From the Post-Crescent

http://www.postcrescent.com/story/money/companies/buzz/2014/08/15/flavor-8-new-london-soda-pop-bottling-coming-closes/14117119/

The Buzz: Flavor 8 closes



(Photo: .)

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Flavor 8, a homegrown soda bottling company in New London, shut its doors Tuesday.

It delivered its last cases of sugar-sweetened pop to stores last week, then ceased operations. Flavor 8 was known for old-fashioned flavors like cherry, grape and cream soda in returnable 8-ounce glass bottles.

"Sales were climbing, but we installed a re-purposed 1950s bottling line, and the eight week installation turned into six months," said owner Dave Talo, a former airplane mechanic who could fix nearly anything, but couldn't get the vintage bottling line operating before money ran out.

"We were able to turn it on, but it's going to take a long time to get soda through it and tune the flavors up. With all the work we put in it —80 hours a week for the last 6 months — we missed the window by two weeks. I did everything in my power. This is my baby," he said.

Talo started the company in Sept. 2011 with partner John Mathison, who he bought out in February.

"There's no way my ownership is able to get around some of these financial mountains. I couldn't

continue to bottle off site. Off-site bottling was very expensive and drained the liquidity we had in the company over six months," Talo said. "We weren't behind on bills, but instead of waiting for negative things to happen, I'm heading it off at the pass."

He had 91 accounts, including grocery markets, liquor stores, coffee shops and restaurants.

"The pop was very good and it sold very well. Whatever I sold, I could have sold twice as much. I was sold out quite often and sometimes it was hard to get deliveries," said Pat Flanagan, owner of Flanagan's Stop & Shop in Appleton.

Flavor 8 was a small company with an annual volume of about \$140,000. It was profitable because overhead was low, said Talo. He reinvested money into the company instead of taking a draw.

Now he's got the business up for sale, so there is a possibility the brand could survive.

"There's interest in purchasing Favor 8. We're negotiating with three parties," he said.

He indicated until a new company owner is found, customers would still be able to bring empties back to stores and get the \$10-per-case reimbursement.

Flanagan's Stop & Shop, however, will no longer accept bottle returns. Flanagan said he didn't want to be stuck with them.

According to glassbottlesoda.org, there are only 11 bottlers in the country using returnable bottles. In Wisconsin, besides Flavor 8, they include Seymour Beverage and Shawano's Twigs Beverage, which bottles Sun-Drop.

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Follow-up to story:

http://www.postcrescent.com/story/money/companies/buzz/2014/08/28/flavor-8-follow-up-afterclosure/14733903/

The Buzz: Flavor 8 follow-up

Maureen Wallenfang, Post-Crescent Media 11:40 a.m. CDT August 28, 2014



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(Photo: Maureen Wallenfang/Post-Crescent Media)

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Reader question: I read your story on the Flavor 8 soda. I really liked the soda and was going to buy some at Lamers Dairy and was informed they would not take the returns. In your news report you said, there were places that would take the returns. Could you give us a list of these places?

Answer: I checked with several stores this week and have not found any that are currently accepting empties and giving consumers back their deposits.

SPECIAL SECTION: Read more Buzz from Maureen Wallenfang

Stores are waiting until they hear the fate of Flavor 8, the New London company that bottled sugarsweetened pop in returnable glass bottles.

The company closed on Aug. 12 and was put up for sale.



POST-CRESCENT MEDIA

The Buzz: Flavor 8 closes

I also spoke with outgoing company owner Dave Talo again this week.

"There are many irons in the fire. Both the customers and the accounts have to be patient," he said.

"There are many ways it can go, from the brand being purchased and everyone getting compensated to it not being purchased and no one getting compensated. We have to wait to see how this all falls out."

Talo said he is sending letters to his accounts to let them know where things stand.

When he has an answer on the fate of the company, I'll print that information as well.

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Flavor 8 soda pop company in New London bottled sugar-sweetened soda in returnable glass bottles. The company closed Aug. 12. (Photo: Maureen Wallenfang/Post-Crescent Media)