

Business in a Bottle

TUCKED IN A hardwood forest in rural Madison County near the Florida-Georgia line, a spring called Madison Blue bubbles up into a limestone basin along the Withlacoochee River. Popular with divers and local kids who leap off its wooden ledges and shoot down its short run, the spring pool is only 40 feet wide and 25 feet deep. But each minute, it pumps 45,000 gallons of cold, clear springwater. Poets call this water liquid light. To the bottled-water industry, it is liquid gold.

Madison Blue is one of 33 “first-magnitude” springs in Florida, a designation for the very largest springs in the world, those that discharge at least 100 cubic feet a second, or some 65 million gallons a day, about double the daily water supply for a medium-sized American city. Florida has more first-magnitude springs than anywhere else on the planet. That fact, along with Madison County’s proximity to major U.S. trucking arteries Interstate 75 and Interstate 10, led a huge, multinational corporation to bring its operations to the tiny county’s tiniest town—Lee.

Motto “Little But Proud,” Lee is one of the last outposts in Florida where you can drive for miles and miles on graded dirt roads and never see another soul, save for the occasional chicken in the road. But today in these woods, not far from trailers with no trespassing signs like the one

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A rite of summer in North Florida, boys leap into Madison Blue Spring, near the Georgia border. Nestlé Waters North America pumps Madison Blue for its Zephyrhills and Deer Park bottled-water products. The company donated money that allowed the state to turn Madison Blue into a park.

(Courtesy of John Moran.)

that says, “BAD ASS DOGS,” sits Nestlé Waters North America’s newest plant, one of the most state-of-the-art bottling facilities in the United States. The plant cranked out 26 million cases of Zephyrhills, Deer Park, and Nestlé Pure Life products in 2005. It is also the southeastern U.S. distribution center for all of Nestlé’s water products, from the French Perrier to the Italian S. Pellegrino.¹

Nestlé came to town at the crest of a wave of new water-bottling plants throughout the eastern United States. In Florida in the early 1990s, only one small company pumped and bottled water inside the boundaries of the Suwannee River Water Management District, which oversees the famed river and many of North Florida’s springs, including Madison Blue. Toward the end of the decade, the district’s regulators saw more than a dozen new applications for permits to withdraw spring-water to bottle or sell. Most came from land-owning families trying to get in on what looked to be a lucrative fad.²

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Bottled water would be more than that. Whether seeking taste, convenience, or a healthier choice than soda, or (often wrongly) assuming it was better for them than tap water, Americans by 2000 had started forking out more than \$6 billion a year for bottled water. That year, the average American drank 17 gallons of bottled water. Five years later, it was 26 gallons.³

In 2003, bottled water became the second-highest-volume commercial beverage in the United States, behind soft drinks. Its enormous U.S. growth is often linked to that year's outbreak of cryptosporidium in Wisconsin tap water, which made 400,000 people sick and garnered sensational headlines across the country. By 2005, U.S. sales of bottled water had hit \$10 billion.⁴

With an eye to the steady 10 percent annual increases in sales, bigger and bigger companies came looking to tap the Suwannee region's springs. Land and permits began changing hands from families to large corporations. Today, three of the largest water-bottling companies in the world pump or buy their product from the Suwannee district: Nestlé, a unit of Swiss giant Nestlé SA, the world's biggest food and beverage company; Atlanta-based CCDA Waters, owned jointly by Coca-Cola and French food and beverage powerhouse Danone; and DS Waters of America, the top company for home and office water delivery in the United States.

The attractions for bottlers to Florida are as numerous as for tourists to Orlando. For one, the companies avoid long transportation hauls by locating operations close to a large, thirsty consumer base. Analysts say high shipping costs mean bottlers want to be as close as possible to population centers. "Florida has become one of the top-consuming states for bottled-water in the United States," says Gary Hemphill, managing director of the Beverage Marketing Corporation in New York. "It is associated with good weather, outdoor activities and an active lifestyle."

Bottling companies also get little oversight in Florida. The Division of Food Safety, the state agency that monitors the water companies, does some testing of bottled water to make sure it is safe and inspects bottling facilities for sanitation. State law also requires the division, part of the state Department of Agriculture and Consumer Services, to ensure that bottled water is "from an approved source." But the food-safety regulators say that simply means they check that the companies have approval from an agency such as a water-management district to withdraw water.

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No state agency monitors precisely what the companies are bottling. No one determines whether the companies are bottling “springwater,” as opposed to the groundwater that 92 percent of Floridians get out of their taps.

At the national level, bottled water and tap water are regulated by different federal agencies. The EPA regulates municipal water under the federal Safe Drinking Water Act. The Food and Drug Administration regulates bottled water under the Federal Food, Drug, and Cosmetic Act. FDA rules cover the source, safety, and labeling of bottled water. The agency is supposed to inspect bottled-water facilities, but generally they get low priority because of their relatively good safety record compared to food plants. The bottlers also do their own sampling and testing. But many do so far less frequently than municipal suppliers.⁵ While Nestlé officials say they test water about 100 times a day, for example, the director of quality and technical services for DS Waters says his company tests 4 times a year.⁶ By comparison, New York City tap water was tested 430,600 times in 2004 alone.⁷ Regardless, FDA officials say they do not concern themselves with water that never crosses state lines. That goes for much of the product bottled in Florida.

Besides its bubbling springs, there is something about Florida that bottlers do not find in lots of other states where they operate: its bubbling politicians. Many love the industry, with its promise of jobs and multimillion-dollar plants. To be sure, the bottlers face some NIMBY (not-in-my-backyard) activism in Florida. But it is a drop compared to that seen in other parts of the United States and Canada. In Florida, handing over resources in exchange for economic development has been a part of the state’s heritage since the legislature traded all that swamp-land for railroad lines in the 1800s. Elected officials, especially those in small, rural counties such as Madison, where 23 percent of residents live below the federal poverty line, want jobs more than they worry over environmental consequences, regardless of Florida’s water-supply problems.⁸

They are as warm and welcoming as a postcard from the Sunshine State: Come on down. The water’s . . . free.

It is a nice reception compared to the cold Midwest.

Home to a healthy population of wild brown trout—sleek, bronze game fish spotted black, blue, and red—the Mekan River in east-central Wis-

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consin is one of the top fishing destinations in the state. But to water bottler Perrier Group, the real catch was a group of large, clear springs at the river's headwaters.

In 1999, Perrier and Wisconsin officials met to discuss the company's plan to sink a well at Mecan Springs, a state-owned conservation area managed by the Wisconsin Department of Natural Resources. Company officials wanted to build a million-square-foot bottling plant in the rural town of Richford nearby. They promised 250 well-paying jobs.

Town residents, environmentalists, and the state's powerful sportsmen's lobby were so ardent in their opposition that even Republican Governor Tommy G. Thompson, a Perrier ally, did not dare help the company wrest permits for Mecan Springs. And so Perrier turned, with its promise of jobs and doubling the tax base, to another small, rural community: New Haven, Wisconsin, home to Big Spring.

Perrier made sure there were no beloved trout streams, and therefore no wealthy fly fishermen, to contend with this time. But the company underestimated the people of New Haven. If Perrier officials could have bottled up the virulence, they could have sold it in cases as weapons to the Department of Defense. Some New Haveners were so angry about the company's plans that the county sheriff, Roberta E. Sindelar, feared violence against the local farmer negotiating to sell land to Perrier for its plant. "The terrible thing is, I think something is going to happen," Sheriff Sindelar told a *Milwaukee Journal-Sentinel* reporter. "It's an explosive issue."⁹ In the end, then-governor Thompson urged Perrier to abandon its Badger State plans.

It is not easy, industry officials say, to find a reliable, good-tasting source of "springwater" that meets the FDA's definitions for bottled water labeled as such. At the turn of the twenty-first century, Nestlé Waters North America, parent company to Perrier Group of America, dispatched natural resources managers all over the eastern United States to scout springs for new operations close to population centers. The company particularly needed bottling plants and distribution hubs in the Midwest and the Southeast; at the time, its Allentown, Pennsylvania, facilities served both regions.¹⁰

For its southeastern plant, Nestlé would settle on Madison County in Florida. There, local officials courted the company, and state leaders helped pave the way with a \$1.3 million transportation grant to build a

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connector between the plant and the nearest highway. For a midwestern presence, after its rude boot from Wisconsin, the company turned its attention to two springs in Michigan, north of Grand Rapids. Residents of the area, which is known as the Tri-Lakes, immediately organized. They formed Michigan Citizens for Water Conservation. Their ranks soon grew to more than 1,000.

In August 2001, the Michigan Department of Environmental Quality granted Perrier Group permission to pump up to 400 gallons a minute from a source called Sanctuary Springs, which feeds the Little Muskegon River, a tributary to Lake Michigan. The following month, Michigan Citizens for Water Conservation filed a lawsuit, arguing, among other things, that the company's pumping of the springs would have an adverse impact on nearby surface waters.

At the same time, Jennifer Granholm, then Michigan's attorney general, was looking into whether Perrier's plans violated the U.S. Water Resources Development Act's ban on diversions. The ban covered not only the Great Lakes themselves but "all streams, rivers, lakes, connecting channels and other bodies of water, including tributary groundwater, within the Great Lakes basin."¹¹

Nestlé went forward with its state-approved plans, and on May 23, 2002, opened its \$150 million plant and began bottling Ice Mountain brand springwater, pumped from Sanctuary Springs. Over the following year, it continued to battle Michigan Citizens for Water Conservation in the state's 49th judicial circuit, in front of a Mecosta County circuit judge named Lawrence C. Root. Judge Root was a native of the county, hailed from a manufacturing family, and had an undergraduate degree in business administration. No one expected his astonishing, 67-page decision of November 2003. Calling the case "the most extensive and intensive" in the history of the circuit, he wrote that "Nestlé's pumping operations at the Sanctuary Springs *must stop entirely*. I realize this is a dramatic and drastic result, but from the evidence I accept . . . I am unable to find that a specific pumping rate lower than 400 gpm, or any rate to date, will reduce the effects and impacts to a level that is not harmful."¹²

Michigan's bad news for Nestlé did not end there. In the fall of 2002, voters had sent Granholm to the governor's mansion. As Great Lakes residents and politicians became increasingly paranoid that bottling would

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open the door for other businesses that wanted to ship water out of the region, Granholm came under great pressure to strengthen the state's diversion laws. In an executive order, she banned Nestlé from selling its Michigan-bottled products outside the Great Lakes. Under the U.S. Water Resources Development Act, she argued, the governor of any Great Lakes state could veto water diversions outside the basin. She also slapped a moratorium on new or expanded bottled-water operations in the state until the legislature could enact a water-withdrawal law.¹³

They were surprising actions from a governor who won office touting economic recovery, who would base her reelection campaign around a plan called "Jobs Today, Jobs Tomorrow."¹⁴ Michigan in 2006 suffered its sixth straight year of job losses, a string unprecedented since World War II. From 2000 to 2005, the state lost more than 300,000 jobs as its manufacturing workforce was slashed by more than a quarter.¹⁵

But, as Judge Root had felt compelled to say in his ruling: "Michigan is a state in which tourism is a major part of the economy and many people who choose to live here do so because of the recreational opportunities in and natural beauty of the state, much of which has to do with our aquatic resources, of which many here feel very possessive."¹⁶

The same words could have been written about Florida, a place that is gaining rather than losing jobs. Fueled by population growth, Florida's jobs grew by more than 3 percent each year from 2000 through 2004.¹⁷ That is more than twice the rate of U.S. job growth in the same period. Some people argue that Floridians simply do not feel the state pride or ownership felt by residents from the Great Lakes State, or the notoriously boastful Lone Star State of Texas, because so many of them migrated to Florida. Eighty percent of residents were born somewhere else.

But that is not a fair assessment of a population whose tax dollars fund, as just one example of stewardship, the most expensive conservation-land-buying program in the world. Like overindulgent parents who hand their son the keys to a Porsche on his sixteenth birthday, the state's politicians have convinced residents that Florida can have it all: fat tax coffers from the dizzying population growth, a constant stream of jobs from new businesses, and natural beauty that, while shrinking, is still stunning. Especially if you just moved from, say, Gary, Indiana. Watching a fiery sunset from any beach along the Gulf of Mexico remains a spectacular experience. As long as you keep your back to the sky-blocking condos that likely loom behind you.

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In Xanadu did Kubla Khan
A stately pleasure-dome decree:
Where Alph, the sacred river, ran
Through caverns measureless to man
Down to a sunless sea

So begins one of the most famous poems in the English language, Samuel Taylor Coleridge's "Kubla Khan." Coleridge admitted he composed the poem in a profound opium sleep and never visited any of the places he evoked so powerfully. He was drawn to them by a diverse collection of other writers, one being William Bartram, the American naturalist who traveled extensively in Florida in the late eighteenth century and wrote so ebulliently of the state's springs. Coleridge scholars have traced his "caverns measureless to man" directly to the springs of North Florida as described in Bartram's *Travels*.¹⁸

Wrote Bartram in his *Travels*, published in 1791: "We now ascended the chrystal stream; the current swift: we entered the grand fountain, the expansive circular bason, the source of which arises from under the bases of the high woodland hills, near half encircling it; the ebullition is astonishing, and continual, though its greatest force or fury intermits, regularly, for the space of thirty seconds of time."¹⁹

Wrote Coleridge in "Kubla Khan":

And from this chasm, with ceaseless turmoil seething,
As if this earth in fast thick pants were breathing,
A mighty fountain momentarily was forced:
Amid whose swift half-intermitted burst
Huge fragments vaulted like rebounding hail²⁰

Two hundred years after Bartram described them, Florida's springs can no longer be said to bubble with "astonishing ebullition," or even force. To be sure, the springs are still inspirational to writers and other artists who try to capture their magic in words or paintings or photographs. But these days, they are as likely to draw industrial engineers as poets.

Back in the woods of Madison County, outside a sprawling plant painted three shades of blue, high-tech water bottling begins in three

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shining silos. Each holds 60,000 gallons of water. Only some is spring-water. Piped from Madison Blue a mile away or trucked in from other parts of Florida, the springwater will end up in Zephyrhills or Deer Park bottles. The rest is simply groundwater sucked from underneath the bottling plant. It will become Nestlé Pure Life water—plain or fruit flavored.

Inside, the spotlessly clean plant is a 650,000-square-foot behemoth of stainless steel. Bottles bob in bunches along conveyor belts that carry them up, down, and around in a computerized ballroom dance that repeats twenty-four hours a day, seven days a week. Only a few workers can be seen, hair covered with nets, ears plugged against the noise. Several are tasting and testing in a glass-walled laboratory.

Pumped from a silo into the plant, the water rushes first through a series of microfilters to remove particles. It is sent through UV light for sterilization. A low dose of ozone kills microorganisms. Then it heads to one of four manufacturing lines that whirl and clack. Two of the lines run at 1,200 bottles a minute; the two others at 510 bottles a minute.

The bottles themselves start out as three-inch plastic tubes called “preforms.” By the thousands, the preforms are dumped from cardboard boxes into a small elevator that hikes them up and drops them into a machine that turns them right-side up. Then they roll along the production lines into a “blow-molder,” which warms them with light and blasts them with heated, sanitized air that stretches their plastic molecules into a perfect, half-liter bottle.

The freshly made bottles rush through a machine that fills them with the filtered water. They bob into another that twists on their caps, another that makes sure the caps are secure and fill heights accurate. Next, the conveyor carries them to a “canmatic” that glues their labels perfectly as they spin. A laser etches a code on each bottle. They travel along a wet belt through a lubricant that keeps them from tipping over. Hundreds now move through one of four, narrow openings that send them into a vast packaging and storage area, where forklift drivers with laptops and scanners move cases from tall stacks to tractor-trailers.

From underneath conveyor belts on the packaging side, corrugated cardboard swoops up to encase the bottles; an automated glue gun pops up to fasten the sides. Another machine slaps on film wrap, and the cases move through a heat tunnel for the packaging to set. “Deer Park,” they say on this day. “Taste the spring water difference.”

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So just how different is springwater? To the ancients, natural springs were thought divine. Greek and Roman doctors wrote about their healing powers. For thousands of years, people throughout the world turned to “water cures,” submerging in springs for therapy.²¹ Well into the twentieth century, wealthy northerners would come to Florida to soak in its pane-clear springs, believing the 70-degree water would keep them young and vital.

But today, Florida’s springs are not so healthy. In recent years, almost every spring in the state has shown degraded water quality. Scientists refer to a once-spectacular spring called Volusia Blue as “Volusia Green” because algae have turned it to pea soup. The problem has shown up all over Florida as the state’s storm water, farms, spray fields, and septic tanks carry nitrogen and other pollution into springs.²² Scientists from the U.S. Geological Survey recently found low levels of DEET in Florida’s springs.²³ “There’s nothing magical about spring water,” says Angela Chelette, chief of groundwater regulation at the Northwest Florida Water Management District in Florida’s panhandle, home to about a half dozen of Florida’s springwater bottlers. “There’s some pretty nasty stuff in there.”

For the most part, Florida businesspeople have given up on hawking springwater as curative—a bottled adaptation of the Fountain of Youth myth. However one company, Golden Springs LLC, which runs a spa at Warm Mineral Springs in North Port, pumps and sells “Fountain of Youth Mineral Water” for \$9.95 a liter. The company’s promotional director, Robin Sanvicente, says the bottles sell well to people all over the world. “It rejuvenates, replenishes, restores, actually heals, arthritis, fibromyalgia, you name it,” she says.

Few other bottlers in Florida make such outrageous claims. But even figuring out whether you are buying “pure” Florida springwater is impossible. The state’s environmental scientists and regulators do not agree where groundwater stops and “springwater” begins. Some argue it is not springwater unless an intake pipe pokes into the spring itself. Others say as long as the well is in the spring’s “zone of influence,” the water is identical.

In several cases, the wells of springwater companies are thousands of feet from the actual spring. Nestlé’s borehole for Madison Blue is nearly 5,000 feet from the spring. Federal regulations say, “spring water shall be collected only at the spring or through a borehole in the underground

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formation feeding the spring.” The companies must hire a licensed hydrogeologist to show the FDA the groundwater they are pulling up is of the same composition and quality as that flowing from the nearby spring.

To Chelette, the groundwater expert, the water in her district is the same, whether consumers get it from their faucets or pay a dollar a pint to drink it from a bottle. “I would call it groundwater. It’s the water that we drink out of our taps and our spigots,” she says of the source water for bottlers under her purview. “They may run it through a couple of more processes, but generally, it’s all the same. It’s good water—we all have good water.”

Of course, much of the water bottled in the United States including Florida makes no claim to being springwater. Called variously “drinking water,” “purified water,” or “natural water,” many products are just municipal water poured from the tap or groundwater pumped from wells. An estimated quarter of all bottled water in the United States begins life as tap water. The top-selling bottled water in the United States, Pepsi’s Aquafina, is simply tap water that has been additionally purified via reverse osmosis and carbon filtering. The same goes for the number two product, Coca-Cola’s Dasani, which counts Jacksonville tap water among its sources.

Labels and marketing, of course, often suggest a source more exotic than the water’s origins. Sometimes, the gap between what’s on the label and what’s inside can be so obvious as to be humorous. Aquafina, whose many municipal sources include the Detroit River, features snow-capped mountain peaks on its labels. Everest Water is not from Mount Everest but from Corpus Christi, Texas. Glacier Clear Water is tap water from Greeneville, Tennessee.²⁴

The labels on Crystal Springs Natural Spring Water, bottled and marketed by Atlanta-based DS Waters of America, feature snow-covered mountain ranges, too. The source for the bottles sold in Florida is Wekiva Springs, in the tiny, decidedly nonmountainous north-central Florida town of Gulf Hammock.

Then there is Silver Springs Bottled Water, which calls itself Florida’s largest privately held bottled-water company. The firm’s name harkens the deep blue springwaters of North Florida and the longtime tourist attraction that is the largest artesian spring formation in the world. But the company uses Ocala well water for many of its products, according

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to its water-use permit from the St. Johns River Water Management District.

Industry officials say the added value in bottled water, regardless of its source, comes from purification processes, the lack of chlorine, or the fact that their water does not travel through old, municipal pipes. “Bottled water provides consistent safety, quality and good taste,” says Stephen Kay, vice president for communications at the International Bottled Water Association. “Consumers like that consistency.”

Taste, as the Deer Park label suggests, may indeed be the biggest difference between bottled and tap water. Dissatisfaction with the taste of locally available tap water is the most common reason offered to explain the growing consumption of bottled water.²⁵ At an Atlanta event famous for its tongue-in-cheek rating of municipal waters in the Southeast, ratings ranged from 0 (sludge) to 13 (nirvana). Memphis won with comments such as “on the nose, at first it was cottony . . . a refreshing texture.” Atlanta’s water was like “a gulp of a swimming pool.” Judges said Houston’s tasted “like a chemistry lab.” Charlotte, North Carolina, water was said to taste “like a wet Band Aid.” Of Orlando’s, the judges said, “It’s the reason most people don’t drink water.”²⁶

Notoriously, plenty of taste tests have found consumers unable to distinguish between bottled and tap waters. But perhaps more importantly, tests show that bottled water is no healthier than tap water. In fact, some of it contains just the sorts of disinfection byproducts that people buy bottled water to try to avoid.

In 2006, *Florida Trend* magazine sent a half-dozen water samples to Ohio-based National Testing Laboratories, the largest provider of analytical services to the U.S. bottled-water industry. A drinking-water-quality expert, University of Florida environmental engineering professor David Mazyck, interpreted the results. He found that Florida’s tap water samples were just as good for you as the bottled-water samples. He also found that bottled waters are not all the same.

Florida Trend tested Orlando tap water, which comes from groundwater in the Floridan Aquifer, and West Palm Beach tap water, whose origin is Lake Okeechobee. The difference between those and most of the bottled products was the presence of trihalomethanes, or THMs, a common byproduct of drinking-water disinfection linked to increased risk of cancer. In both Orlando and West Palm Beach tap water, the THM levels were small. They were 0.020 milligrams per liter, while the

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EPA's maximum level allowable in drinking water is 0.080 milligrams per liter.

What might surprise consumers who buy bottled "drinking water" is the presence of THMs in some bottled products, too. *Florida Trend's* test of Publix grocery store brand drinking water found precisely the same level of THMs (0.020 milligrams per liter, again, considered safe by the EPA) as was in the tap waters tested. Publix spokeswoman Maria Brous says the bottle *Florida Trend* tested began life as Atlanta tap water.

Three bottled springwaters were tested by *Florida Trend*, and none revealed traces of THMs. But that does not mean they were free of disinfection byproducts. In the test result most troubling to Professor Mazyck, a sample of Crystal Springs Natural Spring Water, the DS Waters of America product pumped from Wekiva Springs, contained the EPA's maximum-allowable level of bromate, another disinfection byproduct linked to increased risk of cancer. The Crystal Springs bromate level was 0.010 milligrams per liter. That is the highest level of the contaminant that the EPA would allow in drinking water. Kent Kise, director of quality and technical services for DS Waters, says the level detected did not worry him because the federal standards are rigorous to ensure no risk to consumers. "It meets all regulatory standards," Kise says, "this is why we have standards."

Most consumers have probably never heard about the issue of bromate in springwater, but Kise says it is "of very high interest to the bottled-water industry as a whole." Bromate does not occur naturally in springs. Its harmless cousin, bromide ion, can occur in springs, sometimes as a result of saltwater intrusion. Bottlers use a purification process called "ozonation" to ensure water is free of bacteria. When bromide is present, the ozonation process can turn the harmless ion into carcinogenic bromate. "I don't think consumers realize that bottled water can have disinfection byproducts," says Mazyck, "and that that can be the case even if the bottle says 'spring water.'"

The water that passed *Florida Trend's* test with the highest marks was Nestlé's Deer Park Spring Water. But overall, says Mazyck, outside of the bromate issue, "if you drank two liters of water from any of these sources every day for your lifetime, you wouldn't have any adverse health effects."

"That goes for the municipal water and the bottled water. You can't

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conclude that one is healthier than the other,” Mazyck says, although he asserts that EPA oversight of municipal water plants is more stringent than FDA’s regulation of bottled water.

Mazyck’s overall conclusions are similar to those of other studies comparing bottled and tap waters. In a blind study using ten municipal and bottled-water samples from Central Florida, James Taylor, director of the University of Central Florida’s Environmental Systems Engineering Institute, found that both types of water met state and federal water-quality regulations. Two of the bottled waters had high bacterial counts. The municipal waters had significantly higher chlorination byproducts. Overall, says Taylor, there was virtually no difference except that bottled water “costs 10,000 times more.”

Does the content of bottled water really matter to consumers? Continued soaring sales indicate Americans care more about things like convenience and calories, style and status. Hemphill, the beverage analyst, says he thinks consumers base their bottled-water decisions on three primary factors: convenience, the packaging, and the price. “Whether it has a sport cap or a twist-off cap,” he says, “is often more important to the consumer than whether it’s drinking water or springwater.”

At the elegant Ristorante Bova in Boca Raton, on Florida’s southeast coast, water falls gently down a glass wall as customers in the all-white dining room ponder a two-page water menu. The choices go far beyond “sparkling” or “still.” Owner Anthony Bova offers twenty-five bottled waters, from Ty Nant (“for the style-conscious,” the menu says, “known for its beautiful royal blue presentation bottle and tiny light bubbles”) to Hildon (“English mineral water has a well-balanced, clean, pure taste and has become a byword for style in the restaurant and hotel world”). “It is fashionable,” says Bova, whose bottled offerings begin at \$6.75 a liter. “The design of the bottle is almost as delicate as the high-end wine bottles or the Italian liqueurs.”

James Twitchell, author of *Living it Up: America’s Love Affair with Luxury Goods*, calls bottled water a perfect example of the “status marketing” that has helped spending on luxury goods in the United States grow four times faster than overall spending. Like \$25 cashmere socks, he says, there’s no real reason to buy costly bottled water, except that it feels good to do so. “We’re not buying a bottle of water,” he says. “We’re buying a sensation about ourselves.”

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Nestlé's investment in rural Madison County now tops \$110 million. County Commissioner Roy Ellis, who represents the town of Lee and helped land the plant, says it has been a blessing. Offering incentives and making it easy for companies to do business is the only way Florida's rural counties will ever have the chance to grow and prosper like the rest of the state, he says. "They've been a very good neighbor and they've kept every promise and they've filled every job they said they'd fill."

Ellis points to Nestlé's relatively small daily withdrawal from Madison Blue—1.4 million gallons. He says that is not likely to have an adverse impact on the environment when the spring produces almost one hundred times that much.

Few people realize that what Nestlé takes from Madison Blue is only a fraction of what it pumps and trucks from elsewhere in the state to bottle at the Madison plant. Nestlé also has permits, from a different water-management district, to pump from Cypress Springs and White Springs to the west, in the panhandle. Meanwhile another water-management district, in southwest Florida, permits it to pump Crystal Springs north of Tampa. Add up all its permits, and Nestlé could bottle closer to 5 million gallons a day of Florida's springwater. That does not include the millions more it buys from water dealers in the state, and millions more in groundwater that it pumps from wells to produce drinking-water products.

Some experts cite lower water tables, saltwater intrusion, and a disruption in habitat for fish and other wildlife as environmental problems associated with the bottling industry.²⁷ But the state's water managers agree with Ellis, pointing out the industry's overall withdrawal rates are miniscule compared to others'. For example, North Florida's pulp and paper mills withdraw an average 155 million gallons of water a day; all the springwater permits combined add up to a little more than 10 million gallons a day. In addition, water managers say, some bottlers help protect springs by buying up surrounding land and keeping out things like subdivisions.

What about the risk of punching boreholes into the karst geological formations where springs are most common? Regulators say there is always a risk of subsurface collapse, but it is usually not enough to stop them from granting a permit. They refused on those grounds only once, at a popular manatee hangout called Three Sisters Springs, because a collapse could have deprived the endangered sea cows their preferential use of the spring's shallow shelf.

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The bottom line, regulators admit, is that they simply do not understand the overall environmental impact the water-bottling industry has on Florida. The state is now home to more than sixty bottling-related companies. They range from boutique firms that will slap a company logo on bottles of water to “water dealers” that pump water from various parts of the state and sell it to bigger bottlers. What begins as a free resource passes from dealer to bottler for some 5 cents a gallon. Consumers, of course, eventually pay some one hundred times more.

Why should the \$66 billion Nestlé or other bottlers get their raw material for free? One economist compares it to a food company that makes berry jam and gets the berries at no charge. Others believe the government should receive royalties, such as those paid by oil companies, for letting bottlers extract the planet’s most important natural resource.

Nestlé and other officials counter that theirs is a value-added product that relies on water to a lesser extent than competitors such as soda or beer. Company officials say it takes 1.3 gallons of water to produce 1 gallon of Nestlé springwater, compared to 3 gallons to make a gallon of soda or 42 gallons to make a gallon of beer. “We pay a great deal for this water,” says Meg Andronaco, Nestlé natural resource manager for the southeastern United States. “It costs millions and millions of dollars just to develop the spring and go through the permitting process.”

That argument no longer holds water in some other parts of the United States. In Maine, Nestlé pays 0.6 cents a gallon to the state for the water it obtains from Poland Spring. A citizens’ initiative underway in that state proposes a 20-cent-a-gallon tax for all large water withdrawals, a move Nestlé officials say will ensure the company’s departure. In the Great Lakes region, some states are beginning to assert that “tradable goods,” including food products such as beverages and processed foods, are different from pure water, an essential element of life, or “public goods.”²⁸

It seems like a no-brainer to charge corporations a little something for the groundwater from which they profit. Especially in places like Florida, where other users are being asked to cut groundwater pumping, and where citizens face steep water-rate hikes to cover costly alternative water-supply schemes such as desalination plants. When Nestlé was working its way through the Madison Blue permitting process in the midst of Florida’s drought in 2000, a Central Florida citizen named Brad Willis wrote the governor with a relevant question: “I must ask you,

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Governor Bush, why your administration has not looked into the issue of foreign/multinational corporations coming into Florida, taking our water for free, and selling it back to us for a huge profit, when honest, hardworking citizens of this state must observe water restrictions and pay ever-increasing water bills,” he wrote. “Also, why are these corporations allowed to keep pumping unabated during rationing, a time when the citizens of this state are not even allowed to wash their cars after 10 a.m., or not at all on some days?”²⁹ The governor said he would look into it.

In 2005, a work group studying ways to fund new water-supply alternatives in Florida did consider lifting a sales-tax exemption on bottles of water, which would have raised an estimated \$50 million a year. Around the same time, the bottled-water industry made heroic efforts to provide emergency water supplies in the wake of Katrina and other hurricanes, much of it for free. That made it easy for the powerful beverage lobby to talk lawmakers out of the tax. Even in Michigan, the bottled-water industry prevailed: the Great Lakes’ new water compact banned any and all outside diversions. But it gave an exception to the bottlers.

You had to hand it to the bottled-water industry. It nailed a problem that economists from the time of Adam Smith had been noodling over for more than two hundred years. The industry convinced consumers to value water. Now, if only they could be convinced to value water outside the bottle—the water in the ground, in the rivers, and in the tap—America’s water woes would be solved overnight. The possibility does not seem imminent.