

# Heinz®

## — 亨氏® —



stand for quality globally. Mr William R. Johnson, Heinz's chairman, has gone on record as saying that he is convinced that "quality and innovation are the way forward for Heinz, and will together enhance our performance, expand our margins, improve our customer service, and provide Heinz employees with a more satisfying workplace environment". Or as Henry J. Heinz himself used to put it, "To do a common thing uncommonly will bring success."

### ACHIEVEMENTS

In 1986, Heinz not only introduced Chinese babies to high-quality nutritious products but introduced Chinese nutritional experts and authorities to an advanced understanding of scientific infant feeding and supplements.

The Heinz Institute of Nutrition Science (HINS) was set up in 1986, bringing together renowned nutritionists from around the world, for the purpose of sharing knowledge and applications, to improve future generations' prospects for nutritional development. Over the years, HINS has initiated a number of scientific research programmes and successfully hosted 14 international symposiums on maternal and infant nutrition in China. Proceedings from each symposium, and a quarterly newsletter on the science of nutrition, are regularly distributed to hospitals, medical schools and professionals.

To support the education on Chinese babies' nutritional needs, Heinz also set up the Nutrition Education Department, made up of medical professionals specially trained to work in tandem with hospitals and the appropriate governmental authorities to develop nutritional and infant feeding guidelines and tips. Heinz also cooperates with government family planning departments to set up classes for young mothers to better understand the importance of



### THE MARKET

In 1869, Henry J. Heinz, the founder of Heinz, took his first step into a journey that would forever change his company. His innovative product of horseradish displayed in a clear bottle was revolutionary. Since then H. J. Heinz, the US-based food company, has grown to become the world's premier food company with sales revenue of US\$9.43 billion in 2002, and ownership of more than 150 Top-Two brands in over 110 major locations worldwide.

Today the H.J. Heinz Company comprises two major categories of products, each offering quality and innovative goods to consumers. First, meal enhancers (ketchup, sauces and condiments); second, meals and snacks (infant foods, frozen meals, entrees and appetisers, ambient soups and pasta meals).

*Meal enhancers.* Heinz is a leader in the

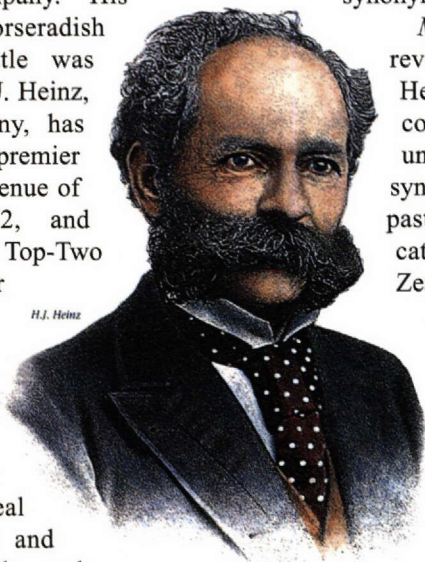
ketchup, sauces, and condiments market, with sales turnover of nearly US\$2.5 billion in 140 countries. Throughout the world, Heinz® is synonymous with ketchup.

*Meals and snacks.* With sales revenue in excess of \$2 billion, Heinz frozen foods offer consumers convenience and unsurpassed taste. Heinz is also synonymous with soups, beans and pasta in many countries and is a category leader in Europe, New Zealand and South Africa.

*Infant foods* are another strong market for the company, especially in China, Australia, the UK and India. Every year parents around the world spend nearly US\$1 billion on Heinz infant foods, cereals, biscuits and juices. Heinz nutritionists continue to keep abreast of the latest

trends, offering nutritious and innovative food for babies.

Today, H.J. Heinz is a name that continues to



H.J. Heinz





supplementary foods that will help their child's growth and meet their developmental nutritional needs.



As an advocate and leader in the Chinese supplementary food industry, Heinz has been awarded several national credits in China, including being nominated as one of the Top 100 Powers in Chinese Industry, the Largest Infant Supplementary Food Manufacturer in China, the Only & No.1 Infant Supplementary Food

Brand recommended by the China National Children's Centre and the Nutrition and Health Research of China National Children's Centre, the Outstanding Contribution Prize to the Cause of Chinese Infants and Women.

### HISTORY

In the 1970s China's infant food industry was still in its infancy and several physical development indicators for Chinese babies from four months onwards lagged behind those of foreign babies. Change came in 1980 when Dr Henry Kissinger, one of the H.J. Heinz Company's advisors, introduced China to Heinz's expertise in infant foods.

In 1984 Heinz officially set foot in China, establishing a joint venture with the Guangdong Yantang Company and the Guangdong United Food Company in forming the Heinz United Foodstuffs Enterprise Ltd (Heinz-UFE), and specialising in infant cereal products. Heinz-UFE was one of the first Sino-foreign joint ventures after China opened its doors to the West. In 1999 the company went on to set up the Heinz-COSCO Tianjin Food Co Ltd in Qingdao, a co-operation between Heinz, COSCO Tianjin and the Qingdao Taifa Group. Together they introduced jarred baby food to the market, offering Chinese babies a wider choice of infant foods. Today, the Heinz name has become synonymous with supplementary food in China, and is the brand choice for mothers.

### THE PRODUCT

Today, Heinz-UFE specialises in producing three-stage infant cereals targeted at 4-24 month-old babies with varying nutritional needs. With about 15 different flavours, Heinz infant cereal is a

strong market leader in China.

The Heinz-COSCO Tianjin Food Co Ltd is a plant that has modern, world-class facilities for producing quality jarred baby food, dressings and tomato ketchup. The company's jarred baby foods are produced using advanced processing equipment and quality control procedures to ensure the maximum preservation of nutrients and a natural taste. Consisting of four types of ingredients – vegetable, fruit, juice and meat – today there is a choice of more than 30 flavours for Chinese babies. Heinz-COSCO also manufactures Heinz tomato ketchup and other dressings for companies such as Kentucky Fried Chicken in China.

Heinz is dedicated to providing Chinese consumers with nutritious, quality and safe products. Throughout the research and development process, all aspects of Chinese dietary habits, consumer needs and expert advice are considered fully to ensure that a high quality and appropriate product is developed.

As a global expert in baby and infant feeding, Heinz has adopted the international standard HACCP quality control procedure to monitor all key points that influence product quality during the production process. The company utilises world-class inspection equipment capable of detecting even the most minute contaminating agent in all products, thus ensuring that Chinese babies enjoy 100% pure, safe and nutritious food.

Heinz is committed to the pursuit of excellence and places great value on earning consumers' trust by constantly proving its understanding of, and commitment to meeting their full nutritional and development needs.

### RECENT DEVELOPMENTS

With entry into the WTO, China is today forging ahead at an unprecedented pace. In this context, Heinz has strategically increased its commitment, presence and investment in China by acquiring 100% of MeiWeiYuan Foodstuffs Co to set up Heinz-Meiweiyuan (Guangzhou) Food Co Ltd. This step has marked a new era for Heinz in China, meaning entry into the sauces and condiments market. Consumers can now enjoy a wide range of products in seven categories: soya sauce, oyster sauce, vinegar, seasoning paste, powder, sauces and oil.

Heinz will expand its presence in China in the years to come, and continue to develop nutritious and tasty food products to satisfy Chinese consumers.

### PROMOTION

Heinz marketing campaigns mainly include TV and magazine advertisements, PR activities and consumer events or promotions.

To ensure consumers have as much knowledge and information about Heinz products and infant feeding as possible, a toll-free hotline (800-830-2181) has been set up to connect consumers with well-trained staff offering professional advice. In addition, a Chinese website (www.heinz.com.cn) has been set up to provide up-to-date information on issues such as babies' nutritional needs, feeding guides, promotions and new products offered.

### BRAND VALUES

Heinz sees itself as being committed to nurturing the next generation and to that end, believes in providing parents with confidence and hope. Heinz will continue to strive for consumers' trust by applying the most recent nutritional research findings to the development and production of its products. Through the continuous development of scientific infant feeding practices, Heinz sees its role as helping the next generation of Chinese to create a healthy and bright future.



### THINGS YOU DIDN'T KNOW ABOUT HEINZ

- Each year, 650 million bottles of ketchup and 11 billion packets of ketchup and dressing are sold worldwide (that's at least two packets for every person on earth)
- Heinz is a leading global food company that markets over 5,700 varieties of its branded products in over 200 countries and territories
- Between 1984 and 2004, Heinz-UFE sold over 500 million packs of infant cereal in China

