

# NEWSLETTER



INGREDIENTS

Your Long Term Partner

MEAT, CULINARY & SNACK INGREDIENTS

Q4 2019

Dear Reader,

We would like to take this opportunity to wish everyone a happy & prosperous New Year 2020. In the coming new year, we will be presenting our customers with healthier and more flavorful food ingredients to satiate their brand's hunger for growth and market share.

FSL had an exciting Q4 during Gulfood Manufacturing 2019 where we showcased some of our innovative plant-based meat products and ingredients which garnered a lot of attention at the show.

With 2019 being named **"The Year of the Vegan"** by The Economist Magazine, this final newsletter of 2019 summarizes some of the new trends which are changing the food and beverage landscape and which FSL can now offer to drive growth and innovation for your brand.

Please feel free to contact us with any queries you may have!

Happy reading!





The largest food & beverage processing & packaging show in Middle East, Asia and Africa

**29-31 Oct 2019 | Dubai World Trade Centre**

Opening hours: Tuesday 29<sup>th</sup> & Wednesday 30<sup>th</sup> October, 10am-6pm; Thursday 31<sup>st</sup> October, 10am-5pm

[gulfoodmanufacturing.com](http://gulfoodmanufacturing.com)

## THE PLANT-BASED REVOLUTION



Growing concerns over global warming, the ethics of factory farming and the impact of animal products on human health have given rise to an entire new category of food and beverage products under the label of Plant-Based Foods where meat, fish, dairy and eggs are being replaced by vegetables, nuts, beans and grains.

However, the bulk of the consumers of these products are not vegans or vegetarians but flexitarians - who are reducing the amount of animal products they consume. One in three Americans now considers themselves a flexitarian and 10% are vegan or vegetarian. Many of the trends that emerge in western markets soon arrive in the Middle East and this one has landed

As 'flexitarianism' goes mainstream, the Middle East's Food Specialities Limited is pioneering the region's meat alternatives

in the UAE with Emirates Airlines ramping up their selection of vegan offerings, Beyond Meat burgers becoming available at restaurants and retailers and with the world's largest vegan restaurant opening its doors in Dubai earlier this year.

Saudi Arabia has also launched over 65 vegan friendly restaurants and plant-based offerings are increasing on the retail shelves. Key personalities in the region who have turned to veganism such as Prince Khaled bin Alwaleed bin Talal Al Saud, have been instrumental in promoting the dietary shift in the region.

Global Food Industries (GFI) and Food Specialities Limited (FSL) have been two of the key players pioneering in this field who are working together to create plant-based meat alternatives to create a healthier and more sustainable food ecosystem in the Middle East.

According to Dhruv Dhawan, FSL's Head of Marketing and Innovation, "In collaboration with GFI and one of our key supply partners, Van Hees, we have developed a

wide range of plant-based offerings such as burgers, meat strips and chicken tikka nuggets that are adapted to suit the taste profile of our region."

FSL has also been pioneering in the field of plant-based milks, Manish Roy, GM of FSL's dairy ingredients unit says: "We have been keeping a close eye on this market and sampled the dairy alternatives being imported into the UAE at very high prices and felt there was a lot of room for improvement... we went into our labs and our dairy technologists, developed new recipes for oat, almond, soy and cashew milks which were creamier and cheaper than the competition - and entirely clean label! We are now developing these products for some of our customers in the region who are eager to grow their business in this emerging market. We are also developing other products in this sector with vegan cultures from our partners DuPont."

**FSL will be showcasing and sampling their plant-based dairy and meat alternatives at their innovation lab which is located at Sheikh Saeed Hall 1 Stands S1-B36 & S1-A36.**

## FSL's Plant-Based Burgers and Chicken Nuggets Featured in Gulfood Manufacturing Newspaper.



## The Growing Flexitarian and Vegan Trend

The global rise of the flexitarian diet trend, where consumers are reducing the amount of animal products they consume, combined with the immense success of companies like Beyond Meat and Impossible Foods has drawn a great deal of attention to the plant-based meat category which is growing at a rate of 17% and valued at approximately \$3.7 billion in the USA. In comparison, total U.S. retail food sales grew just 2% during the same period. Today 95% of all US grocery stores stock products with a plant-based claim.

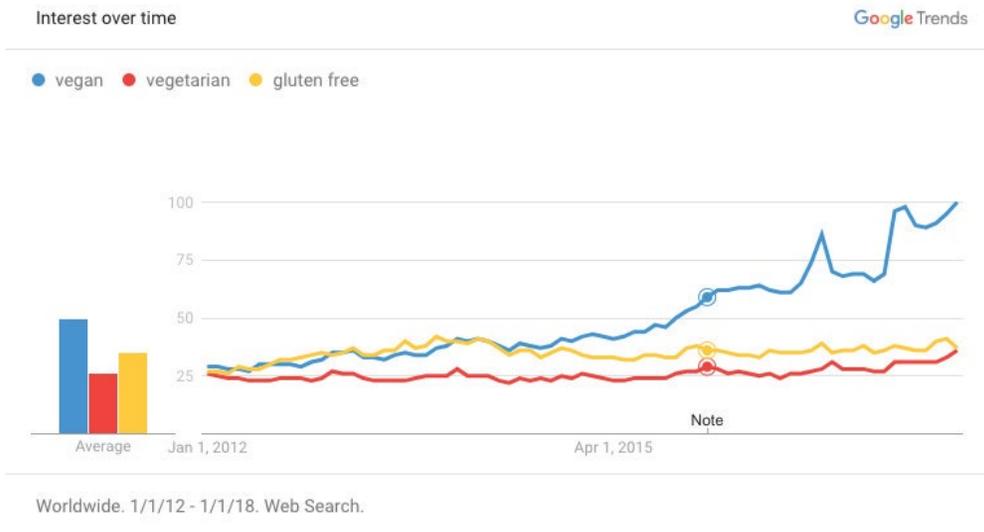
One in three Americans now considers themselves a flexitarian and 10% are vegan or vegetarian. This makes up 43% of the U.S. population which is driving the growth of plant-based foods and this number is expected to grow.

In other developing countries veganism is growing at a rate of 600% with the UK leading the charge at 987% in 2017 and in 2018, 1 in 6 new products launched carried a vegan claim.

According to a Google search trend analysis, the search for “vegan” quadrupled between 2012 & 2017. It now receives almost 3 times more interest than vegetarian and gluten free searches.



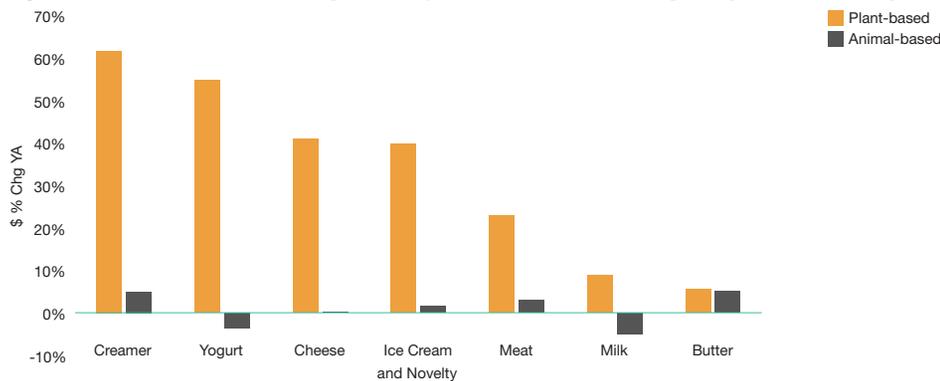
### Google search for Vegan, Vegetarian and Gluten-free



Plant-based food companies have been increasingly targeting their marketing toward flexitarians, who comprise nearly one-third of the U.S. population. The increasing adoption of plant-based products by flexitarians has been one of the primary driving factors in increased demand. For example, Beyond Meat which had the most successful IPO in stock market history, and which is valued at approximately \$11 billion estimates that more than 70% of Beyond Burger consumers are flexitarians. 2018 U.S. consumer studies indicate that approximately one-third of U.S. consumers are very or extremely likely to purchase plant-based meat. Among this high purchase intent group, 3% were vegan or vegetarian, 13% were light meat eaters (less than once per day), 50% were medium meat eaters (1-2 times per day) and 34% were heavy meat eaters (more than twice per day). Thus, the trend for flexitarians — and even traditional omnivores — to seek out plant-based meat is projected to grow.

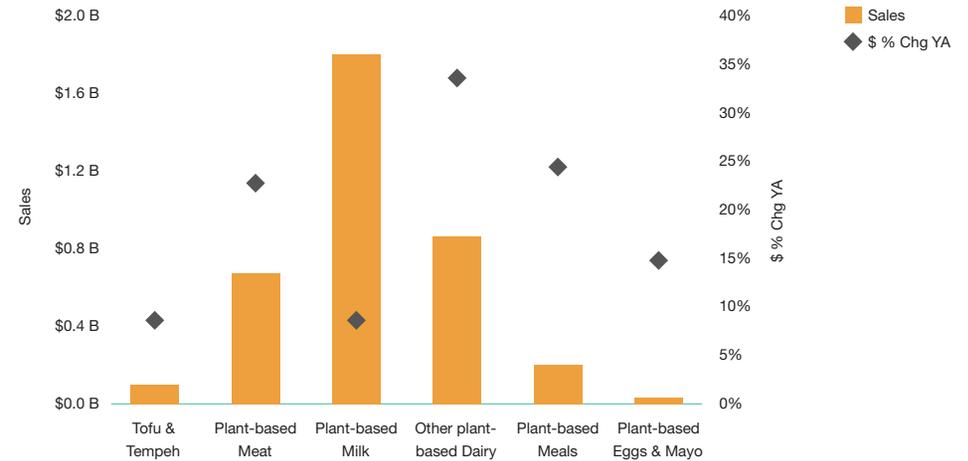
Below are some AC Nielsen research statistics on the Plant-based food retail sector in the USA which indicates a shift away from Animal-based products and towards Plant-based categories:

**Figure 1: Growth in Plant-based Categories Compared to Animal-based Categories (USA Retail Market)**



Source: Nielsen custom defined data set, xAOC + WFM, 52 weeks ending 8/11/18

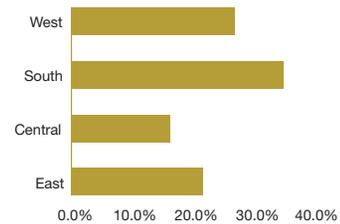
**Figure 2: Retail Market Plant-Based Foods Market Overview (USA)**



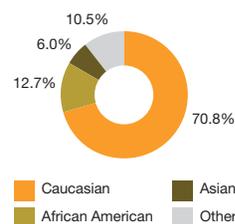
Source: Nielsen custom defined data set, xAOC + WFM, 52 weeks ending 8/11/18.



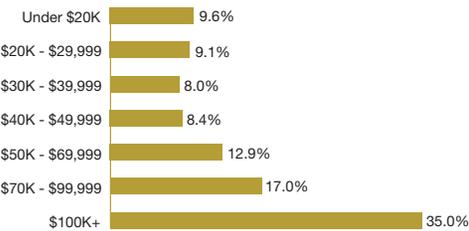
### Region



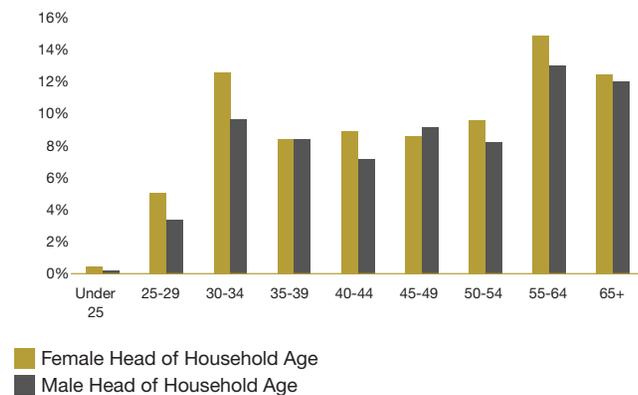
### Race



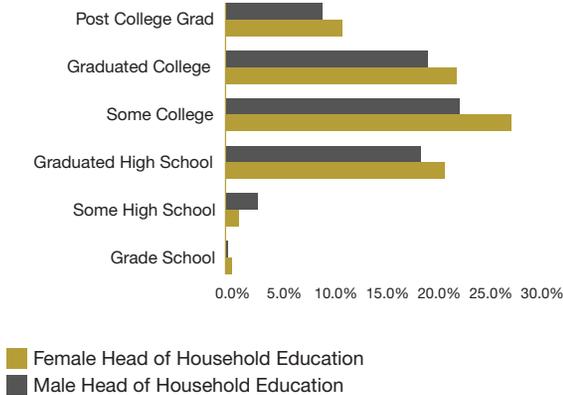
### Income



### Age



### Education



Source: Nielsen custom defined data set, xAOC + WFM, 52 weeks ending 8/11/18

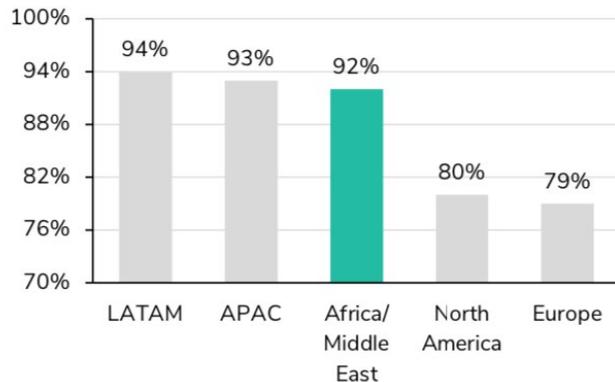


Note that 37% of American consumers who consume plant-based meat are high-income earners which has created an opportunity for brands to create innovative and healthier products at higher prices and with better margins.

Many of the trends which emerge in western markets soon arrive in the Middle East and the plant-based trend has arrived in the UAE with Beyond Meat burgers becoming widely available at restaurants and retailers and with the world's largest vegan restaurant opening its doors in Dubai earlier this year. Emirates airlines has also increased its plant-based offerings on all its flights which creates a host of new product opportunities in the foodservice sector.

Saudi Arabia has launched over 65 vegan friendly restaurants and plant-based offerings are increasing on the retail shelves. Key personalities in the region who have turned to veganism such as Prince Khaled bin Alwaleed bin Talal Al Saud, have been instrumental in promoting the dietary shift in the region.

**Consumer willingness to pay more for foods with health attributes, by region 2015**



Source: Nielsen, "What's in our Food and on our Mind" (August 2016); Nielsen, "We Are What we Eat" (January 2015)

## Global Brands & Celebrities Leveraging on Social Media!

The actor may also signal his **vegan** lifestyle through the investments he has made. **Leonardo DiCaprio** is one of the high-profile investors in **vegan** meat brand Beyond Meat, as well as the chickpea-based snack brand Hippitas. May 22, 2019

### Leonardo DiCaprio



**Khaled bin Alwaleed Alsaud**  
14 January 2018 · 🌍  
Making a huge commitment to the Middle East for the Middle East. 🇸🇦 🇲🇪 🇯🇴 🇱🇪 🇧🇪 🇮🇶 🇦🇪 🇦🇷 🇪🇬 🇵🇸 🇮🇷 🇮🇸 🇦🇲 🇵🇰 🇮🇳 🇮🇩 🇵🇭 🇹🇭 🇻🇪 🇰🇷 🇯🇵 🇨🇳 🇮🇳 🇮🇩 🇵🇭 🇹🇭 🇻🇪 🇰🇷 🇯🇵 🇨🇳

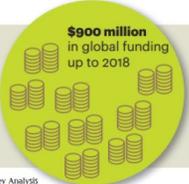
Locations of our plant based restarnt in the Middle East.

By 2020 we are aiming to have a minimum of 10 restaurants/cafes. Our region occupies parts of the top ten most obese counties in the world. This is crazy and frankly a joke we have reached this level. I'm not saying opening 10 restaurants will solve this issue, but you better believe it's a step in the right direction.

Khalid bin Alwaleed Alsaud, Saudi Prince

### Established novel vegan meat replacement brands

Ojah	Sunfed
Field Roast	Like Meat
Beyond Meat	JUST
IMPOSSIBLE	right (treat)
Moving Mountains	No Evil

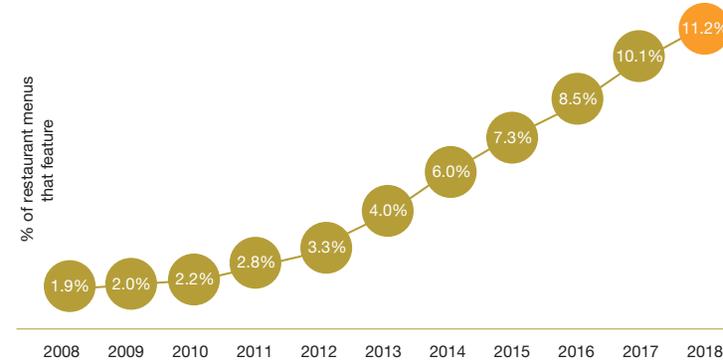


Source: A.T Kearney Analysis

However thus far, all the innovative plant-based products in the region are being imported at staggeringly high prices and this **creates an opportunity for local brands to pioneer in this space and saturate the growing demand.** We at FSL, believe that we can achieve the "Beyond Meat" level of innovative success for our customers and have been fine tuning our recipe and ingredients to develop our own plant-based meat burgers, chicken tikka nuggets and shawarma strips which are adapted to the local consumers taste profile and which are GMO free and clean label.

**Figure 4: Demand for Plant-Based Foods (Foodservice USA Market)**

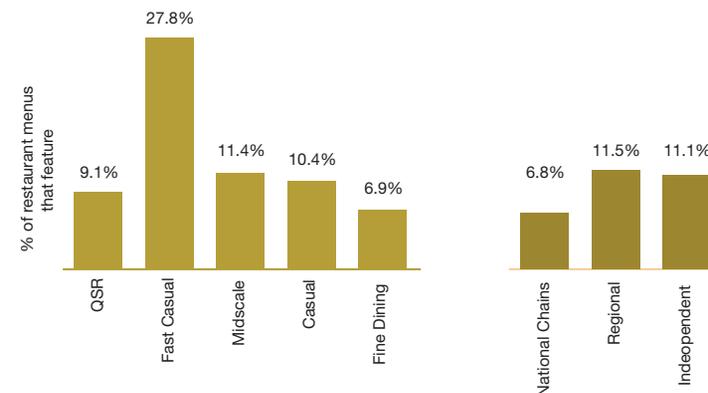
### Historic Menu Penetration



### Menu Growth Rate



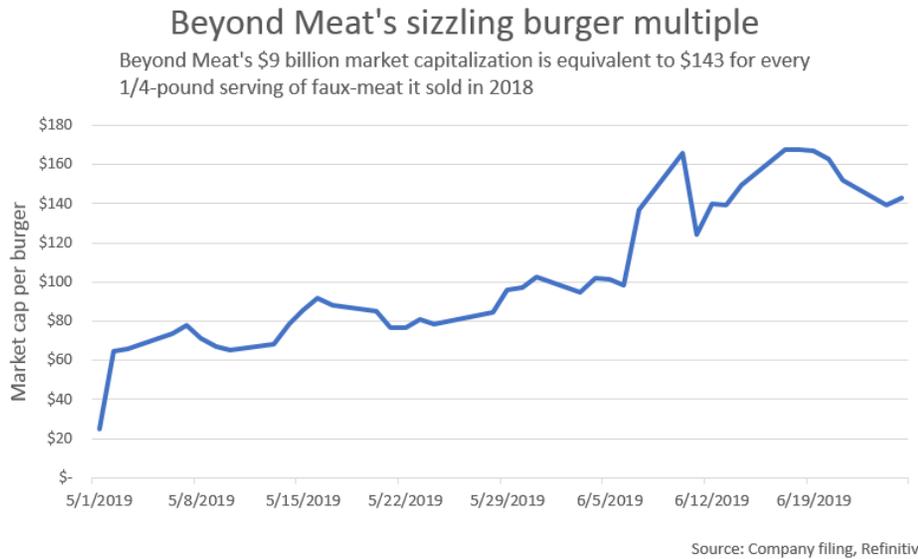
### Restaurant Type



Source: Datassential's MenuTrends Database

Please contact us for a sample of our products and read more to learn more about some of the ingredients and products we are offering from new suppliers like Soja Protein to align with the emerging flexitarian and vegan trend.

**Figure 5: Beyond Meat Market Cap Per Burger**





## SOJAPROTEIN

### Cost-Reduction, Texture Improvement and Health Benefits for your Brand



**Sojaprotein** is one of the largest soybean processing facilities in Europe with a capacity of **250,000 tons** per year. It also ranks among the most important soybean processors in Europe because it is one of the few companies to process exclusively non-genetically modified soybeans (non-GMO) and strictly control their origin and quality which adds value to the entire product range. The **Sojaprotein** factory was founded in **1977**.

## Benefits Of **Soy Products**' Application In The Food Industry

- Using functional effects of soy proteins (water binding, expansion, viscosity, gelling, cohesion and adhesion, emulsion) enhances sensory properties of food products: appearance, consistency, texture, taste, juiciness.
- Adding soy products increases the overall nutritional value of food products which can then be classified in the group of products with special properties (healthy, dietary, or therapeutic). Soy products represent high-value food ingredients since soy proteins contain all the essential amino-acids necessary for the normal functioning of the body.
- The use of soy products enables the reduction of production costs and the standardization of quality with constant stability levels.



## Product Portfolio For Meat Industry

PRODUCT NAME	PRODUCT TYPE	PRODUCT APPLICATION
SOPRO-TB	Defatted Toasted Soybean Flour	
SOPROLEC-8-TB	Lecithinated Toasted Soybean Flour	
SOPROMIX 1, 2, HE	Functional Mixtures for the Food Industry	
SOPROTEX-N, SOPROTEX-H	Textured Soybean Flour (Soya TVP) - Minced and Chunks	
TRADKON SPC-TEX	Textured Soybean Protein Concentrates	
TRADKON SPC HC	Soybean protein concentrate	



Sojaprotein has a range of textured soya products that can offer a meat-like texture and mouth-feel in any food product in which different marinades can be added to create various products such as **shawarma strips, curry fillet, tikka cubes, tandoori bites, steak** and much more.



If you are interested in any of the products featured above, please contact:

**Girish Pandorwala**  
Food Specialities Limited  
Meat, Culinary and Snack Ingredients Unit  
[girish@foodspecialities.com](mailto:girish@foodspecialities.com)  
Tel: +971 4 8069 650