# 2011 Flavor & Fragrance Leaderboard

As growth returns, challenges persist

The global flavor and fragrance market totaled ~$22 billion in 2010, up from $20 billion in 2009, according to numbers assembled by Leffingwell & Associates. At the same time, the market share of the 10 largest companies totaled ~$16.7 billion, or 76% of the total in 2010, compared to 72.6% in 2009. As modest growth returned to mature economies and accelerated growth continued in key developing markets, the total flavor and fragrance market grew about 10% in 2010.

Looking ahead, research firm The Freedonia Group (*www.freedoniagroup.com*) is forecasting annual US flavor and fragrance market growth of 3% for the next three years, reaching $5.5 billion by 2014. Growth there will be driven by health and wellness offerings that incorporate masking flavor systems; demands for new, unique and authentic flavors; growing cosmetic and toiletry—skin care for an aging population, particularly—and home environmental fragrance goods markets; and broader consumer demands for naturally flavored and fragranced products.

Amidst generally positive signals of a market turnaround in the last year, companies now find themselves challenged by an uncertain regulatory future and growing raw material costs—and of course ongoing acquisition rumors. These and other realities are reflected in *Perfumer & Flavorist* magazine's 2011 Flavor & Fragrance Leaderboard, a ranking—by 2010 sales—of the top 10 F&F companies, with select exclusive insights from key executives on the state and future of the industry.

## A Note on Rankings

The 2011 Flavor & Fragrance Leaderboard rankings are based on 2010 sales data—including estimates*—gathered by *Perfumer & Flavorist* magazine and John Leffingwell, who provided the majority of the tabulations and market share estimates.** Rank is based on US dollar equivalents. Conversions are based on major currency rates as of Dec. 31, 2010, unless otherwise noted.

* *See individual rankings for details.*

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## 1 Givaudan

**Geneva**
**2010 sales: CHF 4,239 million / $4,538.4 million**
**Estimated 2010 market share: 20.6%**
**CEO, Executive Committee Member: Gilles Andrier**

*Gilles Andrier; courtesy of Givaudan*

Last year marked a strong rebound for Givaudan's flavor and fragrance divisions across all segments and regions. Notably, developing markets now account for 40% of the company's sales, growing more than five times as fast as mature markets (compound annual growth rate). This year, the company, facing growing ingredient and input costs, has implemented price increases with customers. Established in the second quarter, these price increases will impact financials in the second half of the year. At the same time fine fragrance restocking has largely concluded, and so growth is now coming from new wins, in addition to slight sales increases in consumer goods categories and good sales for ingredients such as the recently released Paradisamide. Meanwhile, flavor division growth has been led by existing business in Asia-Pacific and Latin America, new wins in North America and developing European, African and Middle Eastern markets. As a result, looking forward, Givaudan is forecasting total organic growth of as much as 5.5% per year.

# 2 Firmenich

**Geneva**
**2010 sales: CHF[a] ~2.873 billion**
**Estimated market share: ~14%**
**CEO and Director: Patrick Firmenich**

*Patrick Firmenich*

**First Person: Cathleen Quinn, vice president, corporate brand and communication, with Patrick Firmenich**

Firmenich posted record sales for its 2010 fiscal year (ended June 30, 2010), regaining its position as growth leader in the fragrance and flavor industry amid global restocking after the worst recession in recent history. Sales increased 12.1% in local currencies, 8.7% in Swiss francs, to reach CHF 2.873 million. This performance was driven by double-digit growth in perfumery and flavor segments, with a particularly strong rebound in fine fragrance during the second half of the year. Our ingredients business followed the trend, recording a healthy performance and consolidating our leadership in this key area to help our clients differentiate their brands.

Geographically, emerging markets posted the strongest growth, led by the Eastern Europe, Middle East and Africa region, followed by Asia-Pacific and Latin America. North America and Western Europe also posted robust results. According to Patrick Firmenich, “Our market penetration was broad, deep and supported by meaningful investments.” These investments included the inauguration of a new state-of-the-art perfume and flavor development center in Brazil further expanding market presence in the region and across the Latin America. In addition, two new production sites were opened, including a new perfume ingredients plant in Gujarat Province, India to support the perfumery business, optimizing service, and complementing the ingredients site in Geneva, and, production also began at a new cutting-edge flavor encapsulation site in the United States.

The end of our 2010 fiscal year also marked the close of Firmenich’s ambitious 2010 sustainability goals, with all seven performance indicators exceeded and new goals set for 2015.

### Hedione’s 50th Anniversary

Next month *Perfumer & Flavorist* magazine celebrates the 50th anniversary of Firmenich’s classic trademark fragrance ingredient, Hedione, featuring interviews with top perfumers discussing the material’s contributions to formulations. Don’t miss it.

*https://subs.perfumerflavorist.com/offer*

[a]Estimated; accounting Period of July 1 to June 30.

# 3 IFF

**New York**
**2010 sales: $2,622.9 million**
**Estimated market share: 11.9%**
**Chairman and CEO: Douglas Tough**


Douglas Tough

**First Person: Douglas Tough**

The flavor and fragrance market can be characterized as large, diverse and growing, and an important contributor to the ongoing global expansion associated with economic gains. On a fundamental basis, the overall market is expanding at 2–3% per year, with the top four companies growing faster than the market. Customer expansion, disposable income growth and technological advancements are all structural drivers of growth. Changing social habits resulting from increases in personal income, health and wellness and urbanization are stimulating demand for consumer products utilizing flavors and fragrances, especially in the emerging markets. These developments also drive the creation and development of new molecules, technologies and solutions that facilitate and improve the end-use consumption of flavors and fragrances in consumer products. In short, our industry is a "noble" one, contributing to the many facets of the betterment of people around the world.

***Opportunities for growth:*** At IFF, we believe our ability to deliver superior innovation is our greatest opportunity as a company going forward. Innovation is instrumental in driving new business, as it is an integral part of our customers' brands. For that reason, our innovative products and delivery systems are highly valued by our customers. Starting from a position of strength, we already devote substantial resources to discovering and developing new molecules, natural ingredients and delivery systems. Going forward, we are committed to deepening our research and development investments to further enliven IFF's portfolio for our customers and the consumers they serve.

As population growth and wealth creation in the emerging markets continues to increase, our geographic portfolio has not only laid the foundation for our success, it is a driving force in our aspirations as a global growth company. In these key markets, strong GDP growth and a significant expansion of the middle-class consumer are expanding demand for better-flavored and fragranced consumer products. As a result, these markets are growing broadly at a high single-digit rate—nearly three to four times the rate of the developed markets. With over 75% of our sales flowing from outside the United States, and 45% from these key emerging markets, we are well-positioned to capture future growth. And our people know this, and are committed to capturing the opportunities in these markets.

More specifically to IFF, in 2010, we worked hard to refine our strategies and business model by conducting an in-depth assessment of our regions, categories and customers. Like most businesses, we are able to identify opportunities where we can accelerate our performance by further leveraging our advantaged portfolio and improve those areas that are underperforming. Moving forward, as we maximize our portfolio, we will be in a stronger position to grow our customers' brands and, based on our ongoing research, anticipate consumer trends and our customers' needs.

***Challenges:*** Raw material inflation continues to challenge our industry as rising demand, lower capacity, political disruption, crop shortages and speculation drive prices higher. While our strategies, such as forward buys, strategic partnerships and make vs. buy are helping mitigate some pressure, we still expect high single-digits raw material inflation in 2011. And because raw material price instability impacts us, our customers, and their consumers, we prefer prices to remain as stable as possible.

In the longer-term, economic volatility, greater regulation and the war for talent in the emerging markets are all challenges that our industry must face. In fact, a large and continuous supply of qualified people to achieve our growth aspirations is our biggest challenge. At IFF, we are preparing strategic plans that will help minimize risk and provide the ability to capitalize on opportunity via investments in infrastructure, R&D, and people.

*Nicolas Mirzayantz*

**First Person: Nicolas Mirzayantz, group president, fragrances, IFF**

The global fragrance market is currently very dynamic as global and local economies have a major impact on consumer spending patterns. There are areas of fast growth in the emerging markets as well as slower or even negative growth in more mature markets. We see this as an opportunity to use our extensive consumer insights to help our customers build their brands by identifying and meeting the varied and growing needs of consumers around the world.

Overall, natural ingredients in fragrances are continuing to increase in popularity, as part of the global health and wellness trend. In fine fragrances the classics are in demand, while new celebrity launches continue to drive excitement. At the same time smaller, niche fragrances are also appearing with more frequency. Fragrance continues to drive consumers' choices in the fabric and home care products they use. We are in a very competitive marketplace—with the preponderance of offerings it is harder to get and keep consumers' attention. Today they are better educated and know what they want. And they are willing to explore different channels of distribution ranging from the department store to specialty stores to television, online and handheld devices.

***Opportunities for growth:*** At IFF we have always been committed to investment in innovation and creativity, which has served us well over the years and will continue to be a differentiator for us.

An example we are particularly proud of is our partnership with L'Oreal/Redken, in which we had a technological breakthrough by incorporating fragrance encapsulation technology for the first time in a hair care product. Great innovation can launch new product categories and satisfy unmet needs for consumers.

The developing markets are booming as populations and wealth continue to grow in those regions. Consumers in these markets are eager to explore and adopt new personal product applications—and the use of fragrance is a key component of this product development. We are and will be there to identify and fill those needs as they continue to evolve.

At the end of the day, our single biggest driver for growth is the people at IFF. We have a uniquely creative culture and our people bring passion to work with them every day.

***Challenges:*** Clearly one of our major challenges is managing the unprecedented rise in the cost of ingredients. While this has an impact on many industries, it is particularly hard-hitting in the fragrance sector as our raw materials pricing continue to rise to new levels.

North America has been challenging, mainly because of the economy. However the emerging or developing markets are exploding with demand as income levels increase and the opportunities to use and enjoy fragrance in consumer products multiplies.

Hernan Vaisman

**First Person: Hernan Vaisman, group president, flavors**

This is a fascinating time for the flavors industry. It continues to be dynamic, with new challenges in every part of the world. However, whenever you have a series of concurrent challenges as we do today, you have to approach each one of them as an opportunity to help your customer in a unique way.

Right now, we're seeing increased disposable income in the emerging markets, leading to additional prepared food and beverage consumption. The new naturals legislation in the European Union has had a major impact on that region and will continue to have a ripple effect throughout the rest of the world. And consumer concern about health and wellness is affecting every category in every region, though to different degrees and expressed in different ways.

At the same time, we are slowly emerging from a major global economic downturn, which impacts consumer spending and by extension, our customers' offerings to them. Add to this the overall price increases we see in oil and ingredients costs, and you have a very interesting mix of challenges. This is not a business for the faint of heart!

***Opportunities for growth:*** Our three largest opportunities can be divided into trends, commodities, and geography.

Health and wellness trends are creating major opportunities for our customers to provide more nutritious and healthier products for the consumer. This is probably the biggest growth opportunity in the developed markets, though it is proving to be very important in the emerging markets, as well. I am happy to say that IFF is well-equipped to rise to the challenges our customers are seeing in this arena, and have the consumer understanding needed to address the specific desires and challenges within a region.

The high cost of commodities is creating new opportunities for us to help our customers. We have the capabilities to help reduce or replace those ingredients through our proprietary tools and solutions. Fortunately, our teams are agile and able to jump on these opportunities to help our customers manage these challenges.

Last, but by no means least, are the emerging markets. In areas like Greater Asia, Latin America, Southern and Eastern Europe, Africa and the Middle East, our long-standing presence with both global and local customers provide us with an advantage and a great understanding of the consumer. Our opportunity lies with greater market presence … thereby improving our ability to support our key players. Further, we plan to continue building on our footprint in these key markets.

***Biggest challenges:*** The majority of our biggest challenges are related to the economy and to an increasingly complex and demanding regulatory environment.

Within IFF, we are diligent in our efforts to find the greatest efficiencies possible to best serve our customers. However, external pressures, such as the global economy, social instability, and oil and raw material markets, present their own challenges which require agility, creativity, and a team approach to work with our customers to find new solutions. While the global recovery is slowly gaining strength in developed countries, unemployment remains high in many regions. The unemployment problem is a serious challenge to the prepared food and beverage industry overall, as it obviously impacts the disposable income of the families affected.

As all of us in the business know, the changing regulatory environment means you have to have the very best people under your roof in order to ensure you are supporting your customers properly. Our teams had portfolios of beef and chicken flavors ready for our customers in advance of the EU naturals legislation taking effect. This meant our customers could move forward seamlessly through the deadline without having to change their labels. But this legislation is only the beginning, and many of our multinationals are looking for "global natural" flavors solutions—made all the more challenging with the complex formulas required to address technical challenges. But I am proud to say that our global team is well-equipped to tackle them.

As I said earlier—flavors is not an industry for the faint of heart, but it is fascinating!

# 4 Symrise

symrise
always inspiring more...

**Holzminden, Germany**
**2010 sales: €1,571.9 million / $2,106.6 million**
**Estimated market share: 9.6%**
**CEO: Heinz-Jürgen Bertram**



*Heinz-Jürgen Bertram*

**First Person: Heinz-Jürgen Bertram**

The flavor and fragrance markets have both returned to normal patterns after two very unusual years. In 2009, the industry demonstrated resilience in times of an unprecedented economic turmoil. Symrise even managed to grow in a flat market environment. In 2010, we saw exceptional growth driven by restocking effects during the first half and the general economic recovery. The growth rates were beyond our expectations with double digit rates across the business. Backed by our strong position in emerging markets, our focus on target customers and our innovative product portfolio, Symrise achieved its strongest growth rates to date in all regions and segments.

As expected, the market has returned to more moderate growth in 2011. The overall growth of the industry is expected to be around 3%. The emerging markets will remain an important driver because GDP growth in these regions leads to increasing disposable incomes for the consumers. We also continue to see attractive opportunities in North America and Europe.

In addition to a global reach, creativity and innovation are the key factors of success in our industry. Our customers look for solutions which deliver added functionality and value. Symrise has invested in consumer insight and sensory research over a long period of time, and as a result we have an excellent and up-to-date understanding of current and emerging consumer needs and behaviors. This is an essential capability guiding our innovation processes. Our customers expect this as a fully integrated competence across all our developments and technical work.

All in all I believe that we are well positioned to deal with future challenges. And I expect the market environment to remain somewhat volatile. The right balance with regard to markets, customers, product mix and core competencies will be an important factor for success going forward.

*Achim Daub*

**First Person: Achim Daub, global president, scent and care, management board, Symrise AG**

First of all, we see major opportunities through our global reach and our strong presence particularly in emerging markets. It is imperative to have the right setup in all key markets we operate in, and I believe that Symrise is well-positioned to capture a significant portion of the industry's growth.

Secondly, it is important to establish and leverage long-standing and trustworthy customer relationships. Symrise itself is a relatively young company, but we have a long tradition through the former Haarmann & Reimer and Dragoco entities. This gives us a deep understanding of our customers' needs and the ability to deliver tailored solutions. We see ourselves as a partner who looks for joint successes with our customers. And our track report of above average growth year after year, as well as the fact that we have been capturing more new core lists every single year, is a strong indication that our approach is right. Conversely, I cannot think of a single strategic customer we have lost during the past year.

Thirdly, creativity and innovation are equally important. And this continues to be the main pillar of our focused strategy for success. For example, a few weeks ago I came back from a Scent Expedition in China together with a group of our experienced senior perfumers. As part of our daily life we explore new scents and olfactive sensations. At the same time we have to understand local markets. We have done that in countries such as India, China and Tanzania. And Brazil is next on our agenda. Last year we opened a perfumery school in India, as the first global fragrance company having made such an investment in the developing and emerging [market] environment. And we continue to invest in our infrastructure building "great places to work" as we have done for example in Shanghai, New York, Paris, and currently in Sao Paulo, so that we continue to attract the best industry talent to fuel future growth. We strongly believe in all of our people and their unrivalled capabilities in terms of creativity, passion and leadership and we will not stop to continue investing in our most important assets.

*Hans Holger Gliewe*

**First Person: Hans Holger Gliewe, global president, flavor and nutrition, management board, Symrise AG**

A big future challenge (but also an opportunity) for the flavor industry is the growing interest of consumers in food safety. Food safety is not only in the scope of nongovernmental organizations, but is also enforced by public authorities with new regulations and legislation. Rapid alert systems are in place in the United States and Europe to prevent food scandals. In addition, various countries in the emerging markets have implemented stricter rules on food safety. Symrise has a comprehensive risk management [system] in place to ensure the highest level of food safety.

An additional challenge for the flavor industry is the implementation of the new flavor legislation in the European Union and the adoption of the Union list of flavoring substances. For the fragrance industry REACH is certainly the main topic with regard to new regulations.

Another major issue for the industry is price inflation as well as the availability and the quality of natural raw materials. There is an ongoing global trend towards naturalness and authenticity, which drives the demand for naturally derived raw materials. As a result strategic sourcing becomes very critical. We therefore decided a few years ago to integrate backwards for key products such as vanilla in Madagascar, citrus in Brazil, vegetables in Europe, and mint in Germany and United States. In the case of mint, we believe in synthetic menthol. Here we will significantly increase our capacities by 2012. In all these areas we control the whole process and ensure supply and quality. Our customers rightfully expect that we are able to ensure delivery wherever locally needed.

# 5 Takasago

**Tokyo**

**2010 sales: ¥114,861 million / $1,416.2 million[b]**
**Estimated market share: 6.4%**
**President and CEO: Ritaro Igaki**

*Sean Traynor*

**First Person: Sean Traynor, president, Takasago International Corp., USA**

After a dramatic recovery in 2010 the flavor and fragrance market in the United States has settled into a more typical slow growth mode of a mature market for the industry in general. However, there are dynamic segments such as air care for fragrances and salt and sugar replacers/enhancers in flavors which show exciting growth for the foreseeable future. Takasago continues to invest heavily in basic and applied research in Japan, United States, Europe and China in the area of sensate materials which enhance the trigeminal impact in areas of cooling, heating, tingling, salivation, as well as salt and sweet enhancers. Consumer product companies are responding to consumer demand for less salt and sugar in their products and we have strong collaboration with some of the top CPG companies to market truly innovative solutions via our Sensweet and Sensingle[c] technologies. We remain cautiously optimistic that the second half of 2011 will avoid a double-dip recession in the United States and anticipate that 2013 will see a renewed confidence in the economy to allow more new product launches.

***Opportunities for growth:*** Geographically, Latin America continues to show dramatic growth and Takasago continues to invest in this market with the purchase of a new flavor and fragrance factory in the Sao Paulo area of Brazil. This factory [came] on stream in July 2011 and will provide Takasago with state of the art creative and manufacturing facilities in the region. The fine fragrance market in Brazil is an exciting and dynamic market where we expect to see continued significant growth. In addition, we see continued market expansion in China where we have doubled the production capacity of our Guangzhou factory in 2010 to address growing demands for our products in the Asian market. Needless to say, India also represents a market with more than double-digit growth for us in both flavors and fragrances and we will continue to invest there along with the construction of a new state of the art creative center and factories for flavors and fragrances in Singapore. Couple these geographic and key market expansions with anticipated growth in key segments and we believe that this represents perhaps the most exciting and challenging period in the history of the flavor and fragrance industry.

***Challenges:*** Undoubtedly the largest challenge facing the industry is the dramatic increase in cost in raw materials across the board. In the United States, this problem is exacerbated by the fall in the value of the dollar against most foreign currencies. Coupled with the pressure from multinational customers to keep costs under control this represents a very challenging market for all flavor and fragrance producers. This is one of the key reasons Takasago has invested in a new fragrance manufacturing plant in Harriman, New York, which will come on stream in early 2012 with state of the art compounding capability. Changes in European flavor regulations, in addition to REACH, pose a new challenge to the industry which I believe will deal with them in the manner it always has done, via research and creativity. In the United States, proposed reform to federal chemical regulations (e.g., TSCA) and other state legislative initiatives continue to pose a potential threat to the confidentiality of fragrance formulas. The industry will continue proactive efforts such as lobbying to maintain the protection of our intellectual property.

[b] Accounting period of April 1 to March 31.
[c] Sensweet and Sensingle are trademarks of Takasago.

# 6 Mane

**Le Bar-sur-Loup, France**
**2010 sales: €480.1 million / $643.4 million**
**Estimated market share: 2.9%**
**President: Jean Mane**

*Jean Mane*

**First Person: Jean Mane**

After a significant rebound experienced by the flavor and fragrance industry in 2010 and in the beginning of 2011, Mane reported an impressive 27.6% top line growth globally. Emerging markets in Latin America and Asia continue to show interesting dynamics, though it may be at the price of increasing inflation.

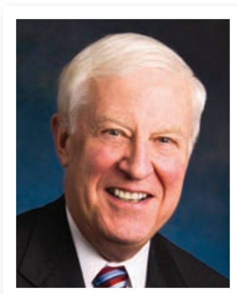
***Opportunities for growth:*** Two of the key pillars for Mane include technology and creativity, both of which provide significant opportunities for growth. Innovation is at the forefront of the 21st century, and there is no meaningful innovation without technologies and the creative minds to recognize their potential. Our investment in the fine fragrance category further supports our commitment to creativity (**see our story on Page 10**). Other opportunities for growth will be realized by positive core list positions with key customers.

***Top challenges:*** Our top challenges include: the exponential increase in ingredients and raw materials pricing; national regulations and certifications such as corporate social responsibility and green chemistry; and the nuclear crisis resulting from the tsunami catastrophe in Japan, which will have serious effects on operating costs.

# 7 Sensient Flavors and Fragrances

**Milwaukee; Indianapolis (F&F)**
**2010 sales: ~$582.6 million[d]**
**Estimated market share: ~2.6%**
**Chairman and CEO: Kenneth Manning; Flavors & Fragrances Group President: Jim McCarthy**

"We remain very optimistic about the company's future and see solid opportunities for growth," Sensient CEO Kenneth Manning noted upon the release of the company's first quarter 2011 results. Sensient's Asia-Pacific and China flavor and fragrance groups have most recently reported revenues of $31.5 million, led by strong performance in China, Thailand and Singapore. Overall flavor results were aided by increased prices led by new products, new customers and new wins. Interestingly, company management continues to report raw material costs are under control due to long-term contacts and a lack of reliance on any one chemical.



*Kenneth Manning*

When asked during an earnings Q&A about its efforts in expanding flavor efforts in Europe, Manning noted, "[W]e hope to be a much bigger company than we are today and we're building the infrastructure for that now. We're trying to increase the sales coverage. This is something that we've pretty much achieved in the [United States] and we're still adding salesmen in Europe. We're still adding technical support people. We're even adding engineers. So, we have to build the infrastructure and as we build that you're going to see the effect on sales." He added later, "[W]e're interested in naturals and we have a very, very broad portfolio of naturals … I certainly wouldn't say no to a unique opportunity, but we would not necessarily … acquire [a] company that has all the same things that we have. We have the ability to grow organically. We're going to add to our product portfolio [and] our technology wherein acquisition can facilitate that."

[d]Estimated; as in previous years, sales of dehydrated products such as vegetables and garlic have been removed from the results as they are not conventionally considered flavors or fragrances. In 2010, Leffingwell estimated this removed category as 28% of sales.

# 8 T. Hasegawa

**Tokyo**
**2010 sales: ¥45,167 million / $556.9 million[e]**
**Estimated market share: 2.5%**
**Chairman and CEO: Tokujiro Hasegawa**

T. Hasegawa, like its domestically based competition, suffered temporary production disruption from Japan's March earthquake and subsequent fuel and power disruptions. (Fortunately, the company noted all employees were safe.) In addition, domestic customers' production has fallen and manufacturing operations have lacked key materials. In some cases, product introductions have been cancelled. To counter disruptions, T. Hasegawa has moved some production activities overseas. In its latest reporting period, the company's sales broke down into 12.5% fragrances and 87.5% flavors. Sales for tea beverages increased, while sales for cosmetics and fruit preparations decreased. Even before the March earthquake, the Japanese market was marked by shorter lifecycles, cost-conscious consumers and overall short sales lead time for manufacturers. As a result, the company has worked to "streamline" formulas, replace costly ingredients using flavors, and improve production efficiencies, quality assurance and traceability. The company's overseas sales currently comprise 19.8% of the total, of which 16.5% is in Asia. T. Hasegawa is eyeing an expansion of sales in China in particular. Manufacturing done in that country breaks down as follows: flavors, ~80%; fragrances, ~20%; local customers: 20%; Japanese customers: 10%; international customers: 70%. To grow, the company is expanding its R&D activities in China and the United States, where powdered flavors are a particular focus.

*Tokujiro Hasegawa*

[e]Accounting period of September 1 to

# 9 Robertet

**Grasse, France**
**2010 sales: €362.25 million / $484.5 million**
**Estimated market share: 2.2%**
**Chairman and CEO: Philippe Maubert**

*Philippe Maubert*

Robertet's sales increases by region in its latest reporting period broke down as follows: Europe, 37%; United States, 35%; Asia, 14%; and Latin America, 8%. Flavors accounted for 45% of the business, fragrance for 35% and ingredients for 20%. Ingredient and fragrance sales have both been growing at about 13%, while flavors have expanded 9%. Meanwhile, the company debuted its "Seed to Scent" fragrance development approach, which nabbed the technical FiFi in New York. The initiative establishes a traceable link from a fragrance's source ingredients to its final product. The new approach starts with development in-field, building relationships with local farmers, growers and distillers worldwide. Robertet perfumers and technical experts work with communities to sustainably source and process the natural ingredients for use in their creations.

# 10 Frutarom

**Haifa, Israel**
**2010 sales: $451.1 million**
**Estimated market share: 2.1%**
**President and CEO: Ori Yehudai**

*Ori Yehudai*

Frutarom has kicked off 2011 with strong growth as a result of the recovering global economy and the resulting restocking trend. Flavors and specialty fine ingredients led sales, boosted by recent acquisitions— the savory activity of Rieber & Søn and the assets and activity of East Anglian Food Ingredients Ltd.—which expanded the company's customer base and portfolio. The company continues to eye further acquisitions in the United States, Europe, Asia, Central and South America, and Eastern Europe. "We are satisfied by the continued growth achieved in Q1 2011 and believe that it will persist during 2011," said Ori Yehudai, president and CEO. "In recent months, we have witnessed a global trend of raw material price increase, including in many of the raw materials used by Frutarom in the manufacture of its products. We have acted determinedly, and shall continue to do so as long as this trend prevails, to prevent future influences on the results of our activity including by adjusting the selling prices of affected products."