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for product success...*

Beverage
2007
Product Guide



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www.metromint.com/retailerinfo

*Source: SPINScan Natural, Current Period: 12 weeks ending 07/15/06 Prior Period ending 07/16/05 Category: Packaged Water, Enhanced Water, Flavored Water: Total US All Regions

Consumer shopping patterns

Multiple-role playing consumers shop for targeted reasons

Busy consumers have beverage manufacturers and retailers vying for their time.

Fortunately, consumers are experienced multi-taskers. While marketers often have tunnel vision and view consumers only as potential purchasers, the truth is that consumers satisfy multiple roles, all of which are interrelated, according to Chicago-based Information Resources Inc.'s June 2007 *Times & Trends* report, *A Snapshot of Trends Shaping the CPG Industry*.

"To influence consumer behavior, marketers who focus on the total consumer will have an edge," IRI states.

Multiple end-users in a household sway buying decisions, but the primary shopper calls the shots. Since shoppers are more price-sensitive when purchasing for others vs. themselves, optimal price, promotion and premium product opportunity will vary according, IRI says. Advertising and marketing outside the store have critical importance in influencing end-users to request or directly purchase

specific brands. But in-store variables will play a large role in final brand selection, particularly when the primary shopper is making the purchase for someone else.

In addition, purchase needs and time considerations dictate the type of shopping trip consumers take, which will heavily influence channel and store selection. The purpose of targeted consumer shopping trips, such as pantry stocking, fill-in, special purpose and quick trips, greatly influence the consumers store of choice. For example, a sale price on a needed item may not sway consumers to choose one store over another for a pantry-stocking trip, but it is a major consideration for quick trips, IRI says. It makes sense then that feature ads should contain a high mix of quick trip items on the front page, as should external store signage.

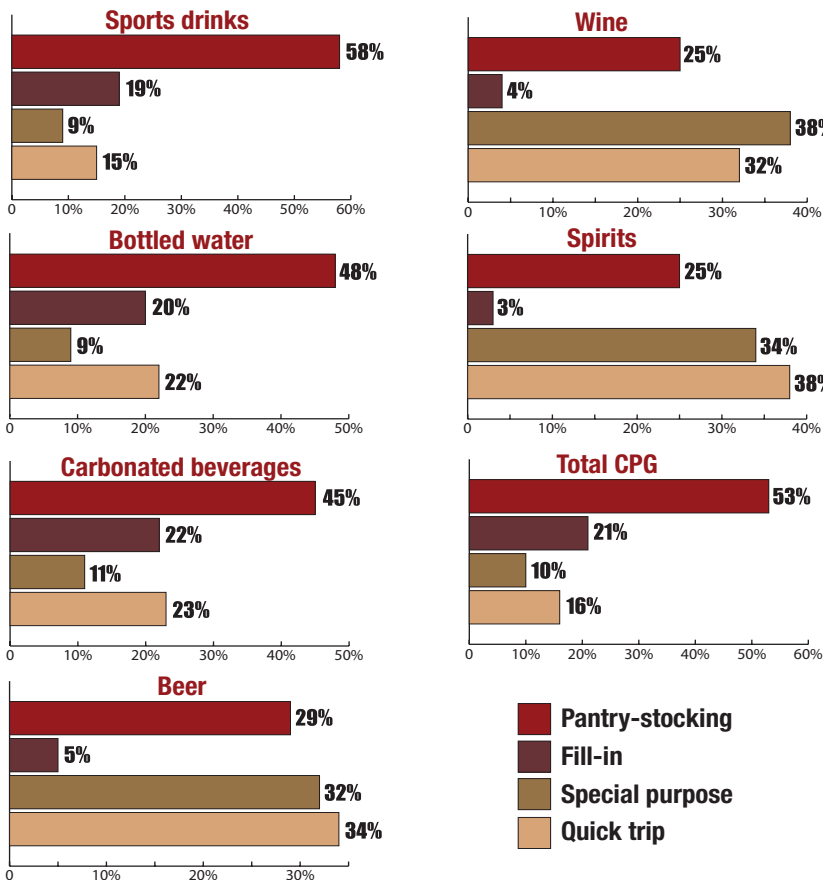
By contrast, everyday low pricing is a chief draw for consumers when making pantry-stocking trips as they are confident that they will receive a good value on the total basket, IRI says. In addition, a certain, harder-to-find product may prompt a store visit for a quick trip, but it will not likely turn into a pantry-stocking trip.

Retailers and manufacturers stand to reap major benefits by understanding the specific products that are most frequently purchased on various trip types and featuring these products in trip-targeted advertising and promotions, IRI states.

Throughout the beverage category, consumer shopping patterns fluctuate dramatically for beer, wine and spirits vs. beverages without alcohol. Key non-alcohol beverages stay a staple of pantry-stocking trips, and can be suc-

continued on page 6

% Category Dollar Sales By Trip Mission for Grocery Channel
(Select beverage categories)



Source: IRI Shopper Insights

BIG RED JAK™
ENERGY DRINK

SALES & DISTRIBUTION: 1 800 658 5615 customerservice@bigredhd.com

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Beverage Product Guide

continued from page 4

cessfully cross-merchandised with other essential products to streamline shopping for consumers. Non-alcohol beverages also can be a strong basket-builder when matched with less-frequently purchased complementary products, such as select snacks, IRI explains.

Beer, wine and spirits track in an unusual shopping pattern for grocery stores. These categories offer unique opportunities to seize more consumer dollars across less developed trip types, including traffic-building, special purpose and quick trips, IRI says.

After years of broadening assortment to meet a wider range of consumer needs, most major channels have a large stake in at least three of the four trip missions, but future growth may come from specialization, IRI says. *BI*

New product numbers game

The industry has launched 1,048 new beverages for the year-to-date June 30, according to Mintel Global New Products Database. This is down 3.2 percent for the same time period for 2006, which is atypical for the industry. For the past three years, beverages have seen an increase in new product launches on a monthly basis from the year prior.

According to Mintel, in 2004 new beverage launches peaked with 2,791 new releases, the most since it began gathering data in 2001. The number decreased 9.5 percent to 2,527 beverages in 2005, and then grew a slight 1.2 percent to 2,558 in 2006.

Whether or not the industry will see a slowing in new product launches for the whole year is yet to be seen. What

is certain is that the non-alcohol beverage categories showing an increase in new product launches so far this year also are the categories seeing sales increases. Energy drinks, juice, sports drinks, ready-to-drink tea, hot tea and bottled water are the categories seeing an increase in new product launches and have seen sales in their categories grow. Energy drinks sales swelled 35.8 percent; refrigerated juices increased 4.3 percent; sports drinks grew 6.9 percent; RTD tea grew 29.5 percent; and bottled water rose 17 percent, according to IRI, Chicago, for the year ending May 20.

The one exception to this trend is RTD coffee, which has seen its new product launches drop slightly but its category sales increase 19.9 percent.

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Contact Dwayne Schwarz,
Vice President of USA Beverage Inc.,
at (215) 230-8610 ext. 301 or email:
dschwarz@daretogodutch.com for more
information about distribution opportunities.

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Top 10 categories for new product launches

PRODUCT CATEGORY	NUMBER OF NEW PRODUCTS
TEA	123
JUICE	113
BEVERAGE MIXES	96
COFFEE	95
WATER	90
ENERGY DRINKS	75
CARBONATED SOFT DRINKS	71
RTD TEA	58
FRUIT/FLAVORED STILL DRINKS	53
BEVERAGE CONCENTRATES	39

Top 10 flavors for new products

FLAVORS	NUMBER OF NEW PRODUCTS
ORANGE	72
LEMON	56
POMEGRANATE	55
APPLE	45
BERRY	41
LIME	38
RASPBERRY	36
VANILLA	35
MANGO	35
CHOCOLATE	35

Top 10 companies launching new beverages

COMPANY	NUMBER OF NEW PRODUCTS
TARGET	49
KRAFT FOODS	23
ANHEUSER-BUSCH	17
COCA-COLA	17
TRADER JOE'S	14
TROPICANA	13
THE GOOD EARTH CORP.	12
HOLLAND HOUSE COFFEE	12
LUCERNE FOODS	11
UNILEVER	11

Top 10 new product claims

PRODUCT CLAIMS	NUMBER OF NEW PRODUCTS
KOSHER	210
ORGANIC	182
ALL NATURAL	167
VITAMIN/MINERAL FORTIFIED	164
NO ADDITIVES/PRESERVATIVES	136
LOW/NO/REDUCED CALORIE	127
LOW/NO/REDUCED SUGAR	126
PREMIUM	96
SEASONAL	44
LOW/NO/REDUCED SODIUM	39

Top packaging materials for new products

PACKAGING	NUMBER OF NEW PRODUCTS
PLASTIC	251
GLASS	156
OTHER	138
METAL	85
BOARD	78
PAPER	14

Top channels for new product distribution

CHANNEL	NUMBER OF NEW PRODUCTS
SUPERMARKET	359
MASS MERCHANDISE	119
GOURMET STORE	109
HEALTH FOOD STORE	100
SPECIALIST RETAILER	91
CLUB STORES	33
INTERNET/MAIL ORDER	23
DRUG STORE	21
DEPARTMENT STORE	16
CONVENIENCE STORE	8

Source: Mintel Global New Product Database, U.S. launches, year-to-date June 2007

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Beverage Product Guide

Syzmo Energy

The Organic Beverage Co.
512/637-8800
syzmo.com

The Organic Beverage Co. created Syzmo Energy, a USDA Organic and certified low-glycemic energy drink. Given a glycemic index rating of 30 by the Glycemic Institute of Toronto, Syzmo is sweetened with organic blue agave syrup, and contains organic coffee fruit concentrate, guarana extract, green tea extract and yerba mate extract. Syzmo also is fortified with antioxidants and vitamins C, B2, B6, B8 and B12, and contains no preservatives or artificial colors. The energy drink is lightly carbonated and offers 80 mg. of caffeine. The 12-ounce drink — available in Original, Prickly Pear and Passion — is packaged with a bilingual nutritional panel.



Resurrect, VidaTea

Healthy Innovations Inc.
877/364-6015
hibeverages.com

Healthy Innovations is focused on developing a portfolio of lifestyle brands positioned as "The Healthy Alternatives" to soda, energy drinks and sugar-filled sports drinks. H.I.'s flagship offering Resurrect, initially created as a natural hangover remedy, has now found its way into the mainstream. Formulated with 22 vitamins, electrolytes and antioxidants, Resurrect helps to protect the body against free radicals, boost the immune system and aid in the workout recovery process, the company says. Healthy Innovations also introduced VidaTea, a line of all-natural premium sparkling green teas that are enhanced with antioxidants and sweetened with organic blue agave. VidaTea is available in 12-ounce cans in three flavors: Pomegranate, Wild Berry, and Desert Pear.



White tea lineup

Inko's LLC
866/747-4656
healthywhitetea.com

Inko's White Tea is dedicated to white-tea-only drinks. Inko's offers a wide variety of 100 percent, all-natural white teas. Its lineup includes seven colorfully packaged, award-winning flavors with only 56 calories per bottle; two unsweetened flavors and one caffeine-fueled, "jitter-free" tea energy drink. Inko's sweetened teas contain only 14 grams of all-natural fructose per bottle. And, at 80 calories per serving, Inko's All Natural White Tea Energy Drink is 30 percent less calories than leading brands. Inko's is: What White Tea Tastes Like.



Alex's Lemonade

USA Beverage Inc.
215/230-8610
alexlemonade.org

USA Beverage released Alex's Lemonade, ready-to-drink lemonades that are available in Lemonade, Pink Lemonade and now Half & Half Lemonade. The products are named after Alex Scott, who bravely battled pediatric cancer for seven and a half years. At the age of four, Alex opened her first lemonade stand in July of 2000 with the idea of donating the proceeds to her hospital. Following her inspirational example, thousands of lemonade stands have been held across the country. To date more than \$6 million has been raised to fight childhood cancer. Following in her tradition, bottled Alex's Lemonades are vitamin C enriched, and contain real lemon juice and other natural flavors. Alex's Lemonades are available in 20-ounce bottles and are packaged 24 per carton. A portion of the proceeds from the sale of Alex's Lemonade is donated to the foundation.



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Pomegranate Liquid Concentrates

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- #SW23. Pomegranate Swirl for Glazing, Flavoring & Marbleizing
- #392 Pomegranate Flavoring Compound
- #640 Pomegranate Liquid Flavoring Extract

Pomegranate Powdered Extract

- #223 Young Pomegranate (Whole Fruit)
- #224 20% Ellagic Acid (Whole Fruit)
- #225 40% Polyphenol Brown
- #226 40% Ellagic Acid
- #227 35% Punicalagin a + b

- #228 Fruit Juice Powder
- #229 90% Ellagic Acid
- #230 80% Ellagic Acid
- #231 60% Ellagic Acid (Non-Denatured)
- #236 Whole Fruit Powder
- #237 Pomegranate Skin
- #240 Pomegranate Leaves
- #241 Pomegranate Flower

Pomegranate Seed Oil

- #245 Pomegranate Seed Oil



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www.Pomjc.com

www.EverythingPomegranate.com

Beverage Product Guide

Cocktail mixers

Cadbury Schweppes
Americas Beverages
972/673-7000
csabmixers.com

Rose's Cocktail Infusions and Rose's Mojito Cocktail Mix provide an easy way to make mixed drinks – just add vodka or rum! These stylish mixers are available in trendy flavors:

- Mango Mojito, Traditional (Lime) Mojito and Passion Fruit Mojito
- Blue Raspberry Martini Mix, Pomegranate Twist Martini Mix and Sour Apple Martini Mix

Rose's is a leading brand of Plano, Texas-based Cadbury Schweppes Americas Beverages. Visit the Web site, csabmixers.com for more recipes and information.



EQ Thirst Equalizer

Hurricane Juice Co. LLC
941/556-1169
thirstequalizer.com

EQ Thirst Equalizer is a modern sports drink that fits with today's active lifestyle. EQ Thirst Equalizer is all natural, contains only four ingredients, and is based on the natural isotonic principles of coconut water. EQ Thirst Equalizer combines the functionality of coconut water in a convenient and portable package without highly processed and artificial ingredients. EQ is available in 16-ounce plastic bottles in a variety of light and refreshing flavors.



VitaZest

Triple A Products LLC
561/989-2300
drinkvitazest.com

VitaZest Vitamin & Fruit Enriched Water is a health drink in Pomegranate, Blueberry, Kiwi Strawberry, Passion Fruit, Pineapple Mango and new Green Tea flavors. VitaZest contains significant levels of the recommended daily allowance of 10 vitamins and minerals. The drinks contain no carbs, calories, sugar, sodium or preservatives. VitaZest also entered into a cause marketing partnership with The Diabetes Research Institute Foundation to fund research at the Diabetes Research Institute at the University of Miami. The DRI logo is on the VitaZest label and a portion of the proceeds is donated to DRI.



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sales@hurricanejuice.com

www.thirstequalizer.com



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TAMPICO

Beverage Product Guide

Ski Citrus Soda

Double-Cola Co. USA
877/325-2652
myskisoda.com

Ski is a naturally flavored citrus soda. Made from only premium ingredients, Ski has remained true to its original formulation since 1956. Ski contains real lemon and orange juice concentrates, providing a unique citrus taste with full flavor. The Ski product line includes Regular, Diet Ski, Cherry Ski and Caffeine-Free Ski. Ski is regionally distributed in the Midwest and Southeastern United States. However, the company is looking for new distribution opportunities to introduce Ski in new markets.



Big RedJak

Big Red Ltd.
254/772-7791
bigredjak.com

The maker of Big Red soda has introduced Big RedJak energy drink. The energy drink is available in premium and low-carb varieties in 16-ounce cans.

The premium version contains natural sugar, inline with changing consumer preferences, the company says. Big RedJak was designed to appeal to a more mature consumer to bring potential new users to the energy category. The product has subtle ties back to Big Red in the name and red color. Big RedJak is distributed widely through a dedicated network.



Dad's Root Beer

The Dad's Root Beer Co. LLC
812/634-7622
dadsrootbeer.com

Dad's Old Fashioned Root Beer, tagged "America's Premium Root Beer," is a unique root beer with a loyal following. Dad's remains the flagship product of The Dad's Root Beer Co., and also is available in a diet version. The Dad's flavored product line also includes: Dad's Orange Cream, Dad's Creamy Red, Dad's Blue Cream and Dad's Cream Soda. The products are available in 20-ounce bottles, 1-liter "Big Daddy" bottles, 2-liter bottles, 12-ounce cans, and 12-ounce glass bottles. The company also offers Dr. Wells, Bubble UP and SunCrest brands.



Ad Index

Amoretti	11	Metromint/Soma Beverage Co.	3
www.amoretti.com		www.metromint.com	
Big Red	5	Tampico Beverages	13
www.bigredltd.com		www.tampico.com	
Cool Mountain Gourmet Soda	10	The Organic Beverage Company	Inside Front Cover
www.coolmountain.com		www.syzmo.com	
Havana Beverage Company	Inside Back Cover	Triple A Products	8
www.havanabeverage.com		www.drinkvitazest.com	
Healthy Innovations, Inc.	7	USA Beverage / Alex's Lemonade	6
www.HiBeverages.com		www.daretogodutch.com	
Hurricane Juice Company	12	VPX Sports	Back Cover
www.thirstequalizer.com		www.vpxsports.com	
Inko's LLC	9		
www.healthywhitetea.com			

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