KEMIN

RISE ABOVE INFLATION

AND THRIVE WITH KEMIN

Kemin's expertise in delivering color, safety, flavor and yield enhancement solutions can help support your bottom line so you thrive—not just survive—in today’s challenging market.

ADDRESSING TODAY’S CHALLENGES

A recent study on meat consumption patterns[1] shows consumers are increasingly focused on **value** when making purchasing decisions.

How Consumers Determine Value

- Product Quality
- Appearance
- Price Per Pound
- Total Package Price

THE CHALLENGES

- **Changes in Consumer Shopping Behavior**
- **Profitability Management**
    - **Transportation Costs**
    - **Labor & Raw Material Costs**
- **Waste Management**

KEMIN SOLUTIONS

Quality & Yield Enhancement

Color & Flavor Protection

Food Safety

CHALLENGE:

CHANGES IN CONSUMER SHOPPING BEHAVIOR

Inflation is the #1 concern for 3 out of 4 adults.[2]

43%
saving more money[2]

72%
changed retail meat purchases, opting for value[1]

1/3
looking at cost/unit size to assess value[2]

color
rely on color to determine freshness[3]

HOW KEMIN CAN HELP

By supporting your bottom line with solutions that signal freshness, with a pleasing appearance:

Our FORTIUM® products can:

- Improve color, flavor and shelf life of frozen pork sausage:
  UP TO 6 MONTHS[4]
- Increase shelf life of ground beef:
  UP TO 28%[5]

KEMIN INGREDIENT SOLUTIONS FOR CHANGES IN CONSUMER SHOPPING BEHAVIOR:

✓

Color & Flavor Protection

PROFITABILITY MANAGEMENT

Meat and poultry manufacturers are facing numerous challenges that require careful management to maintain profitability, including:

Transportation Costs

Labor Costs

Raw Material Costs

The rise in the producer price index for processed meat and poultry items in early 2023 is expected to translate into higher prices for consumers.[6]

CHALLENGE:

TRANSPORTATION COSTS

Rising fuel prices are hiking transportation costs, a significant portion of a company's logistics spending.[7]

HOW KEMIN CAN HELP

Kemin is one of the only ingredient suppliers with a range of antioxidants, antimicrobials and yield enhancement products.

Total number of shipments

Transportation costs through shipment consolidation

By sourcing these ingredients from Kemin, you can **lower overall costs by reducing:**

The amount of ingredients needed for treatment through various product concentration offerings

KEMIN INGREDIENT SOLUTIONS FOR MANUFACTURER COSTS & TRANSPORTATION COSTS:

- ✓ **Quality & Yield Enhancement**
- ✓ **Color & Flavor Protection**
- ✓ **Food Safety**

CHALLENGE:

LABOR & FORMULATION COST

Increased costs and limited availability in certain raw materials has lead to an increase in overall formulation cost. In addition, the industry continues to struggle to find, hire and retain enough workers, often times leading to increased wages.[8]

33.7%	**median wage increase 2019 – 2022[8]**
4.5 - 7.0%	**meat price increase due to higher wages[8]**

HOW KEMIN CAN HELP

By offering Proteus® functional proteins, designed to help increase yield and plant throughput. Our functional proteins can help improve the efficiency of the production process, leading to: **higher yields**

and reduced labor costs*

**per pound of product produced*

OUR PROTEUS® PRODUCT CAN:

Help to reduce overall formulation costs by allowing a 5-10% meat block replacement while providing increased yields and retaining a natural texture and bite.

Proteus® Yields Profitability

12 - 13%	**more finished product than untreated and phosphate-treated pork loin[10]**
19%	**reduced cook time for injected massaged chicken breasts compared to untreated[11]**

KEMIN INGREDIENT SOLUTIONS FOR LABOR & FORMULATION COST:

✓

Quality & Yield Enhancement

CHALLENGE:

WASTE MANAGEMENT

The U.S. meat & poultry industry's period of widespread profitability over the past 3 years is expected to come to an end in 2023, due to high feed costs, increasing labor and energy costs, and more.[12]

Longer Shelf Life = Less Waste

OUR BACTOCEASE® PRODUCTS CAN

Improve shelf life of uncured turkey deli meat up to 10 weeks[13]

HOW KEMIN CAN HELP

By focusing on reducing waste from the grocer's side using our antioxidant and antimicrobial products, shown to extend the shelf life of food products by up to 100%[14]—so less food goes to waste.

KEMIN INGREDIENT SOLUTIONS FOR WASTE MANAGEMENT:

✓ **Food Safety**

✓ **Color & Flavor Protection**

KEMIN INGREDIENT SOLUTIONS

- ✓ **Quality & Yield Enhancement**
  Proteus® Functional Proteins
  InnoBLQ™ Fat Block
- ✓ **Color & Flavor Protection**
  FORTIUM® R: Rosemary
  FORTIUM® RGT: Rosemary + Green Tea Blend
  FORTIUM® A: Acerola
  NaturFORT™ ARGT: Acerola + Rosemary + Green Tea Blend
- ✓ **Food Safety**
  BactoCEASE® NV: Buffered Vinegar
  BactoCEASE®: Propionic Acid

UNPARALLELED TECHNICAL EXPERTISE IN MEAT AND POULTRY

At Kemin, we leverage our team's expertise and innovation to create a legacy of innovative meat and poultry products with world-class quality. By meeting challenges together with our clients, Kemin offers effective solutions for color, flavor, microbial and yield concerns.

SOURCES

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[2] State of Retail & eCommerce, Mintel, U.S., 2023

[3] Acerola Extract Market – Global Forecast to 2026, MarketsandMarkets 2022.

[4] TL-18-00070

[5] INF-2015-00001

[6] Federal Reserve Bank of St. Louis. (n.d.). Release tables: Table 5. Producer price indexes for selected commodity groupings of intermediate demand by commodity type category. FRED, https://fred.stlouisfed.org/release/tables?rid=46&amp;eid=117937.

[7] Murray, M. (2019, July 29). How to reduce supply chain transportation logistics costs. LiveAbout. https://www.liveabout.com/reducing-transportation-costs-2221049

[8] American Immigration Council. (2022, July 19). Tending to America's food supply: The essential role of immigrants in America's meat and dairy industries. American Immigration Council, from https://www.americanimmigrationcouncil.org/research/tending-americas-food-supply-meat-dairy-industries.

[9] TL-21-19299

[10] TD-21-6997

[11] TD-21-7012

[12] Shike, J. (2023, January 2). Meat and poultry production to slow despite 2022's robust profits, Cobank says. Pork Business, https://www.porkbusiness.com/news/industry/meat-and-poultry-production-slow-despite-2022s-robust-profits-cobank-says.

[13] TL-17-00030

[14] TL-18-00070

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