



Unilever

Market

Unilever is one of the world's largest consumer goods companies in the world, a company with a turnover of 40 billion euros in 2005. Every day, 150 million consumers choose a Unilever product somewhere in the 150 countries where the company operates. In Romania, the company is present with two major divisions. Unilever is active in eighteen segments of the Romanian FMCG market, with a large portfolio of brands, which hold leading positions: Dero, Omo, Bona, Cif, Domestos, Coccolino, Dove, Sunsilk, Rexona, Axe, Delma, Rama, Delikat, Knorr.

The FMCG market is increasingly competitive in Romania. Since 2002, the market has registered significant growth, of around 20% - 30% each year. Compared to 2002, the market increased by almost 70% in 2005.



Achievements

Unilever brands are important players in all the markets where they operate. That is because Unilever creates brands that understand people's needs and help them reach their aspirations.

For example, Dove is a leader of the soap bars market. With its innovative product that contains 1/4 hydrating cream, Dove widens the definition of beauty through its "Campaign for Real Beauty" and inspires women to have greater confidence in their appearance. For Dove, beauty comes in many forms, ages and sizes. This is reflected in the type of advertising Dove uses, featuring real women, not models.

Dero is the flagship of the Unilever detergents brands, being the brand that has proved relevance for its consumers throughout the 40 years since its launch.

Unilever is also number one on the deodorants market, through well-known brands, such as Rexona, Dove and Axe that offer consumers the protection they need from a deodorant.

On the foods market, Unilever is a leader on the margarine market with its Rama and Delma brands, and holds leadership positions on the soups, dressings and mustard markets, with Knorr. Unilever is the most important player on the seasonings market, where Delikat has been an undisputed leader for more than ten years.

History

In a history that now crosses three centuries, Unilever's success has been influenced by the major events of the day, such as economic boom, depression, world wars, changing consumer lifestyles, and advances in technology. Unilever has created products that help people get more out of life, by cutting the time spent on household chores, improving nutrition, enabling people to enjoy food and take care of their homes, their clothes and themselves. The history of Unilever is connected with the following key moments:

1900s - Unilever's founding companies manufactured products made of oils and fats, mainly soap and margarine. At the beginning of the twentieth century, their expansion nearly outstripped the supply of raw materials.

1910s - Tough economic conditions and the World War I made trading difficult for everyone, so many businesses form trade associations to protect their shared interests.

1920s - With businesses expanding fast, companies set up negotiations intending to stop others producing the same types of products. But instead they agreed to merge - and so Unilever was created.

1930s - Unilever's first decade was no easy ride: it started with the Great Depression and ended with the World War II. But while the business rationalised operations, it also continued to diversify.

1940s - Unilever's operations around the world began to fragment, but the business continued to expand further into the foods market and increased investment in research and development.

1950s - Business boomed as new technology and the European Economic Community lead to

rising standards of living in the West, while new markets opened up in emerging economies around the globe.

1960s - As the world economy expanded, so did Unilever and it set about developing new products, entering new markets and running a highly ambitious acquisition programme.

1970s - Hard economic conditions and high inflation made the 1970s a tough time for everyone, but things were particularly difficult in the Fast Moving Consumer Goods (FMCG) sector as the big retailers started to flex their muscles.

1980s - Unilever was at that time one of the world's biggest companies, but took the decision to focus its portfolio and rationalise its businesses to focus on core products and brands.

1990s - The business expanded into Central and Eastern Europe and further sharpened its focus on fewer product categories, leading to the sale or withdrawal of two-thirds of its brands.

The twenty-first century - The decade started with the launch of Path to Growth, a five-year strategic plan, and in 2004 further sharpened its focus on the needs of twenty-first century-consumers with its Vitality mission.

Unilever started the investment in South Central Europe with the acquisition in 1995 of the biggest Romanian detergents factory, located in Ploiești.

Since February 2000, Unilever South Central Europe has been managing from Bucharest the production, delivery and marketing for Unilever products for eight countries: Romania, Bulgaria, Serbia, Montenegro, Albania, Bosnia & Herzegovina, Macedonia and Moldova.

Unilever produces detergents (Dero, Bona and Omo), soups, seasonings and dressings (Knorr and Knorr Delikat), margarine (Rama and Delma) in Romania, margarine and dressings in Bulgaria (Kaliakra) and has recently acquired a local margarine brand in Serbia (Sunce).

Unilever invested in South Central Europe over 120 million euros, from which over 90% was invested in Romania in the period 1995/2005. This makes Unilever the thirteenth biggest investor of Romania.

In 2005, Unilever South Central Europe reached 172 million euros turnover, of which 124 million in Romania. The company has over 800 employees in the region, of which 650 in Romania only.

In 2006, the company announced the consolidation of all its Romanian production in Ploiești, investing 3 million euros in creating a modern industrial platform ready for the EU integration of the country.

Product

Unilever's portfolio includes Rama and Delma margarines, Lipton tea, Knorr and Delikat sauces, seasonings and soups, Cif and Domestos household cleaners, Omo and Dero laundry detergents, Coccolino fabric conditioner, as well as the Rexona, Dove, Sunsilk and Axe personal care brands.

Unilever is the world's leading margarine manufacturer. Its products contain high-quality vegetable oils, which are a good source of the essential fats and vitamins (A, D, E) needed for a healthy body and a lifestyle full of vitality. Delma and Rama hold the first two positions on the Romanian margarine market.

Lipton is one of the world's great refreshment brands, making a big splash in the global beverages market with tea-based drinks including leaf tea, infusions, ready-to-drink tea and other healthy, refreshing alternatives to soft drinks.

Knorr is an international brand offering a wide range of bouillons, soups, seasonings, sauces. On the Romanian market, Delikat from Knorr is the leader of the universal seasonings market.

Cif is the only everyday cleaner that deals with even the toughest dirt without damaging surfaces. Recently, Cif's portfolio of household cream cleansers was extended with Cif Power Cream Sprays. Cif is the leader of the household cleaner category in Romania, whilst Domestos is the leader of the "all purpose cleaner" category.

Dero is a 40 years old Romanian brand standing for Detergenți Romania, the volume leader of the detergents market.

Dove, the world's top cleansing brand, provides a wide range of cleansing and personal care products that make a genuine difference to the condition and feel of skin and hair.

Recent Developments

In Romania, the company gets regularly involved in projects addressed to local communities. Since 1996, Unilever has invested in community programmes, both on local and national level.

2006 is an important year for Unilever's community involvement, as the company decided to focus its efforts on children development, their potential and their chance for a better life, especially in the context of EU integration. This platform has offered the opportunity for a series of projects, amongst which:

On national level, Unilever supports the activities of "Ovidiu Rom" foundation and the initiation of the campaign "Each Child in School". Together with "Ovidiu Rom", Unilever promotes self-sufficiency among the poorest members of the Romanian society through education, job training, community development and public awareness. The vision of Unilever joint programme is a world where ALL children go to school, have a home and a family and enjoy the happy childhood they deserve - a world where NO child needs to beg, steal or work in order to survive.

The company was also actively involved in helping the victims of the flood in Romania in 2005, by making massive donations of products and voluntary projects with a total value of 500,000 euros.

At local level, in Ploiești, Unilever has decided to renovate this year the Aula of the University, which will hold the name of the company in order to celebrate 40 generations of Unilever people that have graduated the University of Petroleum in Ploiești. The university is one of the most important Romanian education centers and is the academic centre where many of Unilever's employees have studied.

As well, Unilever also got involved in renovating the sports facilities of the Chemistry College in Ploiești. The project has involved over 300 Unilever employees for over three months - a total of 3,000 hours of community service.

Unilever was also the initiator of several cleaning and educational programmes such as "The most beautiful school" in schools and "The most beautiful building" in the block of flats from the city. These programmes are already at their eighth edition, being organised in partnership with the City Hall.

Promotion

Unilever is the second biggest advertiser on the Romanian market. Unilever brands communicate directly with their consumers, in-store communication being the most important in terms of direct marketing actions. All major promotional activities implemented by Unilever for its brands are using all communication channels - and have a common element: originality.

Unilever is an important member of the International Advertising Association (IAA), the Romanian Advertising Council - the industry's self-regulation association, the Romanian Association for Audience Measurements (ARMA), the American Chamber of Commerce (Am-Cham), the Foreign Investors Council, the Romanian Food Industry Association (Romalimenta), The Romanian Cosmetics and Detergents Association (Rucodem), The Romanian Association for Packaging and the Environment (ARAM) and the Aspen Institute, a global forum for leaders. Through its membership and actions, Unilever aims to promote the development of a healthy business environment, which promotes fair competition and a level playing field.

Brand Values

Unilever's mission is to add Vitality to life. Everyday, the company meets nutrition, hygiene and personal care necessities with brands that help people look good, feel good and get more out of life.

Vitality defines what Unilever stands for: the company's values, what makes it different and how it contributes to society. It's the common thread that links Unilever's brands and it's central to the unique way the company operates around the world.

That is why Unilever's mission is to add Vitality to life. In this respect, six areas of universal global consumer drivers - Vitality Life Goals - have been identified, based on the company's unique consumer insights: Achieve More, Give Children a Good Start, Look Better, Be Free from Health Problems, Feel Good Daily and Be Healthy for Longer.

Ever since the nineteenth century, when William Hesketh Lever stated that the company's mission was "to make cleanliness commonplace,



to lessen work for women, to foster health and contribute to personal attractiveness, that life may be more enjoyable and rewarding for the people who use Unilever's products', Vitality has been at the heart of the company's business.

Health & Nutrition

Unilever's Vitality mission commits to growing its business by addressing health and nutrition issues. Unilever focuses on priorities including children and family nutrition, cardiovascular health and weight management.

Inside & Out

Unilever's culture also embodies Vitality. Adding Vitality of life requires the highest standards of behaviour towards everyone the company works with, the communities it touches and the environments on which it has an impact.

The growing demand for more Vitality in life provides Unilever with a huge opportunity for growth. The way the company works and the products it develops are shaped by consumer trends, along with the need to help raise health and hygiene standards in both the developing and industrialised regions of the world.

THINGS YOU DIDN'T KNOW ABOUT

Unilever

...the significance of some elements of the Unilever logo:

- ▶ Sun: Unilever's primary natural resource. All life begins with the sun, the ultimate symbol of vitality. It evokes Unilever's origins in Port Sunlight and can represent a number of its brands
- ▶ DNA: the double helix, the genetic blueprint of life and a symbol of bio-science. It is the key to a healthy life. The sun is the biggest ingredient of life and DNA the smallest
- ▶ Bee: represents creation, pollination, hard work and bio-diversity. Bees symbolise both environmental challenges and opportunities
- ▶ Sparkle: clean, healthy and sparkling with energy
- ▶ Bird: a symbol of freedom. It suggests a relief from daily chores, and getting more out of life

