

JONES SODA CREATES A POP CULTURE

OCTOBER 27, 2004

By Dave Joseph
Staff writer

The coolest soda company in the world doesn't have a celebrity spokesperson. No theme song, billion dollar marketing budget, or shiny new commercials unveiled during the Super Bowl.

Peter van Stolk can breathe a sigh of relief.

When he started Jones Soda in 1996, van Stolk wanted to create a soda that would become a fashion accessory for his audience; a soda his target market could be passionate about, would help define a lifestyle and would press the boundaries of flavor.

Van Stolk has not only succeeded in stamping Jones Soda as a fashion statement, but he has created a company with a very big heart. "A beverage should be fun," van Stolk said recently from his office in Seattle.

And Jones is managing to do that in a number of ways:

Flavored sodas and juices including Turkey and Gravy, Chocolate Fudge, Blue Bubblegum, D'Peach Mode and Strawberry Manilow.

Allowing consumers to order customized 12-packs of Jones by scanning their photo through the Web, cropping and creating their own label.

Starting an independent music site that allows unsigned bands performing original material to have their music posted and downloaded.

Helping to sponsor "passionate young people," van Stolk said. Jones provides children and young adults, ranging from ballerinas to skateboarders, with their own Web sites.

Donating money to help to build schools in India and Guatemala.

"Jones is such a neat company," said Pam Siljeg, whose 10-year-old son, Skyler, a skateboarder from outside Seattle, has been sponsored by Jones for five years. "Can you imagine a president of a company taking his time to sit in a boardroom with a 10-year-old? That's what Peter did with Sky. He's asking him how he's doing in school and if there's anything he can do for him or the family. As a parent, I'm looking for an opportunity for my boys to excel and have a positive image of themselves. That's what Jones has allowed us to do."

Credit van Stolk, founder, president and CEO of Seattle-based Jones Soda, and his staff of 55. A former ski instructor, van Stolk, 40, realized when he launched Jones Soda that the world didn't necessarily need another soda company.

"Our philosophy was our competitors had more money and we couldn't play in the same environment," van Stolk said. "We had to play where we could win."

The only way to win, van Stolk thought, was to create more than a beverage. He wanted to create a lifestyle; a fashion accessory, if you will, that a target audience of 12-to-34-year-olds could identify with while enjoying 15 soda flavors.

"We wanted to create a brand that our customers could support," van Stolk said. "We wanted to try and give them a sense they could be part of it."

So van Stolk allows consumers to customize their own bottles.

"I think our marketing is the most bizarre but also the most relevant," he said. "A bottle of soda may not be relevant. But a bottle of Jones with a photo of something that's relevant to you -- a photo of your child -- suddenly becomes relevant."

As does its flavors. Take Jones' unveiling last Thanksgiving of Turkey and Gravy soda. It might not have been the best tasting, but it was the most interesting and became relevant with proceeds going to Toys for Tots.

In an attempt to lure his target audience, Jones was one of the first companies to sponsor skateboarding legend Tony Hawk and other alternative sports athletes. In selected cities, Jones participates on a grass-roots level, offering support to events featuring amateur athletes.

"I'm stoked to be able to be part of what we're doing," said van Stolk, whose soda has gone from being offered in skate shops and independent record stores to Starbucks, Barnes and Noble, and Albertsons.

Van Stolk says we're influenced by music, the sports we participate in, and clothes. So Jones wants to participate with its customers in all three areas.

The Jones music site, which sponsors 500 bands, allows unsigned bands to post their music so it can be downloaded. "Bands need a following these days before they can be signed by a major label," van Stolk said. "This allows bands the opportunity to have their music heard. We're not charging anything for the service."

Music has always been a signature of Jones Soda. The company has released sampler compact discs, introducing artists Outkast and Dido to its consumers in 1999. Along with its roster of bands, Jones is also sponsoring classically trained musicians, dancers and solo singers such as 14-year-old Ali Milner of Whistler, British Columbia. Milner was discovered by van Stolk while singing at a ski competition in Whistler.

"He just came out of the crowd and said he wanted to sponsor her," said Ted Milner, Ali's father. "It's been a very positive experience. She has her own Web site through Jones, and they provide clothing and messenger bags and five cases of [Jones] every month. They always stay in touch, too; always seeing what's going on and offering moral support."

Supportive but never "high pressure," according to Pam Siljeg.

"Peter sits down with you. He sat down with Sky, and asked what his goals were," Pam said. "It's like he says, 'Jones is the tie on your suit.' They just want to work with you and do what they can to help. If Sky is at an event, they'll support that event."

On a recent Thursday afternoon, van Stolk had 481 e-mails requesting sponsorship.

"I think it's wonderful that so many young people are so passionate about what they're doing and what we're trying to do," van Stolk said. "And after you read a lot of this stuff, you know the difference between someone who's trying to get your support and those just wanting your money. The passion comes across."

Although Jones' share of the \$63.8 billion soft-drink industry is less than 1 percent (Coca-Cola has 44 percent, according to Beverage Digest), the publicly traded company has grown from shares selling for pennies to roughly \$4. It also turned its first profitable fiscal year in 2003 with approximately \$20 million in revenues. Along with the sodas, van Stolk has launched Jones Naturals, a non-carbonated beverage with various vitamins, and energy drinks.

While van Stolk realizes Jones is never going to be the biggest soda company, he sees growth and potential. He's excited about Jones getting exposure in Target stores this fall. The music site offers endless possibilities, there's talk Turkey and Gravy soda will be rolled out again this Thanksgiving, and van Stolk promises "something big" is coming soon.

"I think the wind is just coming into our sails," van Stolk said. "I don't think Jones just works in North America. There's a global market and I think we have a global brand. I want to extend that brand into other items as well."

But van Stolk believes Jones will always be "the little company people want to see succeed."

Anyone for Fufu Berry?

Dave Joseph can be reached at djoseph@sun-sentinel.com.

Copyright © 2004, South Florida Sun-Sentinel

Visit Sun-Sentinel.com