

# Comox Valley firm wins spot at Olympic Water Cube

JEFF LEE  
Canwest News Service

BEIJING — A Comox Valley bottling company has landed a lucrative contract to market Canadian glacial water in China at Beijing's national swimming centre, the Water Cube.

The bottles, which Natural Glacial Waters manufactures itself, have the venue's distinctive ceiling bubbles blown into the bottom half.

For the Olympic period, it

can't sell the bottles of water inside the Cube since that is the territory of Coca-Cola, an International Olympic Committee top sponsor. But Feng Hong Guang, the company's managing director, said Water Cube water is already being stocked in stores around Beijing and demand has already reached about 1,000 boxes, or about 1,200 litres a week.

It all may seem like a small start, but Feng said market research shows that within

three years the company could sell upwards of 120 million litres of water in China.

"It is rather small at this point, but my ambition is very high and we already have made some significant improvements," he said.

NGW, which markets the Icefield and Neve brands of water, signed the deal with the Water Cube Corporation of Beijing late last year and is also working on another deal with Water Cube that would see the Icefield

brand carried in Cube bottles.

The deal allows NGW, which already has a share of the Japanese and Taiwanese bottled water market, to hook on to one of the most recognizable Chinese brands as it expands into the lucrative mainland China market.

"This deal is giving us a tremendous potential for business," Feng said. "We've just started into the mainland China market and we think this will help us."

According to a 2006 market report by Agriculture and Agri-Food Canada, China is the world's third-largest consumer of bottled water, with more than 15 billion litres of water expected to be sold annually by 2008. Only the United States and Mexico consume more.

China, with the fastest-growing economy in the world, is turning to bottled water because of severe pollution.

But the Chinese bottled water market is fragmented,

layered with bureaucracy and plagued with distribution problems. The store price for half-litre bottles of water is also very low — around three Yuan or about 45 cents a bottle.

But Feng sees in China a tremendous opportunity to sell bottled water virtually straight from British Columbia glaciers. And he isn't scared of the competition. The fact the company beat out Coca-Cola's Dasani water for post-Olympic rights was a huge lift, he said.