Bottled Water in the U.S.
2007 Edition
July 2007

NOTE: The information contained in this report is confidential and solely intended for the benefit of the immediate recipient hereof.
Table of Contents
# TABLE OF CONTENTS

##DEFINITIONS USED IN THIS REPORT

##INTRODUCTION

##Chapter

###1. THE U.S. BOTTLED WATER MARKET
    The National Bottled Water Market
    - Overview
    - Volume
    - Per Capita Consumption
    - Volume by Segment
    - Wholesale Dollar Sales
    - Prices
    - Seasonality
    Exhibits

###2. THE REGIONAL AND STATE BOTTLED WATER MARKETS
    Regional Bottled Water Markets
    - Overview
    - Non-Sparkling Water
    - Sparkling Water
    - Per Capita Consumption
    State Bottled Water Markets
    - Overview
    - The Leading States
    - Per Capita Consumption
    Exhibits

###3. THE IMPORTED BOTTLED WATER MARKET
    Imported Bottled Water
    - Overview
    - Volume
    Volume of Imports by Origin
    - Regions of Origin
    - Countries of Origin
    Value of Imports by Origin
    - Regions of Origin
    - Countries of Origin
    - Dollars Per Gallon
    Imported Volume by Type
    - Imported Sparkling and Non-Sparkling Water
    Exhibits
# Bottled Water in the U.S.

## TABLE OF CONTENTS

### Chapter

#### 4. BOTTLED WATER DISTRIBUTION CHANNELS AND PRICING

- Bottled Water Volume by Distribution Channel .......................... 72
- Non-Sparkling Volume by Distribution Channel .......................... 76
- Domestic Sparkling Volume by Distribution Channel ................... 78
- Imported Volume by Distribution Channel ................................. 79
- Off-Premise Retail Non-Sparkling Share by Outlet ....................... 80
- Bottled Water Dollar Sales by Distribution Channel ................... 81
- Bottled Water Dollar Sales by Channel and Water Type ................ 83
- Bottled Water Sales Average Price Per Gallon ......................... 84
  - Non-Sparkling ..................................................................... 84
  - Domestic Sparkling .......................................................... 84
  - Imports ............................................................................ 85
  - Percentage on Feature and Display ....................................... 85
  - Average Price in Supermarkets ........................................... 85
- Exhibits ............................................................................... 86

#### 5. BOTTLED WATER PACKAGING

- Bottled Water Packaging Developments ...................................... 103
- Non-Sparkling Volume by Container Type .................................. 106
- Non-Sparkling Volume by Container Size and Channel ................. 107
- Sparkling Volume by Container Type ........................................ 110
- Exhibits ............................................................................... 111

#### 6. THE LEADING BOTTLED WATER COMPANIES AND THEIR BRANDS

- The Bottled Water Business ....................................................... 123
  - Filling Locations .................................................................. 123
- The Leading Companies and Their Brands .................................... 125
  - Nestlé Waters North America, Inc. ........................................ 127
    - Poland Spring .................................................................... 132
    - Arrowhead ....................................................................... 134
    - Deer Park ........................................................................ 135
    - Ozarka ............................................................................. 136
    - Zephyrhills ...................................................................... 137
    - Ice Mountain ................................................................... 137
    - Nestlé Pure Life .................................................................. 138
    - Perrier ............................................................................. 139
    - Calistoga ......................................................................... 140
    - Great Bear ....................................................................... 141
  - PepsiCo, Inc. ...................................................................... 142
    - Aquafina ......................................................................... 142
    - Ethos ............................................................................... 146
6. THE LEADING BOTTLED WATER COMPANIES AND THEIR BRANDS (cont’d)

Coca-Cola Company

- Dasani
- Evian
- Dannon
- AquaPenn

147
149
153
154
156

DS Waters Enterprises

- McKesson Brands
- Suntory Brands

157
159
160

CG Roxane LLC

- Alpine Spring

164
164

Culligan International

166

Dr Pepper/Seven Up, Inc.

169

Vermont Pure

171

Glacier Water Services, Inc.

178

The PET Water Market

181

The Leading Imported Bottled Water Brands

- Evian
- Fiji
- San Pellegrino
- Perrier
- Volvic
- Acqua Panna
- Apollinaris
- Voss
- Vittel

182
182
184
184
184
185
185
185
185
186
186

The Leading Bottled Water Brands by Channel

187

Exhibits

188

7. THE U.S. CLUB SODA AND SELTZER WATER MARKET

Club Soda and Seltzer Water

- Overview
- Volume

212
212

Club Soda and Seltzer Water Companies and Brands

- Overview
- Vintage
- Canada Dry
- Schweppes
- Seagram

214
214
215
215
216
216

Exhibits

217

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Chapter

8. BOTTLED WATER BY SOURCE

Purified and Spring Water
- Overview
- Volume
Exhibits

9. BOTTLED WATER ADVERTISING EXPENDITURES

Bottled Water Advertising
- Overview
- Domestic Brands
- Imported Brands
Bottled Water Advertising by Media
Exhibits

10. DEMOGRAPHICS OF THE BOTTLED WATER CONSUMER

Users of Bottled Waters in the U.S.
- Overview
- Poland Spring Users
Exhibits

11. THE PROJECTED U.S. BOTTLED WATER MARKET

The Projected National Bottled Water Market
- Overview
- Per Capita Consumption
- Volume by Segments
- Volume by Distribution Channels
- Sparkling and Imported Waters
Exhibits

Appendix

A. U.S. Population by Region 1976 - 2006

Exhibit

1. THE U.S. BOTTLED WATER MARKET

1.5 U.S. Bottled Water Market Change in Gallonage by Segment 1977 – 2006
# Bottled Water in the U.S.

## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Exhibit</th>
<th>The U.S. Bottled Water Market (cont’d)</th>
<th>The Regional and State Bottled Water Markets</th>
<th>The Imported Bottled Water Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

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# Bottled Water in the U.S.

## TABLE OF CONTENTS

### Exhibit

#### 3. THE IMPORTED BOTTLED WATER MARKET (cont’d)
- 3.41 Imported Bottled Water Market Volume by Type 1994 – 2006 .......................... 69
- 3.42 Imported Bottled Water Market Share of Imports by Type 1994 – 2006 .............. 70
- 3.43 Imported Bottled Water Market Growth by Type 1995 – 2006 .......................... 71

#### 4. BOTTLED WATER DISTRIBUTION CHANNELS AND PRICING
- 4.48 U.S. Bottled Water Market Gallonage Share by Water Type and Distribution 1996 – 2006 .................................................................................. 90
- 4.49 U.S. Bottled Water Market Growth by Water Type and Distribution 1997 – 2006 ---- 91
- 4.50 Estimated Retail (Off-Premise) Non-Carbonated Bottled Water Share by Channel 2001 – 2006 .................................................................................. 92
- 4.51 U.S. Bottled Water Market Wholesale Dollar Sales by Type of Distribution 2001 – 2006 .................................................................................. 93
- 4.53 U.S. Bottled Water Market Dollar Growth by Type of Distribution 2002 – 2006 ...... 95
- 4.54 U.S. Bottled Water Market Wholesale Dollar Sales by Water Type and Distribution 1996 – 2006 .................................................................................. 96
- 4.58 U.S. Bottled Water Market Change in Average Per Gallon Wholesale Price 1997 – 2006 .................................................................................. 100
- 4.59 U.S. Bottled Water Market Percent by Type on Feature and Display in Grocery Stores 2003 – 2006 .................................................................................. 101
- 4.60 U.S. Bottled Water Market Average Price Per Unit in Grocery Stores 2003 – 2006 ---- 102

#### 5. BOTTLED WATER PACKAGING
- 5.61 Domestic Non-Sparkling and Sparkling Water Volume by Container Material 2001 – 2006 .................................................................................. 111
- 5.62 Domestic Non-Sparkling and Sparkling Water Share by Container Material 2001 – 2006 .................................................................................. 112
- 5.63 Domestic Non-Sparkling and Sparkling Water Growth by Container Material 2002 – 2006 .................................................................................. 113
5. **BOTTLED WATER PACKAGING (cont’d)**
   5.64 Domestic Non-Sparkling Water Volume by Container Material 2001 – 2006 114
   5.65 Domestic Non-Sparkling Water Share by Container Material 2001 – 2006 115
   5.66 Domestic Non-Sparkling Water Growth by Container Material 2002 – 2006 116
   5.67 Domestic Non-Sparkling Water Volume by Container Size 2001 – 2006 117
   5.68 Domestic Non-Sparkling Water Share by Container Size 2001 – 2006 118
   5.69 Domestic Non-Sparkling Water Growth by Container Size 2002 – 2006 119
   5.70 Domestic Sparkling Water Volume by Container Material 2001 – 2006 120
   5.71 Domestic Sparkling Water Share by Container Material 2001 – 2006 121
   5.72 Domestic Sparkling Water Growth by Container Material 2002 – 2006 122

6. **THE LEADING BOTTLED WATER COMPANIES AND THEIR BRANDS**
   6.73 Bottled Water Producer Profiles Locations & Dollars 2002 – 2005 188
   6.74 Bottled Water Producer Profiles Cumulative Locations & Dollars 2002 – 2005 189
   6.75 Bottled Water Producer Profiles Cumulative Location & Dollar Shares 2002 – 2005 190
   6.76 Regional Bottled Water Market Producer Locations 2000 – 2005 191
   6.79 Leading Bottled Water Companies Change in Wholesale Dollar Sales 2002 – 2006 194
   6.82 Leading Bottled Water Companies Estimated Change in Wholesale Dollar Sales by Brand 2002 – 2006 197
   6.85 Leading Bottled Water Brands Change in Dollar Sales 2002 – 2006 203
   6.86 PET Water Market in the U.S. Volume Share by Company 2004 – 2006 204
   6.89 The Leading Retail PET Brands In Grocery Stores by Volume 2006 207
   6.90 The Leading Retail PET Brands In Drug Stores by Volume 2006 208
   6.91 The Leading Sparkling Water Brands In Grocery Stores by Volume 2006 209
   6.92 The Leading Sparkling Water Brands In Drug Stores by Volume 2006 210
   6.93 The Leading Distilled Water Brands In Grocery Stores by Volume 2006 211

7. **THE U.S. CLUB SODA AND SELTZER WATER MARKET**
   7.95 Club Soda/Seltzer Estimated Volume Share 2001 – 2006 218
Table of Contents

7. THE U.S. CLUB SODA AND SELTZER WATER MARKET (cont’d)
   7.97 Club Soda/Seltzer Estimated Volume by Brand 2001 – 2006 ------------------------ 220
   7.98 Club Soda/Seltzer Estimated Share by Brand 2001 – 2006 ------------------------ 221

8. BOTTLED WATER BY SOURCE
   8.100 Retail PET Bottled Water Volume by Source 2000 – 2006 ------------------------ 225
   8.101 Retail PET Bottled Water Share by Source 2000 – 2006 ------------------------- 226
   8.102 Retail PET Bottled Water Growth by Source 2001 – 2006 ----------------------- 227

9. BOTTLED WATER ADVERTISING EXPENDITURES
   9.111 Leading Imported Brands Change in Advertising Expenditures 2002 – 2006 ---- 244
   9.112 Estimated Advertising Expenditures for All Bottled Water Brands by Media
       2001 – 2006 ------------------------------------------------------------------- 245
   9.113 Estimated Share of Advertising Expenditures for All Bottled Water Brands by
       Media 2001 – 2006 ----------------------------------------------------------- 246
   9.114 Estimated Change in Advertising Expenditures for All Bottled Water Brands by
       Media 2002 – 2006 ----------------------------------------------------------- 247

10. DEMOGRAPHICS OF THE BOTTLED WATER CONSUMER
   10.115 Demographics of the Spring Water Consumer 2006 --------------------------- 256
   10.116 Demographics of the Poland Spring Consumer 2006 ------------------------ 258

11. THE PROJECTED U.S. BOTTLED WATER MARKET
   11.120 Projected U.S. Bottled Water Market Volume by Segment 2006 – 2011 -------- 270
   11.122 Projected U.S. Bottled Water Market Compound Annual Growth by Segment
       2006 – 2011 ------------------------------------------------------------------- 272
Exhibit

11. THE PROJECTED U.S. BOTTLED WATER MARKET (cont’d)
   11.125 Projected Domestic Non-Sparkling Bottled Water Market Volume and Share by Distribution Channel 2006 – 2011 275
   11.126 Projected Domestic Non-Sparkling Bottled Water Market Compound Annual Growth by Distribution Channel 2006 – 2011 276
   11.127 Projected Domestic Sparkling and Imported Bottled Water Volume and Share 2001 – 2011 277
   11.128 Projected Domestic Sparkling and Imported Bottled Water Compound Annual Growth 2006 – 2011 278
### IMPORTED BOTTLED WATER MARKET
#### GROWTH BY TYPE
##### 1995 – 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-Sparkling</th>
<th>Sparkling</th>
<th>Total</th>
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<tr>
<td>1994/95</td>
<td>-10.6%</td>
<td>21.6%</td>
<td>-6.6%</td>
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<tr>
<td>1995/96</td>
<td>14.1%</td>
<td>20.4%</td>
<td>15.1%</td>
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<tr>
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<td>2000/01</td>
<td>-13.0%</td>
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<td>2001/02</td>
<td>31.2%</td>
<td>17.0%</td>
<td>28.0%</td>
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<td>2002/03</td>
<td>24.2%</td>
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<td>2003/04</td>
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<td>2004/05</td>
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<td>14.3%</td>
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<tr>
<td>2005/06</td>
<td>-19.7%</td>
<td>16.0%</td>
<td>-10.0%</td>
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*Source: Beverage Marketing Corporation*
AVERAGE BOTTLED WATER INTAKE SKYROCKETS

Projected per capita consumption, 1991 - 2011

(P) Projected

Source: Beverage Marketing Corporation
Bottled water has sustained remarkable growth for decades. It continues to enlarge vigorously even after having achieved significant scale as the second largest commercial beverage category by volume in the country.

- For several consecutive years, volume growth has been in the high-single-digit to low-double-digit range, and per capita consumption has enlarged significantly.
- In recent years, U.S. volume has been increasing more rapidly than dollar sales, but in both respects, the industry’s performance is unrivaled.

The characteristic driving bottled water’s growth are clear.

- Many consumers recognize it to be healthy, safe and, in some instances, of superior purity to alternative sources of water.
- It’s a versatile product, suitable for consumption at any time of day and need not be kept cold (like soft drinks or juice) or warm (like coffee or tea).
- As far as ready-to-drink commercial beverages go, it’s relatively inexpensive, and with competitive pricing it is becoming increasingly affordable for consumers.
- Various packaging types, ranging from bulk to single-serve, facilitate a variety of uses. Consumers’ growing interest in healthy, low-calorie products that confer benefits above and beyond refreshment also contributes to the quintessential hydrating beverage’s performance in recent years.
- As concern about obesity grows more widespread and intense, bottled water’s calorie-free contents appear that much more attractive to consumers.

Domestic non-sparkling water is the largest and strongest part of the U.S. packaged water industry, consistently outperforming other segments.

- The retail premium PET segment is driving overall category enlargement and now accounts for more than half of total volume.
- Recently, consumers have renewed interest in sparkling waters, causing some growth in that segment.
- Imports, however, declined in 2006.
- Bulk and direct delivery volumes have not enjoyed the levels of expansion that characterize the PET water segment.
2007 BOTTLED WATER IN THE U.S.

Unparalleled growth. Explore the past, present and future of the fastest growing major U.S. beverage category with BMC’s definitive report. This study scrutinizes each segment of the market, including retail premium PET, bulk, home and office delivery, vending, imports and sparkling. Enhanced with IRI data.

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