



Naturex announces the acquisition of Burgundy Botanical Extracts, strengthening its offering in the nutraceutical, pharmaceutical, and personal care markets

Avignon, Monday 24 October. Naturex announces the acquisition of Burgundy Botanical Extracts, a French manufacturer and supplier of plant extracts for the nutraceutical, pharmaceutical and cosmetics industries.

A European player in natural chemicals

With twelve years of expertise in botanical extracts, combined with a knowledge of medicinal plants and phytochemistry / biochemistry, BURGUNDY is one of the European leaders in this market. BURGUNDY employs around 60 people at its two production sites based in France (Reyssouze - Department of Ain) and Spain (Palafolls) with significant capacity for extraction, purification and drying operations. BURGUNDY has three major markets and a service activity that had total revenue of 14 million euros over the last twelve months.

Nutrition & Health 39% of 2010 sales	Botanical extraction (dry or liquid forms) for functional foods and food and beverage additives.
Pharmaceutical 28% of 2010 sales	Botanical extraction and pure natural compounds for pharmaceuticals and phyto-pharmaceuticals.
Cosmetics 17% of 2010 sales	Natural active ingredients for cosmetics and beauty care.
Services 9% of 2010 sales	Custom formulation, extraction and processing.

Flagship brands and products developed by BURGUNDY over the last 10 years include grape seed and cranberry extracts, UTIrose™, a patented hibiscus extract for use in combating urinary infections and Iridoforce™, an extract of harpagophytum used in the prevention of arthrosis and joint diseases.

A strengthened manufacturing base and an expanded commercial offering

BURGUNDY's addition to the Group along with its complementary product portfolio (active substance master files, new botanical extracts, active ingredients) will enable NATUREX to strengthen its industrial base and capacities to meet customer needs by developing its expertise in nutraceutical, pharmaceutical and personal care. BURGUNDY's products will in turn benefit from NATUREX's industrial and technological expertise in addition to its global sourcing capacity, innovation and the strength of its worldwide commercial network.

"This acquisition fits perfectly with NATUREX's strategy for pursuing growth in its different markets. It is an excellent development opportunity in terms of both manufacturing capacity and commercial positioning", commented Jacques Dikansky, NATUREX's Chairman-CEO and founder. "With our successful track record in integrating companies and the promising potential for synergies and cross-selling from this merger, we are confident in our ability to generate sustainable profitable growth, creating value for our customers, employees and investors."

Christophe Magnin, Chairman of Burgundy added: "Combining the forces of BURGUNDY with NATUREX will contribute to developing the industrial and scientific strengths of both these two entities. NATUREX's proactive commercial network will promote greater customer proximity and enhance service quality."

About Burgundy

Burgundy is a manufacturer and supplier of plant extracts for the nutraceutical, pharmaceutical and cosmetics industries. It employs around 60 people and has two production plants located in France and Spain certified ISO 22000, ISO 9001, GMP, and Ecocert (organic certification). Innovative concepts such as UTIrose™, IridoForce™ are among the company's most well-known brands. Its manufacturing facilities have the capacity to produce concentrated or purified extracts in powder or liquid forms. www.burgundy-extracts.com

About Naturex



Naturex manufactures natural speciality ingredients for the Food & Beverage, Nutrition & Health and Personal Care industries. Headquartered in France, Naturex employs 1000 people and has 11 production units located in Europe (France, Italy, Spain, Switzerland and England), the United States (New Jersey and California), Brazil, Australia and Morocco. In addition, the group has several sales offices worldwide. www.naturex.com

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Breaking News on Supplements & Nutrition - Europe

Naturex expands functional portfolio with Burgundy acquisition

By Nathan Gray, 24-Oct-2011

Related topics: Phytochemicals, plant extracts, Industry, Botanicals

Natural ingredients giant Naturex has grown its portfolio of functional health ingredients, whilst increasing its technological and production capabilities with the acquisition of Burgundy Botanical Extracts.

Naturex announced the completed acquisition of Burgundy Botanical Extracts, a French manufacturer and supplier of plant extracts for the nutraceutical, pharmaceutical and cosmetics industries for around 16 million Euros.

Company founder and CEO of Naturex Jacques Dikansky told NutraIngredients that the acquisition came about because *"Burgundy is a very good company from a technical point of view, with very interesting products, [and] interesting production capabilities,"* but he noted that the company was *"not very strong from a sales point of view."*

"We feel that Burgundy has a lot of potential but because of a lack of sales organisation this potential has not been fully used ... Naturex has a very strong sales network so that is a good synergy" he explained.

"Burgundy [also] has a lot of purification capabilities in order to produce pure natural molecules, which we did not have. So on from a pure technological point of view then this is very important for us," said Dikansky

Burgundy attraction

Dikansky said that Burgundy's strong functional foods portfolio includes grape seed and cranberry extracts UTIrose, patented hibiscus extract Iridoforce, and an extract of harpagophytum used in the prevention of arthrosis and joint diseases. He explained that the products provide a complementary portfolio that will enable Naturex to expand and strengthen its base in these areas: *"This will really reinforce our market presence on these important products,"* explained the CEO.

The company will also acquire the two Burgundy production sites that employ around 60 people in the Reyssoze area of France and the Palafolls area of Spain. Dikansky said that the sites will be maintained and developed.

"The idea is to maintain and to develop these two sites, and to use them as much as possible to expand our product line, and technical capabilities to produce new products," said Dikansky.

"The goal is for Burgundy to operate under the Naturex name and structure in the near future," he added.

Acquisition activity

The acquisition of Burgundy is Naturex's ninth in as many years, and with rising profits reported for the France based natural ingredients giant, Dikansky said that further activity was likely in the foreseeable future: *"We expect to close a few deals like this in the coming months ... They are all in the natural ingredients and botanical extracts area for food, nutra, pharma and cosmetics applications."*

He added that whilst some acquisition targets are in Europe and the US - where the company already has a strong presence - some of the new acquisitions could see Naturex buy out companies in Latin America and Asia.

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