

Constellation Brands Enters Agreement With The Coca-Cola Company to Bring the FRESCA® Brand Into Beverage Alcohol

Constellation Brands will manufacture, market, and distribute new FRESCA™ Mixed cocktails, which will launch this year in the United States

VICTOR, N.Y., Jan. 06, 2022 (GLOBE NEWSWIRE) -- Constellation Brands, Inc. (NYSE: STZ and STZ.B), a leading beverage alcohol company, announced today that it has entered into a brand authorization agreement with The Coca-Cola Company in the United States to bring the FRESCA® brand into beverage alcohol through the manufacturing, marketing, distribution, and launch of FRESCA™ Mixed – a new, distinctive line of spirit-based, ready-to-drink cocktails that are well-aligned to a number of emerging consumer trends.

“The Coca-Cola Company’s FRESCA® brand is not only trusted by consumers, but also directly delivers on consumer preferences for refreshment, flavor, and convenience – attributes that also play well within beverage alcohol and where we can leverage our expertise,” said Bill Newlands, Constellation’s president and chief executive officer.

Adult Alternative Beverages, including ready-to-drink cocktails, represents nearly an \$8 billion segment projected to grow at a 15-17 percent CAGR over the next three years, with trusted consumer brands commanding a significant share of the market, according to Constellation Brands market research.

FRESCA® is experiencing a surge in popularity with consumers and is currently the fastest growing soft drink trademark in The Coca-Cola Company’s U.S. portfolio (source: Nielsen AMC YTD 11-27-21). Favored by consumers and celebrities as a cocktail mixer, a soft drink, and a zero-calorie, zero-sugar sparkling soda water, consumers consider FRESCA® the no. 1 most unique and different product in the soft drink category (source: Bev360 Dec 2020 12MMT). Leveraging its credentials as a popular mixer that lifts all spirits it’s paired with, FRESCA™ Mixed cocktails will perfectly balance the FRESCA® flavor consumers expect with quality spirit bases rooted in Constellation’s expertise. The new FRESCA™ Mixed will be a distinctive and intriguing brand that delivers consumers fuller-flavored, convenient, ready-to-drink cocktails using real spirits that are great tasting and high quality.

“One of the core tenets of our innovation strategy is a belief in the power of extending strong and trusted brands in thoughtful ways to bring to market unique products that resonate with consumers,” said Mallika Monteiro, Constellation’s chief growth, strategy, and digital officer. “This is an exciting agreement that allows us to continue expanding our premium portfolio in ways that deliver distinctive consumer value propositions that include things like more flavor, different alcohol bases, and functional benefits.”

Added Dan White, chief of new revenue streams, Coca-Cola North America Operating Unit: “The Coca-Cola Company and Constellation Brands have a shared passion for building some of the world’s most loved brands and for building best-in-class beverage experiences. Our new relationship with Constellation Brands is ideal due to their consumer-focused

approach to brand building, expansive distribution network, and distilled distribution expertise. With the launch of FRESCA™ Mixed by Constellation, people will have an entirely new way to enjoy the taste of FRESCA®, now mixed with real spirits.”

FRESCA™ Mixed is expected to launch this year, starting with cocktails using real spirits and inspired by recipes created by FRESCA® fans from around the globe. The products will be produced and marketed by Constellation and distributed through Constellation’s 3-tier distribution networks, leveraging the company’s consumer knowledge, brand-building capabilities, beverage alcohol expertise, and strong retail and trade relationships to secure national distribution.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements. All statements other than statements of historical fact are forward-looking statements. The word “expect” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These statements may relate to business strategy, future operations, prospects, plans and objectives of management, as well as information concerning expected actions of third parties. All forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those set forth in, or implied by, such forward-looking statements.

The forward-looking statements are based on management's current expectations and should not be construed in any manner as a guarantee that such results will in fact occur or will occur on any contemplated timetable. All forward-looking statements speak only as of the date of this news release and Constellation Brands undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

In addition to risks and uncertainties associated with ordinary business operations, the forward-looking statements contained in this news release are subject to other risks and uncertainties, including the accuracy of all projections and other factors and uncertainties disclosed from time-to-time in Constellation Brands’ filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended February 28, 2021, which could cause actual future performance to differ from current expectations.

ABOUT CONSTELLATION BRANDS

At Constellation Brands (NYSE: STZ and STZ.B), our mission is to build brands that people love because we believe sharing a toast, unwinding after a day, celebrating milestones, and helping people connect, are Worth Reaching For. It’s worth our dedication, hard work, and the bold calculated risks we take to deliver more for our consumers, trade partners, shareholders, and communities in which we live and work. It’s what has made us one of the fastest-growing large CPG companies in the U.S. at retail, and it drives our pursuit to deliver what’s next.

Today, we are a leading international producer and marketer of beer, wine, and spirits with operations in the U.S., Mexico, New Zealand, and Italy. Every day, people reach for our high-end, iconic imported beer brands such as Corona Extra, Corona Light, Corona Premier, Modelo Especial, Modelo Negra, and Pacifico, and our high-quality premium wine and spirits brands, including the Robert Mondavi brand family, Kim Crawford, Meiomi, The Prisoner brand family, SVEDKA Vodka, Casa Noble Tequila, and High West Whiskey.

But we won't stop here. Our visionary leadership team and passionate employees from barrel room to boardroom are reaching for the next level, to explore the boundaries of the beverage alcohol industry and beyond. Join us in discovering what's Worth Reaching For.

To learn more, follow us on Twitter [@cbrands](#) and visit www.cbrands.com.

ABOUT THE COCA-COLA COMPANY

The Coca-Cola Company (NYSE: KO) is a total beverage company with products sold in more than 200 countries and territories. Our company's purpose is to refresh the world and make a difference. We sell multiple billion-dollar brands across several beverage categories worldwide. Our portfolio of sparkling soft drink brands includes Coca-Cola, Sprite and Fanta. Our hydration, sports, coffee and tea brands include Dasani, smartwater, vitaminwater, Topo Chico, BODYARMOR, Powerade, Costa, Georgia, Gold Peak, Honest and Ayataka. Our nutrition, juice, dairy and plant-based beverage brands include Minute Maid, Simply, innocent, Del Valle, fairlife and AdeS. We're constantly transforming our portfolio, from reducing sugar in our drinks to bringing innovative new products to market. We seek to positively impact people's lives, communities and the planet through water replenishment, packaging recycling, sustainable sourcing practices and carbon emissions reductions across our value chain. Together with our bottling partners, we employ more than 700,000 people, helping bring economic opportunity to local communities worldwide. Learn more at www.coca-colacompany.com and follow us on [Twitter](#), [Instagram](#), [Facebook](#) and [LinkedIn](#).

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Source: Constellation Brands, Inc.