



Market

The Coca-Cola Company strives to be a special part of people's lives across more than 200 countries, more than 100 languages, a multitude of cultures and geographies. The company's core value lies in its commitment to all forms of diversity: race, gender, ideas and ways of living, cultures and business practices. The Coca-Cola Company believes that this value provides the creativity and innovation essential to its economic interests. The diverse approach of the company is also entirely reflected in its products.

The Cappy brand plays an important role on the juice market in Romania. The local market is very well delimited, consisting of three segments that are differentiated by their juice content and consumer composition: Still Drinks (4-24% juice content), Nectars (25-99% juice content), Juices (100% juice content, no added sugar).

In 2005, the juice market in Romania was particularly dynamic, increasing by 56% in terms of volume compared to the previous year.

Cappy developed faster than the market itself, registering an increase of 73% over this period.



According to MEMRB data, The Coca-Cola Company is the juice manufacturer that recorded the highest increase in the last two years, and consequently holds a leading position on the overall juice sector in Romania.

Achievements

Due to sustainable investment in brand equity, Cappy has played a major part in a very challenging and innovative marketplace.

Through constantly maintaining its leadership position within the juice market, Cappy is appreciated by all stakeholders for being a brand that has always kept its promises.

For The Coca-Cola Company, this brand is another success story, a brand that since its introduction in 1994 has improved its performance every year by expanding its portfolio and quickly responding to market needs and industry trends.

History

Each and every product of The Coca-Cola Company has its story. For more than a century, the adventure of succeeding on the international market has entailed perseverance, intelligence, managerial spirit, new advertising formulas, and sometimes, surprises.

It is well known that during the World War II, the US national soft drink, Coca-Cola, was present on all battlefields where Americans were fighting alongside the Allies.

But not many people know that, at the same time, another brand of The Coca-Cola Company was born in Europe - in Belgium to be precise. The story of patenting the Cappy soft drink in an Europe entirely engaged in the frenzy if not total war could well make for an exciting film.

On May 13th 1940, anticipating the imminent occupation of Belgium by the Germans, Carl West, the manager of the Coca-Cola branch in

Belgium, suggested that his employees seek refuge in France together with all their equipment and a stock of sugar. From there they intended to leave for England.

On Wednesday, May 15th, a truck and a bus containing 64 passengers, (a third of whom were children), set out on their journey. After a long and dramatic

journey, being chased and bombarded by the German air force, they managed to arrive at the English Channel, but it was too late to depart for England. Forced to return to Brussels,

together with his employees and their families, Carl West had the pleasant surprise of finding his plant untouched.

Despite the war, life continued. Unable to obtain supplies of the famous Coca-Cola concentrate from the States, Carl West invented an orange-flavoured drink that he called Cappy. Immediately adopted by the Belgians, Cappy became one of the most popular post-war brands of The Coca-Cola Company.

In 1940, researchers from The Minute Maid Company identified a way of preserving orange juice for a long period of time. At the beginning of the 1950s, the procedure for transporting orange juice over large distances was perfected. The novelty consisted in the fact that the juice was frozen and shipped to customers in specially refrigerated units.

In 1960, The Minute Maid Company, now the world leader in the fruit juice market, became a division of The Coca-Cola Company. Thus, the experience of more than 100 years of the powerful Coca-Cola Company was combined with the Minute Maid expertise.

Launched on the Romanian market in 1995, Cappy quickly became the number one choice for consumers of all ages.

The success of the Cappy brand led The Coca-Cola Company to launch a local variant - Cappy Tempo, a non-carbonated soft drink containing natural fruit juice.

A special moment in the history of the company is represented by the introduction, in the 1990s, of "Soft Squeeze Standard". Through this technology, the nectar of the best quality and carefully selected fruits is extracted by squeezing, not too hard, not too gently, so that the bitter taste of the peel does not make its way into the juice. As a result, the fresh fruit flavour of the soft drink remains intact.

This is why all Cappy juices taste so good.

Being a natural product, full of vitamins and energy, with no added preservatives, Cappy is the healthy choice for any time of the day. The fruits from which these juices are extracted are of the highest quality, and come from famous orchards, such as Brazil's orange-tree plantations.

Product

Fruit juices, fruit flavoured soft drinks and vitamin enhanced versions make this line of beverages a hit all over the world. Thanks to an extensive range of flavours that vary from country to country, local tastes are met in all sorts of creative ways.

The Cappy brand franchise in Romania consists of three product lines: Cappy Premium, Cappy Nectar and Cappy Tempo.

Cappy Premium selects the best fruits, offering consumers excellent taste, and a natural product full of vitamins and energy, with no added preservatives, that offers well-being throughout the day.

Each of the three Cappy Premium products is special: Cappy 100% Orange is a 100% fruit juice, with no added sugar, Cappy Multivitamin



contains six added vitamins, an original fruit combination (guava, mango, passion fruit, apricot, orange) and Cappy Blackcurrant is a new flavour, unique to the Romanian market, delicious and healthy due to its fruit content, which is known to be rich in antioxidants.

Cappy Nectar: seven ways to say "Good morning!" is based around the delicious juice of carefully selected fruits intended to offer the body both energy and a vitality boost.

On February 2nd 2002, Coca-Cola Romania launched Cappy Nectar in a new one litre (33.82 oz) - Tetra Pak box with a threaded cap.

Seven versions of Cappy Nectar are currently available in this packaging: orange, pear, peach, apricot, grapefruit, multi-fruit and cherry.

Cappy Tempo - "Love at first sight"

In 1994, Cappy Tempo was launched in Romania, as one of the first non-carbonated refreshing drinks with fruit juice. Cappy Tempo is a local brand that was developed especially for this market. While the mother brand Cappy ranks among the oldest Coca-Cola brands in Belgium and Austria, Cappy Tempo premiered in Romania.

Demand for the product has grown as consumers today are increasingly concerned about vitamins and relate health and vitality to the consumption of natural products.

A popular new variant called Cappy Selecții was introduced in 2003, in response to local demand for premium products and natural flavours. Cappy Selecții contains more than 99% natural juice and no added sugar. Cappy Selecții is known as Cappy Juice in some countries.

This soft drink quickly found favour with Romanians of all ages, enabling The Coca-Cola Company to continue satisfying its consumers. Thus, in recent years, new flavours - orange, grapefruit, peach, kiwi & lemon and Cappy

Taking this into account, Cappy strives to respond quickly to market trends and thus, in February 2006, Cappy blood orange was launched in Romania.

Promotion

As Cappy prefers talking to its loyal customers through one-to-one communication, Cappy has found innovative ways to reach consumers and has established a strong relationship over the years.

Every year, the Cappy team is looking for new ways to reward consumers through creative but efficient BTL activities such as in-store promotions, sampling programs, experiential marketing programs, national consumer promotions, etc.

A good example of a successful national promotion is the one that was implemented in summer 2004 under the title of "Reward the Olympian within you". The main promotion was linked to the Athens Olympic Games, offering a sense of general well-being and aspiration.

Brand Values

Generally, people are looking for simple ways to feel good. This means pursuing all round well-being and personal fulfillment.

Cappy is more than a juice. It's a way of life. More than anything, it exudes vitality. Cappy gives you the self-confidence you need.

This is a brand that leaves you feeling both emotionally and physically uplifted.

The Cappy brand has the potential to last and really influence people's lives, given the increasing concerns consumers have with regard to well-being. The brand is positive and engaging enjoying life in a spontaneous and healthy way.

The Cappy brand values mostly rely on the natural health-giving properties and high quality of the product.

THINGS YOU DIDN'T KNOW ABOUT

Cappy

- The Cappy brand was born during World War II in Belgium
- Cappy Tempo was developed especially for the Romanian market in 1994 and later introduced in other markets as well
- The Minute Maid Company is the biggest juice manufacturer in the world
- In 1940, The Minute Maid Company invented a way to preserve orange juice for a long period of time and later perfected the transportation of orange juice over large distances