

GLOBAL FOOD MARKETER™ NEWSLETTER

Export news from the Midwest and Northeast



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EXPAND TO NEW MARKETS, GROW YOUR BOTTOM LINE

If you are already exporting, congratulations! You have already overcome some major hurdles of the process. With a little marketing help, you can expand to more new export markets.



FOUR STEPS TO EXPAND TO NEW EXPORT MARKETS

Step 1: Examine Complementary Markets

Where are you shipping now? It's likely that similar conditions exist in other markets, indicating that your product or service could be successful there too. For example:

- Most of the 58 percent of companies that ship to only one market, ship to either Canada or Mexico, taking advantage of North American Free Trade Agreement (NAFTA) privileges.
- For those companies, considering expansion to the other NAFTA partner or to the countries which recently entered into the Central America Free Trade Agreement (CAFTA) might make a lot of sense.

A useful source of market intelligence is Food Export's Market Scan! Finding the right market and buyer for your product is the key to exporting success! Exporters who are looking to secure their product in an international market, find new distributors or importers, and/or receive valuable feedback about their product can take advantage of Food Export's Market Scan service.

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Expand to New Markets



Market Focus:
The Caribbean Basin



Food Export Helpline Q/A



Activities

Register for an Online foodexport.org Account!

Be sure to create an online account at www.foodexport.org to make the most of your customized online experience—it's quick and easy! Just click on Create An Account at the top right corner of our homepage.



MARKET FOCUS: THE CARIBBEAN BASIN

Economic prospects for the Caribbean are generally improving. Growth is expected in the region in the medium term, supported by higher U.S. growth following the recent U.S. tax reform. The International Monetary Fund (IMF) reports that the Gross Domestic Product (GDP) growth in the Caribbean Basin was an impressive 3.9% in 2018 and is forecast for growth of 4.2% in 2019. Consumption and exports were the main growth drivers last in 2018 and should continue. Encouragingly, investment is no longer a drag, and is expected to be an important factor behind the acceleration in output this year and next. Inflation came down significantly in 2017 in many countries, providing some scope for easing monetary policy.

With limited agricultural production, most Caribbean islands rely heavily on imported food products, particularly from the U.S. As tourist arrivals in most islands continue to improve, prospects for further market expansion are always present. This assessment covers the markets where there is a combination of market potential, current information and activity based on overall strategic planning for the medium term. For the 2020 program year it includes The Bahamas and Dominican Republic.

The U.S. exported nearly US\$1.9 billion in U.S. consumer-oriented foods to the Caribbean Basin in through November 2018, growth of 4% from the same month of the prior year. The region also imported over US\$1.3 billion in processed food products through November 2018, 2% growth from 2017.

Caribbean importers have a long history of doing business with the U.S., mainly due to close proximity, long-standing reputation of high quality products, and superior quality of service. In fact, many local importers have noted that they are able to source a variety of products from non-U.S. suppliers, but few of these suppliers can match their U.S. counterparts in terms of product quality and reliability. There are some clear advantages U.S. food suppliers take advantage of in exporting food products to the Caribbean. As important a food export market as it is for those in the U.S. the potential of the Caribbean also has some competitive and national challenges as well which need to be managed in order to succeed.

TOP 2018 U.S. EXPORTS OF PROCESSED FOOD PRODUCTS

Bahamas	Dominican Republic
Non-alcoholic beverages	Fats and oils
Snack foods	Food preparations
Food preparations	Processed/prepared dairy products
Processed/prepared dairy products	Non-alcoholic beverages
Beer and wine	Prepared/preserved meats
Pasta and cereal products	Beer and wine
Condiments and sauces	Snack foods
Prepared/preserved meat products	Condiments and sauces

BEST RETAIL PRODUCT PROSPECTS

USDA FAS Post reports it is known that market opportunities exist for practically all high-value, consumer-oriented foods/beverages and seafood products in The Bahamas. Some of the most prominent growth categories include:

- Dairy products including cheese
- Fish products, especially deep water fish not found in Bahamian waters
- Prepared/preserved red meats, as well as fresh chilled and frozen red meat, poultry meats;
- Processed fruits and vegetables

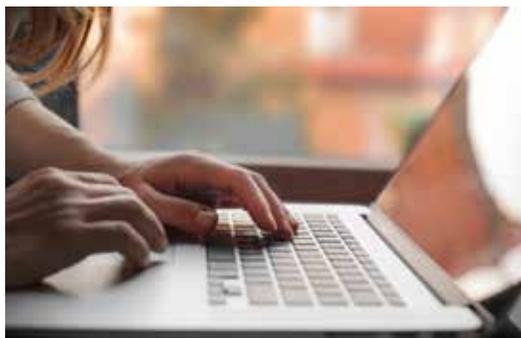
Euromonitor has reported that the retail sales value in the packaged food market in the Dominican Republic was \$2.4 billion in 2018. That represents a 22.9% period growth rate from 2014, or \$451.2 million. The forecast growth rate is estimated at over \$3.1 billion by 2023, and 25% growth or US\$636.3 million. Top growth categories in the forecast include:

- Ready meals
- Breakfast cereals
- Dairy products
- Sweet spreads
- Ice cream and frozen desserts
- Soups
- Processed meat and seafood
- Baked goods
- Baby food

EXPAND TO NEW MARKETS, GROW YOUR BOTTOM LINE (CONTINUED)

Market Scan Draws on In-Market Representative expertise to provide in-depth market research for a specific product.

- **Store Check and Distribution Analysis:** Offers the brand names, packages, sizes, regular retail prices, current price specials, and shelf space allotments for similar products.
- **Competitive Product Shopping:** First-hand information and samples of similar and competing products sold in the market.
- **Importation Analysis:** Import regulations and restrictions affecting the importation of your product into a country.
- **Distributor Referrals:** Importer feedback on package size, labeling, taste, appearance, price and marketability.
- **Target Importer List:** Includes contact names/information and a brief summary of importers' profiles.



Step 2: Track Global Demand of Your Product

Since you already ship to one country and have your product's HS classification, you can leverage data sources to paint a clearer picture of the demand – and competition – for your product:

Food Export's Market Builder Finding the right market and buyer for your product is the key to exporting success! Food Export's one-of-a-kind service offers packages especially designed to an exporter's needs and wants.

What are the Benefits to Your Company?

- Flexible options (Market Scan and Rep Finder can be purchased separately)
- Low risk way to ascertain the market's climate (favorably or non-favorably)
- Acquire valuable data regarding import regulations and restrictions to successfully enter the desired market
- Discover competition and sales potential within a variety of retail and distribution facilities
- One-on-one meetings with pre-qualified and interested buyers
- In-market assistance (introductions, translation (if necessary) and follow-up assistance)
- Cost-effectiveness
- Specific insights to drive export sales
- Market specific/product specific results – customized for you

(continued on back page)

FOOD EXPORT ASSOCIATION OF THE MIDWEST USA® AND FOOD EXPORT USA®—NORTHEAST

We are non-profit organizations comprised of state agricultural promotion agencies that use federal, state, and industry resources to promote the export of Midwestern and Northeastern food and agricultural products.

Food Export–Midwest and Food Export–Northeast administer many services through Market Access Program (MAP) funding from the Foreign Agricultural Service (FAS) of the USDA.

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FOOD EXPORT HELPLINE™

Q: I am preparing for the Caribbean/Latin American Buyer's Mission in Miami in June. We manufacture a line of soft drinks in a variety of flavors and packaging. I am trying to research in the Foreign Agricultural Service (FAS) Global Agricultural Trade System or "GATS" per Food Export's suggestion. I see there are two different Caribbean regions listed, once is under "region" and the other is under "partner group" and says "CBATO." The data is different, what are the other differences between them?

A: This vast geographic area is covered by two regional FAS offices, the Office of Agricultural Affairs (OAA) in Santo Domingo, covering the Dominican Republic, Jamaica and Haiti; and the Caribbean Basin Agricultural Trade Office or "CBATO" in Miami, covering practically all other island markets. Collectively we refer to them as the "Caribbean Basin."

According to the GATS "Caribbean" export data; the U.S. exported almost \$3.6 billion in agricultural products to the Basin in 2018, growth of 2% from the prior year. Just over \$2 billion were consumer-oriented goods. The region also imported over \$1.4 billion in processed food products in 2018.

ANTIGUA & BARBUDA

Tourism continues to dominate Antigua and Barbuda's economy, accounting for nearly 60% of Gross Domestic Product (GDP) and 40% of investment. The dual-island nation's agricultural production is focused on the domestic market and constrained by a limited water supply and a labor shortage, stemming from the lure of higher wages in tourism and construction.

Export data on Antigua and Barbuda in GATS is located within the Leeward and Windward Islands and consolidated with a number of other smaller island markets.

High growth categories include ready meals, soups, baby food, savory snacks, confectionery, ice cream and frozen desserts, rice pasta and noodles and sweet biscuits, snack bars and fruit snacks.

BERMUDA

International business, primarily insurance and other financial services, is the bedrock of Bermuda's economy, about 85% of the island's GDP. Tourism is the country's second largest industry, about 5% of Bermuda's GDP, but a much larger share of employment. Bermuda imports almost everything because agriculture and industry on the small island are limited.

High growth categories in the forecast include savory snacks, baby food, sweet spreads, ready meals, soft drinks, edible oils, rice pasta and noodles, sauces, dressings and condiments and ice cream and frozen desserts.

DOMINICAN REPUBLIC

The economy of the Dominican Republic (DR) continues to perform well. The damage caused by two recent hurricanes slows the economy, but a fiscal stimulus partially offsets this hindrance. The economy should continue to perform well in the future. Annual

Full Helpline response at:
<http://www.foodexport.org>

growth of real GDP will average 5% per year in 2021-2025. The DR is the largest market in the Caribbean Basin for U.S. agricultural exports and processed foods.

Top growth categories include ready meals, soups, breakfast cereals, processed meat and seafood, dairy products, baked goods, sweet spreads, baby food, and ice cream and frozen desserts.

JAMAICA

Jamaica saw moderate GDP growth of 1.2% in 2018. An agricultural recovery as well as a rise in private investment – particularly an increase in FDI in large tourism projects and business process outsourcing – drives the economy. Jamaica is the 2nd largest U.S. market in the Basin for agricultural products, but U.S. exports of processed foods declined 6% in 2018.

Top growth categories include baby food, breakfast cereal, ready meals, sweet biscuits, soft drinks, snack bars and fruit snacks, dairy products, rice, pasta and noodles, savory snacks and ice cream and frozen desserts.

SAINT VINCENT & THE GRENADINES

After years of weak economic growth, St Vincent is enjoying a modest recovery, driven by increases in tourist arrivals, tourism-related activities (including investment in hotels and resorts), and related local production. Annual growth of real GDP will be 1.4% in 2020 and will grow to about 2.5% per year through 2026. In GATS the country is located in the Leeward-Windward Islands aggregate.

Top growth categories in the forecast include rice, pasta and noodles, ready meals, dairy products, breakfast cereal, soft drinks, processed meat and seafood, ice cream and frozen desserts and savory snacks.

TRINIDAD & TOBAGO

Trinidad and Tobago has one of the highest per capita incomes in Latin America. The country is a large supplier of liquid natural gas to the USA and one of the leading exporters of methanol and ammonia. Growth of real GDP will strengthen in the next few years, peaking at 3.9% in 2021. Afterwards, it will slow to about 1.4% per year by 2025.

Top growth categories in the forecast include ready meals, edible oils, soft drinks, sauces, dressing's condiments, savory snacks, ice cream and frozen desserts and breakfast cereals.

Soft drinks are not only top U.S. exports to the Caribbean Basin, but in many cases high growth sectors within markets. We look forward to seeing you at the Caribbean & Latin American Buyers Mission in Miami in June.

FOOD EXPORT–MIDWEST AND FOOD EXPORT–NORTHEAST ACTIVITIES

Branded Program: Did you know that you might be eligible for up to 50% reimbursement on travel and exhibition fees for some of these activities? Visit www.foodexport.org for more information. **ERD** Early Registration Deadline **RD** Registration Deadline

BUYERS MISSIONS

Buyers Missions bring buyers from all over the globe to U.S. cities. U.S. food and beverage suppliers meet one-on-one with pre-qualified, international buyers to generate sales leads. Imagine meeting with numerous buyers from multiple countries all in one day.

Specialty Food Buyers Mission at Summer Fancy Food Show

June 27-28, 2019 New York, NY
RD May 16, 2019

Midwest Buyers Mission

July 29 – Aug. 1, 2019
July 29 Minneapolis, MN; July 31 Madison, WI;
August 1, Chicago, IL
ERD May 28, 2019 **RD** June 17, 2019

Natural Products Expo East Buyers Mission

Sept. 11-12, 2019 Baltimore, MD
ERD July 10, 2019 **RD** July 31, 2019

Value-Added Feed Ingredients Buyers Mission at World Dairy Expo

Oct. 2-3, 2019 Madison, WI
ERD Aug. 16, 2019 **RD** Sept. 6, 2019

Private Label Buyers Mission at the 2019 Private Label Manufacturers Association Show

Nov. 10-11, 2019 Rosemont, IL
ERD Sept. 9, 2019 **RD** Sept. 30, 2019

SEAFOOD ACTIVITIES

Food Export-Northeast is widely known for the foreign market development activities and cost-share assistance we provide to the region's seafood industry. We also provide a variety of support activities on behalf of the industry to continuously uncover new market opportunities and to create greater foreign market awareness and demand for the region's seafood products along with our Seafood Export Promotion Program that includes market briefs provided by our in-market representatives in Brazil, France, Germany and China.

Food Show PLUS!™ at Seafood Expo Asia

Sept. 3-6, 2019 Hong Kong
ERD May 19, 2019 **RD** June 14, 2019

Food Show PLUS!™ at China Fisheries & Seafood Expo

Nov. 6-8, 2019 Qingdao, China
ERD July 12, 2019 **RD** August 10, 2019

FOCUSED TRADE MISSIONS

Focused Trade Missions bring small groups of U.S. suppliers to a country with the goal of building participants' export businesses. You're able to see the market dynamics first-hand, meet and build relationships with interested importers, and discover your products' potential in that market.

Focused Trade Mission to Chile

Sept. 23-24, 2019
ERD May 31, 2019 **RD** June 28, 2019

Focused Trade Mission to Peru

Sept. 25-27, 2019
ERD May 31, 2019 **RD** June 28, 2019

Focused Trade Mission to Panama

Oct. 29-30, 2019
ERD June 24, 2019 **RD** Aug. 19, 2019

Focused Trade Mission to Mexico for Feed Ingredients

Nov. 6-7, 2019
ERD June 17, 2019 **RD** Aug. 12, 2019

Focused Trade Mission to Korea for New Lifestyle U.S. Food Products

Nov. 6-7, 2019
ERD July 19, 2019 **RD** Aug. 16, 2019

Focused Trade Mission to Dubai

Dec. 4-6, 2019
ERD Aug. 9, 2019 **RD** Sept. 20, 2019

FOOD SHOW PLUS!™

Food Show PLUS!™ provides the logistical assistance you need to be a more effective exhibitor. Services may include registration assistance, pre-show product research, translations of booth and sales materials, technical interpreters at your booth, local industry tours, on-site show assistance from food marketing experts, and much more!

Food Show PLUS!™ at Fine Foods Australia

Sept. 8-12, 2019
ERD June 21, 2019 **RD** July 12, 2019

Food Show PLUS!™ at Food Tech Summit

Sept. 24-26, 2019
ERD May 15, 2019 **RD** June 14, 2019

Food Show PLUS!™ at ANUGA

Oct. 4-9, 2019
ERD July 19, 2019 **RD** Aug. 9, 2019

Food Show PLUS!™ at Food & Hotel China

Nov. 17-20, 2019
ERD Aug. 16, 2019 **RD** Sept. 6, 2019

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WE'RE HERE TO HELP.

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EXPAND TO NEW MARKETS, GROW YOUR BOTTOM LINE (CONTINUED)

United States Department of Agriculture (USDA) Global Agricultural Information Network (GAIN) USDA'S Global Agriculture Information Network (GAIN) provides timely information on the agricultural economy, products and issues in foreign countries since 1995 that are likely to have an impact on United States agricultural production and trade. U.S. Foreign Service officers working at posts overseas collect and submit information on the agricultural situation in more than 130 countries to USDA's Foreign Agricultural Service (FAS), which maintains the GAIN reports.

Production, Supply, and Distribution (PSD) data in GAIN reports are not official USDA data, but represent estimates made by FAS Attachés. These reports can be found online at: gain.fas.usda.gov

Step 3: Talk with an Industry Expert

Whether you're new to exporting or have experience there are always specific issues and questions that are unique to your company, products, and export markets. With the **Food Export Helpline™**, you'll speak with an industry expert who'll put more than thirty-four years of experience to work for you. There are no canned answers, only insightful, customized advice specifically for you.

Whether you have a quick question or need long-term support, the Food Export Helpline™ can assist in the following areas:

- Top Product/Market Evaluation for your products
- Tradeshow event preparation
- Trade lead follow-up assistance
- Calculating export prices based on terms of sale
- Commercial documentation & correspondence
- Free Trade Agreement (FTA) compliance procedures
- Documentary credits & collections
- Export assistance provider referrals
- Secondary market research
- Calculating Destination Duties & Taxes

Step 4: Contact a Food Export Liaison

Food Export's Liaison staff works with 13 Midwestern and 10 Northeastern state agricultural promotion agencies to provide assistance and outreach to companies interested in exporting. Each Liaison is dedicated to specific states within each region. State agricultural promotion agencies can also be contacted for more information.

The Liaisons can suggest upcoming activities that can help expand your export markets, register you for services like the Food Export Helpline™ and Market Builder services.

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