

Cover Feature

# 2022 Bottler of the Year: Pepsi-Cola Bottling Co. of McAlester

Family-owned distributor grows its carb, non-carb businesses



Charles Rogers, CEO of Pepsi-Cola Bottling Co. of McAlester in Oklahoma.

Photo by Mark Emmons

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Jessica Jacobsen

For Charles Rogers, being part of the Pepsi bottler network has been about the legacy. That legacy began in 1943 when his grandfather E.L. Rogers and his uncle Dutch Rogers partnered to buy a Pepsi franchise. Originally based in Eufaula, Okla., the franchise moved to McAlester, Okla., in 1954 and would go on to become Pepsi-Cola Bottling Co. (PCBC) of McAlester, Okla. But more recently, the CEO of PCBC of McAlester revealed a different take on what legacy truly means.

What helped change that legacy was when PCBC of McAlester was nominated and subsequently won the 2019 Donald M. Kendall Bottler of the Year Award from PepsiCo. The company also is a nominee for the 2020 award.

"As probably many know, this is absolutely the Super Bowl of the beverage world as far as the Pepsi side," Rogers says. "I'm not sure that there is a more prestigious award for a bottler to achieve. For my team and the guys to get it has been such a humbling and wonderful experience that they are starting to see all the payoff to the blood, sweat and tears to the customer to the company.

"Like I said, this is probably the highest and greatest award that you can get as a Pepsi-Cola bottler," he continues. "Not only to win the 2019 and be nominated again in 2020, it's such a tremendous honor, it's hard to put into words."



MTN Dew is among the top performing brands in PCBC of McAlester's southeastern Oklahoma territory.

Image courtesy of PepsiCo

As part of the nomination process, a video is comprised highlighting the company's history and evolution. That video, as well as a personal event, helped Rogers view the company's legacy a little differently.

"I came from a long legacy in the Pepsi business and it didn't dawn on me until we won that

award in '19 and they put this video together and really made me realize what a legacy that is," Rogers explains. "It made me start to think about the future. Since then, I have a couple of sons who have joined the business. My son-in-law joined the business. I had a grandson 6 months ago, which changed the whole dynamic of the future moving forward.

"It made me realize that I'm not just carrying on the family legacy for the past, I'm building a legacy to move forward for the family," he continues. "So this is a tremendous honor for me and obviously my family that we've done so well. We want to make sure that we represent the Pepsi family and our Rogers family in the best light that we can."

Although the Rogers family has been in the Pepsi distribution business since 1943, Rogers' recent tenure emerged in 2017 when he joined as CEO following 21 years as a police officer.

"I took over for the family in 2017, and it has been a tremendous change and atmosphere," he says. "A tremendous change in not only the way we do business but in the way that we bring the business to the customer. In the past, since 2017, we have continued to grow every single month."

Following his first year, the business grew 18% followed by 13% the next year. In 2019, its business was up 9.5% and finished 2020 with 20% growth. At the time Rogers spoke with *Beverage Industry*, 2021 was projected to finish at 6.5% growth.

"I look at the business as a whole and not only are we growing the total CSD business, but we've continued to grow the non-carb business and broaden our portfolio, which is really the game changer to everything that we've done," Rogers says.

For these reasons and more, is why *Beverage Industry* has selected PCBC of McAlester as its 2022 Bottler of the Year.

## Connecting with the community

Primarily serving the southeastern Oklahoma territory, PCBC of McAlester has an employee base that ranges from "It made me realize that I'm not just carrying on the family legacy for the past, I'm

50-60 people, varying among part-time workers, to help process its approximately 1.5-1.75 million 8-ounce equivalent cases a year.

What has helped the company serve its community and continue to grow, has been the philosophy that Rogers has instilled in the team.

"Making sure that my team understands this philosophy, and it's as simple as raising your own kids I guess, is that we need to take what we learn today about yesterday," he says. "We don't need to use yesterday as an excuse, we need to learn that we can do better today than what we did yesterday and having that mindset today and let's build a better tomorrow. Don't use yesterday as an excuse. Don't dwell on what happened

building a legacy to move forward for the family. So this is a tremendous honor for me and obviously my family that we've done so well. We want to make sure that we represent the Pepsi family and our Rogers family in the best light that we can." -Charles Rogers, CEO of Pepsi-Cola **Bottling Co. of McAlester** 

in the past. Let's just do a better job of moving forward. Our goal is simply to bring the best go-to market plan to each and every customer."

Living by this motto of customer service and prioritizing connection and communication, Rogers notes that it comes from a grassroots efforts of team members going out into the territories and building relationships from the ground up.

"Me being a retired police officer after 21 years in the community, very well known in Oklahoma and Southeastern Oklahoma especially," he says. "It was important to me that I wanted my team to have that same characteristic to be as personable as they could to not only the owners of the store, but the store managers, the district managers, the regional managers, even the ladies at the

receiving dock checking in, floor managers, department managers, clerks, or really anybody who has something to do with sales, displays or operations that affect us."

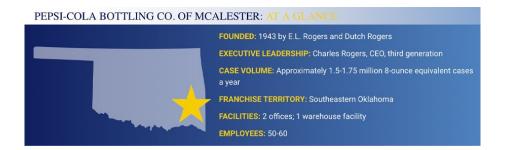
### **Balanced portfolio**

With a portfolio of 75% carbonated soft drinks (CSDs) and 25% non-carbonated, Rogers recognizes that the wholesale business he is running is not the same one that his grandfather and father ran.

"It's really changed a lot. I listened to my grandfather talk about the business a lot when I was growing up, and then my dad and my uncle as I came into the situation," he says. "But we look at the trends from years ago, and you start to see the number of CSDs that they sold is actually higher than the CSDs core brands that we are selling now.

"... It's kind of funny to see that if we just took the core, and looked at it, I'm probably selling less soda as far as the core than my dad did or my grandfather did, but what makes up the difference is the growth in the portfolio is opening up that category and being in at least every single category that's offered," he continues. "That's where the huge increases probably came from."

In terms of total volume, PCBC of McAlester's top performers are Mountain Dew, Pepsi, Aquafina and Gatorade. For these products as well as the rest of the PepsiCo portfolio brands, the distributor embraces the manufacturer's saying of "Nationally, great. Locally, even better."



"We try to drive the core products and the other products that are nationally launched and leverage that exposed product to the public," he says. "Make sure that we have the same marketing strategy, the same timeframe that they do, so when they launch something nationally we're trying to make it locally even better."

PCBC of McAlester also has a relationship with Keurig Dr Pepper to sell its bag-in-box line as well as being part of Wis-Pak Inc., a division of WP Beverages, to sell beverages including Klarbrunn, Doc and Bubbl'r.

Energy drinks such as BANG, a product of Vital Pharmaceuticals, and Rockstar, which was acquired by PepsiCo in 2020, also have flourished in the southeastern Oklahoma territory.

"Since the acquisition of BANG Energy, BANG has absolutely blown up in our area and it's kind of comical because we noticed as we took on that energy brand that the Rockstar brand has elevated as well," he says. "I think we're at 100% growth over the last two years in Rockstar to accompany that portfolio with BANG."

This diverse portfolio is helping the distributor and its partners align with the latest consumer trends, which Rogers recognizes are consistently changing.

"It seems like one day, people want more energy," Rogers says.

"One day they want more healthier options. One day they want more flavors. As far as the health and the wellness, health kicks is a big deal right now that's driving a lot of growth in a lot of our products. People are really enjoying finding flavored water in the premium water options that are out there.

"Obviously Gatorade continues to be a huge part of the portfolio but we've noticed juices and protein shakes are growing as well so the customer trend is all over the board," he continues. "I guess it really depends on what region you're in. But we've definitely seen a change in all of that."

As Rogers looks further into 2022, he's excited about what's in store for the portfolio.

"We are really, really excited about the Mountain Dew flavors coming this next year," he says. "We are looking forward to how much the flavored water category continues to grow. We expect big things there. We expect big things for the Pep energy brands. I think there is a



Charles Rogers poses with awards that the bottler has won over the years including the 2019 Donald M. Kendall Bottler of the Year Award from PepsiCo.

Photo by Mark Emmons

huge turnaround in the customer of today, which is the customer of yesterday."

These innovations coupled with its existing powerhouse brands will play a role in PCBC of McAlester reaching Rogers' goal for case sales. "I can definitely see knocking on the door of 2 million in the next year or so," he says.

### **Growing for the future**

Given PCBC of McAlester's documented growth, one might wonder whether their current facility has reached capacity.

"We have currently outgrown the facility we are in," Rogers explains. "We've already added to the facility once, and are in the process now of looking for land to build a bigger facility. Obviously that will take time. As we continue to grow, we continue to find new ways to be productive in this current facility, but we are absolutely outgrowing this facility daily."

Although available square footage might be challenging the distributor, PCBC of McAlester has been proactive in finding the true potential of its operations and fleet departments.

"As of right now, we have eight route trucks; two bulk trucks and three dynamic routes," Rogers explains. "We've grown a total of three routes in the last three years. We have gone away from the CDL trucks and gone to the smaller non-CDL trucks. Although that doesn't make sense for every bottler and every situation, for us it was a game-changer as far as the hiring pool for applicants."

Although pivoting to non-CDL trucks aided the labor challenge, Rogers notes that switching to the smaller fleets does provide another obstacle at times.

"We do have delivery day issues where we can't put enough pop on the truck because it's just not big enough," he explains. "We've had to implement a dynamic routing system on the days that that happens. There's two or three guys that they don't know what route they're running that day they come in, and a direction they're going to go to offset the delivery issues from the other routes."



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Another adjustment for the bottler has been the pandemic. To protect its employees, PCBC of McAlester has updated its medical questionnaires and protocols while also ensuring

that day-to-day deliveries to customers are not interrupted.

"It's impacted us trying to rewrite policies for how you call in sick," Rogers explains. "Where are the guidelines before you're sick and where you have to go get a COVID test, and then having a backup plan in place to fulfill the jobs that those guys are out because of COVID protocol or precaution and still make sure that you maintain the same level of execution to the customer. To say it's a challenge, is an understatement for sure."

Although labor and pandemic protocols have challenged PCBC of McAlester, it has not stopped the bottler from growing. Correlating to the city of McAlester's ethos of "Small town. Big Frontier," PCBC

of McAlester is showing that it might come from a small town, but big accomplishments are happening now and await its future.

### At A Glance

Pepsi-Cola Bottling Co. of McAlester

Founded: 1943 by E.L. Rogers and Dutch Rogers

Executive leadership: Charles Rogers, CEO, third

generation

Case volume: Approximately 1.5-1.75 million 8-ounce

equivalent cases a year

Franchise territory: Southeastern Oklahoma

Facilities: 2 offices; 1 warehouse facility

Employees: 50-60

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Jessica Jacobsen, editor of *Beverage Industry*, visits a range of beverage companies for cover stories and facility tours, represents the magazine at trade shows and industry events, and works with the Beverage Industry team to determine the content and direction of the magazine and its online components. She earned a Bachelor of Arts in Journalism from Marquette University.

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