

## **Move Over, Cow**

# **Almond Milk Sparks Fight in Dairy Case; the Cookie Dunk-Off**



Got almonds? Almond milk makes a mustache, too. F. Martin Ramin for The Wall Street Journal

By Anne Marie Chaker

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The new darling on the dairy shelf is almond milk.

Two brands—Silk Pure Almond, from Dean Foods Co., of Dallas, and Almond Breeze, from Blue Diamond Growers, of Sacramento, Calif.—are waging a Coke-and-Pepsi style market-share battle in the supermarket. Almond milk's appearance in the refrigerated dairy case in 2010 helped fuel 13% growth in milk alternatives, a category where sales were flat the year before, according to SymphonyIRI Group, a Chicago market research firm.

## Coke vs. Pepsi

Almond Breeze, from Blue Diamond Growers, and Silk Pure Almond, from Dean Foods Co., are battling it out in the dairy case.

F. Martin Ramin for The Wall Street Journal



Milk alternatives—creamy liquids derived from non-dairy sources—are on the rise, especially in households where people are lactose-intolerant or dairy-allergic. The food industry is quickly ramping up the options, offering milks derived from soybeans, rice, coconut, hazelnuts and even hemp. The sales growth follows decades of slow, steady decline in consumption of cow's milk in the U.S.

Almond milk has shot up from nowhere, appealing to shoppers like Tammy Wade, of Calvin, Okla., who first tried it about a year ago as part of an effort to eliminate dairy products from her diet. When she and her husband go grocery shopping, they often have to visit three different supermarkets to find it.

"A lot of times we find it's totally gone off the shelf," she says. "We try to buy it two at a time." They like to add almond milk to breakfast cereal and coffee, and they use it to make everything from mashed potatoes to chocolate cake.

Barry Lovelace, a fitness trainer and owner of a gym in Allentown, Pa., sometimes has difficulty finding almond milk in stores, and so he loads up when he can. He and his wife go through as many as six half-gallon containers a week. "It is such a hot item now," Mr. Lovelace says. "We will buy three vanilla and three chocolate at a time, as long as they have it."

Almond milk is made when roasted almonds are crushed to make almond butter, then mixed with water plus vitamins, stabilizers and, in some cases, a sweetener, such as



Dean Foods (Silk)

evaporated cane juice. Compared with other alternatives, almond milk is especially low in calories: A cup of original-formula Silk Pure Almond contains 60 calories, compared with 90 calories for a cup of original-formula Silk soymilk and 130 calories for a cup of 2% milk. "It tastes incredible," says Mr. Lovelace, who used to drink rice milk and soymilk.

Consumers are paying premium prices for almond milk, in contrast to regular milk where grocers often cut prices, sometimes below their own cost, to lure shoppers. And dairy beverage consumption has been in a slow and steady decline in recent decades, with the average consumer drinking 20.8 gallons of cow's milk in 2008, down from 24.3 in 1994, according to the U.S. Agriculture Department.

Milk substitutes are tiny compared with the estimated \$13 billion in retail sales of regular milk. Lower calorie and fat profiles are helping sales of some substitutes, as is the increasing attention to dairy allergies and vegan lifestyles.

Almond milk may also be able to draw consumers who drink the most established milk alternative, soymilk. Soy contains estrogen-like chemicals, called phytoestrogens, and heightened exposure to estrogen has been linked with increased risk of breast cancer. Researchers haven't established a direct correlation between phytoestrogens and breast cancer, and some studies even point to the possibility that soy-based phytoestrogens may decrease breast cancer formation, says Barbour S. Warren, breast cancer research associate at Cornell University. Still, given the uncertainty, Dr. Warren says women should consume soy-based foods in moderation.

## Many Milk Mustaches



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## Soy Milk



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## Rice Milk



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### **Coconut Milk**



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### **2% Cow's Milk**

Almond milk in shelf-stable packages has been around since at least the late 1990s, when low-fat foods were in vogue and nuts were perceived as high in fat. Then, almond milk had a low consumer profile, but sales picked up in 2003 as low-carb eating became fashionable and snacking on nuts was encouraged.

Still, until almond milk was sold alongside traditional milk in the refrigerator case, "we knew our opportunity was limited," says John O'Shaughnessy, general manager of the consumer products division at Blue Diamond.

That's what happened by the end of 2009. The resulting consumer demand has surprised many supermarket chains, which normally track every nuance of consumer purchasing. Wegmans Food Markets Inc., headquartered in Rochester, N.Y., began stocking refrigerated almond milk last March. "It is outpacing the growth of every other non-dairy milk alternative we sell," says spokeswoman Jo Natale.

[Whole Foods Market](#), of Austin, Texas, rolled out its own private-label organic refrigerated almond milk to stores in August. Errol Schweizer, senior global grocery coordinator says almond milk and coconut milk are both strong sellers. "The growth on both has been really surprising," he says.

Among the top 20 brands in the milk substitutes category, Almond Breeze and Silk Pure Almond currently rank fourth and fifth respectively, according to SymphonyIRI, which tracks food sales at major retail chains, except Wal-Mart. "The beauty of the almond milk category is that almonds are so familiar to consumers, and there's an expectation of great taste there," says Brooke Hansen, Silk brand manager. Silk Pure Almond's success is all the more striking during a period of subdued consumer spending. "It's a more challenging time for consumers to take risks" and try new products, she says.

Blue Diamond Growers began testing Almond Breeze in late 2008 in Florida markets with large Hispanic populations, a group with higher-than-average incidence

of lactose intolerance. "It went gangbusters," Mr. O'Shaughnessy says. Encouraged, Blue Diamond rolled out Almond Breeze nationally in 2009 and today it is in more than 90% of U.S. grocery stores, Blue Diamond says.

By January 2010 there was a new refrigerated almond milk entrant—from Silk, a brand already known for soymilk. In March, it kicked off an advertising and promotion campaign, including TV and print ads and coupons offering 55 cents off a half-gallon of Silk Pure Almond. Sales were soon nipping at the heels of Almond Breeze, hitting \$47.1 million in 2010, compared with \$57.8 million for Almond Breeze, SymphonyIRI says.

Ever since, couponing and discounting has been fast and furious in a race to win new customers and build brand loyalty. "It's a dog fight," Mr. O'Shaughnessy says. If a customer buys some Silk Pure Almond, she may receive a coupon for Almond Breeze at checkout, he says.

Silk is already looking at the next potential milk alternative: This month, it has launched coconut milk in the refrigerated section of supermarkets and grocery stores nationwide. "We have high hopes," says Brooke Hansen, Silk brand manager.

None of this has escaped the notice of the dairy industry. Last spring, the Arlington, Va.-based National Milk Producers Federation, which lobbies for dairy farmers, wrote a letter to the Food and Drug Administration asking for a crackdown on use of the word "milk" on dairy alternatives.

In the letter, the federation president, Jerry Kozak, called almond milk and other alternatives "plant-derived imitation products." The letter says the products aren't as nutritious as cow's milk because

they don't typically contain as much calcium naturally, but instead are calcium-fortified, and the body may not absorb as much of it.

"Soymilk is not an imitation," says Nancy Chapman, executive director of the Soyfoods Association of North America. "It has been used intentionally for hundreds of years" in cultures where dairy products aren't typically consumed.

Andrea Giancoli, spokeswoman for the American Dietetic Association, says while the body may absorb less calcium from a fortified product, it still absorbs "a substantial amount." "The difference is usually not enough to change your dietary choice," she says. She advises consumers shake the carton of a milk alternative well before drinking, because calcium can settle at the bottom.

## Who's the Milkiest of Them All?

Based on a one-cup serving.



### **Almond Milk\***

Calories: 60

Fat: 2.5 grams

Sugar: 7 grams

Vitamin D and Calcium: 25% and 30%\*\*

Taste: Pleasantly sweet and nutty; nice almond notes

In Coffee: Smells great. Turns ordinary coffee into almond coffee.

On Cereal: Oh yes. Enhances but doesn't overpower a bowl of raisin bran.

Dunking Cookies: A sweet-on-sweet experience. Improved the cookie by adding the flavor of a nut.

Price\*\*\*: \$1.80 for 32 ounces



### **Soy Milk\***

Calories: 90

Fat: 3.5 grams

Sugar: 6 grams

Vitamin D and Calcium: 30% and 30%\*\*

Taste: Slightly sweet with a slightly bitter, some say 'beany,' aftertaste

In Coffee: Very close to cow's milk, with similar taste and heft.

On Cereal: Dark-beige color makes it a tough sell for kids.

Dunking Cookies: An above-average cookie foil, close to cow's milk. Not too sweet.

Price\*\*\*: \$1.90 for 32 ounces



### **Rice Milk\***

Calories: 120

Fat: 2.5 grams

Sugar: 10 grams

Vitamin D and Calcium: 25% and 30%\*\*

Taste: Pleasantly fragrant if a bit watery and sweet, with clear rice notes

In Coffee: Didn't quite hold its own against the coffee. Not very creamy.

On Cereal: Had a look and taste similar to skim cow's milk, added a not-unpleasant starchy note.

Dunking Cookies: Absorbed quickly, making for a soggy cookie.

Price\*\*\*: \$2.99 for 32 ounces





### **Coconut Milk\***

Calories: 80

Fat: 5 grams

Sugar: 6 grams

Vitamin D and Calcium: 30% and 10%\*\*

Taste: Strong coconut notes with a dairy-like tang. 'Tastes like coconut yogurt,' one taster said.

With Coffee: Seemed to separate, leaving a bit of a sheen on top. Not recommended.

On Cereal: Adhered well to flakes, but the thicker texture and tart flavor didn't marry well with raisin bran.

Dunking Cookies: Interesting flavor combination.

Price\*\*\*: \$2.55 for 32 ounces



### **Cow's Milk (2%)\***

Calories: 130

Fat: 5 grams

Sugar: 12 grams

Vitamin D and Calcium: 25% and 30%\*\*

Taste: Rolls beautifully across the tongue. And the buttery shade adds to its appeal.

With Coffee: Transforms black coffee into something creamy without overpowering it.

On Cereal: A little plain-Jane next to cereal with almond milk.

Dunking Cookies: Still the gold standard

Price\*\*\*: \$1.25 for 32 ounces

#### **NOTES:**

*\* Brands compared: Blue Diamond Almond Breeze, original; Silk Soymilk, original; Rice Dream Enriched; So Delicious, original; Giant Food brand 2%. Results may vary by brand.*

*\*\* Percent daily values are based on a 2,000-calorie diet.*

*\*\*\*Retail prices in effect on Jan. 11, 2011, at Giant Food in Silver Spring, Md.*