



PRESS RELEASE

DR PEPPER RECORDING 17TH STRAIGHT YEAR OF VOLUME GROWTH, 2000 SHARE ALSO UP

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MAUI, HAWAII, Oct. 6, 2000 – Armed with research results pronouncing the popularity of their leading soft drink is at an all-time high, while citing rising brand awareness, advertising awareness and usage, Dr Pepper management and bottlers attending the brand's annual meeting here are forecasting more records will fall in 2001. Through August 2000, U.S. Dr Pepper volume was up 2.3 percent, significantly outpacing the performance of carbonated soft drinks as a whole.

"Dr Pepper performance in ACNielsen monitored channels is truly outstanding and we are leading the industry in total all-channel growth by a large margin," stated Jack Kilduff, Dr Pepper president and chief operating officer. "The Dr Pepper share in ACNielsen channels is at an all-time high, with regular Dr Pepper up 2.9 percent and Diet Dr Pepper up 9.2 percent, which is five times the diet category growth rate. Diet Dr Pepper is now the tenth largest brand in ACNielsen channels," declared Kilduff. ACNielsen measures sales volume in grocery, convenience store and drug store retailers in addition to mass merchandisers.

Additionally, the popularity of caffeine free Dr Pepper and Diet Dr Pepper are up 5.1 percent and 16.7 percent year-to-date, respectively. "The growth of Dr Pepper and Diet Dr Pepper continue to be strong, but could be much greater if these brands are merchandised as core brands in all channels of distribution," explained Kilduff. "This is what our priority brand strategy is all about."

Dr Pepper is now on display in 58 percent of grocery store all commodity volume (ACV), up 1.6 ACV points compared with the same period in 1999, while the number of displays is up 9.2 percent in that same period to nearly one million. Yet, Kilduff points out that Dr Pepper grocery store volume would increase nearly 20 percent if the brand receives display parity with other major non-colas. That would add about 13 million cases to the 510 million cases of Dr Pepper that will be sold in 2000.

"Clearly, priority brand execution in every channel can result in really meaningful incremental growth for little or no additional effort or cost," said Kilduff, who added, "We have the research to prove that is the case and that our bottlers and retailers will be the primary beneficiaries. We have led the field in research and in creating programs that help our bottlers grow their total beverage portfolio volume, not just the Dr Pepper volume. We, as well as our bottlers, retailers and consumers, benefit from freedom of choice."

As the result of recently conducted research, Dr Pepper is expanding its priority brand strategy in 2001, calling it "Priority Brand Plus," and will be working closely with its bottlers to help them maximize their volume and profit in every channel.

"Per capita consumption is at 456 annual servings of Dr Pepper for every person in the territory served by The Dr Pepper/Seven Up Bottling Company of Elk City, Oklahoma," stated Kilduff. "In comparison, other areas of the country are under-developed in Dr Pepper consumption, such as in the Northeast, upper Midwest, Northern California and Florida. A tremendous upside volume potential remains for Dr Pepper in many areas throughout the U.S., something that we and our bottlers are addressing."



"There is no reason for Dr Pepper consumption in these areas not to be at least at the national average," reasoned Kilduff. "When we achieve that goal, Dr Pepper will be well on its way to the billion cases annually set as a goal by the end of 2009. We doubled volume in the last decade, and I see no reason why we should not do that again by the end of the first decade of the 21st century," Kilduff concluded.

Dr Pepper is the leading brand in the extensive non-cola soft drink portfolio of Plano, Texas-based Dr Pepper/Seven Up, Inc. Dr Pepper/Seven Up, Inc. brands represent about 16 percent of the U.S. carbonated soft drink market. It is the largest division of London-based Cadbury Schweppes plc (NYSE: CSG). Other leading brands in the Dr Pepper/Seven Up portfolio include 7 UP, A&W Root Beer, Sunkist, Canada Dry, Hawaiian Punch, Schweppes and Squirt.

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