Rising Stars of the Beverage Market

*Market disruptors take center stage*

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The US beverage market is ripe for disruption

Generational shift
- Boomer influence declining
- Millennials are largest generation – 25% of population
- Millennial values differ - 2X more likely to buy organic

Aspirational consumers
- Focus on premium brands
- Premium outpaces value segments in beer, wine & spirits
- Sustainable, organic, healthy, etc.

Social media accelerates change
- Brand owners no longer control the message
- Focus on engaging discussion

“Small is sexy”
- Consumers increasingly favor small, “craft” brands
- Big brands struggle to remain relevant

Emerging ecosystem for small brands
- New retail and distribution options emerging
- Mainstream retailers seek differentiation
Disruption becoming a common theme in beverages

Revenue growth of craft spirits vs. total spirits

Volume growth of craft beer vs. total beer

Declining volume market share of top 3 brands across beverage categories

Source: Euromonitor
Innovation drives growth in newer categories

Bottled Water volume leads growth (m gal)

Source: Beverage Marketing Corporation

Strong dollar growth for Essentia

Source: IRI/Spins

RTD coffee sees significant innovation into new styles

Source: Euromonitor

US RTD Coffee Growth - Total USD Value

Source: Beverage Marketing Corporation
Today’s rising stars...

Paul Hletko, Founder & Distiller; Few Spirits
- Founding member of ACSA
- Pioneer in craft spirits space
- Evanston, IL- Home of Prohibition
- One of the largest craft whiskies in the US
- VERY unconventional “exit strategy”

Chris Campbell, Founder & CEO; Chameleon Cold-Brew
- Founded in 2010 in Austin, Texas
- Leader in the RTD cold brew market
- Makes ready-to-drink and concentrate in several different flavors
- Certified organic coffee with a focus on sustainability

Neil Kimberley, Chief Strategy Officer; Essentia Water
- Founded in 1998, now available in 30,000 locations across the US
- Ionized water with a PH at or above 9.5
- Superior rehydration compared with regular bottled water