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SOFT DRINKS SALES OVERTAKE SPIRITS IN ON-TRADE FOR FIRST TIME

*Britvic report reveals UK soft drinks sales have offered on-trade some cheer
by growing to £2.4bn*

Sales of soft drinks overtook spirits in on-premise outlets for the first time in 2009 according to the 2010 Britvic Soft Drinks Report published today. In spite of the tough time UK pubs have experienced recently, soft drinks have offered some cheer as sales grew by 3% to £2.4bn, placing them ahead of staples of the out-of-home drinking experience, such as vodka, gin and whisky. The report found that soft drinks benefited from the continued shift towards licensed outlets becoming destination establishments that placed a greater focus on family and food.

Soft drinks sales increased most strongly in the managed chains, up 6%, reversing 2008's 4% decline. The licensed channel experienced yet another challenging year with overall sales of beers, wines and spirits down by 8% volume and 5% in value. The findings also demonstrate that although consumers remained cautious with their spending throughout 2009, soft drinks not only represented value for money, but also provided enjoyment within all budgets.

Pepsi overtakes Coca Cola to become the on-trade's best-selling soft drink

In terms of brands, Pepsi was 2009's big success story by overtaking Coca Cola to become the best-selling cola drink in the on-trade, growing by 10% and sales up to £475m. In terms of performance, it was followed closely by R Whites Lemonade, Britvic J₂O and Schweppes Lemonade.

Lemonade (up 4% to £437m) performed strongly and saw R-Whites Lemonade become the third biggest on-premise brand. Squash (growing by 5% to £178m) similarly performed well, and flavoured carbonates, buoyed by Irn-Bru 5% growth, also enjoyed strong growth, up 10%.

However, juice drinks (worth £228) declined by 2% and similarly, energy drinks sales (worth £108m) dropped by 2% as consumers switched away from the 'vodka and Redbull' trend and as cheaper brands came on to the market.

TOP TEN BRANDS

Value		%change
1. Pepsi Cola	£475m	+10
2. Coca-Cola	£446m	-1
3. R Whites Lemonade	£209m	+8
4. Britvic J ₂ O	£174m	-2
5. Schweppes Lemonade	£158m	+1
6. Red Bull energy	£92m	-5
7. Britvic mixers	£75m	+7
8. Schweppes mixers	£68m	-4
9. Britvic squash/cordials	£68m	+6
10. Britvic pure juice mixers	£54m	+6

Britvic retains its place as top supplier

Britvic retained its places as the top supplier in the licensed channel as its sales grew 6% to £1.1bn, representing a value share of 47%. Second placed CCE lost market share, with sales and volume down 1% and 6% respectively.

Murray Harris, Sales Director at Britvic, commented: "2009's soft drinks sales are a welcome return to form for the licensed channel. After a very difficult 18 months, we are seeing evidence that outlets that have refocused their offer to target families and women are reaping the benefits. By heavily marketing a food offering, outlets have also been able to boost their soft drinks sales. Soft drinks are a clear profit opportunity for the on-trade, which is demonstrated by its growth that has seen the category overtake spirits to become the second largest in terms of value sales."

To view the online version of the report & to download charts or a full pdf please go to

www.softdrinksreport.com

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