



## THE MARKET

The Australian spirit market has steadily grown at a modest rate over the past 10 years. This counters the decline in beer and wine per capita consumption.

More than ever, consumers have a huge array of choice with consumer trends causing different spirit categories to become more or less popular.

Throughout it all Bundaberg Rum has remained the most popular Australian spirit with one in every ten spirits consumed today being a Bundaberg Rum.

In a market swamped with imported spirit brands, Bundaberg Rum is one of the few that is locally produced. And while the alcoholic market has been declining for the past few years, sales of Bundaberg Rum continue to grow.

The Bundaberg Rum brand, including the ready-to-drink cans is worth over \$230 million in retail sales a year in a total spirit market worth over \$1.9 billion dollars.

## ACHIEVEMENTS

If you ask an Australian about rum, then chances are they will tell you about the famous golden rum from the north, Bundaberg Rum. Known affectionately as 'Bundy', the brand has become a national icon over the last 108 years and is one of the most well known and best loved brands in the country.

The "Famous Bundaberg Rum" was first produced by the Bundaberg Distilling Company back in 1889. In those days, the company produced around 5,500 cases compared to the some 600,000 cases of Bundaberg Rum produced annually today.

In the last 20 to 30 years the brand has experienced phenomenal growth. Currently, Bundaberg Rum has 10% of the overall spirit market in Australia.

With such tremendous success at home, Bundaberg Rum is increasing its export program taking the great taste of 'Bundy' to overseas markets in Asia, the United States and United Kingdom.

## HISTORY

Australians are very proud of 'Bundy'. Deeply rooted in the history of Queensland and regional Australia, Bundaberg Rum has become an important part of Australian folklore.

Bearing the name of the town where it is made, this extremely popular drink dates back over 100 years to when the Bundaberg Distilling Company was first formed by a consortium of local sugar millers.

With the sugar industry

flourishing, the millers saw an added opportunity to produce rum from sugar cane and so formed the Bundaberg Distilling Company in November, 1888.

From that time until the present, this unique Queensland company has survived despite two major fires, the first in 1907 and the second in 1936, both of which threatened to completely destroy the distillery.

In the early days of Australia's history, Bundaberg Rum was popular amongst drovers and the people on the land because it was portable, didn't have to be chilled and could be enjoyed at the end of a long hard day.

Australian diggers also loved the spirit. In the First and Second World Wars the manufacture of rum was a preferred industry, viewed as essential to the war effort. During this time almost the entire Bundaberg Rum production was commandeered by the armed services, with little left over for the general public.

Back in those days, Queensland's favourite drink was recognised more by its taste than by its packaging. Bottled by agents all over Australia, it was the full bodied, rich and distinctive flavour of Bundaberg Rum that distinguished it from any other.

To gain tighter control of their precious product, in 1961 the Bundaberg Distilling Company decided to award the sole rights for the marketing of Bundaberg Rum outside Queensland to Australian Rum Distillers Pty Ltd.

This company was owned 54% by Millaquin Sugar Company (of Bundaberg) and 46% by Samuel McMahon who owned the Argyle Bond and Free Stores, then the oldest bond in Australia situated in Sydney's historic Rocks district.

This proved to be an excellent move and the present day look of Bundaberg Rum owes a great

deal to Sam McMahon, the brother of former Prime Minister, Billy McMahon. Sam designed the distinctive square bottle and the memorable three piece label. The polar bear which is featured on the top label was also Sam's idea.

To many, the polar bear seemed a strange choice as the trade mark for a product produced in tropical Bundaberg, but Sam McMahon believed the polar bear implied that Bundaberg rum could ward off even the wickedest chill!

The trade mark has stood the test of time and the Bundy polar bear is still one of Australia's most recognisable trade marks.

Although originating from Queensland, Bundaberg Rum has been embraced by all Australians receiving passionate support from "yachties" across the country, jackaroos in the Victorian Highland Country, miners in Kalgoorlie, Baramundi fisherman in the Northern Territory, university students and all Australians who enjoy having a good time.

Since 1991, United Distillers Australia has marketed and distributed Bundaberg along with ready-to-drink cans of Bundaberg Rum and Cola and Dark & Stormy.

Today, the popularity of Bundaberg Rum

continues to grow with people all over Australia travelling to Bundaberg to visit the famous distillery and sample some of its product.

## THE PRODUCT

Most Bundaberg Rum drinkers credit the popularity of their drink to its full, rich and distinctive taste. Nothing else tastes like it.

Born out of the burning sugar cane fields of tropical Queensland it is a product determined both by climatic and maturation factors.

Master Distiller at The Bundaberg Distilling Company, Dr Lou Muller attributes Bundy's success to the quality of the ingredi-







ents and the fine craftsmanship used in the distilling process.

Only the finest quality sugar cane, grown in Queensland's rich and volcanic soil, is used to give Bundaberg Rum its unique flavour.

Matured in American white oak vats for between two to three years, the taste and aroma are regularly checked to ensure that they are developing to produce a quality rum worthy of the Bundaberg name.

The richly flavoured and full bodied rum, is as famous throughout Australia as the trademarked polar bear on the Bundaberg Rum bottle. So popular is it throughout the country, that many people proudly refer to it as the 'spirit of Australia.'



At the numerous B & S (Bachelor & Spinster) Balls attended by thousands of young adults throughout regional Australia each year, Bundaberg Rum is consumed more than any other spirit.

#### RECENT DEVELOPMENTS

In recent years, the Bundaberg Rum product line has been extended with the launch of Bundaberg Rum's Dark & Stormy in 1994 and the premium Bundaberg Black in 1995.

The successful Dark & Stormy is a unique blend of Bundaberg Rum and naturally brewed Bundaberg Ginger Beer. Served icy cold in a stylish long neck bottle or can, the ready-to-drink spirit has proven popular with lovers of Bundaberg Rum and younger consumers looking for a sophisticated alternative to beer.

In October 1996, United Distillers announced its first sponsorship in the 18 foot Grand Prix Sailing competition with a skiff called "Bundaberg Rum's Dark & Stormy".

Televised around the country by Channel 7, the involvement in Grand Prix Sailing was a first for the company and represented a major investment in the Dark



& Stormy brand.

Bundaberg Black, the new Australian premium quality rum with a taste as smooth as silk, was launched by United Distillers in 1995.

Described as "the pride of the distillery", the new drink came about as a result of the work of Dr Muller who set aside one vat of special Bundaberg Rum each year from 1985. Left to age slowly in a quiet, cool and dark corner of the maturation warehouse at the Bundaberg Distillery, this unique spirit is a rich, smooth, mellow rum with a deep red glow reminiscent of the burning cane fields.

Each vat produces approximately 10,000 cases of individually numbered bottles of the limited edition Bundaberg Black. So far only two vats have been released onto the Australian market with the third vat to be released in 1997.

Praised by spirit critics such as the Sunday Age's Mark Shields who described the drop as "wonderfully mellow and refined", it is expected that the '97 release will be snapped up as quickly as the two previous releases.

#### PROMOTION

The polar bear on the bottle's label has been the symbol of Bundaberg Rum since the early 1960s.

In 1994, the polar bear featured in a major cinema and television campaign which was immensely popular and re-inforced the value of this famous trade mark.

Focused on the spirit of "good times" the "Bears" advertisement is still being aired on TV and in selected cinemas around the country.

On-premise promotions in hundreds of pubs and clubs nationally and special on-pack bonus offers for consumers also help to promote the brand.

Bundaberg Rum has long been involved with the famous Tamworth

Country Music Festival and has an enormous presence in the town during the festival with local pubs and taverns offering festival goers the chance to win great Bundy prizes.

Other Bundaberg Rum sponsorships include the numerous promotions in Hobart pubs and clubs following the popular Sydney to Hobart yacht race as well as sponsorship of the Stradbroke Fishing Classic each year. These promotions reflect the legendary association between the sea and rum and the huge response received for the brand from Australian 'yachties' and fisherman.

The brand is also well known for its association with rodeos and supports numerous rodeo events across the country.

The new Bundaberg Rum web site (<http://www.bundabergum.aust.com>) enables Bundy fans to gain information on their beloved drink via the internet. Visitors to the site can do a virtual walk through the distillery, order any of the fantastic Bundaberg Rum branded merchandise available or play the fun Bundy Good Time Game. The site has received over 1.5 million hits in its first year.

The huge popularity of the Bundaberg Rum merchandise program is testimony to the



appeal of the brand. This immensely successful direct mail program allows Bundy fans to order the very latest in branded Bundaberg Rum fashion, accessories and other fun items.

#### BRAND VALUES

Bundaberg Rum is a contemporary, Australian brand enjoyed by adults of all ages. It is known as a genuine, accessible and unpretentious brand that is all about 'good times', sharing a drink with your mates and enthusiastically embracing life. It embodies the spirit of Australia and the down-to-earth relaxed attitude for which Australians are renowned.

One of the few national brand icons, it is as famous and popular as other Australian icon brands such as Vegemite, Qantas and Fosters. Like a good mate, it has attracted many terms of endearment over its 108 year history and to that extent "Bundy" is now a part of Australia's everyday vernacular.

"Bundy's" tremendous popularity with young adults is testimony to the brand's relevance and authenticity.

#### Things you didn't know about Bundaberg

- 20,000 standard drinks of Bundaberg Rum are sold every hour in Australia.
- Molasses is used to produce both Bundaberg Rum and Russian vodka.
- Bundaberg Rum was rationed in the early 1980s and nearly ran out of stock in 1997 due to an increase in sales beyond expectations.
- One in every ten bottles of spirit sold in Australia is a Bundy.
- Approximately 1,000 people go through the Visitors centre at the Bundaberg Distillery each week.
- Dr Lou Muller, the Master Distiller, has worked at the Bundaberg Rum Distillery for 27 years. He has 4 degrees including a PhD in distilling.
- Boat crews in the Sydney to Hobart yacht race use jugs of Bundy & Cola as currency in wagers on the race.