

All is SWEET...and Sour...and Salty

by John Miller

Images by D. Massarik & R. DiSilvestro

CANDY Anyone?

The 2009
ALL
CANDY
EXPO®
closed last
week with



record attendance of over 14,000 industry professionals having attended the National Confectioners Association's annual trade show at Chicago's McCormick Place May 19-21. The 2009 Expo featured nearly 500 confectionery related exhibitors from 70 countries around the world during the three-day event.

The National Confectioners Association (NCA), sponsor of the All Candy Expo, annually presents the largest confectionery, cookie, and snack show in the Americas. Confectionery, snack and cookie products generate \$280 billion in retail sales worldwide according to the industry association. Since the inception of the Candy Expo ten years ago, the confectionery industry in the United States has expanded an average of 30 percent.

While the emphasis is on candy, it's not entirely about the products—the show encompasses diverse educational seminars that help identify the trends in the industry, how seasonal shopping patterns change, how to take advantage of changes, how changing demographics around the world will impact sales and

marketing, and even sessions on commodities pricing.

And candy is not just an arena for 'child's play'. According to NCA, confectionery products are the third largest food category sold in the US, just behind soda/carbonated beverages and milk. Candy-snack sales represent \$8 billion in annual US sales. For comparison, salty snacks trail closely with \$7.2 billion in sales, followed by cookies with \$4 billion in annual retail sales.

The All Candy Expo attracts all the big players (Nestle, Hershey, Jelly Belly, Cadbury, Mars) along with local Chicago representation (Wrigley, Ferrara Pan, Tootsie Roll, and Worlds Finest Chocolate to name a few) although industry consolidation is clearly a trend—the Chicago base William Wrigley Co was acquired by the Virginia based Mars last year in it's drive towards becoming the worlds largest confectioner. While there



was no shortage of new products and innovations-- the 'energy'

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confectioneries of last year were still prevalent-- all was not sweet at the Candy Expo 2009. Sour candies have made a strong return to the marketplace. Jelly Belly was emphasizing several new additions to it's sour lineup and Nestlé's WONKA brand has all but specialized in capturing the sour market with its impressive collection of Nerds, Runts, SweeTarts, and of course Gobstoppers. Pez has also ventured into the deeper into the sour market but chose to add a few twists by including Sugar-Free sour Pez candies as well as Kosher compliant versions.



A continued bright spot that wasn't advertised at the show was the end of the battle (in the USA) over what can be defined as

chocolate per FDA rules.

The U.S. Chocolate Industry, via the Chocolate Manufacturers Association (CMA), and the Grocery Manufacturers Association (GMA) had supported a request to the US FDA to allow manufacturers to call a product

chocolate even if it used vegetable oil or fat as a substitute for cocoa butter.

Manufacturers that continued to make real chocolate --containing 100% cocoa butter would be at a financial disadvantage to those producing cheaper 'imitation' chocolate...and the consumer won't know by a simple look at the label that they are no longer purchasing a true chocolate product.

While candy continues to be the feature focus of the ALL CANDY EXPO, a shift is in the works. For 2010, the expo is taking on a new name. Next year, it will be re-christened the Sweets and Snacks EXPO in deference to the growing salty-snack segment.

Large and small manufactures, new technologies and old-school practices, product samples in abundance, no one would deny the sugar-rush of the largest confectionery expo in this hemisphere. The NCA is reporting that 80% of the display space for the 2010 Expo is already reserved. Mark your calendar. Alert your dentist.



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