carton facility

TETRA Pak has held a ground breaking ceremony on a state-of-the-art packaging material factory in Chakan near Pune. The €100 million (INR 600 crores) plant is designed to meet growing demand for carton packaged dairy beverages and fruit-based drinks in India, South and Southeast Asia and the Middle East.

The new plant will have an initial annual production capacity of 8.5 billion packages, with the potential of increasing to 1.6 billion packages. The Indian commitment follows similar recent investment to increase production capacity in China, Pakistan, Russia and Brazil.

Driven by economic growth, a rising middle class and increasing demand for the convenience of packaged drinks, the market for carton packaged dairy beverages and fruit-based drinks is expected to grow from 757 million litres in 2010 to 1.3 billion litres by 2013 in India, Bangladesh and Sri Lanka. The same trend is taking place in South and South East Asia, where this market is expected to rise from 3.6 billion to 5.4 billion litres during this period. In the Middle East, it is expected to increase from 8.3 billion to 10.6 billion litres.

“We are committed to supporting our customers to meet growing consumer demand in these regions and all over the world,” said Alejandro Anavi, Executive Vice-President, Supply Chain Operations, Tetra Pak. He noted that “in addition to the convenience of packed dairy beverages and fruit-based drinks, more people are becoming aware of the nutritional benefits of aseptically processed and packaged milk.”

To date Tetra Pak has invested approximately €24 million in the existing Pune plant, which has been in operation for nearly 14 years and is reaching its full capacity. “With strong economic growth, a dynamic consumer base and modernisation of distribution and retailing, there is a high demand across all categories,” said Kandarp Singh, Managing Director, Tetra Pak India.

Among its facilities the new packaging plant will have a Machine Rebuilding Centre, and a Product Development and Innovation Centre (PDIC), featuring a laboratory, a pilot processing and packaging plant.

The new plant will also tout several environmentally efficient features such as the use of renewable and non-conventional energy and materials, heat recovery to generate air conditioning and rain water harvesting.

Tackling vitamin deficiencies

SIGHT and Life, a non-profit humanitarian initiative of DSM, and Vitamin Angels are working together in an effort to attack vitamin A deficiencies in India.

Sight and Life’s mission is to ensure a sustainable and significant improvement in human nutrition, health and well-being through its commitment to fighting micronutrient deficiencies amongst the world’s poor. Vitamin Angels’ mission is to mobilise and deploy private sector resources to advance availability, access and use of vitamin A, by newborns, infants and children most in need.

“Through this partnership Sight and Life’s advocacy and technical expertise and Vitamin Angels’ successful implementation of universal vitamin A supplementation projects, some 535 million children around the world, between the ages of 6 months and 5 years, suffer from moderate to severe vitamin A deficiency, making it a global public health problem. Thirty seven percent of these children live in India, making addressing vitamin A deficiency in India a critical component of the global challenge to eliminate micronutrient deficiencies. While the Government of India fully supports initiatives for vitamin A supplementation and a large proportion of infants, children and lactating women receive supplementation, there remains a significant portion of the population that have yet to be reached.

While a visible indicator of vitamin A deficiency is xerophthalmia, an eye disorder that can lead to permanent blindness in children, many more suffering from vitamin A deficiency show no signs of xerophthalmia, but have a reduced ability to resist infections that can and do result in death and disability. Hence the reason that eliminating vitamin A deficiency is considered a critical intervention for child survival and maternal health programmes.

India sales help PepsiCo post 98% gain

PEPSICO has reported an almost two-fold jump in its net profit at US$1.43 billion for the quarter ended on 26th December, 2010. The company said that volume, revenue and profit growth for the fourth quarter and the full year of 2010 were driven by gains across its worldwide snacks and beverage businesses, and from the acquisitions of its anchor bottlers earlier in the year.

Beverage performance for the quarter was led by high double-digit growth in India, single-digit growth in West Asia and 9% growth in China. For the full year, beverage volume was led by double-digit growth in India and China. The net revenue grew by 34%, net income rose by 6% and core constant currency net income rose by 15%.

Commenting on the results, PepsiCo India Chairman Sanjeev Chadha said that the company’s strategy of focusing on innovative products and establishing a deeper connect with consumers in a difficult year paid off.

“Our brands did well across the industry. However, Mountain Dew, Nimboo and My Can stood out from the rest and did really well,” he said. He added that the company gained market share significantly in India, but did not reveal the details.

The company gained one CSD share point in China, and gained relative share versus its closest competitor in India in the most recent quarter. The company further strengthened its position in India through the formation of a joint venture with Tata Global Beverages to develop and market hydration beverages for the India market.

Full-year operating profit was negatively impacted by the lapping of the gain from the formation of a joint venture with Calbee in Japan in the third quarter of 2009, as well as from marketplace investment spending.

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Retail training gets Coca-Cola boost

COCA-Cola India has signed a Memorandum of Understanding with the Indian School of Business (ISB), to establish the Coca-Cola ISB Retail Academy. The aim is to educate and train mid-level professionals in the retail sector in India and takes forward the company’s commitment to strengthen the sector following its successful retail training programme, Parivartan.

The announcement was made in the presence of Ahmet C. Bozer; Group President, Eurasia and Africa group, The Coca-Cola Company, Atul Singh, President & CEO, Coca-Cola India and South West Asia, Ajit Rangnekar, Dean, ISB and Deepak Chandra, Deputy Dean, ISB.

Ajit Rangnekar, Dean, ISB, explained: “The ISB will provide cutting edge pedagogy that will help them to drive the capability of the retail sector in India to ‘world-class’ competency levels and benchmarking against the best globally. We are delighted to associate with Coca-Cola India in developing this premier retail training programme in India.”

A detailed diagnostic study to understand managerial capabilities and requirements at various levels in retailing organisations was undertaken by the ISB, which revealed certain shortcomings in the skill sets of retail sector professionals. The Academy has designed the programme so as to establish it as the ‘gold standard’ in retail training in India.

According to Ahmet C. Bozer, “This initiative lays the foundation for a well-rounded retail management training programme thereby contributing to quality of future retail managers. This will be an important driving force for the sector and the Indian economy and we are proud to partner with a premier institute like ISB on this important initiative.”

The first session of the programme will commence in July 2011 with an initial intake of 40 professionals. This will subsequently be scaled up in the next three to four years. The curriculum is a 25 day programme spread over a period of six months. The programme will be governed by a council comprising eminent retail practitioners and academicians. The Academy will also conduct retail research and conduct online programmes.

‘Happiness’ ambassador

COCA-Cola has recruited Indian cricketer Sachin Tendulkar as its ‘happiness ambassador’. Tendulkar is understood to have finalised a three year endorsement deal estimated around Rs 120 million (US$2.6 million) with Coca-Cola, after rival PepsiCo dropped him about two-and-half years back.

“This will help our company’s various strategic communication initiatives, including its corporate, CSR and brand campaigns,” the company said in a statement. The statement also adds a comment from Tendulkar, saying, “I am aware of the several significant initiatives the company has undertaken in the areas of community development and sustainability and I would be happy to play a part in furthering the cause.”

Tendulkar, whose endorsements are managed by sports management firm World Sport Group, charges about US$1 million per year for every deal. The 37 year-old right-handed batsman currently endorses a host of brands and companies, including Toshiba, ITC, Boost, Canon, RBS, Reynolds, Jaypee Cements and Aviva.

Coca-Cola has another Indian cricketer, Gautam Gambhir, among its list of endorsers. Its rival, PepsiCo, has already released a high-visibility campaign featuring its star ambassador, Dhoni.

PepsiCo plea dismissed

THE Delhi High Court has dismissed a petition filed by PepsiCo against Heinz India over similar taglines that both use for different products.

The trademark action was filed by PepsiCo stating that it had registered the three words ‘rehydrate, replenish, refuel’ in 2004. The court said the words ‘Rehydrate, replenish and refuel’ are a common descriptive expression and rejected the appeal. “The court has held that the words are commonly used to describe the character and quality of an isotonic drink and no one can claim monopoly over these,” said Anuradha Salhotra, Managing Partner of the Lall Lahiri & Salhotra, the law firm specialising in intellectual property rights which represented Heinz.

In brief...

- Engel, India has recorded exceptionally high level of orders in the financial year 2009/2010. “Investments in high-quality machines are constantly increasing in India,” reports Jitendra Devlia, Manager of Engel Machinery India Pvt. Ltd. In what the company describes as a “highly dynamic market environment,” it has grown to be a leading importer of high quality injection moulding machines. The company said it has received major orders for caps and closures, a sector in which Engel is anticipating strong growth.
Asia Pacific

Industry support in Christchurch disaster

EXTENSIVE global news coverage of the catastrophic earthquake in Christchurch, New Zealand, brought home just how badly hit the city had been...and how thousands of lives had changed in an instant. One of the few heartening aspects of the tragedy was the speedy response of local people, other New Zealanders, international rescue teams and military personnel, and thousands of companies, both in New Zealand and overseas.

Prominent among them were key players in the Australasian food and beverage industry, providing much-needed sustenance to homeless and injured Cantabrians (Christchurch is the focal point of the Canterbury region) and to the thousands involved in rescue, body recovery and damage mitigation.

At our deadline, a final death toll was far from being settled, as the search of ruins continued, but even with some good news – no bodies were found in the iconic central-city cathedral, for instance, where 20-plus deaths were considered likely – it is possible it will reach 200.

Bottled water was one of the immediate requirements in the wake of the earthquake, because much of the city’s water supply was disrupted, in some cases for weeks. While many stores were able to supply water and other soft drinks, in some cases giving them away as happened in last year’s earthquake, other retail outlets were destroyed or closed temporarily, including a few key supermarkets.

The industry swung into action, working with agencies such as the Red Cross, Civil Defence and military services, as well as community groups such as a volunteer ‘student army’.

The dairy giant Fonterra sent trainloads of water from its plants to Christchurch, as well as UHT milk. It also mobilised emergency teams from several factories, many of them with urban search and rescue experience.

Frucon, which reported its warehouse was harder hit than during the region’s September 2010 earthquake which caused extensive damage but no deaths or serious injury, provided bottled water and other soft drinks, as well as donations from within the Suntory group, both corporate and staff. Some of Frucon’s Christchurch staff were deeply affected by the earthquake, losing homes or experiencing heavy damage.

Coca-Cola Amatil was another to provide bottled water and other beverages in bulk. George Adams, Managing Director for CCA in New Zealand and Fiji, went personally to Christchurch to help with the daily distribution.

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THE Asian beverage brand Pokka, which is headquartered in Japan but also has a major operation in Singapore and is active throughout Asia, is to become a subsidiary of Sapporo Holdings. This is a step towards integration of the two beverage companies’ management structures by April next year.

Their aim is to create a stronger business entity to compete more effectively in a challenging business environment, both on the Japanese markets and around Asia. Sapporo, which is also a major player in the Japanese beer sector, sees expansion of its soft drinks interests as a means to counter the sluggish domestic beer market. The company reported a net profit for 2010 that was double that of 2009 but much of the improvement came from cost cutting.

As at early February, Sapporo held 21.4% of Pokka, a stake it acquired in September last year. It has come to an agreement with investment fund Advantage Partners and food group Meiji Holdings to buy Pokka shares from them, boosting its stake to a majority 85.5%.

Pokka is a major producer of juices, iced coffee, green tea, functional drinks, Asian beverages and other soft drinks. Its extensive network of vending machines in Japan gives it a strategic advantage which is sure to be leveraged by Sapporo.

ACCC says no to Asahi

PROPOSALS by Asahi’s Australian holding company to acquire P&N Beverages Australia, a major bottler which produces carbonated soft drinks both under its own brands and for other private labels, have been halted by the national regulatory authority. The Australian Competition and Consumer Commission (ACCC) said its key concern was that the acquisition would “remove a vigorous and effective competitor in the markets for the supply of CSDs and cordial”. It referred to Asahi’s Australian production already including the Schweppes and Pepsi ranges, as well as Cottee’s cordials.

Graeme Samuel, ACCC’s Chairman, said that if Asahi were to own P&N, this would “result in Asahi and Coca-Cola Amatil being the only remaining significant competitors in the CSD market”.

ACCC had concluded, after extensive investigation, “that no other CSD is likely to expand sufficiently to replace the lost competitive constraint in the foreseeable future,” said Samuel. “In particular, other smaller suppliers of CSDs lack the scale, infrastructure and brands to act as a competitive constraint on Asahi post-acquisition.”

The ACCC was also worried about loss of competitiveness in the cordial sector, said Samuel. “P&N has been successful in growing its market share through discounting and product innovation. While there are other sources of competition in the cordial market, such as Golden Circle and private label cordial, the ACCC concluded that these constraints would be insufficient to replace the competition lost from the removal of P&N.”
**NSF Shanghai Testing Lab**

NSF International, the global not-for-profit public health and safety organisation, has opened a new facility in Shanghai which allows it to expand its services to include testing of food equipment, dietary supplements and ingredients, and consumer products. The NSF Shanghai Testing Laboratory and its staff will also be utilised for training in food safety, dietary supplement manufacturing and other fields.

The new lab complements NSF’s existing certification services in China. NSF points out that manufacturers and suppliers in China require independent system registration and product certification to access international markets. NSF helps companies navigate the global marketplace and also helps bridge western companies with the Asian market. The new lab features many sustainable design elements, including energy-efficient lighting.

**Mountain bikes at twilight**

A CROWD of around 500 gathered at Kent Ridge Park in Singapore for the country’s first evening mountain bike downhill competition, the Red Bull Dark Knights. Forecasted rain fortunately did not materialise, giving the 30 elite riders a chance to clock impressive timings on the challenging 300 metre course which snaked through the thick foliage.

The event was won by Daniel Sprague of Australia, the former BMX world champion, who saw off home crowd favourite Tan Hong Chun and Indonesia’s Hildan Afos Katana.

**Closure demand driven by Asian boom**

A NEW report from Canadean, ‘Innovation in Beverage Closures 2011’, says that Asia is not only the largest current market for beverage closure sales, but is also the fastest-growing. The report suggests that annual growth between 2003 and 2015 will be around 7%, which is double the global average. Despite the economic slowdown in many markets over the past two years, the report notes that beverage closure demand has continued to grow steadily.

Reasons for this include the sustained shift towards pre-packaged beverage consumption in many developing markets and the continuing increase in popularity of the plastic ‘bottle plus cap’ format, especially PET bottles in smaller on-the-go sizes. Canadean said the mature markets of North America and West Europe have only eked out growth.

Beverage closure production in 2010 totalled about 1055 billion. Of this, ring-pull can ends accounted for 24%, plastic closures 42% and metal closures 31%. All other beverage closures totalled a little below 40 billion, while there are still an estimated 210 billion beverage containers sold each year without dedicated closures, such as sachets and perforated cartons.

Soft drink closures are anticipated to experience a CAGR of around 4.1%, an increase on the 3.9% recorded between 2003 and 2010.

**In brief...**

- The first UTZ certified cocoa beans have been delivered to Cargill's buying station in Chau Thanh District of Vietnam’s Ben Tre province. Harold Poelma of Cargill Cocoa & Chocolate, described the deliveries as “an important milestone in Vietnam’s development as a producer of high quality cocoa beans and in particular of certified sustainable beans. We are looking forward to the certification of more co-operatives in Vietnam, which will enable us to scale up the production of sustainable cocoa in the years ahead and increase the choice that we can offer our customers”.

- Colorpak, the Australian packaging company has moved into the number one market position in Australasia after completing the acquisition of Carter Holt Harvey's folding carton operations. With four additional plants to feed its sale growth, Colorpak’s market share has already moved from 11.2% to 31%. "The integration of CHH’s operations into the Colorpak business gives us the platform to build our market leadership in this sector”, said Managing Director Alex Commins. The deal did not include CHH’s Smithfield, NSW plant, after due diligence found it was not an optimal fit for the core Colorpak business.

- Malaysia’s Pepsi bottler, Permanis, celebrated the Year of the Rabbit’s arrival in anything but timid style, organising a Rev-Up Chinese New Year Sampling Convoy which stopped at popular rest areas to offer samples of Pepsi, Mountain Dew, Revive and Tropicana Twister. The convoy of four low-deck semi trailers from Biforst Logistics was accompanied by cruisers from two radio stations which broadcast live from each stop.

- Hotel Hospitality & Food Sri Lanka will be held in Colombo from 27th to 29th October this year. Sri Lanka’s hospitality industry has been experiencing strong growth since the country’s civil insurgency ended, both in terms of patronage and the number of establishments.

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Americas

Sparkling results for Coca-Cola

THE Coca-Cola Company (TCCC) has reported strong fourth quarter 2010 operating results, with worldwide volume growth of 6%. For the full year, reported worldwide volume grew 5%, ahead of TCCC’s long-term growth target. Including the benefit of new cross-licensed brands in North America, primarily Dr Pepper brands, worldwide volume grew 5% in the quarter and 5% for the full year. The company achieved broad-based volume growth of 14% in Eurasia and Africa, 5% in Latin America, 2% in Europe, 1% in Pacific and 8% in North America (3% excluding the benefit of new cross-licensed brands), its third consecutive quarter of organic growth.

TCCC recorded strong growth in carbonates with a worldwide volume increase of 5% in the quarter (3% excluding the benefit of new cross-licensed brands in North America), and international volume increasing 4%.

Worldwide still beverage volume increased 9% in the quarter, led by growth across the portfolio, including juices and juice drinks, sports drinks, teas and water brands. Still beverage volume in the quarter increased 11% internationally and 7% in North America with the continued strong global performance of sports drinks driven by Powerade (+12%). Sports drink growth in the quarter was balanced across key regions led by North America (+20%), South Korea (+43%), South Africa (+21%) and Mexico (+14%) as TCCC continued to benefit from its FIFA World Cup sponsorship and product innovation like Powerade Zero in the US. Minute Maid Pulpy performed well, achieving 23% growth in the quarter and 31% growth for the full year. Vitaminwater was another strong brand in the quarter, with double-digit growth internationally and 10% growth in North America.

Muhtar Kent, Chairman and CEO, said: “We once again delivered strong results this quarter; with volume growth realised across all five of our geographic operating groups. Importantly, we achieved solid growth in our developed markets with 3% growth in North America, 2% growth in Europe and 2% growth in Japan. Together with our global bottling partners, we are decisively executing our 2020 Vision, and I am pleased that we met or exceeded all of our long term growth targets for both the quarter and the year; all while we completed our acquisition of CCE’s North American business, began successfully integrating Coca-Cola Refreshments and operated in a still uncertain global economic environment.”

Kent said the company entered 2011, its 125th anniversary year, with solid momentum.

“The fact that we are a thriving business after nearly 125 years is a testament to our youth, not our age. There is something special indeed about an enterprise that is in a state of constant renewal and dynamic growth. And while we recognise that challenges remain in our worldwide marketplace, we are confident that we are advancing our global momentum to deliver long term sustainable growth and value for our shareowners.”

Coca-Cola acquires rest of Honest Tea

THE Coca-Cola Company (TCCC) has exercised its option to acquire the remaining portion of Honest Tea. The move completes a transaction which began three years ago when Coca-Cola, led by the Venturing and Emerging Brands (VEB) unit of Coca-Cola North America, purchased a minority stake in the company. Financial terms of the transaction were not disclosed.

Honest Tea, the leading organic bottled tea company, will continue to be based in Bethesda, Maryland. It will operate as a stand-alone business under current TeaEO Seth Goldman, his management team, and current Honest Tea employees. Goldman and VEB have developed a unique operating model that allows Honest Tea autonomy to continue to run its day-to-day operations while accessing the scale benefits of the Coca-Cola system in various areas, including manufacturing and distribution. As part of the VEB team, Honest Tea will also begin to sell current VEB brands to the natural channel.

Under an arrangement with TCCC, Goldman has chosen to reinvest most of his proceeds from the sale back into Honest Tea. Goldman’s co-founder, Barry Nalebuff and Gary Hirshberg, CE-YO of Stonyfield Farm, will remain with Honest Tea as part of the Advisory Council.

“We started Honest Tea 13 years ago with an ambitious mission to create a delicious, healthy beverage alternative produced with the health of our planet and our consumers in mind,” said Seth Goldman, co-founder, President and TeaEO of Honest Tea. “Over the past three years, it has been exciting to see the reach and impact of our mission expand as a result of our partnership with The Coca-Cola Company.”

During that time Honest Tea’s distribution has grown from approximately 15,000 outlets in 2008 to more than 75,000 today. The company has also introduced a plastic bottle that uses 22% less material, and doubled the number of offerings as well as the sales of organic, zero-calorie drinks. Further, Honest Tea has committed to selling its entire tea line become Fair Trade Certified by the end of this month.

Sporting benefits in Ecuador

THE Coca-Cola Foundation in Ecuador and the country’s Ministry of Education have signed an agreement to develop the second stage of the ‘Apúntate a Jugar’ (Sign Up To Play) programme which benefits students and teachers with sports kits and training and fosters physical activity and sports in Ecuadorian schools.

The initiative involves the delivery of Coca-Cola bottled water and juice products with the aim of prioritising such beverages in the students’ diets and choices at school. The agreement between Coca-Cola and the Ministry marks the second stage of ‘Apúntate a Jugar’ aimed to encourage the enjoyment of sports among Ecuadorian students.

The agreement also involves a Coca-Cola Ecuador grant of 50 sports kits and 1,200 manuals for basic education teachers. The first phase of ‘Apúntate a Jugar’ in Ecuador was developed in 2009 with the support of the Ministry of Education.

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Latin American support

PEPSICO Inc and the Inter-American Development Bank (IDB), the largest multilateral provider of development financing for Latin America and the Caribbean, have announced a landmark partnership to spur social and economic growth in 26 countries across Latin America and the Caribbean. The partnership’s inaugural project was launched in Mexico with an agriculture initiative that seeks to significantly expand commercial sunflower production.

The five-year partnership between PepsiCo and the IDB will mark the first time a private-sector organisation has participated in the IDB’s innovative regional trust funds for development activities. The agreement was signed at a ceremony in Mexico City attended by Mexican President Felipe Calderón, IDB Group President Luis Alberto Moreno and PepsiCo Chairman and CEO Indra Nooyi.

“PepsiCo has a long history of doing business throughout Latin America and the Caribbean, and we’re proud to demonstrate our commitment to this vitally important region through our first-of-its-kind partnership with the IDB,” said Indra Nooyi. “Our initiative to develop the Mexican sunflower market is a powerful example of how we can bring together the resources of public and private sectors to work together to deliver real value for local communities, for our consumers and for our business. We look forward to collaborating with the IDB on a wide range of sustainable development projects across the region.”

In addition to the Mexican sunflower programme, the partnership will expand on successful projects across the region, such as the Waste Pickers programme launched two years ago in Peru and Colombia. Waste Pickers promotes recycling by creating a sustainable market for recycled materials and providing the training local recyclers need to generate a sustainable income stream. Waste Pickers will roll out in Argentina, Bolivia, Ecuador and the Dominican Republic as part of the new partnership.

Further, the PepsiCo Foundation and the IDB together will address a variety of critical issues in Latin America and the Caribbean, including water and sanitation, recycling, youth development, disaster relief and recovery, sustainable agriculture, nutrition and food security, and sharing knowledge and best practices about sustainability.
Encouraged DPS

DR PEPPER Snapple Group Inc has reported fourth quarter 2010 diluted earnings of US$0.49 per share compared to US$0.44 per share in the prior year period. For the quarter; reported net sales increased 4% reflecting sales volume growth, positive pricing and deferred revenue recognised under the PepsiCo Inc and The Coca-Cola Company licensing agreements. For the year; reported net sales increased 2%; diluted earnings per share were US$2.17 in both the current and prior year.

DPS President and CEO Larry Young said: “As we look ahead, I’m encouraged by some of the improving trends we’re seeing in consumer spending and in the economy generally and by the momentum of our brands and business. We accomplished a lot in 2010, from the opening of our regional centre in Victorville, California to the new licensing agreements with PepsiCo and Coca-Cola, to increased availability of our products in take-home, immediate consumption and fountain. “With key foundational investments now behind us, we are focused on building our people capabilities and delivering even greater customer value through our developing Rapid Continuous Improvement initiative. This, combined with strong innovation, the national launch of Sun Drop and continued marketplace investments, gives me great confidence in our ability to grow and enhance the returns of this business in 2011 and beyond.”

More cans in Brazil

LATAPACK-Ball Embalagens Ltda, the Ball Corporation’s majority-owned beverage can joint venture in Brazil, has announced plans to build a new beverage can manufacturing plant in Alagoinhas, in the Brazilian state of Bahia. The plant will initially operate one manufacturing line with the capability to make multiple aluminium can sizes, and is expected to start up in early 2012.

“The beverage can continues its strong growth in Brazil, and Alagoinhas is located in northeast Brazil, one of the fastest growing regions in the country,” said Raymond J. Seabrook, Executive Vice-President and COO, Global Packaging Operations. “Increasing demand for specialty sizes in Brazil is providing additional opportunities for the can, and the output from our first line is contracted under a long term agreement. The durable, lightweight and 100% recyclable beverage can is a perfect match for the developing Brazilian market and is the package of choice for consumers there and elsewhere in the world.”

Latapack-Ball currently operates two beverage can plants in Brazil, in Jacarei and Tres Rios, and a can end plant in Salvador. The Tres Rios plant started up in November 2009 and added a second production line during the first quarter of 2011.

Sprite's slam-dunk

IN partnership with basketball star and brand ambassador, LeBron James, Sprite has launched the first phase of the Sprite Spark Parks Project. With an investment of US$2 million, the Project plans to construct, refurbish and refresh more than 150 neighbourhood parks, athletic fields, playgrounds and basketball courts in 2011.

Caren Pasquale Seckler, Vice-President, Flavour Brands Portfolio, Coca-Cola North America, said: “Our goal is to improve communities in inspired ways and we’re relying on people around the country to help us identify the places where we can make the biggest impact. As more people get involved, the project will become more powerful.”

The programme has begun with a chance for people to nominate their local basketball court for renovation by logging on to www.facebook.com/Sprite to designate a court in their area for consideration.

Approximately 70 finalists will be chosen to be part of a nationwide fan vote to select the courts that will be refreshed. At least 21 courts will receive funding in 2011 for items such as new rims, backboards, blacktop surfaces and art installations. Seven courts (with one winner coming from seven different regions across the country) will be awarded a US$35,000 grant. An additional 14 locations will receive US$20,000 each.

Sprite Spark Parks is supported by TV advertising starring James.

Looking ahead, in April families can start collecting green tabs found on specially marked Sprite cans and send them to Sprite to contribute to the building and refreshing homes and active spaces for Habitat for Humanity. For every tab received, Sprite will donate 10 cents to the organisation, with a minimum donation of US$250,000.

In mid-summer, Sprite will give families a chance to win a refurbished playground or athletic field for their local school. People can enter their local schools by submitting the My Coke Rewards codes found on Sprite and Sprite Zero Fridge Pack and 2 litre products.

Hispanic soccer

WITH the launch of Plaza Coca-Cola, Hispanic soccer fans have a meeting place to celebrate their favourite game. The special fan zone made its debut at the first stop of the Mexican National Team’s (MNT) five city US Tour in Atlanta. At each MNT game Plaza Coca-Cola will be part of Futbol Fiesta, an interactive zone that spans more than 120,000 sq ft and includes live music, games, celebrity appearances and prize giveaways.

A 25ft replica of the Angel de la Independencia El Ángel (a victory column located over Paseo de la Reforma in downtown Mexico City) will be a signature part of Plaza Coca-Cola. Built to commemorate the centennial of Mexico’s War of Independence and later converted to a Mausoleum, El Ángel is one of Mexico City’s most recognisable landmarks and a focal point for celebrations across the country.

El Ángel and Plaza Coca-Cola will travel around the country following the MNT as it plays its first five games outside Mexico since the FIFA World Cup.

“Coca-Cola has developed strong roots in communities across the country by hosting events that are important to people and connect with their passions and dreams,” said Reinaldo Padua, Assistant Vice-President, Hispanic Marketing, Coca-Cola North America. “Plaza Coca-Cola gives fans a special venue where they can enjoy a Coke, Open Happiness and celebrate their passion for Futbol and their teams in the presence of an authentic link to their heritage.”
Clear on calories

THE ‘Clear on Calories’ initiative, a voluntary commitment to make calories more visible on front of pack, is being boosted by a new advertising campaign from the American Beverage Association (ABA) called ‘Journey’.

Explained Susan K. Neely, ABA’s President and CEO: “Our delivery drivers from last year are back. This time they deliver beverages with calorie labels to the grocery store. We think this new ad about the industry’s leadership provides a perfect contrast to our mama in the grocery story who tells policymakers to “give me a break” when it comes to talk of soda taxes.”

Commenting on ‘Clear on calories’, Neely said: “By putting the calories on the front of beverages, we’re making it easier for consumers to make informed choices. It’s one more way that America’s beverage companies are doing their part to help people achieve a healthy weight by balancing their diet and physical activity.”

The new calorie labels began appearing on some beverages last autumn. The companies expect to have the calorie label on the front of all of their major brands and more than half their product volume by June of this year and on all brands and packages by early 2012 as committed.

In February 2010, ABA joined Michelle Obama at the White House as she launched her “Let’s Move!” campaign. Then the Association pledged to add a calorie label on the front of every bottle and can to help consumers choose the beverage that’s right for them.

The ‘Clear on Calories’ initiative has required a significant manufacturing, distribution and resource commitment by the participating companies: The Coca-Cola Company, PepsiCo, Dr Pepper Snapple Group, Sunny Delight Beverages, Nestlé Waters North America, Cott Beverages and Honest Tea who are actively redesigning and converting the package labels across their broad portfolios of products.

The calorie label was developed last year and tested with consumers to make sure it provided clear and easy-to-use information. The industry worked with the White House and its agencies throughout the label development process and remains in contact with the administration throughout implementation of this initiative.

PET training for growing Brazilian market

PLASTIC Technologies Inc (PTI), of Holland, Ohio, a global leader in PET design, development and engineering services, is partnering with the Centro de Tecnologia de Embalagem (CETEA) to produce a second technical training conference for the rapidly-growing Brazilian marketplace.

The course, ‘PET Packaging for Hot and Aseptic Filling of Sensitive Beverages’, will be held from 5th to 8th April, 2011 in Campinas, São Paulo and will feature three modules: PET Technology; Hot-Fill and Aseptic Technology; and PET Recycling and Sustainability.

Last year, PTI announced that it had signed a training agreement with CETEA, a State of São Paulo packaging technology research institution, which is part of ITAL, the Food Technology Institute. The April 2011 event will be held at ITAL’s headquarters in Campinas.

“We are looking forward to working with CETEA on this second training session. PTI will be sharing its three decades of experience with Brazilian brand owners and plastic processors to help these companies develop a new level of expertise,” said Marcio Amaral, Manager of Latin American operations, PTI.

Savoye Inc, a Chicago-based subsidiary of Savoye of Dijon, France, has completed an agreement to purchase all outstanding shares of Retrotech Inc, a privately held engineering services firm based in New York State. Savoye, an international logistics engineering company with 550 employees and over 1,000 customers globally, earned revenues of US$110 million in 2009 primarily from equipment manufacturing, systems engineering and software development.

The company integrates equipment for automated order preparation and fulfillment, mechanised packaging for shipping, high-speed sorting and pallet handling. The firm also develops software solutions for warehousing, transport and supply chain flows. Retrotech pioneered the Automated Storage / Retrieval Systems (ASRS) modernisation business in 1985 and it has commissioned some of North America’s largest automated warehouses.
Ingredients

Premium rtd tea

PLANTEXTRAKT and the Döhler Group have developed a new generation of tea drinks and announced a strategic partnership to market the concept, True Tea.

The market-ready tea concept focuses on an authentic tea flavour. It is made from freshly-brewed tea, which is not concentrated. The full flavour profile of the tea is retained and forms the basis of a new segment, premium quality tea drinks, and is in keeping with the trend for naturalness and authenticity.

True Tea is the result of a strategic partnership, in which the Döhler Group and Plantextrakt are combining their expertise in the development of new tea bases and successful product applications. Plantextrakt, a business unit of the Martin Bauer Group, brings well-developed and comprehensive knowledge to the partnership, from raw materials to the production of high-quality tea bases. Döhler’s expertise in development and application stretches back decades and is available to customers in 21 application centres. Both partners are well known as being market leaders in their businesses.

GRAS approval

STRATUM Nutrition of Missouri USA reports its chitin-glucan fibre ingredient, Artinia, has received self-affirmed Generally Recognised As Safe (GRAS) status. There are now numerous food and beverage categories for which Artinia is approved for use including: beverage and beverage bases such as energy and sports drinks, fruit juices and meal replacement drinks; and milk products such as smoothies, yogurt and yogurt drinks.

“Achieving GRAS approval is a major milestone and a testament to the rigorous and extensive scientific and technical information associated with Artinia,” commented Dr Joseph L. Evans, Manager, Pharmacology, Stratum Nutrition.

The ingredient is a high-purity, natural, chitin-glucan fibre featuring the benefits of both soluble and insoluble fibres. A 12 week animal and 30 day human pilot study have been completed, and each study demonstrates that Artinia provides substantial benefits for arterial and overall heart health, including a reduction in oxidized-LDL.

Artinia as chitin-glucan has also received a positive opinion by the EU Commission as a novel food.

Adding more sparkle

CARBONATED soft drinks are the largest volume segment in the Middle East. At last month’s Gulfood event Wild presented premium products with fruit pulp and new flavours especially for cola drinks. This portfolio includes new ideas for still drinks as well. For instance, concepts combining milk and juice deliver a high mouthfeel which has an especial demand regionally.

“The market of carbonated soft-drinks is hotly contested. We believe that those manufacturers who succeed offer premium products with a natural image and new flavourings,” said Jochen Bitzel, Vice-President Eastern Europe and Middle East at Wild.

Throughout the Middle East, consumers prefer viscous drinks which provide a high mouthfeel indulgence and have an intensive flavour profile. To support manufacturers in meeting the regional trends soft drinks with fruit pulp are one of the product ideas the company displayed. Using citrus juices and fruit pulp provides a distinctive mouthfeel and an exceptionally fruity flavour that offers a competitive edge over classic citrus carbonates.

Besides carbonated soft drinks, the still drinks category is a large volume segment. Wild says manufacturers can distinguish themselves and add value to their products by combining milk and juice in their products. This provides an especially creamy, high mouthfeel and new taste experiences. There is a variety of flavour options, be they very popular regional flavours, new exotic ones or superfruits such as pomegranate or cranberry.

Innovation at IFE

AT this month’s IFE show taking place at Excel, London, the Döhler Group’s stand will focus on the current trend for natural and healthy drinks. For fruit juices, smoothies, nectars and still drinks the company is showcasing new applications ranging from breakfast smoothies and nectars with differentiating top flavours through to still drinks with cells and pieces.

For carbonates Döhler has developed a range of modern applications which span from natural carbonates to ‘Aqua Plus’ formulations using natural sweetening solutions with stevia. New alternatives such as malt-based beverages like an ‘all free’ beer will be available at the Döhler stand for sampling and to discuss. A wide range of new energy and sport and nutritional beverages will also be unveiled.

In addition the company is showcasing a wide range of beverages sweetened with stevia.

Döhler and the market leader for stevia, PureCircle, have entered into a global strategic partnership for stevia-based sweetening systems whereby Döhler contributes its comprehensive know-how in sweeteners, sweetening flavours, product formulations and applications. MultiSweet® Stevia are tailored combinations of premium stevia extracts with the sweetness improving technology developed by Döhler.
A bright makeover

ROYAL DSM N.V. has introduced a new company brand: ‘Bright Science. Brighter Living’, to reflect the company’s transition from a chemical company into a life sciences and materials sciences company.

The new brand stands for the company’s strategy, culture and the way DSM wants its employees to work together. It represents the company’s sustainability value, the One DSM philosophy (based on the realisation that DSM can only fulfill its strategic goals if it operates as one united team across the globe) and it fits with the DSM mission to create brighter lives for people today and for generations to come.

Feike Sijbesma, CEO and Chairman of the DSM Managing Board, said: “With the portfolio restructuring completed, with our new strategy that focuses on growth, with the culture change on the road, and with our One DSM philosophy, this is the time to mark the new DSM, internally and externally.”

The tagline: ‘Bright Science. Brighter Living,’ sums up how DSM uses its science and innovation in partnership with its customers to create products and solutions that make a positive difference to people’s lives.

The new logo with its mix and overlay of colours aims to represent the diversity of the workforce and the combination of global talents and technologies, working together to create innovative and sustainable solutions. It also conveys a sense of movement because the company is constantly looking to evolve in an ever-changing world.

Truvia deal

SILVER Spoon, part of Associated British Foods, and Cargill, have announced an exclusive strategic partnership for UK distribution and marketing of Truvia branded tabletop, the first, stevia-based, zero calorie sweetener. This announcement comes ahead of anticipated EU approval of stevia extracts later this year.

Silver Spoon will jointly market the product with Cargill, building brand awareness through advertising and in-store programmes. Under the terms of the partnership, the sweetener will be co-branded with the Silver Spoon and Truvia logos appearing on packaging.

After only two years on the US market, the Truvia brand has become the leading stevia-based sweetener.

NSF certified

BI Nutraceuticals of Long Beach, California has received a SQF 2000 (Safe Quality Food) certificate from NSF. The SQF programme provides independent certification that a supplier’s food safety and quality management systems comply with international and domestic food safety regulations. SQF 2000 certification is a Global Food Safety Initiative recognised scheme, which was launched to enhance food safety, ensure consumer protection and strengthen consumer confidence.

“This globally trusted food safety and quality certification provides an additional level of assurance and commitment to our customers that BI’s ingredients have been produced, processed, prepared and handled according to the highest possible quality standards across all levels of the supply chain,” noted George Pontiakos, President and CEO, BI Nutraceuticals. “BI is the only nutraceutical raw material supplier to attain this certification and we are very pleased that our industry leading quality and sourcing programmes are recognised by SQF.”
Osteoporosis
The Osteoporosis Prevention Using Soy (USDA), has confirmed that regular supplementation with soy hypocotyl isoflavones over long periods does not cause adverse effects. It can thus be regarded as safe. These results are especially interesting because they mean that recent discussions about isoflavones promoting different forms of cancer can be considered as baseless.

Focusing on the effects of soy isoflavones on osteoporosis prevention, the major secondary outcome measured in the OPUS study was safety. No increased risk was observed for breast cancer or endometrial cancer due to supplementation. The scientists therefore concluded that long term supplementation with soy isoflavones is safe. The OPUS study was a multicentre, randomised, double-blind, placebo-controlled trial following 403 menopausal women for two years. Three different treatment groups were given either 80mg/day, 120mg/day aglycone soy isoflavones or a placebo. The scientists used the patented soy germ isoflavone product SoyLife from Frutarom, and therefore the results can only be considered as valid for this particular composition.

Cognitive health
Dr Deborah Yurgelun-Todd, Director of the Cognitive Neuroimaging Laboratory at The Brain Institute at The University of Utah, presented new scientific data on Kyowa Hakko’s branded brain health ingredient Cognizin at the recent US SupplySide Science Tour held in Irvine, California. She highlighted results of a six-week study conducted at McLean Hospital, a Harvard Medical School designed to measure and visualise the functional effects of Cognizin on various facets of brain function.

On the first day of testing, 16 healthy subjects aged 40 - 60 years underwent functional Magnetic Resonance Imaging (fMRI) while completing both the Stroop task, which is designed to measure attention and reaction time, and the Morris Water Maze task, which examines spatial memory. Subjects were then given a daily oral dose of either 500 or 2000 mg of Cognizin for six weeks before a second imaging protocol was conducted.

After completion of the second (fMRI) test, increased activation was seen during completion of the Stroop interference task. This was accompanied by improved accuracy in generating correct responses. Increased activation was seen during completion of the second Water Maze test as well. These results indicated that use of Cognizin resulted in better spatial memory retrieval, in addition to increased brain metabolism, Cognizin Citicoline is a natural, water-soluble brain health ingredient, and a well-established part of the cognitive health category.

Regional tastes

THE new product concepts Symrise presented at last month’s Ingredients Middle East/Gulffood event were tailored to satisfy the taste preferences of consumers in the Middle East and North Africa (MENA).

“The Middle East and North Africa region is one of Symrise’s key markets. Our aim is to faster and better serve our customers. Therefore, we’ve tailored our facility we set up last year in Dubai to regional taste preferences and demands,” said Ralf Streicher, Vice-President Sales EAME at Symrise.

The company’s new flavouring platform ‘taste for life’ was a highlight of the show. “Thanks to ‘taste for life’ and our consumer insights into the MENA region, we’re able to develop creative, market-driven product concepts that are tailored to consumer needs in this region,” explained Streicher.

The concept embraces ‘stay vital’, products that help maintain a healthy lifestyle such as isotonics, beverages with grapefruit-lemon flavour or milk-juice blends with pomegranate and blood orange; ‘lighten up’, products that contribute to a balanced diet such as drinking yogurt flavoured with green tea and mint; ‘be natural’, solutions made of natural ingredients; and ‘get excited’, products that awaken consumers’ senses such as instant drinks with oriental flowers, herbs and roots.

In brief...

● Cramer Productos Aromáticos, a well-established producer of flavours and fragrances in South America, is entering the European market. The company will work with Krieglunger Specialities in Antwerp, Belgium, to distribute its products. Both companies have extensive and longstanding experience in the industry, are family owned, and have agreed to work together on a long-term basis.

Products covered under this cooperation are natural flavours, natural identical flavours for applications in beverages and food as well as specialty flavours from South America, where Cramer Productos Aromáticos has wide experience in delivering top quality, original and new flavour notes.

● Nutrition Business Journal has awarded Danisco with a Scientific Achievement Award for its range of scientifically proven probiotics. Danisco BioActives has a dedicated Health & Nutrition R&D Group based in Kantvik, Finland, which undertakes an active and well-defined programme of research collaborating with selected prestigious research institutes. “This award clearly demonstrates Danisco’s credentials as a leader in the development of the scientific documentation required by today’s food and dietary supplements industries. It is also an excellent recognition for our scientific researchers and worldwide collaborators,” said Dr Julian Stowell, Vice-President Scientific Affairs, Danisco Health & Nutrition.

● Ocean Spray held its latest auction of cranberry concentrate in January. Across three contracts, pricing for Ocean Spray’s concentrate increased an average of 17% compared to the closing prices from the October 2010 auction.

A total of 14 companies participated in the auction, with Ocean Spray selling 143,800 gallons of concentrate. The closing prices were US$19.50 per gallon for the first contract delivery period (three months), US$20.00 per gallon for the second delivery period (six months), and US$21.00 per gallon for the third delivery period (six months).

“Rising concentrate prices likely reflect the current state of supply and demand,” said Mike Stamatakos, Vice-President Agricultural Supply and Development at Ocean Spray. “Based on Cranberry Marketing Committee data, demand for cranberry ingredients is up, while the 2010 crop was smaller than either of the two prior crops.”
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Juices & Juice Drinks

New ‘Slice’ campaign

**INDIA** PepsiCo has launched its popular mango juice drink brand Slice in Mumbai. Slice has seen powerful consumer momentum since its relaunch two years back, creating excitement in the mango juice drinks category.

Slice was introduced into other key markets of Maharashtra like Pune, Thane, Vashi, Nasik over the past two years in a phased manner. After tasting success in these markets, PepsiCo now aims to solidify its market leadership by tapping the vast potential of one of the largest mango juice drink markets in India – Mumbai – by extending the popular formulation and communication to the city. Slice will be available in 200ml and 250ml returnable glass bottles, 500ml and 1.2ltr PET bottles and 200ml cartons.

In new advertising the brand has introduced the concept of ‘Aamsutra’ which celebrates mango indulgence with its new taste, logo and packaging graphics and brand proposition personified by brand ambassador Katrina Kaif. She leads her on-screen partner to a game of ‘who blinks first’ only to give into the taste of pure mango pleasure. The television commercial has been shot in a boat against the backdrop of a romantic forest, thus bringing indulgence to life. Accompanying the campaign is a marketing plan comprising of television, print, radio, outdoors and on-ground activation.

Commenting on the launch, Homi Battewalla, Director, Juice & Juice-based drinks, PepsiCo India, said, “The markets of Western India are very significant contributors to the mango juice drinks industry and of these, Maharashtra is the most significant. In Mumbai, the category has always been synonymous with the heritage of Slice Mangola. With the launch of Slice in Mumbai, we aim to strengthen our leadership further by catering to the varied taste needs of our consumers through the delicious new taste of Slice and our communication campaign.”

**Designer bottle**

**FINLAND** Hartwall has begun 2011 with a number of significant product revamps and launches, top-lined by the relaunch of its popular Hartwall Jaffa orange drink in a 500ml new-look designer bottle.

The new Hartwall Jaffa bottle, which was re-designed by the Helsinki-based Mozo, modernises the product’s traditional old-world image, an image characteristic that has helped position the Jaffa brand on top of Finland’s carbonated orange beverage league-table since the mid-1970s.

The new Jaffa bottle’s rounded upper part is designed to resemble a fresh juicy fruit, while its tapered middle section is shaped to allow for added grip. Hartwall Jaffa was launched on the Finnish market in 1949.

**Exotic**

**UK** Calypso Soft Drinks has launched Calypso Exotix, claimed the first range of school-compliant exotic juice drinks developed to meet the growing trend for more exotic, adventurous tastes with an increasing, culturally diverse population. The drinks are made with 50% real fruit juices and purées, and natural mineral water with no added sugar, colour or preservatives. Exotix Mango contains the Alphonso mango, Guava uses sun-ripened fruits from South Asia and Tropical is a combination of nine different fruits including passion fruit and pineapple.

Richard Cooke, Calypso Sales and Marketing Director, said: “Multicultural families are increasingly key with a growing population of young people are presented with traditional fruit juices in school but there is a real opportunity to provide new, more adventurous flavours. People are also travelling abroad more and experiencing new tastes and cultures which they then like to enjoy at home.”

The range is available in 200ml combi pack cartons. Calypso is supporting the launch with trade promotions, POS and consumer advertising.

**Kick off**

**SOUTH AFRICA** Youngsters are being encouraged to ‘kick off with a Frenzy’ or ‘start with a Frenzy’ as juice packager Pacmar promotes its football-themed Frenzy juice range.

The theme builds on the heightened interest in soccer seen in South Africa since the preparations for the 2010 FIFA World Cup and subsequently.

Frenzy Fruit Drink is made from real fruit juice, does not contain preservatives and can be stored unopened for up to 12 months.

Each of the seven flavours is associated with a ball skill: Header Goal Apple, Right Dribble Orange, Goal Keeper Guava, Left Striker Mango, Left Tackle Grape, Left Dribble Tropical and Left Striker Mango/Orange.

The 200ml packs are being marketed by Pacmar, which is based in the Western Cape Winelands town of Wellington, as “easy to pack in the lunch box at school, as a quick refreshment before soccer practice or even as a treat on the way to an away-game.”

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Caribbean

**UK** Entrepreneur Levi Roots is building on his £30 million brand with the launch of a range of fruit juices and carbonates featuring Caribbean flavours, targeting young adults (16-34) and young families. “The range will be for people who like something different and like to experiment,” said Neil Gibson, Head of Marketing for Vimto Soft Drinks who helped develop and are now supporting and spearheading the brand’s launch.

The juice drinks, with a 20% juice content, come in 1 litre cartons for the ambient fixture. There are three flavours: Orange, Papaya ‘n’ Lime, Blood Orange ‘n’ Pomegranate and Spicy Reggae Reggae Tomato Juice.

Levi Roots said: “More and more people have embraced the exotic flavours of the Caribbean that I love so much and I’ve created some delicious and exciting blends that will offer totally unique tastes. I want my range to add a bit of colour, fun and sunshine into the soft drinks market!”

Eye-catching packaging for the range uses the bright, bold colours that are linked with Levi’s musical Reggae culture and features his silhouette with trademark dreadlocks.

Since appearing on the television Dragons’ Den programme in 2007 to attract investment for his Reggae Reggae Sauce, Levi Roots’ has risen to become a major player in the market and a significant contributor to the increasing influence of Caribbean flavours within the retail sector. Vimto Soft Drinks has worked alongside Levi Roots on the design and delivery of the products and is driving the nationwide sales and marketing campaign for the range. The UK’s major multiples; are already behind the launch of the brand with the first drinks to hit the shelves nationwide this month.

Marketing activity includes a university sampling tour; ‘The Levi Roots Experience – Food and Music Live!’; the launch of You Can Get It If You Really Want business book with national advertising; the publication of new cook book: Spice it up; National advertising; and an animated cinema advertisement in the summer along with activity at music festivals.

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**Vegetable newcomer**

**UK** WB&CO Veg Juice is a new 100% pure vegetable juice with no added fruit marketed as a healthy alternative to fruit juices and smoothies.

“WB&CO Veg juice offers an exciting, convenient and natural way to help busy people enjoy vegetables at any time of the day,” said WB&CO Founder and Director Mark Walker. “Our vegetable juice is slowly pressed from British organic vegetables and delivered freshly made, direct from the WB&CO pressing plant in London. ‘Our commitment to sourcing and manufacturing locally (within the UK) means quality is maintained from the soil to the bottle and onto the shelf to ensure customers experience the earthy goodness and natural taste you can only get when vegetable juice is made fresh and raw’.

WB&CO was launched in Singapore in 2007, when Mark Walker, who is fructose intolerant and so cannot drink fruit juice, spotted a gap in the market for a naturally made range of chilled pure vegetable juice. He adapted traditional methods of making olive oil to create a process of extracting juice from vegetables and herbs that preserved more of their essential nutrients and natural taste. WB&CO’s first sale was made through a pop-up shop in the popular district of Holland Village, Singapore, where each of the juices received rave reviews. This immediate success, along with private investment, has allowed him to launch the brand internationally, with a focus on Europe.

The juices contain no bits and are smooth and light with a clean fresh finish. The three introductory juices available in London are: Carrot and Ginger – subtly sweet with bursts of spice; Beetroot, Celery and Carrot - a rich earthy base of beetroots and carrots that is finished with a slight saltiness from the celery; and Spinach, Celery and Parsley – a polished texture with a strong flavour of the vegetables coming through.

The company is committed to sustainability. The glass bottle is made from a high flint glass that can be refillled eight times at the company's pressing plant. Where this isn't possible, high flint glass can be melted down easily and recycled to make other glass products. Further, WB&CO donates the pulp (the vegetable matter left behind after juicing) to The Royal Park HQ in London to be used as organic compost.

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**Range extended**

**SOUTH AFRICA** Pomegranate has been added to the range of flavours from the Berry Company distributed in South Africa by Stafford Bros & Draeger.

The range was launched in South Africa in May 2010 and has been very well received, especially for its healthy attributes. The Pomegranate juice is being promoted as high in antioxidants which fight free radicals.

Other flavours in the range include Blueberry, Acai, Goji, Superberries Purple and Simplyberry Red.

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**Photo:** Levi Roots and his new soft drinks.
Energy & Sports Drinks

**Energy Drinks**

**UK** Britvic is expanding its portfolio of functional drinks with the introduction of PepsiCo’s SoBe Pure Rush. The energy drink comes in two flavours, Apple Berry Burst and Tropical Twist. Both contain naturally energising caffeine, guarana and ginseng with no artificial colours or flavours. Pure Rush will look to capitalise on the SoBe brand’s successful global track record worth £570 million in sales. It was launched on test in Norway in 2009 and has proven so successful that it is forecast to become a global brand. For the UK launch SoBe Pure Rush has been re-designed by independent integrated design and branding agency Blue Marlin.

The new 250ml can is deliberately unisex, eschewing the usual black or blue palette for clean, fresh white. The two entwined lizards, which have been the icon of the South Beach Beverage Company since launch in 1996, feature prominently on pack in a more overt depiction of the infinity symbol – Pure Rush keeps you going. This is further emphasised with the line ‘Naturally Energising’.

Blue Marlin Creative Director, Simon Pendry, said: “We’ve made the pack more single-minded and really brought the lizards to life. The South Beach ethos is all about being comfortable in your own skin and the new packaging reflects that, it has a relaxed confidence.”

Britvic’s Head of Seed Brands, Jon Evans, commented: “Research shows that the number of people buying stimulant drinks is in decline recently, because people don’t like how they taste, and because they’re full of artificial ingredients. Pure Rush has been designed to address this. We are confident it will bring new shoppers into the category and help grow sales in the stimulant drink segment, which is now worth £399 million.”

**USA** AriZona Beverages has launched a range of 100% natural isotonic sports drinks called AriZona Sports. The drinks feature pure cane sugar and a balanced concentration of salts and minerals designed to be rapidly absorbed by the body.

Each flavour, Fruit Punch, Lemon-Lime and Orange, contains key electrolytes including sodium, potassium chloride and sodium citrate meant to help during physical activity when the body is craving replenishment. Like all AriZona products, there are no artificial colours or flavours and no preservatives.

The drinks are available in 34oz clear PET bottles. Distribution is underway in the Northeast to be continued by a nationwide rollout throughout the year.

**NEW ZEALAND** The V energy drink range has been taken into a new sub-category in its New Zealand homeland with the launch of V Iced Coffee.

As the name indicates, this combines the guarana energy of V with iced coffee, lining it up for both the energy beverage and flavoured milk shelves of convenience store and grocery chillers.

Packaged in a 470ml glass bottle, V Iced Coffee has similar energy levels as the Big V 500ml: 32mg of caffeine and 120mg of guarana extract per 100ml.

**SOUTH AFRICA** The producers of Pure energy drink claim it ‘ignites body and soul’, a marketing tag which lines up well with the proposition that the active ingredient, guarana, releases 100mg of caffeine into the consumer’s system over four hours.

Other ingredients include apple, cherry, strawberry and lemon, all chosen for their low glycemic index ratings. Green tea provides antioxidants while tart red cherries supply anthocyanins.

Pure is non-carbonated and is packaged in a transparent 300ml bottle with a screw top. Its ‘edgy’ association with an active lifestyle is being promoted through a series of artistic advertising executions.

Initially Britvic will market the brand in key on-the-go outlets, where shoppers are looking for an energy boost; for example, BP, WHS Travel stores and urban cafés and delis.

**Natural energy**

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New look

**UK** Rexam’s aluminium bottle can, Fusion, has been chosen by ROK Natural Energy for its natural energy drink range. The 330ml Fusion bottles will be produced by Rexam at its Epjovice plant in the Czech Republic and will give the drinks a sleek new look. They were previously sold in standard 250ml cans.

Bruce Renny of ROK Natural Energy Drink explained why they chose the bottle: “The consumer trial that we ran in 2010 proved we had the beverage and the brand right, but we needed a packaging option that was going to represent the premium product inside. Rexam’s Fusion bottle provides the elegance and impact that the product deserves.”

The energy drink, made from 100% natural ingredients and aimed at 25 – 45 year olds, was launched in 2009 by US billionaire businessman John Paul DeJoria, co-founder of Paul Mitchell hair care. John and the team at ROK wanted to create an energy drink that appealed to a more sophisticated palate and had noticeable health benefits for the consumer.

The drink is available in top end restaurant and bars, as well as hair salons where it is offered as a lunchtime beverage.

Last year ROK began an ongoing sponsorship deal with the Jendens polo team, based at Knepp Castle Polo Club, with the brand logo displayed on the team’s kit. The sponsorship will continue throughout 2011, with ROK promoting the drink at matches and events across the UK.

ROK says there are new products in the pipeline for 2011 including Natural Energy Light and Natural Energy Light with Antioxidants. They, too, will come in Fusion bottles.

Shot sponsorship

**USA** DynaPep Energy, creator of the Supercharged Energy Micro-Shot, has announced its sponsorship of professional MMA fighter, Hermes ‘The Unreal’ Franca.

Brazilian born Franca specialises in black belt Brazilian Jiu-Jitsu in the lightweight division. He earned his nickname, ‘The Unreal’ from his fans and sports writers because of his aggressive, focused style of fighting.

DynaPep CEO, Lisa Krinsky, said: “We chose to sponsor Hermes Franca as one of our own since he is from Florida. He has performed very well in this competitive and dynamic arena of the mixed martial arts. Franca represents what we are all about: health, endurance and sustained energy. We are proud to have him as part of our DynaPep family.”

New formula

**UK** Powerade has launched an improved sports drink formula, Powerade ION4. The still isotonic sports drink, which will be used by Team GB and ParalympicsGB to help them prepare for London 2012, has been developed with sports scientists. It contains fluid and four of the minerals (sodium, potassium, magnesium, calcium) lost in sweat for effective hydration, and a combination of carbohydrates to rapidly replenish the fuel the body loses during exercise.

Powerade ION4 is available in three flavours — Berry & Tropical, Cherry and Orange — and is being supported by in-store POS and a new marketing campaign.

To celebrate its new partnership with ParalympicsGB athlete marathon world record holder and World 200m champion Richard Whitehead, and highlight its support for the London 2012 Olympic and Paralympic Games, the brand is running a new marketing campaign featuring Team GB and ParalympicsGB athletes taking on the ultimate sweat test challenge.

The new commercial sees Whitehead, along with World and European heptathlete Jessica Ennis and swimmer David Davies, put Powerade ION4 to the test by challenging their bodies in a unique, purpose-built sweat circuit.

This is the first time a Paralympian has joined the Powerade stable of sporting assets and will see Whitehead promote the brand above and below the line between now and 2012, beginning with ION4, the official sports drink of both Team GB and ParalympicsGB.

Fairtrade

**UK** Northwest-based Thirsty Soft Drinks has announced the launch of the country’s first Fairtrade and organic energy drink, White Tiger (WT), in 250ml cans.

Originally introduced in Sweden, WT comes in classic and diet variants. They are taurine free energy drinks certified by the international Fairtrade organisation, carrying both organic and Fairtrade logos. The diet variant, WT Slim, with reduced sugar and no artificial sweeteners, has 33% less calories than the leading energy drink. WT Slim has a flavour described as “light taste of cassis”. It is also free from taurine and contains healthy green tea and caffeine from guarana. The product will be available through leading supermarkets, ethical and Fairtrade distributors throughout UK and Ireland.

Setting the pace

**INDIA** The country’s passion for cricket is being supported by Gatorade Pacers, a programme run by Gatorade, the world’s leading sports drink, to identify and develop young fast bowlers. Five have now been selected who will benefit from a training programme at the ICC Cricket Academy in Dubai. During seven days at the Academy resident coaches will give them tips on improving their bowling skills and give them a perspective on competing in international level cricket. They will also undergo the world-renowned ‘Gatorade Sweat Test’ and become the first sportsmen from India to undergo this test.

The Gatorade Sweat Test is conducted by the Gatorade Sports Science Institute which, over the past 40 years, has been working closely with sports teams, as well as hundreds of elite professional and amateur athletes from all over the world to help them optimise their health and performance through research and education in hydration and nutrition science.

Gatorade was the official nutrition partner for this year’s ICC Cricket World Cup 2011.
Water & Water Plus

**Natural fruit**

**FINLAND** Hartwall has launched Hartwall Novelle Mansikkainen, a mineral water flavoured with natural fruit and berries. It is being introduced into an increasingly competitive segment of the natural fruit-flavoured mineral water market for well-being beverages.

The strawberry flavoured Hartwall Novelle Mansikkainen also contains lemon to engender an added freshness to the product.

“The taste of flavoured mineral water has to be genuine. That is why in all Novelle mineral waters, the aromas come from real fruit and berries, but they do not overwhelm the fine, fresh taste of mineral water,” said Sini Orkola, Hartwall Novelle Mansikkainen’s Brand Manager.

Hartwall Novelle mineral waters are salt free, have zero calories and are lightly carbonated. The product is being sold in 0.5 and 1.5 litre bottles, with 1.5 litre bottles available as a twin-pack option.

**Slimming**

**USA** Maayan, LLC, the southern California company that brought the healing power of flower essences to the US functional beverage market, has launched MindEssential ME Slim Water; an all-natural, homeopathic water drink that curbs the urge to overeat so you can lose weight. The product was unveiled at this month’s Natural Expo West in Anaheim, California.

ME Slim Water combines four flower essences with natural peach-mango flavour and agave, an all-natural sweetener. The company says that, together, these ingredients help to reduce mindless overeating and the tendency to eat for emotional reasons such as stress or boredom.

The drink contains only 10 calories per serving and no artificial ingredients, hormones, preservatives, drugs or chemicals. Keeping with the company’s environmentally-friendly philosophy, ME Slim Water is packaged in a recyclable glass bottle.

**Cash and carry**

**UK** The country’s biggest supplier of bottled water, Highland Spring Group, is launching a new brand created for the cash and carry and food service sectors.

Hydr8, which promotes the eight glasses a day message, is a naturally sourced British water produced from the company’s recently acquired Campsie Spring bottling plant, near Glasgow. It comes in convenient 500ml screw cap and 500ml sports bottles and six-packs. The product will also be available in a 5 litre format, which is Highland Spring Group’s first foray into larger bottle sizes.

This is the first new brand launched by the group since it acquired the bottled water business of Greencore Group plc in March 2010.

Richard Beeston, from Highland Spring Group, said: “Hydr8 will allow the company to expand into a growing sector of the market. The product has excellent sales potential since it comes from the Highland Spring Group, is naturally sourced from one of our sustainable catchment areas and offers healthy hydration for price conscious consumers.”

**Badminton thirst**

**UK** English natural mineral water, Iceni, has embarked on a new relationship with Badminton England to become the ‘Official Hydration Supplier’ to Team England. The association sees Iceni, which is bottled at source in South Cambridgeshire, become the sole water provider to Team England over the next two years, supporting all major badminton tournaments held in England during this time.

Commenting on the sponsorship Brett Fleming-Jones, Managing Director of Iceni Water, said: “We believe the Iceni brand to be the perfect fit for this high pace sport. Staying properly hydrated by drinking water during exercise is key to achieving optimum levels of performance. As such, Iceni has always had a strong link with sporting activity and has been the water of choice for many top players.”

The recommendation from the Food Standards Agency is that when exercising you should drink up to one litre of water per hour of exercise (on top of the standard one to two litres per day).

Team England take its physical fitness and well-being very seriously and Iceni will ensure that England’s elite badminton players maintain the right amount of water intake. At the major events Iceni will have fully branded fridges which will be positioned on the courts. Iceni will also have advertising opportunities at the National Badminton Centre in Milton Keynes for the duration of the sponsorship.
In fashion

USA The bottlers of Fiji Water have done a lot to ensure their brand is seen as being in fashion, especially in its principal export market, the US. But it was even more in fashion as it took a high profile role during New York Fashion Week.

It was official water of the Mercedes-Benz Fashion Week and was closely associated with the Fall 2011 collection of designer Christian Siriano.

Siriano himself was much in the news, as winner of the Project Runway reality TV series, ensuring that Fiji Water was also positioned as a winner. The bottler live-streamed the Siriano show on Facebook, organised a contest associated with the collection, sponsored a performance art presentation, and paid cash-strapped design students to hand out bottles at the Lincoln Center, winning a lot of praise for this gesture.

In the air

MALAYSIA The boom in low cost carriers, the transport and travel industry’s name for budget airlines, has brought further growth in the sale of bottled mineral water in-flight. Passengers flying on LCCs tend to opt for bottled water and fruit juice from cabin trolleys, rather than the limited (and often expensive) selection of alcoholic beverages.

Pre-ordered meals, which those booking online find themselves exhorted to sign up for, also often include a bottle of mineral water as a non-charged bonus.

One LCC which has found itself dealing in huge quantities of mineral water is Air Asia, a company based in Malaysia which has an extensive network reaching as far as the UK and New Zealand. Within Asia, it flies to both major cities and secondary points, with some services operated by part-owned regional associates.

Air Asia’s mineral water is presented under the Alla Fonte Minerals brand which is produced by Vitaton, a major soft drinks producer based in Petaling Jaya. Vitaton bottles water under several brands and also has a carbonated soft drinks range.

The water is supplied to Air Asia by Mofaz Dagang, a substantial conglomerate with wide-ranging interests. Its main owner was involved in the creation of Air Asia.

On the run

NEW ZEALAND A bottle of Pump spring water was presented to all registered entrants in the Round the Bays 2011 run in Auckland, New Zealand, as they crossed the finish line after completing the scenic harbourside route from the CBD.

The annual run is one of the world’s largest, regularly attracting some 70,000 participants.

Stay Pumped! food and drink vendors were also stationed in the finishing area and at nearby parks where hundreds of hospitality tents created temporary townships.

Soft Drinks International was again represented on the run, although not among the international elite of the first 50!

Pump has also been running a competition in New Zealand over the southern summer and early autumn, built around promotional bottles carrying unique codes which are entered via text or online.

The major prize is for one person to win the cash equivalent of their primary gross annual pay, to a maximum of NZ$150,000. Every day during the promotion one entrant was drawn to win $500.

UK Once again Ty Nant Natural Mineral Water, famed for its iconic cobalt blue glass bottles, was the Official Water Partner at The BRIT Awards 2011, broadcast for the first year from the O2 Arena, London. The BRIT Awards is the most anticipated event in the music calendar. The brand has a long-standing partnership with the awards providing mineral water for performing artists and event guests.
**Carbonates**

**Ambassador appointed**

**INDIA** PepsiCo India has appointed Bollywood superstar Salman Khan as the brand ambassador for Mountain Dew. This is the first time that a brand ambassador has been appointed for the country’s fastest growing carbonate brand over the last three years.

Commenting on the appointment, Deepika Warnier, Marketing Director, PepsiCo Beverages, said: “Mountain Dew is strongly anchored in the relevant consumer insight of ’Darr Ke Aage Jeet Hai’ (which encourages consumers to overcome their inner fears and try something new, explore new boundaries). Salman Khan embodies this philosophy and he has strong national appeal. We look forward to the partnership and are confident that it will be mutually rewarding.”

“I love the high-action imagery of Mountain Dew and more importantly the fact that it’s not mindless action but there is a message at its core, ’Darr Ke Aage Jeet Hai’. I have spent time with the Mountain Dew team and I eagerly look forward to working with them,” said Khan.

The company says “challenge, a can do attitude, adventure and exhilaration” are deeply entrenched in its brand DNA. The brand has always celebrated the bold and adventurous spirit of youth.

**American Idol**

**USA** In the ‘Picture You and A Friend at the Idol Finale’ sweepstakes, Coca-Cola has joined forces with Regal Entertainment Group, a leading motion picture exhibitor owning and operating the nation’s largest theatre circuit. Now, through the end of March, by purchasing a large fountain Coca-Cola at a Regal theatre, Regal Crown Club members, 18 years or older, can enter for their chance to win the grand prize of a trip for two to attend the American Idol Finale which takes place in May.

For all its 10 seasons, Coca-Cola has been an official sponsor of American Idol, the number one-rated television show.

**Fashion debut**

**USA** The new Diet Pepsi Skinny Can, now available to consumers nationwide, was unveiled during Mercedes-Benz Fashion Week held last month in New York.

“Diet Pepsi has a long history of celebrating women through iconic fashion imagery seen in our infamous and historical campaigns, and we’re proud to continue that tradition as an official sponsor of Mercedes-Benz Fashion Week,” said Jill Beraud, Chief Marketing Officer, PepsiCo. “Our slim, attractive new can is the perfect complement to today’s most stylish looks, and we’re excited to throw its coming-out party during the biggest celebration of innovative design in the world.”

As part of the festivities, fashion commentator, Simon Doonan, famous for his store window displays, unveiled a special window installation at the Diet Pepsi Style Studio featuring Diet Pepsi’s slim new cans.

**Antioxidant cola**

**USA** Rainforest Cola has been launched as a 100% natural, antioxidant soft drink, an industry first.

“We are pleased to offer consumers a carbonated beverage that has great taste in addition to health benefits,” said Tom Bushkie, President, Rainforest Beverages. “It’s different from anything on the market because it’s a completely natural cola that is packed with antioxidants which have been known to strengthen the immune system and provide other health benefits.”

Rainforest Beverages chose to launch its inaugural product in the Rexam Sleek can because it delivers brand differentiation and helps the beverage stand out on retail shelves. The company also wanted to demonstrate its commitment to sustainability by using the most recycled beverage package in the world.

**Catchphrase competition**

**USA** Sunkist Soda has teamed with college basketball broadcaster Dick Vitale – well known for his catchphrases – to make the college basketball season the most ’Slammin’, Bammin’ and Jammin’ ’ one yet. Consumers can log onto SunkistSoda.com to submit their ideas for Dickie V’s next catchphrase as part of ’The Sunkist Catchphrase that Pays’ contest and a chance to win one of eight US$10,000 weekly cash prizes.

“I’ve teamed up with Sunkist Soda to give college basketball fans the chance to come up with my next great catchphrase,” said Dick Vitale. “We’re giving away $80,000 in cash. It’s gonna be awesome, baby!”

Entries will be judged by a panel including Dick Vitale.

“Sunkist knows that no one energises college basketball fans like Dick Vitale, with his unrivalled passion and truly awesome catchphrases,” said Dave Falk, the brand’s Director of Marketing. “Now fans can be part of the action with a chance to give Dickie V his new, signature phrase and win cold hard cash.”

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Further sponsorship

USA The National Basketball Association (NBA) and The Coca-Cola Company (TCCC) have announced a new multiyear extension of their long-standing global marketing partnership. TCCC has been a NBA marketing partner since 1986.

In 2011, for the first time, Sprite will be the leading brand to be associated with the NBA around the world. The world’s leading lemon-lime sparkling beverage has been the Official Soft Drink of the NBA in the US since 1994.

Sprite will continue to engage fans through special programmes highlighting the slam dunk, including Sprite Slam Dunk at NBA All-Star and the Sprite Slam Dunk Showdown amateur slam dunk competition. The brand also will conduct a variety of NBA-themed activities, including events, digital promotions, grassroots programmes and under-the-cap promotions.

Promoting Sprite

CHINA Taiwanese movie and pop superstar Jay Chou, a Sprite ambassador since 2008, features in a new television commercial with basketball great Kobe Bryant. The duo has also recorded a Sprite basketball theme song, called ‘The Heaven and Earth Challenge’, which has attracted enormous attention from the Sprite demographics in China.

Chou and Bryant have donated all income from the song’s online ringtone downloads to a charity organisation active in fostering basketball skills in Chinese schools.

Earlier in the year, Coca-Cola partnered with Sony to leverage the China premiere of the 3D movie The Green Hornet by creating a Sprite ‘green carpet’ walk of fame.

A promotion involving more than 3,300 stores around China gave consumers a chance to win movie tickets, while people were invited to use 3D elements for creative offerings uploaded to the Sprite website for voting.

UK The new Levi Roots carbonates range comprises Fiery Root Ginger Beer with Lime ‘n’ Honey, which is made with Jamaican ginger extract, and Caribbean Crush, which is a tropical blend of mango, grapefruit and pineapple. Both flavours will be available in 2 litre PET bottles, 500ml PET bottles and 330ml cans. Besides the grocery channel the drinks will be available through the impulse channel to support independent retailers and forecourts.

Holi festival

INDIA To coincide with the country’s Holi festival, Fanta has launched ‘Fanta – Funmasters Hunt’, a consumer promotion running in over 60 cities across 13 states. Consumers can win cash prizes by sending in their creative responses to the question: ‘What will you do to make certain serious moments fun and exciting?’ by calling a toll free number and registering their response.

The consumer with the most creative and fun response will be adjudged the country’s Ultimate Funmaster and will be awarded a cash prize worth Rs.5 lakh. Speaking about the initiative, Srinivas Murthy, Director-Marketing, Coca-Cola India, said: “Brand Fanta is known for providing fun-filled, exuberant experience to all its consumers. Through the ‘Fanta – Funmasters Hunt’ initiative, we aim to bring out the fun loving and playful attitude in today’s generation and encourage them to instil joy and fun into life’s serious moments.”
X-Treme

**MIDDLE EAST** PepsiCo has extended its Mountain Dew offering in the Middle East’s GCC region with the limited edition Mountain Dew X-Treme.

“Innovation has always been at the core of Mountain Dew’s strategic objectives for steady growth,” said Brand Marketing Manager Ibrahim Binaquil. “X-Treme was developed for the region’s market after analysing what young consumers desire.”

PepsiCo has been using social media, television and strong retail point of sale to promote the new flavour.

“Like Mountain Dew, X-Treme has a pleasingly unconventional taste that invigorates those extreme sports enthusiasts who have an adventurous spirit and attitude that impels them to continuously push themselves to limits of physical challenges,” claimed Binaquil.

Winner meets ambassador

**INDIA** Superstar and Thums Up brand ambassador, Mahesh Babu met the winners of ‘Thums Up Khaleja Unda’ consumer promotion organised at Ramoji Film City in Hyderabad. The winners of the contest had a thrilling day as they got a once-in-a-lifetime opportunity to not just meet, but also experience action stunts, with their favourite star and Thums Up Brand Ambassador, Mahesh Babu.

Congratulating the winners, Manish Chaturvedi, Area Operations Director, Hindustan Coca-Cola Beverages Pvt Ltd, said, “The launch of the ‘Thums Up Khaleja Unda’ initiative is part of the endeavour to add excitement, refreshment and fun into the lives of the consumers. We are very happy to receive such an overwhelming response for the initiative. I congratulate all the lucky winners who, as part of the ‘Thums Up Khaleja Unda’ initiative, got the opportunity to meet their favourite star and Thums Up brand ambassador Mahesh Babu.”

Speaking at the occasion Mahesh Babu said, “My association with Thums Up over the years has allowed me to perform several daredevil stunts. It is a brand which is all about action and adventure and all these elements were present in my latest movie Mahesh Khaleja. I would like to congratulate the winners of the ‘Thums Up Khaleja Unda’ initiative. I would also like to thank Thums Up for giving me this opportunity to meet my fans across the state of Andhra Pradesh.”

Foxton Fizz

**NEW ZEALAND** Small-town carbonated soft drinks producer, Foxton Fizz, is contemplating a return to its place of origin in 1918. It is currently bottled in another small regional centre, Putaruru, where several water and other soft drinks brands are made. The original factory still exists but needs substantial upgrading to operate as a full soft drinks production plant.

To justify the expense, output would need to be higher than it currently is, but the company’s new owners are pleased that sales are increasing steadily.

Also helping towards a return to Foxton, in the Horowhenua district of the North Island, not far from the city of Palmerston North, are plans to begin making cordials and other products at the original factory.

Love cricket

**UK** Rubicon, the exotic juice drink carbonate from AG Barr, is running a cricket-themed promotion. The ‘Love Cricket’ campaign includes the ‘Spin to Win’ competition which offers consumers the chance to win a number of cricket related prizes.

The 300ml promotional cans feature Rexam’s Illustration Impact technology, which allows photo like images to be printed on the metal, to display images of cricket stars Graeme Swann and Muttiah Muralitharan.

Adrian Troy, Head of Market for AG Barr, said, “Having such big cricket personalities as Graeme and Muttiah on-pack is a great boost for Rubicon as they are both world stars, who are instantly recognisable to cricket fans and will help to drive sales. Cricket is one of the biggest sports in the UK and continues to grow in popularity, especially with England’s brilliant performance to retain the Ashes and consumer excitement about the World Cup.”
Traditional

Ultimate malt

UK Ultimalt is being introduced by leading African and Caribbean distributor Kato Enterprises.

Describing the drink, Kayode Toyinbo, Director of Kato Enterprises, said: “Ultimalt is a malt drink like no other malt drink, to be loved by everyone who, quite simply, loves a malt drink.

“Produced with the most naturally available ingredients, and brewed and bottled here in the UK, every aspect of Ultimalt is created with perfection in mind.”

Ultimalt is said to be a perfect combination of sweet satisfaction and rich creaminess providing a delicious malty flavour. It is enriched with B vitamins with no added preservatives. The drink, popular with Africans and Caribbeans, comes in an eye-catching bespoke glass bottle.

A marketing campaign is underway to increase brand awareness within the African Caribbean community including a text-and-win consumer competition – the first of its kind in the malt category. This ‘mega giveaway’ offers each consumer a chance to win £100 (a total of £100,000 to be given away) via a unique code under each promotional bottle cap.

Ultimalt will also sponsor high profile African Caribbean television programmes along with music and comedy events in London and around the UK. Consumer sampling and direct marketing also forms part of the campaign.

New variants

UK Halewood International, the UK’s leading independent drinks manufacturer and distributor, has announced the launch of two new variants of the John Crabbie’s adult soft drink – John Crabbie’s Diet and ‘Twist of Orange’ – to broaden the appeal of the brand and generate new interest in the category.

Diet offers consumers a product with only 1 calorie per 100ml serving, whilst the original John Crabbie’s Ginger Beer now has a Twist of Orange providing a refreshing twist perfect for the run-up to the summer period. The drinks are available in a 70cl sharing bottle and single serve 330ml perfect for the take home market.

Richard Clark, Head of Innovation at Halewood International, said: “The adult soft drinks market experienced significant growth in 2010 as consumers increasingly looked for alternatives to alcohol due to health concerns and lifestyle choices which have led to reductions in the consumption of alcohol both in the on trade and take home market.”

Relaunch

AUSTRALIA New South Wales producer Saxby’s has re-introduced eight-packs of Saxby’s Ginger Beer and Diet Ginger Beer in the grocery channel. Each pack, featuring a colourful outer, contains eight 375ml bottles.

Saxby’s said the re-introduction was in response to a large number of consumer requests and enquiries. The company utilised Facebook to encourage supporters in lobbying supermarkets and grocery stores to stock the packs.

Saxby’s is based in the North Coast river city of Taree where it was established in the pioneering days.
Juices and nectars

outlook to 2015

While the global recession dominated the headlines in 2009, 2010 was a year of recovery for fruit/vegetable juices and drinks. Off-trade volume trends, affected by the global recession, in 2009 increased by only 2% vs. 2008 but in 2010 growth at 5% was back to pre-recession growth rates. Globally, Euromonitor International projects that the fruit/vegetable juice category will maintain this strong growth trend through 2015.

It might appear that the category is back to business as usual but that is not the case. There are many changes happening, driven by health trends and an increasingly affluent world. 100% juice fuels a dominant value share of the global fruit/vegetable juice market in 2010, but to maintain that position it is likely to need a new global strategy. Specifically, due to its high price it depends disproportionately on developed markets where, due to maturity of the business, it has experienced little growth in the past five years. Unless manufacturers are successful in channelling new investment behind value-protection spin-offs in the high-volume developed markets, 100% juice is projected to lose its leadership position in the future. By 2015 the juice value leader is projected to be juice drinks (with up to 24% juice content).

Juice drinks value leadership driven by local drinking cultures

Although China surpassed the US as the leader in off-trade fruit/vegetable juice volume in 2008, the US maintains a strong lead in value, generating over 20% more revenue than China in 2010. The main reason for the difference between value and volume is the preference in China for relatively low priced juice drinks (with up to 24% juice content) and in the US consumers prefer the relatively high priced, perceived to be more healthful 100% juices. However, by 2015 China is projected to also surpass the US in value.

Euromonitor International projects more changes by 2015 in the countries where value will be generated in fruit/vegetable juice. Almost US$20 billion (in constant 2010 US$) in new sales will be generated globally by 2015. China accounts for over half of the global value growth and as previously stated goes from number two in value in 2010 to the global lead in 2015. The next highest growth country, Russia accounts for an additional 10% of the global growth. Brazil is a distant third in global value growth, contributing less than half of Russia’s growth to 2015.

Russia and China each have a different juice culture. China is dominated by a juice drink culture. The majority of Russia’s value growth to 2015, however, will be contributed by 100% juice.

China perceives juice drinks to be healthy products

China has a strong preference for juice drinks. In 2010, juice drinks comprised more than 80% of total fruit/vegetable juice off-trade expenditures. Juice drinks enjoy a healthy image and are about half the price per litre of 100% juice and two thirds the price of nectars.

In China, one important driver of soft drinks volume is that consumers are searching for healthy drinks. Unlike in developed markets, juice drinks are considered healthy drinks. Consumers tend to focus more on the sugar content as well as the amount of vitamins and minerals than the juice content. To stimulate sales growth, manufacturers have not only relied on marketing and promotion of their products to maintain their shares, but have also emphasised product segmentation through different aspects to spur stronger demand for soft drinks overall. In 2010, the leading players were all active in new product launches. However, merely refreshing the packaging or adding new flavours to existing products is no longer enough, and consumers are searching for more interesting new launches.

The multi-national Coca-Cola is the leading fruit/vegetable juice manufacturer in a highly fragmented market with almost an 11% off-trade value share. Coca-Cola is highly focused on its major fruit/vegetable juice brand Minute Maid which is primarily a juice drink. Minute Maid successfully differentiated itself from other juice brands by adding fruit pulp, which helped to bring fruit pulp back on trend. The marketing activities of Minute Maid are varied, which has contributed to the
brand’s success. In addition, new launches like the lemon and grape flavours seen in 2009, and the new nutritional juice Minute Maid ShifenV, launched in 2010, keep Minute Maid’s brand image fresh.

Minute Maid ShifenV was one of the most notable new products in 2010. Minute Maid ShifenV is differentiated from other fruit/vegetable juice products through the addition of 10 functional ingredients, including vitamin B6, vitamin C and taurine. The packaging is simple and clear, making it appealing to young adults, and the new product is targeted at the high-end market, with a high retail price of around RMB4.50 for a 420ml bottle. This relatively high price may limit Minute Maid ShifenV’s sales volume, but it is likely that the trend in fruit/vegetable juice towards premiumisation and multifunctionality will continue.

Juice drinks with a juice content of up to 24% will remain the major battlefield for fruit/vegetable juice manufacturers, and are expected to witness the strongest volume growth between 2010 and 2015. There are many manufacturers in juice drinks, with none holding a substantial share, hence there is little chance that the leading players will exert a strong influence on juice drinks as a whole. The intense competition in juice drinks will spur growth and innovation through 2015. Further contributing to the growth of juice drinks will be the fact that Chinese consumers tend to prefer the light taste of juice drinks compared to that of 100% juice and nectars.

In Russia 100% juice growth depends on the economy
Fruit/vegetable juice returned to growth in 2010 and is expected to continue to see a positive performance in the 2011-2015 period. Russians continue to be focused on health issues and a healthy diet, which limits the growth of carbonates, but gives good opportunities for fruit/vegetable juice.

Over the past five years, 100% juice has been the fastest growing fruit/vegetable juice category based on value in Russia. 100% juice has grown almost 90% in value since 2005 and now accounts for half the value of all juice sold.

Fruit/vegetable juice consumption depends a lot on the overall economic situation in Russia, which has a different culture of juice consumption than other countries. Juice in Russia is not a commodity of daily demand. Many families buy juice just for the holidays. That means that in the case of dramatic changes in the economy, juice consumption can vastly decrease, as happened in 2009.

Unlike in China, however, in Russia 100% juice is perceived to be a higher quality product than other fruit/vegetable juices due to its higher juice content. During the global economic crisis, which also hit Russia, consumers traded down to more economical nectar brands (containing 25% to 99% juice). Now that Russia is recovering, consumers are going back to their preferred varieties.

Capitalising on the health trend and the desire for higher quality products enabled by an improving economy, Ya was introduced by PepsiCo through its Ledebrynysky OAO subsidiary. Ya is pasteurised 100% not from concentrate juice that is positioned as a high-quality product, supported by the use of glass packaging. The new product attracted to the market consumers of freshly squeezed juices.

Driven by the improving economic climate 100% juice will be responsible for 60% of the value gains in the fruit/vegetable juice category comprising 55% of the category value by 2015. 100% juice is the fruit/vegetable juice category forecast to produce the best performance in the 2010-2015 period. More and more people in Russia are focused on their health and consumption of healthy products, and 100% juice is a good choice for a healthy diet. Not from concentrate 100% juices are also gaining in popularity. Several years ago they were represented by premium imported brands, available mainly in expensive supermarkets (Azbuka Vkusa), but PepsiCo with Ya 100% juice in glass packaging and Tropicana Pure Premium are attracting more and more consumers to this category.

Conclusions
Consumer’s desire for healthier soft drinks across the world along with increasing disposable incomes in developing countries provides oppportunity for fruit/vegetable juice. However, ‘healthy’ can have different connotations in different cultures. What is perceived as healthy in one culture may not be perceived as healthy in another culture. This may provide opportunity for manufacturers to open up new avenues by slightly modifying existing products. For example, while a juice drink may be off-trend in one culture, it may be possible to find a new market and add a few ingredients to make it particularly attractive to a different culture. Perhaps, in the future we will see more strategic alliances among second-tier companies to take advantage of globalisation opportunities.
Berry inspirational
from local to global appeal

Cultivated worldwide, berries are part and parcel of many culinary traditions: summer strawberries and cream at Wimbledon, autumnal blackberry and apple pie, and festive turkey with cranberry sauce. But berries account for much more than these traditional uses. While local growing conditions and taste preferences apply, berries’ fresh, fruity flavour has universal appeal and has paved the way for their introduction into new markets. Fresh, frozen, dried, puréed or concentrated, berries offer bakers, confectioners, dairy producers and food and beverage manufacturers diverse ways to innovate with some of the world’s most popular and healthy fruits.

Cultivating berries is a labour intensive and complex process, dependent on region and season. Varieties of the same genus are prevalent in different areas – there are dozens of strawberry varieties grown across Europe, the US, South America and Australasia. These different varieties also have varying degrees of quality in terms of taste, health benefits and appearance. Heavy frosts, too much or too little rain or not enough sunshine impact on crops and can affect supply stability. Taking all this into account, successful and sustainable berry cultivation is no mean feat.

So just how much do berry varieties differ? And what are the implications for the manufacturer?

Packed full of nutrients, berries are inherently good for you, according to Ocean Spray.

Vaccinium variety
Berries are generally defined as small edible fruits which can be eaten whole, and there are thousands of berry species found across the globe. The Vaccinium genus alone comprises 450 different berry species including blueberries, cranberries, lingonberries and huckleberries, which are traditionally grown in cooler parts of the Northern hemisphere. This Vaccinium genus is part of the wider Ericaceae family of around 1350 genera, including Scottish heather and rhododendrons. Vaccinium berries share certain characteristics with other deciduous, evergreen shrubs, to which they are closely related, but their taste profiles, cultivation, processing and health benefits differ dramatically.

Three of the closest related berries in this genus are the North American cranberry or Vaccinium macrocarpon, the small/wild cranberry or Vaccinium oxyococcus and the lingonberry or Vaccinium vitis-idaea. All three species prefer the cooler climates of the Northern hemisphere, acidic soils with high organic matter and high water tables. Their vine-like shrubs produce small red berries, which are similar in appearance. So what sets the North American cranberry apart?

Home grown
As the name suggests, the North American cranberry is native to North America and is today cultivated in Massachusetts, New Jersey, Oregon, Washington and Wisconsin in the US, and in British Columbia and Eastern Canada. Renowned for bestowing North America with a carpet of red during harvest season, cranberry’s popularity now reaches across the globe. Said to be first served with turkey in 1621 by the Pilgrim Fathers, the cranberry is rich in tradition. Some cranberry vines are more than 100 years old and have been
Soft Drinks International – March 2011

Brimming with health

Packed full of nutrients, berries are inherently good for you, and fit well with the growing trend for living a healthy lifestyle and fulfilling your five-a-day. Foods which are particularly high in nutrients are often marketed as ‘superfoods’ or ‘superfruits’, to provide a point of difference. Nowadays the term ‘superfruit’ is sometimes viewed as dated, yet, is still used by marketers to promote new and exotic berries like the goji and yumberry, where there is still little science behind their health halo. However, once the hype has died down, it is the scientifically-backed fruits consumers will ultimately opt for. Manufacturers must therefore employ a long term strategy to ensure product longevity. One of the original superfruits, the cranberry is supported by a substantial bank of scientific research pointing toward its multi-dimensional health benefits. Ocean Spray’s ‘One berry, Whole body’ campaign embodies the cranberry’s potential for promoting health throughout the body.

Containing fibre and vitamin C, and rich in polyphenols such as quercetin and proanthocyanidins (PACs), American cranberries may help promote urinary tract, gastro-intestinal, cellular and cardiovascular health.

PACs are generally thought to be responsible for cranberry’s anti-adhesion properties. Research suggests PACs help prevent harmful bacteria such as E.coli and H.pylori from adhering to cell walls, reducing the risk of infection. Compared to other berries such as strawberry and raspberry, the North American cranberry’s PAC content is superior.*

Berry versatile

Berries can be used in a diverse range of applications which results in many berry-containing product launches every year. These range from cereal bars, trail mixes and pastries, to smoothies, yoghurts and cheese. Representing a healthy and tasty option, berries can be used by manufacturers to develop innovative products which meet consumer demand for healthy snacks.

The cranberry is well known for its typical tart taste, which lends the cranberry so well to use in both savoury and sweet applications. In America, the cranberry rocketed to success through its Thanksgiving association and popular juice drinks. Now cranberry is used across a range of sectors such as dairy, bakery, confectionery and cereals. The health halo of cranberry, based on 30 years of scientific research, has ensured consumer popularity.

Cranberry’s high process tolerance makes it a success with manufacturers. While berries like strawberry and raspberry are easily incorporated into smoothies and juices, they are traditionally difficult to add to baked goods, cereals and bars in dried form. To avoid moisture and colour migration, manufacturers have to resort to using extruded gums and jellies. Sweetened dried cranberries, on the other hand, allow manufacturers to use real berry flavour which delivers on taste and texture. Ocean Spray’s BerryFusions® Fruits are a cranberry innovation which allows manufacturers to offer berry flavours like raspberry and blueberry without the associated processing problems.

Summary

Thousands of berry varieties exist across the world, but proportionally it is only a few which enjoy international success. New, previously unheard of berries emerge from the rainforest to make headlines as the ‘next big thing’. However, it is berries like the cranberry, entrenched in history and tradition, that are celebrated by local consumers as part of their culture and heritage. Cultivated regionally for decades, these crops ensure stable and sustainable supply for manufacturers.

For consumers in newer territories health and well-being remain key market drivers and the science behind the cranberry’s health properties fits well with this trend. Going forward, berries will remain a popular addition to foods and beverages, creating new and exciting traditions for consumers across the globe.

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Although not an official fruit group or category, superfruits continue to dominate the international food and beverage market thanks to their nutritional benefits and potential health claims. This influence is reflected in the category’s 15.7% growth between 2008 and 2009. These figures suggest the superfruit trend shows no signs of abating.

With this in mind, an increasing number of drinks manufacturers are keen to capitalise on this trend and are looking for effective ways to enter this thriving and potentially lucrative market. But processing superfruits is not without its challenges. This article examines the key issues associated with superfruit processing and identifies how producers can successfully overcome these hurdles and ensure they maximise the superfruit’s potential in their end products.

Keeping the super in fruit
Defined as fruits which have nutritional significance due to their nutrient richness, antioxidant value or anticipated health benefits, superfruits come from various botanical origins and are grown in different areas. Many fruits are now described as ‘super’ – açai, cranberries, pomegranates and aronia to name just a few. Although most come in the form of berries, the majority of superfruits are not consumed as such. Instead, they are processed into juices, purées or nectars.

Converting these fruits into juices is not a straightforward task, however. The unique characteristics of each fruit, such as a thick, hard, waxy skin, a low pH, plus the presence of anthocyanins and other phenolics in skin cells, can impact on processing. This can make yield optimisation, rapid colour extraction and colour stabilisation particularly difficult. Obtaining the nutritionally important antioxidants (phenolic components) is a further potential issue.

The anthocyanase issue
The addition of pectinase during juice processing is an effective method of addressing these challenges. Pectinase is a type of enzyme which breaks down pectin, a polysaccharide substrate that is found in the cell walls of plants. It is used during the fruit maceration process and works by disrupting the cell wall network. It boosts juice yield, increases the potential to extract phenolic compounds and facilitates further juice processing.

However, some pectinase preparations can produce high anthocyanase activity when applied to superfruits. Anthocyanases are specific ß-glucosidase that can break off sugar units from more complex molecules. This destabilises the anthocyanins present in the fruit, causing them to become colourless, which can have a potentially negative impact on the quality of the final juice.

Evaluation of anthocyanase risk prior to processing is therefore critical. There are many ways to do this, including measurement of ß-glucosidase activity and anthocyanin substrates, and assessment of the juice colour after processing. Enzymes which show a low anthocyanase activity should then be selected if juice processors are looking to maximise yield, ensure optimal colour extraction and stability, plus optimum antioxidant extraction.

The diagram pictured left, illustrates the results of an investigation into anthocyanase activity in 25 pectinase preparations for fruit processing. This study assessed the estimated risk threshold in terms of anthocyanase activity for a range of pectinase preparations, including key enzymes in its own portfolio. Klerzyme® 150, DSM Food Specialties’ pectinase for red berry maceration and depectinisation, demonstrated a low anthocyanase risk compared to other available alternatives. This clearly makes it a viable option for superfruit juice processing.
Investigating the effectiveness of Klerzyme

To further support these findings, Klerzyme 150 has been the subject of additional investigations to assess its effectiveness when used with a range of fruits – blackcurrant, blackberry and aronia for example.

Blackcurrant

With an annual crop of 500,000 tonnes in Europe plus extensive production in New Zealand and China, the blackcurrant enjoys enduring popularity as a beverage ingredient. Most of the blackcurrants grown are, in fact, processed into concentrated juice.

Blackcurrants are rich in anthocyanins and polyphenols (average composition 2,600 mg/l anthocyanins, 2,800 mg/l polyphenols) which may have potential health effects against bacterial infections, diabetes and cardiovascular disease. However, when processed for juice applications these components can be reduced, in turn lowering the nutritional benefit of the blackcurrant.

A study demonstrated the efficacy of Klerzyme 150 when used in the processing of blackcurrant juice. Klerzyme 150 was added to the fruits during maceration and delivered a total anthocyanin content of 693 mg/l and a polyphenol content of 2,273 mg/l. This compares to the figures achieved with a control enzyme – 425 mg/l and 1315 mg/l respectively. Moreover, blackcurrants processed with Klerzyme 150 produced an 85% juice yield when compared to the control enzyme which yielded just 72%. These results clearly indicate that Klerzyme 150 offers blackcurrant juice producers a proven solution to their processing challenges.

Aronia

Aronia berries (also known as chokeberries due to their astringency) are two varieties of deciduous shrubs from the Rosaceae family and native to Eastern North America. Their juice is high in vitamin C and antioxidants; US aronia berries are used in juice blends for their colour and astringency (which is essential therefore that any negative impact on the berry’s colour is avoided).

An investigation by DSM into the use of Klerzyme 150 during the extraction process for aronia berries revealed that DSM’s enzyme demonstrated better colour extraction and is more stable throughout the storage process than the control enzyme. At room temperature and when stored at 5°C, aronia berries retained a colour intensity of 0.75 or over. (See figure 1). Klerzyme 150 therefore enables manufacturers to optimise colour extraction and retain colour stabilisation during berry processing.

Intense pomegranate processing

In addition to work with its Klerzyme product, DSM Food Specialties has also conducted trials into the use of another product in its fruit processing enzyme range, Rapidase® Intense, a unique pectinase preparation for use in pomegranate and red berry processing.

Native to the Persian Plateau, pomegranates are now cultivated across the globe. They are a rich source of vitamins C and E and could offer a higher phenolic content than grapes or blueberries.

Trials revealed that Rapidase Intense outperformed the reference pectinase at low pH. This means it performs direct juice clarification at the natural pH of the fruit. (See figure 2)

Rapidase Intense was also shown to offer low anthocyanase activity so ensures the rich antioxidant properties of the pomegranate colour are released into the juice or pulp and not lost during processing.

Conclusion

As superfruits look set to dominate the juice market for years to come, finding solutions for effective superfruit processing is crucial for manufacturers keen to enter this exciting sector. Using selected pectinases with proven quality and efficacy, like the range offered by DSM Food Specialties, enables processors to overcome the challenges associated with the processing of these fruits. Now, they can achieve the optimum yield, rapid and maximum colour extraction, the required colour stabilisation plus the necessary antioxidant extraction to produce juices with the benefits the consumer demands.

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Stone fruits

As some of the most versatile flavours, stone fruits are a core component of many applications. With their sweet, tart and earthy flavours, stone fruits have added appeal to foods and drinks for decades, from cherry cola to peach and apricot yogurt.

However, today’s consumers are not just concerned about flavour, they are also on red alert for additives and artificial ingredients. Increasingly, they look for the term ‘natural’ on the front and back of packs. Natural and authentic ingredients are therefore essential for creating appealing products. With an impressive portfolio of natural stone fruit flavour ingredients, Treatt plc can help perfumers and flavourists add the authentic essence of stone fruits to an array of flavours.

Fruits of nature

The stone fruit category encompasses cherries, plums, apricots, nectarines and peaches in their many varieties. Part of the Rosaceae family, they are harvested from the Prunus species of trees and shrubs, of which there are around 430 varieties. These largely originate from the temperate regions of the northern hemisphere. With their characteristic five petals and sepals constituting distinctive white to pink flowers, Prunus species yield fruits, which are classified as ‘drupes’. Drupes can also include coffee, mango, olive and date, yet within this category, the term ‘stone fruits’ refers to those specifically derived from the Prunus gene.

Cherry-picked

One of the most iconic and popular stone fruits is the cherry, which is broadly classified into two categories: sweet and sour. Dating back over 3,000 years, sweet cherries first grew in northern Persia and Russian provinces south of the Caucasus, and they are thought to have spread rapidly via birds. Sour cherries are believed to have originated in northern Iran and Turkménistan before being introduced to Roman Europe by the Persians.

Across the world, cherries are the subject of many traditional associations and superstitions. In Pagan beliefs, they are linked to Venus, goddess of love, as well as summer and the sun god. In the Czech Republic, it is deemed a sign of good luck if a cherry tree blossoms in late December. Similarly, during Japanese nuptials, the bride and groom traditionally drink an infusion of cherry blossom to promote luck and fertility. Conversely, the French often link the cherry to bad luck, with a similar sense to the English ‘short straw’.

After reaching the USA via Spanish and English settlers, a variety of wild cherries, called choke cherries were used by native Americans to treat sore throats and coughs. The choke cherry later became an ingredient in cough drop sweets in the mid-nineteenth century and today, cherry is still one of the most popular flavour ingredients in medicine.

Treatt has developed two products in its Tre trattarome™ range of 100% natural, FTNF (From the Named Food) flavour ingredients that reflect the true character of cherries. As with all products in the Tre trattarome range, these ingredients are collected using specialist, proprietary technology to ensure maximum flavour entrapment.

Cherry Tre trattarome Sweet 9850 is wholly distilled from sweet cherries (Prunus Avium), providing a full sweet cherry flavour with cherry skin- and pit-like notes and a slight tart, green character. Sour Cherry Tre trattarome 9851 is extracted entirely from Prunus cerasus, and this distillate confers a well-rounded, sour cherry flavour, with sharp, juicy, tart, cherry pie-like notes. Both can be used to deliver a fresh cherry
character to beverages, including teas, juices and alcoholic drinks, dairy products, confectionery and medicines.

A peach of a fruit

Another popular stone fruit is the peach, Prunus Persica. Contrary to the Latin name, peaches are native to China and can be traced back in Chinese writings to the tenth century B.C. A favoured fruit of the emperors, peaches frequently play an important part in Chinese tradition and they are seen as a symbol of longevity.

Like the cherry, peaches were introduced to the Romans by the Persians and then to America by early Spanish and French explorers. Native American tribes are credited with migrating the peach tree across the USA. In the sixteenth century, peaches reached England, where they were revered as a most desirable fruit. In fact, legend has it that for Queen Victoria, no meal was complete without a fresh peach presented in an ornate cotton napkin.

Today, Germany is the world’s largest importer of peaches, and, after apples, peach trees are the second most commonly cultivated fruit trees in the world.

Peaches are broadly categorised by white or yellow flesh. Yellow peaches are more tangy than white peaches and are generally favoured in Europe and North America. The less acidic white peach is more popular in China and Japan.

Treatt’s Peach Treattarome 9852 is wholly distilled from yellow peaches, imparting a fresh, fruity top note with a ripe, pitty back-end for a full-bodied peach profile. Used at 0.2%, this clean label flavour ingredient delivers a fruity, floral character with a smooth, lactone back-end typical of peach. Successful applications of Peach Treattarome 9852 include beverages such as iced teas, juices and juice drinks, as well as alcoholic drinks and dairy products.

Amazing apricots

With a more sweet, tart flavour than peach and a strong, flowery character, apricot (Prunus Armeniaca) is a common stone fruit. However, consumers in the USA are not particularly familiar with the intense flavour of fresh apricots, whereas in Europe and the Middle East, they are frequently eaten out of hand. Apricots originate in north eastern China, near the Russian border, where they have been cultivated for over 3,000 years. In 60-70 BC, the Romans introduced apricots to Europe through Greece and Italy, and they were introduced to the USA by English settlers on the East coast and Spanish missionaries in California.

Wholly distilled from fresh apricots, Apricot Treattarome 9853 provides a full and distinct apricot flavour profile. It confers floral front notes with a strong benzaldehyde middle and an apricot skin finish, which balances the benzaldehyde. Apricot Treattarome is suitable for use at varying dosage levels. At 0.2%, for example, it imparts a luscious, fruit character with a floral back end typical of apricot. This ingredient can be incorporated successfully into a wide range of formulations, including beverages, alcoholic drinks, juices and juice drinks and dairy products.

Set in stone

Enjoyed by consumers worldwide, the fresh, sweet and earthy flavours of stone fruits rise above passing trends and are cemented on the consumer palate. Flavourists and food and beverage manufacturers can therefore leverage their broad consumer appeal, by capitalising on the move to ‘return to tradition’, as well as the demand for natural ingredients. By incorporating natural stone fruit flavours into a multitude of products – alone or combined with other flavour ingredients for a fresh twist – manufacturers can reap the fruits of nature’s finest flavours.

M ichael Britten-Kelly is N atural P roducts M anager at Treatt plc www.treatt.com

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Private label

a new playing field for suppliers

The growth of the European market for private label has dramatically changed the playing field of the ingredients and packaging industry (the material supply industry). Over the years, these material suppliers have seen a shift in their customer base as private label manufacturers gained importance. This turn of events requires a different orientation on the market and a better understanding of the specific business model of the private label manufacturer.

Sector development

Historically, the manufacturers of private label were generally not the companies that produced the market leading brand but, for the most part, relatively smaller manufacturers of secondary and tertiary brands. These could, without high marketing expenses, increase their turnover and improve the utilisation of their assets by producing private labels. Although in the minority, there were also primary-brand manufacturers who produced private labels.

With the growth of the private label market share through, among other things, consolidation of the retail industry and customer acceptance, private label manufacturing companies also increased in size. Small businesses, often family owned, thus developed into private label manufacturers of stature. Initially, the production of private label products was still combined with that of the company’s own manufacturer brands. However, as the share of private labels in the total product volume increased, the manufacturer’s own brands lost importance. In the perception of the retailer and the consumers, these own manufacturer brands were reduced to secondary or tertiary brands, and were in many cases delisted. Greater competition among private label manufacturers necessitated specialisation and an upscaling of production. The private label industry has in the course of years developed into a fully-fledged sector in which often large international and highly professional companies are active. Immense private label manufacturers have evolved, often with a pan-European scope and presence.

Where the market of brand manufacturers is transparent to the supply industry, this is very much a different case with private label manufacturers. Private label manufacturers behind the retailer brands of Edeka, Sainsbury’s, Delhaize, Mercadonna and the like are usually unknown as their names do not appear on the consumer packaging. However, the number of suppliers behind these labels is vast. At the annual Private Label Manufacturers Association (PLMA) trade show in Amsterdam, the world’s largest trade show organised by the PLMA in 2010, over 160 manufacturers of juice and soft drinks participated. The number of private label manufacturers in Europe is actually much higher and it is not easy for the supply industry to find its way and to separate the wood from the trees.

Historically, private label programmes rarely ventured beyond the standard national brands. Nowadays, the goal of ensuring quality that is equal to or better than the leading brands has been largely accomplished. With retailers embracing more ambitious strategies for private label growth the requirements of the manufacturers have also changed. Instead of assisting their retail customers in following the market with me-too copycats, more innovation is expected, not only for premium private labels but also for the many other themes chosen for private label sub-brands.

Changing relationships

The role of the packaging and ingredients industries is becoming increasingly important in the process of assisting private label manufacturers in taking new and innovative products to the market.
Retailers expect active support from their private label suppliers as they seek products with value-added ingredients. Their objective is to further break away from national brands and the lingering me-too mentality that has been linked to the private label industry for so long. One of the important pillars of the private label strategy of a retailer is not only differentiation and specific ingredients, but also packaging, allowing one retailer brand to distinguish itself from another. Retailers can improve and experiment with such packaging and ingredients to a greater degree than national brands. There is no doubt that many large private label manufacturers rely increasingly on the expertise of their ingredients suppliers. It is not clear though whether ingredients suppliers really understand the unique business model of private label well enough to be a major beneficial factor.

Brand manufacturers have been working together with ingredients and packaging suppliers for many years to bring external innovation into the company. The sharing of information, resources and knowledge is organised within a framework of confidentiality and clearly defined objectives. So far, there has been no such relationship between ingredients suppliers and the private label manufacturing industry. Private label manufacturers tend to operate under the radar and the supply industry sometimes has difficulties identifying, let alone connecting with them. Many players in the supply industry are unfamiliar with the typical business model of the private label manufacturer and its organisational structure. Neither do they understand the way in which they can support them in the supply chain in order to take new products to the market efficiently.

Similarly, the material supply industry does not know how to approach and connect with retailers. On various occasions we have experienced in our practice that these suppliers have difficulties in understanding the decision-making process on the retail side. It is a challenge for them to figure out who is involved and who the key influencers or decision makers are in the private label supply chain. From their end, retailers need to learn and understand how national brands have successfully interacted with ingredients and packaging suppliers. They should take the initiative to create their own relationships with ingredient manufacturers and their private label suppliers. We have concluded that there is a need to educate ingredients suppliers as to exactly how the private label supply chain works and also how to better understand the specific business model of a private label manufacturer.

Increasingly, the supply industry follows a triangulation approach where both the retailer and the private label manufacturers are targeted. A sound knowledge of the two parties addressed in the triangulation approach has proven to be very useful to connect with them. Traditionally, ingredients manufacturers sold directly to manufacturers and now they have to work with both private label manufacturers and retailers. This can easily result in a delicate situation as these manufacturers do not particularly like material suppliers to take a position between the retailer and themselves and may consider it like losing control. It has to be borne in mind that this approach will not always be the best in all circumstances. The retailer will sometimes listen to the ingredients supplier and in other cases redirect this supplier to the private label manufacturer. This will vary across the categories.

In categories, for example, where the innovation level is relatively high, i.e. laundry detergents or personal care, the supply industry may be more active in contacting retailers directly. Those private label manufacturers that are aware of this will be sensitive to signals from retailers but will also maintain close relations with the retailers’ raw material suppliers. This will not only allow them to benefit from their expertise in sourcing, technology, research and innovation but will also improve their understanding of what the brands are doing. The closer they are to both of them, the more likely it is that they are recommended as the manufacturer turns the idea into a new private label product. They will be in a better position to win new contracts.

Nowadays more and more retailers follow this pattern and strike separate contracts for certain key ingredients. This secures uniqueness and exclusivity as well as flexibility to change a supplier when appropriate. The fact alone that a retailer can do so significantly alters the balance of power in the negotiation process.

**Economies of scale allow for product innovation and development**

Due to consolidation in private label manufacturing larger and more professional players have evolved. Their scale of production and operational set-up allows for a more structured approach to the market and to overcome restraints when it comes to innovation. Until a few years ago, retailers had little desire for value-added ingredients in their private label products. This has changed gradually and retailers increasingly ask new private label manufacturers to develop a product with an added value that enables them to be ahead of the market. When I used to work for a private label manufacturer, I recall that in my meetings with Tesco and Sainsbury’s these retail-
The British Soft Drinks Association is the national trade association representing the collective interests of producers and manufacturers of soft drinks including carbonated soft drinks, still and dilutable drinks, fruit juices and smoothies, and bottled waters.

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Soft Drinks International – March 2011

Private Label

ERS insisted on having new product development as a mandatory item on the agenda. It was of utmost importance to them to know what was happening in our new product development kitchen.

Beverages has been an excellent category for retailers in which to introduce innovative ingredients. These can be flavours, dietary supplements or unique components.

In the future, product innovation will be driven largely by trends, themes and issues that are evident in society. This counts for both manufacturer brands and private labels. To name a few: sustainability, obesity and obese related diseases, the ageing society, a dietary approach to health. They may all inspire new products with innovative ingredients. The strategy of marketing product claims like the intrinsic healthful properties of beverages continues to be important.

In the future, more products are expected to make specific preventive claims, like food and beverages containing probiotics or that help deal with age-related diminution of mental function, eyesight and hearing. Notably in the beverage category ingredients are used to address specific health issues in product innovation. Such ingredients are: calcium, antioxidants, green tea, added fibre, omega-3, caffeine, ginseng and the like. Other value-added ingredients are: colours, vitamins, minerals, flavours and fragrances. All these have been used in national brands for quite a few years but private labels are now catching up fast.

Consumers will increasingly seek multiple benefits in the food products that they buy, such as: convenience, wellness, sustainability, anti-ageing and beautiful skin, heart and joint health, brain and energy enhancing. The supply industry will play an important role in taking these products to the market. In the meantime, while increasingly working together with private label manufacturers, the supply industry has discovered that the route to market through private label can be much easier and faster than working with the big brands as retailers tend to be less risk averse when it comes to launching products with new and innovative ingredients or packaging.

Koen de Jong is author of the book Private Label Uncovered, taking retailer brands to the next level. See below for details.

Private Label Uncovered, Taking retailers brands to the next level

The changes that are taking place in the market for private label are irreversible and bring tremendous challenges to retailers, manufacturers (both branded and private label) and the supply industry. The book shares insights from academic research as well as knowledge and experience gained from practice.

Private Label Uncovered will provide a better understanding of the dynamics in the market and the complexity of running a private label business in an extremely competitive environment. It will increase the reader’s comprehension of the interaction between retailers and manufacturers and may assist in taking steps to fine-tune strategies and processes.

The book shares anecdotal experience and knowledge of 25 years of working with the most successful retailers and manufacturers in Europe.

Topics covered in the book include the strategic value of private labels to retailers, how retailers use their private label to compete with national brands and which tactics these brands deploy to strike back. Furthermore, the fading trend of copycatting is described and an entire chapter is dedicated to how private label manufacturers can achieve operational excellence.

The manufacturing landscape of private label is changing due to the many mergers and takeovers. A separate chapter in the book discusses this phenomenon and explains the role of private equity firms in the consolidation process. Moreover, there is a chapter on sustainability as a key trend for private label sub-branding. The final chapter is a contribution by Loe Limpens, former Marketing Manager Visual Identity of leading Dutch retailer Albert Heijn, and deals with the value of good quality packaging design.

In 2007 Koen de Jong wrote the book ‘Private Labels in Europe, trends and challenges for retailers and manufacturers’.

Further information on the book can be found on: www.iplc.nl

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From a soft drinks investor’s perspective, Nigeria should represent an attractive proposition, reports Richard Corbett.

**Domestic bias**

From a soft drinks investor’s perspective, Nigeria should represent an attractive proposition, albeit a long term one. The first caveat however is a considerable one and it effectively rules out anybody looking to import many soft drinks into the country. In 2002 the government introduced a ban on imported juice based beverages which, although there is some evidence of imported juices from South Africa and the UK, remains in place today and is a considerable obstacle. The ban has actually had the desired effect and investment has been channelled into domestic production triggering a positive uplift in local manufacturing. As the soft drinks industry develops in the region as a whole, this will bode well for the future of the Nigerian soft drinks industry.

Production cannot rise without demand and the consumption of soft drinks in Nigeria has been progressing strongly with per capita increasing from 17 litres to around 40 litres today. In volume terms that means that the market has almost trebled in a decade to around 6 billion litres. The extent of the opportunities that exist is illustrated by the fact that the average Nigerian consumption of soft drinks remains half that of the average global consumer. For that potential to be realised, sizeable issues do need to be addressed; the ever rising cost of production combined with the lack of infrastructure (especially public electricity supply) and economic mishandling has continued to push up prices. Canadean reported double digit growth for 2009 and more of the same is anticipated in 2010, but price hikes are encouraging consumers to downgrade to lower cost alternatives, sapping value out of the market.

**Packaged water**

The dramatic jump in soft drinks demand is deceiving, and even a glance at the numbers exposes just how underdeveloped the soft drinks sector is in Nigeria. Packaged water dominates, accounting for two thirds of soft drinks sales and much of the rapid expansion of the industry has stemmed from this rise in water sales; in fact the impressive growth would not look so spectacular if one discounted packaged water which has contributed more than 80% of the rise in soft drinks volume. The bulk of the rise of the Nigerian soft drinks market has been brought about because the public water system is almost non existent and untrustworthy. There is very little brand awareness in this category and consumers buy on the go to quench their thirst. As a result (not surprisingly) more than 98% of water sold is still. More than nine in every 10 litres of water sold in Nigeria is unbranded; only Coca-Cola’s Eva brand has any sizeable share, at a little under 5%. Nigerian water growth is driven more by need than lifestyle.

Water has been the main driver, but the advances made by the carbonates category should also be acknowledged. This sector has grown in size by one and a half times since the turn of the century and in 2009 recorded growth of 11%. The gap in volume on packaged water is a great deal smaller in value but carbonates make up around three in every 10 litres of soft drinks traded. The fact that between them water and carbonates make

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**Nigerian soft drinks market is dominated by carbonates and water.**
up 96% of the sector further highlights how under-developed the soft drinks market is in Nigeria.

**Juices and nectars**
The import ban has helped accelerate the progress of some other categories and locally produced nectars and still drinks have grown rapidly since the ban on imported beverages came into force in 2002. The ban on imported juice drinks has encouraged more investment in local production. It is hoped that investment in local fruit farms, especially oranges, pineapples and mangoes and also in local juice concentrate manufacturing will lessen Nigeria's dependency on imported concentrated juice, with its attendant problems of occasional shortages and price and currency fluctuations.

**Energy drinks**
One category which has raised its presence and profile in recent times is the energy drinks category. In volume, energy drinks are 55 times smaller than carbonates but in value just 20 times (2010 estimate). Energy drinks are now very much a feature of young Nigerians’ culture and lifestyle. It is now commonplace to serve energy drinks at parties. The category, split between still and carbonated, is led by the UK’s Lucozade brand. From December 2008, the Lucozade brand has also now arrived in its sports format, introducing the sport drinks category in Nigeria. Volume is put at less than 1 million litres in 2009, but owner GlaxoSmithKline has demonstrated its commitment to the brand with a strong marketing campaign.

**Iced tea**
The seeds of the iced tea category have also been sown in recent years. Cway (Cway Food & Beverages Co) was the only product available on the market until Chi Ice Tea (Chi Ltd) was introduced in 2008. Chi is available in formal retail outlets. The 25cl carton is sold for NGN60 while the 100cl sold for NGN260 in most retail outlets, even though it could sell for three times that price in the HORECA channel. The brand received more promotional support which, given its visibility consequentially achieved a higher share of the category than Cway.

A land of opportunity?
The Nigerian soft drinks market is undoubtedly demonstrating good growth but the massive bias towards water and carbonates remains, so one can conclude that the market is very immature. Other soft drinks categories have been introduced, so it is now a matter of patience. Conditions do need to be right for these new categories to prosper and the endemic corruption that has plagued the country needs to be phased out. The government is focused on achieving this and, since 2003, Nigeria has been trying to implement an economic reform programme – the National Economic Empowerment Development Strategy (NEEDS). The government is hoping NEEDS will create 7 million new jobs, diversify the economy, boost non-energy exports, increase industrial capacity utilisation and improve agricultural productivity, placing the country among the top 20 developed economies of the world by 2020. If this can be achieved, then Nigeria will represent a considerable opportunity.
Rethinking bottle shapes and weights for PET.

No doubt you are familiar with the current discussions and debates about hot fill versus aseptic filling. Endless comparisons have been made to capture the total cost of ownership for both filling technologies, focusing solely on high acid beverages. For the purpose of this article we will focus on teas, juices, isotonic, and beverages with a pH of less than 3.8.

**Hot fill versus aseptic**

What do we know? Hot fill is an inexpensive and conventional filling technology that gives a robust, extended-life performance at ambient temperature, to sensitive beverage and liquid food products, such as fruit and vegetable juices, nectars, soft drinks, enhanced water, and RTD teas. It is a simple, well-recognised method of filling products, ensuring that the container and closure are commercially sterile. Products filled in this way boast shelf life capabilities similar to aseptic.

Aseptic technology is often touted as the next evolution or what is needed as companies move forward; however, it presents a far more complicated product processing system in order to maintain aspeticity throughout the filling process. First and foremost, the filler itself requires advanced operator training, increased laboratory and sampling capabilities, and an initial capital investment significantly greater than the traditional hot fill technology.

For a line of 36,000 bph, you can probably assume an investment of an additional three to four million euros for an aseptic filling line, over the conventional system. Factor in the increased operational cost of the sterilising chemicals and water consumed during this process, and it is sometimes hard to imagine why aseptic has continued to grow at the pace that it has. And of course maintenance operation is far more complicated with aseptic technology.

**Got the bottle?**

There is enough information comparing and contrasting the technologies to write volumes of information, but one of the key factors is the bottle itself.

Aseptic bottles need only perform for shelf life and consumer appeal, but hot fill bottles must be designed to resist deformation under the vacuum generated by product and head-space cooling.

For these reasons, glass packaging has traditionally played a dominant role for hot fill, though through the use of ingenious bottle designs, the use of PET has gained popularity over recent years. To withstand the vacuum, the PET bottles must have features to maintain shape integrity – the main design used today is the vacuum panel (see Figure 1). Unfortunately, these panels also limit container design. Brand owners don’t like these panels because it affects potential designs and limits the label technologies that can be used effectively.

But probably the least desirable by-product of these design features is the additional PET resin required. A hot fill resin bottle can weigh as much as 10 grams more than an aseptic 1 litre container. This extra resin is often the main driver in the push for aseptic technology.

‘Panel-less’ designs are available but they effectively move the vacuum panels to the base of the bottle. These ‘push-up-base’ bottles have allowed for far superior designs, but still don’t effectively address the issue of the additional weight required for the hot fill process.

**Taking hot fill forward**

What if we didn’t need these panels? Would the weight still be needed? Plastipak Packaging’s new ThermoShape could be the answer. With two installations already up and running, one in France and the other in Abu Dhabi, ThermoShape is changing the perceptions of hot fill.

For the first time ever, Plastipak Packaging’s revolutionary patented ThermoShape™ technology has made it possible to hot fill lightweight
PET containers, providing customers with product integrity and cost effectiveness, as well as the luxury of extensive, brand-building design flexibility.

Plastipak Packaging produces its containers, with a final shape and free-standing base design, by using higher crystallisation devices known as HR, or Heat-Resistant option kits, with commercially available PET blow-moulding equipment.

**Hot off the line**

Product is filled into ThermoShape PET bottles at normal hot fill temperatures of up to 88°C/190°F. The bottle is then capped using a one-piece ‘double-lip’ closure, similar to cold fill. The heat from the product immediately sterilises the inner surface of the bottle. The bottle is then tilted, as it is conveyed to the next stage to ensure that the neck and closure is also sterilised.

After hot filling, the containers are transferred into a closed-loop water cooling tunnel, where they deform under the vacuum created by the product, and the head space temperature drop.

Once cooled, the filled bottles are fed into the ThermoShape machine – provided by Plastipak Packaging, for a simple reshaping back to their original form.

**Add-on technology**

ThermoShape technology allows the conversion of glass hot fill to a lightweight bottle that brand owners or any existing hot fill PET line can easily be adapted to handle the ThermoShape process.

With 0.5 litre bottles with lightweight 38 mm neck finish reported to be 21 grams, you have a hot fill technology that can deliver aseptic packaging economics. At present, bottle sizes of up to 2 litres can be accommodated.

This is a new technology that will undoubtedly change hot fill and help the technology maintain a foothold in the marketplace. It has the potential to sway brand owners who in the past might have written off the technology for the wrong reasons.

Aseptic technologies require massive quantities of water, consume tremendous quantities of sterilising chemicals and require substantial extra capital, both to purchase and to maintain. It’s amazing that aseptic grows at the rate it does.

With technologies like ThermoShape available, brand owners and plant managers now have another option to consider, and the choice of process is not as clear-cut as once thought.

Using proprietary blow moulding, filling and capping equipment, the ThermoShape system can be integrated into most existing lines.
Promoting brands and preserving the environment

PET’s design flexibility has been critical to its success, along with good environmental credentials, according to APPE.

PET has long been the preferred choice of consumers for soft drinks thanks to a multitude of factors such as its easy handling properties, light weight, re-sealability compared to other packaging options and ease of use.

The CSID market was the first to enjoy the benefits of PET but the material has had a significant impact and made a vital contribution to the growth of many other sectors, including mineral waters, juices, milk and sports drinks.

For brand owners, PET’s design flexibility has been critical to its success, all the more so in recent years as competition has intensified, making the establishment of strong brand identity and on-shelf appeal vital factors in maximising sales.

Research has indicated that consumers are more willing to try a new product if the packaging is interesting and are more willing to buy products that have attractive packaging. PET’s capability to create high impact designs offers manufacturers great scope to exploit this trend.

Indeed the transformation of the milk and juice industries from commodity products to branded varieties – with products such as flavoured milks and juice/milk mixes – owes much to PET’s design innovations and its ability to help create a strong brand image.

Another major advantage of PET bottles is that they do not break, which improves safety and cost-effectiveness on filling lines, export transportation, in supermarkets and at home with consumers.

These practical benefits combined with the scope for design and decoration make a powerful proposition and PET’s take up by major brands is set to continue as more design innovations are developed.

Leading PET container manufacturer APPE (formerly known as Artenius PET Packaging Europe) is at the forefront of new developments in this area including new bottle designs such as dual coloured PET bottles, silk screening print decoration and special effects. The company has invested in excess of £1 million in a new printing facility for its PET bottles and containers which offers silk screen printing in up to four colours including special effects such as metallics, while customers also benefit from a ‘one-stop’ service delivering ready decorated containers to their filling lines.

**Preservation and protection**

Another reason for PET’s emergence in markets including juices, speciality waters and sports drinks is the high level of product preservation and protection it can offer.

Advanced single and multi-layer barrier technologies mean PET can now produce packs that maintain the long ambient and chilled shelf lives required by retailers (at least six months and beyond) and continue to deliver a quality of product and taste perfectly acceptable to the consumer.

Research continues in this area, focusing on maximising shelf life without compromising product quality, and there are certain to be more developments in the future as new technologies are introduced and manufacturing techniques enhanced.

**Protecting the environment**

Today, however, product protection is not the only thing on manufacturers’ minds; protection of the environment is an equally critical consideration.
With the increasing demand for ‘green products’, sustainability remains a major driving force in the drinks industry, and packaging is in the spotlight as one of the key areas which can have an impact on progress.

Here PET scores favourably again as it has always enjoyed an excellent environmental profile. In terms of transportation for example, a 750ml PET bottle weighs around 50g compared to the typical weight of a same size glass bottle of between 350g to 600g. PET also matches glass as a 100% recyclable material and offers a considerably lower carbon footprint even when compared to glass bottles with the highest level of recycled content achievable.

All PET bottles can be recycled and it is also important to note that the advances in PET bottle production and recycling technologies have gone hand-in-hand. Therefore, even the more technically complex multi-layer barrier bottles – incorporating oxygen scavengers and other materials to protect products – provide no obstacle to successful recycling.

In addition, PET manufacturers have made major strides to reduce the amount of material used both through light weighting and using more recycled PET (rPET) in the production of new bottles.

APPE is currently reporting a substantial increase in the demand for recycled PET (rPET) with figures almost doubling in two years alone from 5% of the company’s total production in 2007 to over 9% in 2009, and usage for last year is expected to rise to 10%.

This rise in demand is being seen across many sectors, especially soft drinks, as manufacturers seek to enhance their environmental credentials in line with the industry’s drive for sustainability and also consumers’ increasing awareness of environmental issues.

APPE says that a 25% rPET container can offer almost identical levels of clarity and gloss to a 100% virgin material version which means that customers can continue to benefit from the functionality, practicality and aesthetics of PET packaging, while the use of rPET makes the material more sustainable and contributes to a reduction in a pack’s carbon footprint.

The business is now manufacturing the majority of its bottles with a 25% blend of rPET. Some leading brands have increased this to 50% and even up to 100%, although APPE has some reservations about this trend in terms of the availability of high grade material.

Billy Jansen, Group QSE & Sustainability Manager at APPE, said, “We know that 100% rPET content is achievable but believe it is not currently sustainable, especially as demand is already outstripping current levels of supply. However, as market leaders in the relatively young recycling industry, APPE is continuing to drive product development and innovation to further improve the quality and availability of rPET.”

**Meeting the environmental challenge**

APPE is the European leader in the production of food-grade recycled PET and has already responded to the surge in demand by investing a further €10million at its dedicated recycling plant in Beaune, France. Output has been increased by 40% from 25,000 to 35,000 tonnes, which is produced from over 46,000 tonnes of post-consumer PET – the equivalent of saving around 1.5 billion PET bottles from the waste stream.

“APPE’s Beaune facility guarantees a consistent high quality supply but it is clear that the industry as a whole will look to the material collection agencies to keep pace in order to satisfy customers’ requirements. Until then, the potential for rPET will always be limited by the amount of recycled material available. An obvious solution would be to retain more waste plastics in Europe rather than losing this material to overseas markets,” said Billy Jansen.

PET’s many practical benefits and its ability to open up new markets and build brands have been critical to the material’s success over the past decade. The fact that it can now also help companies to achieve their environmental goals will clearly be a major factor in its next stages of development, although as can be seen this is bringing its own challenges. As Billy Jansen noted, “This is a very exciting period for PET and with our plans to capitalise on expanding markets and develop new technologies, the material is ideally placed to maximise future opportunities.”
Predicting shelf life via computer modelling

Accurately predicting soft drink beverage shelf life has traditionally been a laborious and time-consuming process. Brand owners test filled bottle samples under a wide variety of material, environmental and time combinations to determine which structure would deliver the right mix of desirable attributes. Done correctly, this time-consuming procedure typically has a negative impact on both development costs and introduction timetables.

**Time and cost reduction**

Brand owners now have an accurate alternative which dramatically impacts testing time and cost. The M-Rule® Performance Model for Beverages calculates oxygen, carbon-dioxide and water permeation in plastic packages using an internet-based software package. The objective is to run the various scenarios ‘virtually’ so that time, cost and steps are dramatically reduced, while still getting accurate results.

The model can handle a wide variety of beverage packaging materials including multilayer and barrier coatings. It also takes into account how the closure impacts performance. Testing for other permeants is also possible.

Computer modelling multiple package scenarios can assist the brand owner to understand the risks and cost tradeoffs. For example, brand owners who start with the premise that a package must have a two-year shelf life can often be shown that six months is more than adequate. This happens by quantifying the actual cost of the longer shelf life. Modelling also enables the assessment of multiple designs without a lot of expensive and lengthy testing procedures.

Here’s a quick step-by-step look as to how the program works.

- **Package material selection.** The program allows you to input one material for a monolayer bottle or up to seven inputs for a multilayer structure. The input capability is specific by resin family, grade and manufacturer so that the modelling output is precise. The model can also provide tensile properties for the varying material compositions which are important for CO2 loss calculations.

- **Coatings.** The inputs allow you to select both inside and outside bottle coatings. Options include silicon composition, carbon, etc. Along with the type, you are able to specify thickness and the overall effectiveness of the coating.

- **Package selection.** The inputs begin with the size and type of liquid beverage. Other variables include: nominal liquid volume, brimful capacity, surface area, empty package weight, finish design, base design, moulding process and sidewall thickness. (You have the option of inputting material distribution or you can have the model create it for you using other inputs.)

- **Closure selection.** Size and type are input first, followed by surface area, cap thickness, total closure weight and specific finish design.

- **Closure material selection.** Options are available for impermeable closure, standard polypropylene, high-density polyethylene or custom. (The program accommodates closures of up to five layers.) However, in certain scenarios, you may only care about the bottle performance. In that instance, the program will allow you to discount closure input.

- **Beverage selection.** Now the product’s characteristics come into play. If the beverage is a juice for example, we would be looking for the following data: initial carbonation volumes, initial vitamin C and sugar contents, and oxygen. Additionally, upper and lower carbonation specs, lower vitamin C spec and relative vitamin activity. These are typically parameters that the brand owner assigned to the package developer.

- **Storage conditions.** Testing a variety of storage/transport conditions is critical to understanding how the package will perform in real-life scenarios. It is very common for brand owners to run four or five temperature/time/relative humidity variations to get an accurate picture. Typical scenarios include the following environments: room temperature, warehouse, truck, ship, refrigerated, pantry, etc. In the case of beverages that are going to be subjected to ultra hot/humid or cold/dry environments the testing parameters are pushed even further. The M-Rule programme allows up to 13 temperature/time relative humidity combinations.

- **Filling conditions.** These inputs pertain to the specific filling line and container details. Filling conditions, temperature, time at fill temperature, relative humidity at filling, storage time between blowing and filling, storage temperature, relative humidity during storage, induction time after blowing and nitrogen fill pressure. The programme also asks the user to select “yes or no” for O2 degassing (beverage, headspace and sidewall). Lastly it takes into account beverage fill volume (nominal, brimful or empty.)

Now let’s look at a few output scenarios we ran through the model.

- **Example output #1.** Showing how a specific bottle looses CO2 over a particular length of time. In this particular instance we charted an initial rapid loss before stabilising to a slight, steady loss. This pattern is typical of PET beverage bottles because the initial losses are due to volume expansion and sorption of the CO2 gas by the sidewall.
Scott Steele is Vice-President, Global Analytical Labs, Training and Enterprise Projects at Plastic Technologies Inc. www.plastictechnologies.com

**Example output #2.** The model allows one to compare results for varying package structures. For example, what would happen to a soft drink bottle’s performance if it had varying levels of nylon in a barrier layer structure? This feature allows one to quickly compare effectiveness of barrier options for a package.

**Example output #5.** In a third example, we looked at water loss (grams) with temperature and relative humidity variables on a 600ml PLA bottle for water. The computer modelling showed us that higher temperatures and lower relative humidity have the greater impact on water loss over time. (The scenario tested 150-plus days of storage time.)

**Example output #3.** In a third scenario, we looked at oxygen concentration for varying levels of an oxygen scavenger. This type of analysis helps to set targets and calculate the costs of the barrier option to match desired performance with the correct level of oxygen scavenger additive.

**Example output #4.** Adding to Example #3, the model provides a means to study varying storage environments for the same packages. In the real world bottles are not stored at standard conditions for their entire shelf life. Rather they are stored at varying conditions through the distribution channel and the level of oxygen barrier must be set to meet the worst case conditions.

**Accelerating the development process**

As you have seen from the examples above, computer modelling can be an excellent tool to assist brand owners in accelerating their speed-to-market. When you combine the technique with one or more traditional development tools such as collaborative CAD design, three-dimensional prototyping, finite-element analysis, etc. you further validate performance deliverables before expensive and time-consuming prototyping. Improving and fine tuning the design in the virtual world helps to accelerate the development process for any new package.

Virtual design however won’t completely eliminate the need for prototyping. Equally as important is consumer and distribution channel testing. You want to make sure the package you put into the marketplace gets to the consumer without being structurally compromised. Further, the container needs to be functional and facilitate repeat sales. The point now is that the prototyping and validating stages can concentrate on consumer and distribution needs as opposed to product and brand quality.

Finally, as the new millennium has brought more focus on environmentally-responsible packaging decisions, it is important to understand how your package performs in the recycling stream. Testing protocols have been created to study the recyclability of new packaging options. This is something every brand owner should consider before commercially releasing a new beverage container.
Bangladesh recycles

Why and how Akij Food & Beverage, with the help of Keones, started its PET recycling line.

One of the first Krones-built bottle-2-bottle PET recycling lines has now been successfully started up in Bangladesh. Akij Food & Beverage Ltd. (AFBL), subsidiary of the widely ramified Akij Group and a newcomer to the soft-drinks market, realised the opportunities opened up by recycling PET containers from kerbside collections. In its usual bold and visionary manner, in parallel to installation of its fifth Krones bottling line, Akij invested in this high-tech line with washing module and decontamination module and is already able to substitute recycled PET flakes for 30% of the PET raw material required in its in-house PET preform and container production operation. Cost savings and an ever-increasing independence of the global market for PET raw material are the direct consequences of this investment.

The Akij Group is a heavyweight in this small country with its populace of around 150 million. Named after its founding father, Sheikh Akij Uddin, the company achieves a turnover of just under €400 million with a payroll of about 50,000 people. In the 1940s (when the country was still under British colonial rule) Sheikh Akij Uddin had built up the group from the smallest of beginnings: as a trader in jute, the golden fibre of Bangladesh, into a conglomerate of enterprises operating in 24 lines of business, which today is managed by his 10 sons. Akij is a major player in the cement, printing, chipboard and tobacco industries, and operates the world’s biggest jute mill, which alone employs 7,000 people. As far as its corporate social responsibility is concerned, Akij is involved in five non-profit-making institutions, among them a hospital, an orphanage and a college.

A newcomer to the beverage market

It was only in 2004 that entry into a new market segment was signed and sealed, when the group set up the Akij Food & Beverage company, “because we wanted to meet the demand for products made in Bangladesh to global standards of quality, and we also expected this market to offer us huge opportunities”, explains Sheikh Jamil Uddin, who is responsible for the group’s marketing operations. Akij Food & Beverage concentrated on soft drinks, water, fruit juices, milk and snacks, and grouped together all of these divisions in a new factory, located 50 kilometres outside the capital Dhaka in Krishnapura, Dhamrai. “For our founder, quality had always been the top priority”, emphasises Sheikh Jamil Uddin, which is why this visionary entrepreneur formulated the following maxim: “Uncompromising quality even in adverse market situations is the main force behind our success”.

First PET recycling line of its kind in Asia

The ultimate decision to install an in-house PET recycling line was arrived at by a long hard look at the pocket calculator and by heeding the management’s sense of responsibility for the national environment, underpinned by yet another visionary concept from Sheikh Bashir Uddin, the Managing Director of the Akij Group. The Senior General Manager of the Akij Food & Beverage production facility, P. B. Barua, singles out three main reasons for the decision: “Firstly, the bottom line has to be right. And it is. At present, we’re already saving up to 30% of the price per container, by using recycled flakes. Secondly, we don’t need so much foreign currency for importing PET granules. For a country like Bangladesh, that’s another crucial factor. And thirdly, we help to significantly reduce the amount of garbage, meaning discarded PET containers, on the kerbside and in lakes and rivers.”

This is why AFBL installed the first PET recycling line of its kind in Asia. In a new aisle of the hall in the Dhaka plant, Krones built a washing module with an output of 1,000 kilograms per hour, plus a decontamination module for 500 kilograms an hour. The washing module produces non-food-grade rPET flakes for use in the fibre, plastics or film industries. Full capacity utilisation is always dependent on the market price. But Sheikh Jamil Uddin is already talking about converting the remaining 500 kilograms per hour of
non-food-grade rPET flakes into polyester flakes, and then using these in the group’s own textile manufactory as a cotton-polyester mixture.

**The target ratio is 50 : 50**
The washing module can be run for as long or as short a time as the client prefers. The downstream decontamination module, by contrast, which refines half of the non-food-grade flakes, should from an energetic viewpoint run with as few interruptions as possible, due to the relatively high process temperatures involved. Which is what it does. The food-grade flakes obtained at the end of this process are used by Akij directly for making PET preforms. The three Sipa and Husky injection-moulding machines for in-house preform production are located in an adjacent hall and specially equipped for processing flakes. At present, AFBL is working with a mixing ratio of 30 - 40% rPET flakes and 60 – 70% new material (granulated). The target ratio is 50 : 50. The 30 : 70 / 40 : 60 mixture is used to make white preforms for cola, juices and water, plus green ones for the two lime-based soft drinks. In future, P.B. Barua also aims to have brown bottles produced from recycled flakes, for the ‘Speed’ energy drink.

**Kerbside collections**
The Akij Group obtains the starting material for the recycling line – at least 12 tons a day for ensuring the decontamination module is supplied on a permanent basis – exclusively from kerbside collections in Bangladesh. About 50 sizeable collection centres and innumerable smaller contact points have so far covered about half of the nation’s territory. The plans are to extend the catchment area step by step to include all of Bangladesh. Akij buys the merchandise by weight from these subcontractors. Since the project was started, the price per kilogram has already doubled, from around 20 to 40 eurocents, since here Akij finds itself in direct competition with foreign recycling companies bidding for the raw material. So the PET recycling line’s cost-efficiency is all the more important.

The material, which arrives in the beverage factory’s courtyard in big bags or already compressed, is in a very poor condition indeed, which makes it a real challenge. It is mixed with containers made of different types of plastic, and collected at a host of different locations in Bangladesh. The proportion of dirt and sand is very high, to say nothing of the oil content, which is by no means negligible, since the beverage bottles are in Bangladesh often misused as oil storage containers, with concomitant difficulties downstream. So pre-sorting is very important in order to ensure the requisite material starting quality for the recycling line. This separation function, sorting out non-plastic materials, different types of plastic like multilayer, or sorting into the different colours encountered, can basically be handled automatically, semi-automatically or by hand. Akij has opted for manual presorting.

**Particularly important**
“The approval by the Food and Drug Administration was particularly important for us”, explains P. B. Barua. “We do, of course, monitor both flake quality and bottle quality on a permanent basis, with checks on IV value, moisture, density, crystallisation and colour. What’s interesting for us is the fact that the system runs fully automatically. For the Krones process, the intrinsic viscosity doesn’t have to be as high as for other technologies, a definite advantage. The recycling line is high-tech kit, which is why we have to be able to rely on the manufacturer; we need fast feedback and good service support.”

www.krones.com

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In a new aisle of the hall in the Dhaka plant, Krones built a washing module (left) with an output of 1,000 kilograms per hour, plus a decontamination module (right) for 500 kilograms an hour.

The bottle-2-bottle decontamination module has at Akij been installed on an area of just under 190 square metres.

The food-grade flakes obtained at the end of this process are used by Akij directly for making PET preforms.

...pre-sorting is very important in order to ensure the requisite material starting quality...
Unleash the Monster
ensuring global consistency

When pharmacist John Pemberton stirred up a fragrant, caramel-coloured liquid and mixed it with carbonated water in 1886 he created something special. The company that was built on that effervescent drink, Coca-Cola, is now the largest soft drinks manufacturer in the world with an arsenal of international brands like Sprite, Fanta, Lilt and Powerade. In 2009, Coca-Cola Enterprises (the largest global bottler of Coca-Cola products) entered into an agreement with Hansen Natural, a US soft drinks manufacturer, to produce and distribute its rapidly growing Monster Energy Brand. Monster Energy is a range of caffeine based energy drinks that was first launched in the USA in 2002, and is rapidly gaining market share, with significant exposure in extreme sports, motor cycling and music events. With this growth in mind, CCE invested in new production capability at its site in Milton Keynes.

Water quality is key
In terms of volume, water is the principal ingredient in all soft drinks, and water quality has a major impact on clarity, shelf life and taste, most importantly, taste. A key factor in the production of Monster Energy is the consistency of the water used in its drinks globally, due to delicate and unique taste characteristics of its products. This ensures that Monster products taste exactly the same, no matter where in the world they are produced. The water quality specification for Monster Energy is of extremely low conductivity, which means that the treated water needed additional processing, to meet this specification.

The contract to supply the water treatment plant at Milton Keynes was won against international competition by ELGA Process Water, a Veolia Water Solutions & Technologies company. ELGA Process Water worked closely with CCE’s Project Management Team to ensure that the plant, consisting of three treatment stages, would meet the 40m3/h at the specified quality. In the first treatment stage the water is degassed in an atmospheric stripping tower to remove carbon dioxide. The water then passes through a reverse osmosis plant where a membrane removes around 90% of the dissolved salts as well as 99% of organic and particulate impurities and bacteria. To ensure compliance with the quality specification, there is a final polishing stage using continuous electrodeionisation (CEDI), an electrically driven process that combines membrane and ion exchange resins. The CEDI unit typically produces treated water of less than 10µS/cm conductivity, well within the specification. The treated water is stored in a stainless steel tank from which it is pumped, via a ring main, to the points of use.

CCE’s Manufacturing Manager, Paul Gleave, is responsible for the operational transition of Monster Energy production into the site at Milton Keynes, and recalls that the water quality specification was revised during the contract period. “Due to the speed with which the agreement was made and the project delivered, the water specification was tightened after the contract had been signed. This meant that ELGA had to do some retrofitting to guarantee that the RO Plant installation met this revised standard”, he says. “It was always a tight programme but through ELGA Process Water’s flexibility and technical expertise, they did everything they could to retrofit the additional equipment, whilst keeping to the original deadline. The outcome has been very successful for all stakeholders, with both the launch date and the quality standard being met”.

Minimising risks
Most water treatment companies can provide a maintenance and service contract which minimises risk. However, any emergency or loss of production on a premium product can pose a serious problem. CCE needed to ensure that contingency plans were in place and having considered several options for its water treatment plant, ELGA Process Water’s ‘Aquamove disaster recovery plan’ was selected. It identifies the required equipment and provides CCE with full support and deployment of a mobile water treatment system at short notice.

Enabling the ‘emergency response’ to be implemented efficiently, CCE’s water treatment plant was designed to include the necessary valve and blanked terminals which allow rapid connection of an Aquamove MORO reverse osmosis trailer to the mains water supply and the treated water distribution system. The details, including how to get to the site, trailer parking location, connection type and size and where to connect the mobile plant, are held on ELGA Process Water’s computer database so that, within a few hours of an emergency call, an Aquamove team can be on site at Milton Keynes and primed with the site’s procedures. With all these measures taken, the Monster has been released into the UK.

Water quality has a major impact on clarity, shelf life and taste, according to Elga Process Water.
**Water: Don’t Taste Like What it Oughta**

The water in Majorca may not taste like what it oughta, but bottled water certainly does according to the freshly updated BSDA Guide to Good Bottled Water Standards.

The British Soft Drinks Association has revised and updated its definitive guide to the rules and methods followed in producing natural mineral water, spring water, and bottled drinking water. The Guide covers everything from the permissible sources of water and extraction and bottling processes to the labelling and presentation of the water when it is sold.

The bottled water market in the UK is in long term growth, thanks to its unique combination of natural hydration and convenience, but it also depends on assuring consumer confidence. The bottling methods are rigorous, and the rules to be followed can be stringent and need to be followed carefully.

Although the rules may be strict, they have been drawn up on the basis of years of bottling experience. This ensures that the protection the consumer requires can be provided by an industry that is flexible and, we hope, profitable. We have all heard of instances of industries ruined by inappropriate regulation; bottled water, thankfully, is not one of them.

If you are already a water bottler, or if you are thinking of setting up a bottling business of your own, the newly updated BSDA Guide to Good Bottled Water Standards is a must-have. Over 80 pages in length, this guide will provide you with up-to-date advice on everything you need to know in order to set up or stay in business.

Members of BSDA get free access to the latest edition of the Guide to Good Bottled Water Standards via the members’ section of the BSDA website.

The Guide to Good Bottled Water Standards is also available for sale to non-members, priced £99. It can be ordered from jwall@britishsoftdrinks.com.

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**Register now to attend the ISBT Food Safety Symposium!**

ISBT is pleased to announce that it will produce a Food Safety Symposium that will cover several issues of interest to beverage companies and their suppliers. This symposium will include presentations on several critical components of food safety; regulatory requirements of the recently enacted Food Safety Modernization Act, ensuring the safety and integrity of municipal water supplies used in bottling and canning, threat and vulnerability assessments in bottling plants and a special presentation from FDA’s Office of Criminal Investigations. This is a must-attend event, especially for those involved in overseeing food safety within beverage companies and suppliers to the industry.

Presentations include:

- **Barbara Hiden** – VP of Federal Affairs for the American Beverage Association
  Barbara will take attendees through the Food Safety and Modernization Act, explaining what requirements are already in effect and also will discuss provisions that FDA will be addressing through formal rulemaking in the months ahead. The Act places significant new responsibilities on food and beverage manufacturers and it is critical for companies to recognise and to take action on these new requirements.

- **Alan Roberson** – Director of Federal Relations for the American Water Works Association
  Alan will summarise what the water utilities have done on security and preparedness, as well as talk about events that will happen in the next few years. He will discuss vulnerability assessments and the development of Water and Wastewater Agency Response Networks that have been put in place to improve response and recovery from natural disasters and man-made events. Water is the most prominent ingredient in beverages and its safety and security is critical for food and beverage manufacturers.

- **John Woody** – Senior Policy Analyst from FDA’s Food Defense Oversight Team
  John will lead attendees through an understanding of the Carver + Shock prioritization tool. This is a system that can be used to assess the vulnerabilities within a system or infrastructure within the food and beverage industry. This will be an interactive presentation, with hands-on experiences for attendees. This is a valuable tool designed to educate attendees on how to better protect individual facilities through the use of this analysis.

- **John Hughes** – Senior Advisor on Counterrorism and Intelligence with FDA’s Office of Criminal Investigations (OCI). John will discuss the mission and activities of the OCI, with special focus on beverages. OCI conducts and coordinates investigations of suspected criminal violations of the Federal Food, Drug and Cosmetic Act and other related Acts, including the Federal Anti-Tampering Act. John will present specific information on the activities of FDA’s criminal investigative arm.

The Symposium will be held Thursday, April 14, 2011, from 8am-1 pm, in Grand Salon E at the Hilton Fort Lauderdale Marina Hotel. The cost to attend is $50 for ISBT members. Nonmembers are also welcome to attend this event at the cost of $100. Please view the BevTech ’11 page at www.BevTech.org to register.

ABOUT ISBT – The International Society of Beverage Technologists (ISBT) is the premier technical society for the beverage industry. As the only international society dedicated solely to the scientific and technical aspects of soft drinks and beverages, ISBT provides a unique, non-competitive forum for networking with other experts in the field at a technical level.
Process

Introduction

There are myriad processes involved in taking raw materials and delivering end product.

With this new regular section SDI will be bringing readers up to date with the latest in process developments.

Emission control

PORVAIR Filtration Group’s Pulsejet blow-down filter technology provides effective emission control for the loading and unloading of catalyst hoppers in a process environment.

Porvair designs and manufactures pulsed jet blowback filter elements and systems for recovering and containing valuable powders. Pulsejet blowdown filter technology uses a controlled pulse of compressed gas directed into filter element(s) via a control venturi throat built into the open end adapter to permit the cleaning of the filter media in situ and therefore the ability to continue operating without shutdown.

The emission control system has been developed for an application where catalyst hoppers were filled from tankers or when catalyst was returned to the hopper post operation/recovery.

Traditionally the catalyst hoppers were equipped with cyclone units fitted at the upper level of the hopper containment through which the air would flow as it was filled. However this created difficulties due to the fundamental principle of cyclone operation. A bespoke Pulsejet system and filter unit was developed to be incorporated into existing plant so as to minimise the impact upon the equipment and to economically justify the change to plant management.

Saving time and money

THE Volutherm series flash pasteuriser from the Barry-Wehmiller Company and CBI Fleetwood, which has has been well received in some of Europe’s best known beverage and brewery companies, is now being manufactured in the United States to US standards and is available in North America.

The Volutherm series developed for the brewery and beverage market can also be utilised in many aspects of the packaging market and offers customers continuous and consistent pasteurisation for their products.

Continuous pasteurisation has numerous advantages over the batch (vat) pasteurisation method, such as time, hygiene and cost of operation – energy savings. The Volutherm series uses a high-temperature, short-time method for most continuous pasteurisation processes. The heat treatment can be achieved using either a plate heat exchanger or a tubular heat exchanger, depending upon the product being pasteurised. The capacity range is 10gpm to 300gpm and is sized to accommodate virtually any line speed.

Right: the unit is compact in design and energy efficient – offering greater than 90% energy recovery.
MILESTONES

● ONE of the UK’s largest suppliers of process systems and engineering solutions, Braby, has celebrated the shipping out of its 5000th silo in early 2011. Since being founded in 1854, Braby has led the UK in the manufacture and supply of silos, bulk storage and process systems. The shipping out of Braby’s 5000th silo commemorates all that Braby has achieved and developed over the last 150 years.

  Braby has offered bespoke, process and engineering solutions designed specifically for a company’s needs to a vast range of industries. The latest delivery of three silos for the food industry brings the total number of silos manufactured at its Bristol site to an impressive 5000 units. Commenting on achieving this milestone, Braby’s Managing Director John Lee said: “Although they make up only one element of the total process engineering package that we supply to customers, Braby is internationally renowned for its silos. To have manufactured 5000 of these massive structures is an achievement of which the whole Braby team is immensely proud.”

● US Magnetic Products Inc (MPI), based in Highland, Missouri, a worldwide provider of both magnetic and non-magnetic material handling solutions, will celebrate its 30th anniversary in 2011. Since starting operations on 7th February 1981, MPI has delivered a full complement of services centred on the development, engineering and building of inventive magnetic and other forms of material handling equipment used in a host of different industries worldwide.

  “Reaching this milestone in our company’s history is proof that our business model works,” said Keith Rhodes, MPI Founder and President. “As it has over the years, MPI will continue to listen to its customers and provide the technologically superior solutions they require. We’ll continue to seek new technologies and add ‘best-in-class’ product lines that will help our customers to improve processes and increase productivity.”

● GEA TDS has been awarded a €25 million order from Milco Industries Ltd (Tara) for the construction of a new dairy plant in the Noam industrial estate in Netivot, Israel. GEA TDS will supply the complete process equipment and render all engineering services for this new dairy project. The company will also produce all 3D visualisations required and be in charge of construction supervision. Delivery and commissioning of automation equipment will be the responsibility of GEA TDS und Proleit. Construction start is scheduled for July 2011; the first products should be ready for delivery in late April 2012. After that the integration of existing equipment from Tel Aviv will begin.

● Continuing its policy of demystifying technology, Alfa Laval has produced an updated version of its pamphlet ‘The theory behind Heat Transfer’ which provides a simple yet detailed explanation of how and why heat is transferred from one medium to another.

  The pamphlet explains the natural laws of physics which dictate that the driving energy in a system must flow until equilibrium is reached. Therefore, heat, as long as there is a temperature difference, leaves the warmer body or the hotter fluid and transfers to the colder medium. It then goes on to discuss direct and indirect heat exchangers before concentrating on the indirect variety, starting with how different physical characteristics dictate thermal performance and demonstrating how to calculate heat load and heat transfer coefficient. Copies in hard back or pdf form are available on request from general.uk@alfalaval.com

● Parker domnick hunter, a division of Parker Hannifin, a global leader in motion and control technologies, has published two new technology brochures providing process, plant and maintenance engineers with detailed information on the latest energy saving systems for compressed air. The compressed air treatment technology brochures explain how energy consumption can be reduced, while simultaneously improving the air quality to ISO 8573-1 standards, through the use of advanced air drying and filtration technologies. In addition, the brochures highlight the technical and commercial benefits that manufacturing and process companies can derive from the latest air treatment systems, such as Parker’s Pneudri desiccant drying and Oil-X Evolution filtration units.

  The guides are available from Parker Hannifin Ltd, Industrial Division, Dukesway, Team Valley Trading Estate, Gateshead, Tyne & Wear, NE11 0PZ, UK. Tel: +44 (0)191 4029000.
Packaging

New closures address consumer needs

TETRA Pak introduced three new closures at Gulfood: DreamCap, LightCap and HeliCap.

DreamCap has been ergonomically designed for on-the-go consumption. The cap’s high neck and over-the-edge design offer the consumer easy access to the spout and a comfortable fit to the face and lips. The company says the DreamCap’s large (26mm) opening and ridge engage the lips allowing consumers to drink in the way they prefer, with improved control of the liquid flow into the mouth.

“Combining DreamCap with the Tetra Prisma Aseptic 330 results in a visually appealing and highly portable package, ideally suited to on-the-go beverage consumption,” said Monther Al Harthi, CEO, Al Rabie Saudi Foods Co. Ltd, the Middle East’s largest juice manufacturer. “In taking the time to listen to and learn from consumers, Tetra Pak has created a comfortable on-the-go consumption solution that ticks all the right boxes for today’s busy lifestyles.”

Aimed initially at the drink-at-home market, LightCap is also designed to meet the needs of both consumer and producer. By using the minimal amount of plastic to keep costs at a minimum and improve environmental performance, it is particularly suited to larger-sized openings, which are easier to handle and pour from.

Benefits are possible because of Tetra Pak’s industry-first combination of Pre-Laminated Hole (PLH) and Direct Injection Moulding Concept (DIMC) technologies. DIMC technology allows the base of the cap neck to be moulded as flat as possible to the underside of the packaging material, providing the maximum pouring area. Combining this technology with PLH-based packaging materials makes LightCap ideal for sensitive products, such as vitamin-enriched milks, flavoured milks, soya beverages, juices, nectars and still drinks.

HeliCap, initially aimed at the drink-at-home market, provides a one-step screw cap that brings convenience and confidence to consumers by combining easy-to-open functionality with security features. HeliCap has a good grip, a clearly visible tamper evidence ring and concentrates a low opening force on the first turn of the cap, enough for the consumer to feel the tamper ring breaking.

HeliCap’s advanced PLH-based packaging materials allow for a simplified filling machine set up, resulting in higher line efficiency. This, combined with reduced glue consumption by nearly 50% lowers overall production costs.

Natural package for dairy

ACCORDING to the Austrian dairy consortium ARGE Heumilch, superior product protection and an emphasis on natural purity are key features of the packaging solutions that dairy businesses select to sell their quality products. Austria is the EU’s biggest producer of pasture milk. Around 8,000 pasture milk farmers and more than 60 dairies are affiliated to ARGE Heumilch, and supply around 400 million kilograms of pasture milk each year; accounting for 15% of Austria’s total milk production.

ARGE co-ordinator Andreas Geisler commented: “The packaging concept has to fit the product and its characteristics. The materials used also play a key role in retaining the flavour of the milk. Packaging made out of cardboard is an environmentally friendly solution that is manufactured largely from the natural, renewable raw material wood”.

Aseptically packaged in carton packs, products can be stored for a long period even without refrigeration. “These are key requirements for positioning premium pasture milk products internationally as well”, added Geisler.

Katharina Fersterer, Marketing Officer for Austria at SIG Combibloc, said: “All over the world we’re seeing that, particularly when it comes to nutrition and a healthy diet, consumers are attaching much greater value to natural purity and authenticity in the foods they buy. In view of this, we believe the pasture milk concept has the potential to be successful outside Austria as well”.

Austrian company Käserebellensell’s ’Bergbauern Heumilch’ (Mountain Farmers’ Pasture Milk) in a carton pack with a screw cap for convenient opening and secure re-closing.

APTAR has launched the 1881 light Original Sport Closure offering weight savings of 25% compared to the 28mm PCO/BPF version. The lower profile neck finish also means weight savings on the preform. The closure retains the same high performance and aesthetics of the Original Sports Closure; pressure holding capabilities of 3 bars; high flow rate; active hinge; high transparency and two colour option for enhanced shelf appeal. The closure is available with a standard 7mm orifice or with SimpIiSqueeze for maximum flow control. The SimpIiSqueeze silicone beverage valve is compatible with the PET recycling process.
Lightweighting accolade

HUSKY Injection Molding Systems has been awarded the Best Innovation Award by Coca-Cola China. Xiuju Luan, CEO, COFCO Coca-Cola Beverages Limited and Dan Coe, Chief Procurement Officer, China Bottlers Procurement Consortium presented the award to Husky representatives as part of Coca-Cola China’s Supplier Sustainability Summit that took place in Shanghai last November.

“Husky has been a highly respected long term supplier to our growing business in China. The Best Innovation Award presented to Husky was for the development of its EcoBase preform, which helped us to progress our lightweighting initiatives in China to another level,” said Dan Coe. “What I really like about the EcoBase preform is that it is both an advance on the sustainable packaging front, as well as a way to help lower the cost of our packaging.”

“We are delighted to have been honoured with the Best Innovation Award from Coca-Cola China,” said Gerardo Chiaia, President, Husky Asia, Europe, Middle East and Africa. “Ongoing innovation is a priority for Husky and we are continuously looking at how to improve our products and services in ways that will better serve our customers’ needs and help them to be more sustainable.”

Adhesives warning

WITH little evidence that the upward trend in raw material price rises is abating, 2011 looks set to be another challenging year for the adhesive industry and its customers according to the British Adhesives and Sealants Association.

Formulators are reporting the need to pass on multiple price increases, often in double digits, as the inflationary impact from more than 12 months of raw material price increases can no longer be absorbed. The era of stable pricing is under threat with the possibility of a return to the “Price Ruling Date of Dispatch” system last seen in the 1970s when manufacturers were forced to spot price their adhesives on the date of supply, said one member.

The Association warns that the supply situation too, especially for hot melt adhesives for the packaging industry, is becoming critical with a growing number of raw material suppliers invoking Force Majeure, stock allocations or sales controls shortening the supply chain and creating profound effects for adhesives manufacturers. Many hot melt formulators are experiencing critical stock levels of essential raw materials, forcing them to place their customers on allocation while simultaneously passing on repeated price increases.

Outages upstream, natural disasters, plant failure/maintenance, unprecedented demand from emerging markets and the loss of production capacity in Europe are just a few of the factors that have combined to create what the Association describes as a “perfect storm”.

Water based adhesives are experiencing similar problems, with feed-stocks tracking comparable price increases and some raw materials up by 30-40%, although supply is a little easier at the moment.

New strategy pays off

FOLLOWING the restructuring of the company’s Gersthofen site in 2009, Invista Resins & Fibers GmbH reports that sales volumes have improved over the course of the economic recovery and market shares increased in specialty segments.

“In 2010, we could already see that our new strategy was starting to bear fruit and that we had set the right course,” said Ottmar Schmidt, General Manager, Polymer & Resins Europe. “We therefore look forward with confidence to 2011.”

Last year the company launched low-melt Type 7001 resin and Oxyclear barrier resin products. “The diversity in our innovative products shows our determination to continue to meet our customers’ requirements,” commented Torsten Schmidt, Business Direc-

tor for Packaging Resins.

Schmidt added: “Our mission is to create profitable growth and long-term added value for our customers and shareholders. We gain competitive advantages through innovation, service to our customers, efficiency and flexibility in production and processes.”

The company has further announced that in the first quarter of 2011, the Invista Polymer & Resins business will carry out a comprehensive, general overhaul of one of its polymer production lines that had been temporarily shut down.

Scheduled for the third quarter of 2011 is a more comprehensive, general overhaul of its DMT plant in Gersthofen. This project has been brought forward a year and, says the company, involves considerable investment, designed to facilitate long term, reliable supply to customers in Europe.

In brief…

• Croxsons, the glass packager, has unveiled its new growth strategy for the Australian market, and opened an office in Melbourne, VIC. Michael Owens heads up the new office and product-range show room as National Sales Manager. Tim Croxson, Director at Croxsons, said “Clients will gain from having a proven resource for glass packaging and closure solutions, without having to take the risk of importing glass from untried and unreliable sources. With such a wide range of manufacturing infrastructure available, clients looking for niche and highly bespoke items, or large scale contract fulfilment, can be assured that Croxsons will continue to provide innovation and a point of difference.”

• Friends of Glass, the European glass container industry consumer group, has reported strong support for its health campaign ‘Nothing to Hide’ – because glass is 100% pure packaging material with nothing added – since its launch last October. The health-themed campaign was supported across 12 countries. It revealed that 88% of Europeans prefer glass packaging for a healthier lifestyle.

The campaign had 6,800 requests for its special ‘Nothing’ bottles and jars, which were offered free. TV presenter Julia Bradbury fronted the UK launch which gained national and extensive regional media coverage.

Last month Friends of Glass ran a ‘Glass Adds Class’ competition inviting visitors to the www.friendsofglass.com/glassaddsclass website to upload a picture of how they set their table. The picture that gained the most votes from visitors to the site by 15th March 2011 won a décor gift voucher worth €300.

• M&H Plastics has published its New Additions Supplement which features 75 new standard products. The company is a leading supplier of plastic components and manufacturers for many end users including beverages. Its portfolio offers over 1,000 standard products and its design team offers a bespoke service. The catalogue and supplement can be downloaded at www.mhplastics.com
Environment

Plant bottle smart deal

IN AN industry first, The Coca-Cola Company (TCCC) and H.J. Heinz Company have announced a partnership that enables Heinz to produce its ketchup bottles using Coca-Cola’s PlantBottle packaging. The PET plastic bottles are made partially from plants and have a lower reliance on non-renewable resources compared with traditional PET plastic bottles.

PlantBottle packaging looks, feels and functions just like traditional PET plastic, and remains fully recyclable. Thirty per cent of the material is made from plants produced through an innovative process that turns natural sugars found in plants into a key component for PET plastic. Currently, PlantBottle is made using sugarcane ethanol from Brazil.

An initial life-cycle analysis conducted by Imperial College, London, showed that the use of PlantBottle packaging provides a 12% to 19% reduction in carbon impact. In 2010 alone, the use of this breakthrough packaging eliminated the equivalent of almost 30,000 metric tons of carbon dioxide, or approximately 60,000 barrels of oil.

Heinz will launch PlantBottle in all 20oz ketchup bottles in June with ‘talking labels’ asking, ‘GUESS WHAT MY BOTTLE IS MADE OF?’

Currently, PlantBottle can be found in nine markets – including Canada, Mexico, Chile, Brazil, Japan, Denmark, Sweden, Norway and the US. TCCC plans to expand to over a dozen new markets in 2011.

“PlantBottle is revolutionising plastic, and our partnership with Heinz is paving the way for industry-wide collaboration,” said Muhtar Kent, TCCC’s Chairman and CEO.

“PlantBottle is revolutionising plastic, and our partnership with Heinz is paving the way for industry-wide collaboration,” said Muhtar Kent, TCCC’s Chairman and CEO. “This partnership is a great example of how businesses are working together to advance smart technologies that make a difference to our consumers and the planet we all share.”

Heinz’s adoption of the PlantBottle technology will be the biggest change to its iconic ketchup bottles since it first introduced plastic in 1983.

Glass recycling support

LAST month the Glass Packaging Institute (GPI) launched its sponsorship of Earth911, the US’s leading clearinghouse of recycling information.

“Partnering with Earth911 will help GPI communicate more directly with consumers about the benefits of glass packaging and glass recycling,” said Joe Cattaneo, President of GPI. “We’re a trade association for a packaging supplier industry for well-known beverage, food, and home care product manufacturers. We normally promote to the trade, so this is a great opportunity to expand our ability to reach out to consumers as well.”

Earth911 gathers, distributes and analyses localised recycling information to assist manufacturers, organisations, and consumers with product end-of-use solutions. Working to increase the recycling and disposal of consumer goods since 1991, Earth911’s services enhance and support companies’ responsible waste initiatives.

Using recycled PET

SIPA, the Italian leading supplier of various types of equipment for producing PET bottles and containers, has developed a full range of solutions to produce preforms containing high levels of post-consumer recycled flake with its preform injection moulding equipment, from 96 cavities down to 24 cavities. The company says it is strongly committed to developing sustainable packaging solutions, be it to substantially reduce the weight of packaging (eg a 1litre bottle weighing just 15 grammes), or the reuse of PET flake.

It is now possible to use as much as 50% recycled PET in bottles for mineral water sold in the European Union. In Italy, legislation came into force last August when the government issued an update to a Ministerial Decree covering packaging, containers and utensils intended to come into contact with foodstuffs. In North America, however, several companies already produce bottles using exclusively 100% rPET for their mineral water products.

According to SIPA there are tight restrictions on the use of recycled PET in new mineral water bottles. The material must be sourced from containers that were themselves approved for food contact applications. The company’s PPS Preform Production Systems successfully produce preforms made with PET containing various levels of recycled flake up to 100%. In the case of flake at addition rates of up to 50% the only change necessary to the standard configuration is the addition of an auxiliary gravimetric dryer.

This can be considered as a minimal additional investment for an existing production unit. In the case of a content higher than 50%, and up to 100%, an upgrade to the plastification unit and filtration system is required.
Clean beach projects in Indonesia

COCA-Cola Bottling Indonesia and Quiksilver, the Australia surf apparel producer, have not only done wonders in cleaning up beaches on the island of Bali, they are also supporting a sea turtle hatchery whose babies make the most of the clear waters.

Bali is a hugely popular tourist destination. That is an economic boon but also an environmental problem because of the litter left on beaches.

Coca-Cola Foundation Indonesia, the local bottler (which is part of the Coca-Cola Amatil group) and Quiksilver inaugurated a Bali Beach Coastal Clean-Up Day in 2008. It was so successful that five beaches are now cleaned daily, using 60 staff and three tractors in Coke livery.

The partners are also helping develop the Kuta Sea Turtle hatchery on popular Kuta Beach, where tourists and locals will be able to release thousands of baby sea turtles. Extending the clean-up theme, Coca-Cola Platform (EPBP).

“We are encouraging all our member companies and the wider industry to review their current and new PET bottle specifications against the EPBP Guidelines for resource-efficient PET packaging”, explained Cees Van Dongen, leading packaging issues in UNESDA.

“The bottled water and soft drinks industries are fully committed to operating in an environmentally sustainable manner. Our goal is to encourage members to consider the recycling of PET bottles at the very beginning of the planning process when developing new PET bottle designs”, said Philippe Diercxens, a leading packaging expert and Vice-Chair of EFBB’s Environment Committee.

EFBB and UNESDA hope their members will reach compliance with the EPBP guidelines by the end of 2012. Encouraging producers to meet the design for recycling guidelines is a positive step forward, not only for the future of bottle-to-bottle recycling, but also in terms of resource efficiency.

Criteria for PET recycling

UNESDA, the union of European non-alcoholic beverage associations, together with EFBB, the European Federation of Bottled Waters, have recommend their respective membership to adhere to specific design criteria for PET bottles in order to improve their recyclability.

Incompatible materials can adversely affect the PET recycling process. Components of packaging design on PET bottles such as barriers, additives, full body sleeves and opaque colouring are leading to deterioration in the quality of recycled PET which is negatively impacting bottle-to-bottle recycling.

In order to improve the quality and economic viability of PET bottle recycling, UNESDA and EFBB recommend their members to implement ‘Design for Recycling Guidelines’, a set of specific criteria established by the European PET Bottle Recycling Platform (EPBP).

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Eco pack gathering

PRIOR to Interpack in Duesseldorf (12th - 18th May 2011) PETnology/tecPET GmbH is holding a conference entitled ‘ecoPack systems 2011’. Central topics will be how the plastic packaging industry approaches system-oriented solutions in pursuing the strategy to meet the ecological and economical requirements of markets and consumers. Developing long term strategies to reduce CO2 footprints by means of system-oriented thinking is the common goal.

Packaging and machine concepts for bottles, containers, tubes, caps, cups, films and blisters will form the conceptual framework of the conference programme. Beverages will be among the industries covered in the presentations.

Dutch explore composting

NVC, Netherlands Packaging Centre is an association of 14,000 individuals and more than 550 member companies. Serving the interests of the packaging community, it provides information services, education and training.

The Association has reported that the first meeting of the Belangenvereniging composteerbare producten Nederland (BCPN) project on Compostable Packaging has taken place. Here four companies – Nedupack Thermoforming, Bio4Pack, Plastics2Pack and FlevoStar Dronton – are working together with the NVC to improve the possibilities for the use of compostable plastics in packaging.

During the meeting it emerged that knowledge transfer is important for the project’s success. To gain a clear insight in the existing use of compostable packaging a survey will be distributed amongst companies that produce packaged goods. The results will be used to support the development of the future use of compostable packaging. At the same time participating companies will undertake research on different aspects of compostable packaging such as the impact on product shelf life and production.

In brief…

APEAL, the Association of European Producers of Steel for Packaging, has produced a new film about metal packaging recycling. Developed in conjunction with EMPAC, the European Canmaking Association, the film highlights the unique environmental benefits of metal packaging recycling. The film explains the what, why and how of metal packaging recycling in simple terms. Visit http://www.apeal.org/apeal-recycling-film.
Green Issues

Collect-a-Can’s new competition

In South Africa, the Collect-a-Can organisation’s major annual competition for schools has been boosted this year by sponsorship from ArcelorMittal South Africa, increasing the prize pool.

This competition was launched in February and runs through to October.

Three supplementary competitions are also being organised. 2011 theme for the artistic expression competition (until May) is ‘I CAN make a difference to the future by recycling cans today’, while the CAN Craze competition (June to September) calls for building creative structures. And schools entered in the national competition also strive to better the world record for the most cans collected in one month.

A collection category for charities, launched last year, is being continued this year after being judged a great success.

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Beach Garbage Hotel

German artist HA Schult underlined the downside of mass tourism by rebuilding his garbage hotel at a tourism fair in Madrid. The creation, which was first shown in Rome, is made of soft drink and other packaging, discarded clothing, books and even tyres.

Furniture and fittings inside are mostly of recycled material, while a patch of sand and palm trees sets the holiday tone. Schult and his team said their aim was to show what holidays could become if beaches and the ocean were not kept clean.

Winery concert recycling project

NEW Zealand’s Glass Packaging Forum was a sponsor of this year’s MOREFM Winery Tour; a series of concerts featuring top New Zealand entertainers and held in winery settings – many of them purpose-built amphitheatres and similar environments – around the country.

The sponsorship was arranged as part of the Love NZ public place recycling initiative which is a joint venture of the forum and central government. The forum’s members include a number of soft drinks producers and retailers.

As well as targeting wine and beer bottles, which have been delivered to glass manufacturer OI for recycling, the Glass Packaging Forum also extended its involvement in the Winery Tour to plastic bottles and cans.

John Webber, the forum’s General Manager, said this indicated a need for further education. “A disappointingly large number of these mixed recycling bins were heavily contaminated because people are unsure what can be recycled and include cutlery, cups and shrink wrap.”
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ASAP Publishing Limited T/A Soft Drinks International  Registered in England No: 39054486  VAT Registration: GB 750 3688 24
Human Resources

APPOINTMENTS

APEAL, the Association of European Producers of Steel for Packaging, has appointed Philip Buisseret as Managing Director.

The Board of Directors of The Coca-Cola Company has elected Evan G. Greenberg as a Director of the company. He is Chairman, President and CEO of ACE Limited, a global insurance and reinsurance company.

Wales’ No 1. Welsh mineral water in the UK, Brecon Carreg, has appointed Jean-Bertrand de Lartigue as Chairman. He has had a long-standing association with Brecon Carreg, Natural Mineral Water, having been a consultant advising the company on human resources.

The US beverage company Bai Brands of Princeton, New Jersey, has appointed Kat Haddon as its Marketing Coordinator to oversee marketing and public relations efforts for the fast-growing line of natural, antioxidant-infused beverages.

Univar Inc, a leading global chemical distributor, has announced that David Jukes has been promoted to President of Univar Europe. He was previously Vice-President of Sales and Marketing for Europe, the Middle East and Africa.

German chemicals company Lanxess has announced that Dr Bernhard Düttmann has been appointed Member of the Board of Management and Chief Financial Officer as of 1st April 2011.

Royal DSM NV, the global life sciences and materials sciences company headquartered in the Netherlands, has announced that its Supervisory Board has appointed Rob Routs as its new Chairman, succeeding Cor Herkströter.

EVA, the European Vending Association, has appointed Erwin Wetzel as its new Regulatory Affairs Manager.

The UK’s Food and Drink Federation (FDF) has appointed Terry Jones as its new Director of Communications. His role includes responsibility for media relations, the health and well-being agenda, IT and new media and public affairs. He takes over from Julian Hunt who has joined Coca-Cola Enterprises GB as Vice-President for Public Affairs and Communications.

FleetwoodGoldcoWyard Inc, has announced the promotion of Neal McConnellogue to the position of Executive Vice-President. He assumes the financial accountability of CBI Fleetwood Ltd, a FleetwoodGoldcoWyard company operating in South Yorkshire, UK.

The Can Makers has appointed Geoff Courtney as Chairman of the industry body which has represented UK manufacturers of carbonated soft drinks and beer cans since 1981. He will be bringing with him more than 20 years of packaging industry experience.

Beardow Adams, the UK’s largest manufacturer of hot melt adhesives, has appointed Gary Langdon as Sales Support Engineer and George Slade as Area Manager. Both are newly created positions.

Global flavour and fragrance ingredient supplier, Treatt plc, has enlisted the expertise of two specialists to support its product development. Danny Hodrien and Penny Williams are working with the company to evaluate Treatt’s ingredients, demonstrating their functionality, producing sample formulations and highlighting the benefits they offer in application.

Improve, the food and drink skills council, and the National Skills Academy for Food and Drink have announced two new appointments: Tony Belmega joins as Network Development Manager and Joanna Brook has been appointed as Contracts and Performance Manager.

David Parocki has recently joined Puresep Technologies, a member of the Amplio Filtration Holdings Group, as Business Development Manager for its waste and water membrane technologies division.

Kaleidoscope, a Chicago-based multinational brand design realisation company, has announced three appointments: Guy Gangi has joined the organisation as Director, Brand Strategy, Planning and Design, and Vince Bowman is the new Director, 3D Structural/Product Design. Liz Fisher, who has worked in the UK office, was promoted and relocated to Chicago to lead Creative Operations as Director of Retail Brands.

R&D/Leverage – UK has appointed two new Sales Account Managers, Craig Carrington and Magdalena Villate, to handle customers in northern and central Europe, respectively.

Sonoco the diversified global packaging company has announced officer appointments in its Consumer Packaging division: Rodger D. Fuller has been named Vice-President, Global Rigid Paper and Plastics; R. Howard Coker has been named Vice-President, Global Rigid Paper and Closures; Marcy Thompson has been elected an officer of the company and named Vice-President, Rigid Paper and Closures – North America; and Robert L. Puechl has been named Vice-President, Global Flexible Packaging.

Send your news to: news@softdrinksinternational.com
A young managers first

FINAT – the worldwide association for manufacturers of self-adhesive labels and related products, founded in Paris in 1958 and head-quartered in The Hague (the Netherlands) – is running its first independently organised Young Manager’s Club summit this month.

The 2011 YMC Summit, under the umbrella ‘Leadership & Strategic Management in this Century’, is being held in Hotel Bristol in Vienna, Austria on 28th and 29th March. This is the result of informal and international meetings and initiatives taken last year and embodies the YMC enthusiasm and aspirations. The club is intended to attract young managers and to help prepare them to become the company and industry leaders of tomorrow.

“Based on a poll, young managers indicated that they like to learn about the latest management tools, processes and implementation methodologies, said Francesc Egea, of IPE Innovaciones Para Etiquetajes, Spain and chairman of YMC. “A lot of business improvement is being left unexplored. New managerial skills and practical tools can help label converters to run their business more efficiently, improve their customer service and become more profitable.”

In addition, young managers are reported to appreciate the knowledge and expertise transfer through informal networking. “The upcoming summit will definitely meet their expectations,” said Peter Dhondt of Cerm, Belgium and program manager at YMC. “We secured industry specific and inspiring speakers, interactive workshops and ample time for informal contacts with their peers.”

FINAT’s YMC ran a successful exchange-programme and networking event with its peers from LMAI, the Label Manufacturers Association of India during LabelExpo India last December. “We are pleased to see the progress made by our YMC and applaud their global approach in collaborating with their colleagues from LMAI, India and TLMI in US. We fully support their initiatives and encourage all young managers to become members and attend this first summit. Our industry has changed drastically. Technical printing skills and craftsmanship no longer suffice to remain competitive. In addition, the younger generation needs to adopt strategic and integrated business processes and develop strong people skills to strengthen their businesses and safeguard their future,” said Andrea Vimercati, President at FINAT.

The importance of automation

A RESEARCH project aimed at understanding how automation can be harnessed to boost productivity in the UK food and drink industry has been launched in the south west. The National Skills Academy for Food and Drink has secured funding through the Learning and Skills Improvement Service to undertake the research, which will give an in-depth picture of how food and drink employers view automation and its potential impact.

Interviews with 150 employers will be carried out by seven members of the National Skills Academy network – Seafood Training Cornwall, Wiltshire College, Petroc, Reaseheath College, Hartpury College, Duchy College and the Royal Agricultural College – all of which offer training services in the south west.

Jonathan Cooper, the National Skills Academy’s automation skills consultant, said running the research through training providers would strengthen ties between the skills sector and industry, allowing the findings to be acted on quickly and effectively. He added that he hopes the model can be rolled out across other regions.

He said: “This is an innovative approach. The National Skills Academy for Food and Drink’s primary aim is to create a forum in which employers and training providers can work collaboratively to ensure skills and training add real value to businesses, and this is a good example of that approach in action.”

“Automation and advanced technology are big topics in the food and drink industry; they are seen by employers as a vital tool in improving productivity and performance in their businesses. But because of the investment required, not just in terms of purchasing and installing new technology but also in ensuring employees have the skills to use and maintain new equipment, it is of paramount importance to any company that they get the right solutions to suit their needs.”

The research findings are expected to be published by early April.
## Events Diary

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The saccharin trial
There has been still further delay in the final trial of the action brought by the Saccharin Corporation against the National Saccharin Company of Hull. Of course, the point at issue – it has been somewhat complicated by many side-disputes – is as to whether the Hull company has, in the manufacture of saccharin, infringed upon the patents and rights of the Saccharin Corporation.

In our last issue we announced that Mr Justice Eve, of the Chancery division of the High Court, had formally fixed the trial for January 27th. However, on January 23rd, Mr Bousfield, K.C., representing the Hull company, asked his Lordship for another postponement. He explained that he did this because Mr Swinburne, the expert, who was a most important witness, was ill with German measles. The case was then fixed provisionally for March 14th.

Preserving oils and essences
Exposure to the atmosphere has a very deleterious effect upon the majority of essential oils and essences, and they should therefore be kept as free from contact with the air as possible. It is also advisable to keep them in a moderately cool and dark place, and in the case of essential oils an addition of 10% of pure spirits of wine 67 over-proof has a decided preservative effect, but it is only recommended in exceptional circumstances.

Fruit acids v mineral acids
The substitution of mineral acids for pure fruit acids has been the subject of comment by Messrs Stevenson and Howell. “We have,” say they, “always strongly condemned such methods of securing a little extra profit at the expense of the consumer, even at the risk of being accused of mere trade prejudice, and we maintain that a fruit beverage should be acidified with a fruit acid, i.e. citric or tartaric. The use of substitutes, in our opinion, offers a special inducement for interested or malicious opponents of the mineral water trade to attack and condemn the use of aerated beverages generally, and thereby injure the whole trade, as the makers who turn out pure goods suffer as much as those whose only consideration is cheapness at the expense of quality.”

Death after a North London accident
An old lady named Ann Wood, who had passed her eighty-fourth year, and lived at 14, Hercules Road, Holloway, was the victim of an accident near the local Parkhurst Theatre. She apparently left the pavement just as an aerated milk van belonging to Messrs Idris & Co was crossing the road. The carman shouted and applied the brake, but the poor woman was caught on the side as she turned to retrace her steps. The chief injury was to the head and foot. However, she recovered from the shock and left the hospital, dying several days later. “Death,” said the doctor at the inquest, “was from syncope, owing to pneumonia and heart disease.”

The jury, however, returned a verdict of ‘Accidental Death.’ Witnesses had exonerated the driver of the van from blame, and, as a fact, the old lady herself made no complaint against him.

50 Years Ago
From the Soft Drinks Trade Journal of March 1961

Output in 1960
Figures recently released by the Ministry of Agriculture, Fisheries and Food enable us to complete the picture of the 1960 output of soft drinks in the United Kingdom.

For the second year in succession, total output in terms of drinkable liquid exceeded 400 million gallons, the previous best being 344½ million gallons in 1957.

When we recall the poor summer weather which was experienced in most parts of the UK during July to September last year as compared with the outstandingly good summer of 1959, it is surprising that the figure for 1960 is only some 10 million gallons short of the all-time record figure of 421,312,000 gallons in 1959.

The monthly figures show that output during the first six months of 1960 was well up on the previous year and had the weather in the third quarter been a little less wet, it is clear that the 1959 record would have been broken.

Output of uncombined soft drinks in 1960 was nearly 15 million gallons (6.5%) down on the previous year while the output of concentrated soft drinks was 1 million gallons (2.5%) up. This pinpoints the fact that mineral waters generally are more susceptible to the vagaries of the weather than the squashes and that the overall demand for concentrated soft drinks is still on the increase.

Solvents and flavouring agents
A review of solvents and flavouring agents will be undertaken shortly by the Food Additives and Contaminants Sub-Committee of the Foods Standards Committee. They will advise Ministers on the need for regulations to control the use of these substances in food and in the preparation of food.

The Sub-Committee would welcome the co-operation of the trade enforcing authorities and other interested bodies in their review. In particular, they wish to obtain information as to the solvents and flavouring agents, both natural and synthetic, at present in use; their chemical composition and properties; the foods to which they are added or applied; the amount used and mode of use; and evidence as to the absence of any deleterious effect resulting from their use. The Sub-Committee would also like to have similar information about any new substances being developed and to know of any advantages which these may have over solvents and flavouring agents in current use.

The Sub-Committee would also welcome evidence of the need for control in this field and of any deleterious effects resulting from the use of solvents and flavouring agents whether used at present in this country or not.

Nylon washers
The US Du Pont organisation is supplying disc valve washers and distribution ‘leathers’ for certain well known filling units, of Teflon’ which is one of their particular forms of nylon. It is claimed that not only can such things be precision-made to an extraordinary degree but that these washers outlast those of leather around tenfold, without any reduction in drip-proofness.
**Floor scale offers**

METTLER-Toledo, supplier of quality weighing and measuring solutions and the world’s largest manufacturer of weighing technologies for use in laboratory, industrial and food retailing environments, is running 3 fantastic scale and service packages perfect for the food industry.

Made of stainless steel, the PFA raisable floor scales are designed to meet the demands of hygienically sensitive areas. These rugged scales are available in weighing ranges from 600kg to more than 25,000kg. They are suitable for daily use in dry and wet areas, with models approved for operation in hazardous areas.

In addition the 2 year service contract guarantees optimal performance and maximised uptime. The trio of offers, starting from just over £3,000, are available until the end of March 2011. For further information visit: www.mt.com/uk-pfs-offer.

**Palletising flexibility**

LOGOPAK has supplied PepsiCo’s Cork, Ireland plant with two Logopak 804T labellers to identify pallets of soft drink concentrate as they are loaded by robot. This provides production flexibility by allowing the pallets from different production lines and with different products to be directed to different shrink-wrapping and transit labelling lines and catered also for downtime during maintenance or repair.

The machines operate within the safety cage of the robot palletisers and attach pre-printed bar code labels to the base of the pallets, using a purpose-built applicator that folds the label around the two outer faces of a pallet block. Logopak also designed the labelling material specifically for the purpose.

**New labelling adhesives**

BEARDOW Adams has developed a new generation of hot melt adhesives for bottle and jar labelling applications using reel fed and ‘cut and stack’ labels.

The clear, low odour hot melts will bond virtually all paper and plastic labels to plastic or glass containers, whether round, square, contoured or ribbed. They are supplied as film wrapped EcoBlocks™ and can be loaded straight into a hot melt tank, the thin outer film melting with the adhesive.

The new hot melts are the first of the company’s labelling products to carry its B&MFutura™ branding as an extension to its high quality, and award winning, packaging hot melt range. Beardow Adams is one of Europe’s largest hot melt manufacturers.

**Promotion opportunity**

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