

A close-up photograph of a yellow bowl filled with fresh fruit. The bowl contains several peaches with red and yellow skin, several dark purple plums, and a few bright red cherries. A single green leaf is placed on top of the fruit in the foreground. The text "Trends 2005" is overlaid in white, sans-serif font in the center of the image.

# Trends 2005

**Report compiled by  
Sterling Rice Group**

# Table of Contents

- Macro Trends
- Demographic Trends
- Health Trends
- Culinary/Restaurant Trends
- Snacking Trends
- PPN Trends





# Macro Trends

- Several macro demographic and lifestyle drivers are causing major shifts in consumer needs. In addition, other “change forces” are changing our perceptions of the world

### Demographic Drivers

- Aging population
- Ethnic population growth

### Lifestyle Drivers

- Time compression
- Personal control over health
- Wellness surge
- Desire for simplification

### Change Forces

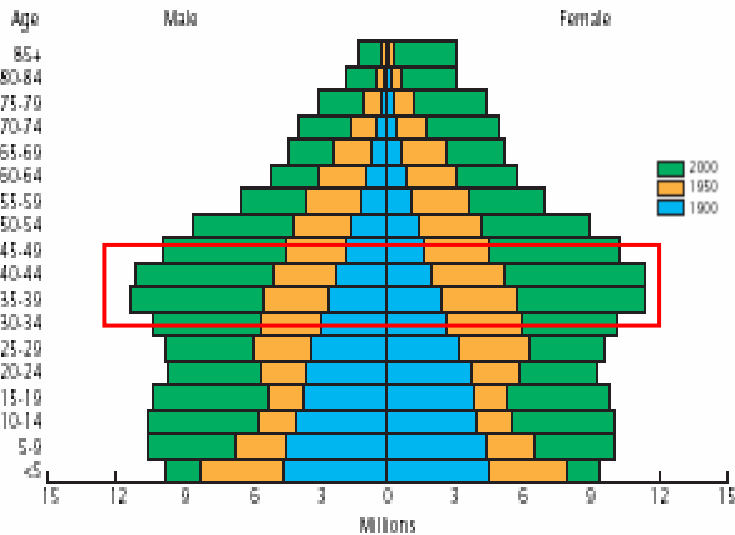
- Shift in wealth
- Hyper-fragmentation
- Global food bubble
- Emergence of the engaged consumer

# Societal Drivers: Aging Population

- We are entering a period of unprecedented growth in the 55 and older population, as well as a material increase in lifespan
  - The 55–64 population will have grown over 40% between 1998 and 2009
  - Interestingly, Millennials (age 5–19) are emerging as the next big population wave

## Boomer Needs

**52 million “Boomers” start turning 65 years old in 2010**



Source: U.S. Census Bureau, decennial census of population, 1900, 1950, and 2000.

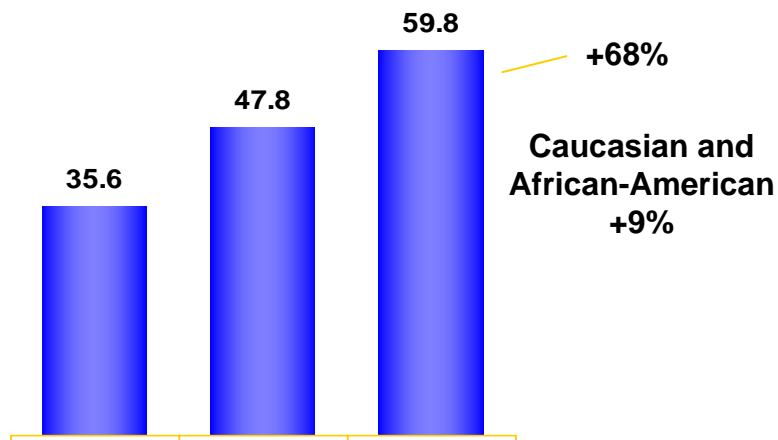
- Desire to look and feel young
  - Energy
  - Appearance
  - Cognitive performance
  - Sexual function
- Rise in disease concerns
  - Heart disease
  - Bone/Joint health
  - Cancer
  - Cognitive disorders
  - Diabetes
  - Vision diseases

## Boomer Attributes

- Wealthy
- Individualistic
- Active
- Empowered
- Achievement-oriented
- Entitled

- Nutrition awareness and importance will also be influenced by the growth in ethnic populations, specifically Hispanics

**U.S. Hispanic Population Projections  
(in millions)**



**Incidence of Key Health Issues  
(Percentage of adult population)**

	Hispanics	Total Population	Index
Coronary Heart Disease	7.2 % (male)	6.4%	113
	6.8% (female)		106
Diabetes	8.1% (male)	5.5%	147
	11.4% (female)		207
Overweight or Obese	74.7% (male)	64.5%	116
	71.9% (women)		111

- Hispanics place a higher importance on using food to maintain health

	Hispanics	Index
Fortified foods/ beverages	35.7%	129
Natural food/beverages	37.5%	148
Herbal supplements	27.1%	152

*“Extremely/very important in how I maintain a healthy, balanced lifestyle.”*

# Societal Drivers: Time Compression

- Increasing time pressure compounds important nutrition problems and creates the need for new, more convenient solutions

## Key Drivers

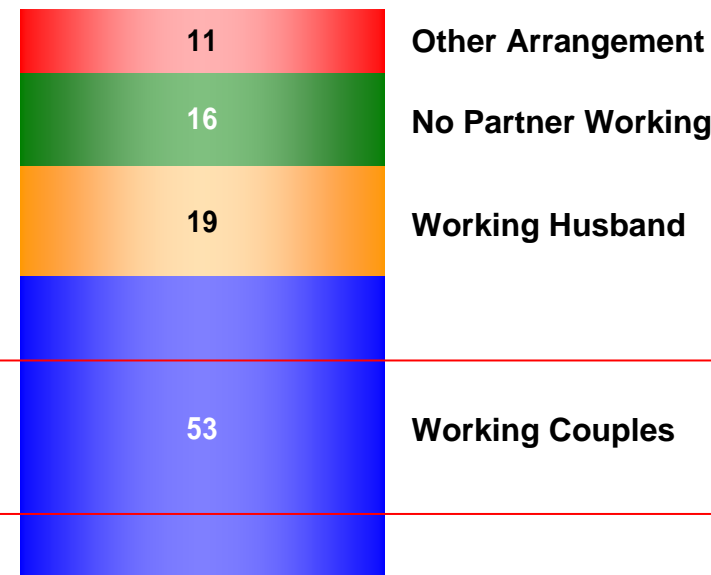
- Working couples far outnumber couples in which only one member works
- Average work week is increasing
  - 37% of workforce works >50 hours per week
- Even children increasingly over-scheduled
- 29% of households have someone being treated for lack of energy, 32% for stress, 22% for sleeplessness

## Health/Nutrition Implications

- Greater focus on solutions for energy and stress
- Obesity epidemic driven by sedentary lifestyle and reliance on convenience foods
  - Pressure for less harmful options
- Need for positive nutrition in a convenient form

## Employment Patterns – U.S. Married Couples 2000

54.7M



- Aging Boomers are increasingly taking control of their own health as they seek to maintain their health and their active lifestyles

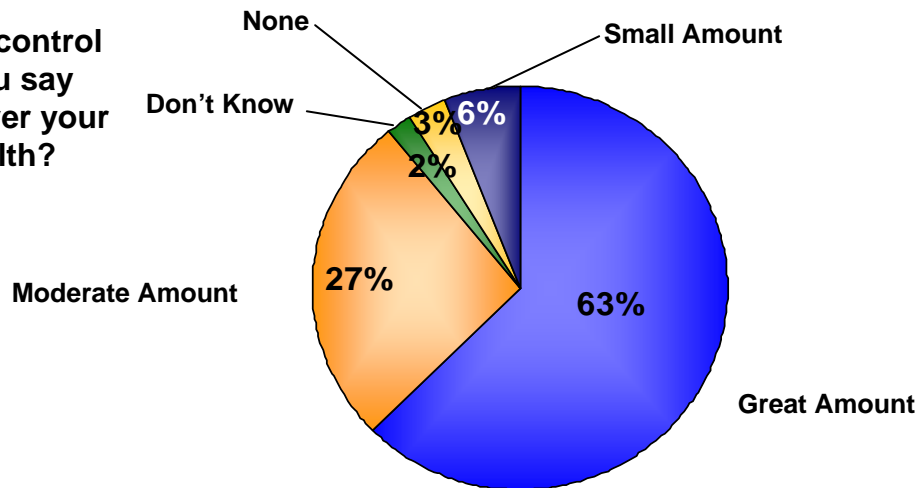
## Key Drivers

- Escalating healthcare costs drive individuals to take control of their own health
- Decreasing trust placed in traditional sources of authority (e.g., doctors)
- Greater access to information (media, internet) regarding risk factors and solutions

## Health/Nutrition Implications

- Increased knowledge and sophistication regarding nutrition
- Greater interest in positive nutrition solutions (vs. absence of negatives)
- Desire for more personalized and customized approaches
- Open to less traditional, more holistic, and more preventative solutions

How much control would you say you have over your own health?



## Societal Drivers: Wellness Surge

- The growing desire to feel good in the broadest possible sense (mind, body and spirit) is driving the explosion of the wellness market

### Key Drivers

- Organic food has gone from niche to a \$10 billion industry
  - Almost half purchased by mainstream grocery shopper
- Growth of the yoga and spa lifestyle
- Interest in holistic medicine and integrative approaches
- Percentage of those who consider the health aspects of food when making a purchase decision rose from 6% in 2000 to 23% in 2004

### Health/Nutrition Implications

- Increasing focus on natural and organic products
  - Including herbs and botanicals
  - Potential consumer backlash against GMOs
- Growing interest in preventative approaches and everyday wellness
  - Energy, mental acuity, etc.
  - Use of supplements
- Whole-health solutions that address mind, body and spirit



- While some consumers have become more proactive, others are confused by the overwhelming volume (and conflicting nature) of nutrition information available

## What Should You Be Eating, Taking?



## Health/Nutrition Implications

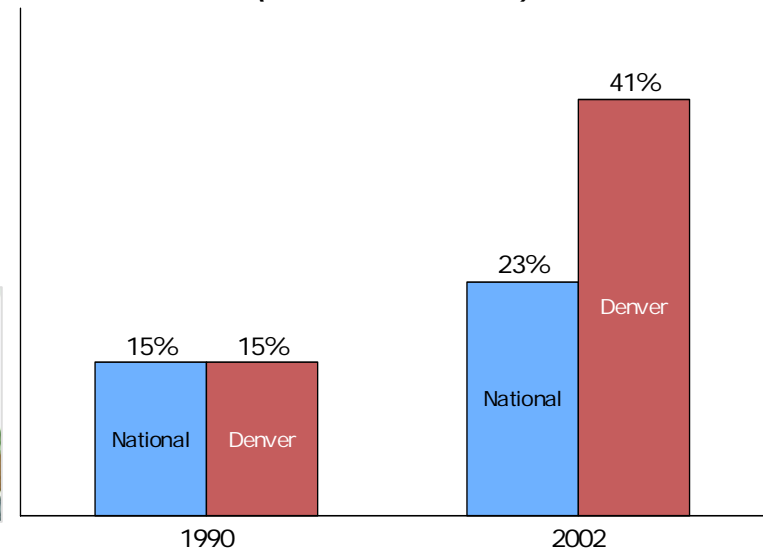
- Need for simpler nutrition choices
  - Better nutrition in the products I already eat
  - Nutrition that I can fit easily into my day
- Increased importance of better science supporting marketing claims
- May be greater opportunities for absence of negatives vs. presence of positives with those who are overwhelmed



- Aging demographic is a huge factor—McKinsey & Company forecasts the loss of \$31 trillion in household wealth over the next 20 years due to increased spending and reduced savings that is typical of retirees
- Other shifts in wealth include:
  - Within U.S., shift to Hispanic and Asian consumers
  - Globally between “developed” and “developing” countries



***% of U.S. Babies Born to Foreign-born Mothers  
(% of Total Births)***



Source: Center for Immigration Studies; Associated Press

# Hyper-fragmentation

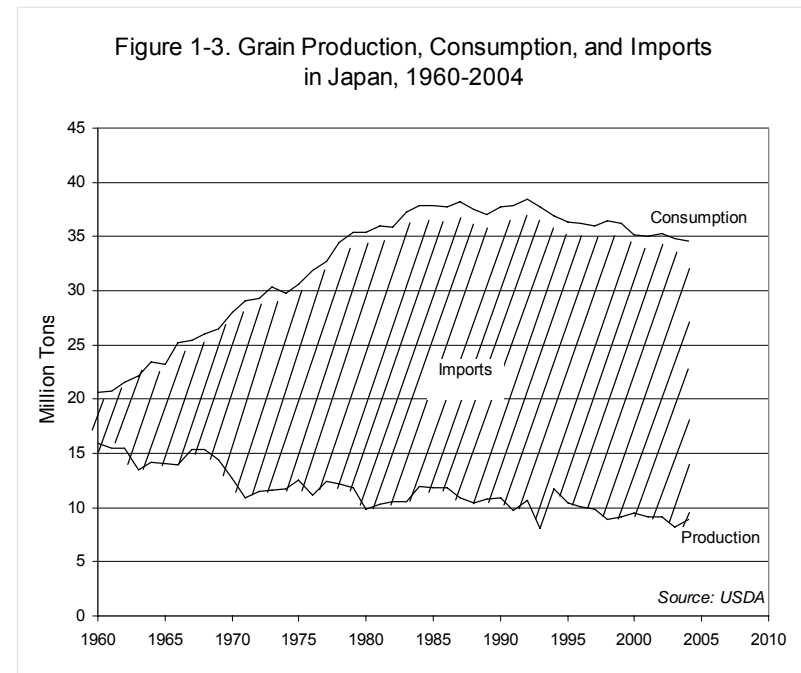
- Proliferating consumer segments are increasingly viable target markets characterized by:
  - Distinct need states
  - Efficient identification of consumers
  - Direct correspondence with consumer



- 500 TV stations; satellite radio; internet
- Micro-markets
- eBay: global or national markets
- Direct-to-consumer marketing

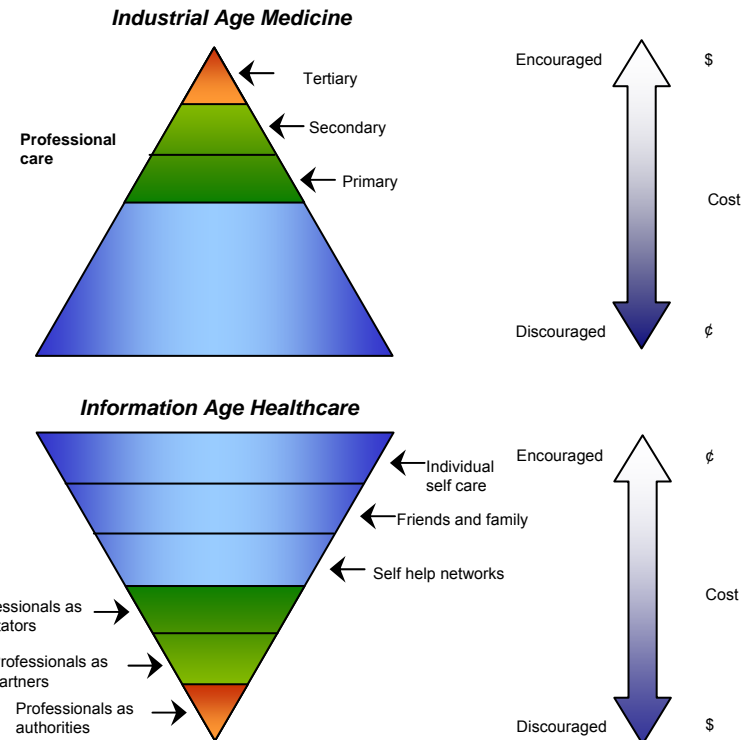


- We're seeing the "Japan Syndrome"—the shift from being a net exporter of food staples to a net importer—spread to many developing nations that house the majority of the world's population: China, India, Brazil, etc.
- Prime agriculture land shrinking with urbanization
  - More people are abandoning agricultural professions for more lucrative lifestyles in urban centers
  - Global warming driving expansion of desert
  - The global appetite for meat-protein-based diets grows as people become more affluent thus driving the growth of industrial livestock industry which again puts more pressure on prime ag land
- Decreasing ability to get nutrients from food sources



# Emergence of the Engaged Consumer

- As access to information permeates the marketplace and peoples' lives, we're seeing the emergence of a very different kind of consumer both here and abroad. Unlike "early adopters" the engaged consumer cuts across income and education strata. They are much more demanding of brands, assume more decision-making responsibility and risk for things that matter to them.
  - Self-agency – consumers acting on their own behalf
  - Self-customization – consumers tailoring products and services to their own needs and belief systems
  - Self-organization – consumers finding new ways to talk to each other and organize to get their needs met





## Macro Trends *Implications for PPN Industry*

- **Consumers increasingly looking for healthy, quick snacks**
- **Several important sub-audiences to consider—Boomers, Millennials and Hispanics. All deserve attention**
- **Health can be discussed in the realm of short term (energy) or longer term (disease prevention)**
- **Growing desire for unprocessed, natural foods—a plus for PPN and all fruits and vegetables**



# Demographic Trends

- Four generations, all with differing perspectives on life, are present in the workforce today
  - **Baby Boomers**
  - **Gen X**
  - **Gen Y**
  - **Millenials**
  
- The **mature generation** is also very important to marketers due to the wealth they control and their health needs

- The largest percentage growth in the next 5–15 years will be in the Matures, Hispanics and Asians

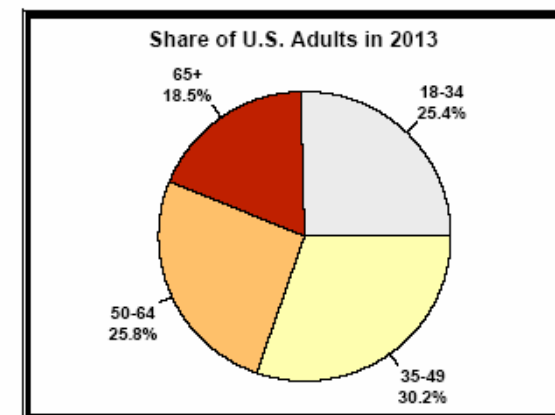
	2004 Population	Projected Population	2004 % of Total Population	Projected % of Total Population
Millennials (under 17)	72.8M	2010 = 74.4M 2020 = 80.4M	25.1%	2010 = 24% 2020 = 23 %
Gen Y (18–28)	44.M	2010 = 47.5M 2020 = 47.1M	15.2%	2010 = 15.4% 2020 = 14%
GenX (29–40)	49.6M	2010 = 49.2M 2020 = 54M	17%	2010 = 15.9% 2020 = 16.1%
Boomers (41–59)	76.5M	2010 = 81M 2020 = 79.1M	26.1%	2010 = 26.2% 2020 = 23.5%
Matures (60+)	48.9M	2010 = 96M 2015 = 107M	16.7%	2010 = 18.4% 2020 = 22.5%
Hispanics	41.3M	2010 = 47.8M 2020 = 60M	12.6%	2010 = 15.5% 2020 = 17.8%
Asians	12.3M	2010 = 14.2M 2020 = 18M	3.8%	2010 = 4.6% 2020 = 5.4 %
Men	138.4M	2010 = 151.8M 2020 = 165M	49%	2010 = 49% 2020 = 51%
Women	143.7M	2010 = 157.1M 2020 = 170.7M	51%	2010 = 49% 2020 = 51%

# Baby Boomers

- As the largest group of aging adults in U.S. history, 78 million Boomers are also more educated, more technologically savvy and have more wealth than prior generations
- Future seniors will be more healthy and capable of caring and providing for themselves

## Population Size

- Between now and 2013, the adult population overall is forecasted to grow to 234.2 million, a 10.6% increase
- The 50–64 segment, driven largely by Baby Boomers, is forecasted to increase three times as fast while the 65+ segment will grow twice as fast
- Currently, 12 percent of American Baby Boomers are foreign-born



## Baby Boomers – Who are they?

- **Consumers:** Creativity and product/service development will be needed to manage the volume and diversity of Boomers' health needs/concerns
  - The Boomer market is highly fragmented and will provide many areas for targeted solutions
- **Health:** Boomers have an expanding view of health and healing that includes many dimensions such as nutrition, mental health and physical health
- **Technology:** Technology and increased information will redefine how seniors seek out and ultimately purchase solutions
- **Diseases:** Mental healthcare will become a much larger issue and Boomers will expect expanded services in this area
- **Exercise:** As a more physically active group than those before them, Boomers will have future needs for recreational activities and products that can help them maintain an active lifestyle
- **Attitude:** To say Boomers expect to stay young isn't just a figure of speech, it is a statistically verifiable fact. "Baby Boomers literally think they're going to die before they get old," says J. Walker Smith, president of Yankelovich Partners, the polling company, which found in one study that Boomers defined "old age" as starting three years after the average American dies

## Generation X – Who Are They?

- There are roughly **50 million** Gen Xers who make up 17 percent of the population
- **Technology:** Gen Xers are similar in many ways to Boomers, yet are more tech savvy and better educated
- **Race:** This group is more racially diverse than the previous generation
- **Consumerism:** This is the smallest age group in terms of sheer numbers; however, this group is either entering or already in their prime spending years
- **Health:** Many will be part of the “sandwich” generation—caring for their own health needs and those of their parents and children at the same time
- **Work:** Many more Gen X women work than their Boomer counterparts
- **Family:** Gen Xers are marrying and having kids earlier, yet more are divorced and live in nontraditional arrangements than Boomers



## Health Attitudes/Needs

- Gen X women are much more likely to say “healthy” means being physically fit and strong
- Shoppers between the ages of 30 and 39 are more likely than those in any other group to want to eat healthy foods more often (85%)
- Gen Xers get their health information from friends and relatives more often than from nutrition labels or doctors. All older age groups get more info from doctors and labels
- Gen Xers are more affected by stress and low energy levels than by other health ailments or diseases

## Generation Y – Who Are They?

- There is no consensus over the exact birth dates that define Gen Y, some people group them with millennials. Narrower definitions, which we are using for our purposes, defines Gen Yers as people age 18 to 28. This narrower view is based on the thinking that as the pace of change in society accelerates, the timeframe of a generation gets shorter.
- As they take their first jobs, Gen Y would be the fastest growing segment of the workforce—which grew from 14% to 21% over the past four years to nearly 32 million workers



Source: The Washington Times, “*Generation Y embraces choice, redefines religion*” Cheryl Wetzstein

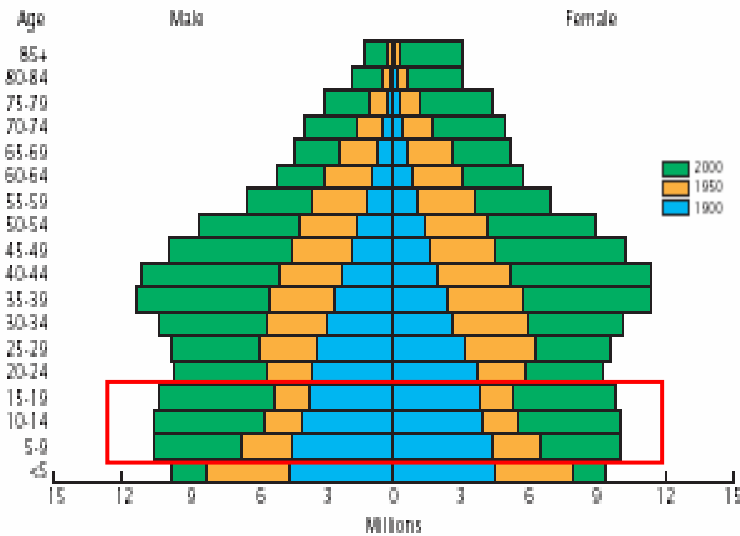
Source: Bruce Tulgan of Rainmaker Thinking

Source: USA Today “*Generation Y: They’ve arrived at work with a new attitude*” 11/8/2005

## Generation Y – Who Are They?

- **High expectations of self:** They aim to work faster and better than other workers
- **High expectations of employers:** They want fair and direct managers who are highly engaged in their professional development
- **Ongoing learning:** They seek out creative challenges and view colleagues as vast resources from whom to gain knowledge
- **They have financial smarts:** They care about such benefits as 401(k) retirement plans (70% of the Gen Y respondents contribute to their 401(k) plan). They were in college when the dot com bust happened
- **Work–life balance isn't just a buzz word:** Unlike Boomers who tend to put a high priority on career, today's youngest workers are more interested in making their jobs accommodate their families and personal lives
- **Change, change, change:** They don't like to stay too long on any one assignment. This is a generation of multitaskers
- **Religion:** Religious identity plays a significant role in the lives of Gen Y. More than half said they regularly pray before meals, and a third or more said they talk about religion with friends, attend worship services and read religious materials every week

- There are roughly 73 million Millenials making them one-quarter of the total population
- Interestingly, Millenials (age 5–19) are emerging as the next big population wave after Boomers



Source: U.S. Census Bureau, decennial census of population, 1900, 1950, and 2000.



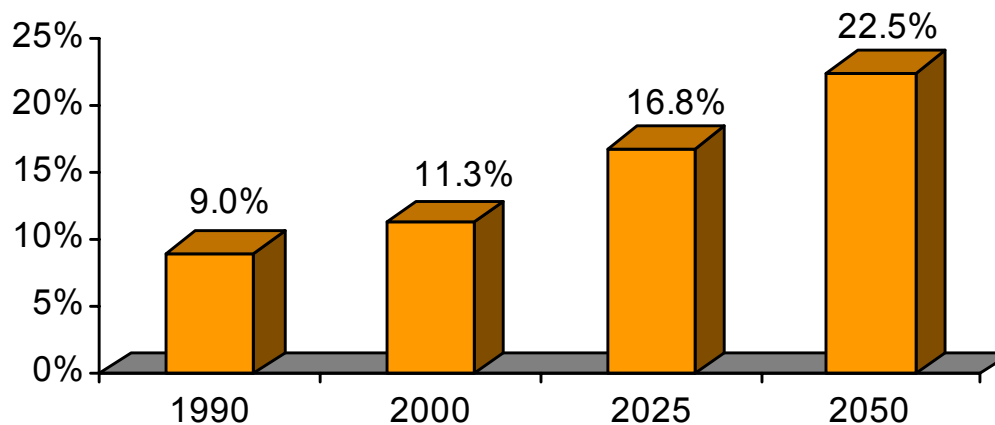
## Millenials – Who Are They?

- **They're optimists.** Nine in ten describe themselves as “happy, confident, and positive”
- **They're cooperative team players.** From school uniforms to team learning to community service, they are gravitating toward group activities
- **They are the most ethnically diverse generation**
- **They accept authority.** Most teens say they identify with their parents' values, and more than 90% say they “trust” and “feel close to” their parents. Half say they trust government to do what's right all or most of the time—twice the share of older people
- **They're rule followers.** Over the last five years, the rates of homicide, violent crime, abortion, and pregnancy among teens have all plummeted at the fastest rates ever recorded
- **They're the most watched-over generation in memory.** Adults subject the typical kid's day to more structure and supervision
- **They're smarter than most people think.** During the 1990s, aptitude test scores have risen within every racial and ethnic group, especially in elementary schools. Eight in ten teenagers say it's “cool to be smart,” while a record share of teenagers are taking AP tests, say they “look forward to school,” and plan to attend college
- **Today's kids believe in the future and see themselves as its cutting edge.** They show a fascination for, and mastery of, new technologies—which explains why math and science scores are rising faster than verbal scores. Nearly three in four 8–12-year-olds use computers, outdistancing older teens and adults alike

- Overall, Boomers, Millennials and Hispanics represent significant health and nutrition opportunities

Demographic	Size/Growth/Attractiveness	Specific Needs
<b>Boomers</b>	<ul style="list-style-type: none"> <li>Largest segment</li> <li>Three times growth of general population by 2013</li> <li>Most health-focused</li> </ul>	<ul style="list-style-type: none"> <li>Prevention/Treatment               <ul style="list-style-type: none"> <li>✓ Heart disease, cancer, cholesterol</li> </ul> </li> <li>Look good/younger (includes weight)</li> <li>Daily performance/energy</li> <li>Wellness/Alternative health</li> </ul>
<b>Gen X</b>	<ul style="list-style-type: none"> <li>Want to eat healthy foods (for wellness) most often</li> </ul>	<ul style="list-style-type: none"> <li>Wellness</li> <li>Daily performance/energy/stress</li> </ul>
<b>Millennials</b>	<ul style="list-style-type: none"> <li>Part of the baby boomlet</li> <li>Most obese generation in history</li> </ul>	<ul style="list-style-type: none"> <li>Weight maintenance/loss</li> <li>Appearance</li> <li>Daily performance/energy</li> </ul>
<b>Younger Millennials</b>	<ul style="list-style-type: none"> <li>Part of the baby boomlet</li> <li>Significant media attention on childhood obesity</li> <li>Powerful emotional interest from moms</li> </ul>	<ul style="list-style-type: none"> <li>Physical development</li> <li>Cognitive development</li> </ul>
<b>Hispanics</b>	<ul style="list-style-type: none"> <li>Largest, fastest-growing segment</li> <li>Skews young</li> <li>Most open to using supplements and foods for wellness/prevention/treatment</li> </ul>	<ul style="list-style-type: none"> <li>Prevention/Treatment               <ul style="list-style-type: none"> <li>✓ Diabetes, heart disease</li> </ul> </li> <li>Weight maintenance/loss</li> <li>Prevention a key—fastest-growing age group is younger</li> </ul>

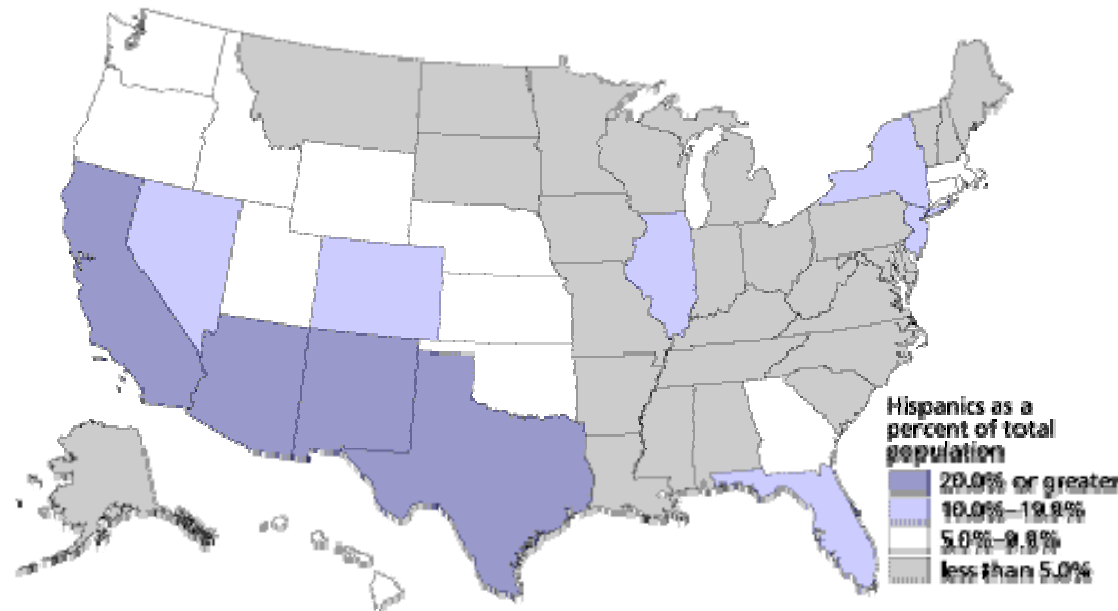
- Hispanics are the largest ethnic minority in the U.S.
  - 13.3% of the U.S. population
    - Approximately 39 million Hispanics in the U.S.
    - Larger than the total population of Canada (31 million in 2000)
- Hispanic population is growing rapidly
  - The Hispanic population has grown 68% since 1990 (vs. 8% non-Hispanic population growth)
  - It's projected that by 2050, Hispanics will make up 23% of the U.S. population
    - U.S. Hispanic population



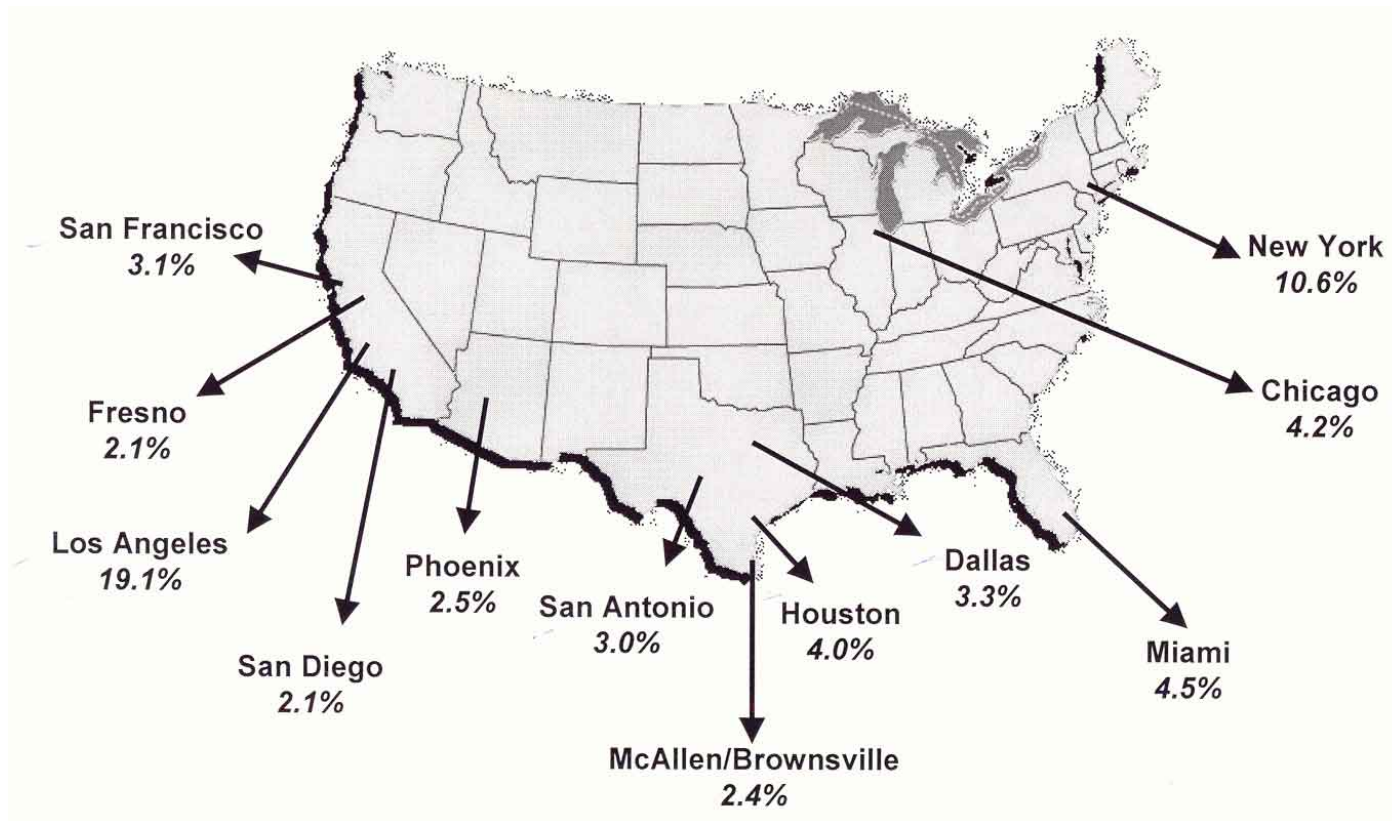
- The U.S. Hispanic population is largely concentrated in the West and Southwest
  - Since 2001, the majority of babies born in California are Hispanic

	Total US Population	US Hispanic Population
Northeast	19%	13%
Midwest	23%	8%
South	36%	35%
West	23%	44%

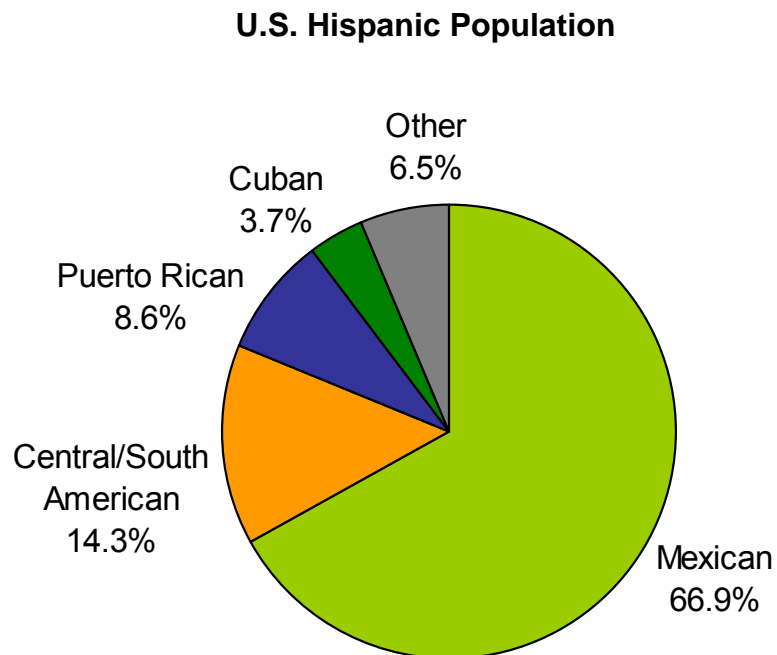
	Hispanic Population	% of State	% of all Hispanics
California	10,966,556	32%	31%
Texas	6,669,666	32%	19%
New York	2,867,583	15%	8%
Florida	2,682,715	17%	8%
Illinois	1,530,262	12%	4%
Arizona	1,295,617	25%	4%
New Jersey	1,117,191	13%	3%
New Mexico	765,386	42%	2%
Colorado	735,601	17%	2%



- Because the population is highly concentrated, Hispanics are highly targetable
  - The top 12 Hispanic DMAs account for 61% of the Hispanic market

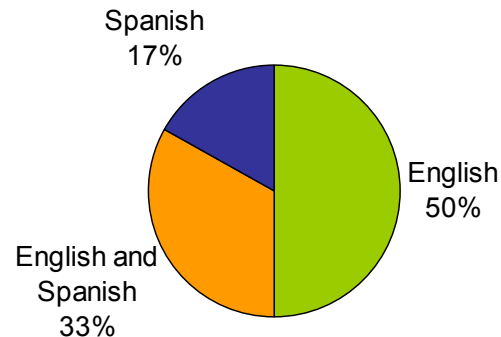


- Among Hispanics in the U.S., Mexicans are the majority
  - Eight of the top ten Hispanic markets are largely Mexican
    - Seven of those are in the West or Southwest



- Acculturated Hispanics represent a strong potential target audience
  - This group is larger than expected
    - 60% of Hispanics were born in the U.S.
      - Of the 40% born outside the U.S., nearly half immigrated to the U.S. before 1990 and are likely acculturated
        - » Most Hispanics will be assimilated in language and culture within 11 to 14 years of immigrating to the U.S.
    - 50% of U.S. Hispanics speak primarily English
      - 33% regularly speak both Spanish and English
      - 17% speak Spanish only
  - While Hispanics, on average, have lower median incomes and are less educated, the most acculturated Hispanics are closer to the total population in education and income

**Language Dominance among  
U.S. Hispanics**





## Demographic Trends *Implications for PPN Industry*

- **Broad range of generations with differing viewpoints are shopping in the stores**
- **Millenials are fast becoming a key demographic given large population represented and increased spending dollars**
- **Hispanic culture is impacting the world as their food crosses over into the mainstream**

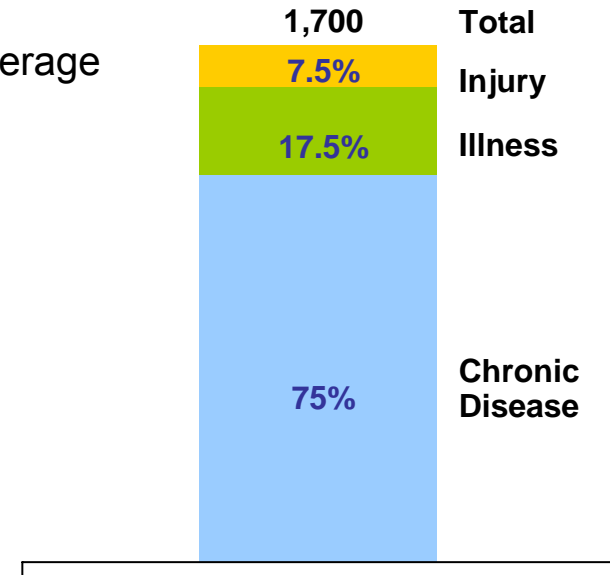


# Health Trends

- The U.S. healthcare system is largely treatment-focused, but there is a large swell of grass roots and influential entities leading a push to a prevention focus
- It is key to understand actual vs. perceived needs states of consumers, and then further understand whether or not they believe food can play a preventative role

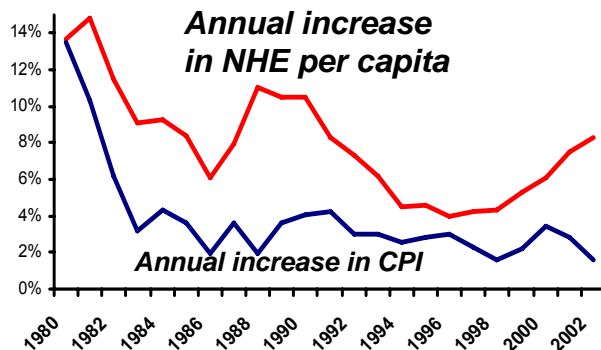
- Our staggering healthcare spending, now more than 15% of our GDP, is mostly driven by spending on chronic diseases—not accident or illness
  - Chronic disease spending immense
  - Obesity trend disturbing—and global
  - Challenging prospects for aging population
  - Context of inefficient system: far from universal coverage

**U.S. Healthcare Spending 2004**  
(\$ Billion)



Source: Kaiser Family Foundation

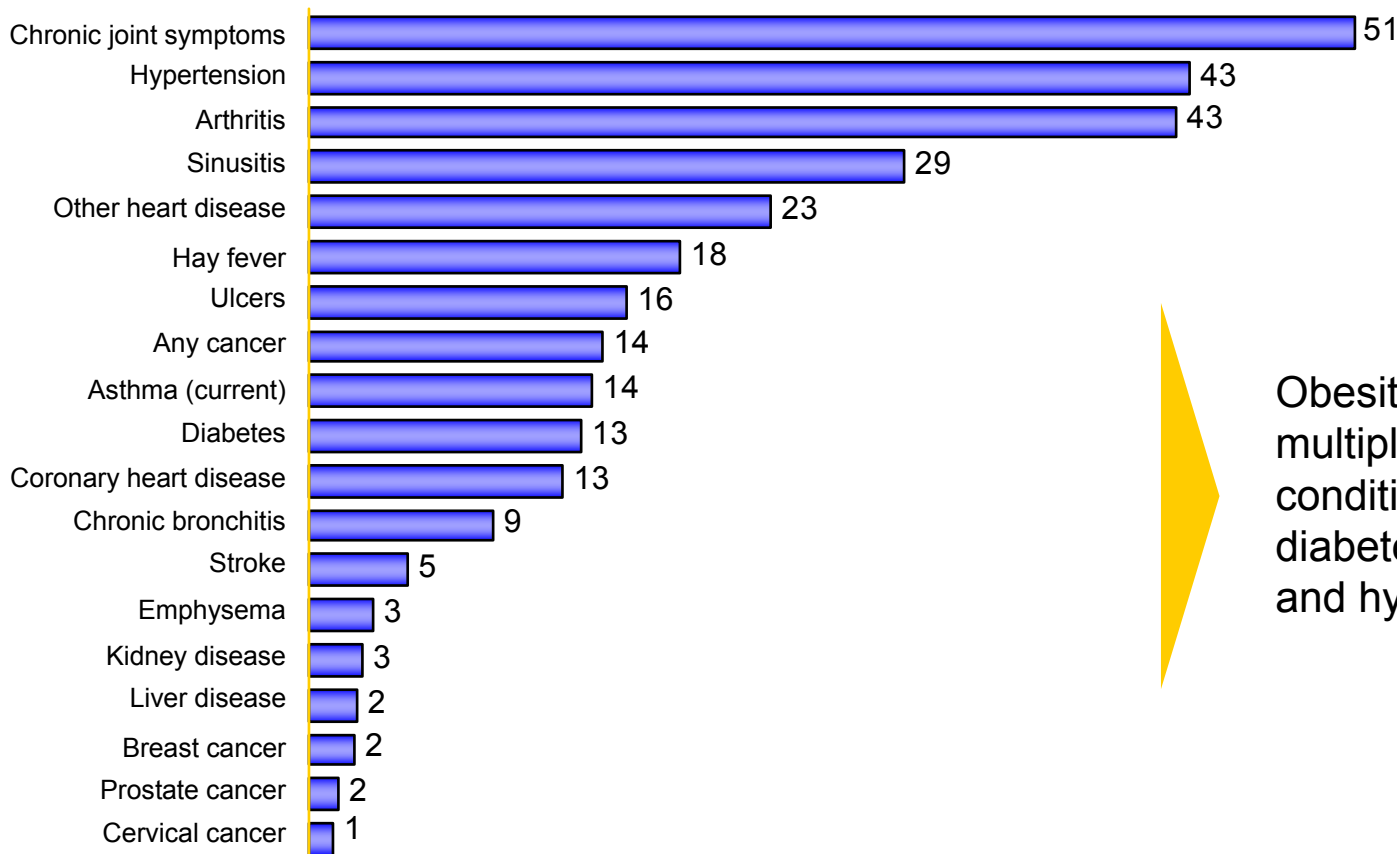
**Per Capita U.S. Health Expenditures (NHE) Growth versus CPI 1980–2002 (\$B)**



Source: Kaiser Family Foundation, April 2004, Harris Interactive

- According to CDC data, several long-term conditions affect at least 20% of the adult population

## U.S. Selected Diseases and Conditions (Millions of adults 18 years or older)



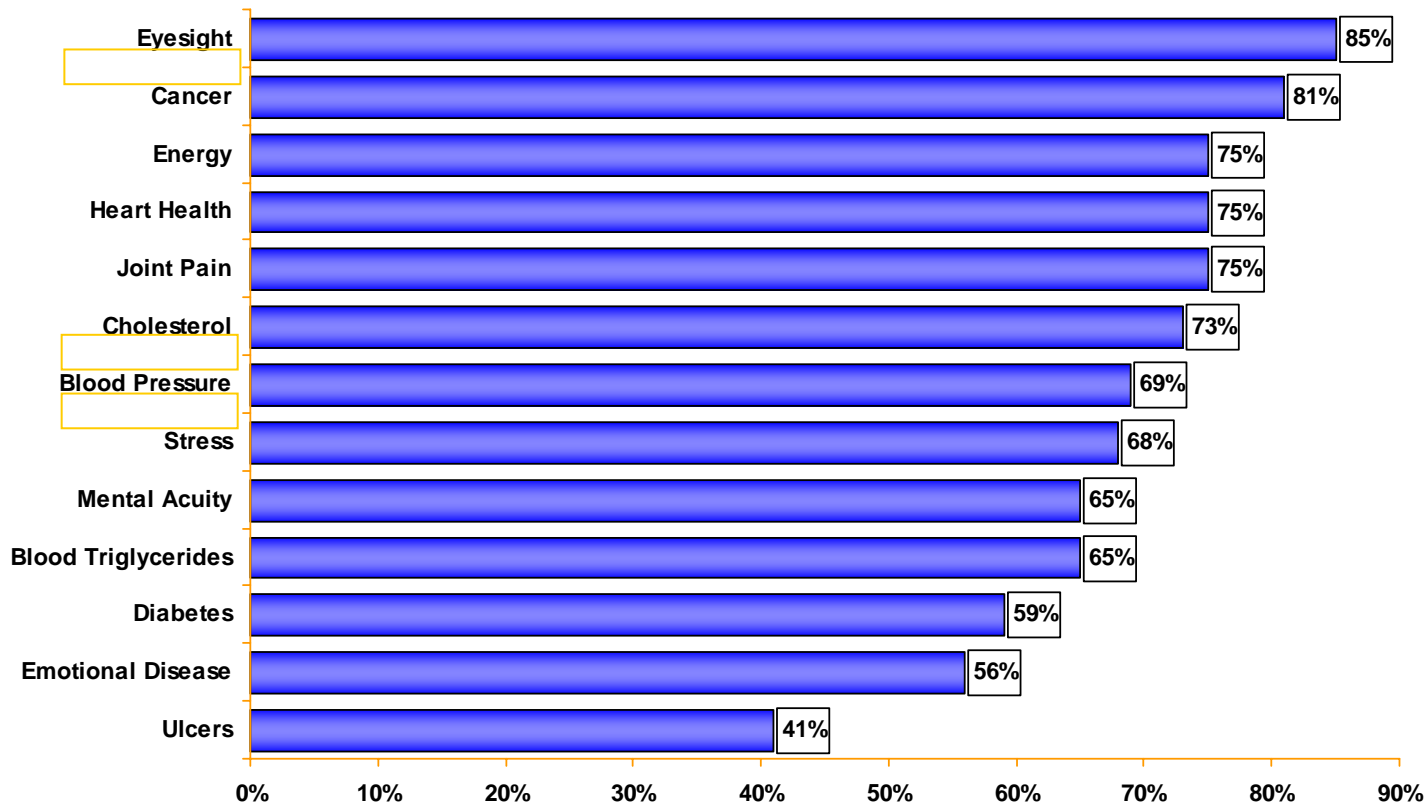
25% of adult population!



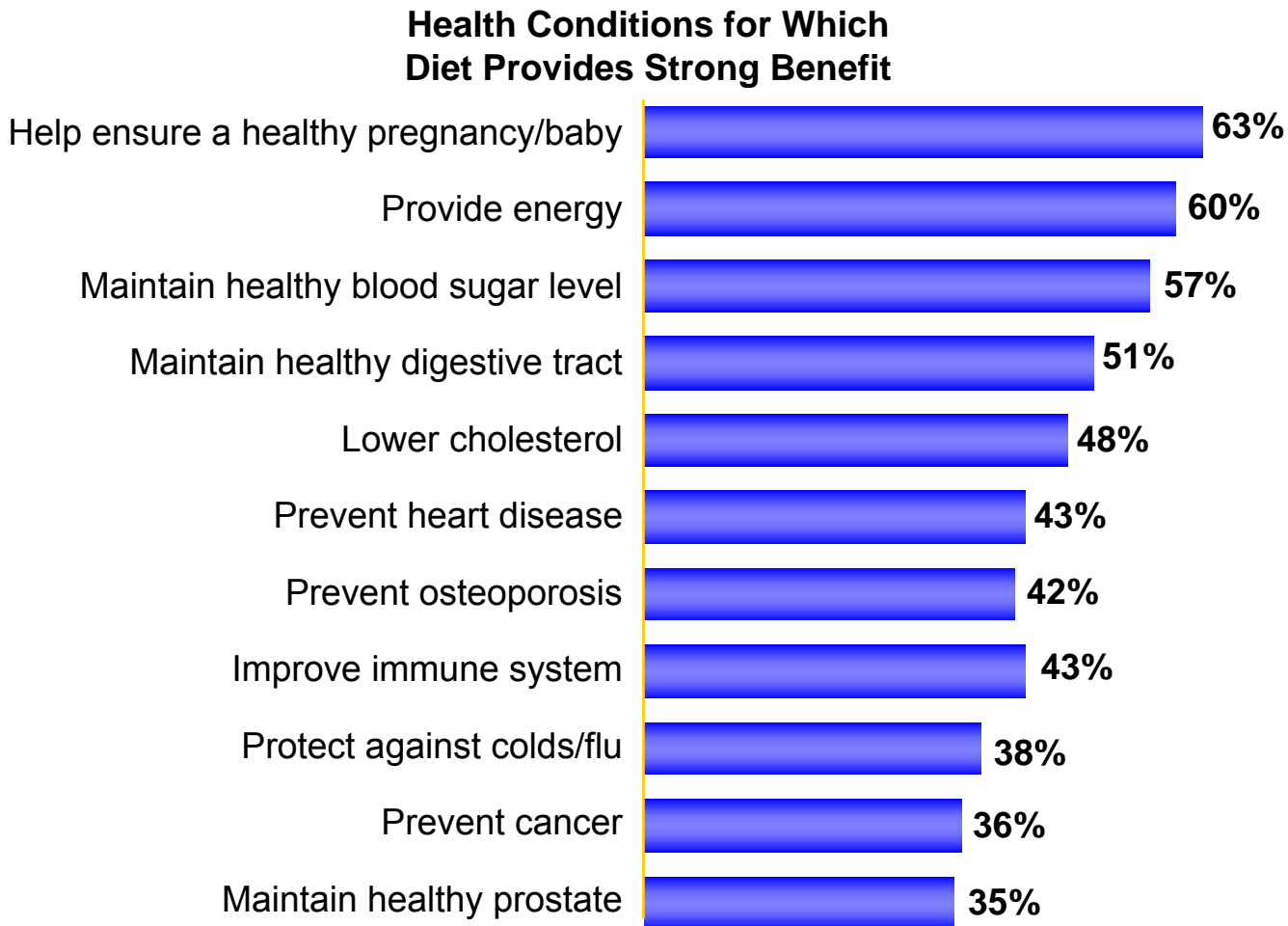
Obesity crosses multiple related conditions including diabetes, heart disease and hypertension

- What people fear is another way to rank health issues
- Consumer health concerns span short-term daily wellness issues as well as long-term health conditions

## Top Health Concerns



- ...and they believe that diet can be used to benefit both broad wellness issues and specific conditions



# Health Issues by Population

- A third way to look at diseases is their incidence by age group

## Age

Condition	Age						# of U.S. Adults Affected (217,800,000)
	18–29	30–39	40–49	50–64	65+	All	
Hypertension/High Blood Pressure	6%	10%	14%	30%	44%	23%	50,094,000 people
Depression	31%	23%	24%	22%	12%	22%	47,916,000 people
Lack of Mental Sharpness or Focus	23%	16%	21%	15%	9%	16%	34,848,000 people
Menopause	1%	4%	22%	34%	5%	15%	32,670,000 people
Osteoporosis	2%	3%	6%	17%	27%	12%	26,136,000 people
Weak/Stressed Immune System	24%	13%	11%	11%	7%	12%	26,136,000 people
Cardiovascular/Heart Disease	4%	6%	8%	14%	20%	11%	23,958,000 people
Diabetes	5%	8%	10%	14%	17%	11%	23,958,000 people
Allergies to Food	10%	14%	8%	12%	9%	11%	23,958,000 people
Frequent Colds/Flu	22%	14%	7%	7%	5%	10%	21,780,000 people
Cancer	8%	7%	7%	8%	13%	9%	19,602,000 people
Lactose Intolerance	7%	7%	8%	10%	8%	8%	17,424,000 people
Alzheimer's	1%	1%	1%	2%	2%	2%	4,356,000 people



## Health Need State Drill Downs

- Obesity is a massive and growing issue with the need for a range of nutrition-related solutions

Opportunities	Challenges
<ul style="list-style-type: none"> <li>• An epidemic that is the major cause of multiple issues—diabetes, CVD, etc.</li> <li>• Tremendous media pressure driving food and foodservice to address issue</li> <li>• While causes aren't all nutrition-based, nutrition can play a significant role</li> <li>• Opportunity to provide immediate, measurable results (weight loss)</li> </ul>	<ul style="list-style-type: none"> <li>• Need for long-term solutions (avoid weight regain associated with diet programs)</li> <li>• Complex problem requiring multifaceted solutions</li> </ul>
<h3>Promising Solutions</h3>	

- |   |   |   |
|---|---|---|
| <ul style="list-style-type: none"> <li>• Lower sugar/carbohydrate/calorie foods</li> <li>• Dietary fiber</li> <li>• Resistant starch</li> <li>• Branched chain amino acids</li> </ul> | <ul style="list-style-type: none"> <li>• Probiotics</li> <li>• Non-digestible fats</li> <li>• DHA</li> <li>• Fat blockers</li> <li>• Hydroxy citrate</li> </ul> | <ul style="list-style-type: none"> <li>• Glyco macro-peptide (GMP) (appetite suppression)</li> <li>• Ephedra-like compounds</li> <li>• Green tea</li> <li>• Hot pepper</li> </ul> |
|---|---|---|

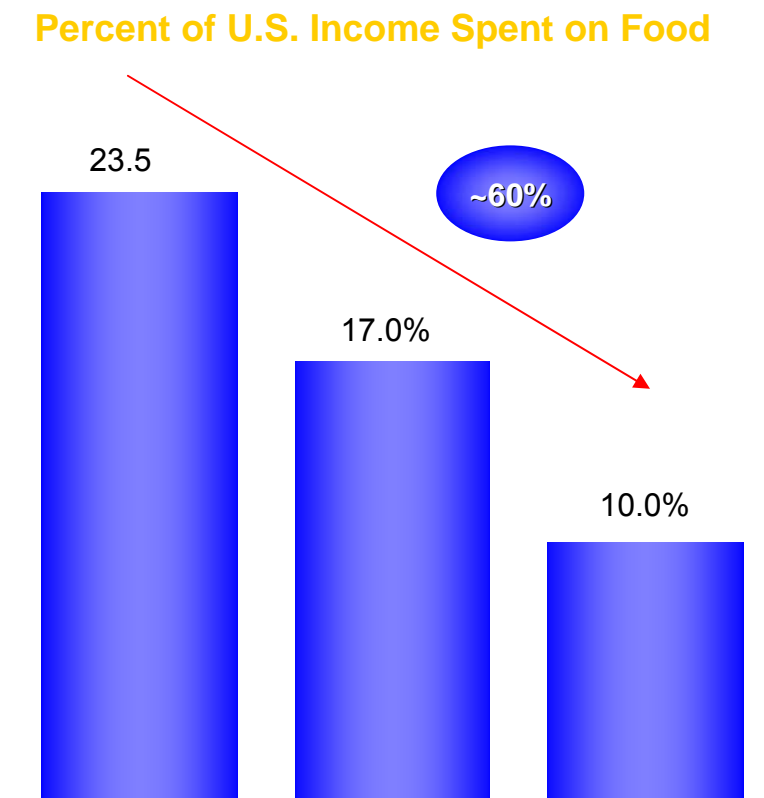
- One metric for obesity is the body mass index (BMI). While this index does not account for differences in gender or fitness, it is a commonly used marker

$$BMI = \left( \frac{\text{Weight in lbs.}}{(\text{Height in Inches}) \times (\text{Height in Inches})} \right) \times 703$$

BMI	Weight Status
<b>Below 18.5</b>	<b>Underweight</b>
<b>18.5–24.9</b>	<b>Normal</b>
<b>25–29</b>	<b>Overweight</b>
<b>30 and above</b>	<b>Obese</b>

## Factors Influencing Obesity

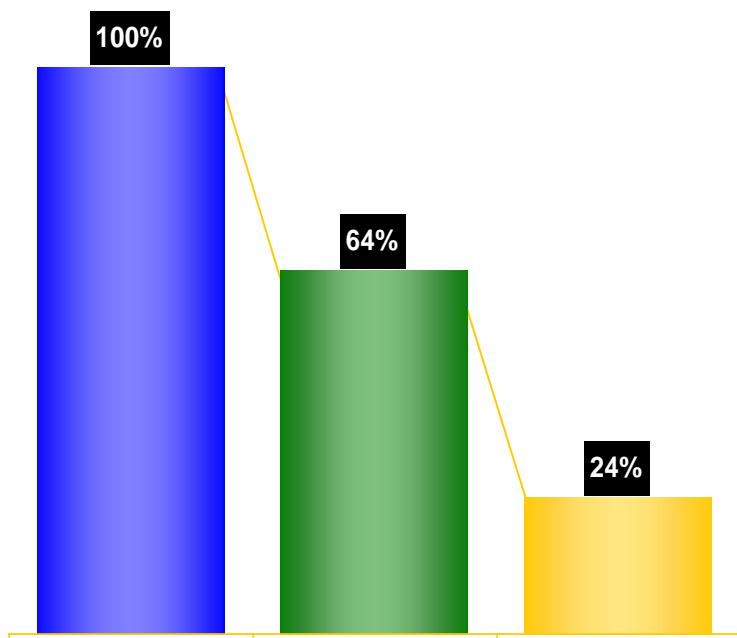
- A range of factors have converged to drive the rapid growth of obesity
  - Real cost of food has declined
  - Portion size has increased
  - Longer working hours and modern conveniences reduce physical activity
  - Fewer manufacturing-type jobs—more “knowledge” workers
    - From 25% to 13% of workforce since 1970
  - High calorie, highly processed food options
  - Convenience foods tend to be “unhealthy”



# Obesity in the U.S. Population

- Utilizing the BMI, the CDC calculates that nearly two-thirds of Americans are overweight, with one-quarter being obese

**Percent of Adult Americans, 2003**



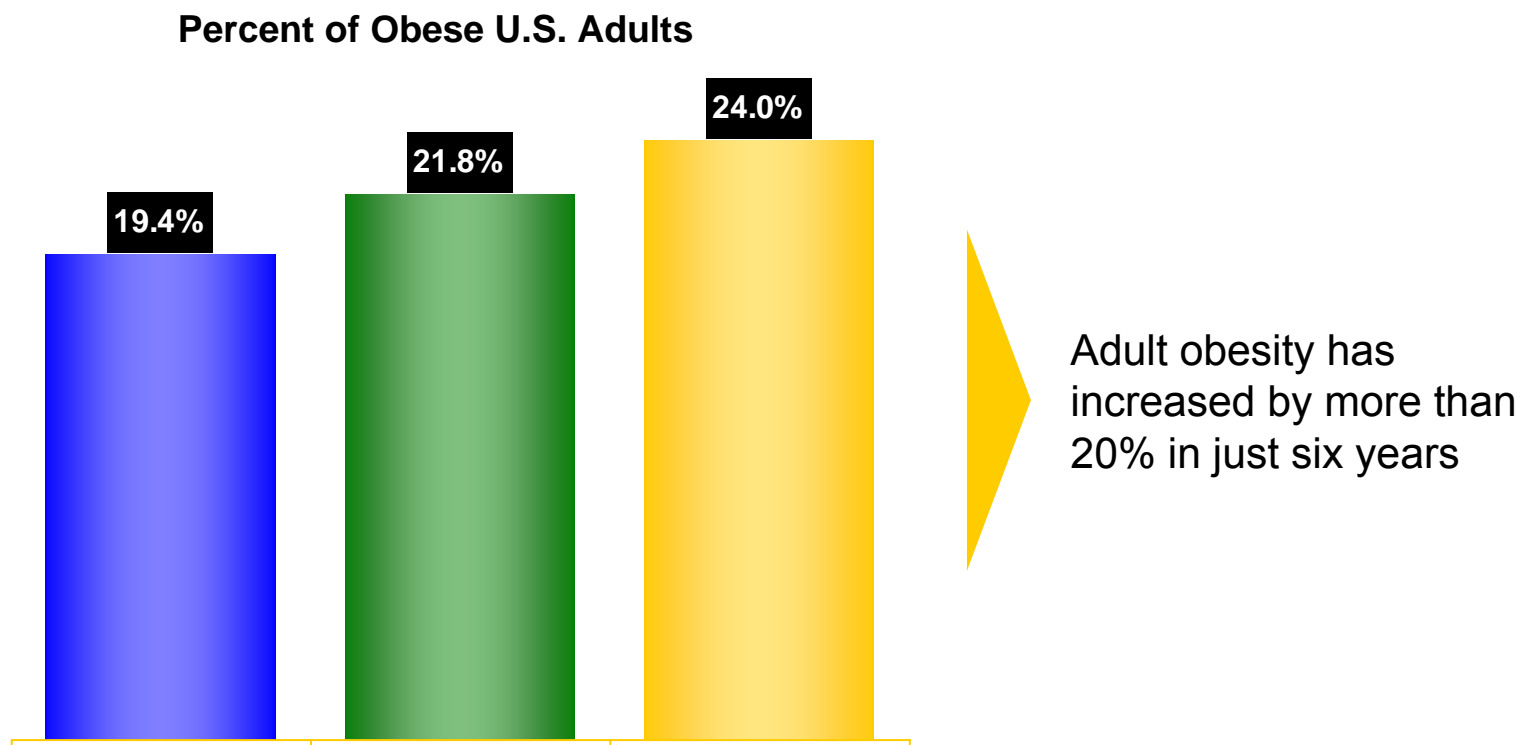
## Illnesses and health conditions associated with being overweight

- Diabetes (losing 15 pounds can reduce the risk of type 2 diabetes by almost 60%)
- Heart disease
- Stroke
- Depression
- Hypertension
- Gallbladder disease
- Osteoarthritis
- Cancer
- Asthma
- High cholesterol
- Pregnancy complications
- Others...

Source: CDC; *America's Girth Carries Hefty Price Tag*, 3/11/04, HealthDay; *Surgeon General Warns of Obesity Epidemic*, 2/1/02, Fitness Business Pro; *Cost of Treatment for Obesity-Related Medical Problems Growing Dramatically*, 3/9/04, RAND

## Adult Obesity Trends

- The incidence of obesity in the U.S. adult population has grown dramatically in recent years

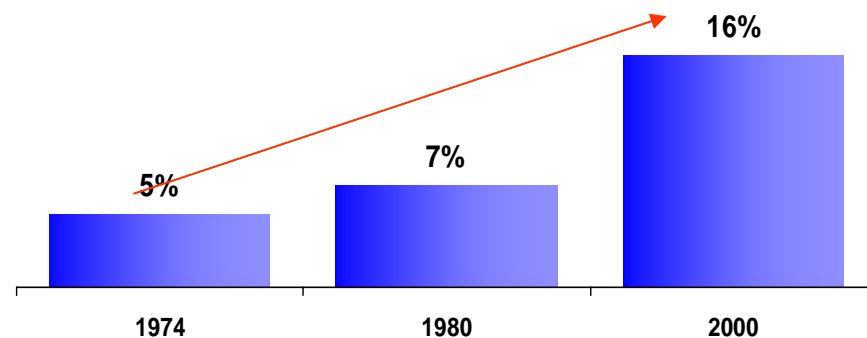


Source: CDC, AHH

- The rate of increase in childhood obesity is much higher than that of adults
  - While lower in absolute numbers than adult obesity, childhood obesity is growing at a faster rate
  - Childhood obesity implies higher long-term costs and greater long-term comorbidity
  - U.S. childhood obesity has grown 45% in ten years, with type 2 diabetes sharply up
  - Higher caloric intake plus reduced physical activity are primary culprits
  - HHS granted \$36 million in 2004 as part of a social experiment to fight obesity and related diseases
    - Goal: “Build a healthier nation by motivating Americans to eat nutritious foods and be physically active”

**U.S. Childhood Obesity  
(Percent of 6–19-year-old population)**

**U.S. childhood obesity has grown three-fold in fewer than 30 years with the rate of increase accelerating**



- Similarly, cardiovascular disease (CVD) is a significant issue with an opportunity to drive measurable results (consumers are able to track in the short term)

Opportunities	Challenges
<ul style="list-style-type: none"> <li>• 50% of all people die from some form of CVD</li> <li>• Growing public health issue for lower socioeconomic groups</li> <li>• Easy to impact cholesterol and blood pressure quickly and measurably</li> </ul>	<ul style="list-style-type: none"> <li>• Behavioral (diet and exercise) change is required</li> <li>• Difficult to compel change with painless/invisible disorder</li> <li>• Difficult to get fiber/plant sterols in diet</li> <li>• Strong pharma solutions (sterols) make it much easier for a doctor to write a prescription</li> </ul>

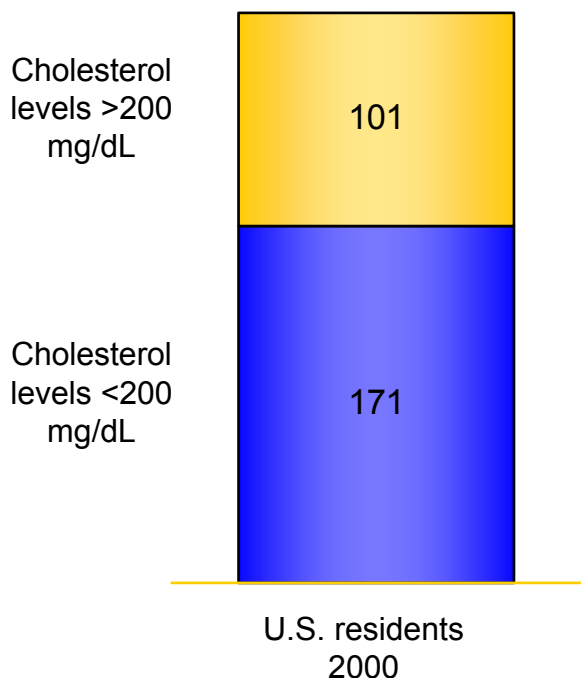
### Promising Solutions

- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Reduce sat/trans fat</li> <li>• Dietary fibers</li> <li>• Dietary fiber</li> <li>• Plant sterols and stanols</li> <li>• Soy</li> </ul> | <ul style="list-style-type: none"> <li>• Arginine/lysine ratio</li> <li>• Fish oils/omega-3 fatty acids</li> <li>• Potassium</li> <li>• ACE inhibitors</li> </ul> | <ul style="list-style-type: none"> <li>• Oat beta glucans</li> <li>• Antioxidants?</li> <li>• Decrease homocysteine (emerging)               <ul style="list-style-type: none"> <li>• Folic acid</li> <li>• Vitamin B<sub>6</sub>, B<sub>12</sub></li> </ul> </li> </ul> |
|---|---|--|

# Prevalence of Heart Disease in U.S.

- Heart disease is the leading cause of death in the U.S., and high cholesterol is one of the leading factors contributing to heart disease

**U.S. Prevalence of High Cholesterol  
(100% = 272 million people)**



- Approximately one in three U.S. residents has high cholesterol
- Cholesterol-related healthcare costs were more than \$286.5 billion in 1999
- Men in the U.S. face a 42% chance of developing heart disease
- Risk of cardiovascular disease among postmenopausal women exceeds that of men. A quarter of a million women over age 60 die of heart attacks every year—six times the toll from breast cancer
- High cholesterol stands out as one of the top culprits of heart disease (along with family history, diabetes, high blood pressure, smoking, obesity and physical inactivity)
- The majority of heart attacks occur in people whose total blood cholesterol levels are between 180 and 240 and who have at least one other risk factor

# Metabolic Syndrome

- Driven by obesity, metabolic syndrome is the subject of increasing focus with the need for many of the same solutions
  - Patients with metabolic syndrome have 3 or more of the following conditions: elevated blood pressure (>130/85), high triglycerides (>150), low HDL cholesterol (<40 for men, <50 for women), increased weight size (>40 for men, >35 for women and elevated glucose (>110)

## Opportunities

- Affects 27% of adults ages 20–74
- Increases with age—affects half of 60+ population
- Predictor of type 2 diabetes and CVD
- Growing expert/media/food company discussion around glycemic index/load
- Opportunity to provide immediate, measurable results (weight loss)
- Recognizes that consumers are addressing multiple needs

## Challenges

- Requires behavioral change—exercise, eating different foods
- Palatability, side effects of fiber and other solutions
- Complex problem requiring multifaceted solutions

## Promising Solutions

- Same as obesity and cardiovascular disease solutions
- Particular focus on slow-release carbohydrates/sugars

- Aging Boomers have a significant and immediate need to address bone and joint health issues

## Opportunities

- Growing issue due to aging population
- Immediate/Severe need for those in pain
- Joint health solutions show immediate results
- Opportunity for patent mixtures

## Challenges

- Pain relief for joint health is immediate and measurable, but a cure is not
  - Less immediate/measurable results for bone issues (may soon be possible at doctor's office)
- Difficult to get solutions into certain foods
- May be crowded market as solutions fairly well-established

## Promising Solutions

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"> <li>• Bone growth/osteoporosis           <ul style="list-style-type: none"> <li>• Calcium</li> <li>• Vitamin D (reco up 50–100%)</li> <li>• Potassium</li> <li>• Lactoferrin (patents)</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Bone growth/osteoporosis (secondary)           <ul style="list-style-type: none"> <li>• Magnesium</li> <li>• Fluoride</li> <li>• Vitamin K</li> <li>• Strontium</li> <li>• Boron</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Joint health           <ul style="list-style-type: none"> <li>• Glucosamine</li> <li>• Chondroitin</li> <li>• SAME</li> </ul> </li> </ul> |
|--|--|--|

- Cancer prevention, while a critical need, is tightly scrutinized regarding health claims

Opportunities	Challenges
<ul style="list-style-type: none"> <li>• Growing issue given the aging of the population</li> <li>• Opportunity to address accepted biomarkers (e.g., prostate-specific antigen – PSA)</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term investment in science required (15+ years)</li> <li>• Tighter regulatory scrutiny around claims</li> <li>• No immediate consumer benefit to measure</li> </ul>
<b>Promising Solutions</b>	
<ul style="list-style-type: none"> <li>• Vegetables/Antioxidants</li> <li>• Whole grains</li> <li>• Dietary fiber</li> <li>• Resistant starch</li> <li>• Conjugated linoleic acid (9, 11 Isomer)</li> </ul>	<ul style="list-style-type: none"> <li>• Selenium</li> <li>• Phytochemicals—numerous               <ul style="list-style-type: none"> <li>• Lycopene</li> <li>• Indole-3 carbinol</li> <li>• Phytic acid</li> </ul> </li> </ul>

- Cognitive function is an important, multidimensional issue, with solutions that overlap with other important need states

## Opportunities

- Three dimensions to issue
  - Optimization – memory, problem-solving, (alleviating mild cognitive dysfunction—one of first signs of aging)
  - Disorders – Alzheimer’s, Parkinson’s
  - Infant/Child development
- Affects a range of populations
- Highly emotional issue
- Emerging relationship between cognitive function and metabolic syndrome

## Challenges

- High costs of long-term studies
- Lack of understanding around causality of disorders
- Nutrition-science connections not well explored, especially for optimization
- ILSI Europe exploring—may be other companies ready to pursue this area

## Promising Solutions

### Mood

- Omega-3
- Folate
- Vitamin B<sub>1</sub>
- SAME

### Cognitive optimization

- Target free radicals
  - Antioxidants
  - Omega-3
- Decrease homocysteine
  - Folic acid
  - Vitamin B<sub>6</sub>, B<sub>12</sub>

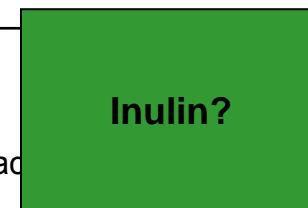
### Cognitive optimization (continued)

- Increase acetylcholine
  - Fast and slow release carbs
  - Phospholipids—choline and serine (?)
  - CoQ10
- Nutrient blends to address all three biological mechanisms

- While digestive disorders are complex and difficult to solve, digestion may be a promising area of the future in the U.S.

Opportunities	Challenges
<ul style="list-style-type: none"> <li>Represents a range of issues               <ul style="list-style-type: none"> <li>Regularity/Constipation</li> <li>Irritable bowel syndrome</li> <li>Inflammatory bowel disease</li> <li>Colon health</li> </ul> </li> <li>Widespread issue (IBS incidence up to 50–60% of population)</li> </ul>	<ul style="list-style-type: none"> <li>Difficult to diagnose or pinpoint cause for disorders like IBS               <ul style="list-style-type: none"> <li>Range of offending foods</li> <li>Diagnosis by exclusion</li> </ul> </li> <li>Symptoms and treatments vary by individual</li> <li>Difficulty/Side effects of high-fiber diet</li> </ul>

### Promising Solutions



- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>Dietary fiber           <ul style="list-style-type: none"> <li>High viscosity, low-molecular weight fiber</li> <li>Resistant starches</li> </ul> </li> <li>Probiotics           <ul style="list-style-type: none"> <li>Specific lactobacillus/bifudis species (LC1, L. CASEI, GG, etc.)</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Prebiotics           <ul style="list-style-type: none"> <li>Inulin</li> <li>Fructo-oligosac</li> <li>Fructans</li> <li>Some resistant starches</li> </ul> </li> <li>Finely pulverized, digestible cellulose, bran or cotton fibers</li> </ul> |
|---|--|

- Energy/Vitality is a widespread need, but the scientific support for solutions is not extensive

Opportunities	Challenges
<ul style="list-style-type: none"> <li>• A top patient complaint is low physical and mental energy</li> <li>• Immediate results possible from effective solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of measurable, science-based solutions</li> <li>• Difficult to measure how people feel</li> <li>• Trying to solve a multifaceted problem with one-dimensional and quick solutions</li> </ul>

### Promising Solutions

- 
- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Protein sources – whey, soy, etc.</li> <li>• Medium-chain triglycerides</li> <li>• Branched amino acids (especially leucine)</li> <li>• Slow-release carbohydrates</li> </ul> | <ul style="list-style-type: none"> <li>• Royal jelly</li> <li>• Green tea – catechins</li> </ul> |
|--|--|

- Consumer perceptions regarding nutrient deficiencies differ somewhat from actual needs

## Perceived Nutrient Deficiencies (% Adults)

**Antioxidants – 34%**  
**Calcium – 24%**  
**B vitamins 21%**  
**Vitamin C – 20%**  
**Omega-3 fatty acids – 10%**

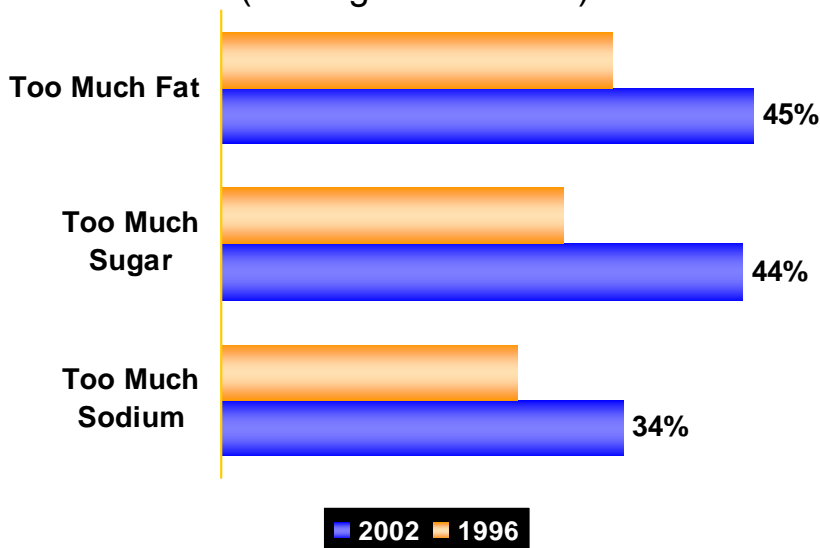
## Actual Nutrient Deficiencies

Adults	Children
Vitamin A	Vitamin E
Vitamin C	Folate
Vitamin E	Calcium
Folate	Potassium
Calcium	Fiber
Magnesium	
Zinc	
Potassium	
Fiber	

- Consumers are focused on avoiding unhealthy ingredients in food in addition to adding positive nutrition to foods
  - 80% purchase to avoid undesirable ingredients
  - 76% choose fortified foods

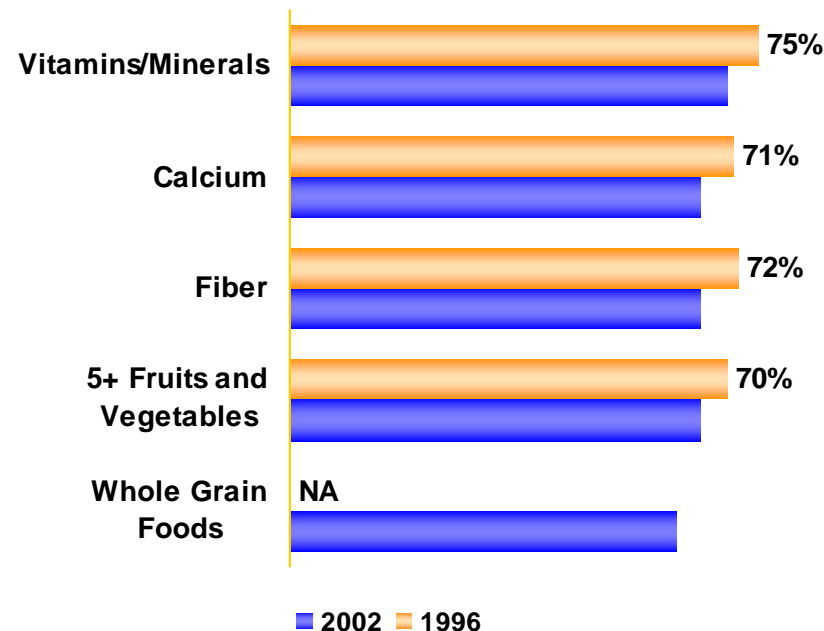
## Absence of Negatives

### Complaints Regarding Dietary Intake (Among Total Adults)\*



## Presence of Positives

### Making Strong/Some Efforts to Consume



Source: 2002 Gallup Study of Nutrient Knowledge  
2003 Health Focus, 2003 Gallup Food and Beverage Emerging Trends

# Consumer Nutrition Influencers

- Nutrition information is becoming available to consumers from an increasingly wider variety of sources
  - Consumers now more likely to get information from media than from health professionals

<b>Respondents' Most Likely Source of Information about Functional Food and Beverages, August 2003</b>	
<b>Base: 1,001 Adults Age 18+</b>	<b>ALL</b>
	<b>%</b>
Press/Media	37
Internet	27
Advertising	18
Product packaging/In-store display	15
Health care professional	10
Family/Friends	9
Pharmacist	4
Alternative healthcare professional	2
Manufacturer's website	2
Other source	9
Not sure	7



WebMD<sup>SM</sup>



## Health Trends

*Implications for PPN  
Industry*

- **Growing need and higher awareness for diets that help mitigate or prevent health-related issues**
- **While historically in the U.S. there has been a focus on treatment, there is a growing focus on prevention (fruit can play a role here)**
- **Because of the cost of healthcare in America there are more influential parties trying to have an impact (corporations, insurance companies, educators, state governments)**
- **Consumers are concerned about a range of short-term/daily health issues (energy, stress) as well as long-term health issues (cancer, heart health)**
- **Many health issues are linked (obesity, hypertension, joint pain etc.)—foods that meet a health need are increasingly in high demand**
- **Consumers are more knowledgeable about family health history and more knowledgeable about specific dietary risks**
- **Presenting a message to a variety of health/nutrition influencers is increasingly important as consumers not relying on just one source like their yearly physical**

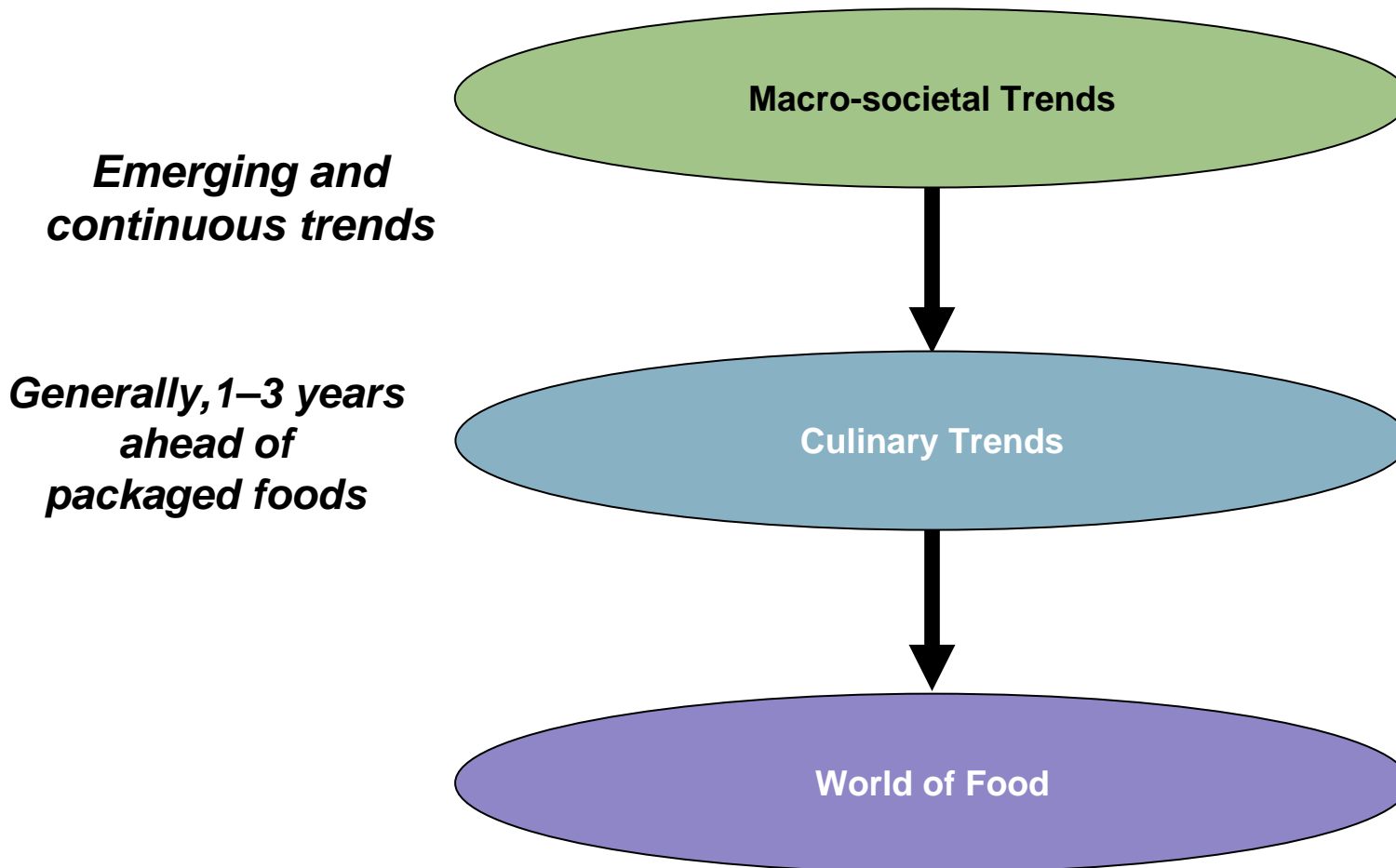


# Culinary Trends

## Culinary Trends 2005

- Culinary trends provide a sense for the shifts in the taste and health that influence what we choose to eat.
- *SRG Culinary Trends 2005* was developed utilizing numerous sources of trends and insights:
  - SRG Futures
    - An “outside-in” view of change forces that frame a macro-view of possible Future Scenarios, opportunities and threats
  - SRG LifeDrivers™
    - A values-based framework that captures consumers’ deepest underlying emotions, based on the belief that consumer decision-making, buying behavior, and ultimately brand loyalty is primarily driven by unconscious thoughts and feelings tied to fundamental values, or LifeDrivers
  - Publications
    - A diverse collection of over 40 culinary and current-events publications (complete list in Appendix)
  - Select Culinary Expert Interviews
    - Jessica Harris, culinary historian, cookbook author
    - Mark Miller, cultural anthropologist, cookbook author, owner of Red Sage, Coyote Café, and Wildfire restaurants
    - Mary Sue Milliken, co-owner of Border Grill Restaurants, co-host of Two Hot Tamales on the Food Network

- The culinary world, especially independent restaurants, tend to be the leaders of overall food trends, and like all trends, driven by macro-societal trends





## Proactive Wellness

- Seeking to take care of health proactively
- *Culinary Manifestations:*
  - Healthy choices EVERYWHERE
  - Redefining portion size
  - Don't tell them it's vegetarian



## Get Real

- Craving experiences that ring true
- *Culinary Manifestations:*
  - Leveraging origin
  - Stripped down and natural
  - Seeking seamless experiences



## Bursts of Enjoyment

- Increased desire, appetite, and aptitude for sensory stimulation
- *Culinary Manifestations:*
  - Intense experience absorption
  - Inspired presentation
  - Pump up the flavor
  - Multi-textural
  - Interactivity



## Contemporary Comforts

- Creating comfort zones in increasingly chaotic times
- *Culinary Manifestations:*
  - The new homemade
  - Comfort away from home (the third-place)
  - Connecting to simpler times
  - Retro contemporary



## Cultural Mosaic

- True ethnic experiences increasingly woven into the everyday
- *Culinary Manifestations:*
  - Regionalization of ethnic cuisines
  - Street foods
  - Ethnic chains fastest growing
  - Popular ethnic drinks



## Lifestyle Connection

- Affinity groups increasingly seek experiences driven by common passion
- *Culinary Manifestations:*
  - New ways to gather
  - Blending dining and interests together
  - Cooking as a connection



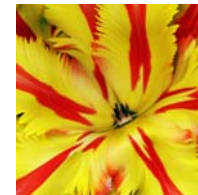
## Here and Now

- People increasingly seek seamless experiences that allow them to be flexible and spontaneous
- *Culinary Manifestations:*
  - Nimble taste experiences
  - Anytime, anywhere, any place



## Accessible Luxury

- Seeking upscale, premium experiences every day
- *Culinary Manifestations:*
  - Fine dining accessibility
  - Go upscale everywhere
  - High-end desires



## Personalized Everything

- Increased desire for choices customized to unique needs
- *Culinary Manifestations:*
  - Taste choices
  - Health choices
  - Time choices

***Societal Driver:***

**Force(s) that impacts consumer values and needs**

***Societal Manifestations:***

**Current and growing evidence of the impacts of the macro trend on behaviors, attitudes and values of consumers**

***LifeDrivers™***

Enduring consumer values linked to macro trends  
that guide actions and judgments

***Culinary Manifestations:***

**Current and growing food service evidence of the macro trend**

**Societal Driver:** Recognition of need to take personal responsibility for own health, driven by a large Boomer population and uncertainty surrounding the managed healthcare situation

**Societal Manifestations:**

- Integrating more wellness products and services into daily lifestyles
  - Supplements and vitamins (need-state-specific supplements at GNC)
  - East meets West practices (chiropractic and acupuncture)
  - Exercise linked to health, not just appearance (Pilates, Curves, etc.)
- The push for prevention
  - Kaiser Permanente Health Insurance is moving toward a prevention model, with member incentives based on taking preventative health measures



**Culinary Manifestations:**

**Healthy Choices EVERYWHERE**

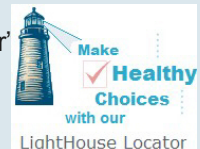
- Pushing beyond heart health — growth of claims on menus (approx 80% more in Q4 2004 than Q2 2004) — low carb (42% total claims); vegetarian/meatless (27%); Light (13%); low fat (9%); gluten-free (9%) (Mintel)
- Many establishments using healthy choice guides, pointers and separate menu sections, i.e., Red Lobster — “Lighthouse Locator”
- Fast food going lean—McDonald’s salad options and apple dippers, Wendy’s fresh fruit bowls, Subway’s “7 under 6” (6 grams of fat)
- Rise of whole grains on menus—PF Changs offers white or brown rice, Noodles and Co. offers whole-wheat pasta

▪ **Redefining Portion Size**

- Consumers requesting half portions, menus; such as Lulu’s, offering variety of portion sizes: small, medium, and large
- New, small portions option at Noodles and Co.

▪ **Don’t Tell Them It’s Vegetarian**

- Meatless options becoming more prevalent. Recognition of the growing number of flexitarians
- 57% of the population claim to “sometimes, often, or always order a vegetarian item” from restaurant menus
- *“People want to eat healthier, but don’t want to eat designated diet food.”* — Mark Miller



# Get Real: Craving experiences that ring true.

**Societal Driver:** Individuals seek experiences that provide transparency and meaning, as a result of a growing lack of trust in traditional authority figures (government, big business, etc.)

**Societal Manifestations:**

- Anti-big
  - Shift to brands in line with values—marketers finding ways to think, act and look smaller
- Seeking the whole story
  - “The making of...” phenomena
  - Growth of eco-tourism
- Support of all things local
  - Companies like Coke, leveraging local, authentic connections in marketing
  - Farmers market proliferation
  - Home delivery of milk, organic produce



**Culinary Manifestations:**

- **Leveraging Origin**
  - Supporting and citing local produce on menus (Tartare — San Francisco, Fornino — New York)
  - “Place of origin” of proteins on menus (Angus Beef — Burger King; Nieman Ranch Pork — Chipotle)
  - DOP — designation of European food products, guaranteed to be authentic, certified
  - Olive Garden highlights Riserva di Fizzario — culinary school and restaurant in Chianti, Italy
  - *“Some day not too far off in the future there will be bar codes on food. Your cell phone will be able to scan anything and instantaneously give you information about the product such as how it was raised, what it was fed/grown on, etc.”* — Mary Sue Miliken
- **Stripped Down and Natural**
  - Organic meats appearing on menus (organic chicken — The Rattlesnake Club)
  - Heirloom produce on five-star restaurant menus (Heirloom Tomato Coulis — Spago)
  - ‘Heirloom Cattle’ – food lovers developing a taste for “heritage” breeds of animals, such as Red Wattle (pigs)
  - Cooking method drives flavor rather than complex ingredient list, i.e., grilling
- **Seeking Transparent Experiences:**
  - Prevalence of open kitchens to create a holistic experience between preparation and dining (Rotisserie Grill, Noodles & Co., Pei Wei)



**Societal Driver:** Initiated by ever-accelerating technology and time compression

**Societal Manifestations:**

- Experiences that are quick and intense
  - Growth of Las Vegas visits
  - Speed dating
  - Cultural immersion trips = quick escapes to learn about a culture
- Rise of weekend warrior, high-intensity activities
  - Fusing traditional exercise regimens with mind-body activities – hot yoga and Pilates
  - Rise in outdoor adventure activities
- Creating experiences beyond product itself... Nike store, Apple store, Ethel's Chocolate Lounges (Mars)



**Culinary Manifestations:**



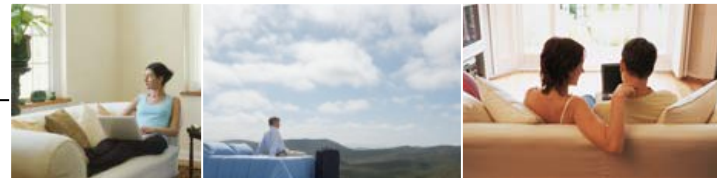
- **Intense Experience Absorption**
  - Pei Wei delivers against sight, sound and smell as soon as you walk through the door
- **Inspired Presentation**
  - Fries or bread served in parchment cones
  - Paper pouches — Fish en Papillote (fish in parchment, Red Lobster), hot sandwiches and desserts
- **Pump Up the Flavor**
  - Greater diversity and complexity of heat/spice
  - Aged vinegars, intense reductions
  - Unexpected combinations — Japanese sesame tuna with French wine sauce
- **Multi-textural**
  - Crusts of all kinds — cashew-crusting grouper and spare ribs in crispened sesame seed coating
  - PF Changs Lettuce Wraps
- **Interactivity**
  - Mongolian BBQ (food selection) and Cosi Coffee (make your own S'mores)
  - Deconstructed desserts, Black Forest Gateau in component form
  - *"If you consider the sociology of the sushi bar...the hugely increased popularity lies in ordering as you wish...the experience is nonlinear, non-repetitive, super experiential (chopsticks) and super tactile."* — Mark Miller



**Societal Driver:** Due to time stress and the complexity of ever-increasing globalization, people are seeking experiences that provide a sense of comfort and security

**Societal Manifestations:**

- Socialized Cocooning
  - Growth of wine-and-dine clubs, people who prepare a meal together and dine together
  - Increased spending on kitchen remodeling and kitchen appliances to support increased entertaining in the kitchen
- Return to origins
  - Rise in patriotism—81% of Americans believe patriotism is in (Roper, 2005)
  - Growth of agri-tourism—getting back to roots, food and land
  - Growth of food “safe havens”...natural food stores and natural/organic foods



**Culinary Manifestations:**



- **The New Homemade**
  - Growth of dinner preparation centers i.e., Supper Solutions, Dream Dinners
  - **Comfort Away from Home (The 3rd Place)**
  - Growth of Barnes and Noble in-store cafés, Panera restaurants, Coca-Cola’s Red Lounges in Malls, McCafe’s
- **Connecting to Simpler Times**
  - Roadside diner fare making a comeback, i.e., grilled cheese sandwiches and macaroni cheese
  - Back to our roots...turnips, beets, carrots and rutabagas
  - “Original” flavors like vanilla and maple
  - *USA Today’s* Jerry Shriver — ongoing feature “The State of Down-Home”
  - *“Restaurants are developing homier decors and people are now spending much more time lingering both during and after a meal...indeed in the face of terrorism and innumerable increasingly global threats, there is greater public uncertainty and people are living more for the moment.”* — Jessica Harris
- **Retro Contemporary**
  - Traditional tastes in new forms...dessert pizzas, desserts in glasses
  - Coleslaws making a comeback, new retro desserts...S’mmoralist, Warm Jasmine Rice Pudding
  - Resurgence of fountain classics such as cherry vanilla, cream soda, cherry cola and root beer

**Societal Driver:** Mainstream America is increasingly influenced by new cultures and cultural fusions as minorities become the new majority in the U.S.

**Societal Manifestations:**

- Millennials multicultural and color blind (100 million, 82–02)
  - Urban youth redefine mainstream music, fashion and art
- Increasing success of cross-cultural brands and icons
  - Sean John, athletes like Yao Ming, musicians such as Eminem, and publications like *Trace*
- Ethnic imports and launches Sabritas, Gatorade Extremo, Fanta soda



**Culinary Manifestations:**

- **Regionalization of Ethnic Cuisines**
  - Asian regions...Singapore, Korean, Thai, Vietnamese Pho
  - Latin cuisine...Brazilian BBQ, Chilean, Peruvian, Argentinean, Mexican regions
  - *“As we go global, we are learning to be more specific about what we mean...Is it Indian cuisine or is it Southeast Indian? Is it Chinese? No, it’s Szechwan or Cantonese”* — Jessica Harris
- **Global Street Foods**
  - Mexican tortas, paninis, Asian dumplings (Wow Bao restaurant)
  - Rubio’s in San Diego has introduced an entire “Street Food” section to their menu including inexpensive, portable items such as carnitas, asada and smaller grilled sandwiches
  - *“(Street Food) is on the rise, but isn’t necessarily about eating on the street...instead people are making street food restaurant food, like restaurants in NYC that are entirely centered on offering the street foods of India”* — Jessica Harris
- **Ethnic Chains Fastest Growing**
  - Fastest growing casual chains: Pollo Tropical, P.F. Changs, Pei Wei, Chipotle and Panda Express
- **Popular Ethnic Drinks**
  - Horchata, Mexican sodas, sake, tea



**Societal Driver:**

- Affinity groups increasingly gather based on common values and passions as a result of fragmenting traditional family structures
  - Increase in 1-2 person households

**Societal Manifestations:**

- Emergence of lifestyle centers, stores and boutiques
  - Curves gym, a place for women of similar age to feel comfortable exercising, is the fastest growing retail concept
  - Lifestyle centers offering experiences for those with similar interest (grown 45% since 2000)
  - Malls increasingly segmented by area of interest
- Lifestyle web sites, blogs and chats
  - 50,000+ health sites, 230,000+ entertainment sites, 48,000+ hobby sites



**Culinary Manifestations:**

- New Ways to Gather**
  - Growth in communal dining experiences (Avec – Chicago, Blue Door – Miami and fast casual restaurant chains)
  - Dining clubs for singles and business travelers (Dinner at 8 and the Singles Gourmet Club)
  - *“There is a personalization and space in lounges that happens nowhere else, you can’t program it, you can’t delineate what is going to happen...no aisles in the Austin Whole Foods, they are building controlled randomness...”* — Mark Miller
- Blending Dining and Interests Together**
  - Emergence of lifestyle stores and boutiques where food is represented
  - Media Bistro, LA a place for adult electronic gamers to get out of the house and eat
  - Growth of third-place locations such as Barnes and Noble in-store cafes, Panera restaurants, Coca-Cola’s Red Lounges in Malls, McCafe’s
- Cooking as a Connection**
  - Gourmet food stores and even manufacturers (i.e. Calphalon) offering cooking classes
  - Cooking Light “Supper Clubs”
  - The Global “Slow Food” movement, which now boasts 83,000 members in over 100 countries



**Societal Driver:**

Instantaneous communication has enabled a society where just-in-time choices and decisions are starting to become the rule rather than the exception

**Societal Manifestations:**

- Proliferation of technology (wireless, IM, SMS) creating 24/7 expectations
- Meeting a need when and where it occurs
  - Growing acceptance of non-food channels as outlets for food
  - More food available in drug, mass and convenience store, as well as bike shops, book stores, transportation hubs, etc.
- Just-in-time commitment to food, entertainment and service choices
  - Growth of lifestyle centers giving people more experiences within a snippet of time



**Culinary Manifestations:**



- **Nimble Taste Experiences**
  - **Smaller, more flexible menu options**
  - Small plates are big — tapas, antipasta and appetizers enable movement between flavors and experiences
  - Amuse courses, flights of wine, dollar desserts (bite-sized)
  - “...every time you go to a sushi bar, you have a new experience...you can order six pieces of sushi and each member of a party can do what they want with each.” — Mark Miller
- **Anytime, Anywhere, Any Place**
  - When: traditionally lunch/dinner restaurants offering “snacksize” options - McDonald’s Dollar Menu, KFC Snacker
    - Breakfast items booming after 9 a.m. – Subway, Papa Johns, Cheesecake Factory
  - Where: growth of neighborhood locations by small and large chains (Starbucks, etc.)
  - How: fast-casuals define low-commitment dining that is still an experience
    - Growth of the juice and smoothie market
    - Casual-dining takeout now 20% of meals served



**Societal Driver:** Individuals assessing value of experiences and products more by the emotional meaning it brings rather than the functional attributes

**Societal Manifestations:**

- The rise of “cheap chic”
  - Target partnering with designers like Isaac Mizrahi to cater to everyday premium desires
- Growth of accessible boutiques from luxury brand
  - Burberry, Louis Vuitton, Jimmy Choo



**Culinary Manifestations:**

- **Fine Dining Accessibility**
  - Chef Jean-Georges and many other top chefs opening neighborhood restaurants
  - Food Network chef Mario Batali opened a “gastropub” called the Spotted Pig in New York
  - Fine-dining restaurants offering two menus and price points for a “taste of the show” at a lower price
  - *“Lots of chefs have a fancy showplace and then another place more acceptable/accessible to the general public (e.g., Grammercy Tavern has a “front room menu”)...this allows customers to have the show tangentially...you can be in the restaurant, but not be totally immersed in the showiness.”* — Mark Miller
- **Go Upscale Anywhere**
  - Angus and Coleman beef at fast-food restaurants, Burger King, Good Times
  - Proliferation of premium bottled waters on menus
  - Moët and Chandon mini bottles
- **High End Desires**
  - 54% of fine-dining restaurants are experiencing sales increases year on year (NRA Feb 2005)
  - Pre Fixe Menu – Fine-dining with a preset menu and known, lower price



**Societal Driver:** In response to mass marketing over-kill and growing recognition of individual physical and emotional needs, individuals demand more custom-fit options

**Societal Manifestations:**

- Getting personal
  - All things “I”...iPod, iMac, etc.
  - FDA’s unveiling of MyPyramid, in recognition of actual and perceived uniqueness of dietary needs
- Rise of “creative director” consumers
  - Video game industry moving toward open code, allowing gamers to create and personalize their own experience
  - Growth and expansion of Cereality, a retail concept with “cereologists” who create any custom cereal order
  - Prescriptives skincare brand markets a customized regimen with every skin type
  - Nike I.D. lets you control the look of 27 footwear styles online

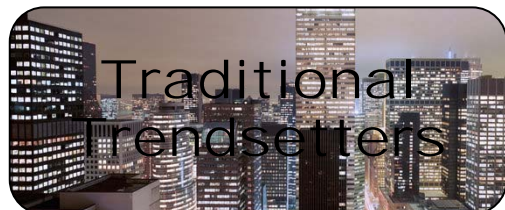


**Culinary Manifestations:**

- **Taste Choices**
  - Macaroni Grill’s “choose your own combination” from 4 pastas, 8 sauces, and 12 toppings
  - Growth of tapas and sushi where consumers tailor their meals to their mood/situation
  - Cold Stone Creamery – ice cream chain, “combining the arts of authenticity and customization”
- **Health Choices**
  - Jamba Juice’s ‘boosts’ give consumers specific health/energy benefits to fit their mood
  - Solar Harvest’s menu has color coding to provide cues for well being options
  - Chili’s children’s menu includes a list of sides to choose from
  - Wendy’s allows new combo choices such as a baked potato, side salad, or chili in place of fries
- **Time Choices**
  - Growth of Fast Casual- a hybrid restaurant concept solution created to satisfy consumers’ needs for the convenience of fast food as well as the higher quality more commonly associated with casual dining (Baja Fresh, Pei Wei)




- The markets considered trendsetters are expanding beyond the biggest cities into medium-sized locales



- **Chicago**
- **New York**
- **San Francisco**



- **Las Vegas**



- **Minneapolis/  
St. Paul**
- **Phoenix**
- **Portland**
- **Seattle**

- Menu Insights provides a wide range of editorial information on trends and industry size. Some of the most interesting:
  - The typical American household spent an average of \$2,211 on food away from home in 2003
    - Average per capita spending was \$884 for the same year
  - Projected restaurant sales in 2005–\$476 billion
  - There are 900,000 locations serving more than 70 billion meal and snack occasions
    - Avg. sales = \$730,000 at full-service restaurants
    - Avg. sales = \$619,000 at limited-service restaurants
  - Seven out of ten operations are independent/single-unit operations

- 18% of all items in Quick Service Restaurants are tagged “healthy,” a 5% increase over 2003

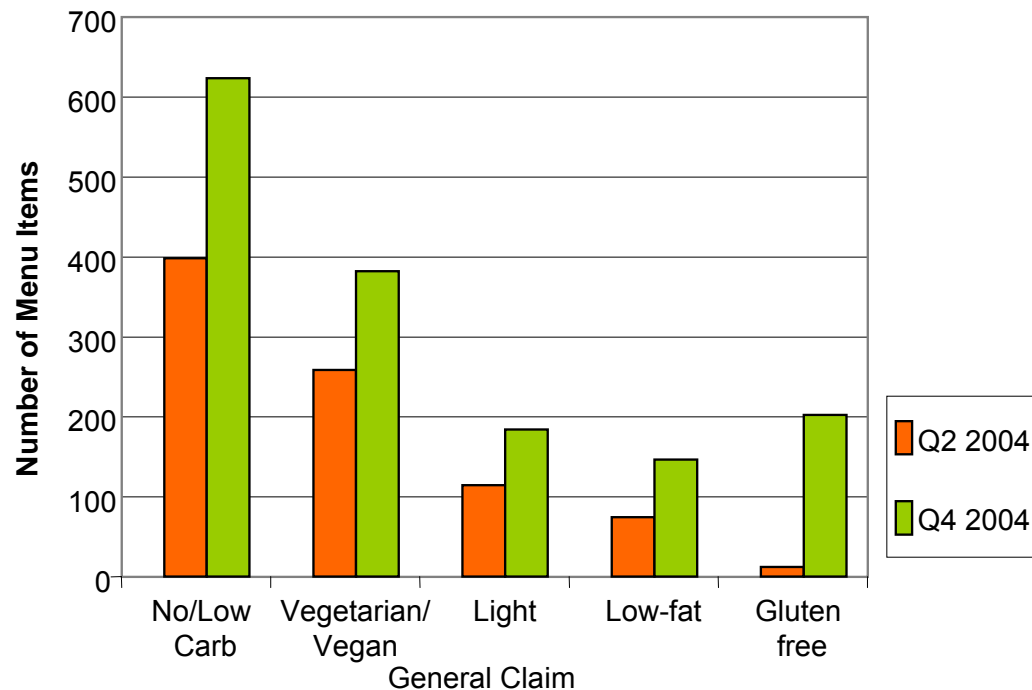
## EXAMPLES:

- **Applebee’s:** Weight Watchers menu items (including point allocations)
- **Blimpie International:** Carb-Counter Menu™
- **Dairy Queen:** low-carbohydrate, low-calorie and gluten-free ice cream treats
- **P. F. Chang’s China Bistro:** Training Table Menu for Arizona Marathon and ½ Marathon
- **McDonald’s:** Apple Dippers
- **Subway:** “7 Under 6” menu featuring seven sub sandwiches with six grams of fat or less
- **Wendy’s:** Fresh Fruit Bowl and Fresh Fruit Cup

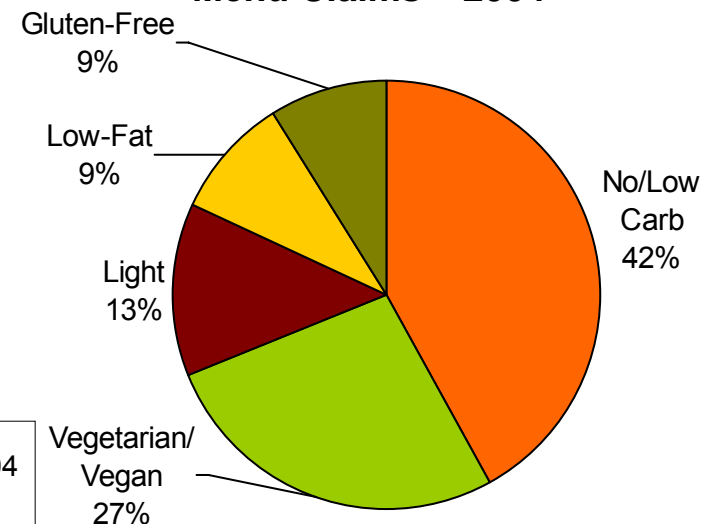
# Menu Trends: Health Related Claims

- Whereas low/no carb new product introductions in grocery stores had declined significantly by the end of 2004, this health message was still growing in foodservice

**Incidence of General Health/Ingredient-Related Claims Q2 and Q4, 2004**



**Top 5 General Health/Ingredient-Related Menu Claims – 2004**



- The U.S. dining scene has evolved from simple menus and traditional family-style restaurant formats to dynamic restaurant themes using a rapidly evolving diversity of ingredients, flavors and menu concepts
- Growth concepts in U.S. dining are:
  - Restaurants that focus on customization
  - Authenticity in flavors and ingredients
  - An appeal to “conscience”



## Culinary/Menu Trends *Implications for PPN Industry*

- Foods are 'on-trend' or tend to be forgotten by Chefs
- Foods that are embraced by chefs eventually work their way into grocery products
- A great way to influence mainstream tastes is to start with those who shape our culinary viewpoints
  - Food writers
  - Chefs
  - Culinologists
- PPN can be positioned as on-trend in several ways :
  - Is affordable luxury
  - Taste provides a burst of enjoyment
  - Can be contemporary
  - Can be part of wellness



# Snacking Trends



***Americans have conflicted feelings about snacking, but it is increasingly part of our lives...***

**Positive Feelings**

- Grazing on small meals and snacks keeps your energy levels stable

**Negative Feelings**

- Snacking is bad... giving in to sugar is a weakness

# The Future of Snacking

- Time pressures and grazing are driving growth in the snacking category. With new occasions emerging and a growing relevance of snacks fulfilling modern nutritional requirements, the value of the snacking market in the U.S. is expected to exceed \$90 billion by 2009

<b>The Value (total and per capita) and Growth of Snacking 2004–2009</b>			
	<b>2004</b>	<b>2009</b>	<b>CAGR 2004–2009</b>
<b>Per Year (billions)</b>	15.2	18.1	3.6%
<b>Per Capita Per Year (\$U.S.)</b>	257	299	3.1%

- In 2003, the Snack Food Association reported that the number of individual snacking occasions in the U.S. rose 33% between 1988 and 2001. Snacks now account for over 40% of all eating occasions in the U.S. and this percentage is increasing

<b>The Number of Main Meal and Snacking Occasions (Billions) in the U.S., 2004–2009</b>						
	No. of main meal occasions (2004)	No. of Snack occasions (2004)	Snacks as % of all occasions (2004)	No. of main meal occasions (2009)	No. of Snack occasions (2009)	Snacks as % of all occasions (2009)
<b>U.S. (billions)</b>	<b>265.8</b>	<b>229.4</b>	<b>46%</b>	<b>274.6</b>	<b>251.5</b>	<b>48%</b>

- Growing numbers of time-poor consumers who increasingly multitask and consume on the go and away from home mean that impulse purchases remain a key growth area for snacking occasions
- The implications of rising time in transit (away from home), mealtime fragmentation and informality, as well as changing work patterns all mean that consuming on the go will account for a growing proportion of consumption occasions in the future

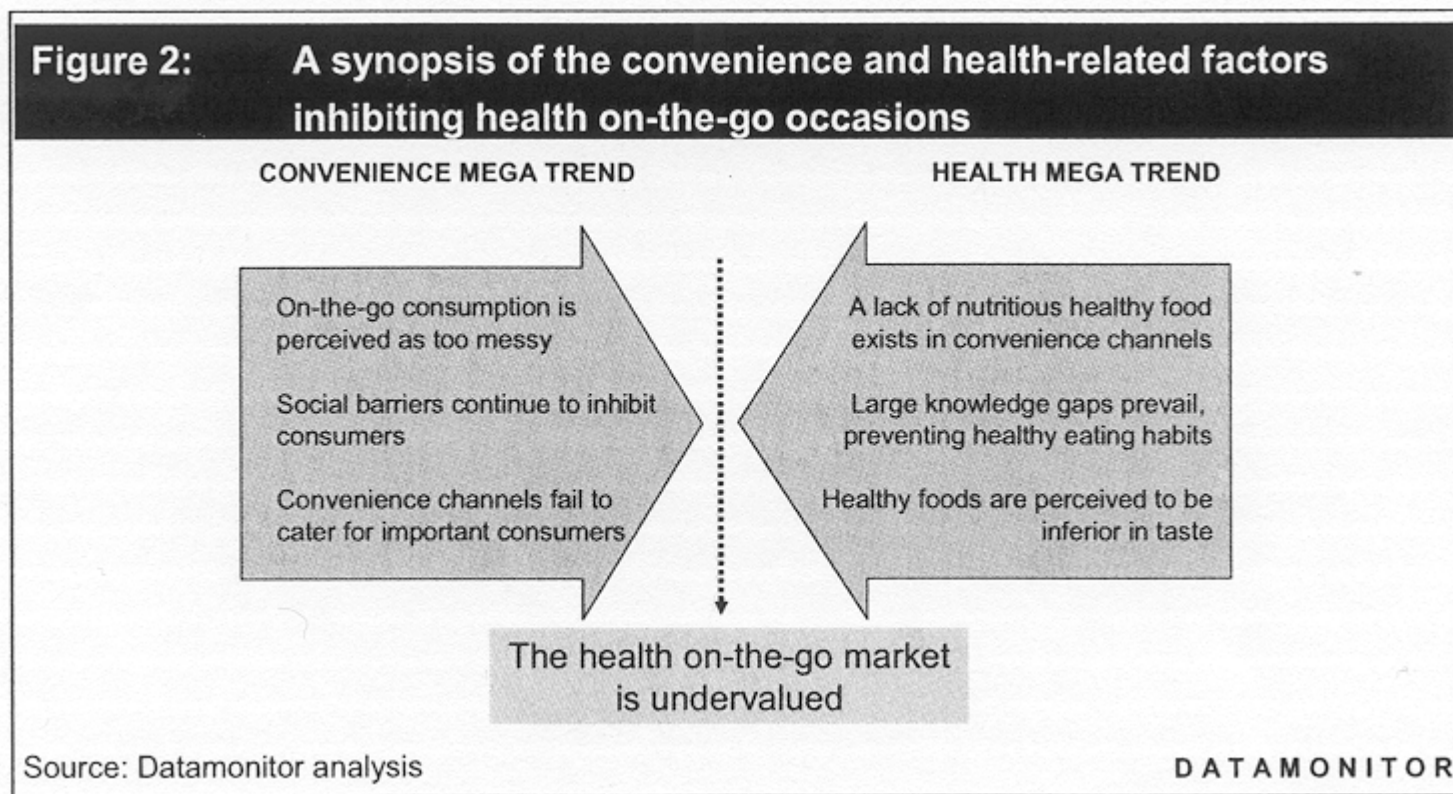
## The Number of Annual In-Home and Out-of-home, Morning, Afternoon and Evening Snack Occasions (Billions)

U.S. (Billions)	No. of In-home Occasions			No. of Out-of-home Occasions		
	2004	2009	CAGR 2004–2009	2004	2009	CAGR 2004–2009
<b>Morning</b>	36.7	38.3	.08%	29.3	33.2	2.5%
<b>Afternoon</b>	56.8	58.1	0.5%	30.8	37.2	3.9%
<b>Evening</b>	73.6	79.9	1.7%	2.2	2.9	5.5%

## Number of Annual and Per Person On the Go Eating Occasions (Billions)

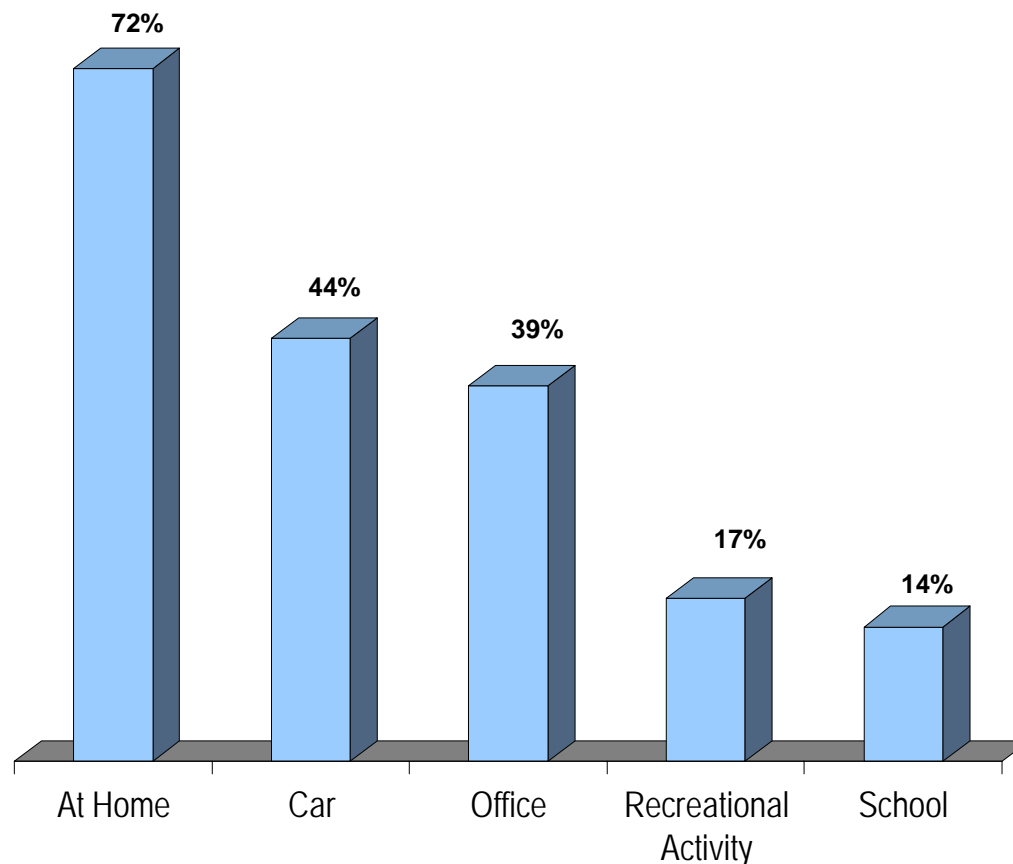
U.S. (Billions)	Occasions 2003	Occasions (2008)	CAGR 03–08	Occasions per Head per Day 2003	Occasions per Head per Day 2008
	123.9	137.3	2.1%	1.2	1.3

- Contemporary consumers are increasingly focused on personal well-being and expect the snacks and drinks they consume to be healthy and even capable of helping to boost their health through added functionality
- The number of healthy, on-the-go eating occasions in the U.S. is set to increase from 74 billion occasions in 2004 to 85 billion occasions in 2009



## On-the-Go Snacking

- Supermarket News (May 2004) reported that the popularity of on-the-go foods in the U.S. could have more to do with convenience than portability
- Surprisingly, the majority of on-the-go snacks are consumed at home

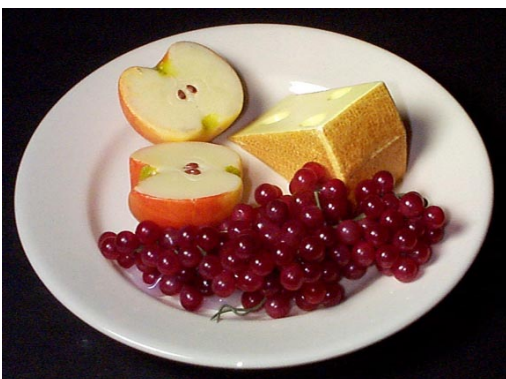


- Peoples' interpretation of the purpose of meals and snacks is changing as the delineation between them blurs. There are two behavioral trends explaining the growing interchangeability between these occasion types

***Consumers are opting for more filling food and beverage products to compensate for smaller or skipped main meals***



***Actual mealtime behaviors are increasingly showing snack-like tendencies which means that consumers increasingly define their main meals as 'light'***



# Snacking for Emotive Reasons

- More and more the role of emotions, especially stress and boredom, are driving snacking occasions
- Some examples of therapeutic, relaxing indulgences are DANONE Zen Fermented Milk Drink and U.S. NewTree's All Natural Fine Belgian Dark and Milk Chocolate line claiming to “nourish senses and help relaxation and reduce stress”

## Stress!



- Consumers are increasingly seeking therapeutic anti-stress products as treats
- Consumers seek indulgence from comfort products in response to stress

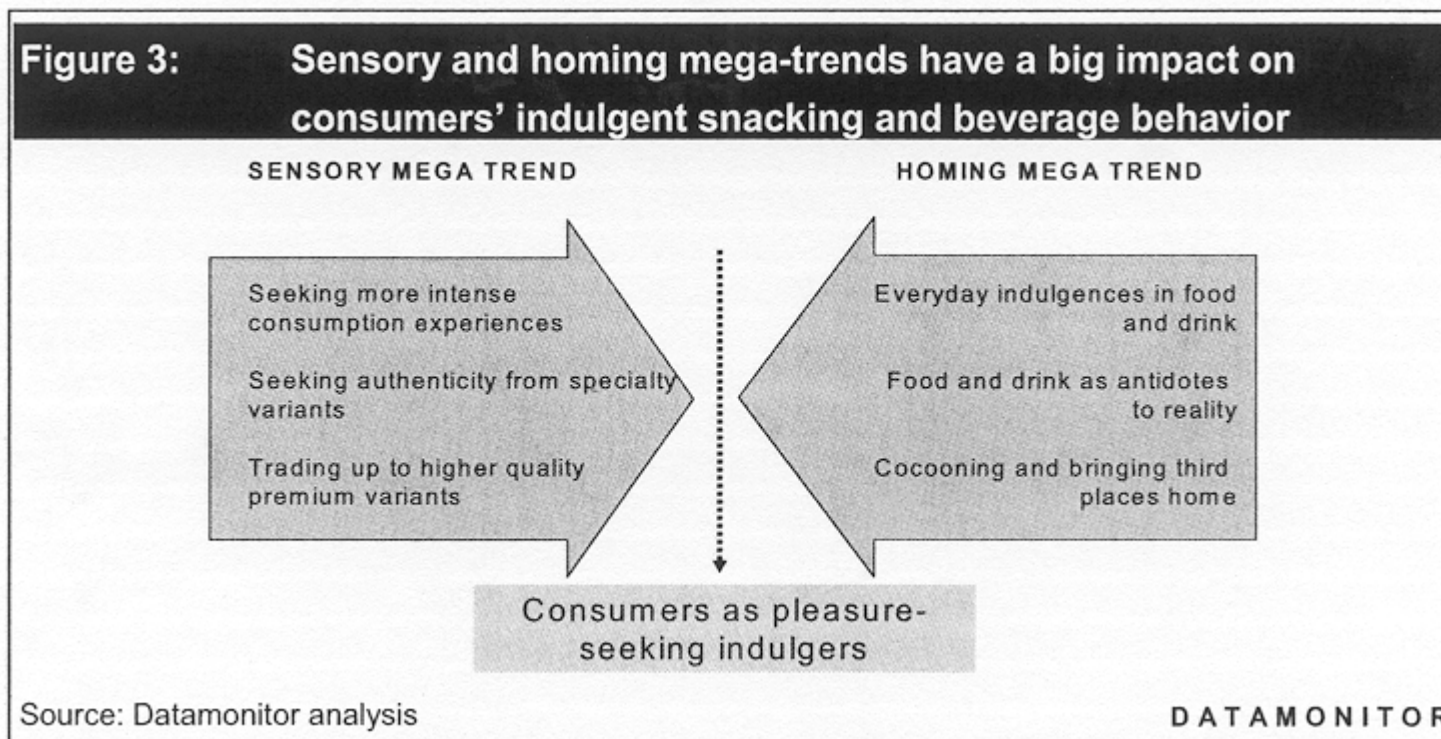


## Boredom

- According to an August 2004 survey from the Priory Group, 47% of adolescents aged 16–24 and 40% of those aged 35–44 have eaten because they were bored
- Many boredom-related snacking occasions are also driven by the need for a performance boost

# Experimental Snacks

- Consumers are also searching for more authentic products in relation to flavor profiles and production methods
- Flavor sophistication is growing as consumers seek more specific, regional variants; artisan and homemade qualities are increasingly important and country of origin credentials can increasingly help to create favorable impressions





## Snacking Trends *Implications for PPN Industry*

- Snacking is growing...PPN should strive to capture a growing share of snack occasions
- An increasing number of meals are taking on snack-like characteristics
- PPN could stand for a wonderful convergence of the growing, seemingly divergent need for healthy snacks and indulgent snacks



## Peach, Plum and Nectarine Trends



## NPD Mechanics

- **Eatings** – the number of times a PPN was pulled off the counter or out of refrigerator and served to someone in the home. Means that someone in that home ate fresh PPN in some form
  - **258,000 snack eatings in 2004, 50,000 fresh fruit, almost 4,000 PPN**
- **An “Eater”** – a person in a household. Much market research data is at the household level, not the information in this report
- **Eatings per Eater** – The number of times in a 2-week period that PPN was eaten by an “eater”

- Looking back over the last 10 years, peaches’ per capita consumption has stayed relatively constant—about 4½ peaches per consumer
  - Plums and nectarines have shown ongoing usage decline

Data:	Peaches			Plums			Nectarines		
	96–98	99–01	02–04	96–98	99–01	02–04	96–98	99–01	02–04
<b>Annual Eatings per Capita</b>	4.4	4.4	4.5	2.1	1.7	1.5	1.8	1.6	1.4
<b>Penetration (% in 2 weeks)</b>	6.7%	7%	7%	3.4%	3.2%	2.7%	3.0%	2.6%	2.4%
<b>Eating Rate (2 weeks)</b>	2.6	2.5	2.4	2.3	2.1	2.1	2.3	2.3	2.2

Data:	Peaches			Plums			Nectarines		
	96–98	99–01	02–04	96–98	99–01	02–04	96–98	99–01	02–04
<b>California Season – May–October</b>									
<b>Penetration (% in 2 weeks)</b>	12.4	12.5	11.7	6.1	5.4	4.4	5.6	4.8	3.9

**Issue:** Amazingly, with all the talk about health in the U.S., NPD data shows annual fresh fruit eatings per capita declining over the past 9 years

**Answer:** The average American ate fruit about 130 times a year in the late 90s. The average for the last three years is just under 122

- The most significant issue is lower penetration...fewer Americans eat fruit in an average two-week period

Data:	Annual Eatings Per Capita		
	1996–98	1998–2001	2002–04
<b>Total Fresh Fruit</b>	130	121	122
	% of Individuals Consuming in 2 Weeks (Penetration)		
<b>Total Fresh Fruit</b>	69.4%	65.5%	64.9%

**Issue:** During the grower tour, a question raised was whether PPN is losing share due to the plethora of new fruits?

**Answer:** In the last three years, PPN has lost share of total fruit sold

Data:	Annual Eatings Per Capita		
	1996–98	1998–2001	2002–04
Total Fresh Fruit	130	121	122
Total PPN	8.1	7.7	7.3
PPN Share of Total Fruit	6.3%	6.4%	6.0%

- Hand-sized fruits (apples, oranges, PPN, bananas and tangerines) are still two-thirds of eatings, but the most significant growth is occurring for finger fruits (grapes, cherries and berries)

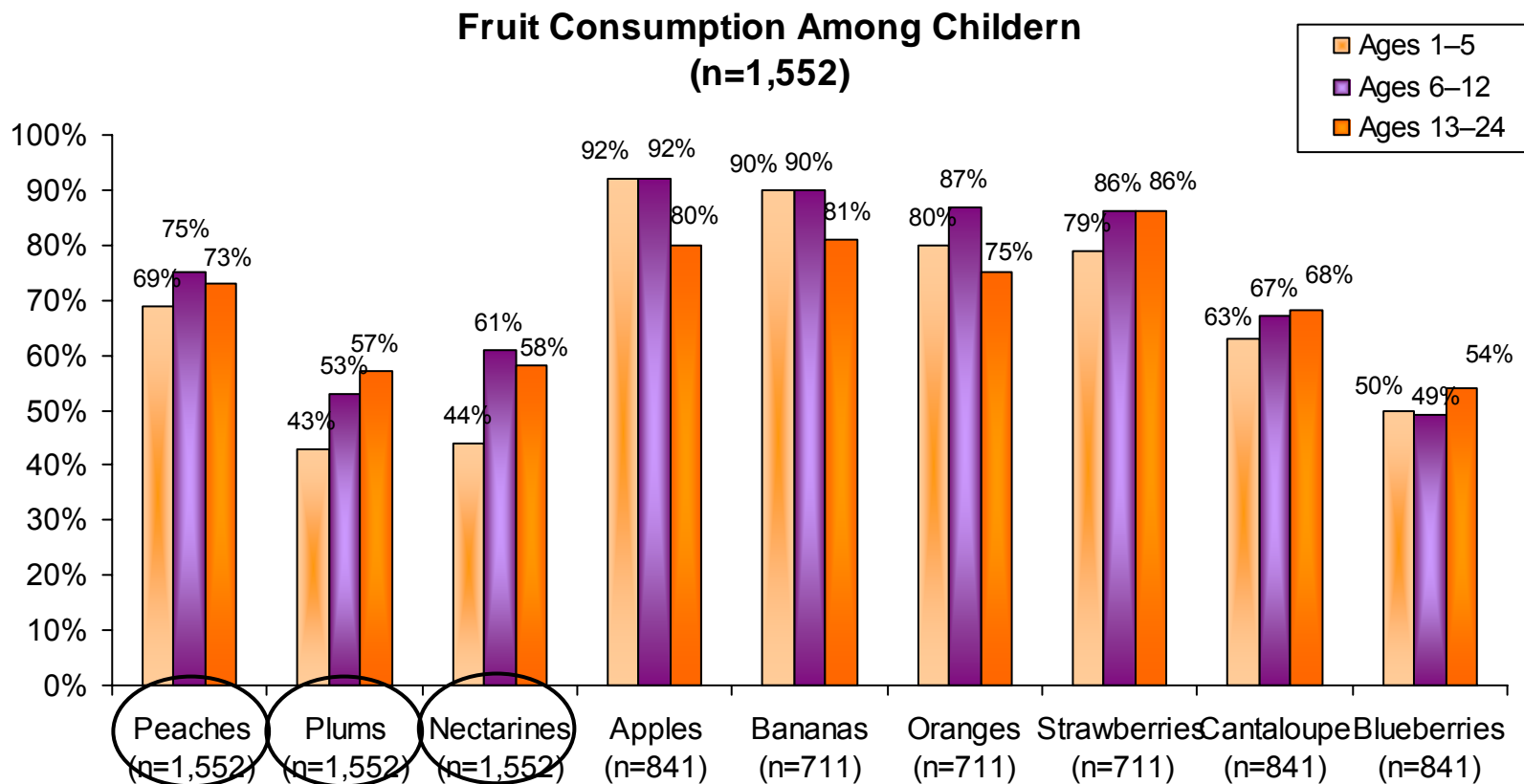
Data:	Annual Eatings per Capita (Trend Data)		
	5 years ending Nov. 1999	5 years ending Nov. 2004	Usage Trend Index (04 vs. 99)
Fresh Fruit	127.6	120.7	95
Palm/Hand	90.5	81.3	90
Finger	16.6	19.1	115
Melons – Large	13	10.5	81

# Fruit Types – Defined

Data:	Annual Eatings per Capita		
	5 years ending Nov. 1999	5 years ending Nov. 2004	Point Change (04 vs. 99)
Palm	90.5	81.3	-9.2
Apples	26.8	23.0	-3.8
Bananas	42.6	39.4	-3.2
Nectarines	1.7	1.4	-0.3
Oranges	11.9	10.4	-1.5
Peaches	4.6	4.4	-0.2
Plums	1.9	1.5	-0.4
Tangerines	1.0	1.2	0.2
Finger	16.6	19.1	2.6
Blueberries	1.2	1.9	0.7
Raspberries	0.3	0.5	0.2
Strawberries	5.3	5.7	0.4
Cherries	0.8	1.0	0.2
Cranberries	0.2	0.4	0.2
Grapes	8.7	9.6	0.9
Melons/Large	13	10.5	-2.5
Grapefruits	6.3	4.2	-2.1
Mangoes	0.6	0.6	0
Cantaloupes	6.1	5.7	-0.4

Note that with the exception of tangerines, PPN is holding share more successfully

- For some fruits, consumption appears to change slightly as the child ages. For example, apples and bananas tend to decline in consumption as the child ages, while the consumption of plums increases



- Combining incidence data for adults and children, one sees a much larger drop of incidence among adults and children for plums and nectarines

	Eat Peaches	Eat Plums	Eat Nectarines
Self (n=1,552)	85%	71%	69%
Spouse (n=720)	74%	57%	58%
Children 1–5 (n=148)	69%	43%	44%
Children 6–12 (n=181)	75%	53%	61%
Children 13–24 (n=198)	73%	57%	58%

Annotations in the table: A bracket between 85% and 74% indicates a -16% drop. A bracket between 71% and 57% indicates a 28% drop. A bracket between 69% and 58% indicates a -25% drop.

- Per NET diary data, consumers aged 65+ are eating 22.5% of PPN and are only 12% of the sample. 55–64-year-olds also eat more than their share of PPNs, while 18–34-year-olds eat fewer than their share
  - Consumer quant further revealed that liking skews older for peaches and plums, whereas nectarines have fairly stable liking scores across adult ages (18+ years of age)

Data:	PPN – Total Year			
	Base Size	% of Eatings	% of Sample	Index to Sample
Age	3981	100	100	100
Total Adults (18+)	1948	79.2	76.4	104
18–34 Years Old	254	16.3	24.1	68
35–44 Years Old	468	10	11.8	85
45–54 Years Old	676	18.2	18.4	99
55–64 Years Old	205	12.2	9.8	124
65+ Years Old	345	22.5	12.3	183

# Psychographics

**Issue:** Is there an audience that PPN resonates more strongly with?

**Answer:** All three stone fruits index well against “sophisticates,” “sensible appetites” and older lifestage audiences

## Usage Index (2004)

### Nutritional Behavior Segments

	Fresh Fruit	Peaches	Plums	Nectarines
Kids in Control	73	66	56	60
Health and Diet	111	114	84	102
Sensible Appetites	108	108	122	133
Time Jugglers	88	86	83	78
Southern Fare	101	97	113	88
Sophisticates	122	132	136	145

### Nutrition Attitudinal Segments

	Fresh Fruit	Peaches	Plums	Nectarines
Moderates	93	94	104	103
Health Maintainers	157	170	146	152
Busy Urbanites	101	101	110	105
Traditional Tastes	60	51	52	54

## Core PPN Nutritional Segments

- **Sophisticates:** These households display eating behaviors that reflect their urban, upscale, childless lifestyle. This convenience-oriented group tends to eat foods away from home more than others. When eating at home, their tastes are strictly “adult,” and sophisticated. Sophisticates express attitudes that reflect a more adventurous approach to eating (foreign foods, different foods at restaurants) and a tendency to indulge in “pricey” sweets and ice cream. Concern for nutrition is not a priority for Sophisticates.
- **Sensible Appetites:** This segment takes a sensible approach to eating that fulfills their need for both taste and health. Traditional American cuisine offers them all the menu options they need, including plenty of baked fish (fresh/frozen), baked chicken, fresh fruit juice and veal. Their desire for “taste” is fulfilled through traditional “meat and potatoes” fare, such as pot roast, gravy, pot pies, potatoes (oven-made) and breads. All types of households make up this middle-aged and older group.

## Significant Lifecycle Segments

- **Health Maintainers:** These households express attitudes that are strongly focused on health, diet and nutrition. They stress the importance of consuming less cholesterol and avoiding fats and dried food, yet they show no difference in the use of the frying pan. These concerns are represented by households headed by a female over 45 years of age. They tend to be empty nesters and elderly households, where children are not present. A younger, single constituency is also represented, as these attitudes are not exclusive to older Americans.

- Fresh fruit and PPNs likely have a portability issue as they are rarely travel (car, bus, etc.) companions relative to other snacks and tend to be eaten at home more

Where PPN Used (2004)	% of Eatings	Index to Fresh Fruit	Index to Total Snacks
<b>Where Eaten</b>	100.0	100	100
At home	77.5	105	125
At work	11.9	106	89
In a car/plane/transit	2.5	96	33
At school	2.4	59	51
Outdoors	2.0	118	87

- Since 1996, much fewer PPNs are being used as an additive (e.g., peaches on cereal) or ingredient (e.g., peach pie). Most of the fruit is eaten as is

How PPN Used	% Eatings (2004)							
	Fresh Fruit		Peaches		Plums		Nectarines	
	'96	'04	'96	'04	'96	'04	'96	'04
<b>Base Dish (As Is)</b>	84%	85%	73%	81%	84%	100%	90%	98%
<b>Additive</b>	9%	10%	10%	8%	2%	–	2%	1%
<b>Ingredient</b>	7%	6%	17%	10%	14%	–	8%	2%



## PP&N Trends

*Implications for PPN  
Industry*

- Both NET and the quantitative study SRG completed indicate that most Americans eat PPN, but are eating it less frequently
- The goal going forward should be to enhance frequency
- One way to do this may be to look at drivers of finger fruit growth
- PPN has several other weaknesses
  - Less popular with youth
  - Not perceived as on-the-go fruit (providing pre-cut/sliced options could help here)
- CTFA can help craft the message that helps PPN overcome these messages by stressing the many strengths of the fruit

**TASTE, BEAUTY, QUENCHIBILITY, UPSCALE APPEAL,  
HEALTHINESS AND SNACKABILITY**

# Sources



*California*

PEACHES • PLUMS • NECTARINES

CALIFORNIA



NETWORK

## Published Information

- A hint of the exotic, Beverage World, Heather Todd. March 2005
- Advertising Age – Various
- Better Homes and Gardens, No Fail Cheese Course, Richard Swearingen, March 2004
- Beverage trends in the spotlight for '05, Beverage Trends Newsletter, Bonnie Brewer Cavanaugh, Jan 2005 and March 2005
- Bon Appétit Magazine – Various
- Bon Appétit Magazine – various
- Bon Appétit Magazine 11<sup>th</sup> Annual Restaurant Issue
- Breakfast Journal Newsletter – various
- Business Week Online
- Center for Culinary Development, Trend Report, March 2005
- Chef Magazine – various
- Chefs Pick Next Trends, Prepared Foods Magazine, February 2005
- Cooking Light – Various
- Fine Dining Still in Demand, High Times, Patricia Cobe, May, 2005
- Flavor and the Menu 2005 Flavor Forecast
- Food and Wine – various
- Food Technology, IFT magazine, April 2005
- Food Trends: Specialty foods.com, *Denise Shoukas*, January/February 2005
- GNPD , Mintel
- GMA Smartbriefs – various
- Gourmet – Various
- Growing Business with a Conscience, J&W Magazine, Cathy Segal, Winter 2005

## Sources – Culinary Trends

- Health Magazine – Various
- "Hot" plates: Appetizers become a main attraction, Culinary Currents Newsletter By Paul Frumkin, February 2005
- Hot Trends for 2005, Laura Tiffany. December 2004
- Jamba Juice; News In A Minute – The Food Institute Report June 21, 2004
- Menu Insights – Mintel
- National Restaurant News.com – various
- NRA Food Show report May 2005
- NRA Smartbrief's – various
- NRN – various
- NRN's annual Culinary R & D conference LA Oct 2004
- Ones to Watch, QSR Online, Sabrina Davies, March 2005
- QSR News – various
- RCA Food Trends – Jack Kaestner March 2005
- Restaurants and Institutions Magazine – Various
- Smoothie Sales Heat Up: Juice Gallery Multimedia Releases New Juice and Smoothie Industry Report Sept. 9, 2003
- Specialty Food.com, Heirloom Produce: Potential from the Past, Cynthia Davies, April 2005
- Tea Time – The meeting professional. April 2004 Vol 24 Number 4
- The Food Channel Trend Wire – various
- United Plates of America, The Ascent of Asian – Today's Hot Food Trend, Vol 7, Number 1
- Weighing up the new building blocks, Brandweek, Sonia Reyes, May 2<sup>nd</sup> 2005
- What will be the top flavors for 2005?, FoodProcessing.com Issue Date: January 2005
- [www.flavor-online.com](http://www.flavor-online.com)

- U.S. Census Bureau, American Heart Association, NMI
- IFIC 2002
- Brand Keys
- Center for Immigration Studies; Associated Press
- “Millenials Rising,” William Struass and Neil Howe
- Food Technology 07.05
- Datamonitor: The future of Snacking and Beverage Occasions 03/05
- Source: The Washington Times, “*Generation Y embraces choice, redefines religion*” Cheryl Wetzstein
- NPD (National Panel Data) – Kitchen Audit Database, Snack Track Online Database, National Eating Trends
- CDC, AHH
- Source: Menu Insights Report “Trends and Concepts Shaping Choice on the American Restaurant Scene”

## Culinary Expert Interviews



Jessica Harris  
African and Caribbean

Jessica B. Harris is the author of eight critically acclaimed cookbooks documenting the foods and foodways of the African Diaspora. Some of Dr. Harris' unique titles include *Hot Stuff: A Cookbook in Praise of the Piquant*, *Iron Pots and Wooden Spoons*; *Sky Juice and Flying Fish Traditional Caribbean Cooking*, and *Tasting Brazil: Regional Recopies and Reminiscences*. A culinary historian, she has lectured on African-American foodways at The Museum of Natural History in New York City, The California Academy of Sciences in San Francisco, The Smithsonian Institution in Washington DC. She has written for most of the major food magazines (*Gourmet*, *Food & Wine*, *Cooking Light*, *Eating Well*, etc.), appeared on numerous major television programs (*The Today Show*, *Good Morning America*, *The Main Ingredient*, etc.), and is a tenured full professor of English composition at Queens College in New York City.



Mary Sue Milliken  
Regional Mexican

Mary Sue Milliken is co-owner of the popular and critically-acclaimed *Border Grill* restaurants in Santa Monica and Las Vegas, as well as *Ciudad* in Downtown Los Angeles with Susan Feniger. Authors of five cookbooks (four dedicated to the Latin kitchen); television veterans of 396 episodes of the popular *Too Hot Tamales* and *Tamales World Tour* programs on Food Network; and radio hosts of the 2-hour *Food Talk* show on KFI 640AM Los Angeles. Their *Border Grill* and *Ciudad* dishes also "starred" in the 2001 Samuel Goldwyn feature film, *Tortilla Soup*. Milliken and Feniger are also the creators of the *Border Girls* brand of fresh prepared foods at Whole Foods Markets, as well as a line signature pepper mills manufactured by Vic Firth.



Mark Miller  
Southwestern and Asian

Mark Miller opened the *Fourth Street Grill* in 1979 in Berkeley, CA. It was then that Southwestern cuisine was first offered at a dining establishment located outside of the Southwestern United States, and ever since then, Miller's name and career have been synonymous with Southwest cuisine. Miller has presented his discoveries of Southwestern, Latin/ South American, and Asian foods through a string of successful, enthusiastically-inspired restaurants in the United States and Japan, and in March 2002, Australia. These restaurants include *Red Sage* in Washington DC, *Coyote Café* in Santa Fe and *Wildfire* in Sydney (AUS). Miller has also authored numerous cookbooks and grown his own line of packaged, branded, Southwestern-inspired foods.

<b>Victor Fulgoni, PhD</b>	<b>Senior Vice President Nutrition Impact, LLC</b>	<b>Food and Nutrition Science Regulatory/health claims</b>
<b>David Jenkins, MD, PhD</b>	<b>St. Michael's Hospital Clinical Nutrition, Risk Factor Medical Center</b>	<b>Carbohydrates and Cholesterol Lowering</b>
<b>Michael Zemel, PhD</b>	<b>Professor of Nutrition and Medicine</b>	<b>Diabetes and Obesity and Dairy/Calcium</b>
<b>Kevin Maki, PhD</b>	<b>Chief Science Officer Radiant Research</b>	<b>Functional Foods and Clinical Trials</b>
<b>Jeremy Nobel, MD, MS, MPH</b>	<b>Adjunct Lecturer, Health Policy and Management</b>	<b>Healthcare Costs and Disease Prevention</b>
<b>Clare Hassler</b>	<b>Executive Director Robert Mondavi Institute for Wine &amp; Food Science</b>	<b>Functional Foods</b>
<b>Rob McCaleb</b>	<b>President Herb Research Foundation</b>	<b>Herbs and Natural Foods</b>
<b>David Benton, MD</b>	<b>Professor University of Wales</b>	<b>Cognitive Function</b>
<b>Bob Heaney, MD</b>	<b>Professor Creighton University</b>	<b>Bone Health</b>