

GLOBAL FOOD MARKETER™ NEWSLETTER

Export news from the Midwest and Northeast



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FOOD EXPORT 101: GETTING THE MOST FROM ALL PROGRAMS AND SERVICES

Are you using all the Food Export programs and services to the best of your ability?

We hope you don't see Food Export as just the beginning of your export opportunities. The programs and services offered are well-rounded to help the beginner, intermediate and experienced exporter.

Food Export-Midwest and Food Export-Northeast offer a variety of programs and services to help grow exports of value-added food and agricultural products. Whether your company is just getting started or is already exporting to several countries, we have multiple programs and services to assist you.

A BRIEF SYNOPSIS OF SERVICES BY EXPORT EXPERIENCE LEVEL:



Learning to or Beginning to Export

For suppliers looking into exporting or ready to start selling internationally these Food Export services are key to success.

- Export Essentials Online
- Seminars
- Webinars
- Food Export Helpline™



Intermediate and Experienced Exporters

- Get Market Research with the Market Builder Program
- Attend a U.S.-based Buyers Mission
- Explore a Market Firsthand on a Focused Trade Mission
- Participate in Food Show PLUS!™ tradeshow services
- Continue Education with Webinars

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Market Focus: Singapore



Food Export Helpline Q/A

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MARKET FOCUS: SINGAPORE

Singapore's food retail sector is highly developed and competitive. The industry is comprised of large supermarkets/hypermarkets, convenience stores, "mom and pop" traditional stores and specialty retailers.

Singapore's highly import-dependent, multi-billion-dollar food industry is driven by robust consumer spending, high disposable incomes, and intense urbanization. The country's trade and regulatory policies are focused on ensuring consistent foreign supply of safe, high quality food and agricultural products. Singapore's total agricultural product imports in 2018 reached \$9.9 billion, roughly nine percent of which was sourced from the U.S.

In 2018, the U.S. was Singapore's third largest supplier of consumer-oriented food and beverage products, with total sales reaching \$608 million USD for the year.

TOP U.S. PRODUCTS FOR THE SINGAPOREAN FOOD RETAIL MARKET

- Pork
- Processed Vegetables
- Wine and Beer
- Dairy
- Chocolate/Cocoa Products
- Beef

RETAIL FOODS

Singapore's retail foods sector is highly developed and competitive, with total sales in 2018 reaching over \$6 billion. According to the Singapore Department of Statistics, the country's food retailers surpassed \$6 billion in sales in 2018. Industry analysts report the sector is dominated by three key players: the NTUC Fair Price Cooperative, Dairy Farm Group, and the Seng Siong Supermarket Chain.

FOOD PROCESSING INGREDIENTS

The Singapore food processing industry is relatively small. However, almost all raw materials and ingredients used in the processing industry are imported. Total industry output value roughly \$8 billion USD.

HOTEL, RESTAURANT AND INSTITUTIONAL

Singapore has a highly developed and competitive hotel, restaurant

and institutional (HRI) sector. Singaporeans are some of Asia's top spenders on dining out. In 2018, the country's tourist receipts topped \$27.1 billion; almost \$2 billion was from food and beverage sales.

SECTOR TRENDS

According to Euromonitor, Singapore's food retail sector continues to flourish as a result of robust demand for premium products and increased interest in home cooking.

Health and wellness trends continue to be highly prevalent in 2019. Also, media sources report the Singapore Government is intensifying efforts to promote healthy eating and living.

Convenience is the key consideration in Singapore, especially for time-strapped working consumers. The preference is towards modern grocery retailers that offer one-stop shopping for consumers (with operating 24 hours).

There are an increasing number of independent specialty retail stores selling premium and/or organic and natural food products.

Singapore is experiencing high saturation in convenience stores. As many convenience stores are located near each other, competition is intense. To reduce costs, many convenience store operations are using cutting-edge technology to pilot unmanned stores/kiosks.

SINGAPORE'S MACROECONOMICS

Population

5.6 million

Source: www.singstat.gov

Per Capita Income

\$64,030

Source: CEIC data

Real GDP Growth

3.2 percent

Source: www.singstat.gov

GDP Composition

Industry: 25% Services: 75%

Source: World Fact Book

U.S. EXPORTER OPPORTUNITIES AND CHALLENGES

OPPORTUNITIES

The growing Singaporean Retail, Food Processing and HRI sectors are highly dependent on a broad range of imported food products and ingredients.

High disposable incomes drive demand for premium products.

U.S. food and agricultural products are trusted and perceived to be of high quality.

Top U.S. brands are popular and in strong demand.

CHALLENGES

The Singapore market is highly competitive and can be very price sensitive.

China and other regional suppliers have gained significant market share in recent years.

Many U.S. exporters are unfamiliar with the market and are therefore sometimes unable to meet specific requirements and order sizes.

Time commitment for brand building can be significant.

ROAD MAP FOR MARKET ENTRY

U.S. exporters of food and agricultural products should consider the following when planning to enter the Singapore market:

- Analyze Singapore food laws, packaging & labeling requirements and importer criteria for entry into the Singapore market. Detailed information on Singapore regulations and requirements can be found by accessing the FAS/Singapore Food and Agricultural Import Regulations & Standards Country Report.
- Review the types of U.S. products that can be readily targeted in the market. Consider the price competitiveness of U.S. products compared to similar products available in Singapore.
- Participate in regional trade shows and trade missions by tapping into the resources offered by State and Regional Trade Associations.
- Develop links with local importers that target the major retailers. U.S. exporters are advised to appoint local distributors or at least a local representative to help guide them through the requirements of Singapore food regulations and local trading practices.
- After establishing links with importers, strive to educate them (in person if possible) on the qualities of your product/s and supply chain.
- After establishing trade agreements with local importers, conduct product promotions with end-users. This type of marketing event is particularly effective during festivals and peak seasons (Chinese New Year, Christmas, etc.).
- Provide technical assistance (e.g. handling techniques, chef trainings and product formulations) to end-users.
- Maintain strong communication with your local importer to ensure all certificates and import permits are valid and up to date.

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: Plant-based foods are really gaining bandwidth in the U.S. What is going on globally with products like meat substitutes?

A: Western cultures historically have led the way in food trends, such as organic and gluten free. At the moment, concerns about sustainability and health are leading to consumption of plant-based foods, replacing animal proteins. Lab made or cultured meats and insects are also alternative sources of proteins. Consumers who eat meat, but balance their need for protein by eating alternatives are called “Flexitarians.”

Meat substitutes are expanding globally. But in some areas – especially in Asia – plant-based proteins have been consumed in large quantities for ages. Meats, especially fresh meats, are not under threat of declining sales in the foreseeable future. Increasing populations and affluence consistently lead to increased protein consumption.

Euromonitor reported in “Future of Meat” that the popularity of “flexitarianism” may impact future consumption of meat blended products – meat combined with plant-based content, like Hormel’s Applegate brand burger that combines beef or turkey with mushroom, called “The Great Organic Blend Burger.”

GLOBAL RETAIL SALES OF PROCESSED MEAT & SEAFOOD

Euromonitor also reports that global retail sales of processed meat and seafood will reach nearly \$264 billion in 2019. The highest growth region over the last five years was Eastern Europe with growth of nearly 26% and \$5 billion. The low growth region was Latin America at 3.4% and only \$532 million.

Retail sales of processed meat (without seafood) will reach \$160.7 billion worldwide by the end of the year. Western Europe is the largest market at \$60.4 billion, or 38% of the total. North American sales should reach \$34 billion by the end of the year, about \$4 billion higher than Asia Pacific which ranks third.

Retail sales of processed seafood (shelf stable seafood, chilled processed seafood and frozen processed seafood) will reach \$83.2 billion by 2019, or just over 31% of the processed meat and seafood total. The top region for consumption is Asia Pacific at close to \$32.4 billion, 39% of the processed seafood total. Eastern Europe had the highest growth at almost 24% and over \$1.6 billion.

MEAT SUBSTITUTES (shelf stable meat substitutes, chilled meat substitutes, frozen meat substitutes and free from meat soy-based ready meals and other ready meals)

Product types include: vegetarian sausages, vegetarian burgers, bean burgers etc. typically made of Quorn mycoprotein, tofu, soy, or texturized vegetable protein.

The 2019 retail sales forecast for meat substitutes is \$19.8 billion globally. Asia Pacific dominates the sales at \$17.7 billion, 79% of the global total. North America is second at \$1.1 billion or just under 1%.

According to Euromonitor, retail sales will reach nearly \$25.6 billion by 2023, growth of over 29% or nearly \$5.8 billion.

MEAT SUBSTITUTES BY TYPE AND BY MARKET

Chilled meat substitutes are driving the meat substitute growth. While it is an innovative, news-grabbing category in Europe and North America, it is helped by the massive popularity of tofu in the Asia Pacific region. Chilled meat substitutes make up 65% of the total sales, forecast to reach \$12.8 billion. The forecast calls for sales to reach \$16.2 by 2023.

Frozen meat substitutes should reach sales of nearly \$2.7 billion by the end of 2019, 13.4% of the meat substitute totals. The forecast calls for an increase of 43.3% globally and over \$1.1 billion in revenue, totaling just over \$3.8 billion.

Shelf stable meat substitutes should total less than \$4.3 billion by the end of 2019. The forecast shows shelf stable meat substitutes reaching a total of \$5.5 billion by 2023, growth of nearly 29%.

FORECAST

There’s significant market potential for growth, with China and the U.S. in front. Euromonitor writes that while the U.S. is a leader in innovation, thanks to companies such as Impossible Foods and Beyond Meat, a February 2019 academic study found that Chinese consumers are more open to the eating both cultured meat and plant-based meat substitutes than their U.S. counterparts.

Meat substitutes face the challenge that they are technically “ultra-processed.” For example, meat alternative burgers can have more than 20 ingredients while a beef burger has just one. It is hard to argue that these products are “healthier” in any way other than perhaps lower in fat. Cultured meat products are essentially a genetically modified organism (GMO).

With mixed products, domestic and international export regulations will apply. For lab-based meat both the Food & Drug Administration (FDA) and USDA’s Food Safety and Inspection Service (FSIS) will collaborate on regulations and export certifications.

Sustainability and flexitarianism are important to the marketing platform. Many of these products are far more expensive than fresh lean beef, understandable given the millions poured into research and development and initial lack of economies of scale.

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 the Winter Fancy Food Show

Jan. 18-20, 2020 San Francisco, CA

RD Dec. 6, 2019

Value-Added Feed Ingredients Buyers Mission at the 2020 IPPE

Jan. 29, 2020 Atlanta, GA

RD Dec. 18, 2019

Northeast Buyers Mission

Feb. 3, Boston, MA; Feb. 5, New York, NY; Feb. 6, Philadelphia, PA

RD Dec. 20, 2019

Pet Food Buyers Mission at the Global Pet Expo

February 25, 2020 Orlando, FL

ERD Dec. 20, 2019 **RD** Jan. 17, 2020

Frozen Food Buyers Mission at AFFI-CON 2020

Feb. 29 – March 2, 2020 Las Vegas, NV

ERD Dec. 20, 2019 **RD** Jan. 20, 2020

Natural Products Buyers Mission at Natural Products Expo West

March 4-5, 2020 Anaheim, CA

ERD Jan. 10, 2020 **RD** Jan. 22, 2020

Buyers Missions

Beer Ingredients Buyers Mission at Brew Expo America

April 20, 2020 San Antonio, TX

ERD Feb. 17, 2020 **RD** March 9, 2020

Pet Food Ingredient Buyers Mission at Pet Food Forum

April 27-28, 2020 Kansas City, MO

ERD Feb. 24, 2020 **RD** March 16, 2020

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.

Seafood Buyers Mission at Seafood Expo North America

March 14, 2020 Boston, MA

ERD Jan. 13, 2020 **RD** Feb. 3, 2020

▲Seafood Trade Show at Seafood Expo Global

April 21-23, 2020 Brussels, Belgium

▲Food Show PLUS!™ at China Fisheries and Seafood Expo

Oct. 28-30, 2020 Qingdao, China

ERD May 22, 2020 **RD** June 19, 2020

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 South Korea for Pet Food Products

March 23-24, 2020 Seoul, South Korea

RD Jan. 3, 2020

Focused Trade Mission to Hong Kong for Pet Food Products

March 26-27, 2020 Hong Kong

RD Jan. 3, 2020

Focused Trade Mission to New Zealand

June 21-23, 2020 Auckland, New Zealand

ERD Feb. 21, 2020 **RD** March 30, 2020

Focused Trade Mission to Australia

June 24-25, 2020 Sydney, Australia

ERD Feb. 21, 2020 **RD** March 30, 2020

Focused Trade Mission to Mexico for Private Label, Retail and Food Service Products

July 14-17, 2020 Mexico City & Monterrey, Mexico

ERD March 16, 2020 **RD** April 20, 2020

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!

▲Booth Space Package Available

▲Food Show PLUS!™ at CHFA West

Feb. 21-23, 2020 Vancouver, Canada

RD Dec. 4, 2019

▲Food Show PLUS!™ at VIV MEA

March 8-11, 2020 Abu Dhabi, United Arab Emirates

RD Dec. 11, 2019

Food Show PLUS!™ at FOODEX

March 9-13, 2020 Tokyo, Japan

RD Dec. 18, 2019

▲Food Show PLUS!™ at ANTAD & Alimentaria

March 30 – April 2, 2020 Guadalajara, Mexico

RD Jan. 8, 2020

Food Show PLUS!™ at Food & Hotel Asia (FHA) Food & Beverage

March 30 – April 2, 2020 Singapore

ERD Dec. 18, 2019 **RD** Jan. 15, 2020

Food Show PLUS!™ at SIAL Canada

April 14-17, 2020 Montreal, Canada

ERD Jan. 8, 2020 **RD** Jan. 29, 2020

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

Call: (312) 334-9200 or (215) 829-9111 E-mail: info@foodexport.org | www.foodexport.org



Make your market.™

Please note: Dates and locations are subject to change and upcoming activities are pending funding from the Foreign Agricultural Service (FAS) of the USDA. Visit our website for more event information.



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FOOD EXPORT 101 (CONTINUED)

- Food Export Helpline™
- Participate in our Trade Lead/Online Product Catalog
- Utilize the Export Advisor Program



At all export levels Suppliers should also participate in the Branded Program.

U.S. Suppliers can receive up to 50% reimbursement for eligible international marketing costs.

- Advertise in International Publications
- Receive Financial Assistance on Package and Label Modifications
- Conduct an in-store promotion or product demonstration
- Save on Exhibitor Fees at Select Overseas Tradeshows
- The Branded Program Exporter Manual can assist you in making your participation as easy as possible

Think you are not eligible for the Branded Program? Revisit the qualifications for the program.

Due to additional funding from the Agricultural Trade Promotion Program (ATP) available to Food Export-Midwest and Food Export-Northeast, company size limitations have been raised and Food Export is able to open the Branded Program to more companies. ATP funding is not subject to the 5-year "graduation" from a particular market. Activities previously not reimbursable due to graduation could potentially be eligible for the 2020 program year. This may be more likely if you have been negatively affected by recent tariffs introduced by our trading partners.

Unsure how the Branded Program or any of these services can help your export strategy, contact a Food Export Liaison for guidance.

**MIDWEST BASED SUPPLIERS CALL 312-334-9200,
 NORTHEAST SUPPLIERS CALL 215-829-9111
 OR VISIT OUR WEBSITE: FOODEXPORT.ORG**

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