

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

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CANDY Anyone?

The 2011
NCA
Sweets
and
Snacks
Expo



(previously known as the ALL CANDY EXPO®) closed last week with record attendance of an estimated 15,000 industry professionals having attended the National Confectioners Association's annual trade show at Chicago's McCormick Place May 24-26. The Expo took on a new name last year -- re-named the Sweets and Snacks EXPO in deference to the growing salty-snack segment. The show featured 550 confectionery and snack related exhibitors from 70 countries around the world during the three-day event.

The National Confectioners Association (NCA), sponsor of the Sweets and Snacks 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 original Candy Expo twelve 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 Sweets and Snacks Expo attracts all the big players (Nestle, Hershey, Jelly Belly, Cadbury, Mars) along with local Chicago representation (Wrigley, Blommer, Tootsie Roll, and Worlds Finest Chocolate to name a few) although industry consolidation is clearly a trend – the Chicago-based William



Wrigley Co was acquired by the Virginia based Mars in 2008 in its drive towards becoming the world's largest confectioner while DeMets acquired TrueNorth Nuts from Frito-Lay in January 2011.



While there was no shortage of new products and innovations-- all was not sweet at the Sweets and Snacks Expo

2011. In spite of a weak economy, sour candies continue to make a strong showing in the marketplace. Jelly Belly continued to emphasize 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, Runtz, 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 needs no advertising at the show is chocolate. Americans love chocolate. If it can be coated, drenched, dipped, iced, filled, or made entirely out of chocolate, the

Sweets and Snacks Expo was the place to find it. Elmer Chocolate Company attempted to capitalize on both the Sweet and Salty in the same product by filling a chocolate truffle with.....

Tabasco® brand habanera sauce. The world may not be ready for that product, but the samplers at the show were encouraging.



And manufacturers continued to make real chocolate --containing 100% cocoa butter --- over the 'deemed' inferior (and cheaper) 'imitation' chocolate ...and the consumer has spoken on this issue and continues to purchase 'true' chocolate products.

Large and small manufactures, distributor and retailers, 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 2012 Expo is already reserved. Mark your calendar. Clear some shelf space. Alert your dentist. Check with your Internist.

