



# FISHERMAN'S FRIEND®

## THE MARKET

With a market share of over 38 percent, Fisherman's Friend is the top-selling medicated throat lozenge in Canada. Originally sold only in pharmacies, the market for Fisherman's Friend lozenges soon expanded beyond the traditional pharmacy distribution base as a result of their high rate of sale and widespread popularity. Today, this distinctive product is also available in a broad array of retail outlets including convenience stores, grocery and gas bar outlets.

## ACHIEVEMENTS

For the first 98 years of its existence (until 1963), Fisherman's Friend was only available in a single pharmacy outlet in Fleetwood, England. Today Fisherman's Friend is marketed in over 120 countries worldwide with sales of over 5 billion lozenges per year.



Fisherman's Friend lozenges are still produced exclusively in Fleetwood, England, by Lofthouse of Fleetwood Limited. The company has received three Queen's Awards for Export Achievement from the British government, in recognition of the brand's worldwide success and positive economic impact.

In the highly competitive Canadian market, Fisherman's Friend has exhibited an impressive volume growth over an 18 year period. Although major corporate and brand competitors have introduced many new products in the lozenge and cough drop category during that time, Fisherman's Friend has continually expanded its market share and maintained an extremely loyal consumer following.

## HISTORY

In the 1860s, the town of Fleetwood in Lancashire on the northwest coast of England was a thriving community and the centre of the United Kingdom's fishing industry. Fishermen would depart from Fleetwood on long voyages through the North Sea and Arctic Circle. Given prolonged exposure to freezing winds and rough seas, the men would often suffer from coughs, colds and bronchial problems.

In 1865, pharmacist James Lofthouse created a new recipe for lozenges in his chemist shop on East Street in Fleetwood. It was designed to solve the problem of liquid syrups stored in glass bottles which broke when accidentally dropped at sea in rough weather. His special blend of liquorice, capsicum, eucalyptus and menthol was highly effective and quickly became popular amongst not only the fishermen, but also the townsfolk of

Fleetwood. They would come into the shop and ask for a packet of the "fishermen's friends" or "the fishermen's lozenges" — which is how the brand name "Fisherman's Friend" originated.

The lozenges continued to be sold exclusively in the family pharmacy until 1963 when Doreen



Lofthouse, the wife of James Lofthouse's grandson, began selling the lozenges to stores in the surrounding area. The business grew so quickly that in 1969 a separate factory was opened in Fleetwood in order to keep pace with increasing consumer demand.

National distribution was achieved in the United Kingdom when the Boots pharmacy chain noticed a high volume of Fisherman's Friend sales in one of its shops and placed the lozenge into all their outlets. In 1974, the company received its first export order from a distributor in Norway. From that point on, the export business grew dramatically and quickly outpaced sales in the home market.

In Canada, TFB & Associates Limited was appointed the distributor for Fisherman's Friend in 1988 and started by selling the Original Extra Strong and Regular Strength lozenges to pharmacies for placement in the medicated lozenge section. The variety of Fisherman's Friend lozenges labeled as "Regular" in Canada are marketed as "Aniseed" or "Licorice" flavour in virtually all other international markets. Health Canada would not permit labeling the original

lozenges as "Extra Strong" unless there was another variety designated as the "Regular."

## THE PRODUCT

Perhaps the most important factor in the success of Fisherman's Friend lozenges is their effectiveness. Simply put, they work! They provide highly effective relief from sore throats, coughs and nasal congestion. This winning formula, combined with





strategic brand promotion, has created a strong and ever expanding base of loyal consumers.

The Original Extra Strong Fisherman's Friend lozenges are still formulated exactly as they were in 1865 with capsicum, liquorice powder, eucalyptus and menthol. Each lozenge still takes at least one week to produce, with every step in the production cycle checked and double-checked for consistency and quality under conditions carefully controlled for temperature and humidity.

The lozenges are no longer produced with a pestle, mortar and rolling pin as they first were in the Lofthouse pharmacy. The Fisherman's Friend factory is a gleaming pharmaceutical-grade manufacturing facility with state-of-the-art mixing, forming and packaging equipment which produces millions of packets per day. Skilled technicians and quality-control personnel use the latest laboratory techniques to monitor every batch, and make sure each packet leaves the factory in perfect condition.

Today, Fisherman's Friend lozenges are available in a variety of flavours including Cherry, Lemon, Mint and Apple/Cinnamon. The new flavours don't taste as strong as the Original recipe — but they work just as effectively, and almost all are sucrose free. As a result, the brand now has a broader consumer appeal, and more customers than ever.

The Fisherman's Friend packaging is every bit as unique as the product. The lozenges are sold in distinctive paper packets which must be torn to open, and consumers often write and e-mail about the package. Some comment that the lozenges fall out of the packet into their pockets and suggest the product should be sold in a re-sealable container. A separate re-usable tin pack is now available for fans who desire a more permanent home for their supply of Fisherman's Friends, but that is the only solution!

The paper packet is one of the brand's hallmarks, and there are no plans to change the long-standing



and successful tradition. The packet is economical and effective without any excess bells and whistles . . . a straightforward package for a straightforward, true-to-its-roots brand! Some lighthearted advice for those who might prefer a more substantial package: If a lozenge should fall out into the depths of your purse or pocket, just consider it a "reserve" for a sore throat emergency!

#### RECENT DEVELOPMENTS

The most recent addition to the Fisherman's Friend product line in Canada was the launch of the Cherry Sucrose Free flavour in 2003. Developed specifically for the Canadian market, it has been the most successful new flavour introduction in the history of Fisherman's Friend in Canada. Cherry Sucrose Free has subsequently been introduced successfully in other Fisherman's Friend markets around the world.

The Cherry flavour was also introduced in a unique merchandising shelf box which was designed specifically to fit into front checkout racks in retail stores, right beside competitive cough drop products. The new display box is now also available for the Original Extra Strong variety so Canadian retailers can capture extra sales with two top-selling flavours of Fisherman's Friend at their front checkouts.

#### PROMOTION

Fisherman's Friend in Canada is supported by a wide range of brand-building consumer promotion activities.

Trial generation is a key objective, and consumer trial generation programs continue on a year-round basis targeting specific consumer groups including young adults and diabetics who can benefit from the sucrose-free varieties. Trial generation activities also target medical and pharmacy professionals to ensure they are familiar with the product and provide them with trial-size packets to recommend to their patients and clients.

Consumer advertising targets heavy cough drop and lozenge users in the Canadian market. The current Canadian TV commercial titled "Dancing

Cherries" is building consumer awareness that the Cherry flavour is an effective and pleasant tasting alternative to the Original Extra Strong.

Fisherman's Friend has also developed a strong following among professional and amateur singers, choir members, auctioneers, radio and TV announcers and all sorts of voice professionals. These relationships are nurtured with targeted promotions and relationship building programs on an ongoing basis.

To strengthen relationships with Canadian consumers, Fisherman's Friend promotion also includes participation in community events and the lending of support to numerous charity and nonprofit organization events throughout the year.

#### BRAND VALUES

Fisherman's Friend has built its reputation as the best throat lozenge in the world. It consistently provides superior performance and quality at a price that is affordable to all. Fisherman's Friend respects its consumers and never over-promises . . . it delivers!

#### THINGS YOU DIDN'T KNOW ABOUT FISHERMAN'S FRIEND LOZENGES

- If all the Fisherman's Friend lozenges sold in a year were placed end to end, they would circle the globe two times.
- Fisherman's Friend lozenges are 100 percent gluten free.
- Fisherman's Friend lozenges are 100 percent peanut and nut free.
- Fisherman's Friend lozenges are 100 percent vegetarian and do not contain any milk or egg ingredients.
- Fisherman's Friend lozenges are both Kosher and Halal approved.
- "Sucrose Free" Fisherman's Friend flavours can be easily identified by the diagonal stripes on their packets.