

THE MARKET

Sauces are the staple products of Shanghai Amoy Foods Co. Ltd. The company sells its products in nearly 200 cities in China, in many of which it is market leader. According to a research study in nine cities – Shanghai, Tianjin, Nanjing, Chengdu, Chongqing, Xi'an, Beijing, Wuhan and Shenyang – Amoy sauces ranked first in sales by both value and by volume for five consecutive years from 1999. Amoy brand won the title of Shanghai's Best-Selling Brand for six consecutive years from 1998.



ACHIEVEMENTS

Since the company was established, it has adhered to a responsible attitude towards consumers and has striven to convince them that purchasing products of Amoy is equal to purchasing ease. Amoy monitors every technical process strictly and controls every detail from the selection of raw materials to production and packaging. To put it another way, it carries out the HACCP system in the whole process of raw material selection, production, bacteria killing, packaging and transportation (HACCP is a system that protects food from biological, chemical and physical hazards. By preventing the harmful effects of microorganisms and chemical product pollution, the food manufacturers are able to guarantee the safety of food and minimise the damage during the production process).

Due to its stringent system of quality control, Amoy has been awarded the Certificate for Products Free from Inspection by the National Quality Supervision and Quarantine Bureau. The company has acquired the certification of ISO9001-2000 quality management system authorised by SGS, certification of HACCP and British Retail Consortium (BRC).

In 2002 it was appraised as the second biggest sauce manufacturer in the country by China Condiments Industry Association and its sales income as well as the net profit from sauce

increased by more than 10% that year. In the same year, Amoy ranked among the top 500 Industrial Enterprises of Shanghai with its sales income at the 458th place and its profit at the 247th.

HISTORY

Tao Fa, Amoy's predecessor, was founded in Xiamen, Fujian province in 1908 as a soy sauce producer and has accumulated rich experience in brewing over almost 100 years. Today the name of Amoy is a symbol of quality and a famous brand in sauce seasonings. Important milestones in its development are:

- 1908 Tao Fa set up in Xiamen, Fujian province.
- 1928 Amoy entered the Hong Kong market
- 1991 Hong Kong Amoy was taken over by the French Danone Group.
- 1994 Group Danone (one of the world's 500 biggest foodstuff companies) co-operated with Shanghai Liangyou Group Co Ltd to establish Shanghai Amoy Foods Co Ltd, a Sino-foreign joint venture, with a total investment of 100 million yuan and more than 700 staffs.





AMOY 1



Amoy, with a history of a hundred years, is dedicated to providing high-quality, naturally brewed sauce to the customers. It has sales networks all over China and Southeast Asia and has expanded to 25 countries in the world.





THE PRODUCT

In order to cater for a divergent array of consumers and their distinct needs, Amoy has come up with different grades and types of sauces.



In August 1996 Amoy started to sell sauce in plastic bottles; until then sauce was only available in bags and glass bottles in China. Amoy sauce is made entirely from refined soybeans of Northeast



China and the soybean series that are "exquisitely succulent and fragrant" are its star products. Through their research and innovation, Amoy technicians have come up with a variety of products such as the dark soy sauce that "looks red and fresh" and the light soy sauce that "looks light and tastes delicious". Moreover, the Gold Label dark soy sauce that is red and pure and the Gold Label light soy sauce that tastes succulent represent an advanced soy sauce series typical of Guangdong style. Another special series is described as "pure and delicious soy sauce".

Amoy soy sauce is packaged in various types of containers such as barrels, glass bottles, PE bottles and bags etc to satisfy different needs. Amoy also takes into consideration other kinds of condiments frequently used in kitchens and has developed sauce series with sesame oil and vinegars.

RECENT DEVELOPMENTS

Sauces, in addition to being basic necessities, are also becoming a product describing life style. The company's market surveys have shown that as Chinese people's living standards have improved in the past two decades, they are increasingly demanding more sophisticated products. In



response, in recent years, Shanghai Amoy Foods Co. Ltd has emphasised the improvement of its product quality and variety. Therefore, apart from meeting the customers' basic needs, the concern has shifted to maintaining improving brand quality while expanding product range. Example: soy sauce series has been expanded by introducing dark soy sauce and light soy sauce. The company also maintains that it wants its customers to feel that the quality of an Amoy product surpasses the price.

PROMOTION

As a market leader, Amoy implements promotional strategies aimed at building and protecting the brand. The company uses a variety of advertising media. Magazines are used extensively to convey the image of professionalism and integrity, and to promote consumer

Similar promotions are sometimes organised with related business such as kitchen utensil makers, during which customers are offered special price discounts.

Another successful promotional programme involves lucky draws. These invariably generate responses from tens of thousands of consumers, and can also generate valuable feedback for Amoy.

BRAND VALUES

Shanghai Amoy Foods Co. Ltd is committed to the philosophy that "to take Amoy foods is to eat better" and it is also dedicated to fostering the great Chinese culinary culture. By virtue of the reputation of its products and services, it has become a leading brand built upon the trust of its customers. Amoy aims to make its products not only an indispensable part of its customers' lives, but also a sign of their life style.

THINGS YOU DIDN'T KNOW ABOUT AMOY

- O In 1994, Group Danone, which was among the world's top 500 companies, and Shanghai LiangYou Group came together to create a joint venture company—Shanghai Amoy Foods Limited
- O Amoy is one of the leading sauce brands in China in sales by value and by volume
- O Amoy was one of the first enterprises to be approved for producing "iron fortified" soy sauce by National Public Nutrition & Food Improvement Item Office
- O By 2008, when the Olympic Games are held in Beijing, Amoy will have been in business for 100 years
- O About 60 million families in China use Amoy products every year

