INDUSTRY STUDY

**CHOCOLATE PRODUCTS**

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**Shawal 1420**

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# EXECUTIVE SUMMARY

* This study is the first marketing review of chocolate local industry. It aims at examining the present demand/supply situation, new trends in the industry as well as reviewing the performance of the operating plants along with the marketing problems facing them with conclusion and recommendations. It also aims to help the Fund in assessing the existing projects and the new potential applications.
* Chocolate products are available in the market in different types, shapes and packaging. The chocolate industry can be grouped to the following products:

a). Chocolate bars.

b). Chocolate powder.

c). Assortment chocolates.

d). Liquid chocolates.

e). Chocolate sugar segments

f). Choco-Block

* Product substitutes for chocolates are mainly biscuits, wafers and snacks or other sweet items i.e. confectionery etc.
* The market structure of Saudi Arabian chocolate supply consists of 17 active local producers. The Kingdom's chocolate market is now supplied by both local production (45%) and imports (55%) of the total market in 1998. The overall market size amounts to about 30,403 tonnes in 1998, and expected to grow by 4 % in the coming five years reaching 38,470 tonnes in 2004.
* At present the number of existing industrial licenses issued by the Ministry of Industry reached 48 industrial licenses for the production of chocolate products with a total combined licensed capacity of (37,000 TPA). Current local industry consists of 17 operating plants of which 9 are SIDF clients. The total active licensed capacity is estimated at 31,590 tonnes while the installed capacity is estimated at 18,042 on a single shift basis. The local production is in slight growth trend which is attributed to the fast growth of local production coupled with increasing national awareness of these local products and to the competitive nature of the market. The actual local sales in 1998 reached 13,535 tonnes of all types of chocolates. This represents 44% of local market in the same year.
* From a regional perspective, the Western Province constitutes 56% of the total licensed capacity. However the installed capacity for the Western Province accounts for 60 % of the total installed capacity in 1998.
* The Kingdom imports of chocolates have been significant in the past four years and it is expected to continue in the future especially in case of high quality chocolates. The major exporting countries to the Kingdom are Holland, Turkey, Italy and Poland. Total imports represents a market share of around 56% of total chocolate market in 1998.
* According to FTS historical exports and re-exports of all types of chocolate products reached 4000 tonnes in 1998.
* Competition is extremely intensive in the chocolate market. The local brands are competing with well-known international brands. As far as brand name dominance is concerned Ghandour by MAJ Dist. is leading the local market with 37% share in 1998.
* There are several local and imported brand names prevailing in the chocolate market.

The following table lists the most popular local brands available in the market:

|  |  |  |  |
| --- | --- | --- | --- |
| **Manufacturer Name** | **Brand Name** | **Company Name** | **Brand Name** |
| Rowntree (Nestle) | Kit Kat | Mars Inc. | Mars |
| Nestle | Bounty |
| Al-Jazirah (Gandour) | Pick One | Snickers |
| Safari | Twix |
| Sahara | Galaxy |
| Hawai | M&M’s |
| Jamjoom | Rew | Cadbury | Cadbury |
| Saudi Lebanese | Patchi | Dairymilk |
| Al Nugly | Nugly | Kurly-Wurly |
|  |  | Makentoush | Quality Streets |

* The competitive environment in the chocolate industry has resulted in extreme pressure on prices during the last few years. The prices of chocolate products vary according to a number of factors such as the quality, origin of the chocolate, the sophistication of the production process, the standard of packaging, container size, etc. Additionally there can be strong local price competition arising from smaller producers concentrating on finite distribution areas. Most of local plants give quantity discounts that ranges from 2-10% on quantity purchased while some plants also offer 2 % for cash payments.
* The distribution channels used by the major local factories and importers are:

- a). direct sales in their own areas to wholesalers and retailers or

- b). through agents in other areas

- c). sole distribution or direct distribution to supermarkets and baggalas.

Most of the local producers and importers have several distribution branches with warehousing facilities in the major cities of the Kingdom.

* All the chocolate products bear in Arabic and English the date of production and expiration which is one year.
* SIDF has financed 9 plants which are all operational viz: (I#1189), Al-Fadl and Al-Sultan Chocolate Fty. in Riyadh, (I#1349), Al-Nugli Sweets in Jeddah, (I# 856) Rana Confec. in Riyadh, (I# 1009) MAJ distribution Co. in Jeddah, (I# 1243) Tasnea Int’l Food in Jeddah, (I# 1343) Bateel Sweets in Riyadh, (I#1427) Thimar Food in Jeddah, (I # 1277) Savola Chocolate in Jeddah, (I#1579) Sugar Cones in Jeddah.

**CONCLUSION:**

* Based on our field survey which covered chocolate local producers, importers and wholesalers, it is quite clear that the overall Kingdom chocolate market is flooded with a large number of brands most of which are coming from imports. It is also noticed that the market is in slight growth. We expect the market to grow slowly in the future. This is attributed to:
* Population growth.
* Affordable prices for the targeted groups.
* The existence of a number of local producers and importers with wide range of variety in terms of flavours, packaging and sizes.
* Saudi consumers as well as traders have accepted the locally made chocolate products to be equal to imports in terms of taste and product quality and even better in terms of freshness and lasting shelf life.
* Most of the leading producers who represent the majority of the capacity available are believed to be working on one shift.
* In the Western and Central Regions there is an over-supply while in the Eastern, Northern and Southern regions there exists a shortage due to the fact that there are no plants operating there.
* Evaluation of the demand / supply balance for chocolate market shows that the existing installed capacity (18,402 TPA) on single shift represents 57 % of the total market in 1999.

**RECOMMENDATION:**

Based on the current and future supply/demand situation and marketing considerations SIDF Marketing Division recommends the following:

1. SIDF should support only projects aiming at imports substitution where sponsors have well-established brand names and nationwide distribution system. Also, projects for the production of high quality chocolate can be supported.
2. Applications for expansions, relocations and modernizations of existing projects should be assessed on their own merits.
3. Ministry of Industry & Electricity should continue its policy of suspending issuance of new licenses. The existing 48 licenses are quite adequate to serve this market.

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**INDUSTRY STUDY** Sultan Al-Malik

Shawal -1420

**Chocolate Industry Study** January -2000

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**1 INTRODUCTION**

**1.1. Purpose of the Study**

This study is the first marketing review of chocolate local industry. It aims at examining the present demand/supply situation, current installed capacity, new trends in the industry as well as reviewing the performance of the operating plants alongwith the marketing problems facing them with conclusion and recommendations. It also aims to help the Fund in assessing the existing projects and the new potential applications. An intensive field research has been conducted by RSED. The main objective of this survey was to collect primary market information on chocolate products from local producers, importers, wholesalers and retailers.

**1.2. Sources of Information**

The study is based on the following sources:-

* RESD market research (Rajab, 1420)
* Data available through SIDF files.
* Foreign Trade Statistics (Import / Exports).
* Internet Web Sites.
* Writer’s contacts and interviews.

1. **Product**

**2.1 Product Description:**

The word “chocolate” was originally derived from the Aztec word xocolatl which means bitter water. Chocolate are made from cocoa beans. Chocolate comes in many forms: unsweetened, semi-sweet (buttersweet), milk chocolate and white chocolate. Chocolate is unique among vegetables in that its fat (cocoa butter) is solid at room temperature. Chocolate is made from the beans of the Theobroma cacao tree and used as a flavoring and as an ingredient of beverages and various kinds of confectionery. Cocoa has a high food value, containing as much as 20% protein, 40% carbohydrate, and 40% fat. It is available in different forms and types as shown below:

**2.2 Types of Chocolate:**

There are many different types of chocolate and chocolates may be classified differently depending on the country. In any case, the primary distinguishing features are the amounts of cocoa liquor or cocoa solids, cocoa butter and sugar. Other ingredients, such as milk solids, may also be added to produce, for example, milk chocolate. The following summurised the types of chocolate:

**1. Chocolate liquor:**

Is produced by grinding the cocoa bean nib (center) to a smooth, liquid state. The chocolate liquor can then be cooled and moulded into blocks also known as unsweetened baking chocolate. The liquor and blocks contain roughly 53% cocoa butter.

**2. Semi-Sweet (Buttersweet) Chocolate:**

Is chocolate liquor with additional sweeteners and cocoa butter. It is also known as dark chocolate. According to US standards, it must contain at least 35% chocolate liquor. Its fat content average 27%.

**3. Milk Chocolate**:

Consists of cocoa butter, milk, sweeteners and flavourings that are added to chocolate liquor. Milk chocolate lends itself to good use for garnishes and candy coatings. All milk chocolate made in the U.S. must contain at least 10% chocolate liquor and 12 % whole milk.

**4. Sweet Chocolate:**

Contains more sweeteners than semi-sweet chocolate and at least 15% chocolate liquor. Sweet chocolate is used mostly for decorating and garnishing. The fat content is similar to semi-sweet chocolate.

**5. White Chocolate:**

It has no formal definition. White chocolate contains cocoa butter but does not contain non-fat cocoa solids. Mostly used as a coating, it contains sugar, cocoa butter, milk solids and flavourings such as vanilla. White chocolate is the most fragile form of chocolate. Imitation white chocolate is made with vegetable oil rather than cocoa butter.

**6. Liquid Chocolate:**

Was developed for baking, is unsweetened, comes in individual 1 ounce packages and is convenient because it requires no melting. However, because it’s made with vegetable oil rather than cocoa butter, it doesn’t deliver either the same texture or flavour as regular unsweetened chocolate.

**7. Couverture**:

Is a term describing professional quality coating chocolate that is extremely glossy. It usually contains a minimum of 32% cocoa butter, which enables it to form a much thinner shell than ordinary confectionery coating. Couverture is usually only found in speciality candy-making shops. It is often can be found as the chocolate that surrounds chocolate-covered fruits or as the shell of fancy filled chocolates.

**8. Ganache**:

Is a thick, extremely rich chocolate spread. It is often found between the layers of gourmet chocolate cakes. Gananche is made by pouring hot cream over chopped up chocolate and whipping the mixture until the chocolate melts and mixture becomes thick and stiff.

**9.Confectionery Coating:**

Is used as a dip for candies. A confectionery, or summer coating, is a blend of sugar, milk powder, hardened vegetable oil and various flavourings. It comes in a variety of pastel colours. Some confectioneries have low fat cocoa powder added, but none contain cocoa butter nor can it be classified as chocolate.

**2.3 PRODUCT SEGMENTATION:**

The market of chocolate currently consists of five principal product categories. These are :

**- Countlines**: Chocolate covered bars including Mars, Snickers and Bounty. Normally they come with a centre filling like fondant, nuts and caramel.

**- Chocobiscuits**: Chocolate covered bar but with a biscuit or a wafer centre like Kit Kat, Pick one.

**- Chocoblock**: solid moulded chocolates filled or unfilled like Galaxy, Hershey and Cadbury.

**- Chocolate Sugar segments**: Chocolate coated sweets or boiled sweets filled with some chocolate like m&m’s, candies.

**- Assortments**: Presentation/gift type of chocolates either in candy wrap or tablet form, either in varied or single flavour. These are mainly the “Quality Street” types.

**- Powdered Chocolates:** Used by local producers of dairy and ice cream products. Like Galaxy, Ovailteen, Milo, etc.

**- Liquid Chocolates**: Used by ice cream and dairy producers. Like Galaxi, Nautiliti, Bamilea.

**2.4. Chocolate Production Process:**

The processing of the cacao seeds, better known as cocoa beans, is quite complex. To make the cocoa bean into the dark, delicious substance we call chocolate, it must go through an involved process as shown below:

1. **Harvest & Fermentation:**

The cacao fruit is harvested manually because the cacao plant flowers all year round. The fruits are opened and the seeds with its surrounding pulp are extracted and fermented. The pulp will become a liquid and will drain from the beans. During fermentation, the beans develop the characteristic brown colour we know from cocoa. Fermenting the fruit harvest takes 3 to 9 days, during which the heat dries the seeds and turns them brown.

1. **Drying & Roasting:**

After fermentation, the beans are dried. Drying is usually done under the sun for about 13 to 14 days. The next step in the preparation of chocolate is the roasting of the beans. The **roasting** is necessary for the development of flavour and aroma.

1. **Winnowing & Grinding:**

Winnowing is the process where the useless shells are removed. After that, grinding takes place, consisting of 2 steps. In the first step, the beans are ground between large stones. This will result in liquid mass called cacao liquor, which is processed into chocolate. Sugar is added to the liquor to sweeten the liquid.

1. **Conching:**

After the grinding it’s time for the conching. During the conching the chocolate is stirred and mixed at a temperature of 60-80º C. During this process (simplified) friction between the sugar- and the cacao- particles occurs. This causes a “ polishing” of the particles, which will make the finished chocolate smoother in the mouth. Most chocolates are conched between a few hours and 1 day whereas some chocolates are not conched at all. During the conching, extra cacao butter is sometimes added (to give the chocolate a better fluidity). Soy lecithin is also added to stabilize the chocolate and finally vanilla is added.

Finally the chocolate is **tempered** and **moulded** into the chocolate candy we are so found of.

**2.4. Flavour Mix:**

Chocolate products are available in the market in a number of flavours namely; plain, white, or with some other ingredients such as: pistachio, nuts, honey and spread.

**2.5. Packaging & Sizes;**

Chocolate products commonly are produced in both consumer sizes (small) and bulk sizes (large). However, there are different types of packing for chocolate products, which can be listed as follows:

* Chocolate Bars mainly packed of aluminium foil.
* Liquid Chocolates packed in glass only.
* Powdered Chocolates packed in metal, plastic cans and glass.
* Assortments chocolates come as wrapped or unwrapped and sold pieces.

**2.6. Seasonality**

The demand of chocolate products is all around the year. It is usually increasing by some special occasions like; winter season, Ramadan, official festivals. Consumption follows a marked seasonal pattern, with peaks in the cold winter months commonly more than double the level in summer.

**2.7. Brand Names Profile and Popularity**

Through our conducted field survey, we have found number of brands of chocolate products in the market place as shown below. The following table lists the most popular local brands available in the market:

|  |  |  |  |
| --- | --- | --- | --- |
| **Manufacturer Name** | **Brand Name** | **Company Name** | **Brand Name** |
| Rowntree (Nestle) | Kit Kat | Mars Inc. | Mars |
| Nestle | Bounty |
| Al-Jazirah (Gandour) | Pick One | Snickers |
| Safari | Twix |
| Sahara | Galaxy |
| Hawai | M&M’s |
| Jamjoom | Rew | Cadbury | Cadbury |
| Saudi Lebanese | Patchi | Dairymilk |
| Al Nugly | Nugly | Kurly-Wurly |
|  |  | Makentoush | Quality Streets |

**2.8. Shelf Life**

According to the Saudi Standard Specification Organization (SASO), most of the locally produced and imported chocolates have a shelf life of one year. Along with the freshness of the product, the local suppliers became quite capable to substitute imports.

**2.9. Major Customers:**

Major Customers of chocolates are as follows;

* Household units are major customers of countlines and assortments.
* Restaurants, hotels and institutions such as universities and hospitals.
* Wholesalers, retailers, bagalas and super markets.
* Local producers (dairy, biscuits, juices, ice cream).

**3. SUPPLY**

The basic situation in the local chocolate industry is one of over-capacity, partly due to new brands entering the market, and partly to a wave of investments in new capacity by some of the existing producers. Local production has been growing slightly in the past years while imports have continued their declining trend.

**3.1. LOCAL SUPPLY:**

**3.1.1. Licensed Capacity**

According to RESD, the latest list of industrial licenses issued by the Ministry of Industry & Electricity to local factories can be summarized as follows:-

1. Number of licenses issued todate : 68
2. Total combined capacities : 51,099
3. Number of cancelled licenses : 20
4. Total combined cancelled capacities : 14,114
5. Existing licensed capacities : 36,985
6. Number of active local producers : 17
7. Total active licensed capacities : 31,590
8. Total active installed capacities (single shift) : 18,042

The following lists the number of active industrial licenses and respective capacities articulated by regions:

**Chocolate Licensed & Installed Capacity by Region (tons)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Central** | **Eastern** | **Western** | **Southern** | Northern | **Total** |
| **Lic. Cap.** | 6,585 | 0 | 25,005 | 0 | 0 | 31,590 |
| **Inst. Cap.** | 6,628 | 0 | 11,414 | 0 | 0 | 18,042 |

It is noticeable from the above table that the majority of licenses have been issued to the Central and Western regions. No local producers exist in the Eastern, Southern and Northern regions.



**3.1.2. SIDF LOAN HISTORY:**

SIDF has financed 9 plants which are all operational viz: (I#1189), Al-Fadl and Al-Sultan Chocolate Fty. in Riyadh, (I#1349), Al-Nugli Sweets in Jeddah, (I# 856) Rana Confec. in Riyadh, (I# 1009) MAJ distribution Co. in Jeddah, (I# 1243) Tasnea Int’l Food in Jeddah, (I# 1343) Bateel Sweets in Riyadh, (I#1427) Thimar Food in Jeddah, (I # 1277) by Savola Chocolate in Jeddah, (I#1579) Sugar Cones in Jeddah

**3.1.3. SIDF Projects Performance:**

**Al-Fadhl Sweets, Chocolate & Biscuit. Fty (Inv.# 1189), Riyadh:**

In 1413H, SIDF approved a loan of SR 5.0MM to finance the project. The management committee approved an expansion loan of SR. 5.MM on 01/04/1416H to finance the cost overruns of the project and also for introduction of new product ranges. The factory products are marketed under **Falcon** Brand name. The sales in 1417H (SR 8,976 M) were 10% higher than the previous year but in 1418H (SR 7,719M) these fell down sharply by 14%, due to unsettled conditions at the factory. In 1419H, the sales The net loss in 1417H (SR 3,212M), was higher by 80% compared to the previous year. In 1418H, It came down to SR. 2,880M and in 6 months of 1419, it is quite low at only SR 564M.

**Al-Nukaly Foodstuff Industries Factory (Inv.# 1349)- Jeddah:**

On 30/4/1415, the Board approved SR.8,750M term loan to finance the project. The factory products are marketed under **Al-Nukaly** Brand name. The company had a very good year in 1419H as total net sales increased 23% from SR 9,704M in 1418H to SR11,938M in 1419H. This increase was the result of the introduction of new products which were well received by the consumers. The gross profit margin improved from 22% in 1418H to 30% in 1419H as a result of low raw material cost improved efficiencies. This translated into a big increase in net profit from SR 378M in 1418H to 1,279M in 1419H.

**Rana Confectionery Products Co. (Inv.# 856)- Riyadh:**

On 25.3.1405 the board approved a loan of SR 10 MM to establish a biscuit and wafers plant. An expansion loan of SR. 5.0 M approved by the management committee to finance setting up of a Toffee line. On 26/06/1415H, the Board approved an expansion loan of SR 27.0 MM to finance three new product lines including biscuit marshmallow, chocolate bars and toffees. The factory products are marketed under different brand names like Rana, Reco, Mero. Net sales decreased from SR 52m181M in 1997 to SR 40,158M in 1998. The company explained the decline be a frequent stoppage of the various production lines throughout the year 1998, especially the last six months, due to the implementation of the new expansion project. Profitability of the factory has significantly declined in 1998. Net profit declined from SR 4,131M in 1997 to only SR 480M in 1998. The company reported net sales and profits for the first quarter of 1999 of SR16,196M and SR 582M respectively. The sponsor is expecting a full year profit of SR 6MM on sales of SR 80MM which appear to be achievable.

**Maha Ahmed Juffali Food Distribution System Est. (MAJ), (Inv.# 1009)- Jeddah:**

MAJ Food Distribution system Est. (formerly Al-Jazira Food Processing) was approved an SIDF loan of SR.35,500M on 16/2/1409 for the establishment of a food products factory to produce biscuits, chocolates, snacks and cake under the brand name “Ghandour”. Fund’s Management Committee approved on 23/8/1413H an additional loan of SR 5 MM to finance the expansion of the “Pick One” line and “Golden Secret” assortments. On 23/1/1415 an expansion loan of 22,800M was approved. The company’s sales declined by 3.1% in 1998 to SR 269,104 M from SR 277,672M in 1997. The decline in revenues resulted from the tough competition in the market, especially from imported products. The company’s sales grew by 1.4% on an annual basis due to increase in volume production. The gross profit margin improved to 26.5% in the first quarter of 1999 from 24.4% in 1998 (full year). As a result of the improved gross profit margin the net profit margin increased to 4.6% in the first quarter of 1999.

**Tasnea International Food Processing Co. Fty (Inv.# 1243)-Jeddah:**

The original project (Inv.#1243, Jamjoom Sweets) was approved a loan of SR 5.0M on 29/12/1413H in the name of Al-Nour Factory for Chocolates, Sweets and Gum, later changed to Mohammed Nour Saleh Jamjoom & Co. factory for chocolates, sweets and gum. Due to the project losses from the first year of production, the shareholders decided to include a new partner in the business to save it from liquidation. On 23/7/1418H the management committee approved the change in the legal form and name of the company to Jamjoom Zallom Food Industries Company limited. On 28/1/1419H the Management committee approved the new name, rescheduling of existing loan maturates and a SR4,859M loan for upgrading the existing chocolate lines installing new lines for the production of biscuit wafer products and chewing gum.

**Bateel Chocolate Factory ( Inv.#1343) – Riyadh:**

A loan of SR 2.7 million was approved on 21/4/1415H to set up a factory in Riyadh for the production of dates and chocolate based sweets. The factory started commercial production in Safar 1416 and their historical sales performance has been unsatisfactory since inception. They are involved in the production of high quality assortments chocolates. The 1998’s manufacturing sales for Bateel were SR 3,449M( total sales including trading were SR 5,999M). The 1998 manufacturing sales were higher than appraised by 10%. The company total sales for the first half of 1999 were SR 2,338M (equivalent SR 4,647M annualizes) which is also 7% better than appraised. The net loss was 1,772M for year ended 31/12/1998. This loss was due to the high SG&A costs coupled with high cost of raw materials.

**Thimar Food Manufacturing Co. Ltd. (Inv.# 1327)- Jeddah:**

The project was approved a SR 5 million loan on 14/5/1416H by the management committee to produce a range of novelty confectionery, chocolate cream and snack products. The project has been operational since March 1997. On 12/1417H, the management committee has approved expansion loan of SR 3,700 M to expand the existing facilities through addition of new production lines. The company business is mainly confectionery and snack products. They are only producing chocolate cream.

**Sugar Cone Factory (Inv.# 1579) – Jeddah:**

In 1403H, the Fund approved a loan of SR 2,500M (Inv.# 742) for setting up this factory. The loan was fully repaid in 1411H. A new line for production of liquid chocolate was added but not financed by the Fund. On 29/8/1418H an expansion loan of SR1,000M (Inv.# 1579) was approved to finance modernisation of old machinery. On 8l2l1420H, management Committee approved a second expansion loan of SR 2,000M to finance production of sandwich biscuits for use by local ice cream manufacturers for the project (Inv.#742) to produce chocolate pieces and blocks. Financials at 30/06/1419H show modest sales of SR 1,882M with a small profit of SR 98M. For the 6 months ending 30/12/1419H sales at SR 658M are 30% lower, on annualised basis, while there is a loss of SR137M.

**Savola Chocolate Factory (Inv.# 1277)-Jeddah:**

On 2l6l1414H, the project was approved a loan of SR 32,000M to finance the establishment of a project to produce chocolate products. The project continues to perform poorly. While sales improved by 6.7% during 1998, they fell by 1.4% on an annualised basis during the second quarter of 1999. Sales have shown little progress since the project’s inception on 1995 and are far below the appraisal’s projection of SR 65MM. 1998’s sales increase is due to the company’s decision to focus more on the less-competitive industrial chocolate sector instead of the highly-competitive chocolate bar sector. Sales of industrial chocolate improved by 182% in 1998 to SR 4.94 MM and is now 78.4% of the company’s sales versus only 32.0% in 1997.

Effective 17/3/1420H Dallah Industrial Investments purchased this project. Reflecting this transactions, on 5/4/1420H the management committee approved the change on the ownership and the name to be Saudi Company for Advanced Foodstuffs. Dallah proposed alliance with partner Ulker, a Turkish company with a strong brand name and operational /technological capabilities should allow the new company to hit the ground running. Dallah will produce the Ulker range of products for sale to the Kingdom’s market and GCC.

**3.1.3. LOCAL PRODUCTION:**

The Ministry of Industry & Electricity has issued about 68 licenses for the production of chocolates. The market of chocolate in the Kingdom is already mature. Through our field survey we have tried to cover as much as we can from the local producers. We have obtained the following information related to the local producers licensed & installed capacities and historical sales.

**Local Producers Historical Sales (tonnes)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Factory Name** | **Status** | **Location** | **Capacity** | | **Local Sales** | | | **Mkt %** |
| **Lic.** | **Ins.** | **1996** | **1997** | **1998** |
| Al-Fadhl Sweets | Inv.# 1189 | Riyadh | 2,400 | 1,355 | 322 | 362 | 312 | 2.3 |
| Al Nuqli sweets | Inv.# 1349 | Jeddah | 1,000 | 800 | 206 | 238 | 200 | 1.5 |
| Rana Confectionery | I. # 856 | Riyadh | 4,020 | 5,058 | 0 | 0 | 0 | 0 |
| MAJ Food Dist. | Inv. #1009 | Jeddah | 12,080 | 3,333 | 11,024 | 11,241 | 11,300 | 83.5 |
| Tasnea Int’l Food | I #. 1243 | Jeddah | 650 | 287 | 147 | 0 | 0 | 0 |
| Bateel Sweets | Inv. # 1343 | Riyadh | 90 | 140 | 13 | 17 | 29 | 0.02 |
| Thimar Food | Inv. # 1427 | Jeddah | 550 |  | 0 | 0 | 0 | 0 |
| Sugar Cone Fty | Inv. #1579 | Jeddah | 400 | 262 | 15 | 15 | 15 | 0 |
| Savola Chocolate | I.# 1277 | Jeddah | 6000 | 3400 | Na | 293 | 712 | 5.3 |
| Saudi Labanese | Non-SIDF | Jeddah | 450 | 300 | 215 | 226 | 238 | 1.7 |
| Badr Chocolates | = = | Makkah | 325 | 400 | 300 | 325 | 350 | 2.6 |
| Badrah Fty. | = = | Jeddah | NA | 80 | 19 | 19 | 20 | 0 |
| Yabrin Factory | = = | Riyadh | 75 | 75 | 6.5 | 11 | 13 | 0 |
| Khazendar (Baraka) | = = | Jeddah | 50 | 1.5 | 0.583 | 0.648 | 0.720 | 0 |
| Bashaer Choc. | = = | Jeddah | 2000 | 1300 | NA | NA | NA | 0 |
| Al Hana Chocolates | = = | Jeddah | NA | 610 | 50 | 65 | 80 | 0 |
| Al-Ghamdi (Mothel) | = = | Jeddah | 1500 | 90 | 10 | 10 | 15 | 0 |
| Others\*\* |  |  |  |  | 200 | 200 | 250 | 1.8 |
| **Total** | | | **31,590** | **18,042** | **12,328** | **13,022** | **13,535** | **100** |

\*\* Others : this is our estimate due to the non-availability of information from some of the local producers.

**Comments on Local production:**

* The known active local producers exist in the market are 17. Their total output for all chocolate products in 1998 is amounted at 13,535 tonnes.
* Some of the local producers are marketing their products under more than one brand name. This is as a result of tough competition on the market place. The reason for that is to increase their availability and presence in the market. The following are some examples of local producers and their relative brands:

**Producer Name Brand Name**

MAJ Dist. Gandour, Safari, Pick one, Hawaii.

Saudi Lebanese Patchi, Amigo, Concord, Habeeb

Al Nuglay Coral, Nogalit, Nuglay

* The local production in the Eastern, Southern and Northern province does not exist. However the major local producers have their own branches and depots in the region.
* MAJ distribution in Jeddah is by far the most important local supplier of chocolate products in the Kingdom with 1998 sales of 11,300 tonnes. Their sales volume represents 84% of local total supply
* Local ice cream and biscuits producers are the main customers for the powder and liquid chocolates. It is part of their products ingredients.
* Cocoa beans are the major raw material for this industry. Cocoa butter prices range from US$ 3800-4000\ tone.

**3.2. Imports:**

Imports of chocolates have been significant in recent years. The major exporting countries to the kingdom are Holland, Turkey, Italy and Poland. The full import picture over the past five years is shown as follows:

(Tonnes)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Product** | **1994** | **1995** | **1996** | **1997** | **1998** |
| Cocoa Beans, Shells | 427.5 | 223 | 115 | 255 | 1,483 |
| Cocoa Paste | 517 | 191 | 276 | 123.5 | 270 |
| Powder | 1,216.5 | 3,797 | 2,752 | 2,924 | 2,133 |
| Confectionery | 333 | 1265 | 1,228 | 1383 | 1,245.6 |
| Liquid | 280 | 537 | 539 | 240 | 77.6 |
| Chocolate Bars | 4,426 | 6629 | 7,584 | 12,872 | 9,257 |
| Others | 756 | 2,250 | 1658 | 1901 | 2,403 |
| Total | **7,956** | **14,892** | **14,152** | **18,957** | **16,868** |

**3.3 Export & Re-export:**

According to the FTS historical exports and re-exports of all types of chocolate products are shown as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Product** | **1994** | **1995** | **1996** | **1997** | **1998** |
| Cocoa Beans, shells | 13.8 | 0 | 0 | 0 | 0 |
| Cocoa Paste | 0 | 10.6 | 0 | 0 | 0 |
| Powder | 814 | 2791 | 2019 | 2077 | 2131 |
| Confectionery | 95.5 | 59 | 187 | 254 | 265 |
| Liquid | 0 | 26 | 80 | 8 | 9 |
| Chocolate Bars | 239 | 73 | 264 | 452 | 475 |
| Others | 55 | 89 | 587 | 1108 | 1120 |
| Total | **1,220** | **3,115** | **3,138** | **3,800** | **4,000** |

**4. DEMAND**

**4.1. Kingdom-Wide Demand**

Local manufacturers and imports essentially cater the local KSA demand.

**4.1.1 Historical Demand:**

Since the market has been served by both local production and imports. The following table present our estimate of the historical demand for the past four years of chocolate in the Kingdom:

(Tonnes)

|  |  |  |  |
| --- | --- | --- | --- |
| **Source** | **1996** | **1997** | **1998** |
| Local Production | 15,466 | 16,822 | 17535 |
| Imports | 14,152 | 18,957 | 16,868 |
| Export & Re-export | 3,138 | 3,800 | 4,000 |
| **Total Demand** | **26,480** | **31,979** | **30,403** |

The market size was calculated based on our estimation of the local production plus the imports minus exports. The historical demand broken down by product type is as shown in the following table:

|  |  |  |  |
| --- | --- | --- | --- |
| **Products** | **1996** | **1997** | **1998** |
| Countlines/Bars | 19,077 | 24,543 | 20,901 |
| Chocolate Powder | 2,000 | 2,000 | 2,500 |
| Liquid chocolate /paste | 2,300 | 2,300 | 3,000 |
| Assortments | 2,300 | 2,330 | 2,405 |
| Others | 803 | 806 | 1,597 |
| Total | **26,480** | **31,979** | **30,403** |



**4.1.2. Future Demand:**

The future market demand is expected to grow at 4%. The following table shows our projected demand for chocolate products in the future:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Product** | **1999** | **2000** | **2001** | **2002** | **2003** | **2004** |
| **Total** | **31,619** | **32,885** | **34,200** | **35,567** | **36,990** | **38,470** |

**4.2. Chocolate Trade Balance (tonnes)**

The trade balance of halawa and tahina is shown in the following table:

|  |  |  |
| --- | --- | --- |
| Year | **1997** | **1998** |
| Imports | 18,957 | 16,868 |
| Exports | 3,138 | 4,000 |
| **Trade Balance** | **15,157** | **12,868** |

It is clear from the above table that the trade balance is in favour of imports. However, we have observed that the majority of local producers are seriously planning for invading the export markets at more competitive prices due to the local overcapacity and the tough competition in the market.

**4.3. Regional Demand:**

**4.3.1 Historical Demand:**

In calculating the regional demand for chocolate we will use the following scenario. According to the results of 1992 population census, the following are the population percentages of each region in the kingdom.

**Region Population %**

Western 31 %

Central 26 %

Southern 16 %

Eastern 18 %

Northern 9 %

**Total 100%**

Using the above percentages to calculate the chocolate historical regional demand we will get the following:

(tonnes)

|  |  |  |  |
| --- | --- | --- | --- |
| **Region** | **Pop.%** | **1997** | **1998** |
| Western | 31 | 9,913 | 9,425 |
| Central | 26 | 8,315 | 7,905 |
| Southern | 16 | 5,117 | 4,865 |
| Eastern | 18 | 5,756 | 5,472 |
| Northern | 9 | 2,878 | 2,736 |
| **GRAND TOTAL** | 100 | **31,979** | **30,403** |

****

**4.3.2. Future Regional Demand:**

In calculating the future regional demand we will assume the same growth rate of 4% and we will use the 1998 market size which was 30,403 tonnes. Therefore, the future regional demand will be as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Region** | **Pop.%** | **1999** | **2000** | **2001** | **2002** | **2003** |
| Western | 31 | 9,802 | 10,194 | 10,602 | 11,026 | 11,467 |
| Central | 26 | 8,221 | 8,550 | 8,892 | 9,247 | 9,617 |
| Southern | 16 | 5,059 | 5,262 | 5,472 | 5,691 | 5,918 |
| Eastern | 18 | 5,691 | 5,919 | 6,156 | 6,402 | 6,658 |
| Northern | 9 | 2,846 | 2,960 | 3,078 | 3,201 | 3,329 |
| **GRAND TOTAL** | **100** | **31,619** | **32,885** | **34,200** | **35,567** | **36,990** |

**4.4. DEMAND / SUPPLY BALANCE:**

Assuming that the current estimated installed capacity on one shift basis remains the same during the next five years. The following table shows the demand /supply balance for individual segment during the next five years:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Demand / Supply Balance - 1999-2003- (tonnes)** | | | | | | |
| **Year** | | **1999** | **2000** | **2001** | **2002** | **2003** |
| **Demand** | | **31,619** | **32,885** | **34,200** | **35,567** | **36,990** |
| **Capacity (1 shift)** | | **18,042** | **18,042** | **18,042** | **18,402** | **18,402** |
| **Difference** | | **13,577** | **14,843** | **16,158** | **17,525** | **18,948** |

We were informed that most leading producers, who represent the majority of the capacity available, are working on one shift. This indicates that the imports are indispensable to satisfy a certain segment of the market.

It is clear from the above that the total chocolate market is more than the installed capacity on single shift basis. This indicates that there will be a good chance for the local producers to utilize their existing installed capacity by working on 2 shifts and increase their export activities and substituting imports.

**5. PRICES**

The competitive environment in the chocolate industry has resulted in extreme pressure on prices during the last few years. The prices of chocolate products vary according to a number of factors such as the quality, types, origin, the sophistication of the production process, the standard of packaging, container size, etc. Additionally there can be strong local price competition arising from smaller producers concentrating on finite distribution areas.

The overall market-pricing picture found in RESD field research is summarised in Appendix 3. It can be seen that although sizes are generally standardised in some of the chocolate types, there is a wide range of pricing across the various manufacturers.

Discounting is endemic in the trade, usually in the form of free cases. Discounting is particularly prevalent among the smaller and new entrants producers, who cannot match the marketing and distribution muscle of the big local producers.

**6. COMPETITION AND MARKET SHARE:**

The chocolate industry has been characterised by the tough competition among well imported companies and some local producers, which has given rise to a high degree of development and innovation forms of brands and packaging formats. Currently, three multinational companies penetrating the Saudi market as imports dominate the chocolate market. There are five major companies which dominate the local market. Four are foreign companies and one is local company. These are:

**Mars Inc. Company:**

The company is the market leader in Saudi Arabia in confectionery. The company has been active in the region for more than 20 years. An American based company with a major international operation. Its subsidiary in the Netherlands is the world’s largest exporting factory. Its supply points for its operation in Saudi Arabia are Netherlands, UK, and turkey. There major include mars, Galaxy, Bounty, Snickers, Twix and m&m’s. It is imported and distributed by Arabian Confectionery Company.

**Nestle/ Rowntree:**

The second largest chocolate company in the kingdom. Rowntree now belongs to the Nestle group. The UK is the main source for its products in Saudi Arabia. Their brand Kit Kat is the number 1 brand in the kingdom of its chocobiscuits types. It is imported and distributed by General trading Company (Olayan).

**Cadbury:**

A confectionery company in UK. They have their own factory in Egypt which a joint venture with Kuwait Food Company. Its factory in Egypt supplies Saudi Arabia. After removal from the Arab Boycott list, Cadbury launched its wide range of products in Saudi Arabia during 1989 through their local distributors Aujan and Omar Balsharaf.

**Ulker Company:**

Ulker products are considered as the medium quality products. It is a Turkish company. Their products are imported and distributed by Balsharaf Est. Recently Dallah Investment Group has signed a contract with Ulker Company to produce their products in the Kingdom after they purchased Savola Chocolate factory.

**Al Jazirah (Ghandour), MAJ :**

Al-Jazirah (Ghandour) is dominating the local market and is the leader among the local producers. Their products also hold an outstanding reputation for quality.

* 1. **Market Shares:**

The following table shows the market shares held by local producers of chocolate products in the Kingdom in 1997 and 1998:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Brand Name** | **1997** | | **1998** | |
| **Tonnes** | **%** | **Tonnes** | **%** |
| Ghandour | 11241 | 35 | 11300 | 37 |
| Savola | 293 | 1 | 712 | 2.3 |
| AlFadhl | 362 | 1 | 312 | 1 |
| Al Nuglay | 238 | 1 | 200 | 1 |
| Bader | 325 | 1 | 350 | 1 |
| Saudi Labanese | 226 | 1 | 238 | 1 |
| Others | 337 | 1 | 735 | 2 |
| Imported Products | 18957 | 59 | 16868 | 55 |
| **Total Market** | **31979** | **100** | **30403** | **100** |

Graphically, the market shares of chocolate suppliers in 1998 are shown as follows:.



**7. DISTRIBUTION**

Being FMCG products, chocolate producers and importers usually use different distribution channels to achieve the maximum coverage. These channels are as Follows:

- Direct Distribution through their own fleet to different trade levels wholesalers, supermarkets, small grocery stores and institutional buyers (catering, company camps and to home delivery ..etc.).

- Indirect distribution through sole distributors or agents outside their territories.

- Indirect distribution through wholesalers.

* The largest producers of chocolate of items have their own fleet to distribute their products to their customers. However major sales of chocolate is reported to be through the wholesales and semi wholesales level, where such channels are quite sensitive to prices and prefer products that does not last longer for sales porpoises which lies on their nature of business.
* The smaller producers of chocolate lie heavily on the wholesale and semi wholesales and agents outside their territory.

**7.1 Sales by Type of Customers**

The following table shown the sales by region for some of the local producers in 1997:-

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Manufacturer Name** | **Central** | **Western** | **Eastern** | **Others** | **Total %** |
| ACC | 30 | 30 | 25 | 15 | 100 |
| Al Nugaly | 30 | 25 | 25 | 20 | 100 |
| Saudi Labanese | 35 | 25 | 20 | 20 | 100 |
| Jamjoom | 40 | 20 | 10 | 30 | 100 |
| GTC | 35 | 35 | 20 | 10 | 100 |
| Rana Confectionery | 40 | 25 | 20 | 15 | 100 |

It can be noted from the above table that the majority of local sales are targeted to western an, central and Eastern regions.

**8. ADVERTISING AND SALES PROMOTION**

The chocolate market has been stable in the past years. Some of the local producers is paying more attention to invest more on advertising and sales promotion as a result of the aggressive competition in the market and to create more potential customers. Local producers usually give incentives. Many incentives are given to both traders and consumers. Such incentives are in the form of:

**To Traders:** **To Consumers:**

- quantity discounts - promotional gifts.

- extended credit basis - free cases

- free goods over cretin quantity purchased

- promotional goods

- cash discounts

Manufacturers and importers are occasionally offer price discounts and quantity discount when purchasing minimum cases. Moreover, they have a long-term advertising on road billboard, they also are demonstrate their products inside large supermarkets by offering free products.

Supermarkets use on shelf different ways of advertising, such as, extra free piece money savings in case purchases, etc. Another way that became more popular is newspaper ads, those are followed by in-store promotion programs, specifically at the ended of every week or month.

1. **POTENTIAL FOR EXPORT:**

As a result of the tough competition in the market, the local producers have tried to find new markets by exporting their products to different countries mainly Egypt, UAE, Qatar, lenanon and Kuwait. The efforts of local producers to develop their export business have increased in recent years. There are increasing levels of exports as shown in the following table:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | **1997** | | **1998** | |
| Total Exports | | **3800** | | **4000** | |

**10. CURRENT OBSTACLES FACING LOCAL PRODUCERS:**

In spite of the great success achieved by some of the chocolate producers, still this sector is facing some problems. The following are the main problems which face the local chocolate producers.

* Severe competition from imported brands.
* The relatively high level of bad debts.
* The high rate of shelf rent in the supermarkets.
* The lack of reliable information about both the local and export markets.
* Collection problems from customers
* High transportation cost between regions given the nature of chocolate products.
* The increase in the raw material prices..

**11. CONCLUSION AND RECOMMENDATION:**

**CONCLUSION:**

* Based on our field survey which covered chocolate local producers, importers and wholesalers, it is quite clear that the overall Kingdom chocolate market is flooded with a large number of brands most of which are coming from imports. It is also noticed that the market is in slight growth. We expect the market to grow slowly in the future. This is attributed to:
* Population growth.
* Affordable prices for the targeted groups.
* The existence of a number of local producers and importers with wide range of variety in terms of flavours, packaging and sizes.
* Saudi consumers as well as traders have accepted the locally made chocolate products to be equal to imports in terms of taste and product quality and even better in terms of freshness and lasting shelf life.
* Most of the leading producers who represent the majority of the capacity available are believed to be working on one shift.
* In the Western and Central Regions there is an over-supply while in the Eastern, Northern and Southern regions there exists a shortage due to the fact that there are no plants operating there.
* Evaluation of the demand / supply balance for chocolate market shows that the existing installed capacity (18,402 TPA) on single shift represents 57 % of the total market in 1999.

**RECOMMENDATION:**

Based on the current and future supply/demand situation and marketing considerations SIDF Marketing Division recommends the following:

1. SIDF should support only projects aiming at imports substitution where sponsors have well-established brand names and nation-wide distribution system. Also, projects for the production of high quality chocolate can be supported.
2. Applications for expansions, relocations and modernizations of existing projects should be assessed on their own merits.
3. Ministry of Industry & Electricity should continue its policy of suspending issuance of new licenses. The existing 48 licenses quite adequate to serve this market.

**Appendix no. 1**

**Local Producers Chocolate Licensed and Installed Capacities**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Lic. No.** | **Date** | **Factory Name** | **Status** | **Location** | **Capacity** | |
| **Lic.** | **Ins.** |
| 1063 | 1414 | Al-Fadhl Sweets | Inv.# 1189 | Riyadh | 2,400 | 1,355 |
| 87 | 1414 | Al Nuqli sweets | Inv.# 1349 | Jeddah | 1,000 | 800 |
| 689 | 1418 | Rana Confectionery | I. # 856 | Riyadh | 4,020 | 5,058 |
| 801 | 1414 | MAJ Food Dist. | Inv. #1009 | Jeddah | 12,080 | 3,333 |
| 350 | 1414 | Tasnea Int’l Food | I #. 1243 | Jeddah | 650 | 287 |
| 612 | 1415 | Bateel Sweets | Inv. # 1343 | Riyadh | 90 | 140 |
| 995 | 1416 | Thimar Food | Inv. # 1427 | Jeddah | 550 |  |
| 48 | 1410 | Sugar Cone Fty | Inv. #1579 | Jeddah | 400 | 262 |
| 250 | 1412 | Savola Chocolate | I.# 1277 | Jeddah | 6000 | 3400 |
| 219 | 1412 | Saudi Labanese | Non-SIDF | Jeddah | 450 | 300 |
| 817 | 1413 | Badr Chocolates | = = | Makkah | 325 | 400 |
| 420 | 1400 | Badrah Fty. | = = | Jeddah | NA | 80 |
| 445 | 1409 | Yabrin Factory | = = | Riyadh | 75 | 75 |
| 191 | 1409 | Khazendar (Baraka) | = = | Jeddah | 50 | 1.5 |
| 127 | 1415 | Bashaer Choc. | = = | Jeddah | 2000 | 1300 |
| N.A | NA | Al Hana Chocolates | = = | Jeddah | NA | 610 |
| 763 | 1415 | Al-Ghamdi (Mothel) | = = | Jeddah | 1500 | 90 |
|  |  | Others\*\* |  |  |  |  |
| Total | | |  |  | 31,590 | 18,042 |

**Appendix no. 2**

**Local Producers Of Chocolate Products Historical Sales (tonnes)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Factory Name** | **Status** | **Location** | **Local Sales** | | |
| **1996** | **1997** | **1998** |
| Al-Fadhl Sweets | Inv.# 1189 | Riyadh | 322 | 362 | 312 |
| Al Nuqli sweets | Inv.# 1349 | Jeddah | 206 | 238 | 200 |
| Rana Confectionery | I. # 856 | Riyadh | 0 | 0 | 0 |
| MAJ Food Dist. | Inv. #1009 | Jeddah | 11,024 | 11,241 | 11,300 |
| Tasnea Int’l Food | I #. 1243 | Jeddah | 147 | 0 | 0 |
| Bateel Sweets | Inv. # 1343 | Riyadh | 13 | 17 | 29 |
| Thimar Food | Inv. # 1427 | Jeddah | 0 | 0 | 0 |
| Sugar Cone Fty | Inv. #1579 | Jeddah | 15 | 15 | 15 |
| Savola Chocolate | I.# 1277 | Jeddah | Na | 293 | 712 |
| Saudi Labanese | Non-SIDF | Jeddah | 215 | 226 | 238 |
| Badr Chocolates | = = | Makkah | 300 | 325 | 350 |
| Badrah Fty. | = = | Jeddah | 19 | 19 | 20 |
| Yabrin Factory | = = | Riyadh | 6.5 | 11 | 13 |
| Khazendar (Baraka) | = = | Jeddah | 0.583 | 0.648 | 0.720 |
| Bashaer Choc. | = = | Jeddah | NA | NA | NA |
| Al Hana Chocolates | = = | Jeddah | 50 | 65 | 80 |
| Al-Ghamdi (Mothel) | = = | Jeddah | 10 | 10 | 15 |
| Others\*\* |  |  | 200 | 200 | 250 |
| **Total** | | | **12,328** | **13,022** | **13,535** |

\*\* Others : this is our estimate due to the non-availability of information from some of the local producers.

**Appendix-3-**

**Wholesale and Retail Selling Prices**

**Count lines chocolate:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Count lines chocolate** | | | | | |
| **Brand** | **Size(g)\Pcs** | **Retail (SR)\Pcs** | **No.of Pcs/Cas** | **W.Sale (SR)\Case** | **Producer/**  **Agent** |
| Pik-one | 24 | 0.5 | 24x25g | 13 | Gandour |
| Ulker | 40 | 1 | 20x40g | 18 | Balshref |
| FlikFlak | 25 | 0.5 | 36x25g | 14 | Rana |
| Reo Haz. | 25 | 1 | 24x25g | 9 | Jamjoom |
| Reo Cocount | 25 | 1 | 10 |
| Reo Carmel | 25 | 1 | 8 |
| Reo Milk | 25 | 1 | 7 |
| Bandiedo | 30 | 1 | 24x30g | 11 |
| Nestle | 100 | 4-5 | 24x49g | 31 | GTC |
| Kit-Kat | 48 | 2 | 24x25g | 30 |
| Galaxy | 22,5 | 1 | 24x47g | 20 |
| Twix | 29 | 1.5 | 24x47g | 34 |  |
| Snickers | 32 | 1 | 24x65g | 30 |
| Mars | 33 | 1 | 36x32g | 30 |

**Chocolate powder:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Chocolate powder** | | | | | |
| **Brand Name** | **Size (g)\Pcs** | R. Price (SR)\Pcs | **No. of**  **Pcs/Case** | **W. Price (SR)\Pcs** | **Source** |
| Cadbury | 125 | 7 | 12 | 85 | UK |
| Ovailteen | 400 | 13 | 12 | 155 | Swiss |
| milo | 400 | 14 | 6 | 85 | Kenya |
| hintez | 125 | 7 | 12 | 85 | Germany |
| Niskueq | 450 | 10 | 12 | 120 | Turkey |
| Galaxy | 300 | 12 | 12 | 140 | Germany |
| Quieq | 850 | 16 | 6 | 95 | USA |
| Maltovita | 450 | 14 | 6 | 85 | India |

**Liquid chocolate:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Liquid Chocolate** | | | |
| **Brand Name** | **Size (g)\Pcs** | **Retail Price (SR)\Pcs** | Source |
| Nautili | 200 | 9 | Italy |
| Galaxy | 310 | 13 | Poland |
| Bitekoekr | 453 | 9 | USA |
| Bamilea | 750 | 13,5 | Greece |
| 400 | 8,95 |

**3.4 Assorted chocolate:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Assorted chocolate** | | | | |
| Source | Price(SR)\Kg | Weight(g)\Piece | **Brand Name** | Conf. Name |
| Lebanon | 50 | 10 - 50 | Tresor | Al-Nuq-taeh |
| La rosa |
| **Fine Cold** |
| Local | 50 | Crinas | Conf.World |
| 80 | Coral |
| Lebanon | 120 | Dan di | Royal Conf. |
| 85 | **SD** |
| Swiss | 250 | Good Iva |
| Local | 80 | Coral |
| **Belgium** | 120 | **Belgium** |
| Lebanon | 40-50 | Tresor | Occasions |
| La rosa |
| Birdy |
| Local | 50 | Crinas |
| Lebanon | 50 | Falcon | Wazeer |