

**Fort Frances Memorial
Sports Center**
Beverage Pouring Rights Proposal
Pepsi Resign Proposal



Proposal



STATEMENT OF CONFIDENTIALITY

Except as may be required by law or legal process, neither party hereto shall disclose to any third party the terms and conditions of this agreement.

BEVERAGE EXCLUSIVITY

PepsiCo will be the exclusive beverage supplier of all beverages for the Fort Frances Memorial Sports Center, including the Canteen (other than hot beverages and milk products)

LENGTH OF THE AGREEMENT

Three year term commencing on May 1, 2015

Details

3% Annual Price Increase

Dedicated Local Sales Representative



Winning Partnership



Our Process is Simple . . .

Create a Winning Partnership.

Support with Flawless Execution.

All Maintained With Best In Class Customer Service.

*At Pepsi, we focus on creating a strong **Partnership that Drives Traffic, Increases Beverage Incidence** and helps our customers reach their **Financial Goals**.*



2014
Review



Package Breakdown



Customer: CENTER ICE CANTEEN (9817276)

Package	Volume	
	2014	2013
All Packages	1,055	1,006
15.2oz/450ml Total	25	42
18.5oz /547ML Total	23	0
20oz/591ml Total	1,007	964



FORT FRANCES MEMORIAL SPORTS CENTRE (8725226)

Package	Volume	
	2014	2013
All Packages	416	454
20oz/591ml Total	83	102
Premix 18L Total	333	352



Product Breakdown

Sales of 591ml CSD & NCB, 591ml Gatorade and 591ml Water continue to lead

CENTER ICE CANTEEN (9817276)

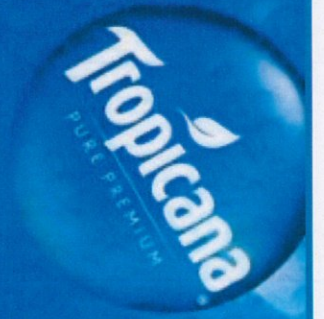
Brand	Volume	
	2014	2013
All Products	1,055	1,006
7UP (CAN) Total	36	36
Aquafina Base Total	162	146
Aquafina Plus Total	31	9
Aquafina Splash Total	39	30
Crush Total	36	41
Dole Total	25	42
Dr Pepper Total	29	28
Gatorade G2 Total	60	73
Gatorade Total	354	358
Lipton Brisk Fruit Total	20	21
Lipton Brisk Total	47	34
Lipton Iced Tea Total	5	8
Lipton Pure Leaf Total	23	0
Mt Dew Dewmocracy Total	25	8
Mt Dew Total	21	28
Mug Total	21	22
Pepsi Dt Total	43	42
Pepsi Total	70	74
Schweppes Total	8	6

FORT FRANCES MEMORIAL SPORTS CENTRE (8725226)

Brand	Volume	
	2014	2013
All Products	416	454
7UP (CAN) Total	67	67
Aquafina Base Total	25	24
Aquafina Plus Total	17	24
Aquafina Splash Total	6	12
Gatorade G2 Total	0	3
Gatorade Total	21	19
Lipton Brisk Total	5	8
Pepsi Dt Total	78	99
Pepsi Total	159	141
Schweppes Total	38	57



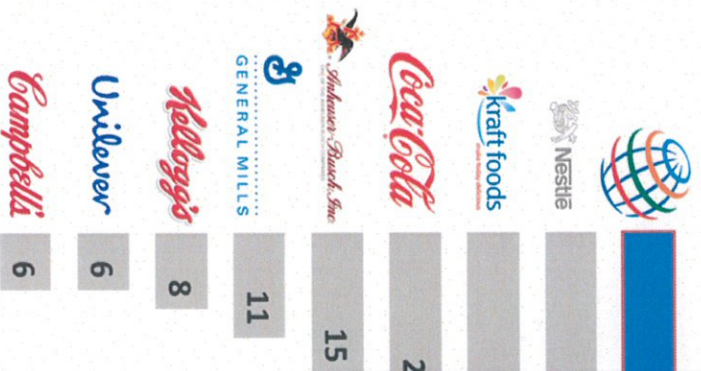
Brands to Drive Future Success



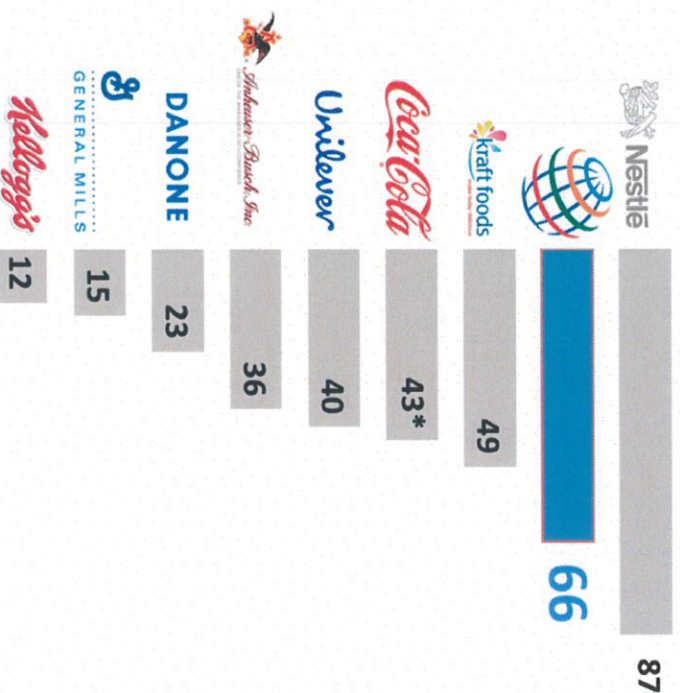
#1 Food & Beverage Company in North America & 2nd largest Globally!



Est. N.A. F&B Revenue (\$B)



Global F&B Revenue (\$B)












* Shown pro-forma for Coca Cola's acquisition of CCE's NA business
Note: PepsiCo revenues, 2010 reflect bottler merger. P&G and General Mills are shown on fiscal 2010 basis. Unilever NA is US only.



9 of Top 35 Trademarks Belong to PepsiCo



Leading Consumer Trademarks

1. Budweiser	\$10.1 B	13. Campbell's	\$1.8 B	25. Kleenex	\$1.3 B
2. Coca-Cola	\$6.3 B	14. Hershey's	\$1.7 B	26.  Doritos	\$1.3 B
3.  pepsi	\$4.1 B	15. Pepperidge Farm	\$1.6 B	27. Bounty	\$1.3 B
4. 	\$3.3 B	16. Tide	\$1.6 B	28. Charmin	\$1.3 B
5. 	\$3.1 B	17. Pillsbury	\$1.6 B	29. Gillette	\$1.3 B
6. Oscar Meyer	\$3.0 B	18. Busch	\$1.5 B	30. L'Oreal	\$1.3 B
7. Miller	\$2.6 B	19.  Quaker	\$1.4 B	31. 	\$1.3 B
8. Red Bull	\$2.5 B	20. Hormel	\$1.4 B	32. 	\$1.3 B
9. Coors	\$2.3 B	21. 	\$1.4 B	33. Glaceau	\$1.2 B
10. 	\$2.2 B	22. Yoplait	\$1.3 B	34. Sprite	\$1.2 B
11. Monster Energy	\$2.1 B	23. Betty Crocker	\$1.3 B	35. Gerber	\$1.2 B
12. Dr Pepper	\$2.0 B	24. Dole	\$1.3 B		

1. Source: IRI FDMxC and GDMxC 52 weeks ending 10/30/2011; excludes cigarettes and Danone and Kraft (not trademarks)




As Cola's Continue to Decline, More Focus is Put on Flavored Soft Drinks



FLAVOURS  +5% vs. YAG

CORE COLA'S  -1% vs. YAG

	PEPSI	Coke
Carbonated Soft Drinks - Regular	 40.7	 33.5
Carbonated Soft Drinks - Diet	 12.3	 11.0
Lemon Lime	 5.4	 3.9
Flavours	 9.3 	 3.1 
Flat Water	 14.3	 8.4
Sports Drinks	 69.6	 30.4
RTD Iced Tea	 37.6 	 31.3 
TL Juice & Drinks	 39.0 	 33.7 
Total National CSD Share (C&G)	41.3 (+0.6 VYA)	38.2 (-0.5 VYA)

Source: PMB 2011 Fall 2-Year Readership and Product Database (Index vs Population for English Canada)

LTD results (4wks ending Apr 7th - 4 wks ending Dec 15th), National C&G, Tornage Vol. 591ml

Source: Nielsen L4W PE March 31st, 2012 National All Channel ex WC

Source: Nielsen MarketTrack, National Conv. & Gas, Latest 52 week Period ending Dec 15, 2012

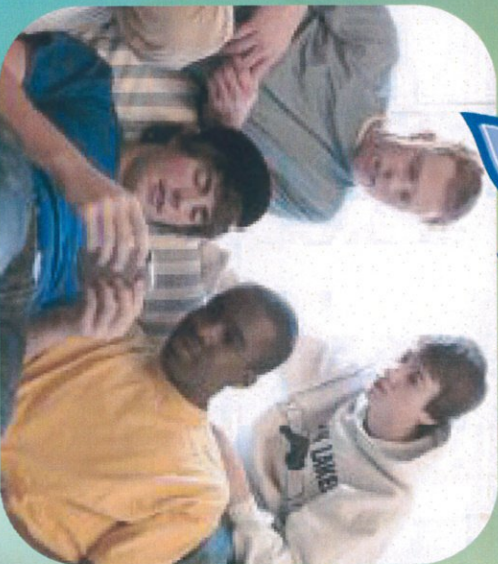




PEPSICO
Foodservice

3-Tea Strategy

Brisk



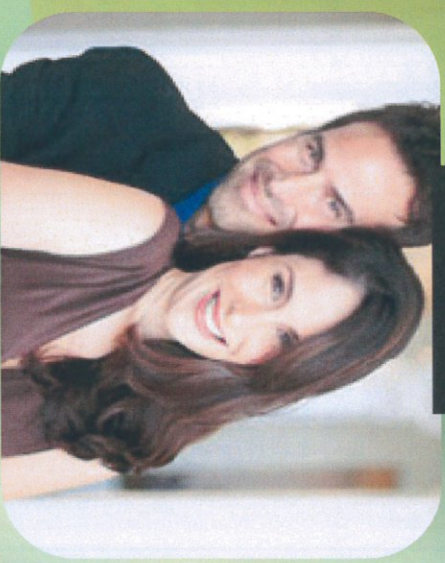
**A HIT OF
BOLDNESS**

Lipton



**TASTE &
REVITALIZATION**

REAL BREWED TEA
**PURE
LEAF™**



**Fresh Brewed
TASTE**





Leveraging Dew's Extensive Portfolio and Breakthrough Innovation

BOTTLES



FOUNTAIN



INNOVATION



Partnerships



Partnership for Growth

 **PEPSICO**
Foodservice

Restaurants



College & University



Sport



We Believe in Community

BIGGER
National
Programs



• Loud Urban Voice With Local Message

MORE
Cultural
Relevance



• Global Lift & Adapt

STRONGER
Relevance
through
Innovation



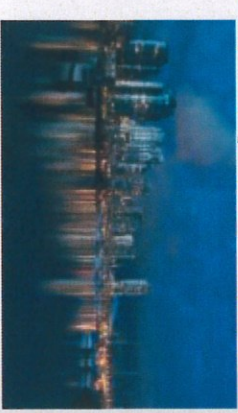
• Targeted Penetration & Availability

Regina

• Lead S. Asian, Chinese
Engagement

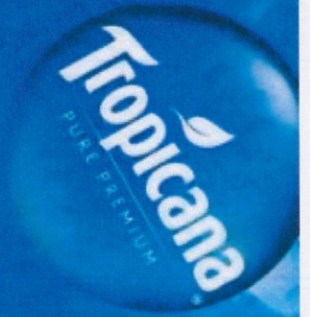


• Develop Local Community



• Engaged with Prestige
Properties





Pricing & Funding



Proposed Pricing & Rebates



2015 Rebates would amount to \$600 if volume remained the same as 2014

\$1000 per year in exclusivity funding – no volume requirements

<u>Package</u>	<u>Unit</u>	<u>Current Price</u>	<u>NEW Reduced Price</u>	<u>Rebate</u>	<u>Unit Cost</u>
591ml CSD/NCB bottles	24	\$29.66	\$23.69	\$1.00	\$0.95
591ml Aquafina Water	24	\$16.69	\$13.39	\$1.00	\$0.52
591ml Aquafina Plus	12	\$20.50	\$18.44		\$1.54
450ml Dole/Ocean Spray	12	\$19.03	\$13.90		\$1.16
591ml Gatorade / G2	12	\$16.80	\$13.42		\$1.12
18L Premix	1	\$25.70	\$19.20		

Supplier invoices are charged Net 30

3% Annual Price Increase



Equipment



NEW Equipment 2015



Vending Machines

- There are three Pepsi owned vending machines on the premises
- Upgrade one machine to a Glass Front vending machine complete with dollar bill validator, to be placed in the main lobby of the Arena
- Replace the other two existing vending machines with new vending machines which will also be equipped with dollar bill validators





Thank you!

Please contact us at anytime.

We look forward to improving this relationship!

Shane Brydges, Foodservice Sales Representative – 204.384.7760

Jason Fortin, Foodservice Manager – 204.899.2865

