

Beer maker to take off tired labels

By <u>Sam Hungwe</u> 18 May 2009

Demand for beer had turned out to be so strong that the market is undersupplied, says Joe Mutizwa, CEO of beverages group, Delta Corporation. And now the group, an associate of SABMiller, is commissioning a new lager line, which will help push volumes, as well as plant refurbishment and equipment replacement.



But more important, as Delta turns a new leaf after almost a decade mired in an economic crisis, the group is also looking at packaging upgrades.

"The bottles and labels are now tired and need refreshing," says Mutizwa. "We want to expand beverages footprint wherever opportunities appear."

The firm had lost its beer market share during the crisis period, under which government interfered with the pricing of consumer products, to imported lagers, while the share for soft drinks had been lost to imported dilutables, PET and some limited can imports.

But since January, when a new regime was introduced after the formation of an inclusive government, Delta has come back fighting.

An aggressive push for imports, which come in cheap because of the relationship with SABMiller, appears to be displacing imported brands like Heineken, filling the space with SABMiller IWB - Peroni, MGD, Redds and Grolsch.

At its peak, Delta had 12,000 outlets but currently has 4,000 active outlets.