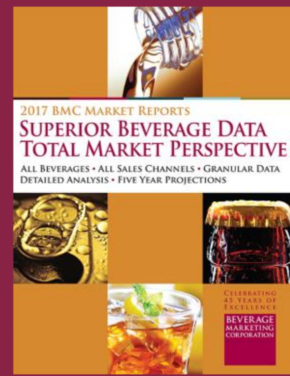
THE MULTIPLE BEVERAGE MARKETPLACE IN THE U.S.

2017 EDITION (Published June 2017. Data through 2016. Market projections through 2021.) More than 275 pages, with extensive text analysis, graphs, charts and more than 80 tables.



If you need the big picture, this U.S. multiple beverage industry overview from Beverage Marketing Corporation is for you. This comprehensive market research report covers the entire U.S. commercial beverage industry and includes data on retail and wholesale sales as well as volume, growth, per capita consumption and share of stomach across eleven U.S. alcohol and non-alcohol beverage types.

FOR A FULL CATALOG OF REPORTS AND DATABASES, GO TO bmcreports.com

AVAILABLE FORMAT & PRICING

Direct Download
$4,995

*To learn more, to place an advance order or to inquire about additional user licenses **call**: Charlene Harvey +1 212.688.7640 ext. 1962 charvey@beveragemarketing.com*

INSIDE:

HAVE QUESTIONS? Contact Charlene Harvey: 212-688-7640 x 1962
charvey@beveragemarketing.com

BEVERAGE MARKETING CORPORATION
850 Third Avenue, 13th Floor, New York, NY 10022
Tel: 212-688-7640 Fax: 212-826-1255

The answers you need

In addition, BMC's market research also offers key trends and statistics, discusses new products and contains exclusive projections for each category. The report provides an all-channel-inclusive picture, capturing 100% of volume, wholesale and retail dollars for each beverage category it covers. If you need cross-category perspective, you won't want to miss the wealth of information contained in this industry report. Get answers to questions including:

- How did the main beverage categories perform in the U.S. market in 2016? What share of stomach do they hold?
- What are the trends and developments in the latest alcohol and non-alcohol segment growth rates? How do market drivers and results differ between LRBs and adult beverages?
- How does each category's volume, growth and market share compare to their respective wholesale dollar sales and retail dollar sales results?
- How do various categories stack up in an all-sales-channel-inclusive, cross-category comparison?
- How have the different groups' market shares shifted over time? Which categories have exhibited consistent share erosion? Which categories are gaining share?
- How are these categories projected to grow over the next five years?

This report features

Highlights of *The Multiple Beverage Marketplace in the U.S.* include:

- An overview of development in the major categories, including a bird's eye view of the industry as a whole and discussion current industry trends.
- Concise discussions of eleven beverage categories: beer, bottled water, carbonated soft drinks, coffee (including break-out for ready-to-drink), distilled spirits, energy drinks, fruit beverages, milk, sports beverages, tea (including break-out for ready-to-drink) and wine. Also includes data for value added water.
- A breakdown of the industry by both volume, producers' sales and retail sales by beverage category, providing historical and current data, each beverage category's market share as well as growth trends.
- Per capita consumption figures.
- Bottled water data by segment including domestic non-sparkling retail premium PET, retail 1 - 2.5 gallon, direct delivery bulk, sparkling waters and others.
- A look at share of market held by tea bags vs. RTD tea, iced tea mix and loose tea as well as volume and growth statistics for each segment.
- Distilled spirits supplier sales, wholesale sales and retail sales by segment including vodka, rum, cordials and liqueurs, rum, straight whiskey, tequila, Canadian whiskey, Scotch, brandy & cognac, gin, blended whiskey, prepared cocktails and Irish whiskey.
- Consumption statistics for a broad range of adult beverages

- An executive summary of the U.S. wine market trends by segment including historical and current consumption for subcategories including domestic and imported table wine, domestic and imported champagne/sparkling wine, and domestic and imported vermouth/aperitif, plus a look at trends for domestic vs. imported wine consumption.

- Growth forecasts through 2021 are a key component of this report, allowing you to compare growth potential across beverage industry segments. Included are Beverage Marketing's five-year projections for volume, sales, market shares, per capita consumption and compound annual growth projections for each beverage group and analysis of the forces determining each category's future.

The Multiple Beverage Marketplace in the U.S.

June 2017

BEVERAGE MARKETING CORPORATION

RESEARCH • DATA • CONSULTING

NOTE: The information contained in this report is confidential and solely intended for the benefit of the immediate recipient hereof.

Table of Contents

Contents

TABLE OF CONTENTS

TABLE OF CONTENTS

Chapter

TABLE OF CONTENTS

Chapter

TABLE OF CONTENTS

Chapter

TABLE OF CONTENTS

Chapter

TABLE OF CONTENTS

Chapter

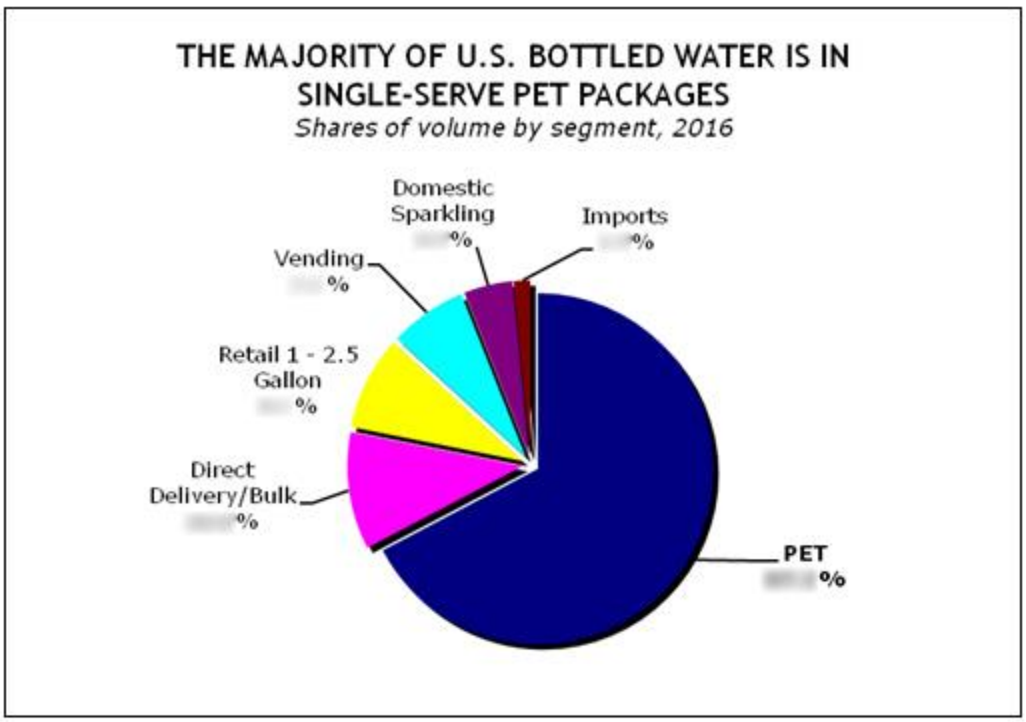
Some of the biggest developments in the industry several years into the 21st century concerned corporate structures rather than volumetric size.

- In summer of 2008, Anheuser-Busch (A-B) agreed to be bought by Belgian brewing giant InBev, resulting in Anheuser-Busch InBev (ABI).
- The year before the acquisition, A-B and InBev started to become intertwined when the American company gained import rights to InBev's European brands in the United States.
- Around the same time that A-B and InBev were starting to get to know one another, the products of earlier mergers also formed closer bonds. SABMiller and Molson Coors formed a joint venture dubbed MillerCoors, which combined the operations of their respective U.S. subsidiaries, Miller Brewing and Coors Brewing. The entity involving all of the two companies' brands in the U.S. market formally became active almost simultaneously with A-B and InBev's decision to combine.
- To shore up its craft beer credentials, ABI in spring 2011 purchased Goose Island of Chicago. In spring 2013, the brewer initiated nationwide distribution of Goose Island beer. It picked up two more specialty brewers, Blue Point Brewing Company and 10 Barrel, in 2014. In 2015, ABI instituted the High End as the unit operating its craft and imported beers. In May 2017, Ashville, North Carolina-based brewer Wicked Weed joined the High End.

Overview (cont'd)

- In a major move in 2012, ABI made a bid to buy the (nearly) half of Grupo Modelo that it didn't hold already, a deal that would also affect Crown Imports, which formed as a joint venture between the Mexican brewer and Constellation Brands but which would become a Constellation property.
- After the proposed deal was announced, in June 2012, ABI agreed to modify it in order to satisfy U.S. regulators.
- When the reconfiguration was completed – deals closed in summer 2013 – ABI had acquired Grupo Modelo but Constellation Brands acquired the Piedras Negras brewery in Nava, Mexico, and rights to distribute Corona Extra and its stablemates in the U.S. market. Constellation became the sole owner of Crown Imports by acquiring the portion that had been held by Grupo Modelo.
- In spring 2014, ABI repurchased Oriental Brewing, a South Korean brewer it had sold a few years earlier.
- In September 2014, Eugene Kashper, chairman of Russian beer company Oasis Beverages, in conjunction with TSG Consumer Partners acquired Pabst Brewing Company, which the Metropoulos family had purchased a few years earlier.

- ABI continued to add to its collection of craft brewers with the purchase of Seattle, Washington-based Elysian Brewing Company in early 2015 and Los Angeles, California-based Golden Road Brewing later in the year.
- In September 2015, ABI publically acknowledged that it aimed to combine with SABMiller in a potentially massive deal. It began making cash offers to buy SABMiller in October. The first few were rejected, but on 13 October the companies agreed in principle to a tentative $104 billion deal. In the months that followed, ABI tried to engineer divestments in order to appease regulators in various parts of the world. According to plans announced in 2016, the company intended to sell SABMiller's stake in MillerCoors to the other party in the joint venture, Molson Coors, and to sell off various holdings in Europe and Asia.



Source: Beverage Marketing Corporation

Exhibit 1.2

U.S. BEVERAGE MARKET

SHARE OF VOLUME BY CATEGORY

2011 – 2016

Categories	2011	2012	2013	2014	2015	2016
Bottled Water	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Carbonated Soft Drinks	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Coffee	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
RTD Coffee	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Beer	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Milk	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Tea	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
RTD Tea	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Fruit Beverages*	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Sports Beverages	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Wine	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Energy Drinks	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Value-Added Water	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Distilled Spirits	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Subtotal	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
All Others**	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%
TOTAL	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%	[illegible]%

** Includes liquid fruit juice and fruit drinks; excludes powdered fruit drinks and vegetable juices.*

*** Includes tap water, vegetable juices, powders and miscellaneous others.*

Source: Beverage Marketing Corporation; Distilled Spirits Council of the United States; Florida Department of Citrus; International Dairy Foods Association; U.S. Tea Association