



# Corporate Profile

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## **Keurig Company History**

Keurig Premium Coffee Systems™ is the industry leader in single-cup brewing technology in the United States. Introduced in 1998, Keurig's innovative single-cup brewing system lets coffee lovers brew perfect coffee one cup at a time, in less than a minute.

Keurig was founded in 1992 by coffee lovers who believed that coffee should always be served fresh, whether at home or at the office, just as in a gourmet coffee house. They noticed that people were constantly leaving the office in search of a fresh cup of coffee and asked themselves: "Why do we brew coffee a pot at a time when we drink it a cup at a time?" From this question the revolutionary concept of Keurig K-Cup® portion pack brewing was born.

Keurig's patented single-cup brewing system lets people brew a perfect cup of gourmet coffee in less than a minute without the hassle of grinding beans, measuring coffee, handling filters or cleaning up. Keurig takes away all the guesswork from brewing a consistently great cup of coffee.

## **The Superior Keurig Brewed® System**

The Keurig system consists of three elements: a coffee brewer that perfectly controls the amount and temperature of water; a unique portion pack system containing a paper filter and the right amount and grind of coffee; and a large variety of gourmet coffees from leading coffee roasters.

### **1. The Keurig Single-Cup Brewer**

Keurig's Patented Single Cup Brewer is based on revolutionary pressure-based brewing technology. This pressurized system delivers the exact amount, temperature and pressure of water to ensure that optimal taste elements of coffee are fully extracted every time.

### **2. The Keurig K-Cup®**

A major key to the success of the Keurig System is the patented portion pack called the K-Cup (short for Keurig Cup). The K-Cup, packed with fresh roasted and ground gourmet coffee, is nitrogen-flushed to seal in ultimate freshness, and stays fresh for over 6 months. It is impermeable to oxygen, moisture and light, and contains an individual cone-shaped paper filter and the exact amount and grind of coffee to brew a single cup in less than a minute.

The brewing process actually takes place inside the K-Cup. To brew a cup, a user simply places a K-Cup into the brewer, and a perfect cup of coffee is brewed at the touch of a button in less than a minute. Because each K-Cup delivers an individually brewed cup of coffee, coffee lovers can choose the coffee they want to drink from over 60 gourmet coffees.

### **3. Coffee and Tea Brand Partners**

Unlike most other single cup brewing competitors, Keurig's entire strategy resides on providing end-users with a gourmet taste from our premium coffee and tea brand partners. Keurig's coffee and tea partners include **Green Mountain Coffee Roasters, Diedrich Coffee, Gloria Jean's, Timothy's, Ueshima Coffee Company (UCC), Van Houtte, Tully's Coffee, Celestial Seasonings, Bigelow,**

**Twinings Teas and Ghirardelli Hot Chocolate.** The fact that many premier brands have selected Keurig as a partner is testimony to the quality and superiority of Keurig's proprietary single-cup brewing technology.

These elite brands choose to package their freshly roasted and ground gourmet coffees in K-Cups because no other form of packaging guarantees perfect brewing one cup at a time – so the coffee always tastes the way the roaster intended. Keurig Brewed technology protects the freshness of the coffee and controls all of the variables relating to the brewing process to insure taste consistency. Just as it does with coffee, the Keurig Brewed System makes a perfect cup of tea, one cup at a time.

### **Keurig—A Single Cup Pioneer**

In 1998, Keurig's single-cup coffee system was introduced to the office coffee market, starting in New York and New England. By mid 1999, Keurig became the fastest growing single-cup coffee system in the United States, and today Keurig is the #1 single-cup coffee system. Keurig brewers are now placed in over 65,000 offices in the United States with over 20 million cups of Keurig Brewed® coffee consumed every month. About 1.5% of all office coffee consumed in the United States is Keurig Brewed.

### **Home Single Cup Leadership**

Keurig introduced the first single-cup home brewing system in the United States when it brought the Model B1000 Keurig Single Cup Brewer to market in partnership with Green Mountain Coffee Roasters during the 2002 holiday season.

Based on this success, Keurig introduced the Model B100 Keurig Single-Cup Brewer in September, 2003 at a suggested retail price of \$249.95—sold exclusively on the Internet at [www.keurig.com](http://www.keurig.com) and on partner Web sites. The B100 has consistently been rated by the press and gourmet reviewers as the “*Gold Standard*” in home single cup brewing.

Now, Keurig is penetrating the home business even faster with its new B40, B50 and B60 home brewers designed for high end retail distribution. The new brewers include even more features than the successful B100 brewer and are now available at premium retailers such as Bloomingdale's, Macy's, Filene's, and Linens n' Things.

### **At Home Growth**

Building on the runaway success of Keurig's patented K-Cup and pressurized brewing system in the office coffee market, Keurig began taking the home coffee market by storm in 2005 by introducing the B40, B50 and B60 home brewers.

According to the National Coffee Association, there are more than 160 million coffee drinkers in the United States and an overwhelming 70 percent of this coffee is brewed at home. An average coffee drinker consumes 2.2 cups of coffee per day and 350 million cups of coffee are consumed in the United States on a daily basis.

Furthermore, coffee makers comprise the largest segment of the small kitchen appliance category with over 20 million coffee makers sold every year in the United States. Today, there are over 100 million coffee makers used in homes across America. While Keurig will not be the only single-cup brewing system available, we are confident our status as the “*Gold Standard*” will not be surpassed.

For more information, visit the Web site at [www.keurig.com](http://www.keurig.com) or phone 1-CUP-Brew