

THE 2007 STATS

Source: Commentary and content provided by Beverage Marketing Corporation

Bottled Water Continues As Number 2 in 2007

Bottled water emerged as the second largest commercial beverage category by volume in the United States in 2003, and, despite its significant stature, it continued to grow at a significant pace in 2007. The category is growing even more forcefully on a global scale but in the U.S., volume is unparalleled.

In 2007, total U.S. category volume surpassed 8.8 billion gallons, a 6.9% advance over 2006's volume level. That translates to over 29 gallons per person, which means U.S. residents drink more bottled water annually than any other beverage, other than carbonated soft drinks (CSDs).

U.S. BOTTLED WATER MARKET Volume and Producer Revenues 2000 - 2008(P)

Year	Millions of Gallons	Annual % Change	Millions of Dollars	Annual % Change
2000	4,725.1	--	\$6,113.0	--
2001	5,185.3	9.7%	\$6,880.6	12.6%
2002	5,795.7	11.8%	\$7,901.4	14.8%
2003	6,269.8	8.2%	\$8,526.4	7.9%
2004	6,806.7	8.6%	\$9,169.5	7.5%
2005	7,538.9	10.8%	\$10,007.4	9.1%
2006	8,253.5	9.5%	\$10,857.8	8.5%
2007	8,757.4	6.1%	\$11,551.5	6.4%
2008(P)	9,418.0	6.7%	\$12,573.5	7.4%

(P) Preliminary

Source: Beverage Marketing Corporation

While CSDs still have volume and average intake levels more than twice as high as bottled water, the soft drink market has been struggling recently, because of competition bottled water. Per capita consumption of bottled water has been growing by at least one gallon annually, thereby more than doubling in a decade.

U.S. BOTTLED WATER MARKET
Per Capita Consumption
1997 – 2007

Year	Gallons Per Capita	Annual % Change
1997	13.5	--
1998	14.7	8.3%
1999	16.2	10.2%
2000	16.7	3.5%
2001	18.2	8.6%
2002	20.1	10.6%
2003	21.6	7.2%
2004	23.2	7.5%
2005	25.4	9.7%
2006	27.6	8.4%
2007	29.0	5.3%

Source: Beverage Marketing Corporation

U.S. BOTTLED WATER MARKET
Volume and Growth by Segment
2000 – 2007

Year	<u>Nonsparkling</u>		<u>Domestic Sparkling</u>		<u>Imports</u>		<u>Total</u>	
	Volume*	Change	Volume*	Change	Volume*	Change	Volume*	Change
2000	4,443.0	--	144.2	--	137.9	--	4,725.1	--
2001	4,917.3	10.7%	144.0	-0.1%	123.9	-10.1%	5,185.3	9.7%
2002	5,487.5	11.6%	149.5	3.8%	158.7	28.0%	5,795.7	11.8%
2003	5,923.9	8.0%	152.6	2.1%	193.3	21.8%	6,269.8	8.2%
2004	6,411.3	8.2%	166.8	9.3%	228.6	18.2%	6,806.7	8.6%
2005	7,171.4	11.9%	185.0	10.9%	182.5	-20.2%	7,538.9	10.8%
2006	7,899.9	10.2%	189.3	2.3%	164.3	-9.9%	8,253.5	9.5%
2007	8,376.6	6.0%	200.1	5.7%	180.8	10.0%	8,757.4	6.1%

* Millions of gallons

Source: Beverage Marketing Corporation

GLOBAL BOTTLED WATER MARKET
Leading Countries' Consumption and Compound Annual Growth Rates
2002 – 2007

2007 Rank	Countries	Millions of Gallons		CAGR* 2002/07
		2002	2007	
1	United States	5,795.6	8,757.4	8.8%
2	Mexico	3,898.6	5,885.2	8.6%
3	China	2,138.4	4,787.8	17.5%
4	Brazil	2,541.8	3,621.1	7.3%
5	Italy	2,558.2	3,100.9	3.9%
6	Germany	2,291.5	2,743.2	3.7%
7	Indonesia	1,622.5	2,400.6	8.2%
8	France	2,225.6	2,283.2	0.5%
9	Thailand	1,277.0	1,533.1	3.7%
10	Spain	1,191.4	1,284.0	1.5%
Top 10 Subtotal		25,540.7	36,462.2	7.4%
All Others		9,054.2	13,407.3	8.2%
WORLD TOTAL		34,594.9	49,869.6	7.6%

* Compound annual growth rate
Source: Beverage Marketing Corporation

GLOBAL BOTTLED WATER MARKET
Per Capita Consumption by Leading Countries
2002 – 2007

2007 Rank	Countries	Gallons Per Capita	
		2002	2007
1	United Arab Emirates	35.2	68.6
2	Mexico	37.7	54.1
3	Italy	44.2	53.3
4	Belgium-Luxembourg	32.7	39.5
5	France	37.1	35.8
6	Germany	27.8	33.3
7	Spain	29.7	31.7
8	Lebanon	24.9	29.3
9	United States	20.1	29.0
10	Hungary	13.5	28.5
11	Switzerland	24.2	28.2
12	Slovenia	18.8	25.2
13	Austria	20.9	25.0
14	Czech Republic	21.1	24.6
15	Croatia	14.9	24.3
16	Saudi Arabia	23.8	24.1
17	Cyprus	21.4	24.0
18	Thailand	20.1	23.6
19	Israel	12.4	23.2
20	Portugal	19.9	22.4
GLOBAL AVERAGE		5.6	7.6

Source: Beverage Marketing Corporation