

Technological Competition and Cultural Rivalry: The Post-war Coke Wars in Taiwan's Beverage Industry

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Introduction

In 1885, the American John Stith Pemberton from Atlanta formulated Coke, a non-alcoholic refreshing beverage. The subsequent Coca-Cola company garnered outstanding commercial success because the beverage was popular among local consumers with its unique taste and refreshing quality, as well as because the company built an innovative and collaborative model for production and sales. The Coca-Cola Company provided the concentrates, which were then blended into bottles by the bottling plants. With heavy advertising, Coca-Cola expanded its market greatly in the United States and even overseas.

Although Coca-Cola is essentially a carbonated beverage with a special flavored syrup, its advanced manufacturing methods, safe and hygienic quality, and modern and enjoyable advertising images have easily attracted consumers. Coca-Cola is clearly well-known in the United States, but it likewise has been a pioneer in the expansion of American consumer culture, as to such an extent that as Kuisel stated, "No other commercial product in the world is as deeply associated with America as Coca-Cola."¹

Although Coca-Cola withdrew from the markets of some communist countries after World War II, many countries in the capitalist camp received economic aid and military defense from the U.S., including receiving capitalism and American mass consumption culture, such as Coca-Cola, into their domestic markets. Thus, these countries were influenced by the ideology, lifestyle, and even cultural values of American mass culture, resulting in the phenomenon of Americanization.² The

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¹ Richard F. Kuisel, "Coca-Cola and the Cold War: The French Face Americanization, 1948-1953," *French Historical Studies* (Raleigh) 17:1 (Spring 1991), 96-116.

² The term "Americanization" originally referred to the process by which immigrants to the United States became typical Americans in terms of language, habits, and ways of thinking. Yet since the 1950s, it has also been used to refer to the process by which American cultural values have

popularity of Coca-Cola as an important iconic American product has often been regarded as a symbol of Americanization around the world, even raising fears of American economic imperialism, with the term “Coca-colonization” describing the phenomenon of many American products, including Coca-Cola, taking over domestic markets and attracting consumption.³ Therefore, the acceptance of Coca-Cola in many countries has often led to many debates, and the impact of the Coca-Cola industry on the domestic diet has garnered much concern.

Given the symbolic importance and influence of Coca-Cola, many historians and anthropologists have employed the expansion of Coca-Cola around the world as a topic of research to examine how different countries or regions have faced the “invasion” of American consumerism and capitalism, or the impact of Americanization, on their own cultures.⁴ Although the Americanization of the second half of the 20th century is considered a global phenomenon, individual countries had different timelines and practices for receiving Coca-Cola due to their own political and economic conditions. Consumers in various regions responded to this foreign beverage in numerous ways, depending on their own culinary traditions. In addition, the local Coca-Cola bottling plant or other local beverage brands adopted various production and marketing strategies in response to the importation of Coca-Cola. The influence of this American beverage and the mass consumerism it represents has become increasingly diverse and malleable due to the multiple and complex interactions of policy, consumerism, and beverage manufacturers, to such a degree that such phenomenon could not simply be labeled as “Americanization,” but rather as unique to individual regions. Thus, anthropologists such as Daniel

reshaped global multiculturalism. In other words, American culture, including American English, American hobbies, American education, and business norms, became widespread around the world, even the penetration of American capital. See, Tsuda Yukio 津田幸男 and Hamana Emi 浜名恵美 ed., *The Quietly Advancing rule of American culture* アメリカナイゼーション: 静かに進行するアメリカの文化支配 (Tokyo: Kenkyusha, 2004).

³ Thomas L. Leatherman and Alan Goodman, “Coca-colonization of diets in the Yucatan,” *Social Science & Medicine* 61 (2005), 833–846.

⁴ In the case of East Asia, a recent article by Kraus Charles, “More than Just a Soft Drink: Coca-Cola and China’s Early Reform and Opening” discusses the process of Coca-Cola’s entry into the Chinese market during the early years of China’s “reform and opening” and what it represented. Lee, Eun Hi’s “Cola Wars in the Park Junghee Era” examines the political and business relationships involved in Coca-Cola’s entry into the Korean market, and the impact it had on local beverage manufacturers. Tseng’s “Taste of USA: Prohibition and Consumption of Coca-Cola in Taiwan (1950-1967)” explores the Nationalist government’s initial resistance to the opening of Coca-Cola to the Taiwanese market and its eventual forced acceptance, reflecting the influence of American popular culture on Taiwan. See, Charles Kraus, “More than Just a Soft Drink: Coca-Cola and China’s Early Reform and Opening,” *Diplomatic History* 43:1 (2019), 107-129; Lee Eun Hi 이은희, “Cola Wars in the Park Junghee Era 박정희 시대 콜라전쟁,” *Critical Studies on Modern Korean History* 역사문제연구 34 (2015), 87-132; Tseng, Pintsang 曾品滄, “Taste of USA: Prohibition and Consumption of Coca-Cola in Taiwan (1950-1967) 美國的滋味: 冷戰前期台灣的可口可樂禁令與消費(1950-1967),” *Taiwan Historical Research* 臺灣史研究 26:2 (2019), 1-36.

Miller have begun to use Coca-Cola as an example to reflect on the significance of the globalized wave of mass consumerism as it is practiced in various contexts.⁵

In Taiwan, the government of the Republic of China (ROC), a member of the U.S.-led capitalist camp, claimed in 1967 that it would open up the domestic market for Coca-Cola starting in 1968. It was an outcome derived from various internal and external factors and pressures. Although the path of Americanization was not distinct from that of other countries, the results and effects were poignantly different. For Taiwan, the impact of Coca-Cola indeed put tremendous pressure on local beverage manufacturers to reform and imitate production techniques and sales methods, but it also unexpectedly stimulated local beverage producers to attach importance to local foodways as an important weapon against Coca-Cola. By analyzing the effects of Coca-Cola's entry into the Taiwanese market, this article aims to demonstrate that local traditions and cultures have the potential to innovate and embed unique characteristics into mass consumerism through modern technology and local marketing.

In Taiwan, which straddles the tropical and subtropical zones and exudes a hot climate, beverages have long been a necessity in daily life. There are many different types of beverages with a variety of functions. In addition to hydration, many beverages are also emphasized for their effectiveness in eliminating discomfort caused by hot weather or overwork. After the establishment of the beverage industry in the early 20th century, mainly for the production of carbonated soft drinks, various flavors and functions were gradually incorporated into the industrial production, including some herbal beverages originally for medicinal purposes, such as herbal tea and sarsaparilla soda. The beverages discussed in this paper are mainly products produced by the local beverage industry. Although some of these products have medicinal properties, according to government regulations, they are classified as beverages rather than pharmaceuticals, and are therefore included in the discussion of this article. It should also be made clear that the term "Coke Wars" in the title of this paper refers to the competition between Taiwanese beverage manufacturers and those U.S. companies such as Coca-Cola, Pepsi Coke, and Crown Coke. As Coca-Cola was the most influential role in the entire process, it therefore is the focus of this paper.

⁵ Daniel Miller, "Coca-Cola: a black sweet drink from Trinidad," in Daniel Miller ed., *Material Cultures* (New York: Routledge, 2002), 245-262.

Coca-Cola's First Appearance in Taiwan

Coca-Cola is considered to be the most notable representative of the trend towards Americanized mass consumer culture. Since its conception in 1885, it has grown from a local beverage brand in Atlanta to a nationally renowned beverage. In the early twentieth century, Coca-Cola was distributed throughout Europe, China and even Latin America as the United States became an international power. After World War II, the brand was considered an important symbol of American consumer culture as it expanded alongside the growth of American capital and took over the global consumer market. While the phenomenal growth of Coca-Cola is certainly linked to its unique taste, its success is a testament to the strengths of twentieth-century American production, such as the advantage of its bottling system and the close collaboration between Coca-Cola and its many bottling plants, which allowed for mass production and continued expansion of sales.⁶ In addition, the standardization of manufacturing processes and of raw materials, as well as the clean water quality, ensure consistent quality and consumer trust. Furthermore, because of the world's favorable perception of American power and its aid to a few countries during the Cold War, American products, including Coca-Cola, were imagined to be beautiful, modern and progressive.⁷ Coca-Cola's extensive advertising campaign has helped to create an image of a modern, fun-loving American consumer culture, which has helped it to become one of the most popular American products in the world.

The increasing popularity of Coca-Cola around the world in the twentieth century has meant that the beverage industry in many countries was facing increasing pressure from Coca-Cola. In Japan, for example, little was known about Coca-Cola before and during the Second World War. After the end of the war, as the U.S.-led Allied General Headquarters (GHQ) was stationed in Japan, the Japanese government allowed Coca-Cola to import the concentrates to Japan and to bottle its contents in Japan for the needs of the U.S. military and foreigners in Japan. Until 1957, the Coca-Cola Company partnered with Tokyo Beverage Company, a local manufacturer, and transferred to the local company's bottling operation. The Japanese government also relaxed controls and allowed the sale of Coca-Cola in bars, hotels and clubs associated with the U.S. military.⁸ In spite of the fact that the Japanese Fruit Juice Association joined forces with farmers to campaign against the

⁶ Bartow J. Elmore, *Citizen Coke: The Making of Coca-Cola Capitalism* (New York: W.W. Norton & Company, 2015), 24-36.

⁷ Reinhold Wagnleitner, trans., Diana M. Wolf, *Coca-Colonization and the Cold War: The Cultural Mission of the United States in Austria after the Second World War* (Chapel Hill: University of North Carolina Press, 1994), 96-116, 296.

⁸ Takahiro Saitou 斎藤高宏, "The international trajectory of Japanese food companies わが国食品企業の国際化の軌跡," *Quarterly Journal of Agricultural Economy* 農業総合研究 48:1 (2011), 73-145.

importation of Coca-Cola, the Japanese government liberalized the beverage market in 1960, allowing Coca-Cola to enter the local market and lifting restrictions on the amount of concentrates imported in 1962. The Tokyo Beverage Company was also officially renamed the Coca-Cola bottling plant in 1962.⁹ Since then, Coca-Cola has swept through the Japanese domestic beverage market, creating a so-called “black wave 黒いブーム” that has devastated over 3,000 small and medium-sized beverage producers.¹⁰

Many countries, such as Korea and Taiwan, had tried to block Coca-Cola from entering the domestic market because of the threat it posed to local beverage companies.¹¹ Apart from that, in Taiwan, it also involves certain historical factors. Coca-Cola partnered with Watson's in Shanghai as early as 1924, with the former supplying Coke concentrate and the latter bottling and distributing the drink in Shanghai and other areas. With extensive advertising by Watson's, Coca-Cola was packaged as a fashionable symbol and received considerable attention in the marketplaces of Shanghai. Even in the economic turmoil of the war of 1946-49 between the Communist and Nationalist parties, Coca-Cola was still the number one best-selling beverage in Shanghai.¹² In 1949, the Nationalist government failed on the mainland and retreated to Taiwan. In 1950, with the outbreak of the Korean War, the United States declared its defense of Taiwan and began sending diplomatic personnel and US troops to station in Taiwan. To meet the needs of these people, the Nationalist government allowed the Taiwan Trading Company, an agency formed by foreign investors and some Taiwanese, to import Coca-Cola beverages directly into the island in finished bottles; however, the importation of bottled Coke was restricted to the US military and diplomatic personnel in Taiwan. In order to avoid the hassle of long-distance importation, the Naval Supply Division of the U.S. Army's APC signed a contract with the Sino-American Soda Factory 中美汽水廠 in 1956 to undertake the manufacture and sale of Coca-Cola in Taiwan and to enjoy a government-licensed tax exemption.¹³ Nevertheless, the Nationalist government still did not allow Coca-Cola to be sold to the general public on the grounds that it was a foreign luxury product that would be a waste of foreign exchange as well as a blow to the local beverage industry.

Although the Nationalist government refused to open Coca-Cola to the domestic

⁹ “Fighting back against Coca-Cola コカコーラに猛反撃,” *The Asahi Shimbun* 朝日新聞, 1955. 9. 9. (4); “Obtain a license to import liquid raw materials, and Coca-Cola and Pepsi-Cola can be imported 原液輸入許可コカコーラ, ペプシコーラ輸入,” *The Asahi Shimbun*, 1956. 11. 7. (4).

¹⁰ “Powerful domestic industry players pay attention to the Coca-Cola issue 勢いづく国内業者注目のコカ・コーラ問題,” *The Asahi Shimbun*, 1968. 12. 8. (7); “A tough cola beverage industry player 強気のコーラ飲料業界,” *Yomiuri Shimbun* 讀賣新聞, 1962. 2. 7. (4).

¹¹ Lee Eun Hi, “Cola Wars in the Park Junghee Era”; Tseng, Pintsang, “Taste of USA.”

¹² Li, Guang, “About Coca-Cola 關於可口可樂,” *Jinghu Zhoukan* 京滬周刊 1:29 (1947), 28-29.

¹³ “Benefits for foreigners in China 外人在華享受美軍福利,” *Ministry of Foreign Affairs Archives* 外交部檔案(臺灣), No. A303000000B/0053/426.1/5, 1963. 4. 17 - 1967. 12. 1.

market, there had been constant pressure from the United States to do so since 1951.¹⁴ In 1962, Farley, the president of the Coca-Cola Export Corporation, who had been the U.S. Secretary of the Post Office and the chairman of the Democratic National Committee, even came to Taiwan to visit President Chiang Kai-shek and Vice President Chen Cheng in an attempt to coax the market open for Coca-Cola imports.¹⁵ In addition to Coca-Cola USA, senior executives from other Coke companies also come to visit the Nationalist government officials. For example, Nixon, who had just lost the US presidential election in 1960 (and lost the California governor election in 1962), came to Taiwan as Pepsi-Cola's legal advisor. He came with the chairman of Pepsi-Cola to meet President Chiang Kai-shek.¹⁶ In addition to lobbying by politicians and businessmen, in 1961 Coca-Cola also brought an inter-country lawsuit against domestic beverage manufacturers for infringement of its Chinese trademark 可樂 (Coke), in an attempt to put pressure on domestic beverage manufacturers and the government to agree to its importation through trademark litigation.¹⁷

More importantly, not only had Hong Kong, Macau and the Philippines been markets for Coca-Cola at length, Taiwan and Korea were undoubtedly the only two remaining US allies in East Asia that had not opened up their markets to Coca-Cola after Japan opened up its imports in 1956. In response to the US government's growing disgust and even retaliation policies against a number of protectionist countries in the 1960s, the Nationalist government finally reached an agreement with Coca-Cola in 1968 to open up the domestic market to Coca-Cola in exchange for the use of the Chinese word 可樂, which was used as the name of this beverage by all beverage manufacturers in the country.¹⁸

¹⁴ News reports show that Coca-Cola had applied to the Foreign Trade Council of the Republic of China for listing or setting up a factory in Taiwan in 1952, 1960, 1964 and 1965. See, "Coca-Cola Applying for Import 可口可樂 申請進口," *Credit Newspaper* 微信新聞報, 1964. 7. 26; "Coca-Cola's application for setting up a factory is in a dilemma 可口可樂申請設廠 經部左右為難," *United Daily News* 聯合報, 1965. 8. 26. (5).

¹⁵ "Americans visit China (42) 美國人士訪華(四十二)," *Ministry of Foreign Affairs Archives in the Institute of Modern History, Academia Sinica* 中研院近代史研究所藏外交部檔案, No. 11-38-11-00-076.

¹⁶ "President Chiang Kai-shek hosted a dinner for former US Vice President Nixon and others 總統蔣中正晚宴美國前任副總統尼克森等," *Collections of President Chiang Kai-shek* 蔣中正總統文物, No. 002-110101-00029-008.

¹⁷ "Industry Association continues to discuss Coca-Cola trademark dispute 工總繼續討論可樂商標爭執," *Central Daily News* 中央日報, 1961. 3. 11. (6).

¹⁸ "The Coca-Cola Company of the United States applied to come to Taiwan to open up the market 美國可口可樂公司洽請來臺開闢市場業務," *Archives of the Presidential Palace* 總統府檔案(臺灣), No. A200000000A/0054/31616/0001/001/010, 1965. 3. 13.

Facing the Threat: The Modernization of Taiwan's Beverage Industry

Located in a tropical region which exudes a hot climate, people in Taiwan have high demand for beverages, which are an important necessity for daily life. As early as the Qing Dynasty (1644-1911), in addition to the usual boiled water, tea and alcoholic beverages, a wide variety of drinks were developed, whose functions were not only to hydrate, but also to relieve fatigue, lift the spirits, relieve fevers and colds, aid digestion, and even provide the energy needed for labor. In particular, the relief from heat, or the discomfort caused by heatstroke, is highly valued in the tropical environment of Taiwan, where many drinks made from boiled herbs or fruits are emphasized for their cooling effects.

After the Japanese rule of Taiwan in 1895, the demand for beverages in the tropical zone was high and some carbonated beverages were introduced from Japan, which were popular with the locals because of their cooling effects and their ease of portability. The Japanese set up factories in Taipei around 1898 to produce carbonated beverages, which became the origin for the industrialization of non-alcoholic beverages in Taiwan, with others following suit. For a time, Taiwanese beverage factories were blooming everywhere, and the bottled soda, which was sealed with a marble, was known as a “marble ball soda 彈珠汽水.” These locally-produced sodas became essential beverages for Taiwanese people in the hot summer. However, due to the limited capital available, many of the beverage factories were small to medium sized, with low production volumes and rudimentary equipment. According to a government survey conducted in the mid-1950s, there were 110 beverage factories in Taiwan, the vast majority of which were small, family-owned factories, producing marble ball sodas. There were only two high-volume factories with enough equipment to fill more than fifty sodas per hour, and only one of them, Jinxin 進馨, the largest beverage company in Taiwan, which later changed its name to Black Pine, could market its products island-wide.¹⁹ Another government report at the time pointed out that Taiwanese beverage manufacturers had poor production facilities, used unclean water and ingredients, and often added colors and flavors that were harmful to the human body. Coupled with the lack of proper preservation measures during the transportation of beverages, the products often deteriorated due to sunlight or collision, and were a hygiene risk.²⁰

¹⁹ Fang, Jinzan 房進贊, “Taiwan's soda industry 台灣的汽水工業,” *Taiwan Economy Monthly* 台灣經濟月刊 17:4 (1959), 21-26.

²⁰ “Soft Drink Industry 汽水工業,” *Economic Stabilization Board Archives in the Institute of Modern History, Academia Sinica* 中央研究院近代史研究所藏行政院經濟安定委員會檔案 No. 30-07-01-001. According to the report, citing the Taiwan Provincial Health Department's inspection results, 32% of the sodas and 61% of the juices had a cloudy appearance and substandard quality, and about 10% of the sodas had become tasteless.

Compared to the poorly made and substandard quality of local carbonated beverages, Coca-Cola from the United States had proper quality and a worldwide reputation. Many of the officials and businessmen who moved to Taiwan from the mainland in 1949 had the good experience of drinking Coca-Cola in places like Shanghai and Tianjin.²¹ Although the Nationalist government officially banned Coca-Cola from the local market in 1951, many officials and businessmen still managed to obtain Coca-Cola through a number of unofficial channels, such as smuggling it in from overseas, leaking it through the Post Exchange (PX, US military barracks sales department), or from soda factories, and even the President Chiang Kai-shek bought Coca-Cola from Hong Kong.²² Nonetheless, the popularity of Coca-Cola was so great that local manufacturers joined forces to demand that the government refuse to import Coca-Cola, but in the 1960s they also introduced imitations of the drink under the Chinese name of “Coke 可樂” or the similar “Kolok 可祿.”

Although the Nationalist government banned Coca-Cola from the Taiwanese market, it was unable to stop the growing number of smuggled products on the black market, and allowed local manufacturers to sell counterfeit Coca-Cola beverages, causing much discontent between the US government and Coke manufacturers. In addition to the US government’s demand for Taiwan to lift various unfair trade restrictions, Coca-Cola also sued Taiwanese beverage manufacturers for infringement of trademark rights. The Nationalist government was under increasing pressure to open up the market.

A number of businessmen and political figures predicted that the Nationalist government would open up the domestic soda market in the near future and made many related investments to further increase the pressure on the Nationalist government. The most notable example was the acquisition of the Sino-American Soda Factory in 1964 by business leaders Chen Chi-ching and Koo Chen-fu, who had close ties with the Nationalist Party, and renamed it the Taiwan Soda Factory 台灣汽水廠, in the hope that once Coca-Cola imports were opened up, the factory could take over the bottling and sales of Coca-Cola in Taiwan and reap colossal profits. For this reason, after the acquisition of the soda plant, these entrepreneurs used various channels and spent a great deal of energy and money to lobby the government for the early opening of Coca-Cola.²³ Another example of a preemptive move is the cooperation contract made by the Veterans Affairs Council (VAC) with William E. Uzzell, the General Manager of Crown Cola, in 1965. The director of the VAC then was Chiang Ching-kuo, son of President Chiang Kai-shek. This

²¹ He, Fan 何凡, “the Bureau of Standards has standards 標準局有標準,” *United Daily News* 聯合報, 1961. 3. 5. (7).

²² Tseng, Pintsang, “Taste of USA.”

²³ Xu, Xueji, *Interview Records of Lang Min* 藍敏先生訪問紀錄 (Taipei: Institute of Modern History at Academia Sinica, 1995), 142-150.

cooperation contract allowed the VAC to produce cola by their own beverage factories from raw materials supplied by Crown Cola, and the new product was termed “Rongguan Coke 榮冠果樂,” meaning Veterans-Crown Cola.²⁴ This clearly evaded the Nationalist government's ban on foreign Coke beverages entering the domestic market, allowing American Coke to be openly produced and sold in Taiwan, making the validity of the ban questionable to the public. However, due to the Chiang family's special status and power, domestic financial officials did not object to the matter.

As a matter of fact, the Nationalist government understood that the Coke ban could not be sustained for long. In order to enable Taiwan's soft drink industries to be more competitive in the face of possible future liberalization, and to maintain the health of local beverage consumers, the Nationalist government began to implement a modernization programme in the 1950s. To do so, they used funding from US aid to subsidize a few of the larger beverage manufacturers, including Jinxin, to purchase a variety of modern soft drink production equipment from Japanese companies such as Mitsubishi, including fully automated soft drink canning machines, automatic bottle washing machines, bottle making machines, glass bottle printing machines, etc., in an attempt to strengthen the competitiveness of the local beverage industry by placing Taiwan's industrial capabilities on a par with those of foreign companies.

In a 1965 report submitted to the Ministry of Economic Affairs by Taiwan's largest beverage company, Jinxin, the company admitted that its beverage manufacturing methods relied on manual bottle washing and canning, which were outdated, poor in product quality, and costly, so it had to request government assistance to purchase the latest automated soda-making machines from Japan.²⁵ In addition, Taiwanese manufacturers had also taken the initiative to send their staff to Japan to learn quality management techniques, as well as established modern quality control standards and significantly improved hygienic conditions.²⁶

²⁴ “Letters with Worden, Robert F. 華爾敦往來函件,” Archives of Chiang Ching-kuo in Academia Historica 國史館藏, 蔣經國總統文物, No. 005-010502-00737-001.

²⁵ “Imported a set of soda makers from Japan for Jinxin Soda Company 為進馨汽水公司向日本進口汽水製造機一套,” *The Foreign Exchange and Trade Commission (FETC) Archives in the Institute of Modern History, Academia Sinica* 中央研究院近代史研究所檔案館藏行政院外匯貿易審議委員會檔案 No. 50-582-037.

²⁶ Fu, Wei-chong 傅瑋瓊, *The Road of Black Pine for One Hundred Years: Steps of Insistence* 黑松百年之道: 堅持夢想的腳步 (Taipei: Farseeing publishing, 2017), 76-85.



Figure 1. Bottle washing in a beverage factory in Taiwan in the 1960s.

Source: National Archives Administration



Figure 2. Blending contents into bottles in Taiwan's beverage factories in 1960.

Source: National Archives Administration

Despite all these efforts, although the Nationalist government might not have been able to stand up to the threat of Coca-Cola under the enormous pressure, they did go a long way in modernizing the beverage industry in Taiwan. Not only did the modernization programme increase production efficiency and improve beverage quality, it also effectively reduced the high cost of the original human workforce. More importantly, it had led to another unexpected result: the emergence of a fruit juice industry in Taiwan.

Taiwan is located in the subtropical zone and produces a variety of vegetables and fruits, and although the local people had a habit of making fruit juices by hand, the fruits were used in small quantities and were made from pickled fruits, mostly sugar and water.²⁷ Prior to the 1960s, the beverage industry in Taiwan was dominated by the production of carbonated beverages. However, due to the upgrading of production equipment and improved production techniques, many manufacturers had increased the production of various types of beverages other than carbonated beverages, including various vegetable juices and fruit juices. For example, the aforementioned Jinxin Company, with the assistance of the government, purchased fruit crushers, juice extractors, centrifuges and other equipment from abroad in 1963. In addition to producing large quantities of soft drinks in summer, the company switched to producing guava, orange and mango juice, or orange soft drinks infused with fruit juice in the winter, when soft drinks were rarely produced. This method did not only improve the low utilization rate of workers and equipment in soda factories during the winter season,²⁸ it further provided the consumer market with a variety of fruit juice beverages, which had gradually become beverages in their own right in addition to carbonated beverages, resulting in a significant expansion of the overall beverage consumer market.²⁹ In the 1970s, the growth rate of juice beverages was higher than that of carbonated beverages, and in the 1980s, with the rise of health awareness, the growth rate was over 20% per year, and the products were exported to Japan, the Middle East, and Singapore.³⁰

It is worth noting that before the domestic market opened its doors to Coca-Cola, in response to the opposition of more than 100 local soda manufacturers, the Nationalist government negotiated with the Coca-Cola Company in the United

²⁷ Li, Xiu 李秀, *Memoirs of Li Xiu 李秀回憶錄* (Taipei: Huaxiangyuan publishing, 2013), 294-296.

²⁸ In Taiwan, soda consumption varies greatly depending upon the season, which also results in a large difference in the utilization of labor and plant equipment. In the summer, the consumption of soft drinks is high, so soft drink factories often work overtime to produce soft drinks, but in the winter, the consumption of soft drinks is low, so many people and factory equipment are idle.

²⁹ Taipei Bank Economic Research Office 臺北銀行經濟研究室, *Taiwan Non-Alcoholic Beverage Industry Survey Report 台灣區非酒精類飲料業調查報告* (Taipei: Taipei Bank, 1976), 6-10, 54; Lin, Xinbang 林欣榜, *Theory and Practice of Vegetable and Fruit Processing 蔬果加工理論與實務* (Taipei: Jinming, 2010), 40-41.

³⁰ Taipei Bank Economic Research Office 臺北銀行經濟研究室, *Taiwan Beverage Industry Survey Report Part III 台灣區飲料工業調查報告續篇三* (Taipei: Taipei Bank, 1993), 12, 20.

States, asking it to relinquish its exclusive rights to the Chinese characters “可樂” trademark and allow its use by other beverage manufacturers in Taiwan. In addition, the government also asked Chen Chi-ching, Koo Chen-fu and other entrepreneurs to share 40% of the stakes of the Taiwan Soda Factory, the main Coca-Cola producer in Taiwan, to the Taiwan Soda Association for investment, including Jinxin Company, so as to share in Coca-Cola’s interests. This was additionally a means to appease the objections of Taiwanese beverage manufacturers.³¹ After strengthening the manufacturing capabilities of Taiwan’s beverage companies and quelling most of the opposition, the Nationalist government finally announced in 1967 that Coca-Cola would be opened to the domestic market in 1968, and in 1970 it agreed that Pepsi Coke and 7 Up Lemon Soda would be authorized to be produced and sold in Taiwan by the Taiwanese manufacturers, Kangle 康樂 and Xushun 旭順. Since then, the three major U.S. Coke companies and 7 Up have been permitted to sell their beverages in Taiwan.

Searching for Competitiveness in Local Consumer Contexts

After the launch of Rongguan Coke in Taiwan in 1965 and the opening of Coca-Cola to the domestic market in 1968, Taiwanese beverage manufacturers began to face immense challenges from American beverage companies, causing the already congested beverage market to be even more competitive in the summer months. In the 1970s, the summer promotions and campaigns of various manufacturers, as well as the latest products, became popular and common advertisements in the newspapers and magazines.

In the midst of this fierce competition, these new American beverages gained popularity because of their worldwide fame. When Coca-Cola was not yet allowed to enter the domestic market, as the aforementioned examples demonstrate, presidents, officials, and businessmen alike often tried to get their hands on Coca-Cola and enjoy “the taste of America.” When Coca-Cola and Pepsi-Cola entered the Taiwanese market in 1968, they expanded their state-of-the-art, large production plants in Taiwan, alongside spending a great deal of money on advertising through television, newspapers, and other media outlets. These companies also adopted the U.S. direct sales approach, with the manufacturers directly controlling the sales routes, each with multiple promotional and delivery trucks, with uniformed drivers who delivered the products and interviewed retailers. These drivers made regional visits for sales in order to ensure the safety and accuracy of beverage delivery and storage, as well as to establish a professional image in the minds of retailers and the

³¹ “The Coca-Cola Company of the United States applied to come to Taiwan to open up the market.”

public.³² In addition, the Taiwan Soda Company built up Coca-Cola's image as casual, popular and progressive by cultivating basketball teams, holding popular concerts and hosting baseball teams. These marketing techniques, especially for consumers in urban areas, were quite effective. A senior manager of a shipping company told journalists that he always chose Coca-Cola or Pepsi-Cola whenever he was in a beverage shop. Although the price was slightly higher, Coca-Cola did have a catchy name, and the consumers had the impression that other brands were not as qualified as Coca-Cola and Pepsi-Cola.³³ Due to the fierce competition caused by the U.S. beverage industry, more than a dozen beverage companies in Taiwan had gone out of business by 1975 due to poor management.³⁴

However, this did not mean that the beverage industry in Taiwan would be devastated entirely. Taiwanese beverage companies made efforts to improve their production facilities, technology, and operational efficiency. For example, they learnt from Coca-Cola's marketing techniques by using various appealing advertisements, such as JinJin 津津 Company's asparagus juice drink advertisement: a bikini-clad blonde drinking asparagus juice on the beach, in direct imitation of the common Coca-Cola posters, which had attracted much attention and discussion among consumers. In addition, instead of using paper labels on glass bottles, Jinxin Company followed the example of foreign beverage companies and printed labels directly onto the glass bottles. It is fair to say that Taiwanese beverage companies had been forced to undertake a series of "Americanization" reforms in order to combat the competition against American beverages. Yet, as was the case with Japanese beverages against American Coke, the effect of such reforms was likely to be limited. The advantages of Coke or Pepsi were not solely about advanced production technology and attractive advertisements, but about the unbeatable brand appeal and the popular American consumer culture that was desired by the consumers.

In addition to learning from American beverage companies, Taiwanese beverage manufacturers had also begun to discover strengths from Taiwan's unique local beverage culture. In contrast to the popularity of American beverages in Taiwan's urban regions, Taiwanese companies such as Black Pine worked to develop rural markets. In the early post-war years, people in these areas were accustomed to drinking homemade beverages due to poor economic conditions and closed-off markets. After the 1970s, with the economic development, the construction of

³² Li, Yuan-de 李元德, *Research on the Marketing Strategy of Cool Drinks in Taiwan* 台灣區清涼飲料市場行銷策略研究 (Taipei: Scientific Information Center, National Science Council, Executive Yuan, 1985), 98-100.

³³ "So many summer drinks: how to make a choice? 夏季飲料種類多 根據什麼做選擇," *Economical Daily News* 經濟日報, 1972. 6. 12. (9).

³⁴ "Soda and juice drink industry proposes to ban foreign production and sales of sodas such as 7 up in Taiwan 汽水果汁飲料業者 建議對七喜等汽水 禁止外商在台產銷," *Economical Daily News* 經濟日報, 1975. 3. 7. (2).

highway networks across the island, and the increase in the rural population, the flow of goods became more convenient and the people's spending power increased significantly. In order to tap into this promising market, some Taiwanese beverage companies switched from direct sales to distributorship.³⁵ For example, Jinxin Company had 140 distributors and 100,000 sales locations throughout Taiwan, a pervasive industry on the island. Even in the most remote villages, consumers could find Black Pine's advertising logo with a bottle cap in the most inconspicuous grocery store – just as the Coca-Cola logo is typified in a city store – and could buy a Black Pine soda or sarsaparilla soda.

In addition, in order to be more in line with the local consumer culture, the appearance and packaging of local beverages were also different from those of American beverage companies. Coca-Cola and Pepsi-Cola, with their emphasis on leisure, freedom, and fun, were mainly targeted at the urban middle and upper classes and young people, and the bottle design was mainly in small and medium-sized glass bottles. These companies jointly commissioned a professional Taiwanese glass bottle manufacturer to produce exquisite soda glass bottles that could withstand 300 pounds of pressure, highlighting their distinctive quality. In contrast, the local manufacturers considered the Taiwanese tradition of drinking soft drinks at family gatherings or parties, and introduced large bottles that could be shared by many people. It wasn't until 1971 and 1972 that Pepsi and Coca-Cola launched large bottles of Coke in response to Taiwanese consumption trends.³⁶ Table 1 shown below indicates that there was a sudden change in the sales value of large bottles of soft drinks in 1974, which was likely due to this factor.

Furthermore, although the fashionable image of Coca-Cola was popular with many in the upper classes and with young people, for the general public, quenching their thirst and cooling the body were the most practical functions of the beverage. While Taiwanese beverage companies could not replicate the fashionable image of Coca-Cola, they could look to their traditional culture to develop products that meet the public's need for having their thirst quenched. These products, such as sarsaparilla soda, a carbonated soft drink made from the herb sarsaparilla, and asparagus juice, made from the scraps of canned asparagus, have become a popular counterweight to American Coke, as they are touted to have a cooling effect.

The Black Pine sarsaparilla soda 黑松沙士 launched by Jinxin Company has a successful history. Jinxin Company was established in Taipei in 1925 as a small lemonade soda factory and began producing premium bottle-capped sodas in 1931. In 1947, the company purchased the formula for sarsaparilla soda from the Shanghai CaldBeck Macgregor Soft Drink Factory 正廣和汽水廠 and launched sarsaparilla soda in Taiwan in 1950 under the brand name "Black Pine."³⁷ Later, the Jinxin

³⁵ Li, Yuan-de, *Research on the Marketing Strategy of Cool Drinks in Taiwan*, 98-100.

³⁶ "The competition of the beverage market has entered a good place 飲料市場競爭入佳境," *Economical Daily News* 經濟日報, 1972. 3. 28. (9).

³⁷ Fu, Wei-chong, *The Road of Black Pine for One Hundred Years*, 63-67.

Company changed its name to Black Pine Company. Sarsaparilla soda is an herbal beverage, and like Coke, it originated from the United States, but their fortunes were very different. Although popular in the United States for a time in the 19th century, the popularity of sarsaparilla faded soon afterwards, and it became more popular in China and Southeast Asia. In Shanghai in the 1920s, Sarsaparilla was regarded as a drink with a unique taste and the effect of "removing dampness and dirty blood."³⁸ It was produced and sold by soda factories including CaldBeck Macgregor and Weeks Soda Factory.³⁹ When it was introduced to Taiwan, although it tasted strange when first consumed, it was thought to be effective in treating heatstroke and colds because of its medicinal flavor. When the threat of Coca-Cola imports increased in the 1960s, the Black Pine Company began to promote Black Pine Sarsaparilla as an antipyretic. For many farmers and laborers, black pine sarsaparilla had become the choice of drink to treat or prevent heat strokes. Therefore, for many consumers, the aforementioned Black Pine logo in large and small grocery stores throughout Taiwan was not simply an advertisement for a product, but also a symbol of quenching their thirst on a hot summer day and relieve their physical and mental fatigue.

In addition to sarsaparilla, asparagus juice is another important beverage that has emerged from the local consumer context. In the 1960s, asparagus was grown in Taiwan and canned by processing plants for export to the United States and West Germany, making Taiwan the world's most influential canned asparagus producer. Many farmers who grew asparagus made asparagus juice from substandard asparagus as a summer beverage. In 1966, several beverage companies discovered this feature and processed many of the leftover scraps from canned asparagus into asparagus juice drinks. This drink was initially unpopular because of its unique flavor, until JinJin, a Taiwanese beverage company, improved its taste and gradually opened it up to the consumer market. The government encouraged local beverage manufacturers to use local vegetables and fruits as raw materials to produce juice beverages, and asparagus juice was classified as a vegetable juice when first marketed, and therefore it enjoyed the benefit of excise duty exemption. This was a strong advantage compared to carbonated soft drinks, which were subject to a 36% excise duty tax. Moreover, asparagus juice was claimed by the manufacturers to have "cooling" properties and vitamin contents, which compared with sarsaparilla soda's cooling effects, yet it also provided nutrition that carbonated soft drinks did not offer. It also became an indispensable beverage on the table along with Black Pine sarsaparilla, and thus became the highest-selling beverage among non-carbonated beverages in the 1970s. Although asparagus juice has been reclassified as a fruit

³⁸ "Domestic factories worth introducing (IV) 值得介紹之國貨工廠(四)," *Sheng News* 申報, 1932. 7. 13. (17).

³⁹ "Domestic factories worth introducing (IV) 值得介紹之國貨工廠(四)," *Sheng News* 申報, 1932. 7. 13. (17); "Weeks Soda Factory launches sarsaparilla soda 惠司汽水廠沙士水應市," *Sheng News* 申報, 1926. 5. 28. (17).

juice since 1972 and was subject to a 30% excise duty tax, the low cost of production and its popularity with consumers attracted many local manufacturers to join in the production.

With the expansion of the beverage market, Coca-Cola and Pepsi-Cola were indeed very popular during the first few years of their opening to the domestic market. As Table 1 shows, prior to 1982, carbonated beverages, including Coke and white soda, accounted for more than 50% of the total beverage market (including large, medium, and small bottles) and were the most important type of beverages in Taiwan. Although their share of the overall beverage market gradually declined, their sales continued to rise. As for the percentage of each brand in the beverage consumer market, it is not easy to obtain the relevant information because each manufacturer considers it confidential. However, according to a survey conducted in 1975 – a few years after the importation of Coca-Cola – by the Taiwan Association of the Soft Drink and Juice Industry, Coke was the number one drink preferred by residents of large cities such as Taipei. As a result, Coca-Cola did have a significant market share in the years following the opening of Coca-Cola in 1968. But in the case of smaller cities or rural areas, sodas, including sarsaparilla soda, were preferred.⁴⁰ At this time, although other beverage companies had taken advantage of the situation by introducing other brands of sarsaparilla, such as Indian sarsaparilla 紅蕃沙士 and Muesli sarsaparilla 麥根沙士, Black Pine sarsaparilla was still the most widely sold and trusted brand of sarsaparilla.

After a few years, however, Coca-Cola and Pepsi-Cola began to lose market share after 1975 as the public's sense of novelty wore off, compared to Black Pine, which remained solid and even expanded its market share. According to the information obtained from a factory by the China Credit Agency in 1980, the Taiwan Soda Company specializing in Coca-Cola only sold 1.35 million cases (twenty-four bottles a case) for the whole year, with a market share of only 5.73%. In contrast, Black Pine sold 18.28 million cases of sarsaparilla, white soda and other beverages, with a market share of 55.94%.⁴¹ This is doubtlessly related to the U.S. breaking off diplomatic relations with the Nationalist government in Taiwan the previous year and normalizing diplomatic relations with the People's Republic of China, which led some Taiwanese to boycott U.S. goods.⁴² Nevertheless, the survey report points out

⁴⁰ Economic Daily News 經濟日報社, *The R.O.C. Economic Yearbook* 中華民國經濟年鑑 (Taipei: Economic Daily News, 1977), 174-178.

⁴¹ China Credit Information Service Ltd. 中華徵信所, *Beverage Industry* 飲料工業 (Taipei: China Credit Information Service Ltd., 1982), 113.

⁴² On December 23, 1978, two days before the normalization of diplomatic relations between the People's Republic of China and the United States, the U.S. Coca-Cola Company received permission from the Chinese government to sell Coke beverages in mainland China. It was perceived by the Taiwanese public as a "sell-out" of the United States to the Republic of China for the purpose of selling Coca-Cola, and many people wrote to newspapers saying they should refuse to drink Coca-Cola. However, the incident only lasted for a short period of time and did

that the real reason was that the public's sense of freshness had diminished, or "overstayed its welcome," and that "compared to the golden age when everyone loved Coke, the market share is now plummeting." This is a phenomenon rarely seen elsewhere in the world.⁴³

In fact, there is a hidden meaning to the declining sense of freshness described in the report that needs further explanation. In the early post-war years, Coca-Cola represented America's technological advances of safety and quality, and thus won the trust of consumers. It was not only Coca-Cola that gained the same popularity, but also many other products that claimed to be modern and technological. However, in the 1970s, with the development of hygienic knowledge and health awareness, people began to realize that these technologies and related products were not as safe, hygienic, and beneficial to humans as first presumed, especially industrial foods with various preservatives, pigments, and additives, which were a major cause of cancer, hepatitis, and kidney disease. Coca-Cola was one of the targets of questioning, as it was believed to contain chemicals such as caffeine, saccharin, and caramel, which were harmful to human health. In 1977, the chairman of the Taiwan Soda Factory, Chen Chi-ching, clarified to the media that these statements were malicious slander.⁴⁴ A similar situation occurred with Black Pine sarsaparilla, which was thought to be carcinogenic due to the use of safrole as a coloring agent. Such doubts had led to a rejection of industrially produced beverages, especially carbonated beverages, which were thought to have no natural ingredients. In contrast, although fruit juice and asparagus juice were also industrially produced, they were considered to be more natural (although this may not be the case) due to their nutritional content of fruits and asparagus, and were therefore becoming increasingly popular. In addition, traditional Taiwanese beverages, such as green herb tea, winter melon tea, and star fruit juice, which were considered outdated by many progressives, had also begun to be produced by local beverage manufacturers, marketed as "natural" beverages, and had become popular with the public, thus strengthening the power of local beverage manufacturers against the foreign "invasion."

As Table 1 displays, juice beverages, including asparagus juice, guava juice, and orange juice, had been gaining popularity among different types of consumers as a result of new innovations, and their market share had been increasing. In 1966, the total sales value of juice products was only \$50.82 million NT dollars, or only 14% of the total sales value. However, it reached more than 2,962 million NT dollars, or 30.36% of the total sales value with the rise of health consciousness, resulting in a

not form a long-term, large-scale trend, and its actual impact was not obvious. See, "Non-emotional response to economic issues: how to deal with foreign investors helping CCP 不宜以情緒處理經濟問題 我們要以何種態度對待「資匪」的外商," *United Daily News* 聯合報, 1979. 1. 11. (2).

⁴³ China Credit Information Service Ltd, *Beverage Industry*, 113.

⁴⁴ "Chen Chi-ching who introduced Coca-Cola 引進可口可樂的陳啟清," *Economical Daily News* 經濟日報, 1977. 5. 12. (12).

decline in the market share of carbonated beverages, including sarsaparilla soda and Coke, although their production value was still increasing. This shows that in this “Cola War,” although many smaller beverage companies went bankrupt because they lost to competition, there were also a few companies that relied on the traditional beverage consumption value to gain a certain market share foothold. Taiwan Black Pine is even known as one of the few local brands in the world that can compete with Coca-Cola and Pepsi-Cola.

Table 1: Statistics of beverage sale values (unit: A Thousand of New Taiwan Dollars)

Year	Total value of all beverage sales	Large bottles of soda (600-770cc)	%	Medium and small bottles of soda (300-360cc and 200-250cc)	%	Juice	%	Other	%
1966	345,257	210,000	60.82	84,437	24.46	50,820	14.72	—	—
1968	617,322	300,930	48.75	214,909	34.81	101,483	16.44	—	—
1970	886297	436,744	49.27	324,266	36.59	125,287	14.14	—	—
1972	1,503,543	621,862	41.36	587,898	39.1	293,783	19.54	—	—
1974	2,156,062	1,108,020	51.39	593,127	27.51	454,915	21.1	—	—
1976	3,942,883	1,530,478	38.82	942,280	23.9	1,218,657	30.91	251,468	6.37
1978	5,363,595	2,117,894	39.49	1,169,699	21.81	1549719	28.89	526,283	9.81
1980	6,883,109	2,370,937	34.45	1,999,652	29.05	1,663,999	24.17	848,521	12.33
1982	9,760,103	2,795,321	28.64	3,007,380	30.81	2,962,923	30.36	994,487	10.19

Source: Taipei Bank Economic Research Office 臺北銀行經濟研究室, Taiwan Non-Alcoholic Beverage Industry Survey Report 台灣區非酒精類飲料頁調查報告 (Taipei: Taipei Bank, 1986), 76.

In contrast to the growth of Taiwan’s beverage companies, Coca-Cola, which was predicted to be the most popular beverage once it reached the market, was not as successful as expected. Although it had the second highest market share of carbonated beverages in the early years of opening, sales did not grow as the beverage market expanded with the rise of different types of beverages and the fading novelty of Coca-Cola. As mentioned earlier, when the Nationalist government decided to open up Coca-Cola to the Taiwanese domestic market, it negotiated with Chen Chi-ching, Koo Chen-fu and other investors in Taiwan Soda Factory to share 40% of the stakes with other local soda plants, including Black Pine, for investment. However, since Coca-Cola did not perform as well as expected after

its reception into the market and did not generate much profit, not only did Black Pine and others sell their shares one after another, but the largest shareholder of the Taiwan Soda Factory, Chen Chi-ching and his family members, sold the company to Swire Pacific of Hong Kong in 1993.⁴⁵

It is worth noting that the success of Taiwan's beverage companies' strategies in the Coke War did not just lead to a victory in the local beverage market, but had many important effects. One of them was the acceleration of Taiwan's interest in foreign trade. The importation of Coca-Cola and Pepsi-Cola into the domestic market was well received by local manufacturers. The beverage industry did not suffer as much as Japanese beverage manufacturers had; instead, it strengthened the industry as a whole, significantly improving Taiwan's cool drink manufacturing technology and further expanding the overall drink market, which made the Coca-Cola liberalization case an important example of how the government later persuaded industries to abandon their protective policies. Since then, Sunkist juice, Maxwell's coffee, General Motors and later McDonald's have been allowed to enter the Taiwanese market, and the lives of Taiwanese people have begun to integrate into the global trade system.

Moreover, this experience also highlights the importance of local foodways in the development of the beverage or food industry. Since the 1980s, Taiwan's beverage factories also started to produce a variety of canned tea beverages from locally produced tea leaves, making tea the third type of popularized beverage in Taiwan's beverage industry, in addition to the original carbonated beverages and fruit/vegetable juices. Taiwan's beverage products were not only becoming more diversified, but also more unique in terms of local characteristics.

Conclusion

The global expansion of Coca-Cola coupled with Americanization in the twentieth century not only shaped the modern world with American capitalism and popular culture, but also had a profound impact on the beverage industries and beverage consumer cultures around the world. There are various studies that examine the phenomenon of Americanization around the world, using Coca-Cola's conquest of the world as a case study. But as anthropologist Daniel Miller points out in "Coca-Cola: a black sweet drink from Trinidad," he is weary of the tedious global homogenization of Coca-Cola.⁴⁶ In his research, the development of Coca-Cola in

⁴⁵ Economic Survey and Research Office of China Farmers Bank 中國農民銀行調查研究處, *Current Situation and Prospect of Taiwan Beverage Industry* 台灣飲料工業之現況與展望 (Taipei: Farmers Bank of China, 1994), 15.

⁴⁶ Daniel Miller, "Coca-Cola: a black sweet drink from Trinidad," in Daniel Miller ed., *Material Cultures*, 245-262.

the Trinidad market was actually influenced by various contingent and often contradictory concerns, as well as by the local people's unique consumption habits of sweet drinks.

Although Taiwan does not have the same complex ethnic and colonial history that affects beverage consumption like in Trinidad, local people have developed various production methods and catered to consumption needs and preferences for centuries. This long-term accumulation of cultural capital, although it seems archaic, still has an extensive influence and can be weaponized against modern enterprises and popular beverages. This paper views Coca-Cola's competitors, the local beverage industry, as the focus of analysis, and examines the process and strategies they were forced to implement in order to modernize in the face of Coca-Cola and its strong Americanizing power.

As article's analysis indicates, the local beverage industry has indeed improved its production technology to compete with Coca-Cola, not only by improving production efficiency and product quality, but by expanding the range of beverages manufactured. The main factor in overtaking Coca-Cola was to implement products from the local consumer context that fit the unique consumption habits of the region, and to establish a beverage culture different from Coca-Cola. The success of this strategy has prompted the beverage industry in Taiwan to value Taiwan's local cultural traditions, and in the process of globalization, to utilize them to highlight the local characteristics of Taiwanese beverages. This experience shows that "Americanization" does not mean the continuous acceptance of American values, but rather conveys the possibilities of stimulating a localized culture. As David Ellwood states, each country has adapted its own version of consumerism from the United States to suit its own traditions.⁴⁷

⁴⁷ David W. Ellwood, *Rebuilding Europe: Western Europe, America, and Postwar Reconstruction* (London: Longwood Group, 1992).

Abstract

After World War II, along with the U.S. economic and military aid to foreign countries, its capitalism and mass consumerism gradually swept the world, forming the phenomenon of "Americanization." Coca-Cola's world-wide popularity was regarded as an important representative of the wave of American consumerism. With its exceptional taste, efficient production system, extensive advertising and promotions, and the American consumer culture it represents, Coca-Cola was often welcomed by the public everywhere it went and had created tremendous pressure on the local beverage industries. In order to compete with Coca-Cola in the beverage market, local beverage manufacturers likewise had to imitate Coca-Cola to innovate their production techniques and marketing methods.

In 1968, Taiwan also opened up Coca-Cola to the local consumer market, and Taiwan's local beverage manufacturers began a fierce competition with foreign beverage manufacturers such as Coca-Cola and Pepsi-Cola. Focusing on the competition between Coca-Cola and Taiwanese local beverage manufacturers in the 1960s and 1970s, this article analyzes the reform strategies of local beverage manufacturers and the impacts they bore. This article argues that Taiwanese beverage manufacturers have been quite successful in the competition. However, the key to their success was not simply the improvement of production facilities or the imitation of marketing strategies, but also the search for beverages that fit the local consumer context and the establishment of a beverage culture different from that of Coca-Cola. The success of this strategy ensured the position of local manufacturers in the beverage market; further, it unintentionally contributed to the development of local food traditions. This research demonstrates that "Americanization" does not signify the continuous acceptance of American values, but rather conveys the possibilities of stimulating a localized culture.

Keywords: beverage industry, Coca-Cola, Americanization, mass consumerism, Black Pine Company, foodways