

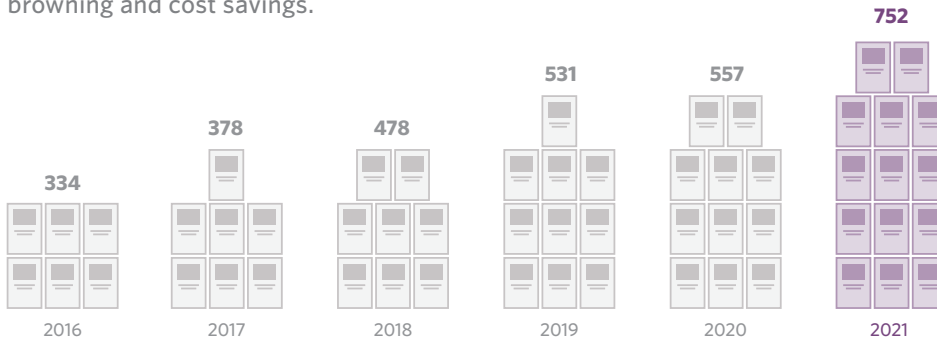
Permeate: An In-demand Ingredient

New Product Introduction Snapshot | 2021

More than a trend, permeate is a permanent fixture in the ingredient world!



Over the past decade, the number of tracked new product introductions using permeate has soared globally. It's no surprise, given this ingredient's multifaceted benefits, including: flavor enhancement, sodium reduction, nourishing minerals, browning and cost savings.



In 2021, a record-breaking **752** products launched

Compound annual growth rate (CAGR) of **17.6%** between 2016-2021

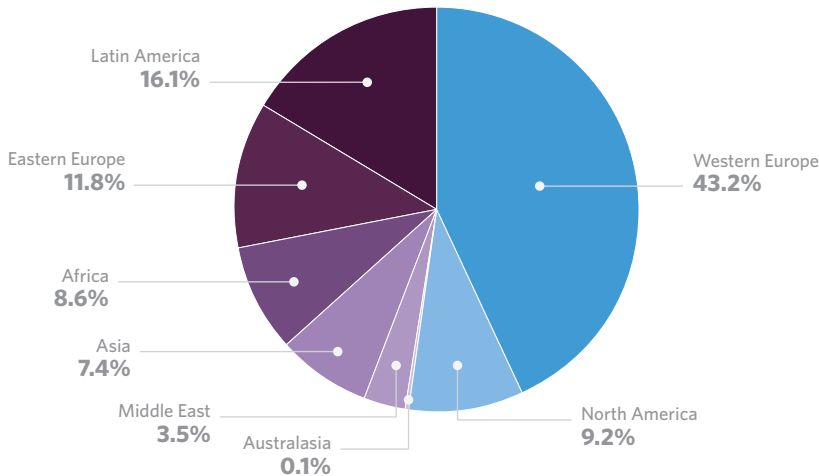
The number of tracked new products with permeate **doubled** from 2017 to 2021

35.0% increase from 2020 to 2021

Permeate use is expanding and diversifying globally.



North America and Western Europe accounted for 52% of all permeate product launches, with the rest of the world making up the other 48%.



In 2021, the number of launches increased in all regions except North America and Australasia.

What are the top markets for permeate?



The top five markets accounted for 43% of tracked 2021 launch activity.

-  **#1 UK**
12.0% • 89 products
-  **#2 USA**
9.2% • 68 products
-  **#3 BRAZIL**
8.5% • 63 products
-  **#4 FRANCE**
7.4% • 56 products
-  **#5 SOUTH AFRICA**
5.9% • 44 products

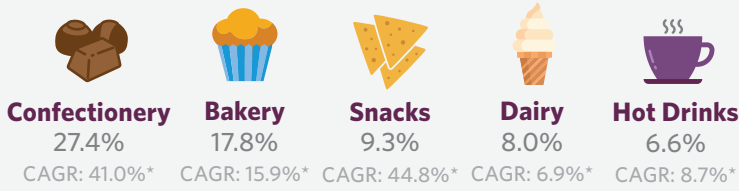
The remaining markets in the top 10 were all in Europe: Belgium, Ireland, Netherlands, Spain and Bulgaria.

How is permeate being used?



In total, the top five categories account for 69% of tracked new permeate food and beverage product launches.

TOP 5 USES IN 2021



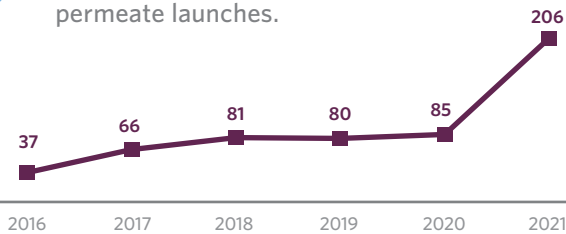
* CAGR from 2016-2021

Other key categories include:

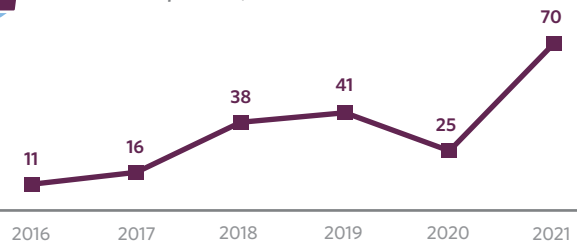
- Ready meals and side dishes: 4.0%
- Desserts and ice cream: 3.9%
- Sports nutrition: 2.7%
- Soft drinks: 1.3%



Confectionery is climbing! It overtook bakery in 2021 to become the largest category for permeate launches.



Snacks are expanding! Usage spans finger foods as well as potato, corn and rice-based snacks.



Drink up! Take a deeper dive into permeate beverages.

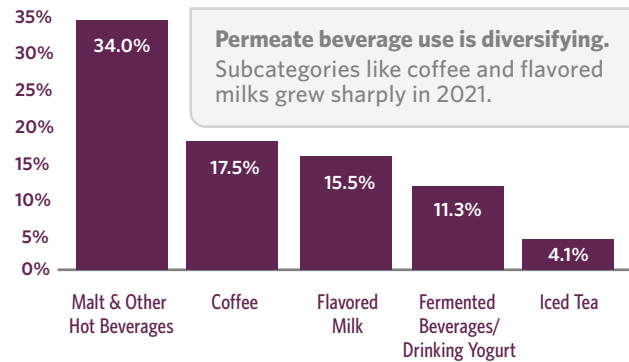


Malt and other hot beverages account for the largest use, over one-third of the total 97 products launched in 2021.

BEVERAGES INCLUDE



% OF 2021 NEW BEVERAGE LAUNCHES WITH PERMEATE

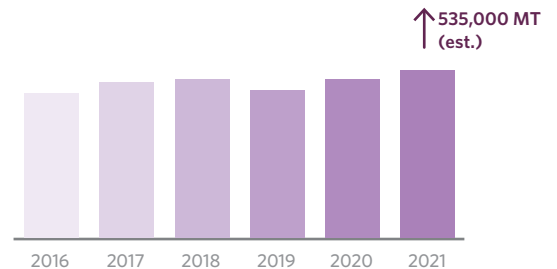


Permeate beverage use is diversifying. Subcategories like coffee and flavored milks grew sharply in 2021.

Opportunity awaits: U.S. permeate production is climbing.



The USA is the world's largest producer of whey permeate, producing an estimated 535,000 MT in 2021. With an ample and growing supply, we're here to help you incorporate this versatile, cost-saving, flavor-enhancing dairy co-product into your formulations.



Let's innovate together!

To learn more, contact info@thinkusadairy.org.

ThinkUSAdairy.org @ThinkUSAdairy @think-usadairy info@thinkusadairy.org

Data Sources: Innova Market Insights, Innova Database; industry sources (for U.S. permeate production data). Permeate includes whey permeate, milk permeate and dairy product solids.

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