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StrangeLove partners with Asahi Beverages to shake up Aussie premium adult soft drink market

Asahi Beverages has acquired rapidly growing premium beverages company StrangeLove.

The adult soft drink, premium mixer and mineral water business was founded in Byron Bay in 2013 by mates James Bruce and Stafford Fox, who set out to revolutionise the Australian soft drink market with eclectic, sophisticated flavours and local ingredients.

With products such as Tonic No. 8, Lo-Cal Yuzu, Double Ginger and a range of premium Sparkling Waters, it has more than doubled in volume and revenue in the last two years to become one of Australia's fastest-growing beverages companies.

It is now a go-to for those wanting an adult, alcohol-free drink or mixer, with many of Australia's best restaurants, high-end grocers and, more recently, premium Woolworths stores stocking StrangeLove's drinks.

Asahi Beverages Group CEO Robert Iervasi said:

"It is clear Australians want more sophisticated and lower-sugar soft drinks, which has fuelled demand for StrangeLove's amazing products in recent years.

"We are really excited about the impact that StrangeLove is going to have in restaurants, cafes, hotels and pubs. We expect StrangeLove to really shake things-up in the on-premise premium mixer and adult soft drink space, with a high-quality, Australian-made brand. This deal will also strengthen our offer to retailers, which are dedicating more shelf-space to premium non-alcohol beverages. StrangeLove complements our leading portfolio of beverages and we are absolutely thrilled to add StrangeLove to the Asahi Beverages family."

Mr Iervasi added: "Asahi Beverages is committed to expanding our leading multi-beverage alcohol and non-alcohol portfolio in Oceania as we continue to invest significantly in jobs, new products and manufacturing."

Asahi Beverages' investment in the adult soft drinks and premium mixers market comes as consumers increasingly prefer better-for-you beverages. These categories are driving growth in Australia's \$2.8 billion soft drink market (groceries & convenience), with premium mixer sales increasing 40% in the past three years and adult soft drink sales up 65% off a small base.

StrangeLove co-founder James Bruce said:

"It has been an incredible nine years on our own. However, this deal represents an amazing opportunity to speed up StrangeLove's mission to revolutionise the adult soft drink market with more imaginative and high-quality beverages.

"With their FMCG-expertise and long-standing customer relationships in retail, hospitality and beyond, Asahi Beverages will help grow StrangeLove in a way we couldn't on our own. They share our absolute commitment to quality and we've been impressed by how they've supported their other craft partners to retain their unique identity and foster innovation.

"The StrangeLove management team and I will remain in our roles at the business, and we're excited and committed to its long-term growth. This means the acquisition won't affect day-to-day operations and nothing will change for our customers and consumers. We'll continue to challenge the status quo with imaginative, innovative and adult flavours, using real ingredients sourced, where possible, from local farmers and producers."

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About Asahi Beverages

Asahi Beverages is Oceania's leading beverage company. We produce some of Australia and New Zealand's favourite alcohol and non-alcohol beverages – many with histories stretching back to the 19th century. We have an ambitious innovation and sustainability agenda and plan to keep producing the very best drinks for many years to come. With manufacturing plants in all Australian states and in New Zealand, and a multi-beverage portfolio that is the best in the region, our beverages bring enjoyment and connection to everyday moments in life regardless of the occasion.

Asahi Beverages is comprised of three business divisions: Asahi Lifestyle Beverages (formerly Schweppes Australia), Carlton & United Breweries (alcohol) and Asahi Beverages New Zealand. Premium fresh coffee business Allpress Espresso is also part of Asahi Beverages.

In Australia, our diverse range of drinks includes leading non-alcohol brands such as Schweppes, Solo, Cottee's, Cool Ridge water and Spring Valley and Charlie's juices. We also proudly manufacture and distribute under licence Pepsi, Mountain Dew, Sunkist, Gatorade and Lipton Iced Tea.

Our leading alcohol range in Australia includes Asahi Super Dry, Carlton Draught, Victoria Bitter, Great Northern, Carlton Dry, Pure Blonde, Cascade, Peroni, 4 Pines, Mountain Goat, Pirate Life, Balter, Green Beacon, Somersby Cider, Riot Wine, Vodka Cruiser and Lexington Hill cocktails. We also proudly import and distribute Corona beer.

In New Zealand, our non-alcohol range includes Charlie's, Phoenix Organics, Cool Ridge and Juicy Lucy's Juice Co.

Our New Zealand alcohol range includes beers such Asahi Super Dry, Peroni and Boundary Road Brewery. It also extends to leading ready-to-drinks such as Long White Vodka and Vodka Cruiser along with Somersby Cider. We also proudly distribute wines in New Zealand such as Penfolds and Wolf Blass.

Asahi Beverages is a member of Asahi Group Holdings, one of Japan's leading beverage companies.

About StrangeLove

StrangeLove: Making Impossibly Good Drinks Possible.

StrangeLove was founded in Byron Bay in 2013 by childhood friends James Bruce and Stafford Fox.

At the time, the soft drink category was largely dominated by mainstream incumbents so – seeing a market gap – StrangeLove set about trying to develop a range of drinks with a more sophisticated, adult flavour profile. In short, they wanted to create drinks they would enjoy drinking themselves.

Their first prototype was an Organic Ginger Beer, which was soon followed by Blood Orange & Chilli and Bitter Grapefruit

The StrangeLove Mixer range was launched in 2016 and grew rapidly alongside the burgeoning Australian Craft Spirits sector. In 2018, StrangeLove relaunched their soda range as Lo-Cal Soda, reducing sugar content and releasing exciting new flavours such as Very Mandarin, Holy Grapefruit and Yuzu from Japan.

Today the StrangeLove range comprises over 25 products across their Premium Mixer, Lo-Cal Soda and Mineral Water Ranges and can be found in premium hospitality venues and retailers across Australia.

The StrangeLove philosophy is that making drinks should be a serious endeavour but drinking them should be fun. An integral part of their brand DNA is the adult positioning, premium packaging and eccentric tone of voice that has led to a cult following among many drink drinkers. They are the drink that drink drinkers drink.

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