#### **CHAPTER I. INTRODUCTION**

#### 1.1 History of PT Sinar Sosro

A major impact on Indonesia's beverage sector has been made by PT Sinar Sosro, world's first bottle-packaged ready-to-drink tea company. The Sosrodjojo family founded the business in 1974 under the name "Sinar Sosro," producing brewed tea called Teh Cap Botol at Slawi, Central Java. The business faced several failures during its development until a strategy to pack the tea that had been brewed at the office into a clean soy sauce or lemonade used bottle arose. From here, the idea to sell ready-to-drink jasmine tea in a bottle called "Tehbotol Sosro" emerged in 1969. The name "Tehbotol Sosro" was obtained from the combination of brewed tea "Teh Cap Botol" and the family name "Sosrodjojo."

PT Sinar Sosro currently has 15 factories located in Jakarta, Cibitung, Tambun, Medan, Palembang, Ungaran, Mojokerto, Gresik, Gianyar, Sentul, Pandaan, and Purbalingga. The headquarters where the author worked is at Sultan Agung KM 28 Street, Bekasi, West Java. Besides its growth on a national scale, PT Sinar Sosro successfully penetrated the global market by exporting ready-to-drink beverages using non-glass bottles or one-way packaging to several nations in Asia, Europe, America, Australia, Africa, and the Pacific Islands. Along with the expansion of the company, PT Sinar Sosro has been governed by the parent company, PT Anggada Putra Rekso Mulia, or the Rekso Group since 2004.

# 1.2 Company's Vision and Mission

PT Sinar Sosro has the vision to develop into "The Indonesian World Class Beverage Company," a world-class beverage company that can satisfy consumer demand whenever in any place and provide value for all parties involved. As for the mission, PT Sinar Sosro aims to Build a brand image of "Sosro" as a natural, good quality, and superior tea brand, as well as to become market leaders in their respective areas that can provide satisfaction to consumers.

### 1.3 Main Activity of the Company

The company's primary focus is on maintaining and developing its current product line around ready-to-drink beverages to ensure that it consistently provides customers with good taste and quality. The company also strongly emphasizes raising production levels and releasing innovative items, such as producing new product varieties and expanding its marketing reach.

### 1.4 Company Product Profile

PT Sinar Sosro has developed various beverages, which includes Tehbotol Sosro, Fruit tea, S-Tee, TEBS, Country Choices, and Prim-A. Each of these products has its packaging types, and some have different sugar level variations.



Figure 1. Tehbotol Sosro products

Tehbotol Sosro in glass bottles, also known as returnable glass bottles (RGB), was introduced in 1969 and is the first ready-to-drink (RTD) tea product in Indonesia and across the globe. Tehbotol Sosro has a distinctive flavor due to the use of fragrant tea, combination of green tea, jasmine flower, and gambir flower. The packaging of Tehbotol Sosro has been actively innovated into different types of materials and volumes. Currently, Tehbotol Sosro is packaged into RGB 220 mL, tetra Pak carton boxes with volumes of 200 mL, 250 mL, 330 mL, and 1 L, polyethylene terephthalate (PET) plastic bottle with volumes of 350 mL and 450 mL, pouch 230 mL, and can 318 mL (Figure 1). Besides the packaging, Tehbotol Sosro also has three variants of sugar level, which are sold in plain (no sugar), less sugar, and original variants.



Figure 2. Fruit Tea products

Fruit tea, ready-to-drink beverage added with fruit flavor, is currently available in nine different variants, including apple, blackcurrant, x-treme (combination of apple and blackcurrant flavors), strawberry, freeze (combination of strawberry, grapes, and cool sensation), guava, yuzu, lemon, and passion fruit. Fruit tea was produced in 1997 and initially packaged on a triangle shaped carton. The packaging was then developed, providing fruit tea with glass bottle (235 mL), polyethylene terephthalate (PET) plastic bottle (350 mL and 500 mL), can (318 mL), tetra pak (200 mL), and pouch (230 mL) packagings (Figure 2).



Figure 3. S-Tee products

PT Sinar Sosro introduced S-Tee in glass bottles with a capacity of 318 mL to address market demand for RTD tea products with higher volume and more reasonably priced rates. S-Tee has three different types of packaging, which are a polyethylene terephthalate (PET) plastic bottle that is available in volume of 350 mL, 390 mL, and 500 mL, Tetra Pack Box with volume of 200 mL and 330 mL, and glass bottle in volume of 234 mL and 381 mL (Figure 3). The 234 mL glass bottle packaging is only distributed in East Java and Central Java.



Figure 4. TEBS products

TEBS brand was an innovative approach that PT Sinar Sosro took in 2004 to provide a fruit flavor carbonated RTD beverage with a tea base, with the aim to attract youthful, expressive, sociable, energetic, and modern consumers. TEBS is packaged in a can (330 mL), returnable glass bottle (230 mL), and polyethylene terephthalate (PET) plastic bottle (500 mL) (**Figure 4**). It is available in a mixed fruit and lemon lime variant.



Figure 5. Country Choice products

The development of ready-to-drink juice "Country Choice" by PT Sinar Sosro occurred in 2008, producing apple, orange, guava, and mango varieties. Country Choice then launched new variants "fit fresh", which are guardian red, purify green, and optimist orange (**Figure 5**). Each variant has its own additional nutrition value and combinations between fruits, vegetables, and herbs. Tetra Pack boxes with volume of 1 L and 250 mL are used as Country Choice's packaging, limiting the fresh fit variant to only have a volume of 250 mL.



Figure 6. Prima-A products

The Prima-A brand was initially named "Air Sosro", which later changed to "Air Mineral Prima-A" in 1999. The bottled drinking water is available in cup (240 mL), bottle (330 mL, 600 mL, and 1500 mL), and gallon (19 L) (Figure 6).

## 1.5 Organizational Structure

The organizational structure of the Research and Development (R&D) department on PT Sinar Sosro can be seen on **Figure 7**. There is the chief operations officer as the head of the R&D department, followed by the R&D manager. Under them, there are three main divisions, which are legal and regulatory, product development, and quality development. Furthermore, there is a flavor blending operator under the product development division. For the quality development division, there are three supervisors since it is further divided into packaging development, quality control, and quality assurance divisions.

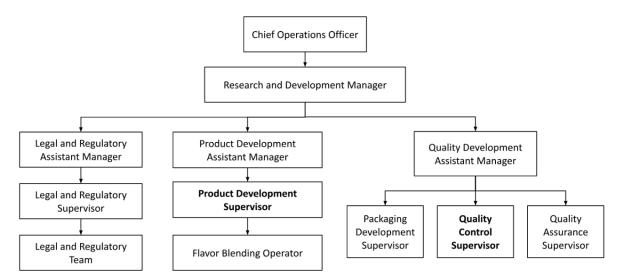


Figure 7. Organization structure of R&D department at PT Sinar Sosro

#### 1.6 Research and Development Department of PT Sinar Sosro

The R&D department of PT Sinar Sosro is in charge of performing research and development that revolves around raw materials, packaging materials, and final products. In addition, this department also develops new products, reformulates current products in accordance with regulations, and conducts quality development analysis on products to ensure the products adhere to quality standards while also lowering cost demand. The quality standards and analysis guidelines of PT Sinar Sosro are created by this department.

In accordance with the organizational structure shown in Figure 7, the R&D manager of PT Sinar Sosro is directly under the Chief Operations Officer, who is in charge of all production activities at the company. The R&D Manager is in charge of performing research on the company's raw and processed materials in addition to reviewing and assessing the products. Under them, the R&D department is further divided into a legal and regulatory division that is in charge of legal company products, product development division that is responsible for development and reformulation of products, and quality development division that manages the quality assessment of the products. The author was assigned in both product development and quality control departments.