

HIGHLIGHTS FROM STRATEGIC CONSULTING INC. MICROBIOLOGY MARKET REPORTS

Major changes in Food Microbiology testing market



New Report Analyzes Market Growth and Examines the Growing Conversion to Rapid Methods

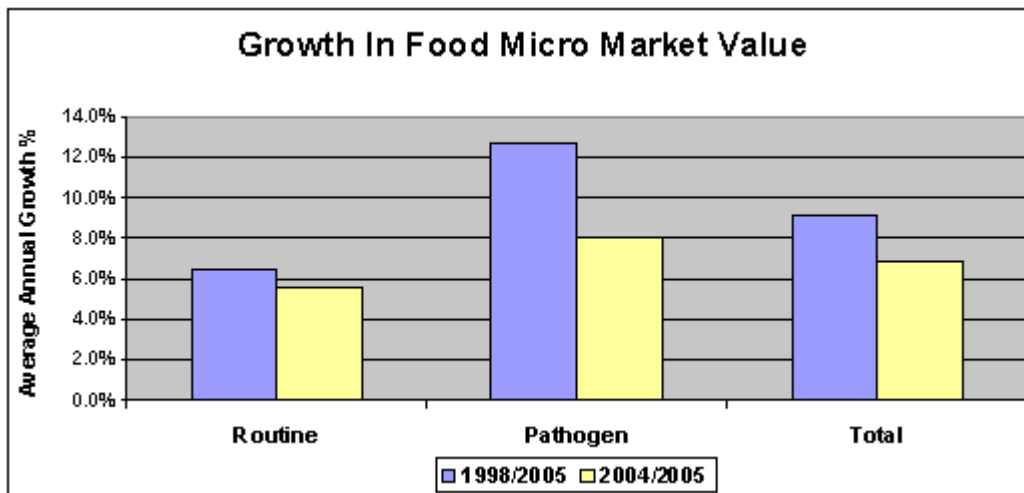
According to a new market report entitled **Food Micro-2005**, the worldwide food microbiology market in 2005 represents over 625 million tests with a market value in excess of \$1.65 billion.

Simply put, **Food Micro-2005** is the best market research report yet published by Strategic Consulting Inc. (SCI). SCI's reports have become accepted widely by leading diagnostic manufacturers and investors as highly credible industry analyses.

Food Micro-2005 includes a thorough review of the global market for microbiology testing generated by the Food Processing Industry along with detailed examinations into its four main sub-sectors—meat, dairy, fruits/vegetables, and processed foods.

The Food Sector represents the largest market segment within the Industrial Microbiology Market and represents almost 50% of the total market. The Food Sector is more than double the size of any of the other industrial segments including the Pharmaceutical, Personal Care Products, Beverage, Environmental, and the Industrial Process Sectors.

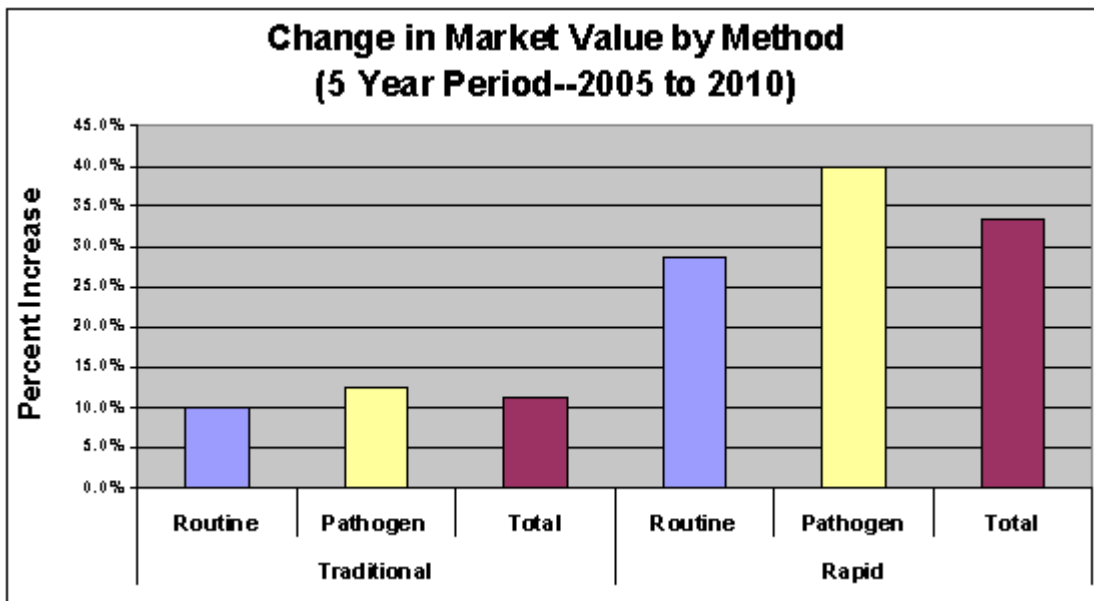
Over the past decade there has been a heightened concern regarding food safety. This Report details the current conditions in the Food Microbiology testing market. **Food Micro-2005** also reviews the macro market changes underway that are impacting testing requirements and competitive practices. Given this foundation, **Food Micro-2005** then makes thorough market projections through to 2010.



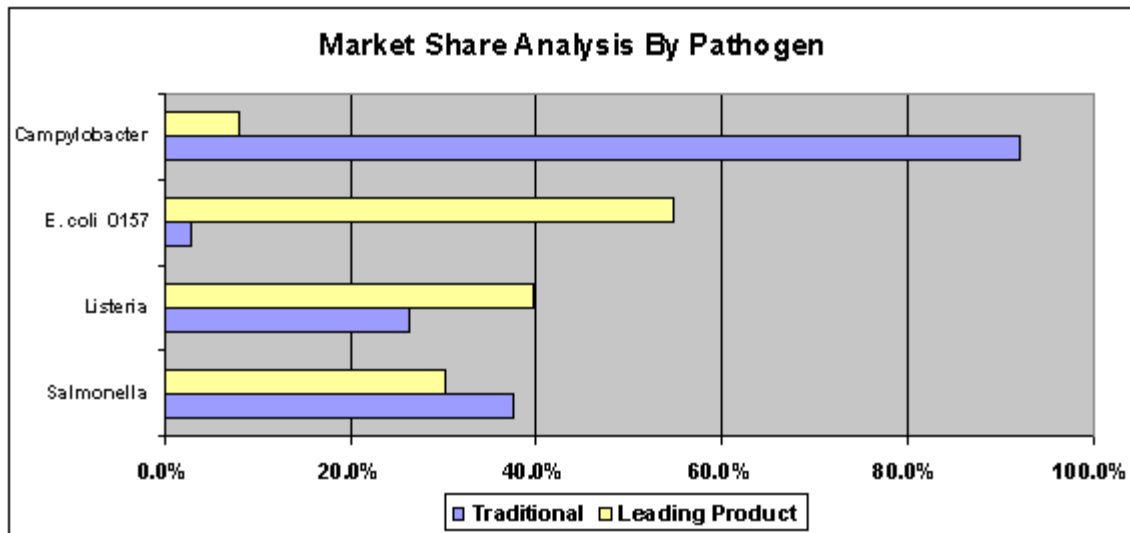
Since 1998 the market value for food microbiology testing has grown significantly and has had an annual average growth rate of 9.2%. However, as food processing companies have characterized their plants for microbiology issues, made process improvements, changed production practices, increased employee training, and generally become much more proactive, the rate of growth in microbiology testing has normalized. In fact, during the past year the market value for food microbiology testing grew at only a 6.8% rate.

A key factor in this decline in annual market value growth rates is explained by changes in pathogen testing practices. During the 1998 to 2002 period many companies were conducting one-time plant-wide audits to document potential pathogen issues. This led to a very rapid growth in pathogen testing. However, as these audits have diminished, growth rates have returned to a more sustainable level. Even with these growth rate declines, Food Micro-2005 projects the worldwide food microbiology testing market to grow to 822.8 million tests in 2010 with a market value of \$2.4 billion. This represents a projected annual growth rate of 5.6% in testing volume. "The market value for these tests will grow at a faster rate than testing volumes. Driving this higher increase is an acceleration of the conversion from traditional microbiological testing methods to rapid methods," says Tom Weschler, president of Strategic Consulting. These newer methods have a higher price per test but are being used more frequently because they provide faster results and/or ease-of-use benefits versus the traditional methods.

Traditional methods currently account for approximately 65% of the tests performed worldwide in 2005 in the Food Microbiology Market. Rapid methods (including convenience based, immunoassay based, and molecular based methods) accounted for the remaining 35%, or approximately 220 million tests.



By 2010, however, much will have changed. Traditional methods will still be the predominant methods used at 428.2 million tests, but will represent only 52% of all tests, which is a reduction of 12.4% based on percentage of tests performed. All the types of rapid methods will make significant gains in usage during the coming 5 year period. When combined, the annual test volume of rapid methods will almost double from current levels and reach 394.6 million tests in 2010. The gain in the market value for rapid methods will be even more pronounced than the testing volume increases since the rapid methods have much higher average prices per test than traditional methods. Throughout Food Micro--2005 there is extensive analysis of testing methods used by organism, by sub-sector, and by major geographical region. For example the following chart summarizes the global testing methods used in 2005 to analyze the dominant pathogens in the Food Sector. As can quickly be seen, the choice of method varies greatly by organism.



"With such solid growth prospects, this Food Sector is a market that all diagnostic manufacturers need to understand and, where they are not currently present, possibly enter," says Weschler. The Report contains the vital information required to facilitate the making and justification of such key strategic decisions.

Food Micro-2005 is over 250 pages in length and is presented in fifteen tabulated sections in a well-organized, easy reference spiral binder. Over 280 data tables, charts, and exhibits are clearly displayed and provide extensive insights into this market. In addition to reviewing testing practices by sector, the Report analyzes testing by type of organism; compares the frequency of use of conventional, convenience, immunoassay and molecular-based methodologies; and examines where samples are collected and tests are performed. There are 65 detailed profiles of key diagnostic manufacturers that compete in this market. The report is based on information from a broad cross-section of sources internationally, including interviews with quality and safety managers at the processing plants in each of the 4 Food sub-sectors, regulatory officials, industry associations and diagnostic companies.

It is a follow-on report to three of Strategic Consulting's previously published market reports titled: "The Industrial Microbiology Market Review - 2nd Edition" (2004); "Food Diagnostics: Global Review of Microbiological and Residue Testing in the Food Processing Industry" (2002); and "Pathogen Testing in the U.S. Food Industry" (2000).

Reference: <http://www.rapidmicrobiology.com/news/1269h3.php>

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