

Sweet and Sour

Cooking sauces find sales sweet spot, other items strive for on-trend appeal.

HOW DO YOU DESCRIBE sauce, dressing and condiment sales? Here's a sauce reference: they're sweet and sour—with mixed results across categories. Yet that's not for a lack of new product development activity.

During a 52-week tracking period ended Dec. 25, 2016, IRI, Chicago, reports that Italian sauce sales rose 3.63% to \$2.3 billion with unit sales up 0.98%. Sales of Mexican-style sauces rose 2.77% to \$1.7 billion with a 2.18% rise



Food Truck Flavor. Bottled sauces offer quick ethnic appeal.

KEYPOINTS

1. During a 52-week tracking period ended Dec. 25, 2016, IRI reports that Italian sauce sales rose 3.63% to \$2.3 billion with unit sales up 0.98%. Sales of Mexican-style sauces rose 2.77% to \$1.7 billion with a 2.18% rise in units sold. Barbecue sauce sales rose 3.77% to \$731.5 million with a 2.01 accompanying rise in units. Asian sauce sales rose 4.09% to \$694.7 million with a 2.4% increase in units.
2. Mintel reports the large and mature condiments category registered modestly positive sales performance in 2015 and 2016, increasing by a little more than 3% over the two-year period to nearly \$7.2 billion and offsetting slight declines in earlier years. Still, over the full five-year period, sales increased by only 1%.
3. Mintel reports the dressings category gained just 5% between 2011 and 2016 to a little more than \$2.6 billion, with much of the growth coming in 2012. While growing interest in eating fresher and healthy foods, such as salads, may be viewed as a positive for the dressing category overall, the benefit so far has bypassed shelf-stable dressing and has been limited to refrigerated varieties often sold adjacent to fresh produce.

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In its “Condiments-US December 2016” report, Mintel, Chicago, says the large and mature condiments (spreads) category registered modestly positive sales performance in 2015 and 2016, increasing by a little more than 3% over the two-year period to nearly \$7.2 billion and offsetting slight declines in earlier years. Still, over the full five-year period, sales increased by only 1%.

In the same report, Mintel says the dressings category gained just 5% in dollar sales between 2011 and 2016 to a little more than \$2.6 billion, with much of the growth coming in 2012. While growing interest in eating fresher and healthy foods, such as salads, may be viewed as a positive for the dressing

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Secret's in the Sauce

For a look at what's new in sauces, why not consult an organization dedicated to the art and craft. At the close of last year, members of the Association for Dressings & Sauces named winners for its 15th annual “Dressing of the Year” and “Sauce of the Year” awards. Respectively, winners were Q & B Foods Inc., Irwindale, Calif., for its Kewpie Deep Roasted Sesame Dressing and Marinade; and Chelton House Products Inc., Swedesboro, N.J., for its Bacon Moonshine BBQ Sauce.

Both winning entries speak to the new world of evolving flavors in sauces and marinades. Many more new products illustrate how processors are embracing ethnic flavor and heat.

Chicago's Wild Garden Foods introduced three all natural marinades



Bacon is Big. Litehouse says Avocado Ranch with Bacon generated more than \$1 million in sales during its first year.

billed as Shawarma, Persian and Turkish blends. Also playing on the popularity of food truck street tacos, Urban Accents, Chicago, introduced four new Taco Simmer Sauces: Korean BBQ, Tangy Tomatillo & Garlic, Thai Chili and Jamaican Jerk. The company also was busy last year with its first spice-infused simmer sauces. They included like Pumpkin Tagine, Pumpkin Mole and Pumpkin Curry; as well as Chicago Classic, Fire Roasted Arrabbiata and Manchego & Garlic DIY pizza sauces.

Another saucy city is Philadelphia, home to LuLu Bang Sauces, a family venture (and Shark Tank contestant) with four new multi-purpose sauces: Asian Persuasion, BBQ Fusion, Bourbon Marinade, and It's Just HOT. Speaking of hot, another new sauce entry this year is Tsimayo Hot Sauce, a Santa Fe, N.M., product featuring the Chimayo chile pepper.

There are more sauces of an Asian persuasion. Last year saw Korea's CJ

Foods and its US subsidiary introduce Bibigo Gochujang Mayo and Gochujang Barbecue sauces. China's Lee Kum Kee also was busy with four new stateside offerings: Sriracha Barbecue and Sriracha Stir-Fry sauces, and two new Panda brand "Ready Sauces" in Honey Sesame and Korean BBQ Stir-Fry flavors.

How about good old-fashioned barbecue sauce? Actually, there's nothing old-fashioned about it. The more mainstream category is evolving

quickly to give consumers many more choices involving regional influences, more heat and accent flavors.

After its launch into yellow mustard, Heinz entered the BBQ sauce category with five items: Kansas City Sweet & Smoky, Memphis Sweet & Spicy, Texas Bold & Spicy, Carolina Tangy Vinegar, and Heinz Classic Sweet & Thick. Kraft Heinz says it used 100% natural, locally-inspired ingredients and recipes in conjunction with "Pitmaster Partners"—acclaimed BBQ chefs Joe and Mike Pearce (Kansas City), Dan Brown (Memphis), Robert Sierra (Texas) and Sam Jones (Carolina).

Growing consumer demand brings still more new entries with brands known for everything from beer to bread. Last year saw Anheuser-Busch introduce Budweiser Brewmaster's Premium Barbecue Sauces. Varieties include Classic, Sweet & Smoky, Honey, Sweet & Spicy and Bold & Spicy. There were more interesting offerings from well-known baker King's Hawai-

ian, Torrance, Calif., which launched its own BBQ sauces: Original Sweet Pineapple, Smoked Bacon, Big Island Lava and Kona Coffee.

Then there's a world of smaller companies that specialize in big flavor. One of those is Uncle Jimi's Almost World Famous BBQ Sauce in Cape Coral, Fla. Uncle Jimi's Key Lime & Chipotle sauce won two Scovie Awards for 2017: a First Place for Barbecue Sauce with Specialty Chile, and a Third Place for Barbecue Sauce with Fruit.

What's new in pasta sauce? Trend lines here involve shifts to clean label, ultra-premium offerings and organic offerings. For starters, last year brought new organic additions from Newman's Own Inc., Westport, Conn., (Marinara, Tomato & Basil, Sockarooni) as well as the Lidia's brand from celebrated chef Lidia Bastianich (Marinara, Tomato Basil).

Some of the biggest news—is news itself. B&G Foods Inc., Parsippany, N.J., closed 2016 with the acquisition of Victoria Fine Foods, a Brooklyn, N.Y., pasta sauce powerhouse. Last year saw Victoria introduce three new premium organic varieties at Whole Foods' Florida stores (Cauliflower & Cream, Tuscan Kale, White Chard). It also launched four clean label offerings including two new premium sauces (Penne Marinara, Penne Alla Vodka), a Marinara with Avocado Oil, and a pizza sauce.

Victoria also began co-packing five new artisanal offerings for Sur La Table, the gourmet culinary retailer. Varieties include Organic Pomodoro, Fra Diavolo, Roasted Garlic, Vodka and Chianti Marinara.

Still more interesting premium pasta sauces come from companies large and small. The Kraft Heinz Company launched Classico Riserva line in five flavors: Marinara, Eggplant & Artichoke, Roasted Garlic, Arrabbiata and

Puttanesca. Items carry a suggested retail of \$4.99. A smaller, regional player is the acclaimed Hoboken Farms, Hoboken, N.J., which added just its third craft sauce last year: Big Basil.

Also angling for more of true home-made experience was Mizkan America Inc., which introduced RAGÚ Home-style, with a thick texture that clings to pasta. The items carry a SRP of \$2.49 and varieties including Traditional, Meat, Mushroom, Roasted Garlic and Four Cheese.

Spread the News

Mintel reports that ketchup, mayonnaise, and yellow mustard are the three most commonly used condiments, each used in the past three months by more than 80% of consumers and used on a weekly basis by at least four in 10. Sales performance for these widely used condiments, however, has been flat to declining.

Dressing usage is about as high as it is for the most common condiments, with nearly nine in 10 consumers reporting having used it in the past three months and nearly half using it on weekly basis. As with the other high-penetration, frequently used condiment segments, sales growth has been minimal in the dressing category overall.

Mintel notes that while condiment and dressing users express interest in a wide range of new product concepts, sauces from a favorite restaurant sold at retail top the list. Freshly chilled and hand-crafted condiments and dressings also generate strong interest, consistent with a move toward fresher, healthier eating in general.

Ready to explore the world? Consumers don't even have to leave the kitchen—thanks to new offerings from companies like Entube, Los Angeles, and Culinary Collective, a Spanish

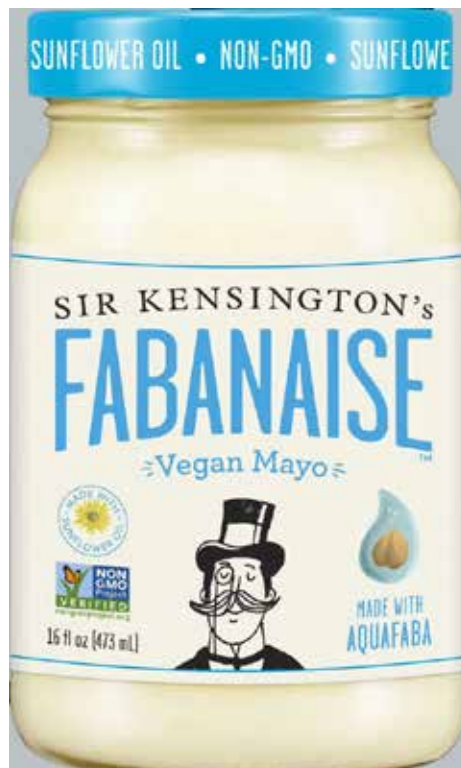
foods importer. Entube offers a line of chili pastes in tubes and offerings now include Harissa, Indian Curry and Japanese Spicy Umeboshi Plum Paste. For its part, Culinary Collective last year began distributing Matiz brand Fiery All I Oli Spread, made with spicy garlic and hot peppers, lemon, sunflower oil and salt. Other new offerings are an Organic Olivada Spread and Organic Quince Paste.

How about something a little more mainstream? Last year saw Reily Foods Company, New Orleans, introduce Blue Plate Light Mayonnaise with Greek Yogurt with half the fat and calories of traditional mayonnaise, plus 1g of protein per serving. Meanwhile, Sir Kensington's, New York City, also focused on mayonnaise with three new interesting options: an Organic variety (made with organic sunflower oil); a Classic version with Avocado Oil; and Fabanaise, a vegan mayo made with an egg substitute called aquafaba, the water left behind when cooking chickpeas. All three products are non-GMO Project Verified.

Dressing manufacturers also are pouring it on—in terms of new offerings emphasizing flavor and premium appeal.

Last year began with Pinnacle Foods introducing new items in two entirely new lines—Wish-Bone E.V.O.O. and Wish-Bone Ristorante Italiano. New Wish-Bone E.V.O.O. features a higher amount of extra virgin olive oil than most mainstream dressings. Varieties include Garlic Basil Italian, Roasted Red Pepper, Lemon Herb, Sundried Tomato and Caesar Vinaigrette. The second line aims for an indulgent at-home eating experience with combinations of artisan cheeses, herbs and oils.

Also pushing flavor adventure were refrigerated dressings specialist Lite-



Spread the News. Faba bean presents new vegan options.

house Inc., Sandpoint, Idaho, and Drink Eat Well LLC, the Lawrence, Kan., maker of Hilary's allergen-free products. Last summer brought four new dressings in the Hilary's line: Chili-Lime Vinaigrette, Beet Vinaigrette, Tomato Kalamata Dressing, and Spicy Island. The new dressings include organic extra virgin olive oil and a touch of organic sunflower oil.

Litehouse also was busy. Combining the heat that consumers are seeking with a touch of sweet, the company introduced Litehouse Sriracha Lime and Litehouse Mango Habanero dressings that are big on taste, and contain 25 calories or less per serving. Meanwhile, Litehouse also played up more flavor with three bacon-inspired dressings: Bacon Vinaigrette, Bacon Blue Cheese and Avocado Ranch with Bacon. **PF**