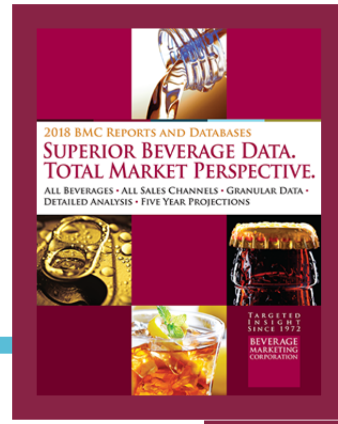
Ready-to-Drink Tea in the U.S. through 2022

2018 Edition (Published October 2018. Data through 2017. Market projections through 2022.) More than 250 pages, with extensive text analysis, graphs, charts and more than 90 tables.



The comprehensive ready-to-drink tea market report examines the U.S. tea market with a focus on RTD tea market trends (pre-packaged, bottled or canned tea). It provides statistics on regional markets as well as historical and current sales data for the leading companies and brands.

Packaging, distribution, advertising expenditures and demographics are discussed in detail, with data to back up the insights provided. The industry research also covers kombucha, looks at refrigerated (RFG) RTD tea vs. shelf stable trends, tea types and flavors, the organic tea market and much more.

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The answers you need

The U.S. Ready-to-Drink Tea report provides in-depth data and market analysis, shedding light on various aspects of the market through reliable data and discussions of what the numbers really mean. Questions answered include:

- What are the latest trends behind RTD tea's performance in the U.S. market?
- How many gallons of RTD tea did U.S. residents consume in 2017 and the early part of 2018?
- What is the latest news regarding organic tea?
- How has RTD tea fared in comparison with the broader New Age beverage category?
- How has the RTD tea packaging mix changed in recent years?
- What are the principal distribution channels for hot and RTD tea?
- Which price segment of RTD tea will grow the most to 2022?

This report features

Ready-to-Drink Tea in the U.S. through 2022 offers an in-depth look at the category, companies and brands shaping the RTD tea market and the market drivers impacting current and anticipated growth through 2022.

It provides perspective on the segment and its many facets, providing sales and volume statistics including total-market retail dollar sales, wholesale dollar data and volume data. Through a combination of discussion backed by Beverage Marketing's reliable, all-sales-channel-inclusive data, users get a thorough understanding of all facets of the RTD tea market including:

- Discussion and dollar sales of the New Age beverage market, as well as volume and dollars for the various tea segments and analysis of U.S. and global tea trends.
- An overview of the New Age market, as well as diet vs. regular RTD tea trends, pricing and per capita consumption. Quarterly RTD tea market growth data is also provided
- A look at the tea market by price segment, breaking out five tiers from regular and fountain through superpremium
- Detailed profiles and analysis of the leading companies and brands, discussions of their marketing activities and distribution strategies as well as company and brand sales volume data. Coverage includes Pepsi-Lipton Tea Partnership, Coca-Cola Company, Keurig Dr Pepper, Ferolito, Vultaggio & Sons, Dunn’s River Brands, Brands Within Reach and others
- A look at wholesale dollar sales and case volumes for leading RTD tea brands including Arizona, Lipton, Gold Peak, Fuze, Nestea, Teas' Tea, Peace Tea, Honest Tea, Turkey Hill, Milo's and more
- Regional consumption patterns of RTD tea volume, as well as regional breakdowns of wholesale dollar sales and regional per capita consumption
- A look at hot-fill and cold-fill trends and volume by package type, including plastic, cans, glass and paperboard carton; includes detailed volume by package size of both shelf-stable and chilled RTD teas

- Data detailing volume by key distribution channels totaling 100% of market volume
- An overview of the kombucha and organic tea markets
- Advertising expenditures of the leading RTD tea and hot tea companies and a look at category spending by media type (including Internet and Spanish-language network advertising)
- Consumer demographic profiles comparing consumers of key RTD tea brands
- Data on green and black tea imports and exports
- Five-year projections for the overall tea market as well as RTD tea and its sub-segments

Ready-to-Drink Tea in the U.S. through 2022

October 2018

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.

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One of the main dividing lines in the RTD tea industry was between hot-fill, premium teas and popular, cold-fill teas.

- The hot-fill teas enjoyed a perception of better taste and premium positioning while cold-fill teas enjoyed a price advantage and widespread availability. While cold-fill entries took over the lead in the 1990s, hot-fill brands regained the lead in the early 2000s.
- However, to this day, hot-fill products create expense and complexity that make them an uneasy fit with the established systems of the major soft drink marketers and their bottlers.
- By now, however, the big beverage companies are building in a substantial amount of their own hot-fill capacity and learning to adapt to the complexities of offering all-natural products as a greater part of their mix. Coca-Cola's ongoing refranchising of its bottling operations in North America reversed course from a requirement that the company retain control of all manufacturing, with a view of garnering greater economies on the hot-fill side, in favor of allowing the more-agile bottlers to continue to manage these operations.
- The distinction between glass and plastic started to wane when RTD tea marketers such as Snapple and Arizona and Coca-Cola began to use plastic packages for their hot-fill products. Plastic has several advantages — i.e., portability and unbreakability — vis-à-vis glass. That is not to say that glass was abandoned. Snapple continued to package most of its volume in glass even as it introduced plastic packages. However, Snapple recently introduced a new 16-ounce plastic bottle that has replaced its iconic 16-ounce glass bottle.
- Arizona had a healthy business in glass although a majority of its volume had migrated to plastic and other materials. What's more, it has lessened greatly its reliance on glass after the introduction of a hot-fill plastic bottle created by Plastipak.
- Also, distinguishing what is premium and what is not is becoming more difficult. For example, Arizona was once classified as premium, but is now considered part of the regular RTD tea segment since many of its products — such as the gallon size — sport a relatively low unit price.

Exhibit 2.21

THE NATIONAL RTD TEA MARKET

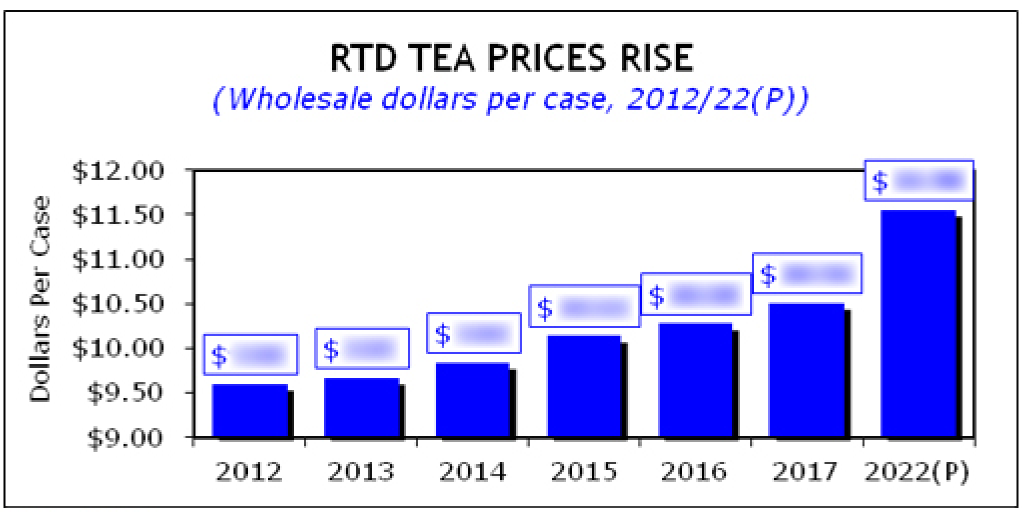
SHARE OF VOLUME BY PRICE SEGMENT

2012 – 2022(P)

Segment	2012	2013	2014	2015	2016	2017	2022(P)
Regular	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %
Premium	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %
Popular Priced	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %
Fountain	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %
Superpremium	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %
TOTAL	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %	[illegible] %

(P) Projected

Source: Beverage Marketing Corporation



(P) Projected
Source: Beverage Marketing Corporation