

GLOBAL FOOD MARKETER™ NEWSLETTER

Export news from the Midwest and Northeast



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FOREIGN BUYER MEETINGS

Preparing for meetings with a buyer is as crucial as obtaining a meeting. Preparing is key when you have a limited amount of time in front of that buyer and it is critically important to be ready, educated and informed. Here are some key ways to prepare!

SELECT THE RIGHT MARKETS AND BUYERS

- Review Buyer Profiles and research the company, noting their products of interest, what products they do not handle, facilities, industry segments, their shipping and quotation preferences and if they have a consolidator in the U.S. and the location.

UTILIZE HELPFUL RESOURCES

- Contact the Food Export Helpline,™ a free service with one-to-one answers from an industry expert who will put more than 35 years of experience to work for you.
- Watch Food Export recorded webinars for key tips, tricks and market information.
- Contact your State Department of Agriculture or Agriculture Promotion Agencies for assistance.
- Work with the Food Export Liaison staff to understand programs and services readily available to assist you with your preparation.

COMPLETE MARKET RESEARCH AND REGULATIONS

- Utilize the information available at USA Trade online: <https://usatrade.census.gov/>
- Review GAIN reports <https://gain.fas.usda.gov/Pages/Default.aspx>
- Look at Country Commercial Guides: <https://www.export.gov/ccg>
- Access Food Export web-based learning modules: "Export Essentials: Module 3: Use Market Research for Competitive Advantage"

KNOW YOUR HS CODE/SCHEDULE B

- Schedule B Search Engine: <https://census.gov/> and click on "Export Codes"
- Review Food Export recorded webinar "Export Essentials: What's New: 2017 Changes to the Harmonized System & Schedule B"
- Food Export Exporter Essentials "Module 2: Classify Your Products for Export"

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Foreign Buyer Meetings



Market Focus: CHINA



Food Export Helpline Q/A



2018 Buyers Mission Activities

Register for an Online foodexport.org Account!

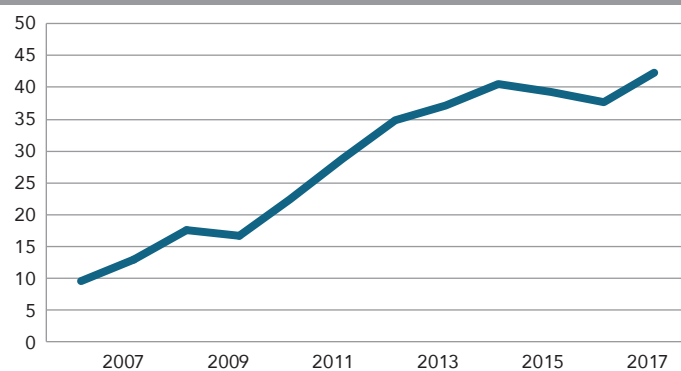
Be sure to create an online account at www.foodexport.org to make the most of your customized online experience—it's quick and easy! Just click on Create An Account at the top right corner of our homepage.



MARKET FOCUS: CHINA

AGRICULTURAL MARKET NEWS OF SOUTH CHINA

S. China Imports of Ag, Fish and Forestry Products
(All origins – \$ Billion)

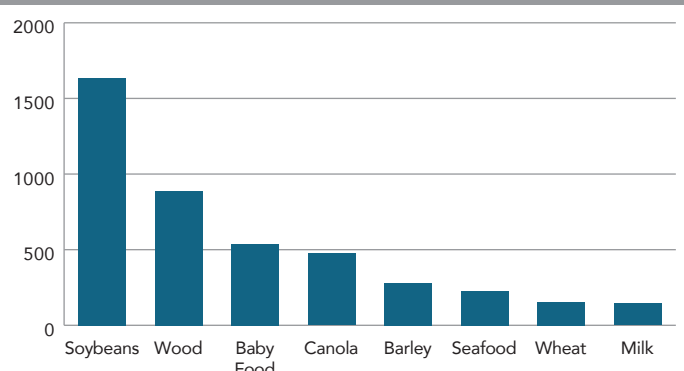


South China imports of agricultural, fishery and forestry products reached a new record in 2017, surpassing \$42 billion. This was 12 percent higher than in 2016, and followed two consecutive years of declining imports. Strong demand from the feed industry boosted imports of soybeans, canola and barley, while robust demand from the furniture and flooring industries helped drive increased wood imports. In addition, the combination of strong consumer spending, coupled with a preference for imported products, led to greater imports of consumer-oriented products such as baby food, seafood, dairy, and fresh fruit.

The United States remained the largest supplier of agricultural, fishery, and forestry products to South China, although imports from the United States fell slightly to \$7.8 billion. U.S. products that saw the most rapid growth to South China in 2017 included wood, dairy, wheat and tree nuts. Brazil was the second largest supplier to South China, with imports from Brazil (mostly soybeans) up over 25 percent by value in 2017.

(Southern China includes Guangdong, Fujian, Guangxi, Hainan, and Hunan provinces.)

Largest Increases in S. China Imports
(\$ Million, All origins, 2017 vs. 2016)



UPCOMING EVENTS

March 28-31, Interzum Guangzhou

Interzum Guangzhou is recognized as the largest and most comprehensive woodworking machinery and wood raw materials trade show in Asia. A large number of U.S. wood exporters of both hardwood and softwood are planning on exhibiting at the show, which will also include a U.S. pavilion and reception. For more information, contact ATO Guangzhou Marketing Specialist Ursula Chen (Ursula.Chen@fas.usda.gov).

May 23-25, Guangzhou Bakery Show

Organized by the All China Bakery Association (ACBA), the Guangzhou Bakery Show is the largest and most professional bakery industry exhibition in South China. ATO Guangzhou is organizing a large U.S. pavilion at the event and currently more than 10 U.S. trade associations are planning on participating. U.S. exporters interested in this show should contact ATO Guangzhou Marketing Specialist Crystal Tang (Crystal.Tang@fas.usda.gov).

FOREIGN BUYER MEETINGS CONTINUED...

CHECK DUTIES, TAXES AND FREE TRADE AGREEMENTS (FTA) FOR THE MARKET

- U.S. has FTA's/TPA's with 20 countries
- Products need to qualify as "originated" for preferential tariff treatment. FTA tariff tool, export.gov, and click "FTA Tariff Tool"
- Requires knowledge of HS code for product
- Rules of origin need to be met
- Documentation required as well as recordkeeping
- Use FTA/Calculate Tariffs: visit: <https://www.fas.usda.gov/> and click "Topics > Trade Agreements"



DETAILS!

- Be prepared with pricing of all your items and do so in the metric system as this is how buyers will expect you to quote. Have two types of pricing, 1. Price of product located at your facility, and 2. Price the buyer will pay to import it into their country. Price may need to be more competitive if required for establishing export business.
- Know details of product, including the size, shapes, flavors and tastes. List weights and dimensions along with the type of packing used.
- Identify transportation condition, such as dry, chilled or frozen.
- Be familiar with your products' shelf life.
- Have a brief outline of the way your company anticipates doing business. Let the buyer know who their direct contact will be, how you will handle sample shipments, minimum shipment size or value, terms of sale, cargo insurance, freight forwarder, terms of payment and details of exclusive distribution.

CHECKLIST OF MATERIALS NEEDED

- Advertising materials, remember "less is more" and that you will want easy to understand materials.
- Consider creating a one-page company/product summary and then emailing additional information after the meeting.
- Product samples, an attractive display can generate interest.

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.

Tim Hamilton
Executive Director
thamilton@foodexport.org

John Belmont
Communications Manager
jbeltmont@foodexport.org

Adolfo Montelongo
Communication Coordinator - Content
amontelongo@foodexport.org

Laura Buske
Communication Coordinator - Publications
lbuske@foodexport.org

FOOD EXPORT—MIDWEST
tel: 312.334.9200 • www.foodexport.org

Michelle Rogowski
Deputy Director
mrogowski@foodexport.org

Teresa Miller
International Marketing Program Manager
tmiller@foodexport.org

Molly Burns
Branded Program Manager
mburns@foodexport.org

FOOD EXPORT—NORTHEAST
tel: 215.829.9111 • www.foodexport.org

Joshua Dillard
Deputy Director
jdillard@foodexport.org

Suzanne Milshaw
International Marketing Program Manager
smilshaw@foodexport.org

Howard Gordon
Branded Program Manager
hgordon@foodexport.org

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. Persons with disabilities who require alternate means of communication of program information should contact us. Food Export Midwest and Northeast do not tolerate fraud and are vigilant in preventing fraud in any of our programs. Food Export does not discriminate, and we reserve the sole right to accept or deny companies into our programs. For complete participation policies and our code of ethics, visit: www.foodexport.org/termsandconditions.

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STATE AGRICULTURAL PROMOTION AGENCY CONTACTS

MIDWESTERN STATES

Illinois – **Kim Hamilton**
217.782.5809
Indiana – **Robert Warner**
317.607.9797
Iowa – **Mark Fischer**
515.725.3140
Kansas – **Suzanne Ryan-Numrich**
785.564.6704
Michigan – **Jamie Zmitko-Somers**
517.281.5738
Minnesota – **Jeffrey Phillips**
651.201.6220

Missouri – **Brenda Versluis**
573.522.9560
Nebraska – **Stan Garbacz**
402.471.4876
North Dakota – **Michelle Mielke**
701.328.4759
Ohio – **Padmini Roy-Dixon**
614.466.4996
Oklahoma – **Jamie Cummings**
405.593.2119
South Dakota – **Bob Weyrich**
605.431.8002
Wisconsin – **Lisa Stout**
608.224.5126

NORTHEASTERN STATES

Connecticut – **Erin Windham**
860.713.2500
Delaware – **David Smith**
302.698.4520
Maine – **Jeff Bennett**
207.541.7400
Massachusetts – **Bonita Oehlke**
617.626.1753
New Hampshire – **Gail McWilliam-Jellie**
603.271.3788

New Jersey – **Christine Fries**
609.292.5537
New York – **Sue Santamarina**
518.457.7229
Pennsylvania – **Thomas Mainzer III**
717.783.1394
Rhode Island – **Katherine Therieau**
401.278.9100 ext. 139
Vermont – **Lauren Masseria**
802.505.5413



FOOD EXPORT HELPLINE™

Q: I have met with a number of importers at Buyer's Missions. Many of them bring up the requirement for product registration. What is involved with product registration, does it mean exclusivity, and why should I have to pay for it?

A: Import requirements for consumer oriented and processed food products change often, requiring more time and patience and, in some cases, a financial cost. Without completing the product registration process, your company will not be able to export to any country with such requirements.

Be proactive – access this information before meeting buyers from other countries to enhance your conversations. Food Export uses their educational platforms to focus specifically on export readiness. Watch the recorded webinar “Export Essentials: How to Prepare for Meetings with Foreign Buyers” updated January 2018. In addition, you can access the Export Essentials Online Training Tutorial Module 11 – “Prepare for Meetings with Buyers” and be sure to download the companion guide. Both are available under the “Programs/Services/Export Education” area at www.foodexport.org

Although mandatory for some countries, not all require product registration, the procedure may be called something else, or is not named at all. In many cases the goal of the process is different, so there are a lot of variables. And in other cases it is a plant registration, or perhaps even a label registration required instead of one focused mostly on ingredients. This means even if the product is the same, there may be a variety of tasks to accomplish in order for the importer to have permission to bring the product or products into the country.

The best resource for researching product registration and any other regulatory requirements is the Foreign Agricultural Service (FAS) website: www.fas.usda.gov. Access regulatory information by country (Countries & Regions), by topic (Data & Analysis) or use search terms.

Look for “FAIRS” reports – Food & Agricultural Import Regulations and Standards. There are three types:

- FAIRS specific reports – address one type of product or process requirement in a market, which may or may not include a product registration
- FAIRS country reports – the most expansive, covering all aspects of compliance matters for a market, including labeling

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

requirements, ingredients and additives, prohibited materials, treatment of GMO and organic products as well as registration requirements

- FAIRS export certificate reports – focuses only on the documentation required by product for the market.

In www.fas.usda.gov when you click on “Countries and Regions,” then select a region on a world map. If you click on the Americas and then on Colombia for example, the most recent FAIRS from February 2, 2018 is available. Once you have downloaded the report you can scan the document for “Product Registration.” One of the first highlighted areas describes what products do NOT require a product registration.

If you access FAIRS and other reports by clicking on the “Data and Analysis” link on the top ribbon you can access the “GAIN” database. That is another acronym for Global Agricultural Information Network. Once there, you can program your dates (going back at least a year to capture anything current), select the type of reports – multiple selections are allowed so you can access everything “FAIRS” for a market – and then select the country.

So now you know what product registration is, why buyers may ask you to pay for it and that it does not always grant exclusivity. To learn more about how to use the FAS website or sites from other Federal and State Agencies for export compliance matters, you can also access Export Essentials Module 8 – “Navigate Export Regulation” and also view the recorded webinar “Export Essentials: Navigating Food Export Requirements” all available at www.foodexport.org

Food Export Helpline™ Counselor



Dennis Lynch, M.I.B.A., CGBP, is a 34-year veteran of international trade who has held a variety of positions in the public and private sectors. He has been directly involved in monitoring, troubleshooting and facilitating export transactions for more than 25 years.

As the export counselor behind Food Export-Midwest and Food Export-Northeast's Food Export Helpline™ Dennis provides customized technical export assistance to a variety of food and agricultural firms. He is a dynamic and informative speaker who speaks regularly at educational seminars throughout our organizations' Midwest and Northeast regions. Dennis is a “Certified Global Business Professional” and a member of “NASBITE,” the National Association of Small Business International Trade Educators.



BUYERS MISSIONS

Meet international buyers and promote your products without leaving the U.S. Our buyers are pre-screened, qualified and interested in U.S. products from the Midwest and Northeast.



Food Service Buyers Mission at National Restaurant Association Show

May 19-21, 2018 – Chicago, IL
Early Registration Deadline: March 16, 2018
Registration Deadline: April 6, 2018

Beer, Wine & Spirits Buyers Mission at the BAR 18 Show

May 21, 2018 – Chicago, IL
Early Registration Deadline: March 16, 2018
Registration Deadline: April 6, 2018

Sweets and Snacks Buyers Mission at the Sweets and Snacks Expo

May 21-23, 2018 – Chicago, IL
Early Registration Deadline: March 19, 2018
Registration Deadline: April 11, 2018

Value-Added Feed Ingredients Buyers Mission at World Pork Expo

June 6-7, 2018 – Des Moines, IA & Kansas City, MO
Early Registration Deadline: April 2, 2018
Registration Deadline: April 27, 2018

Caribbean & Latin American Buyers Mission for Retail and Food Service Products

June 13-14, 2018 – Miami, FL
Early Registration Deadline: April 11, 2018
Registration Deadline: May 18, 2018

Specialty Food Buyers Mission at Summer Fancy Food Show

June 29-July 1, 2018 – New York, NY
Early Registration Deadline: April 27, 2018
Registration Deadline: May 18, 2018

Food Ingredients Buyers Mission at the Institute of Food Technologists Show

July 15-16, 2018 – Chicago, IL
Early Registration Deadline: May 14, 2018
Registration Deadline: June 4, 2018

Midwest Buyers Mission

July 30-Aug. 2, 2018 – Kansas City, MO;
East Lansing, MI; Chicago, IL
Early Registration Deadline: June 1, 2018
Registration Deadline: June 18, 2018

Natural Products Buyers Mission at Natural Products Expo East

Sept. 12-13, 2018 – Baltimore, MD
Early Registration Deadline: July 18, 2018
Registration Deadline: Aug. 8, 2018

Value-Added Feed Ingredients Buyers Mission at World Dairy Expo

Oct. 2-3, 2018 – Madison, WI; Minneapolis, MN
Early Registration Deadline: Aug. 3, 2018
Registration Deadline: Aug. 24, 2018

Convenience Products Buyers Mission at the National Association of Convenience Stores Show

Oct. 7, 2018 – Las Vegas, NV
Early Registration Deadline: Aug. 6, 2018
Registration Deadline: Aug. 27, 2018

Private Label Buyers Mission at the Private Label Manufacturers Association Show

Nov. 11-12, 2018 – Rosemont, IL
Early Registration Deadline: Sept. 10, 2018
Registration Deadline: Oct. 1, 2018

For a full list of all our scheduled activities please visit our website: www.FoodExport.org

**FIND EXPORT SUCCESS. CALL OR EMAIL US.
WE'RE HERE TO HELP.**

Call: (312) 334-9200 or (215) 829-9111
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RECENT USDA AGRICULTURAL TRADE OFFICE (ATO) GUANGZHOU ACTIVITIES

ONLINE & IN-STORE U.S. FRUIT FESTIVAL IN HUNAN PROVINCE RESULTS IN SALES OF \$600,000

In December 2017 ATO Guangzhou and a major fruit retailer in Changsha, Hunan province implemented a 10-day online and in-store promotion, showcasing U.S. apples, plums, table grapes and oranges were on the retailer's online social media application and in 59 retail outlets throughout Hunan province. Following the event, the Changsha retailer reported additional U.S. fresh fruit sales of \$600,000 as a result of this promotion.

ATO GUANGZHOU ACTIVITY LEADS TO \$1 MILLION IN SALES OF U.S. FOOD PRODUCTS

In November 2017 ATO Guangzhou organized a reverse trade mission to the Private Label Show in Chicago, where one of the delegates purchased \$1 million of U.S. food products. ATO Guangzhou also organized one-on-one meetings and retail tours with potential U.S. suppliers. The South China delegation expressed particularly strong interest in U.S. tree nuts, dried fruits, beverages, meat and dairy products.

U.S. FOOD GRADE SOYBEANS USE POISED TO EXPAND IN THE SOUTH CHINA MARKET

On January 18, the ATO Guangzhou Deputy Director gave opening remarks and participated in a U.S. food grade soybean workshop organized by the U.S. Soybean Export Council (USSEC) in Xiamen, Fujian Province. USSEC representatives, U.S. soybean suppliers, Chinese importers and major food processors presented on and discussed the trade flow, marketing, challenges and opportunities for U.S. food grade soybeans in the South China market. ATO Guangzhou trade contacts in Xiamen report they have recently imported a couple thousand tons of U.S. food grade soybeans and hope to import more in the coming months.

ALASKA SEAFOOD PROMOTION TARGETS CHINESE NEW YEAR

On Jan. 12, the ATO Guangzhou Deputy Director participated in the launch ceremony of an Alaska seafood promotion at the Sam's Club flagship retail outlet in Shenzhen, Guangdong province. The event, co-organized with the Alaska Seafood Marketing Institute and Sam's Club, marked the beginning of a month-long Alaska seafood promotion featuring ranging from premium king crab to Pacific cod and timed with the beginning of Chinese New Year at 19 Sam's Club outlets nationwide. In 2017, South China imports of U.S. fish and seafood surpassed \$141 million, up over 50 percent from the same period in 2016.

EXPLORE CHINA WITH FOOD EXPORT

NEW! Focused Trade Mission to Shanghai, Chengdu and Shenzhen

August 13-17, 2018

Early Registration Deadline: April 9, 2018 – \$400

Registration Deadline: May 21, 2018 – \$600

Food Show PLUS!™ at the China Fisheries & Seafood Expo

November 7-9, 2018 Qingdao, China

Early Registration Deadline: July 13, 2018 – \$225

Registration Deadline: Aug. 10, 2018 – \$350

Food Show PLUS!™ at Food & Hotel China

November 12-15, 2018 Shanghai, China

Early Registration Deadline: Aug. 31, 2018 – \$225

Registration Deadline: Sept. 21, 2018 – \$350

Food Show PLUS!™ at ANUFOOD

November 20-23, 2018 Beijing, China

Registration Deadline: Oct. 24, 2018 – \$350