

CEDEVITA®

Market

The Croatian market of non-alcoholic drinks has been developing continuously and it has increased in recent years. Instant vitamin drinks hold more than 5% of the market share and it should be noted that the leader in this category is Cedevita (source: Canadean). It very rarely happens that a particular product has more than 90% of the market share in a certain category. The success and value of Cedevita is evident in the fact that it has more than a 98% share while other products in the category have not even reached 1% (source: AC Nielsen). In Croatia, the average annual consumption of Cedevita in 2005 was over eight and a half litres per person. It is important to mention that, based on consumption in millions of litres, Cedevita holds the second position in the category of all non-alcoholic drinks, excluding water (source: Canadean).

Achievements

Despite the appearance of new products and drinks, Cedevita has always managed to respond to new challenges in order to keep its status on the market and to continuously improve. Cedevita is the most popular instant vitamin drink in this area with an almost absolute recognition of the product. Furthermore, it is one of the first products that were given the label "Croatian quality".

It is important to mention that Cedevita is very popular outside Croatian borders as well. It has a place in all the markets of the region as one of the most popular Croatian products. Cedevita is also exported to far-away countries.

Many tourists visit Croatia for their summer holidays and try Cedevita for the first time, grow to like it and take it home or try to buy it in their country. Many Croatian people live abroad, and when people travel to visit their relatives abroad it is customary to bring them Cedevita together with a number of other



products from their homeland. For these reasons it is impossible to precisely track in which countries Cedevita is present.

However, it is certain that Cedevita achieved production records in 2006. Never before has so much Cedevita come out of the production plants and plans for the future are even bigger. The production of Cedevita will increase in the future due to a more active approach to new markets, the extension of distribution channels and the increase of consumption.

History

The multivitamin drink Cedevita appeared in 1969, while the production of Cedevita started in 1970.

Compared to today's product, the first Cedevita product was made with a somewhat more concentrated vitamin base and it was packed in small glass bottles that were, together with a measuring cup, packed in a cardboard box. The product was in the first instance a medicinal one, and it was sold only in pharmacies. At that time its aroma was artificial, which can hardly be imagined today. The product was very well received so production technology and market approach improved continuously. Therefore, Cedevita evolved into a fast moving consumer good and was no longer sold only in pharmacies, which marked the beginning of its further expansion. Cedevita recognized its consumer needs a long time ago and introduced bigger packages. In 1993, the first "big" 1 kg bags were produced, while smaller, 500 grams bags appeared in 1999.

Cedevita is produced in modern plants and the factory itself confirms the highest production and business operation quality with a number of international standards certificates such as ISO 9001 for business operations quality, ISO 14001 for environment management system, HACCP for food production and other standards are to be also introduced.

Today's product is a blend of a long tradition of pharmaceutical and dietetic product production, recent findings and technological solutions.

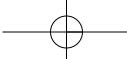
Cedevita consumption has primarily been exclusively linked to households. However, by entering the HORECA network you can order Cedevita in most cafes in Croatia and in some neighbouring countries. This has certainly opened a new chapter in the product's development.



Product

The human body has to perform strenuous tasks on a daily basis. For the human organism to be able to fulfil all of the tasks required of it, it has to be able to function properly; or in other words, a person has to take care of their diet, and give their body a sufficient amount of vitamins, which mostly come from food. Nevertheless, there are many reasons why people don't give their bodies the vitamins they require. Therefore, Cedevita is a perfect drink because it contains nine essential vitamins, perfectly adapted to our daily needs and therefore can be maximally used. Only one glass of Cedevita fulfils 50% of our daily need for vitamins. It is important to mention that all the vitamins are defined on the basis of strict pharmaceutical regulations on quality. Cedevita also offers excellent refreshment because it is produced in rich fruit flavours. The most popular flavour is definitely orange, but lemon, mandarin, grapefruit and many other natural fruit flavours are also becoming popular.

Cedevita KIDS is produced especially for children, it is enriched with calcium together with other essential vitamins, and Cedevita light for consumers with special dietetic needs. Cedevita does not only have different flavours but each Cedevita package has a different purpose. Big 1 kg packages are very economical and intended for families that enjoy Cedevita in huge quantities. Smaller bags are for those who truly love Cedevita but find a 1 kg package too much for them. Small 200 grams bottles are



ideal for carrying Cedevita about, or for trying another Cedevita flavour "for a change". Cedevita has a special package for cafes, small 15 grams bags which are ideal for one glass of Cedevita.

Recent developments

Economical Cedevita packages are improved constantly. They have come a long way from glass bottles to simple, flat, brown plastic bottles and finally to the introduction of bag packages. Today you can find Cedevita in practical packages which are adapted to the needs of consumers with their size and shape. Namely, Cedevita can be found today in ergonomic bottles that have a special opening, which enables easier dosage and use. Cedevita shows its concern for consumers with a sleeve label, which prevents the bottles from opening of their own accord. Bags, on the other hand, prove their efficiency on a daily basis.

In time, Cedevita content has undergone changes with the development of technological and nutritional needs in order to provide the best for consumers.



Promotion

In accordance with world trends, development, packaging, design and shape are constantly changing and Cedevita surprises us every few years with a new, fresh look. However, some elements are always present such as an already recognizable logo with the "cowboy-style" letters, modernised when redesigned, but always remaining recognizable.

Cedevita is among the first brands in the area that realized the importance of communication with consumers and some of the first commercials, at the beginning of 80s, were commercials for Cedevita. It is clear that such a strong brand has an interest to be connected to important people, and this is how commercials with Goran Ivanis̄ević, Sanja Doležal and Iva Majoli have developed. Advertising still plays a very important role for Cedevita in terms of its continuous presence on the market. Today the communication between Cedevita and its consumers is conducted through different media in order to present its values, news or special offers in the best possible way. Apart from using the mass media such as television, press or radio, there are also billboards, public transport in bigger cities, huge advertising surfaces and the omnipresent Internet.

Special attention is dedicated to positioning Cedevita products in stores. The sponsorship of different sports players, sport clubs and events, as well as culture and social events are equally important for Cedevita. Cedevita invests much

in sports, sponsoring a successful Croatian basketball club named KK Cedevita.

It is important to note that Cedevita is aware of people's needs so it gladly offers donations or helps in other ways in difficult health or financial circumstances.

Cedevita appreciates its consumers and every once in a while rewards their loyalty with prize games or multifunctional promotion materials. There is a free telephone number that enables consumers to receive information in a quick and simple way, and have a personal contact.

Brand Values

Cedevita is devoted to fulfilling its task of being a healthy refreshment, that is, to offer satisfaction that comes from consuming a tasty, refreshing drink that is rich in vitamins. Cedevita is a traditional drink of supreme quality, but at the same time a modern, optimistic and cheerful product that reflects family values such as caring, warmth and unity. Cedevita is a drink for the entire day, and for all occasions and seasons - in summer it will be in the limelight as refreshment, while in winter its vitamins are of great importance. It is enjoyable to drink Cedevita in moments of solitude, but it is even more enjoyable to share it with family and friends.

www.cedevita.hr



THINGS YOU DIDN'T KNOW ABOUT...

Cedevita

- Up until 2006, 1,100,000,000 litres of Cedevita had been consumed.
- One can make 13 litres of healthy drink from only one kilogram of Cedevita.
- Cedevita was the first in Croatia to advertise on billboards.
- The name itself states the product's vitamin structure CE - DE - VITA(mins).