

Contents

INTRODUCTION AND ABBREVIATIONS

Introduction
Other relevant reports
Definition
Abbreviations
Terms

EXECUTIVE SUMMARY

A \$23 billion market
Where did the time go?
Take it on the road...
...and make it easy!
Looking for alternatives to fit a diet lifestyle
Catering to kids, the market's future
A highly segmented market...
Supermarkets are the key distributor
The future of breakfast foods

MARKET DRIVERS

Not enough time
Figure 1: Attitudes towards daily time pressure, August 2003
Competition from faster food
Eating on the go
Figure 2: Total estimated passenger automobiles miles driven, 1998-2002
Not enough skill
Figure 3: Food preparation habits, by age, February 2004
The effects of the low carb trend
Children & breakfast
Figure 4: U.S. population projections, by age, 2000-2010
Children and obesity
Figure 5: Incidence of being overweight, 6-19 year olds, 1976-2000
Graph 1: Percentage of overweight children and young adults, 1976-2000
Character licensing and foods for kids

Women & breakfast

MARKET SIZE & TRENDS

Figure 6: FDM sales of breakfast foods, at current and constant prices, 1999-2004
Graph 2: Trends in FDM sales of breakfast foods, at current and constant prices, 1999-2004

MARKET SEGMENTATION

Overview
Figure 7: FDM sales of breakfast foods, by product type, 2002 and 2004
Graph 3: FDM sales of breakfast foods, by segment, 2004
Cereal
Figure 8: FDM sales of cereal, 1999-2004

Cereal sales by segment

Figure 9: FDM sales of cereal, by type, 2002 and 2004

Breakfast meats

Figure 10: FDM sales of breakfast meats, 1999-2004

Breakfast meats sales by segment

Figure 11: FDM sales of breakfast meats, by type, 2002 and 2004

Yogurt and yogurt drinks

Figure 12: FDM sales of yogurt and yogurt drinks, 1999-2004

Yogurt sales by segment

Figure 13: FDM sales of yogurt, by type, 2002 and 2004

Eggs and egg substitutes

Figure 14: FDM sales of eggs and egg substitutes, 1999-2004

Eggs sales by segment

Figure 15: FDM sales of eggs and egg substitutes, by type, 2002 and 2004

Breakfast pastries

Figure 16: FDM sales of breakfast pastries, 1999-2004

Breakfast pastry sales by segment

Figure 17: FDM sales of breakfast pastries, by type, 2002 and 2004

Frozen/refrigerated breakfast foods

Figure 18: FDM sales of frozen/refrigerated breakfast foods, 1999-2004

Breakfast breads

Figure 19: FDM sales of breakfast breads, 1999-2004

Refrigerated/frozen breakfast dough

Figure 20: FDM sales of refrigerated/frozen breakfast dough, 1999-2004

Shelf-stable breakfast foods

Figure 21: FDM sales of shelf-stable breakfast foods, 1999-2004

Breakfast baking mixes

Figure 22: FDM sales of breakfast baking mixes, 1999-2004

SUPPLY STRUCTURE

FDM SALES BY MANUFACTURER AND BRAND

Cereal and cereal bars

Figure 23: FDM sales of cereal and cereal bars, by manufacturer, 2003 and 2004*

Figure 24: FDM sales of cereal and cereal bars, by manufacturer and brand, 2003 and 2004*

Breakfast meats

Figure 25: FDM sales of breakfast meat, by manufacturer, 2003 and 2004*

Figure 26: FDM sales of breakfast meat, by manufacturer and brand, 2003 and 2004*

Yogurt and yogurt drinks

Figure 27: FDM sales of yogurt and yogurt drinks, by manufacturer and brand, 2003 and 2004*

Eggs and egg substitutes

Figure 28: FDM sales of eggs and egg substitutes, by manufacturer and brand, 2003 and 2004*

Breakfast pastries

Figure 29: FDM sales of breakfast pastries, by manufacturer, 2003 and 2004*

Figure 30: FDM sales of breakfast pastries, by manufacturer and brand, 2003 and 2004

Frozen/refrigerated breakfast foods

Figure 31: FDM sales of frozen/refrigerated breakfast foods, by manufacturer, 2003 and 2004*

Figure 32: FDM sales of frozen/refrigerated breakfast foods, by manufacturer and brand, 2003 and 2004*

Breakfast breads

Figure 33: FDM sales of breakfast breads, by manufacturer and brand, 2003 and 2004*

Refrigerated/frozen dough

Figure 34: FDM sales of refrigerated/frozen dough, by manufacturer and brand, 2003 and 2004

Shelf-stable breakfast foods

Figure 35: FDM sales of shelf-stable breakfast foods, by manufacturer and brand, 2003 and 2004*

Breakfast baking mixes

Figure 36: FDM sales of breakfast baking mixes, by manufacturer and brand, 2003 and 2004

MAJOR COMPANIES AND BRANDS

Kellogg's
General Mills
Quaker Oats Company (PepsiCo)
Kraft
Hormel
Bob Evans
ConAgra
Dannon
Stonyfield Farm
Eggland's Best (Cal-Maine Foods)
Rose Acre Farms
Grupo Bimbo (George Weston/Bestfoods)
Interstate Bakeries
McKee Food Corp.
Nestlé
Sara Lee
Pinnacle Foods
Masterfoods USA (formerly Mars, Inc.)
Krispy Kreme

ADVERTISING & PROMOTION

Major manufacturers and brands

Kellogg's

2004

2003

General Mills

2004

2003

Kraft

ConAgra

Dannon

Stonyfield Farm

Grupo Bimbo

Nestlé

Sara Lee Corporation

Krispy Kreme

RETAIL DISTRIBUTION

Introduction

Figure 37: FDM sales of breakfast foods, by channel, 2002 and 2004

Supermarkets

Figure 38: Supermarket sales of breakfast foods, at current and constant prices, 1999-2004

Supermarket operating data

Figure 39: Top supermarket operating statistics, latest fiscal year-end

Figure 40: Percentage change from latest fiscal year-end versus year prior

The role of Wal-Mart

Graph 4: Wal-Mart sales, 1993-2003

FUTURE & FORECAST

FUTURE TRENDS

Fewer children

Figure 41: Projected growth in number of households with children, 1998-2008

Diet trends and health concerns

Trans fat labeling

The future of low-carb diets

Further development of convenient options

MARKET FORECAST

Overview

Figure 42: Forecast of FDM sales of breakfast foods, at current and constant prices, 2004-2009

Graph 5: Forecast of FDM sales of breakfast foods, at current and constant prices, 2004-2009

Cereal and cereal bars

Figure 43: Forecast of FDM sales of cereal and cereal bars, at current and constant prices, 2004-2009

Breakfast meats

Figure 44: Forecast of FDM sales of breakfast meats, at current and constant prices, 2004-2009

Yogurt and yogurt drinks

Figure 45: Forecast of FDM sales of yogurt and yogurt drinks, at current and constant prices, 2004-2009

Eggs and egg substitutes

Figure 46: Forecast of FDM sales of eggs and egg substitutes, at current and constant prices, 2004-2009

Breakfast pastries

Figure 47: Forecast of FDM sales of breakfast pastries, at current and constant prices, 2004-2009

Forecast factors

APPENDIX: TRADE ASSOCIATIONS

NEW PRODUCT BRIEFS

Quaker Oats

S.B. Thomas: Thomas' Hearty Grains Honey Wheat English Muffins

Sara Lee Foods: Jimmy Dean Ham & Cheese Croissant Sandwiches

U.S. Mills: Erewhon Organic Instant Oatmeal Variety Pack

General Mills: Yoplait Nouriche Light Breakfast Smoothies

Johnsonville Foods: Johnsonville Heat & Serve Vermont Maple Syrup Breakfast Sausage

Pinnacle Foods Group: Lender's Low-Carb Plain Bagels

Kellogg USA: Kellogg's Pop-Tarts Incrediberry Blast Toaster Pastries

Nestlé USA: Nestlé Carnation Carb Conscious Ready-to-Drink Instant Breakfast

APPENDIX: RESEARCH METHODOLOGY

Consumer Research

Sampling & Weighting

Presentation & Definition

Further Analysis

Trade Research

Informal trade research

Formal trade research

Desk & Internet Research

Sources

Definitions

Forecasts

APPENDIX: WHAT IS MINTEL?

Mintel Reports

Global New Products Database

Comperemedia ®

Mintel Services

POS+

Mintel Consultancy

11/2004