

Document 0245

[20245001]

Coca-Cola Co. , aiming to boost soft-drink volume in Singapore , said it is discussing a joint venture with Fraser & Neave Ltd. , its bottling franchisee in that country .

[20245002]

The venture would be the latest in Coke 's rapid expansion of overseas investment .

[20245003]

So far this year , it has put nearly \$ 700 million into bottling operations in Australia , New Zealand and France .

[20245004]

The move also reflects Coke 's eagerness to have a hand in developing the soft-drink markets in Pacific Basin countries .

[20245005]

Aside from Europe , the Pacific division is where Coke will be focusing much of its attention for years to come .

[20245006]

That 's because when Coke looks to the Pacific area , it sees an economic and demographic gold mine .

[20245007]

In countries such as Taiwan , South Korea and Singapore , economies are growing , resulting in a rise in disposable income that consumers can use for soft drinks .

[20245008]

And unlike Europe and the U.S. , where populations are aging , the Pacific Basin countries have growing proportions of youths - the heaviest consumers of Coca-Cola and other sodas .

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In the past , however , Coke has typically taken a minority stake in such ventures .

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By acquiring stakes in bottling companies in the U.S. and overseas , Coke has been able to improve bottlers ' efficiency and production , and in some cases , marketing .

[20245012]

Coke has tended to increase its control when results were sluggish in a given country .

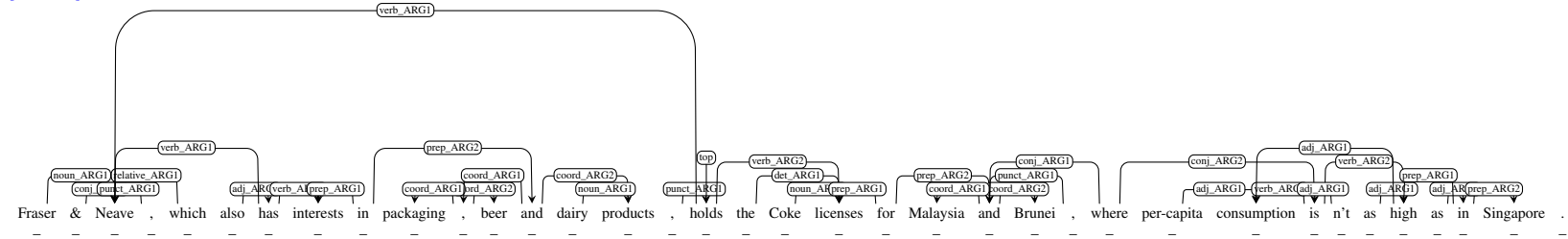
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That does n't appear to be the case in Singapore , a country of about three million people with a relatively high soft-drink consumption rate - a key indicator of Coke 's success in a market .

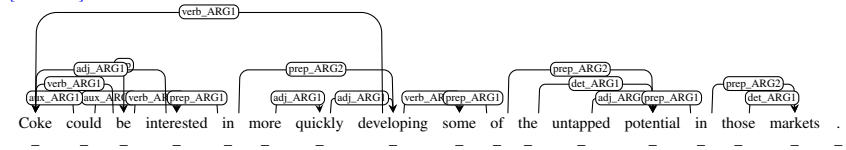
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And combining Fraser & Neave 's own soft drinks with Coca-Cola 's gives the Singapore company more than half the share of the soda market there , Coke said .

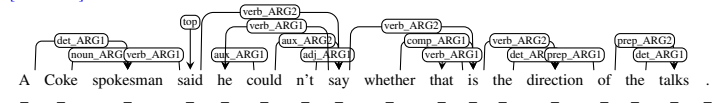
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