

International Sugar Organization

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EXECUTIVE DIRECTOR

Press Release(18)70 (English only)

1 November 2018

Various sugar related articles

The Executive Director would like to draw your attention to the article below which is relevant to the sugar sector.

Food Navigator.com 31-10-2018

Mondelēz to invest in snack startups through newly launched SnackFutures 31-Oct-2018 By Douglas Yu

The Oreo maker will launch an innovation hub 'SnackFutures' next month that will invest in snack startups through partnering with early-stage entrepreneurs.

https://www.foodnavigator.com/article/2018/10/31/mondelez-to-invest-in-snack-startups-through-snac

Food Navigator.com 31-10-2018

PepsiCo makes first 'HIVE' investment acquiring Health Warrior 31-Oct-2018 By Mary Ellen Shoup

PepsiCo has acquired Health Warrior, Inc. -- a plant-based protein company specializing in 100-calorie snack nutrition bars -- its first brand investment of the newly-formed entity, The PepsiCo HIVE.

https://www.foodnavigator-usa.com/article/2018/10/31/pepsico-makes-first-hive-investment-acquiring-health-warrior

Sugar Online - Ebriefing 31-10-2018

Tereos opens its first R&D centre in Asia to innovate in face of sugar taxes

French ingredient company Tereos has opened a R&D centre in Singapore, the first it fully-owns in Asia, according to Food Navigator Asia. The centre will cater to regional demands, such as providing sugar reduction solutions and plant-based meat alternatives. Despite a raft of sugar taxes introduced in South East Asian countries, including Thailand? and Philippines?, Tereos said it was optimistic of its sugar and sweetener portfolio — a core business which brought in 57% of its total re...

AUSTRALIA: Mackay Sugar receives non-binding investment proposal from Nordzucker

Mackay Sugar has received a non-binding indicative proposal for recapitalisation from German-based sugar manufacturer Nordzucker AG, according to Australia's Weekly Times. The proposal remains subject to finalising a binding agreement, with Mackay Sugar agreeing to an exclusivity period until the end of December this year. If successful, the deal will see the agreed funds used for capital improvements on mills, as well as a two-stage repayment of the A\$2/tonne levy to growers. Nordzucker is...

CANADA: Pediatric endocrinologist says "sugar high" is a myth

Sugar seems like the obvious culprit when kids get overexcited after eating cake, ice cream and who knows how much Halloween candy, reports Sugaronline. But ask an expert in how the body metabolizes sugar, and she'll tell you there's no reason candy should cause a high compared to other sugars. "It's a myth," said Elizabeth Rosolowsky, a pediatric endocrinologist in the University of Alberta's Faculty of Medicine & Dentistry. "Parents may observe more energy in their kids after eating sugar,...

Sugaronline Editorial - Trick or Treat, it's just as sweet By Meghan Sapp

31 Oct 2018

What better day than Halloween to talk about the truly scary war on sugar? <u>Halloween</u> ranks right up there with Diwali, Ramadan, and Easter (oh, don't forget Valentine's Day!) as a time for consuming (or over-consuming) candies and sweets, so it must be the target of the antisugar lobby looking to take away all of the fun from creating childhood memories.

Think about the cavities! The tooth decay! The obesity! Oh, the horror! <u>Give out apples</u> (without caramel) and toothbrushes instead!

Yeah, I'd skip that house too, wouldn't you? Of course, most people would.

And that's pretty much the result of a recent survey of 19 countries, that when it comes to choosing confectionary only a quarter of the people surveyed cared about the sugar content. What they really cared was about flavour, indulgence (!) and cost, while about a quarter also cared about the ingredients being "natural" (score one for sugar!).

The results of the survey don't argue that the war on sugar doesn't exist, they just show that for the most part people aren't influenced by the sugar content when it comes to making purchases. Now for <u>soft drinks that are impacted by local and national sugar taxes</u>, there's a whole other dynamic that comes in that's policy and finance driven, but for confectionary that is not yet subject to those taxes, sugar content isn't an issue.

Something that does seem to connect the discussion between confectionary and sugar consumption overall is the idea that what people say does not necessarily reflect what people do. Sure, you may tell your neighbour that he needs to keep his yard tidy, but do you the same? Maybe, maybe not. You may tell your kids that they can only watch an hour of TV before bed, but you know you've got the Netflix burning the midnight oil. People do not practice what they preach, by and large, so it should be no surprise that hypocrisy also lingers among those purchasing sugar-laden products.

It feels good, I want some. That's not addiction, it's just quality of life.

But it should also give some clues as to how the war on sugar is truly impacting sugar demand, sugar tax-related products aside. Demand shifts and product reformulation may not be as life changing for the industry in the short term, which is a good thing. But it does not mean the industry should rest on its collective laurels, either—it just means there's some breathing room.

The study highlights that just 6% of new product launches over the previous 12 months in those 19 countries were sugar-free, but reduced sugar or reformulated products were not mentioned. But what's also key is that two-thirds of chewing gum launches were sugar free. For a long time, sugar-free gum has been the industry norm, but it wasn't always that way. There was a consumer demand shift that wanted sugar-free gum and now that's pretty much what is mostly available (don't give it to your dog, please).

It's impossible to know when sugar-free confectionary will become the norm just like with gum, and though it won't be overnight, it's something that is coming so the industry—sugar and FMCG alike—must prepare for.

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