

EVENT WELCOME INDUSTRY OVERVIEW



Jim Kabbani
TIA Executive Director

Tortillas – What & Why

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

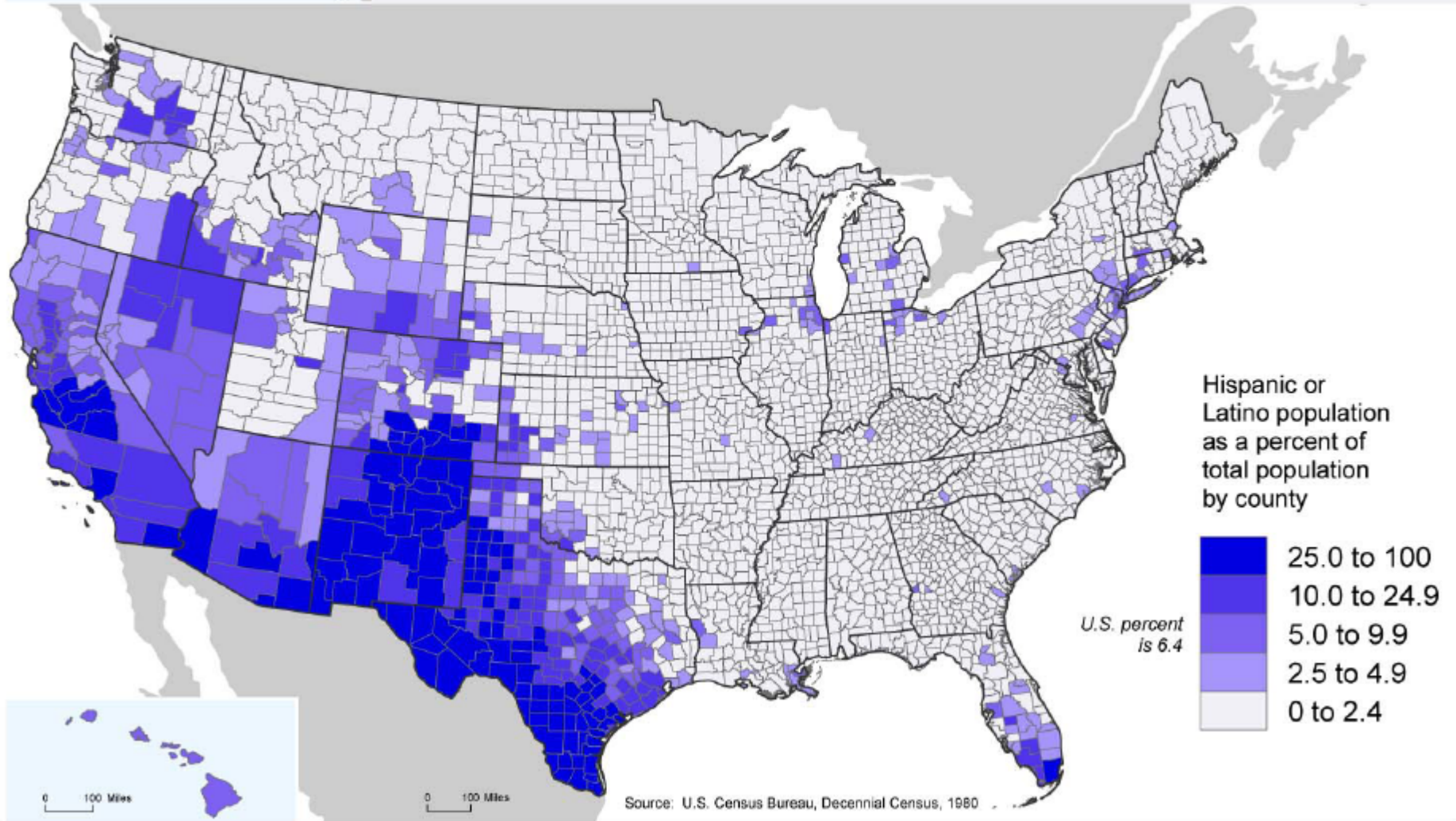
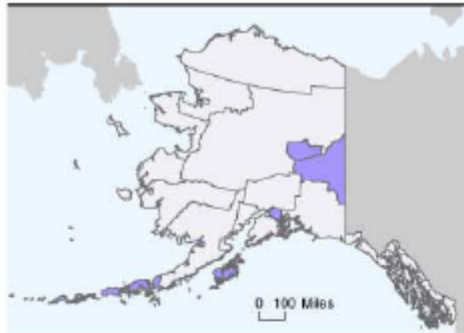
Effective Participation In The Tortilla Industry
Is A Revenue-Building Strategy For Producers
And Suppliers In The Baking Industry

Market Size & Growth

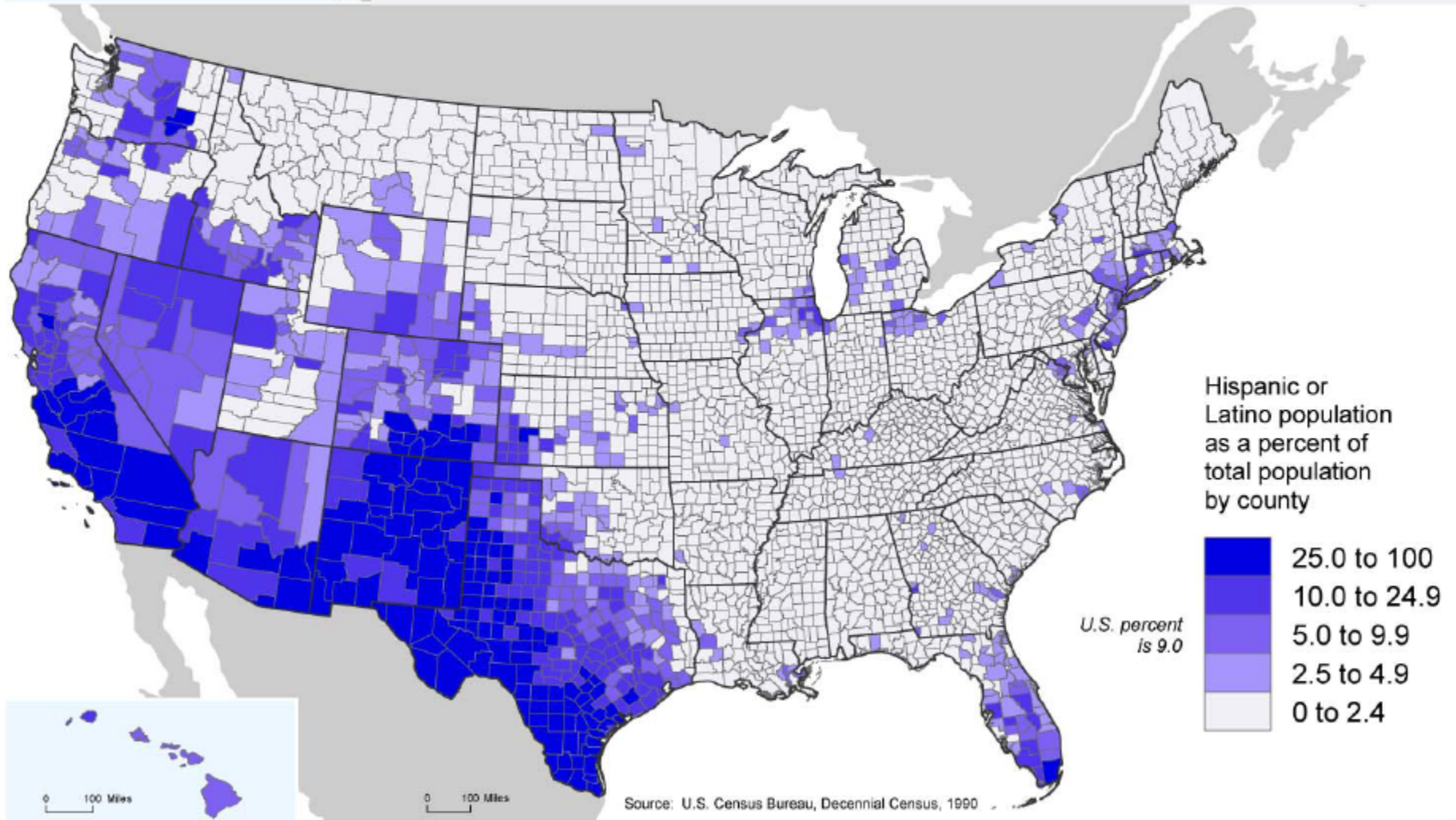
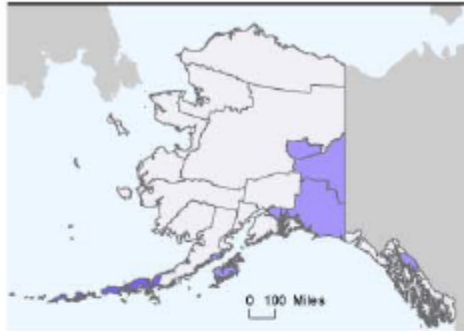
- CAGR of 9+% Since 1996
- Fueled By:
 - Demographics
 - Dietary Diversification among **All** Ethnic Groups
 - Economics
- US Sales in 2015 at \$12.1 Billion
 - Salsa Outsold Ketchup in 2008
 - Tortillas Outsold White Sandwich Bread in 2010

Demographic Drivers

Percent of Population 1980 Hispanic or Latino

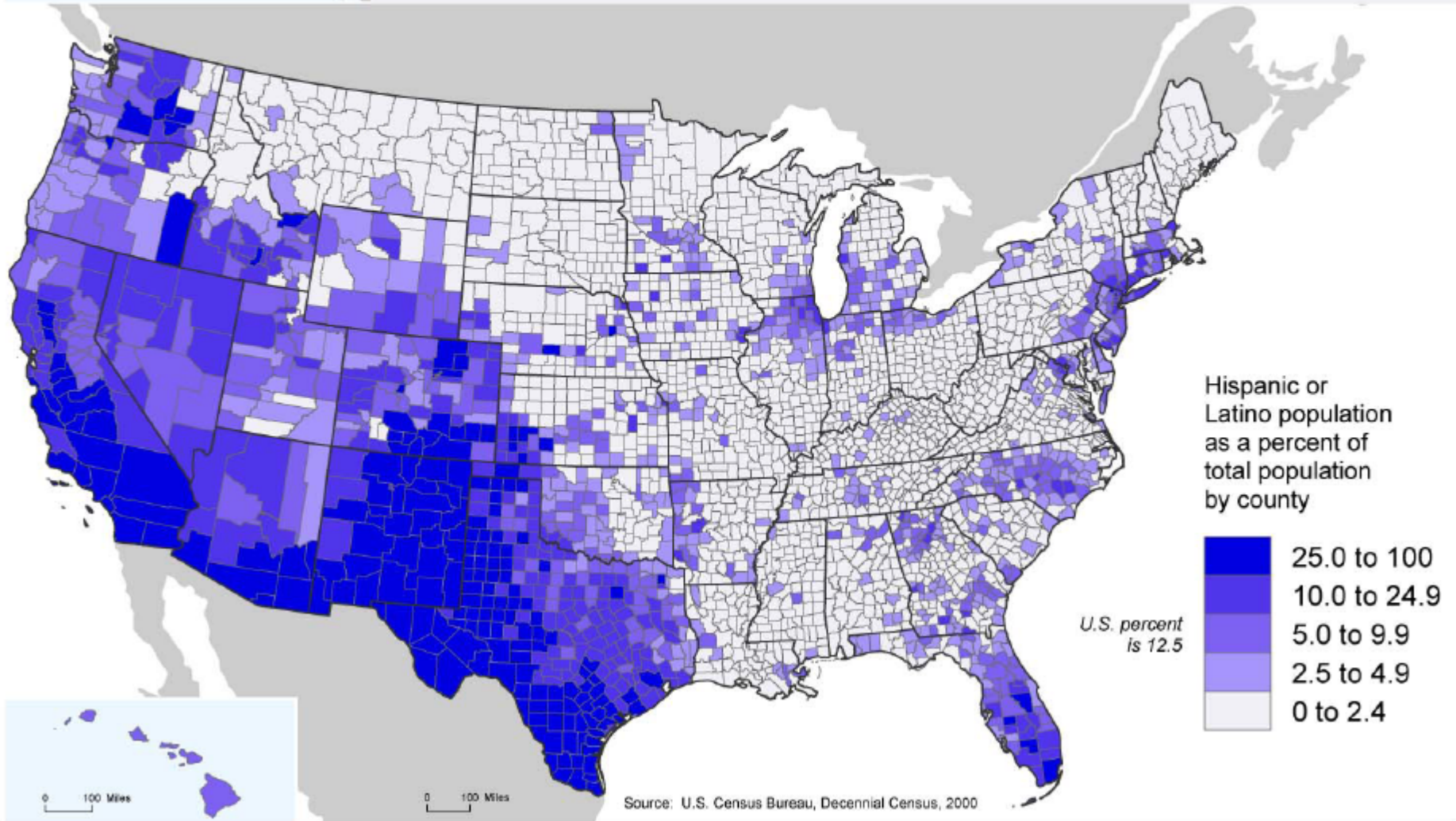
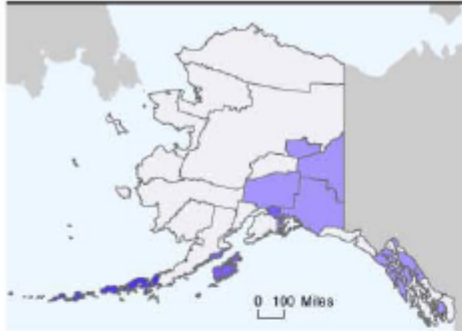


Percent of Population 1990 Hispanic or Latino

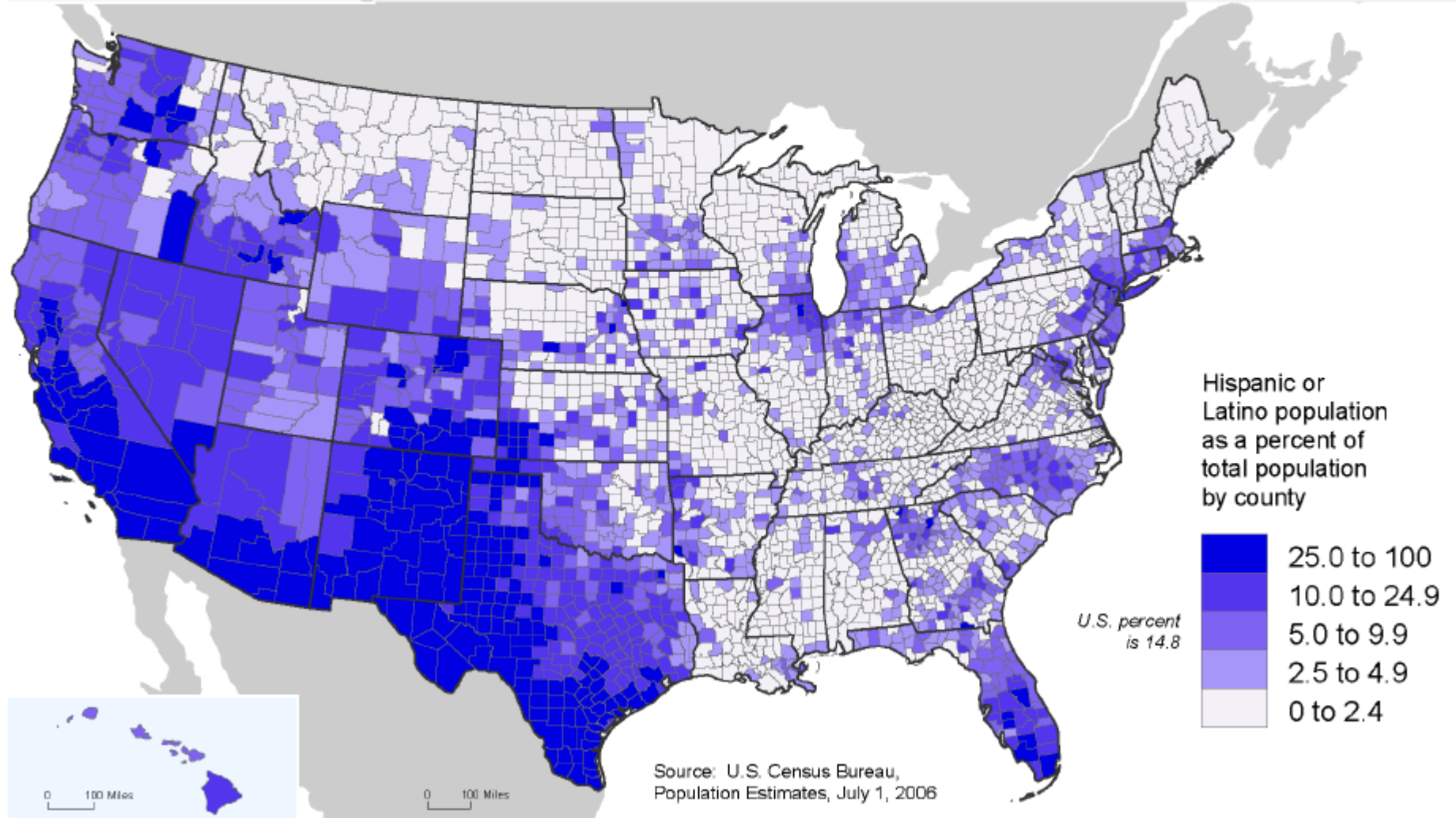
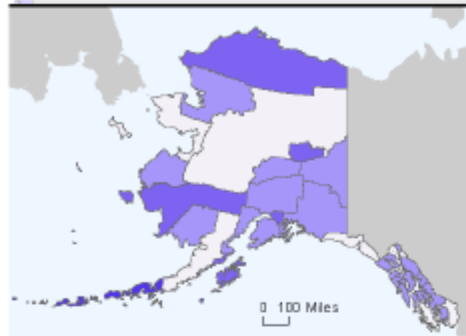


Source: U.S. Census Bureau, Decennial Census, 1990

Percent of Population 2000 Hispanic or Latino

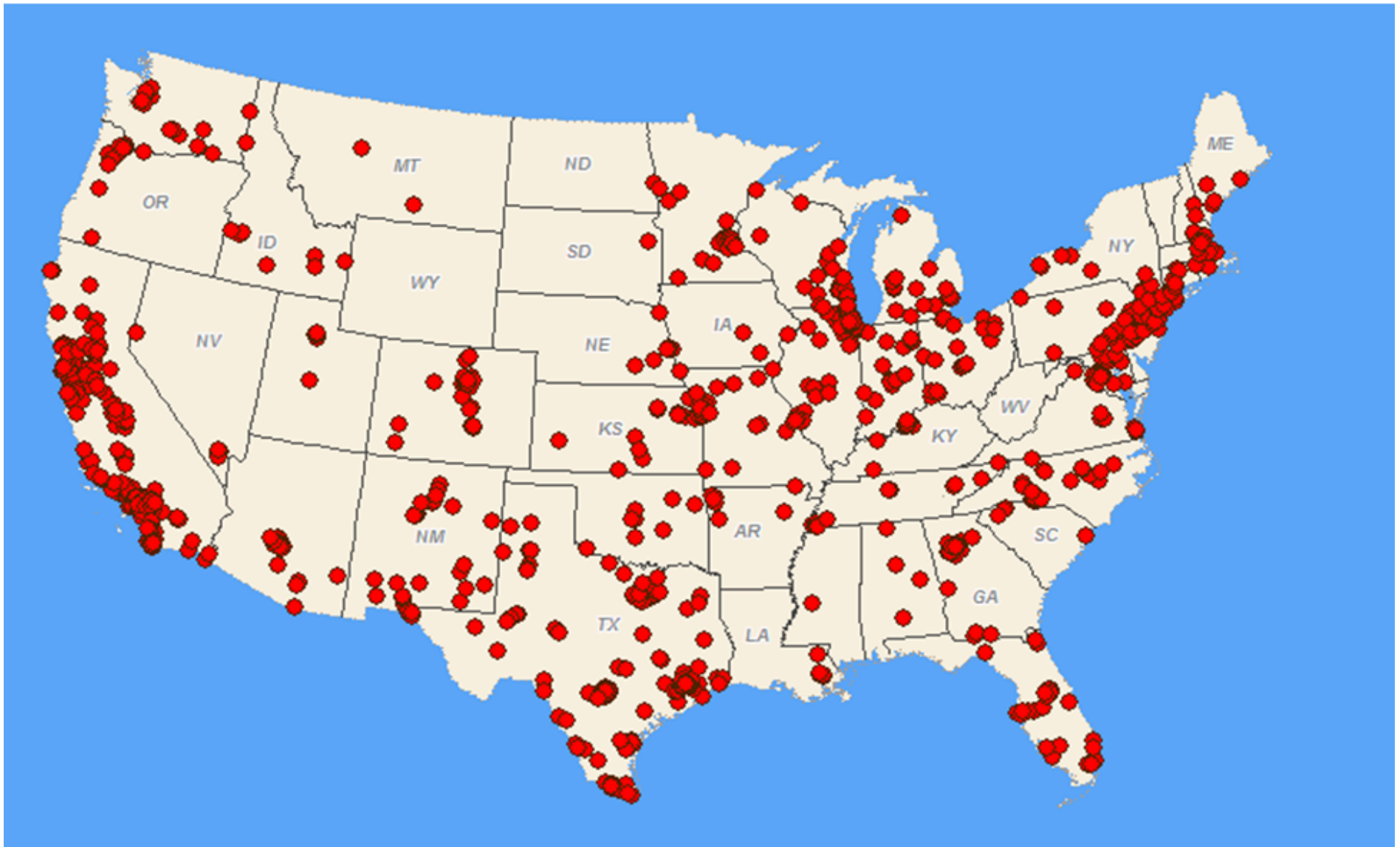


Percent of Population 2006 Hispanic or Latino





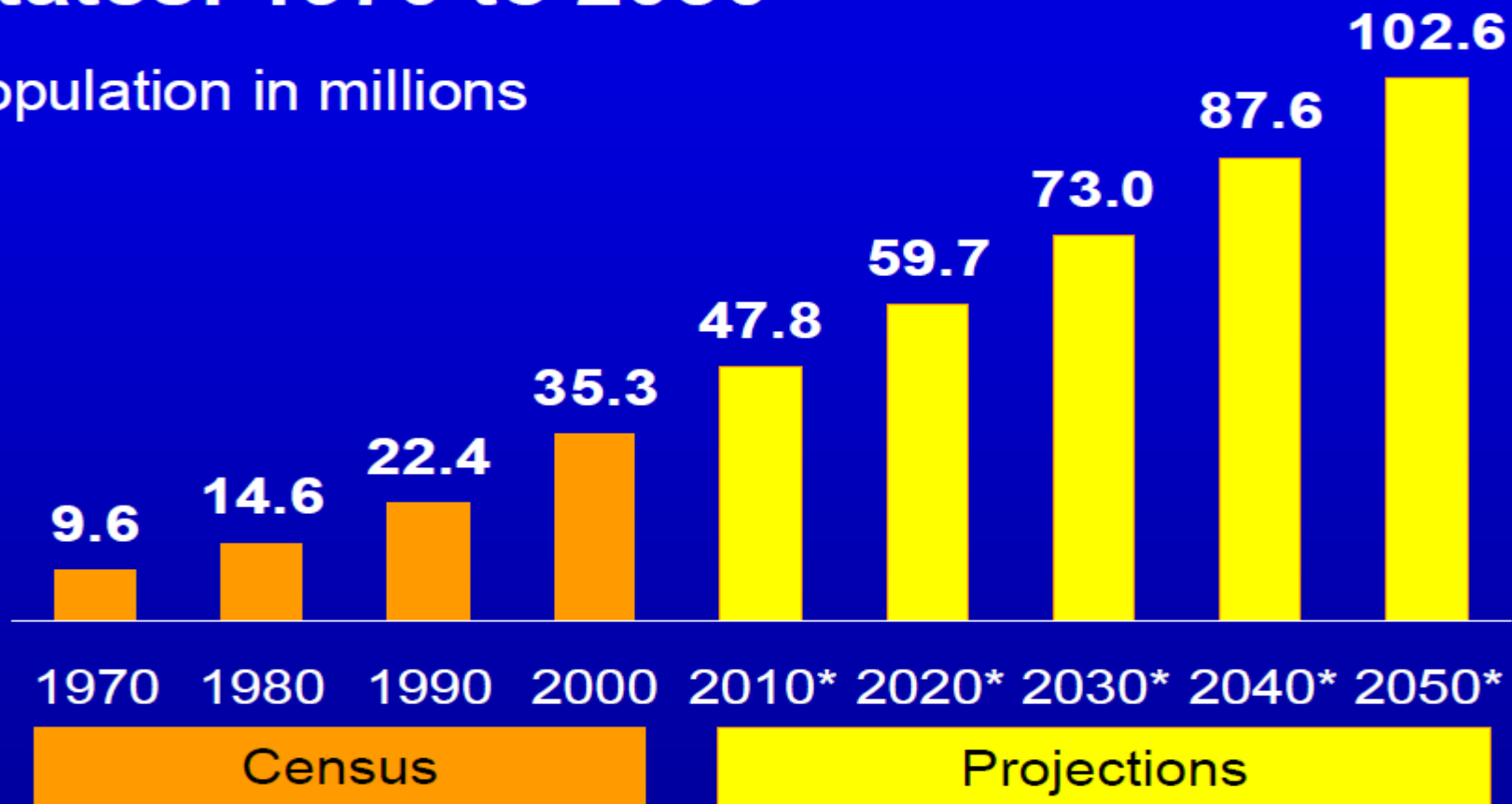
Companies Active in TIA



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

Non-Demographic Drivers:

- Tremendous Growth of Tortilla Consumption Among ***Non-Hispanic*** Buyers
- Healthier Eating Alternatives To Bread
- Greater Varieties Available than Before, e.g:
 - Kosher
 - Organic
 - Gluten Free
 - Etc
- Top 3 Ethnic Cuisines in America:
 1. Italian, 2. Mexican, 3. Chinese

Why?

Society & Changing Habits



Other Baked Goods

Bread category sales continue to slip

Category	Dollar sales (\$ mil)	Dollar sales, % change vs. year ago	Unit sales (mil)	Unit sales, % change vs. year ago
Fresh bread and rolls	13,084.40	(0.64)	5,811.82	(1.45)
All other fresh rolls/ bun/croissants	1,714.85	0.29	649.68	(1.65)
Bagels/bialys	822.08	(0.01)	274.73	0.23
Hamburger and hot dog buns	1,867.24	(0.31)	1,079.58	(1.45)
Fresh bread	8,680.21	(0.95)	3,807.81	(1.53)

IRI InfoScan Reviews

Total US - FDMx (food, drug, mass, excluding Wal-Mart)

52 weeks ending June 16, 2013

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) So Not Even Recorded As Tortilla Sales
- Traditional Preference For Fresh-Onsite Tortillas Makes Tortillas Manufactured In Restaurants And Neighborhood Markets Virtually Untrackable

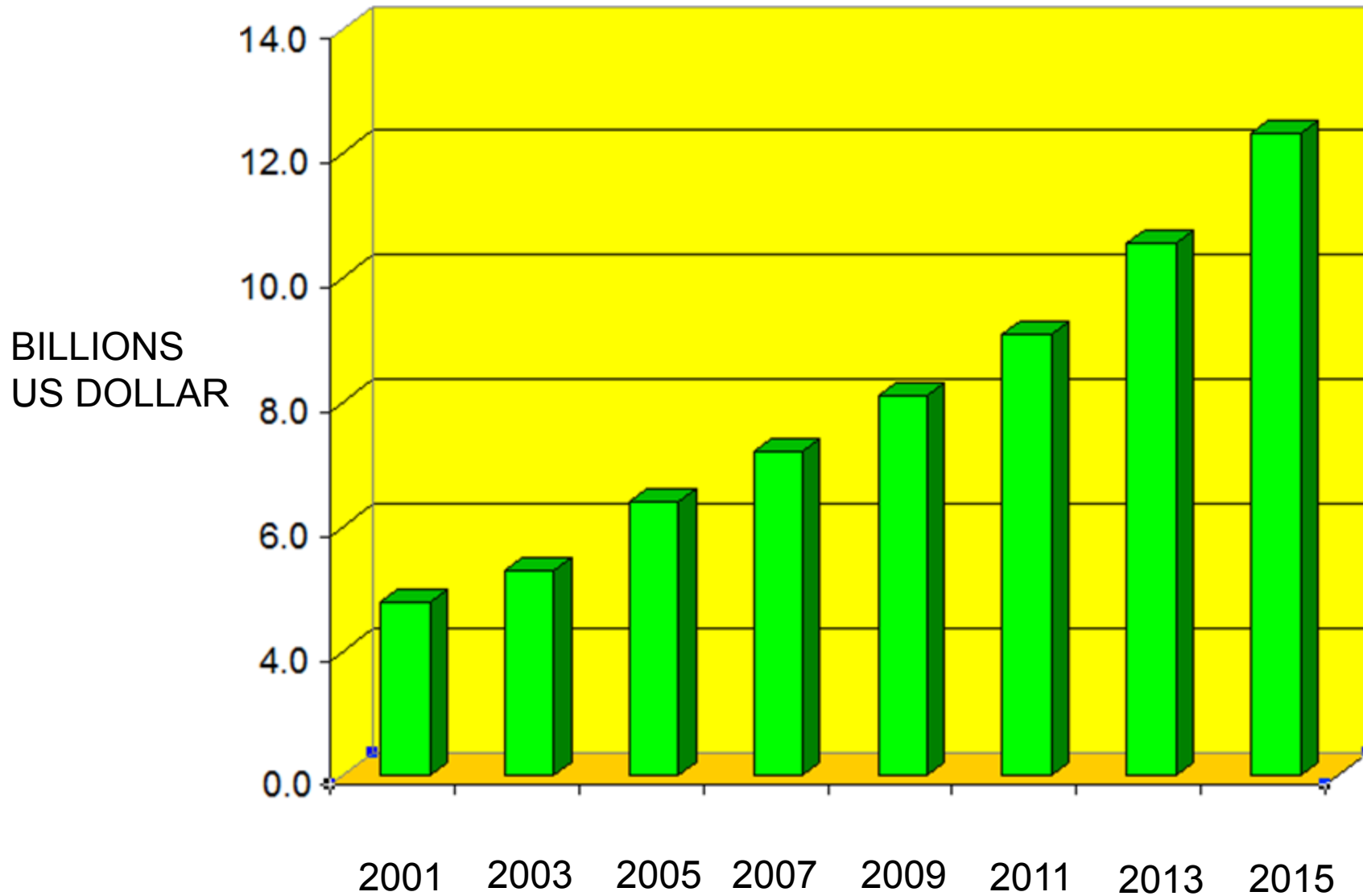
NEW !

- TIA has Recently Partnered with NIELSEN
- Analysis of Nielsen Data Now Free to TIA Members!

nielsen
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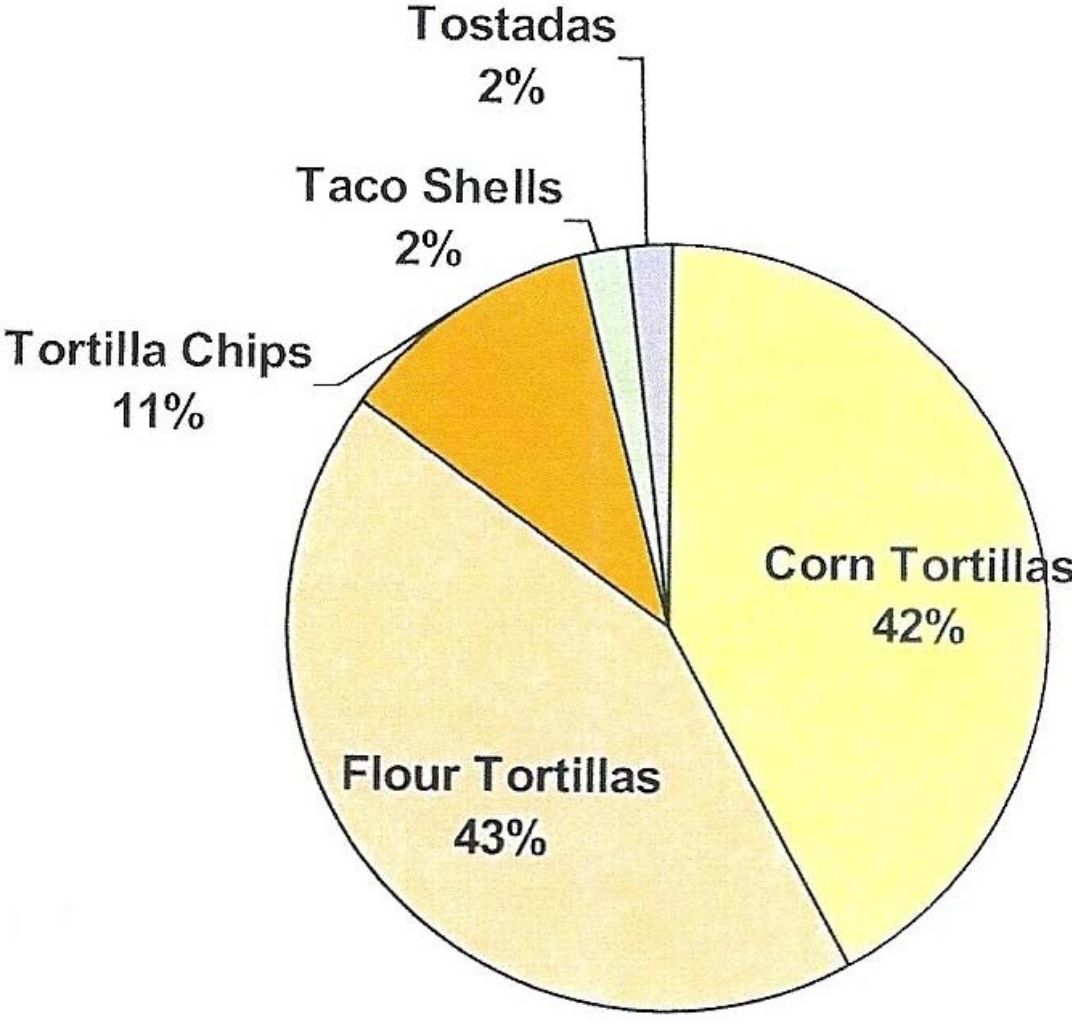
Total Market Size



In Dollars – By Type

By Product Type			
	Tostadas	2%	\$ 240,000,000
	Taco Shells	2%	\$ 240,000,000
	Tortilla Chips	11%	\$ 1,320,000,000
	Flour Tortillas	43%	\$ 5,160,000,000
	Corn Tortillas	42%	\$ 5,040,000,000
		100%	

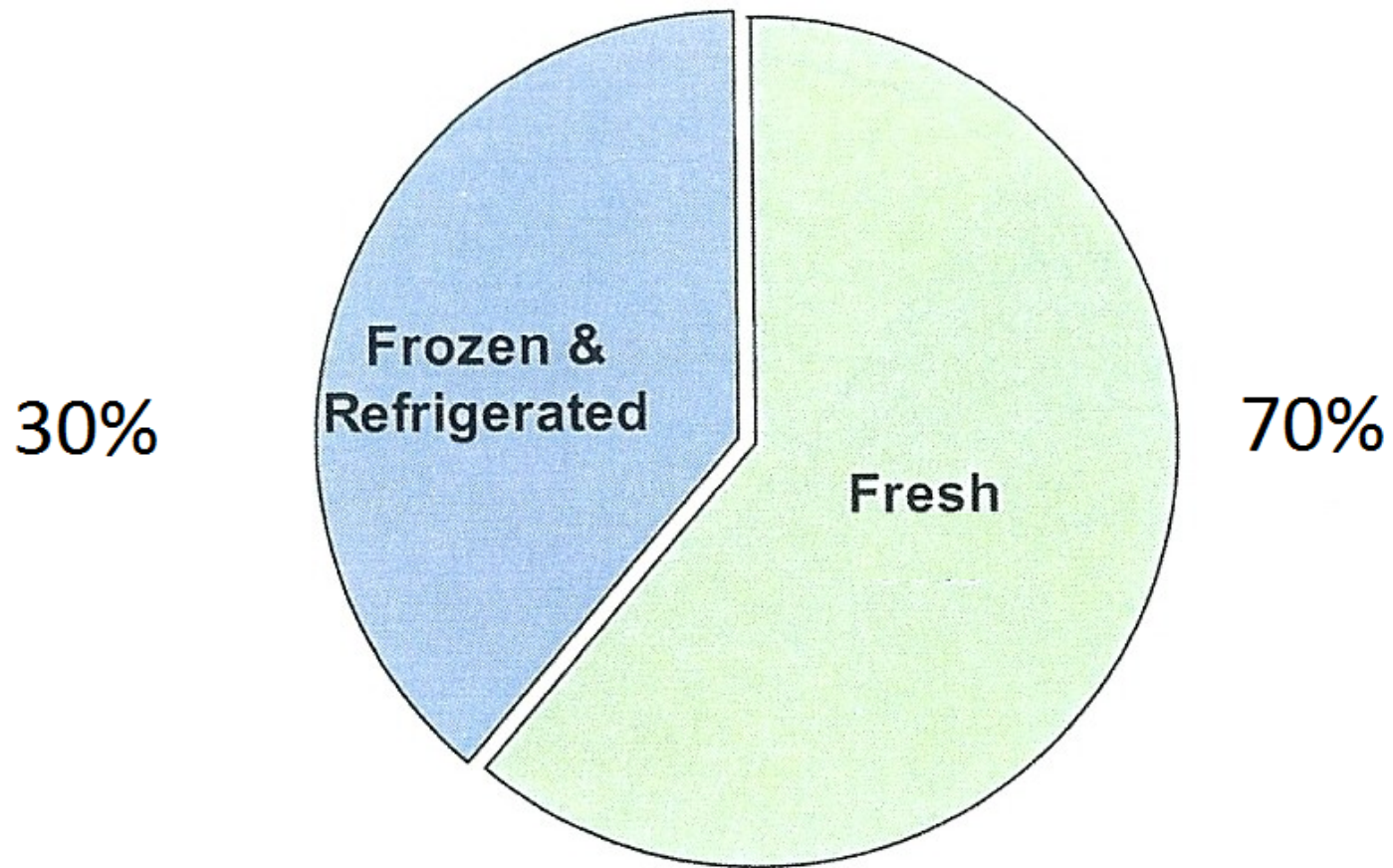
Product Types & Share



Fresh Vs Frozen – In Dollars

Fresh	70%	\$ 8,400,000,000
Frozen / Refrigerated	30%	\$ 3,600,000,000
	100%	

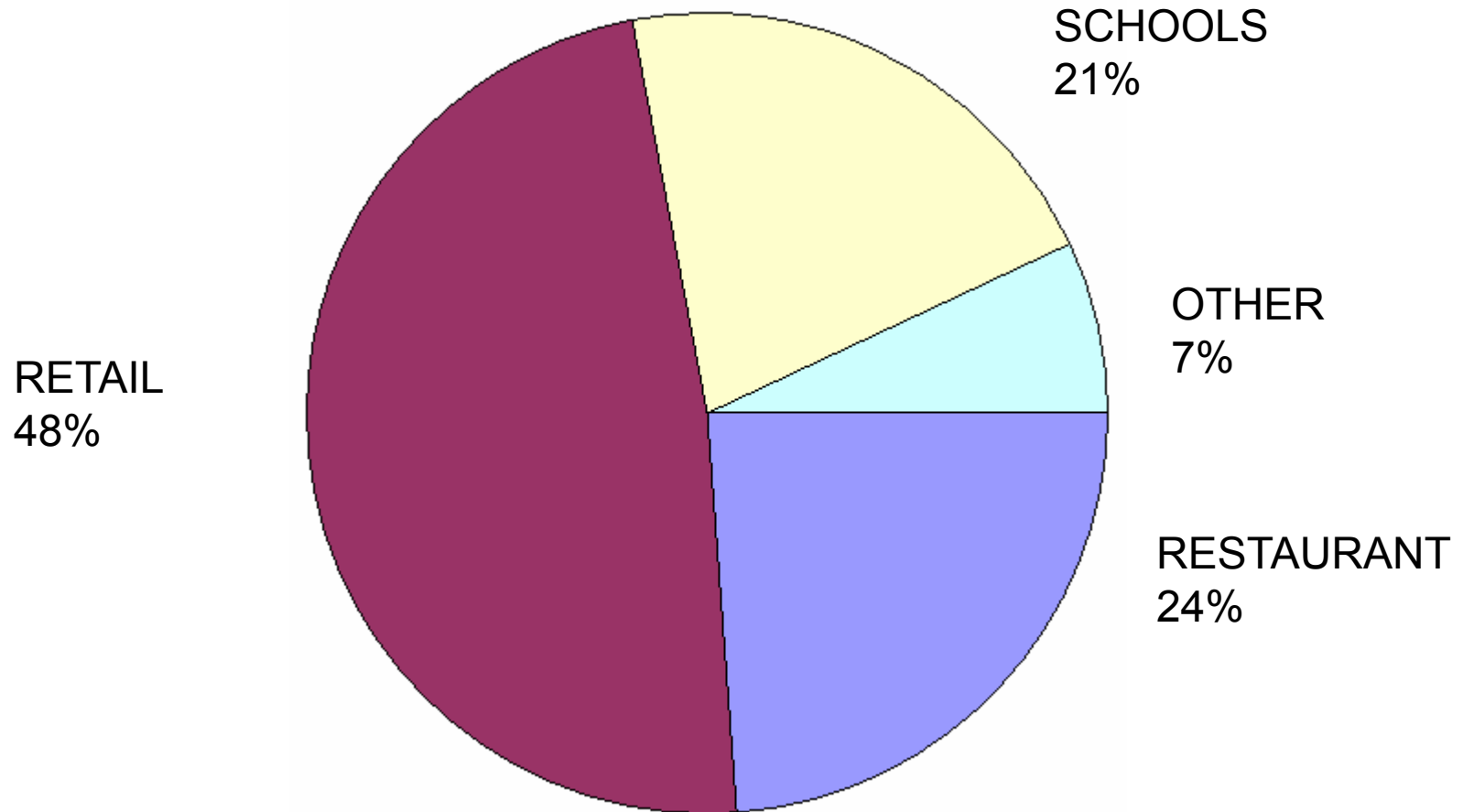
Fresh Vs. Frozen / Refrigerated



By Purchaser - In Dollars

Retail	48%	\$ 5,760,000,000
Restaurant	24%	\$ 2,880,000,000
Schools	21%	\$ 2,520,000,000
Other	7%	\$ 840,000,000
	100%	

Sales By Purchaser

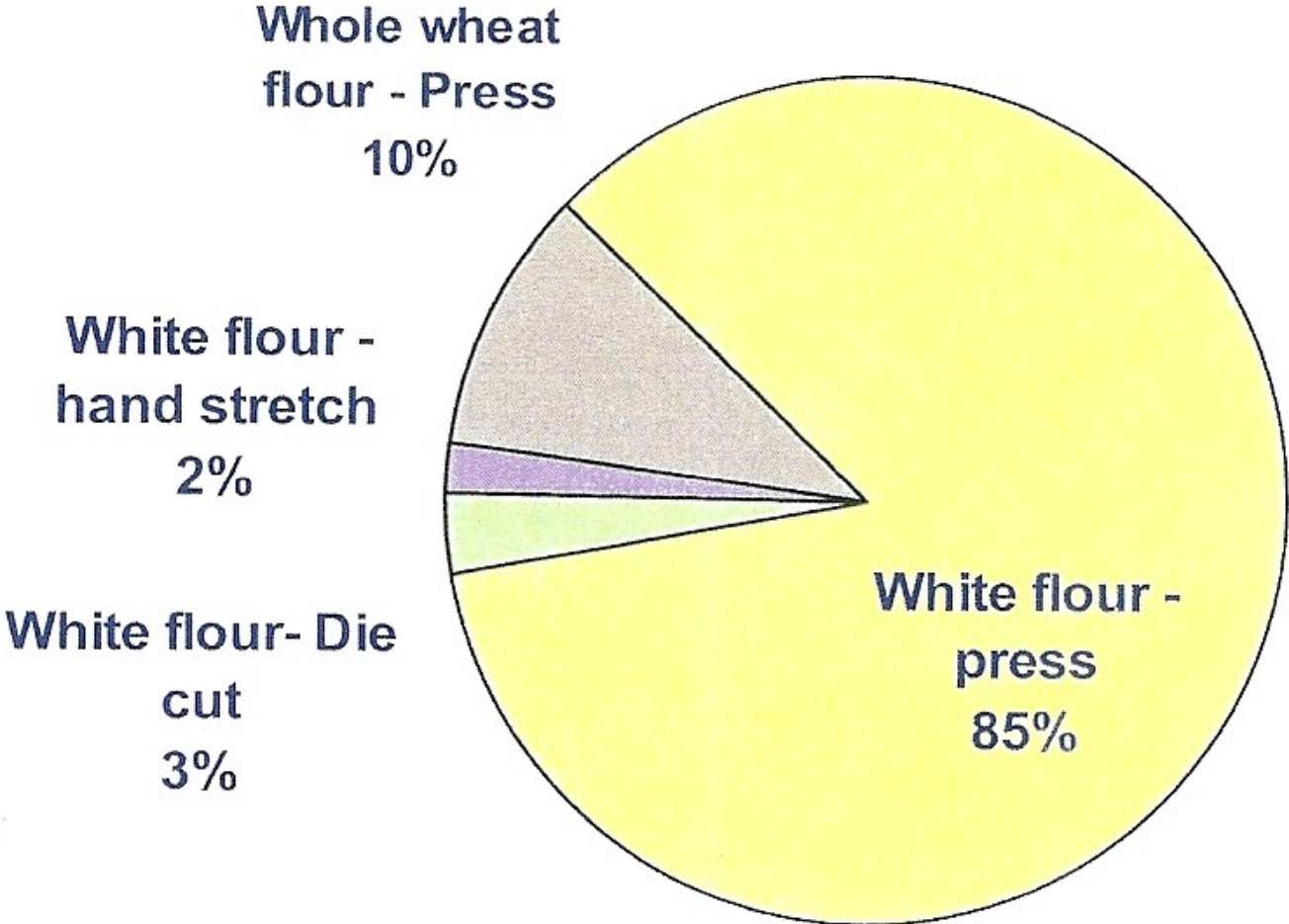


Includes IRI Data

Flour Tortillas – In Dollars

White flour - Press	85%	\$ 10,200,000,000
White flour - Hand Stretch	2%	\$ 240,000,000
White flour - Die Cut	3%	\$ 360,000,000
Whole Wheat - Press	10%	\$ 1,200,000,000
	100%	

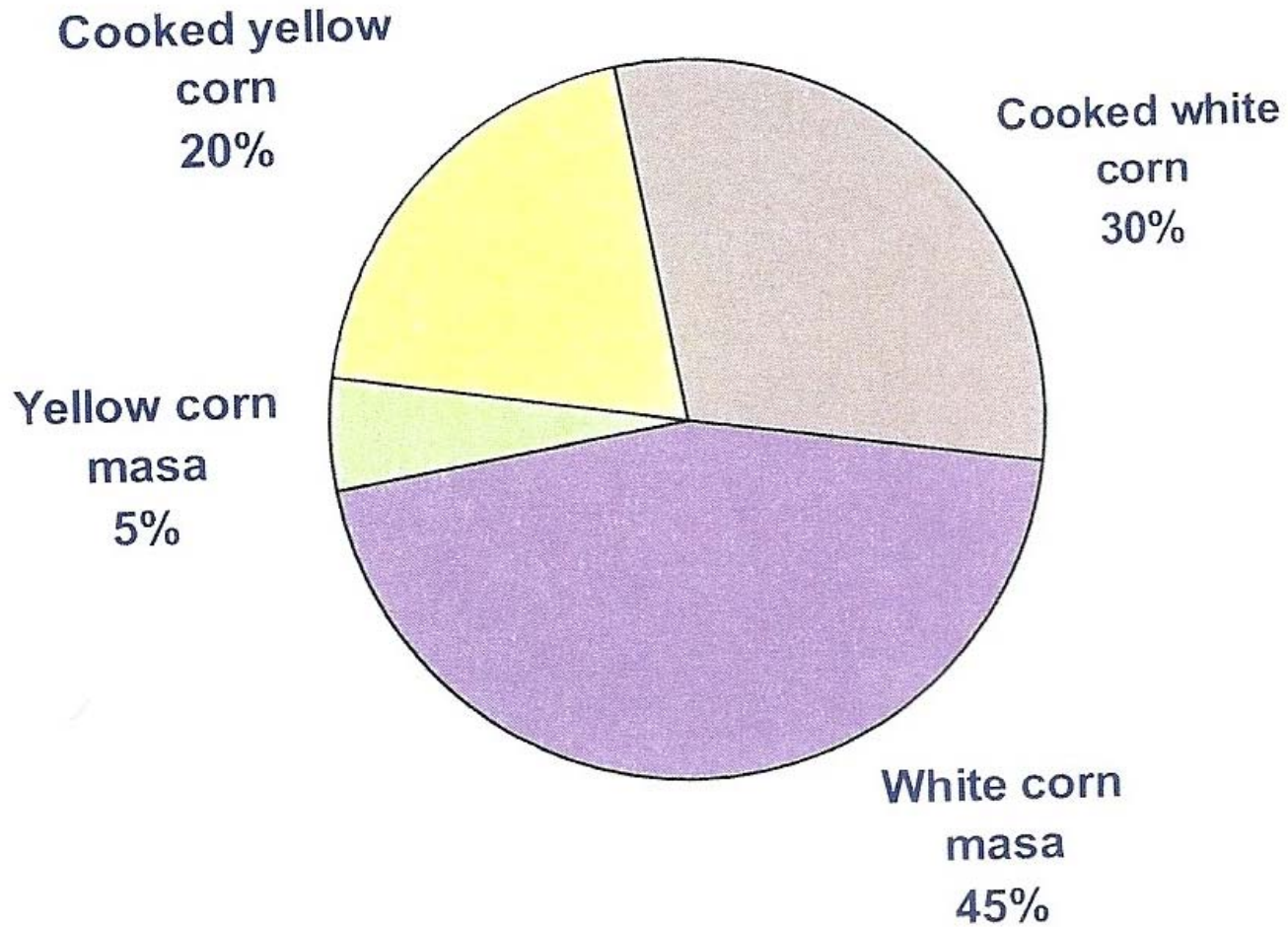
Flour Tortillas



Corn Tortillas – In Dollars

Masa - White Corn	45%	\$ 5,400,000,000
Masa - Yellow Corn	5%	\$ 600,000,000
Cooked - White Corn	30%	\$ 3,600,000,000
Cooked - Yellow Corn	20%	\$ 2,400,000,000
	100%	

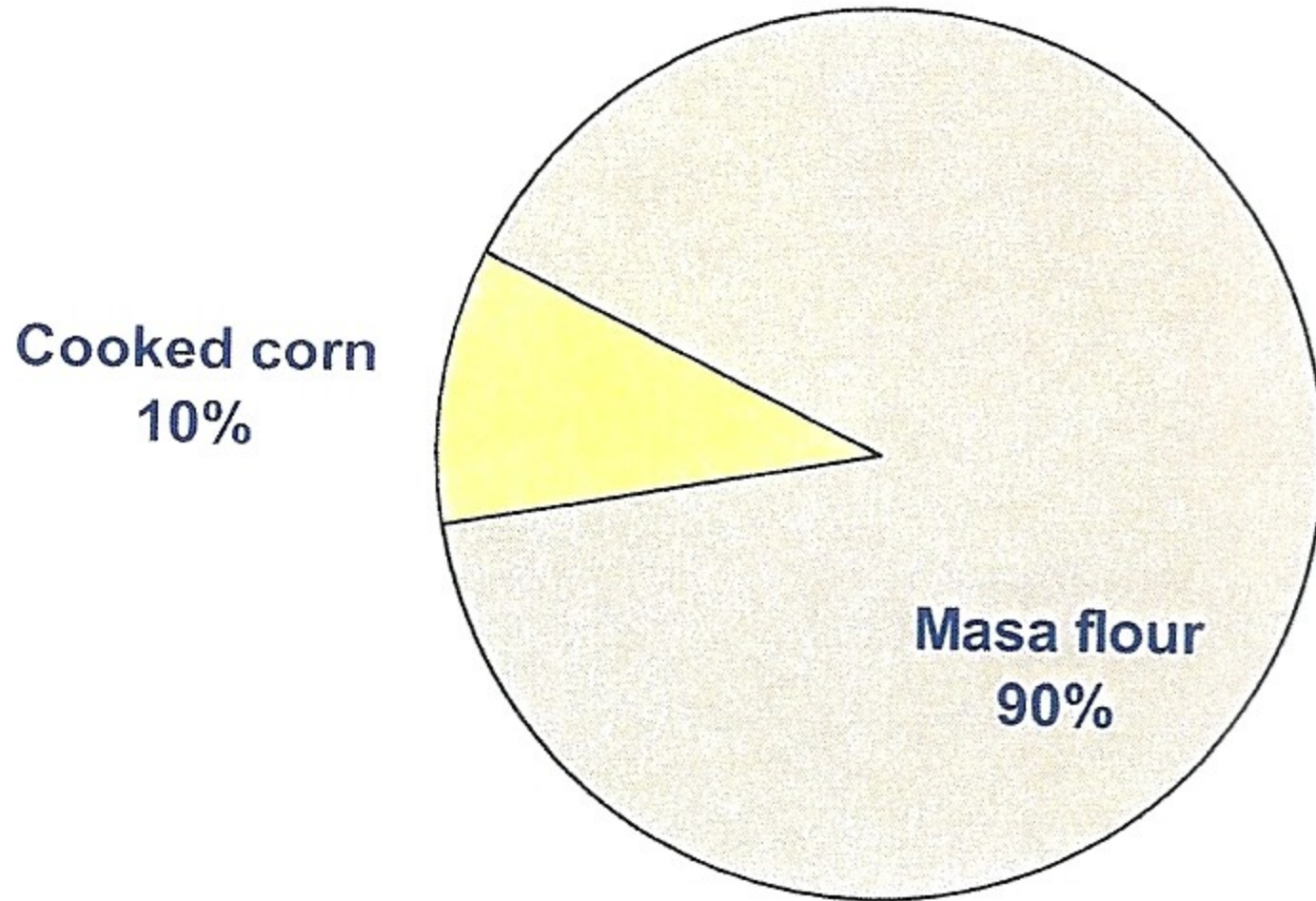
Corn Tortillas



Tortilla Chips – In Dollars

Masa Flour	90%	\$ 1,188,000,000
Cooked Corn	10%	\$ 132,000,000
	100%	

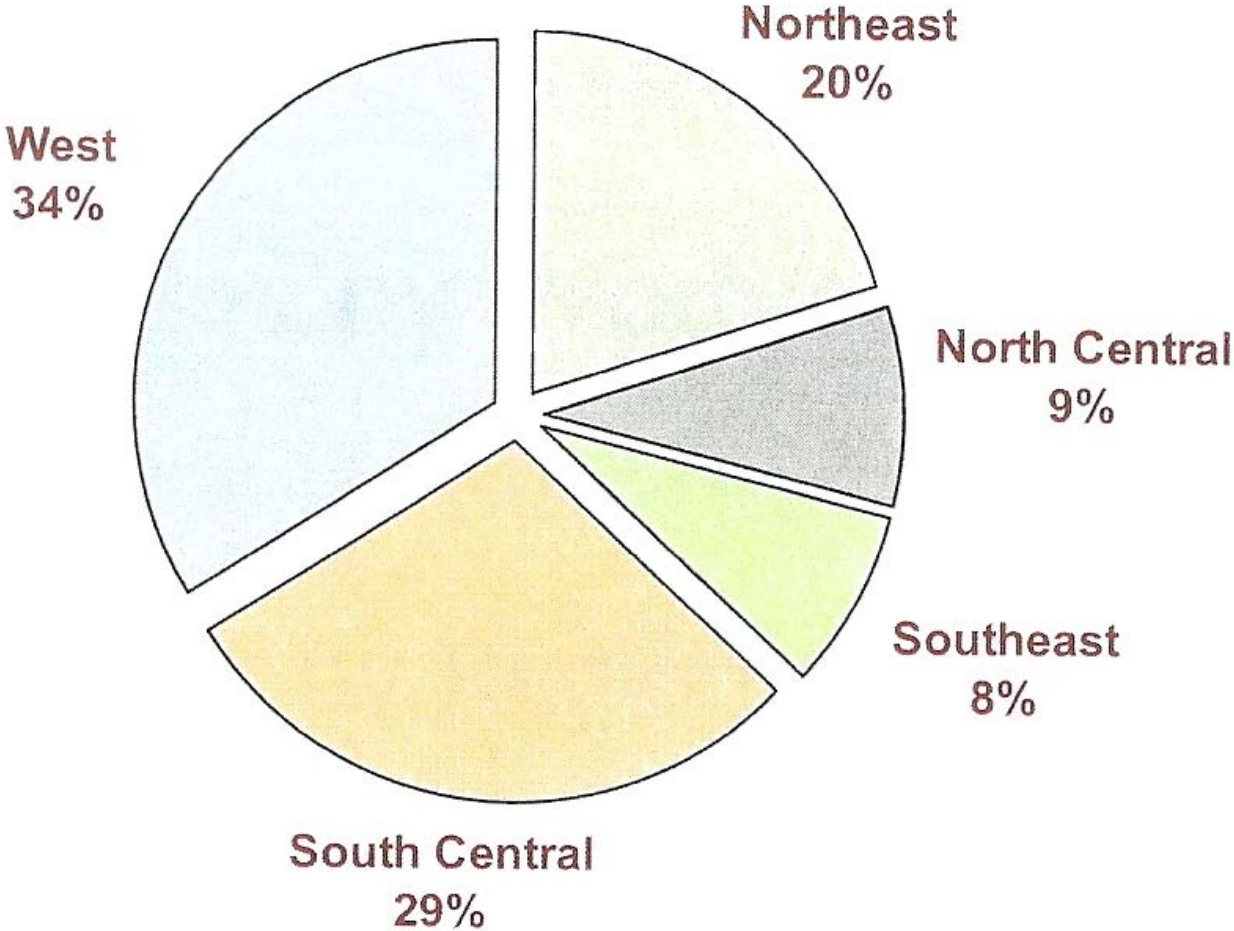
Tortilla Chips



US Region – In Dollars

West	34%	\$ 4,080,000,000
South Central	29%	\$ 3,480,000,000
North East	20%	\$ 2,400,000,000
North Central	9%	\$ 1,080,000,000
South East	8%	\$ 960,000,000
	100%	

By US Region



TIA's Role

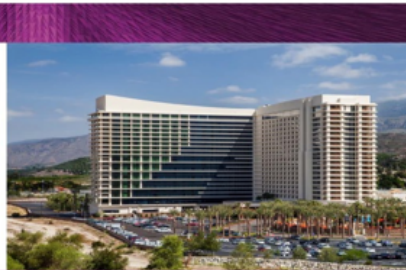
- Expanding Your Business
 - Increased Exposure Between You & Market
- Growing Your Profits
 - Increased Knowledge Of Best Practices
- Increasing Your Success
 - Supporting, Informing & Advocating For Our Members
- Putting You Ahead Of The Curve – Latest Trends That Will Impact Your Business...

TIA Events

See You Again at...
**The 2016 TIA
Convention!**
May 18th – 19th



Harrah's
Resort
SOUTHERN CALIFORNIA
AN ENTERPRISE OWNED BY THE MINGON BAND OF LUISENO INDIANS



OPPORTUNITY AWAITS
IN **SAN DIEGO!**

Enjoy the Excitement and Variety
of Southern California!

- Beautiful Playground Resort & Casino
- 45-mile drive from Downtown San Diego
- TIA Discounted Hotel Rate of \$139
- Free Airport Transportation



- TIA Convention = Primary Marketplace Of Industry
- Trade Show + Education Sessions
- Next: May 18-19th 2016
- Harrah's Resort Casino, Southern CA
- Great Exposure, Networking and Business Opportunities
- Great Entertainment
- Register Now!

Mark Your Calendars!

- 2016 TIA **Convention** – Harrah's So CA
– May 18th – 19th
- 2016 TIA **Tech** – With IBIE in Las Vegas
– October 7th and 8th
- 2017 TIA **Convention** – Paris Las Vegas
– May 1st and 2nd
- 2017 TIA **Tech** – Your Suggestions?
– E.G: Dallas? Anaheim? Orlando? Or...?

Join TIA Today!

- Dues Are Tax Deductible
 - Which 3 Letters Would You Rather Write On Check “IRS” or “TIA” ?
- Support The Industry That Feeds You
- Be Supported By YOUR Association
- Help Guide TIA As A Board Member or Committee Member
- Make Valuable New Business Connections
- Have Fun!

Thank You

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Please Contact Me For More Information