

Time Well Spent

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In this edition:

**Infusive Tracks the
Hottest Restaurant
Growth Trends of
2015**

**Science Explains
why Coffee,
Chocolate and
Alcohol are Good for
You**

infusive

Time Well Spent

Time. One of the most valuable commodities for today's consumer and an integral component of the Consumer Alpha™ universe. When consumers save time, they gain an immeasurable sense of satisfaction and happiness. Consumers naturally gravitate towards products and services that help them reclaim moments from their overscheduled lives.

This month, FUSE explores the ways consumers are driving growth in the \$2.7 trillion restaurant industry. Where once upon a time dining out was an extravagance saved for special occasions, today's consumers view a meal away from home as a basic, time-saving part of each day – more necessity than indulgence yet still enjoyable. From seeking healthier food options to embracing those brands that branch out from niche positions, this evolving consumer demand is helping the restaurant industry enjoy consistent growth.

As consumers dine out more often, is it possible that they are getting more than just a few extra moments of time and passing sense of joy? Professor Gary Wenk of The Ohio State University and one of the leading researchers on the interaction between food and the human body, explains the physical health benefits for men and women who consume coffee, chocolate and alcohol. Professor Wenk's research uncovers some interesting – and unexpected – advantages offered by these perennial Consumer Alpha™ favorites.

We invite you to grab a cup of coffee and catch up on these and other consumer insights in this month's FUSE magazine. It could be the healthiest decision of your day.

Liz Wegerer

Editor

Infusive and Consumer Alpha™

Infusive believes in Consumer Alpha™, an investment philosophy based on human nature. Human nature drives us to find happiness. We, as consumers, repeatedly purchase products that provide small bursts of pleasure and satisfaction.

Infusive seeks above-average returns on investment over a horizon of 20 or more years. Infusive finds the potential for such long-term returns in companies whose products make consumers happy again and again. When these companies perform well, they owe their performance directly to the consumer. That is Consumer Alpha™.

FUSE magazine shares stories of companies, products, and economic trends that illustrate Consumer Alpha™. The concept comes alive through real-life examples, and FUSE demonstrates where and how our foundational idea occurs in a vibrant marketplace.

Contact Us

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Follow us on social media and receive the latest news, updates and information from the Consumer Alpha™ universe.

News

We are pleased to announce that Laura Attar has joined our team as a Risk Analyst. Laura was previously with CSFB.

About Us

Infusive Asset Management is our investment manager focused exclusively on publicly traded securities within the consumer sector. We harness our Consumer Alpha™ research and investment framework to locate the most rewarding investments in the space.

The companies we research sell products that provide happiness to consumers. These businesses have deep competitive moats in terms of brand equity, scale, and superior logistics and distribution. They tend to be characterised by stable revenue streams reflecting consumers' repeat purchase of their products, and they are typically highly cash generative.

We invest globally. Our dedicated team of industry analysts and data scientists employ a variety of "big data" and macroeconomic analysis techniques to detect the Consumer Alpha™ patterns and products of tomorrow.

The Opportunity

In the coming years billions of consumers will venture beyond basic needs for the first time, while higher income-bracket individuals will experience more economic freedom of choice than they ever thought possible. In this context companies that satisfy emerging and more sophisticated consumer demands will be ideally positioned to prosper. Infusive Asset Management is dedicated to investment themes that harness these multigenerational trends.

To learn more about Infusive Asset Management, please register in our Investor Room by visiting www.infusiveassetmanagement.com/investor-room.

For enquiries, please contact investor relations at ir@infusiveassetmanagement.com.

Infusive Asset Management is a trading name of Ruby Capital Partners LLP. Authorised and Regulated by the Financial Conduct Authority. For professional investors only.

Consumer Alpha™ Facts of the Month

NUMBER OF THE MONTH:



The amount that will be spent in 2015 on global hair care.

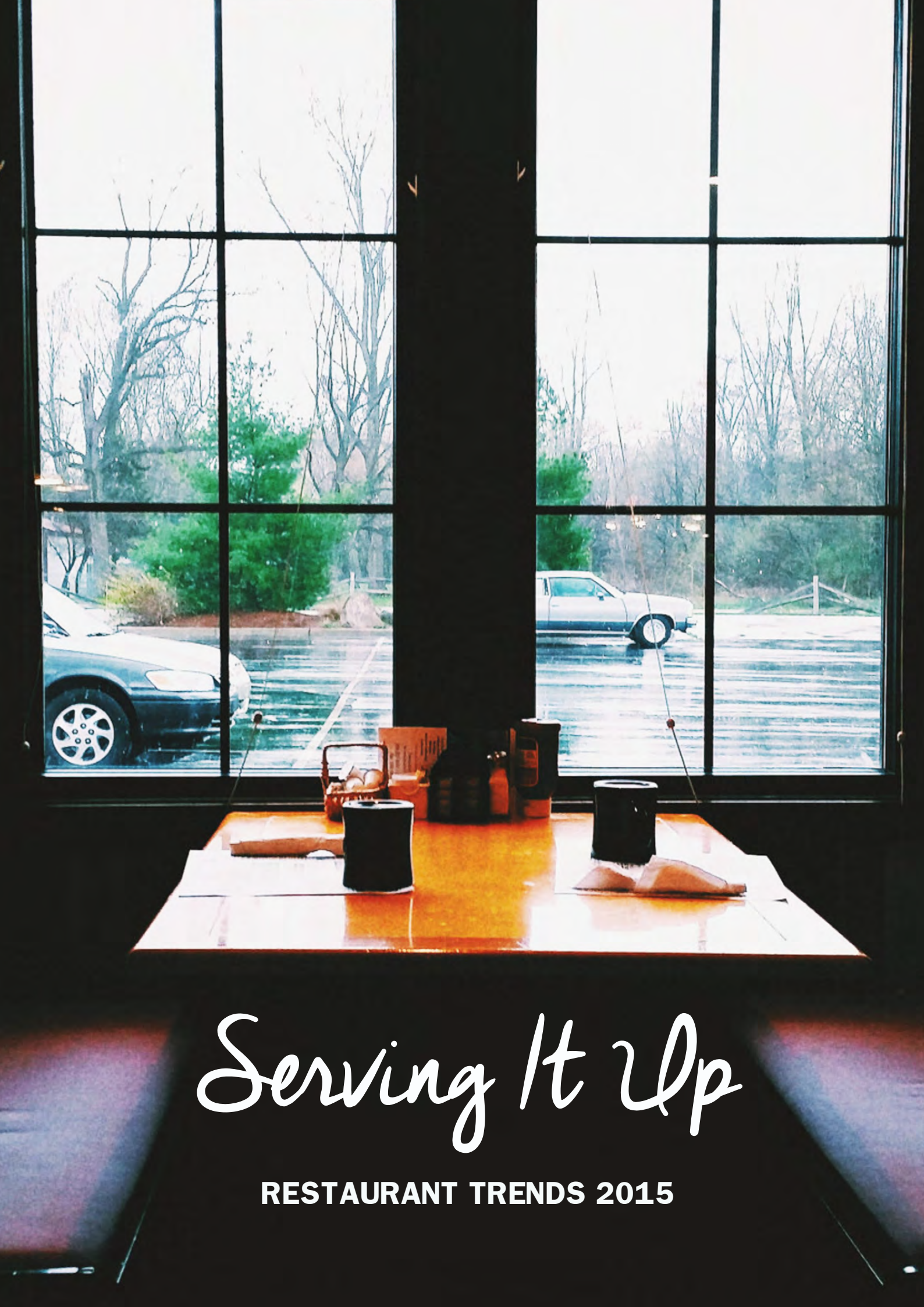
Beauty products are a large part of the Consumer Alpha™ universe. The desire to maintain a youthful appearance keeps sales of health and beauty products strong. Hair care is no exception. The cultural view that healthy, lush hair equates with youthful vitality is one shared by consumers around the world.

It isn't just consumers in the United States or Europe who are helping boost sales of hair care products. As millions of consumers in developing economies become conscious about styling their hair and their disposable income rises, once coveted hair products are becoming an affordable luxury.

TECHNOLOGY OF THE MONTH:

Smartphones and mobile apps have revolutionized the way consumers interact with the brands they love. From loyalty programs to online ordering to electronic payments, mobile apps have completely broken down the barrier to convenience and instant gratification that today's tech-savvy consumers demand. Nowhere is this more evident than in the realm of edible Consumer Alpha™ products.

With the advent of specialized apps from companies like Starbucks, Dunkin' Donuts and Pizza Hut, consumers can pre-order and pay for these small bursts of happiness with just a touch of a screen. Taking convenience even further are those mobile apps that offer delivery, which means consumers don't even have to leave their couch or desk to satisfy a craving for pizza or donuts. For the nearly 2 billion global smartphone users, getting a Consumer Alpha™ boost has never been easier.



Serving It Up

RESTAURANT TRENDS 2015






Tonight – from Buenos Aires to Bangkok, London to LA, Sydney to Seattle – hungry consumers will trade their kitchens for the convenience of a local eatery. Whether it's fast food, fast casual or five star, restaurants around the world will be serving up more than just mouth-watering morsels to these patrons. On the menu will be a far more amorphous, yet equally desirable, offering - time.

A commodity more valuable than the latest product or gadget, time is of even greater value than money to today's consumer. With demands from work, family and social engagements more intense than ever before, people view time as a nearly tangible asset. Overscheduled, overstimulated and overloaded

consumers are constantly on the lookout for ways to reclaim this most elusive “product.” One way is to trade in work-intensive meals at home for the simple luxury of breakfast, lunch or dinner out. This choice actually gives consumers double happiness - the gastronomic enjoyment and the satisfaction of reclaimed time.

The value consumers place on time greatly influences the companies that Infusive includes in the Consumer Alpha™ universe. Infusive understands that when consumers are able to regain precious time, an intrinsic sense of happiness naturally follows. This is how restaurants fit into the Consumer Alpha™ philosophy, and why trends in the restaurant industry are always on Infusive's radar.

SPEED READ

-  Fast casual restaurants are becoming a major player in the restaurant industry, driven by consumer demand for sustainability and healthy food choices.
-  Established brands are broadening their scope and expanding their presence beyond their traditional niches.
-  Consumer insistence for “clean” food is driving menu upgrades across the board.

A \$2.7 TRILLION INDUSTRY

The global consumer foodservice industry grew to more than \$2.7 trillion in annual sales in 2014, according to London-based market intelligence firm Euromonitor. This marked the most successful year of growth in recent history, with a real growth increase of more than 2%. While China and the U.S. still represent the largest markets in terms of value, the balance of growth is shifting to emerging markets like Latin America and the Middle East and Africa. In these markets a cultural shifts towards “eating out” is fueling growth and providing the opportunity for rapid expansion of international chains.

In the United States, the National Restaurant Association estimates that industry sales will eclipse \$7 billion in 2015, a number equal to 4% of the U.S. gross domestic product. This number also represents

an 8% increase over the preceding five-year period. Restaurants now account for 47% of each food dollar spent by U.S. consumers, compared to just 25% in 1995.

The data is clear – today’s consumers are embracing the idea of eating out as part of their daily routine instead of treating it as a special occasion. Yet despite these compelling statistics, today’s entrants in the global restaurant market have to stay ahead of the curve in order to maintain a competitive edge.

How are today’s restaurant players – especially established fast food chains like McDonalds, Starbucks and Taco Bell and fast casual offerings from Chipotle, Panera and the like – meeting the ever-changing demands of the contemporary consumer? And how are newcomers influencing this already established market?



THE RISE OF FAST CASUAL

Mention the phrase fast food and most people immediately conjure up images of golden arches, burgers and fries. Decades of marketing have given consumers a ready reference. Yet ask people what fast casual is and you may be met with a blank stare.

It isn't just consumers that have difficulty defining fast casual. Even industry insiders are not in total agreement as to which brands meet the definition of fast casual. However, what industry experts do agree on is a loose set of criteria that helps differentiate fast casual from its relatives fast food and casual dining. Most industry experts also agree that chains like Chipotle, Shake Shack and Panera all fit the fast casual bill.

These restaurants each share some general characteristics, starting with cost. The typical price point per receipt in a fast casual restaurant is between \$9 and \$13 compared to an average of \$5 in a fast food establishment. Other differentiators include first-rate décor, flexible offerings, higher food quality, better ingredients and a perception of freshness. Fast casual restaurants ideally earn less than 50% of their business from full-service, sit down meals, which helps distinguish them from their casual dining counterparts, like Applebee's or Chili's.

While consumers may have difficulty identifying fast casual, they have no trouble embracing it and making it the hottest trend in the restaurant industry today. According to Euromonitor, the market for fast casual food has grown by more than 550% since 1999. This represents more than

ten times the growth experienced by the fast food industry over the same period. Fast casual now controls 5% of all restaurant traffic, a 4% increase since 2000.

More than \$21 billion was spent in the United States alone last year on fast casual food, but this explosive growth isn't limited to just the American market. Twenty-four other markets in the world contributed at least \$100 million to the category's total, including Western Europe and the United Kingdom who together were responsible for 18% of the global total.

Why is fast casual dominating the restaurant industry? According to industry analysts, consumers are looking for the best value proposition when selecting an option for dining out, and value doesn't always equate to the lowest price. Today's health conscious and environmentally aware consumers want to combine sustainability with wholesome food choices, and fast casual brings this winning combination to the table.

DEMAND FOR ‘REAL FOOD’

Consumer demand for healthy, time-saving dining options is leading restaurants across the board to upgrade their menus. Options for “clean” foods and fresh, seasonal ingredients are particularly popular with millennials and baby boomers. Fast casual has readily embraced this challenge and most effectively met this particular consumer demand.

Brands like Chipotle and Panera have set the pace in this healthy menu movement. Chipotle promises consumers meat free from hormones and antibiotics, along with locally sourced and organic vegetables. Panera recently announced several moves targeting health-conscious consumers, including antibiotic-free chicken and the removal of artificial trans fat from its menu.

According to Chris Hollander, Panera’s Head of Marketing, “The Panera experience starts with great taste, but good food should also be good for you.” To that end, the chain’s beverages also received a healthy makeover, with bottled beverages and seasonal offerings like its pumpkin spice latte both free of artificial colors, flavors, sweeteners and preservatives. The chain promises to remove all artificial additives and preservatives from its full menu by the end of 2016.



Although fast casual has done it best, fast food is also making the move toward healthier fare. McDonald’s updated its menu several years ago with the introduction of choices like apple slices and carrot sticks in its kids’ Happy Meals. More recently, the fast food giant has added more fruit and vegetable options to their adult combo meals.

Following suit, other fast food chains are making healthy menu pledges, too. Chic-fil-A intends to phase out chicken raised with antibiotics, and Carl’s Jr. introduced their “all-natural burger” made with grass-fed, free-range beef raised without antibiotics or steroids.

BRANDS BRANCH OUT

For many well-established restaurant brands, staying relevant in an ever-changing marketplace is a constant concern. Companies like Starbucks, Taco Bell and McDonald’s run the risk of being pigeonholed as places only good for one thing. In an effort to avoid being seen as one-dimensional, to keep pace with evolving consumer demand and even capture new market share, these chains and others are changing their brand placement approach.

One example is McDonald’s decision to offer all day breakfast. While certainly not the first chain to do this (IHOP, Denny’s and Sonic have been offering breakfast all day for years), McDonald’s is dramatically altering its basic operational structure in an attempt to break new ground and attract new customers. Banking on a new breed of diner – the “Breakfastarian” who craves breakfast food regardless of time of day – McDonald’s hopes to be seen as more than just a burger place after traditional breakfast hours are over.

STARBUCKS COFFEE



Initial consumer reaction to McDonald's breakfast all day initiative has been positive. Foursquare CEO Jeff Glueck said his group has noted a 9% increase in foot traffic at McDonald's since all day breakfast was introduced. Glueck also noted that Taco Bell saw a 25% increase in foot traffic when it unveiled its new breakfast menu last year.

While Taco Bell has seen a bigger increase in foot traffic, Glueck attributes the latter's higher increase to the fact that Taco Bell was new to the breakfast market, while McDonald's was already an established player there for many years. What this data shows is that consumers love breakfast food that someone else prepares, regardless of the time of day.

But breakfast, as a new addition or expansion to service all day, isn't the only way established brands are expanding their presence and targeting a new audience. Setting its sights in the opposite direction, Starbucks has rolled out its "Starbucks Evenings" program. The brand hopes this night-centric move will lure loyal morning customers back later in the day for savory snacks, craft beers and wine. It also hopes to attract new consumers who haven't before embraced the chain's morning-themed offerings. On a practical note more focused on the bottom-line than customer experience, this expansion allows Starbucks to repurpose its hard costs related to infrastructure.

Starbucks markets this new endeavor as a way for customers to gather in a familiar place later in the day, even if caffeine isn't their goal. Instead of meeting up at a noisy, crowded bar, friends can instead opt for this "third place" where they can get together to enjoy a glass of beer or wine and upscale, shareable snacks in comfortable surroundings.

Noting that 70% of Starbucks customers drink wine (compared to just 30% of the general population) and in keeping with the company's aspirational vibe, Starbucks employed its own in-house sommelier to cultivate the "Starbucks Evenings" wine list. The wines vary by region, as does the craft beer selection. Craft beers were chosen because Starbucks customers are two times more likely to opt for local craft beers than the general public, according to Mintel Reports 2014. Not leaving any part of the experience to chance, the company's culinary team helped curate a distinctive menu of shareable small plate, artisanal offerings like Truffle Mac & Cheese and Artichoke & Goat Cheese Flatbread. Food options vary by region, too.

Not to be left out, Taco Bell is also experimenting with brand expansion in an attempt to capture the attention of consumers looking for something more than Chalupas or Cinnamon Twists. In September, the company opened its first concept store in Chicago's Wicker Park neighborhood, followed within weeks by



a second location near AT&T Park in San Francisco. The locations are not by chance. Taco Bell executives selected them specifically because they are in close proximity to a high volume of foot and bicycle traffic from millennials.

In addition to familiar fare taken straight from standard Taco Bell menus, these new “Taco Bell Cantinas” offer shareable snacks, wine, beer, frozen cocktails and sangria, depending on the location. They also feature local craft beers and high-tech offerings like USB ports and free Wi-Fi, in an attempt to attract a younger, more urban crowd. According to the company’s own website, Taco Bell wants to simplify and modernize the restaurant experience while maximizing technology to create a unique experience for existing and new consumers.

FROM GROCERY AISLES TO STOREFRONTS

Consumers are familiar with finding their favorite restaurant brands on their local supermarket shelves. From Taco Bell sauces to P.F. Chang frozen entrees to Starbucks bottled coffee drinks, shoppers can take a little bit of restaurant indulgence home in their shopping bags each week. But what happens when tried-and-true supermarket brands make the leap to a bricks-and-mortar restaurant?

Several popular consumer brands are finding out. Nestlé operates 145 Nestlé Toll House Café shops in the US, Canada and Middle East, where cookies, ice cream and smoothies are made using at least 60% Nestlé

ingredients. For Nestlé, the café concept is about trust and showcasing the variety of ways their ingredients can be used. “Anybody who walks by one of our cafés may not be 100% aware of the café concept, but there’s a trust factor in the Nestlé brand,” Shawnon Bellah, Nestlé Café’s Chief Operating Officer recently stated.

Nestlé, the parent company of Nespresso, has also opened several coffee boutiques under the Nespresso moniker in major US cities like Miami, New York and San Francisco. The idea is to showcase how the company’s traditional coffee capsules can be transformed into other beverages. Consumers try the different drinks in the store and learn how to re-create them at home.

Other familiar grocery-store brands have also opened restaurants hoping to capitalize on their name recognition and transform it into an additional revenue stream. Amy’s Kitchen, the vegetarian frozen food company, and Chobani, the Greek yogurt purveyor, are both experimenting with concept stores in the United States.

What all these brands have in common is a desire to turn their basic reputation into an aspirational lifestyle brand. From the Instagram-ready décor of their locations to the Pinterest-worthy food presentation, these brands hope to elevate themselves to a coveted, social media-friendly experience. Whatever the end goal, their presence is influencing the restaurant industry in ways not imaginable just a few short years ago.



Beyond Happy

THE SCIENCE OF CONSUMER ALPHA™

Happiness. While the word was coined by the English in the early 16th century to describe a state of being “greatly pleased and content,” the pursuit of happiness transcends geography, culture and time.

2,500 years ago, Confucius, Buddha, Socrates and Aristotle all shared insights remarkably similar to our modern understanding of happiness. The founding fathers of the United States enshrined happiness as a fundamental right in the Declaration of Independence back in 1776. And in recent years, even the United Nations recognized the global importance of happiness, declaring March 20th the International Day of Happiness to recognize the “relevance of happiness and well-being as universal goals.”

Our business is built on the simple concept that happiness drives the bottom line performance of select companies in the consumer goods sector. How? By the consumers’ repeat purchases of certain products that trigger a desired emotive connection. Items like coffee, chocolate, spirits, luxury goods or everyday “aspirational” items, including beauty products and apparel, provide the emotional boost consumers seek. Certain companies that provide these “happiness” products enjoy the advantage of resilient consumer demand regardless of market conditions, and this shows in long-term financial growth.

But is happiness purely an emotional reaction or is science also involved? When a consumer indulges in a habitual treat like a steaming cup of coffee or a mouth-watering piece of chocolate, what is it that actually induces the associative feeling of happiness? More

importantly, could these everyday indulgences be doing more for consumers than just making them feel good?

Professor Gary Wenk of The Ohio State University and the author of *Your Brain on Food* is a leading researcher on the effects of drugs on brain function. He classifies anything you put into your body, including food, as a drug.

FUSE recently caught up with Prof. Wenk to ask him about the science behind three perennial Consumer Alpha™ favorites - coffee, chocolate and alcohol.

SPEED READ:

- ☞ Chocolate consumption is attributed to extended longevity in men and mood enhancement in women.
- ☞ Coffee drinking is linked to an 85% lower risk of developing Parkinson’s disease.
- ☞ Alcohol, especially beer, is causally linked to the delayed onset of Alzheimer’s disease.



FUSE: Your research focuses a lot on coffee and chocolate. What is it about these two foods that make them so interesting?

Coffee and chocolate are two drugs that make us feel really good, because they tap into virtually every reward system our brain has evolved. They are both also linked to many potential health benefits, making them valuable beyond just the initial “feel good” factor.

I like talking about chocolate because it is an excellent example of how difficult it is to differentiate food from drugs. The cocoa powder used to produce chocolate is rich in many potentially psychoactive chemicals that contribute to the pleasurable sensation of eating it. Are these chemicals the reason that we love chocolate so much? The answer is, of course, yes.

Chocolate contains fats that induce the release of certain chemicals. These chemicals function similarly to heroin to produce a feeling of euphoria. German researchers noted that taking drugs that block the actions of these opiate-like chemicals also prevents the pleasure associated with eating chocolate.

Chocolate also contains some estrogen-like compounds, a fact that may explain a recent series of reports showing that men who eat chocolate live longer than men who don't indulge. Unfortunately, the effect was not seen for women. This is likely because women have an ample supply of their own estrogen, at least until menopause.

However, all is not lost when it comes to the physiological benefits of chocolate for women. Studies show that chocolate may provide an antidepressant effect in the days preceding a woman's menstrual cycle. Chocolate is also an excellent source of magnesium salts, a deficiency of which causes “chocoholism” – a common condition in post-menopausal women. 100 mg of magnesium salt, about 20 grams of dry cocoa powder, is sufficient to remove any trace of this condition in affected women.

Now let's discuss coffee. I'll start by telling you that caffeine is the most widely consumed psychoactive substance in the world. Caffeine produces arousal and makes us more attentive and vigilant. The caffeine in coffee and tea also stimulates the brain's endocannabinoid (EC) system. This unique communication system, named after the marijuana plant *Cannabis sativa*, affects how a person feels, moves and reacts.

Coffee itself contains many healthy chemicals such as potassium, niacin, magnesium, and a host of antioxidants. Drinking coffee lowers uric acid levels in the blood, which is a risk factor for cardiovascular disease, and reduces the risk of type 2 diabetes and some cancers. It also appears that coffee may alter the way we metabolize and distribute our fat.

One of the challenges though, in documenting the health benefits of coffee drinking in humans, is that we have complex diets. Coffee drinkers are often also smokers, and also tend to consume more calories, eat less fruit and have a more sedentary lifestyle than people who drink tea.



FUSE: You have often been quoted as saying the “brain powerfully rewards us when we eat sugar and fat.” In what ways?

Fat and sugar rarely occur in easily accessible forms in nature, yet our brains and bodies benefit greatly from them. When our evolutionary ancestors happened upon these nutrients, they instinctively ate them until they could eat no more. Our brain inherently understands the importance of these nutrients, and over time has evolved responses to reward us when we consume them.

Your brain needs sugar (usually in the form of glucose) to function normally. The billions and billions of neurons require a constant supply of sugar to maintain their ability to produce energy and communicate with other neurons. They can only tolerate a total deprivation of sugar for a few minutes before they begin to die. So when you eat something that contains sugar, your brain sends out a feel-good message basically saying “good job, keep it up.”

Fat is an excellent source of calories which your body burns to produce the energy needed for basic functions.

When you go into a caloric deficit, you may experience a number of negative side effects, including fatigue. This is your brain’s way of telling you something is wrong. Yet beyond being an excellent source of energy, fat also makes food taste good. We actually have a protein on our tongue that detects fat. When the brain receives notice that you’ve consumed fat, it congratulates you by giving you the positive feelings of satisfaction and euphoria.

FUSE: Your research indicates a link between coffee and Parkinson’s disease. What is the relationship between the two?

Coffee drinking (or consuming caffeine from non-coffee sources) has been associated with a significantly lowered risk - by about 85% - of developing Parkinson’s disease. This neuroprotective effect requires about five to six cups of coffee per day for many years, and appears to be mostly beneficial to men. The exact mechanism underlying this particular benefit of caffeine is unknown. However, recent research from my laboratory and others suggests that caffeine has anti-inflammatory actions that protect valuable dopamine neurons – the loss of which is directly related to Parkinson’s disease – from being destroyed.



FUSE: You've noted a positive correlation between alcohol, especially beer, and the delayed onset of Alzheimer's disease. How does that work?

An early epidemiological study discovered a significant, although small, inverse correlation between beer drinking and the incidence of Alzheimer's disease. While the true mechanism of the benefit is unknown, we do know that alcohol elevates levels of HDL cholesterol (the "good" kind). Since beer is often consumed in larger quantities than other alcohol, HDL levels correspondingly increase, too. Research has demonstrated that people with high levels of HDL cholesterol are 60% less likely to develop Alzheimer's disease.

More recent studies published since my book came out suggest that alcohol, in any form, is beneficial. So I wholeheartedly say it is a good idea to drink alcohol, be it beer, wine or spirits. In moderation, of course!

FUSE: Your book notes that tea leaves, coffee and cocoa beans all have benefits for brain function. Why?

Tea leaves, cocoa beans and coffee all contain flavonoids. Flavonoids are metabolites found in plants. On their own they are generally not nutritious, but they are believed

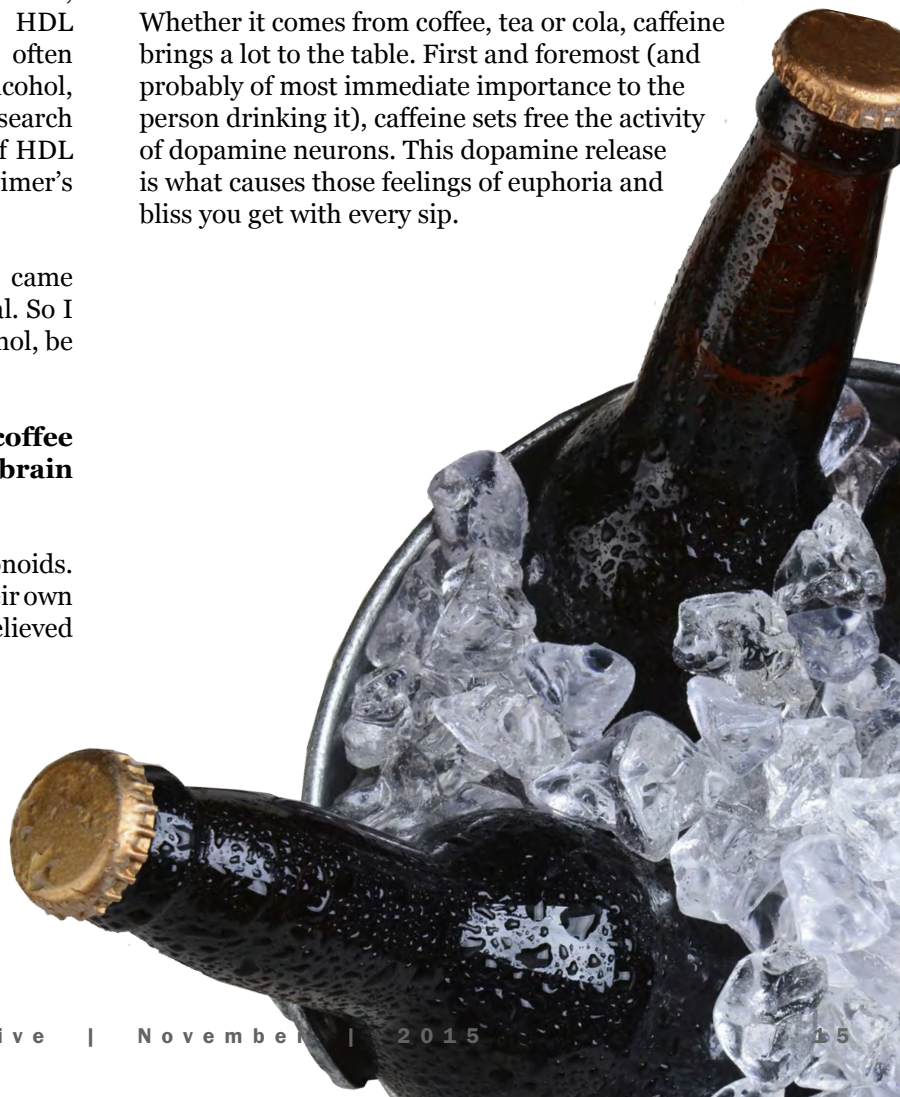
to be responsible for triggering the beneficial effects of many foods in the body. Over six thousands flavonoids have been identified; they are extremely common in nature. Flavonoids, even in low concentration levels in the brain, induce neurons to become more plastic (capable of forming new memories).

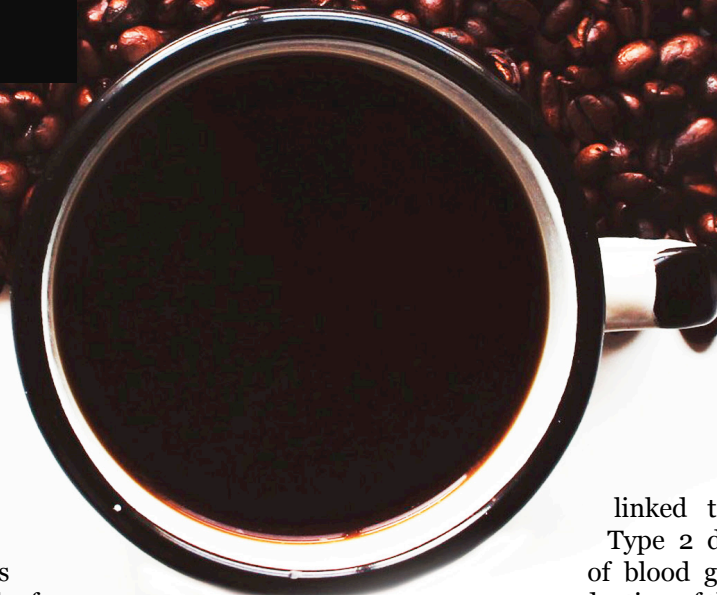
Another general health benefit of flavonoids is their ability to offer protection from oxygen – hence their classification as antioxidants. Eating flavonoid-rich foods every day, like red wine or dark berries, provides many overall health benefits that in turn indirectly benefit the brain.

The bottom line is that it doesn't matter where flavonoids come from, just that you consume flavonoid-rich foods as often as possible.

FUSE: You believe that caffeine (from any sources) offers significant health benefits. Would you elaborate?

Whether it comes from coffee, tea or cola, caffeine brings a lot to the table. First and foremost (and probably of most immediate importance to the person drinking it), caffeine sets free the activity of dopamine neurons. This dopamine release is what causes those feelings of euphoria and bliss you get with every sip.





Regular caffeine use (250 mg twice daily – approximately three 8 ounce cups of coffee) has also been linked to a reduced risk of cardiovascular events in patients with longstanding Type 1 diabetes. Consuming large quantities of caffeine (five to six cups of coffee per day) has also been linked to lower incidence of Parkinson's disease. At high altitudes, caffeine delays exhaustion and increases endurance by mobilizing fatty acids.

Now let's narrow the focus to coffee, a truly amazing drug!

The coffee roasting process itself generates significant amounts of the chemical niacin. Two to three cups of espresso can provide half your recommended daily allowance of this necessary vitamin, and may be responsible for lowering cholesterol.

Coffee is also rich in phenols, which have antioxidant and anticarcinogenic properties. Trigonelline, one phenol example, has been associated with the prevention of tooth decay. Other phenols found in coffee have been

linked to the prevention of Type 2 diabetes, the lowering of blood glucose levels and the reduction of the brain inflammation that is believed to underlie the risk of Parkinson's and Alzheimer's diseases.

Testosterone production has been positively associated with coffee consumption, too. This may explain why drinking at least one cup of coffee per day is associated with a higher prevalence of sexual activity in elderly women and a higher potency rate in elderly men.

Research has discovered other interesting relationships to coffee. A study of 87,000 registered female nurses found a strong inverse relationship between coffee intake and risk of suicide. In another study, the combination of coffee and exercise has been shown to elicit a higher rate of fat breakdown than exercise alone.

Anecdotally, people who drink substantial amounts of coffee tend to live longer than those who don't. So how can you go wrong with coffee?

Gary L. Wenk, Ph.D. is a Professor of Psychology & Neuroscience & Molecular Virology, Immunology and Medical Genetics at the Ohio State University and Medical Center, a Fellow of the American Association for the Advancement of Science for distinguished contributions in the field of neuropharmacology, neurodegenerative diseases and neuroinflammatory processes and the author of Your Brain on Food: How chemicals control your thoughts and feelings, 2nd Ed (Oxford University Press).



Photo courtesy of YouTube: OhioStateExperts

From Our Desk to Yours



TO WATCH



Aspirational Brands: Using Negative Marketing & Negative Branding

“Nothing is more powerful than our dreams.”

So declares emotional marketing expert Graham Newell. In this video, Newell differentiates between positive and negative advertising approaches and explains how brands can tap into a consumer’s contempt to sell “super aspirational” brands. With reference to highly successful ad campaigns by Nike, Dos Equis, Cheetos and Martini, Newell notes that marketers position these brands as “super exclusive clubs that most consumers are not worthy to join.” Instead of encouraging a purchase, these ads instead “dare consumers to be worthy of the privilege of the brand’s company.”

TO READ



Luxury Branding: Below the Radar

A consumer’s aspirations are one pillar of the Consumer Alpha™ philosophy. This aspirational desire is what fuels the long-term success of companies that offer certain lifestyle products like luxury accessories, high-end spirits and designer apparel. Consumers repeatedly purchase certain brands to solidify the person’s self-perceived standing in society. But what happens when consumers start to value discretion over obvious brand recognition?

In this Harvard Business Review article, Giana Eckhardt, professor of marketing at Royal Holloway, University of London, explains her take on the trend toward “inconspicuous consumption” and offers advice for luxury brand marketers around the world. Whether it is the dilution of a luxury brand’s perceived status or the rise of hip, niche brands, consumers are showing their preference for inconspicuousness and bringing aspiration full-circle.

TO DO



Visit the Chocolate Museum in Cologne

Chocolate is a perennial Consumer Alpha™ favorite. Rich and decadent, this habitual treat is a simple luxury that brings instant satisfaction to consumers with each bite. Beyond tasting divine, chocolate offers long-term physical benefits, too.

For any chocolate lover, a visit to the Chocolate Museum in Cologne is a must. Residing in a ship made of glass and metal, this one-of-a-kind experience presents a comprehensive history of cocoa and chocolate production plus mouth-watering product tastings to satisfy every craving. You can even take a class, learn from master chocolatiers and make your own handmade delicacy.

Spun Candy...Tasty Fun

Infusive discovered London-based Spun Candy in 2013 at a pop-up stand in the Virgin Atlantic Club House at Heathrow. Spun is a quintessential Consumer Alpha™ company, offering consumers a sweet, simple treat that brings instant pleasure. Spun offers a retail shop in London's Covent Garden and a large production facility in trendy East London where guests can take a masterclass and create their own bespoke candy creations. It is also sold at John Lewis, Selfridges and Hamleys, the oldest and one of the best known toy shops in the world. Infusive's partnership with Spun helped the brand expand internationally, and now you can find Spun in some of the world's most popular destinations, including Abu Dhabi and Dubai.

Infusive's direct investments arm invests in small, promising, cash-flow-positive consumer companies whose products and services are exclusively associated with Consumer Alpha™. Spun is one of these companies, and they will soon open their capital to others to fund future expansion plans. Infusive is always on the lookout for investment opportunities in other Consumer Alpha™ companies. To learn more about investing in Spun or tell us your story, please get in touch at contact@infusive.com.

What's new at Spun

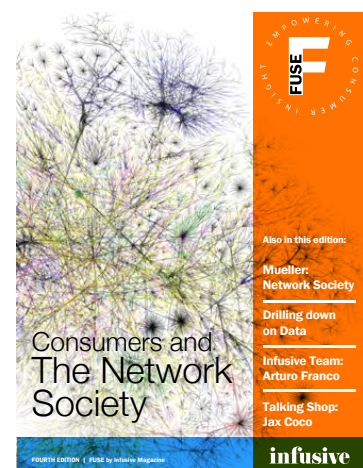
- The Spun Candy family has grown! Spun is excited to announce the opening of their latest store in Muscat, Oman last month.
- Start a new holiday tradition with our candy cane masterclasses. Create your own candy canes, personalized candy cane name sculptures and edible ornaments.
- Bring the kids in for some wholesome Spun fun. The little ones can visit Santa's Sweet Grotto and even create their own candy presents for Mum and Dad.

Contact Spun today:
enquiries@spun-candy.com
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