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Kytosan USA Looks to Become Market Leader for Domestic Chitosan

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Under an exclusive patent licensing agreement from its parent, KYTOSAN USA will produce and market high-quality industrial-grade chitosan, a specialty chemical made from discarded crustacean waste. Chitosan is used in the manufacture of an extraordinarily broad range of products.

Domestically, demand for consistently high quality chitosan is considerable. It is used in food, pharmaceutical, cosmetic, water purification, industrial, and agricultural products. New uses for the specialty chemical are being discovered and developed at a rapid pace. The parent company is in the vanguard of chitosan-based product development.

According to Global Industry Analysts, Inc., an independent market research firm, worldwide demand for chitosan will exceed \$21 billion by 2015. Presently, US buyers must import chitosan, because there are no major domestic producers of the chemical. Problematically, the quality of the imported chemical is unreliable, inconsistent, and, too often, poor. With its exclusive patent to efficiently produce consistently high-quality chitosan, KYTOSAN® USA is poised to become the leading domestic producer and will control the market for consistently high-quality chitosan.

Annually, the company will produce approximately 2,000 metric tons of chitosan at its plant facility in Opelousas, LA. Quantities mentioned in letters of intent to purchase chitosan from the company exceed the current planned production capacity. Expansion is inevitable. A Front End Engineering Design for establishing a pilot product line and three full production lines has been completed. Environmental studies have also been completed and permits to begin construction are being secured.

Opelousas is located in the heart of crawfish country and geographically proximal to shrimp and crab processors. The harvesting seasons for these crustaceans occur at different times of the year with some overlap, so the raw material for chitosan is available without interruption throughout the year. Regional processors in the area presently pay substantial hauling and tipping fees to discard the approximately 100 million pounds of crustacean waste they generate annually. The ample supply of the raw material and the extraordinary demand for consistently high-quality chitosan place KYTOSAN® USA, with its exclusive production patent, in position to sell its KYTOSAN® Brand product at prices that will allow for uniquely high profit margins.

KYTOSAN USA, in collaboration with its parent, intends to develop production capabilities for manufacturing even higher grades of chitosan. These higher grades are in demand by the medical/pharmaceutical industries and command prices that allow for substantially higher profit margins than the high profit margin industrial-grade chitosan that will be produced initially. To emphasize the environmentally friendly nature of its enterprise, all KYTOSAN® Brand chitosan products will be marketed exploiting the company logo and motto.

KYTOSAN® USA, LLC is a manufacturing subsidiary of AgraTech International, Inc. (www.agratech.net). Contact: KYTOSAN® USA, LLC, Attn: Ron Diello, Director of Communications, (973) 942-1567.

- See more at: http://drug-dev.com/Main/Current-News/Kytosan-USA-Looks-to-Become-Market-Leader-for-Dome-899.aspx#.UtgN_A54O5w.email