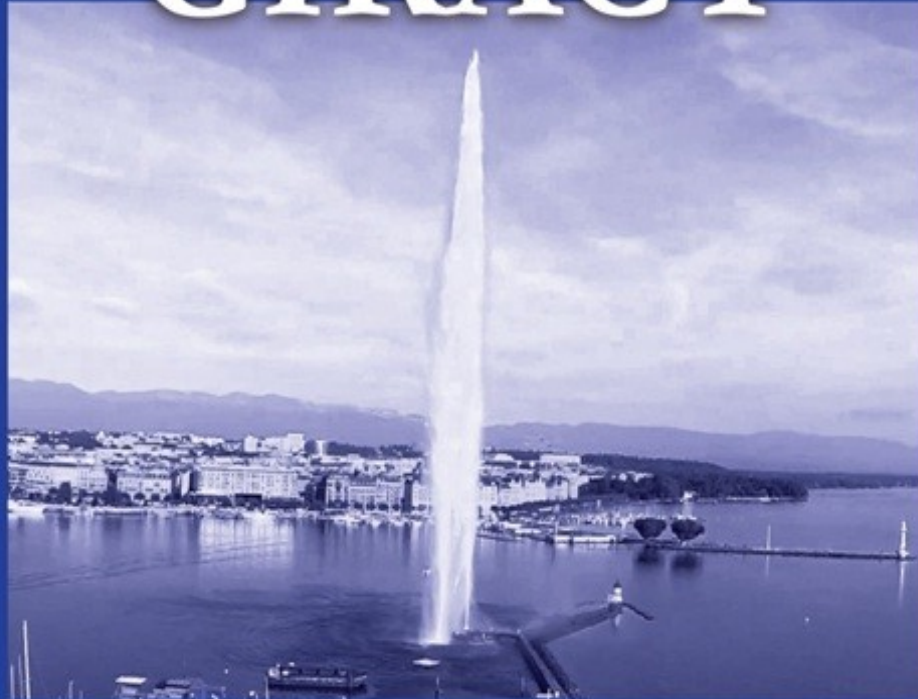


GIRACT



Geneva
SWITZERLAND

www.giract.com

Ingredients for Food Safety and Shelf-life extension 2014-2020

Market Insights

April 2015

GIRACT Geneva Switzerland

Key Product Trends

- The global preservatives market is forecast to grow at an exceptional CAGR of 9% through 2014–2020 due to the exponential market growth expected in China
- The health and wellness megatrend has influenced consumers to prefer natural ingredients over synthetics, especially in developed countries
- Though new generation preservatives such as nisin, natamycin and fermentates have caught the eye of the consumer, established ingredients continue to dominate the global preservatives market
- End user companies choose established ingredients over new generation preservatives to ensure retaining the same taste profile and also due to the high cost to switch to new generation preservatives
- The growth of convenience food makes it fundamental to add certain preservatives that is likely to drive market growth, especially in China and India
- Benzoates, propionates, sorbates and acetates are the predominant preservatives used

Global Demand Overview

Global summary forecast for preservatives, 2020 (kt)

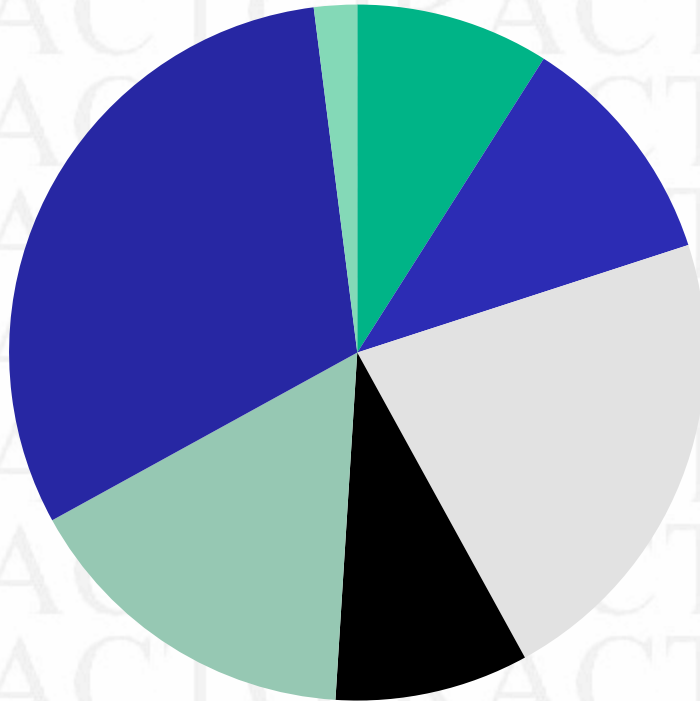
Preservative	China	USA	EU28	India	Total
Benzoates					
Sorbates					
Acetates					
Lactates					
Lactic acid					
Propionates					
Nitrates					
Sulphites					
Nisin					
Natamycin					
Fermentates					
Lactoferrin					
Lysozyme					
Total					

text and numbers edited out

Source: Giract

Demand by Preservative

Acetates dominate the global preservative market due to their wide use in meat and bakery products



Preservatives Covered

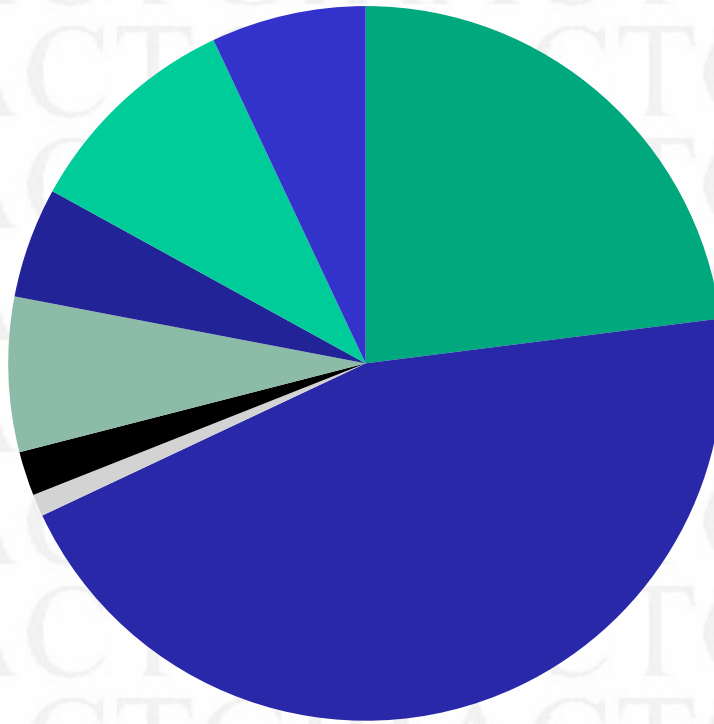
- Sorbates
- Sulphites
- Acetates
- Propionates
- Benzoates
- Lactic acid and Lactates
- Nitrates and Nitrites
- Nisin and Natamycin
- *All Others (nitrates, nitrites, lactoferrin, lysozyme and Fermentates)

*Detailed volume estimates by ingredient, end user sector and by key country are available in the report

Source: Giract, based on database analysis and interviews

Demand by End Use Sector

Bakery sector occupies a significant portion of the pie



Applications Covered

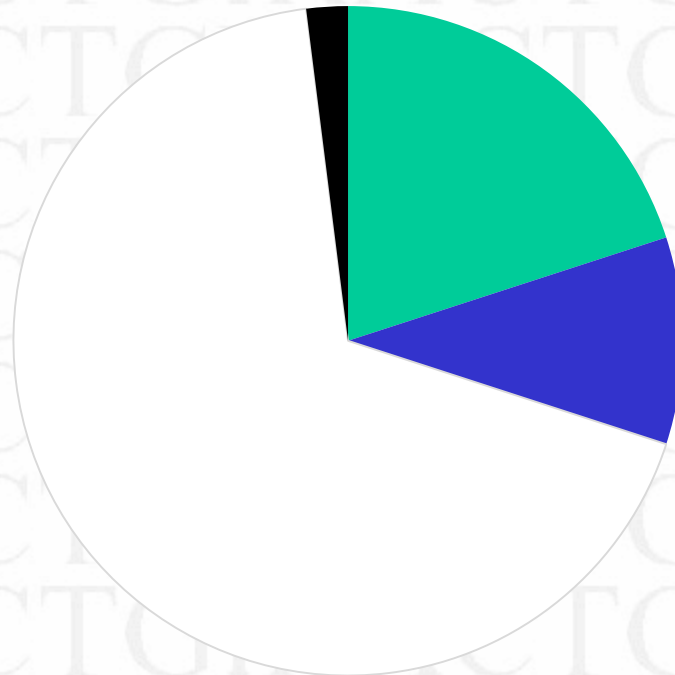
- Meat & Poultry
- Bakery
- Spreads
- Dairy
- Ready meals
- Soups & Sauces
- Beverages
- *Others

*Detailed volume estimates by ingredient, end user sector and by key country are available in the report

Source: *Giract, based on database analysis and interviews*

Demand by Region

Developing countries offer greater potential for traditional preservatives



Regions Covered

- EU28
- USA
- India
- China

Source: Giract, based on database analysis and interviews

End-User Comments – Examples

Sector	Country	Comments
Bakery Producer	US	“Potassium sorbate is the major preservative used in cakes along with citric acid to alter the pH. We prefer established preservatives and not new generation preservatives”
Beverage Producer	China	“Organic acids are also used in drinks as acidity regulators and also for flavor and sour taste. Thus, the consumption of these products is expected to continue for the next 3–5 years”
Pickle Producer	Spain	“While choosing a preservative, the company looks for natural source, label friendliness and cost effectiveness”
Bakery Producer	Germany	“It prefers old generation and synthetic preservatives, e.g. calcium phosphate and calcium sulphate. The new generation products like natamycin and polylysine are not used as these are not allowed in breads in Germany”
Meat Producer	India	“Consumers are price conscious and do not prefer “no added preservative” foods as they are more expensive than those containing preservatives”
Dairy Producer	China	“The company prefers products with natural ingredients without chemical preservatives. It believes strongly in processing and packaging technologies to extend shelf life and stability.”

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