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SEPTEMBER Street Smart focuses on private label, as well as wellness and organic products

The upcoming tabletop event offers Ontario suppliers face-to-face meetings with key US buyers

Tap into the lucrative US retail market by attending OFEX's next Street Smart session on September 22-23, 2008, which will focus on upscale private label, as well as wellness and organic products. Confirmed buyers, to date, include companies such as Lunds and Byerly's; Ahold USA (Stop and Shop as well as Giant); Bi-Lo; H-E-B Grocery Company; Winn Dixie and The Wedge. "We've invited both large and small retailers to be able to appeal to large and small Ontario suppliers," says OFEX's US Geographic Specialist Murray Howatson. "We're

anticipating that we'll have even more retailers participating in this Street Smart than in previous years."

About 80 Ontario suppliers are



expected to attend Street Smart, which includes a networking reception for retailers and suppliers as well as a chance for Ontario companies to

showcase their products during the TableTop session. "It's always difficult to even get an appointment with a buyer and Street Smart gives suppliers an opportunity to make contact with buyers to follow up with after the event," says Howatson.

Protenergy Natural Foods Corporation, a food and beverage manufacturer in Richmond Hill,

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ONTARIO Food Exports (OFEX) Trade Events

Increase your export potential by participating in an OFEX trade-related event.

Our seminars, incoming and outgoing missions and international trade show participation are all geared to developing and maximizing export opportunities for Ontario companies. Through them, we can help you generate export sales, get in-market exposure, meet buyers face-to-face and gather first-hand information about export markets. If any of these events fit your strategies, contact your Export Marketing Officer for further details on how your company may participate (see the contact list on page 7).

Incoming Missions

Hong Kong Food Expo, August 14-17, 2008

In cooperation with Canadian Food Exporters Association and the Consulate General of Canada in Hong Kong, OFEX will be organizing a Canadian pavilion at the Food Expo, Hong

Kong Convention & Exhibition Centre, Hong Kong. The Food Expo has been a showcase for Hong Kong food manufacturers and trading companies for 18 years. For more information contact Kiran Pandey.

Taiwan Health/Wellness/Organic incoming mission, September 12-14, 2008

Health, wellness and organic buyers from Taiwan will be coming to Toronto for one-on-one meetings with Ontario companies. For more information, contact Kiran Pandey.

Street Smart, September 22 - 23, 2008

Ontario Food Export's popular Street Smart event returns with a focus on the US private label as well as health and wellness (including organics) market. The TableTop event will provide qualified Ontario exporters with the opportunity to showcase their products to US retail representatives. To learn more about this

robust exporting opportunity contact your Export Marketing Officer.

Soriana, Mexico, September 2008 (TBD)

The Mexican retailer, Soriana, will be coming to Toronto to source deli items. Contact Shannon McCarthy for more information.

Taiwan Virtual Table-Top, October 31, 2008

Ontario Food Exports is working closely with the Canadian Food Exporters Association (CFEA) and the Canadian Trade Office in Taiwan to arrange this unique event. The Virtual Table-Top Show is scheduled for October 31st, one day before the Annual General Meeting of the Taiwan Food Importers Association. Canadian companies will have the opportunity to present their companies and products to prospective buyers using the internet for video conferencing. Contact Kiran Pandey for more information.

HOW to send samples successfully

It's a familiar scenario: an Ontario supplier sends a product sample to a potential customer in the US but it either never arrives or gets to the customer in poor condition. "In a lot of cases, when people send samples to customers they don't go through the usual channels," says Dean

Post, OFEX's manager. "The sales rep drops it off at a courier company or someone in marketing sends it through the shipping department and the paperwork and labelling isn't in order. They think it doesn't matter because it's just a sample but it does matter. The buyer looks at it and says 'Why do I want to deal with a foreign company who can't get their product here on time or in decent shape'. Companies need to realize that spending a little more time and money

to send samples will pay off in the benefits down the road," says Post. Whether you're sending a sample or a truckload, you have to be 100% compliant with US border regulations; making sure you do prior notice and your labels are complete. "Whether you're shipping a single item or multiple items, document preparation is the single most important element to ensure that the samples are delivered on time and at the desired temperature," says Robert Amato of The Iceman (www.the-iceman.com), a freight forwarder in Toronto. "At the border, authorities treat each shipment, regardless of value, the same way." If you've reformulated your product for a potential buyer, proper labelling is even more important. "In a lot of cases, companies will reformulate the sample for a buyer but the new ingredients may not be acceptable to the US or they may not be communicated on the label so they won't get into the US," says Post.

Consider these strategies to deliver your product samples to your customer promptly and in good condition:

Cross the border Some companies drive their samples across the border, using prior notice and making a formal entry into the US. "They're still using the courier system once they get across the border so there is

a chance of damage but you're avoiding or self-managing possible border issues and delays by sending the sample from within the US," says Post.

Hire a freight forwarder Using a specialized freight forwarder who understands the border will help ensure that everything is in order with your samples. The Iceman, a Toronto company with a fleet of temperature-controlled vehicles, specializes in packaging and delivering temperature (chilled or frozen) sensitive products within North America and worldwide. "Freight forwarders can help companies send samples successfully by educating their clients (proper documentation, proper packaging material, prior clearance)," says Amato.

Use an order fulfillment house When you use a US-based order fulfillment house, you ship them a large quantity of your products which they store and then as needed, they can pull samples or orders off the shelves, package your product, label it and mail or courier it for you. "Refrigerated order fulfillment houses are few and far between so for companies with frozen or refrigerated products, order fulfillment houses may not be an option but if your product is shelf stable, it's a viable option", says Post. "It will cost you a bit more but the cost may be worth it to get those buyers interested and help complete the sale."



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Profile



Mark Jonker

NEW members of the OFEX team

As OFEX's new Export Marketing Officer for protein, beverages and confectionary, **Mark Jonker** is working to create opportunities to grow Ontario businesses internationally. "My clients have busy lives and they don't have time to be picking up the phone and trying to find who to speak to to try to grow their export business," says Jonker. "That's where we come in. Ontario Food Exports is a contact-based agency; we have contacts in all levels of government."

Jonker brings 18 years of food experience as a sales and marketing executive in multinationals, with most of his experience in protein, including processed meats and commodities and in retail, foodservice and

industrial sales. Jonker has also worked as a key account manager for a multinational in the confectionary business; participated actively in the US, Russian and Latin American export markets and done extensive work in product development for both private and branded labels. "With that experience comes a broad knowledge of the industry, key contacts and related associations," he says. "The other component is the 'relatability' factor: I can look across the desk at someone and say 'I understand your need to grow your business'; 'I understand the challenges involved in creating your product line'; 'I understand the barriers to entering certain markets' and 'I'm here to help you out'."



Kiran Pandey

While Amos Tin is away on a one-year leave of absence, **Kiran Pandey** has taken on the role of OFEX's Geographic Specialist for Asia/Pacific. As part of his role, he'll be working closely with trade commissioners at different posts to find suitable buyers in those markets supporting incoming and outgoing trade missions looking for appropriate match-making opportunities.

Originally from Nepal, Pandey holds a Masters in Business Administration from the University of Hawaii and an undergraduate degree in food processing from Ukraine, where he learned to speak Russian fluently. Before joining the OFEX team, Pandey participated in a government

internship program at OMAFRA, working with the Investment Development Unit. Prior to that, he worked in market development of agricultural products and exporting to Japan, the US, Germany India (South Asia) and the Middle East. "I have more than ten years of experience in facilitating the exports of products," says Pandey. "I understand the Asian market very well and look forward to matching Ontario suppliers with Asian buyers." Pandey is currently working on supporting the Canadian Pavilion during the Hong Kong Food Expo in mid-August and incoming missions from Asia, including an upcoming incoming mission from Taiwan this September.



REGULATORY Update

Country of Origin Labelling (COOL) Regulations

New Country of Origin Labelling (COOL) regulations are set to come into effect within the US market in September 2008. The 2002 US Farm Bill created these new mandatory labelling requirements for certain beef, lamb, pork, fish and shellfish, fruit, vegetables and peanut products sold at US

retail outlets. Exact details of the implementation are not yet available but the intent was that US retailers would provide information to the consumer as to the country of origin of the commodity at the point of purchase. For more information on the COOL regulations, log on to Agriculture and Agri-Food Canada (www.agr.gc.ca/itpd-dpci/country/issues_cool_e.htm).

SEPTEMBER Street Smart focuses on private label...

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which is currently co-packing for large brands, has participated in the last two Street Smart events. "We have come away with new customers in each case—one in China and one in the US," says Brent Lunn, Vice President Business Development at Protenergy. "It is rare to find an opportunity where I have 10 to 20 minutes

of uninterrupted conversation with a buyer or senior contact from a major retailer but that is just what Street Smart offers. We will continue to participate as long as the event is offered; I suspect it would be impossible to find a more efficient use of our time and money."

To make the most of the event, Ontario

suppliers should come prepared: "Make sure you have your company literature, a table sign highlighting some of the wellness attributes of your product and— if you have it— private label packaging, which shows credibility", says Howatson. Once suppliers make that first connection, then the real work begins: "You have to have the persistence to follow up after the event," says Howatson. "The event will give them the one-on-one time with buyers but it's what happens after Street Smart that counts."



CANOLA oil usage in US foodservice

Findings from a new study reveal oil usage trends



“In the last two years, 28% of restaurants have made a change in cooking oils.”

A new study conducted by Technomics, on behalf of OMAFRA, other provinces and The Canola Council of Canada examined canola oil usage in the US foodservice market. These were the main findings:

Perceptions about canola oil

Canola oil is one of the leading cooking oils on the market. It's recognized as a versatile cooking oil with properties that work best for all-purpose cooking and deep frying. The most often cited reasons for usage are its trans-fat properties, its low saturated fat, neutral flavour, reasonable cost and high smoke point. The words or phrases most often associated with canola oil include “healthy”, “better flavour” or “neutral flavour”, “low in fat” and “affordable”.

Restaurants switching to canola oil

In the last two years, 28% of restaurants have made a change in cooking oils. While canola and vegetable oils have been the two oils that have been most often dropped, canola oil has also been the most switched to oil. Nearly one-third of restaurants that have made a recent change have adopted canola oil during their conversion. Twelve percent of restaurants are currently evaluating new oil alternatives and those researching a change are looking for healthier oils, trans-fat free oils, lower cost oils and customer requested oils. Eighty-four percent of restaurants consider the health characteristics of cooking oil to be a relevant issue while 73% make the same statement about low saturated fats. However, only 50% of individuals interviewed perceived canola oil to be trans-fat free or low in saturated fat.

The report revealed that restaurant decision makers have a tendency to be somewhat uninformed about cooking oils and fat characteristics. A lack of information about cooking oil often can be traced back to foodservice distributors who are the primary source of oil information for 40% of restaurants. For the most part, restaurant management is unable to differentiate between classic canola oil and other, more advanced varieties such as high-oleic.

Those restaurants not using canola oil have generally not considered using it in their kitchens. Only 23% of non-users have ever given thought to purchasing canola oil, and those restaurants have generally not made a change because of cost perceptions. For those who have never considered canola oil, over two-thirds say there is simply no reason to contemplate a change.

Communicating cooking oil choices to customers

According to the report, 65% of restaurants are communicating their cooking oil choices to customers. Often these are informal tableside customer updates but many have also chosen to use menus, menu boards, signage, point of purchase materials and web sites to provide customers with preparation information. More than 50% of restaurants express a willingness to display logos that indicate trans-fat free or low saturated fat information. Typically, the degree of willingness depends on management's impression of customer interest in the subject.

REPORT on PROFIT 2008

The latest OFEX PROFIT (Program to Raise Ontario Food International Trade) event was very well received by the Ontario suppliers who participated. “We had another successful trip educating Ontario manufacturers on how to export to the US,” says Dean Post, OFEX's manager. The two-day event took place on May 13-14, 2008, featuring 15 industry speakers covering the unique requirements for food and beverage exporters and retail tours in Buffalo, NY.

One hundred percent of those companies who participated would recommend PROFIT to other companies according to a survey conducted after the event. “This was an outstanding program and very well organized with professional and friendly staff,” raved Iraj Mehrnia of Readymix Food Corp. in the PROFIT evaluation “It provides some in-depth exporting info that is often hard to find,” and “very useful tips, how-to's and expert advice,” wrote Josephine Ferreria of A Couple of Squares.

Participants in the recent PROFIT event included both companies that are new to exporting and experienced exporters. “The formal information they gained was valuable but the networking with other companies is equally important,” says Post. “People can learn as much from each other as they can from the experts we bring in.” The next PROFIT program will take place in May 2009. Contact your Export Marketing Officer for more information.



US Retailer Profiles – Spotlight on: US retailers, distributors and brokers participating in OFEX's Street Smart event in September 2008

RETAILERS

Our list of US retailers attending Street Smart is constantly growing. Please contact your Export Marketing Officer for regular updates.

STOP&SHOP

Stop and Shop (Ahold USA Inc.)

(www.stopandshop.com)

The Stop & Shop Supermarket Company has approx 385 outlets in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York and Rhode Island. Stop & Shop carries an increasing number of organic products in their produce, dairy, bakery, grocery and frozen food departments and recently introduced "Nature's Promise", a new line of organic and natural food products.

Sales: \$16.7 Billion

Private label programs: Care One, Giant, Guaranteed Value, Mia Casa, Nature's Promise, Tops

Representatives: Category Manager Frozen, Category Manager Natural and Specialty; Ahold Chain Sourcing Manager; Daymon Business Manager—Cookies, Crackers, Natural/Specialty, Daymon

GIANT

Giant Food Stores (Ahold USA Inc.)

(www.giantfoodstores.com)

The Giant Food Stores Chain operates approx 140 supermarkets under the Giant and Martin's Food Markets banners in Pennsylvania, Maryland, Virginia and West Virginia.

Sales: \$4.3 billion

Private label programs: Care One, Giant, Guaranteed Value, Mia Casa, Nature's Promise, Tops

Representatives: V.P.-Dairy, Frozen and DSD

BI-LO

BI-LO (www.bi-lo.com)

Founded on the philosophy that "low prices, high quality and excellent service are the key factors to retaining customers", Bi-Lo has 225 supermarkets in North and South Carolina, Georgia and Tennessee. One of Bi-Lo's famous branding initiatives is Meal Solutions, which is aimed to help with meal planning by offering new ideas for food choices that the family would enjoy.

Sales: \$2.7 billion

Private label programs: Bi-Lo, TopCare, Finast, GoldStar, Walter's, Vince's and Southern Home Bakery

Representatives: Director of Store Brands; Daymon Director of Business Development



H-E-B Grocery Company (www.heb.com)

H.E. Butt Grocery Company (HEB) is a privately-held food retailer offering diversified products through its 337 retail stores in Texas, Louisiana and Mexico. In addition to traditional supermarkets, HEB Central Markets format stores offer European-style foods with an emphasis on gourmet foods and healthy eating.

Sales: \$13.45 billion

Private label programs: Central Market All Natural, Central Market Organics, Creamy Creations, HEB, Hill Country Fare, Mary Ellen, Park Lane, Park Manor, Park Royal, Plaza, Regal, Royal Maid, Silvex, Village Park



Lunds and Byerly's

(www.lundsandbyerlys.com)

Lund Food Holdings operates 20 Lunds and Byerly's upscale grocery markets in the Twin Cities area of Minnesota. The company took its present form in 1997 with the merger of Lunds and Byerly's. Both chains specialize in gourmet, high-quality foods, with locations offering artisan breads, bakeries, a line of organic foods, wine stores, florists, catering services, community meeting rooms. Byerly's also runs a culinary school out of one of its stores. Through a partnership with Minnetonka-based PrairieStone Pharmacy, Lund Food Holdings has been adding pharmacies to its stores.

Sales: \$500 Million

Private label programs: Lunds, Byerly's

Representatives: Director, P/L and Natural Organic; Senior Category Manager Grocery, Dairy, Frozen



The Wedge (www.wedge.coop)

The Wedge Co-op is known for the unique services and products that it provides in several of its departments, such as gluten-

free foods and organically grown produce.

It conducts its operations out of one location in Minneapolis, MN, and is also a distributor in four other states.

Sales: \$28 million

Representatives: Buyer for organics, natural and health



Winn Dixie (www.winn-dixie.com)

This food and drug retailer operates in the Southeastern US, including Alabama, Florida, Louisiana and the Bahamas Islands. They operate primarily under the "Winn-Dixie", "Winn-Dixie Marketplace" and "SaveRite" banners. Substantially all of their stores offer grocery, meat, seafood, produce, deli, bakery, floral, health and beauty and other general merchandise items.

Sales: \$7.2 billion

Private label programs: Winn-Dixie Prestige, Winn-Dixie, Thrifty Maid and Chek

Representatives: Vice-President of Purchasing

RETAILER/DISTRIBUTORS



Topco Associates LLC (www.topco.com)

The company provides procurement, quality assurance, packaging and other services for its member-owners which include supermarket retailers, wholesalers and foodservice companies. Members purchase a variety of products and services through the cooperative, including corporate and national brands, perishables and supplies and Topco distributes more than 5,000 private label items.

Sales: In excess of \$8 billion

Private label programs: Food Club, Top Crest, Top Care, Paws Premium, Paws Professional, World Classics Trading Company, Dining In, Full Circle, ValuTime, Clear Value, EasyClix, Electrix, Academix, Domestix

Representatives: Director of organics, natural health

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IN Good Company: Fine-tuning products spells success for Ontario deli meat producer

This Ontario exporter is making inroads into the US market thanks to consumer-friendly packaging and perseverance



Originally from Yugoslavia, the Huber family left Europe to rebuild their family business in Canada and in 1957 opened a small butcher shop in Waterloo, Ont. Fifty-one years later, Piller's Sausages & Delicatessens Ltd. now encompasses four HACCP-certified production facilities and a state-of-the-art distribution centre that processes orders for millions of pounds of its European-style deli meats annually. Along the way, the company has managed to hold on to its lineage as German "Sausage Masters" while constantly fine-tuning their products to meet customers' changing needs. That winning business approach has helped Piller's penetrate the US market.



The company: Piller Sausages & Delicatessens Ltd. in Waterloo, Ont.

The challenge: To penetrate the US retail market

How OFEX helped: Participation in OFEX-organized events, such as Street Smart, helped the company connect with potential US buyers

Words to grow by: "Hang in there," says Dave Brandow, director of sales and marketing of corporate foodservice and export at Piller's. "Patience and perseverance will pay off."

For the past 14 years the company has been exporting its unique product line of salamis and dried cured hams to US specialty gourmet shops and more recently to supermarkets. "Our dried cured products are a little different from the typical Mediterranean and Italian-style products that US consumers are more familiar with," says Dave Brandow, director of sales and marketing of corporate foodservice and export at Piller's. In an effort to appeal to the US consumer, the company has changed its packaging; on the majority of Piller's products sold in the US, the Piller's logo is downplayed and the Black Kassel brand is accentuated so the American consumer can easily identify that it's of central European origin.

Piller's has also redesigned its packaging in response to consumer trends: "Today's busy consumer may not have time to wait in line at the deli for freshly-sliced meats and they want meat in packaged formats," says Brandow. Piller's offers creatively packaged meat in a spiral deli tray, with meat laid out in a spiral similar to custom made deli trays. The tray is decorative enough to put out on a table and recyclable after use. "Consumer-friendly packaging is becoming more of a focal point than ever; just taking your product and putting it into a more consumer-friendly package pays dividends," says Brandow. "If you can make your product more cost effective and easier to use, that's what consumers are looking for. Our packaging has helped us stand apart."

Since more consumers are looking for low-sodium products, Piller's has also recently introduced a heart-shaped salami called D'Amour which features 40% less sodium than traditional salami, making it heart-healthy. The Piller line also includes snack-size salami products made without fillers or binders.

During Piller's first decade of exports,

"If you can make your product more cost effective and easier to use, that's what consumers are looking for."

specialty gourmet retailers made up most of the company's US buyers. "We're increasing now and have sent our first order to a large supermarket chain in the northeast," says Brandow. Making that sale was the result of years of effort: "Doing trade shows, magazine ads, direct mail, working through distributors to get buyer appointments—all of those things in combination had some effect," says Brandow. He also thinks the timing is right for specialty products. "Generally speaking, Americans are looking for flavour experiences and the specialty markets are increasing in presence. That's having a spill-over effect on mainstream grocery retailers where they're either implementing specialty food sections in their stores or even creating another banner that is more of an upscale version of their grocery store."

Piller's also has foodservice clients in the US, including large fast-food restaurant chains and other independent restaurants. Using a distributor has made it easier to break into the US foodservice market. "It's difficult for us to service someone on a one-on-one basis," says

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IN Good Company: Fine-tuning products spells...

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Brandow. "Dealing with a foodservice distributor and operator at the same time is the key: It's a three-legged approach to business—you've got the restaurant operator, distributor and supplier and each one needs to communicate their specific needs to the other partners to get a solution for the restaurant customer."



Participating in OFEX events over the years, including Street Smart, has helped Piller's meet directly with buyers and understand what they're looking for. "Even if I don't get a sale, invariably I bring something back to Piller's that I can use for future development," says Brandow. "Attending Street Smart keeps us informed of where we need to be in terms of product development and packaging our products in a manner that's going to be more accepted in the US or other countries."

US Retailer Profiles... —Continued from page 5



Federated Group (www.fedgroup.com)

A premier sales and marketing company in the grocery, food service, drug and convenience store businesses, Federated Group serves areas across the US.

Private label programs: Hy-Top, Parade, Red & White, Lifemark, Effortless Entrées, Better Valu, BV Care, Prima, Cuddle-Ups, Royal Classics, 7-Farms

Representatives: Vice-President of Sales



Bozzuto

This leading wholesale grocery distribution company supplies food and non-food products to independent supermarkets belonging to the IGA network in Maryland, New Jersey, New York, Pennsylvania and New England.

Sales: \$1.1 billion

Representatives: Director of Store Brands

NATIONAL BROKERS



Rosengarten Group (www.rosengartengroup.com)

A brokerage firm dealing with consumer products/service companies, retail companies, financial services companies and educational services, the Illinois-based Rosengarten Group serves as strategic business consultants to retail food companies across the US.

Representatives: Vice-President upscale, specialty, organics and health

Ontario Food Exports®

Ministry of Agriculture, Food and Rural Affairs
1 Stone Road West, 3 NE, Guelph, ON, N1G 4Y2, Canada
Telephone: 519-826-4210 Toll free: 1-888-466-2372
(in Ontario only. Ext. # is last five digits of applicable direct dial #)
Fax: 519-826-3460 Website: www.ontario.ca/omafra

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SECTOR SPECIALISTS

Kathryn Liotta, Export Marketing Officer
Specialty/gourmet, health food, dairy, delicatessen
519-826-4018 kathryn.liotta@ontario.ca

Shannon McCarthy, Export Marketing Officer
Primary agriculture
519-826-7765 shannon.mccarthy@ontario.ca

Karen Moore, Export Marketing Officer
Bakery, prepared frozen foods
519-826-3686 karen.moore@ontario.ca

Debra Oliver, Export Marketing Officer
Prepared & dry ingredients, fruit, vegetables, horticulture, dry prepared foods
519-826-3945 debra.oliver@ontario.ca

Mark Jonker, Export Marketing Officer
Protein, beverages & confectionary
519-826-3482 mark.jonker@ontario.ca

GEOGRAPHIC SPECIALISTS

Diana Campbell
Geographic Specialist - UK, Germany, the Netherlands, Belgium
519-826-3982 diana.campbell@ontario.ca

Murray Howatson
Geographic Specialist - United States
519-826-3790 murray.howatson@ontario.ca

Shannon McCarthy
Geographic Specialist - Mexico
519-826-7765 shannon.mccarthy@ontario.ca

Kiran Pandey
Geographic Specialist - Asia/Pacific
519-826-3489 kiran.pandey@ontario.ca

EXPORT SERVICES

Karen Edwards, Export Marketing Assistant
Market research, library
519-826-3768 karen.edwards@ontario.ca

Jennifer Taylor, Client Information Coordinator
519-826-3767 jennifer.taylor@ontario.ca

Dean Post, (A) Manager, Ontario Food Exports
519-826-3693 dean.post@ontario.ca

PROGRAM SUPPORT UNIT:

Pat Passmore 519-826-3713
Kathleen Dale 519-826-3795

REPRESENTATIVES BASED OUTSIDE OF CANADA:

Joseph Senft, Ontario Food Exports: Eastern US
10 Pewter Lane, New Providence, New Jersey, USA, 07974
Phone: 908-790-0156 Fax: 908-898-1075
E-mail: joesenft@att.net

Rick Tuma, Ontario Food Exports: Central US
1006 Park Hill Circle, Aurora, Illinois, USA 60504
Phone: 630-820-7144 Fax: 630-820-7144
E-mail: tumarick@aol.com



MARKET Watch

GROWING ethnic food opportunities in the central US

Hispanic, Indian and Asian foods are gaining popularity in the region



From Ohio over to Minnesota and including the states down to Texas, the central US represents a promising market for export-ready Ontario suppliers of ethnic foods. According to *US Ethnic Food Market*, the ethnic food market generates about \$75 billion a year in the US and is expected to increase by over 50% in the next decade.

Emerging ethnic markets

The Hispanic market According to the US Census Bureau, as of 2007, 15.1% of the US population is Hispanic, making it the fastest growing and largest ethnic group in the US. The increase in this population will undoubtedly increase the consumption of Hispanic and Latino foods, which made up 67% of the ethnic food market in 2002. In the central US, Texas and Illinois have the highest populations of Hispanics.

The Hispanic market encompasses Mexican, Puerto Rican, Cuban, South and Central American foods. In Hispanic communities, supermarket chains are being restructured to reflect the customers with bilingual cashiers and stockers and additional regional and ethnic products. "In the last five years, three Hispanic supermarkets have emerged in Chicago's western suburbs and I see products, such as meats there that are not available anywhere else within this market," says Rick Tuma, OFEX trade advisor for the central US. "They're giving the customer what they like and doing well because of their fresh produce and meat cases."

According to the USDA, the Hispanic community eats more rice, but less pasta and ready-to-eat cereals than their non-Hispanic counterparts. They're less likely to consume vegetables but have a slightly higher consumption of fruits and they are also more likely to eat beef but less likely to eat processed meats. There's a strong demand for Hispanic foods with hot and fiery tastes and popular flavours include lemon, Cajun, chipotle, mesquite and chimichurri.

The Asian market In 2002, Asian food made up 22% of the ethnic food market in the US. By 2020, it's predicted that Asian Americans will make up 7% of the US population. Texas is predicted to have more than one million Asian Americans by 2020, an increase of more than 30%.

Pan/Asian food includes Chinese, Japanese, Thai, Korean, Vietnamese,

Cambodian, Filipino and Malaysian foods. Popular trends include artisan sake, Asian BBQ, spring rolls, edamame, raw foods, gourmet noodles and toppings, dumplings, dim sum and hot and sour soup. Popular flavours and ingredients include soy, peanut sauce, hoisin, wasabi, miso and cardamom.

The Indian market Emerging ethnic foods including Indian, Middle Eastern, Greek and Caribbean make up 11% of the ethnic food market. Asian Americans of Indian origin are the fastest growing major demographic group in the south central US and will be the largest ethnic Asian population in the region by 2010.

The Indian market includes Indian, Pakistani and Sri Lankan foods. Product trends include Mughlai and Tandoori dishes, rice beans, coconut milk, saffron, tamarind, spice blends, flat breads, chutney and basmati rice.

"In the last year, I've been to four different Indian supermarkets in Illinois", says Tuma. "They're not huge stores—15,000 to 20,000 square feet—but they do have a strong loyal customer base."

The Mediterranean market includes Greece, Israel, Spain, France and the Middle East. Product trends such as tabouli, flatbread, falafel, feta and ricotta cheese and artisan and specialty cheeses; and flavours such as balsamic and pesto.

"In Illinois, Italian supermarkets are also doing strong business, particularly a company called Caputos, which offers a lot of Italian meats and sauces", says Tuma. "They're getting the mainstream shopper in there for better-quality pastas and Italian meats. There are a lot of Italian food manufacturers in Ontario so that would be a good fit."

How the central US compares

Compared to other parts of the country, the central US is more of a meat and potatoes market. "The growth in organics is slower in the central US than in the northeast or western US," says Tuma. "A much larger percentage of the population in the central US are one-stop mainstream shoppers. You don't see the variety you get in New York or the health foods you get in California."

Capitalizing on ethnic markets

"If your product is going to be received in ethnic markets in the central US, it must be authentic", says Tuma. "I don't think

knock-offs would do it and if it is a knockoff, it better be substantially lower in price. Price can be an important factor."

For companies interested in penetrating ethnic supermarkets, going through a specialty distributor is imperative. "Right off the bat the distributor adds on 25% but for that 25% they deliver directly to the store and depending on the size of the store, they have a sales rep who will be there anywhere from once a month to three to four times a week," says Tuma. "The rep will rotate your product, make sure it's tagged and depending on whether or not it's a union store, put your product on the shelf."

Companies interested in learning more about opportunities for exporting ethnic foods to the central US can contact Rick Tuma. (See page 7 for Rick Tuma's contact information.)

Ethnic food trends

These products are common to all ethnic cuisine trends in the South Central region of the US and can be exported by Ontario companies:

- Kidneys, beef, lamb, pork, chicken, goat, spicy sausage, meat pies, ethnic beef stew and ethnic chicken stew
- Tofu and vegetarian dishes
- Dark chocolate
- Garlic, ginger, coriander, cinnamon, curries, cilantro, cumin, chillies, oregano, bay leaves and laurel leaves
- Black bean soup
- Chickpeas, cranberries, zucchini, tomatoes, potatoes, mushrooms, peppers, olives and almonds
- Shrimp, lobster, crab, salmon, mackerel, ackee, saltfish, cod, scallops and calamari
- Sparkling waters and wines



Emerging restaurant trends in the central US

- Vietnamese
- Thai
- Noodle Shops
- Live Sushi Bars
- Haute Indian
- French Bistros and Provencal
- Fresh Mex
- Tapas Restaurant/Bars
- Organic-certified
- Bakery Sandwich