



Sales Figures On Gluten-free Products

**Public Meeting
Food and Drug Administration
Center for Food Safety and Applied Nutrition
College Park MD
August 19, 2005**



*Information and Services to Grow the
Natural Products Industry*

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About SPINS

Founded in 1995, San Francisco-based SPINS is the leading provider of information-based solutions to the rapidly growing natural products industry. SPINS offers a range of sales tracking, consumer information and database services to meet the needs of current industry participants, as well as companies and individuals seeking new opportunities in this segment.

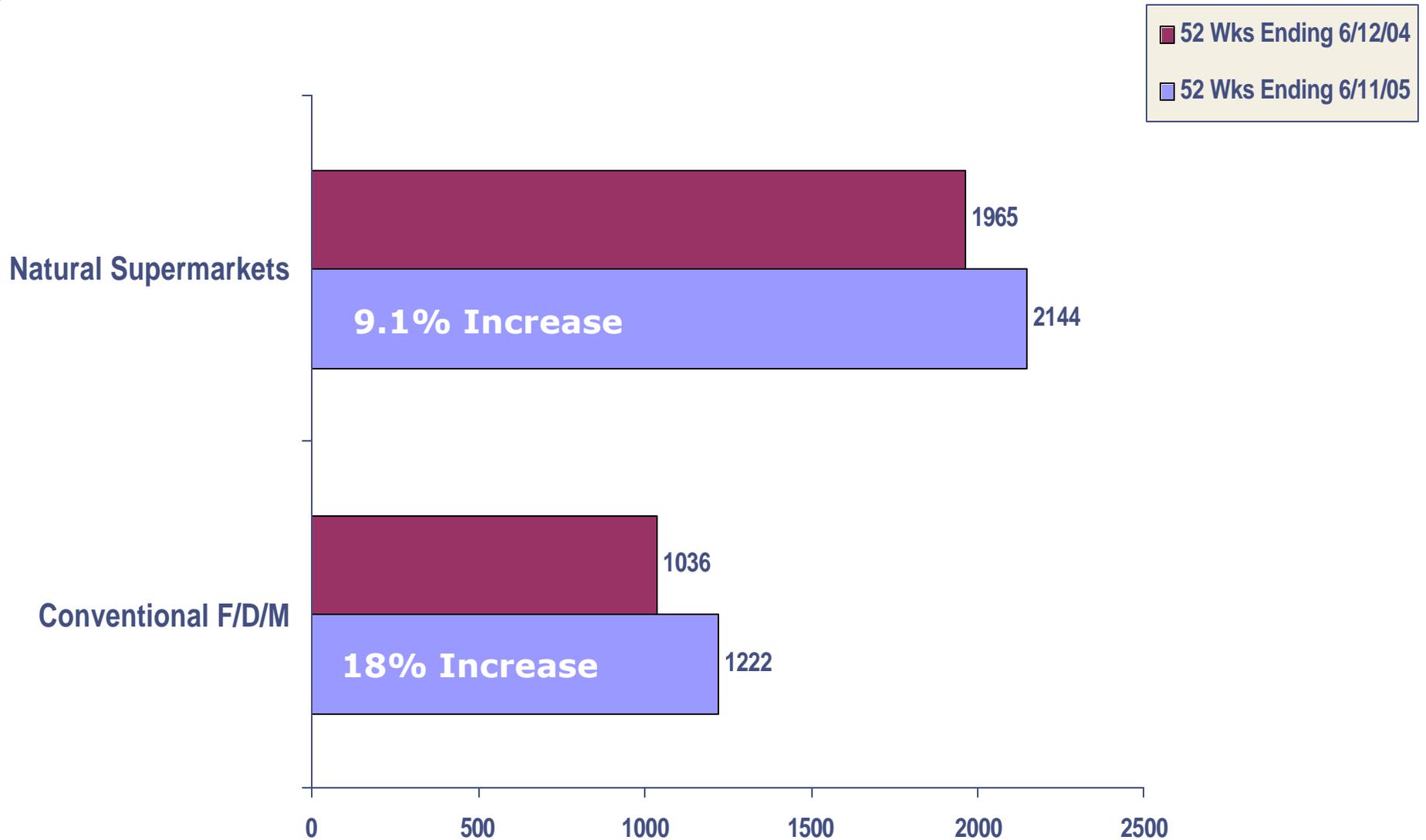
SPINS Methodology

SPINS has researched more than 10,000 products for gluten-free positioning and label claims to date. Research is done by identifying the claims on packaging found on manufacturer products. SPINS searches for the products on manufacturer websites and also calls manufacturers to determine this information. The general responses fall into three segments.

The product is gluten-free...

- 1) and labeled as such
- 2) and not labeled because the manufacturer is waiting for current labels to run out. New labels will indicate that the product is gluten-free.
- 3) and not labeled because the manufacturer can't guarantee that the product is free of gluten as it's produced in the same machinery as other gluten-containing products.

Gluten-free Product Introductions

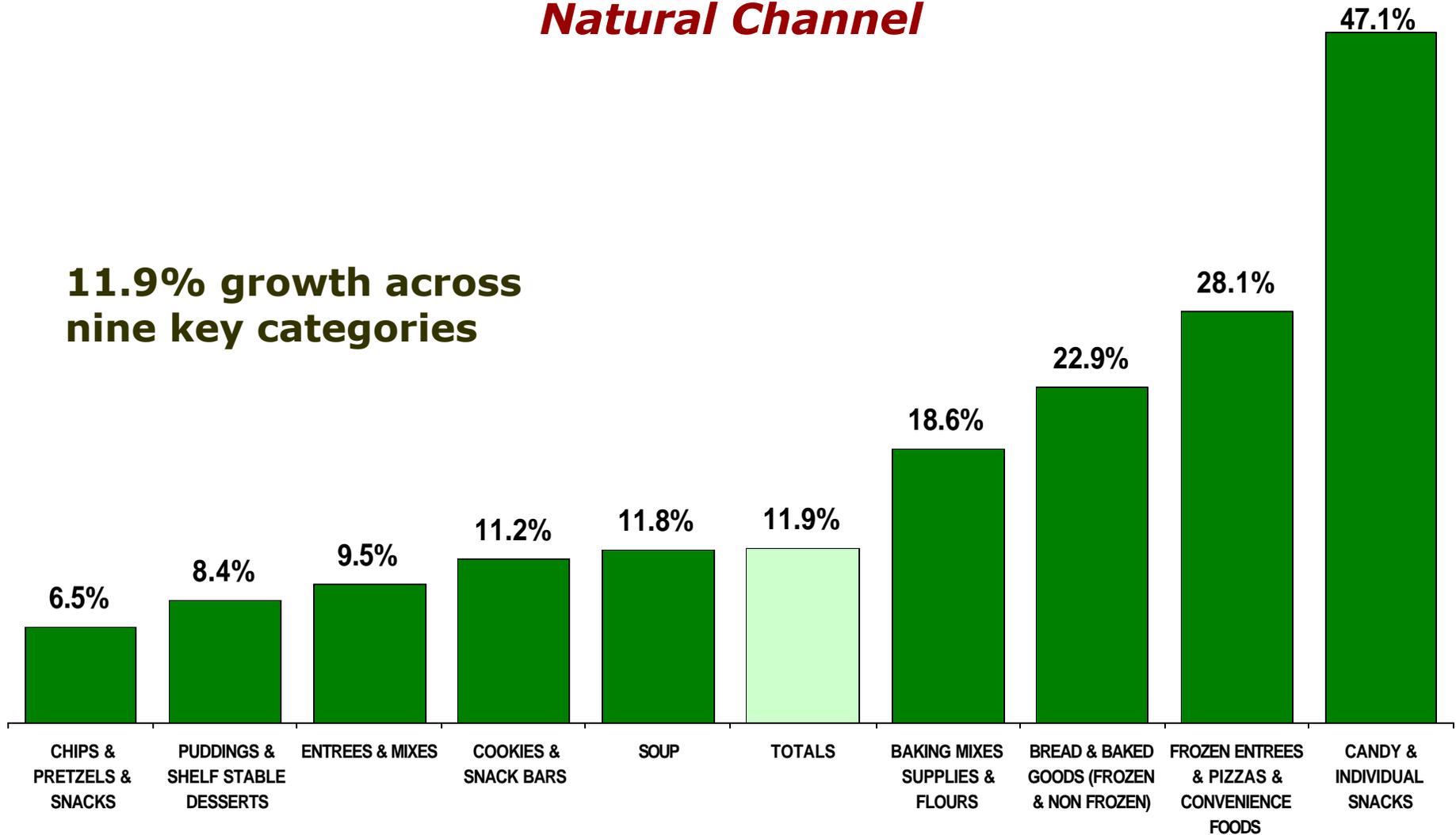


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Percentage Growth In Key Gluten-free Categories

Natural Channel

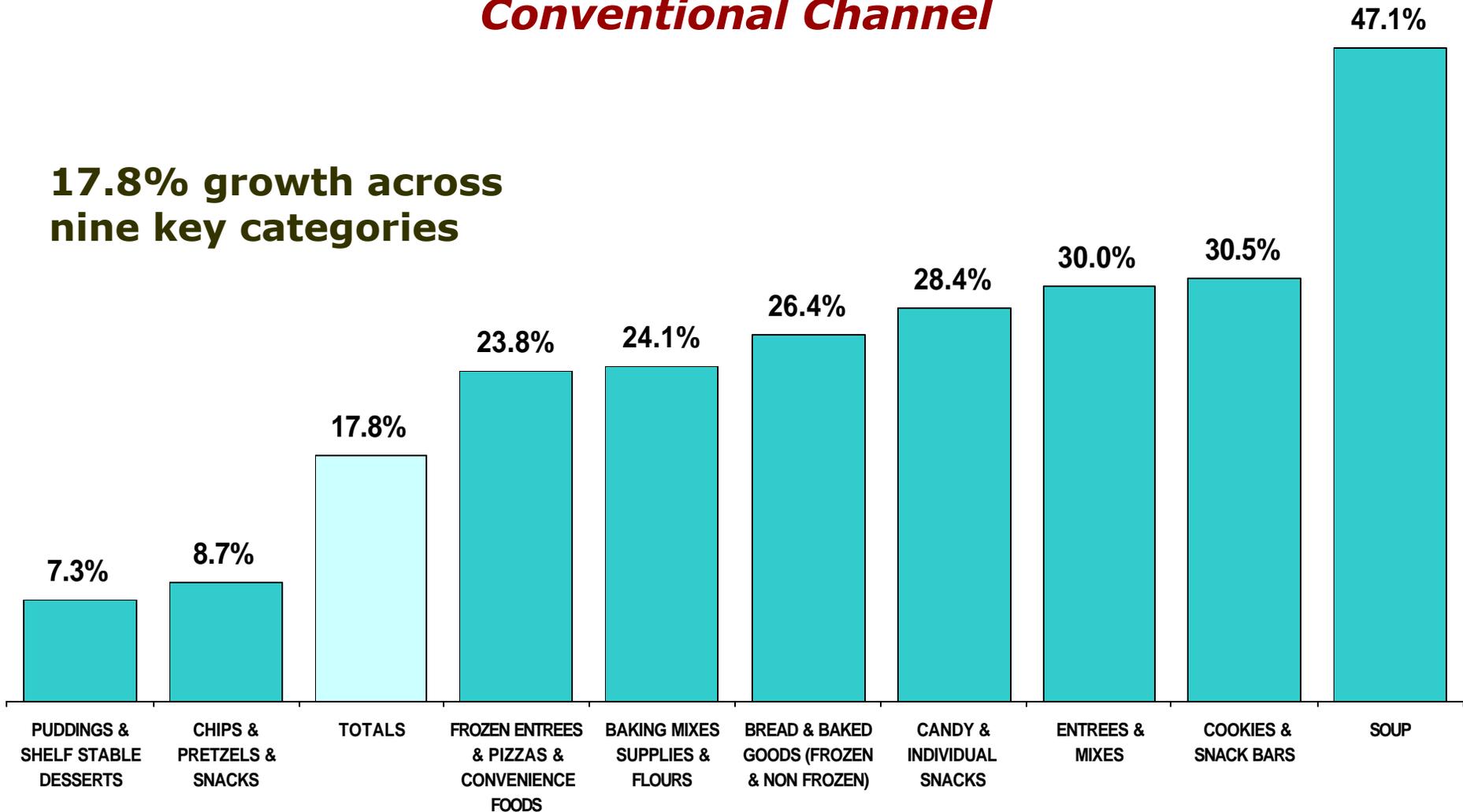
**11.9% growth across
nine key categories**



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Percentage Growth In Key Gluten-free Categories *Conventional Channel*

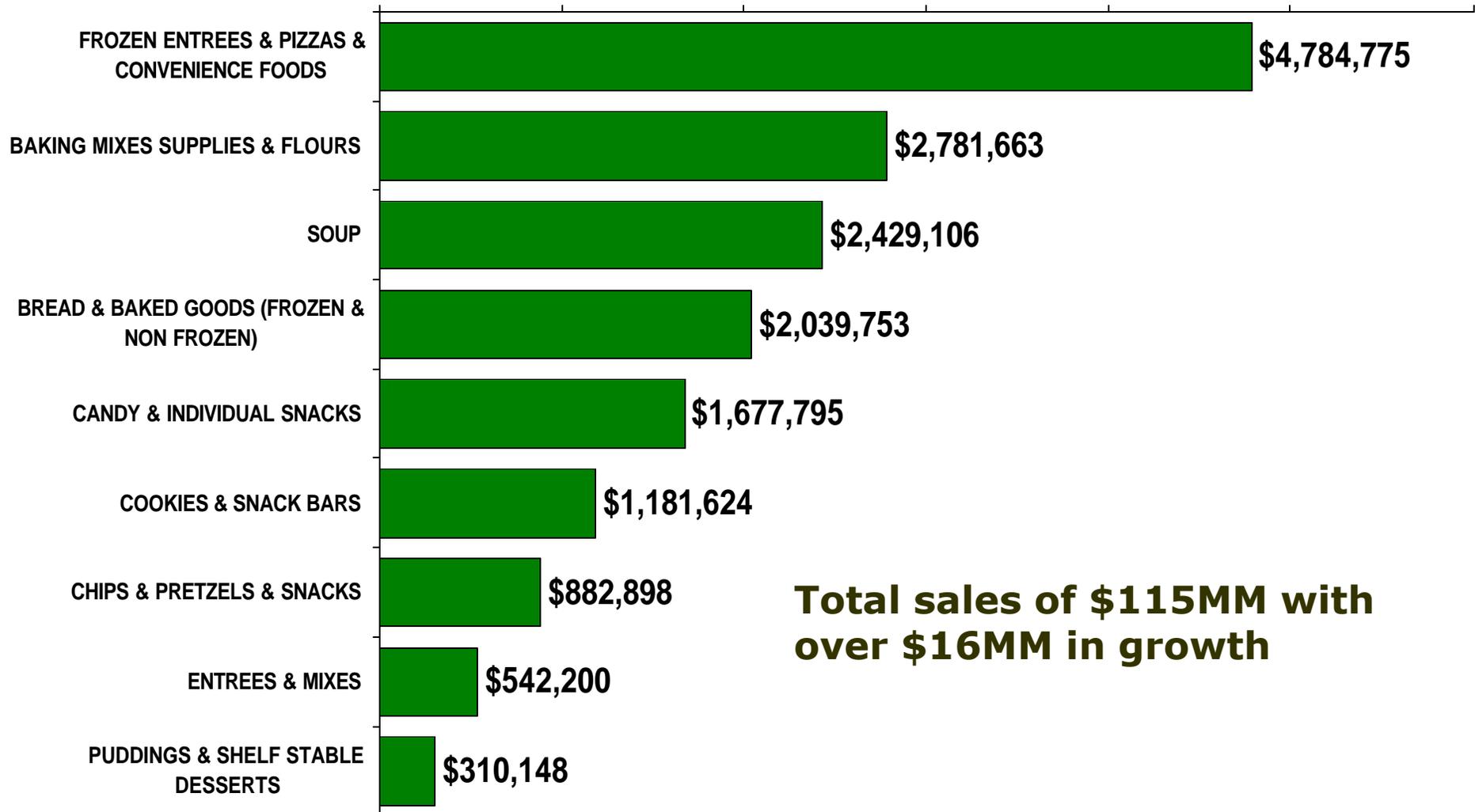
**17.8% growth across
nine key categories**



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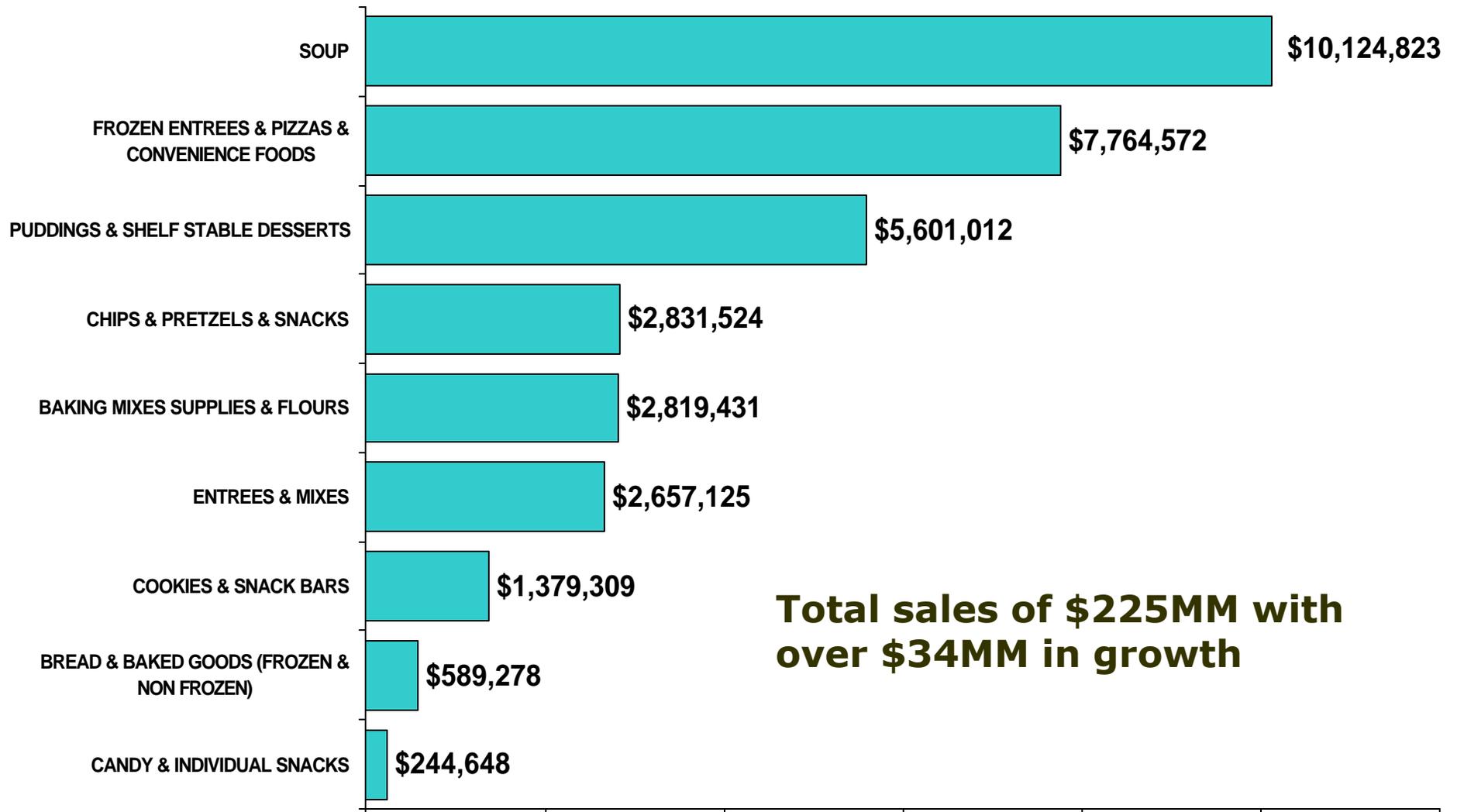
Absolute \$ Growth In Key Gluten-free Categories

Natural Channel



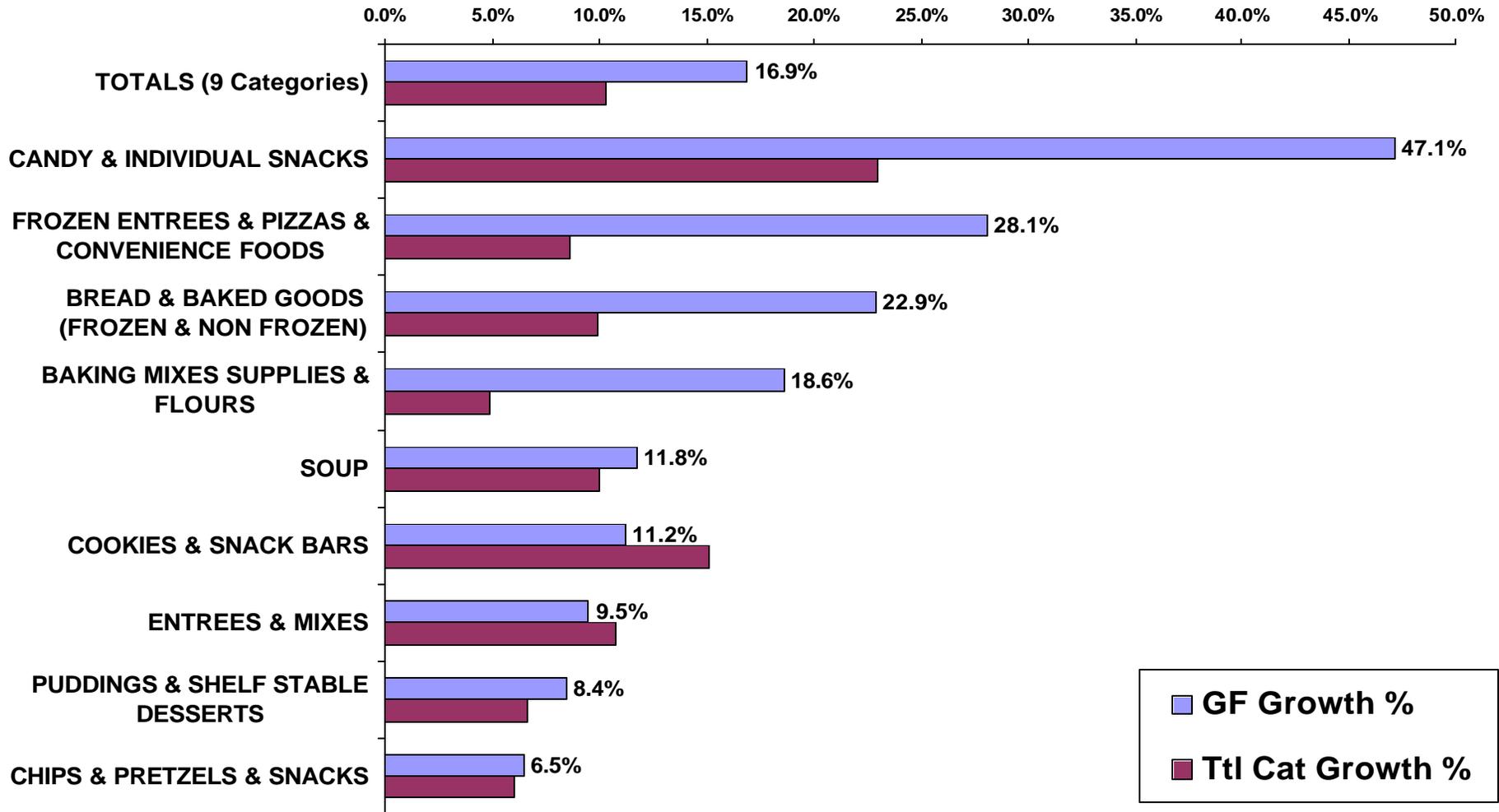
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Absolute \$ Growth In Key Gluten-free Categories *Conventional Channel*

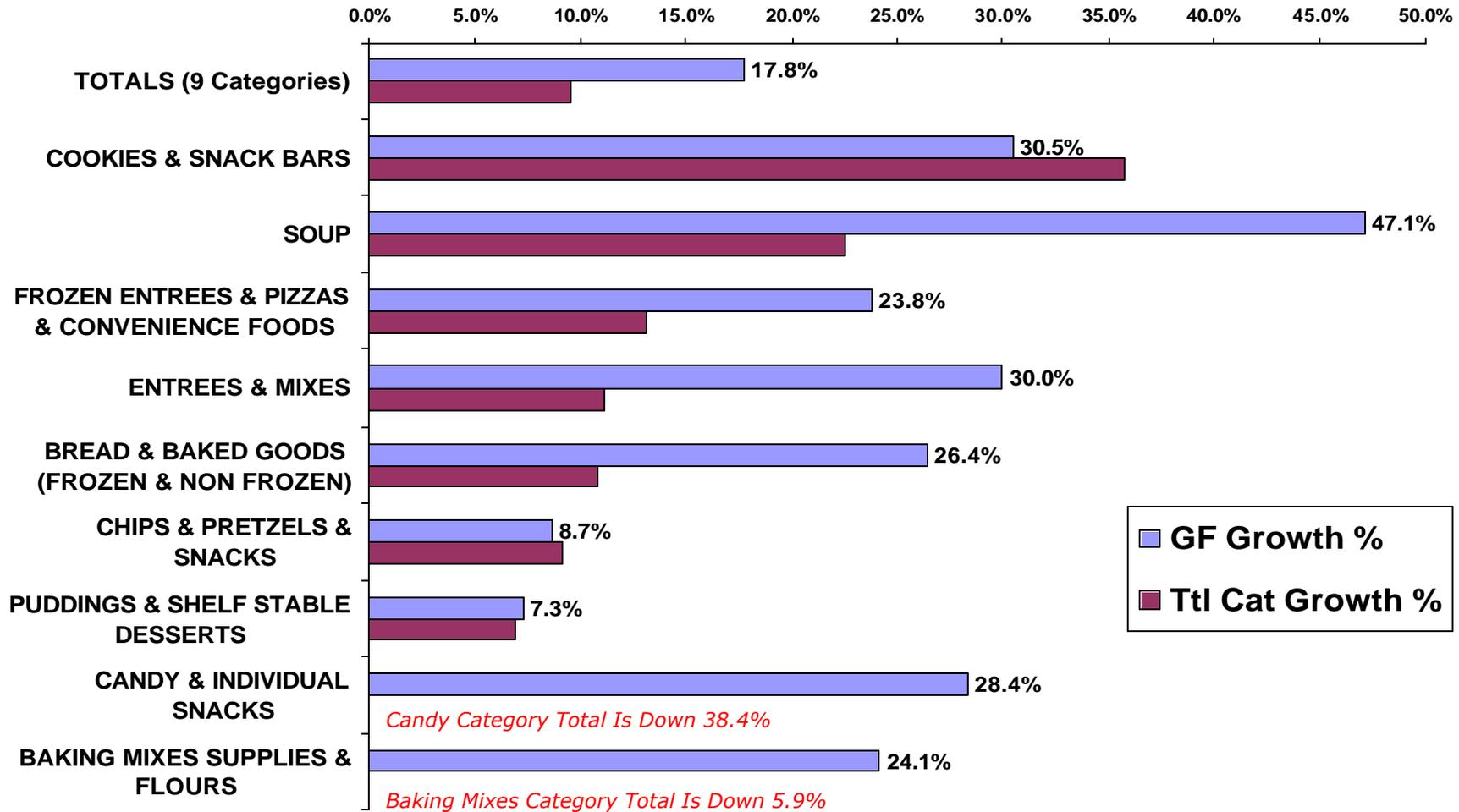


Gluten-free Growth vs. Total Category Growth

Natural Channel



Gluten-free Growth vs. Total Category Growth *Conventional Channel*



Why is Standardized Gluten-free Labeling Necessary in the U.S.?

- There are now more than 2,000 products with gluten-free label claims with over \$600MM in sales.
- Year over year, sales have increased \$77.8MM for gluten-free products.
- Gluten-free product sales are growing at 14.6 %.
- Share of total category sales for gluten-free products is increasing incrementally in nearly all key categories.
- Sales of gluten-free products are outpacing growth of the categories as a whole in nearly all key categories.
- Consumers historically have gone to natural health food stores for gluten-free food product options however sales in conventional supermarkets now exceed those in natural by nearly 2 to 1.

Thank You!

**Please contact David Browne
with questions pertaining to the information
provided in this presentation.**

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