



PRESS RELEASE
MARCH 2010

CREATING A COFFEE CULTURE WITHIN MUGG & BEAN

South Africa's leading coffee restaurant brand, Mugg & Bean, a wholly owned subsidiary of Famous Brands, Africa's leading quick service restaurant and casual dining franchisor, has concluded an exclusive supply agreement with the Redberry Coffee Company.

The agreement stipulates the supply of a custom-developed coffee collection of 100% Arabica coffee to all 100 Mugg & Bean restaurants nationwide. It follows an extensive pilot process to develop a full coffee solution for Mugg & Bean, including a range of coffees, barista training, coffee equipment, coffee specifications and future innovations. Mugg & Bean currently sells 11 tons of coffee and 15 million cups of coffee-based drinks per annum.

With its roots firmly based in coffee, Mugg & Bean has become a company renowned for innovation in both food and beverage. "The decision to partner with Redberry to introduce this superior coffee product into all Mugg & Bean restaurants was based on our core philosophy of innovation, which is one shared by the directors of Redberry, and a desire to return to our strong foundation in coffee," says Graeme Morrison, managing executive of Mugg & Bean.

The Redberry Coffee Company is a specialty roaster and marketer, which has its origins in the Cumming family coffee farm of Beaver Creek in KwaZulu Natal, the southern-most coffee plantation in the world. Managing director of Redberry Dylan Cumming, whose grandfather still roasts the beans on the family's estate and who created the Redberry coffee brand, has extensive coffee knowledge and marketing experience.

The Redberry brand gained exposure to the consumer market initially through the Coffee of the Month Club, a joint venture with the Wine of the Month Club, and in 2009 a share of Redberry was acquired by Slo-Jo, a company which specialises in supplying and distributing a diverse range of innovative hot and cold beverages.

Redberry currently imports over 70 types of green coffee beans from all the major coffee-producing countries, including Kenya, Costa Rica, Guatemala, Java, India, China and Panama. Locally, the coffee is grown and roasted at the Beaver Creek farm in KZN and in Cape Town.

“Mugg & Bean shares our commitment to delivering a high quality cup and coffee experience. The supply agreement is based on far more than simply supplying top quality coffee beans to Mugg & Bean, but also on partnering to upgrade the coffee culture in South Africa through training, education and innovation,” says Dylan Cumming.

Innovations such as the introduction of a seasonal single origin coffee from around the world to Mugg & Bean menus will see coffee being elevated to world class status in South Africa’s leading coffee restaurant group.

“We have embarked, with Redberry, our staff and our customers, on an ongoing journey to coffee excellence,” says Morrison.

To date, this has involved extensive training of Mugg & Bean baristas by Redberry coffee experts, instilling an appreciation and culture of coffee among baristas, improving standards and introducing new methods of coffee preparation.

The future is likely to see some exciting steps in the development of a coffee culture within Mugg & Bean. “There is an incredible energy between Mugg & Bean and Redberry, which will translate into tangible reflections of our two company’s shared passion for innovation,” concludes Morrison.

...ends

ISSUED BY STRATEGIC PUBLIC RELATIONS ON BEHALF OF MUGG & BEAN AND REDBERRY. FOR FURTHER INFORMATION PLEASE CONTACT:

For Mugg & Bean enquiries:

Martie Smuts

Brand Manager

(011) 315-3000

chatterbean@themugg.com

For Redberry enquiries

Vanessa Naudé

Strategic Public Relations

(011) 672-2037

Vanessa@stratpr.co.za

NOTES TO THE AUTHOR:

ABOUT MUGG & BEAN

Mugg & Bean is a coffee themed restaurant franchise focused mainly on the shopping market: It is essentially a “shoppers shop”. Mugg & Bean provides the highest standard of coffee and associated hot beverages in addition to a great selection of food items, from various breakfast options for early morning shoppers to muffins and cakes for teatime. Lunches and dinners are catered for with a superb range of hot and cold foods. So taken is the public with the brand that Mugg & Bean has won the Caxton Leisure Options “Best Coffee Bar” category for 10 years in a row.

While no specific profile is targeted, Mugg & Bean enjoys support from the residents of the areas in which the restaurants are located. Socio-geographically, most restaurants are located in areas where there is a distinct density of upper-end customers. Mugg & Bean falls into a category perhaps best described as “Fast Casual”.

It is neither fast food nor is it casual dining, but a mix of casual diners wanting quality food quickly and efficiently. Mugg & Bean dominates this sector in all of its 100 locations. The South African market is fascinated by brands and has an insatiable appetite for the new and trendy. Mugg & Bean identified this early on and has, since its inception, revamped its menu content at least twice a year. The market also embraces new concepts easily and the company is constantly looking at new food items to add to menus that will broaden appeal and attract new customers.

Mugg & Bean sees a distinct move toward convenience in the retail environment with the big growth being shown in smaller mall environments. The company aims to continue to dominate this sector and is now regarded as a draw-card for most malls and is therefore offered real estate preference.

Mugg & Bean’s newest concept, a Mugg & Bean ‘Grab & Go’, is a new coffee-on-the-go concept, providing great coffee and simple hand-fare for those in a hurry. The ‘Grab & Go’ concept features a variety of “on the go” goodies to choose from. Customers can kick-start their day with gourmet sandwiches, quiches and breakfast cups. Mugg & Bean’s famous giant muffins also feature, as well as danishes, croissants and impulse buys.

Mugg & Bean is part of the Famous Brands group. Famous Brands is Africa's leading Quick Service Restaurant and Casual Dining franchisor and is also represented in the United Kingdom. The global footprint of the Group now stands at 1,723 franchised restaurants spread across South Africa, 17 other African countries and the UK. Its brand portfolio includes Steers, Wimpy, Debonairs Pizza, Mugg & Bean, FishAways, House of Coffees, Brazilian Café and tashas. The Group manufactures and supplies its franchisees, the retail trade and broader hospitality industry with a wide range of meat, sauce, bakery, ice cream, fruit juice and mineral water products.

ABOUT REDBERRY

Redberry is a brand born of the Beaver Creek coffee company and has enjoyed exposure to coffee connoisseurs throughout South Africa through the Coffee of the Month Club prior to becoming the coffee brand enjoyed by Mugg & Bean coffee aficionados.

Redberry was acquired by Slo-Jo, a company synonymous with a diverse range of innovative hot and cold beverages, in 2009.

Dylan Cumming, whose grandfather still roasts the beans on the family's Beaver Creek Estate and who created the Redberry Coffee Company, has extensive coffee knowledge and marketing experience.

Dylan's passion for coffee is one born of having lived and worked on a coffee farm, giving him more than just an in-depth knowledge of coffee. His involvement in and knowledge of coffee production extends right from crop to cup. Redberry was established by Dylan when, believing that a coffee explosion was imminent and that South Africans should be given the opportunity to taste different coffees from around the world, he set about sourcing beans with unique flavours from the four corners of the globe.

Redberry currently imports over 70 types of green coffee beans from all the major coffee-producing countries, including Kenya, Costa Rica, Guatemala, Java, India, China and Panama. Locally, the coffee is grown and roasted at the Beaver Creek farm in KZN – the world's southernmost coffee growing plantation – and in Cape Town.

In much the same way as the term 'wine of origin' has become an indication of quality, so coffee producers worldwide have adopted the 'coffee of origin' qualifier to distinguish their product as coming from a specific area, as opposed to a blend of coffees from different sources. Redberry's foundation was in single origin coffee and from this base, the company then started developing blends at the Beaver Creek estate.

The Redberry coffee collection is divided into three categories: Reserve Selection, Pinnacle Selection and Speciality Selection.

Reserve Selection

Single-origin is a descriptive term referring to coffee with a single known geographical origin. This geographical origin could be a single farm, or a specific collection of beans from a single country. Redberry sources single-origin coffees from around the globe to bring connoisseurs a truly multifaceted taste experience.

Pinnacle Selection

Estate coffees are generally grown on a single farm or a collection of farms which all process their coffee at the same mill (grind). Redberry sources only the finest single estate coffees from Guatemala, Costa Rica, Kenya and beyond, and combine them with Redberry's handcrafted light to medium roast profiles, ensuring a consistently unique, superior quality range of coffees with vibrant acidity and clean, well-balanced flavour.

Speciality Selection

Speciality coffee is the term used when referring to 'gourmet' or 'premium' coffee. Grown in special, ideal climates, these beans are characterised by superior flavour and are distinctive due to their full cup taste and little to no defects. The unique flavours and tastes are the result of the special characteristics and composition of the soils in which they are produced.