

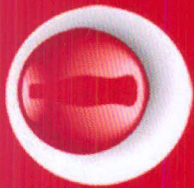
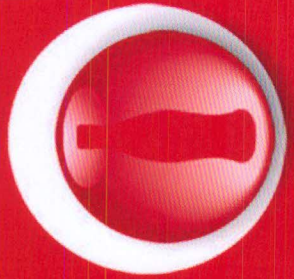
ATTACHMENT NO. IX-J: Coca-Cola Vending Proposal


Suggested Motion: Move to approve the Coca-Cola vending proposal

Recommended Action: Approve the motion.

Attached is a proposal from Coca-Cola for the lease of vending machines to our District. It is recommended that the Board approve their proposal for a new vending contract.

# Why Coca-Cola and Schools?





# North Boone School District & Coca-Cola Refreshments



Coca-Cola will always follow responsible business practices in schools by:

- Supporting academic achievement, positive youth development and promoting nutrition and physical fitness
- Supporting the Alliance for a Healthier Generation recommendations for beverage choices in schools.
- Working with you to ensure adherence to Federal, State and Local Guidelines
- Maintaining the classroom as a commercial free zone
- Offering a wide variety of brands and packages to meet all of your beverage needs



## About Coca-Cola...

- The #1 Most Valuable Brand in the World – Forbes Magazine 2009
- The World's Most Recognized Trademark
- The World's Preeminent Beverage Company Provides:
  - Quality Refreshment to Customers & Consumers
  - In 200+ Countries Around the World
  - 834 Million Drinks Per Day

### The Coca-Cola System...

#### THE COCA-COLA COMPANY

Develop/Create National Advertising  
Develop National Education Programs  
Support National Education Organizations



#### COCA-COLA REFRESHMENTS

Develop Local Education Programs  
Support Local Education Partners  
Distribute/Merchandise the Product



## Why Choose Coca-Cola?

- Broad portfolio of choices for hydration and refreshment throughout the day
- Support for Health and Wellness Initiatives
- Access to programs and resources to promote positive youth development
- Local market partnership



**Set For Success**



# Sustainability

- Corporate Responsibility and Sustainability (CRS) is a pillar of our overall business strategy and an integral part of ensuring our success. In 2007, we stepped up our commitment, developing a set of goals and targets to achieve by the year 2020 – what we are calling “Commitment 2020.”

## COMMITMENT 2020 GOALS



- Reduce the overall carbon footprint of our business operations by 15 percent by 2020, as compared to our 2007 baseline.



- Establish a water-sustainable operation in which we minimize our water use and have a water-neutral impact on the local communities in which we operate, by safely returning the amount of water equivalent to what we use in our beverages and their production to these local communities and their environment.



# Sustainability

- “**Newsweek** has named **Coca-Cola Enterprises #1** in the Food and Beverage sector of their **Green Rankings**.”
- In its first-ever environmental ranking of the 500 largest U.S. companies based on environmental performance, policies and reputation, **Newsweek** has named **Coca-Cola Enterprises #1** in the **Food and Beverage sector** and **#36 overall for 2009**.
- Produced in collaboration with three major research partners – KLD Research & Analytics (which tracks environmental, social and governance data), Trucost (which specializes in quantitative environmental performance measurement), and CorporateRegister.com (the world’s largest online directory of social responsibility, sustainability and environmental reporting), the rankings assessed each company’s environmental impact, policies, strategies and reputation among its peers.
- Other notable companies in our industry include **The Coca-Cola Company (#2 in the sector, #58 overall)**, **PepsiCo (#8 in the sector, #119 overall)**, **Pepsi Bottling Group (#14 in the sector, #278 overall)**, and **PepsiAmericas (#18 in the sector, #405 overall)**.

<http://www.newsweek.com/id/215577>

<http://greenrankings.newsweek.com/top500>

<http://greenrankings.newsweek.com/companies/industry/food-and-beverage>







# MY COKE REWARDS...



**Join us in giving students a helping hand.**

**Introducing**



**mycokerewards for schools**

**The refreshing new way schools get rewarded.**

## **Registering Schools**

An authorized school representative (principal, PTA president or other school administrator) can initiate the registration process at [mycokerewards.com/schools](http://mycokerewards.com/schools). The school principal activates the account and appoints a My Coke Rewards for Schools Account Manager to complete registration and maintain the account.

## **Collecting Points**

Once a school is registered, get the community involved by having My Coke Rewards members donate points from codes found on participating Coca-Cola products — choosing from a variety of beverages that fit their tastes and needs.

## **Getting Rewarded**

My Coke Rewards for Schools Account Managers choose the rewards that are best for their school. They can also create a wish list of all the available resources their school needs. Once enough points have been collected, schools redeem their rewards.

**Together we can make a difference at your local school.**

Education is one thing that touches all our lives. For over 80 years, Coca-Cola® has been supporting schools and providing resources that open doors for students. The My Coke Rewards for Schools program refreshes our longstanding commitment to education by giving today's students what they need.

Together we can help students learn and grow by turning My Coke Rewards points into rewards for accredited schools grades K-12 — providing playground equipment, art supplies, sports gear, educational resources and much more.

Head to [www.mycokerewards.com/schools](http://www.mycokerewards.com/schools) to learn more.



# MY COKE REWARDS...

## Open a Coke® and open doors for students in your community.

### Show Your Support

Parents, friends and others in the community can support a school by signing up for My Coke Rewards® and donating points to registered schools.

To see if your school is registered, visit [mycokerewards.com/schools](http://mycokerewards.com/schools). If your school is not registered, please talk to a school representative to get signed up.

### What can I do?

1. Enter codes from your favorite participating My Coke Rewards products
2. Pick your school from a list of participating K-12 schools
3. Donate points to help students get rewards



My Coke Rewards is open to legal residents of the 50 U.S. (and D.C.) age 13 and over. Visit [www.mycokerewards.com](http://www.mycokerewards.com) for details and a full list of participating products. ©2008 The Coca-Cola Company.



### More ways to help

Join us at My Coke Rewards for Schools and help make good things happen. Get your local schools to register.

Work with others in your community to donate points. Spread the word about the program.

That's what living on the Coke Side of Life is about...connecting others to make things a little better in our communities.

### Make education more rewarding

Help students grow stronger and reach higher in all aspects of life. Schools can earn a wide variety of physical, educational and skill-building rewards that empower students to learn, discover and do more every day.



Sports Gear



Go Green! Discovery DVD Set



Cobalt Flux® Dance System

Browse our online catalog at [www.mycokerewards.com/schools](http://www.mycokerewards.com/schools) to see all the rewards available.



Join us on the **Coke side of life**®

at [mycokerewards.com/schools](http://mycokerewards.com/schools)



# mycokerewards.com Opportunity

**SAMPLE**  
COMMUNITY

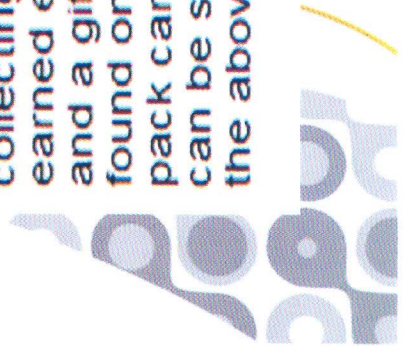
## Send your Coke Codes to School

by Nicky Barto  
October 25, 2007

The Coca-Cola company has been running a promotion where codes from coke products can be entered into their web site. Currently Mrs. Bruner, Mr. Malerk and Mrs. Barto all have been saving points and will be using them to purchase products and incentives for the school. Although this is the first year that Mr. Malerk and Mrs. Barto have been collecting, Mrs. Bruner has done this for three years. So far she has earned enough points to purchase three DVD players, a variety of movies and a gift certificate that was used during Prom last year. Codes can be found on the lids of coke product drinks and on twelve and twenty-four pack cartons. If you have carton codes that you would like to donate they can be sent with any Hall student or dropped off at the school in care of the above teachers. Thank You!



My Coke  
Rewards





## Beverages in Schools can Provide:

- Hydration and refreshment for students and faculty
- Value added resources for student development
- Revenue for educational initiatives not otherwise funded





# Full Portfolio of Beverage Choices

- We offer a wide variety of beverages and a full portfolio of products that meet all beverage needs throughout the day
  - With Meals: variety of nutritious juice choices as well as water to accompany breakfast or lunch
  - During and After Physical Activities: choices to rehydrate after PE or other activities include isotonic and waters
  - Afternoon snack: choices for refreshment include juices, waters, isotonic and diet / light soft drinks (high schools only)



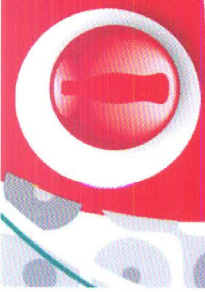
- Taste profile is closer to Classic than any of the other zero calorie brands
- ABA compliant
- Target consumer is 12- 24 years old



- Purchase intent: outperforms 60-80% of flavored waters/low cal concepts
- ABA compliant
- Zero calories, naturally sweetened and packed with vitamins and nutrients



- Repeat purchase of Powerade Zero exceeds G2
- ABA compliant
- Key youth recruitment brand



# Water

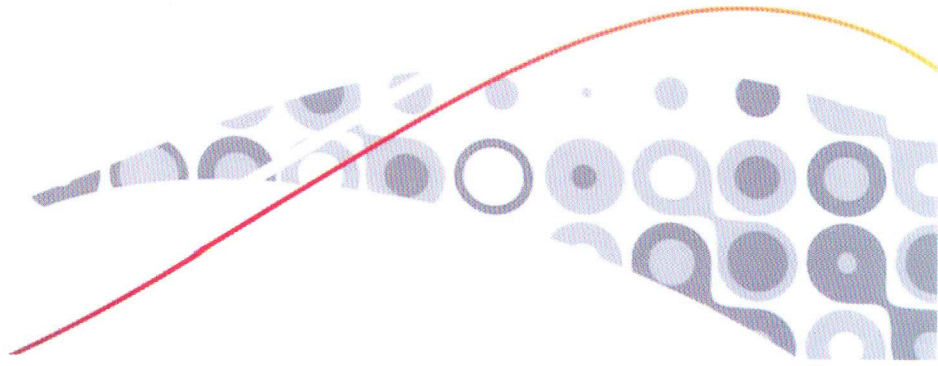
## DASANI and SMARTWATER



Qualify for the Alliance for a Healthier Generation's School Beverage Guidelines

Elementary	Middle	High
✓	✓	✓
Package sizes: 12 oz., 20 oz. and 300 ml (Dasani) 20 oz. and 24 oz. (Smartwater)		


**Flavor Choices:** Lemon and Strawberry (Dasani)  
**Caffeine Free choices:** All water products are caffeine-free





# Juice and Juice Drinks

## Minute Maid® 100% Juice

		
<b>Qualify for the Alliance for a Healthier Generation's School Beverage Guidelines</b>		
Elementary	Middle	High
	✓	✓
Package size: 10 oz Plastic Bottles		

**Flavor Choices:** variety of blends available as well as apple and orange  
**Sweetener choices:** no added sweeteners are used in 100% juices  
**Caffeine Free choices:** all Minute Maid products are caffeine free



# Isotonics

## POWERADE AND POWERADE ZERO

<b>Qualifier for the Alliance for a Healthier Generation's School Beverage Guidelines</b>		
Elementary	Middle	High
		✓
<b>Package size:</b> 12oz Plastic Bottles  20oz POWERADE Zero Grape, Strawberry, Mixed Berry		

**Flavor Choices:** variety

**Caffeine Free choices:** all POWERade products are caffeine free





# Isotonics

## vitaminwater and vitaminwater zero



<b>Qualify for the Alliance for a Healthier Generation's School Beverage Guidelines</b>		
Elementary	Middle	High
	✓	✓
<b>Package size:</b> 12oz Vitamin Water in HS only 20oz Vitamin Water Zero		

**Flavor Choices:** variety

**Caffeine Free choices:** all vitaminwater and vitaminwater zero products are 8



# Fuze

Qualify for the Alliance for a Healthier Generation's School Beverage Guidelines



Elementary

Middle

High



Package size:  
12oz Plastic Bottles


Flavor Choices: variety

Caffeine Free choices: all Fuze products are caffeine free



# Low Calorie Soft Drinks

Refreshment variety with low or no calories  
*Only available in high schools*

			<b>Qualify for the Alliance for a Healthier Generation's School Beverage Guidelines</b>		
			Elementary	Middle	High
					✓
<b>Package size:</b> <b>12oz Plastic Bottles</b>					

**Flavor Choices:** cola, cola flavors, lemon-lime, grapefruit  
**Caffeine Free choices:** caffeine free Diet Coke, Sprite Zero, Diet Barq's, Fresca



# Coca-Cola Beverages Meet An Ever Widening Variety Of Consumer Needs

## Coke



## Low/No Cal



## Still, Flavored and Enhanced Water



## Teas



## Sports Drinks



## Enhanced Juices & Teas



## Flavor & Variety



## Energy Drink Portfolio

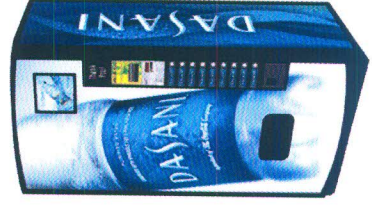
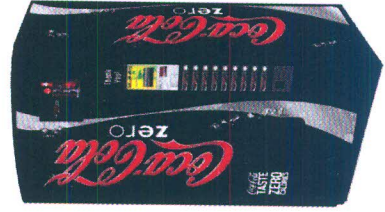


## Teas & Juices



# Our School Vending Policy Supports Beverage Industry Guidelines:

- **All Schools:** Brand offerings are structured locally to ensure administration and parent approval and local school control. Our recommendation is to restrict offerings to younger children and allow more choices for older students. Soft drink equipment has timers that can be used to restrict hours of operation
- **Elementary Schools:** Provide only water and 8oz calorie capped 100 percent juice only
- **Middle Schools:** Provide water and 10oz calorie capped 100 percent juice only
- **High Schools:** Provide a variety of beverage choices to students, such as water, 12oz 100 percent juice, and low/no calorie drinks such as diet and unsweetened tea, diet sodas, low calorie sports drinks and flavored water. 12oz regular sports drinks, and light juice drinks with no more than 100 calories will also be available. At least half of all available beverages will be water, no calorie and low calorie selections.



# Truckload Sales

**Overview:** The Coca-Cola Truckload Sales Fundraiser is a quick and easy program to execute. It offers popular brands, packages and flavors. The program increases volume and customer satisfaction.

**Activation:** Schools - Fundraiser

**How it Works:**

1. Bottler provides the school with fundraising materials.
2. Schools solicit orders with provided order form.
3. Orders are collected and turned into local bottler - delivery schedule is confirmed.
4. Product is delivered to school for distribution.



**Selling Materials:**

Go to [www.coca-colaconnection.com](http://www.coca-colaconnection.com) > channel > On-Premise Channels > Youth - Secondary Schools

**Forms:**

1. Truckload Sales Information Sheet - Complete details explaining how the program works and delivery information.
2. Truckload Sales Pricing Information - Fill in blank sections detailing suggested retail pricing.
3. Truckload Sales School Flyer - Complete detailed information.
4. Truckload Sales Student Order Form - Fill in dates/pricing. Schools hand out to students who in turn will collect orders and turn in sheets to main school contact.
5. Truckload Sales School Master Order Form - Fill in dates/pricing. The main school contact will fill out form once all orders are collected.



# Service, Delivery and Equipment

- **Service**
  - Coca-Cola Rockford has one of the top ranked service teams in North America
  - Our industry leading technicians have ongoing training and certification
  - Our goal is to respond to service calls as quickly as possible to keep business interruptions at a minimum
- **Customer Development Center**
  - Center that handles all service or emergency concerns at 800-647-2653
  - Communicates directly to Sales Centers and Service Department
  - Open 24 hours a day, 7 days a week, 365 days a year
- **Delivery**
  - All products delivered on 48 hour order window by Coca-Cola employees
  - Dedicated drivers who know the area
- **Equipment**
  - All equipment is free of charge with ownership remaining with Coca Cola Enterprises



# Bottle and Can 5yr Pricing

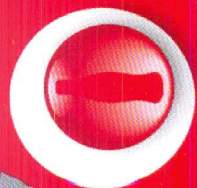
	Year 1	Year 2	Year 3	Year 4	Year 5
Increase %		5.00%	5.00%	5.00%	5.00%
	Invoice Pricing				
20 oz PET - Dasani	\$10.00	\$10.50	\$11.03	\$11.58	\$12.16
10 oz PET - MMJTG	\$13.50	\$14.18	\$14.88	\$15.63	\$16.41
20 oz PET - Powerade	\$19.50	\$20.48	\$21.50	\$22.57	\$23.70
20 oz PET - VitaminWater	\$24.00	\$25.20	\$26.46	\$27.78	\$29.17
20 oz PET - CSD	\$19.50	\$20.48	\$21.50	\$22.57	\$23.70
12 oz PET - Dasani	\$7.20	\$7.56	\$7.94	\$8.33	\$8.75
12 oz Can - CSD	\$7.70	\$8.09	\$8.49	\$8.91	\$9.36





# Full Service Vending Rates & Commission

	Year 1	Year 2	Year 3	Year 4	Year 5
12 oz Can CSD	\$0.75 15.00%	\$0.75 15.00%	\$0.75 15.00%	\$0.75 15.00%	\$0.75 15.00%
20 oz PET - Dasani	\$1.00 28.00%	\$1.00 26.00%	\$1.00 24.00%	\$1.00 22.00%	\$1.00 20.00%
20 oz PET - CSD	\$1.00 28.00%	\$1.00 26.00%	\$1.00 24.00%	\$1.00 22.00%	\$1.00 20.00%
300 ML - Dasani	\$0.75 20.00%	\$0.75 18.00%	\$0.75 16.00%	\$0.75 14.00%	\$0.75 12.00%
20 oz PET - Powerade	\$1.25 28.00%	\$1.25 26.00%	\$1.25 24.00%	\$1.25 22.00%	\$1.25 20.00%
10oz Minute Maid Juice	\$1.25 15.00%	\$1.25 15.00%	\$1.25 15.00%	\$1.25 15.00%	\$1.25 15.00%
12 oz PET - PowerAde	\$1.00 10.00%	\$1.00 10.00%	\$1.00 10.00%	\$1.00 10.00%	\$1.00 10.00%
12 oz PET - Vitamin Water	\$1.25 15.00%	\$1.25 15.00%	\$1.25 15.00%	\$1.25 15.00%	\$1.25 15.00%



# Base Funding

Yearly Contributions (in US Dollars)		To be Paid in:
Year 1	\$ 1,500	July 2011
Year 2	\$ 1,500	July, 2012
Year 3	\$ 1,500	July, 2013
Year 4	\$ 1,500	July, 2014
Year 5	\$ 1,500	July, 2015



## References

### Byron School District

696 N. Colfax Byron, IL

Contact: Jeff Flater 815-765-3311

### Oregon School District

1101 Jefferson St. Oregon, IL

Contact: Kip Crandall 815-732-3330 ext. 1

### Harlem High School

9229 N. Alpine Rd Machesney Park, IL

Contact: Teresa Parlapiano 815-654-4541



## Contact Information

- Steve Thorson    Marketing development Manager    815.636.7367
- Julie Bachhuber    District Sales Manager    608.842.3135