



THE MARKET

Coca-Cola, the world's number-one brand, is a symbol of refreshment to people around the world. The instantly recognizable shape of the Coca-Cola contour bottle and the flowing script of its distinctive trademark are a familiar part of people's lives. In fact, nearly half a million times every minute of every day, someone chooses a Coca-Cola — classic, diet, or light, with vanilla, lime, cherry, or lemon, with or without caffeine. Soft drinks have been part of the American lifestyle for more than 100 years and continue to be America's favorite refreshment. In fact, one-fourth of all liquids consumed are carbonated soft drinks, and retail sales of soft drinks total \$65 billion annually.*

ACHIEVEMENTS

From its birthplace and headquarters in Atlanta, Georgia, The Coca-Cola Company now has operations in 200 countries. Coca-Cola, the company's flagship brand, has long been the number-one-selling soft-drink brand worldwide. Every day, people all over the globe enjoy Coca-Cola or one of the company's many other beverages. Today, the company is a total beverage company with product offerings that extend well beyond carbonated soft drinks to include juice drinks, sports and energy drinks, waters, tea, and more.

From the early days, Coca-Cola has been part of major events in North America and around the world. In World War II, the company assured that every member of the U.S. armed services was able to obtain a Coke for five cents, regardless of the remoteness of duty station or cost to the company. To fulfill that pledge, the company assembled bottling plants in 64 locations in Europe, Africa, and the Pacific. The war effort extended the company's



reach beyond North America, positioning the company for postwar worldwide growth. Significant Coca-Cola milestones over the last 25 years include the opening of the Soviet Union as a market, re-entry of Coca-Cola products into China in 1979, and the launch of Coca-Cola into space aboard the *Challenger* space shuttle in 1985. Coca-Cola celebrated its centennial in 1986 and has sponsored every Olympic Games since 1928.

Tennessee, secured from Asa Candler exclusive rights to bottle and sell Coca-Cola in nearly all of the country. In turn, they granted other individuals exclusive territories for community bottling operations. Those efforts laid the groundwork for what grew to become a worldwide system of Coca-Cola bottlers.

The company's response to the imitators who quickly arose included the adoption of one of the



The Coca-Cola Bottle

HISTORY

On May 8, 1886, pharmacist John Stith Pemberton made a caramel-colored syrup and offered it to the largest drugstore in Atlanta. But first-year sales averaged only nine a day, and Pemberton was never able to see his product's success. He died in 1888, the same year in which Atlanta businessman Asa G. Candler began to buy outstanding shares of Coca-Cola.

Within three years, Candler and his associates controlled the young company through a total investment of \$2,300. The company registered the trademark "Coca-Cola" with the U.S. Patent Office in 1893 and has renewed it since. ("Coke" has been a trademark name since 1945.) By 1895, the first syrup manufacturing plants outside Atlanta had been opened in Dallas, Chicago, and Los Angeles. Candler reported to shareholders that Coca-Cola was being sold "in every state and territory of the United States."

As fountain sales expanded, entrepreneurs attracted additional consumers by offering the drink in bottles. Large-scale bottling began when Benjamin F. Thomas and Joseph B. Whitehead of Chattanooga,

most famous product containers ever developed — the unique, contour Coca-Cola bottle, created in 1915 by the Root Glass Company of Indiana and approved as standard by the company's bottlers the following year.

In 1919, a group of investors headed by Ernest Woodruff, an Atlanta banker, purchased The Coca-Cola Company from the Candler interests. Four years later, Robert W. Woodruff, Ernest's 33-year-old son, became president of the company and led it into a new era of domestic and global growth over the next six decades.

Since Woodruff's time, Coca-Cola has always placed high value on citizenship. Today, as part of the Coca-Cola Promise to "benefit and refresh everyone who is touched by our business," the company strives to refresh the marketplace, enrich the workplace, preserve the environment, and strengthen communities. Working through The Coca-Cola Foundation and other avenues, the company's lead philanthropic efforts are focused on education and youth achievement. The Coca-Cola Company's five-year, \$1 billion commitment to diversity through a comprehensive empowerment and entrepreneurship program offers individuals and small

make it loud. make it break
decibel records. make it
a sonic boom. make it a
big deal. make it real. make
it a song. make it a move-
ment. make it so huge
that it swallows up the
whole scene. make it
blow the doors off. make
it make your idols scratch
their heads. make it a
reason to get up in the
morning. make it rattle
off the walls and make it
an echo you'll remember
for your whole life.



businesses many opportunities as well. On the corporate side in 2004, E. Neville Isdell assumed the position of chairman and chief executive officer of The Coca-Cola Company. Mr. Isdell became the company's 12th chairman of the board in its 110-plus-year history.

THE PRODUCT

Life is a series of special moments, and each is an opportunity for Coca-Cola to add its bit of magic. From the look and feel of the bottle to the sound of effervescence, the tickle of fizz on the nose and tongue, and of course the unique flavor, Coca-Cola is a sensory experience. But consumer emotions, memories, and values are even more powerful.

People love to speculate about the secret ingredient in Coke. One secret is indeed locked away in a secured vault. But another is readily available: the consistent quality of Coca-Cola products that are produced by Coca-Cola bottlers across North America. And that commitment to quality extends to the company's entire portfolio of brands, including Coca-Cola classic, Diet Coke, Coke Zero, Coca-Cola C2, Vanilla Coke, Coca-Cola with Lime, Cherry Coke, Sprite, Fanta, DASANI bottled water, POWERade, Barq's, Full Throttle, Fresca, and a full line of Minute Maid sodas, juices, and juice drinks. A broad overview of the history, products, and contemporary activities of The Coca-Cola Company is available online at www.coca-cola.com.

RECENT DEVELOPMENTS

The Coca-Cola Company continues to connect with people in exciting new ways, including the introduction of new products designed to provide consumers with the variety of beverage choices they desire. In 2005, the company introduced Coca-Cola with Lime to complement other popular Coca-Cola flavors. A new citrus-flavored

energy drink called Full Throttle offers consumers "16 ounces of raw energy." For those seeking lighter options, the company introduced two new cola brands. Coca-Cola Zero



provides real Coca-Cola taste and zero calories, while Diet Coke sweetened with Splenda offers people who love the taste of Splenda a version of Diet Coke with their favorite sweetener. And for people who like flavored water beverages and are seeking variety, new DASANI Lemon and DASANI Raspberry are naturally flavored and lightly sweetened with Splenda® to provide a water alternative without calories or carbohydrates.



PROMOTION

Coca-Cola's promotional efforts began with an oilcloth "Drink Coca-Cola" sign on a drugstore awning. Asa Candler then put the newly trademarked name not only on syrup urns at soda fountains, but on novelty items such as fans, calendars, and clocks. Since those days, marketing and promotional efforts combined with a top-quality product have made the Coca-Cola trademark among the most admired and best known in the world. One way The Coca-Cola Company reaches its consumers is through affiliations with activities that people enjoy. For example, the company has extensive worldwide sports affiliations that reinforce identification with the brand. As far back as 1903, advertising has featured famous major-league baseball players drinking Coca-Cola. One of the most notable and long-lasting sports affiliations is the company's

76-year association with the Olympic Games. The company has a long relationship with FIFA World Cup soccer, the Special Olympics, the Rugby World Cup, NASCAR®, the National Basketball Association, and the National Hockey League. A major multi-year agreement with the National Collegiate Athletic Association gives Coca-Cola marketing opportunities across 22 college sports and 87 annual college championships.

Advertising is always an important way through which consumers connect with brands. "Coca-Cola . . . Make it Real," the next evolution of the successful "Coca-Cola . . . Real" campaign, was developed through conversations with a diverse group of consumers about Coca-Cola and what it means to be real. Launched in early 2005, the ads share the values of Coca-Cola with a contemporary audience through relatable moments and show that drinking an ice-cold Coca-Cola is the simplest way to "Make it Real."

BRAND VALUES

The Coca-Cola brand stands for the most successful product in the history of commerce and for the people responsible for its unique appeal. Along with Coca-Cola, recognized as the world's best-known soft-drink brand, the company markets four of the world's top five soft-drink brands, including Diet Coke, Fanta, and Sprite. Through more than a century of change and into a new era that promises even more change, Coca-Cola remains a timeless symbol of authentic, original, and "Real" refreshment.

* *Beverage Digest.*

THINGS YOU DIDN'T KNOW ABOUT COCA-COLA

- If all the Coca-Cola ever produced was in eight-ounce bottles on average-sized delivery trucks, it would take six years, four months, and seven days for those trucks to pass a given point driven bumper-to-bumper at 65 miles an hour. If those bottles were assembled, there would be more than 13 trillion of them. Stacked on an American football field, they would form a pile 346 miles high, 70 times the height of Mount Everest, the highest mountain in the world.
- The slogan, "Good To The Last Drop," long associated with a coffee brand, was actually used first by Coca-Cola in 1908.
- The Coca-Cola trademark is recognized in countries containing 98 percent of the world's population.
- The two countries in which per-person consumption of Coca-Cola is highest have little else in common, particularly climate. They are Iceland and Mexico.