

City of Miami Beach

CONTRACT PROPOSAL UPDATE

FEBRUARY 2022



Executive Summary

Overview

Coca-Cola Beverages Florida (CCBF) is pleased to provide a proposal to the City of Miami Beach that supports an aligned **mission** to grow our business profitably, a joint-ventured **vision** of partnership, and **values** that support the integrity of our respective businesses and community interests.

Program Overview (To include but not limited to:)

- Term: 10 Year Exclusive Agreement
- Exclusive Non-Alcoholic Beverage provider to The City of Miami Beach: To include but not limited to all packaged & dispensed Carbonated Soft Drinks, Water, Isotonic, Enhanced Water, Premium Water, Sparkling Water, Juices, RTD Packaged Coffee and RTD Packages Tea, Energy, Value Added Dairy, CO2, TM Branded Cups, etc.
- Comprehensive Marketing and Promotional partnership

Why Coke Florida is the Best Beverage Partner for the City

- A locally, minority owned, and managed Coca-Cola bottler headquartered in Florida
- Commitment to Sustainability, Economic Empowerment, and Education
- Strong brand preference within Miami Beach community across beverage categories
- Proven partnership model in enhancing the City's goal to serve their residents via meaningful events



Coke Florida At a Glance...



LOCALLY Owned, Managed & Focused

Serving more than **18 Million Consumers** across 47 Florida counties

Over **100 Million Cases** of beverage sold and distributed each year



**SPARKLING | HYDRATION | ENERGY | TEA
COFFEE | JUICE, DAIRY & PLANT**

Creating Shared Value Through Community Engagement

SUSTAINABILITY



ECONOMIC EMPOWERMENT

EDUCATION



MBE Certified
Minority Business Enterprise



Over **4,800** associates



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Coke Florida Senior Leadership Team



TROY TAYLOR

Chairman
Chief Executive Officer



THOMAS BENFORD

President and
Chief Operating Officer



DAVID CROSS

Senior Vice President
Human Resources and
Administration



TERRENCE GEE

Senior Vice President
Enterprise Transformation and
Chief Information Officer



DEBORAH POND

Senior Vice President
General Counsel



KARLA RADTKE

Vice President and
Chief of Staff



JASON REED

Senior Vice President
Product Supply Network



DUANE STILL

Senior Vice President
Chief Financial Officer



ERIN BLACK

Vice President
Sustainability, Risk
Management, and Facilities



SHEILA EBANKS

Vice President
Customer Relationship, Retail



SALLY FORSYTH

Vice President
Enterprise Planning



JOE GENTRY

Vice President
Marketing



TOD HOYME

Group Vice President
Food Service and On Premise
(FSOP)



JASON MADDOX

Vice President
Customer Relationship, Food
Service and On Premise (FSOP)



KATRINDA MCQUEEN

Vice President
Communications



JEFF ORTMEIER

Vice President
Franchise Field Operations



PAUL PHEFFER

Controller



ERIC WARD

Vice President
Security



PERCY L. WELLS, II

Group Vice President
Government Relations,
Public Affairs, and
Communications



DALE YAHRMATTER

Vice President
Distribution Operations



LEROY YANCEY

Vice President
Manufacturing Operations



Our Brands are Preferred by the Residents of the City of Miami Beach

South Florida Preference vs. Closest Competition

- **Coca-Cola Classic** is preferred vs Pepsi **3.1x**
- **Diet Coke** is preferred vs Diet Pepsi **3.8x**
- **Coke Zero Sugar** is preferred vs Pepsi Zero Sugar **9.9x**
- **Sprite** is preferred vs 7Up **7.6x**
- **Fanta** is preferred vs Sunkist **2.2x**

Source: Nielsen Connect, Ad Hoc Analysis for CCBF South BSA Region AMC;
Dollar Volume 52W ending 6.25.21

Hispanic Consumers Preference vs. Closest Competition

- **38%** of Hispanic Households purchase **Coca-Cola**, up +15% from Hispanic Households who purchase Pepsi
- **16%** of Hispanic Households purchase **Diet Coke**, up +5% from Hispanic Households who purchase Diet Pepsi
- **13%** of Hispanic Households purchase **Coca-Cola Zero Sugar**, up +7% from Hispanic Households who purchase Pepsi Zero Sugar
- **25%** of Hispanic Households purchase **Sprite**, up +14% from Hispanic Households who purchase 7Up
- **11%** of Hispanic Households purchase **Fanta**, up +1% from Hispanic Households who purchase Sunkist

- Source: Nielsen Spectra, Best Products with Hispanic Household profile; % Penetration measure. June 2021



Beverage Options

- Packages listed and pictured below will be available based on availability and timing.
 - 7.5oz
 - Assortment of Brands of carbonated soft drinks
 - 11.5oz
 - Minute Maid Juices
 - 12oz Sleek
 - Brands: Coca-Cola, Coca-Cola Zero, Diet Coke, and Sprite
 - 12oz cans
 - Assortment of Brands of carbonated soft drinks
 - Dasani
 - AHA
 - 16oz cans
 - Dasani
 - Powerade
 - 18oz Smartwater



7.5oz CSD 12oz Dasani 12oz CSD 12oz Sleek (CSD) 12oz AHA 16oz Powerade 16oz Dasani 18oz Smartwater



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Total Program Summary

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Annual Sponsorship	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$500,000
Projected Bottle/Can Rebates*	\$15,547	\$15,547	\$15,547	\$15,547	\$15,547	\$15,547	\$15,547	\$15,547	\$15,547	\$15,547	\$155,470
Projected FSV Commissions*	\$31,406	\$31,406	\$31,406	\$31,406	\$31,406	\$31,406	\$31,406	\$31,406	\$31,406	\$31,406	\$314,060
Marketing Fund Value	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$500,000
Complimentary Product Value	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$50,000
Total	\$151,953	\$151,953	\$151,953	\$151,953	\$151,953	\$151,953	\$151,953	\$151,953	\$151,953	\$151,953	\$1,519,530

*Projections based on estimated volume; actual payments will be based on actual volume purchased.



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Pricing and Rebate Schedule

Package / Product	Price per Case	Rebate per Case
7.5 oz Can - SSD	\$17.50	
12 oz Can - Dasani	\$9.50	
12 oz Can - SSD and Still	\$15.00	
16 oz Can - AHA!	\$21.00	\$1.00
12oz Sleek Sparkling	\$22.00	\$1.00
12oz Sleek Dasani	\$22.00	\$1.00
16oz Dasani Can	\$20.00	\$1.00
18oz Smartwater Aluminum Bottle	\$48.00	\$1.00
11.5oz PowerAde Can	\$25.00	\$1.00
16oz PowerAde Can	\$21.00	\$1.00
11.5oz MMJTG Can	\$35.00	\$1.00



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The Program Details

- Term: Ten (10) years or until the City of Miami Beach has purchased the Volume Commitment, whichever occurs last.
- Volume Commitment: 224,546 standard physical cases* (SPC) of bottle/can beverages and 3,560 gallons of postmix syrup** purchased from Coke Florida over the Term.
- Annual Sponsorship: Total Term: \$500,000; \$50,000/annually; paid in arrears
- Full-Service Vending Commission Rate: 30%
- Marketing Support: \$50,000 Value/annually

*standard physical cases means 24 count, except for 1 liter cases, which are 12 count and 2 liter cases, which are 8 count, and as otherwise specified by Coke Florida. Standard physical case configurations and case counts may change from time to time in Coke Florida's sole discretion.

**"Beverages" means all non-alcoholic beverages (i.e., anything consumed by drinking), whether or not such beverages (i) contain nutritive, food or dairy ingredients, or (ii) are in a frozen form. This definition applies without regard to the beverage's labeling or marketing. Powders, syrups, grounds (such as for coffee), herbs (such as for tea), concentrates, K-Cups® pods, and all other beverage bases from which Beverages can be made, and brands and products of water purification and beverage making systems (e.g., Brita®, Soda Stream®, Keurig®) are deemed to be included in this definition. "Beverage" or "Beverages" do not include fresh-brewed unbranded coffee and fresh-brewed unbranded tea products, dispensed unflavored dairy products, water drawn from the public water supply or unbranded juice squeezed fresh at the Facilities. For the avoidance of doubt, "flavor enhancers," "liquid water enhancers," non-alcoholic beverages sold as "shots" or "supplements," flavored milks, dairy drinks and children's juice drinks are considered Beverages.



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