



THE MARKET

With market share exceeding 40% in the past three consecutive years, TOTOLE dominates the Chinese granulated chicken bouillon market. The company has created an efficient and comprehensive marketing and sales web across China. By virtue of its own sales force and diverse marketing strategy, the company regularly rolls out super-savoury products. TOTOLE exports its products to the US, Japan, Taiwan and Southeast Asia. It already ranks second in US market share in its category.

Based on a commitment to “bring a better taste to 1.3 billion people”, TOTOLE has introduced international-standard management systems to guarantee the “high quality and good taste” of its products.

ACHIEVEMENTS

Shanghai TOTOLE Flavoring Food Co Ltd is one of the best-known food enterprises in China. For its high profile and reputation in the food flavouring industry, TOTOLE earned the title Most Contributory Enterprise in the Chinese Food Industry 1981-2001, and was listed among Shanghai's Top 100 Product Brands and China's Top 20 Enterprises in the Condiment Industry.

TOTOLE was bestowed the title of Foreign-funded Enterprise with Advanced Technology in 2002 – the first in the Chinese food industry to be so honoured.

From 2001 to 2004 TOTOLE was awarded the title of Shanghai's Famous Brand.

In 2003 TOTOLE won the title of Green Enterprise for Environment Protection.

HISTORY

TOTOLE has been committed since 1984 to researching and developing new condiments such as monosodium glutamate, chicken bouillon and banquet soy sauce.

Shanghai Jiale Flavoring Food Co Ltd, a Sino-foreign joint venture enterprise, was founded in 1989 with TOTOLE chicken bouillon and banquet soy sauce as its staple products. In 1991 and 1992 Shanghai Jiale established subsidiaries in Wuxi and Xi'an, greatly enhancing the company's market strength.



The business was renamed Shanghai TOTOLE Flavoring Food Co Ltd in 1998, and the following year formed a strategic alliance with the Swiss giant Nestlé. This was a major milestone in China's condiments industry, an alliance of two large and dynamic food groups. TOTOLE brought to the venture its leading

market share and its deep understanding of Chinese culinary culture, while the Nestlé Group contributed its core technology in global food research and development.

THE PRODUCT

Backed by a powerful R&D team, the company has a secured resource for continuous rollout of leading products. TOTOLE offers a variety of flavouring products classified in six categories and dozens of subcategories. The best-selling TOTOLE item is granulated chicken bouillon, which dominates domestic market share.

The State General Administration of Quality Supervision, Inspection and Quarantine has granted an exemption, from quality inspection to TOTOLE for its premium soy sauce series, an honour which is unique in the PRC.

The major categories of TOTOLE products are granulated chicken bouillon products, monosodium glutamate, soy sauce, nourishment and special flavourings.

- Granulated Chicken Bouillon: Core ingredients from fresh, all-natural chickens and flavour enhancements by addition of such ingredients as eggs, nucleotides, monosodium glutamate, salt and powdered vegetables through ultra-nutrient technology.
- Granulated Mushroom Bouillon: Core ingredients from big fresh mushrooms (cap diameter about 3cm) blended with superior ingredients such as nucleotides. TOTOLE guarantees its Granulated Mushroom Bouillon to be as natural, palatable and nourishing as possible. The product complies with standards required for usage in Muslim restaurants.
- Banquet/Spicy/Chicken Soy Sauce: This series is processed from brewed soy sauce, combined with nucleotides and eight kinds of aromatic seasonings. The TOTOLE soy sauce series features a strong soy scent and a premium taste and has been honoured by exemption from the need for official quality inspection.
- Chicken Powder Deluxe: For each bag of chicken powder, TOTOLE uses one mountain-pasture-fed chicken weighing about 1.5kg. Nucleotide is added. As it is heat-resistant and dissolves well in water, the





chicken powder delivers a lasting chicken zest. It is a product recommended by the China Cooking Industry Association for all kinds of Chinese cooking.

- **TOTOLE Flavoring Gift Package:** While fully enjoying the convenience and comfort brought by modern technology, the consumers are demanding more culturally satisfying tastes from condiments. This flavouring gift package introduces health concepts to the condiment industry.

RECENT DEVELOPMENTS

As a centre for Nestlé R&D in the area of Chinese food products, TOTOLE is sharing technical know-how in many areas with Nestlé, including development of granulated chicken bouillon. Nestlé has three R&D centres, in Switzerland, Germany and Singapore. The TOTOLE centre is the fourth, and the first dedicated completely to culinary research.

After years of study, TOTOLE developed an empirical taste index and was the first in the world to put forward the concept of "flavour" to specify degrees of taste. This theoretic system of flavour eventually became a compulsory index for MSG as part of the Granulated Chicken Bouillon Industry Standard in China.

Apart from products of delicious tastes, TOTOLE concentrates on the R&D of composite condiments like chicken broth original and soup blends, so as to realise its promise to "bring more palatable tastes to the 1.3 billion people".

As the founder of China's flavouring science, Shanghai TOTOLE Flavoring Food Co Ltd advocates the idea of "caring for the family, cherishing life and boosting life quality". It is dedicated to public affairs and makes donations to primary schools run by the Hope charity, students in impoverished areas and residential homes for the elderly. It plans to make still greater contributions to public affairs in China.

PROMOTION

For the convenience of consumers, TOTOLE has installed 800 toll-free 24-hour hot lines to handle customer complaints. Moreover, it has service staff around the country to hear from consumers.

The TOTOLE Club was founded in June 1996, based on the belief of "serving the people and contributing to society". The club aims to serve as a bridge

forming a close link between the company and consumers. TOTOLE Club sets up a computerised database for each member and offers the TOTOLE Monthly Bulletin for club members, in which one can find up to date news about the company as well as member feedback.

In addition to the traditional advertising channels for product promotion, the company has very congenial

relations with the mass media in the country for purposes of disseminating information of its activities.

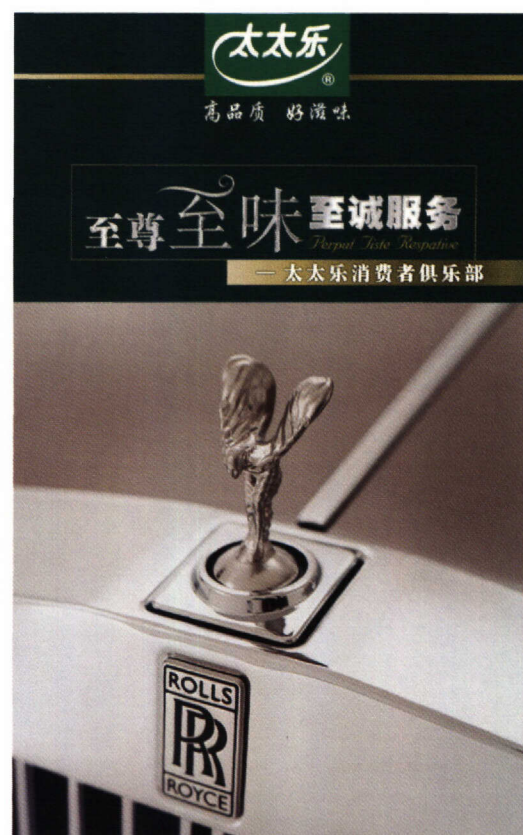
BRAND VALUES

Under its people-oriented guidelines, TOTOLE provides good welfare facilities to the staff and tries to create a mutually caring ambience, which is a basic elucidation of the company's idea of family. To further the family ambience in the company, a variety of extra-curricular social activities such as Family Day and sponsored leisure tours are held.



By virtue of its systemic advantages of team decision-making, human resource management and salary benefits, TOTOLE has absorbed a number of professionals with impressive learning backgrounds and skills. The company lays great emphasis on training for the purpose of developing the skill sets of staff members.

The company's website and in-house journals are meant to serve the staff as well as customers. *TOTOLE Newspaper* won the second prize for Brilliant Achievements of Chinese Enterprise Periodical in 2002 and its advertisement show was awarded the prize of Brilliant Image of Chinese Enterprise.



THINGS YOU DIDN'T KNOW ABOUT TOTOLE

- TOTOLE was named one of China's Top 20 Enterprises in the condiment industry by China Condiment Industrial Association in 2001
- In 2003 TOTOLE took the lead in the food flavouring industry by drafting industry standards for granulated chicken bouillon manufacturing in China. The standard came into effect on July 1, 2004
- Customer complaints about TOTOLE products run at less than one per million, far below the national average standard of one per hundred and the international average of 20 per million
- TOTOLE introduced the concept of "flavour" to specify degrees of deliciousness
- During the SARS epidemic TOTOLE donated 20,000 chicken broth packets to the front line medical staff at Beijing Xiao Tangshan Hospital