



[CLICK TO VIEW](#)

[Table of Contents 2](#)

[List of Tables & Charts 3](#)

[Study Overview 4](#)

[Sample Text, Table
& Chart 5](#)

[Sample Profile, Table &
Forecast 6](#)

[Order Form & Corporate
Use License 7](#)

[About Freedonia,
Custom Research,
Related Studies, 8](#)

Flavors & Fragrances

US Industry Study with Forecasts for **2014 & 2019**

Study #2732 | February 2011 | \$4900 | 270 pages

www.freedoniagroup.com



The Freedonia Group

767 Beta Drive

Cleveland, OH • 44143-2326 • USA

Toll Free US Tel: 800.927.5900 or +1 440.684.9600

Fax: +1 440.646.0484

E-mail: info@freedoniagroup.com

Table of Contents

EXECUTIVE SUMMARY

MARKET ENVIRONMENT

General	4
Macroeconomic Outlook	5
Demographic Trends	8
Personal Consumption Expenditures ..	11
Historical Market Trends	13
Pricing Patterns	16
Environmental & Regulatory Issues ...	19
Flavors	20
Fragrances	23
International Activity	25
Foreign Trade	27
Imports	28
Exports	29

MARKETS

General	31
Food	35
Industry Overview	35
Flavor Demand	37
Processed Food	42
Dairy Products	45
Bakery Products	48
Candy & Confectioneries	50
Other Food	52
Cosmetics & Toiletries	56
Industry Overview	56
Flavor & Fragrance Demand	59
Perfumes & Colognes	64
Skin Care Products	67
Soaps & Body Washes	70
Other Cosmetics & Toiletries	72
Cleaning Products	75
Industry Overview	76
Fragrance Demand	78
Laundry Detergents	80
Polishes & Sanitation Goods	84
Dishwashing Detergents & Other Cleaners	87

Environmental Fragrance Goods	90
Industry Overview	90
Fragrance Demand	94
Air Fresheners & Deodorizers	96
Candles	99
Potpourri & Other Environmental Fragrance Goods	101
Beverages	102
Industry Overview	103
Flavor Demand	105
Carbonated Soft Drinks	108
Other Beverages	110
Other Markets	114

PRODUCTS

General	118
Flavor Blends	120
Fruity	125
Savory	127
Cheese & Other Dairy	128
Meat	129
Other Flavor Blends	131
Fragrance Blends	133
Product Characteristics	135
New Applications	136
Essential Oils & Natural Extracts	138
Citrus Oils	141
Lemon Oil	143
Orange Oil	146
Other Citrus Oils	148
Mint Oils	150
Peppermint Oil	152
Spearmint & Other Mint Oils	155
Other Essential Oils & Natural Extracts	157
Aroma Chemicals	160
Demand by Class	162
Synthetic	163
Natural	164
Demand by Type	166
Terpenoids	166
Benzenoids	168
Musks & Other Aroma Chemicals	169

INDUSTRY STRUCTURE

General	170
Market Share	174
Mergers & Acquisitions	180
Competitive Strategies	183
Product Differentiation	184
Market Segmentation	185
Cooperative Agreements	186
Research & Development	189
Natural Flavors & Fragrances	191
Biotechnology	192
Delivery Systems	194
Production Methods	197
Marketing & Distribution	198

COMPANY PROFILES

Agilex Flavors & Fragrances	201
Aromatech France	202
BASF SE	204
Bedoukian Research	206
Bell Flavors & Fragrances	207
Belmay Incorporated	209
Cargill Incorporated	210
Comax Flavors	211
ConAgra Foods	213
Firmenich SA	214
Flavorchem Corporation	217
Givaudan SA	218
Hasegawa (T.) Company	223
ICC Industries	225
International Flavors & Fragrances	227
Kao Corporation	231
Kerry Group	233
LyondellBasell Industries	235
Mane (V.) Fils	236
McCormick & Company	237
Michael (David) & Company	239
Naturex SA	241
Polarome International	242
Rennessenz LLC	243
Rhodia SA	244
Robertet SA	246
Royal DSM	248

Table of Contents

COMPANY PROFILES

(continued from previous page)

Sensient Technologies.....	250
Symrise AG.....	253
Takasago International.....	256
Todd (AM) Company	257
Trealt (RC) plc.....	258
Ungerer & Company.....	260
Vigon International.....	261
WILD (Rudolf) GmbH	263
Other Firms Mentioned in Study.....	266

List of Tables/Charts

EXECUTIVE SUMMARY

1 Summary Table.....	3
----------------------	---

MARKET ENVIRONMENT

1 Macroeconomic Indicators.....	8
2 Population & Households.....	11
3 Personal Consumption Expenditures.....	13
4 Flavor & Fragrance Market, 1999-2009.....	15
Cht Flavor & Fragrance Market, 1999-2009.....	16
5 Flavor & Fragrance Pricing	19
Cht World Flavor & Fragrance Demand, 2009.....	27
6 Flavor & Fragrance Supply & Demand	28
Cht US Flavor & Fragrance Imports by Source, 2009	29
Cht US Flavor & Fragrance Exports by Destination, 2009.....	30

MARKETS

1 Flavor & Fragrance Demand by Market	34
Cht Flavor & Fragrance Demand by Market, 2009	34

2 Food Shipments	37
3 Food: Flavor Demand.....	41
Cht Food: Flavor Demand, 2009.....	42
4 Processed Food: Flavor Demand ..	45
5 Dairy Products: Flavor Demand....	48
6 Bakery Products: Flavor Demand..	50
7 Candy & Confectioneries: Flavor Demand	52
8 Other Food: Flavor Demand	55
9 Cosmetic & Toiletry Shipments....	58
10 Cosmetics & Toiletries: Flavor & Fragrance Demand	63
Cht Cosmetics & Toiletries: Flavor & Fragrance Demand, 2009.....	64
11 Perfumes & Colognes: Fragrance Demand.....	67
12 Skin Care Products: Fragrance Demand.....	70
13 Soaps & Body Washes: Fragrance Demand.....	72
14 Other Cosmetics & Toiletries: Flavor & Fragrance Demand	75
15 Cleaning Product Shipments	78
16 Cleaning Products: Fragrance Demand.....	80
17 Laundry Detergents: Fragrance Demand.....	84
18 Polishes & Sanitation Goods: Fragrance Demand.....	87
19 Dishwashing Detergents & Other Cleaners: Fragrance Demand	90
20 Environmental Fragrance Goods Indicators	94
21 Environmental Fragrance Goods: Fragrance Demand.....	96
22 Air Fresheners & Deodorizers: Fragrance Demand.....	98
23 Candles: Fragrance Demand	101
24 Potpourri & Other Environmental Fragrance Goods: Fragrance Demand.....	102
25 Beverage Shipments.....	105
26 Beverages: Flavor Demand.....	108

27 Carbonated Soft Drinks: Flavor Demand	110
28 Other Beverages: Flavor Demand	114
29 Other Markets: Flavor & Fragrance Demand.....	117

PRODUCTS

1 Flavor & Fragrance Demand by Product.....	119
Cht Flavor & Fragrance Demand by Product, 2009	120
2 Flavor Blend Demand	124
Cht Flavor Blend Demand by Type, 2009	125
3 Fragrance Blend Demand.....	135
4 Essential Oil & Natural Extract Demand	140
5 Citrus Oil Demand.....	143
6 Lemon Oil Demand.....	145
7 Orange Oil Demand	148
8 Other Citrus Oil Demand	150
9 Mint Oil Demand	152
10 Peppermint Oil Demand	154
11 Spearmint & Other Mint Oil Demand.....	157
12 Other Essential Oil & Natural Extract Demand	159
13 Aroma Chemical Demand.....	162
14 Synthetic Aroma Chemical Demand	164
15 Natural Aroma Chemical Demand	166

INDUSTRY STRUCTURE

1 US Flavor & Fragrance Sales by Company, 2009	172
Cht US Flavor & Fragrance Market Share by Company, 2009	175
2 Selected Acquisitions & Divestitures	183
3 Selected Cooperative Agreements	187
4 R&D Spending Patterns: Selected Flavor & Fragrance Suppliers... 191	

Advances will be fueled by consumer interest in more complex, exotic and authentic flavors and fragrances, as well as their increasing use as marketing tools and product differentiators.

US demand to rise 3% annually through 2014

The US market for flavors and fragrances is forecast to rise 3.0 percent annually to \$5.5 billion in 2014. Demand will benefit from an improving economic outlook, as well as continued expansion in the food, beverage, and cosmetic and toiletry sectors. Advances will be fueled by consumer interest in more complex, exotic and authentic flavors and fragrances, as well as the increasing utilization of these products as marketing tools and product differentiators.

Food market to benefit from health concerns

Gains in the flavor segment will be triggered by heightened health concerns among the US population. New dietary guidelines, The National Salt Reduction Initiative, and Wal-Mart's recently announced plan to cut down on sodium and sugar in thousands of packaged food products, will further drive the trend toward healthier eating options. The widespread reformulation of food products will promote demand for flavors, as processors seek innovative ways to improve the taste of foods with reduced sodium, sugar and fat content.

Skin care, environmental products to grow fastest

In the cosmetic and toiletry market, skin care products will provide strong advances, propelled by demand for natural

US Flavor & Fragrance Demand (\$5.5 billion, 2014)



products and the incorporation of beneficial ingredients into skin care formulations. As the large baby boomer population approaches age 65, gains will be fueled by greater demand for high-value skin care products designed specifically for mature skin. Such cosmetics and toiletries often contain malodorous active ingredients that require masking with high fragrance loadings. Demand will also benefit from the continued introduction of lotions and other skin care products that are marketed primarily on the basis of scent, rather than functionality. However, overall advances will be limited by competition from fragrance-free products.

Environmental fragrance goods represent a small, but growing market. Following the recession that began in late 2007, consumers are spending more time at home and are increasingly interested in enhancing their living spaces through the use of air care products, particularly those that complement their home's décor with attractive designs. However, while consumers are increasingly willing to experiment with new products and scents, fragrance demand will be negatively impacted by the fragrance bans in schools, churches and various workplaces. Furthermore, this market will face challenges as concerns rise about the presence of potentially harmful chemicals, such as phthalates, in certain air care products.

Copyright 2011 The Freedonia Group, Inc.

[Click here to purchase online](#)

Sample Text, Table & Chart

PRODUCTS

Citrus Oils

SAMPLE TEXT

... 1 percent an
 ... y gains in al
 ... and mature
 ... however, will r
 ... the growing po
 ... of less conventional citrus scents, such as clementine, grapef
 ... tangerine, will bode well for demand, particularly in the pers
 ... and cleaning product markets. Despite trends favoring the us
 ... ingredients, competition from less expensive synthetic altern
 ... continue to restrain overall advances.

Citrus oil is a natural product, and is therefore vulnerable to weather conditions and diseases. As a result, pricing can be exceptionally volatile. Citrus oil prices spiked in 2004 due to a supply shortage caused by several severe hurricanes. These tropical storms did major damage to Florida's citrus crop, orange and grapefruit in particular. Aside from natural disasters, citrus yields can be significantly impacted by cold weather. For example, early 2011 price forecasts for a number of citrus oils, especially orange and grapefruit, have been increased based on cold weather that has reduced the size of the Florida crop. Lemon oil pricing is more dependent on imports, with weather conditions and other factors in Argentina and Spain influencing prices in the US. Lime oil pricing tends to be more stable, but as of early 2011 strong demand for lime oil is expected to push prices higher. Due to high prices and supply uncertainties of natural citrus oils, flavor and fragrance houses are providing authentic synthetic alternatives at a reasonable cost. Continued improvement in alternatives will work to restrain demand for citrus oils to some degree.

Lemon oil is the leading type of citrus oil, accounting for half of total sales in 2009. One of the most widely used esse

141

Copyright 2011

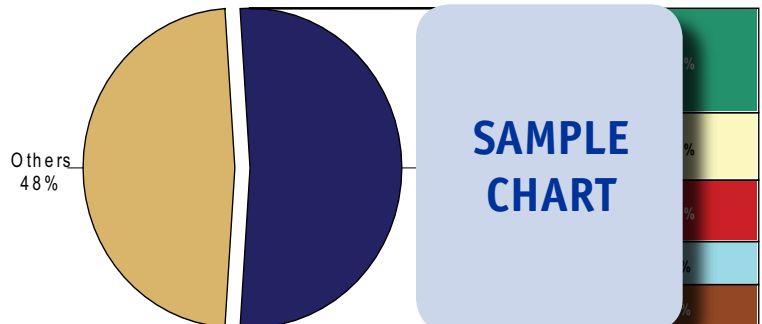
TABLE IV-5
CITRUS OIL DEMAND
 (million dollars)

Item	1999	2004	2009	2014	2019
Food & Beverage Shipments (bil \$)					65
\$ citrus oil/000\$ food & beverages					
Citrus Oil Demand					
By Type:					
Lemon					
Orange					
Other					
By Market:					
Beverages					
Other					
% citrus oils					
Essential Oil & Natural Extract Demand	400	250	170	200	190

SAMPLE TABLE

CHART V-1

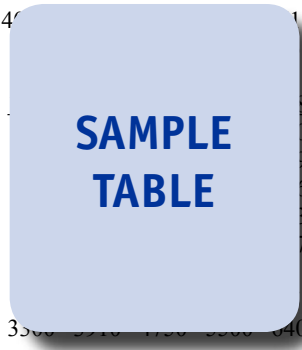
US FLAVOR & FRAGRANCE MARKET SHARE BY COMPANY
 (\$4.8 billion, 2009)



Sample Profile, Table & Forecast

TABLE III-3
FOOD: FLAVOR DEMAND
(million dollars)

Item	1999	2004	2009	2014	2019
Food Shipments (bil \$)	400	450	500	550	600
\$ flavors/000\$ food	1.0	1.0	1.0	1.0	1.0
Food Flavor Demand					
Processed Food					
Dairy Products					
Bakery Products					
Candy & Confectioneries					
Other					
% food					
Total Flavor & Fragrance Demand	3500	3710	3920	4130	4340



COMPANY PROFILES

Agilex Flavors & Fragrances Incorporated

10 Mountainview Road, North Atrium
 Upper Saddle River, NJ 07675
 201-236-8150
<http://www.agilex.com>

Annual Sales:
 Employment:

Key Products: air care products and candles

Agilex Flavors & Fragrances is a leading manufacturer of flavors and fragrances for use in food, beverages, personal care products and home environment products. Prior to November 2010, the privately held company operated through two main divisions: Flavor and Fragrance. In November 2010, the Company sold the Flavor division (Rancho Santa Margarita, California), which operated as Agilex Flavors and had annual sales of approximately \$30 million, to Kerry Group plc (Ireland).

The Company is active in the US flavor and fragrance industry through the Fragrance division (Piscataway, New Jersey), which develops, manufactures and sells fragrances and fragrance technologies for use in the production of air care products, personal care products and candles. Specific products include METAGEL and AROMAGEL gel matrices; THERMOCLEAR thermoplastic air freshener fragrance; TREASAIRES, AROMASPHERES and TREASAIRES macro-encapsulated water-based gel fragrance crystals; AROMAREED fragrances for reed diffuser products; AROMAPOLY fragrance polymer encapsulations; VANILLAWHITE vanilla fragrance supplement; SENSITECH malodor-reducing fragrance compound AROMAPUFFS foamed

“Demand for flavors in candy and confectioneries, including chewing gum and non-medicinal cough drops, is forecast to expand at an annual pace of 2.9 percent to \$281 million in 2014, outpacing gains in the overall food flavor market. Demand will be driven by accelerating growth in candy and confectionery shipments through 2014. Advances will also benefit from the rising use of higher-quality (and more expensive) flavors providing increased intensity and greater impact.”

--Section III, pg. 50

ONLINE: www.freedoniagroup.com

MAIL: Print out and complete the order form and send to The Freedonia Group (see address at the bottom of this form)

PHONE: Call toll free, 800.927.5900 (US) or + 1 440.684.9600

FAX: + 1 440.646.0484 (US)

EMAIL: info@freedoniagroup.com

Free Handling & Shipping

There is NO charge for handling or UPS shipping in the US. Expect delivery in 3 to 5 business days. Outside the US, Freedonia provides free airmail service. Express delivery is available at cost.

Credit Card Orders

For convenience, Freedonia accepts American Express, MasterCard or Visa. Credit card purchases must include account number, expiration date and authorized signature.

Orders Outside of the US

Checks must be made payable in US funds, drawn against a US bank and mailed directly to The Freedonia Group. For wire transfers please contact our customer service department at info@freedoniagroup.com. Credit cards accepted.

Save 15%

If you order three (3) different titles at the same time, you can receive a 15% discount. If your order is accompanied by a check or wire transfer, you may take a 5% cash discount (discounts do not apply to Corporate Use Licenses).

Corporate Use License

Now every decision maker in your organization can act on the key intelligence found in all Freedonia studies. For an additional \$2600, companies receive unlimited use of an electronic version (PDF) of the study. Place it on your intranet, e-mail it to coworkers around the world, or print it as many times as you like,

[Click here to learn more about the Corporate Use License](#)

ORDER FORM

F-WEB.-2732

Flavors & Fragrances..... \$4900

Corporate Use License (add to study price) * + \$2600

___ Additional Print Copies @ \$600 each *
Total (including selected option) \$_____

Enclosed is my check (5% discount) drawn on a US bank and payable to The Freedonia Group, Inc., in US funds (Ohio residents add 7.75% sales tax)

Bill my company American Express MasterCard Visa

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Credit Card #

MM		YY			

Expiration Date

Signature _____

Name _____

Title _____

Company _____

Division _____

Street _____
(No PO Box please)

City/State/Zip _____

Country _____

Phone _____ Fax _____

Email _____

* Please check appropriate option and sign below to order an electronic version of the study.

Corporate Use License Agreement

The above captioned study may be stored on the company's intranet or shared directory, available to company employees. Copies of the study may be made, but the undersigned represents that distribution of the study will be limited to employees of the company.

Signature _____

Individual Use License Agreement

The undersigned hereby represents that the above captioned study will be used by only ___ individual(s) who are employees of the company and that the study will not be loaded on a network for multiple users. In the event that usage of the study changes, the Company will promptly notify Freedonia of such change and will pay to Freedonia the appropriate fee based on Freedonia's standard fee schedule then in effect. Note: Entire company corporate use license, add \$2600; one additional user, add \$600; two additional users, add \$1200; three additional users, add \$1800.

Signature _____

OTHER STUDIES

World Food Safety Products

Global food safety product demand will rise 8.1 percent yearly through 2014, driven by gains in food and beverage processing activity and increasingly strict food safety regulations. Best opportunities will be found in the Asia/Pacific region, while the US will remain the largest national market. This study analyzes the \$9.2 billion global food safety product industry, with forecasts for 2014 and 2019 by product, market, world region and for 17 countries. It also evaluates company market share and profiles industry participants.

#2693 November 2010 \$5800

Industrial & Institutional (I&I) Cleaning Chemicals

US demand for industrial and institutional (I&I) cleaning chemicals will increase 4 percent annually through 2014. Disinfectants and sanitizers will be the fastest growing type as the food industry faces tighter safety requirements. General purpose cleaners and floor care cleaners will remain the largest segments. This study analyzes the \$8.8 billion US I&I cleaning chemical industry, with forecasts for 2014 and 2019 by market, product and raw material. It also evaluates company market share and profiles industry players.

#2683 September 2010 \$4900

World Flavors & Fragrances

Global demand for flavors and fragrances is projected to increase 4.3 percent annually through 2014. Overall advances will be stimulated by gains in food and beverage processing, the largest market. The best opportunities will be found in developing areas, particularly the Asia/Pacific region. This study analyzes the \$19 billion world flavor and fragrance industry, with forecasts for 2014 and 2019 by product, market, world region and for 19 countries. It also evaluates company market share and profiles industry players.

#2673 August 2010 \$5800

World Salt

Global salt demand will rise 2.6 percent yearly through 2013. Growth in developing countries will more than offset an expected contraction of salt demand in developed economies. The large chemical manufacturing market will generate most new demand, due to rapid growth in Chinese chemical production. This study analyzes the \$9.7 billion world salt industry, with forecasts for 2013 and 2018 by salt market, production method, world region and for 20 countries. It also evaluates company market share and profiles industry participants.

#2597 March 2010 \$5700

Food & Beverage Additives

US demand for food and beverage additives is forecast to expand 3.5 percent annually through 2014. Flavor products and alternative sweeteners will remain the largest product types, while nutraceuticals (e.g., vitamins, minerals, herbal extracts, probiotics) will see the most rapid gains. This study analyzes the \$7.2 billion US food and beverage additive industry, with forecasts for 2014 and 2019 by product and application. It also evaluates company market share and profiles industry competitors.

#2607 February 2010 \$4800

About The Freedonia Group

The Freedonia Group, Inc., is a leading international industry market research company that provides its clients with information and analysis needed to make informed strategic decisions for their businesses. Studies help clients identify business opportunities, develop strategies, make investment decisions and evaluate opportunities and threats. Freedonia research is designed to deliver unbiased views and reliable outlooks to assist clients in making the right decisions. Freedonia capitalizes on the resources of its proprietary in-house research team of experienced economists, professional analysts, industry researchers and editorial groups. Freedonia covers a diverse group of industries throughout the United States, the emerging China market, and other world markets. Industries analyzed by Freedonia include:

- Chemicals • Plastics • Life Sciences • Packaging • Building Materials • Security & Electronics • Industrial Components & Equipment • Automotive & Transportation Equipment • Household Goods • Energy/Power Equipment

[Click here to learn more about Freedonia](#)

Freedonia Custom Research

Freedonia Custom Research delivers the same high quality, thorough and unbiased assessment of an industry or market as an industry study. Since the research initiative is based upon a company's specific needs, companies harness Freedonia's research capabilities and resources to answer unique questions. When you leverage the results of a Freedonia Custom Research engagement, you are able to obtain important answers to specific questions and issues associated with: mergers and acquisitions, new product launches/development, geographic expansion, entry into new markets, strategic business planning, and investment and funding decisions.

Freedonia Custom Research is ideal for companies seeking to make a strategic difference in the status quo and focus on future business growth. Working side by side with clients, Freedonia's team is able to define a research project that is custom-tailored to answer specific questions and provide the basis from which a company can make informed business decisions.

[Click here to learn more about Custom Research](#)



[Click here for complete title list](#)



[Click here to visit freedoniagroup.com](http://www.freedoniagroup.com)