

MARKET NEWS

April 2023



04
2023



MERIEUX NUTRISCIENCES(CHINA)

BETTER FOOD. BETTER HEALTH. BETTER WORLD.

CONTENTS

FOCUS ON CHINA	1
<i>Kraft Heinz seeks gains in 'gigantic' Chinese market</i>	1
INTERNATIONAL NEWS	2
<i>FDA cautions manufacturers of plant-based proteins to remember allergens</i>	2
<i>FDA Amends Standard of Identity for Yogurt</i>	3
<i>EU adds ethylene oxide to the list of pesticides that need monitoring</i>	3
<i>FDA Issues Revised Guidance on Labeling of Certain Beers to Add Sesame as a Major Food Allergen</i>	4
ENTERPRISE NEWS	4
<i>Cumin recalled in 16 states after testing finds Salmonella</i>	4
<i>Ground cinnamon suspected as 30 sick in Spain</i>	5
<i>Revolution Farms recalls pre-packaged salads because of positive Listeria test</i>	6
MARKET NEWS - REPLY	9

Focus on China

Kraft Heinz seeks gains in 'gigantic' Chinese market



Condiment giant eyes double-digit growth in China with expanding investment, innovation

As a key part of its emerging market, US-based Kraft Heinz has high expectations for China's huge potential. The food and beverage company has made consistent investments in the country to better satisfy market demand

despite the COVID-19 pandemic, said Miguel Patricio, CEO of Kraft Heinz.

"The Chinese food market is gigantic ... Today, China is still a small part of our business, but we have big ambitions. China has the potential to be our biggest future growth market," Patricio told China Daily.

Patricio said such strong confidence is backed by China's 1.4 billion population, its continuous economic growth, the important role that food plays in Chinese society and its many innovations in the food industry.

"These reasons make us believe that China is a country where we want to invest and grow. We want to grow with China," he said.

As its business keeps growing along with its significance in China, Kraft Heinz advanced a slew of investments even during the pandemic, when food service experienced a decline.

The investments included relocating its Asian headquarters from Singapore to Shanghai in 2020 and some 47 million yuan (\$6.83 million) in the expansion of its Qingdao, Shandong province ketchup production line in 2021, as well as investing around 27 million yuan in the new office and experience center in Shanghai. The experience center consists of a Western kitchen, a Chinese kitchen and sensory, sauce, analytical and packaging labs.

Furthermore, an \$11.3 million investment was announced early this year to expand the Qingdao factory's capacity. A total of 280 million yuan has been spent on the facility in the past five years, Patricio said.

April 2023 MARKET NEWS

"China is critical for our growth ... We see the great potential, so we are investing. We are putting efforts into developing our people, brands, capabilities and factories," said Rafael Oliveira, executive vice-president and president of international markets for Kraft Heinz.

"As the economy keeps opening up, we are confident that we are prepared," Oliveira added.

The company saw single-digit growth in the Chinese market due to COVID impacts last year, and Kraft Heinz expects to achieve double-digit growth in China this year.

Oliveira said that as a maker of sliced cheese and ketchup, the company has three major targets in China — becoming the number one Western sauce brand, strengthening and diversifying its Chinese sauce portfolio and becoming a competitive food service provider by targeting customers with customized products and solutions.

Kraft Heinz has been the biggest player in the Chinese ketchup retail market, holding a 27 percent market share. With a wide variety of innovative flavors and creative applications of sauces, the company expects to grow significantly in the sauce market.

Euromonitor International, a market research analyst, said China's sauce, dip and condiment market rose from 116.99 billion yuan in 2017 to 173.45 billion yuan in sales revenue in 2022 and projected the scale to reach 220.65 billion yuan in 2027, nearly double that of 2017.



Consumption in China, however, is still comparatively low in comparison with the global market, which is expected to expand from \$158.32 billion in 2022 to \$204.74 billion in 2027, Euromonitor International said.

International News

FDA cautions manufacturers of plant-based proteins to remember allergens

The Food and Drug Administration is reminding manufacturers of plant-based proteins to be aware of the legal requirements of such products.

The reminder is a pre-emptive strike for developers and manufacturers of new plant varieties who intent to transfer genes for proteins that are food allergens into new plant varieties used for food.

“The FDA is not aware of any foods currently in the U.S. market from these types of new plant varieties, but we are aware of research and development in this area,” says the FDA reminder.

“Because adverse reactions to food allergens can be severe and life-threatening, including when the allergen is present at low levels, we think it is important to reach out to developers and manufacturers now, while such plant varieties are still in early research and development stages.”

The federal government’s list of major food allergens includes the nine following foods: milk, eggs, fish, Crustacean shellfish, tree nuts, peanuts, wheat, soybeans,

and sesame.

Because of the safety risks posed by these allergens, the FDA has asked manufacturers and developers to consider dangers during the early development and management processes. The FDA warned producers and developers that food safety risks from unlabeled allergens could have consequences other than the health and welfare of consumers.

“... if unexpected and unlabeled allergens enter the food supply, this could have other consequences for food producers, such as needing to recall the affected products,” the FDA warned. “The FDA is reminding the industry of the relevant legal requirements and potential food safety concerns related to producing, processing, packaging, and holding these types of plant varieties and the industry’s responsibility to ensure that they do not become unintended or unexpected allergens in final food products.

“We are specifically reminding those developers who are now exploring the development of these types of plant varieties of their responsibility for food safety. In particular, we are reminding them to consider the allergenicity issues related to their products, and how they would be stewarded from production to manufacturing to consumption so that they do not inadvertently or unexpectedly enter the food supply. We are also reminding them that they need to be properly labeled when intentionally part of the food supply.”

To support developers and manufacturers in their pursuits, the FDA is inviting them to consult with the agency prior to marketing their products. The FDA has offered such consultation since 1994 for foods from new plant varieties.

400-645-8088 www.merieuxnutrisciences.com www.merieuxnutrisciences.com.cn

FDA Amends Standard of Identity for Yogurt

Today, the U.S. Food and Drug Administration is issuing a final order to modify the [yogurt standard of identity final rule](#), published on June 9, 2021. The FDA is denying the International Dairy Foods Association’s (IDFA) request for a public hearing and is issuing a final order to modify the final rule with respect to maximum pH. The FDA is amending the yogurt standard acidity requirement to require products to have a pH of 4.6 or lower. This will ensure the safety of yogurt, while maintaining its basic nature and essential characteristics. The final rule is effective on April 14, 2023, and the compliance date is January 1, 2024. Additional details can be found in the [Federal Register notice](#).

EU adds ethylene oxide to the list of pesticides that need monitoring

The European Commission has added ethylene oxide to a list of pesticides that should be tested for following the substance being behind thousands of recalls in recent years.

New legislation means European countries must take and test certain food samples for ethylene oxide from 2023 until 2026.

It shall be analyzed in and on dried beans, rye, and rice in 2023, wheat in 2024; barley and oats in 2025; and dried beans, rye, and brown rice again in 2026. The lot to be sampled is chosen randomly.

The aim is to ensure compliance with maximum residue levels of pesticides and to assess consumer exposure to pesticide residues in food of plant and animal

April 2023 MARKET NEWS

origin.

Member states should submit by the end of August in each year the information concerning the previous calendar year.

FDA Issues Revised Guidance on Labeling of Certain Beers to Add Sesame as a Major Food Allergen

The U.S. Food and Drug Administration has issued a revised guidance “Labeling of Certain Beers Subject to the Labeling Jurisdiction of the Food and Drug Administration” to add sesame to the list of major food allergens that are part of mandatory label information that must appear on the label, in addition to other minor changes. Sesame joined the list of major food allergens defined by law as the result of the Food Allergy Safety, Treatment, Education, and Research (FASTER) Act, which was signed into law April 23, 2021.

This guidance is one of three guidance documents that have been revised to add “sesame” to the list of major food allergens for labeling purposes. The other two are “Guidance for Industry: Labeling of Infant Formula,” and “Guidance for Industry: Frequently Asked Questions About Medical Foods-Third Edition,” both of which were issued in March 2023. The dates of previous editions can be found at the end of each guidance.

Enterprise News



Cumin recalled in 16 states after testing finds Salmonella



Lipari Foods is recalling many Lipari Branded Ground Cumin Tubs manufactured by International Food because of potential Salmonella contamination.

The issue was brought to the attention of the company by the United States Food and Drug Administration and The Michigan Department of Agriculture and Rural Development (MDARD), after they were alerted that a sample of the Ground Cumin collected by the Florida Department of Agriculture and Consumer Services tested positive for Salmonella.

The products were distributed to retail stores throughout Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Kentucky, Michigan, Missouri, North Carolina, Ohio, Oklahoma, Pennsylvania, Texas, Virginia and Wisconsin.

Products were distributed as generic product with “Distributed by Lipari Foods” listed on the label.

Recalled products:

Brand	Product	Size	Lot Code	Best By Date	UPC
LIPARI	GROUND CUMIN	6 OZ. TUB	220914601	09/2024	094776212620

As of the posting of this recall, there are no reported illnesses in connection with this product.

Consumers who have purchased this recalled product should not consume it. They should return it to the point of purchase.

Ground cinnamon suspected as 30 sick in Spain



At least 30 people are part of an outbreak linked to ground cinnamon from Vietnam.

People who fell sick in Spain with *Clostridium perfringens* infections reported symptoms including vomiting and diarrhea.

The Spanish Agency for Food Safety and Nutrition (AESAN) said it had been informed by officials in Madrid of *Clostridium perfringens* in a brand of ground cinnamon.

A recall has been issued for Especias Pedroza brand ground cinnamon which comes in a 700-gram plastic container. Affected items have batch numbers and best-before dates A220079 on Dec. 31, 2023, and A222605 on Feb. 28, 2026.

April 2023 MARKET NEWS

The alert was sent through the Coordinated System for the Rapid Information Exchange of Information (SCIRI) and the Coordination Centre for Health Alerts and Emergencies (CCAES) to verify the withdrawal of affected products from the market and report the existence of possibly related illnesses.

AESAN advised people who have products affected by this alert at home, not to consume them.

As the product came from Vietnam, the International Food Safety Authorities Network (INFOSAN) is also part of the investigation.

Clostridium perfringens makes spores, which help it survive heat, dryness, and other environmental conditions. Under certain conditions, such as when food is kept at an unsafe temperature, these spores can transform into active bacteria, which multiply in food. After someone eats food containing *Clostridium perfringens*, it can produce a toxin that causes diarrhea, according to the CDC.

Food poisoning caused by *Clostridium perfringens* is usually associated with inadequately cooked foods, items that are cooled too slowly or not kept at a hot enough temperature.

People normally experience symptoms of infection 6 to 24 hours after consuming the bacteria or toxins. *Clostridium perfringens* toxins cause abdominal pain and stomach cramps, followed by diarrhea. Nausea is also a common symptom. Illness generally lasts around 24 hours and is rarely fatal.



Revolution Farms recalls pre-packaged salads because of positive *Listeria* test



Revolution Farms of Caledonia, MI, has just announced a recall of 15 kinds of its packaged salads that were made in April because of contamination with *Listeria monocytogenes*.

The recalled salad mixes were packed between March 3 and March 11. Some have best-by dates as late as March 28.

“The recall was initiated when the Michigan Department of Agriculture and Rural Development (MDARD) received a positive result for *Listeria monocytogenes* in a random sample test of a single package of ‘Revolution

April 2023 MARKET NEWS



Farms Green Sweet Crisp – 5oz Retail’ with Best By date of April 2, 2023,” according to the company’s recall notice provided to the Food and Drug Administration.

No illnesses had been confirmed as of the posting of the recall notice on April 5.

The recalled products were sold in Michigan, Ohio, Indiana, Illinois, Kentucky, and Wisconsin. Stores receiving the recalled salad mixes included SpartanNash stores, Meijer stores, Bridge St. Market, Kingma’s Market, Fresh Thyme Market Grand Rapids, Fresh Thyme Market Kalamazoo, Horrocks Market Grand Rapids, Doorganics, Cherry Capital Foods, Gordon Food Service, Van Eerden Foodservice, Vine Line Produce, Luna restaurant, Russ’ Commissary, and Pearson Foods Corporation.

All recalled products were distributed under the Revolution Farms brand name. Consumers can use the following information to determine whether they have the recalled products.

Product	Packaging	Product Code	UPC Code
Great Lakes Gourmet Retail 5oz	Plastic tray, lidding film	Best By 3/28/23 – 4/5/23	856791008028

Green Sweet Crisp 5oz Retail	Plastic tray, lidding film	Best By 3/28/23 – 4/5/23	856791008141
Michigan Spring Mix 5oz Retail	Plastic tray, lidding film	Best By 3/28/23 – 4/5/23	856791008004
Robust Romaine 5oz Retail	Plastic tray, lidding film	Best By 3/28/23 – 4/5/23	856791008035
Romaine Lettuce Boats 5oz Retail	Plastic tray, lidding film	Best By 3/28/23 – 4/5/23	856791008196
Sweet Crisp Deli Leaf 5oz Retail	Plastic tray, lidding film	Best By 3/28/23 – 4/5/23	856791008189

April 2023 MARKET NEWS



Whole Leaf Romaine Retail	5oz	Plastic tray, lidding film	Best By 3/28/23 – 4/5/23	856791008202
Sesame Crunch Kit	Ginger 6 oz Salad	Plastic tray, label	Sell By 3/23/23	856791008233
Traverse Cherry Kit	City 6 oz Salad	Plastic tray, label	Sell By 3/23/23	856791008226
Zesty 6 oz Salad Kit	Southwest	Plastic tray, label	Sell By 3/23/23	856791008240
Farmer’s Bulk	Mix 3lb	Clear poly bag	Packaged On 3/3/23 – 3/11/23	856791008134
Great Lakes		Clear poly	Packaged On 3/3/23 –	856791008066

Gourmet 3lb Bulk	bag		3/11/23	
Green Sweet Crisp 3lb Bulk	Clear poly bag	Packaged On 3/3/23 –	3/11/23	856791008172
Michigan Mix 3lb Bulk	Clear poly bag	Packaged On 3/3/23 –	3/11/23	856791008042
Robust 3lb Bulk	Clear poly bag	Packaged On 3/3/23 –	3/11/23	856791008127

The 5-ounce retail packages are clear, plastic trays sealed with printed lidding film and have a Best By date stamped on the bottom of the tub. The 6-ounce salad kits are clear plastic tubs with a wrap label and have a Sell By date stamped on the side of the container. The 3-pound bulk packages are clear, plastic bags with a Packaged On date stamped on their case labels. Pictures to assist customers in identifying the recalled [products can be found here](#).

Revolution Farms is cooperating with the Michigan Department of Agriculture and Rural Development on this ongoing investigation.

Affected retailers have been instructed to remove all recalled products from store shelves.

Consumers who have purchased the recalled products should discard them or

April 2023 MARKET NEWS

return them to their place of purchase for a full refund. Consumers with questions are encouraged to call Trent Hartwig, president, at 616-893-1748 or email info@revolutionfarms.com with the subject line “Recall.”

MARKET NEWS - REPLY

If you have any views or comments on the articles in the marketing news please feel free to contact us on the following email address: sales.china@mxns.cn

