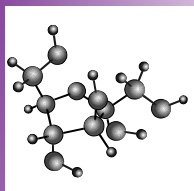
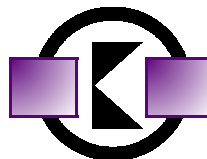


NOW AVAILABLE

OPPORTUNITIES IN SPECIALTY ACTIVES AND ACTIVE DELIVERY SYSTEMS FOR COSMETICS AND TOILETRIES



United States and Western Europe



KLINE & COMPANY, INC.

OVERLOOK AT GREAT NOTCH

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The Kline Group is pleased to announce the publication of its new syndicated analysis titled **OPPORTUNITIES IN SPECIALTY ACTIVES AND ACTIVE DELIVERY SYSTEMS FOR COSMETICS AND TOILETRIES: United States and Western Europe**, the latest installment in Kline's global assessment of this complex market. This report provides an authoritative and comprehensive analysis of this historically ill-defined market, valued at around \$250 million in 2001, including:

- Distinct and detailed analyses of major specialty actives and active delivery systems and technologies, comprising numerous products, as listed in Table 1 and Table 2
- Detailed insights into supplier participation and competitive positioning
- Industry dynamics and key trends, including an assessment of the business implications of these issues
- Identification of key specialty actives and active delivery systems that are forecast to exhibit double-digit growth through 2005
- Complete business profiles of 22 specialty active and/or delivery system suppliers

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY
 2. INTRODUCTION
 3. ANTI-AGING ACTIVES FOR SKIN CARE APPLICATIONS
 - 3A. Regional Overview
 - 3B. United States
 - Overview
 - Vitamins
 - Polysaccharides
 - Botanicals
 - Proteins and peptides
 - Enzymes and coenzymes
 - 3C. Western Europe
 - Overview
 - Vitamins
 - Polysaccharides
 - Botanicals
 - Proteins and peptides
 - Enzymes and coenzymes
 4. SKIN-WHITENING/LIGHTENING ACTIVES
 - 4A. Regional Overview
 - 4B. United States
 - 4C. Western Europe
 5. ADVANCED HAIR CARE ACTIVES
 - 5A. Regional Overview
 - 5B. United States
 - 5C. Western Europe
 6. ANTI-ODOR AND ANTIMICROBIAL ACTIVES
 - 6A. United States
 - 6B. Western Europe
 7. DELIVERY SYSTEMS AND TECHNOLOGY
 - 7A. Regional Overview
 - 7B. United States
 - Overview
 - Nanoparticles
 - Microcapsules
 - Millicapsules
 - Patches
 - 7C. Western Europe
 - Overview
 - Nanoparticles
 - Microcapsules
 - Millicapsules
 - Patches

For each individual active product (see Table 1) and delivery system technology (see Table 2) the following information is provided:

 - Introduction
 - Grades
 - Prices
 - Estimated consumption volume and value
 - Applications
 - Channels of distribution
 - Suppliers, including estimated supplier sales
 - Key trends and drivers
 - Outlook
 - Appraisal
 8. SUPPLIER PROFILES
 - Active Organics
 - Arch Chemicals (including Brooks)
 - BASF
 - Bio-Botanica
 - Carrubba
 - Centerchem
 - Ciba Specialty Chemicals
 - Cognis (including Laboratoires Serobiologique)
 - Coletica
 - Collaborative Laboratories
 - CPN
 - Croda (including Sederma)
 - Degussa Goldschmidt (including Cosmoferm)
 - Exysmol
 - Indena
 - Lipotec
 - Mibelle Biochemistry
 - Pentapharm
 - Roche Vitamins and Fine Chemicals
 - Silab
 - Sino Lion
 - Solabia

For each company listed above, the following information is provided:

 - Background
 - Organization
 - Management and personnel
 - Sales and financial performance
 - Products
 - Application focus and customer base
 - Business and marketing structure
 - Sales and marketing strategy
 - Research and development
 - Competitive position
 - Product sourcing and manufacturing capabilities
 - Appraisal
- APPENDICES: List of Organizations Interviewed
- United States
 - Western Europe

OPPORTUNITIES IN
SPECIALTY ACTIVES
AND ACTIVE DELIVERY
SYSTEMS FOR
COSMETICS AND
TOILETRIES:
United States and
Western Europe

Table 1

SPECIALTY ACTIVES COVERED IN THE REPORT

**ANTI-AGING ACTIVES FOR
SKIN CARE APPLICATIONS**

- Vitamins
 - Vitamin A retinol
 - Vitamin A retinyl palmitate
 - Vitamin B-5 panthenol
 - Vitamin C ascorbic acid
 - Vitamin C derivatives
 - Vitamin E tocopherol
(natural and synthetic)
 - Vitamin E tocopheryl acetate
- Polysaccharides
 - Beta-glucans
 - Chitosan and derivatives
 - Hyaluronic acid complexes
 - Hyaluronic acid salts
 - Phycopolysaccharides
- Botanicals
 - Grape seed extract
 - Green tea extract
 - Soy extracts/isoflavones
 - Other
- Proteins and peptides
 - Collagen
 - Silk
 - Soy
 - Wheat
 - Enzymes and coenzymes
 - Bromelain
 - Coenzyme Q-10

**ANTI-AGING ACTIVES FOR SKIN CARE
APPLICATIONS (Continued)**

- Proteins and peptides (Continued)
 - Horseradish peroxidase
 - Papain
 - Saccharomyces ferment
 - Subtilisin

SKIN-WHITENING/LIGHTENING ACTIVES

- Hydroquinone
- Kojic acid and derivatives
- Licorice
- Arbutin
- Ascorbic acid (vitamin C)
- Ferulic acid

ADVANCED HAIR CARE ACTIVES

- Panthenol
- Proteins and hydrolysates
 - Vegetable hydrolysates
 - Animal proteins and hydrolysates
- Chitosan and derivatives

ANTI-ODOR AND ANTIMICROBIAL ACTIVES-a

- Chitosan
- Chlorhexidene gluconate
- Cyclodextrins
- Farnesol
- HAS zinc oxide
- Hexamidine diisethionate
- Silver-coated titanium dioxide
- Triclocarban
- Triclosan
- Zinc ricinoleate

a- An assessment of industry trends is provided in this report only for this active class.

Table 2

**ACTIVE DELIVERY SYSTEMS COVERED
IN THE REPORT**

- Millicapsules
- Nanoparticles
 - Liposomes
 - Nanoemulsions
 - Nanotopes
 - Nanosomes
- Microcapsules
- Transdermal patches

INDUSTRY OVERVIEW

The U.S. and Western European markets for specialty actives and active ingredient delivery systems and technologies for cosmetic and toiletry (C&T) applications are extremely dynamic. On the demand side, both mass and prestige C&T formulators are continually seeking differentiated actives and effective and alternate delivery systems that can be used to provide a demonstrable and marketable therapeutic effect on skin or hair. To date, the key focus has been on formulated products that retard the natural aging process, protect skin and hair from the environment, and promote wellness.

In fact, the lines of demarcation between pharmaceuticals and C&T products are becoming more and more blurred, prompting regulatory agencies in both the United States and Western Europe to monitor the situation very closely.

On the supply side, firms that have traditionally supplied specialty raw materials to the U.S. and Western European C&T markets are continually trying to identify new value-added specialty raw materials to augment traditional products lines that, in many cases, are transitioning to pseudo-commodity status. Differentiated actives and delivery system technologies provide the opportunity for suppliers to extract more value and work closely with their current and potential customers.

Combined U.S. and Western European consumption of specialty actives and active delivery systems is estimated at \$250 million in 2001, with specialty actives accounting for an estimated 75% of the total market value.

Within the category of specialty actives, those products marketed for anti-aging skin care applications account for an estimated 60% of the segment, with advanced hair care actives and skin-whitening/lightening actives accounting for the balance, as shown in Figure 1.

Specialty raw material suppliers to the U.S. and Western European C&T industries are currently facing a variety of strategically challenging questions, including:

- How can we compete successfully and profitably in this business?
- How can we successfully transition from raw materials that now have pseudo-commodity status to truly differentiated and high value-added products?
- How will customer expectations and purchasing criteria and practices change over the next five years?
- Should we market a broader range of specialty actives? Why?
- Which specialty actives and delivery systems will drive this business over the next five years?
- How can we target our customers effectively? What information and service should we provide?
- What are new growth opportunities for these products and technologies in these regions?

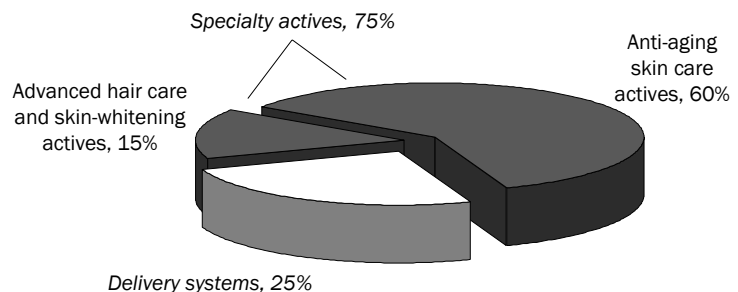
- What can we learn from our competitors?
- Which channels of distribution should we use to effectively market our products?

THE REPORT

A key component/requirement of successful and actionable strategic business plans is a real-world understanding of the market for specialty raw materials and a detailed assessment of the current and potential customer base, supply chain dynamics, and the current and potential competitive arena.

Kline's authoritative analysis, **OPPORTUNITIES IN SPECIALTY ACTIVES AND ACTIVE DELIVERY SYSTEMS FOR COSMETICS AND TOILETRIES: United States and Western Europe**, provides subscribers with the necessary customer, competitive, and business intelligence to develop effective strategic plans and will serve as a critical reference source to answer the industry's most challenging questions. This foundation of information and insight will help facilitate the efficient allocation of financial, marketing, and manufacturing resources necessary for future business development.

Figure 1
ESTIMATED U.S. AND WESTERN EUROPEAN CONSUMPTION OF SPECIALTY ACTIVES AND ACTIVE DELIVERY SYSTEMS, 2001



Total: \$250 Million

RESEARCH METHODOLOGY

Kline's research approach places the greatest emphasis on primary research to ensure that the foundation of business intelligence and insight is accurate and current.

This report is based on a series of interviews with upward of 160 individuals at approximately 140 organizations throughout the United States and Western Europe, including C&T formulators, distributors, contract manufacturers, suppliers, trade associations, and government agencies. The report also draws on suppliers' product literature; an analysis of statistical data from government agencies, trade associations, and industry organizations; and nonconfidential information from Kline's database.

KLING'S CREDENTIALS

Established in 1959, Kline & Company is recognized worldwide as a leading business consulting firm specializing in the chemical industry. The company helps management solve practical problems in marketing, strategy development and implementation, acquisition and divestiture programs, and the appraisal of new technology. We provide our clients with facts, forecasts, and recommended solutions to business problems, based solidly on the realities of the market as well as on modern strategic principles.

Kline is unique in its ability to leverage the skills and synergies of the Specialty Chemicals and Consumer practices to conduct this assignment.

The company has developed in-depth expertise in specialty raw materials for C&T applications as well as "downstream" formulated products by tracking and analyzing the business for more than 15 years. Subscribers will benefit from previously published studies in this subject area, including:

- SPECIALTY RAW MATERIALS FOR COSMETICS AND TOILETRIES WESTERN EUROPE, 1998
- SPECIALTY RAW MATERIALS FOR COSMETICS AND TOILETRIES USA, 2000
- SPECIALTY RAW MATERIALS FOR COSMETICS AND TOILETRIES ASIA-PACIFIC, 2000
- SPECIALTY SURFACTANTS
- COSMETICS & TOILETRIES USA CONTINUING SERVICE
- SALON HAIR CARE, 1993
- DIRECTORY OF COSMETIC AND TOILETRY INGREDIENTS
- RETAIL ANALYSIS: WHERE AND HOW ARE BEAUTY PRODUCTS SOLD NOW AND THE FUTURE?
- PURCHASING CHANNELS FOR COSMETICS AND TOILETRIES
- INDUSTRIAL THICKENERS
- INVESTMENT OPPORTUNITIES IN U.S. SPECIALTY CHEMICALS
 - BIOCIDES
 - COSMETIC ADDITIVES
 - SPECIALTY SURFACTANTS
 - THICKENERS

In addition to this substantial library, Kline & Company has been commissioned to perform many proprietary studies involving specialty C&T raw materials, including:

- OPPORTUNITIES IN SPECIALTY SURFACTANTS
- COMMERCIAL DEVELOPMENT DETERMINATION OF A UV ABSORBER FOR COSMETIC AND TOILETRY APPLICATIONS
- OPPORTUNITY IDENTIFICATION FOR SYNTHETIC THICKENERS IN COSMETICS AND TOILETRIES

- ANALYSIS OF THE U.S. MARKET FOR COSMETIC CHEMICALS
- IMAGE ANALYSIS OF COMPANY A

SUBSCRIPTION TERMS AND PRIVILEGES

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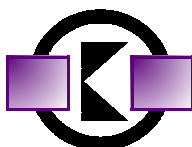
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SUPPLIER PROFILES IN OPPORTUNITIES IN SPECIALTY ACTIVES AND ACTIVE DELIVERY SYSTEMS: United States and Western Europe

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