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Since Day 1, Black Fly Beverage Company has offered blended pure juice, vodka and tequila alcoholic beverages that are not too sweet.

RECOGNIZING INCREASING DEMAND in the Ready to Drink (RTD) category, Black Fly saw an opportunity to evolve the industry in offering quality, domestic, great tasting spirit mixed drinks. Its initial launch, a vodka cranberry mixed drink, proved overwhelmingly successful and paved the way for the company's continued success through its eight-year history.

The alcohol industry isn't an easy entry.

Cathy Siskind-Kelly, Co-Founder of Black Fly Beverage Company with husband Rob Kelly, spoke with *The Canadian Business Journal* about the entrepreneurial spirit that initiated the company and the innovation that continues to propel the company forward today.

"We had very little industry knowledge prior to going into this business," Siskind-Kelly said. "The birth of the business happened because my husband is a passionate follower of this industry and had a dream of opening a small brewery."

Unique in the Market

The industry offers a selection of spirit beverages

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produced by global companies. But what separates Black Fly in this diverse and growing market is its commitment to producing a blend of pure juices, 7% spirits, and other premium ingredients unique to the industry. While rival products are made almost exclusively with fructose and artificial flavours (rather than pure juices), Black Fly goes so far as to avoid markedly less expensive blended juice mixes or WOMFs (with other flavours), using only "liquid gold" – pure cranberry, blueberry, lemon, lime, strawberry and mango juices – to create truly authentic tastes. Black Fly Beverage drinks are also lightly sweetened with real cane sugar. As

Siskind-Kelly noted, "Our drinks are very balanced and noticeably less sweet than the classic RTD on the market. If we look at grams of sugar per 100 millilitres, the average RTD runs between nine and 18 grams. Our vodka cranberry and our blueberry drinks have four and five grams respectively, and our citrus drink has 6.5 grams. We've also received a great response that our drinks are refreshing."

Black Fly brings uniqueness to the marketplace. In the growing RTD segment, the company realized that using quality ingredients was the pathway to success. Black Fly offers a Canadian-made premium product crafted with natural ingredients, which has reflected in

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significant market share. Pushing Black Fly to the front of the shelf, its bright, colourful packaging and strong product messaging attracts customers, while characteristics like the 'large wide mouth' bottle is an added convenience. Customers love that ice cubes fit right into the wide mouth, 400 millilitre bottles.

Siskind-Kelly summarized, "We're not looking to be a 'me too' brand, copying something already existing in the market. We're truly innovating."

Green Bottles and Growth

Aside from great taste, Black Fly also offers a convenient and non-breakable PET (polyethylene

terephthalate) bottle, rather than a glass container. Environmentally friendly packaging has been a driving force behind the company's innovation in its effort toward packaging and waste reduction. One of the most recyclable plastic materials, it's simply natural to package convenience-based RTD beverages in a non-breakable, resealable PET container. The packaging is also designed to allow for distribution into the United States, where American consumer demand is on the rise.

"The American market is definitely on the Black Fly migration plan," Siskind-Kelly detailed. "Large U.S. retailers understand that Black Fly has an eight-year history as a supplier to the largest buyer of beverage alcohol in the world [Liquor Board of Ontario (LCBO)] so this gives us credibility in other global markets and opens doors for us internationally."

Black Fly has experienced major growth in recent years, pushing the company to expand its facilities six-fold to keep pace with the increased demand. Black Fly's sales have grown by more than 65 per cent in each of the past two years.

Through the LCBO, Black Fly has established significant distribution channels, available at nearly all 620 stores across Ontario, and available in several provinces across Canada from Nova Scotia to British Columbia. Last year, the LCBO awarded its most prestigious accolade to

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Black Fly, LCBO Small Supplier of the Year, and a second award to Black Fly for its environmental commitment and ongoing green initiatives.

New Product Launch

Product innovation and consumer demand has driven Black Fly to new heights in continuing to offer added value to its dedicated customers. As a small- to medium-sized company (SME), Black Fly is pushing the limits in a highly competitive beverage alcohol industry.

"We launched our Black Fly Tequila Margarita in 2010 and it was hands down our most popular product. We had never had a product do as well

in the industry," Siskind-Kelly said. "It delivered a classic and authentic taste (using authentic tequila imported from Mexico) that resonated deeply with our market and our retailers."

Most recently, Black Fly launched its latest product – Black Fly Long Island Iced Tea. A classic cocktail of tequila, vodka, notes of rum, pure lemon juice, and a splash of cola, Black Fly's Long Island Iced Tea has climbed the popularity chart and now ranks as its No. 1 seller alongside the long-time favourite Black Fly Vodka Cranberry.

"Our beverages are versatile, designed to be delicious and refreshing straight from the bottle," Siskind-Kelly concluded. "We've created a beverage that is great all year round. It's always Black Fly season." **CBJ**

Developed by noBul Media Inc., Black Fly will soon launch its revamped website, available at www.blackflybooze.com.