

[versie 1: market focus]

PRESS RELEASE

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Growing soy beverage market offers innovation opportunities

The global soy beverage market continues to grow, offering plenty of opportunities for the development of products with new health benefits and/or taste experiences, as well as concepts for specific age and lifestyle-related target groups. This is one of the conclusions from the Soy Beverages Innovations Conference held on September 23 and 24 in Bangkok. The event was organized by the Dutch knowledge and network agency Bridge2Food.

Dairy products and soy beverages belong to the fastest growers in the global food & beverage market. "From 2006 to 2007, the category grew at a rate of 11%, to almost € 35 billion (\$ 47 billion). In comparison, the overall food & beverage market grew by 6% over the same period," said Kongkiat Phanawadee, Executive Director Client Solutions with ACNielsen's Thailand branch, in his contribution.

Asia takes the lead

The soy beverage market is growing most rapidly in Asia, with growth rates ranging from 10% in Thailand to 48% in the Philippines. Over the past 12 months, the markets in these countries have been valued at € 170 million (\$ 229 million), and € 34 million (\$ 46 million) respectively.

"Traditionally, soy beverages were sold as street foods. However, in recent years, supermarkets have become an important distribution channel. Their contribution ranges from 37% in Malaysia to 100% in the Philippines and Hong Kong," Phanawadee explained.

Higher dairy prices are reinforcing the trend. "As dairy becomes more expensive, more and more people turn to soy beverages. Over the past 12 months, dairy prices have increased by 10%, while the price of soy milk

has increased by only 1-3%," said Phanawadee.

Light and low-fat in Europe

The European soy beverage market is also growing. In many countries, the growth rate is somewhere between 10 and 15%. PROSOY recently valued the current market at € 630 million (\$ 849 million). "Major new product innovations are targeted at the most health conscious people among soy beverage consumers.

Innovations include low-fat and light versions of the original full-fat product," according to Gerard Klein Essink, Managing Director of Bridge2Food. In addition, more and more flavoured soy beverages are appearing on the shelves.

Compared to Asia and Europe, growth in the North American soy beverage market is slower, at 3.4% in 2007. "Chilled products represent 81% of all soy beverage sales in the USA, whereas aseptically packaged or bottled products account for only 19% of the market," said Peter Golbitz, Director of International Business Development at SunOpta Grains and Food Group in the USA. In Asia and Europe, chilled soy beverages represent less than 20% of the market.

Extra push

Food manufacturers could give the soy beverage market an extra push by going beyond soy milk as a dairy alternative and by developing products for specific target groups. "Especially in Asia, where society is changing rapidly, the use of consumer demographics will enable market segmentation in terms of age and lifestyle needs," said guest speaker Justine Gayer, Marketing Communications Manager with Solae Asia Pacific in Australia.

Soy Beverages Innovation Conference

The 2008 Soy Beverages Innovation Conference was aimed at senior professionals in retail category management, marketing, sales, business management, R&D and new business development. The conference looked at the state of the art in market developments, products and technological innovations. The first Soy Beverages Innovation Conference was held in 2006.

Bridge2Food

Bridge2Food is a knowledge and network agency based in The Netherlands. Its key strength is the development of specific platforms for the food industry: 'building bridges between food professionals.' Through its partner company PROSOY Research & Strategy, Bridge2Food has offered courses and organized conferences on topics such as healthy & nutritional bars, foods for school children, and food products for the elderly. Recently, Bridge2Food has set up networks for the meat-free and dairy-free industry in Europe and Asia. www.bridge2food.com

Attachment: picture 'boy drinking soy milk'

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