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Businesses jump aboard diet craze

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jparikh@kalamazoogazette.com 388-8558

Hey, is that low-carb?

Yes, if businesses have anything to say about it.

Businesses scrambling to make money off the popularity of low-carbohydrate diets are offering more low-carb products than you can shake a calorie-counter at.

"Meats, cheeses, blanched peanuts and sugar-free gelatin is all carb-free and selling like hotcakes," said Shari Steinbach, corporate dietitian for Walker-based Meijer Inc.

Cereals, breads, baked goods, yogurt, ice cream, bagels, frozen foods and even Russell Stover's candies are flashing low-carb labels. And don't expect the offerings to end there, or anytime soon, industry experts say.

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Set to open late this month is the area's first business dedicated solely to the industry. The Locarb Center at 7642 S. Westnedge Ave. in the Portage Plaza is being developed by David Hamilton of Climax. It will be a seller of a variety of low-carb foods, including ice cream, bread, chocolate and pizza.

### **Looking for better health**

"2004 will be a pivotal change in the diet of Americans," said Phil Lempert, supermarket expert and food editor of NBC's "Today Show."

He and other industry sources said the search for better health has caused an estimated 59 million Americans to latch on to some form of eat-the-meat-but-skip-the-bread diet. The most popular regimens are the Atkins Diet and the South Beach Diet.

Eighty-four percent of the people contacted in a recent survey claimed to know something about low-carb diets, Lempert reported in his "Supermarket Guru" newsletter. That compares with 81 percent of those who said they were familiar with the time-honored Weight Watchers program.

Low-carb dieters avoid bread, milk, sugar, pasta and other carbohydrates and put more high-protein foods such as steak, eggs and nuts on their all-you-can-eat menu.

### **Satisfying consumers' appetites**

The Valen Group, a Cincinnati-based research and consulting firm, estimated that sales of low-carb products -- including food, books and other items -- could double from about \$15 billion in 2003 to about \$30 billion this year. It told the Reuters News Service recently that nearly 20 percent of all American adults will consider a low-carb diet during the next year.

Since the introduction in December of two products that fit the Atkins diet regimen, sales of those items (called Atkins Friendly Low Carb Wraps) have grown to account for about 40 percent of total sandwich sales at Dawn Matico-DeLeeuw's Subway restaurants in Oshtemo Township and Portage. She owns one store in Oshtemo and two in Portage.

"We've seen a large increase in sales," Matico-DeLeeuw said. "We have new customers coming in because of the wraps. We have had to staff more people during both lunch

and dinner hours because of an increase in customer counts."

Not surprisingly, Burger King, McDonald's, Wal-Mart, Kellogg's, Kraft Foods, Kroger and almost every other household name in the food industry is trying to ramp up in what had been a niche market dominated by specialty-food-makers and distributors with names such as Low Carb Creations, Keto and Baja Bob's.

Businesses are chasing a trend that was birthed in the 1970s when the late Dr. Robert Atkins, a cardiologist, pioneered the modern-day low-carb diet. The regimen regained popularity during the past three years, rapidly during the last.

### **Some businesses are losing**

There is some question about whether food producers will be able to market enough low-carb products to meet consumer demand this year.

"Manufacturers have said they don't remember anything changing the face of product manufacturing as fast as this," Meijer's Steinbach said. "Our buyers are saying that they are literally seeing these low-carb products crossing all categories."

But how much fun food sellers are having with the new demand depends on what they sell. Low-carb dieting is eating into the profits of those who sell products on the carb side of the menu.

Judy Sarkozy, co-owner of Sarkozy's Bakery in downtown Kalamazoo, is one example. She said her bread sales are back at 1980 levels. She said bread sales for January were down 31 percent from January 2003 and down 24 percent from January 2002.

Many who might see a dip in sales in some products are trying to fill in with the low-carb products people want.

Emilio Dacoba, co-owner of Bogie's Cafe in Kalamazoo and the La Cantina restaurant in Paw Paw, said Bogie's began offering daily low-carb specials after the South Beach and Atkins diets began booming last fall.

Bogie's chopped salad with turkey, bacon and cheese and a housemade blue-cheese or Caesar dressing is a popular lunch choice among South Beach and Atkins devotees,

Dacoba said.

Through last week, he said, Bogie's had also been selling about 30 bun-less hot dogs a day.

### **A food fight is brewing**

The only dark clouds on the low-carb horizon are arguments over the labeling of products -- what can and cannot accurately be called "low-carb" -- and whether the industry should be regulated.

Of the many brands of cereals, breads, baked goods and other products that would not typically be low-carb products, Lempert said, "By law they're not able to say 'low carb' on the package because there's no standard of quality."

But the reality is that the majority of food items that are now being touted as "low-carb" have been around for a long time, he said.

There also has been no last word on whether the average low-carb hunter is getting his or her bang for the buck. The low-carb versions of many products cost as much as the regular versions, and in some cases cost more. A bun-less, low-carb double-cheeseburger from Burger King costs \$2.50, for instance, the same as one with a bun. A low-carb Atkins-brand chocolate bar, comparable to a 50- to 69-cent Kit-Kat bar, may cost \$1.30 to \$2.

Dietitians such as Steinbach and Darci Schimp, a registered dietitian at Bronson Methodist Hospital, said they are not in favor of such diets because they downplay the importance of fruits and vegetables, which have been shown to reduce health risks when consumed in the proper amounts.

"I think what's happening is, it's just the craze that everyone wants to jump on the wagon with," Schimp said. "It's not healthy. What people forget is, these are very low-calorie diets."

Steinbach said many people go on the Atkins diet because they see it as a way to lose weight quickly. She said a balanced diet and exercise are better approaches to weight loss and a healthy lifestyle.

Lempert countered that, while he doesn't think people will ever stop eating bread, he thinks that the low-carb craze may actually become a way of life for many people.