



HONEST TEA LAUNCHES ORGANIC TEA IN PLASTIC BOTTLE WITH THE HELP OF FLOWDESIGN

*Sleek package made from 100% recyclable PET plastic
Takes organic leader to new heights, including Independence Air*

BETHESDA, MD, June 2004 -Honest Tea, a leader in product innovation and social responsibility, today became the first company to offer organic ready-to-drink tea in 100% recyclable plastic bottles. The bottle's breakthrough panel-less design presents a sleek, eye-catching look that highlights the healthy, low-sugar/low-carb profile of the teas. The line was unveiled at the New York Fancy Food Show on Sunday, June 27, 2004.

"We wanted to develop an exciting package that complements our glass line while allowing people to enjoy our tea in new places," said Seth Goldman, President & Tea-EO of Honest Tea. "And we wanted to do it in a way that didn't compromise our brand or our commitment to sustainability." The innovative package utilizes a new filling technology that eliminates the need for heat expansion panels and ribs found on most hot-fill plastic bottles. As a result, the new panel-less design provides a cleaner, more elegant look that captures the high-quality appearance of glass.

Honest Tea turned to Flowdesign Inc. of Detroit, Michigan to design the new label and consult on the selection of the plastic container. "We looked at several design directions to help build on Honest Tea's clean, environmentally-friendly, organic image," said Dan Matauch, Principle of Flowdesign. The goal was to create a fresh new look while maintaining the strong brand identity associated with Honest Tea's original label. "Flowdesign helped us to create a powerful new way to expand our brand into new channels," said Goldman.

Consumers will enjoy the same high quality and taste of Honest Tea in the new bottles. Brewed with USDA-certified organic blends of the finest tea leaves and sweetened with natural sugars, agave syrup or honey, the 15.5 ounce plastic bottles are available in four organic varieties: Green

Dragon Tea - an antioxidant rich green tea; Lori's Lemon Tea - Honest Tea's take on the classic black tea with lemon; Peach Oo-La-Long - the only Fair Trade bottled tea; and Black Forest Berry - a caffeine-free fruit infusion. Each variety contains 30 calories or less and 7.5-9 grams of sugar/carbs per 8 ounce serving, approximately one-third the sugar found in most bottled teas.

The plastic bottles are being launched on the East Coast this month and are expected to rollout nationally later this year. The company's first delivery went to Independence Air, the maverick airline that took off from Washington-Dulles airport on June 16. "We're thrilled to have Honest Tea on board," said Celia Stokes, Vice President of Marketing at Independence Air. "Their high-quality and unique blends are a great match for our customers who are tired of settling for mediocre service and the same-old drink choices." Honest Tea co-founder Barry Nalebuff commented, "Just like us, Independence Air is a challenger brand with a great concept and entrepreneurial spirit taking on an industry dominated by giants. We are delighted to be their partner."

The new bottle is another "first" for the best-selling brand of organic bottled tea (as tracked by SPINSscan). Honest Tea has continually pushed the envelope on product innovation and social responsibility since it was founded out of Seth Goldman's house in 1998:

- First to introduce an organic bottled tea, First Nation Peppermint, 1999
- First to create a Fair Trade bottled tea, Peach Oo-La-Long, 2003
- First to establish an entire product line of certified organic bottled teas and tea bags, 2004

In its search for packaging alternatives, Honest Tea quickly found that not all plastics are created equal. Some, such as PVC (polyvinyl chloride 3), are known to have harmful effects on health and the environment. PVC is difficult to recycle and contains harmful ingredients that can result in the release of carcinogenic toxins in the food chain and the ecosystem. By contrast, the PET plastic in Honest Tea's new bottle is fully-recyclable and is widely considered the most environmentally-friendly form of fossil-fuel derived plastic.

"Sustainability is not an end-point, but a journey," said Goldman. "Just as we started with a few organic ingredients and eventually converted our whole product line to USDA Organic, this new bottle is an exciting development for us. We will continue to search for ways to reduce our impact on the environment while creating delicious, healthy products."

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