



The Bottling Line

Published by
The Coca-Cola Bottlers Association

166-16th Street, N.W., Atlanta, Georgia 30318

Issue No. 291

March/April 2002

Schedule of Activities

March 7

Cold Drink Equipment Subcommittee
Atlanta, Georgia

March 12

Executive Committee Meeting
Atlanta, Georgia

March 12-13

Board of Governors Spring Meeting
Atlanta, Georgia

March 27-28

Distribution Committee Best
Practices Forum
Athens, GA

April 4

Packaging Committee Meeting
Atlanta, Georgia

April 23-24

Mainstream Council Meeting
Atlanta, Georgia

April 25

Marketing Committee Input Session
Atlanta, Georgia

April 25

Coca-Cola Scholars Banquet
Atlanta, Georgia

May 7-8

Bottler Technology Forum
Atlanta, Georgia

June 11-14

Spring Financial Management Forum
Orlando, Florida

September 23-24

CCBA Annual Meeting
Chicago, Illinois

September 25

CCNA Bottler Business Briefing
Chicago, Illinois

October 21-23

INTERBEV 2002
Atlanta, Georgia

November 6-10

Fall Board of Governors Meeting
Half Moon Bay, California

Fine Art

*There's a fine art to running an Association of Coca-Cola Bottlers,
and through 20 years of service, Art Gregory has proven
he is the consummate master*



He fits the profile of any fine work of art, greatly admired and appreciated, a pleasure to observe, and growing more invaluable as the years go by. He has graced the halls of The Coca-Cola Bottlers' Association for the past 20 years, the last 16 as executive director. But now, with his eye on other things he wants to do "while I can still do them," Art Gregory has chosen to retire from the Association in March 2002.

"I've got time for one last hurrah somewhere and there are things I want to do," says Gregory, "I've enjoyed it here. It's been a nice run."

Gregory attributes a "wonderful conspiracy of circumstances" that brought him to the Association. A native of Aiken, SC, he received his undergraduate degree at Duke

University and attended Naval ROTC before entering the Navy as an officer for two years. After the Navy, Gregory went to law school at the University of South Carolina, graduating in 1968. He then practiced law with a firm in Atlanta for 13 years. One day while watching the Atlanta Falcons lose a football game on television, Gregory answered a head hunter's call inquiring about his interest in interviewing for a job as assistant executive director of The Coca-Cola Bottlers' Association.

"My predecessor, John Knox, had announced his plan to retire in several years," says Gregory. "The Association Board at that time felt it would be necessary for someone to be on staff

continued on page 2

to understudy the executive director before he left." Gregory was hired as the heir apparent in 1982, becoming executive director four years later.

The world of Coca-Cola bottling looked a bit different then, Gregory recalls. "When I signed on, there were

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into a more active
Association."*

375-400 Bottler ownerships and now there are about 82. Over the years, The Coca-Cola Company significantly cut back its level of services to Bottlers and, out of necessity, the Association filled the gap, expanding our services, activities and programs.

"At one time we were primarily involved in providing programs to Bottlers like group health and products liability insurance," says Gregory. "We still do that, but we have evolved into a more active Association. In 1982, we had three committees; today there are 13, each meeting two to three times a year. In addition to all our committee work, we now have an annual meeting and put on various seminars throughout the year. So we have grown in inverse proportion to the number of Bottlers largely because of the Company restructuring and redefining its role to them."

One of the biggest changes which manifested under Gregory's leadership was the development of a major purchasing program. "To enhance our rather insubstantial purchasing program for Bottlers, we hired Gary Jordan, a purchasing director who had worked in the Bottling system. That program has grown considerably, doing hundreds of millions of dollars of business a year. It's one of our milestones of the last 20 years. This program gives Bottlers, especially the smaller ones, the benefits of greater purchasing power, enabling

them to be more competitive."

Another positive development has been an increased number of Bottlers at every ownership who are involved at some level with the Association. In 1982, with its three committees, the Association was unable to tap into a substantial number of people in the ownerships. "Today, in most plants there's somebody serving on one or more committees that can touch and feel the Association," Gregory says with pride. "That's a satisfying feeling for us here on the staff level." Too, he takes pride in the improvement during his tenure of the Association's newsletter, *The Bottling Line*.

Gregory points out that despite the considerable increase in the Association's workload over the years, his staff has remained constant at about 24 people. "I think the Bottlers will attest to the fact that our staff is skilled, effective and congenial."

When asked to name his greatest achievements within the Association, Gregory spends a moment or two in quiet reflection. "I would like to think that the developments I've just mentioned were in some measure a result of my oversight, supervision and guidance," Gregory says. "A lot of it was just because the opportunity presented itself in light of industry changes and the Company's direction in Bottler system support. No doubt my predecessor didn't have the same opportunities."

While he is proud of the support that the Association has provided Bottlers throughout his years at the helm, Gregory remarks that it has also been a great learning experience. "In this job, you don't have the luxury of choosing whom you would like to interact with. As executive director, you've got a constituency out there consisting of all kinds of people, much like a congressman. Recognizing that you've got to work with people of different temperament, background and education levels has enabled me to befriend many types of people. My personality is such that I like people and it wasn't hard for me to be as available and responsive to all

types of individuals. It's the same thing in interacting with The Coca-Cola Company, with its myriad of employees. I suppose getting through 20 years without incurring the wrath of any more people than I did, not only in the Company but in the Bottling business, is somewhat of an achievement."

Gregory also enjoyed being exposed to a variety of disciplines beyond his law background such as marketing, packaging, purchasing and insurance. "I've always found law to be a good foundation because this job delves into a number of areas that need legal oversight. But I've also been intrigued by many other aspects of the business. It's been a pleasure coming to work everyday because it's been entertaining, exciting and thought-provoking. We are involved with everything from contracts to offshore insurance companies to marketing to getting sued because someone in Alabama doesn't think he's getting enough money out of his pension plan."

Does Gregory look back on his career with any regret? "Maybe if we had started the purchasing program a little bit earlier, it might have helped

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some smaller Bottlers stay in business, but I doubt it," Gregory says. "I think pretty much we seized every opportunity of any note to make the Association as supportive of the Bottlers as we could. And I think my successor Tom Haynes will have some fresh ideas and some things we haven't thought about. Along with the team we have here, I'm sure he will make the Association even more effective.

When pressed for details about future plans, Gregory exudes much anticipation and excitement about several activities he hopes to explore.

"I've bought a little townhouse in Aiken and also intend to keep my home here, so I'll be able to enjoy the best of both worlds. I'll probably ping pong back and forth between the two cities, with a few days here and a few there," he says. In addition to his mother, two brothers and sister who all live in South Carolina, Gregory is also blessed with many friends there. High on his list of priorities are travelling and working on his golf game. He'll be able to satisfy both of these desires by serving as administrative assistant to a friend who works on the PGA tour on some of their golf tournaments.

And there are other travel plans in the offing as well. "My father emigrated to this country from Greece and I've never really mastered the language. I may go to some island in Greece once a year for three or four weeks, sequester myself with some language books and try to learn the language," he says. Gregory also intends to teach a business course at the University of South Carolina at Aiken. "If I find I like one pursuit more than another in six months or so, I'll move to the one I like more."

While looking forward to the next phase of his life and the adventure it holds, Gregory pauses to think about one aspect of his Association involvement which has been an infinite source of joy—Coca-Cola Bottlers themselves. "Some great people have come and gone in this business and, of course, many are still here," he says. "I've seen sons succeed their fathers as CEO. Then there are the sad times when a Bottler decides to sell the business after three or four generations. In all cases, they leave reluctantly, usually owing to circumstances beyond their control. The Association then serves as kind of a clearinghouse to help them stay in touch with other Bottlers. They remain interested in the business. Once Coke gets in your blood, it's in there for the duration. Many former and retired Bottlers subscribe to our publication to stay on top of things. I can't imagine what industry would have a better group of people than ours in the Coca-Cola Bottler system. While I'm looking forward to retirement, I do



Mr. Gregory—The Early Years

regret that I won't see many of my Bottler friends as often and in some cases not at all. But you know that's life and as you move on to another chapter, those are some of the trade-offs that one must accept."

The admiration appears to be mutual among many of his bottler friends. Here are comments from just a few:

Claude Nielsen, President, Coca-Cola Bottling Company United, Inc.: "Art's background as a lawyer put him in a great position to be of service to Coca-Cola Bottlers and the Coca-Cola system. He has been an outstanding leader and has, in a very committed and capable way, been of great service to us. He has been a superb executive director of an Association of independent businesspeople. He has met that inherent challenge in an extraordinarily constructive, positive and successful way. His accomplishments over the course of 20 years would be

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too many to name, but the net result is that the Bottler franchise system is preserved and strong and will continue to serve the totality of the system. He was very instrumental in carrying that out. He will be missed."

Ron Wilson, President and Chief Operating Officer, Philadelphia Coca-Cola Bottling Company: "During the time period I've been with the Board of Governors, I think Art has done a tremendous job in terms of being an inspiration for everybody to help us change. Our past presidents have really tried to do some innovative things to change the organization and Art has really worked well with them. He's been very supportive in terms of whether it be developing a mission statement, how to use our resources better in a shrinking bottler base, and how the Association can play a stronger role. Those are all things the Association has done and Art has actively facilitated it. The world has changed since Art came. Now the Association has to help the smaller Bottlers especially in areas where they can't do a lot of these things by themselves. Art has been the kind of guy that has kept the little guy's agenda in mind at all times, and has not just focused solely on the large Bottlers. I think that's been a positive." Never one himself to be accused of being too serious, Wilson says he thinks Gregory's sense of humor is great and well appreciated. "Hopefully the legacy he leaves will be better than the football legacy he leaves at Duke," Wilson says with a laugh. "He was All-American there. That's when they had midget linemen." He also reflects on good times spent with Gregory on the links. "He likes to sing to himself all the time. That's one of the things that's enjoyable about playing golf with him. It's like working with a guy taking a shower for 18 holes." Another fond memory includes the most recent Company trip. "Going through the red light district in Amsterdam, I was curious as to how he knew all the girls by their first names. And how come they all knew him by his first name! Seriously though, it's a shame to lose him because I'm a Yankee and I talk so fast and he's finally learned to understand me!"

Jack Pelo, President and Chief Executive Officer, Swire Coca-Cola Bottling Company: "Art has been an invaluable asset to the Association.

continued on page 4

I've worked closely with him the last five years. I've always known him to be extremely passionate. He's humorous and very engaging. Sometimes you're surprised at what comes out of his mouth, but that's kind of the beauty of Art. He's very knowledgeable about the business. Obviously, he will be tremendously missed, both in terms of his technical and personal skills. I think he does a very good job of working well with all the constituencies. I just enjoy him a lot."

Bob Hazelton, Immediate Consumption Manager, Coca-Cola Bottling Company of Northern New England: "I've worked with Art for over ten years and found him to be dedicated to the best interest of Coca-Cola Bottlers in the ever-changing parent company environment. It's been a privilege to have had the opportunity to get to know Art and I'm proud to be able to call him a friend. I wish him all the best in his retirement."

Mike Estep, Vice President and Chief Financial Officer of Durham Coca-Cola Bottling Company: "Art is really quick on his feet. He immediately grasps the overall issue, as well as its most relative elements to the Bottlers. He's an action-oriented leader and a great facilitator through committees to get results and not afraid to roll up sleeves when he has to. He's all business, but he also uses good humor and sportsmanship in the process. I know he'll really enjoy golf and other sports in his retirement. He really is funny, always has a great quote or two and great jokes. He's made a big contribution to our efforts. I'm going to miss him and I'm sure everybody will."

Sandy Williams, Chairman of the Board of Corinth Coca-Cola Bottling Works: "Of all the various Association directors I have worked with over the years, Art is very definitely one of them," he says, tongue planted firmly in cheek. "This is Art's kind of humor that has made him fun to work with. But more seriously, Art has proven to be a major asset to The Coca-Cola Bottlers' Association. He's intelligent,

perceptive, well-read, articulate, candid, and has always had the Bottlers' interests at heart. I consider him a close personal friend and hate to see him retire. We will miss him."

Bob Wilkinson, Chairman of the Board, Huntsville Coca-Cola Bottling Company: "I've worked with Art for a number of years and have not had the opportunity to interface in a business position with anybody any better in their job than he was in his. I think his legacy will be a smooth running Association during some interesting and turbulent years in the total soft drink business."

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the Association."*

Robert Browne, Chairman and Chief Executive Officer, Great Plains Coca-Cola Bottling Company: "I have known Art for more than 16 years and throughout all of them, he has been consistently a good friend, a great advocate for our Bottling system, a historian, humorist, a decent golfer, a terrific tour guide, a responsible custodian of our shared assets, and an excellent parliamentarian at our countless meetings. On behalf of his Bottler friends, I am sure that everyone would agree with me that there are not enough good words to express our thanks and appreciation for all he has done throughout his great career with The Coca-Cola Bottlers' Association."

But then maybe it doesn't take many words to express what seems to be the prevailing sentiment, at least among this group of Bottler compatriots. Perhaps Jim Grantman, President, Coca-Cola Bottling Company of Red Wing, sums it up best: "We will all miss Art. He has been a pillar of the Association."

Even a good lawyer can't argue that.

CCNA CyclePet Program

The Coca-Cola System in North America surpassed its 2001 aspiration of "1 out of 2 of our PET bottles will contain 10% recycled PET" and ended the year with an annualized rate of 75% (3 out of 4). In 2001, our system used over 32 million pounds of recycled PET in our packaging. Also, in conjunction with Coca-Cola's efforts to organize the Salt Lake Olympic environmental program, Coca-Cola has made arrangements to purchase 125,000 pounds of PET Packaging at the Olympic venues and have it processed, cleaned and reused in our bottles as part of CCNA's CyclePet efforts. Also, a PET recycling bin has been created for venue settings or captive areas. This bin was designed by CCNA and Paul Flum and was jointly funded by CCNA, NSDA, APC, and our competitors. If you are interested in more information or in receiving a sample, call Scott Vitters (404-676-7023) or Jeff Hanson (404-676-6369).

Quotes for All Ages

"There is no gathering the rose without being pricked by the thorns."



"Bad is called good when worst happens."



"It is the worst wheel of the wagon that screeches the loudest."

Spanish Proverb



"Keeping a secret is like trying to smuggle daylight past a rooster."



"Conscience is the inner voice which warns us that someone may be looking."

H. L. Mencken

Pepsi Bottler Lawsuit Allowed Against Fellow Pepsi Bottler

A Pepsi-Cola bottler brought an action against another bottler seeking injunctive relief relating to the defendant Pepsi bottler's alleged actions of transshipping



product into the plaintiff Pepsi Bottler's territory in violation of the defendant bottler's contract with PepsiCo, Inc. The defendant bottler moved to dismiss for failure to state a claim. Presumably, the argument of the defendant bottler was that the defendant bottler had a contract with PepsiCo Inc. and not with the plaintiff bottler. Therefore, the argument goes, the plaintiff bottler had no standing to sue the defendant bottler to enforce the anti-transshipping contractual provision. The District Court disagreed. It held, among other things, that the plaintiff bottler had alleged that it was a third-party beneficiary to the contract (between PepsiCo and the defendant bottler) which was allegedly breached and this allegation met the claim for injunctive relief. Further, the plaintiff bottler had sufficiently alleged irreparable harm from the breach of contract, as is required for its claim for injunctive relief. Pepsi-Cola Bottling Company of Pittsburg, Inc. v. PepsiCo, Inc., et al. (D. KS. No.01-2009-KHV, Nov. 1, 2001).



Celebrating 25 years: John Sprague and Art Gregory congratulate Rose Lucas on 25 years of service to The Coca-Cola Bottlers' Association, and present her with a token of appreciation.

IN MEMORIAM



Henry William Browne, Sr. Passes Away

Henry William Browne Sr., father of CCBA Board Member Bob Browne, died on January 13, 2002. He would have been 96 in February. Born in Fort Worth, Texas, he moved to Oklahoma City in 1923 when his father Virgil Browne purchased the Oklahoma City Coca-Cola Bottling Company. While attending Central High School, Henry worked after school in the bottling plant and summers until he graduated with a degree in business administration from the University of Oklahoma.

In college, because of his happy disposition, sense of humor and love of life, he was a welcome addition to any gathering, earning the nickname of "Red Hot" Henry Browne. He married Claudine Schofield Browne in 1931 and remained devoted to her for 70 years. She preceded him in death by three months.

Henry continued to work at The Oklahoma Coca-Cola Bottling Company and was President at his retirement in 1980, when his two sons, Henry Browne, Jr. and Bob Browne, took over the operation of the business. During his career, he helped develop bottling companies in Colorado, Nebraska, and Kansas. He continued service as Chairman Emeritus until his death.

During his long and successful business career, he was involved in numerous civic and social activities. He served on the boards of Liberty, Citizen's, and May Avenue Banks. He and Claudine were founding members of Westminster Presbyterian Church. He was an organizer of the Touchdown Club of Oklahoma, a charter member of the 75 Club, and a long time member of the Rotary Club, Men's Dinner Club, and Oklahoma City Golf & Country Club.



Caps and Comments

Former Coke exec joins Cott. John Shepherd, who had worked for The Coca-Cola Company for 20 years, has been hired by Cott Corporation to head its U.S. arm, which accounts for more than 70% of annual sales. The announcement was accompanied by a 3% increase in the stock price of Cott. The rise followed a 13% drop over the past month on concerns that an increase in the price of aluminum cans could hurt its profits. □

Coke number one on Georgia patent list. As in years past, The Coca-Cola Company in 2001 claimed the most patents of any Georgia company, registering 53 patents ranging from ornamental benches and drinking cups to credit card vending machines connected to fuel pumps. □

Consolidated acquires majority stake in Piedmont Bottler. Coca-Cola Bottling Co. Consolidated has acquired a majority stake in Piedmont-Coca-Cola Bottling Partnership, a nine-year-old venture with The Coca-Cola Company. Piedmont's territories include those that formerly were held by the Hutaff, Sloan and Heath families. Reportedly, Consolidated acquired a 4.651% interest in the partnership from The Coca-Cola Company for \$10 million, increasing its stake to 54.651%. Consolidated will combine the partnership's earnings on its financial statements in the first quarter, beginning March 31. □

Good news for Coke's reputation. The Coca-Cola Company ranks second after Johnson & Johnson for social responsibility in the Annual Corporate-Reputation Survey conducted by the Reputation Institute, a research group, with the market-research firm Harris Interactive Inc. The high marks for social responsibility helped Coke's overall reputation score which garnered a third place behind Johnson & Johnson and Microsoft. In 2000, Coke was number 16 overall. Coca-Cola ranked first when people named the company they trusted the most to do the right thing and the stock they would definitely buy. □

Pepsi establishes non-carbonated unit. PepsiCo has established a unit dedicated entirely to promoting non-carbonated drinks. Reportedly, a team of about 100 employees has been transferred from the company's main sales force with the responsibility of working directly with bottlers and retailers to increase the presence of its waters, juice and teas on store shelves. □

Kentucky House rejects soft drink ban in schools. NSDA reports that a Kentucky House Committee in January rejected legislation to ban soft drinks in elementary schools. One legislator who voted against the vote observed, "We've got a heckuva lot more problems than a kid drinking a soft drink." Another who opposed the ban said, "Parents should be the primary factor in dictating what their children get nutritionally." □

States rated based on business perspective. Courts in Delaware, Virginia, Washington, Kansas and Iowa are the fairest and most reasonable from a business perspective, according to a survey by the U.S. Chamber of Commerce. The states with the lowest grade are Mississippi, West Virginia, Alabama, Louisiana and Texas. The Chamber asked 800 corporate counsels and litigators at large firms to rate all state judicial systems on judges' impartiality and competence, jury fairness, punitive damage awards and the prevalence of class-action lawsuits. (Source: *USA Today*) □

PBG records good fourth quarter. Pepsi Bottling Group reports that its fourth-quarter net income more than tripled, boosted by sales of products like Mountain Dew Code Red and Aquafina. PBG expects to achieve 3% volume growth and increase of 10% to 12% in earnings before interest, taxes, depreciation and amortization in 2002. □

Coke tags Interpublic to work on brand Coke. The Coca-Cola Company will team with the ad agency Interpublic Group to further develop, refine and focus the “brand essence” of Coca-Cola. □

Coke gives sports a high priority. The Coca-Cola Company intends to spend about 25% of its 2002 Marketing budget to enhance the bond between its brand and the sports world. Among the sponsorships added are its first title sponsorship at the Masters Tournament, title sponsorship of the Capital National Hot Rod Association drag racing series, greater participation with the 2002 FIFA World Cup Soccer, and a charter sponsorship of the National Basketball Development League as well as signing as a celebrity spokesman soccer’s most famous player Pelé and Mohammed Ali. □

Oregon bottler bankrupts. Seven-Up Oregon Bottler, Portland Bottling Co., went out of business recently. □

Coke partners with NFL expansion team. The Houston Texans have a new ten-year deal that makes Coca-Cola the team’s exclusive marketing partner in the non-alcoholic beverage category and gives Coca-Cola exclusive pouring rights at the Reliant Stadium. □

Subway supplants McDonalds’. Subway is now the nation’s largest restaurant chain by number of stores, displacing the flagship brand of McDonalds’ Corp. Subway Restaurants, the sandwich chain owned by closely held Doctors Associates, operates 13,247 stores in the U.S., 148 more than the number of McDonalds’ U.S. restaurants as of December 31. □

7-Eleven to realign stores. 7-Eleven Inc., the largest convenience store chain, will close 115 to 120 stores this quarter and open 150 this year. □

Pepsi loses employment case. The New Jersey Department of Labor (DOL) in 1995 notified “Pepsi-Cola Company” that Pepsi was in violation of certain state laws for failure to pay overtime to “fountain drivers.” According to the decision, “these fountain drivers deliver syrup and other bulk products used in dispensing machines, in contrast to products in cans and bottles.” The DOL assessed Pepsi \$1,885,098.68, a \$2,000 penalty and \$188,509.87 in administrative fees. Moving with glacier speed, the appellate process consumed six years and concluded in sustaining the assessment against Pepsi. Moreover, the award of prejudgment interest was also ultimately affirmed, despite being arduously contested by Pepsi. New Jersey Department of Labor v. Pepsi-Cola Company, 170 N. J. 59, 784 A.2d 64 (2001). □

Pepsi’s Super Bowl ads draw a big yawn. One of Pepsi’s ads featured Britney Spears singing old Pepsi tunes. The 90-second ad, which cost Pepsi about \$5.8 million to air, was the third-lowest rated Pepsi spot among the 52 ever rated by AdMeter. And a 30-second Spears ad that followed later was the lowest-ranked Pepsi ad in 14 years of measurement. Said one AdMeter analyst, “It seems like Pepsi is a second thought in the ads and that the product is Britney Spears not Pepsi.” “There’s a distinction between winning AdMeter and how you’re going to position your brand,” said a Pepsi spokesman. (“The sky is not less blue because the blind man does not see it.” Danish Proverb) □

Blimpie attempts to oust Coke. Blimpie International Inc. recently named Pepsi-Cola North America as the new beverage supplier for its U.S. restaurants under a multi-year agreement, a move that prompted Coca-Cola to take legal action. Reportedly, Coke has been associated with Blimpie since 1964. Atlanta-based Blimpie has new management since January 24 after its acquisition by a private investor group was completed. Coke received the letter on January 28 that purported to terminate its contract with Blimpie. Coke is now pushing for an expedited arbitration process. □

Energy saving options available for vending machines. The Coca-Cola Company has prepared a bulletin discussing and describing the energy saving options for Coca-Cola vending machines. The bulletin was developed to assist Bottlers in placing cold drink equipment in those accounts where energy consumption is especially an important factor. If you would like a copy, contact Kem Pearce (404-872-2258) at the Association. □

Former RC owner dies. Former corporate raider Victor Posner, who once owned Arby’s, Royal Crown Cola and Sharon Steel, died in February. He was 83. □

Stahl named CEO of Revlon. Jack Stahl was recently named Chief Executive Officer of cosmetics maker Revlon Inc. Stahl resigned from The Coca-Cola Company last March at which time he was the number two executive. □

55 Arby's restaurants switch to the good guys. The Coca-Cola Company will now provide fountain products in 55 Arby's restaurants owned by Omaha, Neb.-based franchisee DRM Inc. A Pepsi spokesman said that if the switch did occur that Pepsi would not fight the change in court, as Coke is trying to do with Blimpie. □

Ad Age unimpressed with Coke commercials. *Advertising Age's* Bob Garfield has nothing good to say about them. While he acknowledges that some of them are cute, he says, "None of which has much to offer about Coca-Cola. Nothing about its taste, nothing about its uniquely uncloying sweetness. Nothing about its refreshment. Nothing about its ubiquity. Nothing about how good it is for washing down a burger." □

Duke Kitsmiller, former Coke Exec., passes. Verle "Duke" Kitsmiller, 76, of Lookout, Tennessee, died on Sunday, February 17, 2002. He retired from The Coca-Cola Company several years ago, and previous to his employment with The Coca-Cola Company, he was employed by the Thomas Company. □

News from the cola wars. In February Pepsi announced that it had acquired accounts from Baja Fresh Mexican Grille, a California-based chain with 155 outlets around the country. Baja Fresh was a Coke customer. In the meanwhile, Coca-Cola took an account from Pepsi: the 250-location Lone Star Steakhouse & Saloon chain. ("O War! Thou Son of Hell!" William Shakespeare) □

Cola wars may evolve to water wars. Reportedly, Pepsi Bottling Group is expected to garner some 40% of its domestic profit growth over the next few years from water products. Rumor has it that PepsiCo is planning to increase its advertising for water products and to introduce a line of Aquafina vitamin water soon. □

Coke fails to make Fortune's most admired list. For the fifth consecutive year, General Electric finished atop of Fortune's Most Admired Company's list. Berkshire Hathaway advanced two spots from last year to the number five position. In the beverage category, PepsiCo retained its first position. The Coca-Cola Company recorded a third place finish followed by Pepsi Bottling Group and Coca-Cola Enterprises respectively. □

Consolidated posted fourth quarter results. Coca-Cola Bottling Co. Consolidated reported that its net loss narrowed in the fourth quarter, as new products helped sales improve in 2001. The company reported a net loss of \$1.7 million in the quarter, or 19 cents a share, compared with a loss of \$4.5 million, or 51 cents, a year ago. Sales grew 7% in the fourth quarter and 4% for the year on a constant-territory basis. Revenue per case was up slightly in the fourth quarter and down slightly for the year. □

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An early January snow blankets the ground and makes for a chilly new year at CCBA headquarters.