

Exporter

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Ontario Food Export Award recognizes bold growth of TWI Foods Inc.

The winner of the 2015 Ontario Food Exporter Award is **TWI Foods Inc.**, as announced by Minister Jeff Leal on January 25. Since 2011, The Ontario Food Exporter Award has recognized Ontario food innovators and exporters for their outstanding contributions to expanding the province's presence in international markets.

"This award represents the things we have done so far and that our decisions were right," said Ali Kizilbash, President of TWI Foods Inc. "It also gives us the courage and strength to continue making bold decisions to expand on export market activities."



TWI Foods Inc. recipients and The Honourable Jeff Leal, Minister of Agriculture, Food and Rural Affairs.

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Ontario Food Export Award recognizes bold growth of TWI Foods Inc. *continued...*



Minister Leal tours TWI Foods Inc.

Founded in 1997, TWI Foods Inc. began as a specialized production facility for cake rusk, tea toast and baked goods with a distinct South Asian flair. Over the past 19 years, the company has grown into a successful international exporter, efficiently delivering high-quality and affordable goods to customers in established markets in the United Kingdom, the United States, Australia, the United Arab Emirates, Germany, Hong Kong and Singapore. Key to this success is the company's close relationships with new distributors and a visible presence at international tradeshow.

Award finalists were Super-Pufft Snacks and Handi Foods: **Super-Pufft**

Snacks is one of North America's largest manufacturers of private-label popcorn, potato chips, extruded snacks and canister chips, exporting to more than 30 countries. **Handi Foods** distributes flat breads, pita breads and chips, crackers and other snacks to customers in North America and overseas.

Save the Date! Street Smart and PROFIT are coming...

Street Smart, Ontario Food Exports' largest incoming mission in 2016, is set for September 19-20 in Toronto. The bi-annual event provides export-ready Ontario food and beverage exporters with opportunity to exhibit to, and meet with, potential buyers in an engaging table-top setting. The two-day event will focus on promoting Ontario's private-label and health and wellness foods to more than 35 pre-qualified United States and international buyers. Participants have the opportunity to gain an understanding of grocery retailers' needs, product trends and the best methods to sell to individual chains in various regional and international markets.



PROFIT New-to-Exporting Seminar is a must-attend for Ontario food and beverage exporters interested in exporting to the United States. Set for May 31 – June 1 in Niagara Falls, Ontario and Buffalo, New York, the two-day event includes interactive sessions to help Ontario businesses prepare for, or refine their existing processes for, exporting food and beverage products to the United States. Seminar topics include: Preparing Facilities for Export, Nutritional Labeling and Testing, U.S. Customs and Border Protection, the USDA, the Role of a Customs Broker, and Selling to North Eastern Retailers. Retail tours in Buffalo will allow participants to view product merchandising practices in the U.S.



For more information, please contact your Export Marketing Officer or Cheryl Chlebus, Client Information Coordinator, at 519-826-3767 or cheryl.chlebus@ontario.ca.

Regulatory Update: AgriMarketing Program to include U.S. development activities

Small-to-medium Ontario exporters in the agri-food sector, having fewer than 250 employees and annual sales not exceeding \$50 million, are eligible to apply for the Government of Canada's Agriculture and Agri-Food Canada **Agri-Marketing Program**. The funding program provides non-repayable contributions of up to \$50,000 per year for export market development activities. *Ontario exporters can greatly benefit from recent changes to the program scope to include market development activities in the United States.*

"The U.S. market is the first stepping stone for a number of new exporters, and now with changes to the AgriMarketing Program, Canadian exporters, including those here in Ontario, can access this support for those first sales into the U.S.," says Lisa Foss, Director at Agriculture and Agri-Food Canada. "Exporters will benefit from the advantages of a market so close to home; this will hopefully open up new opportunities for Canadian agriculture and food exporters."

Eligible costs are shared (50/50) between Agriculture and Agri-Food Canada and successful applicants for export market development activities:

- Advertising in foreign markets
- Product demonstrations in foreign markets
- Incoming and outgoing missions
- Technical training for buyers
- Exhibiting at international tradeshows



For more information on the program, or to apply, visit:
<http://www.agr.gc.ca/eng/?id=1397220184548>.



Organization exports Canadian food products to Far East

Ontario food and beverage manufacturers who are looking to make a splash overseas in the Asia/Pacific market will benefit from the guidance and expertise of Markham-based **Park Tak International Corporation**, one of the largest exporters of Canadian food to the Far East region. Park Tak's extensive distribution network is firmly established in 16 Asian countries including Japan, Korea, China (Hong Kong, Taiwan, and Macau), Vietnam, Malaysia, Indonesia, Singapore, Brunei and India.

"Park Tak continues to grow and emerge as one of the leading exporters of Canadian food to the India market," says Kiran Pandey, India Geographic Specialist. "Ontario food manufacturers will benefit from their expertise as an experienced exporter, and can also maximize their export efforts with Park Tak's consolidation services for the India market."

Park Tak represents more than 40 leading Canadian companies and their goods, an extensive range of quality non-perishable food products such as biscuits/cookies, crackers, dried fruits, popcorns, confectioneries, teas, coffees, fruit juices, organic jams, pastas, salad dressings and snacks, as well as Canadian icewines and maple syrups.

Park Tak is currently engaged in initial research to expand into and strengthen ties with the Indian market, exploring partnership opportunities in the agri-food sector. Park Tak was part of the Canadian Pavilion during AAHAR International Food and Hospitality Fair, showcasing high-quality food products to Indian buyers.

For more information, please visit www.parktak.com.

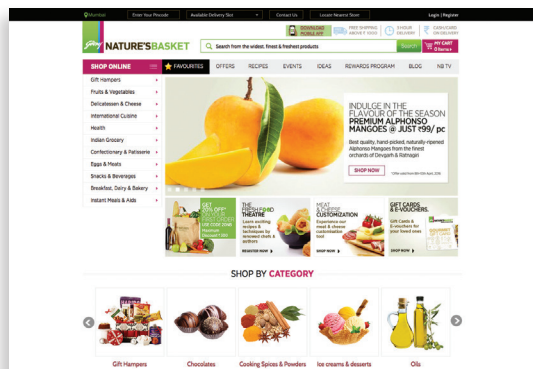




Godrej Nature's Basket expansion presents new opportunities

Ontario food and beverage exporters have a new opportunity to increase their exports to the burgeoning Indian market through the expansion of that country's leading retailer, **Godrej Nature's Basket**. The omni-channel gourmet retailer is looking to enhance its fine international food offerings, and Ontario products – well-known for their high-quality ingredients – are already selling well through the retailer.

“Our focus is to assist Ontario agri-food companies looking for exporting opportunities in India,” says Kiran Pandey, India Geographic Specialist. “Godrej Nature's Basket has established itself as a premium gourmet retail chain selling mostly imported products, including food exported from Ontario.”



He adds that the company also holds in-store promotions throughout Mumbai and New Delhi that *focus on Ontario food products in particular* – an added value for Ontario food and beverage manufacturers.

Started in 2005 as a single, fresh food store, Godrej Nature's Basket has morphed into a 36-store chain. The company is known for its enterprising spirit, setting benchmarks in gourmet food retailing and increasing their reach through strategically-located stores and an electronic/mobile-commerce service. In

2015, Godrej announced a pan-India delivery service offering more than 10,000 products for delivery to 125 cities in India.

For more information, please contact Kiran Pandey, India Geographic Specialist, at 519-826-3489 or kiran.pandey@ontario.ca.



Increase your exporting potential by participating in an OFEX trade-related event this spring and summer

Bakery Showcase: May 1 – 3, 2016

OFEX's MENA Geographical Specialist, Athar Shah, will be in attendance. If you have any questions, please email athar.shah@ontario.ca or call 519-826-3140.

PROFIT New-to-Exporting Seminar: May 31 – June 1, 2016

See page 2 for more details on PROFIT. Attending the event will be OFEX's United States Geographic Specialist, Greg Merlihan, and Client Information Coordinator, Cheryl Chlebus. Contact either at greg.merlihan@ontario.ca, 519-826-3790; or cheryl.chlebus@ontario.ca, 519-826-3767 for more information.

Taste of Canada: June 13 – 14, 2016

Our United States Geographic Specialist, Greg Merlihan, will also be in attendance at this event. If you have questions, please email greg.merlihan@ontario.ca or call 519-826-3790.

United Arab Emirates an emerging market



The United Arab Emirates (UAE) continues to cement its reputation as an emerging retail food market with a growing demand for imported food products, providing continued opportunity for Ontario food and beverage exporters.

“Processed products account for more than 50% of food consumed in the region...”

According to Alpen Capital’s Food Sector Update, population growth and the increase in the number of foreign tourists in the UAE, as well as per capita income, will see food consumption in the region reach 49.1 million metric tons by 2017. Processed

products account for more than 50% of food consumed in the region, and with a rapidly-growing tourist population and emerging affluence, the demand for high-quality, organic and specialized foods is expected to grow. But high temperatures and limited rainfall are constraints on agricultural production. Enter Ontario manufacturers!

“It is estimated that 90% of agri-food products in the UAE are imported,” said Athar Shah, Export Marketing Officer and Middle East, North Africa (MENA) Geographic Specialist. “We’re seeing a lot of success for Ontario companies in the middle east and with the help of today’s technology, our products can go much further distances.”

“It is estimated that 90% of agri-food products in the UAE are imported...”

Shah says that much of this success comes in the form of baked goods (doughnuts, muffins, cupcakes, two-bite brownies, etc.). Estimates rank the UAE as 66th worldwide in the consumption of bakery products, with an estimated US\$682.9 million worth of retail value sales in 2014, an increase from 2013 when the UAE ranked 67th (Euromonitor International, 2014). In addition, UAE supermarkets such as Lulu and Spinneys continue to seek out and stock a broad range of Ontario food and beverage products.

For more information, please contact Athar Shah, MENA Geographic Specialist, at 519-826-3140 or athar.shah@ontario.ca.





E-commerce: China and the United Kingdom

CHINA

Canada in general, and Ontario food and beverage manufacturers in particular, are already in a favourable position when it comes to e-commerce in China, says Emerson Cheng, Asia/Pacific Geographic Specialist.



“China has a very positive image of Canada and trust in the food products that our provinces produce. The market boasts 200 to 300 million consumers looking for premium food imports, and Ontario manufacturers can benefit from this.”

Ontario companies are already visible contributors to China's booming e-commerce market says Cheng, and the opportunity is growing: there's an estimate that total business revenue from e-commerce will be 50% of the total retail sales in China by 2020.

E-commerce companies in China, such as Jingdong, are delivering pleasant online shopping experiences, and quality goods at competitive prices. As such, it is essential that Ontario exporters offer unique and enticing products, and develop a targeted, well-researched plan to guide their e-commerce efforts in China.

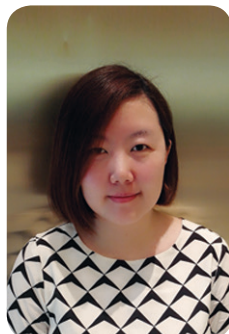
“In the past, Ontario exporters had to focus geographically when targeting China. Now, with e-commerce there is basically no limit. The exposure and potential opportunities are almost limitless.”

Despite the relative ease of e-commerce, Cheng notes that due diligence and logistics support are still essential. “You need to understand how e-commerce operates in China and what retailers expect from suppliers. Timely delivery is essential. Also, companies that spend more time studying the market and the channel are more successful.”

For assistance, contact Emerson Cheng, Asia/Pacific Geographic Specialist at emerson.cheng@ontario.ca or 519-826-4474.



New in-market trade advisor in China



Ontario companies looking to increase their food and beverage exports to the Chinese market can now benefit from the market knowledge, insights and guidance of **Flora Zhang** – OFEX's in-market trade advisor in China. The announcement was made during Premier Kathleen Wynne's Mission to China in November 2015.

Based in Shanghai, Flora is the Senior Marketing Manager at SMH International Limited, a company with more than 20 years of experience in marketing and market research, consulting, PR and events. Fluent in both spoken and written English, she brings an

UNITED KINGDOM

When Ontario food and beverage manufacturers consider the U.K. market for their growth, targeting an online retailer is something they should consider, says Jennifer Hannam, U.K./Germany/Netherlands/Belgium Geographic Specialist.

“In the U.K. market, e-commerce for food and beverage is way further ahead than here in North America.” Hannam says that OFEX is pursuing relationships with online retailers in the U.K. in order to bring new opportunities to Ontario manufacturers. Products must be frozen or shelf stable, and meet a number of regulations, such as the region’s high food safety standards.

“We also have a trade commissioner in the U.K. – as well as in other major markets – to help Ontario manufacturers exporting there.”

The market is expected to get a bigger boost when the CETA (Comprehensive Economic and Trade Agreement) comes into force says Hannam, which is eagerly anticipated for early 2017. The agreement will open trade between Canada and the European Union with the removal of many tariffs.



“I encourage Ontario companies, who might not have been able to afford to do business in the U.K., to start planning now to enter this export market,” says Hannam, as it is anticipated that retailers and e-commerce grocers will seek out more products from Ontario and Canada.

For more information, contact Jennifer Hannam, U.K./Germany/Netherlands/Belgium Geographic Specialist at jennifer.hannam@ontario.ca or 519-826-3982.

in-depth knowledge of the imported food industry in China, and has been instrumental in assisting many companies to access the market.

“International business can be challenging because of regulations, geographic and language barriers, and cultural differences,” says Emerson Cheng, Asia/Pacific Geographic Specialist. “For Ontario food and beverage exporters, Flora is there, ‘in the field’, to support them with these challenges in the Chinese market. They will benefit greatly from her experience and her connections to retailers, importers and distributors.”

For additional information, contact Flora at +86 21 6888 9835 or Flora.Zhang@smh-intl.com.

In Good Company: Crofter's Organic Spreads

Despite fierce competition, **Crofter's Organic Spreads** continues to set the standards in building brand awareness of their high-end organic spreads and growing their market share penetration. With exports to the U.S., Taiwan, Hong Kong, Singapore and Dubai, Crofter's is also exploring additional opportunities in China and Japan.

Located in Parry Sound, Ontario, and established in 1989, Crofter's is a family-owned organic food manufacturer that has been developing organic fruit spreads since the beginning of the organic trend. In 2015, the company achieved a 100% organic certification – a unique achievement in a category where most manufacturers provide some conventional/some organic (i.e. 20% organic jam).

"The organic industry is a growth industry that has become completely mainstream with organizations continuing to subscribe to the organic food market," says Gerhard Latka, President. "The move towards organic, GMO-free, and fair trade has given us the opportunity to expand, build a new facility and enter new markets with the potential to go from a company with \$20 million in sales to \$100 million in sales."

Its new facility will help Crofter's increase production by 2.5 million cases a year to feed growing sales and exports to national and international markets. Gerhard says that by working with Ontario Food Exports, Crofter's has had opportunities to visit markets, attend tradeshow and meet retailers – opportunities that all Ontario food manufacturers can take advantage of as well.



Ontario Food Exports^{OM}

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