

## **Fooling the sweet tooth: candy companies emphasize low carb, low sugar products.**

### **(Low Carb & Low Sugar Candy)**

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There should be a whole lot of counting going on at this month's All Candy Expo. As always, the emphasis will be on tasty treats. But this time, the goal is to offer a wide variety of candy types sans carbs or sugar and made with natural ingredients.

In 2003, sales of diet and sugar free candies grew 90%, according to researcher IRI, with "zero guilt" cited as one reason consumers are migrating to less fattening treats. Variety is another reason. In the past, the sugar free category had been limited largely to hard candy and chocolate aimed at diabetics. Products were produced by suppliers that specialized in foods for special diets--not by mainstream candy companies. When these manufacturers took out the sugar, they also removed other "real" ingredients, such as dairy products and flavorings.

"The trend for zero carb is truly incredible," says Anthony Shurman, president of Westfield, N J-based Yosha! Enterprises, makers of Momints, a line of liquid-filled breath mints that have zero calories or carbohydrates. While he admits he cannot predict the longevity of the trend, currently it is "here in a big way." Momints are currently the top selling breath mint at 7-11.

Albany, GA-based Bobs Candies is emphasizing variety. President Greg McCormack says Bobs will unveil three candies designed to appeal to calorie-conscious customers: creamy Bobs Caramel Chew, Bobs Chocolate Mint Chew and Bobs IBC Root Beer Float. "In addition to being sugar-free, our IBC Root Beer Float is also a zero net carb candy, so it satisfies both customer demands," says McCormack.

Bobs Caramel Chews are a soft candy sweetened with Splenda brand sweetener in a 6-ounce bag; Bobs Chocolate Mint Chews is a two-color (green and brown) soft candy sweetened with Splenda in a 4.5-ounce bag; Bobs IBC Root Beer Float is a hard candy with zero net carbohydrates in 5.5-ounce bag. The individually wrapped candies will be sold as pegboard items with a srp for all three candies at \$1.59.

On the ingredient side, Ruby Shrestha, product marketing manager for the Seattle-based Seattle Chocolate Company, says consumers are paying more attention to what candy is

made of than they did in the past, a trend that extends to all food categories. Portion control is also important, she adds.

At the All Candy Expo, Seattle Chocolate Company is introducing Skinny Truffles, no-sugar added, all natural, European chocolates with 0.5 net carbs or less per truffle. They will be showcasing three new flavors: Milk Chocolate with Mint (0.4 net carbs per piece), Dark Chocolate with Espresso (0.3 net carbs per piece) and Milk Chocolate with Almond (0.5 net carbs per piece) as well as an assortment that is packaged in resealable 3.5 oz bags. Soon, Seattle will add a pos convenience pack for bulk products. "Skinny Truffles have low net carbs, but big fat flavor," she says.

Goetze's Candy Co., Baltimore, is also onboard the healthier candy movement. It will be introducing a new product at the 2004 All Candy Expo, Goetze's Gourmet Caramels, a square caramel that features zero grams of trans fat and is made with real dairy cream. Goetze's Gourmet Caramels will be sold in three different sizes, and all three items will feature recipes and Spanish translations on the back of the bags.

Another popular sugar substitute is Xylitol. Brent McKinley, vp of corporate development for Orem, UT-based Xlear, says, "The anti-cariogenic (cavity) properties of Xylitol are beginning to gain wide acceptance and recognition in the dental profession. Studies and evidence support the dental health benefits of chewing gums and eating candies sweetened with Xylitol."

## STILL SWEET

Of course, not all consumers are seeking candy that is free of sugar and/or carbs. Some still seek the traditional stuff, including little kids who also want their confections in three-dimensional shapes and colors.

Goetze's, for one, will introduce a new flavor of Cow Tales--StrawberriCream. This 1 oz. bar will be offered in 12 standup boxes/36 count case and one tumbler combo/100 count case.

Also creating excitement are products like Flashin' Lix from Malibu, CA-based Malibu Toys, a gel and hard candy molded lollipop that flashes and lights up. The pops come in a variety of flavors and all sorts of generic shapes--sea creatures, aliens, rocket ships, racing cars--as well as several licensed items for the holidays. There are also a lot of seasonal choices, such as heart-shaped pops for Valentine's Day and scary cats and spiders for Halloween. The srp is \$1.99.

"Kids are looking for interactivity, and we are giving it to them with these hi-tech candies," says Steven Style of the New York-based Steven Style Group. "At this point, the pops are blowing off the shelves."

Malibu Toys is also unwrapping Finger Lites Light-up Candy Rings, a hard candy in several flavors and shapes which also light up. The srp is \$0.99 each.

Total Candy Sales at Food/Drug/Mass Combined  
(excluding Wal-Mart data) In Millions (52 Weeks Ending 3/20/04)

DEPARTMENT	\$ VOLUME	\$ % CHANGE
	VS YAG	

Total candy	7,262.2	3.0
Breath sweeteners	206.1	-7.0
Candy-chocolate	2,478.6	5.2
Chocolate miniatures-candy	1,040	-1.5
Dietetic candy	277.6	95.7
Candy-dietetic--non-chocolate	71.6	21.3
Candy-dietetic--chocolate	206.0	148.8
Candy-hard rolled	82.8	-19.6
Marshmallows	130.4	3.70
Candy-non-chocolate	1,782.2	-2.3
Candy-chocolate-special	966.3	4.6
Candy-non-chocolate-miniatures	100.6	5.0
Candy-lollipops	188.7	-3.4
Candy-kits	8.9	-1.1

DEPARTMENT	UNIT VOLUME	UNIT % CHANGE
	VS YAG	

Total candy	5,795.3	0.0
Breath sweeteners	187.9	-12.2
Candy-chocolate	2,479.2	0.2
Chocolate miniatures-candy	424.7	-1.5
Dietetic candy	178.5	104.4
Candy-dietetic--non-chocolate	47.0	20.1
Candy-dietetic--chocolate	131.5	172.8
Candy-hard rolled	89.2	-26.0
Marshmallows	110.3	2.2
Candy-non-chocolate	1,501.8	-4.2
Candy-chocolate-special	598.0	7.5
Candy-non-chocolate-miniatures	51.4	4.7
Candy-lollipops	169.7	-7.3
Candy-kits	4.7	-4.0

SOURCE: ACNIELSEN STRATEGIC PLANNER

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