

CHIVAS



Market

Chivas Regal ranks in the elite premium segment of the few global spirits brands, the only sector to show dynamic growth in Scotch whisky for both blends and malts. Chivas Regal sells over 30 million bottles a year - meaning that approximately every few seconds, 24 hours a day, and 365 days a year, somebody somewhere is enjoying a Chivas Regal.

Blended whisky has played a pivotal role for more than a century in the global success of the Scotch industry, and now accounts for 94% of whisky sales worldwide.

Chivas Regal is the number one selling premium whisky in Romania, accounting for more than 60% of the market in the premium whisky segment (Source: Pernod Ricard Romania).

Globally, Chivas Regal sells close to four million 91c cases (Source: IWVSR). In the recent years, Chivas Regal has been voted the world's most prestigious premium quality blended Scotch whisky in a survey of over 1,200 consumers in eleven key luxury consumer markets. The survey, conducted by the independent researcher Synovate, asked consumers to assess whiskies on prestige, sophistication and quality.

Achievements

In 2005, Chivas Brothers, the premium Scotch whisky company established in 1801 and bought by Pernod Ricard in 2001, received the ultimate Scotch whisky accolade, which is the much-

coveted Distiller of the Year title at the International Wine & Spirit Competition 2005. It is the second time Chivas Brothers has been named the IWSC Distiller of the Year in the past three years, winning the title for the first time in 2003.

This exceptional achievement came as a result of the accumulation of all the accolades Chivas Brothers won in 2005. The Glenlivet 21 Years Old Archive, the Chivas Brothers flagship single malt, was awarded the highest award in the competition, winning the Morrison Bowmore Distillers Trophy for Single Malt Scotch Whisky (over 12 Years Old). Moreover, Chivas Regal 18 Year Old was awarded a gold medal in the Scotch Whisky Deluxe Blend 18 Years Old category.

The International Wines & Spirits Competition is a major event representing a benchmark of



excellence, held annually for the last 25 years, to reward outstanding quality among the world's best wines, spirits and liqueurs. Today, the Chivas Brothers portfolio of brands includes: Chivas Regal, Ballantine's, The Glenlivet, Royal Salute, Aberlour, Clan Campbell, 100 Pipers, Something Special, Passport, Strathisla, Longmorn and Beefeater Gin.

History

The Chivas Regal history is the story of how the dream of the brothers James and John Chivas came true and how their passion led to the creation of Chivas Regal, a smooth whisky, perfect for sharing with friends.

In their ambition "to provide customers with products of the highest quality", the Chivas brothers, who were running a small business providing fine food and drink for their wealthy clientele, soon realised that they were unable to provide a whisky that would meet their standards. The Single Malts available at the time were harsh and often poorly matured.

It was at that time, around the turn of the nineteenth century, when James and John Chivas thought of blending together only the finest aged whiskies, producing a smooth and generous product that was very different to others available at the time.

Word of the fine quality products of the Chivas Brothers spread quickly, so that Queen Victoria, in her search for a local supplier of the finest food, liqueurs and spirits while in Scotland, granted them the Royal Warrant to supply

goods at the Balmoral Estate, where the Queen was living at the time. This marked the start of a long and harmonious relationship between Chivas Brothers and the Royal Family.

Later on, in the early twentieth century, Chivas Brothers created a masterpiece brand that is still a best-seller today - Chivas Regal.

Chivas Regal was born in 1909 at Speyside, in Scotland, a magical place with a unique natural environment that provided the essential ingredient to ensure the rich and generous taste of Chivas Regal, the Strathisla malts. Strathisla is produced at the oldest and arguably the most beautiful distillery in the Highlands of Scotland - the Strathisla Distillery. This, and many other fine malts from throughout Scotland, such as The Glenlivet, are brought together with the highest quality grain whiskies to produce Chivas Regal 12 Years Old. James and John Chivas never actually owned the distillery themselves. It was only later, in 1950, that the company was finally able to purchase the distillery - safeguarding the precious stocks of Strathisla single malt whisky for Chivas Regal.

Chivas Regal is justifiably proud of its Scottish ancestry, but the real secret of Chivas Regal's early commercial success lies across the Atlantic. Chivas Regal, with its smooth generous taste, seemed to embody the quality and craftsmanship that the 'new' Americans still held in high regard from the 'old world', and was quickly adopted in the finest homes throughout the US.

After World War II, in the 1950s, the US were experiencing a new age of prosperity. Chivas Regal became a by-word for luxury and was a favourite within wealthy consumers and celebrities alike, embodying a symbol of their exuberant lifestyle.

James and John Chivas had a vision to create a blended whisky that could be enjoyed and shared. Their inspiration still guides the brand today. These days, Chivas Regal 12 Years Old is the world's favourite premium whisky - enjoyed in over 150 countries. So, wherever you are, you'll find Chivas Regal at the heart of almost any occasion where good times are being shared with friends.

Product

Chivas today is a brand built on not one whisky, but two, Chivas 12 and Chivas 18 - a 'brand family' united by the exceptional product quality that is the common heritage of all Chivas Brothers' whiskies.



Chivas Regal 12 y.o. is a whisky to fully enjoy for its renowned smoothness and a honeyed, fruity taste. Master blender Colin Scott, explains: "To create the wonderful complex flavours that characterize Chivas Regal 12, we are able to draw on an unrivalled collection of fine, matured malt and grain whiskies, specially selected and laid down on a yearly basis by Chivas Brothers, a tradition upheld since the mid nineteenth century. Chivas Brothers' inventory is exceptional by any standards and includes the malts from some of the great Speyside distilleries: The Glenlivet, Strathisla, Longmorn, and Glen Grant."

Chivas Regal 18 y.o. offers an intensely rewarding and luxurious whisky experience because it is made from hand-selected whiskies of exceptional richness. Every cask of malt and grain whisky, which goes into Chivas Regal 18 Years Old, has been personally chosen by Master Blender Colin Scott. When Chivas Brothers produce Chivas Regal 18 Years Old, they are looking for a blend which bears all the hallmarks of the Chivas Regal style - smooth, stylish, impressive.

The result is impressive indeed.

When first introduced, the new whisky was immediately awarded a Gold Medal at the International Wine and Spirit Competition (1998).

One might assume it is simply a question of ageing the highly acclaimed Chivas Regal 12 Years Old for a further six years and bottling it.

Not at all; Chivas Regal 18 Years Old must exhibit the Chivas Regal style, yet offer a different facet of its personality.

Recent Developments

Since acquiring Chivas Regal in 2001, Pernod Ricard has invested significantly in enhancing the premium values of the whole Chivas range. Thus, in spring 2004, Chivas Brothers announced the launch of new luxurious packaging for Chivas Regal 12. The repackaging process was applied to both the bottle and the famous silver carton. Developed from Chivas Regal's existing image, the new packaging creates a fresher, more eye-catching look. The label retains subtle shades of gold, enhanced with a burgundy backdrop, recalling the warm character of the whisky and of the Chivas Regal brand. The new packaging was introduced onto the global market in April 2004.

In the autumn of 2004, Chivas Regal re-launched its super premium Chivas Regal 18. Ever since, Old Chivas Regal 18 has been carrying the 'Gold Signature' in recognition of its creator. Now, each bottle carries the signature of Master Blender Colin Scott as a key part of the packaging.

Promotion

In October 2003, a new global advertising campaign "This is the Chivas Life" was launched. The new 40 million euros global TV and print advertising campaign for Chivas Regal was a major push to revitalise the brand image.

Leading with the central theme 'This is the Chivas Life', the advertisements comprise a series of striking and original images. These depict experiences, which highlight the fulfilling benefits of shared enjoyment with Chivas Regal, encouraging consumers to make the most of life.

The new campaign is running worldwide and succeeded in capitalising on the dynamically growing premium segment, which now accounts for 40% of the total Scotch market, in terms of value, though making up 21% of total volume.

Brand Values

Chivas Regal's main brand values are: Generosity & Pleasure. Generosity is central both to the product (it is a full-flavoured whisky in a rounded, richly packaged bottle and box), and to the extension to the brand experience. Consistent with the idea of sharing, nothing that Chivas does should be other than generous - in thought, gesture or action.

Expansive in personality and abundant in product, Chivas is for someone who likes to share, to give, to be good to themselves and others. Offering Chivas to others is the mark of a good host; someone who is focused on making the occasion enjoyable and pleasurable for everybody.

Pleasure means that the brand believes in trying to make everything as pleasurable as possible. It's a point of view, a positive attitude towards life, and a refreshing one in a world, which believes that one has to earn pleasure, that it is a reward. Before Chivas came along, whisky had not been designed to be so pleasurable. Chivas was the first to create a rich, smooth, well-rounded whisky. In a sector where the product experience still often represents a masculine challenge, Chivas offers pleasure and an invitation to enjoy.

www.chivas.com

THINGS YOU DIDN'T KNOW ABOUT

CHIVAS REGAL

- > Chivas Brothers has an unsurpassed inventory of well-aged whisky to draw upon - malts from every region of Scotland and fine grain whiskies, each with their own individual characteristics and flavours
- > The name "Chivas" comes from Gaelic seamhas, meaning a narrow place in a river
- > The malts that go into Chivas Regal are produced in Speyside and the final product is blended at Dalmuir, near Glasgow