

# UK duo bet big on tea bag market

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Calcutta, Dec. 2: Two UK tea companies — Typhoo and Twinings — have mapped out expansion plans in India, buoyed by the 40 per cent growth in the tea bag market.

Typhoo, which was acquired by the Apeejay Suren-dra group in 2005, will launch its products in January.

Twinings Pvt Ltd will invest over Rs 10 crore in its fifth manufacturing facility in India, which will be operational by 2009.

“We are in the process of deciding which brands to bring to India. With the Indian tea bag market growing at 40 per cent, I think the synergy between Apeejay and Typhoo will be firmly established,” Typhoo CEO Marcus Banfield told **The Telegraph**.

Typhoo will focus on flavoured tea, infusions and black tea.

Twinings has a 33 per cent share of the local tea bag market.

“We will focus on health and wellness brands and will especially concentrate on extending our green tea brands. We hope to double our business in two years and treble it in three,” said Twinings India managing director Suresh Iyer.

Banfield said Typhoo was also considering a manufacturing base in India, for exports to Southeast Asia and Australia.

Typhoo, the third largest brand in the UK, has two factories — one at Wirral in the UK and the other through a subsidiary company in Africa.

The company plans to increase its market share in the UK to more than 20 per cent in two years from 18 per cent now.

Twinings has a tieup with Fresh & Honest Café Ltd, which was acquired by Italian coffee company Lavazza.

Twinings plans to increase its retail presence through Fresh & Honest, which has expansion plans in India.

Both Twinings and Typhoo officials said that the increase in disposable income and associated lifestyle changes would entail further growth in the tea bag market.



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