

Coca-Cola's Q2 ahead of growth targets

The Coca-Cola Co., Atlanta, reported its second quarter and year-to-date 2011 operating results are meeting or exceeding the company's long-term growth targets and gaining volume and value share in total non-alcohol ready-to-drink (NARTD) beverages.

Reported worldwide volume grew 6 percent in both the quarter and year-to-date. Excluding new cross-licensed brands in North America, primarily Dr Pepper brands, worldwide volume grew 5 percent in the quarter and year-to-date.

Coca-Cola reported the North America Group's volume grew 4 percent in the quarter and 5 percent year-to-date. Excluding new cross-licensed brands, North America organic volume was flat in the quarter and up 1 percent year-to-date, with continued volume and value share gains across total NARTD beverages.

Sparkling volume was up 6 percent in both the quarter and year-to-date. Excluding new cross-licensed brands, organic volume for sparkling beverages declined 1 percent in the quarter and

year-to-date. Coca-Cola Zero delivered double-digit volume growth for the 21st consecutive quarter, up 12 percent, driven by strong marketing and continuing growth in foodservice, the company said. Fanta grew for the fourth consecutive quarter, up 7 percent, with strong retail activation.

North America still beverage volume grew 1 percent in the quarter and 4 percent year-to-date, led by Powerade with growth of 9 percent and Gold Peak tea's 38 percent increase in the quarter. Overall, the juice category was soft in the quarter as the company led industry pricing to offset commodity costs while still growing the Simply brand and expanding the availability of single-serve packaging, the company said. Both Vitaminwater Zero and Smartwater continued to grow double digits in the quarter.

Reported North America net revenue for the quarter increased 141 percent, primarily reflecting the acquisition of Coca-Cola Enterprises' North American operations, the company said. **BI**

Children's nutrition criteria introduced

The Children's Food and Beverage Advertising Initiative (CFBAI), a program of the Council of Better Business Bureaus, announced an agreement that will enforce uniform nutrition criteria for food and beverages advertised to children. The CFBAI, in collaboration with top food industry scientists and nutritionists, developed the nutrition criteria.

The new criteria encourage new products to contain less sodium, saturated fat and sugars, and fewer calories. According to the CFBAI, approximately one in three products currently advertised to children does not meet the new nutrition criteria, which means that many companies will need to reformulate their products

or they will not be able to advertise them after Dec. 31, 2013.

The new CFBAI criteria take into account food science, U.S. dietary guidelines and the real-world difficulties of changing recipes of well-known foods and beverages, the organization says.

The new criteria include juice and dairy beverages among various food categories. Each category has its own set of criteria. The juice category must not contain added sugars and the serving must contain no more than 160 calories. In the dairy category, an 8-ounce portion of ready-to-drink flavored milk is limited to 24 grams of total sugars. The sugars criteria include naturally occurring and added sugars for flavoring. **BI**

Starbucks announces new leadership

Building on its global momentum, Starbucks Coffee Co., Seattle, announced a new corporate structure to accelerate its growth strategy, which the company says will take effect by the end of September.

Starbucks' retail business currently is structured as Starbucks U.S. and Starbucks Coffee International (SCI), which encompasses 54 markets outside of the United States. Starbucks will move to a new three-region organizational structure that includes the following divisions: China and Asia Pacific; Americas, which includes the United States, Canada, Mexico and Latin America; and EMEA, consisting of Europe, the U.K., the Middle East, Russia and Africa.

John Culver has been named president of Starbucks China and Asia Pacific. Culver's focus and accountability will center on Starbucks' retail business in Asia Pacific, including China, Japan and Starbucks' newest market entry — India, the company says.

Cliff Burrows will expand his current role as president of Starbucks U.S. to president of the Americas region with responsibility for the United States, Canada, Mexico and Latin America.

Michelle Gass has been named president of Starbucks EMEA. In this role, Gass will provide overall leadership to Starbucks' company-operated markets in this region, including the U.K., France and Germany. She also will be responsible for growing and developing Starbucks' joint venture and licensed operations in Europe, Russia and the Middle East.

Seattle's Best Coffee (SBC) will continue to be an important growth opportunity, with a goal of becoming a \$1 billion business over time through expanded and innovative distribution channels, partnerships, licensing, franchising and consumer packaged goods initiatives, the company says.

The company also intends to build Tazo Tea into a globally recognized multi-billion dollar brand, it says. **BI**

On Nov. 22-26, Simej will host the 24th edition of its Simej-Enovitis trade show focusing on machinery and equipment for oenology, beverage production, bottling and packaging in Milan. The show is open to producers, bottlers and distributors of beverages.

The International Bottled Water Association will host its 2011 Business Conference in Las Vegas Sept. 26-30. This year's event, which is located at the MGM Grand Hotel, carries the theme of "Participate, Learn and Succeed" and will take place in conjunction with the Packaging Machinery Manufacturers Institute's Pack Expo conference at the Las Vegas Convention Center Sept. 26-28.

Coca-Cola South Africa launched the company's proprietary PlantBottle packaging in Africa and opened its new plant in Heidelberg, South Africa, for Valpré Spring Water production.

New Belgium Brewing, Fort Collins, Colo., broke ground on a 16,000-square-foot can line addition to its bottling hall. The new system is anticipated to come online in January and will increase the company's canning volume capacity six-fold, the craft brewer says.

Pernod Ricard USA, Purchase, N.Y., announced it obtained exclusive worldwide distribution rights for Tequila Avión. The spirits company also acquired a minority interest in the brand.

Brown-Forman Corp., Louisville, Ky., acquired the Maximus Vodka brand from Altia Plc. The spirits company acquired Finlandia Vodka from Altia in 2004 and has served as the exclusive distributor of Maximus in Poland since that time.

Harris Tea Co., a division of Harris Freeman & Co. Inc., Anaheim, Calif., announced its Moorestown, N.J., plant is operating on a state-of-the-art solar power system that is anticipated to offset approximately 60 percent of the site's power needs, according to the company.

Banfi Vintners, Old Brookville, N.Y., expanded its partnership with Chilean wine producer Concha y Toro by forming a sales and marketing group for the United States. The new venture is known as Excelsior Wine Co. and will exclusively distribute the Chilean wines of Concha y Toro as well as its Argentine property, Trivento, and the newly acquired Little Black Dress and Five Rivers lines of California Wines. Banfi Vintners also consolidated and re-structured its own sales and marketing group to represent the wines of its wholly owned Italian estates as well as its existing partnerships with international wine producers.

Skinny Nutritional Corp., New York, announced entrepreneur Russell Simmons made a significant investment in the beverage company following his work as a consultant to the company.

Hint Inc., San Francisco, announced musician John Legend became an investor and partner in the company.

Cascadia Managing Brands, Ridgewood, N.J., announced Noyu Asian teas appointed High 5 its distributor in Brooklyn, Queens and Staten Island, N.Y.

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