Keurig Dr Pepper and Polar Beverages Enter into Long-Term Franchise Agreement for Polar Seltzer

BURLINGTON, Mass. and PLANO, Texas, and Worcester, Mass., July 30, 2020 /PRNewswire/ -- Keurig Dr Pepper (NYSE: KDP) and Polar Beverages jointly announced today that they entered into a long-term franchise agreement that will provide national distribution to Polar Seltzer sparkling seltzer waters, including Polar Seltzer'ade and SeltzerJR, across all channels through the power of KDP's direct store delivery (DSD) and manufacturing network.

Family-owned and operated since 1882, Polar Seltzer is the third largest branded flavored sparkling water[1] in the U.S., despite availability in less than 35% of the country. Where distributed, it's the fastest turning sparkling water[2]. Polar Seltzer, Polar Seltzer'ade and Polar SeltzerJR brands come in more than 35 varieties. In the second quarter, Polar Seltzer grew retail volume and dollar sales 25% and 27%, respectively, based on IRI. The sparkling water category grew more than 15 percent in retail dollars over the past year.

Longtime partners, Polar Beverages has manufactured and distributed key KDP brands in its Northeast territories for over three decades. With this new agreement, KDP expands the partnership by now manufacturing, distributing and selling Polar Seltzer in the majority of its DSD footprint. Polar will continue to manufacture and distribute its sparkling water in its existing territories, as will select Polar distributors. Polar Beverages will continue to drive marketing, brand and innovation leadership.

Commenting on the agreement, Derek Hopkins, KDP Chief Commercial Officer, stated, "Polar Seltzer is an iconic and leading brand in the Northeast, and we are eager to expand that growth across the country. The sparkling water category shows no sign of slowing down and, our already strong partnership with Polar Beverages will accelerate our ability to ensure that Polar Seltzer is available wherever consumers shop."

Ralph D. Crowley Jr. President & CEO, added, "We are very proud of Polar Seltzer's 138-year heritage and independent spirit. Our expanded partnership with KDP opens a dynamic new chapter, and we look forward to sharing our family of seltzers with their unrivaled sales and distribution network."

Terms of the agreement were not disclosed.

[1]Source: IRI MULO+C Channels; IRI defined category segment – Unsweetened flavored carbonated water, 13 Weeks Ending 06-28-20
[2]Source: IRI MULO+C Channels; IRI defined Northeast markets

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About Keurig Dr Pepper
Keurig Dr Pepper (KDP) is a leading beverage company in North America, with annual revenue in excess of $11 billion and nearly 26,000 employees. KDP holds leadership positions in soft drinks, specialty coffee and tea, water, juice and juice drinks and mixers, and markets the #1 single serve coffee brewing system in the U.S. and Canada. The Company's portfolio of more than 125 owned, licensed and partner brands is designed to satisfy virtually any consumer need, any time, and includes Keurig®, Dr Pepper®, Green Mountain Coffee Roasters®, Canada Dry®, Snapple®, Bai®, Mott's®, CORE® and The Original Donut Shop®. Through its powerful sales and distribution network, KDP can deliver its portfolio of hot and cold beverages to nearly every point of purchase for consumers. The Company is committed to sourcing, producing and distributing its beverages responsibly through its Drink Well. Do Good. corporate responsibility platform, including efforts around circular packaging, efficient natural resource use and supply chain sustainability. For more information, visit, www.keurigdrpepper.com.

About Polar Beverages
The largest independent beverage company in the United States, Polar Beverages are purveyors of premium-quality sparkling beverages, including Polar® Seltzer, heritage sodas and Polar Orange Dry®. Founded in Worcester, Massachusetts in 1882 by a savvy bartender, Denis Crowley recognized opportunity in carbonation as Prohibition began to rumble in New England. He crafted what he considered the best-tasting bubble recipe and began selling sparkling beverages from a horse-drawn carriage. Today, the company

remains owned and operated by the family's fourth and fifth generations, under the leadership of President and CEO, Ralph Crowley Jr. For the past decade, Polar Beverages has modernized and popularized the sparkling seltzer water category and become the industry's leading tastemaker; including the launch of two significant new brands–the lemonade-inspired Polar® Seltzer'ade brand, and the impossibly good Polar® SeltzerJR collection. For more information, visit, PolarSeltzer.com.

SOURCE Keurig Dr Pepper; Polar Beverages

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