

TIA



September 13th 2017

Hotel 4 Barcelona

Agenda

- Details of Today's Events
- Role of Tortillas
- The Tortilla Market
- How & Why It Is Growing
- Analysis By Segment

Your First TIA Event?

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HAND!**

Latest Scientific Research



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Breaks & Reception Sponsor

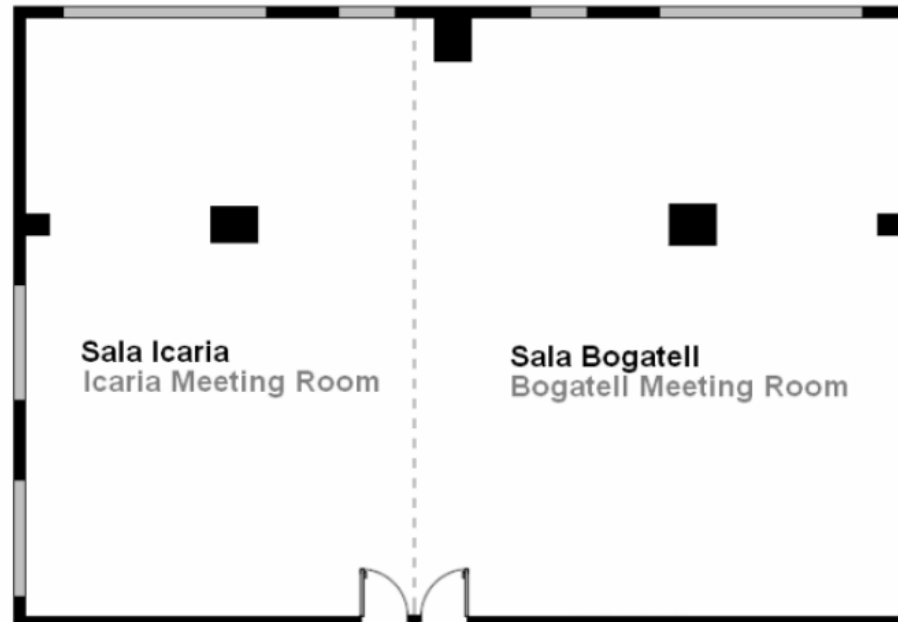


**SPECIALTY SOYBEANS AND
FOOD GRADE
WHITE & YELLOW CORN**

DAY 1 - Weds Sept 13th			SPEAKER
8:30-8:45		Badge Pickup	
8:45-9:30	1	Opening Session: Program Overview & Tortilla Market Overview	Jim Kabbani TIA
9:30-10:15	2	Properties of wheat & corn flour types, their impact on tortilla characteristics	Mireilla Rivas, Minsa
10:15-11:00	3	Defensible Health Claims using Fiber and Low-Carb and other applications	Miquel Rovira, JRS
11:00-11:45	4	In what situations should Batch Packs be considered	Dave Waters, Solvaira / Allied
11:45-12:30	5	Enzyme technology in relation to tortillas and their final product characteristics	Cristina Primo Martin, AB Mauri
12:30-1:15	6	European Regulations That Affect Tortilla Products	Jose Maria Ferrer Villar, AINIA research
1:15-2:15	7	LUNCH	
2:15-3:00	8	Identifying & Controlling Hidden Costs in Tortilla Production	Dave Rodriguez, Lawrence Equipment
3:00-3:45	9	Complying with European Union Clean Label Rules using Natural Ingredients	Ernst Benier, Breatec
3:45-4:30	10	Troubleshooting & Correcting Tortilla Problems	Steve Bright, Mesa Foods
4:30-6:30		Cocktail & Tabeltop Exhibits Reception	
6:45-8:15		<i>Optional - Guided tour of Barcelona (included in registration fees)</i>	
DAY 2 - Thurs Sept 14th			
8:00-8:45	11	Capitalizing on Gluten Free Opportunities	Paul Hart, Elm Lea Partners LTD
8:45-9:30	12	Optimizing Formulations that use Microencapsulates	Merce Pinol, Balchem Encapsulates
9:30-10:15	13	Processing Equipment Strategies	Clay Lawrence, Lawrence Equipment
10:15-11:00	14	Function & Properties of Tortilla ingredients	Steve Bright, Mesa Foods
11:00-11:45	15	Formulating for Future Tortilla Market Needs (e.g. palm-free, non-hydro, etc)	Gabor Nagy
11:45-12:00	16	Closing Remarks, Attendee Survey, & Awarding of Certificates	



Meeting Rooms Map 2nd Floor



Classroom: BOGATEL
Reception: ICARIA
Lunch: Lobby Level

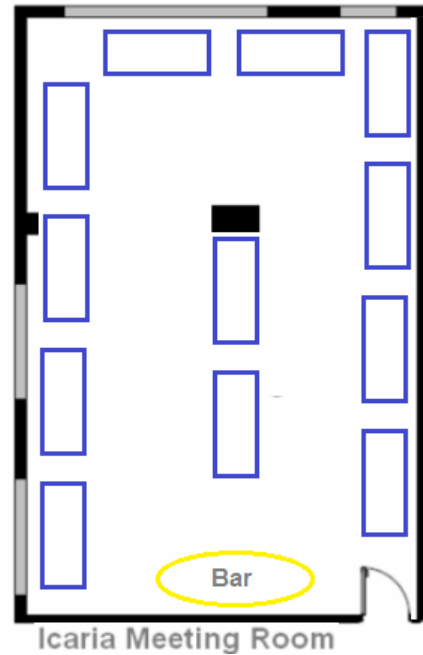


TABLETOPS RECEPTION
Wednesday September 13th – 5:00 pm
ICARIA Room (Next to Classroom)

TABLETOP EXHIBITS

(At Time of Printing - subject to change)

- ARR-Tech
- Balchem
- Casa Herrera
- CinchSeal
- Coperion K-Tron
- Filtercorp
- JAX Aps
- JC Ford
- Lawrence Equipment
- MINSA
- Silijal
- Strik bv



NOTE:
Tabletops Reception Layout Approximate & Subject To Final Revisions

**PLEASE VISIT OUR SPONSORS AND TABLETOP EXHIBITORS, AND
THANK THEM FOR SUPPORTING THIS EVENT !**

Tortillas – What & Why

- For Consumers:
 - Tortillas Are a Food Delivery Vehicle
- For Corporations:
 - Tortillas Are a Results Delivery Vehicle

Effective Participation In The Tortilla Industry
Is A Revenue-Building Strategy For Producers
And Suppliers In The Baking Industry

Learning From Each Other

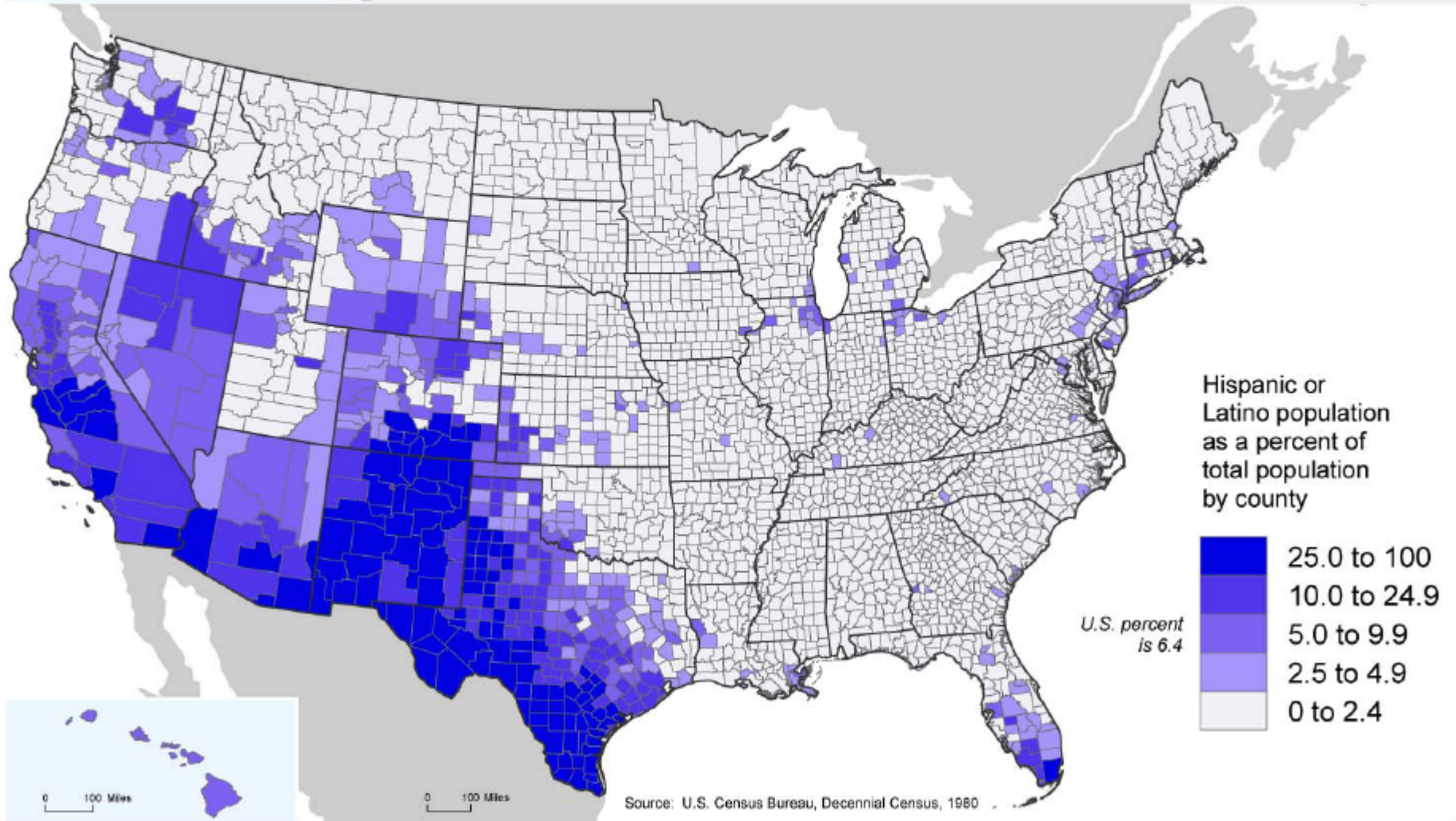
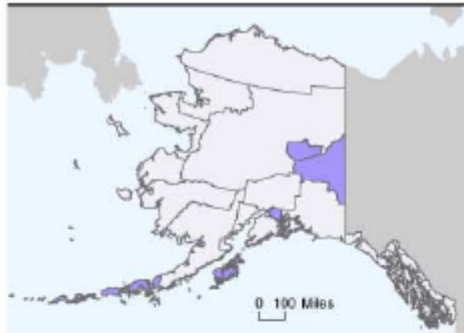
- Please Tell Me One Main Question You Have that You Would Like to Learn The Answer To ?

Data To Be Presented

- USA
 - Tortilla Market & Growth Drivers
- Europe
 - Top 4 Tortilla Countries
 - Top Brands Each Country
 - Top 3 Chips Countries
 - Top Brands Each Country
 - Other Flat-Bread Products
- Sources:
 - TIA Research
 - AC Nielsen Company
 - Euromonitor

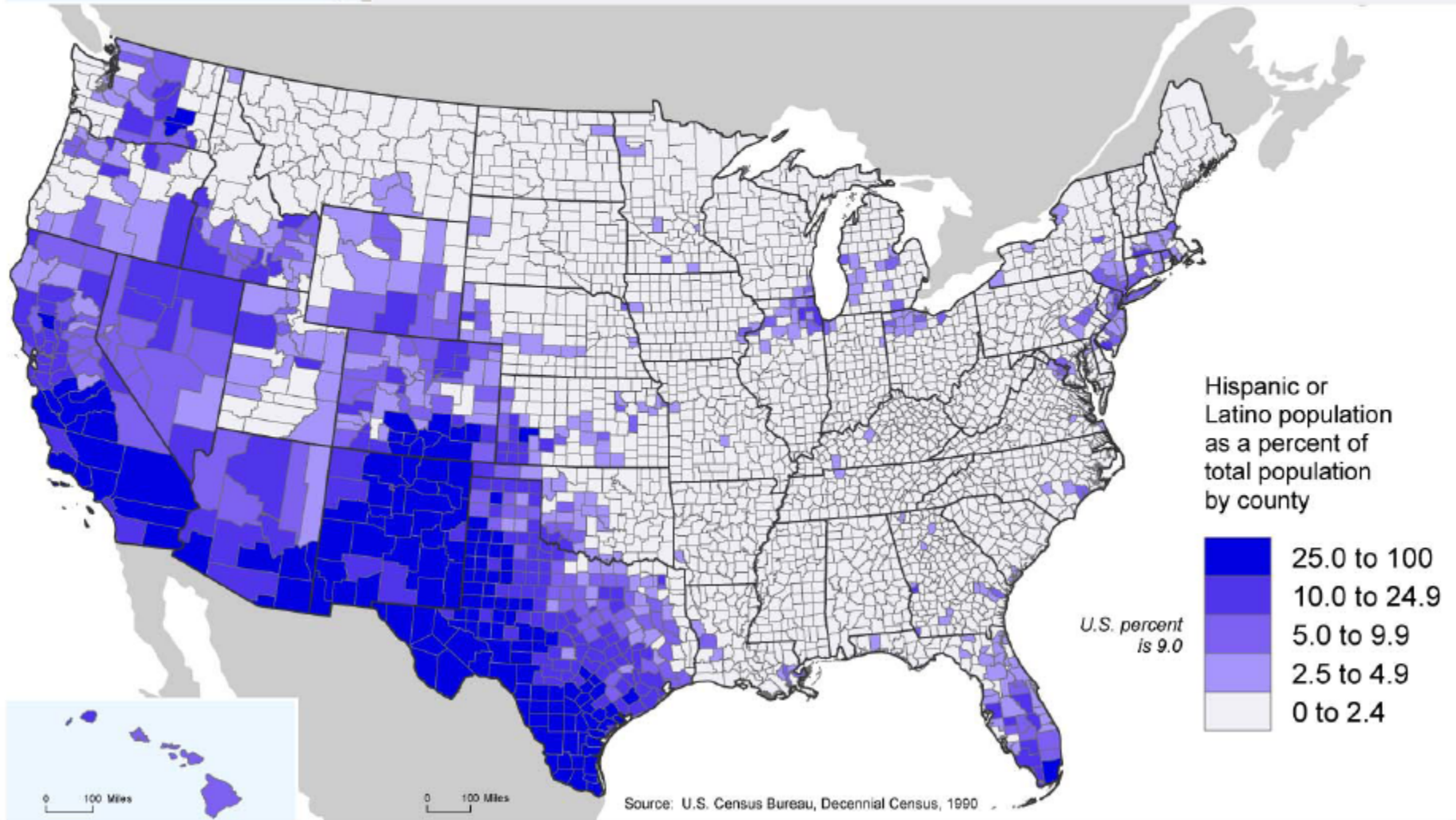
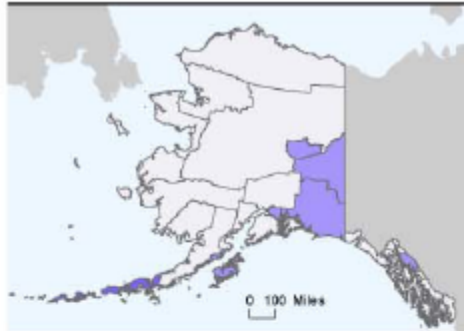
Demographic Market Drivers

Percent of Population 1980 Hispanic or Latino



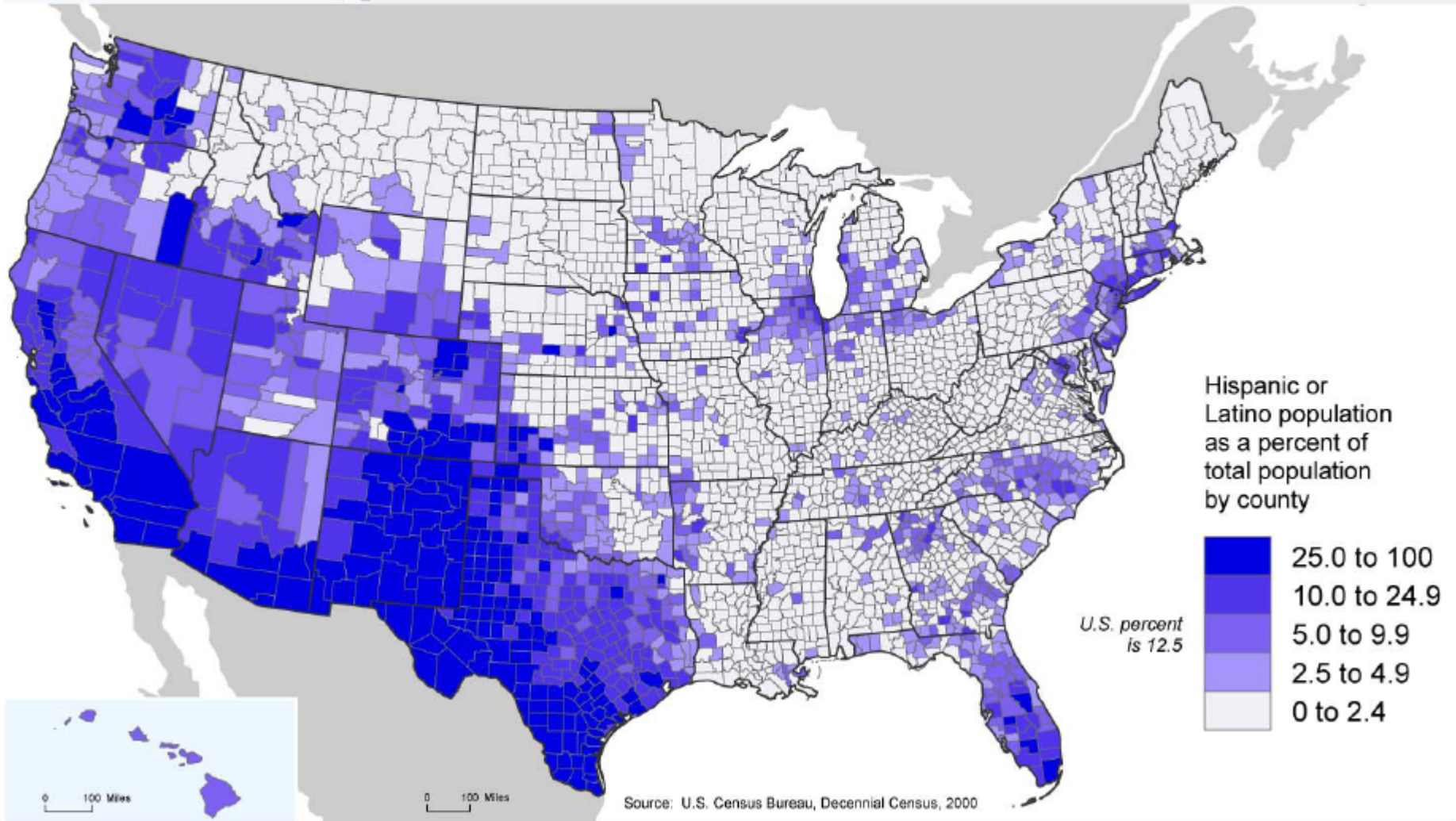
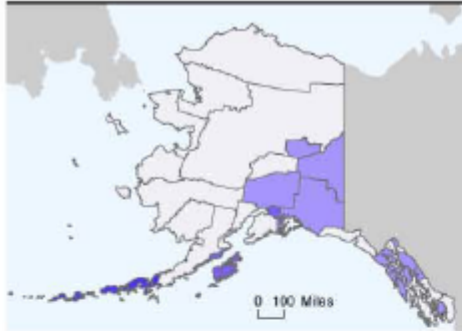
Source: U.S. Census Bureau, Decennial Census, 1980

Percent of Population 1990 Hispanic or Latino



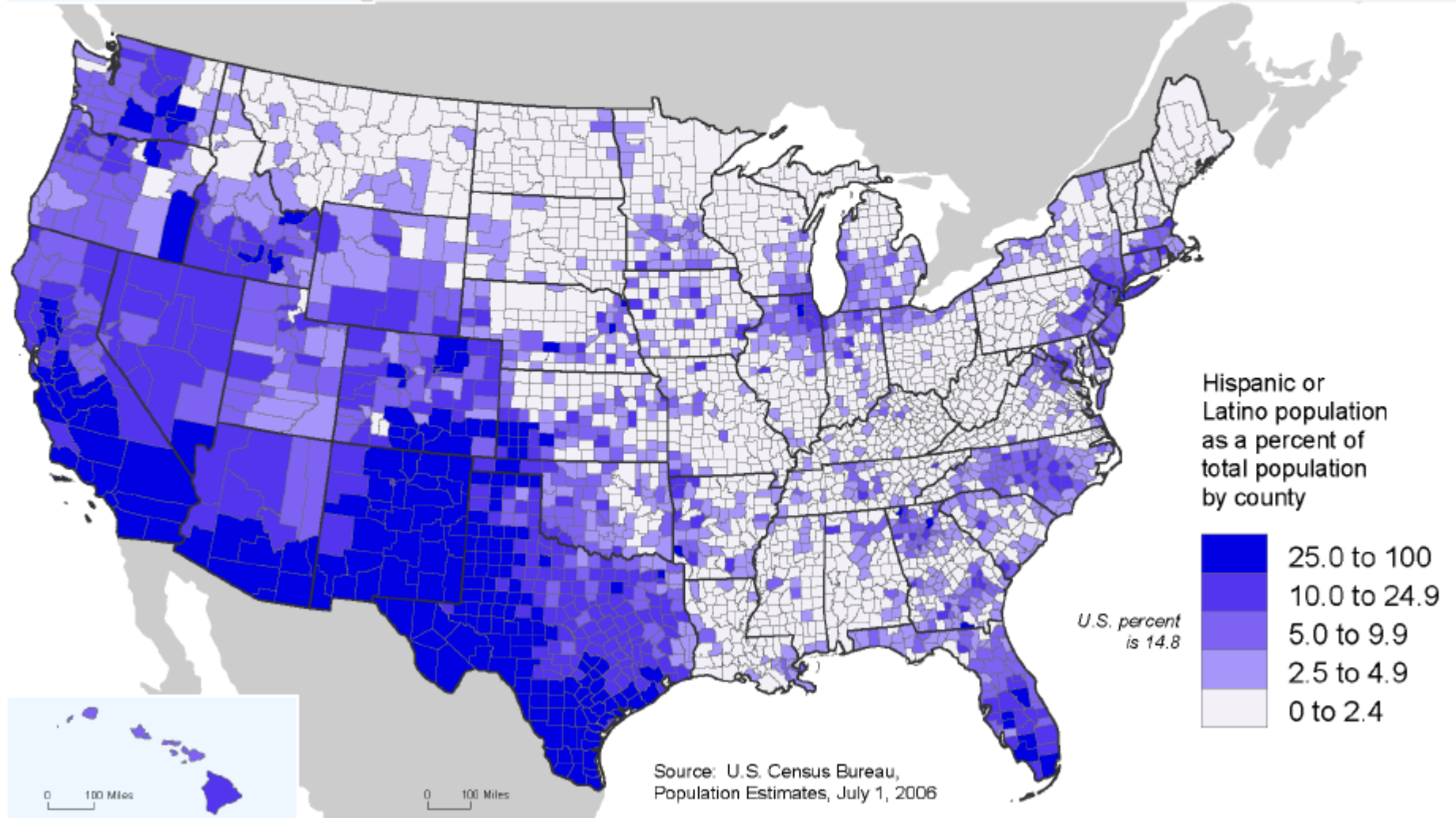
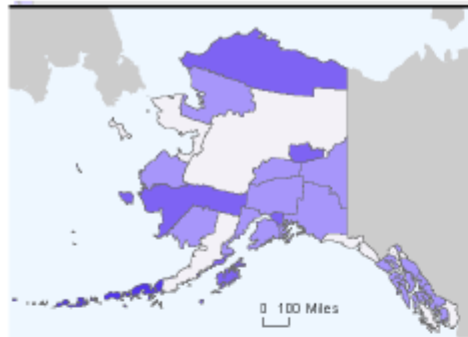
Source: U.S. Census Bureau, Decennial Census, 1990

Percent of Population 2000 Hispanic or Latino



Source: U.S. Census Bureau, Decennial Census, 2000

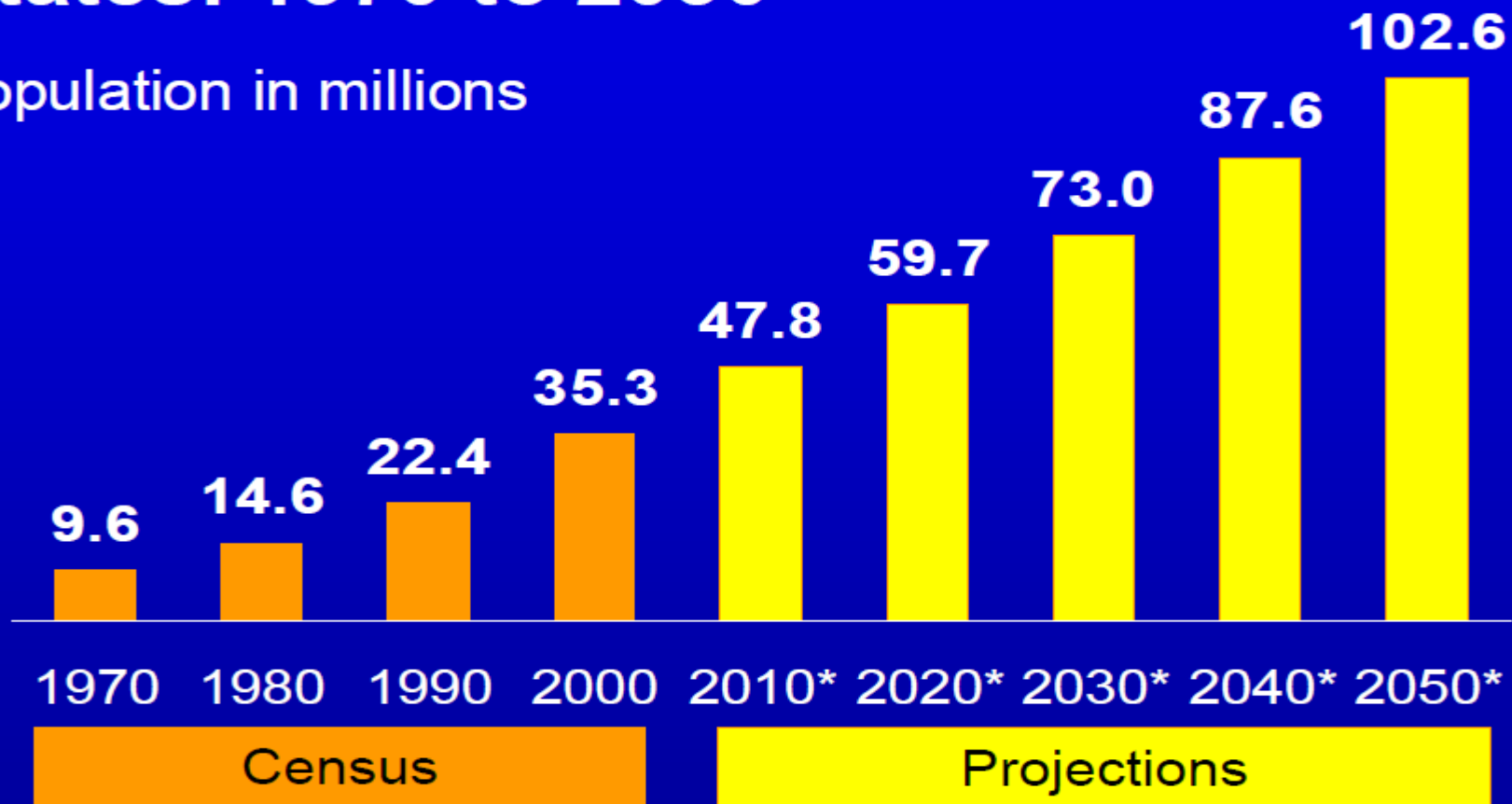
Percent of Population 2006 Hispanic or Latino



THE DEMOGRAPHIC DRIVER of U.S. TORTILLA SALES

Hispanic Population in the United States: 1970 to 2050

Population in millions



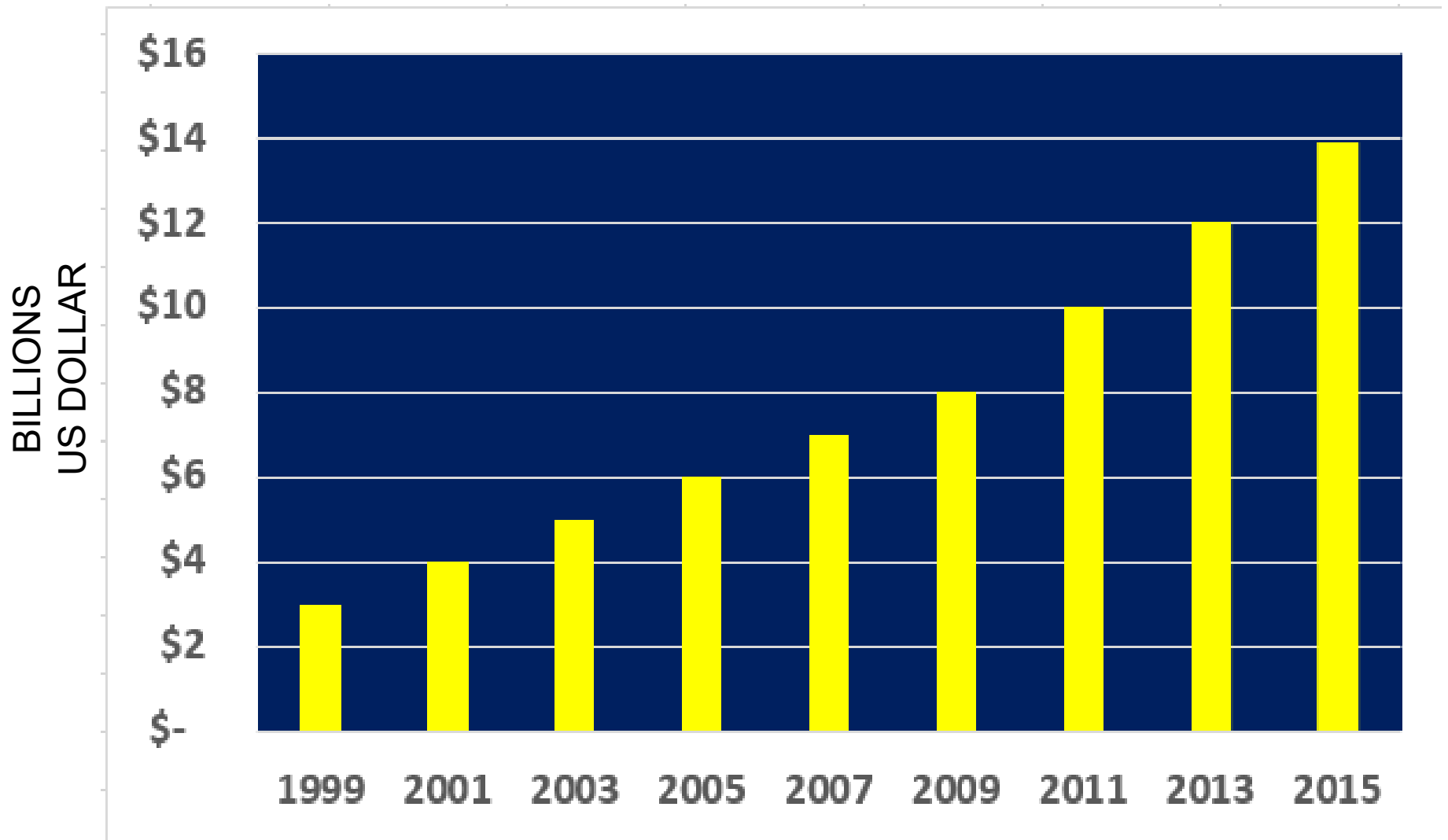
*Projected Population as of July 1

3

U S C E N S U S B U R E A U

Source: U.S. Census Bureau, 1970, 1980, 1990, and 2000 Decennial Censuses; Population Projections, July 1, 2010 to July 1, 2050

Tortilla Market Size USA



Market Size & Growth

- CAGR of 5-9% Since 1996
- Fueled By:
 - Demographics
 - Dietary Diversification among **All** Ethnic Groups
 - Economics
- US Sales in 2015 = \$13.8 Billion +
 - Salsa Outsold Ketchup in 2008
 - Tortillas Outsold White Sandwich Bread in 2010
 - Top 3 Ethnic Cuisine in US:
 1. Italian,
 2. Chinese,
 3. Mexican

Non-Demographic Drivers:

- Tremendous Growth Among Non-Hispanic Buyers
- Healthier Eating Alternatives To Bread
- Greater Variety Available
- More Options
 - Kosher
 - Organic
 - Gluten Free
 - Etc
- Convenience

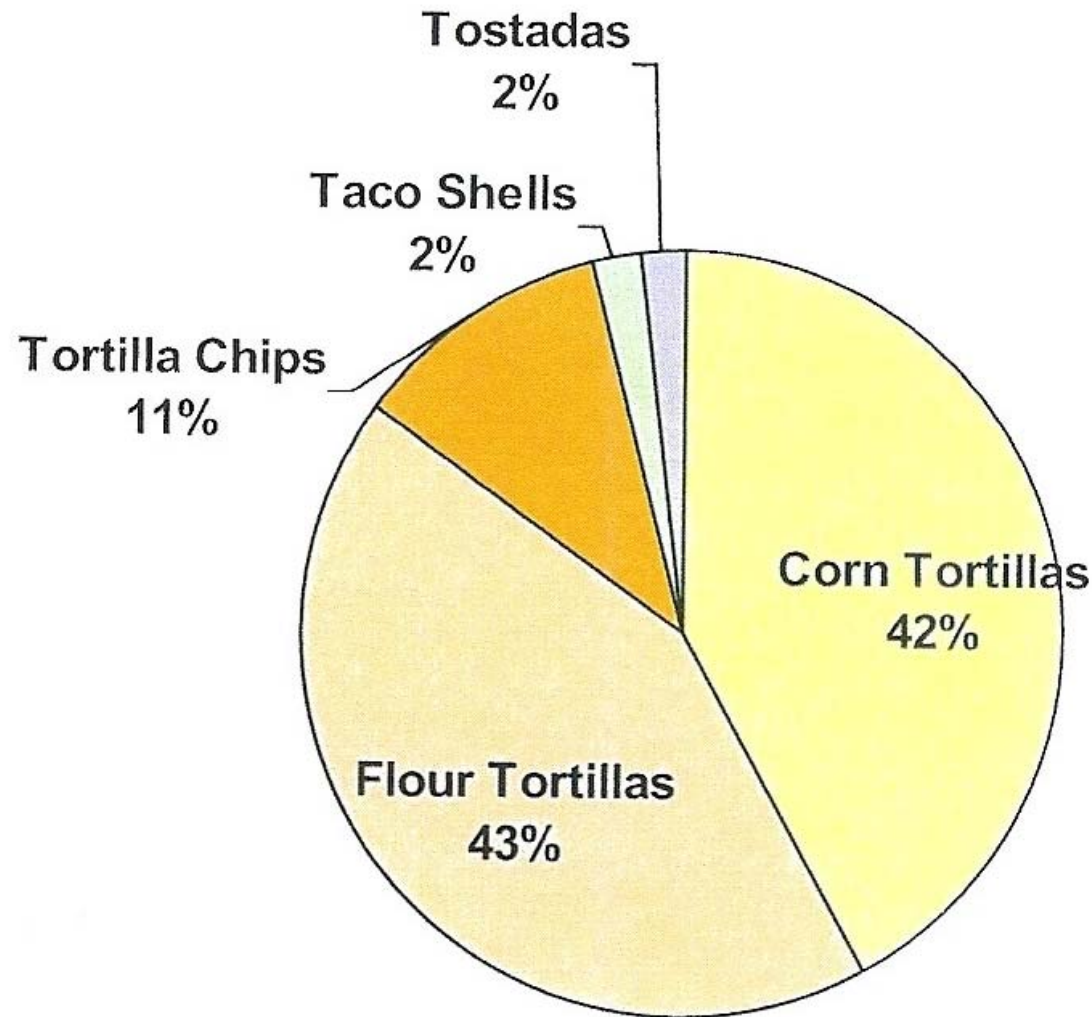
TRACKING METHODS

- US Dept Of Commerce Assigned NAICS Code 311830 to Tortilla Manufacturing
- Several Major Players Are Conglomerates Therefore Under Other Codes
- Majority Of Tortilla Sales Not Seen By IRI
 - Less Than One Third Of Tortillas Are Sold Through Chain Retailers
 - Conversely, Relatively Large Portion Of Tortillas Are Part Of Other Product (Burritos, Wraps, Frozen Entrees) So Not Even Recorded As Tortilla Sales
- Traditional Preference For Fresh-Onsite Tortillas Makes Tortillas Manufactured In Restaurants and Small Store-fronts Untrackable
- TIA Uses Broad Combination of Market Data AND Member Data With Trend Analysis

2015 In US Dollars – By Type

By Product Type			
	Tostadas	2%	\$ 277,830,000
	Taco Shells	2%	\$ 280,404,000
	Tortilla Chips	11%	\$ 1,530,065,000
	Flour Tortillas	43%	\$ 5,973,345,000
	Corn Tortillas	42%	\$ 5,834.340,000
		100%	

2015 Product Types & Share

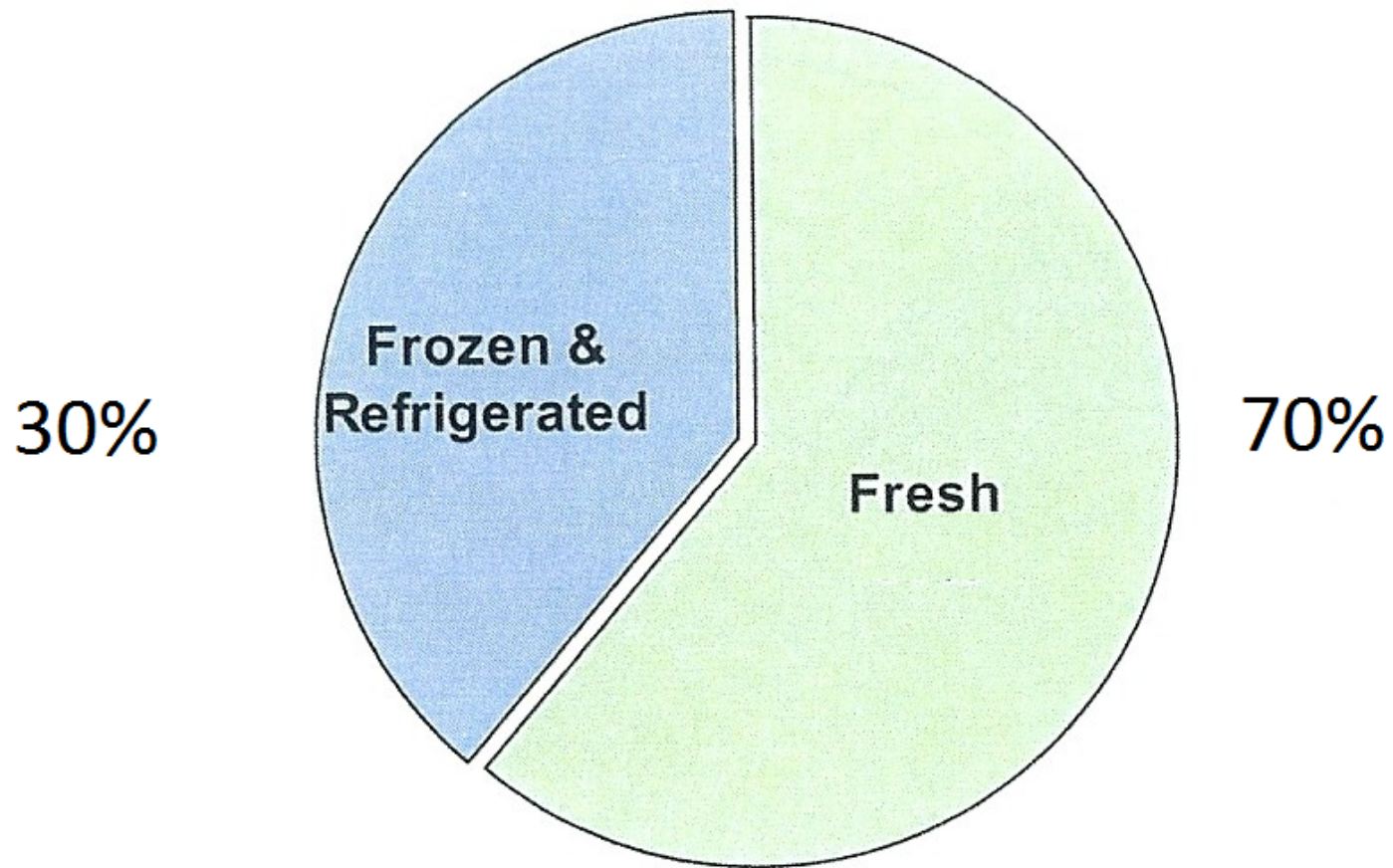


2015 Fresh Vs Frozen – Dollars

Fresh	70%	\$ 9,724,000,000
Frozen / Refrigerated	30%	\$ 4,167,000,000
	100%	

Fresh Vs. Frozen / Refrigerated

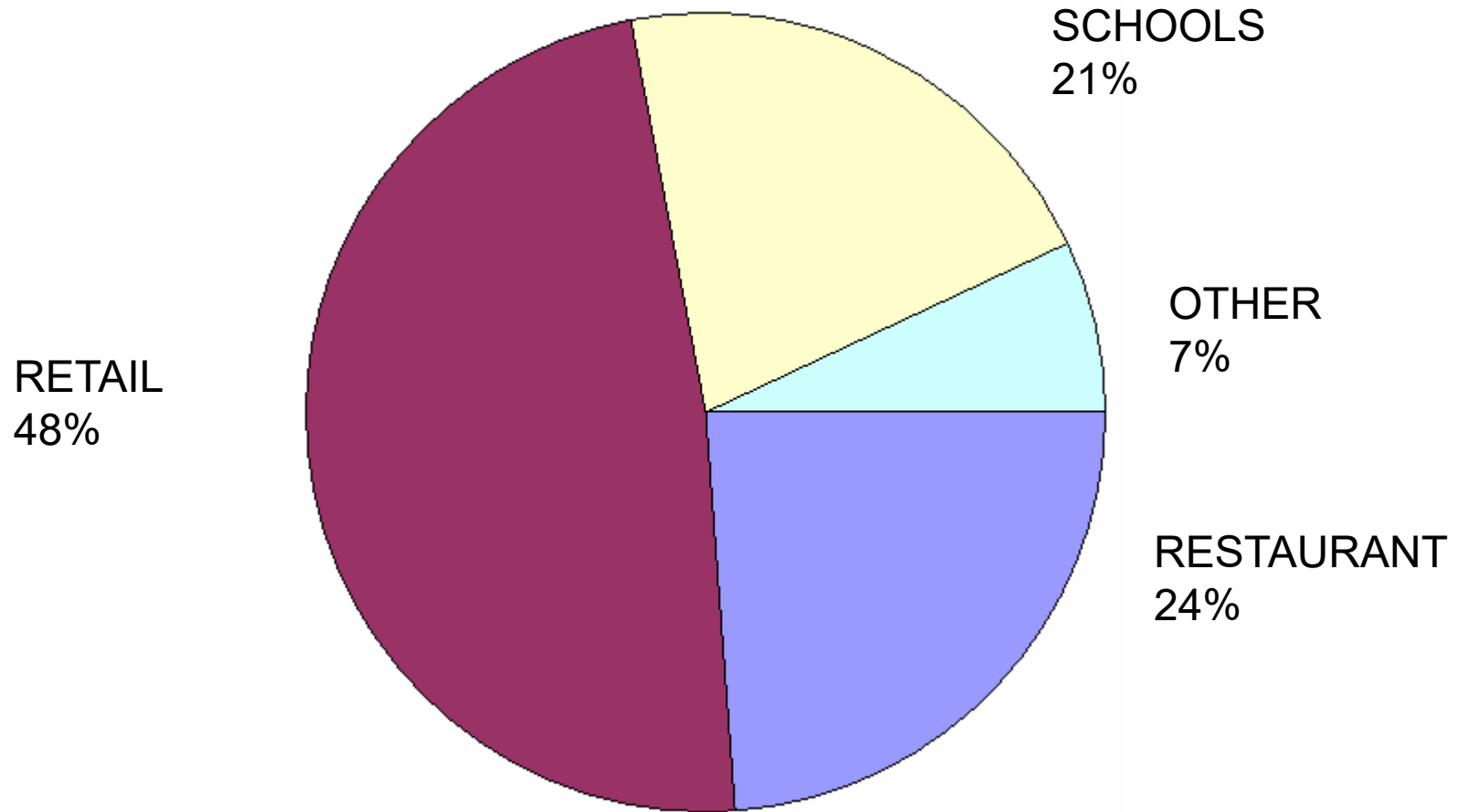
2015



2015 By Purchaser - In Dollars

Retail	48%	\$ 6,667,000,000
Restaurant	24%	\$ 3,334,000,000
Schools & Govt Institutions	21%	\$ 2,917,000,000
Other	7%	\$ 972,400,000
	100%	

2015 Sales By Purchaser

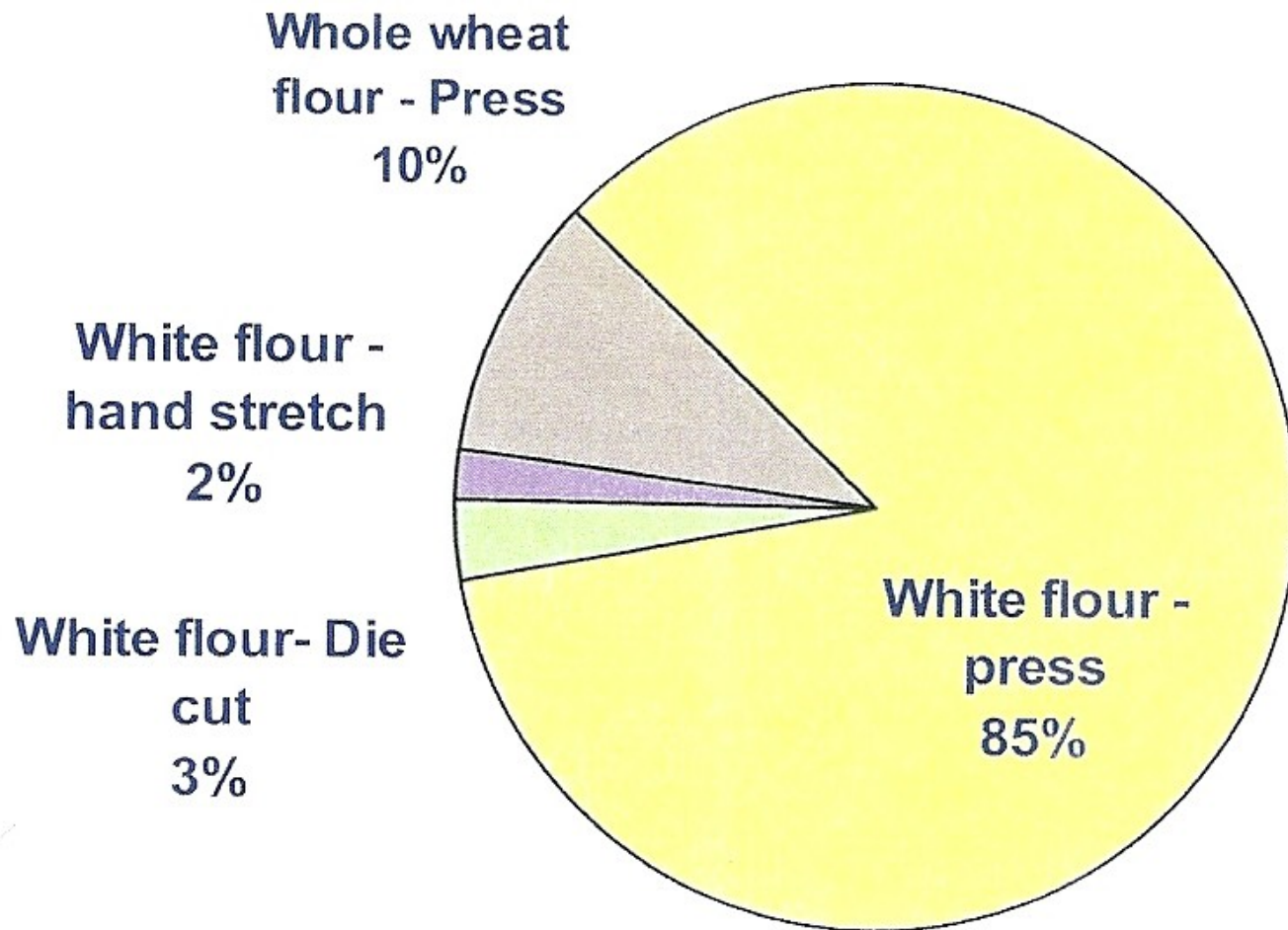


Includes IRI Data

2015 Flour Tortillas – In Dollars

White flour - Press	85%	\$ 11,807,775,000
White flour - Hand Stretch	2%	\$ 277,830,000
White flour - Die Cut	3%	\$ 416,745,000
Whole Wheat - Press	10%	\$ 1,389,150,000
	100%	

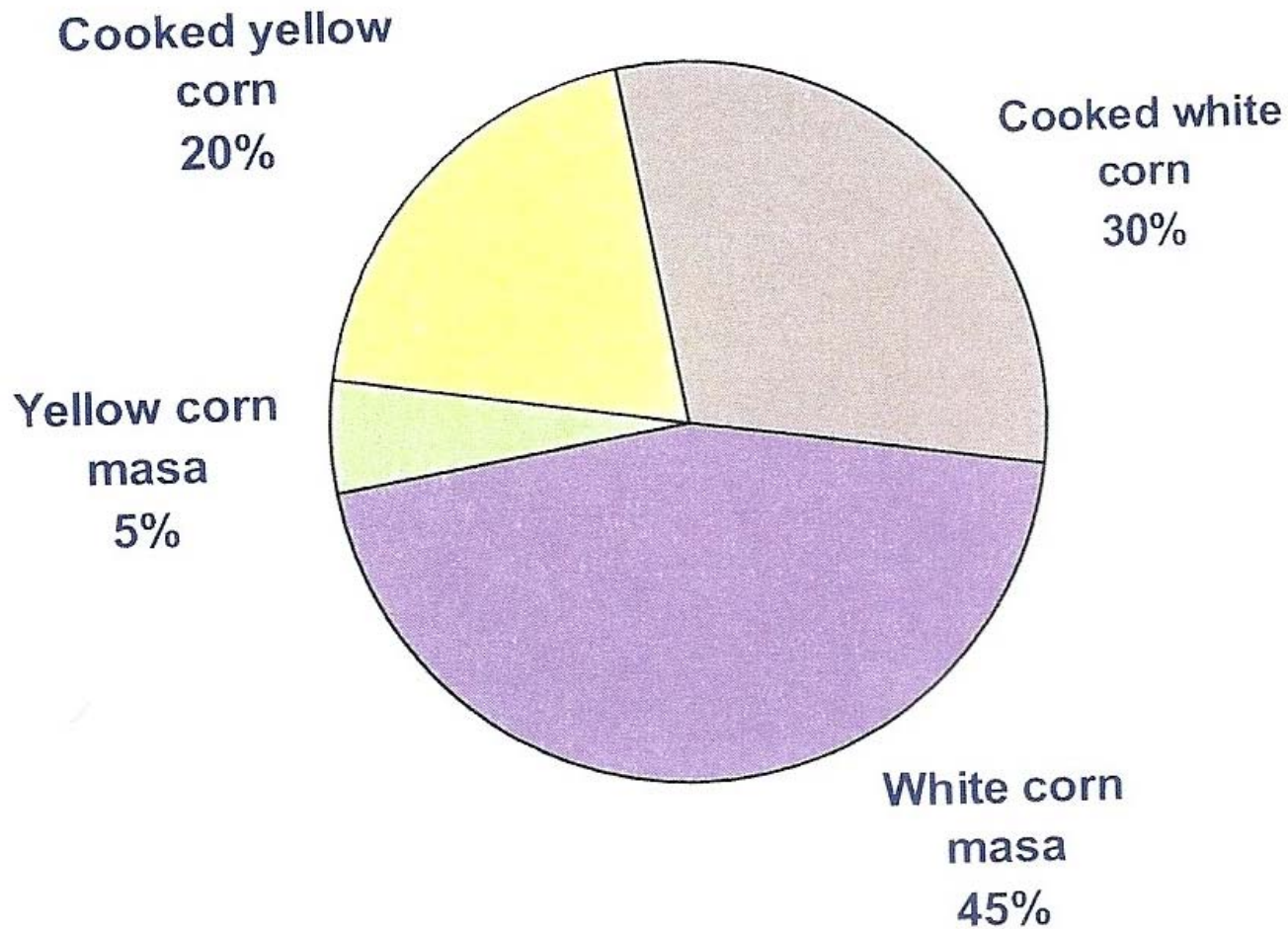
2015 Flour Tortillas



2015 Corn Tortillas – In Dollars

Masa - White Corn	45%	\$ 6,251,175,000
Masa - Yellow Corn	5%	\$ 694,575,000
Cooked - White Corn	30%	\$ 4,167,450,000
Cooked - Yellow Corn	20%	\$ 2,778,300,000
	100%	

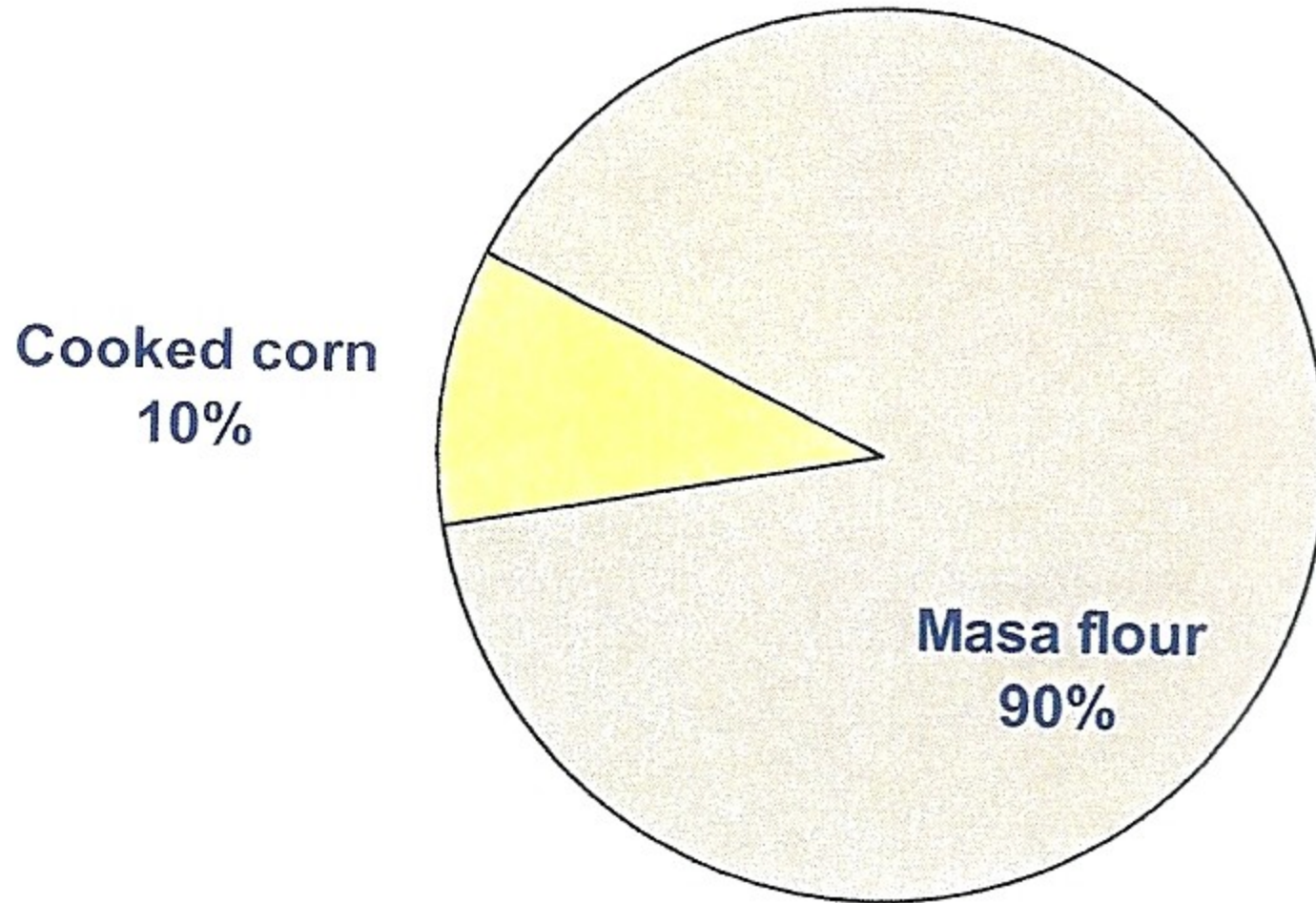
2015 Corn Tortillas



2015 Tortilla Chips – In Dollars

Masa Flour	90%	\$ 12,502,350,000
Cooked Corn	10%	\$ 1,389,150,000
	100%	

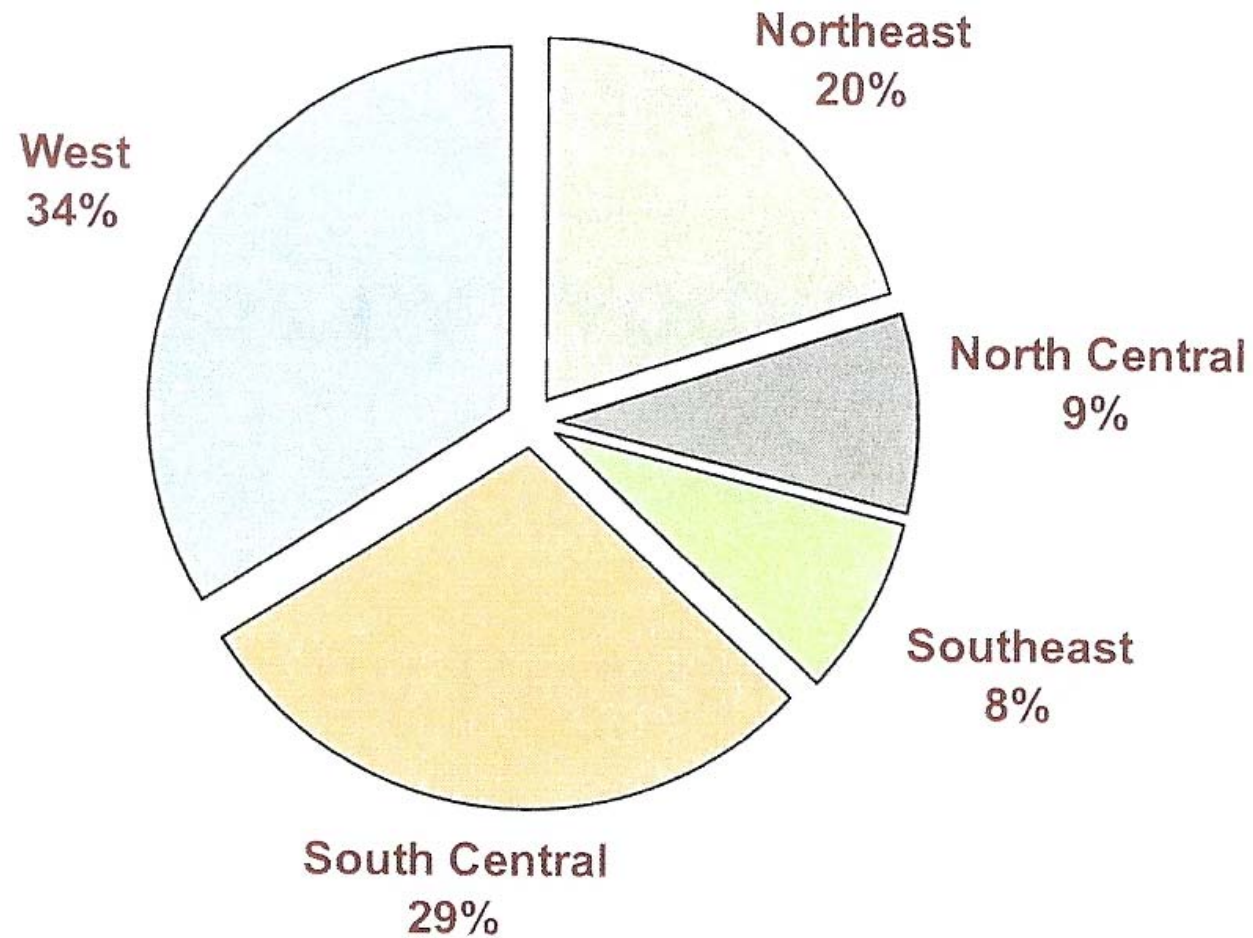
2015 Tortilla Chips



2015 US Region – In Dollars

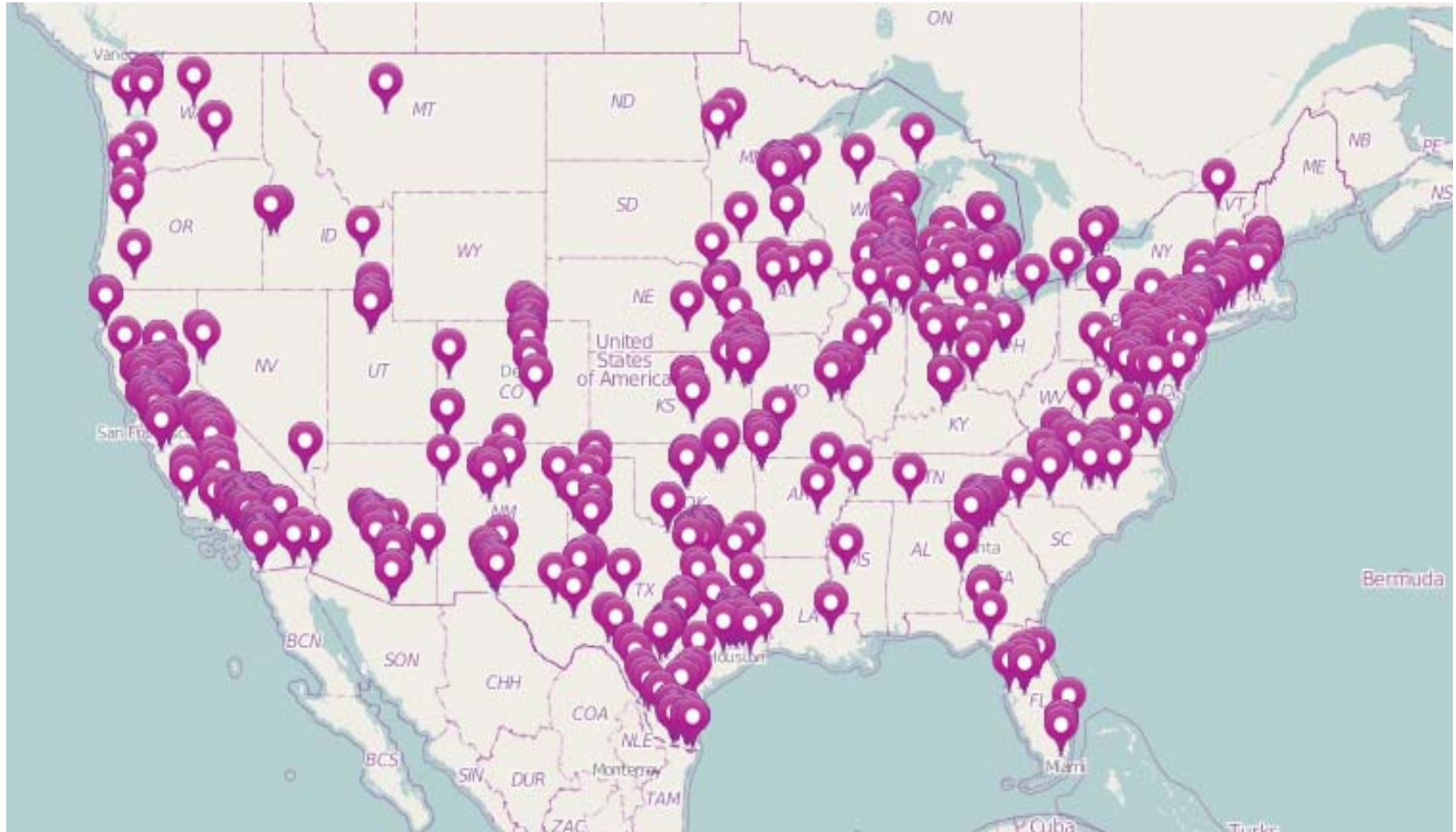
West	34%	\$ 4,723,110,000
South Central	29%	\$ 4,028,535,000
NorthEast	20%	\$ 2,778,300,000
North Central	9%	\$ 1,250,335,000
South East	8%	\$ 1,111,320,000
	100%	

2015 By US Region





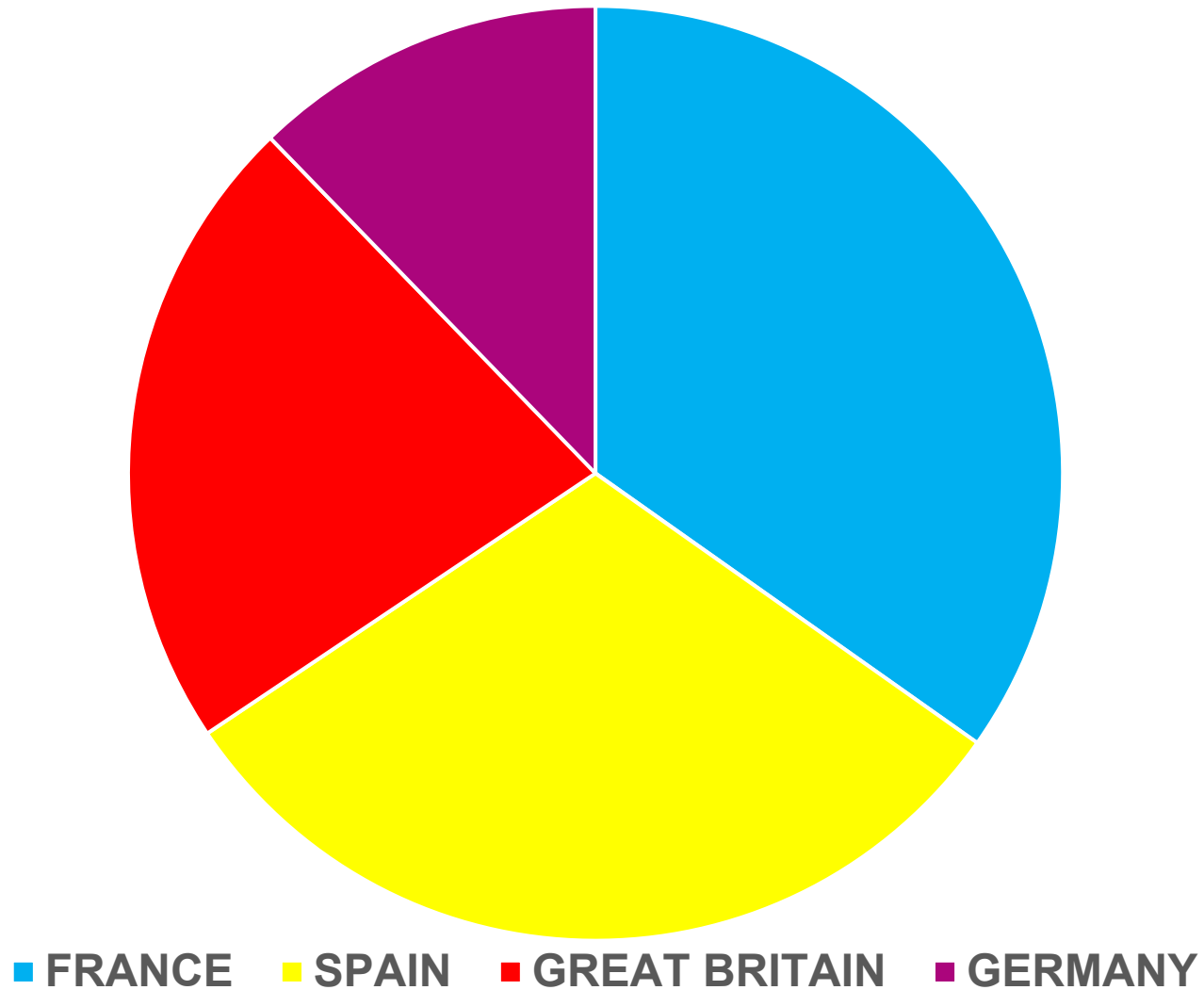
Continental U.S. Tortilla Plants



Europe – Top 4 Tortilla Sales

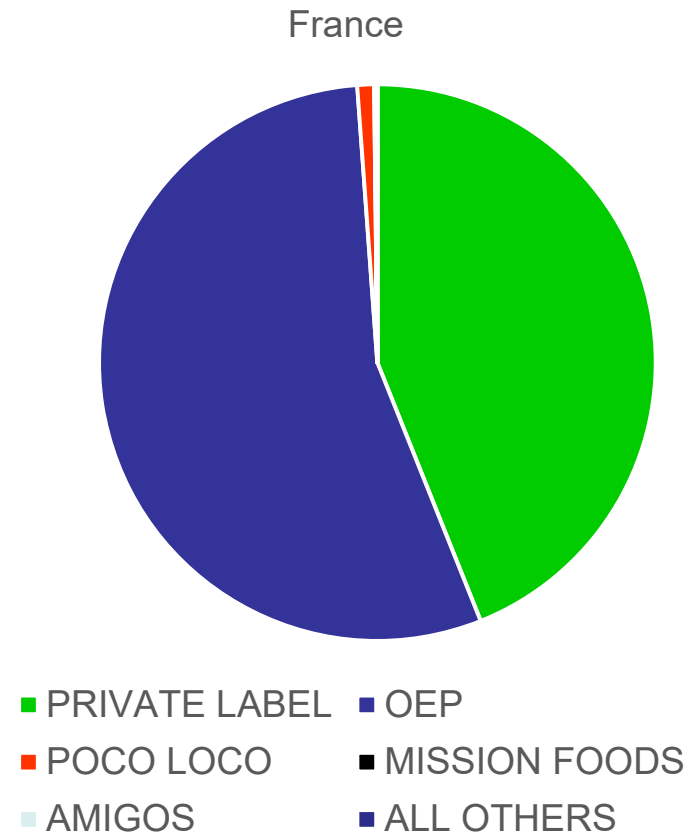
FRANCE	\$ 45,708,000
SPAIN	\$ 40,503,000
GREAT BRITAIN	\$ 29,093,000
GERMANY	\$ 16,106,000
Total	\$ 131,409,000

Europe – Top 4 Tortilla



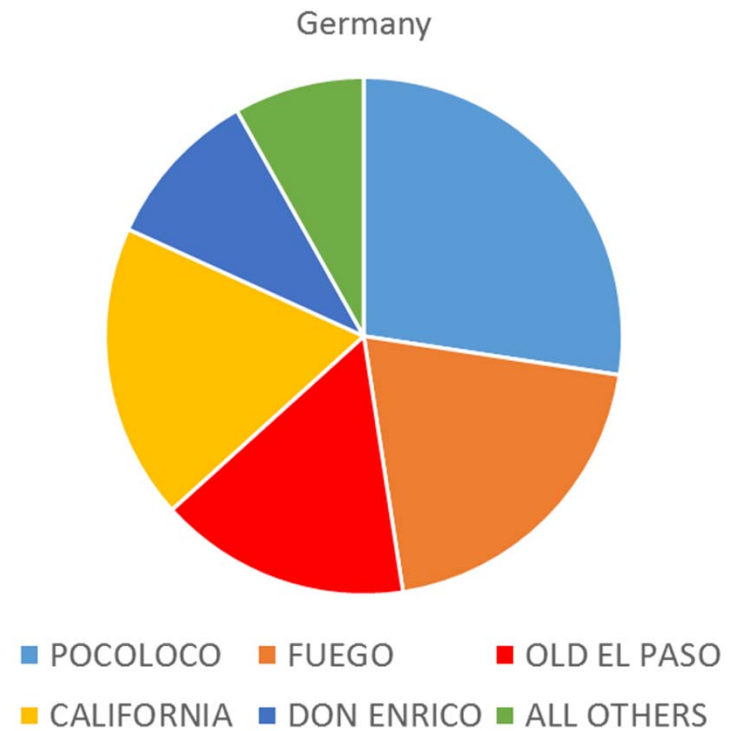
FRANCE Tortillas – By Brand

PRIVATE LABEL	\$20,087,000
OEP	\$25,090,000
POCO LOCO	\$447,000
MISSION FOODS	\$14,000
AMIGOS	\$69,000
Total	\$45,708,000



GERMANY Tortillas – By Brand

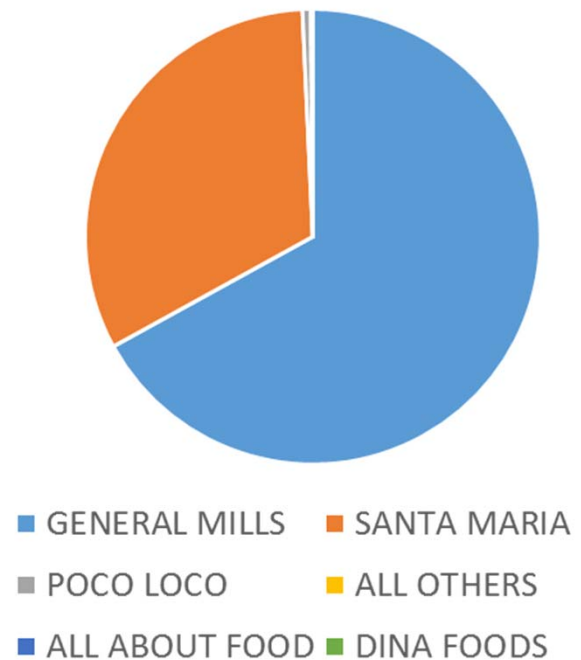
POCOLOCO	\$4,413,000
FUEGO	\$3,250,000
OLD EL PASO	\$2,533,000
CALIFORNIA	\$2,976,000
DON ENRICO	\$1,620,000
ALL OTHERS	\$1,315,000
Total	\$16,106,000



GREAT BRITAIN Tortillas By Brand

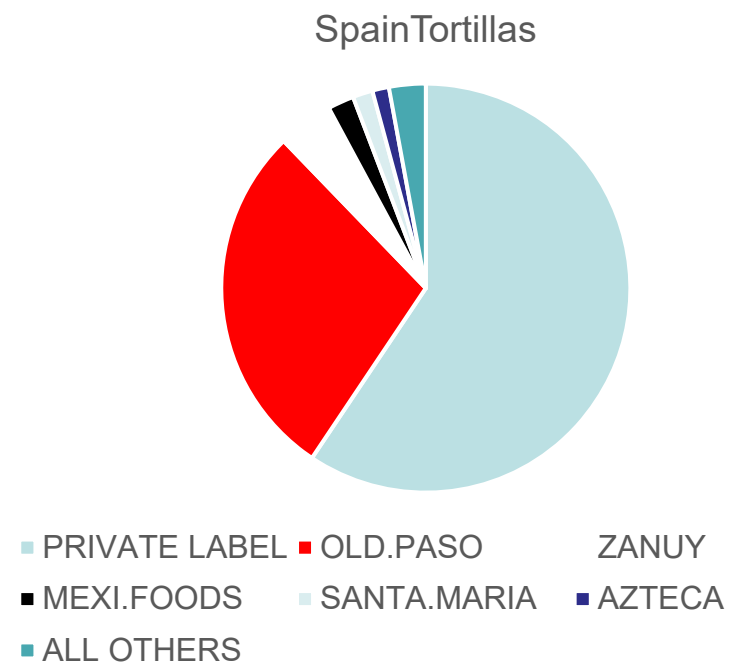
GENERAL MILLS	\$ 16,308,000
SANTA MARIA	\$ 7,857,000
POCO LOCO	\$ 144,000
ALL OTHERS	\$ 19,000
ALL ABOUT FOOD	\$ 10,000
DINA FOODS	\$ 6,000
Total	\$ 24,343,000

Great Britain



SPAIN Tortillas – By Brand

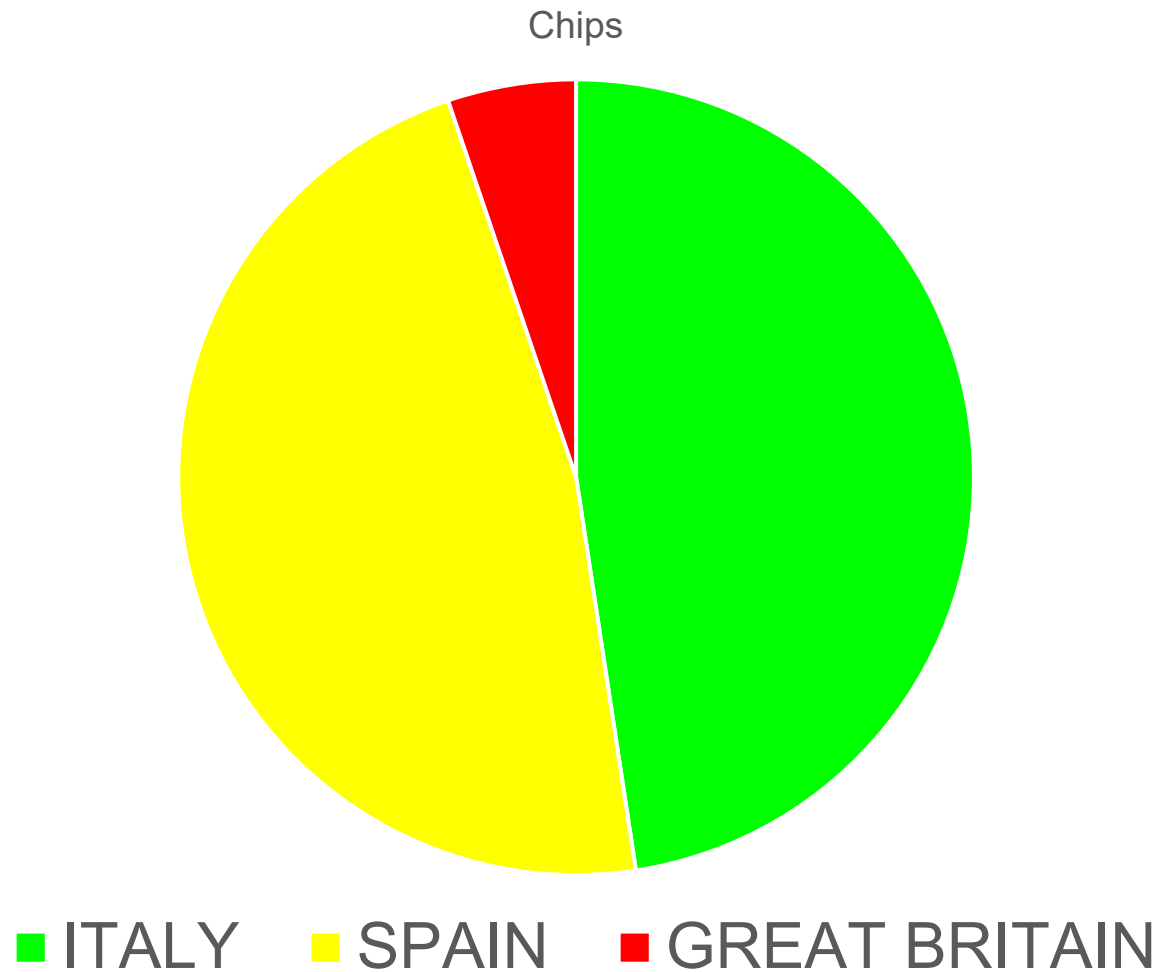
PRIVATE LABEL	24,056,000
OLD.PASO	11,496,000
ZANUY	1,767,000
MEXI.FOODS	839,000
SANTA.MARIA	641,000
AZTECA	531,000
ALL OTHERS	1,173,000
Total	\$40,503,000



Europe – Top 3 - Chips

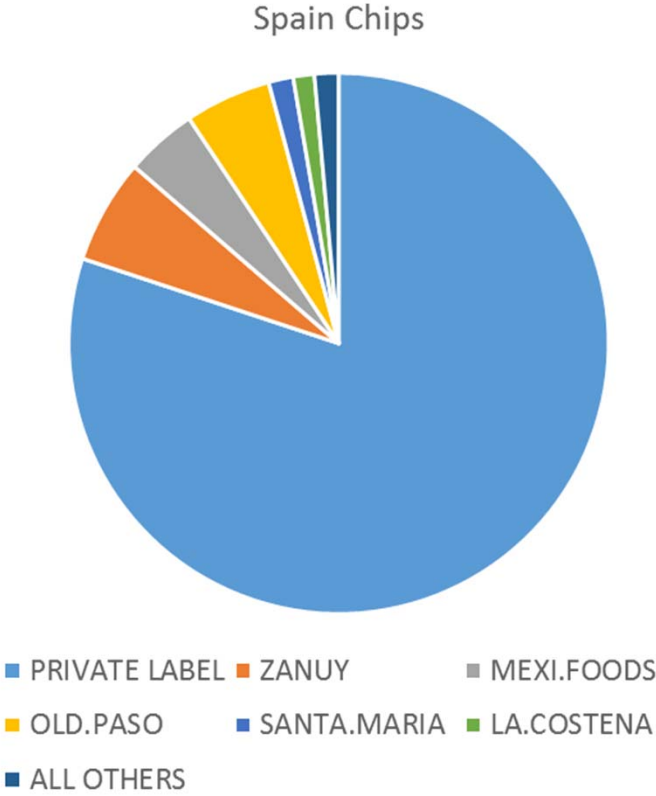
ITALY	\$25,553,000
SPAIN	\$25,331,000
GREAT BRITAIN	\$2,800,000

Europe – Top 3 - Chips



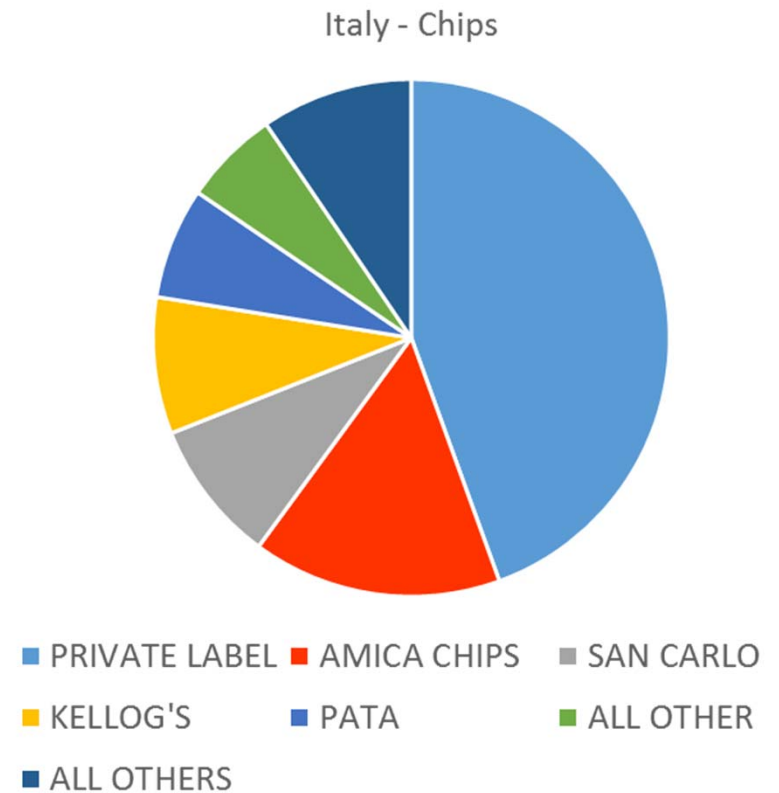
SPAIN – Chips

PRIVATE LABEL	\$ 20,285,000
ZANUY	\$ 1,585,000
MEXI.FOODS	\$ 1,092,000
OLD.PASO	\$ 1,310,000
SANTA.MARIA	\$ 374,000
LA.COSTENA	\$ 319,000
ALL OTHERS	\$ 366,000
Total	\$ 25,331,00



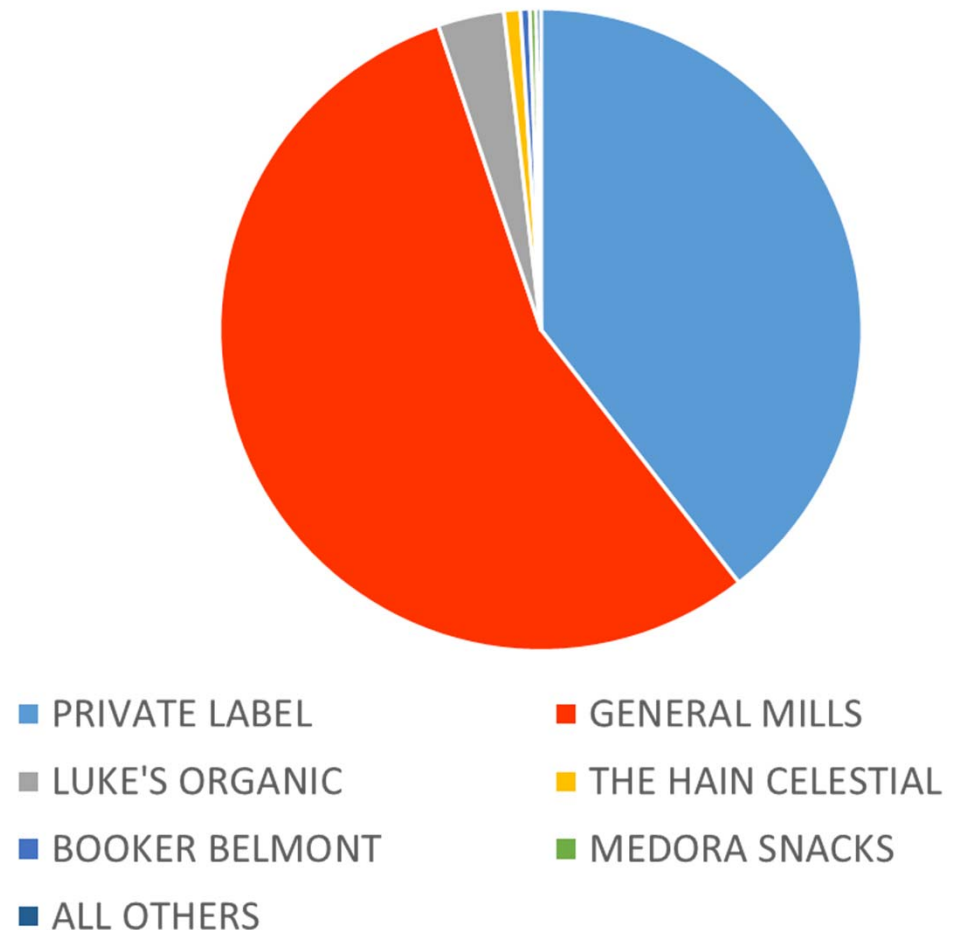
ITALY – Chips

PRIVATE LABEL	\$13,448,000
AMICA CHIPS	\$ 4,719,000
SAN CARLO	\$ 2,699,000
KELLOG'S	\$ 2,586,000
PATA	\$ 2,106,000
ALL OTHER	\$ 1,812,000
ALL OTHERS	\$ 2,876,000
Total	\$ 30,245,000



GREAT BRITAIN – Chips

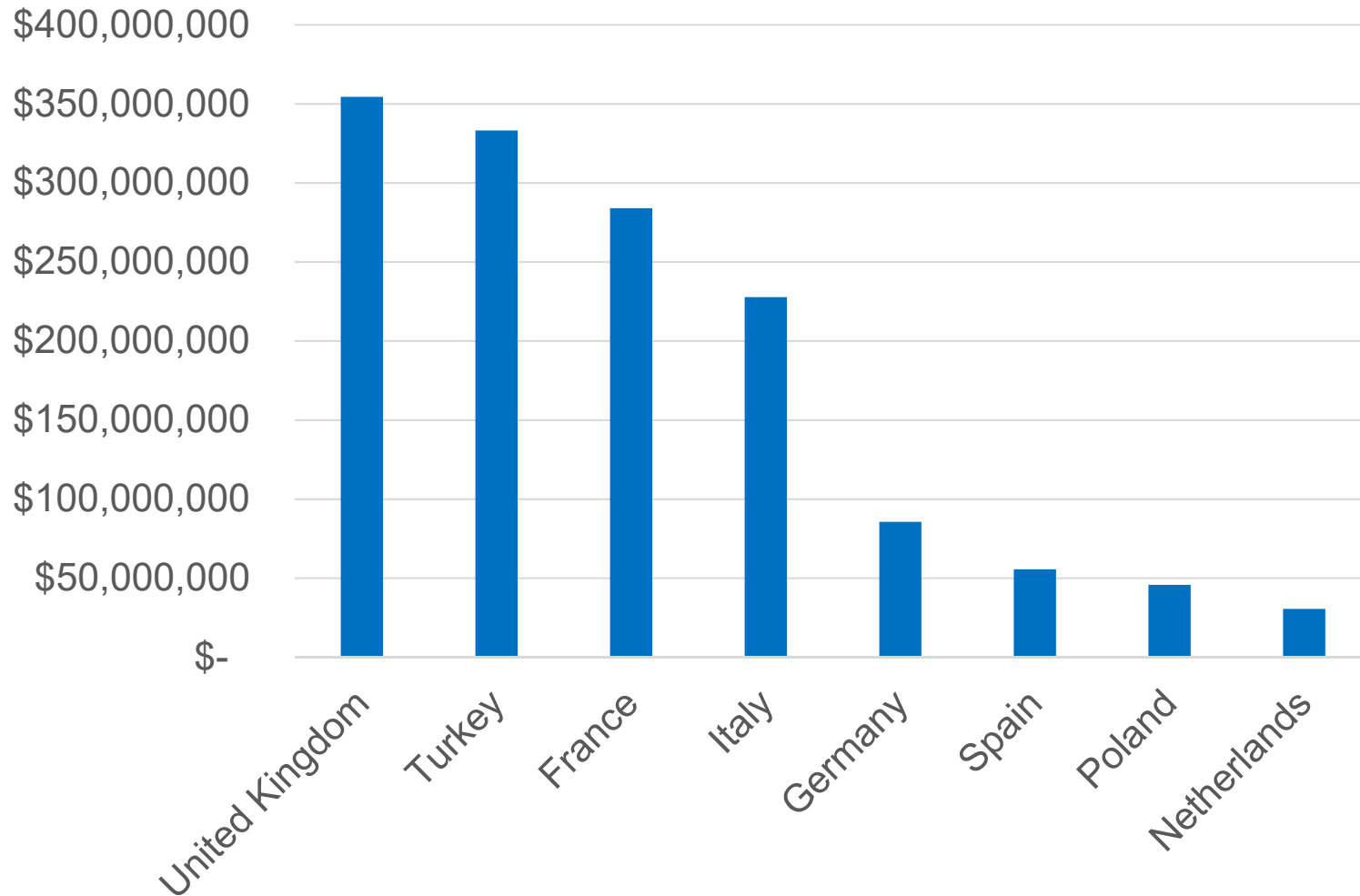
PRIVATE LABEL	\$ 1,381,000
GENERAL MILLS	\$ 1,940,000
LUKE'S ORGANIC	\$ 117,000
HAIN CELESTIAL	\$ 29,000
BOOKER BELMONT	\$ 16,000
MEDORA SNACKS	\$ 11,000
ALL OTHERS	\$ 8,000
Total	\$ 3,502,000



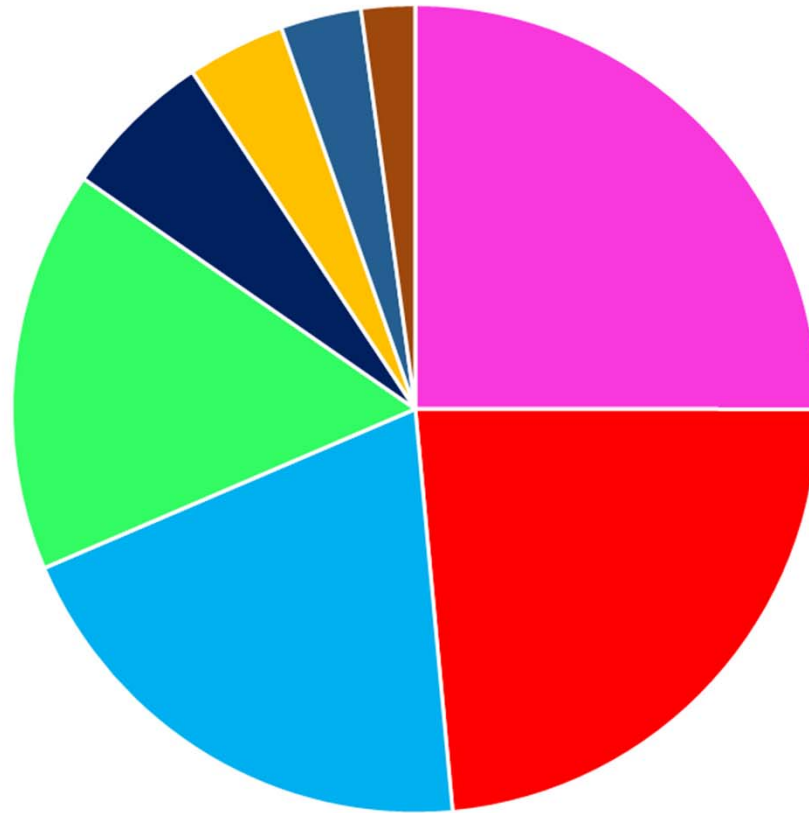
All Flat-Breads – EUROPE top 8

United Kingdom	\$	354,400,000
Turkey	\$	333,100,000
France	\$	284,000,000
Italy	\$	227,700,000
Germany	\$	85,600,000
Spain	\$	55,600,000
Poland	\$	45,800,000
Netherlands	\$	30,600,000
TOTAL	\$	1,416,800,000

All Flat-Breads – EUROPE top 8



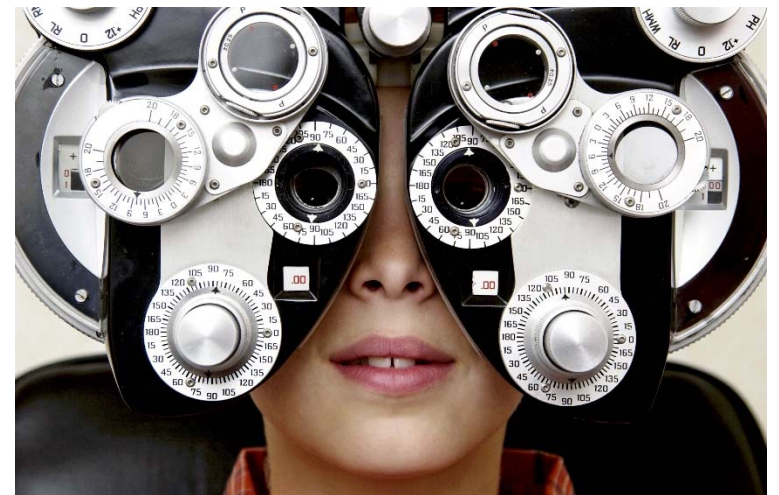
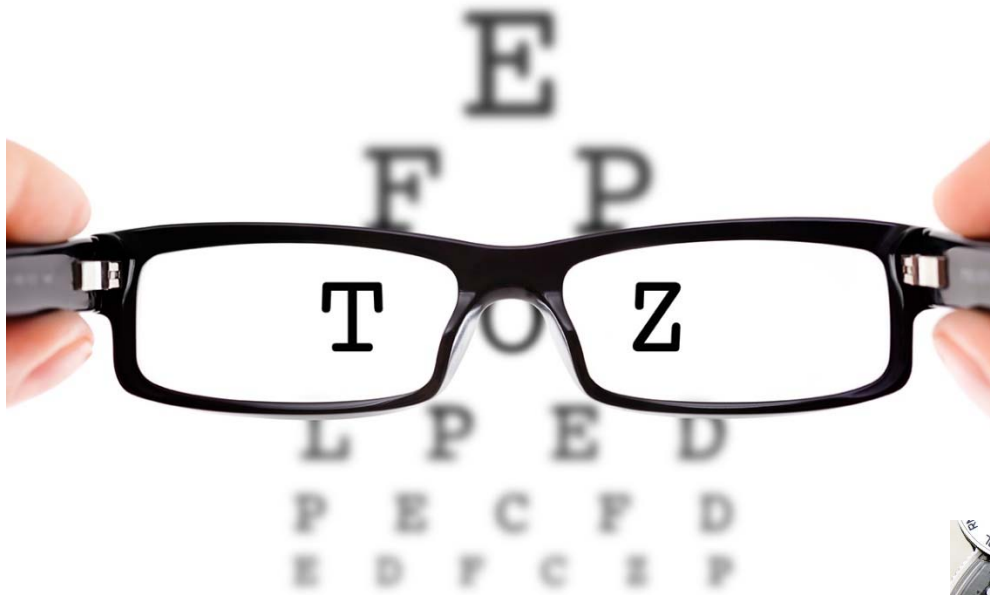
All Flat-Breads – EUROPE top 8



■ United Kingdom ■ Turkey ■ France
■ Italy ■ Germany ■ Spain
■ Poland ■ Netherlands

Flatbread Notes by Country

(Also known as the “TIA Vision Test” !)



Country Notes for Flatbreads

UK: Most of these figures derived from sale of Asian flat breads such as Naan and Chapati due to over 3M people of Indo-Pakistani decent and these cuisines very popular in foodservice. Pita another very popular flat bread, which though Arabic in origin is eaten by many Ethnicities in the UK Although the Mexican/Latino community in the UK is very small, Mexican foodservice outlets becoming increasingly popular. Hence, tortilla sales rapidly rising. Estimated tortilla sales 10-20% of total flat bread in the UK.

TURKEY: Packaged Flat Bread, around 90% share comes from tortilla bread which we call "lavash". Unpackaged Flat Bread, around 95% share comes from what's called "pide", basically round pita breads

FRANCE: tortillas often sold within a meal product, with a much smaller proportion being sold alone. We estimate tortillas account for 40% of flat bread market volume and 60% other flat breads mainly pita

ITALY has real tortillas made of corn, sold in ethnic section of grocery retailers, but presence is small and is usually within quick-serve ethnic food. Instead is large presence of a flatbread called "Piadina", usually made with flour, lard or olive oil, salt and water, ingredients questioned by consumers now, preferring lighter and healthier products. As a result there's growing presence of Piadina made with olive oil instead. Piadina is widely sold through retail and foodservice. Estimated that Piadina is 94% of flat bread market (packaged and unpackaged), while remaining 6% is of tortillas and other ethnic flat breads.

Country Notes - Continued

GERMANY Flat bread is very small compared to leavened bread, and within flat bread tortillas are only one of many variations. People wanting to eat Mexican cuisine are more likely to go to foodservice (e.g. Enchilada, Sausalitos etc.). definitely growing. Estimate tortillas are 5-10% of flat bread market

SPAIN: around 80% of this category is formed by tortillas as it is a product which indeed is gaining popularity in the country. As I guess in many other markets, the trend started to grow from foodservice but nowadays, is a common product on the grocery retailers' shelves. Old el paso would be the most important branded product within this market although private label also has an important presence in this market. These comments just refer to Packaged Flat Bread, as Unpackaged Flat Bread is negligible through retailing.

POLAND: Tortillas account for 80% of total flat bread in Poland. Tortillas are the most popular type of flat bread and account for the majority of flat bread in Poland. Pita ranks 2nd

NETHERLANDS does not have a domestic type of flatbread in its traditional eating culture. Tortillas are the most common type of flatbread as Mexican food is relatively popular and tortillas are also often used to create wraps. Share of tortillas is declining as other types of Middle Eastern flatbreads becoming more popular in recent years. Estimate that tortillas comprise 70% of the flat bread market in Netherlands.

TIA's Role In This Market

- Expanding Your Business
 - Increased Exposure Between You & Market
- Growing Your Profits
 - Increased Knowledge Of Best Practices
- Increasing Your Success
 - Supporting, Informing & Advocating Our Members

TIA WOULD LIKE TO SAY

Thank You!

Jim Kabbani
(703) 819-9550
jkabbani@tortilla-info.com