



Market

Over the last 20 years consumers in developing countries around the world have voiced awareness regarding the quality of food. Where and how ingredients are cultivated are just some of the questions asked today in daily nutrition, especially in the nutrition of children. The importance of this is evident in the fact that medical professionals have become involved in several aspects of clinical research to explain how nutrition received as a child affects one's health later in life.

Regardless of the fact that the number of newborns is dropping between 2.5 percent to five percent annually (in 1990 there were 52,000 newborns in 2006 41,400) the children's product market continues to grow. What generates the growth of this market? First of all, there is the constant innovation by baby food manufacturers in the sense of new product groups. Today companies not only offer breakfast, lunch, and dinner, but also a variety of snacks, desserts, fruit cups, and baby sweets just to name a few.

Besides that, parents often feel unsure about the origin of ingredients purchased at markets, they think it's safer to purchase pre-packaged inspected baby food.

These consumers are the youngest available, ranging in age from newborns to three-year-olds. Considering the age of the "consumers", it is clear that this is the most sensitive category in the FMCG sector. The HiPP brand leads baby food sales on the Croatian market with a share of over 50 percent, and over 70 percent of the market share in the "soft paste" and tea categories. Compared to other international markets, Croatia is one of the most successful markets for HiPP sales.

Achievements

Today, HiPP is the world's biggest processor of organically grown biological crops. Through the use of organic agricultural methods, topsoil and underground water reserves are protected.

Fifteen thousand hectares of land as well as underground water sources are protected



from over 2 thousand tons of artificial fertilisers. By increasing the use of Bio-Agricultural techniques, soil and land are protected from the destructive effects of chemical fertilisers and synthetic pesticides.

Energy

Since the autumn of 2000, HiPP has been using Biomass for its energy production needs, thus decreasing harmful emissions. This remains a distant future for various other companies even today.

Water

Over the last decade, HiPP has lowered the amount of wasted water on its agricultural land by a full 50 percent. This saves some 372,000 m³ of water – that is the same amount of mineral water drunk in Munich over the course of four years.

In 1992 various countries gathered in Rio de Janeiro, Brazil, to sign the Rio Protocol on Environmental Protection.

This meeting set standards for environmental protection, including harmful gas emissions. HiPP, however, adheres to even more rigorous standards. While the Rio Protocol called for a 25 percent reduction in emissions from harmful gasses, HiPP reduced emissions by 80 percent through the use of Biomass.

Waste

HiPP recycles 97 percent of waste material, sorting it into useful and organic waste – Biofuel for energy.

History

1899 The year of the great idea

At the end of the 19th century, Josef Hipp (1867-1926) worked at a bakery in Pfaffenhofen, Germany. He quickly became his own boss. In 1897 he married Marija Ostermayer with whom he had seven children. After giving birth to twins, Marija was unable to produce enough breast milk, leaving her husband to think about how to feed his family.

He ground up some biscuits, added a bit of flour and then milk so that it would be both pleasant and filling. The twins lived, as did their siblings.

1901 The first product

The success of the ground bread and flour which Josef Hipp sold at his bakery quickly grew beyond the limits of his town. Soon the flour was packaged in black and white boxes becoming well known by families throughout Bavaria.

1950 – Baby food in glass jars

Following the leading American model, Georg Hipp began selling baby food made from ground vegetables.

1956 The pioneers of organic – biological cultivation

At the same time that manufactured baby foods were being mass produced, Georg Hipp began growing various crops using natural methods and no chemicals, very different to what big industries were doing.

The family business became Bio-Agriculture. Georg's children Claus, Paulus, and Georg continued in the family tradition, and the Bio philosophy became their business model. Little by little, neighbouring farms discovered the benefits of organic farming and became part of the HiPP cooperative. Today, HiPP is the world's



largest processor of organic and biologically cultivated crops.

1960 Baby food is no longer packaged in cans, replaced completely by glass jars. The range of products also grows bigger and bigger with each passing day.

Product

HIPP offers the true taste of nature.

What makes HIPP products different from other baby food producers?

Healthy soil, seeds that are not chemically treated, and no chemical spraying – these are the fundamental guidelines of organic-biological, that is bio-cultivation.

Just choosing the right soil is a tough job: through numerous test samples, HIPP checks how good a certain piece of land is for farming bio-crops. One of the preconditions for this is the distance of the land from industrial plants and traffic infrastructure.

Simply put, bio-organic farming means respecting the natural process. That is why pests are removed naturally. For example, crops that attract insects are planted on the edges of the field in order to keep them away from seedlings.

Carrot in the wind

HIPP's bio-carrots are planted in windy areas so that the wind "thoroughly cleans and airs them out." This is just one example of the traditional agricultural models HIPP uses.

And the rice is controlled as well

Members of the HIPP cooperative also grow rice under the company's guidelines – each seed is manually inspected.

Fruit

The cheerful chirping of birds at HIPP's orchards is proof that they really enjoy their surroundings. They build their nests knowing that they have plenty to eat. All the insects are theirs.

When choosing varieties of fruit, the company selects those appropriate for bio-farming and which are naturally resistant to diseases.

Quality control

The contents of every jar are subjected to numerous inspections (there are some 260) from soil analysis and analysis of raw materials, to the inspections of processing and the final product. HIPP is particularly proud of their laboratory, one of the best equipped and most modern in Europe. The analytic laboratory is capable of detecting even the smallest quantities of a given substance.

Thanks to quality work and competent results, HIPP's laboratory was the proud recipient of the prestigious ISO EN 45001 certificate.

Particularly strict criteria

When it comes to baby food, there are strict regulations limiting the amount of harmful substances allowed in a product. Individual countries themselves pass legislation regarding this matter. HIPP adheres to an even stricter standard however, believing the permitted amounts are still too high.

Recent Developments

In 2007 HIPP carried their philosophy of quality to the area of baby care products. In collaboration with paediatricians and midwives, they developed a line of skin care products for babies. HIPP Babysanft – made with extra mild ingredients, which are specially adjusted in accordance with the physiological particularities of baby skin. The result fits perfectly into the tradition and philosophy of the HIPP family.

HIPP Babysanft is extremely mild on the skin of children and protects it



through product quality. The base of all Babysanft products is almond oil. Apart from that the products contain a protective substance called CM-Glucan. This substance is isolated from yeast and has proven skin protection characteristics. Several independent studies have proven how effective the products are and how gentle they are on skin.

In the beginning of 2008, clinical studies were completed confirming that the HIPP Babysanft line is not just suited to the basic skin care needs of babies, but also for the care of children with light or middle range dermatitis.

New products

2008 HIPP Babysanft baby wipes

These baby wipes are made of 100 percent natural fibres processed in an extra soft viscose solution. They contain only almond oil and camomile.

2009 even better recipes

HIPP Babysanft cosmetics contain all that is good for a child's skin and nothing harmful to them. The concept behind HIPP cosmetics is the "NO" concept: NO Parabens, NO Majatel.

Parabens – Preservatives often found in cosmetics.

Since research on the possibly harmful side effects of paraben started, because it can be absorbed through skin, HIPP Babysanft cosmetics DO NOT CONTAIN PARABENS. All almond oil is organically produced.

2009 New developments in infant formulas

OMEGA-3 from Bio-sugar beet oil

Infants need regular nutrition as part of a balanced diet. More and more attention is being given to Omega-3 fatty acids. They are extremely important during infancy for the development of brain and nerve cells. Because the brain grows and matures quickly during the first two years of life, taking Omega-3 fatty acids are of extreme importance.

One of the best sources of it is sugar beet oil. It contains a large quantity of Omega-3 fatty acids, even ten times more than what is found in olive oil. HIPP uses organically grown sugar beet oil. Products containing



Omega-3 fatty acids already exist on the Croatian market: HIPP infant milk Bio nos. 2 and 3. More products are soon to come.

Promotion

The quality of HIPP products is its marketing strong suit. The positive experiences shared by mothers who purchase HIPP products travel by word of mouth. Extreme attention is dedicated to HIPP's quality products and mothers around the world are aware of this. Brand consciousness is developed in the sense that HIPP is a socially responsible company. The company's environmental policy is another reason parents support HIPP products. By purchasing HIPP products, the consumer contributes to environmental conservation.

Brand Values

The best of nature and the best for nature

Organic biological cultivation is not only good for children; nature enjoys and renews itself as well. By avoiding the use of artificial fertilisers, the quality of underground water sources is also protected. By protecting the environment, the necessary balance of all living species is maintained and a variety of flora and fauna is nurtured. HIPP contributes to ecological balance.

www.hipp.hr



THINGS YOU DIDN'T KNOW ABOUT...

HIPP

- HIPP has received several prestigious awards:
 - 2001 the German Food Industry Award for HIPP's top quality products and environmental care.
 - 2000 First millennium award from the United Nations for environmental protection.
 - 1999 The Austrian Chamber of Nutrition award for environmental protection.