06-Dec-2022

Molson Coors Beverage Co. (TAP)

Morgan Stanley Global Consumer and Retail Conference

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MANAGEMENT DISCUSSION SECTION

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Good afternoon, everyone. I'm Eric Serotta from Morgan Stanley's Beverage and Household Products Team, and I'm very pleased to welcome Molson Coors to Morgan Stanley's Global Consumer and Retail Conference.

Before we begin, some important disclosures. Please see the Morgan Stanley Research website at www.morganstanley.com/researchdisclosures. And if you have any questions, you can reach out to your Morgan Stanley salesperson.

So, Molson Coors is wrapping up the third year of its revitalization plan with the goal of delivering sustainable top and bottom line growth by increasing investments in its core brands, aggressively increasing its exposure to the above premium segment, and expanding in beyond beer. The company has made significant progress against each of these areas over the past 12 months in a challenging macro and cost environment.

So joining us today, we have Gavin Hattersley, Molson Coors' President and CEO; and Trace Joubert, Molson Coors' CFO. Gavin, Tracy, thank you for joining us.

Tracey I. Joubert
Chief Financial Officer, Molson Coors Beverage Co.

Thank you.

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QUESTION AND ANSWER SECTION

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

So, Gavin, maybe we could just start with an update on the progress against each of the tenets of your revitalization plan and how do you see the strategy and focus evolving as we move into 2023 and beyond?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Good. Well, good afternoon, everybody, and thanks for having us, Eric. Yeah. So, there were five tenets to the revitalization plan. If you go to the first one, we've obviously completed that. That was restructuring, changing our name, refocusing the organization, shrinking the number of business units down to two from four, and taking out $150 million worth of costs. [indiscernible] (00:01:38) by and large, that is now done and we've pivoted that fifth tenet to people – our people and our planet. We can talk about that a little bit later.

If you go to the most important, it was obviously our core brands, and I think we've made significant progress with our core brands, not only in the United States but also in Canada and in Europe. And they're as healthy as they've been for quite some time. Our move into above premium has been very successful. We said on our first quarter earnings call that we'd taken the share of our above premium portfolio globally to 26%, which is as high as it's been in our records. And we've actually increased that in the second quarter and the third quarter. So, we're making good progress there.

And then our push into beyond beer, we've made a number of moves with partners there. And I think we've laid a really nice foundation to grow that portion of our portfolio meaningfully into scaled brands over the years ahead with brands like Topo Chico and Simply, and Vizzy, and ZOA on the energy drink side and Five Trail on the hard liquor side. We've made really good progress there.

And then, of course, the fourth tenet was our capabilities. And from a capital – fixed capability, like in-housing our seltzers and simply to building people capabilities, we're actually much further along than we were expecting to be. So when you stand back and look at the macro environment in which we've been operating, the progress we've made has been tremendous. And as you said in your opening remarks, the success of the revitalization plan will be when we deliver consistent top and bottom line growth, which is not something we've done as an organization. That's our guidance this year. And obviously, that's the plan for the future.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

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Great. So drilling into your largest market, the US in a little bit more detail. Molson Coors is the second highest dollar share gainer in the entire industry last quarter. Miller Lite grew volumes, Coors Light volume and sales trends have improved. So, you touched upon earlier the strength of the brands. But more holistically, I guess, what gives you the confidence that the market share improvements that you're seeing is sustainable?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

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Well, it's not just a couple of quarters. We've been doing this now consistently for quite some time from a segment point of view and even from an overall category point of view. So, even the latest public available data through

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Nielsen or IRR would suggest that those trends have continued into the fourth quarter. And Miller Lite and Coors Light have really improved their brand health over the last three years. They're as strong as they've been in quite some time. They've differentiated themselves really nicely from the competition and from a dollar share point of view, year-to-date, I think we're now pretty flat and we haven't been able to say that for a while.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

Great. And then could you talk a bit about what you're seeing in terms of the overall beer industry performance more recently? Clearly, a lot of noise in the data with pre-buying in September, a lot of us were spooked by the weak October Beer Purchasers' Index. But then certainly in the scanner data which doesn't tell the full story, but October looked quite strong from a consumer takeaway. We've heard some more mixed things about November. Again, not a comment about your business, as I'm sure you're not going to give us that today, but can you give us a little bit of color as to how you're seeing the overall industry unfold over the past few months?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Well, certainly from the publicly available data, you can see that October was a tough month. There was a lot of noise in that month, mostly due to the price increases that had taken place. Certainly, the trends have improved in November. Standing back though, I would say that the consumer in the US is proving to be fairly resilient. It's obviously too soon to be able to give complete reassurance of the price increases has landed well and will not change consumers' behavior because we're still learning and we'll see what unfolds over the next few months. But the consumer is proving to be resilient at the moment.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

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Great. Then, really on the heels of that, throughout the conference and much of this year, investors have really been looking for signs of consumer trade down. What are you seeing in terms of your overall portfolio? Do you think that some of your core brands are benefiting from either trade down or slower trade up to or from above premium? And so what do you attribute the recent strength in both yours and the industry's sub-premium trends?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Yeah. Look, I mean we haven't seen much trade down from the consumer, not after the spring price increase. And we certainly haven't seen it in the recent months either. So as I said, the consumer is proving to be quite resilient. From our perspective, from an overall category point of view, we've always said that all segments matter.

And so we have – at the same time as we've been trying to expand our portfolio into the above premium, we've put a lot of attention on making sure that our core portfolio, our core brands are strong. And we've also done a lot of work simplifying our economy portfolio and making sure that we've got the wherewithal capability to focus in on those brands in the economy space that matter. And so we've – we are focusing in on the four core brands from an economy point of view.

So, if trade down comes, I think we're well-positioned to take advantage of it. You rightfully say that there is a slowdown in premiumization, but there is still premiumization. And that slowdown in premiumization has largely been because of the decline in the seltzer portfolio of the overall industry. Now within that, we're actually doing pretty well with Topo Chico. We're very pleased with the performance of that brand and we think it's got a lot of

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upside yet. And as I said earlier, the performance of Miller Lite and Coors Light, we don't believe is a result of any trade down from the above premium space.

I mean, some of the big players in above premium continued to charge ahead at pace. The strength of those two brands come from very clear positioning and very consistent positioning. We've done, I think that the marketing team have done a really nice job of staying on message for the last three years and the consumer now clearly understands what those two brands stand for and I think they are benefiting from it.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

Great. So, shifting gears a bit, Tracey. With the third quarter results, you lowered your 2023 underlying pre-tax income guidance to the low-end of the high-single digit range that you had set out previously. That implies fourth quarter growth in the range of 40%, 45%. What gives you confidence in being able to achieve that level of growth this quarter? What are some of the key levers? And what are the swing factors that could drive things either above or below as we're exiting the year?

Tracey I. Joubert
Chief Financial Officer, Molson Coors Beverage Co.

A

Yeah. So, I mean, a couple of things. Firstly, on our Q3 call, we did reiterate our guidance. So just as a reminder, our top line, mid-single digit growth, and then the bottom line the pre-tax income in the high-single digit range. But we did say towards the lower end of that high-single digit. And really, guiding to the lower end is driven by the inflation much higher than what we had anticipated. And then in Central and Eastern Europe, we're seeing a softening in demand for reasons driven by the energy prices as well as the impact that Russia's war in Ukraine has had. And if we just look at the top line and there's a couple of things that give us confidence on the top line, firstly is the pricing. So we've spoken about the strong pricing that we've taken both in US, Canada and the UK. And if we just look at the US, we took up around 5% price increase in the spring of this year and we took another roughly 5% price increase in the fall of this year. So for Q4, it's 10% price increase, which is – this is in the US, which is higher than we've seen certainly in all the time that I've been here. So that's one thing.

And the second thing is the premiumization of our portfolio is driving that. We're also lapping the Omicron impact in Q4, particularly in Canada and the UK. If you remember, they sort of shut down towards, sort of, the beginning, middle of December. And so we'll be letting that. And that's not just helping from a top line point of view, but it also helps our profit. So, our EMEA & APAC business unit, profit was $5 million last year because of this impact. So, it's not going to take much to – and increase and high above that.

And then, the World Cup is another thing that we took into consideration. It's a beer drinking occasion. It's unique that at this time of the year, but we believe that will certainly help our European operation. And then, just from a bottom line point of view, the guidance to the low end is because really of that inflation and the softening that I've spoken about. But we have our cost savings program. We expect to deliver a [ph] big (00:11:49) portion of our cost savings in Q4 of this year, so that's going to help. And then we've spoken just about our marketing spend in Q4 is going to be lower just for a whole variety of reasons. And so, that sort of drives, how we are looking at the Q4.

Now, some of the things that could impact that is, obviously continuing to see things in Eastern Europe softness, is not going to help. We have taken some of that into account though, and then just the continuing inflation but we've accounted for the majority of that.

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Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

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Great. And you've been very transparent that you've benefited this year from your robust hedging program, which is a multiyear program. And I realize you're not ready to give 2023 guidance yet, but how should we think about COGS inflation next year given you have the roll off of some of these favorable hedges, you have multiyear coverage on other commodities, spot prices have come down, but you have the pass-through of higher conversion costs. How are you beginning to approach that or – and how do you think investors should approach that?

Tracey I. Joubert
Chief Financial Officer, Molson Coors Beverage Co.

A

Yeah. So we haven't given guidance for next year but we'll talk about that on our Q4 call. But I mean, a couple of things, look we expect inflation to continue to impact us into at least the first half of next year. Now, our hedges is certainly helping take away a lot of the volatility that we see in commodity prices. So, typically, how we hedge is – we'll hedge all commodities. And we hedge over about a three-year period. So, we typically have higher hedges in the first year, lower in the next 24 months and still lower in the last – the third year of our hedging program. But the hedging is just one part of the input costs. And you mentioned the conversion cost that's a big part of our input costs. And then there's other cost that we can't hedge. So freight is one of those that we cannot hedge.

But based on some of the work that we've done in terms of delivering cost savings, building capabilities in our breweries is going to help offset some of that. We've got a number of levers to pull. So, the cost savings, there's the pricing that we've spoken about, and our premiumization. So, we'll continue to hedge. We think our hedging program works. I mean, it does take a lot of the volatility out. And we don't hedge programmatically, so we do have opportunities to hedge more when we feel like we need to or not hedge if we feel like the commodity prices are coming down. And obviously it helps as gas prices come down, as freight costs come down, I mean, it's going to help us going forward.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

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Great. So, switching gears back to the business and the top line. Could you talk a bit about retailer response to the latest round of pricing? Is it – has it – have you seen any notable change in retailer pushback or retailer discussions for the round that you put in October versus the previous ones? And then broadly, how are you thinking about pricing for 2023 coming on the heels of two fairly sizable increases this year and a weakening consumer?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Me or you?

Tracey I. Joubert
Chief Financial Officer, Molson Coors Beverage Co.

A

You go.

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

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Okay. From a retailer point of view, we've had a great partnership with both our distributors and our retail customers. They understand the challenges that we're facing from an input costs point of view. And so, we really haven't had any meaningful difficulties with any of our retail customers from a price increase point of view, either back in spring or in the more recent full price increase. So, that's been really positive. I think it probably helps that our price increases even at a much elevated level from historical practice in the beer space is still meaningfully less than some of the other fast-moving consumer goods that have put price increases into the market.

In terms of how it looks going forward, we've got time to see how this latest price increases landed, the impact that it's had. As I've said, we didn't see much or we saw lower elasticity than we would have expected at the spring price increase, too soon to draw conclusions as to the last price increase. And given that we put price increases through in spring and fall of every year, we've got several months before we have to make that call as to what we want to do next year. So yeah, the jury is out on that.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

Okay. And then turning to marketing spending, there's been a lot of quarter-to-quarter noise because of comps and two-year comps with COVID. I guess, following the cutbacks during COVID and then sort of the recovery and what you put back into the business last year and what you did earlier this year, are you exiting 2022 at the right level of brand support? Do you think you may need to increase marketing as a percentage of sales in future years?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Well, we don't manage our marketing on a quarter-by-quarter basis. And we have never really done that. We spend the money and make decisions and pivot from one day, sometimes one month to the next. What's working, what's not working, where do want to double down, where do we want to dial back. The comparisons with last year are very messy because of what happened last year in terms of the cybersecurity attack. It made no sense for us to spend meaningfully behind our brands in the sort of middle months of last year because the brand wasn't on the shelf. And then, of course, in our European operations and Canadian operations, the Omicron virus made it difficult. This year, obviously, we had the strike up in Montreal, which we dialed back on, but we also dialed in in the United States. And last year, as I said, we were struggling to fulfill demand. The fourth quarter, actually, last year, we had a significant surge in shipments because we were rebuilding our inventory.

We don't have that surge in shipments this year because we exited Q3 with a much more healthy inventory environment. So, if you compare marketing year-over-year, last year, we surged marketing because we had the product on the shelf. This year, we don't need to do that. That doesn't mean we're dialing back. We're not. I mean, we – I was telling you earlier, we're putting meaningful money behind Topo Chico in the World Cup through Spanish language TV to take advantage of what we believe is competitive advantages that Topo Chico has in that space. So we're willing to spend and are spending money behind our brands. So, those – frankly, I don't think you'd be seeing the share gains that we are seeing in the marketplace and where other opportunities will take them. And Super Bowl is another example. We're obviously entering the Super Bowl for the first time in more than 30 years in the first quarter of next year. And we didn't have that in the first quarter this year.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

Great. Well, we're all looking forward to seeing what surprise Michelle has planned for that. So...

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Gavin D. K. Hattersley A
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

We plan to make Super Bowl history, Eric.

Eric A. Serotta Q
Equity Analyst, Morgan Stanley & Co. LLC

Yes. I hear that earlier. So, hopefully, in a good way.

Gavin D. K. Hattersley A
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

Absolutely [indiscernible] (00:19:48)

Eric A. Serotta Q
Equity Analyst, Morgan Stanley & Co. LLC

So, maybe that leads into your beyond – your comments on Topo Chico lead into your beyond beer portfolio a bit. So, Simply Spiked has really blown past your initial expectations. Topo Chico's bucked the broader decline in the hard seltzer category. So how do you plan on building on the momentum for next year in a category that some would say has a good deal of churn in it, some would say that there – despite that churn, there's certainly long-term survivors in that category, long-term drivers. But how do you plan on building on this momentum as we get into next year?

Gavin D. K. Hattersley A
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

Yeah. You're right. You've picked on two brands that we're very excited about and believe we've got lots of runway in front of them, starting with Topo Chico. We've had that brand for about – it must be 18 months now, maybe a little longer than that. And we launched that in two phases, one in about 12 markets and then the rest of the country this year. And then, the brand has got tremendous upside. The liquid is landed and has landed very well with the consumer. The whole proposition has landed well with the consumer.

If you look at Topo Chico's consumer awareness, it's less than half of that of the two big players in the seltzer space. And so, there is tremendous upside for us to get more consumer awareness. I mean, the Telemundo sponsorship through the World Cup is one way of getting that. And the brand over-indexes with the Latino consumer, who actually under-indexed in seltzers. And so we've got a very positive momentum that we can develop from that perspective. So, we think Topo Chico's got lots of upside. We're launching Topo Chico Spirited coming up in the new year, which on a – it's not a national launch, it's more of a limited launch. And there's a lot of retail and distributor and consumer excitement behind that.

So, feeling good about that. And then simply, honestly, we've hardly scratched the surface with that brand. We launched that brand this year out of cycle. We weren't in the cold box in many instances. We were in the warm space. And we had lofty expectations and forecasts for that brand, which we made sure we could supply. And then the consumer demand just blew us away. And we just spent the whole of summer trying to play catch up to meet demand, and we just didn't. There are whole sways of the market that we couldn't service. We didn't even try and sell into. And that's obviously because ingredients are tough to come by when you're scrambling at the last minute to get them.

Now, we're not going to have that problem next year. So the distribution upside behind Simply Spiked is substantial. And we're going to be in a position to take advantage of that next year. And on top of that, we've got

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some exciting innovation coming with Simply Spiked with the peach variant. And we're making sure that we have the capacity and capability and most importantly, the fruit ingredients to meet what we expect to be a meaningful demand.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

And just to follow up on Topo Chico Spirited, how – assuming that does well in the initial launch markets, how quickly could you take that nationally? What do you have lined up in terms of capacity? And is the goal to ultimately bring that in-house?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Yeah. We haven't made a decision on the last part of your question, so we will be outsourcing that in the beginning. It's the same strategy we followed with both Vizzy and Topo Chico and Simply. Once we realized we had something, we brought it in-house, which obviously has a meaningful cost benefit for us to do. But we'll assess Topo Chico Spirited. And if we believe we've got – we do believe we've got a winner there, we just want to make sure before we put the infrastructure behind it. So, no decision as far as that's concerned.

As far as scaling it, we can do that pretty quickly. We've certainly got our process of finding distribution partners well-honed through the last two or three years of our experiences with Vizzy and Topo Chico and Simply, so that would be relatively seamless.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

Great. So, your Canadian business has been a bit of a mixed bag over the past few years. You had a bigger impact from COVID lockdowns than in the US, the strike at the brewery in Québec earlier this year. But it does seem like there's some green shoots in terms of share and brand performance. Can you talk a bit about what you're seeing in terms of the Canadian market and your business there? And are there any – on the other hand, are there any lingering pressures in Canada that may be specific to the Canadian market that we're just not as on top of sitting here and [indiscernible] (00:25:13)?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Yeah. You're right. I mean, the Canadian market did react differently. I mean, it was – it's certainly more stringent from a coronavirus point of view and lockdowns and slower to reopen. And of course, we did have the strike in the beginning part of the year, which we've said will take us up into this quarter to fully get back on shelf and back into the inventory position that we wanted to.

From a brand point of view, Coors Light and Molson Canadian from a core brand point of view are doing nicely. I mean, Molson Canadian is gaining share for the first time in quite some time. Miller Lite is growing, I mean, a lot. I can't remember the exact number honestly, but Miller Lite is in the above premium space is growing really, really well in Canada. And so, we've stabilized our share performance certainly outside of Québec. That has stabilized. We've still got some work to do in Québec, the lasting impacts of the strike.

And then from a seltzer point of view, our Canadian business is actually comfortably ahead of where our United States business is. Vizzy and Coors Seltzer actually are doing very nicely up there. Coors Seltzer, as you know, we stopped doing that down here in the US, but in Canada it's landed extraordinarily well and is doing well, and

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we launched Topo Chico Seltzer, I think it was in May. And collectively, our share performance in Canada is much stronger than it is in the United States.

And then, the marketing campaigns behind both Miller Lite and Coors Light, we're replicating that up in Canada. So, the same basic three – theme, the same basic thrust, and just adjusted marginally for local nuance or regulations. But Coors Light is benefiting from the Chill campaign just like it is down here and so is Miller Lite from a It's Miller Time point of view up there. So, it's been a tough year in Canada for a variety of reasons, and we're coming out of that.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

Great. So, finishing things up, I want to turn back to Tracey and talk a little bit about capital allocation. You're guiding to leverage below 3 times on a net basis by the end of this year. So, how are you thinking about uses of capital as we move into 2023 and beyond? Where does further deleveraging stand, given the uncertain macro picture? In other hand, you have a stock that trades at a significant discount to a lot of your peers. So, how are you looking at deleveraging versus buybacks and other potential use of the capital?

Tracey I. Joubert
Chief Financial Officer, Molson Coors Beverage Co.

A

So far, and over the last couple of years, our focus has been on sort of three buckets. And the first one is to grow our top and bottom line by investing in our business and investing capabilities. And that's what the revitalization plan is all about. So, we have invested not just behind our brands, but as Gavin was mentioning, in capabilities in our breweries to make hard seltzers and that type of thing. So, that was the first bucket.

The second bucket was strengthening the balance sheet by paying down debt and getting to a more comfortable leverage ratio. And sort of encompassing that is to maintain our investment grade and over time, improve our investment grade. And so, I think we've done a really good job in reducing our debt and our leverage. And as you rightly say, our guidance is to be below 3 times at the end of this year.

And then the third bucket has been returning cash to shareholders. So, just in terms of our leverage, we look at our debt as it nears coming due. We look at it and make sure that it's what the decision is, is it the right decision to pay it down, to refinance, et cetera. And we'll continue to do that.

And we don't have a public target ratio. Obviously, we have something internally, but the aim is to actually improve our investment grade over time. So, we'll continue to look at our debt in that [ph] lane (00:29:38). And then just in terms of returning cash to shareholders, so we reinstated our dividend in 2021 at $0.34 last year – earlier this year, sorry. In February, we increased that dividend by 12%. And the aim was to reinstate a dividend that we could continue to increase as our business performance improved. And so, we started on that journey.

And then just in terms of share buybacks, we'll make sure that we make decisions that drive the greatest shareholder return. We did put in a small share buyback program, $200 million to the end of March of 2026. That's really an anti-dilution program. But as we sit and look at our capital allocation, we discussed it with the board, and we run all of the decisions through models to make sure that we do provide the highest returns to our shareholders. But those are the three main buckets that we are looking at.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Q

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Great. And then finally, the revitalization program was really focused on reinvigorating the fundamentals of the business. Can you also discuss this potential strategic opportunities to drive shareholder value? Is your European business central to the overall value creation picture for Molson Coors as you look out longer-term?

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

A

Yes, it is. And then, I think Tracey, her team, the Collective, have done a really nice job getting the leverage of our organization down to the level at which it is and with what we're forecasting and have given guidance on for this year. So that does, as Tracey just said, give us some level of flexibility. I think we've been very clear about the fact that the – that our strategy is a string of pearls approach. We think that our capabilities work best in that space. And we've been very successful in that – in executing a string of pearls approach. Some of our best acquisitions have been very small in nature. Our relationship with L.A. Libations down in California has generated a significant value for us with some of the things we were talking about earlier on.

I think what could turn out to be the best innovation we've ever had in Europe came out of a very small acquisition in Spain, Madri. I mean that brand is on fire in the UK market. It's exceeded all of our expectations by hundreds of thousands of hectoliters that's gaining traction in the on-premise and the off-premise in a meaningful way. So, that's where our focus will be. From a European point of view, some of our performance with our core global brands, like Coors and Blue Moon and the Miller franchise Staropramen are central to its success. So, yes, we like our business in Europe.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

Great. Well, we'll keep pulling for England and Croatia in the World Cup, so...

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

Please do.

Eric A. Serotta
Equity Analyst, Morgan Stanley & Co. LLC

With that, we're just about out of time. I want to thank Gavin and Tracey so much for joining us and for your perspectives.

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

Thank you.

Tracey I. Joubert
Chief Financial Officer, Molson Coors Beverage Co.

Thank you.

Gavin D. K. Hattersley
President, Chief Executive Officer & Director, Molson Coors Beverage Co.

Thanks for having us.

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