

FOR IMMEDIATE RELEASE

Contact:
Chanda Rowan
Intel
312-932-0400, x353
crowan@intel.com

**Mintel Partners with NASFT to Launch Latest Research Findings on
\$24.7 Billion Specialty Foods Industry**
The State of the Specialty Food Industry Report Cites Revenues Up Close to 20%

CHICAGO (May 17, 2005)— Intel International Group has partnered with the National Association for the Specialty Food Trade, Inc. (NASFT) to unveil the annual State of the Specialty Food Industry Report. Specialty food is defined as products that have a limited distribution and a reputation for high quality. Including information from SPINS, an industry leader in natural product market research, the report provides key findings that impact the specialty food industry, estimated at \$24.7 billion in 2004.

“There has been a consistent evolution in the specialty food industry, specifically in the types of products that are being offered and their mainstream availability,” said Marcia Mogelonsky, senior research analyst for Intel. “More than 5,300 products were introduced in 2004, and that number is expected to climb significantly over the next year.”

In addition to providing insight regarding types and availability of specialty foods, the report explores key trends for 2005. Increases in immigration and travel are key drivers that will play a significant role in increasing specialty food interest. In addition, the Internet is predicted to play a greater role in the increase of sales and awareness.

“The specialty food industry has experienced tremendous growth, and we are excited to present our findings,” said Ron Tanner, vice president of communications and education for NASFT. “Working in conjunction with key partners such as Intel, we are able to provide a strong and comprehensive industry outlook that will fuel future industry trends.”

-more-

STATE OF THE SPECIALTY FOOD INDUSTRY REPORT- PAGE 2

Key report facts include the following:

- Sales of specialty food at retail outlets increased by 17.9% between 2002 and 2004, while sales of all food at retail increased just 7.7%
- The fastest-growing specialty segment was beverages, including sodas, juices and functional beverages— sales were up 39.1% between 2002 and 2004
- The median annual sales of specialty food manufacturers is \$1 million
- According to NASFT, more than 200 million Americans enjoy specialty foods as part of their lifestyle— 67% of consumers between the ages of 25 and 34 purchase specialty food
- Currently there are approximately 14,000 U.S. specialty food stores

For the report, Mintel surveyed 420 specialty food retailers and 309 specialty food manufacturers, importers, distributors and brokers. SPINS pulled information for the 28 specialty food segments from its database of mainstream and natural food stores. Mintel also utilized Food, Drug and Mass Merchandiser information from Information Resources, Inc. (IRI.)

About NASFT

Established in 1952, the National Association for the Specialty Food Trade, Inc. (NASFT) is the only U.S. trade association representing all segments of the specialty food industry. Today, there are 2,39 members that produce nearly 100,000 specialty food products. For further information on the Fancy Food Shows[®], visit the NASFT's Web site at www.specialtyfood.com.

About Mintel

Mintel is a worldwide leader of competitive media, product and consumer intelligence. For more than 30 years, Mintel has provided key insight into leading global trends. With offices in Chicago, London, Belfast and Sydney, Mintel's innovative product line provides unique data that has a direct impact on client success. For more information on Mintel, please visit their Web site at www.mintel.com.

#