



Market

Finlandia Vodka was launched in 1970 as the world's first premium vodka brand. Today, it plays in a highly competitive environment where the image and product quality play the key roles. There are a large number of internationally established players in the segment, with several new entering each year. As image is important, premium vodka brands invest heavily in advertising and promotion, and put a lot of effort in package development as the package has become an important part of the consumer's choice of vodka brand.

Premium vodkas have enjoyed an upward trend for several years in the US and Western Europe, and recently also in Central Eastern Europe. In 2004, the premium vodka category totalled over 680 million liters. While unflavoured vodkas still represent more than 80% of the category, much of the segment growth comes from flavoured vodkas, especially in



the US where new flavour introductions have become increasingly important in attracting new consumers and creating excitement around vodka brands. (Source: Impact)

Achievements

Finlandia Vodka is sold in more than one hundred countries. In 2004, it ranked seventh among the world's premium vodkas. In July 2005, the shipments from Finland passed the landmark of two million cases (18 million litres) a year. The biggest markets for Finlandia are the US, Poland, Puerto Rico, Canada and the international travel trade. In Poland and Puerto Rico, Finlandia is the number one imported premium vodka, and in travel retail Finlandia is among the three leading vodka brands.

Finlandia Vodka was the very first designer vodka. Its first bottle was designed in 1969 by the internationally renowned Finnish art

glass designer Tapio Wirkkala. Since the 1980's the package has gone through several evolutionary changes, always remaining faithful to the original inspiration for the first package, the element of ice. The current package, launched globally in 2003-2004, is taller and more slender than its predecessors and features an ice punt bottom and a back surface reminiscent of melting ice. The three generations of Finlandia packaging have all received recognition and awards for their design.

History

The producer of Finlandia Vodka, Altia Corporation, has a history of spirits production in Finland dating back to 1888. In the late 1960's, after 80 years of focus in the local market, the company saw an opportunity in the American cocktail culture in which vodka had become a favourite.

Research had shown that Finland had an excellent reputation in the US, and the new vodka was created to celebrate all the best elements of Finland: nature, authenticity, purity, quality and high technological skills. The name Finlandia was selected as it unambiguously proclaimed the origins. Finlandia Vodka was the first premium vodka in the US targeted to a highly discerning consumer with an interest in the exotic.

The original bottle had a surface mimicking ice on a late autumn creek in the Lapland fells. The dark blue label featured a white reindeer and a red Midnight Sun to give a sense of Lappish exoticness.

The product was first introduced to the Scandinavian duty-free market in 1970, followed by the US in 1971.

Product

Purity and quality define Finlandia Vodka. It is made of pure glacial spring water, and the highest quality six-row barley. The barley is grown in a clean environment on carefully selected Finnish farms. It ripens fast in the long days and white nights of the northern summer. The short but intensive growing season and the frosty winters contribute to the natural purity of Finlandia Vodka.

Distillation takes place in a series of seven 25 meter (81 feet) high columns using an innovative multi-pressure system. Any remaining impurities are removed as the barley spirit is distilled in a continuous process through more than 200 distillation steps. Due to the technology, there is no need for active carbon filtering or other methods of further purification.

To make Finlandia Vodka, the distilled barley spirit is mixed with pure spring water. The spring water is naturally filtered through deposits of moraine, formed during the Ice Age 10,000 years ago. The water, pumped from 18 meters' depth, is so pure that it can be used as such.

From the planting of the barley seed to bottling, the production of Finlandia Vodka is covered by an extensive quality control system of the highest standard.

Finlandia product range includes the classic unflavoured Finlandia Vodka, Finlandia Cranberry Fusion, Finlandia Lime Fusion, Finlandia Mango Fusion, Finlandia Redberry Fusion and Finlandia Wild Berries Fusion.

Recent Developments

In 2000, the ownership of the Finlandia brand was transferred from Altia to a new com-





pany, Finlandia Vodka Worldwide, a joint venture of Altia and American Brown-Forman Corporation. By 2004, Brown-Forman had acquired 100% of the company. The development has meant significant steps forward for Finlandia, as Brown-Forman are capable and determined to invest in the future of the brand. The brand concept is developed by an international team, respecting the natural purity and the origins of the brand. Finlandia Vodka continues to be produced and bottled by Altia Corporation.

In 2003-2004 Finlandia launched its third-generation bottle with great success. Increased and focused marketing activities and new flavour introductions have also contributed to the positive development of the brand and in recent years Finlandia has shown double digit growth.

Promotion

Since the beginning, purity, high quality and the authenticity have also been the cornerstones for Finlandia's advertising and promo-

tional concepts. In the 1970's the advertising campaigns promoted Finlandia as "A vodka for vodka lovers" and "The vodka for vodka purists". By the mid-1980s the same theme had evolved into "The world's finest vodka. On ice." In each campaign, the ice bottle was the key visual element. The highly praised 1991-1994 campaign "Vodka from the Top of the World", introduced a new visual approach, emphasizing the exotic qualities of Finland. In the following years, campaigns were more focused on quality and style, while still relying on the on the attributes of pure and cold. In 2005, Finlandia returns to its roots by celebrating its natural purity and authentic heritage.

On-trade promotions are important as bars and restaurants that offer natural surroundings for people to try new products. Finlandia's biggest on-trade promotions include 'The International Finlandia Vodka Cup', a contest for professional bartenders, and Finlandia Midnight Sun promotions, celebrating the Northern summer nights. In 1998-99 Finlandia shared the success of

Finnish Formula One driver Mika Häkkinen as the partner of the West McLaren Mercedes racing team. In 2002, Finlandia was featured in the James Bond Film "Die Another Day", as the vodka of one of the most discerning vodka drinkers, Agent 007.

Brand Values

Since its inception, Finlandia brand values have remained the same: purity, high quality and authenticity. These values have been the driving themes behind the success of Finlandia Vodka. In today's world Finlandia believes that more and more consumers will appreciate such qualities and values: Finlandia is a brand for people with integrity who place value on the contents. Typical Finlandia consumers do not go with the masses, but stand on their own feet and make their own choices. Finlandia continues to represent the very best of Finland.



THINGS YOU DIDN'T KNOW ABOUT...

Finlandia Vodka

- Finlandia Vodka is made only in Finland and exclusively from Finnish six-row barley which offers the highest quality starch and lowest fatty oils of any distilling grain.
- The pure spring water used in Finlandia is so pure that any artificial filtration would in fact reduce its purity. Therefore it is used as such.
- The white reindeer on the Finlandia label refer to a love story based on an ancient legend from Finnish Lapland. According to the people in Lapland, the white reindeer are also a good omen: If you ever see the sun, the moon and a white reindeer at the same time, any wish you make will be granted.

www.finlandia.com