SPINS[°] TRENDWATCH **WINTER FANCY FOOD SHOW** 2017



With over 80,000 products on display from 1,400 companies, the Winter Fancy Food Show gave our team lots to chew on! Senior Nutritionist Patti Suksuras from the SPINS Product Library team explored aisle after aisle of specialty foods to bring you the tastiest and trendiest items from the show floor.

As hosts of North America's largest specialty food and beverage events, the Specialty Food Association assembled an impressive array of gourmet brands from its membership base. So what sorts of macro trends did we discern across the vast trade show floor?

Bacon everything: candies, jerkies, sausages...several brands showed they can make it better with bacon.

Disappearing packaging: now you see it, now it's dirt! Compostable containers are cropping up everywhere. **Finish with a flourish**: a growing number of gourmet salts and sugars provide fine finishing flavors to baking, cocktails, and other culinary applications. Flavored maple syrups added a sweet touch, too.

Floral flavors bloom: hibiscus, lavender, and rose flavors are growing strong.

Food with deep roots: uber tubers like beets and cassava (also called yuca) continue to reach across categories to add earthy flavor to everything from chips to condiments.

Slim snacks: a growing number of cookies and crackers appeared at the show as thins with light, crunchy textures.



+49%

+**\$4.1M**²

Bone Broth Booms

Appearing in frozen, refrigerated, and shelf stable formats, bone broth products continue to proliferate and prosper.

Matcha

We see a strong market for this bold and bright green tea, not only in its traditional form but also in creative uses across categories.



Time for Turmeric

Cross-channel growth is strong across food and beverage segments for this hot ingredient, but the highest growth comes from the Conventional Channel as turmeric becomes a mainstay in the mainstream.



READ ON TO DISCOVER SPINS' PRODUCT PICKS FROM THE SHOW FLOOR!

1: **REFRIGERATED ENTREES** – RF SOUPS – Broth – Bone Broth and **SHELF STABLE SOUP** – SS BROTH – Bone Broth.

2: SHELF STABLE TEA

3: all food and beverage categories – Functional Ingredient - Turmeric

A number of coffee and tea products caught Patti's eye in the beverage space, combining hot flavors and ingredients with innovative packaging in exciting new combinations.

MUCH ADO ABOUT MATCHA



Buddha Teas delivers a premium beverage in inspired packaging: just twist the cap to release ceremonial grade matcha into purified water! The nearly ready-to-drink (RTD) teas called **Matcha Now** preserve matcha's brilliant green color, preventing oxidation that would negatively impact appearance and flavor in premixed matcha. The brand offers two flavors, 100% pure and lightly sweet, which are both certified organic.



The **Sencha Naturals** brand centers on helping people enjoy green tea in surprising and tempting applications. We first fell for the brand's green tea mints in sophisticated flavors at the <u>2016 Sweets & Snacks Expo</u>, but new vegan matcha latte mixes caught our eye at the Winter Fancy Food Show. Completely dairy free, the mixes create a creamy consistency with a combination of algae flour and coconut oil. We see these products performing well with broad appeal in flavors like Bombay chai, pumpkin chai, and tropical mango in addition to original matcha.

MORE TEA, PLEASE!

Choice Organic Teas debuted the latest addition to its line of wellness teas at the show. All four flavors focus on medicinal mushrooms: reishi detox, reishi matcha (yes, more matcha!), shiitake mate, and shiitake turmeric. The certified organic and non-GMO teas were developed in partnership with master herbalists at Bastyr University, and a portion of the proceeds will support scholarship funds for students at the naturopathic school.





The time-honored tradition of tea stretches back over thousands of years, but **Tea Drops** offer an innovative way to enjoy it. A mixture of tea, spices, and sugar is pressed into small drops that dissolve instantly in hot water. With no tea bag, the drops create no waste, and each component of packaging is 100% biodegradable, compostable, recyclable, or reusable. Plus, with every purchase, Tea Drops donates a year's supply of clean water to someone in need with <u>Thirst Project</u>. The brand sources certified organic, Fair Trade Certified, gluten free, and non-GMO ingredients for its ten flavors. Two have arrived in the SPINS Product Library so far – rose Earl Grey and sweet peppermint – and we'll be watching the brand's growth!

COFFEE BREAKS WITH TRADITION

For something different from the daily grind, we found two brands working to reduce the waste stream created by disposable portion-packed coffee: both **Boyd's** and **Ethical Bean** have adopted 100% compostable pods for their single-serve coffees. The pods are made from the chaff of the coffee bean, a sort of skin that's shed during roasting, as well as other compostable or renewable materials. Ethical Bean, a Certified B Corporation, also sources fair trade and organic coffees for its three pod varieties: classic, lush, and superdark roast.



With lots of cold brew coffee on the market, we've amassed an ample list of favorites. We've showcased Califia, Malk, and NuMoo for blends with high quality plant-based milks made from almonds, cashews, pecans, and pistachios. Today, we're adding **Jittery John's** to our list for their RTD blends with Brazil nut milk. The brand incorporates a few other ingredients that caught our eye: agave for sweetness, Himalayan pink salt, and vegan **TCHO** chocolate in the mocha flavor.





Speaking of plant-based milk, catch up on the debate surrounding use of the word milk for plant-based beverages with <u>SPINS Policy Insights here</u>!

SMALL-BATCH BOTANICALS FOR THE HOME BAR

Improper Goods helps craft cocktails come home by making mixology easy for everyone. The company calls its **Bitter Housewife** bitters "the spice rack of cocktail making" with flavors like cardamom, grapefruit, lime coriander, and a whiskey barrel-aged version of its aromatic bitters. Made with organic cane sugar, the brand's complementary line of **RAFT** botanical syrups includes sophisticated tastes like citrus rosemary, hibiscus lavender, lemon ginger, and smoked tea vanilla. The small-batch products are a delicious example of a growing trend, offering accessible and exciting flavor combinations to help you mix it up at home.



THE SWEET SPOT

At last year's Sweets & Snacks Expo, we came across several interesting chocolate candies and highlighted a few of our favorites. (Read The Evolution of Snacking here!) Droga Chocolates' Money on Honey and Nelly's Organics refrigerated premium chocolate bars were among them. Our favorite sweet treat at the Winter Fancy Food Show just happens to share characteristics with both!





Honey Mama has created seven varieties of decadent, fudgy chocolate treats with raw local honey as the first ingredient. Perfect packaging for the brand's handmade origins, each generously sized square is wrapped in butcher paper. The premium treats have a six-month shelf life in refrigeration. We love the complex flavors, fresh feel, and unique texture – specifically of the flavors with shredded coconut (such as CocoNoNut, Lavender Red Rose, Nibs & Coffee, and Oregon Peppermint). Each chocolate is labeled Paleo as well as free of dairy, gluten, grains, and soy.

SAY CHEESE!

Our Product Library team has taken note of cheese snacks popping up with increased popularity lately. An especially playful, tasty, and versatile example from the show came from **Lotito Foods**. Lightly baked sheets of cheese come in cheddar, Jarlsberg, and Parmesan flavors. Flexible **Folios** can be chopped and baked into chips, crisped and crumbled, folded like pasta around fillings, rolled up as a wrap or shaped into an edible bowl that's high in protein with no carbohydrates.

If Brazilian-inspired acai bowls were America's healthy eating emblem of the South American country's cuisine, pao de queijo (cheese bread) is today's indulgent addition to comfort foods and snacks. With at



least three examples of Brazilian cheese breads at the show, our favorite was from **Kika's Treats**. The brand's version is delicious and naturally gluten free, made from a short and simple list of ingredients that includes yuca flour. The company also makes chocolates and cookies, proudly proclaiming the use of organic sweeteners such as cane sugar, coconut palm sugar, and honey in lieu of corn syrup or refined white sugar.

FRUITFUL FINDS HELP SNACKERS VEG OUT



Barnana makes a strong appeal to athletes and health conscious consumers as "the super potassium snack," but the mission-based brand is also doing its part to reduce food waste. The Certified B Corporation makes its tasty dehydrated banana treats with fruit that otherwise wouldn't make it to market because it's overripe, scuffed, or otherwise imperfect. In addition to the original flavor, apple cinnamon, chocolate, coconut, coffee, and peanut butter varieties pair the naturally sweet bananas in winning combinations. All are certified organic, and the company sources certified sustainable palm oil as well as fair trade cacao and coffee for its recipes.

Proud to proclaim itself as the new superfood snack, **Rayzyn** is rethinking the raisin's familiar form. The brand starts with wine grapes, dries them on the vine, and preserves the seed inside for an extra crunch. The result is a gluten free, non-GMO, and vegan treat with 5g of fiber per serving and a claim to more antioxidant content than a bottle of wine. Its three flavors are made from and named for specific wine grape varietals: CabernayZyn, ChardonayZyn, and MerlayZyn.





With a goal of helping consumers eat more fruit, **That's It** entered the market with fruit-only bars, then expanded its offering to fruit bites covered in fair trade chocolate. In keeping with the trademark simplicity of the brand's name and ingredient lists, That's It Veggie bars are an exciting addition in the bar space. Each bar delivers 4g of fiber and protein and just 80-90 calories. For each of four flavors, black beans are combined with a different veggie– carrots, corn, kale, and peas – and all are gluten free, non-GMO, and vegan with no preservatives.

Siete got our attention at Expo East with great grain free tortillas. Now the brand brings its Paleo-friendly prowess to the snack segment. New tortilla chips in three flavors – lime, nacho, and sea salt – are made from interesting ingredients like avocado oil, cassava root and coconut flours, and ground chia seeds. They're also dairy free, gluten free, non-GMO, soy free, and vegan.



In addition to their signature gourmet tastes, specialty foods incorporated plenty from the health & wellness space and Natural Products Industry values at the Winter Fancy Food Show. Here are a few of our favorite finds!

INNOVATION FROM INCUBATOR ALLEY



A special space in the Fancy Food Show floor plan, Incubator Alley features innovative products in early stages of their development. **Henningsen Foods** debuted the Eggurt Drink, a cultured egg white formula fermented with lactic acid bacteria. With a tangy taste just like drinkable yogurt, the **Eggurt Drink** contains about five egg whites per bottle for a snack that's gluten free, high in protein, and probiotic with no cholesterol or fat. A representative of the company, which specializes in co- and contract manufacturing as well as research and development, said the formula was just a prototype at the time of the show, but we're eager to see the Eggurt Drink on the market.

SUSTAINABILITY SPOTLIGHT

Regrained gives a new life to spent grain, repurposing it into energy bars in two flavors: chocolate coffee stout and honey cinnamon IPA. The brand's founders discovered almost by accident that the byproduct of their homebrewing was delicious, and they decided to fight food waste by upcycling the spent grain of larger scale brewers. They realized that brewer's spent grain lent itself well to bars, and, unlike fresh bread, bars could be shipped with a shelf life. In addition to the sustainable premise and many organic ingredients, the bars' packaging is 100% compostable, too.



CATCH UP WITH SPINS AT NATURAL PRODUCTS EXPO WEST 2017!

Learn more about how SPINS uses data as a springboard to unlock insights and fuel your growth.

New to SPINS? Visit us in booth 2872 at Expo West, and sign up online today for free introductory sessions on:

- Consumer Insights
- Innovation Insights
- Price & Promotion Strategy
- Strategic Category Assessment

Already partnered with SPINS? Sign up online today for live trainings at the Hilton Anaheim, fourth floor concourse level, during Expo West.



Do you have specific questions related to SATORI[™] reporting? Measures? Product coding? Schedule a 15-minute one-on-one support session with Principal Sales Consultant Kevin Snodgrass to optimize your use of SPINS data and maximize its impact on your business.



Do you have questions about SPINS' ACV, Base, Incremental, Non-Promoted, Promoted, and TDP Measures?

Sign up today for a 45-minute session on SPINS Measures with Principal Sales Consultant Jason Loughrin to learn more about the performance of your items as well as competitive items. Master the use of SPINS' Measures to build compelling sales stories with your retail customers.