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Final Report

ISM 2011: International character and a wealth of opportunities for making contacts – ISM exhibitors express satisfaction as the trade fair closes its doors after four days



ISM
30.01. – 02.02.2011

Visitor turnout up five percent at 41st ISM in Cologne

An outstanding fair for making contacts and business deals

- ISM officially opened by Rainer Brüderle, Federal Minister of Economics
- Strong presence by partner country Turkey
- Exclusive CEO luncheon
- New Product Showcase with top innovations
- Creative input thanks to special shows "ISM Chocolate Master" and "Sweet Seasons"
- 1st ProSweets Cologne Conference "Flavour Ingredients" attracts many visitors

www.ism-cologne.com

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At the end of the 41st International Sweets and Biscuits Fair (ISM) the organizers and exhibitors alike said they were very satisfied with the trade fair. For four days the international confectionery sector was in the spotlight in Cologne, catering to the tastes of the roughly 32,300 visitors (2010: 30,871) who travelled to Cologne from nearly 150 countries. "Given the tremendous amount of business contacts established at this fair, ISM clearly demonstrated it is the world's most important international platform for the confectionery and snack item industry," said Gerald Böse, Chief Executive Officer of Koelnmesse. "An even more international character, high quality of visitors and direct access to the market — these are the undisputed strengths of ISM," he added. "As a result of the worrisome situation in terms of raw ingredients, there was very strong interest in taking part in discussions," said Tobias Bachmüller,

Executive Board:
Gerald Böse (Chief Executive Officer)
Oliver P. Kuhrt
Herbert Marnier

Chairman of the Supervisory Board:
Mayor of the City of Cologne:
Jürgen Roters

Place of business and (legal) domicile:
Cologne - Amtsgericht Köln, HRB 952

Chairman of the International Sweets and Biscuits Fair Working Group and Managing Partner of Katjes Fassin GmbH & Co. KG. "The negotiations were therefore very intensive." For the first time, ISM presented a partner country — Turkey, which succeeded in generating lots of interest thanks to its strong presence at the fair. ISM was officially opened by Germany's Federal Minister of Economics, Rainer Brüderle, and the Turkish Minister of Industry and Trade, M. Zafer Çağlayan.

In his remarks at the opening ceremony, Brüderle emphasized the confectionery industry's importance as an employer and generator of ideas. With a turnover of €12.3 billion in 2010, the German confectionery industry is the third largest sector in the country's food industry, and its export share of over 40 percent of total sales is far above the average of the food industry overall.

This year 1,494 suppliers from 64 countries took part in ISM, presenting a comprehensive and international overview of confectionery and snack items. Foreign companies accounted for 82 per cent of the exhibitors. The numerous new products sparked avid interest and showed that the mood in the sector is entirely positive and optimistic — despite the rising costs of raw ingredients and energy.

The outstanding turnout by the German trade sector at ISM was strongly praised by German and foreign exhibitors alike. High-ranking visitors from all the sector trade channels and trading companies were registered. Another welcome development was the turnout of visitors from the specialist confectionery trade, an important sales channel especially for the small and medium-size exhibiting companies.

Export is an extremely important topic not only for the German confectionery industry; foreign exhibitors also come to make contacts with buyers from all over the world.

The numbers of visitors from abroad were high on every day of the trade fair. This year the share of the total visitor turnout accounted for by foreign visitors was up once again, to 64 per cent. There were increases in the numbers of visitors from regions such as North America, Central America and South America. And the turnout of visitors from Eastern Europe, particularly from

Russia, also increased. The numbers of visitors from the Middle East remained stable, while there were slightly fewer visitors from Asia and Africa.

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The decisive factor for the exhibitors, however, was above all the quality of the trade visitors, which was unanimously praised as excellent. "The quality of the visitors is what determines the success of the discussions," said a manufacturer. "We can achieve good results only in collaboration with top buyers." In response to initial opinion surveys, about 75 per cent of the exhibitors said they were satisfied or very satisfied with the trade fair and are thus optimistic about post-fair business.

Important momentum was generated by new products ranging from innovative chocolate and praline concepts to light snack items. As in previous years there was strong demand for reduced-sugar confectionery and confectionery products with added benefits and in new flavours.

Taking place this year for the second time at ISM was the CEO Lunch, a high-quality event for the top managers from the sector. Werner Michael Bahlsen, Chairman & CEO of Bahlsen GmbH & Co. KG, and Roland Neuwald, CEO of Real GmbH discussed the future of confectionery. Another topic that attracted strong interest was the pressure on the raw materials market.

This year the New Product Showcase on the Boulevard was again an important attraction for trend scouts. A total of 87 new products were presented here by companies from around the world. For the second time, about 100 journalists voted for the top innovations from the products presented at the New Product Showcase. The winners are the company Cacobean AG of Basel, Switzerland, for its new line of chocolates for children that contains 40 per cent less sugar, in combination with fairy tale and story book themes; the Germany company ültje and its "Bolivian peanuts"; and Pralibel N.V., a Belgian company with innovative, coated praline creations that come in nostalgic boxes. The top three innovations underscore not only the versatility, but also the great international scope of the confectionery sector, which is exhibiting at ISM in Cologne for the 41st time.

A very popular highlight was the new ISM special show "ISM Chocolate Master: The Art of Sweet Temptation". The master chocolatiers Axel Hanf and Lothar Buss gave entertaining live demonstrations, showing the highest level of

craftsmanship and innovative chocolate design while inspiring ISM visitors with new creative approaches for making chocolate and pralines.

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At the "Sweet Seasons" special show, 19 students from the Cologne International School of Design (KISD) presented new ideas for sweets that are just right for life's special occasions. The designs once again displayed outstanding humour and creativity and offered lots of input for the industry and trade.

The ISM accompanying programme included the debut of the ProSweets Cologne Conference. Titled "Flavouring Ingredients", the conference communicated technical and market-relevant know-how concerning aroma and flavour technologies and consumers' preferences in the confectionery industry. About 60 participants from the areas of production and technology took advantage of this opportunity to gain an extensive range of specialized information provided by means of brief presentation units. The ProSweets Cologne Conference was organized by FachInform GmbH, the publisher of the trade magazine *FOOD DESIGN*, in cooperation with Koelnmesse.

Next year ProSweets Cologne will once again take place in parallel to ISM. Through ProSweets Cologne, Koelnmesse provides confectionery industry suppliers of ingredients, packaging, and process and packaging technology with their only independent sector-specific platform. In combination, ISM and ProSweets present the confectionery industry's entire value chain at one location, starting with the individual raw ingredients, continuing with technology and packaging, and ending with a product that is ready for retail sale. In line with its scheduling cycle, ProSweets Cologne did not take place in 2011.

ISM 2011 in figures:

A total of 1,494 companies from 64 countries participated in ISM 2011; 82 per cent of the exhibiting companies were from abroad. The fair occupied a gross exhibition space of 110,000 m². The participants included 226 exhibitors and 45 additionally represented companies from Germany, as well as 1,202 exhibitors and 21 additionally represented companies from abroad. About 32,300 trade visitors from nearly 150 countries attended ISM 2011, including 64 per cent from abroad.

The 42nd ISM will take place from 29th January to 1st February 2012.
In 2012 the fifth ProSweets Cologne, the International Supplier Fair for
the Confectionery Industry, will once again take place in parallel to ISM.

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Important links:

General information: www.ism-cologne.com

www.prosweetscologne.com

New Product Showcase <http://newproducts.ism-cologne.de/en>

KISD special show "Sweet Seasons" <http://kisd.de/ism/>

The trends at ISM 2011: Lighter and more playful culinary pleasure

Once again, the trade visitors from all around the globe were able to get an overview of the variety of the confectionery world — with all of the various cultural influences and the characteristics of the different continents. Just what trend will determine the contents of the retailers' confectionery shelves in the coming months — that's what the specialist buyers learned during the four days of the International Sweets and Biscuits Fair (ISM).

And the motto for the future, according to the exhibitors' presentations, is "light and playful." For example, children's Christmas presents this year will include not only the sweet Christmas treats such as hollow figures and nut and nougat sweets in lovingly illustrated packaging, but also the fairy tale *The Nutcracker and the Mouse King* from E. T. A. Hoffmann. There's a good reason why the KIDI-Choc concept — which offers children chocolate with a reduced sugar content and accompanied by a magazine with Russian fairy tales, general knowledge texts and fun puzzles — was selected as the top innovation of the trade fair by the journalists of the trade press. Another concept which attracted a great deal of attention this year was the idea of offering popular and classic board and card games such as Twister, Monopoly, Trivial Pursuit, Scrabble, Cluedo or — as a right-up-to-date development — Poker in and with chocolate.

People can play games together while they're enjoying delicious chocolate. The trend to slowing down and getting back to togetherness is also reflected in the confectionery producers' marketing concepts. The ISM exhibitors' idea is that in the stress of everyday life, people should be able to suck a sweet like the "Guardian Angel," the "Love Light" or the "Proof of Friendship" and forget their worldly cares for a few sweet moments in which they achieve an inner balance and equilibrium.

“Happiness is good taste” — that was the straightforward message in the Cologne trade fair halls. Consumers can chill out with flavour fusions such as mango/lime/orange with guarana extract and vitamin ACE, with green tea/mint with tea tree oil or with bergamot flavour. Alongside the exotic secrets that recently caused a sensation, the producers are bringing almost forgotten local fruits and herbs back onto the sweet shelf in the form of serviceberries, sloes, quinces and of course, elder. Good old honey is also being used to lend sweets and sugar confectionery nostalgic notes, for example, in the form of honey and lemon or honey and herb sweets.

The idea of “treating yourself with a clear conscience” is also a noticeable trend in all areas. Take, for example, snack bars, which are now available as completely new, 100-per-cent vegetarian vegetable bars. Even fruit gums are now available as expressly suitable for vegetarians and tempt critical connoisseurs the world over with the words “be veggie.”

The premium sector is also keeping up the pace with its light creations, intensive flavours and harmonious combinations that melt in your mouth. Another strong trend is towards taking classic, sophisticated desserts from the haut cuisine and transforming them into products for the store shelves. For example, consumers can look forward to marzipan bars with rose water or zabaione marzipan with raspberries. Crème brûlée too, is available, for example as a filling in a natural eggshell. An inventive farmer from the Münsterland region of Germany has come up with this as a way to restore value and honour to the egg “as the foundation of all life” in these days of scandal and crisis.

The connection between sweet and “real” art was a further highlight of this year’s ISM. For example, the “happy” colours and shapes of the well-known cartoonist Walter Steinbeck and the trendy and cheeky cartoons of Gernot Gunga encourage people to try the tasty treats inside. And Michael Fischer-Art, who has frequently been responsible for sensations in the global art world with his spectacular actions in his home city of Leipzig, as well as in Frankfurt, Dresden, Sydney, Chicago and New York, has this year created a premium praline packaging for a German manufacturer that really grabs your attention.

All big things start out small and frequently without attracting much attention. After four trade fair days, this assessment could be made for a “revolutionary

world premiere" that was presented to the trade visitors at ISM in Cologne, but nevertheless was not greatly noticed in the hustle and bustle of the trade fair. After years of painstaking work, a major chocolate company has succeeded in defining fermentation for the cocoa sector. Although fermentation has been recognized as a science in many food segments for centuries, it has until now been largely left to chance in the cocoa sector. Using all-new procedures and bacteria cultures that are now being employed worldwide for the first time, the company has created cocoa of unparalleled harmony and perfection. The cocoa will enable chocolatiers the world over to develop choice products for fans and connoisseurs that will probably usher in a new era of chocolate history.