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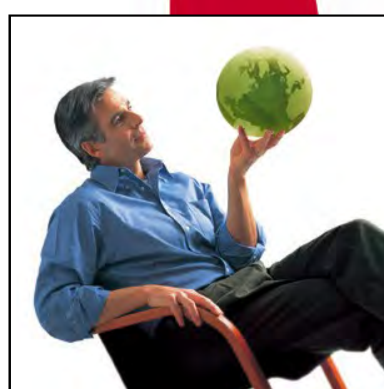
The Market for Dairy Products
In China



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INTRODUCTION

The Chinese retail dairy market totalled US$36.6 billion in 2010, and is expected to grow by 80.3% from 2011 to 2016. This market includes drinking milk, baby milk formula, yogurt, ice cream, coffee whitener, condensed milk, cheese and butter. Sales of dairy in the foodservice sector reached almost US$4.7 billion* in 2010.

China's imports of dairy products have more than doubled in the past five years, reaching over US$1.9 billion in 2010. China is not only increasing its imports of finished dairy products, but also its imports of ingredients necessary for the production of dairy products, dairy cattle genetics, and breeding cattle.

Production and consumption of dairy products are expected to continue to rise after a small dip in 2009, due to melamine-tainted products. Prices of dairy products are also on the rise, as more high-end health and wellness products enter the market to counter the melamine scandal. Prices are also rising due to increases in imports, higher labour and other input costs for raw milk, as well as low domestic supply and high demand.

A list of the top competitors in each commodity of the Chinese dairy market can be found in the Appendix on page 12.

*In operator buying prices (the prices foodservice operators pay to manufacturers for various food and beverage items), dairy includes milk, yogurt, ice cream, spreadable fats (includes margarine and butter), cheese and cream.

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DAIRY COMMODITIES

- The following table represents the production and consumption in key dairy sectors in China. Consumption and production of further processed dairy products, such as ice cream and yogurt, are not available for China from the United States Department of Agriculture (USDA). Production of dairy products in China is expected to continue to increase in the near future.

Chinese Production and Consumption of Key Dairy Commodities, in ’000 Metric Tons

Commodity	Attribute	2005	2006	2007	2008	2009	2010	2011
Dairy, Dry Whole Milk Powder	Production	918	1,030	1,150	1,120	977	1,000	1,050
	Domestic Consumption	951	1,071	1,137	984	1,154	1,347	1,507
Dairy, Milk, Fluid	Production	28,648	33,025	36,334	35,450	29,625	30,328	31,780
	Domestic Consumption	28,618	32,992	36,292	35,420	29,618	30,321	31,774
Dairy, Milk, Nonfat Dry	Production	60	55	58	53	54	55	56
	Domestic Consumption	115	116	94	107	124	146	156

Source: *USDA FAS, 2011.*

- China has higher fluid dairy production than Russia, Brazil, Australia, Canada, and some EU-27 countries.

- According to the USDA, there are five dairy-producing regions in China:
  - Northeast Inner Mongolia (milk powder, cheese, butter, UHT milk*, and some pasteurized milk)
  - North China (milk powder, cheese, UHT milk, pasteurized milk, and yogurt)
  - West China (milk powder, cheese, butter and protein powder)
  - South China (pasteurized milk, cheese, yogurt, and some condensed milk, UHT milk and milk powder)
  - Large cities and surrounding regions (pasteurized milk and yogurt)

- The Chinese government issued the China National Dairy Development Plan to increase domestic dairy production by raising cow head inventory, increasing the yield per animal, and increasing the number of dairy farms above 100-head. The government also introduced a dairy cow genetic improvement support fund. This will include subsidies for genetics for certain dairy cattle breeds.

- Consumption of dairy products in China is expected to continue to increase due to higher disposable incomes, increasing health consciousness, the increasing availability of cold chain logistics and milk products in retail outlets, and a rising interest in Western style foods in both retail and foodservice.

Source: *Shutterstock.*

*Milk with an extended shelf life that does not require refrigeration, due to ultra-high temperature (UHT) processing.

RETAIL DAIRY MARKET

- The Chinese dairy market reached US$36.6 billion in 2010, and has grown 58.4% from 2006 to 2010.
- The subcategory of baby and infant milk formula achieved the highest value growth from 2006 to 2010, at 170.6%. Coffee whiteners and condensed milk saw the lowest value growth with 26.4%, but this is still considered a healthy rate.
- China has the second largest retail market for dairy products in the world, the United States being the largest. However, per capita spending on dairy products reached just US$30.9 in 2011, ranking China 47th on a global scale.

Historic Market Sizes of Dairy Products in China - Retail Value in US$ Millions
Current Prices - Fixed 2011 Exchange Rates

Categories	2006	2007	2008	2009	2010	Growth 2006-10 %
Drinking Milk Products	14,137.5	16,197.5	16,727.2	18,158.7	20,014.1	41.6
Baby/Infant Milk Formula	2,699.4	3,682.0	4,663.1	5,930.2	7,305.7	170.6
Yogurt	2,721.3	3,293.1	3,613.3	4,179.4	4,772.7	75.4
Ice Cream	3,254.1	3,564.7	3,877.9	3,818.8	4,073.4	25.2
Coffee Whiteners and Condensed Milk	166.5	177.4	188.9	200.7	212.2	27.4
Cheese	68.3	80.3	95.9	111.8	131.4	92.5
Butter	41.7	46.5	51.5	55.7	60.8	45.9
Total Dairy	**23,088.8**	**27,041.5**	**29,217.8**	**32,455.3**	**36,570.3**	**58.4**

Source: *Euromonitor, 2011.*

- The Chinese dairy products market is expected to grow 80.3% from 2011 to 2016. The subcategories of cheese and baby/infant milk formula are expected to achieve the largest growth rates in retail value from 2011 to 2016, with 152.5% and 132.5%, respectively.

Forecast Market Sizes of Dairy Products in China - Retail Value in US$ Millions
Current Prices - Fixed 2011 Exchange Rates

Categories	2011	2012	2013	2014	2015	2016	Growth 2011-16 %
Drinking Milk Products	22,099.6	24,746.5	27,494.0	30,266.9	33,200.0	36,315.7	64.3
Baby/Infant Milk Formula	8,911.6	10,833.6	12,929.2	15,210.9	17,807.9	20,722.9	132.5
Yogurt	5,551.1	6,438.5	7,347.6	8,253.2	9,187.9	10,159.5	83.0
Ice Cream	4,399.1	4,794.5	5,224.2	5,687.8	6,157.4	6,652.0	51.2
Coffee Whiteners and Condensed Milk	230.6	249.5	265.8	279.8	293.7	307.7	33.4
Cheese	158.6	192.9	235.1	282.9	337.0	400.4	152.5
Butter	66.7	73.5	80.3	86.7	93.3	100.2	50.1
Total Dairy	**41,417.3**	**47,329.0**	**53,576.2**	**60,068.2**	**67,077.2**	**74,658.4**	**80.3**

Source: *Euromonitor, 2011.*

DRINKING MILK PRODUCTS

- Flavoured milk drinks, especially drinks based on traditional Chinese medicine, have grown the most (29%) from 2005 to 2010.
- Due to melamine found in some domestically produced products, more consumers are concerned about the safety of milk products, and are more willing to pay for premium/high-end products to ensure they are receiving a quality product. Consumers are also purchasing more products labeled as nutritional.
- Although long-life ultra-high temperature (UHT) milk sells more than fresh/pasteurized milk in the retail segment, the majority of consumers think that fresh milk is healthier. Growth in the fresh milk segment is expected to be higher in value and volume than the UHT milk segment from 2010 to 2015.
- In volume terms, around 95% of all drinking milk products sold in retail outlets in 2010 were in an ambient format, and the rest were in a chilled format.

- In 2010, 32.6% of drinking milk products' retail sales were through supermarkets or hypermarkets, 27.4% were through independent small grocers, 14.1% were through convenience stores, and 25.7% were through other grocery retailers.
- Milk delivery services are still used by households in large Chinese cities, as well as by schools for children's lunches.

Market Sizes of Drinking Milk Products in China - Retail Volume

Drinking Milk Categories	Unit	2005	2006	2007	2008	2009	2010
Milk	Million litres	5,510.4	6,623.2	7,491.7	7,378.2	7,668.0	8,002.0
Fresh/Pasteurised Milk	Million litres	1,655.8	1,803.0	1,950.0	1,975.7	2,076.8	2,187.3
Long-Life/UHT Milk	Million litres	3,854.6	4,820.2	5,541.7	5,402.5	5,591.2	5,814.7
Flavoured Milk Drinks	Million litres	2,583.2	3,090.9	3,766.2	4,194.2	5,236.0	6,298.9
Dairy Only Flavoured Milk Drinks	Million litres	1,877.7	2,263.0	2,740.7	2,973.8	3,378.6	3,805.2
Flavoured Milk Drinks with Fruit Juice	Million litres	705.5	827.9	1,025.5	1,220.4	1,857.4	2,493.7
Soy Beverages	Million litres	620.9	659.5	696.1	771.2	864.1	940.0
Powder Milk	'000 tonnes	376.0	400.5	430.6	361.6	300.1	278.0
Flavoured Powder Milk Drinks	'000 tonnes	18.4	19.4	20.3	21.1	21.8	22.3

Source: *Euromonitor, 2011.* ***Note****: Retail value data is not available.*

MILK FORMULA

- Due to the melamine scandal, manufacturers have looked towards introducing products that will be seen as safe and healthy by consumers. The first organic-certified milk formula in mainland China was launched in 2009 by Ausnutria Dairy.

- All of the milk formula sold in China is in a powdered format, as consumers have no knowledge of liquid milk formula. A large number of milk formula products in China are made with goat's milk, which is a very popular variation of baby food, despite not being very popular as drinking milk for adults.
- In 2010, 42% of milk formula value sales were labelled as toddler formula, 32% was follow-on formula (formula usually for older babies that contains more vitamins/minerals), and the rest was standard milk formula.
- In 2010, supermarket/hypermarkets held the majority of Chinese baby food value sales, with 71.2%. Non-grocery retailers held 21.6% of the market, followed by independent small grocers with 3.9%, and convenience stores with 2.8%.
- International companies were not affected by the melamine scandal, and their market shares have remained relatively stable.

YOGURT

- Value sales of drinking yogurt were double that of spoonable yogurt in 2010. Consumers in China consider drinking yogurt to be much more convenient, however growth in both value and volume sales of spoonable yogurt is expected to be higher than drinking yogurt from 2010 to 2015.
- More functional yogurts, such as pre-biotic and pro-biotic varieties, are entering the Chinese market. As a result, the average retail price of yogurt rose in 2010. Other health and wellness yogurts, such as those that tout beneficial skin care attributes such as aloe and collagen, are also becoming popular.
- Like most other dairy products in China, domestic yogurt players dominate the market due to strong marketing campaigns, product innovation, knowledge of consumer preferences, and well-maintained logistics. A list of top companies in the total retail dairy market can be found in the appendix, on page 12 of this report.
- In 2010, 78% of yogurt sales were through hypermarkets/supermarkets, while sales through convenience stores represented 14.4%.

Market Sizes of Yogurt in China - Retail Volume

Yogurt Categories	2005	2006	2007	2008	2009	2010
Drinking Yogurt (Million litres)	1,227.4	1,519.7	1,871.5	2,015.8	2,231.0	2,469.3
Spoonable Yogurt ('000 tonnes)	602.5	695.5	778.1	834.9	988.0	1,111.7

Source: *Euromonitor, 2011.* ***Note****: Retail value data is not available.*

ICE CREAM

- In 2010, volume sales of ice cream reached 2.9 million litres, with a whopping 96% represented by impulse ice cream, and the remainder being take-home ice cream. Independent small grocers held 62% of the value sales of impulse ice cream in 2010, while most take-home ice cream was sold in supermarkets/hypermarkets.
- Cold chain logistics remain an issue in smaller cities and rural areas. Some Chinese consumers do not have refrigeration units in their household. However, ice cream sales are expected to continue to grow from 2010 to 2015, as the government promotes its "Consumer Appliances into Rural" program.
- Consumers in large and urban areas expect premium product availability. As a result, average unit prices of ice cream are expected to rise. Urban consumers are also purchasing more products from artisanal ice cream retail chains such as Cold Stone Creamery and Dairy Queen.
- The top three companies for ice cream value sales in China are domestic players. However, unlike many other dairy products in China, international players have penetrated the ice cream market significantly. Nestlé China held 6.7% of the ice cream market in 2010, followed by Haagen-Dazs Distribution and Marketing Philippines with 1.8%.

COFFEE WHITENERS AND CONDENSED MILK

- Condensed milk has seen healthy growth due to the number of small bakeries and restaurants in large cities. Coffee cream has seen positive growth as well, due to increasing coffee purchases among Chinese consumers.
- In 2010, 79.1% of the retail sales of coffee whiteners and condensed milk were in supermarkets or hypermarkets.
- Cream is usually included in this section, but sales are negligible in the retail sector, as Chinese consumers do not see its use for cooking. However, sales of cream in the foodservice sector continue to grow.

Market Sizes of Coffee Whiteners and Condensed Milk in China - Retail Volume

Categories	2005	2006	2007	2008	2009	2010
Coffee Whiteners (tonnes)	8,500.0	9,027.1	9,645.2	10,301.4	10,982.7	11,623.3
Condensed/Evaporated Milk ('000 litres)	19,815.9	20,846.5	21,908.4	22,886.6	23,775.9	24,591.9

Source: *Euromonitor, 2011.* ***Note****: Retail value data is not available.*

CHEESE

- Cheese is a very niche market in China, with most consumption occurring in larger cities where Western-style food can be found. Cheese is most popular among children, and parents are willing to purchase it due to its nutritional value.
- Only processed cheese products, such as cheese slices and cream cheese, have penetrated the Chinese market. However, un-processed cheese is expected to break into the Chinese retail market in the future as some residents adopt aspects of the Western lifestyle.
- Bright Dairy and Food Co. held a 52% share of the retail cheese market in 2010. This was followed by Fonterra Commercial Trading with 18.5%.
- In 2010, 93.3% of retail cheese sales by value were through supermarkets and hypermarkets, 4.8% through independent small grocers, and 1.9% through other grocery retailers.

Market Sizes of Processed Cheese in China - Retail Volume in Tonnes

Cheese Categories	2005	2006	2007	2008	2009	2010
Spreadable Processed Cheese	1,510.0	1,827.4	2,146.7	2,510.1	2,897.3	3,413.9
Unspreadable Processed Cheese	2,650.0	3,138.2	3,781.2	4,483.5	5,219.3	6,222.5
Total Processed Cheese	**4,160.0**	**4,965.5**	**5,927.9**	**6,993.6**	**8,116.7**	**9,636.4**

Source: *Euromonitor, 2011.* ***Note****: Retail value data is not available.*

BUTTER

- Volume sales of butter reached 7,650 tonnes in 2010, selling more than margarine at 4,660 tonnes. However, butter is not very popular in China, as seed oils are seen as healthier choices.

FOODSERVICE DAIRY SALES

Chinese Foodservice Sales of Dairy Products - Operator Buying Prices* in US$ Millions

Dairy Product	2006	2007	2008	2009	2010
Milk	2,868.4	3,344.3	3,841.1	3,620.3	3,698.5
Yogurt	126.0	136.8	147.8	152.3	159.1
Spreadable Fats (includes butter and margarine)	88.6	94.5	100.4	104.4	106.3
Cheese	56.7	64.3	72.1	69.8	70.8
Cream	1.2	1.3	1.5	1.4	1.5
Total Dairy Products	**3,140.9**	**3,641.2**	**4,162.9**	**3,948.1**	**4,036.1**
Impulse Ice Cream	430.5	462.1	492.6	521.8	551.6
Take-home Ice Cream	68.6	75.6	82.4	89.4	96.5
Artisanal Ice Cream	53.6	58.3	62.8	67.1	71.5
Total Ice Cream	**552.8**	**595.9**	**637.8**	**678.3**	**719.5**

Source: *Datamonitor, 2011.*
***Operator Buying Prices (OBP)** = the prices foodservice operators pay manufacturers for various food and beverage items.

- In 2010, foodservice operators purchased US$4.7 billion worth of dairy products, most of which was milk, followed by impulse ice cream and yogurt. Dairy product sales in the foodservice sector are not growing as fast as the retail sector, but are still achieving healthy growth rates.

Forecast Chinese Foodservice Sales of Dairy Products - Operator Buying Prices* in US$ Millions and % Growth

Dairy Product	2011	2012	2013	2014	CAGR** 2006-14
Milk	3,855.4	4,090.2	4,435.8	4,839.3	6.76%
Yogurt	168.2	180.0	192.9	207.0	6.40%
Spreadable Fats (includes butter and margarine)	109.7	114.3	120.5	127.3	4.63%
Cheese	73.1	76.8	82.5	90.5	6.02%
Cream	1.5	1.6	1.7	1.8	5.28%
Total Dairy Food	**4,207.9**	**4,462.9**	**4,833.4**	**5,265.8**	6.67%
Impulse Ice Cream	581.7	612.4	642.9	672.8	5.74%
Take-home Ice Cream	104.0	111.8	119.8	127.9	8.09%
Artisanal Ice Cream	76.0	80.7	85.5	90.1	6.70%
Total Ice Cream	**761.7**	**804.8**	**848.2**	**890.8**	6.15%

Source: *Datamonitor, 2011.*
***Operator Buying Prices (OBP)** = the prices foodservice operators pay manufacturers for various food and beverage items.
****CAGR** = compound annual growth rate.

TRADE

- China imported US$5.7 million worth of bovine genetics from Canada in 2010. This has grown substantially from 2005 levels. China does not import live bovine animals from Canada. Most of its imports of live breeding cows are sourced from Australia, New Zealand and Uruguay (starting in 2010).

Chinese Import Statistics in US$ - Commodity 051110: Bovine Semen

Partner Country	2005	2006	2007	2008	2009	2010
World	957,955	2,371,514	4,440,070	2,788,969	4,452,293	12,318,043
Canada	957,955	1,414,033	2,873,207	656,009	880,852	5,716,432
The United States	0	669,957	524,141	695,225	2,762,176	4,109,447
Germany	0	218,958	892,227	1,036,752	195,794	1,336,795
The Netherlands	0	0	0	154,163	419,056	1,027,142
France	0	0	84,884	100,667	106,998	117,160

Source: *Global Trade Atlas, 2011.*

- Other dairy products where Canada may have the chance to increase exports include: whey protein concentrates in powder form; whey powder, whether or not sweetened; milk powder (not exceeding 1.5% fat); and dairy-based ice cream.

Chinese Import Statistics From Canada in US$

Commodity	2005	2006	2007	2008	2009	2010	Global Share 2010
(04041000) Whey & Modified Whey	4,796,922	4,249,394	2,094,274	3,723,835	5,527,659	2,378,460	0.7%
(04021000) Milk & Cream In Solid Forms, Fat <= 1.5%, Concentrated	402,781	0	4,337,795	3,835,693	2,075,750	1,644,943	0.6%
(21050000) Ice Cream & Other Edible Ice, Whether Or Not Containing Cocoa	488,558	305,296	349,961	521,508	718,567	772,653	3.5%

Source: *Global Trade Atlas, 2011.*

NEW PRODUCT LAUNCHES

- The following section lists the number of new dairy products introduced into the Chinese retail market from January 2006 to the end of September 2011, and their sub-categories.

- Drinking yogurts and liquid cultured milk products are the most popular dairy product introductions in China. However, spoonable yogurt and growing-up milk (1-4 years) have seen their product introductions increase steadily each year. This is due to growing health and wellness trends, as consumers seek health benefits from spoonable yogurts and respond to advertisements promoting the benefits of feeding their infants formula well into the toddler years.

- Some top claims for the dairy category include “vitamin/mineral fortified,” “no additives/preservatives,” “functional/digestive,” “halal,” “babies and toddlers (0-4),” “added calcium,” “pre-biotic,” “children (5-12),” “functional (other),” and “low/no/reduced sugar.”

New Dairy Product Introductions in China by Sub-Category and Year of Introduction

Sub-Category	2006	2007	2008	2009	2010	2011*	Total # of Products
Drinking Yogurts and Liquid Cultured Milk	165	318	430	224	207	141	1,485
Flavoured Milk	147	176	178	99	126	96	822
White Milk	74	188	185	105	84	87	723
Dairy-Based Frozen Products	60	163	144	76	104	90	637
Spoonable Yogurt	54	101	72	52	59	101	439
Growing-Up Milk (1-4 years)	14	19	15	14	22	36	120
Baby Formula (0-6 months)	8	21	15	14	18	23	99
Baby Formula (6-12 months)	11	10	20	4	12	23	80
Processed Cheese	6	10	15	9	18	10	68
Hard Cheese and Semi-Hard Cheese	7	1	5	5	5	3	26
Soft Cheese Desserts	0	0	3	2	7	9	21
Soft Cheese and Semi-Soft Cheese	3	0	4	1	2	1	11
Sweetened Condensed Milk	1	3	1	0	1	4	10
Creamers	0	2	4	0	1	2	9
Fresh Cheese & Cream Cheese	1	1	1	1	2	1	7
Growing-Up Milk (4+ years)	2	2	2	0	0	0	6
Cream	0	0	1	0	3	1	5
Butter	1	0	2	0	2	0	5
Liquid Dairy - Other	3	1	0	0	0	0	4
Total Number of Products	**557**	**1,016**	**1,097**	**606**	**673**	**628**	**4,577**

Source: *Mintel GNPD, 2011.*
***2011 data** - only includes January through September.*
Note: Milk formula includes soy, goat’s milk and cow’s milk. The data as listed here does not include: milk teas, juice drinks mixed with milk, meal replacements, coffee flavoured milk drinks, certain milk-based drink mixes, soy-based products (yogurts, milk or ice cream), or seed- or grain-based milk drinks.

NEW PRODUCT EXAMPLES

A+ Lactose Free Baby Milk Powder

Company: Mead Johnson
Brand: Mead Johnson Enfamil
Date Published: September 2011
Pack Size: 400g
Price in Local Currency: CNY117.0
Major Currency: US$17.76

Product Description:
Mead Johnson Enfamil A+ Formula is suitable for babies who are suffering from lactose intolerance. It has added DHA and ARA and contains 100% whole milk protein, choline and iron. The milk powder is said to support vision and brain development.

Source: *Mintel GNPD, 2011.*

Active Lactobacillus Drink

Company: Junlebao Dairy
Brand: Junlebao Mei Ri Huo Jun
Date Published: September 2011
Pack Size: 8 x 100ml
Price in Local Currency: CNY7.2
Major Currency: US$1.09
Storage: Chilled

Product Description:
Junlebao Active Lactobacillus Drink is made with milk, active lactobacillus and pineapple juice. The lactobacillus drink contains LB-1 lactobacillus and is said to replenish nutrients and energy to the body.

Source: *Mintel GNPD, 2011.*

Milk Flavoured Ice Cream With Honey Red Beans

Company: Shanghai Yiming Food
Brand: Bright Guang Ming Dou
Date Published: September 2011
Pack Size: 450g
Price in Local Currency: CNY10.5
Major Currency: US$1.59

No Further Description Available

Source: *Mintel GNPD, 2011.*

APPENDIX: TOP DAIRY COMPANIES

- The following is a list of the top dairy companies in China, by subsector.

Top Company Shares of Drinking Milk in China (by Global Brand Owner) - Retail Value % Breakdown

Companies	2007	2008	2009	2010
China Mengniu Dairy Co Ltd	21.1	22.1	21.8	23.6
Inner Mongolia Yili Industrial Group Co Ltd	16.9	17.1	18.0	20.4
Hangzhou Wahaha Group	-	-	8.9	9.0
Want Want Group	2.9	3.4	4.8	5.7
Bright Food (Group) Co Ltd	3.9	4.3	4.4	4.6
Wonder Sun Dairy Co Ltd	0.7	1.8	2.2	2.2
Beijing San Yuan Foods Co Ltd	1.1	1.3	2.1	2.1
Nestlé SA	1.9	1.9	1.7	1.5
China Dairy Group Ltd	1.1	1.2	1.3	1.2
Sichuan New Hope Agribusiness Co Ltd	1.0	1.2	1.2	1.1

Top Company Shares of Milk Formula in China (by Global Brand Owner) - Retail Value % Breakdown

Companies	2007	2008	2009	2010
Mead Johnson Nutrition Co	-	-	11.0	11.7
Danone, Groupe	9.2	10.9	10.2	9.8
Hangzhou Beingmate Group Co Ltd	-	6.2	8.9	9.2
Inner Mongolia Yili Industrial Group Co Ltd	5.9	4.3	6.2	7.9
Pfizer Inc	-	-	7.0	7.4
Yashili International Holdings Ltd	-	-	-	6.6
Abbott Laboratories Inc	5.2	5.7	5.3	5.3
Synutra Inc	6.8	5.6	3.6	2.5
Nestlé SA	4.4	4.0	2.9	2.3
Global Dairy Holdings Ltd	1.0	1.4	1.3	2.2

Top Company Shares of Yogurt in China (by Global Brand Owner) - Retail Value % Breakdown

Companies	2007	2008	2009	2010
China Mengniu Dairy Co Ltd	8.6	10.1	10.6	15.9
Hangzhou Wahaha Group	-	-	13.8	14.4
Bright Food (Group) Co Ltd	10.2	11.9	10.5	11.0
Inner Mongolia Yili Industrial Group Co Ltd	5.6	6.8	7.5	8.8
Jinan Jiabao Dairy Co Ltd	3.0	3.1	3.5	3.7
Yakult Honsha Co Ltd	1.9	2.5	3.0	3.7
Shenyang Dairy Co Ltd	2.6	2.7	2.5	2.5
Sichuan New Hope Agribusiness Co Ltd	2.0	2.3	2.2	2.3
Beijing San Yuan Foods Co Ltd	0.9	1.2	1.8	1.8
Danone, Groupe	10.9	11.4	1.0	1.5

Source for all: *Euromonitor, 2011.*

Top Company Shares of Ice Cream in China (by Global Brand Owner) - Retail Value % Breakdown

Companies	2007	2008	2009	2010
Inner Mongolia Yili Industrial Group Co Ltd	15.2	17.0	17.0	17.3
China Mengniu Dairy Co Ltd	11.2	13.5	14.0	15.2
Unilever Group	6.8	7.0	7.4	7.4
Nestlé SA	3.1	3.0	3.2	3.2
Zhejiang Wu Feng Frozen Food Co Ltd	1.4	1.6	1.8	1.9
Henan Tianbing Co Ltd	1.2	1.2	1.3	1.4
Shenyang Deshi Enterprise Group Co Ltd	1.3	1.3	1.4	1.3
Beijing Allied Faxi Food Co	0.9	0.9	1.2	1.3
Bright Food (Group) Co Ltd	1.2	1.2	1.3	1.3
Youcan Group Co Ltd	1.0	1.2	1.2	1.2

Source: *Euromonitor, 2011.*

- The top company in the coffee whiteners and condensed milk category is Nestlé, followed by Kraft and Zhejiang Panda Dairy Products.
- Top companies in the cheese market include Bright Food Group, Bongrain, and Beijing San Yuan Foods.
- Top companies in the butter category include Fonterra Co-operative Group, Bright Food Group and Lactalis Groupe.

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