

POLAR ICE

VODKA

THE MARKET

Whether enjoyed neat, over ice or as part of a refreshing cocktail, vodka has the versatility to appeal to almost anybody. In fact, vodka has become so popular it has grown to become one of the largest spirits across the globe and is now the leading spirit in Canada. Having surpassed sales numbers for Canadian whisky brands in 2006, vodka sales exceed 4.25 million 9L cases every year. This is a clear demonstration of how quickly the vodka category is growing in comparison to other spirits.

While the history of vodka and its origins are often debated, it is known that vodka dates back to at least the 15th century. Both Russia and Poland continue to claim their nations as the birthplace of vodka, but the spirit can actually be produced almost anywhere in the world. By definition, vodka is an alcoholic beverage made by treating grain or potato spirits with charcoal to produce a product without any distinctive character, aroma or taste. In simpler terms this means that vodka is really a clear, colourless and odourless neutral spirit. This definition held true for centuries until small amounts of flavouring were added to the spirit, creating unique, flavoured vodka.

In recent years the North American market has seen the rise of flavoured vodkas appealing to a broader consumer base with various citrus and fruit blends entering the market. The addition of flavoured vodkas has enabled mixologists and consumers to create just about any taste profile they desire with just a few simple ingredients. In 2008, Polar Ice Vodka entered into the flavoured vodka arena with the introduction of two very unique and distinctly Canadian flavours — Northern Maple and Arctic Berry. These two flavours celebrate the proud Canadian heritage of Polar Ice Vodka.



Please enjoy our products responsibly.

In Canada, Polar Ice Vodka is the third-largest vodka brand as measured by retail value, selling on average more than 300,000 9L cases per year. Internationally, Polar Ice Vodka is the number-one Canadian vodka thanks to growing export sales of the brand, particularly to the US. Polar Ice Vodka has also been effective in its retail activity and

benefits from being part of one of the largest distribution companies in Canada. Furthermore, the ongoing sponsorship of Pride Week in Toronto is a key event in the brand's promotional calendar and one that is used to effectively communicate the brand's values of community and diversity.

ACHIEVEMENTS

Polar Ice Vodka continues to experience growth and is enjoyed by vodka lovers internationally for its smoothness and its crisp, fragrant taste.

A relatively young brand on the vodka landscape, Polar Ice Vodka has been one of the fastest-growing spirit brands in Canada. In fact, sales of Polar Ice Vodka have doubled from 150,000 to over 300,000 9L cases in the past five years.

To be a strong competitor in the vodka category, a brand must evolve with the times, and Polar Ice is no different. In 2001, Polar Ice Vodka underwent a packaging relaunch and was subsequently awarded a Double Gold Medal for the new pack at the San Francisco World Spirits Competition. Of note, the bottle design recognized by consumers today was driven by the brand's export opportunity to the US market. Consumer testing of the opaque bottle confirmed that a new bottle design would be required to support a premium, imported positioning. This packaging proved so successful in subsequent consumer testing that it was adopted for the Canadian market as well.

In 2003 Polar Ice won a Double Gold medal, again at the San Francisco Competition, this time for product quality. Most recently, the new flavoured vodka entries were awarded medals at the 2008 San Francisco World Spirits Competition. Northern Maple Flavoured Vodka was awarded a Gold Medal as well as a Silver Medal for the new Arctic Berry Flavoured Vodka.

HISTORY

McGuiness Distillers Company Limited introduced Polar Ice Vodka to Canada in 1985. The brand was originally launched as the first vodka specially developed to be served frozen — hence the slogan “born to freeze.”

In 1988, Corby Distilleries Limited purchased the assets of the McGuiness Distilling Company Limited, resulting in the acquisition of the Polar Ice Vodka brand. Corby’s portfolio of owned-brands includes some of the most renowned and respected brands in Canada, including Wiser’s Canadian whiskies and Lamb’s rum.

In 2006, Corby Distilleries Limited entered into an agreement concerning the Canadian representation of Pernod Ricard’s brands, production of Corby’s owned-brands, an exchange of certain assets and a combined strategic approach to the Canadian market. The agreement resulted in Pernod Ricard taking ownership of 46 per cent of the capital of Corby and is considered to be Corby’s ultimate parent. This transaction brought together the best of two extraordinary organizations to the benefit of liquor brands, including Polar Ice Vodka, licensees and consumers in every region across Canada. In 2001 Polar Ice Vodka underwent a makeover and re-emerged with a fresh and modern new look. The brand



cent premium grains, Polar Ice Vodka is exceptionally smooth — perfect for making great cocktails. No longer a floor brand, Polar Ice Vodka measures up in the premium vodka category. It has been described as a featherweight vodka with a satin-like texture and a delicate, faintly citrus bouquet. Gliding over the palate leaving nothing behind, its finish is warm and relaxed. Polar Ice Vodka is a savvy premium spirit, priced to attract all vodka consumers.

RECENT DEVELOPMENTS

Being a young brand within the vodka market, recent developments focus on the incredible brand growth following its re-launch in 2001. In 2008, Polar Ice Vodka became the third-largest vodka brand in Canada and is now established as the ninth-ranked spirit brand in the country.

In the spring of 2008, Polar Ice Vodka expanded into the flavoured vodka market for the first time with two proudly Canadian varieties: Northern Maple and Arctic Berry. Both new flavours reflect the proud Canadian heritage of the brand and produce the same quality and purity Canadians have come to expect from the Polar Ice Vodka brand.

Northern Maple will immediately transport consumers to the tree-covered sugar shacks of Eastern Canada with the sweet familiar scent that rises off the spirit. Surprisingly smooth and clean tasting, the flavour is achieved through the use of 100 per cent natural flavours resulting in an elegant maple flavour with subtle notes of vanilla.

The full-bodied flavour of the new Arctic Berry uses a uniquely Canadian blend of all-natural berry flavours for a fruity twist on the traditional Polar Ice Vodka that is perfect for creating an innovative fruit-inspired cocktail.

BRAND VALUES

Polar Ice Vodka is a proud Canadian brand that values Honesty (Integrity), Discovery, Clarity and Community (Diversity).

The importance of demonstrating these guiding values has been an important priority for the brand. Since 1999 Polar Ice Vodka has partnered

with Pride Toronto as the exclusive spirit sponsor and official vodka of Pride Toronto, one of the largest Pride festivals in the world, held every June in the heart of downtown Toronto. The festival has turned into a 10-day celebration of the diverse sexual and gender identities, histories, cultures, families and lives of Toronto’s Lesbian, Gay, Bisexual, Transsexual, Transgender, Intersex, Queer, Questioning and 2 Spirited communities. Polar Ice Vodka is proud to support this great event and celebrate diversity, a key value of the brand.

While Polar Ice’s longstanding Pride partnership is a unique and memorable way to interact with consumers, it is only part of the commitment to community demonstrated by the brand. For the second year in a row, Polar Ice Vodka is pledging a portion of sales from a special edition bottle to the Canadian AIDS Society — doubling its contribution from year one. The special edition bottle, designed by British Columbia artist Morgan McConnell, embodies a message that HIV/AIDS affects each and every Canadian. Programs supported by this fundraising initiative help enrich the lives of people and communities living with HIV/AIDS in Canada.

Polar Ice Vodka is one of the largest single donors to the Canadian AIDS Society. Registered as a charity since 1988, the Canadian AIDS Society (CAS) is a national coalition of over 125 community-based AIDS organizations across Canada. Polar Ice Vodka joins the Canadian AIDS Society in its dedication to strengthening the response to HIV/AIDS across all sectors of society, and to enriching the lives of people and communities living with HIV/AIDS.



was repackaged with a more sophisticated and modern bottle shape and moved from the original black opaque bottle to a clear front panel.

THE PRODUCT

With the introduction of the new Polar Ice Vodka packaging in 2001 came overwhelming positive feedback. The bottle design, style and price aligned Polar Ice Vodka with other premium vodka brands. Not only was the packaging evolved — the vodka itself was also refined for a taste that is more pure and smooth.

Polar Ice Vodka is produced from 100 per cent Canadian grains for a truly authentic Canadian flavour. The Polar Ice Vodka production process incorporates quadruple distillation using a proprietary process known as Pressurized Extractive Distillation — a unique process that removes microscopic impurities to achieve the pure taste specific to Polar Ice Vodka. The quadruple distilled vodka is then filtered three times for purity and bottled at eighty proof.

With a great new package and an improved taste, the positioning of the new Polar Ice Vodka evolved into a brand that was about style, sophistication and simplicity. Made with 100 per

THINGS YOU DIDN'T KNOW ABOUT POLAR ICE VODKA

- Polar Ice Vodka is 100 per cent Canadian made.
- Polar Ice Vodka celebrates its 30th birthday in 2010.
- Polar Ice Vodka is one of the fastest-growing imported vodkas in the United States since its introduction in 2001.