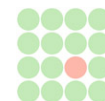


311942

Spice and Extract





Title:

Spice and Extract Manufacturing Industry in the U.S.
and its Foreign Trade

NAICS:

311942

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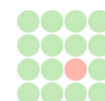
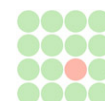


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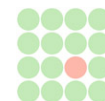
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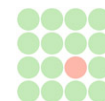


Preface

For the first time reader, it is recommended that you read through the entire report in its natural sequence:

- The official definition of the industry in the Introduction chapter sets the scope of the industry covered throughout the report.
- The Executive Summary provides an overview of the entire industry.
- The Income Statements chapter details financial statistics including revenue, compensation, cost of materials, gross profit and net income.
- The Balance Sheets chapter covers details on assets, liabilities, and equity. The assets section analyzes and compares cash, accounts receivable, inventories, and properties.
- The Capital Expenditures chapter covers spending on building and structure, machine and equipment, automobile, and computers, as well as related industry trends.
- The Product Market Size chapter details the product components and their revenues that make up this industry.
- The Cost Analysis chapter details upstream industries.
- The Price Analysis chapter covers industry pricing history, related price and consumer indices and detailed price distribution among all downstream industries.
- The Industry Foreign Trade chapter details import and export numbers and trading partners.
- The Industry Structure chapter details all aspects of labor compensation, establishments in all 50 states, and the value added portion of this industry.
- The Competitive Landscape chapter lists major players, their revenue ranges, and industry player concentration.
- Comprehensive Appendices cover all related knowledge and sources.

The Table of Contents lists all subsections of the described chapters in detail and each section can be reference individually at will.



Introduction

Definition

This U.S. industry comprises establishments primarily engaged in (1) manufacturing spices, table salt, seasonings, flavoring extracts (except coffee and meat), and natural food colorings and/or (2) manufacturing dry mix food preparations, such as salad dressing mixes, gravy and sauce mixes, frosting mixes, and other dry mix preparations.

NAICS Hierarchy:

311942 - Spice and Extract Manufacturing
31194 - Seasoning and Dressing Manufacturing
3119 - Other Food Manufacturing
311 - Food Manufacturing
31-33 - Manufacturing Sector

SIC:

2082 - Malt Beverages (malt extract)
2087 - Flavoring Extracts and Flavoring Syrups, NEC (flavoring extracts and natural food colorings)
2099 - Food Preparations, NEC (spices, dry dip mix, dry salad dressing mix, and seasoning mix)
2899 - Chemicals and Chemical Preparations, NEC (table salt)

Related Industries

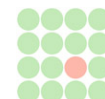
Following are related industries: 311421 - Fruit and Vegetable Canning, 311941 - Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing, 325998 - All Other Miscellaneous Chemical Product and Preparation Manufacturing, and 311423 - Dried and Dehydrated Food Manufacturing.

This industry is classified as a Non-Durable Goods Industry. Nondurable goods industries are manufacturing industries in which products generally have a life expectancy of less than 3 years. This industry is also classified as an Advanced Processing Industry. Advanced processing industries are industries in which products are considered finished manufactured items.

(Most related industries are the 6-digit U.S. industries. However, in some cases, they may be the 5-digit industries, the 4-digit industry groups, or the 3-digit subsectors.)

Comparison to U.S. Manufacturing Sector

For the year 2008, we have compared the Spice and Extract Manufacturing industry's performance to the average performance of all companies in the U.S. manufacturing sector.



Some characteristics and trends of this comparison are: the cost of materials is 6% lower, wages are 18% lower, salaries are 66% higher, fringe benefits are 4% lower, energy & fuel costs are 55% lower, administrative, sales & marketing costs are 11% higher, and the gross profit is 7% higher. When you compare the balance sheet and cash flow of the Spice and Extract Manufacturing industry to the average of all U.S. manufacturers, some characteristics and trends become evident, such as: the cash and government securities are 40% lower, the accounts receivable is 2% lower, inventories are 27% higher, total current assets are 2% lower, property and other non-current assets are 1% higher, total other non-current liabilities are 2% lower, and stockholders' equity is 1% higher.

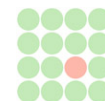
(Please also see statistics from Income Statement, Balance Sheet, Price Indices, Productivity Indices, Imports and Exports data)

Scope

Chili pepper or powder manufacturing
Extracts, food (except coffee, meat), manufacturing
Extracts, malt, manufacturing
Flavor extracts (except coffee) manufacturing
Food coloring, natural, manufacturing
Food extracts (except coffee, meat) manufacturing
Fruit extracts manufacturing
Gravy mixes, dry, manufacturing
Grinding spices
Hop extract manufacturing
Malt extract and syrups manufacturing
Pectin manufacturing
Pepper (i.e., spice) manufacturing
Salad dressing mixes, dry, manufacturing
Salt substitute manufacturing
Salt, table, manufacturing
Sauce mixes, dry, manufacturing
Seasoning salt manufacturing
Spice grinding and blending
Spice mixtures manufacturing
Spices and spice mix manufacturing
Table salt manufacturing

History

The Spice and Extract Manufacturing Industry under the North American Industry Classification System (NAICS) was adopted on April 9, 1997 by the Office of Management and Budget as the industry classification system used by the statistical agencies of the United States.



This 6-digit NAICS industry (311942) is under the hierarchy of Seasoning and Dressing Manufacturing Industry (31194), Other Food Manufacturing Industry Group (3119), Food Manufacturing Subsector (311), and the Manufacturing Sector (31-33). Prior to NAICS classification, this industry was classified under the 1987 Standard Industrial Classification. Its SIC equivalent codes are: 2082 - Malt Beverages (malt extract); 2087 - Flavoring Extracts and Flavoring Syrups, NEC (flavoring extracts and natural food colorings); 2099 - Food Preparations, NEC (spices, dry dip mix, dry salad dressing mix, and seasoning mix); and 2899 - Chemicals and Chemical Preparations, NEC (table salt).

NAICS is a unique system for classifying business establishments. It is the first economic classification system to be constructed based on a single economic concept. Economic units that use like processes to produce goods or services are grouped together. This 'production-oriented' system means that statistical agencies in the United States will produce data that can be used for measuring productivity, unit labor costs, and the capital intensity of production; constructing input-output relationships; and estimating employment-output relationships and other such statistics that require that inputs and outputs be used together.

NAICS is the first-ever North American industry classification system. The system was developed by the Economic Classification Policy Committee, in cooperation with Statistics Canada and Mexico's Instituto Nacional de Estadística, Geografía e Informática to provide comparable statistics across the three countries. For the first time, government and business analysts will be able to compare directly industrial production statistics collected and published in the three North American Free Trade Agreement countries. NAICS also provides for increased comparability with the International Standard Industrial Classification System, developed and maintained by the United Nations.

Since its introduction in 1997, NAICS went through 2 major revisions, one in 2002, and another in 2007. This industry was not affected by any of these 2 revisions.

In 1997, the Spice and Extract Manufacturing industry's shipment value was \$4.2 billion USD. In 2002, the shipment value increased to \$5.6 billion USD. and in 2007, the shipment value was estimated at \$6.7 billion USD. 9 out of the last 10 years this industry has shown positive revenue growth. Of which, the industry has been showing consecutive revenue growth since year 2002.

In 1997, the Spice and Extract Manufacturing industry had 274 establishments and 12,128 employees. By 2002, the industry had 284 establishments and 14,486 employees. Last year, the industry was estimated to have 327 establishments and 15,603 employees. The industry's value added contribution to the economy was \$2.2 billion USD in 1997 and \$3.3 billion USD in 2007.

In 1997, the Spice and Extract Manufacturing industry's cost of materials was \$2.1 billion USD, about 51% of its revenue. By 2002, the industry's cost of materials was \$2.6 billion USD, about 47% of its revenue, a reduction of approximately 4%. In 2007, the industry's total cost of materials was estimated at \$3.3 billion USD at around 50% of the revenue. The

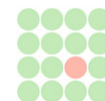


cost of materials includes raw materials and energy cost such as fuels and electricity used in the production process.

On international trade, the industry's total export in 1997 was \$110.4 million USD. This represented 2.6% of the domestic supply. By 2002, the industry's total export was \$143.4 million USD. This represented 2.6% of the domestic supply. In 2007, the industry's total export was \$199.2 million USD. This represented approximately 3% of domestic supply.

The industry's total import in 1997 was \$389.1 million USD. This represented 8.7% of the domestic demand. By 2002, the industry's total import was \$419.4 million USD. This represented 7.1% of domestic demand. In 2007, the industry's total import was \$666.1 million USD. This represented approximately 9.4% of domestic demand.

Since the advent of NAICS in 1997, the decade worth of extensive historical data accumulated on this industry provides insights and statistical analysis into the industry's performance in the past and the coming years.



Executive Summary

Quick Statistics

The industry's revenue for the year 2008 was approximately \$7,030,000,000. The gross profit was 33.08% at \$2,325,524,000. There were 333 establishments in this industry that year. Thus, average contribution (or revenue) per establishment annually was \$21,106,000.

The total import export value for the year 2008 was \$1,038,605,000. There were 139 countries that conducted foreign trade with the U.S. in 2008, 6 more than year 2007. The top trading countries were: Canada, \$155,786,000 (15.0%); India, \$138,577,000 (13.34%); Indonesia, \$119,000,000 (11.46%); China, \$109,051,000 (10.50%); and Peru, \$65,781,000 (6.33%). Their combined total represents approximately 57% of all imports and exports.

The total import value for the year 2008 was \$778,026,000. This represents a 16.8% increase from year 2007. The U.S. had imported industry related merchandises from 105 countries in 2008. The top countries U.S. imported from were: India, \$130,129,000 (16.73%); Indonesia, \$113,945,000 (14.65%); China, \$96,619,000 (12.42%); Peru, \$61,373,000 (7.89%); and Canada, \$51,568,000 (6.63%). Their combined total represents approximately 58% of imports from all countries.

The total export value for the year 2008 was \$215,235,000. This represents a 8.04% increase from year 2007. The U.S. had exported industry related merchandises to 115 countries in 2008. The top countries U.S. exported to were: Canada, \$103,592,000 (48.13%); Mexico, \$15,321,000 (7.12%); Philippines, \$8,088,000 (3.76%); Korea, \$5,301,000 (2.46%); and Australia, \$4,592,000 (2.13%). Their combined total represents approximately 64% of exports to all countries.

Adding the import and subtracting the export, the total U.S. consumption value of this industry for the year was \$7,593,000,000.

Supply, Demand & Capacity Utilization

The establishments in the Spice and Extract Manufacturing Industry used an estimated 63% of their full production capacity and 47% of their national emergency capacity in 2008. Based on the total shipment value of \$7.0 billion USD for the year 2008, the industry could have increased its total shipment value to \$11.2 billion USD under full production capacity utilization.

Adding import value and subtracting export value from the industry's shipment value, the total demand for the industry in 2008 was \$7.6 billion USD. The supply and demand ratio under normal production capacity was 93%. With normal production capacity, the industry was relying 7% of its demand from foreign import. With full capacity utilization, the supply and demand ratio would be 147% and the industry could have 47% of its production for exporting. However, export also depends largely on foreign competitiveness.



Full Production Capability is defined as the maximum level of production that the establishments in this industry could reasonably expect to attain under normal and realistic operating conditions fully utilizing the machinery and equipment in place. National Emergency Production is defined as the maximum level of production that the establishments in this industry could expect to attain and sustain for one year or more under national emergency conditions.

2008 Review

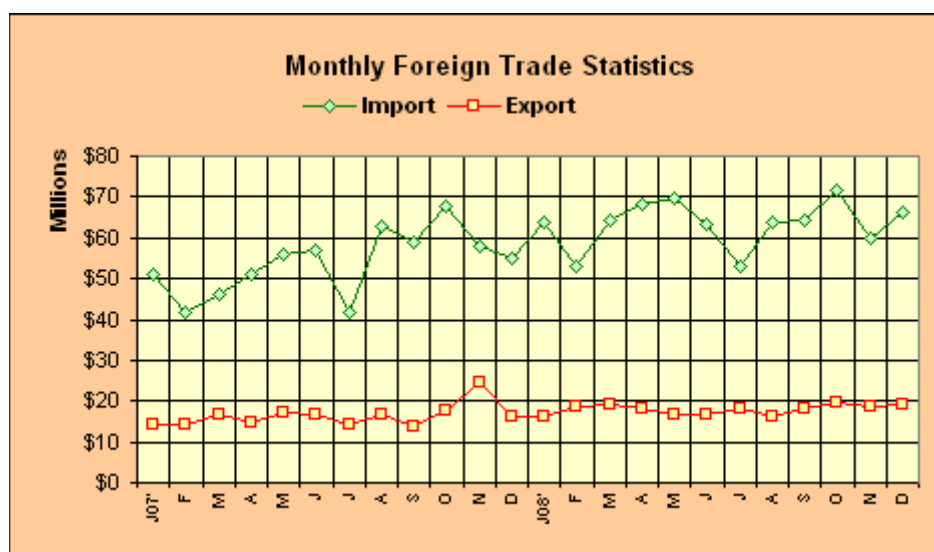
Foreign Trade

As of January 1st, 2009, the Spice and Extract Manufacturing industry accumulated 2008 import value (not seasonally adjusted) was \$761,331,000, representing an increase of 17.63% compared with the same period last year. Last year's total import value was \$647,217,000.

On the other hand, the accumulated 2008 industry export value (not seasonally adjusted) is \$215,292,000. Compared with the same period last year, it represents an increase of 9.44%. Last year's total export value was \$196,725,000.

Trade Balance Analysis: In 5 out of the last 5 years, this industry's annual import value was higher than its annual export value. The gap between export and import, year after year, is sporadic. However, last year's gap widened. Also in 2008, 12 out of the first 12 months, this industry's monthly import value was higher than its monthly export value.

Observing the seasonal effect of this industry over a 72-month period, the import season intermittently peaks around the month of December; it mostly bottoms around the month of February. The export season does not peak around any particular month; it does not bottom around any particular month either.

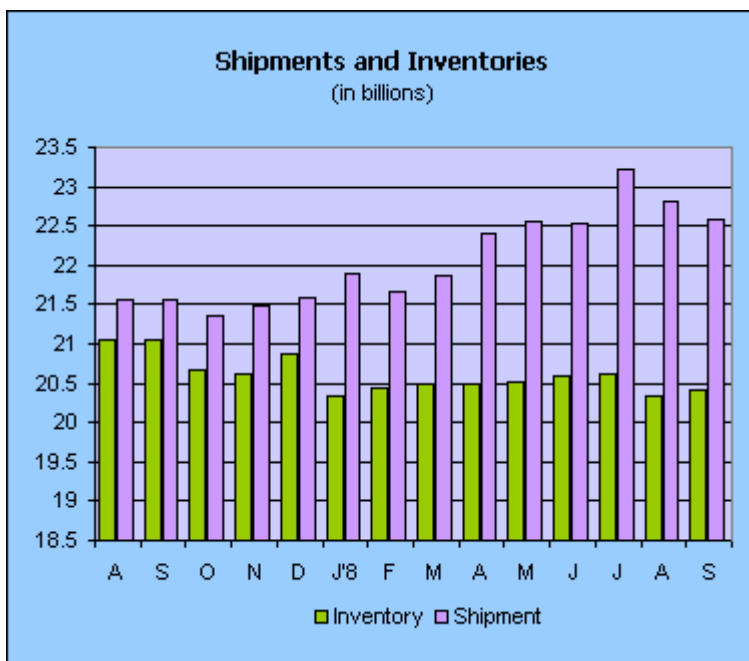
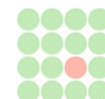




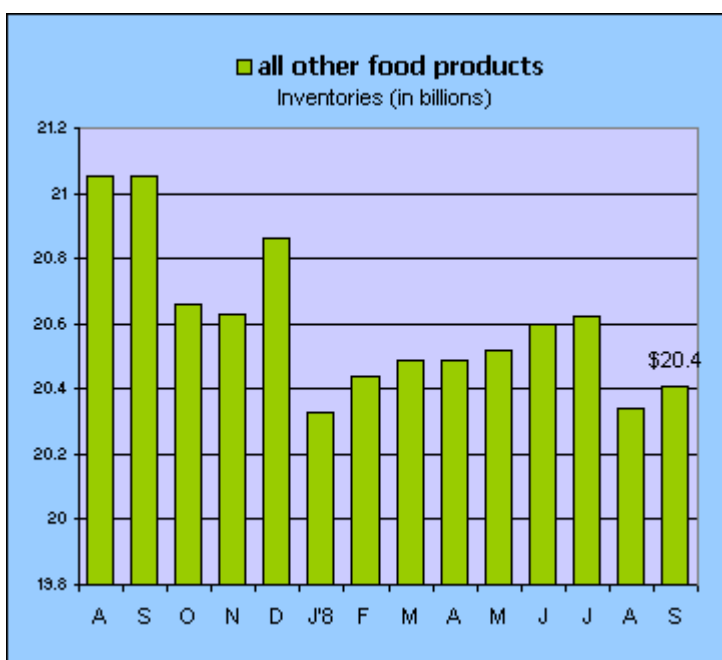
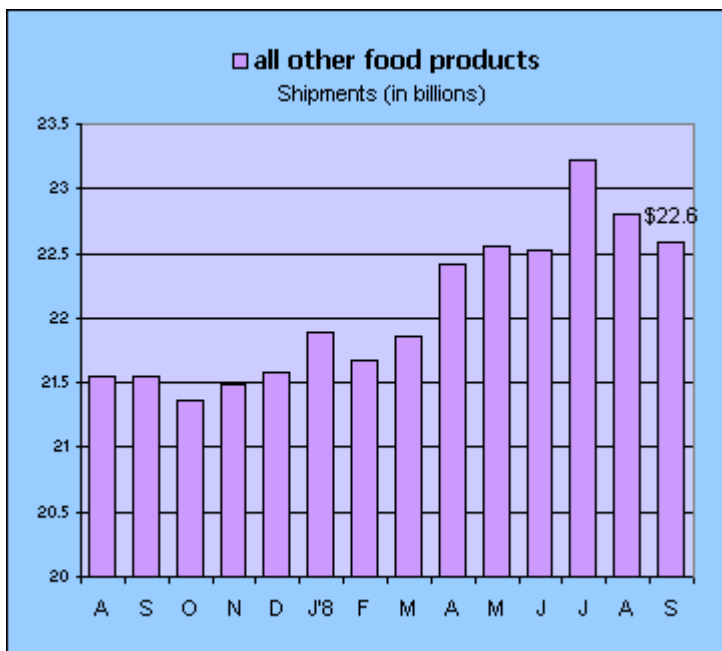
Shipments & Inventories

The U.S. Spice and Extract Manufacturing industry is a part of the M3 industry group - Other Food Manufacturing (11D). Although it is also a part of the M3's manufacturing goods (MTM), as well as a part of M3's nondurable goods (MNM), it is best compared to the nearest M3 industry group. Manufacturing goods and nondurable goods data are available from the Census Bureau's monthly press releases. It is also available from the Supplier Relations US, LLC.'s website, with charts. This section provides you with additional insight into the most relevant M3 data and its trends and movements.

Shipments of all other food products in December, down 4 of the last 6 months, decreased \$124 million or 0.6% to \$23 billion. This followed a 0.8% November increase. Inventories of all other food products in December, up 4 of the last 6 months, increased \$64 million or 0.4% to \$20 billion. This followed a 0.7% November decrease.



The Other Food Manufacturing industry group, M3 coded as 11D, includes the following 6-digit NAICS U.S. industries: Dog and Cat Food Manufacturing (5.9%); Other Animal Food Manufacturing (8.1%); Sugarcane Mills (0.4%); Cane Sugar Refining (1.1%); Beet Sugar Manufacturing (1.2%); Chocolate and Confectionery Manufacturing from Cacao Beans (1.7%); Confectionery Manufacturing from Purchased Chocolate (4.3%); Nonchocolate Confectionery Manufacturing (2.5%); Frozen Fruit, Juice, and Vegetable Manufacturing (4.1%); Frozen Specialty Food Manufacturing (5.8%); Fruit and Vegetable Canning (8.6%); Specialty Canning (2.8%); Dried and Dehydrated Food Manufacturing (1.6%); Retail Bakeries (1.3%); Commercial Bakeries (11.1%); Frozen Cakes, Pies, and Other Pastries Manufacturing (2%); Cookie and Cracker Manufacturing (4.2%); Flour Mixes and Dough Manufacturing from Purchased Flour (1.7%); Dry Pasta Manufacturing (0.6%); Tortilla Manufacturing (1%); Roasted Nuts and Peanut Butter Manufacturing (2.6%); Other Snack Food Manufacturing (7%); Coffee and Tea Manufacturing (2.8%); Flavoring Syrup and Concentrate Manufacturing (3.1%); Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing (2.6%); Spice and Extract Manufacturing (2.6%); Perishable Prepared Food Manufacturing (3.1%); and All Other Miscellaneous Food Manufacturing (5.9%).



2009 Outlook

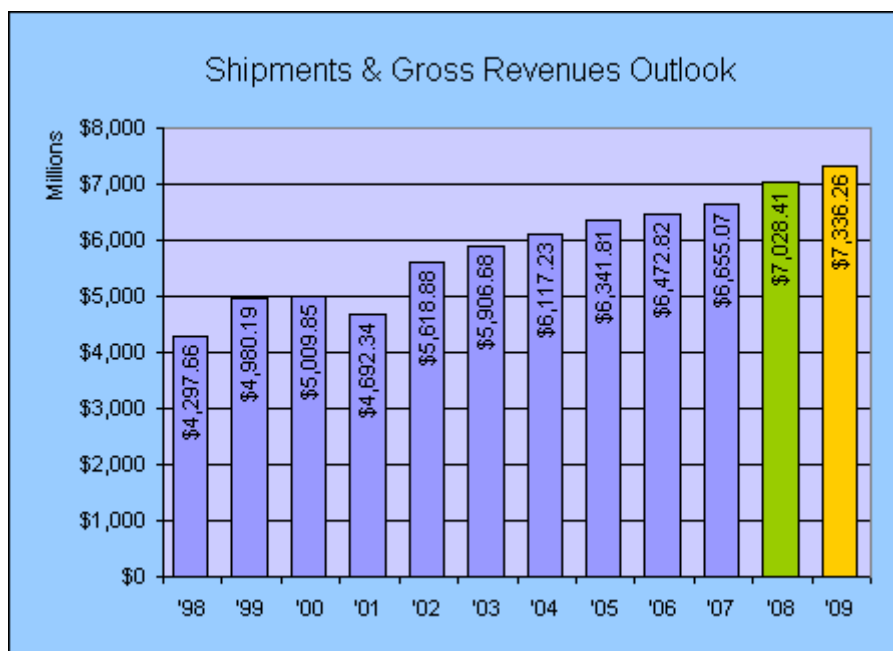
The Seasoning & Dressing Manufacturing Industry obtains its supplies and materials from 39 upstream industries. In the cost analysis section of the report, these upstream industries are analyzed. On the other hand, the industry supplies its products and services to 41 downstream industries, which are analyzed in the pricing analysis section. This is also where you can identify new channels, to estimate new potential for existing channels, and to analyze supply chain cost.

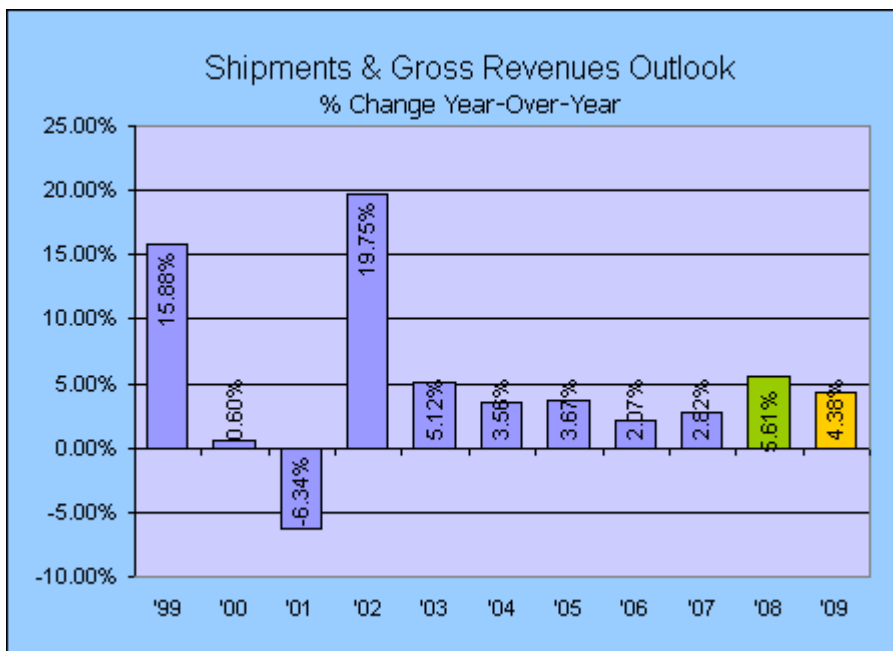


The global trade volume for the Spice and Extract Manufacturing Industry in 2008 was forecasted at \$3.3 billion USD. US export value for the same year represented 6% of this global market. The global trade volume is calculated by adding worldwide import values of all commodities under this NAICS classification. This value, along with the current US export market share, reveals the industry's overseas growth opportunities.

Based on the industry's 10-year historical data and the industry's recent trend, the Spice and Extract Manufacturing Industry's revenue is expected to grow 4.38% in 2009. In a best case scenario, the revenue may increase by as much as 8.55%. In a worst case scenario, the revenue may decline by as much as 8.0%.

This forecast is based on a broad range of factors, including but not limited to: comparison between industry's 4th quarter data with prior quarters and quarters of prior year; analysis of industry inventories and new orders, analysis of industry output and capacity utilization, analysis of industry supply and demand, analysis of industry downstream opportunities and challenges, analysis of industry's personal consumption channel and demand index, analysis of industry's dependency on demand from Federal/State agencies, and analysis of industry concentration and its potential impact. Note that 2009's forecast was adjusted with the potential favorable impact from the American Recovery and Reinvestment Act of 2009.

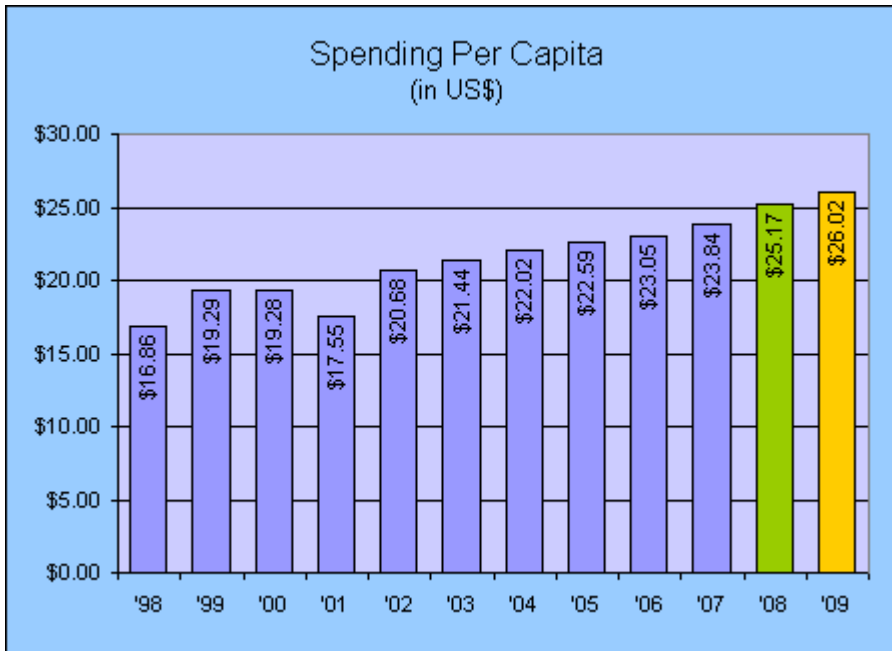
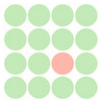




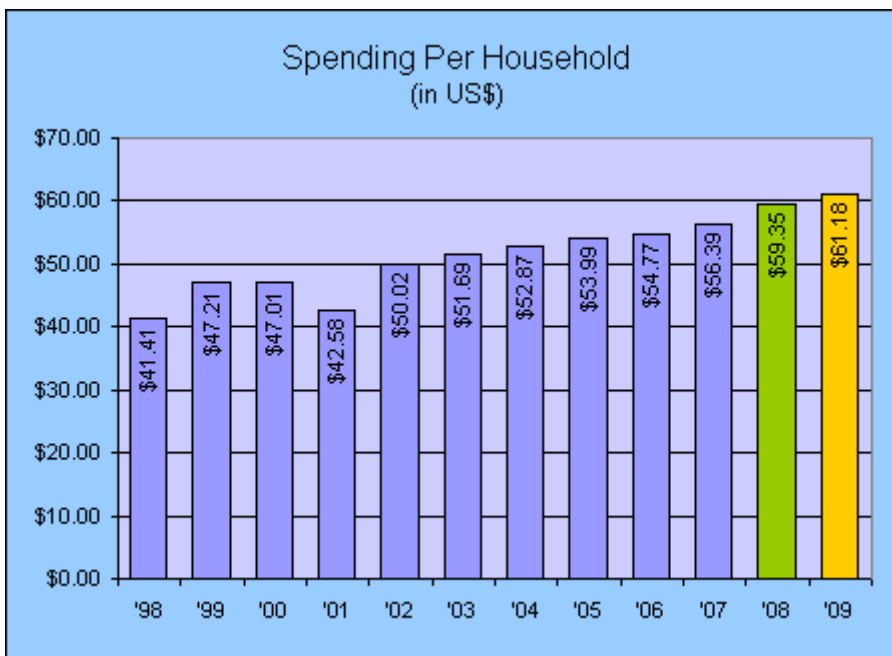
Spending Per Capita

Spending per capita is the result of dividing total market demand by the U.S. resident population. Total market demand is calculated by adding industry's receipts and total import values and subtracting the total export values. This measure is most useful in industries that sell directly to consumers, or that provide services proportional to the size of the population.

This 11-year statistics and trends can also be utilized to analyze supply and demand. The numbers can also be compared with other developed countries, as well as with individual U.S. State, county, or metropolitan city. Spending per household is the result of dividing total market demand by the number of U.S. households.



Spending Per Household





Industry Income Statement

The income statement, also known as the profit and loss statement, indicates this industry's performance in the reported year by showing how much revenue this industry earned and the costs and expenses associated with earning that revenue. The literal bottom line of the statement shows the industry's net earnings or losses. This industry income statement is usually available and updated around the middle of the calendar year.

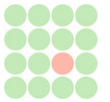
The income statement in the manufacturing sector includes mainly revenues and expenses. This report covers both types of expenses; direct cost and indirect cost. Direct costs include cost of materials, salaries, wages, fringe benefits, energy & fuel costs. Gross profit is calculated by subtracting the direct costs from the revenue. Further subtracting the depreciation, depletion, and amortization of property, plant, and equipment, and the administrative, sales and marketing cost, we arrive at the income (or loss) from operations. Adding the non-operating income and subtracting the interest expense will yield the income (or loss) before income taxes.

This income statement also provides data on provisions for current and deferred domestic income taxes for this industry.

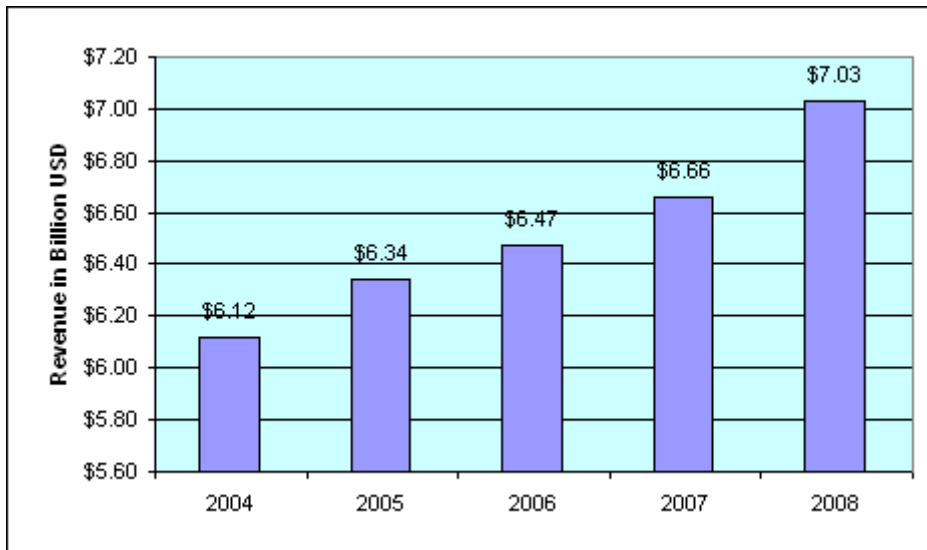
Below is the aggregated Income Statement for the Spice and Extract Manufacturing Industry:

INCOME STATEMENT	%	2008 (in million)
Net sales, receipts, and operating revenues	100.0	\$7,030
Cost of Materials	49.8	(\$3,502)
Salaries	7.9	(\$553)
Wages	5.3	(\$369)
Fringe Benefits	3.0	(\$213)
Energy & Fuel Costs	1.0	(\$67)
Gross Profit	33.1	\$2,326
Depreciation, depletion, and amortization of property, plant, and equipment	1.8	(\$127)
Administrative, Sales and Marketing Costs	24.7	(\$1,735)
Income (or loss) from operations	6.6	\$464
Interest expense	1.8	(\$127)
All Other Non-Operating Income (Expense)	2.8	\$197
Income (or loss) before income taxes	7.6	\$534
Provision for current and deferred domestic income taxes	1.6	(\$112)
Income (or loss) after income taxes	6.0	\$422

(For a comparison of a 4-year financial statement, please refer to Appendix D)

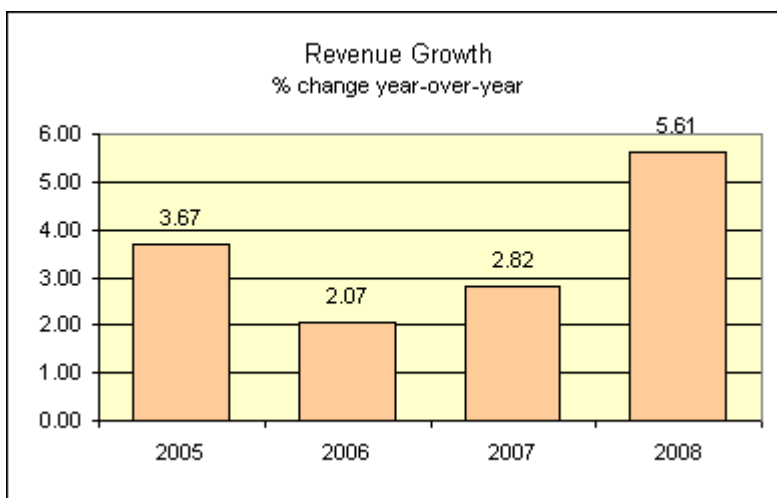


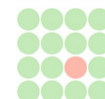
Revenue (Value of Shipments, Net Sales)



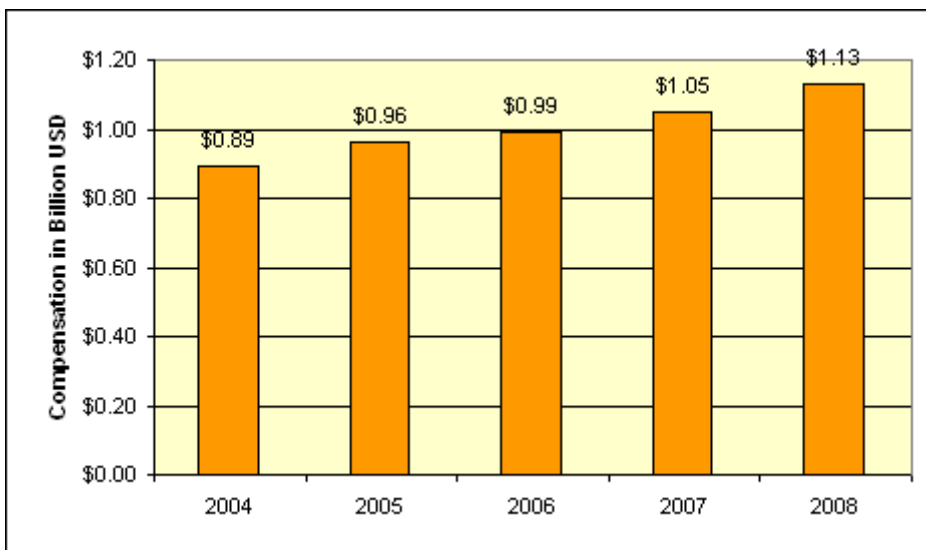
Includes the received or receivable net selling values, “Free on Board” (FOB) plant (exclusive of freight and taxes) of all products shipped, both primary and secondary, as well as all miscellaneous receipts, such as receipts for contract work performed for others, installation and repair, sales of scrap, and sales of products bought and sold without further processing. Included are all items made by or for the establishments from material owned by it, whether sold, transferred to other plants of the same company, or shipped on consignment. The net selling value of products made in one plant on a contract basis from materials owned by another was reported by the plant providing the materials.

Revenue Growth Trend (% Change Year-Over-Year)



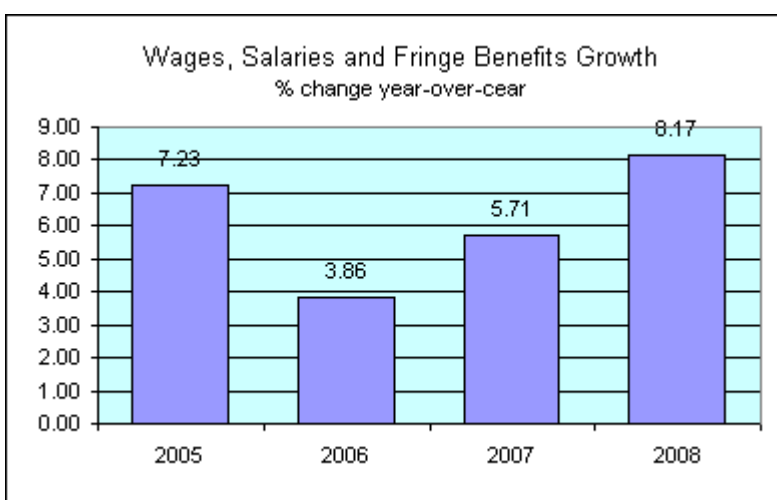


Compensation (Payroll & Fringe Benefits)



Payroll includes the gross earnings of all employees on the payrolls of operating manufacturing establishments paid in the calendar year. It includes all forms of compensation, such as salaries, wages, commissions, dismissal pay, bonuses, vacation and sick leave pay, and compensation in kind, prior to deductions such as employees' social security contributions, withholding taxes, group insurance, union dues, and savings bonds. Fringe benefits include the employer's costs for social security tax, unemployment tax, worker's compensation insurance, state disability insurance pension plans, stock purchase plans, union-negotiated benefits, life insurance premiums, and insurance premiums on hospital and medical plans for employees.

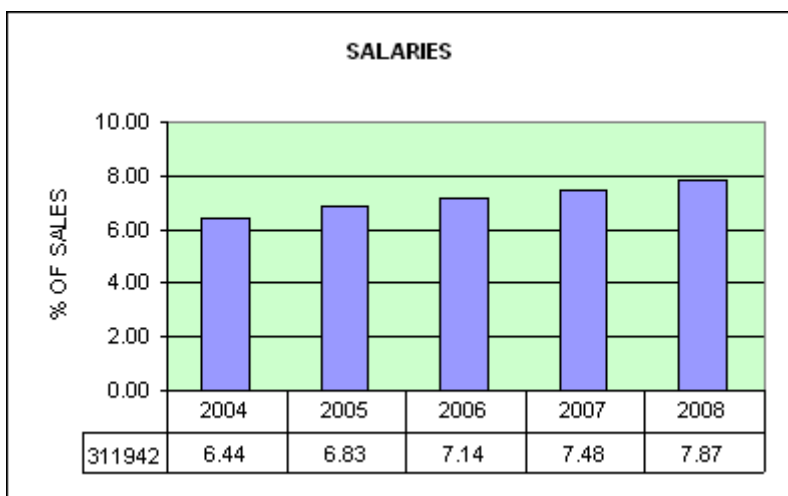
Compensation Growth Trend (% Change Year-Over-Year)





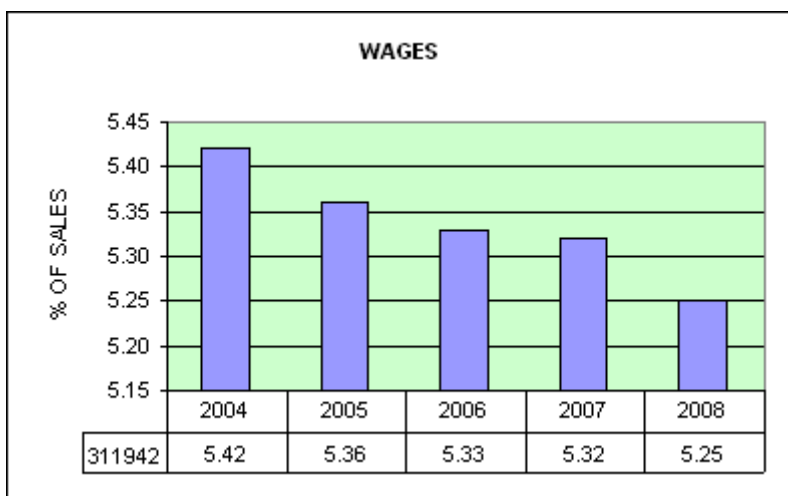
Salaries

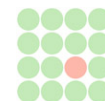
This ratio reveals the average industry expenses on salaries as a percentage of total sales. For example, you can analyze whether salaries increase or decrease as sales fluctuate. This ratio is frequently used for budgeting purposes as sales numbers are usually projected ahead of time, or vice versa, with sales targets being set as a function of employee compensation.



Wages

This ratio reveals the average industry expenses of wages as a percentage of total sales. For example, you can analyze whether wages increase or decrease as sales fluctuate. This ratio is frequently used for budgeting purposes as sales numbers are usually projected ahead of time, or vice versa, with sales targets being set as a function of employee compensation. Compared to the previous ratio involving salaries, this ratio tends to be more sensitive to fluctuations in sales due to the nature of wages being more adjustable according to customer demand.





Fringe Benefits

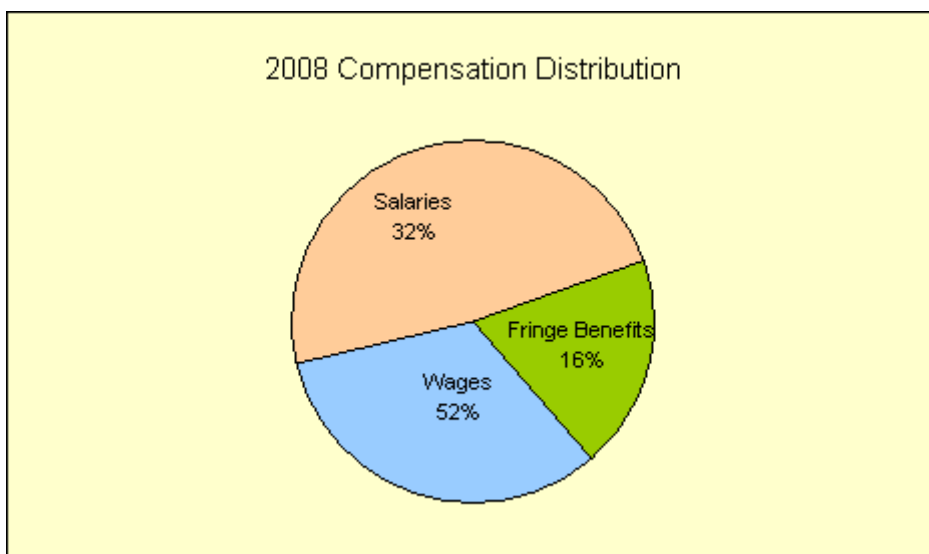
Health Insurance - Insurance premiums on hospitals, medical plans and single service plans such as dental, vision and prescription drug plans. Health insurance costs include premium equivalents for self-insured plans and fees paid to third party administrators. This cost does not include employee contributions.

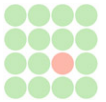
Pension Plans – 1) Defined benefit pension plans – Costs for both qualified and non-qualified defined pension plans. Pension plans that specify the benefit to be paid to employees upon retirement generally either a specific amount or a percentage of compensation. Employer contributions are based on actuarial computations that include the employees’ compensation and years of service and are not allocated to specific accounts maintained for employees, and 2) Defined contribution plans – Pension plans that define the employer contributions to a separate account provided for each employee. The employee “benefit” amount at retirement depends on the amount contributed and the results of the account’s activity. Examples include profits sharing plans, money purchase (e.g., 401k, 403b) and stock bonus plans.

Other - Other fringe benefits such as Social Security, workers’ compensation insurance, unemployment tax, state disability insurance programs, life insurance benefits, and Medicare expenses are also considered as employers’ costs.

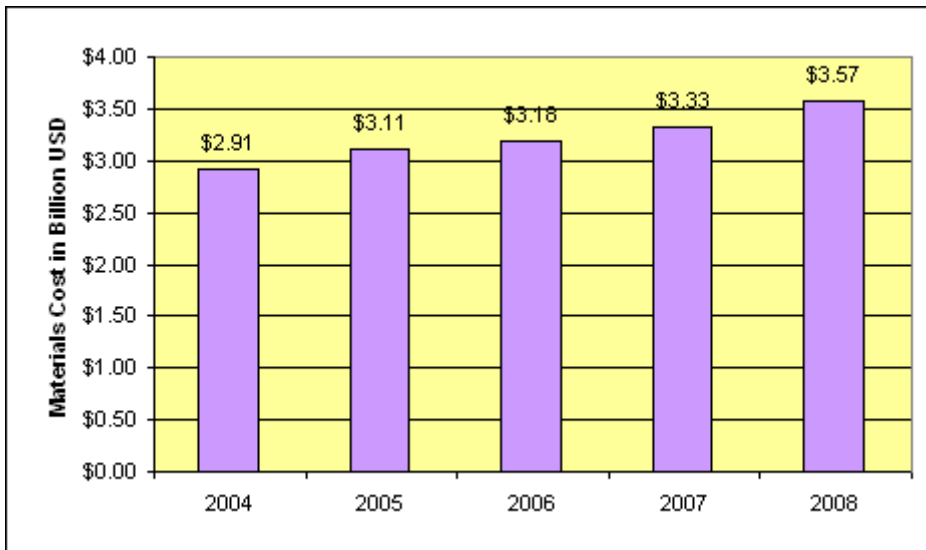
Compensation Distribution

The pie chart below offers another perspective on the distribution of compensation. The % is based on the total amount in USD.



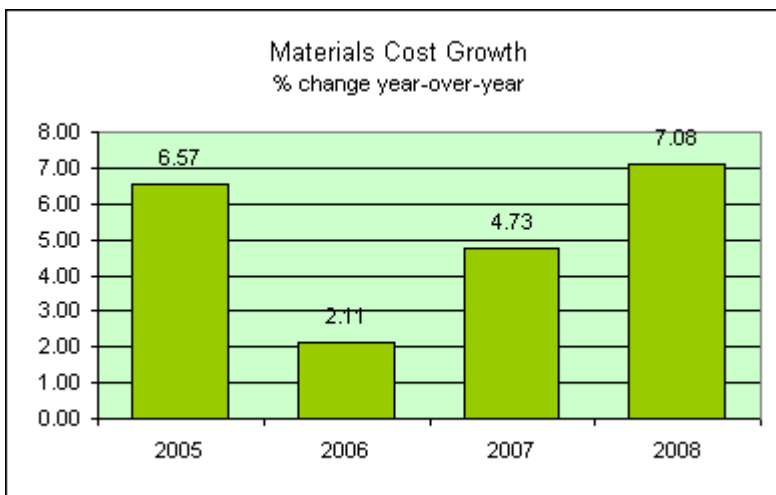


Cost of Materials



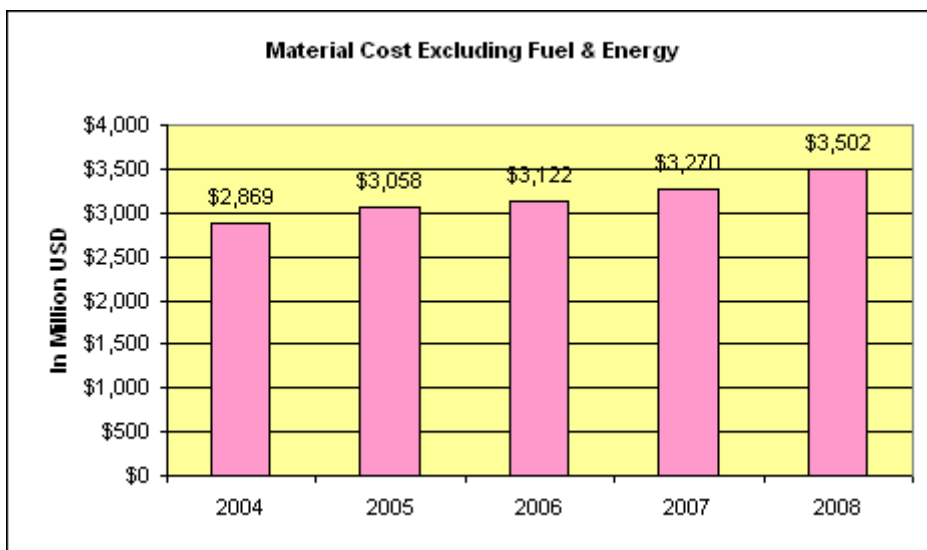
This term refers to direct charges actually paid or payable for items consumed or put into production during the year, including freight charges and other direct charges incurred by the establishment in acquiring these materials. It includes the cost of materials or fuel consumed, whether purchased by the individual establishment from other companies, transferred to it from other establishments of the same company, or withdrawn from inventory during the year.

Cost of Materials Trend (% Change Year-Over-Year)



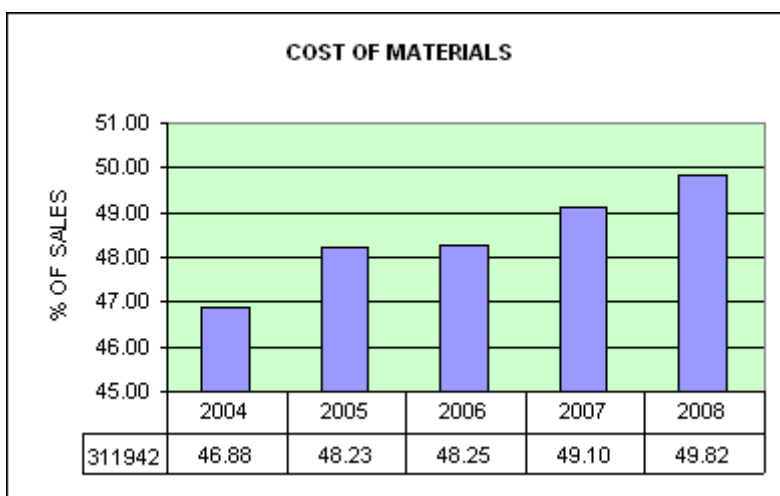


Materials Cost Excluding Fuel & Energy



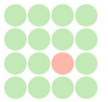
Cost of Materials as Percentage of Sales

Typically this ratio should show a linear relationship between costs and sales. However, when compared period over period, fluctuations can reveal changes in cost structures and may suggest pricing changes. If the ratio increases significantly, it would be worthwhile to look at potential rising inventory levels for an indication of stagnant sales. This ratio is also used for budgeting purposes.

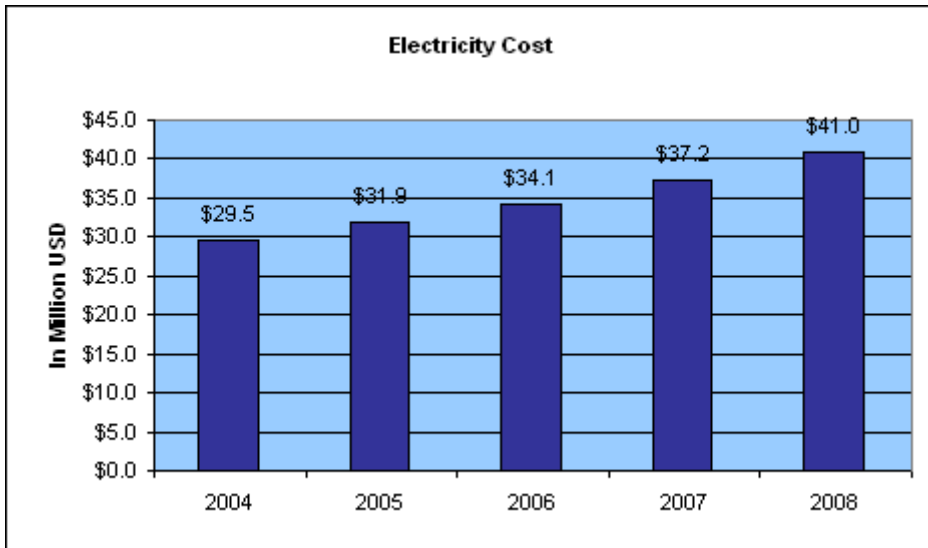


Electricity Cost

Electricity cost is calculated by number of watts times cost per watt. The average cost per watt of electricity in the U.S. for the last 5 years is \$0.054. It ranges from \$0.042 to \$0.066 depending on the volume and the location. Since electricity cost is part of the energy cost, it

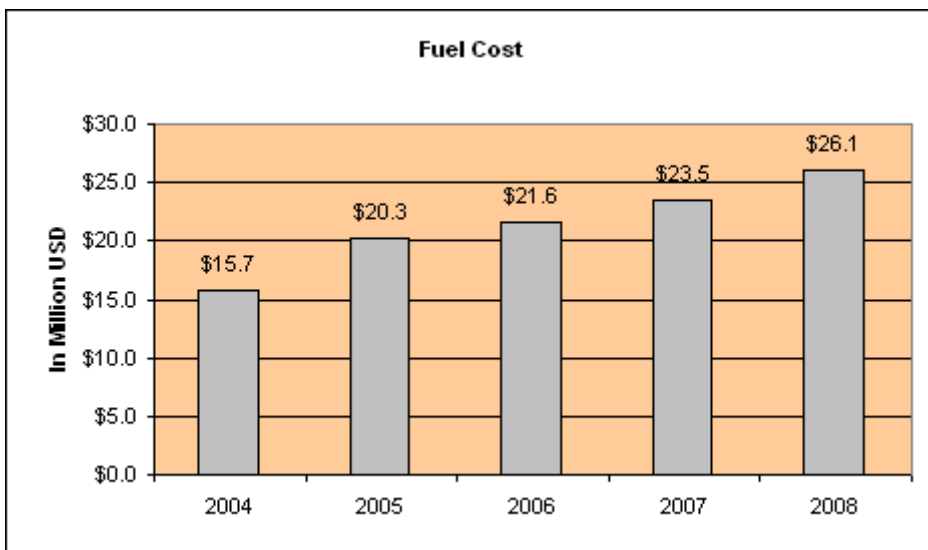


is being analyzed as an indicator for the industry's use of building and machinery (also refer to Capital Expenditures chapter).



Fuel Costs

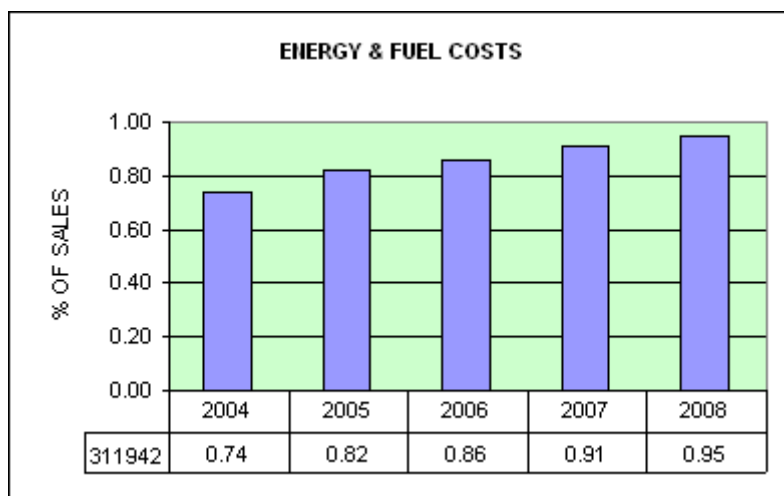
Fuel costs are calculated by price per gallon of fuel times number of gallons consumed. Fuel costs are mostly related to automobile and transportation equipment. However, in some industries, fuel is also used in machinery. With the soaring cost of fuel, companies are identifying various ways of saving their fuel cost. Cost saving measures include, but are not limited to: keeping automobile and machinery in good shape, teaching employees to drive and operate more efficiently, and selecting more fuel efficient vehicles. For more information on fuel economy, please visit <http://www.fueleconomy.gov/>



Energy and Fuel Costs as a percentage of Sales



While you would expect this to follow a similar pattern to the Cost of Materials as a percentage of Sales ratio, in recent years this ratio has risen due to increasing oil commodity costs. This can be used for budgeting by predicting fuel costs or securing those costs down through futures. However, if the industry's energy & fuel cost as a percentage of sales is seeing a downward trend, it may attribute to the higher revenue growth and higher efficiency in energy and fuel costs.



Material Code

Below is a list of material codes in this industry. Material code is denoted by an 8-character alphanumeric code. The codes that start with 0 are standard codes that apply to almost all industries. For example: 00900001 is the code for *Total Materials*; 00970099 is the code for *All other materials/components/parts/containers/supplies*. Codes that start with 3 usually correspond with the manufacturing industries. For example: the material code, 32221001, *Paperboard containers, boxes, and corrugated paperboard*, represents products from the Paperboard Container Manufacturing industry (NAICS code 32221).

There are 4 fields in this table: Material Code, Description, Unit of Measurement, and Ratio. Unit of measurement can be lbs (as in Pounds), kilos (or KG as in kilogram), mil lb (as in million pounds), tons, 1,000s tons, millions (1 million pieces), etc. Ratio is the percentage of the total material cost. The materials are listed in descending order of their percentage ratio of the total cost.

Material Code	Description	Unit of Measurement	Ratio
00900001	Total materials	NA	100%
00971000	Materials, ingredients, containers, and supplies, nsk	NA	38.56%
00970099	All other materials/components/parts/containers/supplies	NA	29.35%
11100027	Spices, raw	mil lb	21.08%
32221001	Paperboard containers, boxes, and corrugated paperboard	NA	2.09%
31142103	Fruit juices, concentrated	mil gal	1.33%
31142309	Vegetables, dried (excluding potatoes and corn)	NA	1.21%

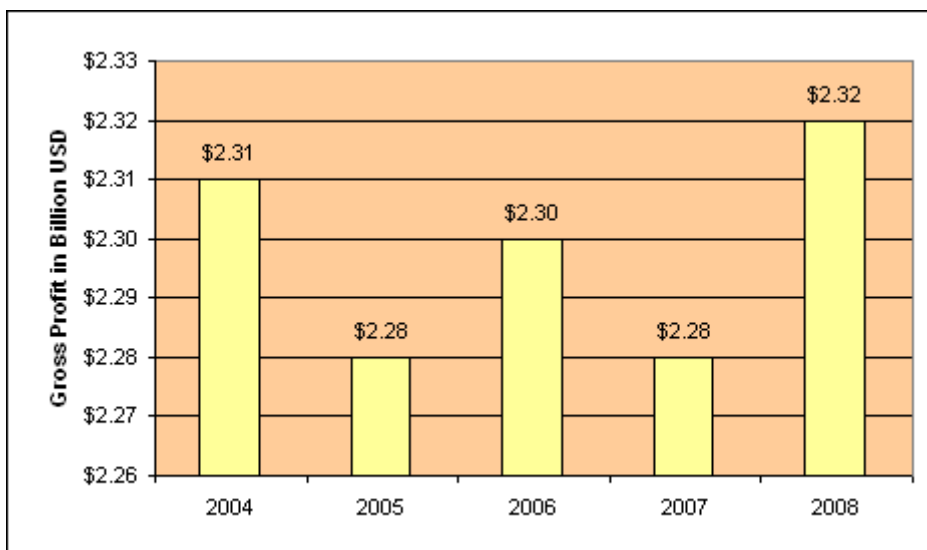


Material Code	Description	Unit of Measurement	Ratio
001900A1	Packaging paper and plastics film, coated and laminated	NA	1.04%
00190050	Plastics wrappings, trays, carriers, etc. (including preforms)	NA	1.03%
31121101	Wheat flour	1,000 cwt	0.92%
31100019	Fats and oils, all types, purchased	mil lb	0.75%
33243101	Metal cans, lids, and ends	NA	0.57%
31131001	Sugar, cane and beet (sugar solids)	1,000s tons	0.55%
31100003	Other natural sweeteners (dextrose, honey, etc.) (solids)	mil lb	0.48%
001900A3	Bags (plastics, foil, and coated paper)	NA	0.28%
31122101	Corn syrup	mil lb	0.24%
32222401	Bags (uncoated paper and multiwall)	NA	0.16%
31121127	Corn flour	mil lb	0.15%
32721301	Glass containers	NA	0.11%
32510057	Artificial sweeteners (solids)	mil lb	0.09%

Top 10 consumed materials are: Materials, ingredients, containers, and supplies, nsk (38.56%), All other materials/components/parts/containers/supplies (29.35%), Spices, raw (21.08%), Paperboard containers, boxes, and corrugated paperboard (2.09%), Fruit juices, concentrated (1.33%), Vegetables, dried (excluding potatoes and corn) (1.21%), Packaging paper and plastics film, coated and laminated (1.04%), Plastics wrappings, trays, carriers, etc. (including preforms) (1.03%), Wheat flour (0.92%), and Fats and oils, all types, purchased (0.75%). These top consumed materials represent 97.36% of all materials consumed in this industry.

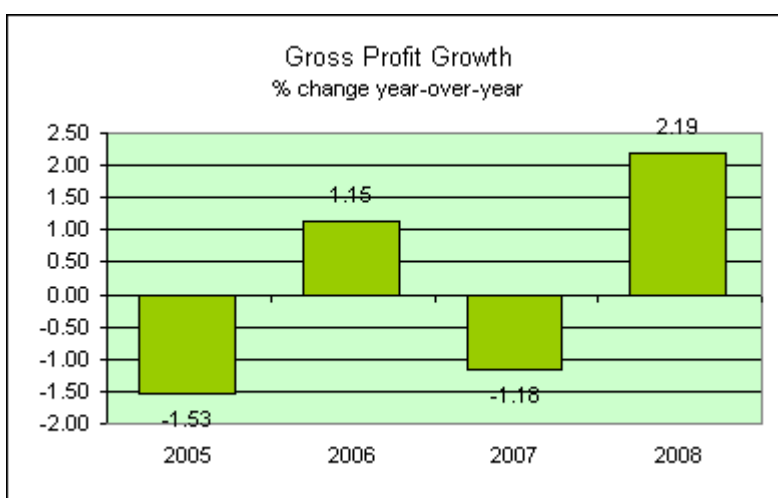


Gross Profit

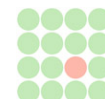


Gross profit is calculated as Revenue minus the total of cost of compensation and cost of materials. As defined earlier, revenue in the manufacturing industry is the total value of shipments based on a calendar year. Cost of compensation is the total of wages, salaries and fringe benefits. Cost of materials refers to direct charges actually paid or payable for items consumed or put into production during the year, including freight charges and other direct charges incurred by the establishment in acquiring these materials.

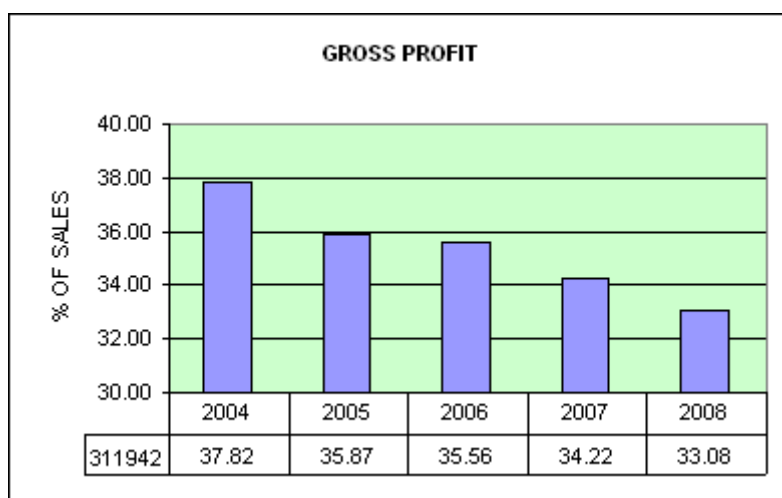
Gross Profit Trend (% Change Year-Over-Year)



Gross Profit as a percentage of Sales



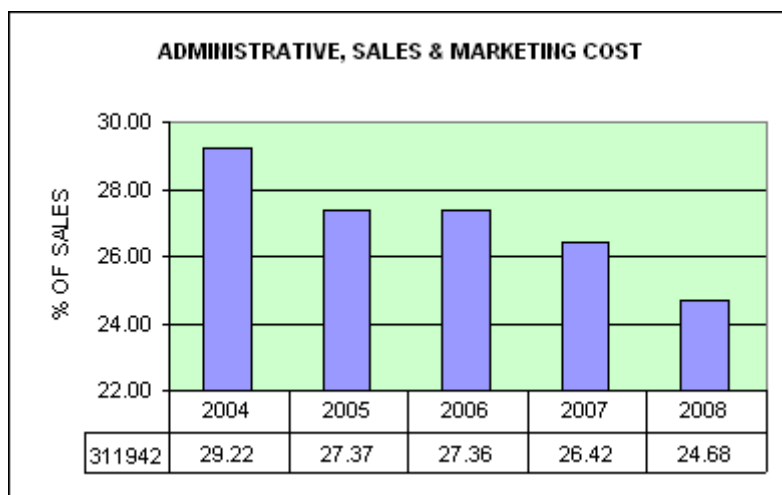
This is one of the most significant ratios to examine. It is the gross margin percentage and shows how profitable the business is from the perspective of the direct production costs versus sales.



Other Costs

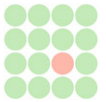
Administrative, Sales and Marketing Expenses

Some industries require heavier spending in these areas, whereas others may require next to none. By comparing an individual company's ratio to the industry average and revenue and/or profitability ratios, one can determine its overall competitiveness within the market. It can also provide guidance in allocating the right budget for marketing purposes.

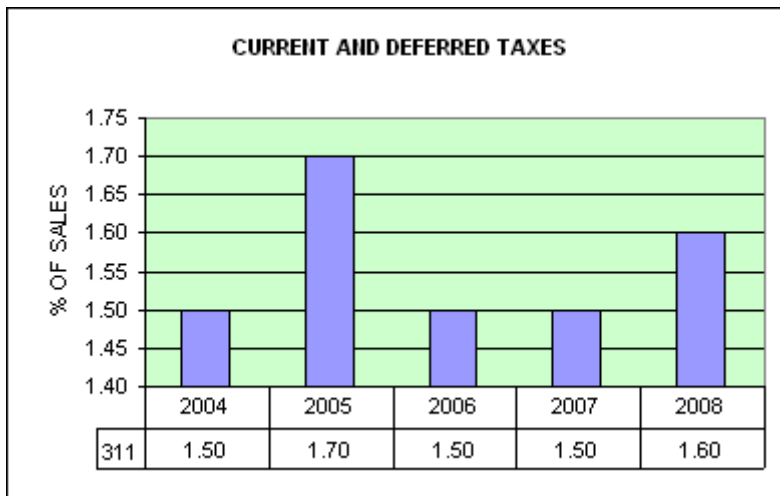


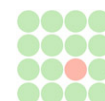
Current and Deferred Taxes

All income statements should have a provision for current and deferred domestic income taxes. A company's performance is frequently measured by income before or after taxes.



Given the same amount of sales and same tax rate, some companies differ in their tax rates as a percent of revenue. This can be attributed to depreciation methods, debt levels (interest expenses), profit margins, and other accounting methods.

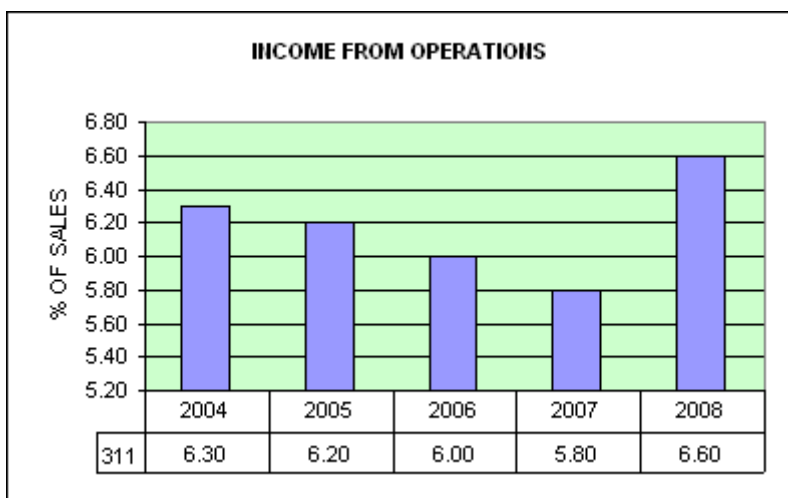




Net Income

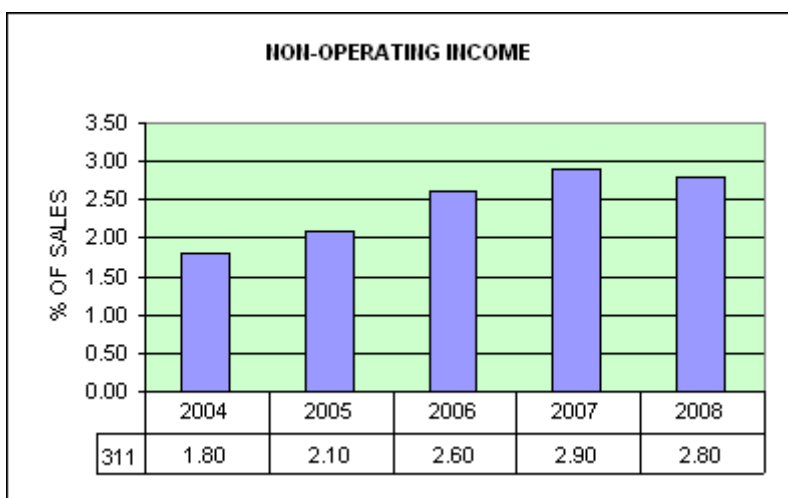
Income (or Loss) From Operations (EBIT)

Income from Operations, also known as EBIT, is the best measure to compare different companies. The ratio of it over total sales, also known as EBIT margin, gives a clear picture of how effective the overall operations generate income as a function of sales. While similar to Gross Profit as a percentage of Sales ratio, this one also accounts for general administration and marketing expenses.



Other Non-Operating Income

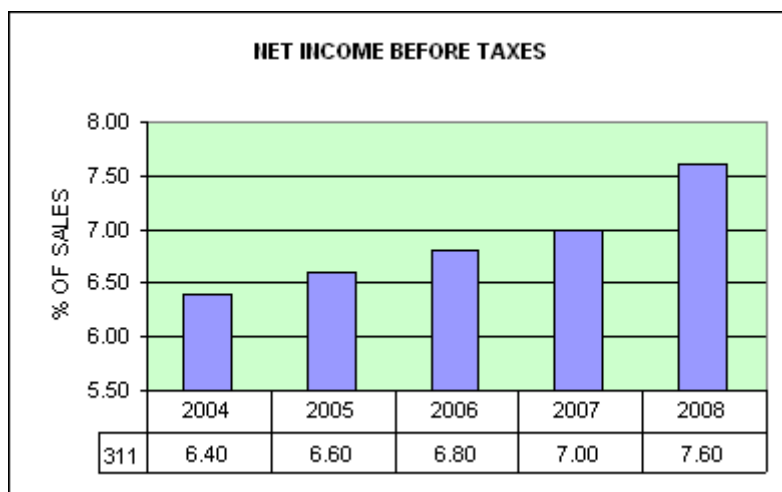
Non-operating income is not typically related to sales. This should not be the main driver of income.





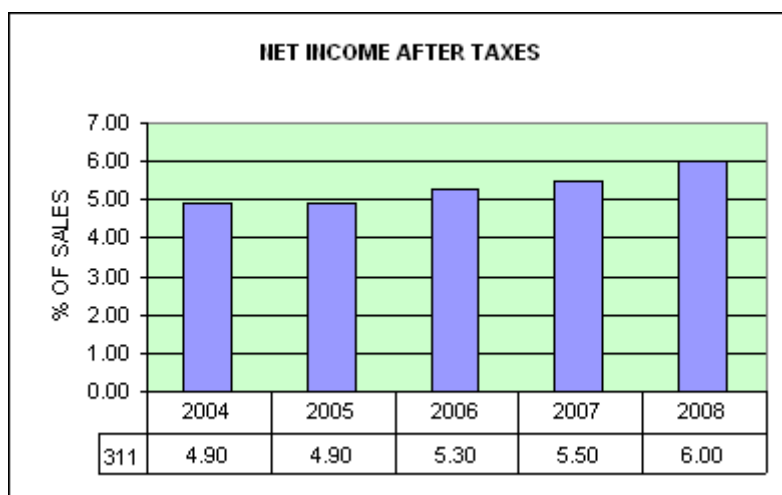
Income (or Loss) Before Income Taxes (NIBT)

This ratio gives a clear picture of how effective the business is without regard to accounting methods and debt structure.



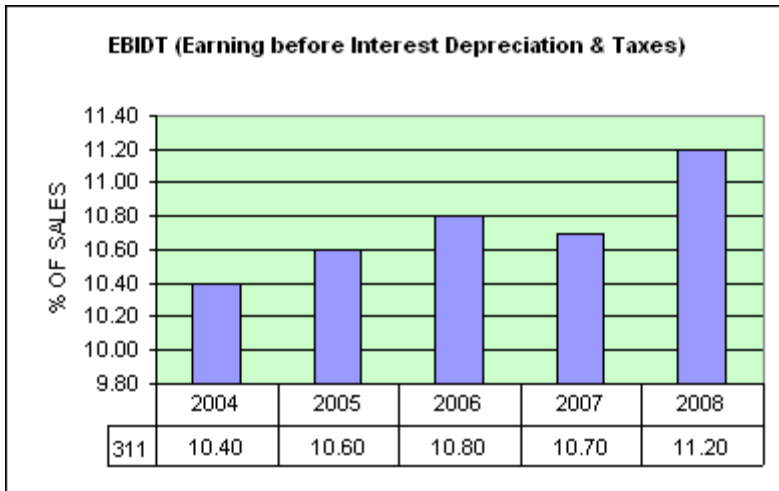
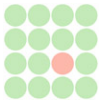
Income (or Loss) After Income Taxes

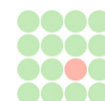
When compared to the previous ratio, this ratio takes into account of the efficacy of employed accounting methods and debt structure.



Earnings before Interest, Depreciation & Taxes (EBIDT)

This ratio indicates the final income from an accounting perspective after all the necessary operating expenses are taking into account. Depreciation includes amortization under this classification.





Industry Balance Sheet

A typical balance sheet provides detailed information about a company's assets, liabilities and shareholders' equity. Here, this industry balance sheet is based on the aggregate of all companies in this industry.

Assets are things that a company owns that have value. This typically means they can either be sold or used by the company to make products or provide services that can be sold. Assets include physical property, such as plants, trucks, equipment and inventory. It also includes things that can't be touched but nevertheless exist and have value, such as trademarks and patents. Cash itself is an asset. So are investments a company makes.

Liabilities are amounts of money that a company owes to others. This can include all kinds of obligations, like money borrowed from a bank to launch a new product, rent for use of a building, money owed to suppliers for materials, payroll a company owes to its employees, environmental cleanup costs, or taxes owed to the government. Liabilities also include obligations to provide goods or services to customers in the future.

Shareholders' equity is sometimes called capital or net worth. It's the money that would be left if a company sold all of its assets and paid off all of its liabilities. This leftover money belongs to the shareholders, or the owners, of the company.

Below is the aggregate balance sheet for the Spice and Extract Manufacturing Industry:

		2008
BALANCE SHEET	%	(in million)
Cash and Government Securities	3.5	\$210
Accounts Receivable	10.0	\$600
Inventories	11.8	\$708
Other Current Assets	4.3	\$258
Total Current Assets	29.6	\$1,777
Property and Other Non-Current Assets	70.4	\$4,226
Total Assets	100.0	\$6,003
Current Liabilities	23.5	\$1,411
Other Non-Current Liabilities	32.8	\$1,969
Total Liabilities	56.3	\$3,380
Stockholders' Equity	43.7	\$2,623
Total Liabilities and Stockholders' Equity	100.0	\$6,003

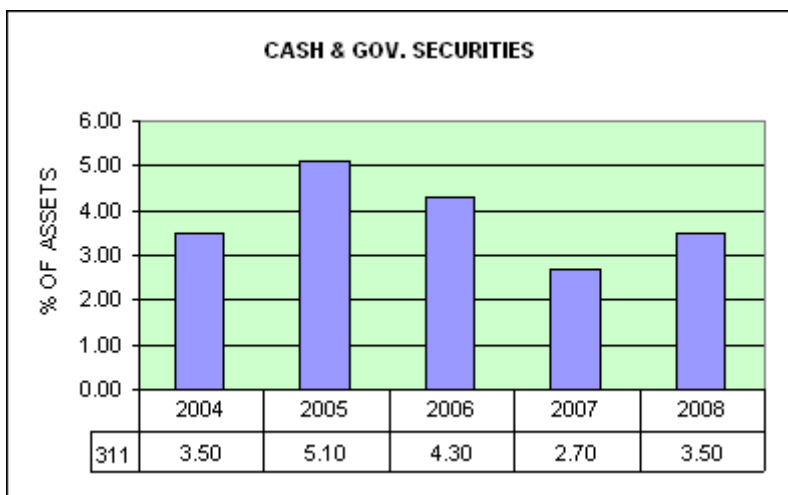
(For a comparison of a 4-year financial statement, please refer to Appendix D)



Assets

Cash and Government Securities

Of all types of assets, cash, and government securities are considered the most liquid assets. This ratio is often used by banks and creditors when applying for loans or asking for better terms. This ratio is also frequently used for cash flow analysis, and sometimes used in conjunction with the liquidity ratio (see later).

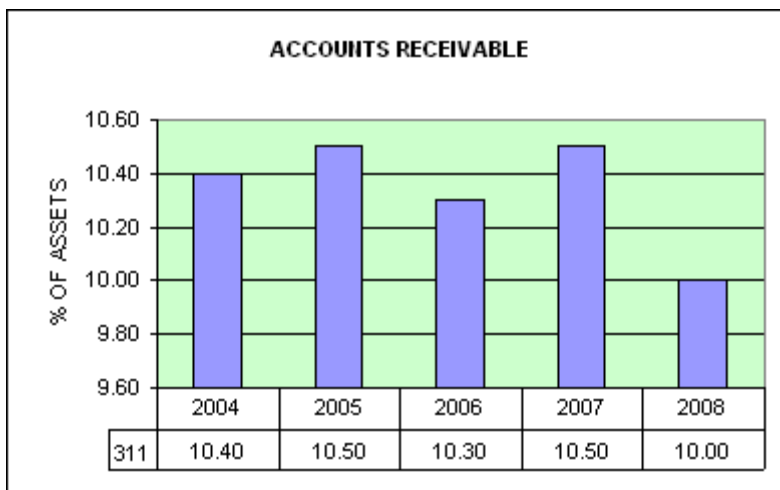
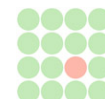


Accounts Receivable

Among all types of assets, accounts receivable is considered the second most liquid of assets. Accounts receivable as a percentage of total assets is a commonly used trend indicator. This is used similarly to the previous ratio and sometimes used in conjunction with the bad debt ratio. The higher the bad debt ratio, the less liquid is the accounts receivable.

The higher the accounts receivable as a percentage of sales ratio, the higher the term is given in the industry. The term is the number of days the credit is given to the buyers. For example, Net 30 term means payment is due in 30 days. Higher term usually translates to higher risk, thus, the less liquid the accounts receivable.

The formula for this ratio is: $\text{Accounts Receivable} / \text{Total Sales}$

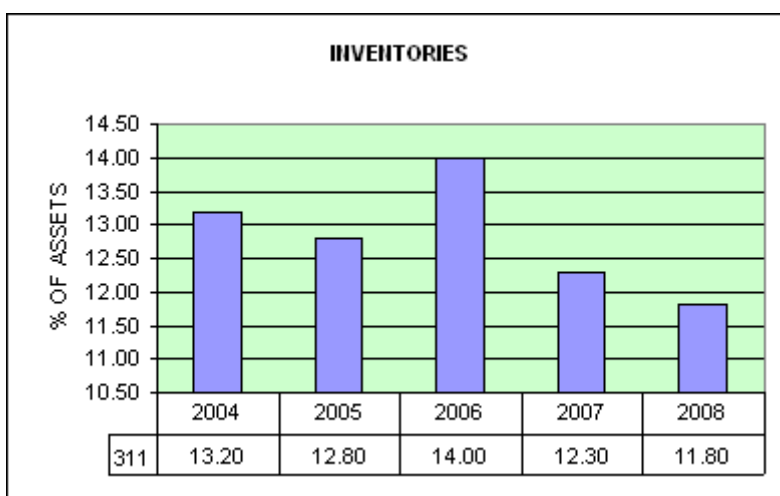


Inventories

Inventory assets are considered the third most liquid asset. This ratio below is frequently used for sales and cash flow analysis. Higher inventory means more products readily available, but also means less efficiency, and higher exposure to price fluctuation. It also implies a higher percentage of assets being tied up, thus increasing working capital requirements.

This ratio is sometimes used in conjunction with the inventory turnover ratio. The higher the inventory turnover, the more efficient the sales cycle.

The formula for the inventory turnover ratio is: $Sales / Inventories$



Inventories Stage of Fabrication Ratios

The chart of inventories by stage of fabrication depicts the ratios of three fabrication stages for this industry. Their ratios are: materials and supplies - 46%, work-in-process - 11%, and



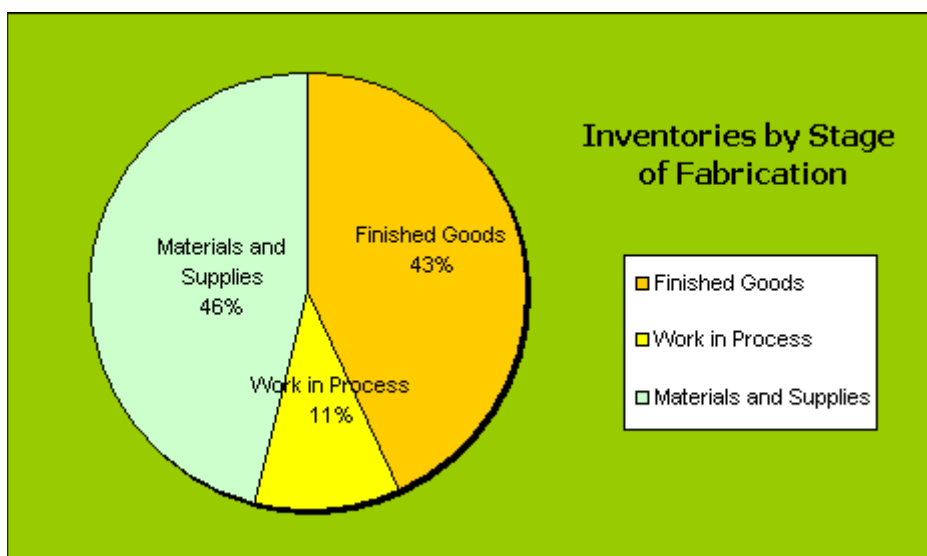
finished goods - 43%. The calculation is based on the end-of-year total inventories. Also, the end-of-year inventories to the beginning-of-year inventories ratio is 1.20.

Total inventories represent the value of the end-of-year stocks regardless of stage of fabrication (whether in the form of purchased materials and supplies, goods in process, or finished goods). These inventories are valued at cost using any valuation method other than LIFO. Inventories associated with the non-manufacturing activities are excluded.

Materials-and-supplies inventory includes all unprocessed raw and semi-fabricated commodities and supplies for which the establishments hold title.

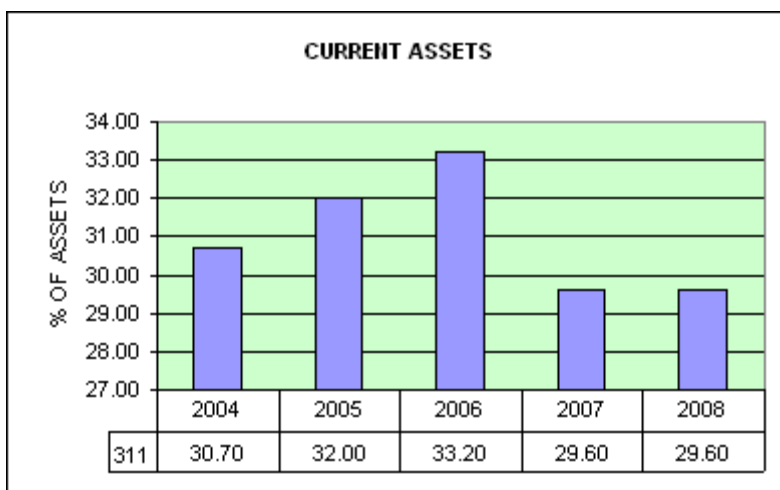
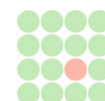
Work-in-process inventory includes accumulated costs of all commodities undergoing fabrication within the establishments. It also includes long-term contracts where the inventory costs are for undelivered items and the value of work done that has not been reported in sales.

Finished goods inventory includes the value of all completed products ready for shipment. It also includes all inventories and goods bought for resale requiring no further processing or assembly. No accumulation of finished goods inventories should occur with long-term contracts unless the total sales receipts are not recorded until the time of delivery.



Total Current Assets

Total current assets include Cash, Government Securities, short-term financial investments, Accounts Receivable and Inventories, a combination of the type of assets previously mentioned. Total current assets as a percentage of total assets is a commonly used indicator for financial and investment planning, and liquidity evaluation.

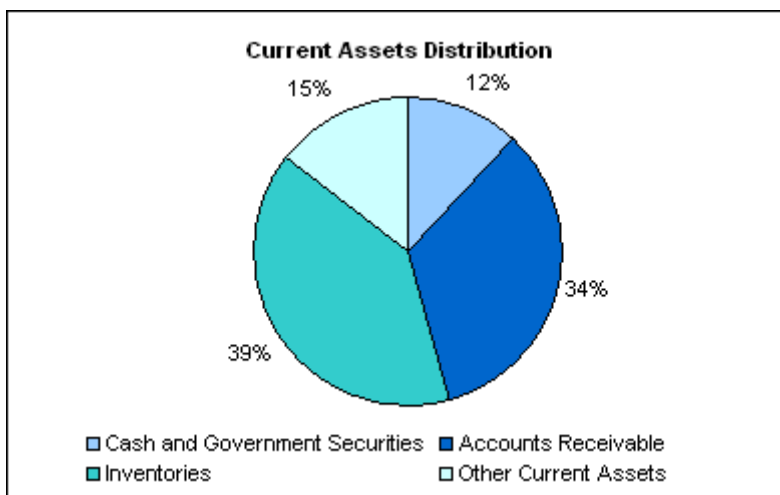


Current Assets Distribution Chart

The current assets distribution chart below shows the distribution of:

1. Cash and Government Securities
2. Accounts Receivable
3. Inventories
4. Other Assets

While each company's asset distribution depends on its own individual financial and investment strategies, and industry standards, the following information provides a look at the industry average.



Property and Other Non-Current Assets

This category includes:

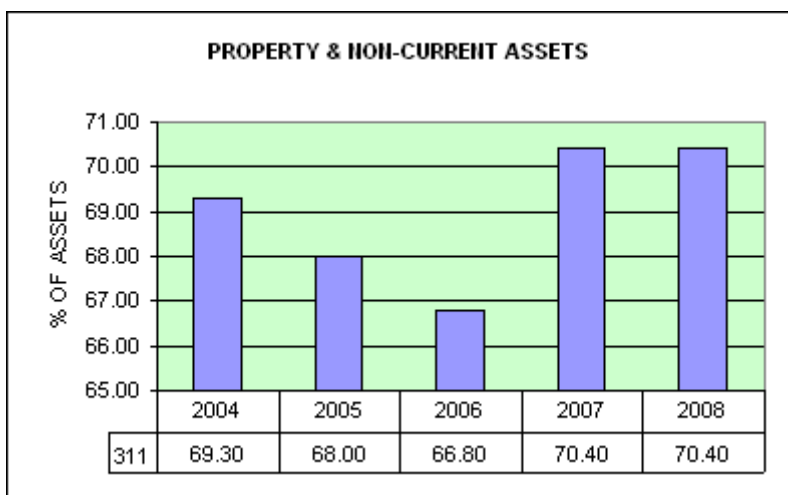
1. Plant and Equipment



2. Land and Mineral Rights
3. Investment in Non-consolidated Entities
4. Long-term Investments
5. Intangible Assets
6. All other Non-current Assets not listed above

Total Non-Current Assets must subtract the accumulated depreciation, depletion and amortization to reflect the correct value.

Total Non-Current Assets as a percentage of total assets is the counter part to the Total Current Assets as a percentage of Total Assets ratio.





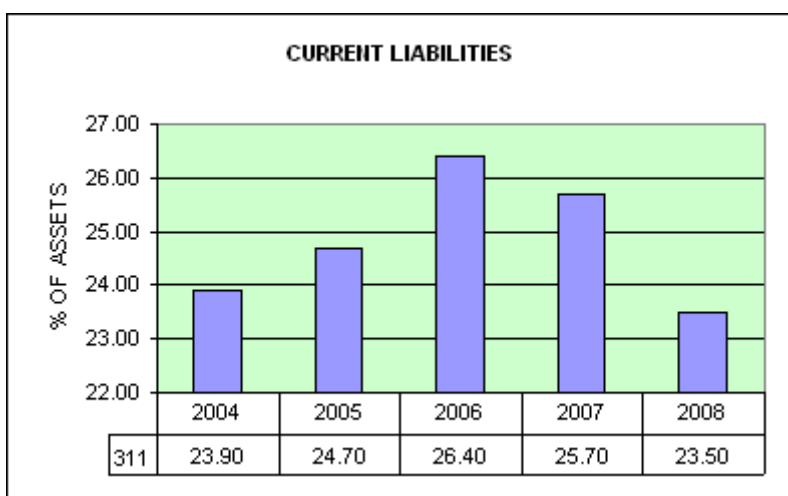
Liabilities

Current Liabilities

Total current liabilities include the following:

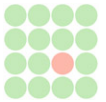
1. Short-term debt, original maturity of 1 year or less. It includes loans from banks and other short-term loans, such as commercial paper.
2. Trade accounts and trade notes payable.
3. Income taxes accrued, prior and current years, net of payments.
4. Installments, due in 1 year or less, on long-term debt.
5. All other current liabilities, including excise and sales taxes, and accrued expenses.

Total current liabilities as a percentage of total assets is a commonly used indicator of cash flow requirements and asset liquidity, frequently used for financial and cash flow planning.



Total Liabilities

Total liabilities include total current liabilities plus long-term debt, due in more than 1 year. It also includes all other non-current liabilities, including deferred income taxes, capitalized leases, and minority stockholders' interest in consolidated domestic corporations.





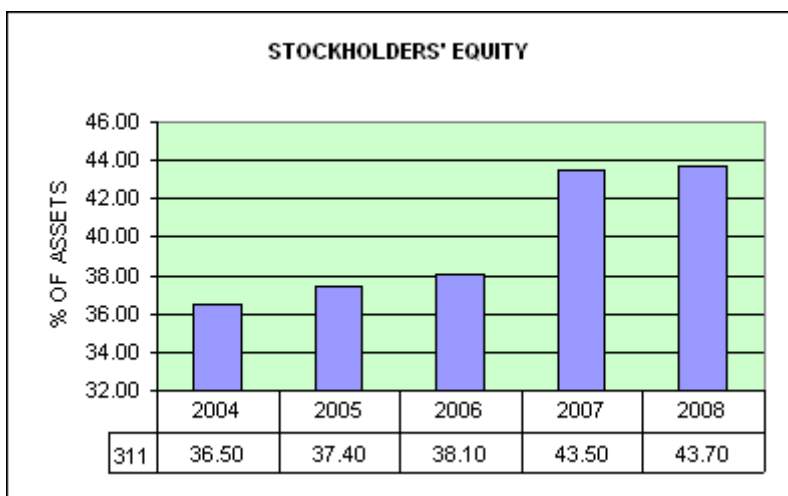
Equity

Stockholders' Equity

Stockholders' equity as a percentage of total assets is a commonly used trend indicator. It reflects the relationship between total assets and stockholders' equity. This ratio is frequently used for investment planning as well as for analysis of a company's ROI (return on investment) performance.

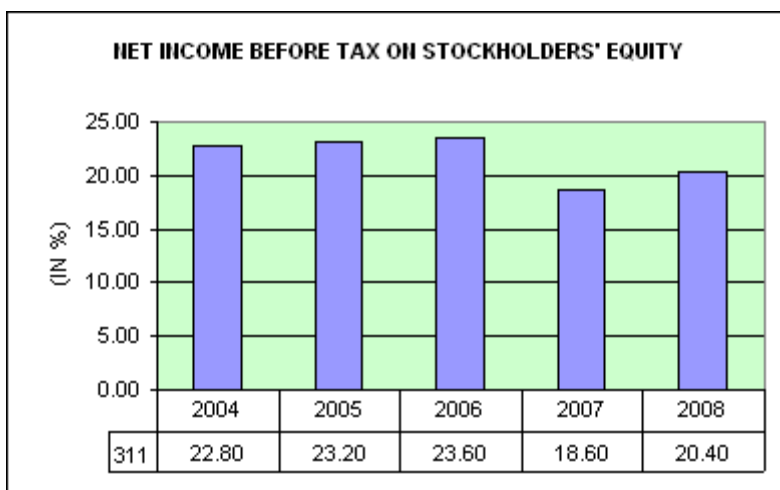
In business and accounting, the shareholders' equity refers to the amount of assets that are owned by a company's shareholders.

Shareholders' equity is a residual value that enables us to reconcile assets and liabilities. Shareholders' equity is a calculation of retained earnings from the prior year + net income of the year at hand (revenues - expenses) - dividends paid during the year at hand. So technically, when a company looks at shareholders' equity (or specifically the statement of shareholders' equity), it can learn several things: how much was left over (positive or negative in value) from last year, what is the difference in revenues and expenses experienced by the company (net income or net loss) of the year at hand, and how much was paid out in dividends in the year at hand.



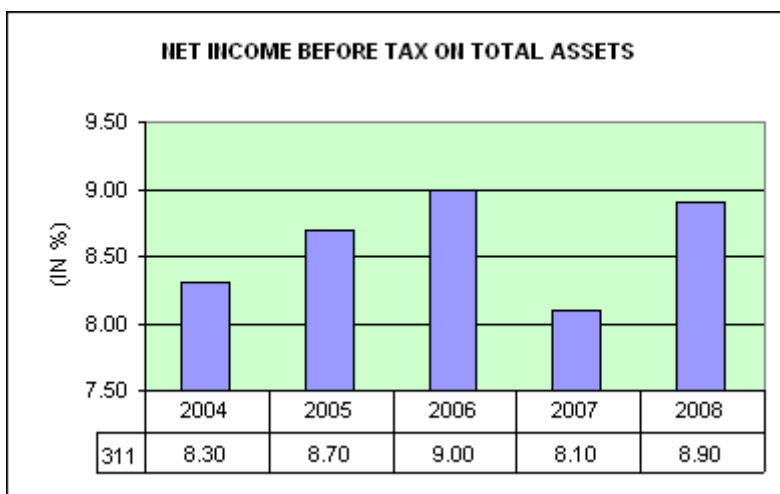
Profit on Stockholders' Equity before Income Tax

This ratio is obtained by dividing income before taxes by stockholders' equity. This ratio measures the rate of return that accrues to stockholders on their investment.



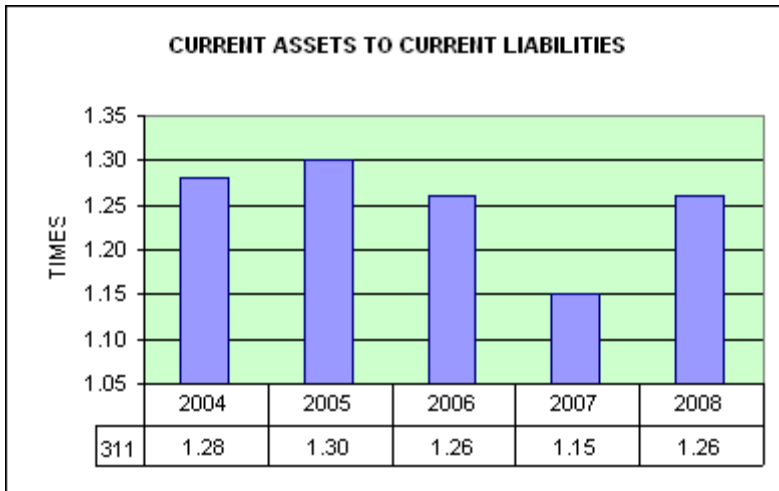
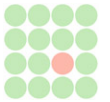
Profit on Total Assets before Income Tax

This ratio is obtained by dividing income before taxes by total assets. This ratio measures the productivity of assets in terms of producing income.



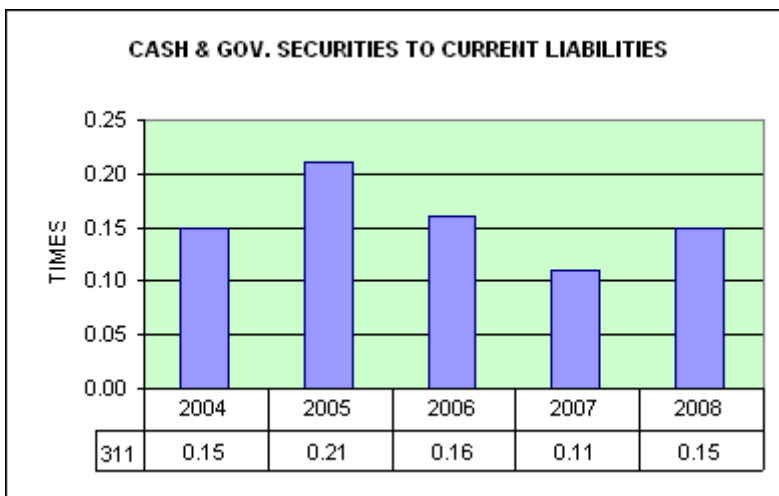
Total Current Assets to Total Current Liabilities

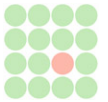
This ratio is obtained by dividing total current assets by total current liabilities. This ratio measures the ability to discharge current maturing obligations from existing current assets.



Total Cash & Government Securities to Total Current Liabilities

This ratio is obtained by dividing total cash and U.S. Government and other securities by total current liabilities. This ratio measures the ability to discharge current liabilities from liquid assets.



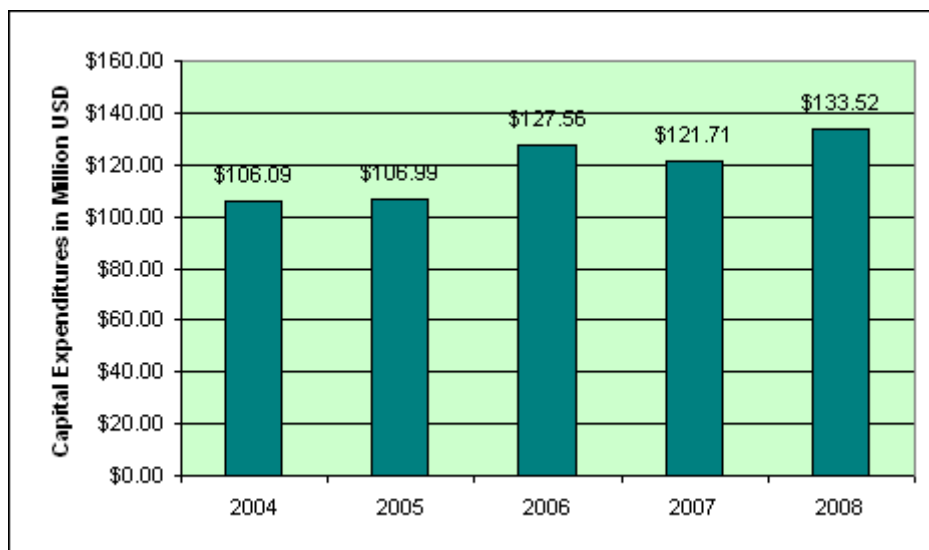


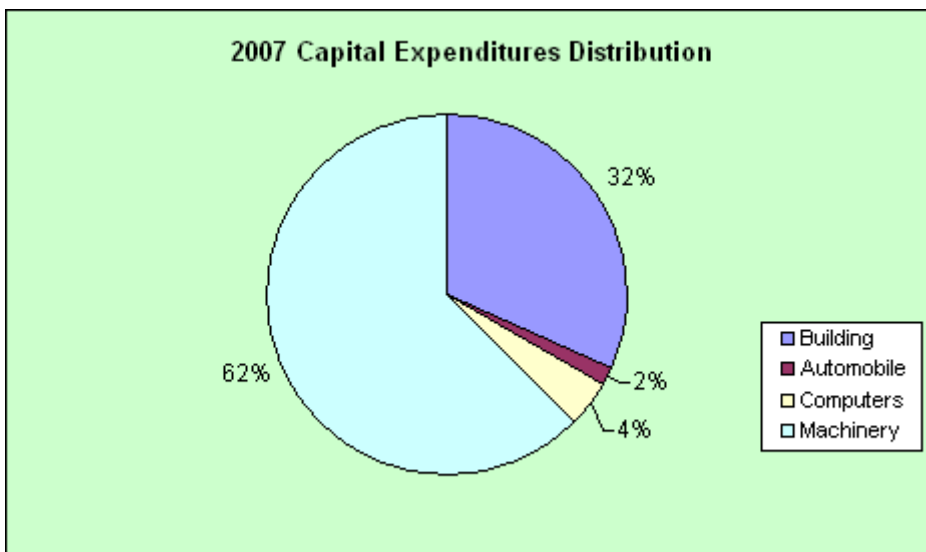
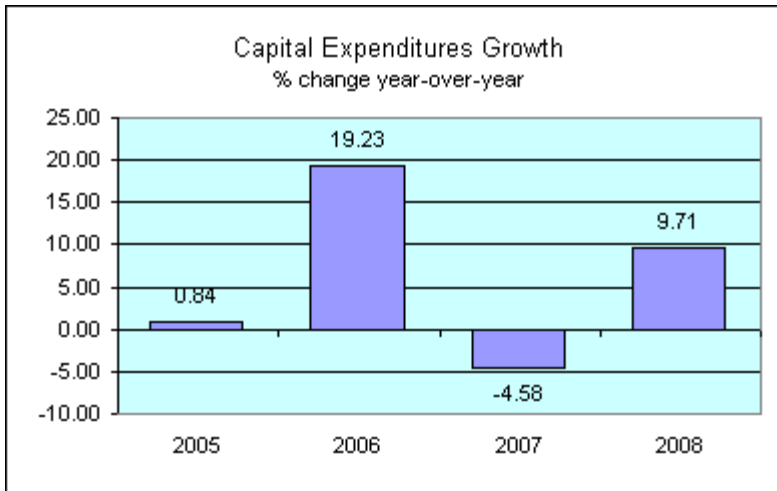
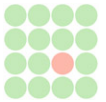
Capital Expenditures

Capital expenditures include all expenditures during the year for both new and used structures (excluding land) and equipment chargeable to asset accounts for which depreciation and amortization accounts are ordinarily maintained. These data include expenditures for: 1) Permanent additions and major alterations to manufacturing and mining establishments (when applicable), 2) New and used machinery and equipment used for replacement and additions to plant capacity. That includes: a) Automobiles, trucks, etc. for highway use. b) Computers and peripheral data processing equipment, and c) All other expenditures for machinery and equipment excluding automobiles and computer equipment.

Capital expenditures include work done by contract, as well as by the establishment's own workforce. These data exclude expenditures for land and mineral rights and cost of maintenance and repairs charged as current operating expenses.

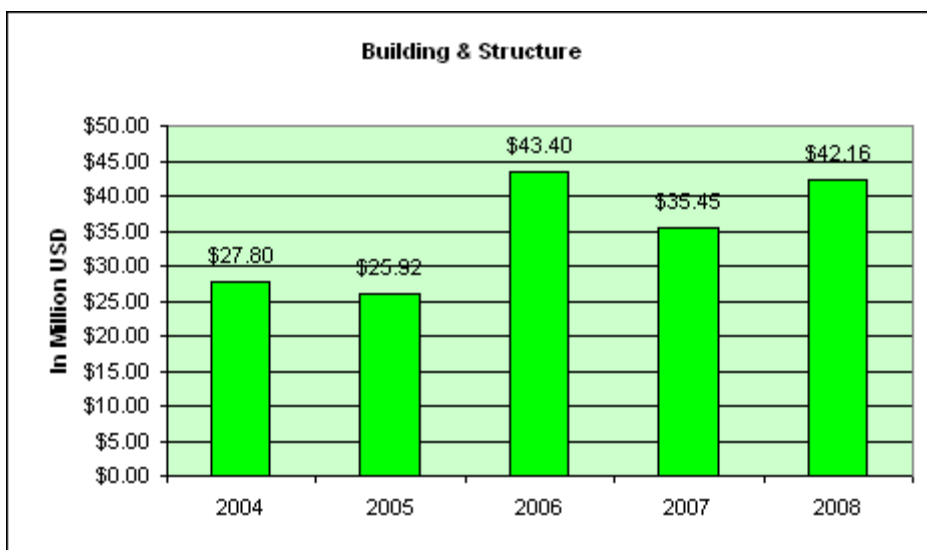
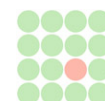
The following charts show the capital expenditures for this industry over the past 5 years, the year over year growth, and its distribution breakdown into the previously described categories over the past 5 years.





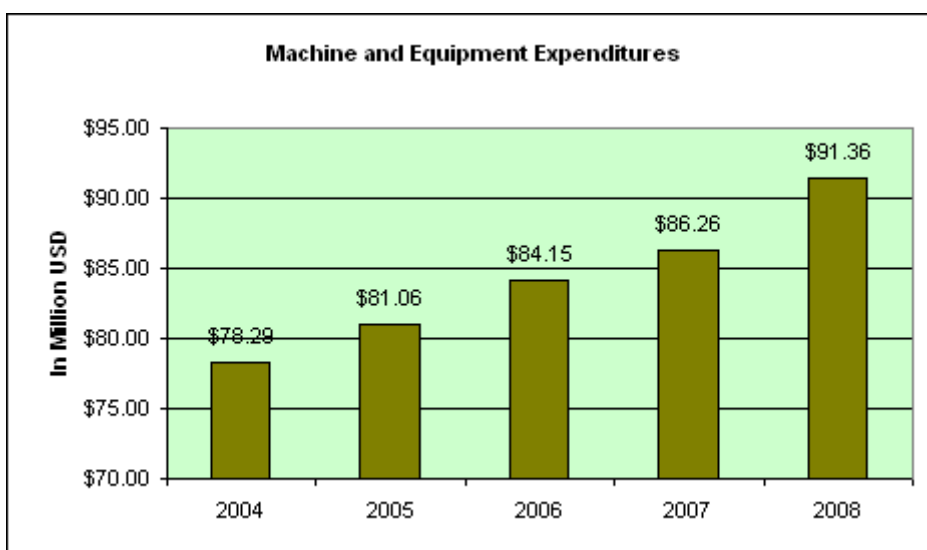
Building & Structure

Building & structure is defined as any permanent additions and major alterations to manufacturing and mining establishments.



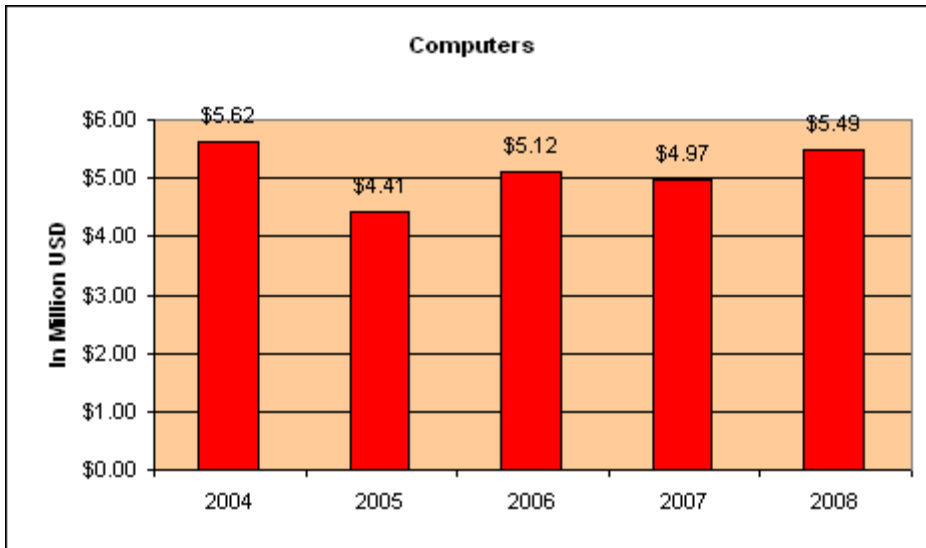
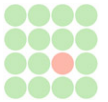
Machine and Equipment Expenditures (including Automobile & Computers)

This category is defined as any new and used machinery and equipment used for replacement and additions to plant capacity, including automobile and computers.



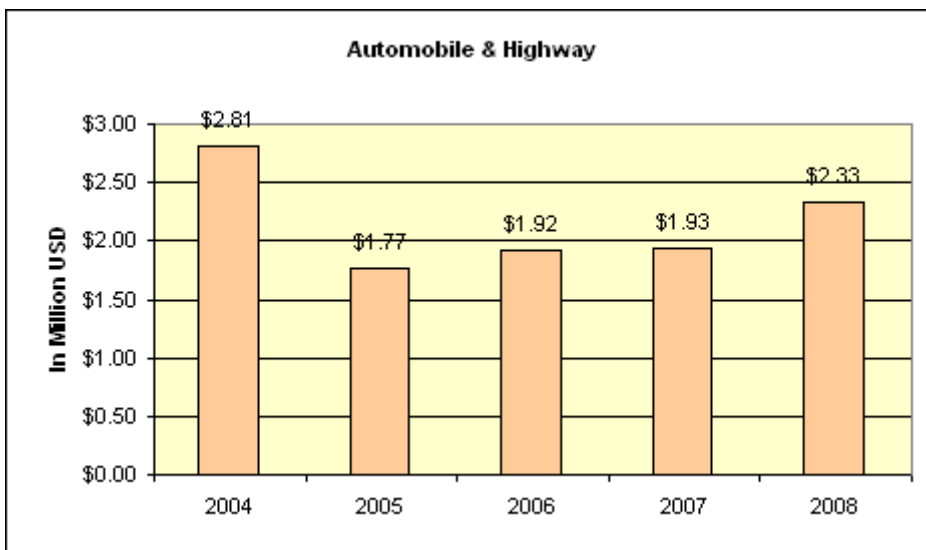
Computers

This item includes all purchases of computers and related equipment. Examples of related equipment are: printers, networking equipment, routers, wireless accessories, computer keyboards, mouse, monitors, bar code readers, scanners, surge protectors.



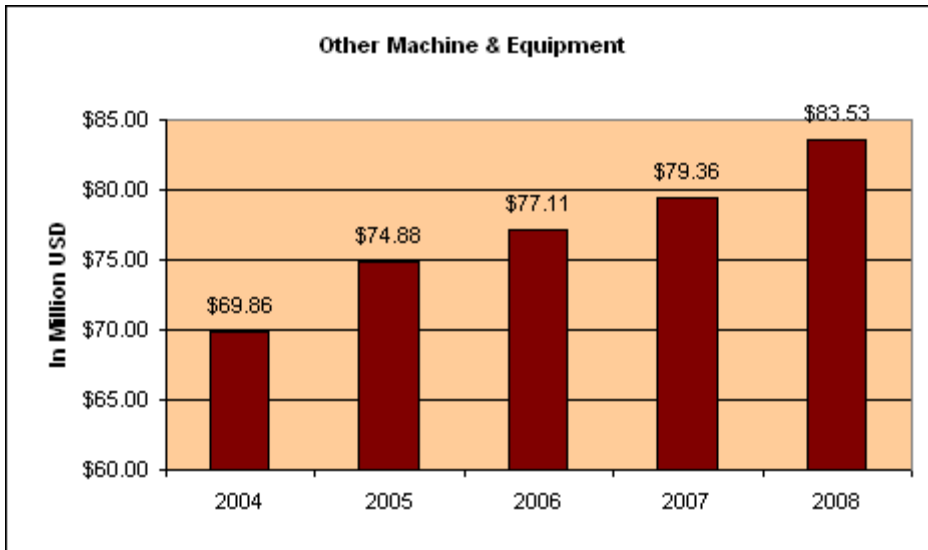
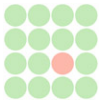
Automobile & Highway

These include vehicles acquired under a lease purchase agreement and exclude vehicles leased or normally designed to transport materials, property, or equipment on mining, construction, petroleum development, and similar projects. These vehicles are of such size or weight as to be normally restricted by state laws or regulations from operating on public highways. It also excludes purchases of vehicles that are purchased by a company for highway use.



Other Machine & Equipment

Other machine & equipment include all other expenditures for machinery and equipment excluding automobiles and computer equipment.





Product Market Sizes

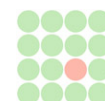
Below is a list of product codes and their market sizes in this industry. The hierarchy is in the following order: it starts with the 6-digit NAICS code, followed by the 7-character alphanumeric product code, then the 8-character alphanumeric product code, and finally, the 10-character alphanumeric product code. There are 5 fields in this table: Product Code, Description, Unit of Measurement, Ratio, and Value in Million \$. Unit of measurement can be lbs (as in Pounds), kilos (or KG in kilogram), mil lb (as in million pounds), tons, 1,000s tons, millions (1 million pieces), etc. Ratio is the percentage of total product revenue.

Product Code	Description	Unit of Measurement	Ratio	Value (Million \$)
311942	Spice and Extract Manufacturing		100.00%	\$7,028
3119421	Table salt (evaporated), pepper (white and black), and other spices		32.20%	\$2,263
31194211	Table salt (evaporated), pepper (white and black)		5.06%	\$356
3119421111	Table salt	1,000s tons	1.24%	\$87
3119421121	Pepper, white and black, in consumer sizes (less than 1 lb)	mil lb	1.31%	\$92
3119421131	Pepper, white and black, in commercial sizes (1 lb or more)	mil lb	2.50%	\$176
31194212	Other spices, consumer sizes (less than 1 lb)		11.64%	\$818
3119421241	Other spices, consumer sizes (less than 1 lb)	mil lb	11.64%	\$818
31194213	Other spices, commercial sizes (1 lb or more)		15.47%	\$1,087
3119421351	Other spices, commercial sizes (1 lb or more)	mil lb	15.47%	\$1,087
3119421Y	Table salt, pepper (white and black), and other spices, not specified by kind		0.03%	\$2
3119421YWV	Table salt, pepper (white and black), and other spices, not specified by kind		0.03%	\$2
3119425	Flavoring extracts, emulsions, etc., and food colorings		27.80%	\$1,954
31194251	Flavoring extracts, emulsions, etc., and food colorings		27.80%	\$1,954
3119425111	Flavoring extracts, emulsions, etc., natural or true, 8 oz/less	mil gal	2.56%	\$180
3119425121	Flavoring extracts, emulsions, etc., natural or true, 8 oz/more	mil gal	16.85%	\$1,184
3119425131	Flavoring extracts, emulsions, and other liquid flavors, imitation	mil gal	6.59%	\$463
3119425151	Food colorings, except synthetic		1.80%	\$127
3119425Y	Flavoring extracts, emulsions, etc., and food colorings, not specified by kind		NA	NA
3119425YWV	Flavoring extracts, emulsions, etc., and food colorings, not specified by kind		NA	NA
3119427	Dry mix food preparations		35.70%	\$2,509
31194271	Dry dip, salad dressing, and seasoning mixes		24.86%	\$1,747
3119427111	Dry dip mixes	mil lb	1.77%	\$124
3119427121	Dry salad dressing mixes	mil lb	0.94%	\$66
3119427131	Dry seasoning mixes	mil lb	22.15%	\$1,557



Product Code	Description	Unit of Measurement	Ratio	Value (Million \$)
31194272	Dry gravy, sauce, and frosting mixes		10.44%	\$734
3119427241	Dry gravy and sauce mixes	mil lb	7.03%	\$494
3119427251	Dry frosting mixes	mil lb	3.42%	\$240
3119427Y	Dry mix food preparations, not specified by kind		0.40%	\$28
3119427YWV	Dry mix food preparations, not specified by kind		0.40%	\$28
311942W	Spice and extract manufacturing, not specified by kind, total		4.30%	\$302
311942WY	Spice and extract manufacturing, not specified by kind, total		4.30%	\$302
311942WYWW	Spice and extract manufacturing, not specified by kind, for nonadministrative-records		2.99%	\$210
311942WYWY	Spice and extract manufacturing, not specified by kind, for administrative-records		1.30%	\$91

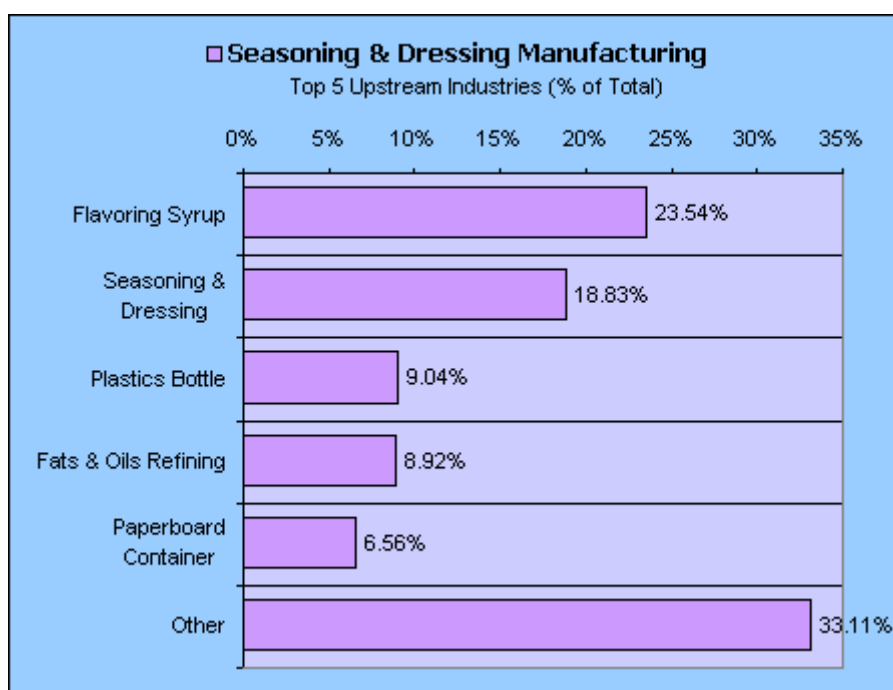
Market size percentages for the spice and extract manufacturing industry are: table salt (evaporated), pepper (white & black), & other spices (32.2%); flavoring extracts, emulsions, etc., and food colorings (27.8%); dry mix food preparations (35.7%); and spice and extract manufacturing, not specified by kind, total (4.3%).



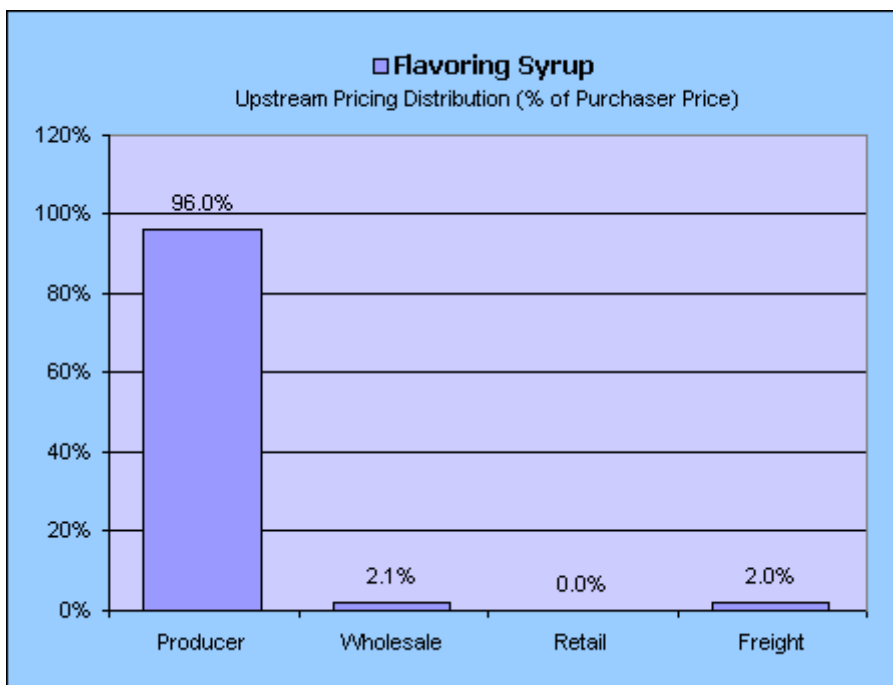
Cost Analysis

The top 5 upstream industries that supplied products to the Seasoning & Dressing Manufacturing industry were: Flavoring Syrup & Concentrate Manufacturing (23.54%), Seasoning & Dressing Manufacturing (18.83%), Plastics Bottle Manufacturing (9.04%), Fats & Oils Refining & Blending (8.92%), Paperboard Container Manufacturing (6.56%), and the remainder (33.11%). Please note that the Spice and Extract Manufacturing industry is part of the Seasoning & Dressing Manufacturing industry.

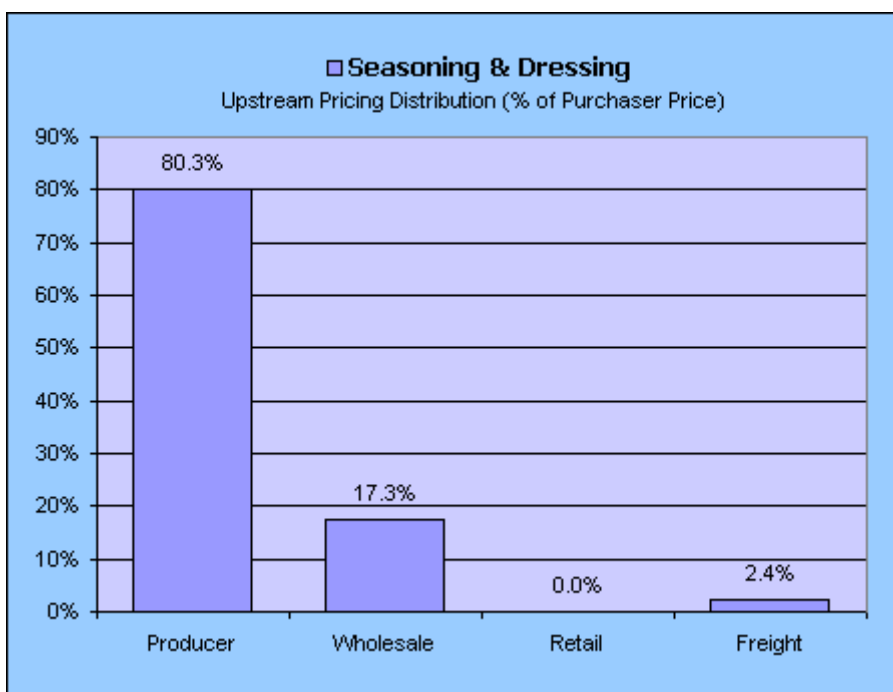
The data used for this analysis was based on the 2002 U.S. Input-Output Accounts published by the U.S. Department of Commerce on October 24, 2007. Due to the magnitude of this study, the report is only produced once every 5 years. For instance, 2007 data will not be available until November, 2012.



The upstream pricing distribution is analyzed for each of the top 5 upstream industries. The percentile in the chart is based on the purchaser price, which is the same as the price of the final demand. Inside the chart, the price is distributed to 4 categories: producer price, wholesale margin, retail margin, and freight cost. Each upstream industry has its own unique pricing structure. The chart, along with its explanatory text, provides a clear breakdown of the industry's cost structure.

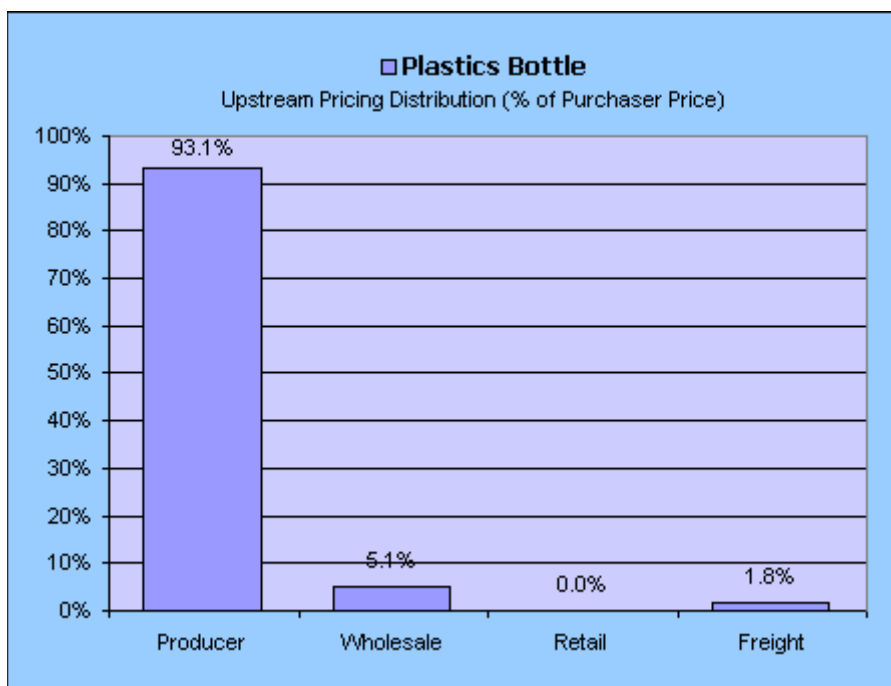


Flavoring Syrup & Concentrate Manufacturing industry supplied \$1.1 billion USD worth of products to the Seasoning & Dressing Manufacturing industry in 2002. Of which, 96.0% was the producer's price, 2.1% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 2.0%. The purchaser's price equaled to \$1.0 billion USD. Total freight cost was \$20.8 million USD. Freight cost was divided to: rail 1.0%, truck 95.2%, water 1.4%, air 2.4%, and pipe 0.0%.

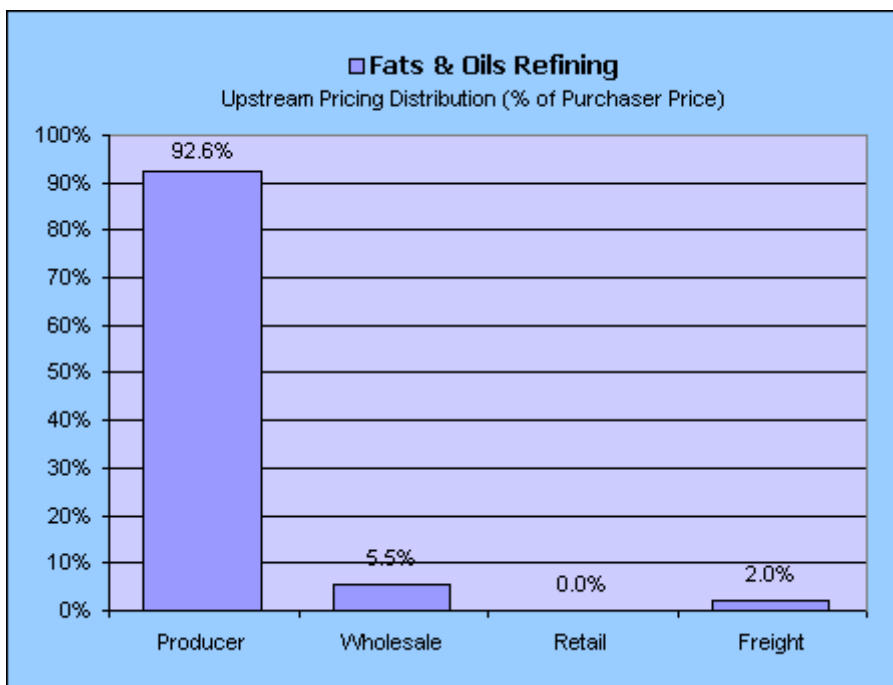




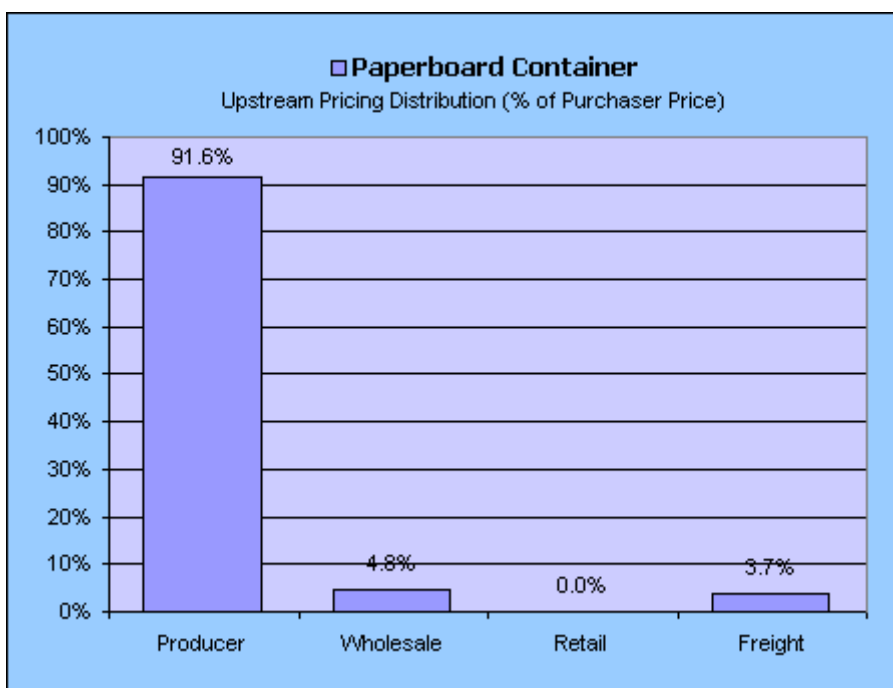
Seasoning & Dressing Manufacturing industry supplied \$843.2 million USD worth of products to the Seasoning & Dressing Manufacturing industry in 2002. Of which, 80.3% was the producer's price, 17.3% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 2.4%. The purchaser's price equaled to \$676.8 million USD. Total freight cost was \$20.6 million USD. Freight cost was divided to: rail 35.4%, truck 61.7%, water 1.0%, air 1.9%, and pipe 0.0%.

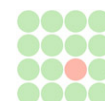


Plastics Bottle Manufacturing industry supplied \$404.7 million USD worth of products to the Seasoning & Dressing Manufacturing industry in 2002. Of which, 93.1% was the producer's price, 5.1% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 1.8%. The purchaser's price equaled to \$376.7 million USD. Total freight cost was \$7.2 million USD. Freight cost was divided to: rail 4.2%, truck 93.1%, water 0.0%, air 2.8%, and pipe 0.0%.



Fats & Oils Refining & Blending industry supplied \$399.5 million USD worth of products to the Seasoning & Dressing Manufacturing industry in 2002. Of which, 92.6% was the producer's price, 5.5% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 2.0%. The purchaser's price equaled to \$369.8 million USD. Total freight cost was \$7.8 million USD. Freight cost was divided to: rail 2.6%, truck 94.9%, water 0.0%, air 2.6%, and pipe 0.0%.





Paperboard Container Manufacturing industry supplied \$293.6 million USD worth of products to the Seasoning & Dressing Manufacturing industry in 2002. Of which, 91.6% was the producer's price, 4.8% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 3.7%. The purchaser's price equaled to \$268.8 million USD. Total freight cost was \$10.8 million USD. Freight cost was divided to: rail 0.0%, truck 100.0%, water 0.0%, air 0.0%, and pipe 0.0%.

Upstream Industries

The table shows the purchaser price and the 4 categories mentioned above. It is ranked based on the upstream industry's sales price (or the incumbent industry's purchase price). The table helps identify upstream industries with better pricing, economic scale, and freight cost.

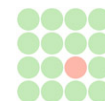
Commodity Description	Producer Price	Wholesale Margin	Retail Margin	Freight Cost	Purchaser Price (in Million \$)	% of Total
Flavoring Syrup & Concentrate Manufacturing	96.00%	2.10%	0.00%	2.00%	\$1,054.3	23.54%
Seasoning & Dressing Manufacturing	80.30%	17.30%	0.00%	2.40%	\$843.2	18.83%
Plastics Bottle Manufacturing	93.10%	5.10%	0.00%	1.80%	\$404.7	9.04%
Fats & Oils Refining & Blending	92.60%	5.50%	0.00%	2.00%	\$399.5	8.92%
Paperboard Container Manufacturing	91.60%	4.80%	0.00%	3.70%	\$293.6	6.56%
Glass Container Manufacturing	89.70%	1.90%	0.00%	8.40%	\$285.5	6.38%
Fruit & Vegetable Canning, Pickling, & Drying	88.00%	10.40%	0.00%	1.60%	\$168.0	3.75%
Poultry & Egg Production	92.30%	2.20%	0.00%	5.50%	\$143.7	3.21%
Wet Corn Milling	87.90%	5.00%	0.00%	7.20%	\$136.8	3.05%
Plastics Packaging Materials & Unlaminated Film & Sheet Manufacturing	93.70%	4.60%	0.00%	1.70%	\$80.9	1.81%
Tree Nut Farming	85.90%	6.00%	0.00%	8.10%	\$80.4	1.80%
Electric Power Generation, Transmission, & Distribution	100.00%	0.00%	0.00%	0.00%	\$72.8	1.63%
All Other Converted Paper Product Manufacturing	80.90%	15.60%	0.00%	3.50%	\$67.9	1.52%
All Other Food Manufacturing	86.90%	11.60%	0.00%	1.50%	\$65.8	1.47%
Flour Milling & Malt Manufacturing	83.10%	11.50%	0.00%	5.40%	\$55.6	1.24%
Metal Can, Box, & Other Metal Container (Light Gauge) Manufacturing	96.80%	0.90%	0.00%	2.30%	\$52.9	1.18%
Dry, Condensed, & Evaporated Dairy Product Manufacturing	78.80%	20.50%	0.00%	0.80%	\$52.8	1.18%
Nonresidential Maintenance & Repair	100.00%	0.00%	0.00%	0.00%	\$42.8	0.96%



Commodity Description	Producer Price	Wholesale Margin	Retail Margin	Freight Cost	Purchaser Price (in Million \$)	% of Total
Natural Gas Distribution	100.00%	0.00%	0.00%	0.00%	\$32.0	0.71%
Beet Sugar Manufacturing	87.40%	11.30%	0.00%	1.30%	\$23.0	0.51%
Paperboard Mills	89.10%	5.70%	0.00%	5.20%	\$22.9	0.51%
Motor Vehicle Parts Manufacturing	93.00%	5.60%	0.00%	1.40%	\$21.3	0.48%
Relay & Industrial Control Manufacturing	71.30%	28.70%	0.00%	0.00%	\$17.1	0.38%
Water, Sewage & Other Systems	100.00%	0.00%	0.00%	0.00%	\$11.8	0.26%
Other Electronic Component Manufacturing	83.30%	16.70%	0.00%	0.00%	\$10.2	0.23%
Other Basic Organic Chemical Manufacturing	100.00%	0.00%	0.00%	0.00%	\$7.8	0.17%
Material Handling Equipment Manufacturing	77.30%	22.70%	0.00%	0.00%	\$7.5	0.17%
Petroleum Lubricating Oil & Grease Manufacturing	80.30%	14.80%	0.00%	4.90%	\$6.1	0.14%
Machine Shops	100.00%	0.00%	0.00%	0.00%	\$6.1	0.14%
Coal Mining	63.90%	0.00%	0.00%	36.10%	\$3.6	0.08%
Petroleum Refineries	93.90%	6.10%	0.00%	0.00%	\$3.3	0.07%
Cutting Tool & Machine Tool Accessory Manufacturing	86.40%	13.60%	0.00%	0.00%	\$2.2	0.05%
Paper Mills	100.00%	0.00%	0.00%	0.00%	\$0.6	0.01%
Other Communications Equipment Manufacturing	100.00%	0.00%	0.00%	0.00%	\$0.5	0.01%
Tire Manufacturing	100.00%	0.00%	0.00%	0.00%	\$0.3	0.01%
Power, Distribution, & Specialty Transformer Manufacturing	100.00%	0.00%	0.00%	0.00%	\$0.3	0.01%
Telephone Apparatus Manufacturing	100.00%	0.00%	0.00%	0.00%	\$0.2	0.00%
Broadcast & Wireless Communications Equipment	100.00%	0.00%	0.00%	0.00%	\$0.2	0.00%
Office Supplies (Except Paper) Manufacturing	100.00%	0.00%	0.00%	0.00%	\$0.2	0.00%

Notes:

Wholesale Margin - Entries in this field represent the wholesale trade margin necessary to deliver the commodity to the using industry or final user. Included in the margin are wholesale sales taxes and excise taxes collected by wholesalers.



Retail Margin - Entries in this field represent the retail trade margin necessary to deliver the commodity to the using industry or final user. Included in the margin are retail sales taxes and excise taxes collected by retailers.

Freight Cost – Entries in this field represent the cost of transportation from producers' establishments to purchasers' outlets. Freight cost includes rail, truck, water, air, pipe and gas pipe.

Purchaser Price - Entries in this field represent the use of inputs (identified by commodity codes) by industries or final demand (identified by industry codes), in purchasers' prices.



Pricing Analysis

Producer Price Indices

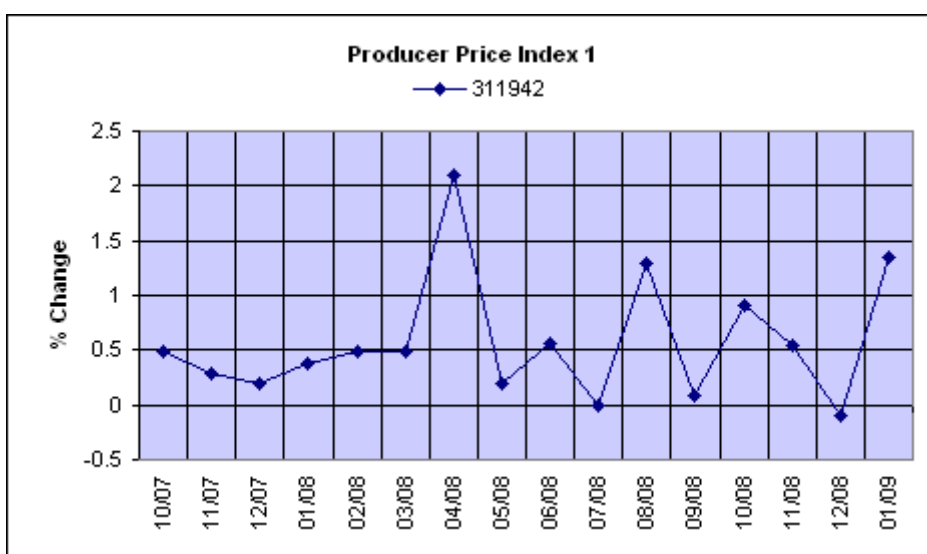
Pricing is one of the major determinants of a manufacturer's revenue and profitability. Aside from analyzing a company's historical pricing data, you gain additional insight through comparing the price indices of this industry versus four related sectors:

1. Manufacturing Sector
2. Wholesale Sector
3. Retail Sector
4. Consumer Sector

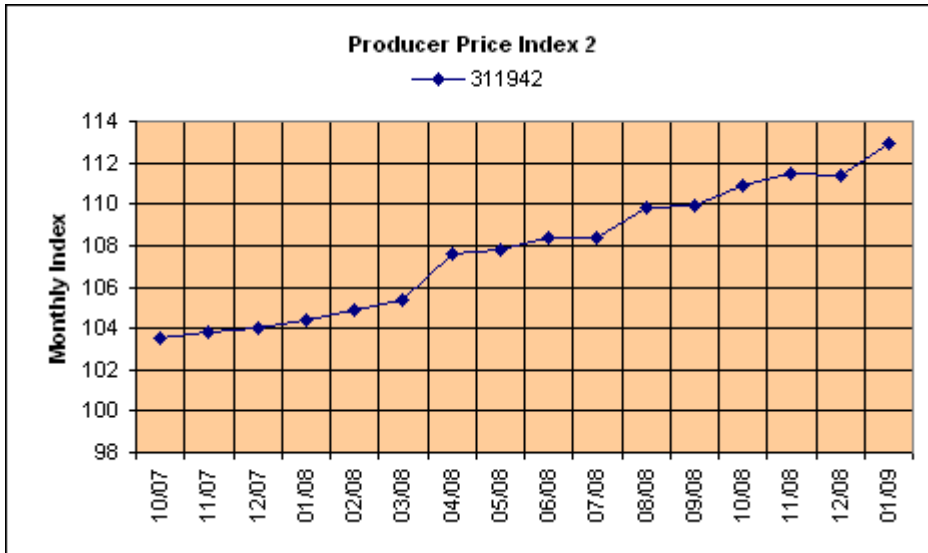
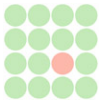
PPI is a family of indices developed and published by the Bureau of Labor Statistics that measures the average change over time in selling prices received by domestic producers of goods and services. Producer price indices measure price change from the perspective of the seller. This contrasts with other measures, such as the Consumer Price Index (CPI), that measure price change from the purchaser's perspective. Sellers' and purchasers' prices may differ due to government subsidies, sales and excise taxes, and distribution costs.

Producer Price Indices – Spice and Extract Manufacturing

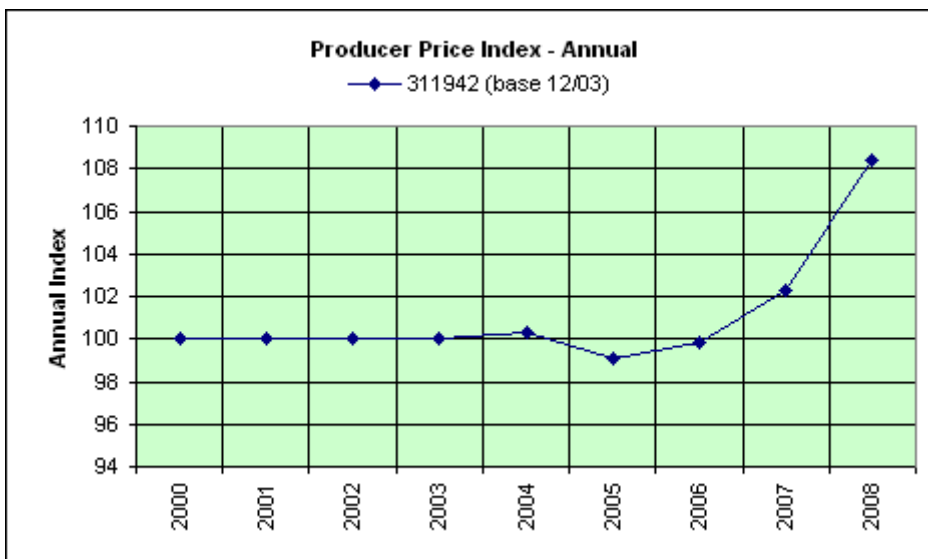
The following three producer price indices for this industry cover time periods that include mid and long time perspectives.



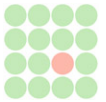
The Producer Price Index 1 is based on the monthly % change for the past 12 to 17 months.



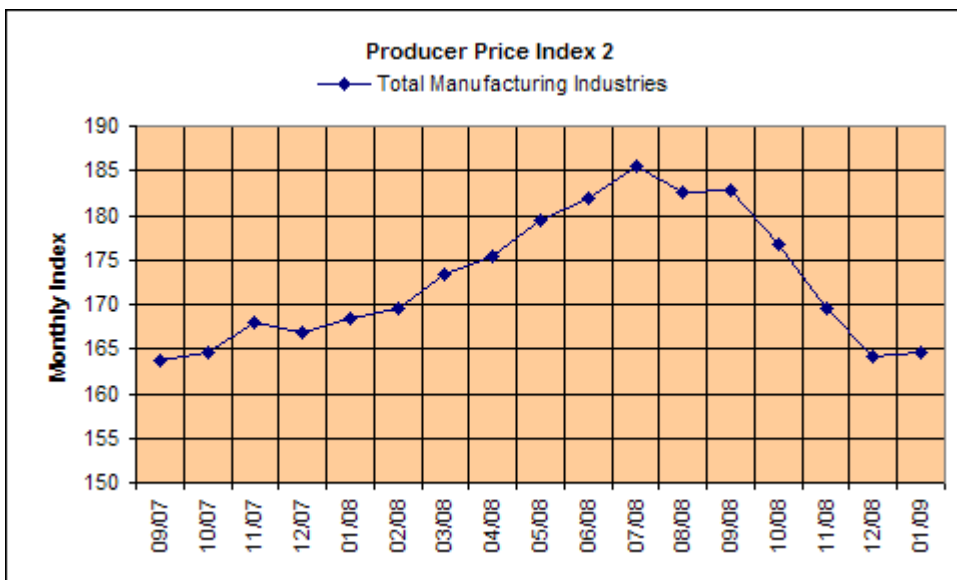
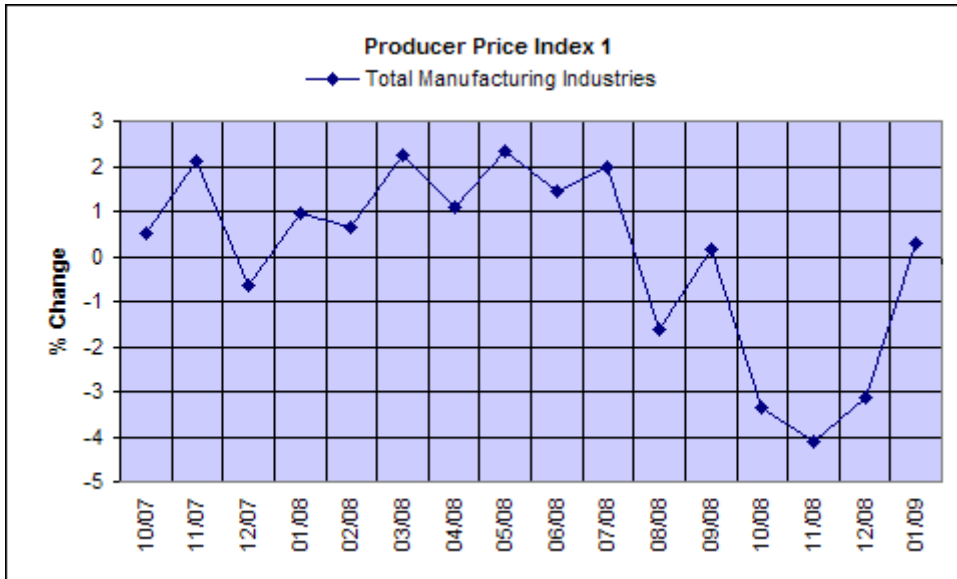
The Producer Price Index 2 is based on the index number with a base of 100 in 2002, also on a monthly basis for the past 12 to 16 months.



The Producer Price Index - Annual shows annual changes over the past years.



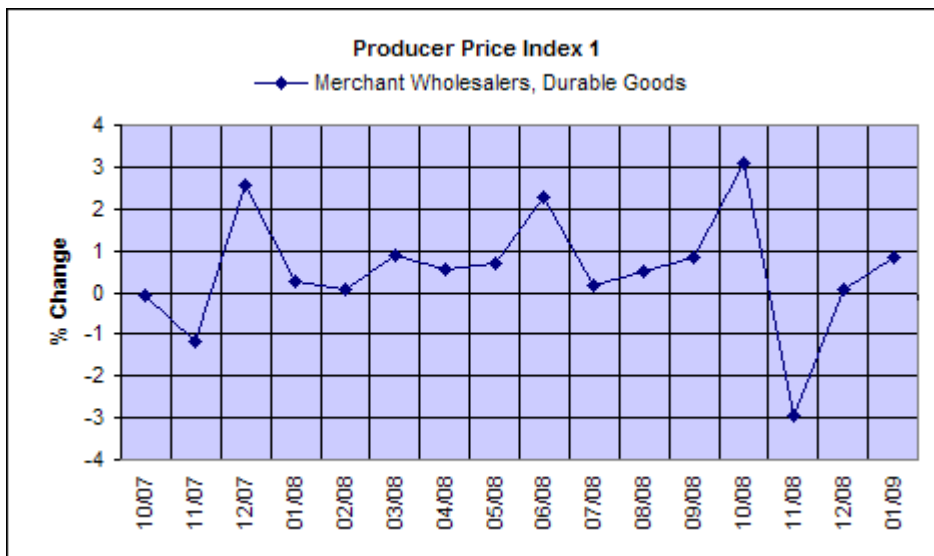
Manufacturing Sector



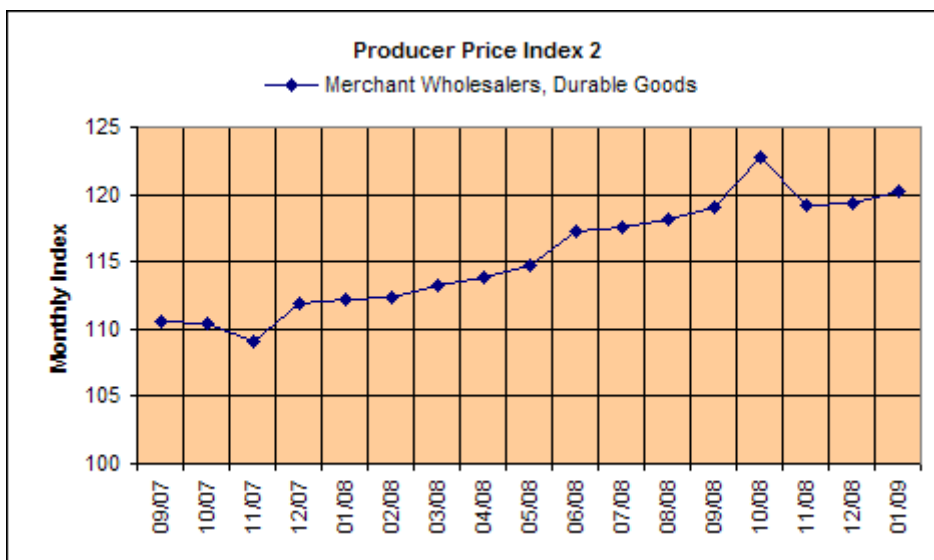


Producer Price Index – Wholesale Sector

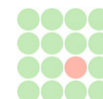
Merchant Wholesalers, Durable Goods



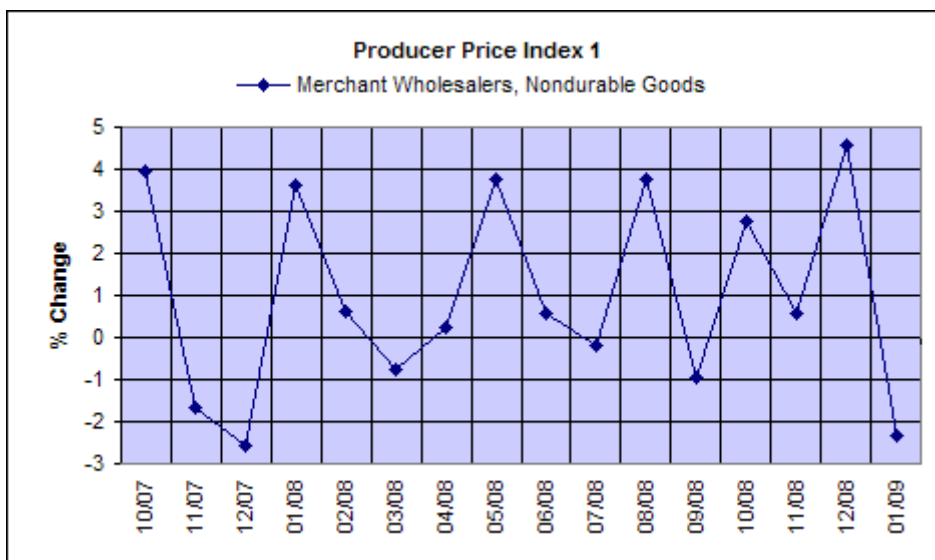
The Wholesale (Durable Goods) Producer Price Index 1 is based on the monthly percentage change for the past 17 months.



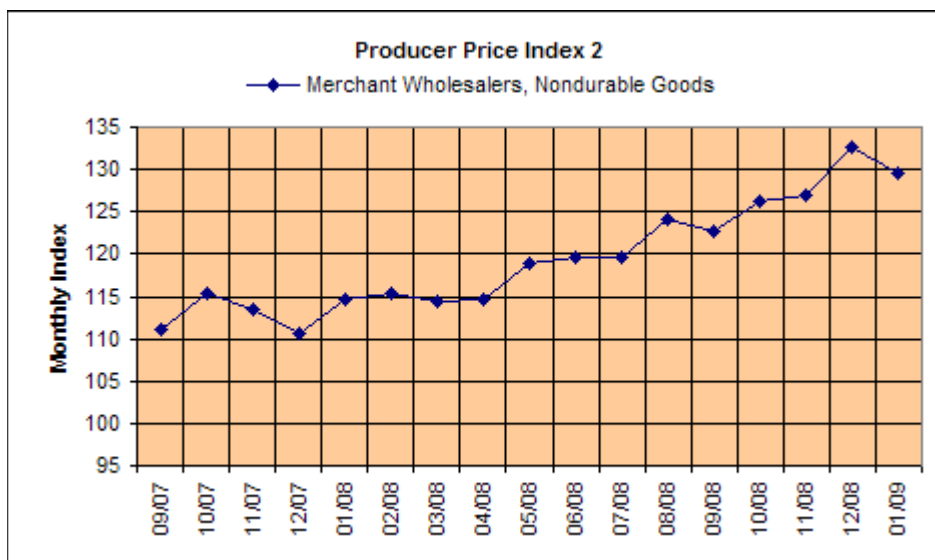
The Wholesale (Durable Goods) Producer Price Index 2 is based on the index number with a base of 100, also on a monthly basis for the past 16 months.



Merchant Wholesalers, Non-Durable Goods



The Wholesale (Non-Durable Goods) Producer Price Index 1 is based on the monthly percentage change for the past 17 months.

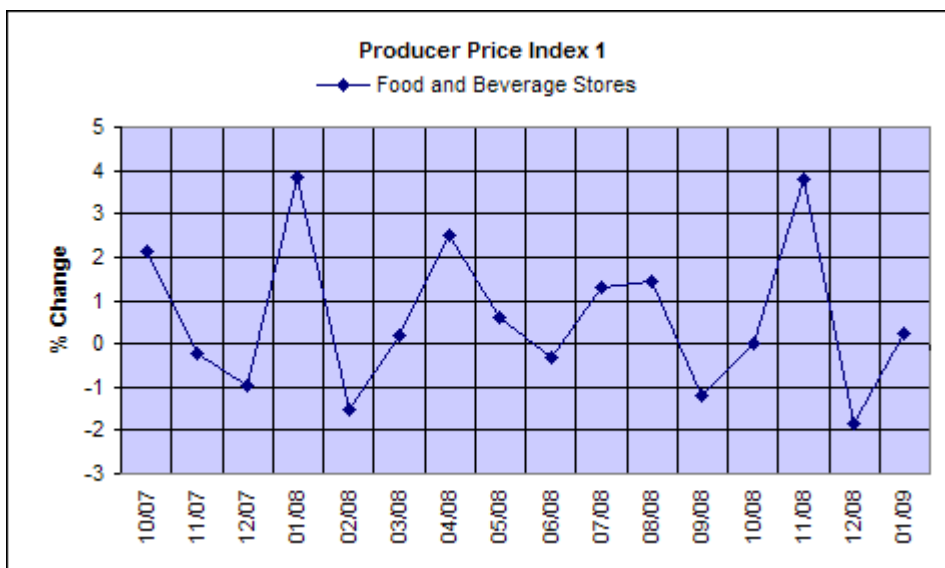


The Wholesale (Non-Durable Goods) Producer Price Index 2 is based on the index number with a base of 100, also on a monthly basis for the past 16 months.

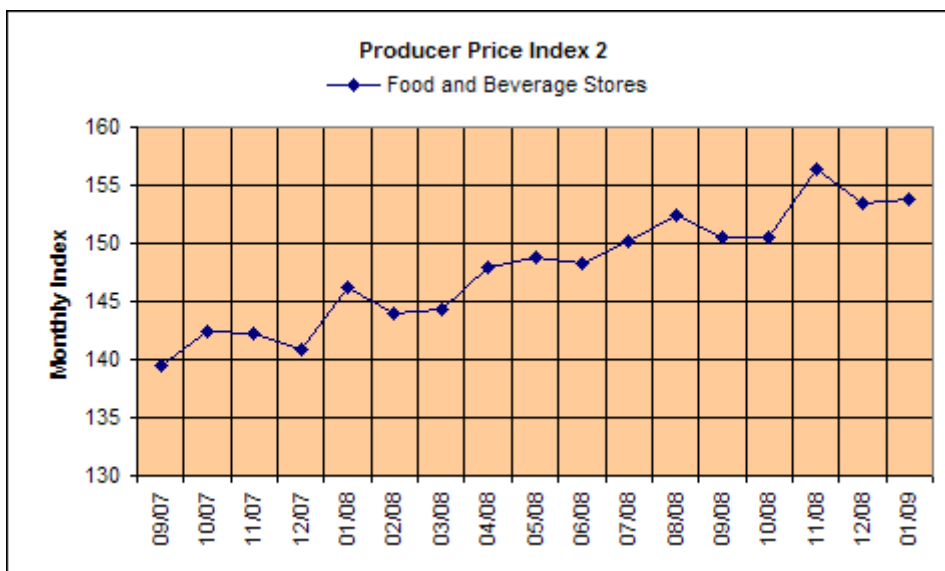


Producer Price Index – Retail Sector

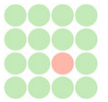
The following are a few examples of retail stores' producer price indices:



The Retail Producer Price Index 1 is based on the monthly percentage change for the past 17 months. The example represents retail sub-sectors related to this manufacturing industry.

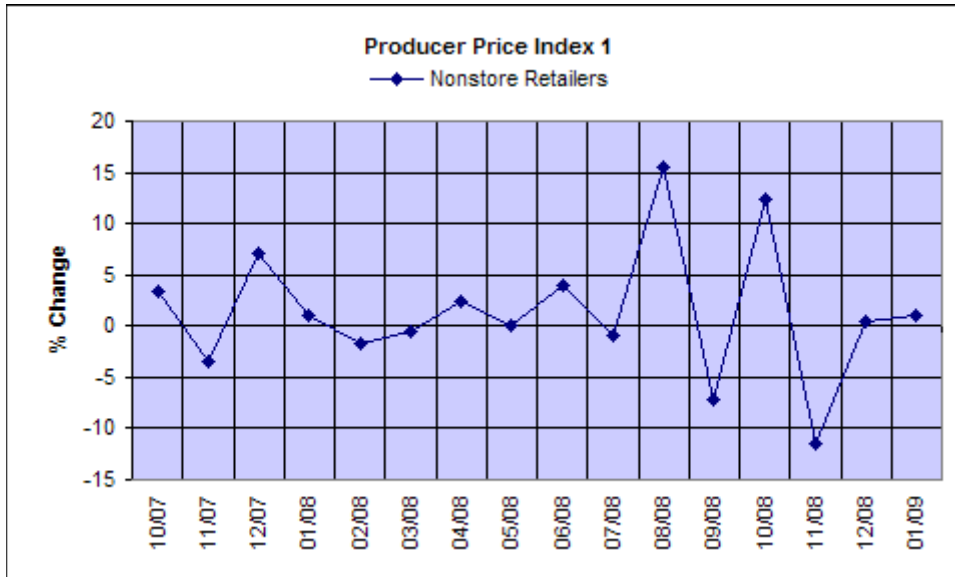


The Retail Producer Price Index 2 is based on the index number with a base of 100, also on a monthly basis for the past 16 months. The example represents retail sub-sectors that may or may not be related to the manufacturing industry.

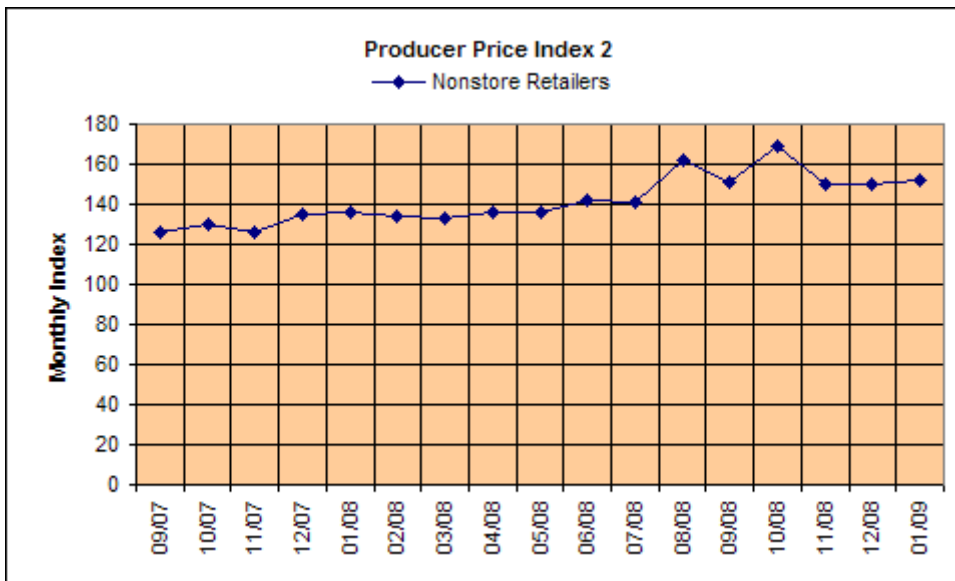


Nonstore Retailers

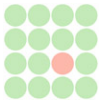
Industries in the Nonstore Retailers subsector retail merchandise using methods, such as the broadcasting of infomercials, the broadcasting and publishing of direct-response advertising, the publishing of paper and electronic catalogs, door-to-door solicitation, in-home demonstration, selling from portable stalls and distribution through vending machines.



The Retail (Nonstore) Producer Price Index 1 is based on the monthly percentage change for the past 17 months.

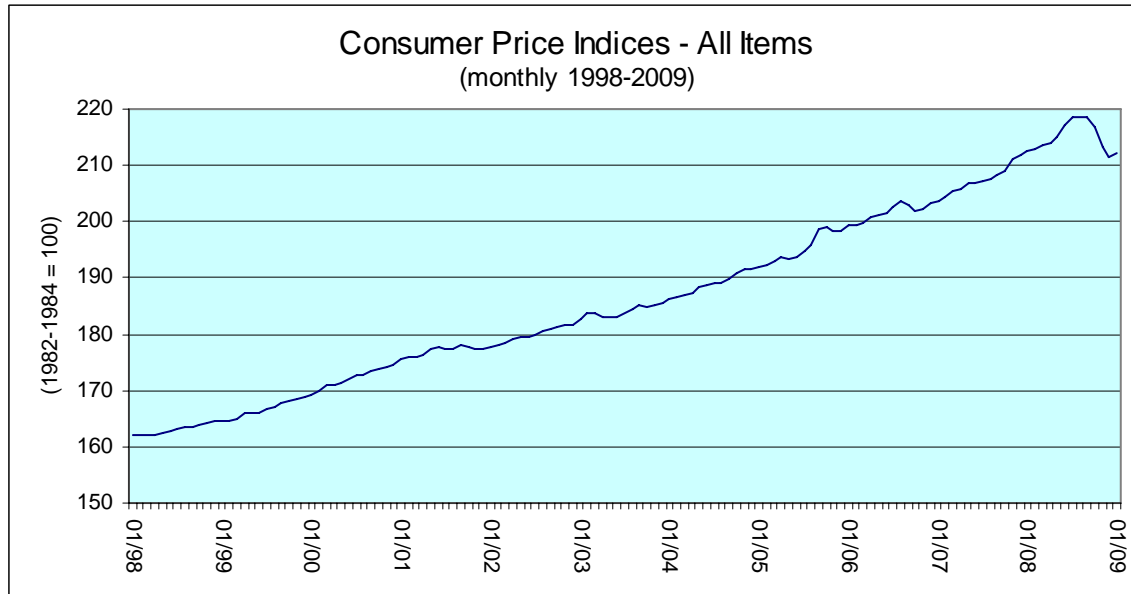


The Retail (Nonstore) Producer Price Index 2 is based on the index number with a base of 100, also on a monthly basis for the past 16 months.



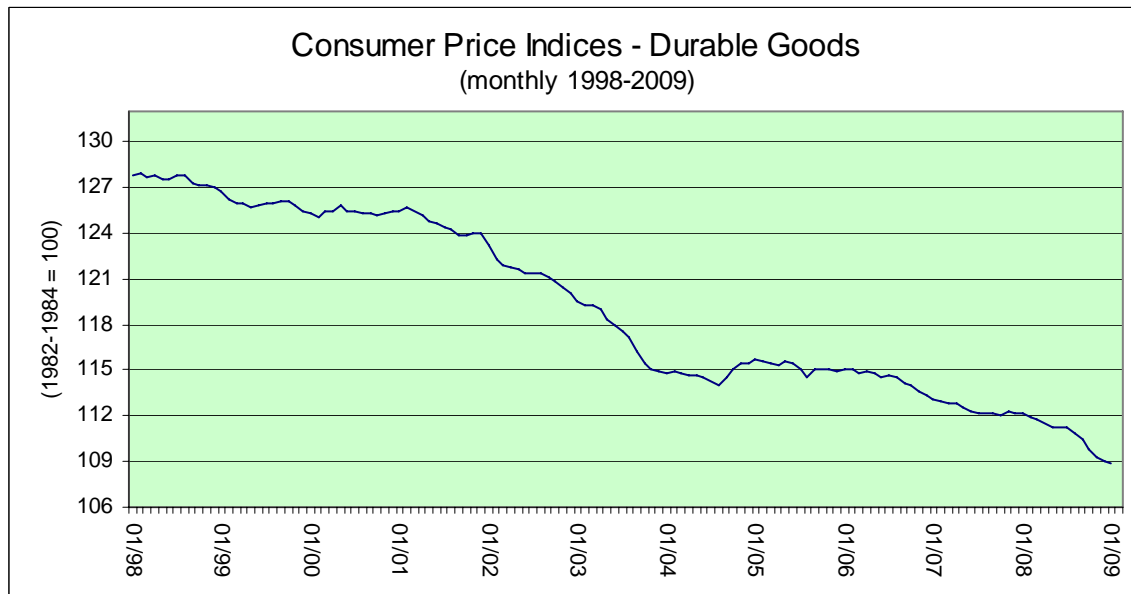
Consumer Price Index – All Items

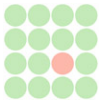
The following consumer price index (not seasonally adjusted) for all items depicts monthly trend from January 1998 to January 2009, where 1982-1984 is 100.



Consumer Price Index – Durable Goods

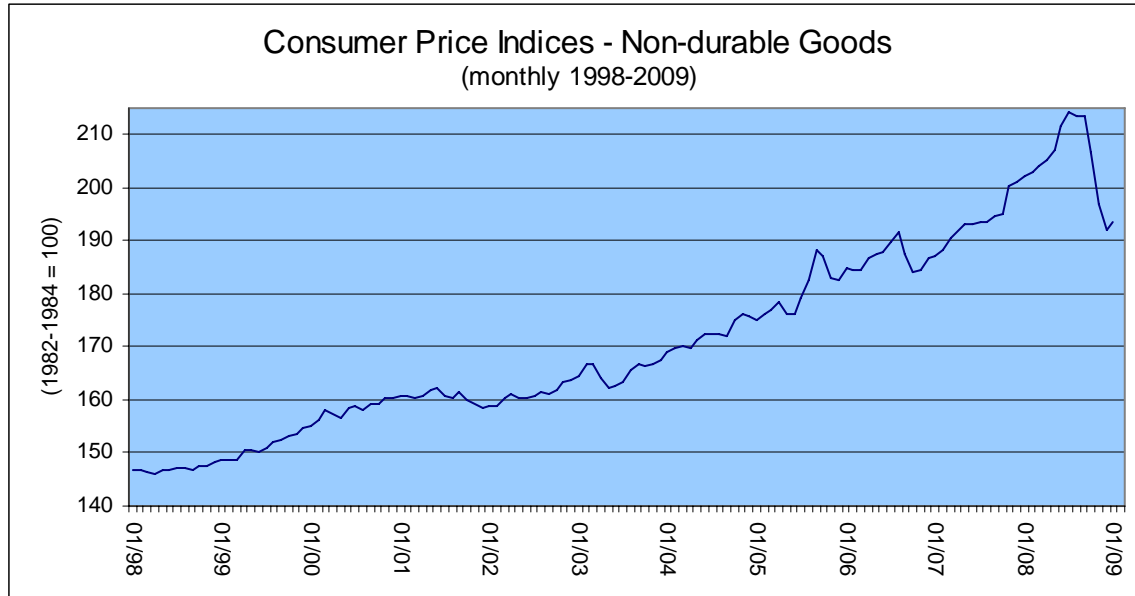
The following consumer price index (not seasonally adjusted) for all durable goods depicts monthly trend from January 1998 to January 2009, where 1982-1984 is 100.





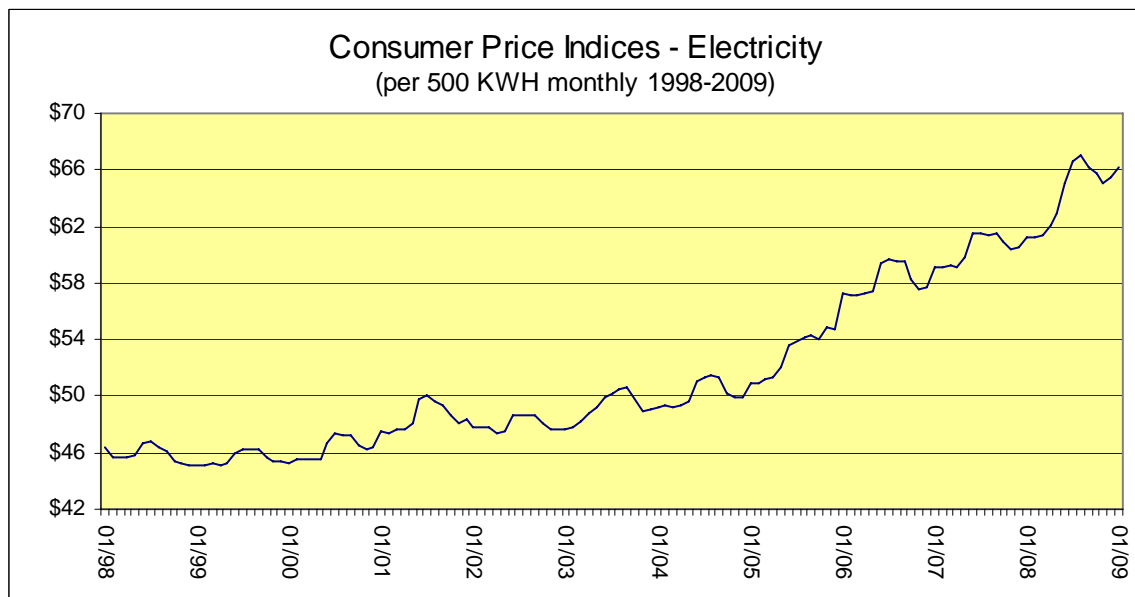
Consumer Price Index – Non-Durable Goods

The following consumer price index (not seasonally adjusted) for non-durable goods depicts monthly trend from January 1998 to January 2009, where 1982-1984 is 100.



Consumer Price Index – Electricity

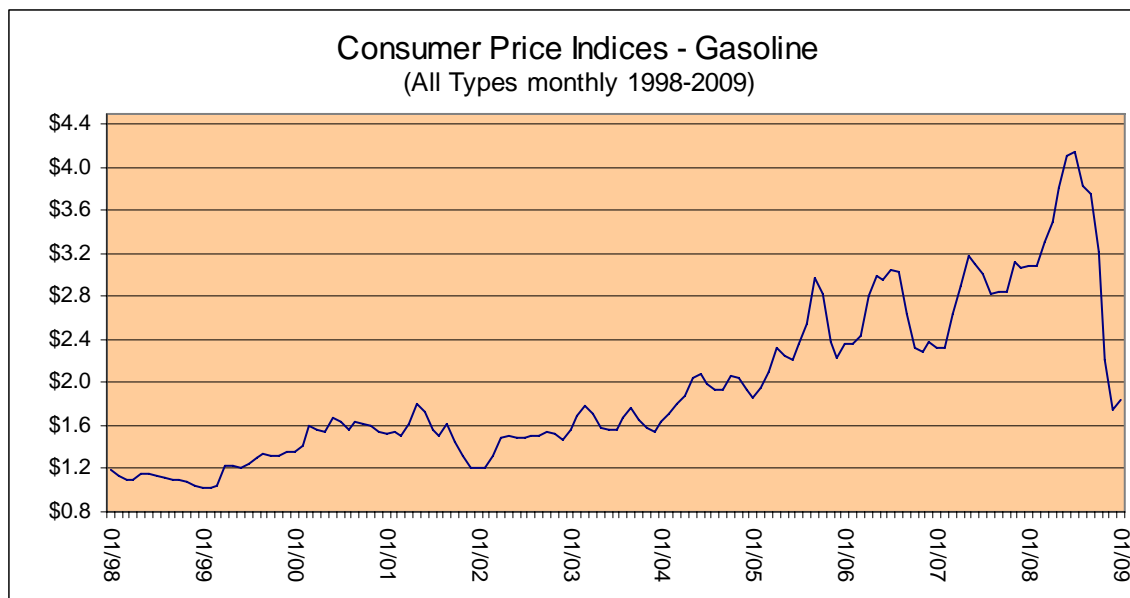
The chart below shows the consumer price index of electricity cost per 500 KWH based on a US city average. The chart shows monthly trend from January 1998 to January 2009.





Consumer Price Index – Gasoline

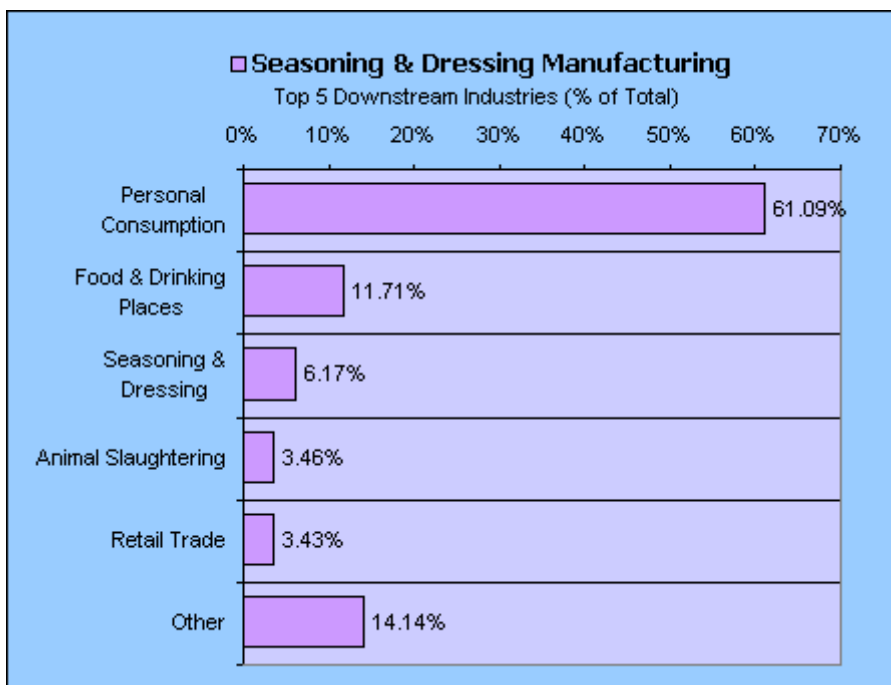
The chart below shows the consumer price index of gasoline of all types, per gallon (3.785 liters) based on a US city average. The chart shows monthly trend from January 1998 to January 2009.



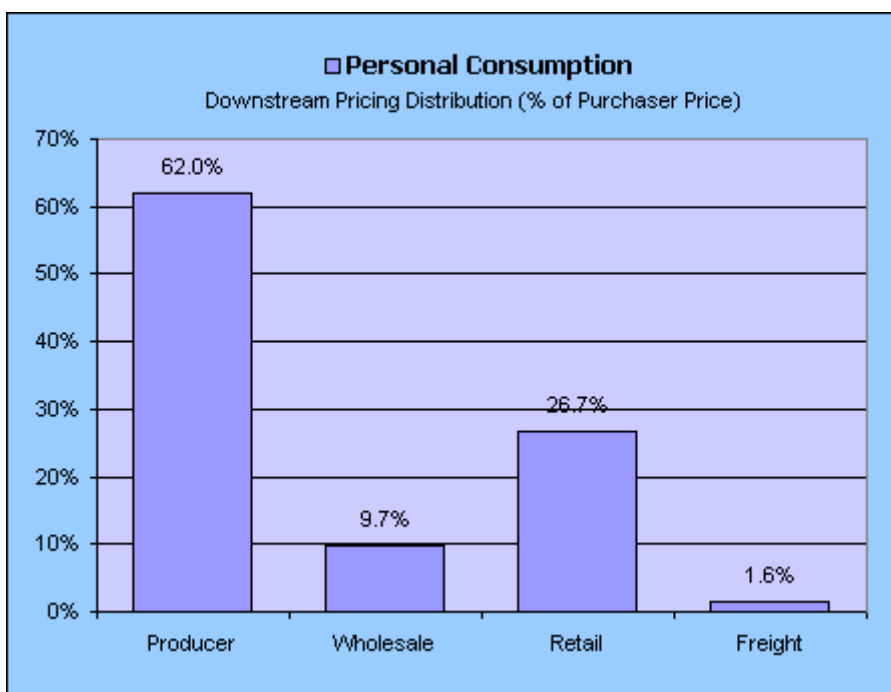
Pricing Distribution

The top 5 downstream industries that purchased products from the Seasoning & Dressing Manufacturing industry were: Personal Consumption Expenditures (61.09%), Food Services & Drinking Places (11.71%), Seasoning & Dressing Manufacturing (6.17%), Animal (Except Poultry) Slaughtering, Rendering, & Processing (3.46%), Retail Trade (3.43%), and the remainder (14.14%). Please note that the Spice and Extract Manufacturing industry is part of the Seasoning & Dressing Manufacturing industry.

The data used for this analysis was based on the 2002 U.S. Input-Output Accounts published by the U.S. Department of Commerce on October 24, 2007. Due to the magnitude of this study, the report is only produced once every 5 years. For instance, 2007 data will not be available until November, 2012.

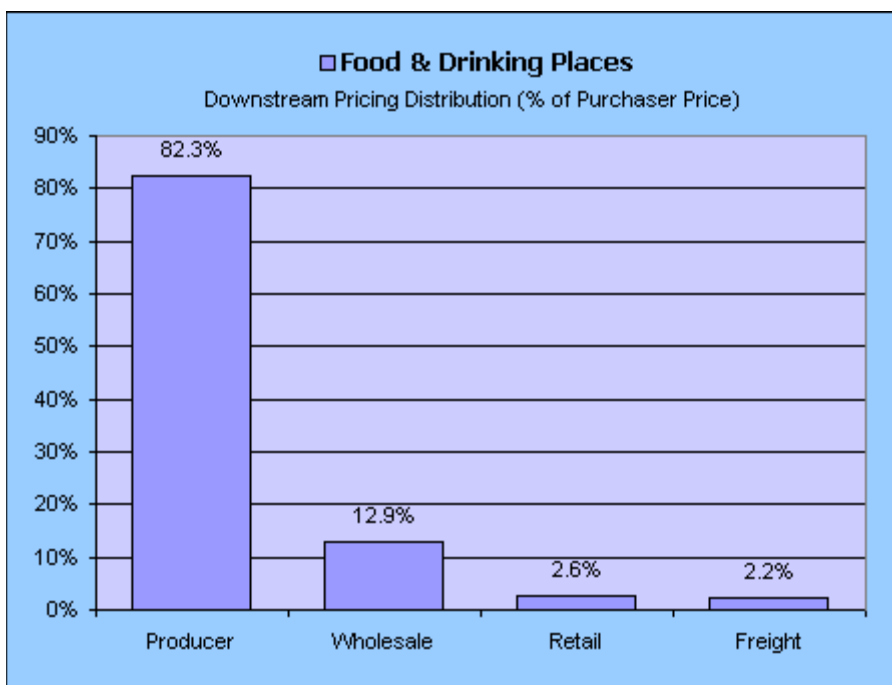


The pricing distribution is analyzed for each of the top 5 downstream industries. The percentile in the chart is based on the purchaser price, which is the same as the price of the final demand. Inside the chart, the price is distributed to 4 categories: producer price, wholesale margin, retail margin, and freight cost. Each downstream industry has its own unique pricing structure. The chart, along with its explanatory text, provides a clear breakdown of the industry's cost structure.

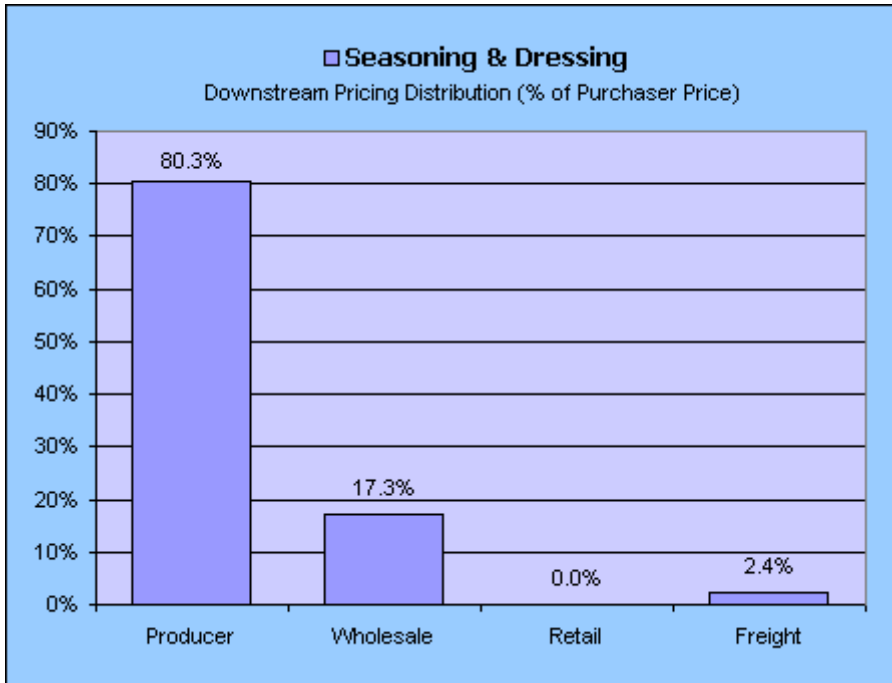
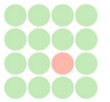




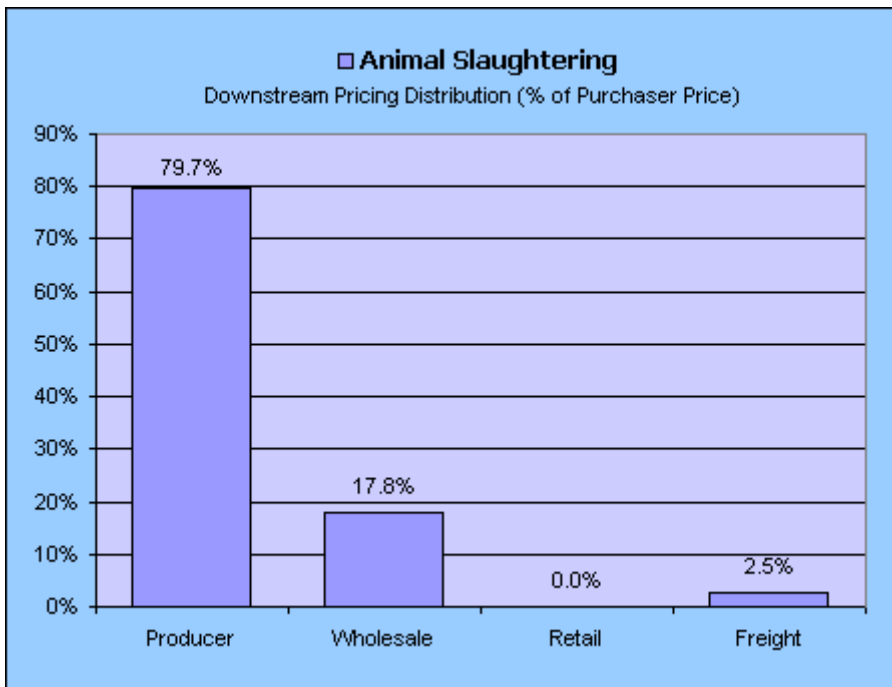
Personal Consumption Expenditures industry used \$10.8 billion USD worth of products from the Seasoning & Dressing Manufacturing industry in 2002. Of which, 62.0% was the producer's price, 9.7% was the wholesale margin, 26.7% was the retail margin, and the freight cost was 1.6%. The producer's price equaled to \$6.7 billion USD. Total freight cost was \$178.1 million USD. Freight cost was divided to: rail 22.9%, truck 74.1%, water 1.1%, air 1.9%, and pipe 0.0%. Personal consumption expenditures (PCE) consists largely of purchases by households; by convention, PCE also includes the sum of the expenses of nonprofit institutions primarily serving households.

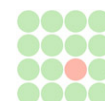


Food Services & Drinking Places industry used \$1.6 billion USD worth of products from the Seasoning & Dressing Manufacturing industry in 2002. Of which, 82.3% was the producer's price, 12.9% was the wholesale margin, 2.6% was the retail margin, and the freight cost was 2.2%. The producer's price equaled to \$1.3 billion USD. Total freight cost was \$35.1 million USD. Freight cost was divided to: rail 23.7%, truck 74.4%, water 0.3%, air 1.7%, and pipe 0.0%.

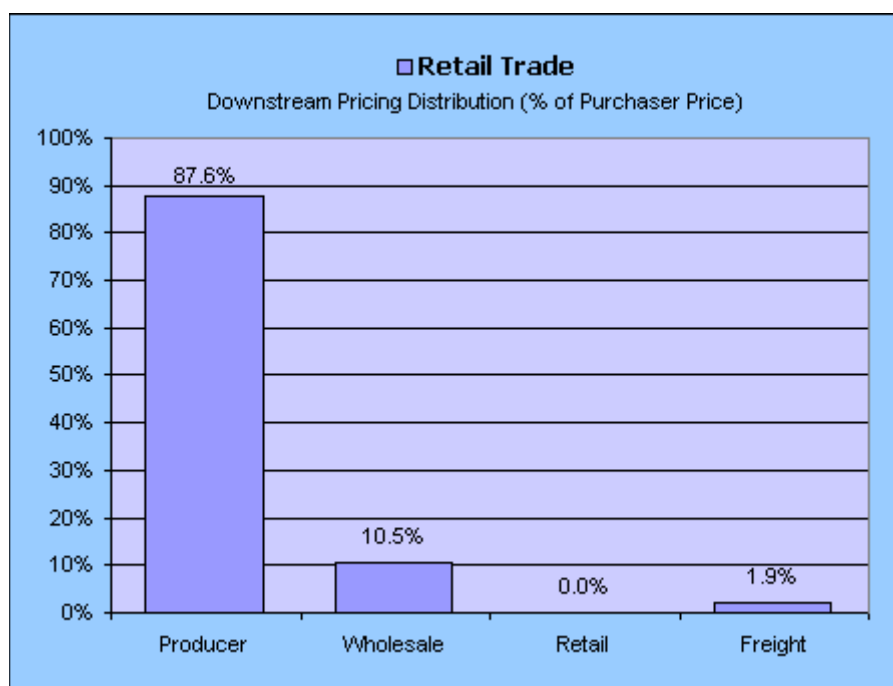


Seasoning & Dressing Manufacturing industry used \$843.2 million USD worth of products from the Seasoning & Dressing Manufacturing industry in 2002. Of which, 80.3% was the producer's price, 17.3% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 2.4%. The producer's price equaled to \$676.8 million USD. Total freight cost was \$20.6 million USD. Freight cost was divided to: rail 35.4%, truck 61.7%, water 1.0%, air 1.9%, and pipe 0.0%.





Animal (Except Poultry) Slaughtering, Rendering, & Processing industry used \$476.8 million USD worth of products from the Seasoning & Dressing Manufacturing industry in 2002. Of which, 79.7% was the producer's price, 17.8% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 2.5%. The producer's price equaled to \$380.0 million USD. Total freight cost was \$12.1 million USD. Freight cost was divided to: rail 34.7%, truck 62.0%, water 2.5%, air 0.8%, and pipe 0.0%.

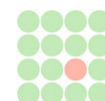


Retail Trade industry used \$429.4 million USD worth of products from the Seasoning & Dressing Manufacturing industry in 2002. Of which, 87.6% was the producer's price, 10.5% was the wholesale margin, 0.0% was the retail margin, and the freight cost was 1.9%. The producer's price equaled to \$376.3 million USD. Total freight cost was \$8.1 million USD. Freight cost was divided to: rail 12.4%, truck 87.7%, water 0.0%, air 0.0%, and pipe 0.0%.

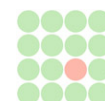
Downstream Industries

The table shows the purchaser price of all industry's downstream industries, ranked by the downstream industry's usage. The table identifies the downstream industries with higher margin and lower freight cost.

Industry Description	Producer Price	Wholesale Margin	Retail Margin	Freight Cost	Purchaser Price (in Million \$)	Producer Price % of Total
Personal Consumption Expenditures	62.00%	9.70%	26.70%	1.60%	\$10,820.2	61.09%
Food Services & Drinking Places	82.30%	12.90%	2.60%	2.20%	\$1,562.4	11.71%
Seasoning & Dressing Manufacturing	80.30%	17.30%	0.00%	2.40%	\$843.2	6.17%



Industry Description	Producer Price	Wholesale Margin	Retail Margin	Freight Cost	Purchaser Price (in Million \$)	Producer Price % of Total
Animal (Except Poultry) Slaughtering, Rendering, & Processing	79.70%	17.80%	0.00%	2.50%	\$476.8	3.46%
Retail Trade	87.60%	10.50%	0.00%	1.90%	\$429.4	3.43%
General State & Local Government Services	85.60%	12.30%	0.00%	2.10%	\$391.7	3.05%
Fruit & Vegetable Canning, Pickling, & Drying	79.60%	17.90%	0.00%	2.50%	\$367.0	2.66%
Hospitals	84.30%	13.30%	0.00%	2.40%	\$227.0	1.74%
Junior Colleges, Colleges, Universities, & Professional Schools	84.50%	13.30%	0.00%	2.20%	\$184.5	1.42%
Hotels & Motels, Including Casino Hotels	85.40%	12.20%	0.00%	2.40%	\$126.4	0.98%
Poultry Processing	79.70%	17.80%	0.00%	2.40%	\$115.5	0.84%
Ice Cream & Frozen Dessert Manufacturing	80.20%	17.60%	0.00%	2.20%	\$59.5	0.43%
All Other Food Manufacturing	79.20%	17.80%	0.00%	3.00%	\$57.3	0.41%
Fluid Milk & Butter Manufacturing	79.90%	17.80%	0.00%	2.30%	\$56.2	0.41%
Other Animal Food Manufacturing	78.90%	18.20%	0.00%	2.90%	\$48.4	0.35%
Nursing & Residential Care Facilities	82.60%	15.20%	0.00%	2.20%	\$44.7	0.34%
Wholesale Trade	79.90%	17.50%	0.00%	2.60%	\$42.3	0.31%
Civic, Social, Professional & Similar Organizations	91.30%	7.80%	0.00%	1.00%	\$20.6	0.17%
Cheese Manufacturing	79.50%	17.90%	0.00%	2.60%	\$19.5	0.14%
Individual & Family Services	85.60%	12.60%	0.00%	1.80%	\$16.7	0.13%
Dry, Condensed, & Evaporated Dairy Product Manufacturing	80.30%	17.70%	0.00%	2.00%	\$14.7	0.11%
Dog & Cat Food Manufacturing	79.90%	17.20%	0.00%	3.00%	\$13.4	0.10%
Flavoring Syrup & Concentrate Manufacturing	95.90%	4.10%	0.00%	0.00%	\$9.8	0.09%
General Federal Nondefense Government Services	78.00%	18.00%	0.00%	4.00%	\$10.0	0.07%
Scientific Research & Development Services	82.40%	16.50%	0.00%	1.20%	\$8.5	0.06%
Other Amusement & Recreation	83.80%	13.50%	0.00%	2.70%	\$7.4	0.06%
Other Federal Government Enterprises	83.80%	16.20%	0.00%	0.00%	\$6.8	0.05%



Industry Description	Producer Price	Wholesale Margin	Retail Margin	Freight Cost	Purchaser Price (in Million \$)	Producer Price % of Total
Community Food, Housing, & Other Relief Services, Including Rehabilitation Services	82.70%	13.50%	0.00%	3.80%	\$5.2	0.04%
Federal Electric Utilities	83.30%	16.70%	0.00%	0.00%	\$3.6	0.03%
Bowling Centers	85.30%	14.70%	0.00%	0.00%	\$3.4	0.03%
General Federal Defense Government Services	79.40%	17.60%	0.00%	2.90%	\$3.4	0.02%
Gambling Places, Arcades & Amusement Parks	85.20%	14.80%	0.00%	0.00%	\$2.7	0.02%
Fitness & Recreational Sports Centers	95.50%	4.50%	0.00%	0.00%	\$2.2	0.02%
Promoters of Performing Arts & Sports & Agents For Public Figures	86.40%	13.60%	0.00%	0.00%	\$2.2	0.02%
Religious Organizations	78.60%	21.40%	0.00%	0.00%	\$1.4	0.01%
Other Accommodations	78.60%	21.40%	0.00%	0.00%	\$1.4	0.01%
Water Transportation	100.00%	0.00%	0.00%	0.00%	\$1.0	0.01%
Spectator Sports	100.00%	0.00%	0.00%	0.00%	\$0.4	0.00%
Home Health Care Services	75.00%	25.00%	0.00%	0.00%	\$0.4	0.00%
Scenic & Sightseeing Transportation & Support Activities For Transportation	100.00%	0.00%	0.00%	0.00%	\$0.3	0.00%
Elementary & Secondary Schools	100.00%	0.00%	0.00%	0.00%	\$0.1	0.00%

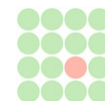
Notes:

Wholesale Margin - Entries in this field represent the wholesale trade margin necessary to deliver the commodity to the using industry or final user. Included in the margin are wholesale sales taxes and excise taxes collected by wholesalers.

Retail Margin - Entries in this field represent the retail trade margin necessary to deliver the commodity to the using industry or final user. Included in the margin are retail sales taxes and excise taxes collected by retailers.

Freight Cost – Entries in this field represent the cost of transportation from producers’ establishments to purchasers’ outlets. Freight cost includes rail, truck, water, air, pipe and gas pipe.

Purchaser Price - Entries in this field represent the use of inputs (identified by commodity codes) by industries or final demand (identified by industry codes), in purchasers' prices.



Industry Foreign Trade

Import

Import Process

When a shipment reaches the United States, the importer of record will file entry documents for the goods with the port director at the goods' port of entry. The importer of record could be the owner, purchaser, or licensed customs broker designated by the owner, purchaser, or consignee. Imported goods are not legally entered until after the shipment has arrived within the port of entry, delivery of the merchandise has been authorized by Customs, and estimated duties have been paid. It is the importer of record's responsibility to arrange for examination and release of the goods.

Goods may be:

- Entered for consumption
- Entered for warehouse at the port of arrival
- Transported in bond to another port of entry and entered there under the same conditions as at the port of arrival

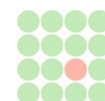
Arrangements for transporting the merchandise in bond to an in-land port may be made by the consignee, a customs broker, or any other person interested in the goods for that purpose. If your merchandise does not arrive directly to the port you wish to enter it, you may be charged additional fees by the carrier, unless other arrangements have been made. These fees are for the additional transportation to your desired port. Under some circumstances, your goods may be released through your local Customs port even though they arrive at another port from a foreign country. With that in mind, arrangements for entry must be made prior to the goods' arrival, and at the Customs port where you intend to file your duties and documentation.

Goods to be placed in a foreign trade zone are not entered at the customhouse.

Goods may only be entered by their owner, purchaser, or a licensed customs broker. If the goods are consigned "to order," and the bill of lading is properly endorsed by the consignor, then this may serve as evidence of the right to make entry. Also, an air waybill may be used for merchandise arriving by air.

In most instances, entry is made by a person or firm certified by the carrier bringing the goods to the port of entry. This entity (i.e., the person or firm certified) is considered the "owner" of the goods for customs purposes.

The document issued by the carrier for this purpose is known as a "Carrier's Certificate." In certain circumstances, entry may be made by means of a duplicate bill of lading or a shipping receipt. When the goods are not imported by a common carrier, possession of the goods by

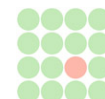


the importer, at the time of arrival, shall be deemed sufficient evidence of the right to make entry.

Harmonized Tariff Schedule

There are a total of 13,150 articles in the Harmonized Tariff Schedule of the United States to calculate the duties for imports. This complicated schedule is organized into 22 sections and 99 chapters. The table below lists articles related to this industry.

HTS	Description	Duties	Start	End
904110020	Pepper of the genus piper, neither crushed nor ground, black	Free	01/01/89	12/31/20
904110040	Pepper of the genus piper, neither crushed nor ground, white	Free	01/01/89	12/31/20
904120000	Pepper of the genus piper, crushed or ground	Free	01/01/89	12/31/20
904202000	Paprika (genus capsicum), dried or crushed or ground	3 cents/kg	01/01/06	12/31/20
904204000	Anaheim and ancho pepper (genus capsicum), dried or crushed or ground	5 cents/kg	01/01/06	09/30/15
904206010	Bell peppers (genus capsicum), dried or crushed but not ground	2.5 cents/kg	01/01/06	12/31/20
904206020	Jalapeno peppers (genus capsicum), dried or crushed but not ground	2.5 cents/kg	01/01/06	12/31/20
904206090	Fruits of the genus capsicum, dried or crushed but not ground, nesoi	2.5 cents/kg	01/01/06	12/31/20
904207300	Mixtures of mashed or macerated hot red peppers and salt, ground	Free	01/01/95	12/31/20
904207600	Fruits of the genus capsicum, ground, nesoi	5 cents/kg	01/01/06	12/31/20
904208000	Fruits of the genus pimenta (including allspice) dried or crushed or ground	Free	01/01/89	12/31/20
906200000	Cinnamon and cinnamon-tree flowers, crushed or ground	Free	01/01/89	12/31/20
907000000	Cloves (whole fruit, cloves and stems)	Free	01/01/89	12/31/20
908100000	Nutmeg	Free	01/01/89	12/31/20
908202000	Mace, bombay or wild, ground	7.4 cents/kg	01/01/06	12/31/20
908204000	Mace, nesoi	Free	01/01/89	12/31/20
908300000	Cardamoms	Free	01/01/89	12/31/20
909100000	Seeds of anise or badian	Free	01/01/89	12/31/20
909200000	Seeds of coriander	Free	01/01/89	12/31/20
909300000	Seeds of cumin	Free	01/01/89	12/31/20
909400000	Seeds of caraway	Free	01/01/89	12/31/20
909500000	Seeds of fennel; juniper berries	Free	01/01/93	12/31/20
910102000	Ginger, not ground	Free	01/01/89	12/31/20
910104000	Ginger, ground	1 cents/kg	01/01/06	12/31/20
910200000	Saffron	Free	01/01/89	12/31/20
910300000	Tumeric (curcuma)	Free	01/01/89	12/31/20
910403000	Thyme, nesoi	4.80%	01/01/06	12/31/20
910404000	Bay leaves, nesoi	3.20%	01/01/06	09/30/15
910500000	Curry	Free	01/01/89	12/31/20
910910000	Mixtures of spices referred to in note 1(b) to chapter 9	1.90%	01/01/06	12/31/20



HTS	Description	Duties	Start	End
910994000	Origanum (lippia spp.) nesoi	3.40%	01/01/06	12/31/20
910995000	Dill	Free	01/01/89	12/31/20
910996000	Spices, nesoi	1.90%	01/01/06	12/31/20
1901901000	Malt extract, fluid	3.2 cents/liter	01/01/06	09/30/15
1901902000	Malt extract, solid or condensed	9.60%	01/01/06	12/31/06
2103302000	Mustard flour and meal	Free	01/01/89	12/31/20
2103907200	Mixed condiments and mixed seasonings (see u s note 3-chap. 21), described in general note 15 of the tariff schedule & provisional	7.50%	01/01/06	12/31/20
2103907400	Mixed condiments and mixed seasonings (see additional u s note 3-chap. 21), described in additional u s note 8(a)-chap. 17 & provisional	7.50%	01/01/06	12/31/20
2103907800	Mixed condiments and mixed seasonings described in additional u. s. note 3 to this chapter, nesoi	30.5 cents/kg +*	01/01/06	12/31/06
2103908000	Mixed condiments and mixed seasonings, nesoi	6.40%	01/01/06	12/31/06

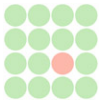
* Duties information is truncated.

** Duties are based on countries with MFN status (Most Favorite Nations)

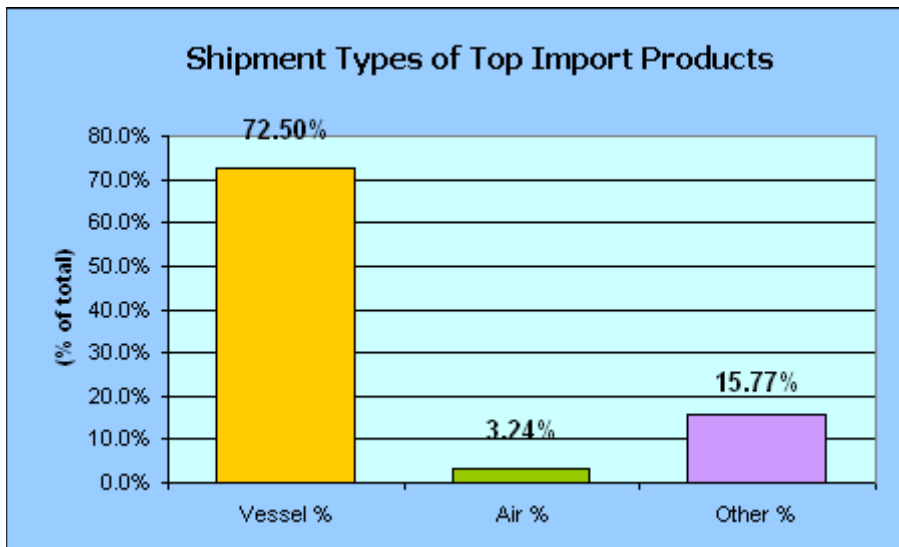
Top Import Commodities Analysis

The table below lists the top 20 commodities from a total of 39 in the Spice and Extract Manufacturing Industry. These top 20 products represent approximately 92% of all import commodities' value. The number of deals indicates the number of transactions that went through the U.S. customs in the year. The value column refers to the consumption value excluding duties, freight costs and insurance costs. The vessel, air and other percentiles are the respective shares of shipment by ocean, by air, and by land transportation. The chart following the table illustrates the distribution of shipment types of these top imported commodities.

Commodity	Description	No. Deals	Value	Vessel %	Air %	Other %	Rank	%/Total
904110020	Pepper (genus piper) not crushed or ground, black	2,607	\$169,368,797	94.88	0.02	5.10	1	21.77%
2103908000	Mixed condiments/seasonings, nesoi	10,042	\$116,903,622	61.92	0.49	37.59	2	15.03%
904202000	Paprika (genus capsicum) dried, crushed or ground	1,575	\$62,603,271	93.53	0.15	6.32	3	8.05%
904206090	Fruits of the genus capsicum, dr/cr, not gr, nesoi	2,146	\$56,567,382	82.62	0.09	17.29	4	7.27%
910102000	Ginger, not ground	1,993	\$37,209,160	82.97	1.35	15.68	5	4.78%
904110040	Pepper (genus piper) not crushed or ground, white	389	\$35,787,057	96.99	0.09	2.92	6	4.60%
910996000	Spices, nesoi	4,557	\$34,714,649	52.63	33.54	13.83	7	4.46%
904120000	Pepper of the genus piper, crushed or ground	914	\$32,219,608	87.81	0.02	12.17	8	4.14%
904207600	Fruits of the genus capsicum, ground, nesoi	1,599	\$30,418,204	87.27	0.52	12.21	9	3.91%



Commodity	Description	No. Deals	Value	Vessel %	Air %	Other %	Rank	%/Total
909300000	Seeds of cumin	789	\$25,396,901	94.85	0.19	4.96	10	3.26%
904207300	Mixes of mashed/macerated hot red paper/salt, grnd	1,565	\$23,269,854	53.23	0.00	46.77	11	2.99%
904206010	Bell peppers (genus capsicum), dried, not ground	465	\$16,330,537	82.97	0.23	16.80	12	2.10%
910200000	Saffron	429	\$13,121,083	10.60	86.57	2.83	13	1.69%
908100000	Nutmeg	221	\$11,282,302	91.65	0.15	8.20	14	1.45%
2103302000	Mustard flour and meal	572	\$10,720,953	25.20	0.00	74.80	15	1.38%
910910000	Mixtures of spices referred to in note 1(b) chap 9	723	\$7,861,742	79.48	3.23	17.29	16	1.01%
904204000	Anaheim and ancho pepper (genus capsicum) dr,cr,gr	201	\$7,615,291	26.23	0.25	73.52	17	0.98%
910300000	Tumeric (curcuma)	491	\$6,967,453	87.87	4.77	7.36	18	0.90%
909200000	Seeds of coriander	531	\$6,882,579	27.87	0.43	71.70	19	0.88%
910991000	Curry	831	\$6,736,118	92.69	0.09	7.22	20	0.87%





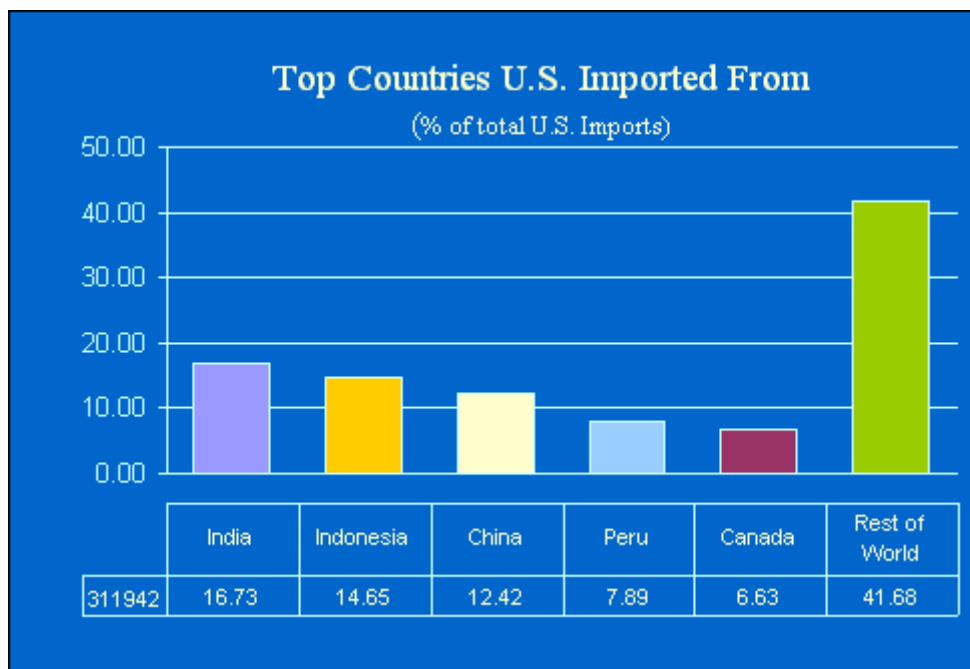
Ranking - Countries US Imported From

Country	Import (in \$1,000)	% of Total	Rank
(World)	778,026	100.00	
India	130,129	16.73	1
Indonesia	113,945	14.65	2
China	96,619	12.42	3
Peru	61,373	7.89	4
Canada	51,568	6.63	5
Vietnam	50,302	6.47	6
Mexico	40,234	5.17	7
Brazil	29,672	3.81	8
Spain	29,428	3.78	9
Thailand	13,241	1.70	10
Israel	11,068	1.42	11
Turkey	10,560	1.36	12
Italy	9,014	1.16	13
Japan	8,698	1.12	14
United Kingdom	6,985	0.90	15
France	6,931	0.89	16
Guatemala	6,924	0.89	17
Colombia	6,578	0.85	18
Dominican Republic	6,320	0.81	19
Germany	5,774	0.74	20
Hong Kong	5,656	0.73	21
Taiwan	5,401	0.69	22
Egypt	5,284	0.68	23
Chile	5,245	0.67	24
Korea	5,180	0.67	25
Pakistan	4,976	0.64	26
Jamaica	4,724	0.61	27
Sri Lanka	3,942	0.51	28
Republic Of South Africa	3,284	0.42	29
Malaysia	2,966	0.38	30
Costa Rica	2,715	0.35	31
Croatia	2,656	0.34	32
Syrian Arab Republic	2,636	0.34	33
Philippines	2,531	0.33	34
Honduras	2,403	0.31	35
Ecuador	2,382	0.31	36
Switzerland	1,859	0.24	37

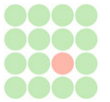


Country	Import (in \$1,000)	% of Total	Rank
Madagascar	1,540	0.20	38
Finland	1,505	0.19	39
Singapore	1,448	0.19	40
Nigeria	1,310	0.17	41
Poland	1,272	0.16	42
Netherlands	1,003	0.13	43
Australia	837	0.11	44
Trinidad & Tobago	805	0.10	45
Nicaragua	722	0.09	46
Grenada	681	0.09	47
Lebanon	570	0.07	48
Hungary	561	0.07	49
Comoros	511	0.07	50

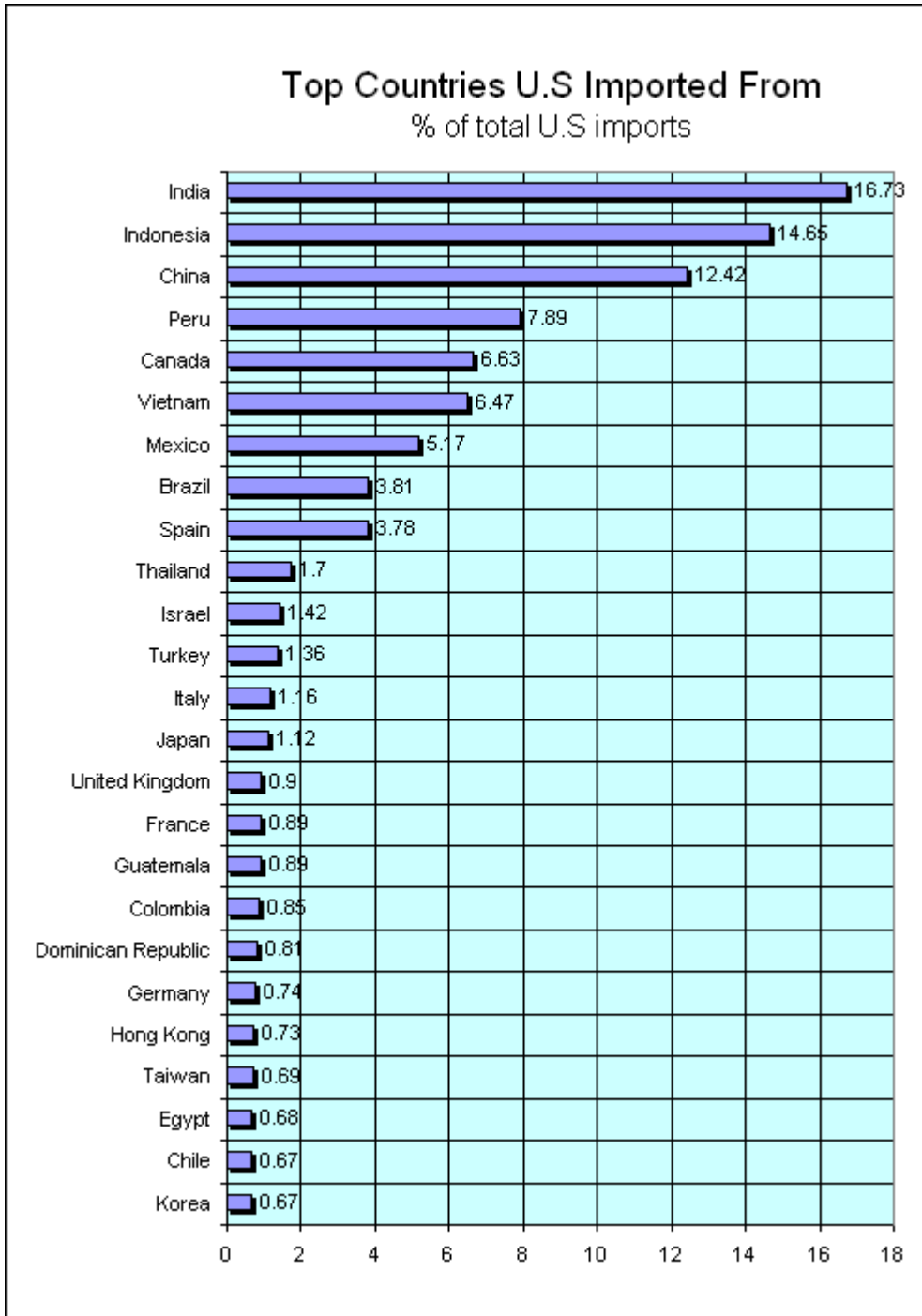
Top 5 Countries US Imported From



The total import value for the year 2008 was \$778,026,000. This represents a 16.8% increase from year 2007. The U.S. had imported industry related merchandises from 105 countries in 2008. The top countries U.S. imported from were: India, \$130,129,000 (16.73%); Indonesia, \$113,945,000 (14.65%); China, \$96,619,000 (12.42%); Peru, \$61,373,000 (7.89%); and Canada, \$51,568,000 (6.63%). Their combined total represents approximately 58% of imports from all countries.



Top 25 Countries US Imported From





Importing Insurance and Freight Cost Index by Country

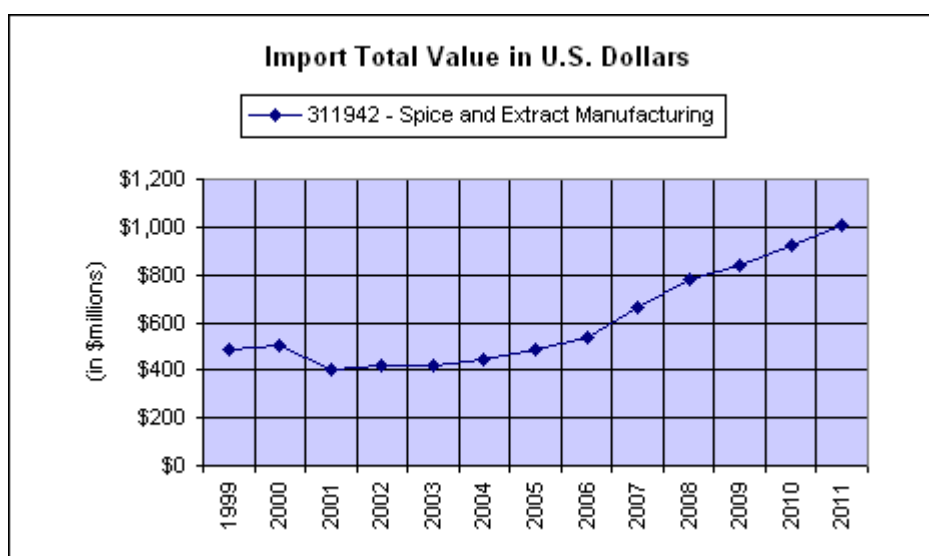
CIF stands for Cost of Merchandise, Insurance, and Freight. This table separates these 3 items from the total import amount for better analysis of the insurance and freight expense associated with each country. For example, if the CIF percentage is 2%, that means the cost of insurance and freight is approximately 2% of the total value. The last column “World +/-” compares the CIF percentage with the world’s average. A negative number indicates the cost of insurance and freight being less than the world’s average. “NA” (Not Applicable) is an indicator for those countries with a total importing value less than \$1,000,000.

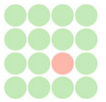
Country	Import (in \$1,000)	CI CIF (in \$1,000)	I&F (in \$1,000)	I&F %	World +/-
(World)	778,026	823,370	45,344	5.83	
India	130,129	137,582	7,453	5.73	-0.1
Indonesia	113,945	118,829	4,884	4.29	-1.54
China	96,619	106,773	10,154	10.51	4.68
Peru	61,373	64,853	3,480	5.67	-0.16
Canada	51,568	52,194	626	1.21	-4.62
Vietnam	50,302	52,646	2,344	4.66	-1.17
Mexico	40,234	41,685	1,451	3.61	-2.22
Brazil	29,672	31,376	1,704	5.74	-0.09
Spain	29,428	30,563	1,135	3.86	-1.97
Thailand	13,241	14,436	1,195	9.02	3.19
Israel	11,068	11,665	597	5.39	-0.44
Turkey	10,560	11,027	467	4.42	-1.41
Italy	9,014	9,358	344	3.82	-2.01
Japan	8,698	9,216	518	5.96	0.13
United Kingdom	6,985	7,392	407	5.83	0
France	6,931	7,388	457	6.59	0.76
Guatemala	6,924	7,152	228	3.29	-2.54
Colombia	6,578	8,031	1,453	22.09	16.26
Dominican Republic	6,320	7,039	719	11.38	5.55
Germany	5,774	6,174	400	6.93	1.1
Hong Kong	5,656	6,020	364	6.44	0.61
Taiwan	5,401	5,620	219	4.05	-1.78
Egypt	5,284	5,643	359	6.79	0.96
Chile	5,245	5,451	206	3.93	-1.9
Korea	5,180	5,577	397	7.66	1.83
Pakistan	4,976	5,194	218	4.38	-1.45
Jamaica	4,724	4,974	250	5.29	-0.54
Sri Lanka	3,942	4,040	98	2.49	-3.34
Republic Of South Africa	3,284	3,404	120	3.65	-2.18
Malaysia	2,966	3,127	161	5.43	-0.4



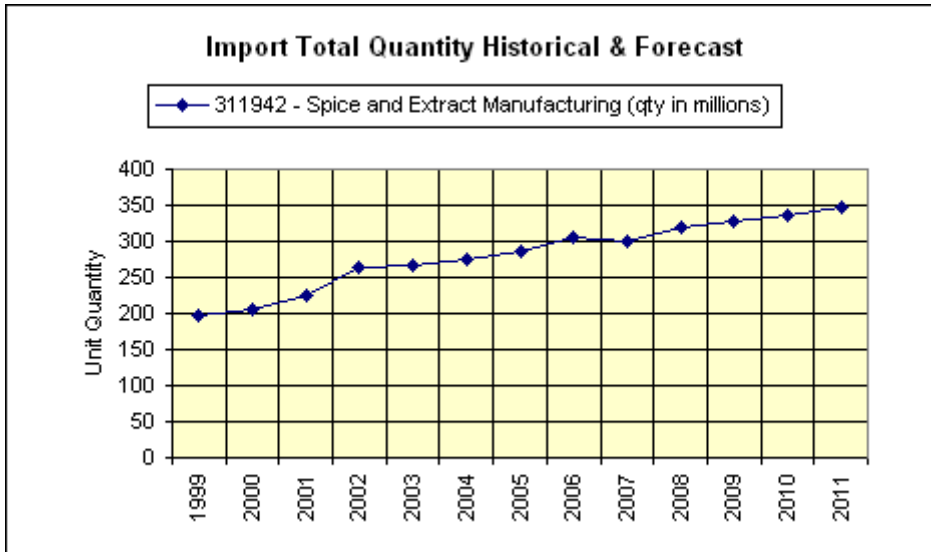
Country	Import (in \$1,000)	CI CIF (in \$1,000)	I&F (in \$1,000)	I&F %	World +/-
Costa Rica	2,715	3,220	505	18.6	12.77
Croatia	2,656	2,791	135	5.08	-0.75
Syrian Arab Republic	2,636	2,748	112	4.25	-1.58
Philippines	2,531	2,808	277	10.94	5.11
Honduras	2,403	2,582	179	7.45	1.62
Ecuador	2,382	2,507	125	5.25	-0.58
Switzerland	1,859	1,934	75	4.03	-1.8
Madagascar	1,540	1,627	87	5.65	-0.18
Finland	1,505	1,736	231	15.35	9.52
Singapore	1,448	1,521	73	5.04	-0.79
Nigeria	1,310	1,402	92	7.02	1.19
Poland	1,272	1,341	69	5.42	-0.41
Netherlands	1,003	1,053	50	4.99	-0.84
Australia	837	946	109	13.02	7.19
Trinidad & Tobago	805	849	44	5.47	-0.36
Nicaragua	722	765	43	5.96	0.13
Grenada	681	701	20	2.94	-2.89
Lebanon	570	598	28	4.91	-0.92
Hungary	561	583	22	3.92	-1.91
Comoros	511	540	29	5.68	-0.15

Import Total Value from 1999 to 2011

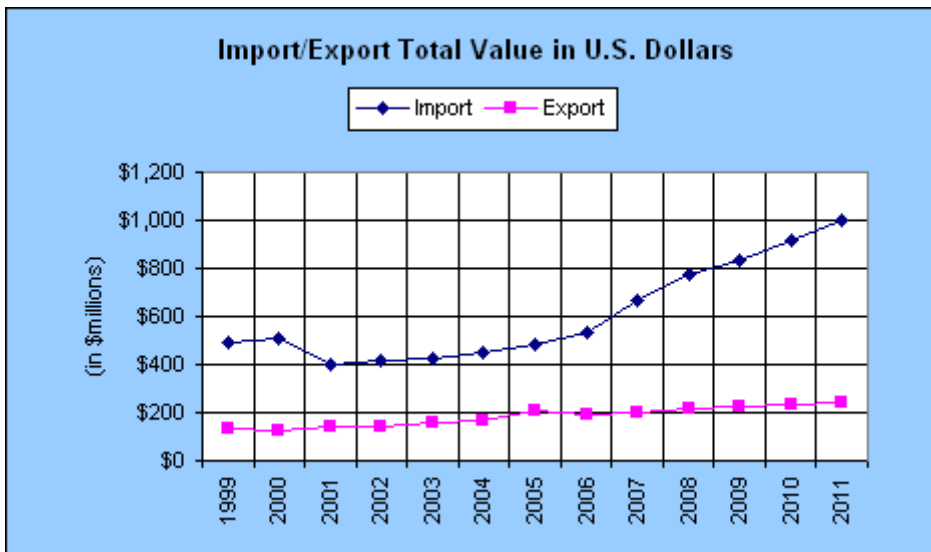


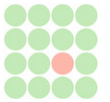


Import Total Quantity from 1999 to 2011

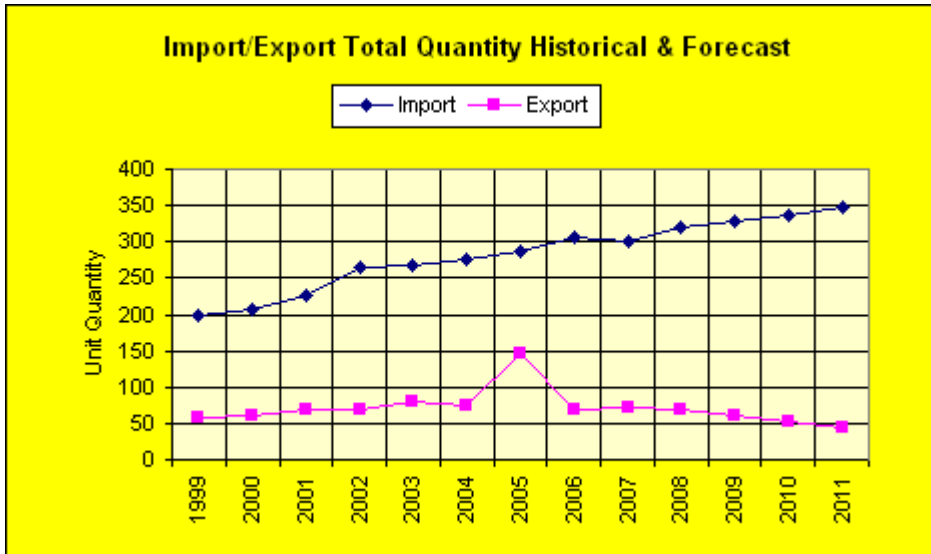


Import Export Total Value Comparison from 1999 to 2011

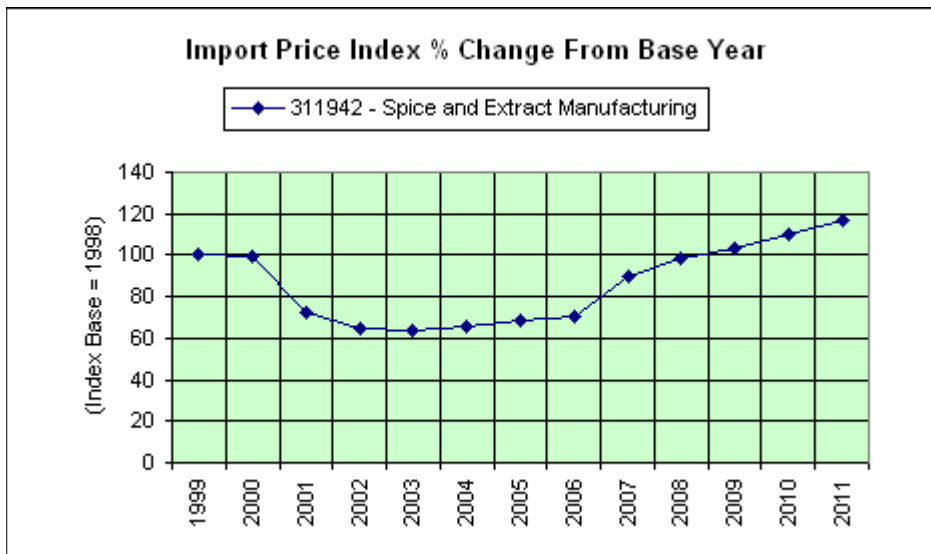


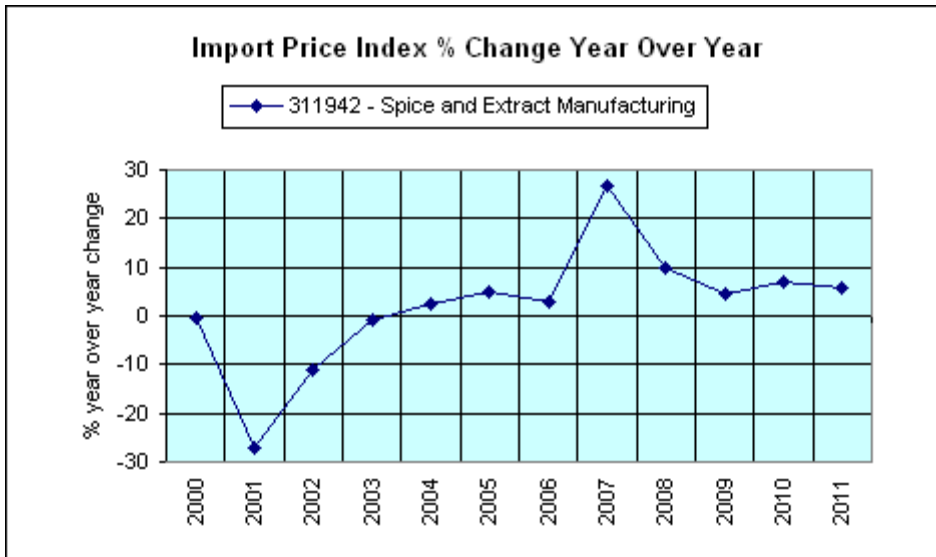
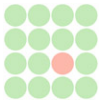


Import Export Total Quantity Comparison from 1999 to 2011

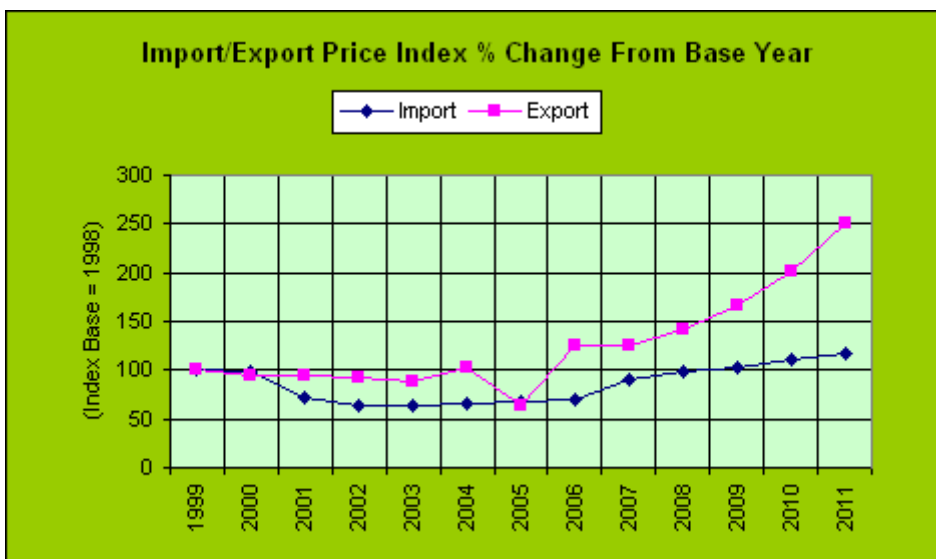


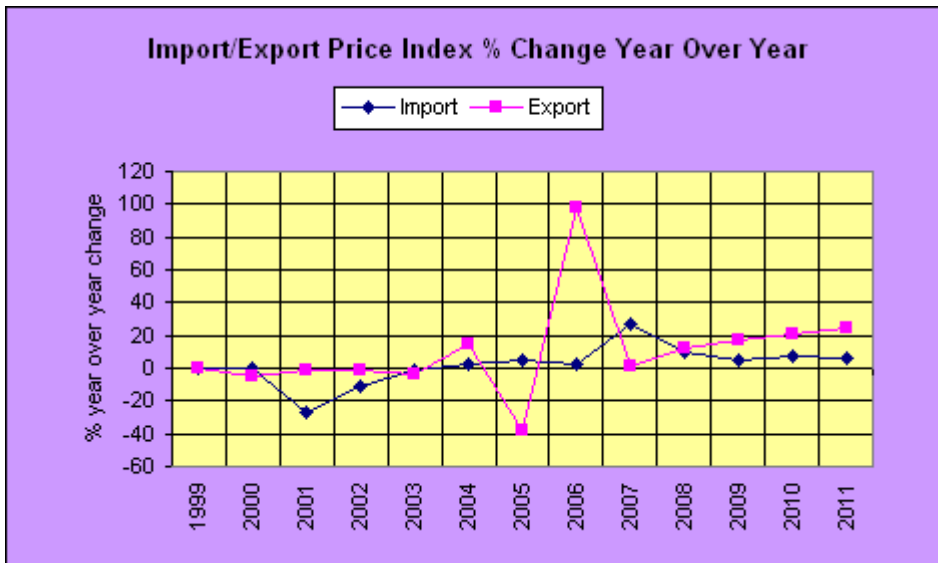
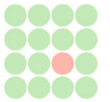
Import Price Indices from 1999 to 2011





Comparison of Import & Export Price Indices from 1999 to 2011





Note: Year 2009 and beyond are forecasted values. Import data are consumption import values.



Export

Domestic Exports

Exports of domestic merchandise include commodities which are grown, produced or manufactured in the United States, and commodities of foreign origin which have been changed in the United States, including U.S. Foreign Trade Zones, from the form in which they were imported, or which have been enhanced in value by further manufacturing in the United States.

Foreign Exports (Re-exports)

Exports of foreign merchandise (re-exports) consist of commodities of foreign origin which have entered the United States for consumption or into Customs bonded warehouses or U.S. Foreign Trade Zones, and which, at the time of exportation, are in substantially the same condition as when imported.

Export Statistics Summary

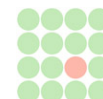
Export data include domestic and foreign exports. For this industry, the foreign export value is 8.65% of total export value and the foreign export quantity is 6.99% of total export quantity. In the manufacturing sector for the year 2008, the foreign export value was 10.75% of the total export value and the foreign export quantity was 8.02% of the total export quantity. This industry's foreign export value ratio is less than the ratio in the manufacturer sector. The foreign export quantity ratio is less than the ratio in the manufacturer sector.

There are a total of 40 import commodities in the 311942 - Spice and Extract Manufacturing Industry. There are a total of 22 export commodities in the 311942 - Spice and Extract Manufacturing Industry. Please note that the unit of measurement for quantity may vary depending on the commodities. Quantity and pricing indexes should be used with caution. (*) Approximately 97.5% of the commodities are using the unit of quantity of Kilogram (Symbol - KG).

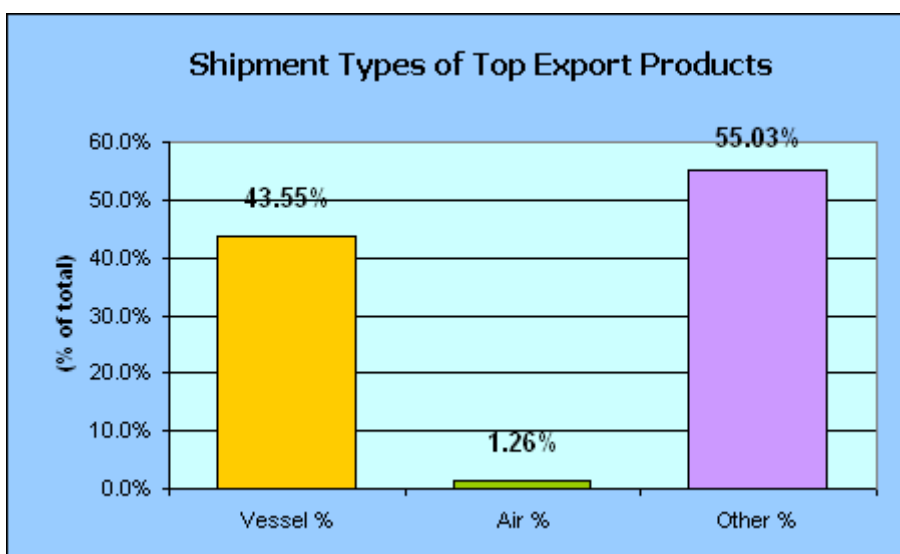
Top Export Commodities Analysis

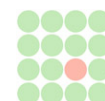
The table below listed the top 20 commodities from a total of 22 in the Spice and Extract Manufacturing Industry. These top 20 products represent approximately 100% of all export commodities' value. The number of deals indicates the number of transactions that went through the U.S. customs in the year. The value column refers to the total export value including domestic and foreign exports. The vessel, air and other percentiles are the respective shares of shipment by ocean, by air, and by land transportation. The chart following the table illustrates the distribution of shipment types of these top exported commodities.

Commodity	Description	No. Deals	Value	Vessel %	Air %	Other %	Rank	%/Total
2103909070	Mixed condiments and mixed	6,262	\$126,204,154	41.24	0.75	58.01	1	58.64%



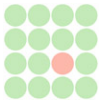
Commodity	Description	No. Deals	Value	Vessel %	Air %	Other %	Rank	%/Total
	seasonings							
910997000	Spices, nesoi	1,727	\$29,202,076	81.85	2.44	15.71	2	13.57%
904120000	Pepper of the genus piper, crushed or ground	810	\$17,265,107	18.48	0.31	81.21	3	8.02%
904200000	Fruits of genus capsicum or pimenta, drd/crsh/grnd	858	\$8,661,065	23.40	1.37	75.23	4	4.02%
904110000	Pepper of genus piper, neither crushed nor ground	406	\$8,189,122	27.64	0.89	71.47	5	3.80%
910910000	Mixtures of spices referred to in note 1(b) chap 9	422	\$6,410,901	68.25	3.54	28.21	6	2.98%
1901901500	Malt extract	199	\$4,148,254	24.48	1.61	73.91	7	1.93%
906200000	Cinnamon & cinnamon-tree flowers, crushd or ground	245	\$2,972,082	7.14	2.60	90.26	8	1.38%
910100000	Ginger	236	\$2,152,665	12.47	1.07	86.46	9	1.00%
909200000	Seeds of coriander	157	\$2,029,376	71.64	0.25	28.11	10	0.94%
909300000	Seeds of cumin	129	\$1,401,169	37.77	0.00	62.23	11	0.65%
908100000	Nutmeg	86	\$1,258,823	13.48	0.00	86.52	12	0.58%
910990550	Thyme; bay leaves	76	\$1,106,502	83.14	10.85	6.01	13	0.51%
907000000	Cloves (whole fruit, cloves and stems)	88	\$804,654	16.16	0.58	83.26	14	0.37%
910300000	Tumeric (curcuma)	59	\$788,157	65.21	5.84	28.95	15	0.37%
908300000	Cardamoms	42	\$687,035	24.42	9.37	66.21	16	0.32%
909100000	Seeds of anise or badian	52	\$587,470	56.21	2.55	41.24	17	0.27%
910991000	Curry	55	\$397,805	43.24	0.78	55.98	18	0.18%
908200000	Mace	40	\$381,386	0.00	38.82	61.18	19	0.18%
909400000	Seeds of caraway	27	\$235,308	17.85	1.47	80.68	20	0.11%





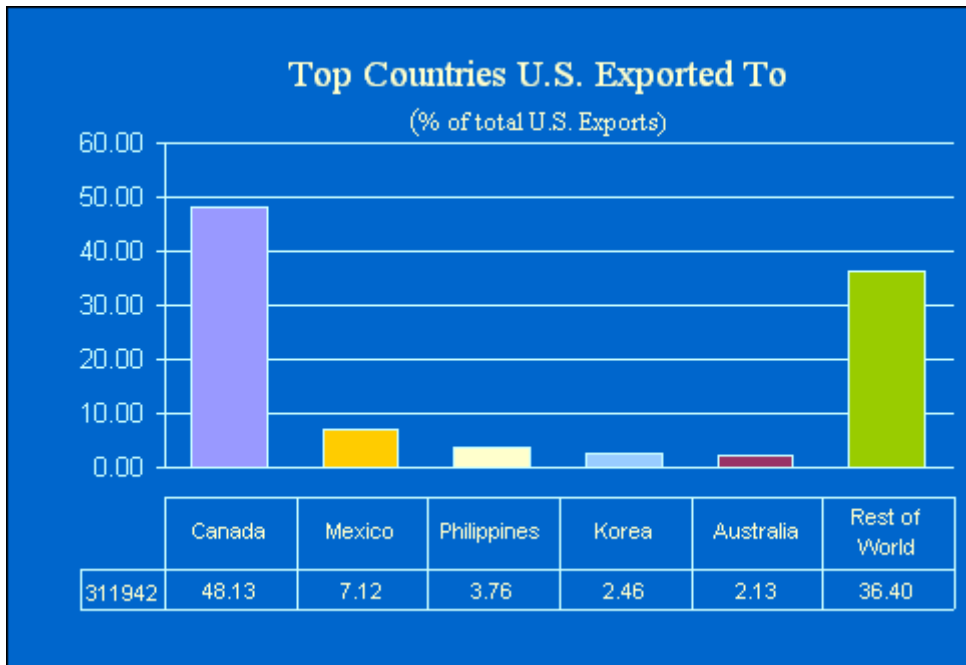
Ranking – Countries US Exported To

Country	Export (in \$1,000)	% of Total	Rank
(World)	215,235	100.00	
Canada	103,592	48.13	1
Mexico	15,321	7.12	2
Philippines	8,088	3.76	3
Korea	5,301	2.46	4
Australia	4,592	2.13	5
El Salvador	4,132	1.92	6
Costa Rica	3,552	1.65	7
Ecuador	3,548	1.65	8
Japan	3,384	1.57	9
Saudi Arabia	3,362	1.56	10
Dominican Republic	3,278	1.52	11
United Kingdom	3,181	1.48	12
Hong Kong	2,660	1.24	13
United Arab Emirates	2,392	1.11	14
Thailand	2,291	1.06	15
China	2,278	1.06	16
Jamaica	2,125	0.99	17
Sweden	2,107	0.98	18
Russia	1,959	0.91	19
Venezuela	1,813	0.84	20
Panama	1,750	0.81	21
Israel	1,633	0.76	22
Guatemala	1,507	0.70	23
Honduras	1,334	0.62	24
Taiwan	1,273	0.59	25
Bahamas	1,261	0.59	26
Netherlands Antilles	1,174	0.55	27
Germany	1,146	0.53	28
Singapore	1,103	0.51	29
Oman	1,039	0.48	30
France	997	0.46	31
India	995	0.46	32
Peru	928	0.43	33
Chile	904	0.42	34
Netherlands	875	0.41	35
Kuwait	860	0.40	36
Egypt	840	0.39	37

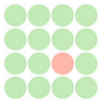


Country	Export (in \$1,000)	% of Total	Rank
Barbados	802	0.37	38
Haiti	770	0.36	39
Iceland	766	0.36	41
Malaysia	766	0.36	40
Ivory Coast	730	0.34	42
Jordan	720	0.33	43
Trinidad & Tobago	704	0.33	44
Colombia	701	0.33	45
Aruba	650	0.30	46
Brazil	628	0.29	47
Bermuda	564	0.26	48
Spain	468	0.22	49
Turkey	468	0.22	50

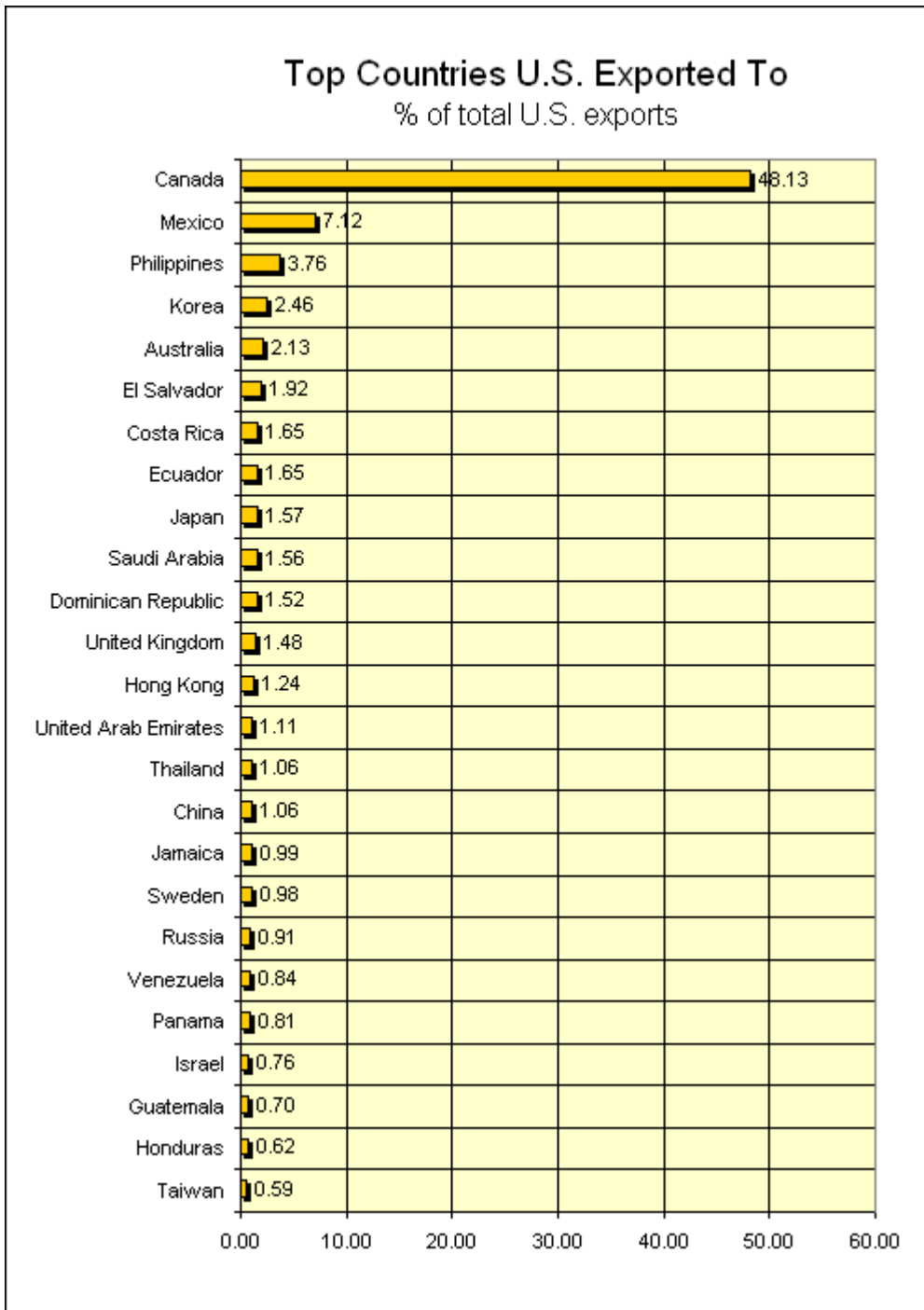
Top 5 Countries US Exported To



The total export value for the year 2008 was \$215,235,000. This represents a 8.04% increase from year 2007. The U.S. had exported industry related merchandises to 115 countries in 2008. The top countries U.S. exported to were: Canada, \$103,592,000 (48.13%); Mexico, \$15,321,000 (7.12%); Philippines, \$8,088,000 (3.76%); Korea, \$5,301,000 (2.46%); and Australia, \$4,592,000 (2.13%). Their combined total represents approximately 64% of exports to all countries.

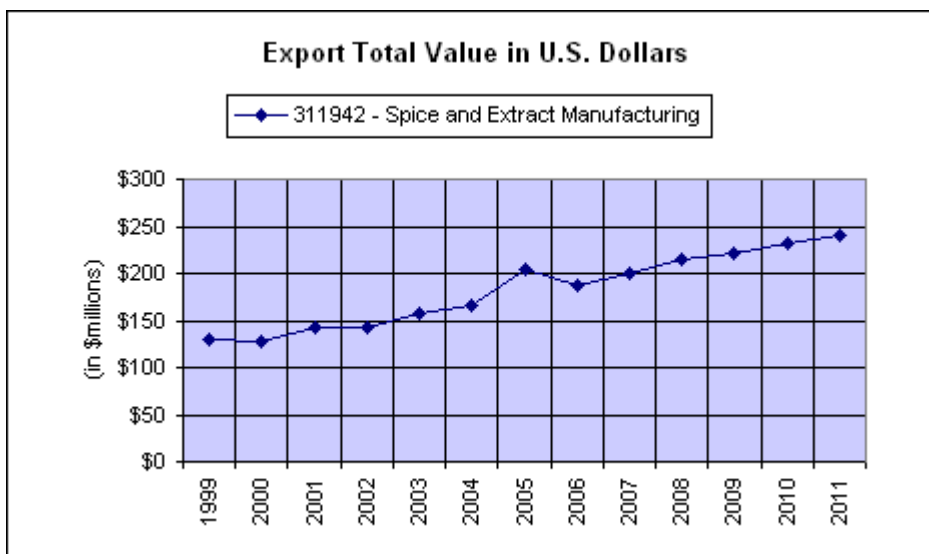


Top 25 Countries US Exported To

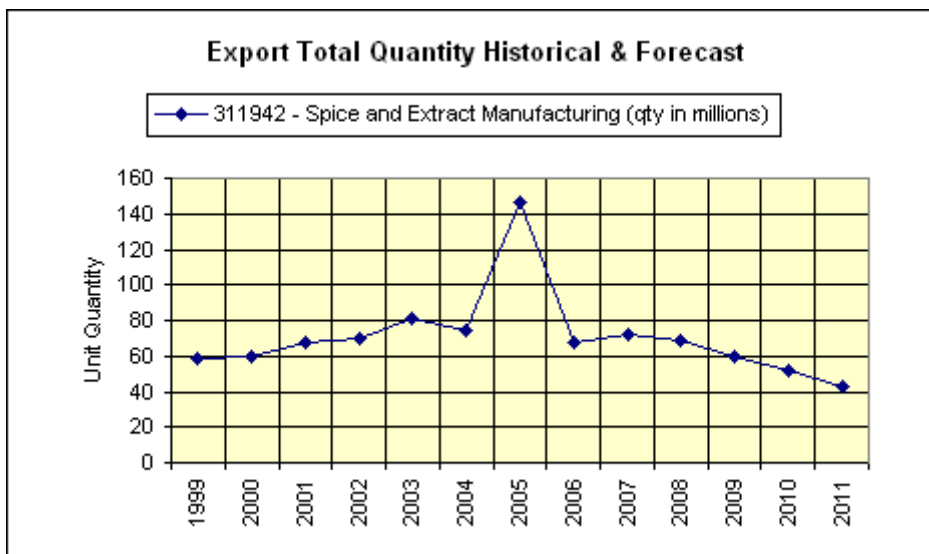


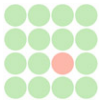


Export Total Value from 1999 to 2011

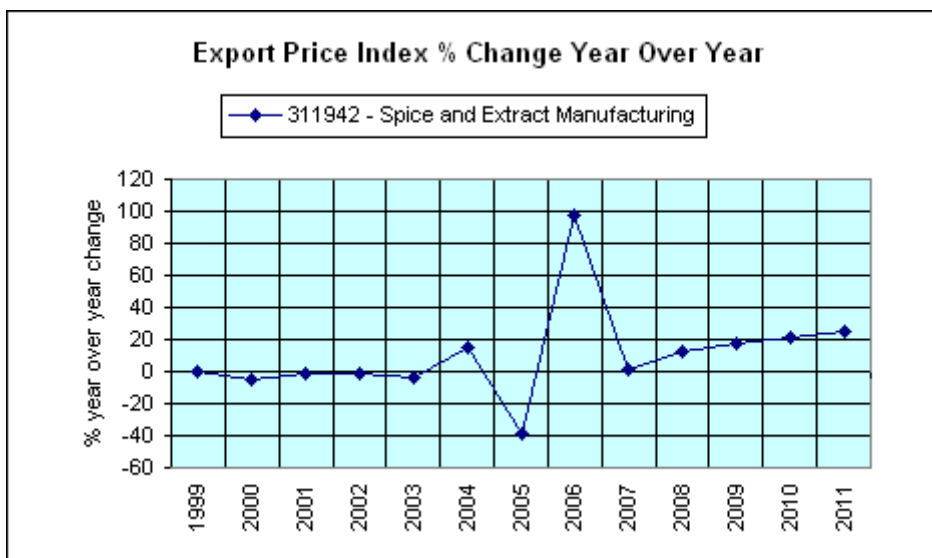
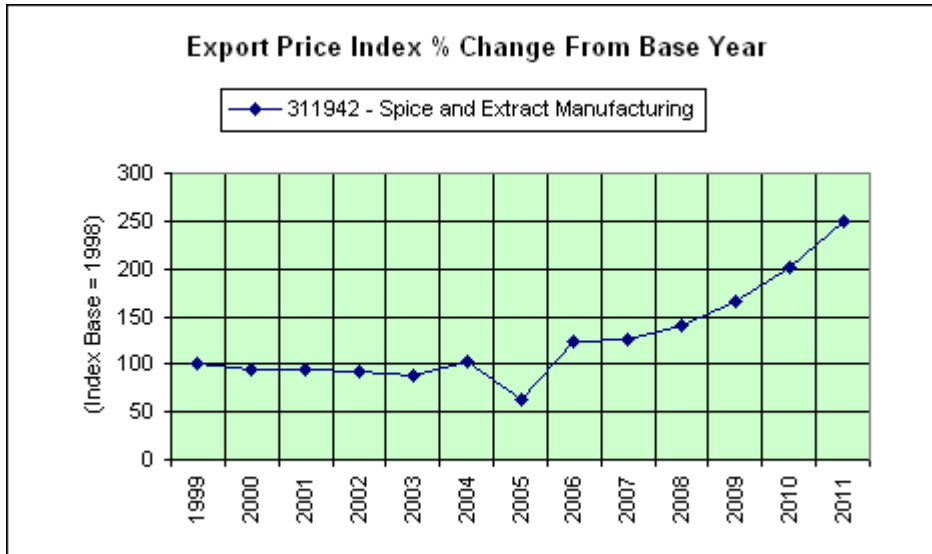


Export Total Quantity from 1999 to 2011

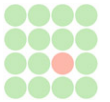




Export Price Indices from 1999 to 2011



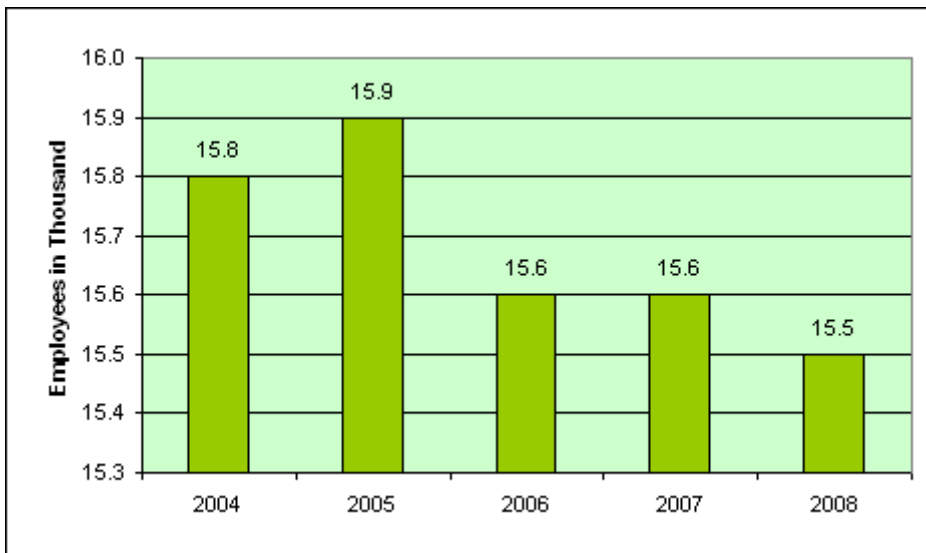
Note: Year 2009 and beyond are forecasted values.



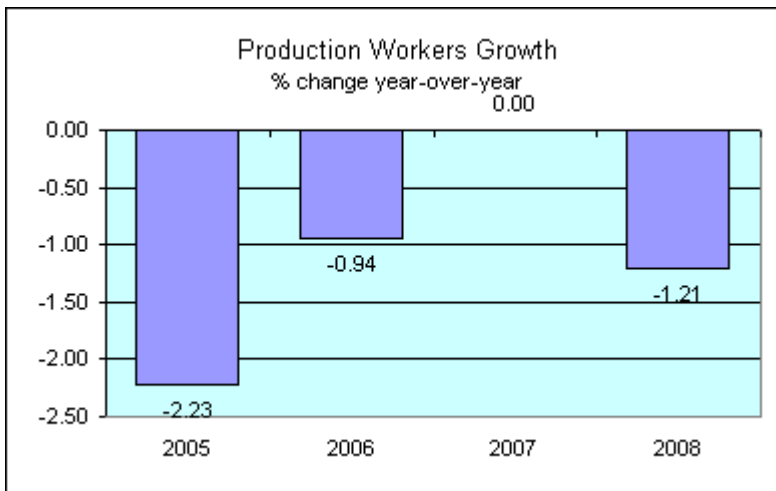
Industry Structure

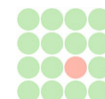
Labor and Compensation

This includes all full-time and part-time employees on the payrolls of operating manufacturing establishments during any part of the pay period that include the 12 months specified on the report form. Included are employees on paid sick leave, paid holidays, and paid vacations; not included are proprietors and partners of unincorporated businesses. All employees in a manufacturing industry include production workers and non-production workers.



Trend





Production Workers

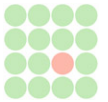
The “production workers” number includes workers (up through the line-supervisor level) engaged in fabricating, processing, assembling, inspecting, receiving, storing, handling, packing, warehousing, shipping (but not delivering), maintenance, repair, janitorial and guard services, product development, auxiliary production for plant’s own use (e.g., power plant), recordkeeping, and other services closely associated with these production operations at the establishment covered by the report. Employees above the working-supervisor level are excluded.



Production Workers to Total Employees Ratio

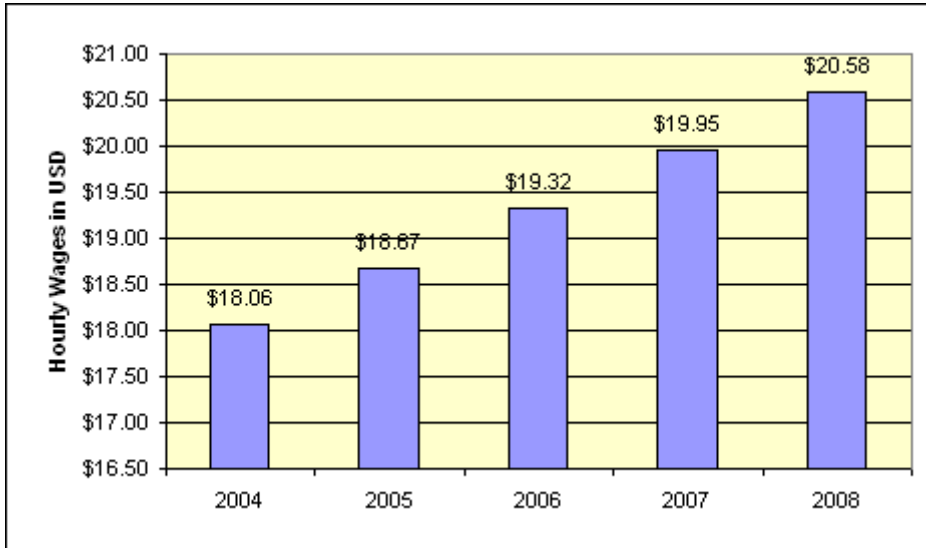
This ratio is calculated by: $\text{Total Production workers} / \text{Total Number of Employees}$. This ratio is frequently used for human resource planning.





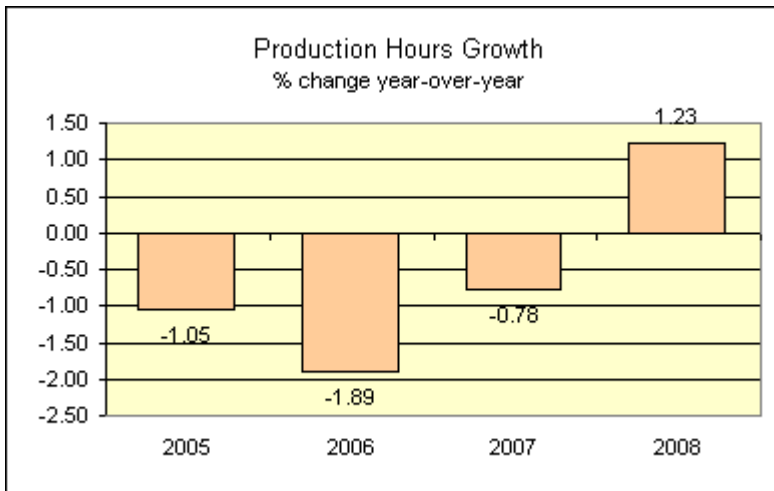
Hourly Wages

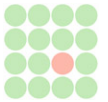
Hourly wage is the average hourly wage commonly used in the industry for comparison purposes. It is calculated by dividing the value of total wages by number of total hours.



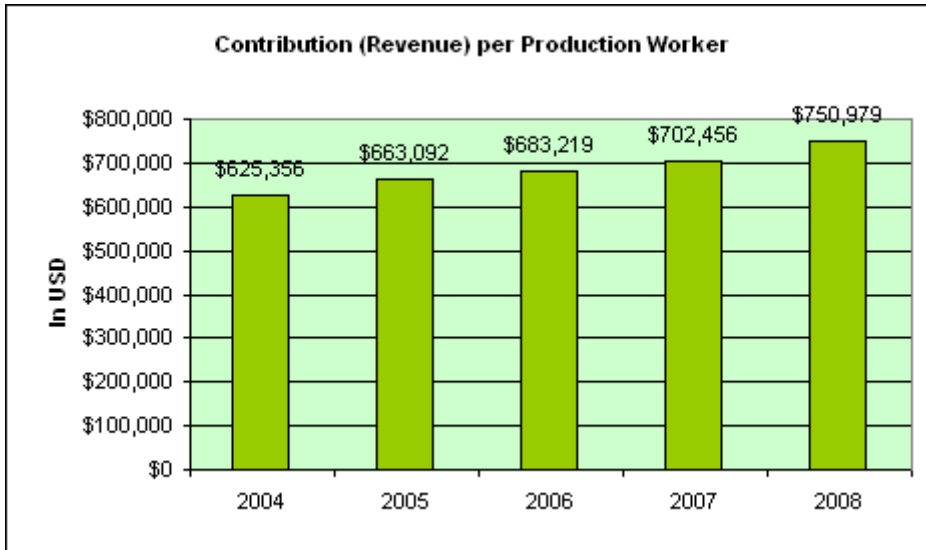
Production Hours Trend

This item covers all hours worked or paid for at the manufacturing plant, including actual overtime hours (not straight-time equivalent hours). It excludes hours paid for vacations, holidays, or sick leave when the employee is not at the establishment.





Contribution (Revenue) per Production Worker



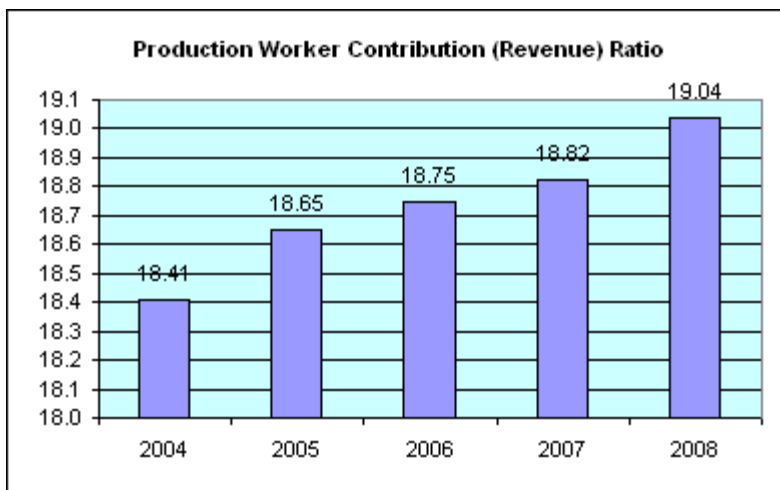
Annual Wage per Production Worker

This figure does not include fringe benefits.

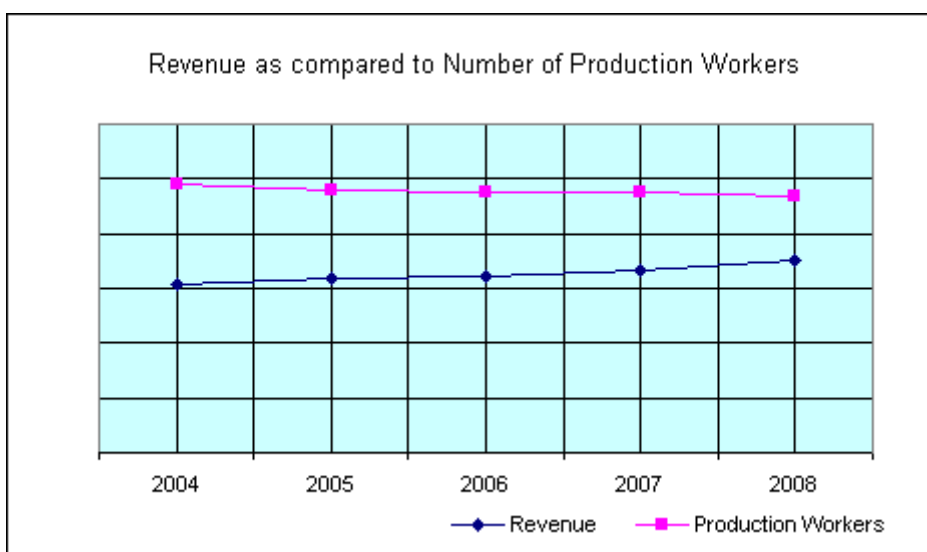


Production Worker Contribution (Revenue) Ratio

The Production Worker Contribution (Revenue) Ratio is calculated by dividing the Contribution per Production Worker by the Average Wage per Production Worker.



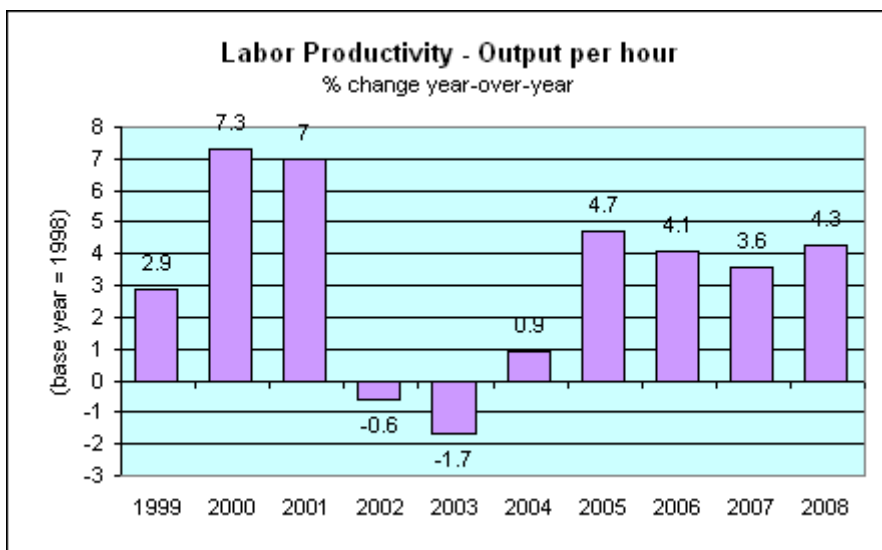
Revenue to Number of Workers



Labor Productivity (output per hour)

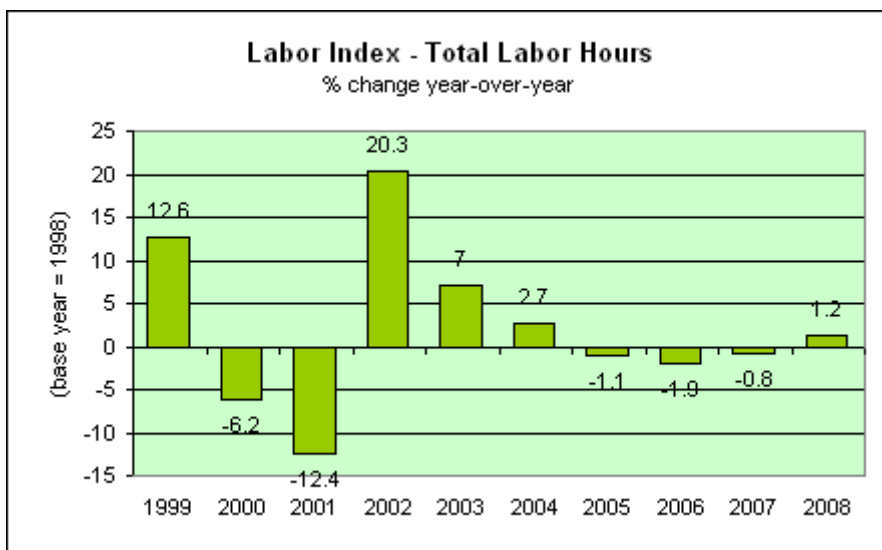
Labor productivity is a measure of the efficiency of the labor force. It is usually measured as output per hour of all people. When comparing labor productivity one mostly looks at the change over time. The indices of output per hour measure the changes in the relationship between output and the hours expended in producing that output. To calculate a labor productivity index, an index of industry output is divided by an index of hours.

Measures of output per hour are useful for analyzing trends in labor costs, comparing productivity progress among countries, examining the effects of technological improvements, and analyzing related economic and industrial activities. Such analysis usually requires that indices of output per hour be used in conjunction with other data. Specifically, related data on production and employment are useful in studying technological effects; to study trends in labor costs, data on earnings and other labor expenditures are necessary.



Labor Input Index – (total labor hours)

The labor input indices are developed by dividing the aggregate employee hours for each year by the base-period aggregate. Because of data limitations, employee hours are treated as homogeneous and additive with no distinction made between hours of different groups of employees. For industries in which the self-employed are important, indices are constructed for the hours of all persons, which include paid employees, partners, proprietors, and unpaid family workers.

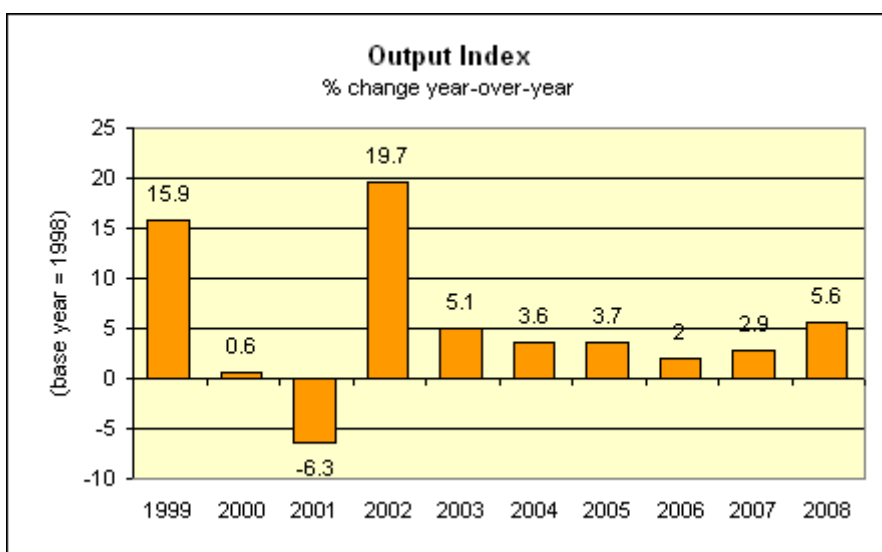


Output Index

For an industry producing a uniform product or service, the output index is simply the ratio of the number of units produced in the current year divided by the number of units produced in the base year. Similarly, the employee hour index equals hours expended in the current year divided by hours expended in the base year.

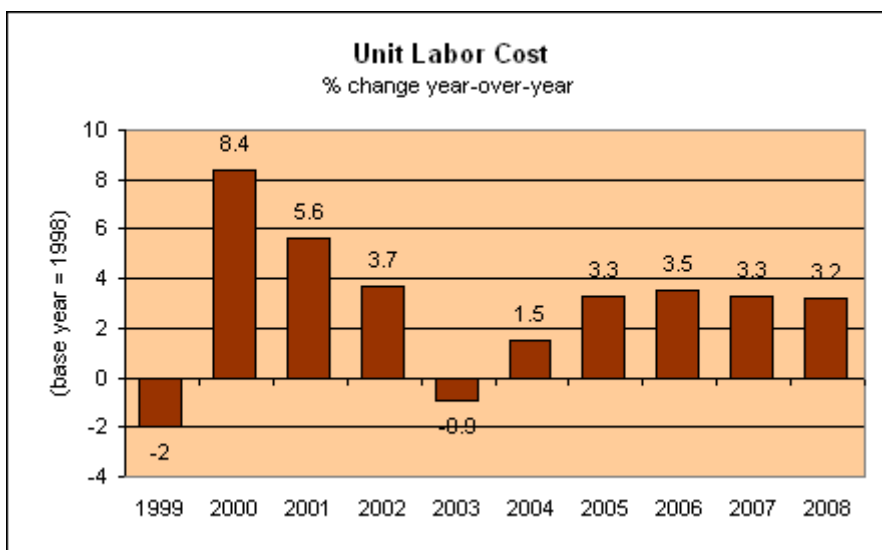


More typically, industries produce a number of different products or perform a number of different services. For these industries, output is calculated with a Tornqvist formula.



Unit Labor Cost Index

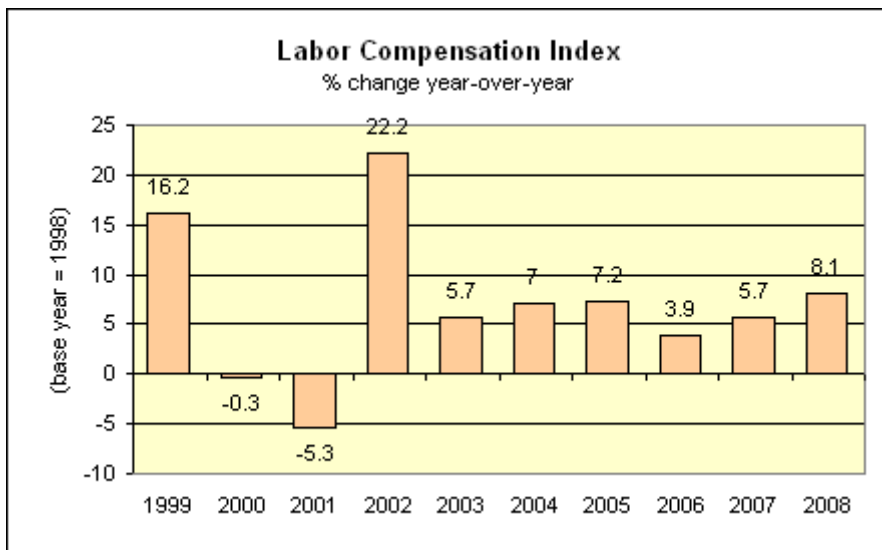
The unit labor costs index represents the cost of producing one unit of output. The measure is calculated by dividing an index of labor compensation by an index of real output. It is sometimes calculated by dividing an index of compensation per hour by the labor productivity index above. This ratio shows an inverse relationship between labor productivity and unit labor costs. For example, when labor productivity increases, it offsets increases in hourly compensation so that unit labor costs rise less rapidly than compensation. On the other hand, if labor productivity declines or rises more slowly than hourly compensation, unit labor costs will increase, but if output per hour increases faster than hourly compensation, unit labor costs will fall.





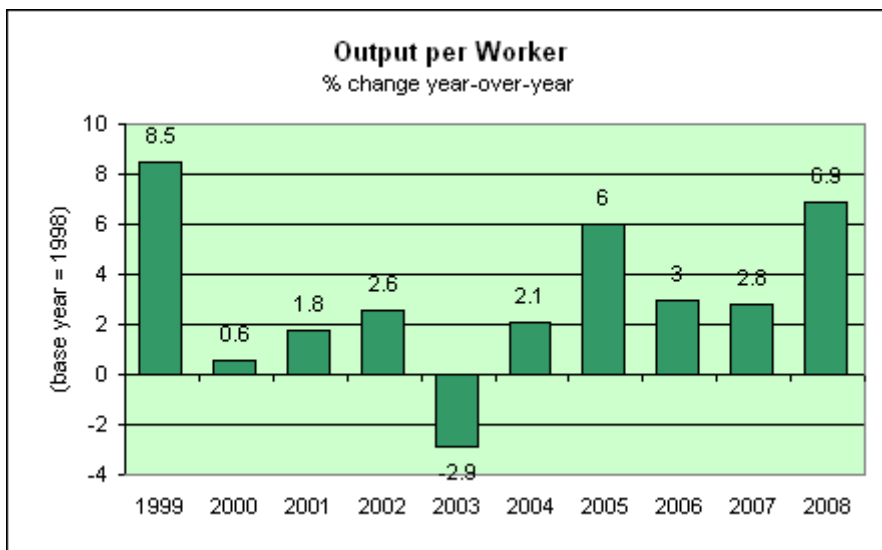
Labor Compensation Index

The labor compensation index measures the cost of total compensation, which includes wages, salaries and fringe benefits. For its official definition and scope, read the Compensation section of this report.



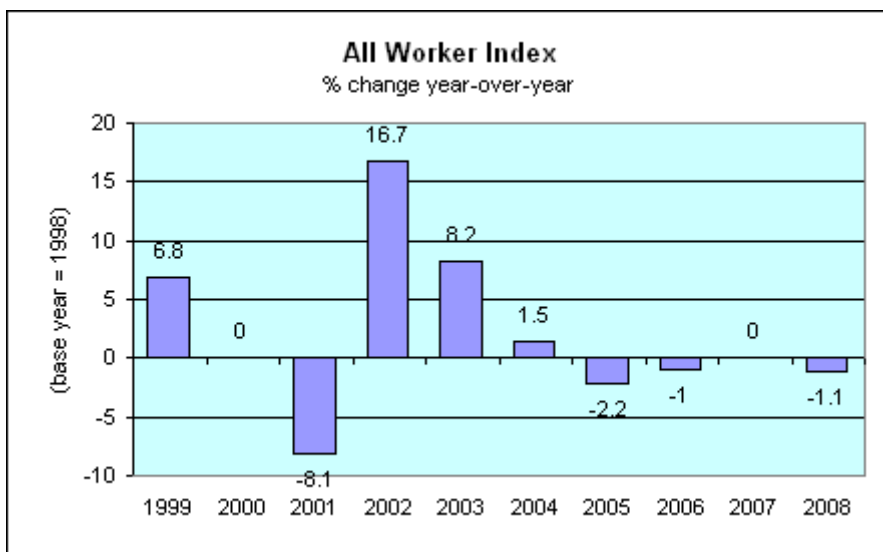
Output per Worker Index

The output per worker index is calculated by total output divided by total number of workers. It is not always true that when the output per worker increases, the workers' contributions to firm revenue will also increase. Nor is it true that an increase in revenue and demand will imply an increase in wages.





All Worker Index



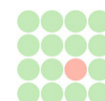
Human Resources - Occupations

Following is the table of all occupations in this industry at the major category level (4-digit NAICS). The OCC Code is the standardized Occupation Code defined by the U.S. Department of Labor. The first 2-digit code is the major category. For example, 11 represents the management position. The next 4-digit code is the subcategory. The subcategory code 0000 is the aggregate of the entire category. The OCC Code is followed by the title of the occupation, number of employees (or laborers) in this category, percentage of the total, and the mean hourly wage.

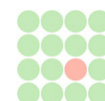
OCC Code	Title	Employees	%	Hourly Mean \$
00-0000	Industry Total	159900	100.00	17.63
11-0000	Management occupations	8210	5.13	51.08
11-1011	Chief executives	500	0.31	75.55
11-1021	General and operations managers	2080	1.30	53.26
11-2011	Advertising and promotions managers	**	**	47.12
11-2021	Marketing managers	420	0.26	57.96
11-2022	Sales managers	750	0.47	54.06
11-2031	Public relations managers	**	**	43.98
11-3011	Administrative services managers	130	0.08	43.56
11-3021	Computer and information systems managers	200	0.13	49.63
11-3031	Financial managers	730	0.46	52.07
11-3041	Compensation and benefits managers	100	0.06	38.72
11-3042	Training and development managers	40	0.03	41.33
11-3049	Human resources managers, all other	200	0.13	*
11-3051	Industrial production managers	1600	1.00	40.58



OCC Code	Title	Employees	%	Hourly Mean \$
11-3061	Purchasing managers	220	0.14	50.95
11-3071	Transportation, storage, and distribution managers	410	0.26	39.05
11-9121	Natural sciences managers	**	**	53.07
11-9199	Managers, all other	380	0.24	52.80
13-0000	Business and financial operations occupations	4230	2.65	29.36
13-1021	Purchasing agents and buyers, farm products	180	0.11	26.26
13-1022	Wholesale and retail buyers, except farm products	100	0.06	22.01
13-1023	Purchasing agents, except wholesale, retail, and farm products	730	0.46	25.76
13-1041	Compliance officers, except agriculture, construction, health and safety, and transportation	100	0.06	27.26
13-1051	Cost estimators	40	0.03	*
13-1071	Employment, recruitment, and placement specialists	50	0.03	25.90
13-1072	Compensation, benefits, and job analysis specialists	110	0.07	26.61
13-1073	Training and development specialists	70	0.04	22.95
13-1079	Human resources, training, and labor relations specialists, all other	170	0.11	28.22
13-1081	Logisticians	210	0.13	31.03
13-1111	Management analysts	230	0.14	40.04
13-1199	Business operations specialists, all other	730	0.46	31.05
13-2011	Accountants and auditors	1270	0.79	29.97
13-2051	Financial analysts	150	0.09	31.41
13-2099	Financial specialists, all other	50	0.03	30.45
15-0000	Computer and mathematical occupations	1230	0.77	32.65
15-1021	Computer programmers	80	0.05	31.27
15-1031	Computer software engineers, applications	**	**	37.83
15-1041	Computer support specialists	240	0.15	23.10
15-1051	Computer systems analysts	160	0.10	37.64
15-1071	Network and computer systems administrators	180	0.11	29.63
15-1081	Network systems and data communications analysts	**	**	31.48
15-1099	Computer specialists, all other	**	**	41.73
17-0000	Architecture and engineering occupations	830	0.52	34.92
17-2021	Agricultural engineers	90	0.06	34.07
17-2112	Industrial engineers	270	0.17	35.28
17-2199	Engineers, all other	190	0.12	44.39
17-3026	Industrial engineering technicians	80	0.05	21.24
17-3029	Engineering technicians, except drafters, all other	40	0.03	21.97
19-0000	Life, physical, and social science occupations	3450	2.16	27.40
19-1012	Food scientists and technologists	1570	0.98	31.00
19-2031	Chemists	310	0.19	39.04
19-3021	Market research analysts	300	0.19	28.77
19-4011	Agricultural and food science technicians	780	0.49	18.35
19-4031	Chemical technicians	330	0.21	20.89
19-4091	Environmental science and protection technicians, including health	**	**	14.64



OCC Code	Title	Employees	%	Hourly Mean \$
23-0000	Legal occupations	**	**	50.88
23-1011	Lawyers	**	**	58.62
27-0000	Arts, design, entertainment, sports, and media occupations	300	0.19	23.53
27-1021	Commercial and industrial designers	40	0.03	21.93
27-1024	Graphic designers	130	0.08	22.82
27-1026	Merchandise displayers and window trimmers	30	0.02	17.43
27-3031	Public relations specialists	50	0.03	27.52
29-0000	Healthcare practitioners and technical occupations	100	0.06	25.53
29-9011	Occupational health and safety specialists	70	0.04	25.90
33-0000	Protective service occupations	150	0.09	13.11
33-9032	Security guards	140	0.09	12.73
35-0000	Food preparation and serving related occupations	5020	3.14	10.10
35-1011	Chefs and head cooks	120	0.08	21.63
35-1012	First-line supervisors/managers of food preparation and serving workers	330	0.21	15.86
35-2011	Cooks, fast food	**	**	8.54
35-2014	Cooks, restaurant	90	0.06	11.27
35-2019	Cooks, all other	70	0.04	15.36
35-2021	Food preparation workers	2670	1.67	9.29
35-3021	Combined food preparation and serving workers, including fast food	560	0.35	9.67
35-3022	Counter attendants, cafeteria, food concession, and coffee shop	570	0.36	8.84
35-9021	Dishwashers	70	0.04	10.83
37-0000	Building and grounds cleaning and maintenance occupations	2300	1.44	11.95
37-1011	First-line supervisors/managers of housekeeping and janitorial workers	140	0.09	20.11
37-2011	Janitors and cleaners, except maids and housekeeping cleaners	2120	1.33	11.35
39-0000	Personal care and service occupations	**	**	13.33
41-0000	Sales and related occupations	5260	3.29	27.92
41-1011	First-line supervisors/managers of retail sales workers	80	0.05	21.46
41-1012	First-line supervisors/managers of non-retail sales workers	320	0.20	36.45
41-2011	Cashiers	370	0.23	8.82
41-2031	Retail salespersons	250	0.16	10.42
41-4011	Sales representatives, wholesale and manufacturing, technical and scientific products	40	0.03	39.64
41-4012	Sales representatives, wholesale and manufacturing, except technical and scientific products	3850	2.41	30.96
41-9011	Demonstrators and product promoters	100	0.06	11.92
41-9099	Sales and related workers, all other	160	0.10	20.57
43-0000	Office and administrative support occupations	16700	10.44	16.17
43-1011	First-line supervisors/managers of office and administrative support workers	1070	0.67	24.97
43-3021	Billing and posting clerks and machine operators	500	0.31	15.59
43-3031	Bookkeeping, accounting, and auditing clerks	1730	1.08	16.76

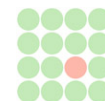


OCC Code	Title	Employees	%	Hourly Mean \$
43-3051	Payroll and timekeeping clerks	270	0.17	17.39
43-3061	Procurement clerks	100	0.06	17.59
43-4051	Customer service representatives	1620	1.01	16.55
43-4151	Order clerks	630	0.39	13.95
43-4161	Human resources assistants, except payroll and timekeeping	320	0.20	17.53
43-4171	Receptionists and information clerks	450	0.28	12.98
43-4199	All other information and record clerks	70	0.04	16.88
43-5032	Dispatchers, except police, fire, and ambulance	70	0.04	17.70
43-5061	Production, planning, and expediting clerks	1290	0.81	19.64
43-5071	Shipping, receiving, and traffic clerks	2400	1.50	14.18
43-5081	Stock clerks and order fillers	1920	1.20	12.86
43-5111	Weighers, measurers, checkers, and samplers, recordkeeping	610	0.38	14.00
43-6011	Executive secretaries and administrative assistants	1120	0.70	19.34
43-6014	Secretaries, except legal, medical, and executive	750	0.47	15.82
43-9021	Data entry keyers	40	0.03	12.71
43-9061	Office clerks, general	1510	0.94	13.36
43-9199	Office and administrative support workers, all other	60	0.04	16.86
45-0000	Farming, fishing, and forestry occupations	2890	1.81	9.24
45-1011	First-line supervisors/managers of farming, fishing, and forestry workers	40	0.03	19.25
45-2041	Graders and sorters, agricultural products	1530	0.96	8.95
45-2091	Agricultural equipment operators	190	0.12	10.85
45-2092	Farmworkers and laborers, crop, nursery, and greenhouse	850	0.53	8.60
45-2099	Agricultural workers, all other	90	0.06	10.90
47-0000	Construction and extraction occupations	350	0.22	21.81
47-2111	Electricians	330	0.21	22.44
49-0000	Installation, maintenance, and repair occupations	9140	5.72	20.18
49-1011	First-line supervisors/managers of mechanics, installers, and repairers	690	0.43	29.58
49-2094	Electrical and electronics repairers, commercial and industrial equipment	60	0.04	23.80
49-3023	Automotive service technicians and mechanics	50	0.03	20.26
49-3031	Bus and truck mechanics and diesel engine specialists	190	0.12	20.39
49-9041	Industrial machinery mechanics	2070	1.29	20.18
49-9042	Maintenance and repair workers, general	4900	3.06	19.15
49-9043	Maintenance workers, machinery	630	0.39	17.47
49-9099	Installation, maintenance, and repair workers, all other	110	0.07	15.07
51-0000	Production occupations	64280	40.20	13.64
51-1011	First-line supervisors/managers of production and operating workers	4850	3.03	23.84
51-2092	Team assemblers	3440	2.15	10.98
51-3011	Bakers	470	0.29	12.11
51-3021	Butchers and meat cutters	40	0.03	11.03
51-3022	Meat, poultry, and fish cutters and trimmers	**	**	10.13



OCC Code	Title	Employees	%	Hourly Mean \$
51-3023	Slaughterers and meat packers	150	0.09	15.16
51-3091	Food and tobacco roasting, baking, and drying machine operators and tenders	3280	2.05	13.34
51-3092	Food batchmakers	11240	7.03	12.77
51-3093	Food cooking machine operators and tenders	3890	2.43	13.28
51-4041	Machinists	**	**	16.83
51-5023	Printing machine operators	190	0.12	16.22
51-8099	Plant and system operators, all other	**	**	22.55
51-9012	Separating, filtering, clarifying, precipitating, and still machine setters, operators, and tenders	1420	0.89	14.79
51-9021	Crushing, grinding, and polishing machine setters, operators, and tenders	720	0.45	13.18
51-9023	Mixing and blending machine setters, operators, and tenders	3390	2.12	14.06
51-9031	Cutters and trimmers, hand	530	0.33	9.47
51-9032	Cutting and slicing machine setters, operators, and tenders	1160	0.73	11.82
51-9041	Extruding, forming, pressing, and compacting machine setters, operators, and tenders	470	0.29	12.94
51-9051	Furnace, kiln, oven, drier, and kettle operators and tenders	80	0.05	15.50
51-9061	Inspectors, testers, sorters, samplers, and weighers	3480	2.18	15.42
51-9111	Packaging and filling machine operators and tenders	16440	10.28	12.57
51-9192	Cleaning, washing, and metal pickling equipment operators and tenders	1040	0.65	11.09
51-9193	Cooling and freezing equipment operators and tenders	60	0.04	13.76
51-9198	Helpers--production workers	4420	2.76	10.50
51-9199	Production workers, all other	2990	1.87	14.03
53-0000	Transportation and material moving occupations	35290	22.07	13.97
53-1021	First-line supervisors/managers of helpers, laborers, and material movers, hand	610	0.38	20.90
53-1031	First-line supervisors/managers of transportation and material-moving machine and vehicle operators	1610	1.01	28.58
53-3031	Driver/sales workers	2370	1.48	15.28
53-3032	Truck drivers, heavy and tractor-trailer	1920	1.20	16.16
53-3033	Truck drivers, light or delivery services	1500	0.94	14.56
53-7011	Conveyor operators and tenders	330	0.21	13.28
53-7051	Industrial truck and tractor operators	6640	4.15	14.37
53-7061	Cleaners of vehicles and equipment	3010	1.88	12.66
53-7062	Laborers and freight, stock, and material movers, hand	5110	3.20	12.07
53-7063	Machine feeders and offbearers	1040	0.65	11.61
53-7064	Packers and packagers, hand	10920	6.83	11.87
53-7081	Refuse and recyclable material collectors	60	0.04	10.82
53-7199	Material moving workers, all other	80	0.05	18.40

Top 10 occupations are: Packaging and filling machine operators and tenders (10.28%), Food batchmakers (7.03%), Packers and packagers, hand (6.83%), Industrial truck and tractor

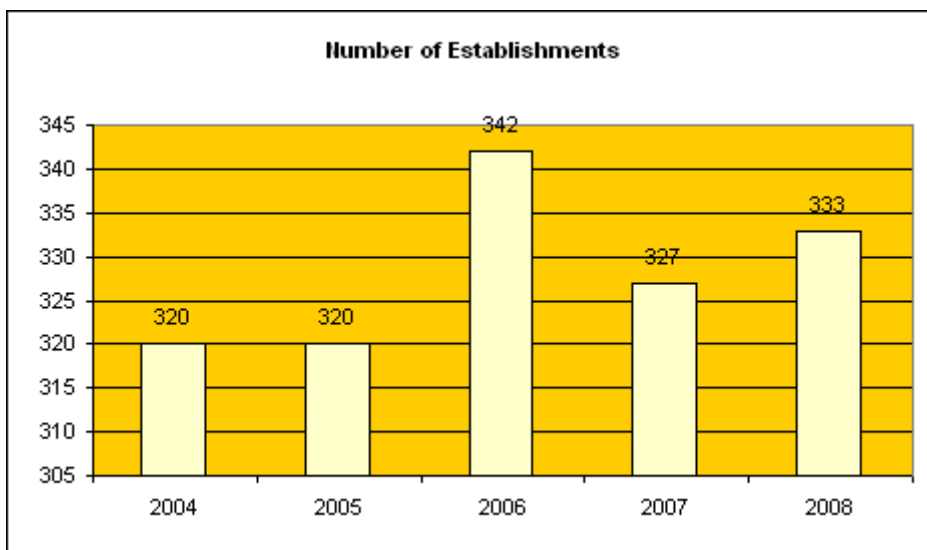


operators (4.15%), Laborers and freight, stock, and material movers, hand (3.20%), Maintenance and repair workers, general (3.06%), First-line supervisors/managers of production and operating workers (3.03%), Helpers--production workers (2.76%), Food cooking machine operators and tenders (2.43%), and Sales representatives, wholesale and manufacturing, except technical and scientific products (2.41%). These top 10 occupations represent 45.18% of 136 occupations in this industry.

The table is showing the occupational data from its higher NAICS level (3119 - Other food manufacturing). Source: U.S. Department of Labor 2007



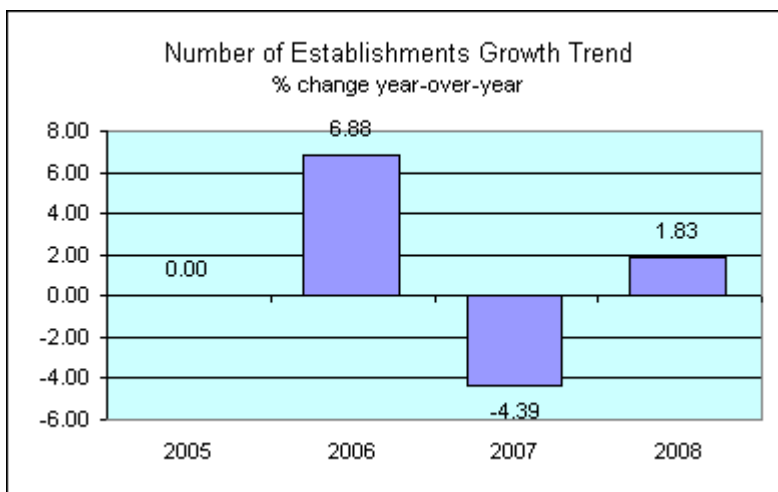
Establishments



The chart above depicts the number of establishments in the Spice and Extract Manufacturing industry over a 5 year period.

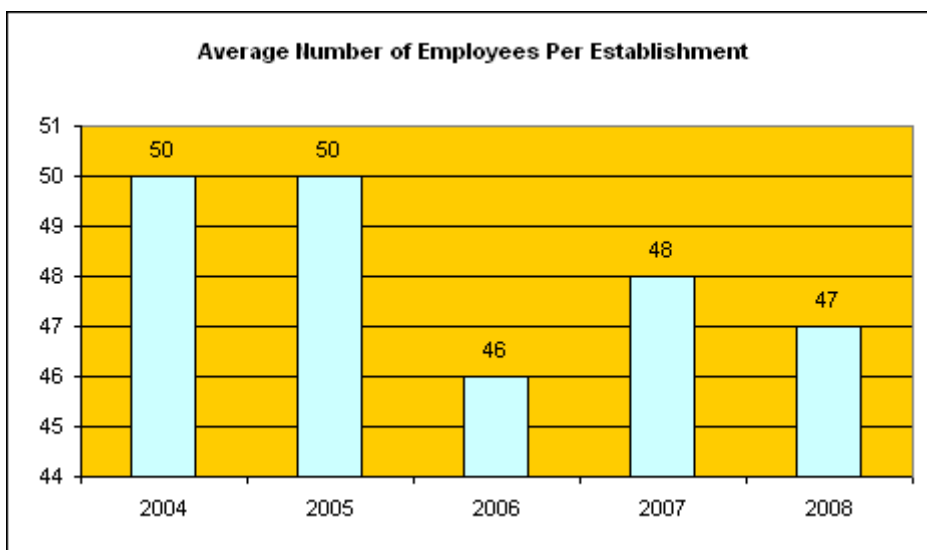
An establishment is a single physical location where business is conducted or where services or industrial operations are performed. Data in this sector includes those establishments where manufacturing is performed.

Trend



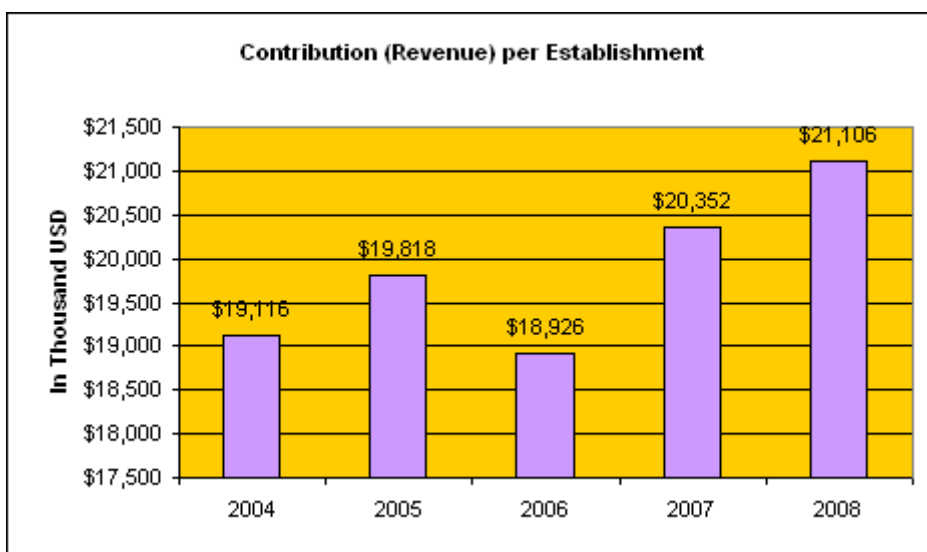
Average Number of Employees per Establishment

The average number of employees per establishment index provides you a comparison of the size of each establishment, in terms of number of employees.



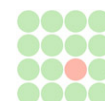
Contribution (Revenue) per Establishment

The contribution (revenue) per establishment index is derived by taking total revenue and dividing it by number of establishments.



Establishment Sizes by Number of Employees

In 2008, there were approximately 333 establishments in this industry. Of which, 281 (84%) were small-sized establishments with 1 to 99 employees, 52 (16%) were medium-sized establishments with 100 to 999 employees, and no large-sized establishments with more than 1,000 employees. Compared with prior year, the trend shows a decrease in number of small-sized establishments, a decrease in number of medium-sized establishments, and no change in the number of large-sized establishments. The chart below shows a more detailed breakdown of the establishment sizes by number of employees.



Establishments by U.S. States

State	Plants	1 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100-249	250-499	500-999	1000+
(USA)	326	83	43	44	61	43	40	10	2	0
Alabama	1	0	0	0	0	0	1	0	0	0
Arizona	2	0	1	1	0	0	0	0	0	0
Arkansas	2	0	0	1	1	0	0	0	0	0
California	43	7	9	4	14	7	1	1	0	0
Colorado	2	1	0	0	1	0	0	0	0	0
Connecticut	3	2	0	1	0	0	0	0	0	0
Florida	20	9	3	0	4	2	1	1	0	0
Georgia	6	2	1	0	0	1	2	0	0	0
Hawaii	2	1	0	0	1	0	0	0	0	0
Idaho	1	0	0	0	0	1	0	0	0	0
Illinois	26	5	2	2	5	4	6	1	1	0
Indiana	5	1	0	1	1	1	0	1	0	0
Iowa	5	0	0	1	1	1	1	1	0	0
Kansas	7	1	1	1	1	0	2	1	0	0
Kentucky	2	0	0	0	1	0	0	1	0	0
Louisiana	11	4	0	0	3	1	2	1	0	0
Maine	1	1	0	0	0	0	0	0	0	0
Maryland	13	2	0	4	0	1	5	0	1	0
Massachusetts	6	2	1	1	0	2	0	0	0	0
Michigan	11	5	1	3	1	0	1	0	0	0
Minnesota	7	2	0	2	2	0	0	1	0	0

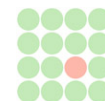


State	Plants	1 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100-249	250-499	500-999	1000+
Mississippi	2	0	0	0	2	0	0	0	0	0
Missouri	9	2	3	0	1	3	0	0	0	0
Montana	1	1	0	0	0	0	0	0	0	0
Nevada	1	0	0	0	0	1	0	0	0	0
New Hampshire	1	0	1	0	0	0	0	0	0	0
New Jersey	20	2	2	5	6	3	2	0	0	0
New Mexico	3	0	0	0	2	0	1	0	0	0
New York	22	10	5	3	1	1	2	0	0	0
North Carolina	5	1	1	1	0	1	1	0	0	0
North Dakota	1	0	0	1	0	0	0	0	0	0
Ohio	12	3	0	2	2	3	2	0	0	0
Oklahoma	2	1	1	0	0	0	0	0	0	0
Oregon	3	0	1	1	1	0	0	0	0	0
Pennsylvania	6	0	1	1	1	1	2	0	0	0
South Carolina	3	2	0	0	0	0	1	0	0	0
Tennessee	5	1	1	2	1	0	0	0	0	0
Texas	18	6	4	1	2	1	3	1	0	0
Utah	1	1	0	0	0	0	0	0	0	0
Vermont	1	1	0	0	0	0	0	0	0	0
Virginia	6	1	0	2	2	1	0	0	0	0
Washington	11	3	0	2	2	4	0	0	0	0
Wisconsin	16	2	4	1	2	3	4	0	0	0
Wyoming	1	1	0	0	0	0	0	0	0	0

States' data are for year 2006, the most recent year for which data are available. The column "plants" shows the number of establishments in that state. The columns to the right show the number of establishments in a variety of size categories. Size is based on number of employees.

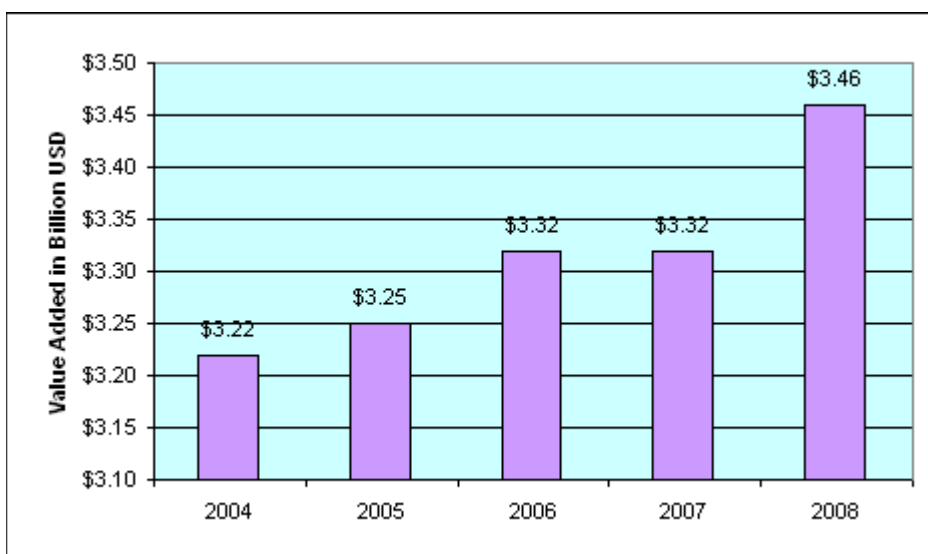
Value-Added

Value-added is calculated by subtracting total input from total output. This measure of manufacturing activity is derived by subtracting the cost of materials, supplies, containers, fuel, purchased electricity, and contract work from the value of shipments (products manufactured plus receipts for services rendered). The result of this calculation is adjusted by the addition of value added by merchandising operations (i.e., the difference between the sales value and the cost of merchandise sold without further manufacture, processing, or assembly) plus the net change in finished goods and work-in-process between the beginning- and end-of-year inventories.



For those industries where value of production is collected instead of value of shipments, value added is adjusted only for the change in work-in-process inventories between the beginning and end of year. For those industries where value of work done is collected, the value added does not include an adjustment for the change in finished goods or work-in-process inventories.

This item avoids the duplication in the figure for value of shipments that results from the use of products of some establishments as materials by others. Value added is considered to be the best value measure available for comparing the relative economic importance of manufacturing among industries and geographic areas.

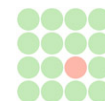


Sustainability

Sustainability, also known as “green” manufacturing, is about ensuring that manufacturing processes and products are not only economical but also environmentally and socially responsible. Many suppliers realize that these responsibilities actually bring about many benefits. For example, 1) cost savings from conserving energy, 2) cost avoidance from managing waste and hazardous material because of compliance, 3) cost reductions from accidents, liabilities and health and safety related problems, 4) market share gains from increasing demand for sustainable products, 5) image enhancements from corporate commitment to sustainability, and 6) improvement to employee and community health. The following sections capture different aspects to consider for sustainability improvements.

Logistics Cost Analysis

A major component of the logistics is transportation, which includes the material handling. Transportation sector generates more emissions than all other major sectors (industrial, residential, and commercial). Supply chain management should take into consideration the cost of logistics related emissions. It becomes more critical to obtain accurate data that analyzes upstream, mid-stream and downstream logistics. For example, mapping the sources of all materials as well as the locations of all demands, and calculating the cost that involves



environmental waste, should immediately give the manufacturers a competitive edge. The nexus of import, export, manufacturing, wholesales, retailing and servicing can be opportunities for companies that are well-informed and well-planned.

Energy Alternative Analysis

Fuel and electricity have been two major energy cost categories. Manufacturers are looking into ways to use alternative energy sources. Examples of these sources are solar energy, hydrothermal energy, wind turbine, ocean wave power, biomass fuel, etc. Priorities should be given to renewable energy sources. However, the cost of these alternative energy sources at present time may be beyond the reach of most manufacturers. Companies can nonetheless consider the following: 1) sharing alternative energy sources with industry peers, 2) advocating local utility companies/operators to switch to non-fossil fuels, and 3) balancing the use of fuel and electricity based on State's lbs/CO₂/MWh ratio.

Compliance & Awareness Education

Ignorance and inaction are two major culprits of a healthy global environment. Ignorance of the danger of environmental damages from the manufacturing facilities and not taking action to conserve energy and minimize emissions are the main drivers behind global warming. Manufacturers can no longer afford to ignore the environmental related laws and regulations. For non-compliance, they will face stiff penalties, as well as heavy liabilities that affect the company's bottom line, or survivability. For more active-minded manufacturers, compliance education can be expanded to employees' awareness training. Not only will such training benefit the environment, it will also help the bottom line through cost savings.

Material Component Analysis

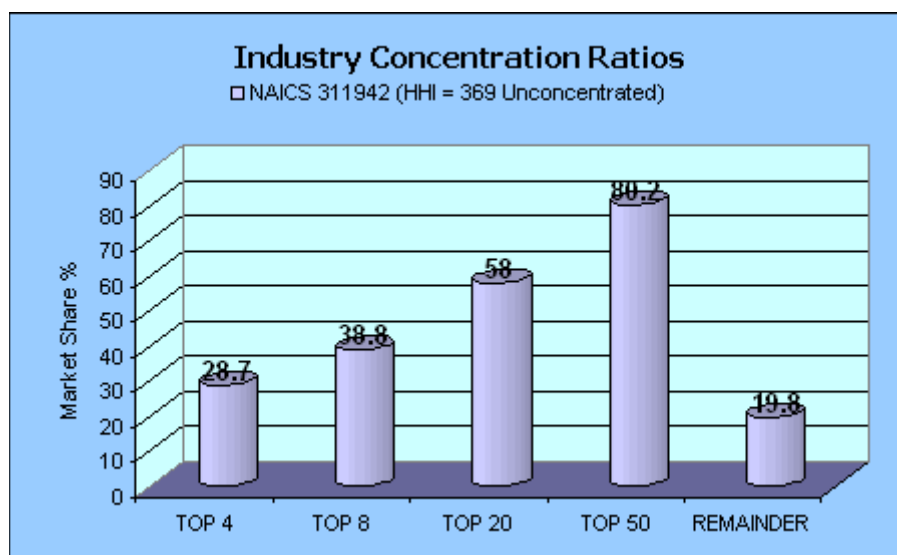
Manufacturers can analyze material components from a sustainability perspective. Common questions to ask are: 1) Can the material be recycled? 2) Can we improve the durability or life span of these materials or components? 3) How are these products being disposed at the end of their life cycle? 4) Where is the most cost effective source of these materials with consideration of their environmental cost? and 5) What are the peripheral materials and components and their environmental costs? For example, almost all industries use packaging material which represents approximately 1.7% of the total revenue in the manufacturing sector.



Competitive Landscape

Industry Concentration

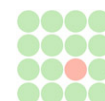
With a calculated HHI* of 369, the market concentration is considered as low, or unconcentrated. Historical data has shown that the HHI decreased 53.8% from 1997 to 2002. From 2003 to 2008, the number of companies grew an estimate of 6.97% to 307. It is unlikely that the HHI will increase 631 points in a few years. Therefore, it is safe to project that the industry concentration will stay low in 2009.



In terms of market share based on shipment data from 302 companies in this industry: top 4 companies delivered 28.7% of the total shipments; top 8 companies delivered 38.8% of the total shipments; top 20 companies delivered 58% of the total shipments; top 50 companies delivered 80.2% of the total shipments; the remaining 252 companies delivered 19.8% of the total shipments.

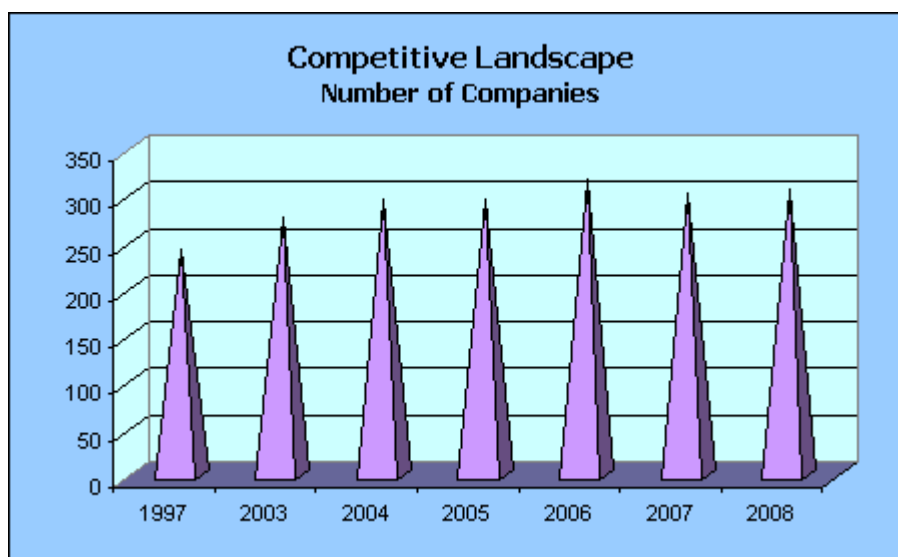
**HHI means the Herfindahl-Hirschman Index, a commonly accepted measure of market concentration. The HHI takes into account the relative size and distribution of the firms in a market and approaches zero when a market consists of a large number of firms of relatively equal size. The HHI increases both as the number of firms in the market decreases and as the disparity in size between those firms increases. It is calculated by squaring the market share of each firm competing in the market and then summing the resulting numbers. For example, for a market consisting of four firms with shares of thirty, thirty, twenty and twenty percent, the HHI is 2600 ($30^2 + 30^2 + 20^2 + 20^2 = 2600$).*

The spectrum of market concentration is measured by the HHI and is divided into three regions that can be broadly characterized as unconcentrated (HHI below 1000), moderately concentrated (HHI between 1000 and 1800), and highly concentrated (HHI above 1800).



Industry Aggregate

A low concentration ratio of 369 indicates that the subsector consists of many rival companies. None of these 302 companies has a market share of higher than 20%. These fragmented markets are considered competitive. Competitive advantages can be achieved through product differentiation, product innovation, improved supply-chain management, etc. and in an extremely competitive market, pricing adjustment may be a last resort. Low market concentration could also indicate low barriers to entry.

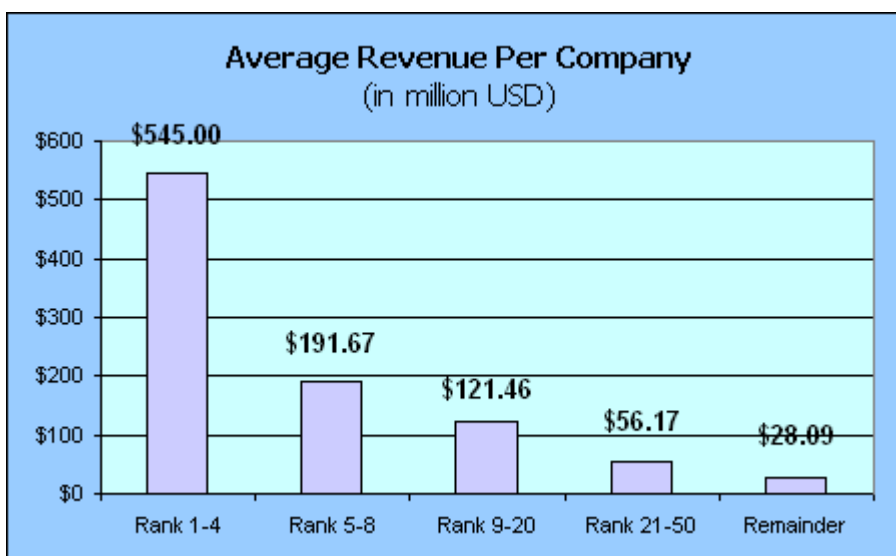




Major Players

With aggregated domestic demand of estimated \$7.6 billion USD in this industry in 2008, top 4 companies supplied approximately 28.7% of the market's demand. Average revenue of these top 4 companies was \$545.0 million USD. Using the chart below, the companies can be ranked by comparing their revenues (in million USD) with the average revenue using the proximity principle. Alternatively, the table below provides the totals, the averages, and the highs and lows for a more accurate assessment.

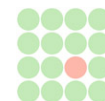
The estimated number of companies in the table should offer additional insight into the industry's competitive landscape. Please note that the number of companies may include duplicate counts as many companies incorporated or registered their subsidiaries and establishments in multiple states.



Market Share Ranking Matrix

Description	Rank 1-4	Rank 5-8	Rank 9-20	Rank 21-50	Remainder
Market Share (%)	28.7	10.1	19.2	22.2	19.8
Total Revenue	\$2,178.62	\$766.69	\$1,457.47	\$1,685.20	\$1,503.02
Company Average	\$545.00	\$191.67	\$121.46	\$56.17	\$28.09
Company High	\$1,458.00	\$384.10	\$182.09	\$115.39	\$53.36
Company Low	\$201.25	\$127.53	\$58.98	\$29.49	\$5.96
No. of Companies	4	4	12	30	252

The company high and low indicate the potential range of revenue under extreme circumstances within its ranking group. However, such extremes may not be realistic to this industry. The high of top 4 rankings is best used when examining possible anti-trust scenarios, especially when HHI already exceeds the 3000 mark. For most practical analysis of a company's approximate ranking, use its proximity to the average.



The major players listed below (in alphabetic order) are mostly manufacturers in this industry. They purchase raw materials and semi-finished products in order to manufacture their products. Depending on the situation and industry, they may also buy finished products to supplement demands which they cannot fill.

Altria Group, Inc.

Altria Group, Inc. owns approximately 88.1% of the outstanding common shares of Kraft Foods Inc. and 100% of the outstanding common shares of Philip Morris International Inc., Philip Morris USA Inc. and Philip Morris Capital Corporation. In addition, Altria Group, Inc. owns approximately 28.7% of SABMiller plc. The brand portfolio of Altria Group, Inc.'s consumer packaged goods companies includes such well-known names as Kraft, Jacobs, L&M, Marlboro, Maxwell House, Nabisco, Oreo, Oscar Mayer, Parliament, Philadelphia, Post and Virginia Slims.

<http://www.altria.com>

B&G Foods, Inc.

B&G Foods, including its subsidiaries and predecessors, has been in business for over 115 years. The company was incorporated in Delaware in 1996 under the name B Companies Holdings Corp. In 1997, the company changed its name to B&G Foods Holdings Corp. B & G manufactures, sells and distributes a diverse portfolio of high quality, shelf-stable food products. Many of its branded food products have leading regional or national market shares.

<http://www.bgfoods.com>

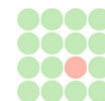
Goya Foods, Inc.

Founded in 1936, Goya Foods, Inc. is America's largest Hispanic-owned food company. Goya manufactures packages and distributes more than 1,500 high-quality food products, including: canned and dry-packaged beans, rice and rice mixes; nectars; seasonings; and authentic Latin specialties. Goya products have their roots in the culinary traditions of Hispanic communities around the world; their combination of authentic ingredients, robust seasonings and convenient preparation make them ideal for every taste and every table.

<http://www.goya.com>

Kraft Foods North America, Inc.

Kraft Foods is the world's second-largest food and beverage company. For more than 100 years, Kraft has been dedicated to helping people around the world eat and live better. Hundreds of millions of times a day, in more than 150 countries, consumers reach for their favorite Kraft brands including Kraft cheeses and dinners, Jacobs, Gevalia and Maxwell House coffees, Oscar Mayer meats, DiGiorno pizzas, Oreo cookies, Ritz and Wheat Thins



crackers and chips, Philadelphia cream cheese, Milka and Côte d'Or chocolates, Honey Bunches of Oats cereals, Good Seasons salad dressings and Tang and Capri Sun refreshment beverages. They've also started adding its Tassimo hot beverage system, South Beach Diet line and a growing range of better-for-you Sensible Solution products to their shopping baskets, continually expanding their list of Kraft favorites.

<http://www.kraft.com>

Lancaster Colony Corporation

Lancaster Colony Corporation, an Ohio corporation (reincorporated in 1992, successor to a Delaware corporation originally incorporated in 1961), is a diversified manufacturer and marketer of consumer products with a focus on specialty food products for the retail and foodservice markets. Other consumer products manufactured and marketed by Lancaster Colony Corporation include glassware and candles for the retail, floral, and foodservice markets and automotive accessories for the original equipment market and aftermarket. Its principal executive offices are located in Columbus, Ohio.

<http://www.lancastercolony.com>

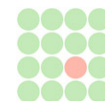
McCormick & Company, Incorporated

Mccormick & Co., a diversified specialty food company, is a global leader in the manufacture, marketing and distribution of spices, herbs, seasoning blends and other flavors to the entire food industry. Mccormick was formed in 1915 in Maryland as the successor to a business established in 1889. Mccormick operates in two business segments: consumer and industrial. The consumer segment sells spices, herbs, extracts, seasoning blends, sauces, marinades and specialty foods to the consumer food market under a variety of brands, including McCormick, Zatarain's, Simply Asia, and Thai Kitchens in the US, Ducros, Vahine, and Silvo in continental Europe, Club House in Canada and Schwartz in the U.K. The industrial segment sells seasoning blends, natural spices and herbs, wet flavors, coating systems and compound flavors to food manufacturers and the food service industry, served both directly and indirectly through distributors.

<http://www.mccormick.com>

Merisant Worldwide, Inc.

Merisant manufactures and sells low calorie tabletop sweetener brands in more than 90 countries around the world. Manufacturing sites include Manteno, IL and Zarate, Argentina. Merisant markets tabletop sweeteners under 19 different brand names, including Equal® and Canderel®. Merisant products account for more than one-third of the estimated \$1.2 billion global tabletop sweetener market. Over half of Merisant sales are outside of the United States. With more than 400 employees, Merisant is a privately held company headquartered in Chicago, IL, with over 10 offices around the world.



<http://www.merisant.com>

Nestlé USA, Inc.

Named one of “America’s Most Admired Food Companies” in Fortune magazine for the ninth consecutive year, Nestlé USA provides quality brands and products that bring flavor to life every day. From nutritious meals with Stouffer’s® Lean Cuisine® to baking traditions with Nestlé® Toll House®, Nestlé USA makes delicious, convenient, and nutritious food and beverage products that enrich the very experience of life itself. That’s what “Nestlé. Good Food, Good Life” is all about. Well-known Nestlé brands include: Nestlé® Toll House®, Nestlé® Nesquik®, Nestlé® Coffee-mate®, Nestlé® Good Start®, Stouffer’s®, Stouffer’s® Lean Cuisine®, HOT POCKETS® and LEAN POCKETS® brand sandwiches, Nescafé®, Nescafé® Taster’s Choice®, NESTLÉ® Juicy Juice®, Buitoni®, PowerBar®, Nestlé® Crunch®, Nestlé® Butterfinger®, and Wonka®.

<http://www.nestleusa.com>

Sensient Technologies Corporation

Sensient Technologies Corporation is a leading global manufacturer and marketer of colors, flavors and fragrances. Sensient employs advanced technologies at facilities around the world to develop specialty food and beverage systems, cosmetic and pharmaceutical systems, inkjet and specialty inks and colors, display imaging chemicals, and other specialty chemicals. The company's customers include major international manufacturers representing some of the world's best-known brands. Sensient is headquartered in Milwaukee, Wisconsin.

<http://www.sensient-tech.com>

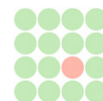
Unilever

Unilever is one of the world's leading suppliers of fast moving consumer goods with strong local roots in more than 100 countries across the globe. Its portfolio includes some of the world's best known and most loved brands including twelve €1 billion brands and global leadership in many categories in which the company operates. The portfolio features brand icons such as: Knorr, Hellmann's, Flora, Bertolli, Dove, Lux, Pond's, Lynx, Sunsilk, Persil, Cif and Domestos. Unilever has around 206,000 employees in approaching 100 countries.

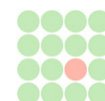
<http://www.unilever.com>

Note:

Links to non-Supplier Relations Internet sites are provided for convenience and do not constitute an endorsement. The information above has been gathered from many of the company press releases. Please observe the following “*Safe Harbor*” statement when reading any company press release.



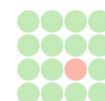
“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: This release includes forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by phrases such as the Company or its management “believes,” “expects,” “anticipates,” “foresees,” “forecasts,” “estimates” or other words or phrases of similar import. Similarly, statements in this release that describe the Company’s business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those in forward-looking statements.



Appendix A – Additional Foreign Trade Statistics

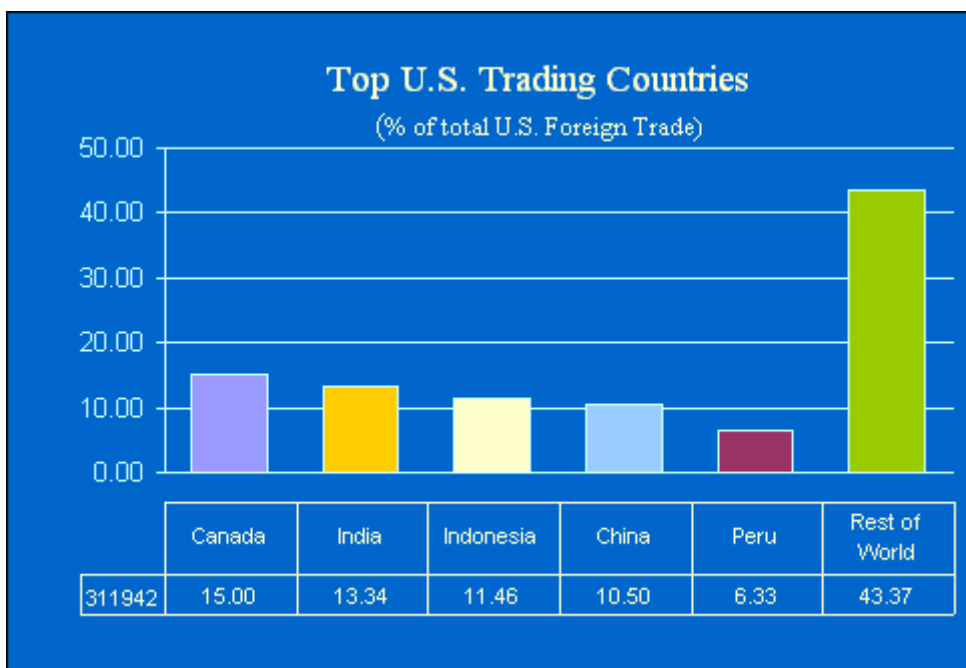
Trading Countries' Rank

Country	Export (in \$1,000)	Import (in \$1,000)	Total	% Total	Rank
(World)	215,235	823,370	1,038,605	100	
Canada	103,592	52,194	155,786	15.00	1
India	995	137,582	138,577	13.34	2
Indonesia	171	118,829	119,000	11.46	3
China	2,278	106,773	109,051	10.50	4
Peru	928	64,853	65,781	6.33	5
Mexico	15,321	41,685	57,006	5.49	6
Vietnam	170	52,646	52,816	5.09	7
Brazil	628	31,376	32,004	3.08	8
Spain	468	30,563	31,031	2.99	9
Thailand	2,291	14,436	16,727	1.61	10
Israel	1,633	11,665	13,298	1.28	11
Japan	3,384	9,216	12,600	1.21	12
Turkey	468	11,027	11,495	1.11	13
Philippines	8,088	2,808	10,896	1.05	14
Korea	5,301	5,577	10,878	1.05	15
United Kingdom	3,181	7,392	10,573	1.02	16
Dominican Republic	3,278	7,039	10,317	0.99	17
Italy	39	9,358	9,397	0.90	18
Colombia	701	8,031	8,732	0.84	19
Hong Kong	2,660	6,020	8,680	0.84	20
Guatemala	1,507	7,152	8,659	0.83	21
France	997	7,388	8,385	0.81	22
Germany	1,146	6,174	7,320	0.70	23
Jamaica	2,125	4,974	7,099	0.68	24
Taiwan	1,273	5,620	6,893	0.66	25
Costa Rica	3,552	3,220	6,772	0.65	26
Egypt	840	5,643	6,483	0.62	27
Chile	904	5,451	6,355	0.61	28
Ecuador	3,548	2,507	6,055	0.58	29
Australia	4,592	946	5,538	0.53	30
Pakistan	285	5,194	5,479	0.53	31
El Salvador	4,132	437	4,569	0.44	32
Sri Lanka	176	4,040	4,216	0.41	33
Honduras	1,334	2,582	3,916	0.38	34
Malaysia	766	3,127	3,893	0.37	35

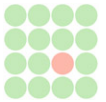


Country	Export (in \$1,000)	Import (in \$1,000)	Total	% Total	Rank
Republic Of South Africa	210	3,404	3,614	0.35	36
Saudi Arabia	3,362	0	3,362	0.32	37
Croatia	0	2,791	2,791	0.27	38
Syrian Arab Republic	0	2,748	2,748	0.26	39
Singapore	1,103	1,521	2,624	0.25	40
United Arab Emirates	2,392	169	2,561	0.25	41
Sweden	2,107	28	2,135	0.21	42
Russia	1,959	126	2,085	0.20	43
Switzerland	24	1,934	1,958	0.19	44
Netherlands	875	1,053	1,928	0.19	45
Finland	172	1,736	1,908	0.18	46
Panama	1,750	137	1,887	0.18	47
Venezuela	1,813	46	1,859	0.18	48
Nigeria	313	1,402	1,715	0.17	49
Madagascar	0	1,627	1,627	0.16	50

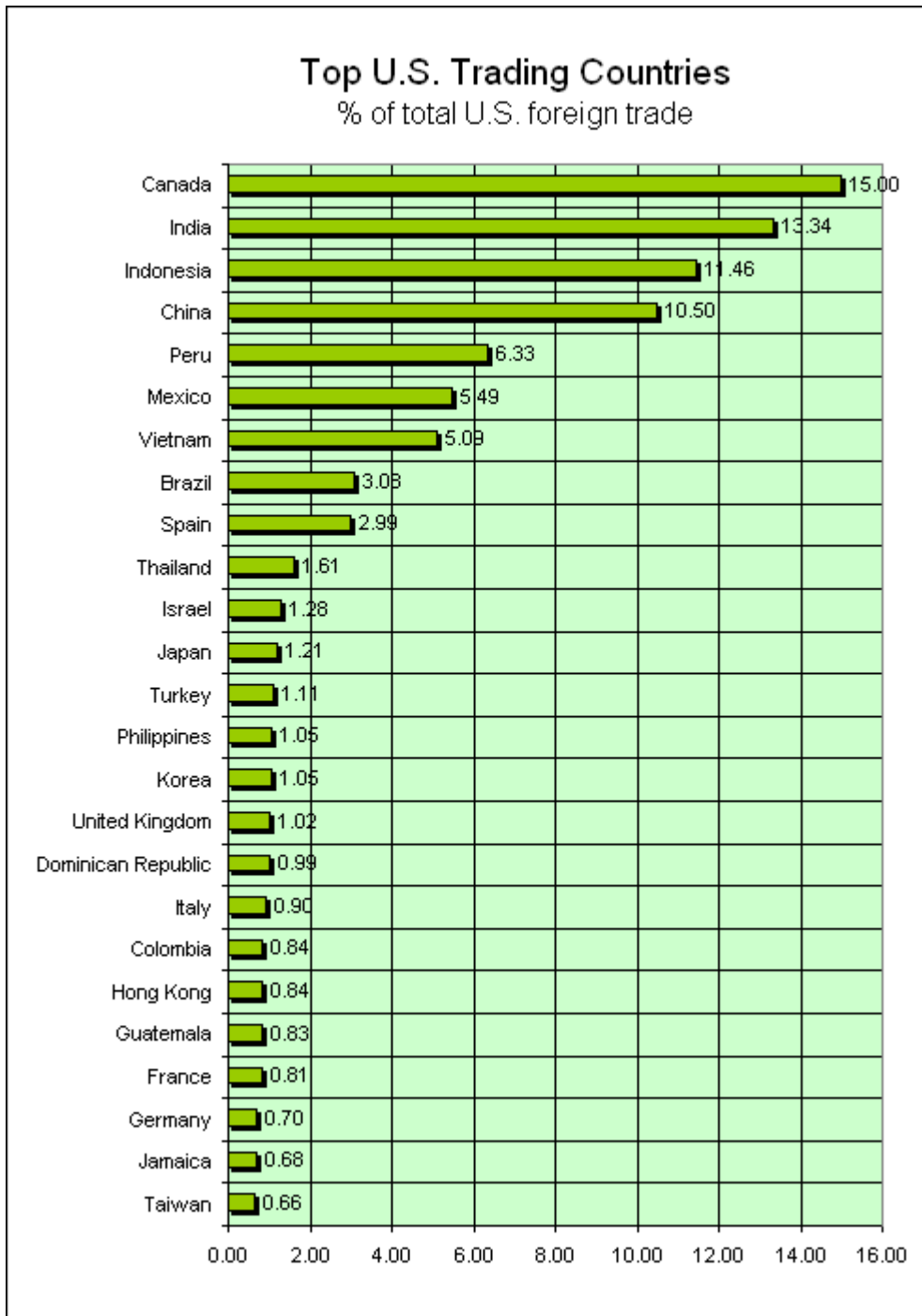
Top 5 US Trading Countries and Other

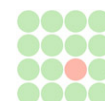


The total import export value for the year 2008 was \$1,038,605,000. There were 139 countries that conducted foreign trade with the U.S. in 2008, 6 more than year 2007. The top trading countries were: Canada, \$155,786,000 (15.0%); India, \$138,577,000 (13.34%); Indonesia, \$119,000,000 (11.46%); China, \$109,051,000 (10.50%); and Peru, \$65,781,000 (6.33%). Their combined total represents approximately 57% of all imports and exports.



Top 25 US Trading Countries

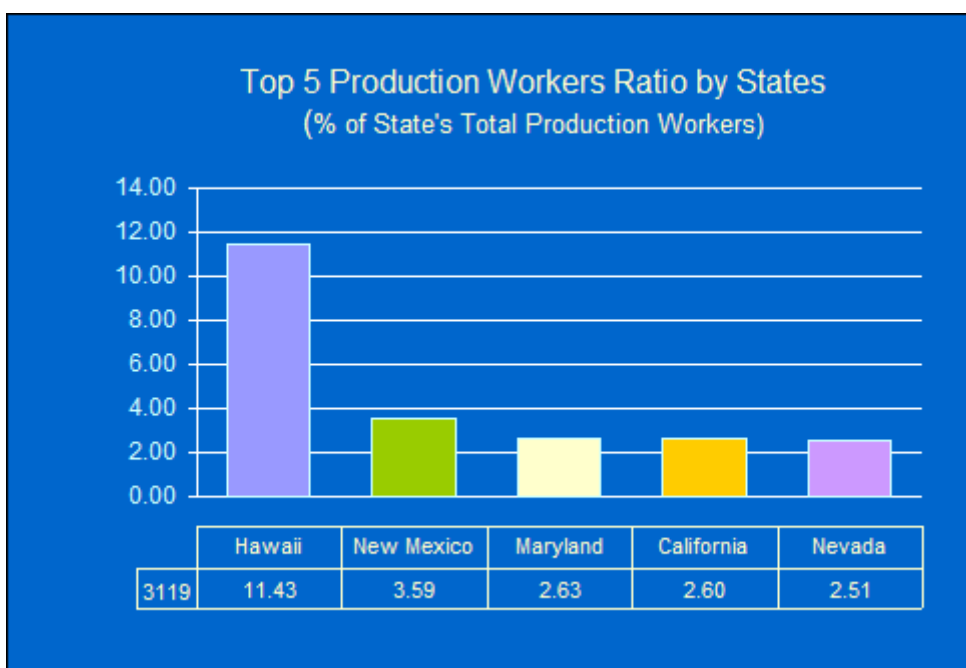




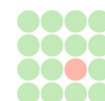
Appendix B – Industry U.S. States’ Statistics

Production Workers Ratio

This table compares the number of manufacturing production workers in this industry group with total manufacturing production workers in its respective State. The State production workers ratio is calculated by Industry Production Workers in the State divided by Total Manufacturing Production Workers in the State. For example, if California is showing 30%, it would mean that 30% of all Californian production workers are in this industry group. This table also shows Industry production worker ratio. This ratio is calculated by Industry Production Workers in the State divided by Total Production Workers in the Industry. For example, if California is showing 30%, it would mean that 30% of the industry group's production workers are in California. The ranking, however, is based on the State production workers ratio, where rank 1 indicates the State with the highest production workers ratio. Of the 37 States in the Other Food Manufacturing Industry Group, the States with the highest State production workers ratios are: Hawaii with 11.43%, New Mexico with 3.59%, Maryland with 2.63%, California with 2.6%, and Nevada with 2.51%.



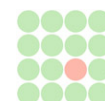
State	Production workers	Industry Prod. worker %	State prod. Workers	State Prod. worker %	State Rank
(USA)	125,559				
Hawaii	1,025	0.82	8,966	11.43	1
New Mexico	824	0.66	22,965	3.59	2
Maryland	2,167	1.73	82,349	2.63	3
California	23,061	18.37	885,896	2.60	4



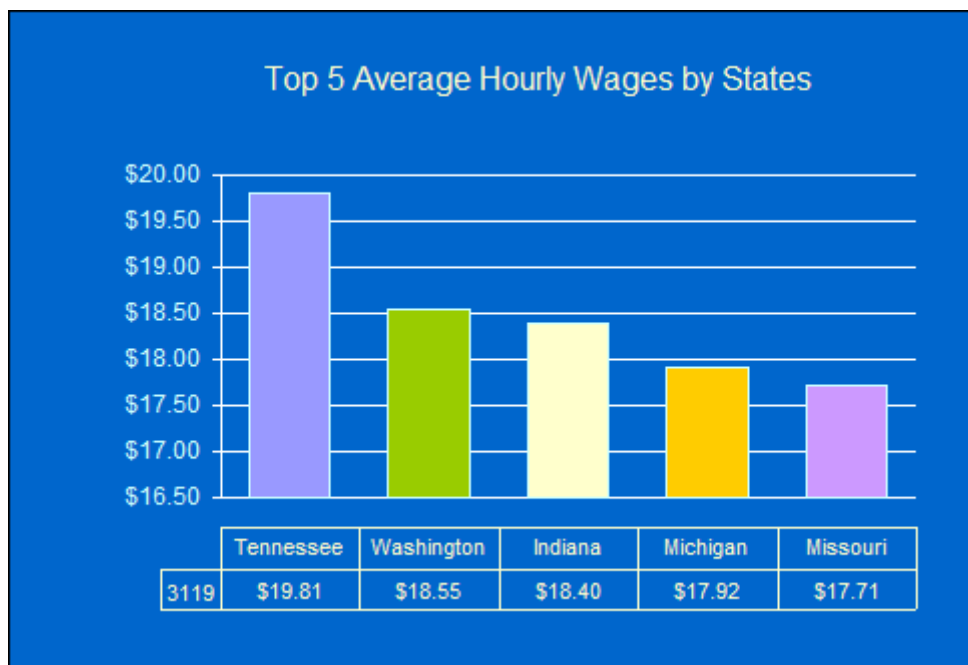
State	Production workers	Industry Prod. worker %	State prod. Workers	State Prod. worker %	State Rank
Nevada	752	0.60	29,937	2.51	5
New Jersey	4,643	3.70	190,166	2.44	6
Minnesota	4,328	3.45	220,487	1.96	7
Pennsylvania	8,033	6.40	456,242	1.76	8
Nebraska	1,340	1.07	77,595	1.73	9
Illinois	7,385	5.88	445,589	1.66	10
Arizona	1,529	1.22	100,672	1.52	11
Louisiana	1,553	1.24	102,681	1.51	12
New York	5,165	4.11	346,206	1.49	13
Iowa	2,411	1.92	165,259	1.46	14
Alabama	2,956	2.35	206,229	1.43	15
Massachusetts	2,466	1.96	172,481	1.43	16
Georgia	4,385	3.49	314,332	1.40	17
Wisconsin	4,686	3.73	343,252	1.37	18
Missouri	2,906	2.31	214,636	1.35	19
Washington	2,084	1.66	165,417	1.26	20
Kansas	1,507	1.20	125,208	1.20	21
Texas	6,628	5.28	561,105	1.18	22
Colorado	1,006	0.80	86,545	1.16	23
Oregon	1,395	1.11	124,794	1.12	24
Ohio	6,076	4.84	552,784	1.10	25
Connecticut	1,173	0.93	106,782	1.10	26
Utah	836	0.67	76,130	1.10	27
Tennessee	2,812	2.24	277,682	1.01	28
Florida	2,275	1.81	224,763	1.01	29
Arkansas	1,420	1.13	153,253	0.93	30
Virginia	1,852	1.48	201,985	0.92	31
Indiana	3,152	2.51	401,395	0.79	32
Kentucky	1,455	1.16	185,839	0.78	33
Michigan	3,075	2.45	424,645	0.72	34
Oklahoma	673	0.54	100,152	0.67	35
North Carolina	2,169	1.73	382,124	0.57	36
South Carolina	931	0.74	188,115	0.49	37
(Other)	3,425				

Average Hourly Wage

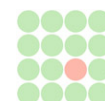
Average hourly wage is calculated by total Production Workers Wages divided by total Production Workers Hours. The ranking is based on the hourly wage, where rank 1 indicates the highest average hourly wage. This number is frequently compared to the US average. Please note that many factors affect the hourly wages, thus, this number may not have any



significance to your industry group. Of the 37 States in the Other Food Manufacturing Industry Group, the States with the highest hourly wages are: Tennessee with \$19.81, Washington with \$18.55, Indiana with \$18.4, Michigan with \$17.92, and Missouri with \$17.71.



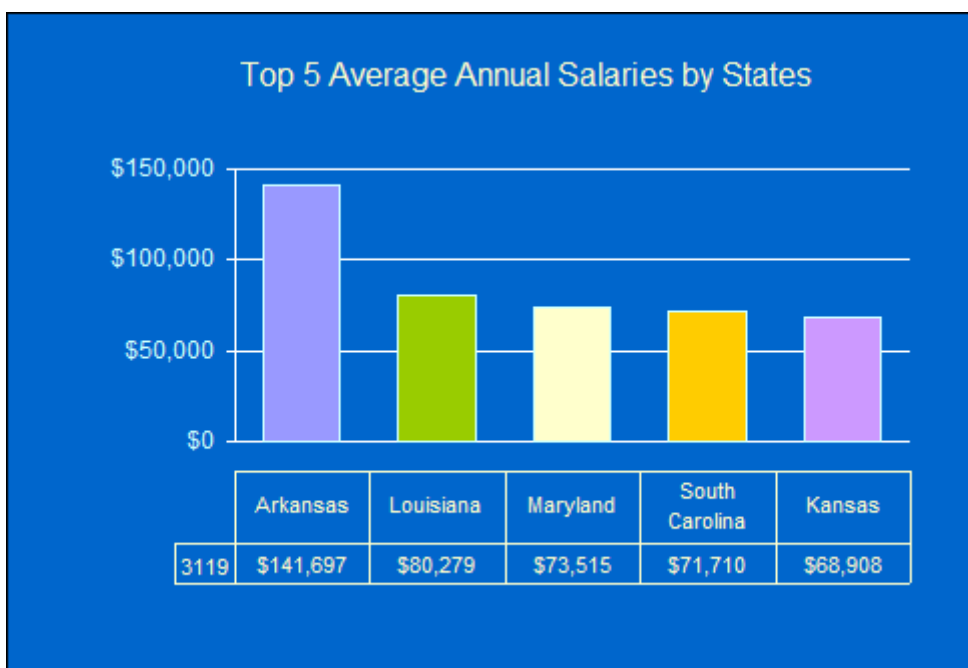
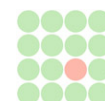
State	Production workers	Prod workers hours (1,000)	Prod workers wages (\$1,000)	Average Hourly Wage	RANK
(USA)	125,559	243,291	3,888,590	\$15.98	
Tennessee	2,812	4,587	90,856	\$19.81	1
Washington	2,084	3,978	73,801	\$18.55	2
Indiana	3,152	5,371	98,810	\$18.40	3
Michigan	3,075	6,046	108,321	\$17.92	4
Missouri	2,906	5,484	97,120	\$17.71	5
Iowa	2,411	4,898	86,048	\$17.57	6
Oklahoma	673	1,388	24,337	\$17.53	7
Oregon	1,395	2,938	50,912	\$17.33	8
Virginia	1,852	3,289	56,655	\$17.23	9
North Carolina	2,169	4,064	69,980	\$17.22	10
Ohio	6,076	11,315	193,122	\$17.07	11
Florida	2,275	4,646	79,077	\$17.02	12
Colorado	1,006	1,779	30,197	\$16.97	13
New Jersey	4,643	9,425	158,534	\$16.82	14
Louisiana	1,553	3,227	54,193	\$16.79	15
Connecticut	1,173	1,941	32,528	\$16.76	16
Wisconsin	4,686	9,227	153,427	\$16.63	17



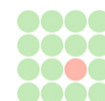
State	Production workers	Prod workers hours (1,000)	Prod workers wages (\$1,000)	Average Hourly Wage	RANK
New York	5,165	9,501	156,524	\$16.47	18
Illinois	7,385	15,267	251,252	\$16.46	19
Massachusetts	2,466	4,734	77,133	\$16.29	20
Kentucky	1,455	3,260	52,613	\$16.14	21
Texas	6,628	12,056	191,868	\$15.91	22
South Carolina	931	1,720	27,284	\$15.86	23
Arizona	1,529	2,827	44,172	\$15.63	24
Minnesota	4,328	8,705	135,834	\$15.60	25
Maryland	2,167	4,317	66,906	\$15.50	26
Georgia	4,385	8,898	136,303	\$15.32	27
Pennsylvania	8,033	15,163	228,565	\$15.07	28
California	23,061	45,174	666,722	\$14.76	29
Nevada	752	1,488	21,956	\$14.76	30
Alabama	2,956	5,736	83,991	\$14.64	31
Utah	836	1,579	22,891	\$14.50	32
Kansas	1,507	2,886	41,725	\$14.46	33
Arkansas	1,420	2,578	37,231	\$14.44	34
Hawaii	1,025	1,994	24,601	\$12.34	35
Nebraska	1,340	3,373	31,620	\$9.37	36
New Mexico	824	1,701	13,091	\$7.70	37
(Other)	3,425	6,731	118,390		

Average Annual Salary

Average annual salary is calculated by total Salary Payroll divided by total Number of Salary Employees. The ranking is based on the salary amount, where rank 1 indicates the highest average annual salary. This number is frequently compared to the US average. Please note that many factors affect the annual salary, thus, this number may not have any significance to your industry group. Of the 37 States in the Other Food Manufacturing Industry Group, the States with the highest annual salaries are: Arkansas with \$141,697, Louisiana with \$80,279, Maryland with \$73,515, South Carolina with \$71,710, and Kansas with \$68,908.



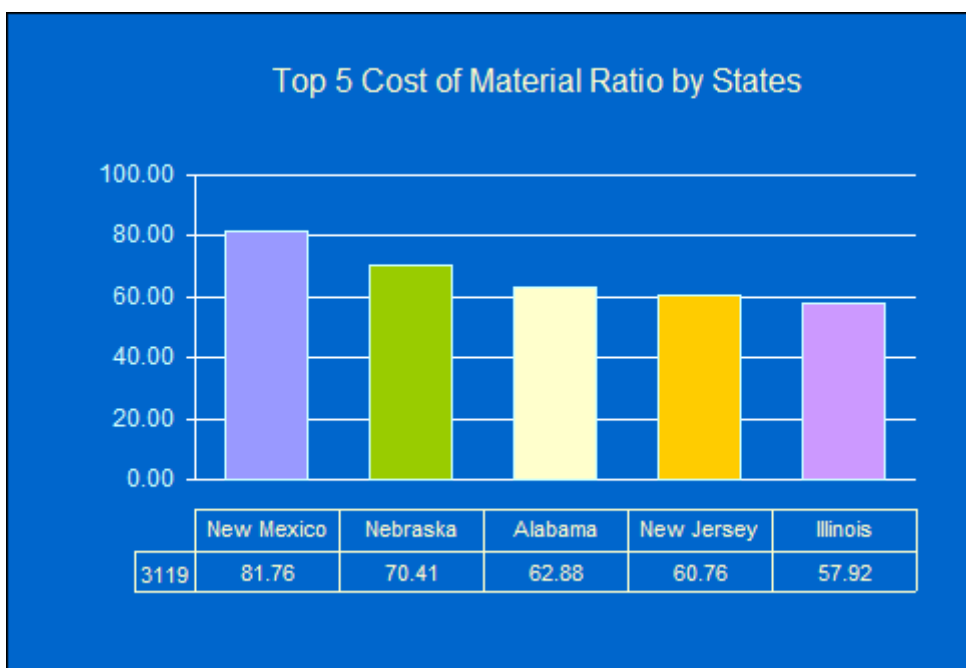
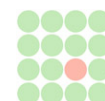
State	Number of employees	Salary Employees	Salary Payroll (\$1,000)	Average annual salary	RANK
(USA)	174,308	48,749	2,809,805	\$57,638	
Arkansas	1,542	122	17,287	\$141,697	1
Louisiana	1,962	409	32,834	\$80,279	2
Maryland	3,004	837	61,532	\$73,515	3
South Carolina	1,141	210	15,059	\$71,710	4
Kansas	2,421	914	62,982	\$68,908	5
Massachusetts	3,669	1,203	80,920	\$67,265	6
Kentucky	1,978	523	34,171	\$65,337	7
Missouri	3,609	703	43,704	\$62,168	8
Indiana	4,258	1,106	67,514	\$61,043	9
California	31,417	8,356	504,831	\$60,415	10
Georgia	5,815	1,430	86,343	\$60,380	11
Wisconsin	6,224	1,538	92,075	\$59,867	12
Illinois	10,245	2,860	169,851	\$59,388	13
Oregon	2,087	692	41,035	\$59,299	14
Texas	9,222	2,594	153,543	\$59,192	15
New York	7,375	2,210	129,316	\$58,514	16
Florida	3,392	1,117	65,327	\$58,484	17
Minnesota	5,700	1,372	80,092	\$58,376	18
New Jersey	6,905	2,262	131,563	\$58,162	19
Michigan	4,289	1,214	70,202	\$57,827	20
Colorado	1,514	508	28,887	\$56,864	21
Washington	3,119	1,035	58,664	\$56,680	22



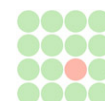
State	Number of employees	Salary Employees	Salary Payroll (\$1,000)	Average annual salary	RANK
Connecticut	1,643	470	26,436	\$56,247	23
Ohio	8,704	2,628	140,071	\$53,299	24
Pennsylvania	11,665	3,632	192,959	\$53,127	25
Tennessee	3,824	1,012	52,783	\$52,157	26
North Carolina	3,221	1,052	54,729	\$52,024	27
Virginia	2,648	796	40,886	\$51,364	28
Arizona	1,975	446	22,525	\$50,504	29
Iowa	3,276	865	42,873	\$49,564	30
Nevada	982	230	10,913	\$47,448	31
Utah	1,164	328	14,444	\$44,037	32
Oklahoma	1,038	365	15,487	\$42,430	33
Alabama	4,979	2,023	83,911	\$41,478	34
New Mexico	961	137	5,625	\$41,058	35
Hawaii	1,486	461	17,260	\$37,440	36
Nebraska	1,527	187	6,345	\$33,930	37
(Other)	4,327	902	54,826		

Cost of Materials Ratio

The cost of materials ratio is calculated by total cost of materials divided by total value of shipments. The ranking is based on the ratio, where rank 1 indicates the highest cost of materials ratio. This ratio is frequently compared to the US ratio. Please note that many factors affect the cost of materials ratio, thus this number may not have any significance to your industry group. Of the 37 States in the Other Food Manufacturing Industry Group, the States with the highest cost of materials ratios are: New Mexico with 81.76%, Nebraska with 70.41%, Alabama with 62.88%, New Jersey with 60.76%, and Illinois with 57.92%.



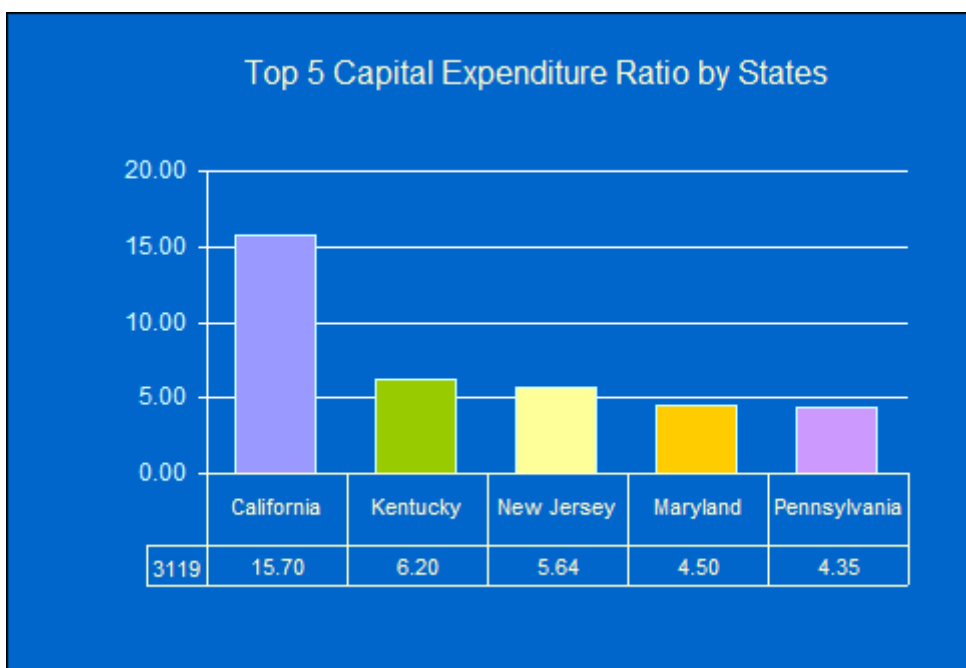
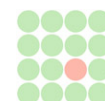
State	Number of Employees	Total cost of materials (\$1,000)	Total value of shps (\$1000)	Cost Ratio %	RANK
(USA)	174,308	31,835,972	71,601,885	44.46	
New Mexico	961	143,788	175,870	81.76	1
Nebraska	1,527	209,239	297,181	70.41	2
Alabama	4,979	615,424	978,769	62.88	3
New Jersey	6,905	1,288,064	2,119,750	60.76	4
Illinois	10,245	2,217,951	3,829,188	57.92	5
Minnesota	5,700	923,185	1,644,664	56.13	6
Florida	3,392	835,252	1,532,464	54.50	7
Massachusetts	3,669	652,039	1,278,676	50.99	8
Iowa	3,276	643,352	1,271,220	50.61	9
Kentucky	1,978	486,802	969,878	50.19	10
Arkansas	1,542	427,393	861,797	49.59	11
California	31,417	5,868,339	11,916,245	49.25	12
Michigan	4,289	550,634	1,125,892	48.91	13
Oklahoma	1,038	152,557	315,300	48.38	14
Hawaii	1,486	141,602	301,316	46.99	15
Virginia	2,648	626,121	1,345,793	46.52	16
New York	7,375	943,080	2,043,026	46.16	17
North Carolina	3,221	685,540	1,496,261	45.82	18
Utah	1,164	193,197	423,177	45.65	19
Louisiana	1,962	1,010,568	2,224,028	45.44	20
Oregon	2,087	395,306	875,685	45.14	21
Washington	3,119	574,396	1,276,446	45.00	22



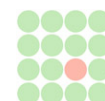
State	Number of Employees	Total cost of materials (\$1,000)	Total value of shps (\$1000)	Cost Ratio %	RANK
Arizona	1,975	272,377	658,103	41.39	23
South Carolina	1,141	194,949	471,787	41.32	24
Kansas	2,421	423,907	1,079,659	39.26	25
Maryland	3,004	696,491	1,800,103	38.69	26
Ohio	8,704	1,275,024	3,310,920	38.51	27
Wisconsin	6,224	832,973	2,201,499	37.84	28
Indiana	4,258	723,733	1,920,990	37.68	29
Georgia	5,815	1,720,616	4,606,577	37.35	30
Missouri	3,609	554,258	1,504,084	36.85	31
Tennessee	3,824	749,748	2,138,742	35.06	32
Texas	9,222	1,883,856	5,514,741	34.16	33
Pennsylvania	11,665	1,707,781	5,041,421	33.87	34
Colorado	1,514	164,063	492,503	33.31	35
Nevada	982	108,027	337,941	31.97	36
Connecticut	1,643	215,798	723,669	29.82	37
(Other)	4,327	728,542	1,496,520		

Capital Expenditure Ratio

The capital expenditure ratio is calculated by total capital expenditures divided by total value of shipments. The ranking is based on the ratio, where rank 1 indicates the highest capital expenditure ratio. This ratio is frequently compared to the US ratio. This table also shows the State's capital expenditure ratio. This ratio is calculated by the State's total capital expenditures in this industry group divided by the total State's capital expenditures in the sector. This is also an indication of whether the State is “investing” in the industry group. Of the 37 States in the Other Food Manufacturing Industry Group, the States with the highest capital expenditure ratios are: California with 15.7%, Kentucky with 6.2%, New Jersey with 5.64%, Maryland with 4.5%, and Pennsylvania with 4.35%.



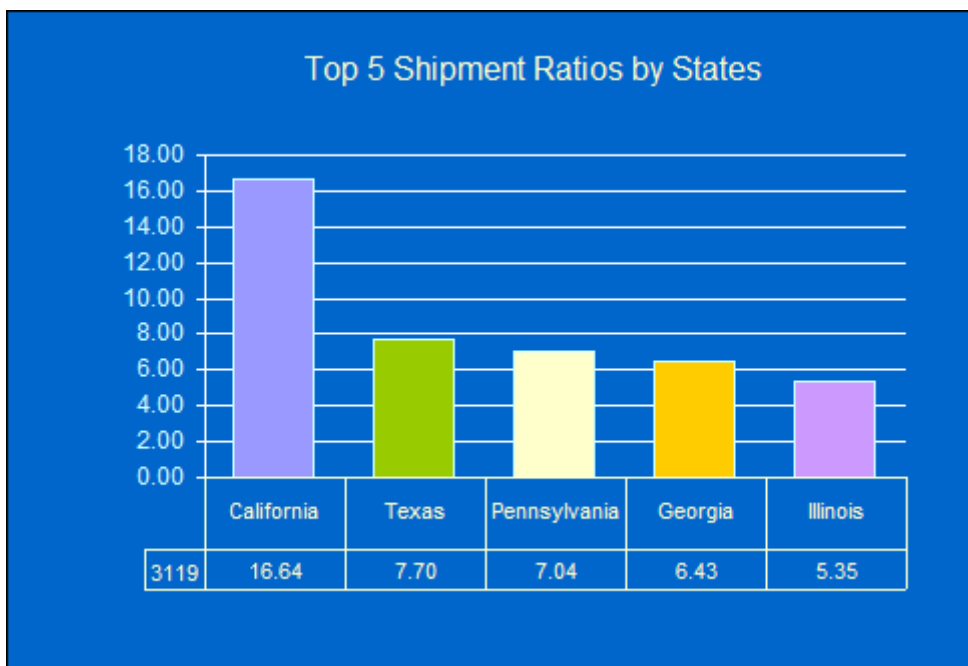
State	Total value of shps (\$1000)	Total expenditure (\$1,000)	State C.E. Ratio	C.E. Ratio	C.E. Ratio Rank
(USA)	71,601,885	1,848,652	1.36		
California	11,916,245	290,192	2.06	15.70	1
Kentucky	969,878	114,634	4.22	6.20	2
New Jersey	2,119,750	104,224	3.06	5.64	3
Maryland	1,800,103	83,259	6.16	4.50	4
Pennsylvania	5,041,421	80,369	1.44	4.35	5
Texas	5,514,741	74,443	0.58	4.03	6
Georgia	4,606,577	72,518	1.86	3.92	7
Illinois	3,829,188	68,657	1.08	3.71	8
Wisconsin	2,201,499	67,663	1.65	3.66	9
Ohio	3,310,920	66,050	0.86	3.57	10
Minnesota	1,644,664	62,964	2.21	3.41	11
Indiana	1,920,990	62,748	1.19	3.39	12
Louisiana	2,224,028	52,236	1.37	2.83	13
Michigan	1,125,892	50,729	0.88	2.74	14
Oregon	875,685	45,503	2.55	2.46	15
New York	2,043,026	45,098	1.11	2.44	16
Kansas	1,079,659	42,880	2.26	2.32	17
Missouri	1,504,084	40,351	1.61	2.18	18
Iowa	1,271,220	39,832	1.89	2.15	19
Alabama	978,769	39,191	1.42	2.12	20
North Carolina	1,496,261	36,875	0.84	1.99	21
Arkansas	861,797	36,520	2.37	1.98	22



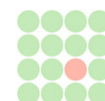
State	Total value of shps (\$1000)	Total expenditure (\$1,000)	State C.E. Ratio	C.E. Ratio	C.E. Ratio Rank
Tennessee	2,138,742	35,429	0.80	1.92	23
Florida	1,532,464	34,194	1.10	1.85	24
Massachusetts	1,278,676	25,996	1.04	1.41	25
New Mexico	175,870	23,579	2.41	1.28	26
Washington	1,276,446	22,558	0.76	1.22	27
Arizona	658,103	19,784	1.10	1.07	28
Virginia	1,345,793	18,210	0.72	0.99	29
Oklahoma	315,300	9,480	0.65	0.51	30
Connecticut	723,669	8,962	0.71	0.48	31
Colorado	492,503	8,654	0.69	0.47	32
South Carolina	471,787	6,837	0.25	0.37	33
Utah	423,177	6,393	0.60	0.35	34
Nevada	337,941	6,093	0.96	0.33	35
Nebraska	297,181	5,461	0.63	0.30	36
Hawaii	301,316	3,757	2.17	0.20	37
(Other)	1,496,520	36,329			

Shipment Ratios

Shipment ratio is calculated by total value of industry group related shipments in each State divided by total value of shipments in the same industry group. This table also shows the State's shipment ratio. It is calculated by total value of industry group related shipment in each State divided by total value of shipment in the State for the entire sector. The ranking is based on the Shipment Ratios, where rank 1 indicates the State with the highest shipment ratio in this industry group. Of the 37 States in the Other Food Manufacturing Industry Group, the States with the highest shipment ratios are: California with 16.64%, Texas with 7.7%, Pennsylvania with 7.04%, Georgia with 6.43%, and Illinois with 5.35%. The top 5 States represent 43.16% of the total value of shipments in the industry group.



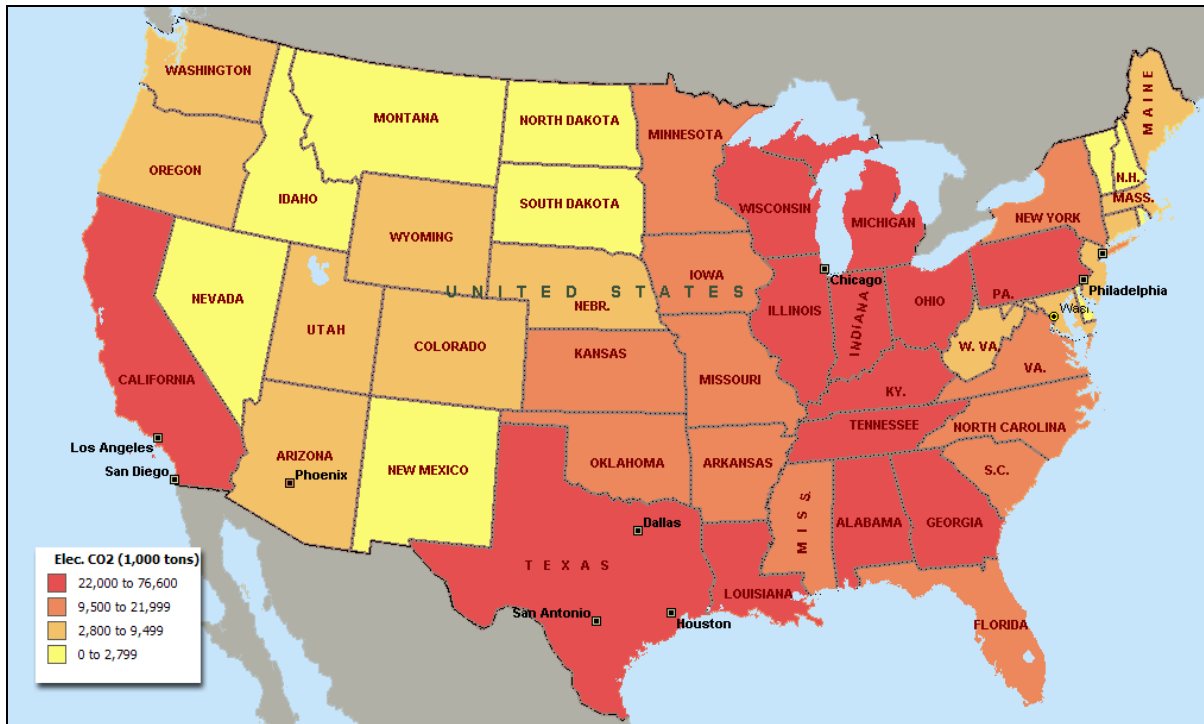
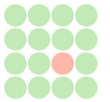
State	Total value of shps (\$1000)	State Shipment Ratio	State Shipment Rank	Industry Shipment Ratio	SALES RANK
(USA)	71,601,885	1.43			
California	11,916,245	2.55	5	16.64	1
Texas	5,514,741	1.05	29	7.70	2
Pennsylvania	5,041,421	2.18	6	7.04	3
Georgia	4,606,577	3.27	3	6.43	4
Illinois	3,829,188	1.58	9	5.35	5
Ohio	3,310,920	1.17	26	4.62	6
Louisiana	2,224,028	1.21	24	3.11	7
Wisconsin	2,201,499	1.43	16	3.07	8
Tennessee	2,138,742	1.51	13	2.99	9
New Jersey	2,119,750	1.97	7	2.96	10
New York	2,043,026	1.26	22	2.85	11
Indiana	1,920,990	0.93	31	2.68	12
Maryland	1,800,103	4.27	1	2.51	13
Minnesota	1,644,664	1.61	8	2.30	14
Florida	1,532,464	1.57	11	2.14	15
Missouri	1,504,084	1.45	14	2.10	16
North Carolina	1,496,261	0.75	33	2.09	17
Virginia	1,345,793	1.44	15	1.88	18
Massachusetts	1,278,676	1.52	12	1.79	19
Iowa	1,271,220	1.39	19	1.78	20
Washington	1,276,446	1.21	25	1.78	21
Michigan	1,125,892	0.52	36	1.57	22



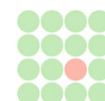
State	Total value of shps (\$1000)	State Shipment Ratio	State Shipment Rank	Industry Shipment Ratio	SALES RANK
Kansas	1,079,659	1.58	10	1.51	23
Alabama	978,769	0.96	30	1.37	24
Kentucky	969,878	0.86	32	1.35	25
Oregon	875,685	1.34	20	1.22	26
Arkansas	861,797	1.42	17	1.20	27
Connecticut	723,669	1.40	18	1.01	28
Arizona	658,103	1.32	21	0.92	29
Colorado	492,503	1.22	23	0.69	30
South Carolina	471,787	0.52	37	0.66	31
Utah	423,177	1.16	27	0.59	32
Nevada	337,941	2.63	4	0.47	33
Oklahoma	315,300	0.57	35	0.44	34
Nebraska	297,181	0.73	34	0.42	35
Hawaii	301,316	4.13	2	0.42	36
New Mexico	175,870	1.07	28	0.25	37
(Other)	1,496,520				

Electricity Consumption and Environmental Impact

Total energy costs in the manufacturing sector represented 2.11% of the total revenue in 2006. 47% of the energy costs were purchased electricity. This table also calculates the approximate carbon dioxide emissions from the electricity consumption in the manufacturing sector. The lbs CO₂/MWh average is calculated based on the 2006 data from EPA. Top 5 States with the highest carbon dioxide emissions are Texas, Louisiana, Indiana, Illinois, and Michigan.



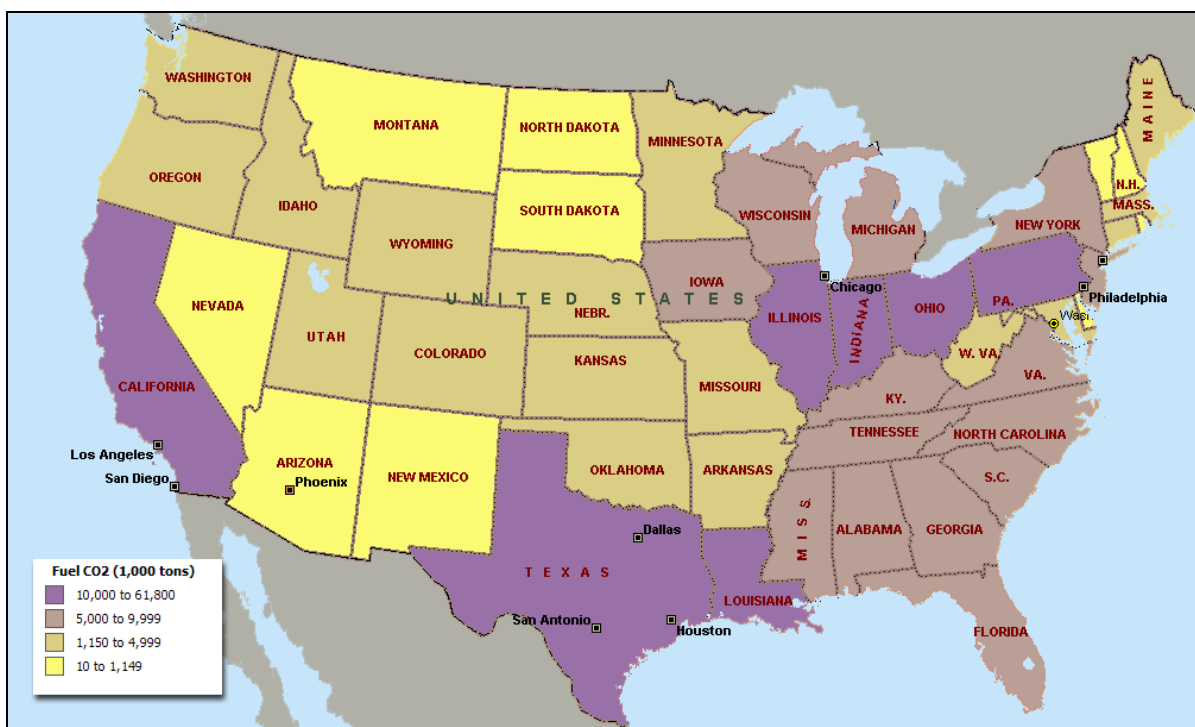
State	lbs CO2/MWh (average)	Elec. CO2 (1,000 tons) Contributed	Purchased Electricity (\$1,000)	Consumed Electricity kWh (1,000)	Rank
Alabama	1,491	26,861	1,263,779	36,030,680	10
Alaska	1,142	452	43,026	790,847	50
Arizona	1,772	5,319	365,928	6,003,864	32
Arkansas	1,530	15,089	691,748	19,724,376	18
California	957	22,229	3,876,927	46,454,970	13
Colorado	1,147	3,084	292,090	5,378,351	35
Connecticut	900	2,954	437,868	6,563,389	37
Delaware	1,151	1,870	155,926	3,249,520	42
District of Columbia	1,151	9	1,680	15,465	51
Florida	1,436	13,331	837,830	18,566,390	22
Georgia	1,344	25,686	1,482,082	38,222,644	11
Hawaii	1,917	606	27,948	632,271	49
Idaho	829	2,740	199,752	6,610,979	39
Illinois	1,628	34,658	1,941,018	42,577,378	4
Indiana	1,584	41,222	2,034,676	52,047,418	3
Iowa	1,686	13,673	661,522	16,219,276	21
Kansas	1,977	9,596	446,535	9,707,654	25
Kentucky	1,548	28,831	1,432,489	37,249,319	7
Louisiana	1,346	28,237	1,720,094	41,957,252	8
Maine	900	2,982	314,962	6,625,880	36
Maryland	1,151	6,197	566,395	10,768,677	29



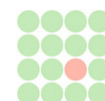
State	lbs CO2/MWh (average)	Elec. CO2 (1,000 tons) Contributed	Purchased Electricity (\$1,000)	Consumed Electricity kWh (1,000)	Rank
Massachusetts	900	3,823	776,689	8,495,931	33
Michigan	1,682	30,036	1,721,752	35,715,021	5
Minnesota	2,005	16,679	786,414	16,637,352	16
Mississippi	1,455	11,829	555,257	16,259,602	23
Missouri	1,680	15,996	794,398	19,043,419	17
Montana	1,348	2,161	147,776	3,205,588	40
Nebraska	2,015	6,171	229,119	6,125,077	30
Nevada	957	1,249	162,546	2,610,878	45
New Hampshire	900	994	216,762	2,207,884	46
New Jersey	1,071	9,329	1,256,711	17,422,032	26
New Mexico	1,654	1,954	129,887	2,362,524	41
New York	911	13,827	1,573,033	30,356,559	20
North Carolina	1,252	21,930	1,615,907	35,032,174	14
North Dakota	2,005	1,453	64,323	1,449,728	43
Ohio	1,446	42,512	2,598,058	58,799,444	2
Oklahoma	1,810	11,061	469,687	12,221,631	24
Oregon	829	5,663	579,388	13,661,723	31
Pennsylvania	1,389	29,087	2,118,531	41,881,966	6
Rhode Island	900	697	132,888	1,548,690	47
South Carolina	1,305	20,679	1,286,502	31,692,640	15
South Dakota	2,015	1,305	64,150	1,295,465	44
Tennessee	1,548	27,160	1,333,124	35,090,118	9
Texas	1,453	76,561	5,180,676	105,383,229	1
Utah	1,045	3,305	244,962	6,325,838	34
Vermont	900	656	107,779	1,457,976	48
Virginia	1,365	14,431	811,625	21,144,368	19
Washington	829	8,937	973,081	21,559,908	27
West Virginia	1,446	7,986	315,945	11,045,593	28
Wisconsin	1,682	22,930	1,304,908	27,265,722	12
Wyoming	1,462	2,844	99,647	3,890,802	38
(USA)	1,431	698,871	46,445,800	996,585,482	

Fuel Consumption and Environmental Impact

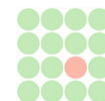
This table compares costs of purchased fuel for each State in the year of 2004 and 2005. Total energy costs in the manufacturing sector represented 2.11% of the total revenue. 53% of the energy costs were purchased fuels. This table also calculates the approximate carbon dioxide emissions from the fuel consumption in the manufacturing sector. Please note that the fuel costs fluctuated throughout the year and varied from State to State. It is estimated however, that each gallon of gasoline generated 24 pounds of CO2.



State	Fuel CO2 (1,000 tons) Contributed	2004 Purchased Fuel (\$1,000)	2005 Purchased Fuel (\$1,000)	Change from prior year %	Rank
Alabama	8,385	1,162,865	1,397,463	20.17	10
Alaska	426	75,742	71,013	-6.24	48
Arizona	1,103	142,186	183,806	29.27	39
Arkansas	4,350	593,846	725,042	22.09	24
California	19,258	2,341,823	3,209,715	37.06	3
Colorado	1,570	177,120	261,702	47.75	36
Connecticut	1,785	239,592	297,436	24.14	33
Delaware	1,042	106,120	173,727	63.71	40
District of Columbia	11	1,163	1,769	52.11	51
Florida	5,325	685,587	887,556	29.46	20
Georgia	8,997	1,142,635	1,499,544	31.24	8
Hawaii	443	44,621	73,849	65.50	47
Idaho	1,303	189,386	217,214	14.69	37
Illinois	11,911	1,619,168	1,985,104	22.60	7
Indiana	18,631	2,312,883	3,105,233	34.26	4
Iowa	5,627	751,319	937,789	24.82	17
Kansas	3,598	420,214	599,678	42.71	26
Kentucky	6,391	824,409	1,065,244	29.21	15
Louisiana	30,181	3,838,558	5,030,157	31.04	2
Maine	1,604	191,253	267,408	39.82	35



State	Fuel CO2 (1,000 tons) Contributed	2004 Purchased Fuel (\$1,000)	2005 Purchased Fuel (\$1,000)	Change from prior year %	Rank
Maryland	2,924	390,838	487,330	24.69	29
Massachusetts	2,637	351,527	439,426	25.00	30
Michigan	8,580	1,267,489	1,429,940	12.82	9
Minnesota	4,440	578,962	739,979	27.81	23
Mississippi	5,542	576,590	923,713	60.20	18
Missouri	3,768	498,107	627,936	26.06	25
Montana	793	99,184	132,182	33.27	41
Nebraska	1,910	256,399	318,379	24.17	32
Nevada	687	75,527	114,524	51.63	43
New Hampshire	792	103,333	131,982	27.72	42
New Jersey	5,393	732,447	898,776	22.71	19
New Mexico	551	69,740	91,821	31.66	45
New York	7,072	943,348	1,178,727	24.95	12
North Carolina	6,986	916,328	1,164,416	27.07	13
North Dakota	591	83,425	98,445	18.00	44
Ohio	15,498	2,101,336	2,583,051	22.92	5
Oklahoma	3,555	474,108	592,527	24.98	27
Oregon	3,513	439,267	585,529	33.30	28
Pennsylvania	14,812	1,885,808	2,468,594	30.90	6
Rhode Island	373	55,433	62,127	12.08	49
South Carolina	5,914	786,625	985,600	25.29	16
South Dakota	506	65,155	84,295	29.38	46
Tennessee	6,618	849,264	1,103,025	29.88	14
Texas	61,800	7,336,214	10,299,994	40.40	1
Utah	1,684	184,709	280,616	51.92	34
Vermont	317	40,870	52,754	29.08	50
Virginia	5,138	695,326	856,311	23.15	21
Washington	4,455	571,372	742,422	29.94	22
West Virginia	2,567	482,699	427,849	-11.36	31
Wisconsin	7,289	1,007,272	1,214,871	20.61	11
Wyoming	1,170	114,563	194,960	70.18	38
(USA)	319,816	40,893,755	53,302,550	30.34	



Appendix C – Additional Links

Trade Associations

American Spice Trade Association

The American Spice Trade Association is a United States based organization whose worldwide membership is comprised of the leading firms in the spice industry.

<http://www.astaspice.org>

Flavoring and Extract Manufacturers Association

The Flavor and Extract Manufacturers Association of the United States represents all facets of the flavor industry. The membership is comprised of flavor manufacturers, flavor users, flavor ingredient suppliers, and others with an interest in the U.S. flavor industry.

<http://www.femaflavor.org>

National Association of Flavors and Food-Ingredient Systems

The National Association of Flavors and Food-Ingredient Systems is a broad-based trade association of manufacturers, processors and suppliers of fruits, flavors, syrups, stabilizers, emulsifiers, colors, sweeteners, cocoa and related food ingredients. Its associate membership is open to all companies that provide products and services to the food industry.

<http://www.naffs.mytradeassociation.org>

Grocery Manufacturers of America

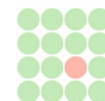
The GMA advances the interests of the food, beverage and consumer products industry on key issues that affect the ability of brand manufacturers to market their products profitably and deliver superior value to the consumer.

<http://www.gmabrands.com>

Trade Publications

Food Processing

With over 65,000 subscribers representing all essential job functions and food types, Food Processing pursues the issues that impact the product development and production teams the most, notably; new product development, removing costs from the process and critical issues.



<http://www.foodprocessing.com>

Prepared Foods

Prepared Foods is edited for R&D, marketing, purchasing and corporate executives responsible for developing new products at food and beverage manufacturing companies. Published monthly, each issue reaches about 22,000 readers and contains the following sections: New Products & Consumer Food Trends; Product Development Trends and Ingredient Technologies; and Ingredient Application Stories.

<http://www.preparedfoods.com>

Food Quality

Food Quality magazine reaches about 21,000 readers and keeps the food and beverage industry informed about the latest technologies, techniques, and legislation in all aspects of food quality assurance and control including: Food safety, Product consistency and yield, Compositional analysis, Physical property analysis, Vendor auditing and Regulatory compliance.

<http://www.foodquality.com>

Food Engineering

Published monthly, Food Engineering is written exclusively for the manufacturing teams in the North American food and beverage process industry. The articles are a blend of processing technology updates, worldwide food manufacturing trends, and case histories on successful in-plant applications.

<http://www.foodengineeringmag.com>

Trade Shows

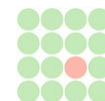
Worldwide Food Expo

The Worldwide Food Expo is a biennial program that is the largest food and beverage technology event in North America. The show features the latest innovations in processing, packaging, ingredients, supplies and services. Exhibitors include suppliers to the dairy, beverage and food industries. A list of previous attendees and exhibitors can be found on the website.

<http://www.idfa.org>

FMI

The FMI show includes everything in food marketing and technology, featuring product categories that are growing fast in the market: beverages, perishables and private label. The



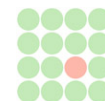
vast and popular equipment/general exhibits category features other products, including the vital equipment without which the food industry could not survive. Located in Chicago, Illinois, the show attracts an estimated 100,000 attendees with about 1,000 exhibitors.

<http://www.fmishow.org>

Process Expo

Process Expo focuses on the newest developments in processing technology to meet the challenges faced by the industry's food and beverage manufacturers. Exhibitors demonstrate state-of-the-art equipment in the fruit and vegetable, beverage, canning/freezing, environmental, instrumentation, prepared foods, can-making, meat, dairy and snack food industries. The show is located in Chicago Illinois, and attracts about 50,000 attendees with about 350 exhibitors.

<http://www.fpsa.org>



Industry Standards

Standardization consists of both the development and the application of standards. It establishes accepted practices, technical requirements and terminologies for products, services and industries to form a common platform for these diverse offerings. Standards ensure better, safer and more efficient methods and products; they are an essential element of technology, innovation and trade.

This is a comprehensive survey of organizations that set or provide standards for this industry and its products and services. This survey first introduces industry specific agencies, and then the organizations in the United States that offer standards that are less direct but nonetheless related. These groups set standards on quality, environment, safety, technology, measurements, equipment handling, engineering, manufacturing process, transportation, and materials.

Also included are many international organizations. These international standards, as well as the associated accreditations are important vehicles for industries that wish to market their products and services globally. Some of these overseas organizations only set standards pertaining to their countries.

The best way to learn more about standards is to join a trade association because they are often very involved in standards activities. Please also refer to the Trade Associations link in this report for more information.

USDA Food and Safety Service

The Food Safety and Inspection Service (FSIS) is the public health agency in the U.S. Department of Agriculture responsible for ensuring that the nation's commercial supply of meat, poultry, and egg products is safe, wholesome, and correctly labeled and packaged.

<http://www.fsis.usda.gov>

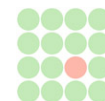
USDA Animal and Plant Health Inspection Service

The Animal and Plant Health inspection Service (APHIS) is responsible for protecting and promoting U.S. agricultural health, administering the Animal Welfare Act, and carrying out wildlife damage management activities.

<http://www.aphis.usda.gov>

World Health Organization

The World Health Organization is the United Nations specialized agency for health, including food, beverage and drinking water. It was established on 7 April 1948. WHO's objective, as set out in its Constitution, is the attainment by all peoples of the highest possible level of health. WHO is governed by 193 Member States through the World Health



Assembly. The Health Assembly is composed of representatives from WHO's Member States.

<http://www.who.int>

American National Standards Institute (ANSI), United States

ANSI is a private, non-profit organization that administers and coordinates the U.S. voluntary standardization and conformity assessment system. ANSI helps set the standards for many different industries, including the consumer electronics industry.

<http://www.ansi.org>

National Institute of Standards and Technology (NIST), United States

Founded in 1901, NIST is a non-regulatory federal agency within the U.S. Commerce Department's Technology Administration. NIST's mission is to promote U.S. innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that enhance economic security and improve our quality of life. The Baldrige National Quality Program, created by NIST, promotes performance excellence among U.S. manufacturers, service companies, educational institutions, and health care providers.

<http://www.nist.gov/>

NSF International

NSF International, The Public Health and Safety Company™, a not-for-profit, non-governmental organization, is the world leader in standards development, product certification, education, and risk-management for public health and safety. The NSF develops national standards, focusing on food, water, indoor air, and the environment.

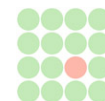
<http://www.nsf.org>

American Society for Testing Materials (United States)

ASTM International is one of the largest voluntary standards development organizations in the world—a trusted source for technical standards for materials, products, systems, and services. Known for their high technical quality and market relevancy, ASTM International standards have an important role in the information infrastructure that guides design, manufacturing and trade in the global economy. Standards developed at ASTM are the work of over 30,000 ASTM members. These technical experts represent producers, users, consumers, government and academia from over 100 countries.

<http://www.astm.org>

Underwriters Laboratories, Inc. (UL), United States



UL is the trusted source across the globe for product compliance. UL benefits a range of customers; from manufacturers and retailers, to consumers and regulating bodies. UL tests almost all types of electronic products.

<http://www.ul.com>

Six Sigma (United States)

Six Sigma is a methodology to manage process variations that cause defects, defined as unacceptable deviation from the mean or target; and to systematically work towards managing variation to eliminate those defects. The objective of Six Sigma is to deliver high performance, reliability, and value to the end customer. It was pioneered by Bill Smith at Motorola in 1986 and was originally defined as a metric for measuring defects and improving quality; and a methodology to reduce defect levels below 3.4 Defects Per 1 Million Opportunities (DPMO). Six Sigma is a registered service mark and trademark of Motorola, Inc. Six Sigma is primarily designed to be used by manufacturing industries. Many private consulting firms offer Six Sigma services to manufacturers. Companies can also learn the methodology on their own.

<http://www.isixsigma.com/>

U.S. Environmental Protection Agency (United States)

The U.S. Environmental Protection Agency provides listings of chemicals and substances that are considered hazardous waste materials. They also provide a wealth of information on government requirements, laws, and sections devoted to specific waste industries.

<http://www.epa.gov>

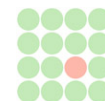
U.S. Department of Transportation (United States)

The U.S. Department of Transportation serve the United States by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets our vital national interests and enhances the quality of life of the American people, today and into the future.

<http://www.dot.gov>

National Fire Protection Association (United States)

NFPA serves as the world's leading advocate of fire prevention and is an authoritative source on public safety. In fact, NFPA's 300 codes and standards influence every building, process, service, design, and installation in the United States, as well as many of those used in other countries. NFPA's focus on true consensus has helped the association's code-development process earn accreditation from the American National Standards Institute.



<http://www.nfpa.org>

Standards Council of Canada, Canada

The Standards Council of Canada is a federal Crown corporation with the mandate to promote efficient and effective standardization. Located in Ottawa, the Standards Council has a 15-member governing Council and a staff of approximately 80. The organization reports to Parliament through the Minister of Industry and oversees Canada's National Standards System.

<http://www.scc.ca/en/index.shtml>

Standardization Administration of China, People's Republic of China

Standardization Administration of the People's Republic of China is authorized by the State Council and under the control of AQSIQ to exercise the administrative functions and carry out centralized administration for standardization in China.

<http://www.sac.gov.cn/english/home.asp>

The French standards association (AFNOR), France

AFNOR develops the reference systems required by economic players to promote their strategic and commercial development. As European and International standardization represents more than 80% of its work, AFNOR is influential in representing French interests within these standardization authorities.

<http://www.afnor.org/portail.asp?Lang=English>

Bureau Veritas (BV), France

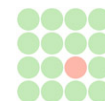
BV provides services such as certification, conformity, training, and consulting within many different business sectors. BV is present in over 140 countries.

http://www.bureauveritas.com/homepage_frameset.html

Deutsches Institut für Normung, Germany

DIN was founded in 1917 with head office in Berlin. It is the national standards body and represents German interests at international and European level. DIN offers a forum in which representatives from the manufacturing industries, consumer organizations, commerce, the trades, service industries, science, technical inspectorates, government, or anyone with an interest in standardization, may meet in order to discuss and define their specific standardization requirements and to record the results as German Standards.

<http://www2.din.de/index.php?lang=en>



Japanese Industrial Standards Committee, Japan

JISC consist of many national committees and plays central role in standardization activities in Japan. The task of JISC is establishment and maintenance of JIS, administration of accreditation and certification, participation and contribution in international standardization activities, and development of measurement standards and technical infrastructure for standardization.

<http://www.jisc.go.jp/eng/index.html>

Korean Agency for Technology and Standards, Korea, Republic of

Korean Agency for Technology and Standards (KATS) establishes national standards in the manufacturing industry, as well as in areas such as safety, environment, health, transportation, information, and cultural service. KATS also works to improve the quality of life by ensuring consumer safety, and focuses on improving policies for standards, safety, standard technology support, WTO/TBT, certification, and measurement in order to increase business efficiency and to support international standardization of Korea's technology.

<http://ats.go.kr/english/index.asp>

General Bureau of Standards, Mexico

The bureau offers information related to the activities in Mexico, within the areas of metrology, national and international standardization and conformance approval, quality and promotion. It also provides information on standard projects of the World Trade Organization and NAFTA signed along with Mexico, the national standardization, as well as information on the official marks Calidad Suprema (Supreme Quality) and Fíjate que este Hecho en México (Observe it is Made in Mexico), and the requirements in order to obtain the Identification Code of the International Manufacturer (CIFI).

<http://www.economia.gob.mx/index.jsp?P=85&NLang=en>

International Organization for Standardization (ISO), Switzerland

ISO is a global network that identifies what international standards are required by business, government, and society. ISO develops these standards in partnerships with the sectors that will put them to use, and adopts them by transparent procedures based on national input and delivers them to be implemented worldwide.

<http://www.iso.org>

Société Générale de Surveillance (SGS), Switzerland



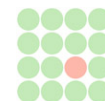
SGS is the world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. SGS operates a network of about 1,000 offices and laboratories around the world. Their services include Agriculture, Automotive, Consumer Testing, Environment, Governments and Institutions, Industrial, Life Science, Minerals, Oil, Gas & Chemicals, and Systems & Services Certification.

<http://www.sgs.com>

BSI British Standards, United Kingdom

BSI British Standards is the National Standards Body of the UK and develops standards and standardization solutions to meet the needs of business and society. They work with government, businesses and consumers to represent UK interests and facilitate the production of British, European and international standards. British Standards' products and services help organizations to implement best practice, manage business critical decisions and achieve excellence.

<http://www.bsi-global.com>



Legislation, Regulation, Tax and Environmental Related Issues

U.S. industries are subject to regulations from Federal, State and Local government agencies. This chapter identifies all major U.S. federal agencies that regulate the industry. The information below provides you the name of the agency, its scope of authority, and a URL link to the agency. These agencies establish and maintain policies and regulations that may affect the Spice and Extract Manufacturing industry directly or indirectly.

The importation of certain classes of merchandise may be prohibited or restricted to protect the economy and security of the United States, to safeguard consumer health and well being, and to preserve domestic plant and animal life. Some commodities are also subject to an import quota or a restraint under bilateral trade agreements and arrangements.

Many of these prohibitions and restrictions on importations are subject, in addition to Customs requirements, to the laws and regulations administered by other United States government agencies with which Customs cooperates in enforcement. These laws and regulations may, for example, prohibit entry; limit entry to certain ports; restrict routing, storage, or use; or require treatment, labeling, or processing as a condition of release. Customs clearance is given only if these various additional requirements are met. This applies to all types of importations, including those made by mail and those placed in foreign trade zones.

The foreign exporter should make certain that the United States importer has provided proper information to (1) permit the submission of necessary information concerning packing, labeling, etc., and (2) that necessary arrangements have been made by the importer for entry of the merchandise into the United States.

Industry Specific Regulatory Agencies

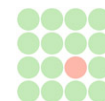
U.S. Department of Agriculture

This Federal Agency mission is to enhance the quality of life for the American people by supporting production of agriculture: ensuring a safe, affordable, nutritious, and accessible food supply; caring for agricultural, forest, and range lands; supporting sound development of rural communities; providing economic opportunities for farm and rural residents; expanding global markets for agricultural and forest products and services; and working to reduce hunger in America and throughout the world.

<http://www.usda.gov>

U.S. Fish and Wildlife Service

This Federal Agency is the only agency of the U.S. Government whose primary responsibility is fish, wildlife, and plant conservation. The Service helps protect a healthy environment for people, fish and wildlife, and helps Americans conserve and enjoy the



outdoors and our living treasures. The Service's major responsibilities are for migratory birds, endangered species, certain marine mammals, and freshwater and anadromous fish.

<http://www.fws.gov>

U.S. Food and Drug Administration

The Food and Drug Administration is one of the nation's oldest and most respected consumer protection agencies. FDA's mission is to promote and protect the public health by helping safe and effective products reach the market in a timely way, to monitor products for continued safety after they are in use, and to help the public get the accurate, science-based information needed to improve health.

<http://www.fda.gov>

Non-Industry Specific Regulatory Agencies

Consumer Product Safety Commission

The U.S. Consumer Product Safety Commission is charged with protecting the public from unreasonable risks of serious injury or death from more than 15,000 types of consumer products under the agency's jurisdiction. The CPSC is committed to protecting consumers and families from products that pose a fire, electrical, chemical, or mechanical hazard or can injure children. The CPSC's work to ensure the safety of consumer products - such as toys, cribs, power tools, cigarette lighters, and household chemicals.

<http://www.cpsc.gov>

Customs & Border Protection

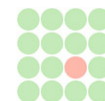
This Federal Agency collects and verifies tariff and trade data, which are tabulated, analyzed, and disseminated by the Census Bureau.

<http://www.customs.treas.gov/xp/cgov/home.xml>

Drug Enforcement Administration

This Federal Agency is responsible for enforcing the controlled substances laws and regulations of the United States and bring to the criminal and civil justice system of the United States those organizations and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the United States; and to recommend and support non- enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets.

<http://www.dea.gov>



Environmental Protection Agency

This Federal Agency monitors the quality of the air; the quality of drinking, surface and ground water; ecosystem status; and the introduction of toxic or hazardous substances into the environment. It conducts research and studies to provide baseline data and to evaluate and support environmental monitoring systems.

<http://www.epa.gov>

Federal Communications Commission

This Federal Agency is an independent United States government agency, directly responsible to Congress. The FCC was established by the Communications Act of 1934 and is charged with regulating interstate and international communications by radio, television, wire, satellite and cable. The FCC's jurisdiction covers the 50 states, the District of Columbia, and U.S. possessions.

<http://www.fcc.gov>

Federal Trade Commission

The FTC deals with issues that touch the economic lives of most Americans. In fact, the agency has a long tradition of maintaining a competitive marketplace for both consumers and businesses. When the FTC was created in 1914, its purpose was to prevent unfair methods of competition in commerce as part of the battle to “bust the trusts.” Over the years, Congress passed additional laws giving the agency greater authority to police anticompetitive practices. The FTC’s work is performed by the Bureau of Consumer Protection, Competition and Economics. That work is aided by the Office of General Counsel and seven regional offices.

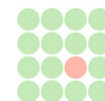
<http://www.ftc.gov>

Occupational Safety & Health Administration

The Occupational Safety and Health Administration aims to ensure worker safety and health in the United States by working with employers and employees to create better working environments. Since its inception in 1971, OSHA has helped to cut workplace fatalities by more than 60 percent and occupational injury and illness rates by 40 percent. At the same time, U.S. employment has doubled from 58 million workers at 3.5 million worksites to more than 115 million workers at 7.2 million sites.

<http://www.osha.gov>

Regulations.gov



Regulations.gov, the public face of the U.S. government's eRulemaking Initiative, facilitates public participation in the federal regulatory process by improving the public's ability to find, view, and comment on federal regulatory actions.

<http://www.regulations.gov>

U.S. Department of Commerce

The mission of the Department is to foster, serve, and promote the Nation's economic development and technological advancement. This includes: promoting and assisting international trade, strengthening the international economic position of the United States, promoting progressive domestic business policies and growth, improving comprehension and uses of the physical environment and its oceanic life, ensuring effective use and growth of the Nation's scientific and technical resources, acquiring, analyzing, and disseminating information regarding the nation and the economy to help achieve increased social and economic benefit, and assisting states, communities, and individuals with economic progress.

<http://www.commerce.gov>

U.S. Department of Energy

This Federal Agency is a leading science and technology agency whose research supports our nation's energy security, national security, environmental quality, and contributes to a better quality of life for all Americans

<http://www.energy.gov>

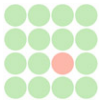
U.S. Department of Homeland Security

The National Strategy for Homeland Security and the Homeland Security Act of 2002 served to mobilize and organize our nation to secure the homeland from terrorist attacks. This exceedingly complex mission requires a focused effort from our entire society if we are to be successful. To this end, one primary reason for the establishment of the Department of Homeland Security was to provide the unifying core for the vast national network of organizations and institutions involved in efforts to secure our nation. In order to better do this and to provide guidance to the 180,000 DHS men and women who work every day on this important task, the Department developed its own high-level strategic plan. The vision and mission statements, strategic goals and objectives provide the framework guiding the actions that make up the daily operations of the department.

<http://www.dhs.gov>

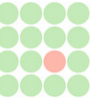
US Department of the Treasury

The Office of Foreign Assets Control ("OFAC") of the US Department of the Treasury administers and enforces economic and trade sanctions based on US foreign policy and



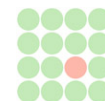
national security goals against targeted foreign countries, terrorists, international narcotics traffickers, and those engaged in activities related to the proliferation of weapons of mass destruction. OFAC acts under Presidential wartime and national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze foreign assets under US jurisdiction.

<http://www.ustreas.gov>



Appendix D – Industry’s 4-Year Financial Statement

	2008		2007		2006		2005	
	%	(in million)	%	(in million)	%	(in million)	%	(in million)
311942								
INCOME STATEMENT								
Net sales, receipts, and operating revenues	100.0	\$7,030	100.0	\$6,660	100.0	\$6,470	100.0	\$6,340
Cost of Materials	49.8	(\$3,502)	49.1	(\$3,270)	48.3	(\$3,122)	48.2	(\$3,058)
Salaries	7.9	(\$553)	7.5	(\$498)	7.1	(\$462)	6.8	(\$433)
Wages	5.3	(\$369)	5.3	(\$354)	5.3	(\$345)	5.4	(\$340)
Fringe Benefits	3.0	(\$213)	3.0	(\$198)	2.9	(\$185)	2.9	(\$183)
Energy & Fuel Costs	1.0	(\$67)	0.9	(\$61)	0.9	(\$56)	0.8	(\$52)
Gross Profit	33.1	\$2,326	34.2	\$2,279	35.6	\$2,301	35.9	\$2,274
Depreciation, depletion, and amortization of property, plant, and equipment	1.8	(\$127)	2.0	(\$133)	2.2	(\$142)	2.3	(\$146)
Administrative, Sales and Marketing Costs	24.7	(\$1,735)	26.4	(\$1,760)	27.4	(\$1,770)	27.4	(\$1,735)
Income (or loss) from operations	6.6	\$464	5.8	\$386	6.0	\$388	6.2	\$393
Interest expense	1.8	(\$127)	1.7	(\$113)	1.8	(\$116)	1.7	(\$108)
All Other Non-Operating Income (Expense)	2.8	\$197	2.9	\$193	2.6	\$168	2.1	\$133
Income (or loss) before income taxes	7.6	\$534	7.0	\$466	6.8	\$440	6.6	\$418
Provision for current and deferred domestic income taxes	1.6	(\$112)	1.5	(\$100)	1.5	(\$97)	1.7	(\$108)
Income (or loss) after income taxes	6.0	\$422	5.5	\$366	5.3	\$343	4.9	\$311
BALANCE SHEET								
Cash and Government Securities	3.5	\$210	2.7	\$155	4.3	\$210	5.1	\$245
Accounts Receivable	10.0	\$600	10.5	\$604	10.3	\$504	10.5	\$505
Inventories	11.8	\$708	12.3	\$708	14.0	\$684	12.8	\$616
Other Current Assets	4.3	\$258	4.1	\$236	4.6	\$225	3.6	\$173
Total Current Assets	29.6	\$1,777	29.6	\$1,704	33.2	\$1,623	32.0	\$1,539
Property and Other Non-Current Assets	70.4	\$4,226	70.4	\$4,052	66.8	\$3,265	68.0	\$3,271
Total Assets	100.0	\$6,003	100.0	\$5,756	100.0	\$4,888	100.0	\$4,810
Current Liabilities	23.5	\$1,411	25.7	\$1,479	26.4	\$1,291	24.7	\$1,188
Other Non-Current Liabilities	32.8	\$1,969	30.8	\$1,773	35.5	\$1,735	37.9	\$1,823
Total Liabilities	56.3	\$3,380	56.5	\$3,252	61.9	\$3,026	62.6	\$3,011
Stockholders' Equity	43.7	\$2,623	43.5	\$2,504	38.1	\$1,862	37.4	\$1,799
Total Liabilities and Stockholders' Equity	100.0	\$6,003	100.0	\$5,756	100.0	\$4,888	100.0	\$4,810



Appendix E – Report Methodology

Customers deserve to know the sources and the methodology of any market research report. This is the only way to assure the quality and the accuracy of the reports. Every one of our reports has gone through five rigid processes: 1) Data Sourcing, 2) Data Collection & Integration, 3) Data Analysis, 4) Data Presentation, and 5) the Human Factors.

Data Sourcing

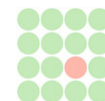
All data in our reports are obtained either from government sources, or directly from the companies involved in the reports. Government sources are all considered public domain. There are more than a thousand government agencies publishing a wide spectrum of topics related to the manufacturing industries. Although the data are in the public domain, there are still various fees associated with its dissemination. We purchase all these data directly from the agencies. Private sources are either in the public domain, or obtained via our online or telephone surveys. Most public company information, such as annual reports, and press releases, is available online or via direct mail. For some of our market intelligence reports, we do direct surveys via email and telephone.

Data Collection & Integration

What makes our reports consistent and accurate is the way in which the data are collected. All data are collected online via an advanced data acquisition process into our proprietary database applications. Although no data can claim 100% accuracy, we do use special data integrity processes to minimize errors. No collection is considered complete without proper integration. Our applications identify and differentiate data sources and their currencies. An example of this integration is the translation of data from one language to another, say, Chinese to English. Another example would be identifying the cost of sales and marketing from one source and integrating that data to our master table with other financial data.

Data Analysis

Understandably no data are created equally. Almost all data sources have their own format and methodology. The majority of these data are presented in a raw format where users must utilize various applications to analyze the data. This becomes a significant overhead not only in terms of process time, but most notably, the long learning curve. Our data analysis process analyzes complicated data and turns them into meaningful information. For example, knowing the dollar amount of an industry profit isn't very helpful without knowing its profit margin. Data analysis also involves proper classifications of data. There is a myriad of data out there and no dearth of nomenclature systems for them; the data analysis process puts them into proper and relevant perspective.



Data Presentation

We spend a considerable amount of time in data presentation technology. The result is that our reports successfully avoid the “cookie cutter” look and still maintain a consistent, easy to understand, and professional presentation of the information. There is almost no learning curve in reading our reports; everything is easily organized and presented in the Table of Contents. Also, with the navigation instructions, readers of different interests can quickly identify the relevant sections to read. Finally, information is clearly defined and presented with text, graphics, tables and charts.

Human Factors

In addition to our technology and automation, all aspects of the report undergo scrutiny by our team of research specialists. For the manufacturing industry, we employ a disciplined quality assurance program in our publishing process, from IQC (incoming quality control), to PQC (production quality control), to OQC (outgoing quality control). For example, our research specialists are constantly verifying the reliability of the sources, and our editing department is responsible for assuring the readability of our reports. The IT personnel are responsible for accuracy of the data and the efficiency of the delivery, while the management team is responsible for the comprehensiveness of the reports as well as assuring that the readers are receiving maximal benefits from the reports.



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