

COTT CORP /CN/  
Form 424B5  
August 13, 2010  
Table of Contents

Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-159617

**PROSPECTUS SUPPLEMENT**

(To prospectus, dated June 19, 2009)

**\$64,960,000**

**Cott Corporation**

**11,600,000 COMMON SHARES**

We are offering \$64,960,000 of our common shares. Our common shares are listed on the New York Stock Exchange ( NYSE ) under the symbol COT and on the Toronto Stock Exchange ( TSX ) under the symbol BCB. On August 11, 2010, the last reported sale price of our common shares on the NYSE and the TSX was \$5.67 and Cdn\$5.95, respectively. We will receive all of the net proceeds from the sale of our common shares.

**INVESTING IN OUR COMMON SHARES INVOLVES RISKS. SEE RISK FACTORS BEGINNING ON PAGE S-22 OF THIS PROSPECTUS SUPPLEMENT.**

	<b>Per Share</b>	<b>Total</b>
Public offering price	\$ 5.600	\$ 64,960,000
Underwriting discounts and commissions	\$ 0.224	\$ 2,598,400
Proceeds, before expenses, to us	\$ 5.376	\$ 62,361,600

We have granted the underwriters an option exercisable for 30 days from the date of this prospectus supplement to purchase up to 1,740,000 additional common shares at the public offering price, less the underwriting discount, to cover over-allotments, if any.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The shares will be ready for delivery on or about August 17, 2010.

*Joint Book-Running Managers*

**Deutsche Bank Securities**

**J.P. Morgan**

**Morgan Stanley**

*Co-Managers*

**Barclays Capital**

**BofA Merrill Lynch**

Prospectus Supplement dated August 11, 2010

**Table of Contents**

**TABLE OF CONTENTS**

**Prospectus Supplement**

	<b>Page</b>
<u>About This Prospectus Supplement</u>	S-ii
<u>Cautionary Note About Forward-Looking Statements</u>	S-iv
<u>Prospectus Summary</u>	S-1
<u>Risk Factors</u>	S-22
<u>Use of Proceeds</u>	S-38
<u>Capitalization</u>	S-39
<u>Price Range of Common Shares</u>	S-40
<u>Dividend Policy</u>	S-41
<u>Unaudited Pro Forma Condensed Combined Financial Information</u>	S-42
<u>Selected Historical Financial Data</u>	S-54
<u>Proposed Cliffstar Acquisition and Financing</u>	S-55
<u>Certain Material Tax Consequences for United States Holders of the Common Shares</u>	S-58
<u>Underwriting</u>	S-62
<u>Legal Matters</u>	S-65
<u>Experts</u>	S-65
<u>Where You Can Find More Information</u>	S-65
<u>Incorporation By Reference Of Certain Documents</u>	S-66

**Prospectus**

	<b>Page</b>
<u>About This Prospectus</u>	2
<u>Where You Can Find More Information</u>	2
<u>Incorporation by Reference of Certain Documents</u>	3
<u>Cautionary Note About Forward-Looking Statements</u>	4
<u>Prospectus Summary</u>	6
<u>Risk Factors</u>	7
<u>Use of Proceeds</u>	7
<u>Ratio of Earnings to Fixed Charges</u>	7
<u>Description of Debt Securities</u>	8
<u>Description of Common Shares</u>	19
<u>Description of Preferred Shares</u>	21
<u>Description of Depositary Shares</u>	22
<u>Description of Warrants</u>	24
<u>Description of Stock Purchase Contracts and Stock Purchase Units</u>	25
<u>Plan of Distribution</u>	25
<u>Legal Matters</u>	26
<u>Experts</u>	27



## **Table of Contents**

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone else to provide you with different information. If anyone provides you with different information, you should not rely on it. The securities are not being offered in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement and the accompanying prospectus is accurate on any date subsequent to the date set forth on the front cover page of this prospectus supplement or that any information we have incorporated by reference is correct on any date subsequent to the date of the document incorporated by reference, even though this prospectus supplement and the accompanying prospectus is delivered or common shares are sold on a later date.

### **ABOUT THIS PROSPECTUS SUPPLEMENT**

This prospectus supplement relates to a prospectus which is part of a registration statement that we have filed with the Securities and Exchange Commission ( SEC ) utilizing a shelf registration process. Under this shelf registration process, we may sell the securities described in the accompanying prospectus in one or more offerings. The accompanying prospectus provides you with a general description of the securities we may offer. This prospectus supplement contains specific information about the terms of this offering. This prospectus supplement may add, update or change information contained in the accompanying prospectus. Please carefully read both this prospectus supplement and the accompanying prospectus, including the information described in the sections entitled Where You Can Find More Information and Incorporation by Reference of Certain Documents.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. In various places in this prospectus supplement and the accompanying prospectus, we refer you to sections of other documents for additional information by indicating the caption heading of the other sections. All cross-references in this prospectus supplement are to captions contained in this prospectus supplement and not in the accompanying prospectus, unless otherwise indicated.

### **NON-GAAP FINANCIAL MEASURES**

This prospectus supplement contains non-GAAP financial measures, that is, financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measures calculated and presented in accordance with generally accepted accounting principles ( GAAP ). Specifically, we make use of the non-GAAP measures EBITDA and Adjusted EBITDA. We also make use of ratios based on EBITDA, Adjusted EBITDA and pro forma Adjusted EBITDA.

We define EBITDA as earnings before interest expense, income taxes, non-controlling interests, depreciation and amortization. We define Adjusted EBITDA as EBITDA adjusted for items which are not considered by management to be indicative of the underlying results.

Management understands that some industry analysts and investors consider EBITDA and Adjusted EBITDA as supplementary non-GAAP financial measures useful in analyzing a company's performance. EBITDA and Adjusted EBITDA, however, are not measures of financial performance under GAAP and should not be considered as alternatives to, or more meaningful than, net income as a measure of operating performance or to cash flows from operating, investing or financing activities as measures of liquidity. Since EBITDA and Adjusted EBITDA are not measures determined in accordance with GAAP and are thus susceptible to varying interpretations and calculations, EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. EBITDA and Adjusted EBITDA do not represent an amount of funds that is available for management's discretionary use. Adjusted EBITDA, as defined above, is included because management believes it is pertinent to the daily management of operations, and management uses this financial measure to evaluate the impact of operational business decisions.

## **Table of Contents**

Each of EBITDA and Adjusted EBITDA has limitations as an analytical tool, and you should not consider these measures in isolation from, or as a substitute for analysis of, our financial information reported under GAAP. Some of these limitations are:

they do not reflect cash outlays for capital expenditures or future contractual commitments;

they do not reflect changes in, or cash requirements for, working capital;

they do not reflect interest expense, or the cash requirements necessary to service interest, or principal payments, on indebtedness;

they do not reflect income tax expense or the cash necessary to pay income taxes;

they do not reflect available liquidity to our company; and

other companies, including other companies in our industry, may not use such measures or may calculate such measures differently than as presented in this prospectus supplement, limiting their usefulness as comparative measures.

Because of these limitations, none of EBITDA, Adjusted EBITDA or any related ratio using such measures should be considered as a measure of discretionary cash available to invest in business growth or reduce indebtedness.

For a reconciliation of EBITDA and Adjusted EBITDA to net income (loss) attributable to the Company, see the section entitled Summary Consolidated Financial Data.

## **MARKET AND INDUSTRY DATA**

This prospectus supplement includes market share and industry data and forecasts that we have obtained from market research, consultant surveys, publicly available information and industry publications and surveys, provided by such consultants as The Nielsen Company (UK) (Nielsen). Industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy and completeness of such information. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein. Additionally, we have supplemented third-party information where necessary with management estimates based on our review of internal surveys, information from our customers and vendors, trade and business organizations and other contacts in markets in which we operate, and our management's knowledge and experience. However, these estimates are subject to change and are uncertain due to limits on the availability and reliability of primary sources of information and the voluntary nature of the data gathering process. As a result, you should be aware that industry data included or incorporated by reference herein, and estimates and beliefs based on that data, may not be reliable. Neither we nor the underwriters make any representation as to the accuracy or completeness of such information.

## **TRADEMARKS AND TRADE NAMES**

We own, have rights or will own or acquire rights to trademarks, service marks, copyrights and trade names that we use in conjunction with the operation of our business, including *Cott*<sup>®</sup>, *Red Rain*<sup>®</sup> and *Orient Emporium Tea Co.* in the U.S., Canada and the U.K., *Stars & Stripes*<sup>®</sup>, *Vess*<sup>®</sup>, *Vintage*<sup>®</sup> and *So Clear*<sup>®</sup> in the U.S., *Red Rave* in Canada, *Emergè*, *Red Rooster*<sup>®</sup>, *Carters*<sup>®</sup>, *Ben Shaws*<sup>®</sup> and the H2 family of brands in the U.K., *Stars & Stripes*<sup>®</sup> in Mexico, and *RC*<sup>®</sup> in more than 100 countries and territories outside of North America. Moreover, we are licensed to use certain trademarks such as *Jarritos*<sup>®</sup> in Mexico. This prospectus supplement also includes trademarks, service marks and trade names of other companies. Each trademark, service mark or trade name of any other company appearing in this prospectus supplement belongs to its holder. Unless otherwise



**Table of Contents**

indicated, use or display by us of other parties' trademarks, service marks or trade names is not intended to and does not imply a relationship with, or endorsement or sponsorship by us of the trademark, service mark or trade name owner.

**CAUTIONARY NOTE ABOUT FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein include forward-looking information and forward-looking statements within the meaning of securities laws, including the safe harbor provisions of the Securities Act (Ontario), the United States Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), and Section 27A of the Securities Act of 1933, as amended (the Securities Act). All forward-looking information and forward-looking statements are based on our current beliefs as well as assumptions made by and information currently available to us and relate to, among other things, anticipated financial performance, business prospects, strategies, regulatory developments, new products and economic conditions. Forward-looking information and forward-looking statements may be identified by the use of words like believes, expects, plans, intends, estimates or anticipates and similar expressions, as well as future or conditional verbs such as will, should, could. While we believe these forward-looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions could be incorrect. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those included in such forward-looking statements. In addition, actual results could differ materially from those projected or suggested in any forward-looking statements as a result of a variety of factors and conditions which include, among others, the various risk factors described under Risk Factors and elsewhere in this prospectus supplement and the accompanying prospectus.

We caution the reader that the risk factors described in the section entitled Risk Factors may not be exhaustive. We operate in a continually changing business environment, and new risk factors emerge from time to time. Management cannot predict such new risk factors, nor can it assess the impact, if any, of such new risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. We undertake no obligation to update or revise these forward-looking statements, whether as a result of changes in underlying factors, new information, future events or otherwise, except as required by law.

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**Table of Contents**

**PROSPECTUS SUMMARY**

*This summary is not complete and does not contain all of the information that you should consider before buying our common shares. You should read the entire prospectus supplement and accompanying prospectus carefully including, in particular, the section entitled "Risk Factors" and the more detailed information and financial statements and related notes included or incorporated by reference in this prospectus supplement and the accompanying prospectus before making an investment decision.*

*As used in this prospectus supplement, unless the context otherwise requires or as is otherwise indicated, the words "we," "us," "our," "Cott," "the Company" and words of similar import refer to Cott Corporation, Cott Beverages Inc. and their subsidiaries on a consolidated basis. In this prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in United States ( "U.S." ) dollars.*

**Our Company**

We are the world's largest private-label beverage manufacturer. Our objective of creating sustainable long-term growth in revenue and profitability is predicated on working closely with our retailer partners to provide proven, profitable products. As a fast follower of innovative products, our goal is to identify new private-label product opportunities based on market trends and develop similar high quality private-label products at a better value for our retail partners and their consumers. This objective is increasingly relevant in more difficult economic times.

Our retailer brand beverages are an attractive alternative to the national brands for both retailers and consumers because of their quality, product design and enhanced value offering. Compared to retail prices of national brand beverages, consumers of our products save over 35% on average in the U.S. Our vertically integrated operations, low marketing and advertising costs, and efficient bottling facilities allow us to offer our products to our retailer partners at an attractive value as compared to national brand products.

On July 7, 2010, we entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with Cliffstar Corporation ("Cliffstar") to acquire substantially all of the assets and liabilities of Cliffstar and its affiliated companies (the "Cliffstar Acquisition"). Cliffstar is one of the leading suppliers of private-label beverages and the largest private-label producer of apple juice, grape juice, cranberry juice and juice-blends in North America. See "Recent Developments - Cliffstar Acquisition."

**Operating Segments**

We have five operating segments: North America (which includes the U.S. reporting unit and Canada reporting unit), United Kingdom ("U.K.") (which includes our United Kingdom reporting unit and our Continental European reporting unit), Mexico, Royal Crown International ("RCI") and All Other (which includes our international corporate expenses and our Asia reporting unit, which we closed at the end of fiscal 2008). In 2009, our North America, U.K., Mexico and RCI operating segments represented 73.5%, 22.5%, 2.7% and 1.3% of our revenue, respectively.

Our North America operating segment is primarily dedicated to the development, marketing, selling, production and distribution of carbonated soft drinks ("CSDs"), sparkling flavored waters and purified drinking water. While we also produce energy-related drinks and other non-carbonated products, these are a small portion of our overall product mix in North America. Based on industry information compiled from Nielsen, we estimate that as of January 2, 2010, we produced (either directly or through third-party manufacturers with whom we have co-packing agreements) approximately 59% of all retailer brand CSDs sold in the United States. Our customer base consists primarily of large retailers including grocery stores and mass merchandisers, although we also serve



**Table of Contents**

customers in the dollar convenience and drug channels. Generally, product distribution is handled by our customers or through third parties. This method of distribution avoids the costly and capital-intensive functions of direct store delivery and merchandising, and allows us to focus on our core capabilities of providing low-cost manufacturing and supply chain expertise. Following the completion of the Cliffstar Acquisition, Cliffstar will become part of the North America operating segment and will significantly diversify our North American product mix.

Our U.K. operating segment has broad product manufacturing capabilities, including CSD, energy and aseptic drink production, which enable us to produce non-preserved juices, waters, sports drinks and other non-carbonated beverage products. We were the number one supplier of retailer brand CSDs in the U.K. as of the end of 2009. In 2009, CSDs accounted for approximately 45% of our U.K. revenues. We rank among the top three bottlers (by annual volume of cases produced) of energy drinks in the U.K. as of the end of 2009, including company-owned brands, retailer brands and co-manufactured brands.

Our Mexico operating segment was also the number one supplier of retailer brand CSDs in Mexico as of the end of 2009. We produce CSDs and spring water (flavored and still) primarily for large retail customers.

RCI sells CSDs and other beverage concentrates to beverage bottlers in over 50 countries around the world. These customers can either buy RC Cola branded concentrate for bottling, sale and distribution under the RC Cola brand or buy concentrates for other own-label or private-label CSDs. Many of the customers of our RCI concentrate business are located in countries where overall CSD sales have been growing consistently over the past several years.

**Product Categories**

The following charts set forth Cott's and Cliffstar's net revenues for the twelve months ended July 3, 2010 by product category:

<sup>(1)</sup>Thirst quenchers include teas, sports drinks, flavored waters and vitamin waters.

**Table of Contents**

***Cott Categories***

We have a diversified product portfolio across major non-alcoholic beverage categories, including beverages that are on-trend with consumer demand. Our products include CSDs, clear, still and sparkling flavored waters, juice-based products, bottled water, energy-related drinks and ready-to-drink teas. While CSDs and CSD concentrate accounted for 71.6% of our beverage case volume in 2009, they accounted for 61.9% of our 2009 total revenue. Although we sell the majority of our beverages under retailer brands to customers who own the trademarks associated with the products, we also utilize several of our own brands such as Red Rain, Orient Emporium Tea Co., Stars & Stripes and Red Rooster. In addition, we own the rights to RC Cola in more than 100 countries outside of North America.

***Cliffstar Categories***

Cliffstar is the leading private-label manufacturer of shelf-stable juices and the largest private-label producer of apple juice, grape juice, cranberry juice and juice blends in North America. In addition to juices, Cliffstar also offers a wide range of products including teas, sports drinks, flavored waters and vitamin waters. Cliffstar produces over 600 shelf-stable beverage formulas to the specifications and packaging requirements of its many private-label customers.

***Pro Forma Categories***

The Cliffstar Acquisition will enhance our position as the largest retailer brand beverage manufacturer in the world. Following the Cliffstar Acquisition, we will be a more diverse beverage provider with number one positions (by annual volume of cases produced) in private-label CSDs and shelf-stable juices, as well as a leading manufacturer of bottled water with growing positions in energy and sports drinks. The following chart sets forth pro forma net revenues for the twelve months ended July 3, 2010, by product category, after giving effect to the Cliffstar Acquisition:

- (1) Pro forma Functional / New Age includes Cliffstar's thirst quenchers and flavored water products and Cott's ready-to-drink tea, sports and energy.
- (2) Pro forma Juice/Juice drinks include Cliffstar's apple, cranberry, cranblends, grape and other fruit juices and Cott's juice drinks (UK).

**Table of Contents**

**Competitive Strengths**

We believe that our competitive strengths will enable us to maintain our position as the world's leading retailer brand beverage manufacturer and capitalize on future opportunities to drive sustainable and profitable growth in the long-run. We believe the Cliffstar Acquisition will enhance our competitive strengths, which include:

***Leading Producer of Retailer Brand Beverages with Diverse Product Portfolio***

We are the world's largest private-label beverage manufacturer. We currently have the number one private-label market share in each of the U.S., Canada, the United Kingdom and Mexico by annual volume of cases produced.

Our product portfolio ranges from traditional CSDs to categories such as clear, still and sparkling flavored waters, juice-based products, bottled water, energy-related drinks and ready-to-drink teas. We believe our proven ability to innovate and evolve our portfolio to meet changing consumer demand will position us well to continue to serve our retailer customers and their consumers. During 2009, we launched more than 100 new product stock-keeping units ( SKUs ), including new flavor profiles based on successful new product launches by the national brands, new package types and new product category introductions for our retailer partners.

We market or supply over 200 retailer, licensed and company-owned brands in our four core geographic segments. We sell CSD concentrates and non-carbonated concentrates in over 50 countries. We believe that our leadership position, our broad portfolio offering and our existing infrastructure will enable us to continue to further penetrate the private-label market, whether by winning contracts from competitors, launching new product SKUs with existing customers or supplying retailers who currently self-manufacture.

Cott offers products under trademarks which it owns or which it licenses on an exclusive basis, including:

<sup>(1)</sup>Licensed trademark

Following completion of the Cliffstar Acquisition, we will have an increased market share in the private-label juice category and a more diversified product portfolio, including shelf-stable juices such as apple juice,

**Table of Contents**

grape juice, cranberry juice and juice-blends, as well as functional and new age beverages, which will allow us to further penetrate the private-label market. See Pro Forma Categories.

***Extensive, Flexible Manufacturing Capabilities***

Our leading position in the private-label market is supported by our extensive manufacturing network and flexible production capabilities. Our manufacturing footprint encompasses 20 strategically located beverage production facilities, including nine in the U.S., five in Canada, four in the U.K., two in Mexico, as well as a vertically-integrated concentrate facility in Columbus, Georgia.

In our North America operating segment, we are the only dedicated private-label CSD producer with a manufacturing footprint across North America. Manufacturing flexibility is one of our core competencies and is critical to private-label leadership, as our products will typically feature customized packaging, design and graphics for our key retailer customers. Our ability to produce multiple SKUs and packages on our production lines and manage complexities through quick-line changeover processes differentiates us from our competition.

Following the completion of the Cliffstar Acquisition, we will add 11 facilities in the United States, including five bottling and distribution operations, three fruit processing facilities, two fruit receiving stations and one storage facility, further enhancing our geographic footprint and manufacturing flexibility.

(a) Dunkirk includes two facilities: A fruit processing and storage facility (primarily used for storage) and a production facility (7 bottling lines).

## **Table of Contents**

### ***High Customer Service Level and Strong Customer Integration***

Private-label industry leadership requires a high level of coordination with our retailer customers in areas such as supply chain, product development and customer service. In addition to managing increased product manufacturing complexity efficiently, we have a proven track record of maintaining high service levels across our customer base. We also partner closely with customers on supply chain planning and execution to minimize freight costs, reduce working capital requirements and increase in-store product availability. We work as a team with our retailer customers on new product development and packaging designs. Our role includes providing market expertise as well as knowledge of category trends that may present opportunities for our retail customers. A high level of customer integration and partnership coupled with a nationwide manufacturing footprint is critical for the development of successful private-label programs. We intend to remain committed to these values following the completion of the Cliffstar Acquisition.

### ***Strategic Importance to Blue-Chip Retailers***

We have longstanding relationships with many of the world's leading retailers in the grocery and mass merchandise channels, enabling retailers to build their private-label programs with high-quality, affordable non-alcoholic beverages. We are the sole supplier for a majority of our clients due to our competitive advantages, including:

private-label expertise;

vertically-integrated, low cost production platform;

one-stop sourcing;

CSD category insights and marketing expertise;

supply chain and high quality consistency in products; and

product innovation and differentiation.

For 2009, our top ten customers accounted for 60% of total revenue. Wal-Mart was the only customer that accounted for more than 10% of our total revenue for the period, representing 33.5% of total revenue. We have established long-standing relationships with most of our top 10 customers. As a result of our high product quality and service, coupled with a national manufacturing footprint, we believe we will continue to play a meaningful role in helping our customers develop brand strategies to build loyalty with consumers.

While Cliffstar may share many of the same customers, we expect that the Cliffstar Acquisition, and the associated broadening of our product portfolio and cross-selling opportunities, will further strengthen our longstanding relationships with our existing customers. The combination will also increase our presence at retailers, including club and drug stores.

### ***Strong Management Team with Significant Operating Experience***

We have in place a strong executive team with extensive industry experience to build on our strengths and to implement our business strategy. Our management team has a proven track record of successful management with positive operating results, both with us and in previous leadership roles in the consumer goods and beverage industries.

Our management team is led by Jerry Fowden, our Chief Executive Officer. Mr. Fowden has extensive experience in the beverage industry, including leadership positions at AB-InBev (formerly known as InBev),



## **Table of Contents**

Hero Group AG and Pepsico. In addition, our management team includes Neal Cravens, our Chief Financial Officer. Mr. Cravens has held senior finance positions in both public and private companies, including approximately 20 years at Seagram Company, Ltd.

Our businesses are led by executives with extensive experience in the beverage and consumer goods industries. Throughout the organization, we benefit from employees' prior experiences in other global beverage bottling companies, including leaders of our manufacturing plants who have worked at bottling companies of national brands.

We will seek to retain several of Cliffstar's key management team throughout the integration period, particularly Cliffstar Chairman Stanley Star, with whom we have entered into a three year consulting agreement.

## **Business Strategy**

Our primary goal is to maintain long-term profitability and enhance our position as the market leader and preferred supplier of retailer brand beverages in the markets where we operate. Continued leadership in our core markets will enable us to sustain and grow profitability as we drive for increased private-label penetration and share growth within our core product categories. We believe that the following strategies will help us to achieve our goal:

### ***Customer Focus***

Customer relationships are important for any business, but at Cott, where our products bear our customers' brand names, we must maintain close relationships with our customers. We will continue to provide our retailer partners with high quality products and great service at an attractive value that will help them provide quality value-oriented products to their consumers.

We will continue to focus on our high customer service levels as well as core private-label innovations through the introduction of new packages, flavors and varieties of beverages. We believe our focus on our customers will enable us to leverage our existing relationships and to develop new ones in existing and new markets. As a fast follower of innovative products, our goal is to identify new products that are succeeding in the marketplace and develop similar products of high quality for our retailer partners to offer their customers at a better value.

### ***Continue to Lower Operating Costs***

As a retailer brand producer, we understand that our long-term success will be closely tied to our ability to remain a low-cost supplier. Effective management of commodity costs is critical to our success, including entering into contract commitments with suppliers of key raw materials such as aluminum and high fructose corn syrup (HFCS). On an ongoing basis we review our fixed overhead and manufacturing costs for opportunities for further reductions. In 2009, we significantly reduced overhead costs and continue to work towards further modest cost reductions in 2010.

### ***Control Capital Expenditures and Rigorously Manage Working Capital***

Consistent with our status as a low-cost supplier, we leverage our existing manufacturing capacity and maintain an efficient supply chain. We are committed to carefully prioritizing our capital investments that provide the best financial returns for Cott and for our retailer partners, while maintaining safety, efficiency and superior product quality. Our production facilities operate according to the highest standards of safety and product quality. We perform regular third-party audits of our facilities and are subject to consistent quality audits on behalf of our customers. We will continue to evaluate growth and other opportunities, while remaining mindful of our total capital expenditure targets.

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## **Table of Contents**

In 2009, our capital expenditures were devoted to maintenance on existing manufacturing facilities, additional capabilities such as expanded can production capability in the U.K., and other investments in the U.S. to improve the competitiveness and consumer appeal of certain packaging configurations.

### ***Cash Flow Management***

We believe that a strong financial position will enable us to capitalize on opportunities in the marketplace. As such, we continuously review and improve the effectiveness of our cash management processes. We strive to achieve the most optimal working capital level, optimize our capital expenditures and continuously drive operating cost improvements to enhance cash flow and fortify our balance sheet. We believe the combined Cott Cliffstar business provides further opportunities to improve operating efficiency and strengthen our cash flow generation.

### ***New Business Opportunities***

With the progress achieved during 2009 in improving customer relationships, reducing costs, reducing capital expenditures and improving cash management, we have increased our focus on pursuing new business within our core product categories and customers. We believe our best opportunities for profitable new business are in products that leverage our effective product development capabilities and low-cost manufacturing network. In 2009, we announced a target to secure 20 million raw cases of new business. As of the second quarter of 2010, we were 90% towards our goal. We see further opportunity for new products in several areas, including enhanced value offerings on CSDs through packaging and ingredient innovations, as well as expanding our sales in the energy-related drink category in the U.S. While pursuing these opportunities will require some investment, we intend to make these investments within our existing targets for capital expenditures.

### ***Pursue Select Acquisitions***

We believe that opportunities exist for us to enhance our scale, reduce fixed manufacturing costs and broaden our product portfolio. We believe that the Cliffstar Acquisition represents such an opportunity. We will continue to evaluate and pursue other strategic opportunities if we believe they would enhance our industry position, strengthen our business and build value for our shareholders.

### **Recent Developments**

#### ***2010 Second Quarter Results***

The following are certain key financial metrics regarding our consolidated results for the second quarter of 2010 as compared to the second quarter of 2009:

revenue was \$425 million compared to \$439 million;

gross margin as a percentage of sales increased to 17.3% from 16.7%;

operating income increased 15%, to \$39 million from \$34 million;

income before taxes of \$32.5 million compared to \$29.6 million; and

EBITDA was \$53.5 million.

Revenue for the second quarter of 2010 was \$425 million compared to \$439 million in the second quarter of 2009, a decline of 3%, or 4%, excluding the impact of foreign exchange. Significant promotional activity by the national brands resulted in lower revenue in our North America operating segment, partially offset by increased international revenue. Operating income increased 15% to \$39 million in the second quarter of 2010 from \$34 million in the second quarter of 2009. Operating income benefited from lower costs and strong international performance. Net income and earnings per diluted share in the second quarter of 2010 were \$22 million and \$0.28, respectively, compared to



\$34 million and \$0.48, respectively, in the second quarter of 2009. The decrease

S-8

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**Table of Contents**

in net income and earnings per diluted share was due to higher taxes; Cott recognized an income tax benefit of \$5 million in 2009, compared to a tax expense of \$9 million in 2010.

For more detail, please see our Quarterly Report for the quarterly period ended July 3, 2010, incorporated by reference herein.

***Cliffstar Acquisition***

On July 7, 2010, we entered into the Asset Purchase Agreement with Cliffstar to acquire substantially all of the assets and liabilities of Cliffstar and its affiliated companies. Cliffstar, a privately-held corporation headquartered in Dunkirk, New York, manufactures, sells and distributes non-alcoholic beverages, primarily private-label shelf-stable juices. Cliffstar is one of the leading suppliers of private-label beverages and the largest private-label producer of apple juice, grape juice, cranberry juice and juice-blends in North America. The Cliffstar Acquisition is expected to close in the third quarter of 2010. This offering is not contingent on the completion of the Cliffstar Acquisition.

The purchase price of the Cliffstar Acquisition is \$500.0 million in cash, payable at closing, subject to adjustment for working capital, indebtedness and certain expenses and \$14.0 million of deferred consideration which will be paid over a three-year period. Cliffstar is entitled to additional contingent earnout consideration of up to a maximum of \$55.0 million, based upon the achievement of certain performance measures during the fiscal year ending January 1, 2011, as well as the taking of substantial steps toward upgrades of certain expansion projects in 2010. See the section entitled Unaudited Pro Forma Condensed Combined Financial Information.

The Asset Purchase Agreement contains representations, warranties, covenants and conditions that we believe are customary for a transaction of this size and type, as well as indemnification provisions subject to specified limitations. The closing of the Cliffstar Acquisition is subject to several conditions, including receipt of financing and other customary conditions, including receipt of required regulatory approvals, and there can be no assurance that the Cliffstar Acquisition will be completed as contemplated, or at all. See Risk Factors Risks Related to the Cliffstar Acquisition. The condition relating to the expiration of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 waiting period has been satisfied as of July 30, 2010.

We expect to realize several benefits from the Cliffstar Acquisition, including the following:

*Strengthened Position as Retailer Brand Beverage Leader.* Combined with Cliffstar, we will be a larger, more balanced producer of private-label beverages with a leadership position in private-label within two of the largest ready-to-drink categories: CSDs and shelf-stable juices. The combination will increase our presence at retailers including club and drug stores where we have no significant presence today. A strengthened leadership position in private-label will enable us to be a more effective retailer partner.

*Entry into Attractive Category.* Shelf-stable juice drinks are one of the largest non-carbonated non-alcoholic beverage categories in North America. The addition of Cliffstar's leadership position in this large and stable category will enhance Cott's position as a leader in retailer brand beverages. With approximately 21% of the shelf-stable juice category in North America, private-label penetration is more than double that of CSDs, due in large part to a price gap to national brand products of between 25% and 40%. With increased consumer awareness of health and wellness in beverage products, entry into the shelf-stable juice category provides a strong platform into products that are naturally rich in vitamins and nutrients.

*Further Diversification of Our Product Offering.* The Cliffstar Acquisition will broaden our product portfolio to include shelf-stable juices such as apple juice, grape juice, cranberry juice and juice-blends, as well as smoothies and new age beverages, increasing our cross-selling opportunities and resulting in an increase in the penetration of our products into a broader retailer base. Following the completion of the Cliffstar Acquisition, we would have had a pro forma product offering mix for the twelve months ended July 3, 2010 of 43% CSDs, 35% juice and juice drinks, 14% waters and 8% functional and new age.

## **Table of Contents**

*Leveraging Our Strong Customer Relationships.* Further strengthening our relationships with our retailer partners is a key element of our business strategy. Our customers recognize us for excellent service and coordination, which is required in combination with strong value creation for a successful and sustainable private-label program. The Cliffstar Acquisition will enable us to improve coordination and sustain high service levels with our retailer partners as a combined supplier across the two largest ready-to-drink categories. A broader customer base will also enable long-term opportunities for up-selling and cross-selling as we demonstrate the value of private-label programs in both CSD and juice products across all of our customers.

*Manufacturing, Operating and Product Capability.* Much of the growth in ready-to-drink categories in recent years has come through hot-fill production beverages such as nutrient-enriched waters, sports drinks and juices. The Cliffstar Acquisition will add 11 manufacturing and storage plants with hot and cold-fill capabilities, increasing our geographic footprint and providing a low-cost platform to implement new product innovations previously not available to us because of our predominantly cold-fill bottling network in North America. Combined with Cliffstar, we will also have expanded capabilities in single-serve package formats, which provide enhanced top line growth opportunities and bottom line profit contributions in the CSD and shelf-stable juice categories.

*Increased Cost Savings and Manufacturing Efficiencies.* We intend to integrate Cliffstar's operations into our business operations. We believe we can generate incremental cost savings throughout the combined company, by realizing economies of scale, combining engineering, technology and procurement efforts and eliminating duplicative distribution and back office systems. We believe that our business strategy of strengthening customer relationships, reducing operating costs, optimizing capital expenditures and carefully managing cash flow can be applied successfully to Cliffstar to yield further ongoing cost reductions and efficiency improvements. We may not, however, be able to realize all or any of the anticipated cost savings or other benefits from the integration of Cliffstar, either in the amount or the time frame we currently expect, and the costs of achieving these benefits may be higher than we currently expect.

### ***Financing of the Cliffstar Acquisition***

We intend to use the net proceeds from this offering to pay a portion of the purchase price and related fees and expenses for the Cliffstar Acquisition. We plan to fund the remainder of the Cliffstar Acquisition with the net proceeds from a concurrent notes offering and borrowings under an amended asset based lending facility.

#### ***Concurrent Notes Offering***

Concurrently with this offering, under a separate offering memorandum, we are offering \$375.0 million of senior notes due 2018 (the "Notes Offering"), in a private offering pursuant to Rule 144A and Regulation S under the Securities Act. We intend to use the net proceeds from the Notes Offering to fund a portion of the Cliffstar Acquisition. The completion of the Notes Offering is contingent on the completion of the Cliffstar Acquisition.

We expect to close the Notes Offering simultaneously with the completion of this offering. No assurance can be given that the Notes Offering will be completed or, if completed, as to the final terms of the Notes Offering. This offering of common shares is not contingent on the completion of the Notes Offering.

The Notes Offering will not be registered under the Securities Act or the securities laws of any other jurisdiction, and the notes may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The notes will only be offered to qualified institutional buyers in the United States pursuant to Rule 144A under the Securities Act and outside the United States pursuant to Regulation S under the Securities Act. This description and other information in this prospectus supplement regarding the Notes Offering is included in this prospectus supplement solely for information purposes. Nothing in this prospectus supplement should be construed as an offer to sell, or the solicitation of an offer to buy, any notes.

## **Table of Contents**

### *Amended ABL Facility*

Our existing asset based lending facility (the ABL Facility ) is a five-year revolving facility of up to \$225.0 million that matures in March 2013. The amount available under the ABL Facility is dependent on a borrowing base calculated as a percentage of the value of eligible inventory, accounts receivable and property, plant and equipment. The ABL Facility has subfacilities for letters of credit and swingline loans and geographical sublimits for Canada (\$40.0 million) and the U.K. (\$75.0 million). We have obtained a financing commitment from various lenders led by JPMorgan Chase Bank, N.A. and Deutsche Bank Securities Inc., pursuant to which we expect to refinance the ABL Facility (the Amended ABL Facility ) to, among other things, provide for the Cliffstar Acquisition, the Notes Offering and the application of net proceeds therefrom, this offering and the application of net proceeds therefrom and increase the amount available for borrowings to an amount up to \$275.0 million. We intend to use the borrowings under the Amended ABL Facility to fund a portion of the Cliffstar Acquisition and to fund our ongoing operations. The completion of the Amended ABL Facility is contingent on, among other things, the completion of the Cliffstar Acquisition.

We expect to close the Amended ABL Facility simultaneously with the completion of this offering. No assurance can be given that the Amended ABL Facility will be completed or, if completed, as to the final terms of the Amended ABL Facility. This offering of common shares is not contingent on the completion of the Amended ABL Facility.

### **Corporate Information**

Cott Corporation was incorporated in 1955 and is governed by the Canada Business Corporations Act. Cott Beverages Inc. was incorporated in 1991 as a Georgia corporation. Our registered Canadian office is located at 333 Avro Avenue, Pointe-Claire, Quebec, Canada H9R 5W3, and our principal executive offices are located at 5519 W. Idlewild Avenue, Tampa, Florida, United States 33634 and 6525 Viscount Road, Mississauga, Ontario, Canada L4V 1H6. Our telephone number is (813) 313-1800. Our website address is [www.cott.com](http://www.cott.com). **The information appearing on our website is not part of this prospectus supplement or the accompanying prospectus.**

**Table of Contents**

**The Offering**

Issuer	Cott Corporation
Securities offered	\$64,960,000 of common shares, no par value.
Over-allotment option	We have granted the underwriters an option exercisable for a period of 30 days from the date of this prospectus supplement to purchase up to an additional 1,740,000 common shares at the public offering price, less the underwriting discount, to cover over-allotments, if any.
Common shares outstanding after this offering	93,010,120 common shares (94,750,120 common shares if the underwriters exercise their over-allotment option with respect to the offering in full).
Use of proceeds	We estimate that our net proceeds from this offering, after underwriting discounts and commissions and estimated offering fees and expenses, will be approximately \$61.7 million. We intend to use the net proceeds from this offering:
See Use of Proceeds.	<p style="margin-left: 40px;">to pay a portion of the purchase price and related fees and expenses for the Cliffstar Acquisition; and</p> <p style="margin-left: 40px;">for other general corporate purposes, if the Cliffstar Acquisition is not consummated, or with the proceeds received from the exercise of the over-allotment option.</p>
Risk factors	See the section entitled Risk Factors beginning on page S-22 of this prospectus supplement and beginning on page 7 of the accompanying prospectus, and other information included in this prospectus supplement and the accompanying prospectus, for a discussion of factors you should carefully consider before deciding to invest in our common shares.
New York Stock Exchange symbol	COT
Toronto Stock Exchange symbol	BCB
The number of our common shares outstanding after completion of this offering is estimated based on approximately 81,410,120 common shares outstanding as of August 3, 2010. Unless otherwise indicated, the number of common shares outstanding presented in this prospectus supplement does not include:	

11.2 million common shares reserved for future stock option grants under our equity compensation plans as of August 3, 2010;

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0.9 million common shares issuable upon exercise of outstanding stock options as of August 3, 2010 at a weighted average exercise price of \$16.95 per share; and

1,740,000 common shares issuable upon the exercise by the underwriters of the over-allotment option.

S-12

**Table of Contents****Summary Unaudited Pro Forma Condensed Combined Financial Data**

The following tables set forth summary unaudited pro forma condensed combined financial data of Cott and Cliffstar for the year ended January 2, 2010 and as of and for the six months and twelve months ended July 3, 2010. This information has been prepared by our management and gives pro forma effect to the Cliffstar Acquisition, this offering and the application of net proceeds therefrom, the Notes Offering and the application of net proceeds therefrom and the borrowings under the Amended ABL Facility, in each case as if they occurred on January 2, 2009, for income statement purposes, and July 3, 2010, for balance sheet purposes. The pro forma data has been prepared from, and should be read in conjunction with, the accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information, the historical financial statements of Cott and Cliffstar and Cott's Management's Discussion and Analysis of Financial Condition and Results of Operations, all of which are included or incorporated by reference herein. See the section entitled "Where You Can Find More Information" and "Incorporation by Reference of Certain Documents."

This pro forma financial data does not purport to represent what our results of operations or financial position would have been if the Cliffstar Acquisition, this offering, the Notes Offering and the Amended ABL Facility had occurred as of the dates indicated or what those results will be for future periods. The unaudited pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable. For more information on the assumptions made in preparing this pro forma financial data, see the section entitled "Unaudited Pro Forma Condensed Combined Financial Information." Our historical results included below and incorporated by reference herein do not necessarily indicate results that may be expected for any future period.

	Fiscal Year	Six Months Ended		Twelve Months
	Ended Jan. 2, 2010	June 27, 2009	July 3, 2010	Ended July 3, 2010
(millions of U.S. dollars)				
<b>Income Statement Data:</b>				
Revenue	\$ 2,268.0	\$ 1,161.9	\$ 1,117.7	\$ 2,223.8
Cost of sales	1,919.0	978.4	923.9	1,864.5
Gross profit	349.0	183.5	193.8	359.3
Selling, general and administrative expenses	206.4	99.2	99.3	206.5
Loss on disposal of property, plant and equipment	0.5		0.1	0.6
<b>Restructuring, and asset impairments:</b>				
Restructuring <sup>(a)</sup>				