

# U.S. FOODLINK

The bi-monthly newsletter for importers of U.S. foods

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## Meatless Burgers Have Hit The Mainstream, *But Their Growth Is Just Beginning*

Meatless burgers have come a long way in the past couple years, growing from a novelty seen at high-end burger bars to a mainstream option on quick service menus across the country. By the end of 2018, Impossible Burgers were available in about 5,000 restaurants across all 50 states, according to *Newsweek*.

While standard veggie burgers have been around for years, meat-like mimics such as the Impossible Burger are a recent development. The patties are made from plant protein, but bleed and even sizzle on the grill, giving them a carnivorous appeal other vegetable-based patties can't match. Sales of imitation products are currently approximately \$13 billion annually, and they could rise to \$40 billion in the next 10 years, a Bernstein analyst told *CNBC*.

Meatless burgers' time in the mainstream started at full-service restaurants like The Cheesecake Factory and Applebee's, which are closer to the more upscale restaurants that first started the trend. However, the burgers got their big breakthrough in September 2018, when White Castle rolled them out to all 377 locations nationwide.

The trend has continued to spread, with Burger King rolling out the Impossible Whopper nationwide by the end of 2019, and Little Caesars, which is testing Impossible Supreme Pizzas at 58 locations.

The patty was reformulated in January to have 30% less sodium and 40% less fat, and its growing popularity on menus across the U.S. has led to a shortage, according to *CNET*. The company has seen a 50% jump in revenue since the launch of the Impossible Burger 2.0 earlier this year, according to Jessica Appelgren, Vice President of Communications at Impossible Foods.

*(Continued on page 2)*



[www.foodexport.org](http://www.foodexport.org)

# Meatless Burgers Have Hit The Mainstream *Continued*



However, Impossible Foods isn't the only game in town, and competitors are finding their own success. Beyond Meat reformulated the recipe in June to give the burgers marbling with coconut oil and cocoa butter, making the patties look even more like real beef, according to *The Washington Post*. The marbling also melts into the "meat" as it cooks, giving the burgers even more flavor.

Restaurant chains have added various forms of Beyond Meat's products to their menus. Tim Horton's, Carl's Jr. and Del Taco carry Beyond Meat products, which can also be found in supermarkets. The substitute has been a particular success at Del Taco, which has sold over 2 million Beyond Meat tacos and is adding two plant-based burritos due to rising demand, according to *Nation's Restaurant News*.

One of the big appeals of these burgers is the combination of beef's taste with the nutrients of a vegetable. A 2017 study by HealthFocus International found that 60% of consumers say they are cutting back on meat-based eating, and 17% of those aged 15-70 claim to eat a predominantly plant-based diet. However, these consumers don't necessarily label themselves as "vegetarians," showing they still have some interest in meat.

"I don't believe that it is meat versus plant," Steven Walton, general manager of HealthFocus International said. "That is not what is driving this revolution in plant-based eating. There are parallel influences. Animal protein is not without key benefits."

The study also pointed out some of the benefits these plant-based converts may be seeking. Vegetable protein intake has been associated with a 34% reduction in risk of fatal ischemic heart disease; higher vegetable protein and lower carbohydrate intake are linked to a 20% reduction in cardiovascular disease mortality; and a lower-carbohydrate, higher-vegetable diet is linked to a 10% reduction in the risk of diabetes.

The latter two stats show how the healthy halo around vegetables goes further than meat products. Produce appeared in several other unexpected places during the 100th annual National Restaurant Association (NRA)

Show, according to Mintel. The trend may speak to an aversion toward carbohydrates among dieters.

One manufacturer leading the charge against carbs and gluten is Venice Bakery, which introduced a cauliflower-based pizza crust in 2018. The company has since expanded its range of dough replacement options with ingredients such as beetroot, sweet potato and zucchini, helping customers pick options that fit their menus and match consumers' interests.

However, many potential consumers still love bread despite their desire to eat healthier, and Daily Kneads is designed to appeal to them with its Whole Grain Vegetable Bread. This product boasts a full serving of vegetables in every serving of bread, and comes in varieties including carrot and pumpkin, spinach and leek, sweet beet, tomato and basil and red pepper. Sandwich-makers can also add Easy Montali's vegetable-based pâtés as a topping, with flavors including artichoke, pepper, mushroom and truffle, sundried tomato, spicy harissa and black olive.

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Meanwhile, some consumers may also be interested in the environmental benefits of plant-based meat. Impossible Foods says its products require 96% less land and 87% less water and results in 89% fewer carbon emissions than ground beef, which can appeal to people interested in corporate responsibility. Consumers who like meat, but feel bad eating animals, may also show interest in these products.



Regardless of their reason, consumers' interest in these products is growing. Consumer interest in healthier eating has proven to be an enduring trend, and plant-based meat plays a key role of letting them eat better without sacrificing taste. While the old-fashioned beef burger isn't going anywhere, plant-based substitutes are creating a whole new market.



# Featured Products



## Elmhurst®

Elma, NY

Elmhurst® 1925 is a former New York City dairy processor that now makes exclusively plant-based milks in Buffalo. Owner Henry Schwartz was an ardent dairyman overseeing a 90-year family tradition. Then, with fluid milk consumption in decline, he met Dr. Cheryl Mitchell, inventor of the remarkable HydroRelease™ process. Everything changed. Henry shuttered his dairy in 2016 and reinvented Elmhurst around Dr. Cheryl's technology.

HydroRelease has yielded several lines of simpler, better non-dairy products, all featuring lush creaminess and flavor; more of the source grain, nut, or seed; and no added gums or emulsifiers. Original and unsweetened nut milks – Almond, Oat, Cashew, Hazelnut, Walnut, Hemp – the latter having just two ingredients, nuts and water – debuted in 2017, boasting up to 4x more nuts per glass compared to other leading brands. Milked Oats,™ with 16-20g of whole grain per serving, followed, including a barista edition for coffee (also available in almond). Most recently, Elmhurst launched North America's very first hemp creamer in several varieties. This game-changer is loaded with 350g Omega-3 ALA per serving. [elmhurst1925.com](http://elmhurst1925.com)



## Godshall's Quality Meats

Telford, PA

Smokehouse Gold is the international brand of Godshall's Quality Meats, which began in 1945 as a country butcher shop but quickly grew to supply the Pennsylvania area farmer's markets with high quality smoked delicacies.

The development of a real meat, real wood, smoked turkey bacon was successful beyond any expectation and has become the company's flagship product. Today, we serve a wide variety of smoked meats to family tables coast to coast and internationally from three facilities, powered by 4000 solar modules, still right here in Eastern Pennsylvania.

Our tremendous success with turkey products has inspired the company to seek out more healthy options for consumers. Look For our Turkey Bacon, Uncured Turkey Bacon, Maple Turkey Bacon, Uncured and All Natural Fully Cooked Turkey Bacon, sausages, Kielbasas, and more. For some zesty flavor excursions, try our all-natural snack sticks and Turkey Bites – an award winning take on jerky that's moist and packed with natural flavors – including Teriyaki Pineapple, Mango Sriracha, and Korean BBQ! Smokehouse Gold... We're where flavor comes naturally. [godshalls.com](http://godshalls.com)



## Lola's Fine Sauces

West Des Moines, IA

In our family Lola means grandmother, but we all call her that. Lola is passionate about family, helping people and cooking delicious food. So we share what Lola has provided to our family, friends, and neighbors – her love – through a recipe that's fantastic and unique, bringing depths of unique flavor and making anything better.

Lola's is a truly unique fine hot sauce that provides great flavor and just the right amount of heat, utilizing the world's hottest peppers for great flavor. Don't let the names scare you as each hot sauce is meant to tantalize your taste buds with the true flavor of the peppers by only using a little bit of each one. Everything is fresh non-GMO project verified, kosher, vegan, gluten free, and very low sodium. Lola's Fine Hot Sauce is currently sold in over 1500 different retailers/restaurants across the U.S., Australia, and Canada. [lolafinehotsauce.com](http://lolafinehotsauce.com)



## New Grounds Food, Inc. dba Eat Your Coffee

Boston, MA

Founded by coffee-deprived college students, Eat Your Coffee is pioneering a new category in caffeinated natural snacks. The company's first product line, Eat Your Coffee Bars, are date-based snack bars caffeinated with Fair Trade coffee (comparable to one cup) and made with real ingredients so you can feel good with every energizing bite. Eat Your Coffee snack bars are non-GMO, vegan, gluten free, kosher, 70% organic and available in 3 delicious flavors: Fudgy Mocha Latte, Salted Caramel Macchiato and Peanut Butter Mocha. Recently, informed by hundreds of customer interviews and the company's focus on building a platform of naturally caffeinated snacks powered by real coffee, Eat Your Coffee launched its latest product line: Caffeinated Snack Bites. Less than 100 calories, no added sugar, and a shot of espresso in every serving. [eatyour.coffee](http://eatyour.coffee)



## Smude Enterprises LLC

Pierz, MN

Smude Enterprises LLC is a family owned business focused on producing cold pressed extra virgin Sunflower Oil. Partnering with local growers in addition to raising their own sunflowers, then extracting the oil and ending with bottling for retail and food service distribution, the whole process is done by Tom, Jenni and their employees. The sunflowers raised and used for their products are High Oleic, which means a trans-fat free oil containing a high level of Vitamin E and monounsaturated fat. Products produced at Smude's include original Sunflower Oil, Infused Sunflower Oil and Microwave Popcorn. Sunflower oil is considered a healthier option for cooking than comparative oils such as olive oil, peanut oil or vegetable oil. Its mild taste makes a good pairing with frying, roasting, marinating, dipping, baking, and salad dressings.

Recently added to the line of products is a new version of Microwave Popcorn. Packaged in a wax free (non-fluoro) bag, it contains three simple ingredients: Popcorn, Salt and Smude's Sunflower Oil. There are no additives or preservatives in this all natural product, revolutionizing the next generation of popcorn.

[smudeoil.com](http://smudeoil.com)



## Vermont Dog Eats

Waitsfield, VT

We're Vermont Dog Eats and we make people-grade dog treats with locally-sourced and organic ingredients. Our all-natural dog treats are handmade, baked and bagged right here in Vermont.

It all began one day when we decided that rather than buying dog treats with ingredients we couldn't pronounce, we would buy locally-sourced, healthy & organic foods and make them ourselves. The rest, as they say, is history! We're happy to make a product that makes dogs happier and healthier, and we're happy that owners can give their furry friends food that is just ... food.

We have a network of local farms and partners that offer us access to some of the finest food around and as a result our dog treats are made with entirely real, human-grade food and absolutely NO wheat, soy, corn, sugar, byproducts or preservatives. We believe that good dog eats are vital to the health of our furry friends. [vermontdogeats.com](http://vermontdogeats.com)

For more information about these Featured Products or other featured products please email: [info@foodexport.org](mailto:info@foodexport.org).

## EVENT CALENDAR

### SEPTEMBER

#### 3-5: Seafood Expo Asia

Wanchai, Hong Kong  
Hong Kong Convention  
& Exhibition Centre  
[seafoodexpo.com/asia](http://seafoodexpo.com/asia)

#### 9-12: Fine Foods Australia

Darling Harbour, Sydney  
International Convention Centre  
Sydney  
[finefoodaustralia.com.au](http://finefoodaustralia.com.au)

#### 11-13: Fi Asia

Bangkok, Thailand  
Bangkok International Trade &  
Exhibition Centre (BITEC)  
[figlobal.com/asia-thailand](http://figlobal.com/asia-thailand)

#### 14-15: CHFA East 2019

Toronto, Canada  
Metro Toronto Convention Centre  
[chfa.ca/en/Events/chfa-east](http://chfa.ca/en/Events/chfa-east)

#### 24-27: Food & Hotel Malaysia

Kuala Lumpur, Malaysia  
Kuala Lumpur Convention Centre  
[foodandhotel.com](http://foodandhotel.com)

#### 25-26: Vitafoods Asia

Sands, Singapore  
Sands Expo & Convention Centre at  
Marina Bay  
[vitafoodsasia.com/en/welcome.html](http://vitafoodsasia.com/en/welcome.html)

#### 25-26: Food Tech Summit

Mexico City, Mexico  
Centro Citbanamex  
[foodtechnologysummit.com](http://foodtechnologysummit.com)

### OCTOBER

#### 5-9 ANUGA

Cologne, Germany  
Koelnmesse, Fair Grounds, Köln-Deutz  
[anuga.com](http://anuga.com)

#### 30-11/01: China Fisheries & Seafood Expo

Qingdao City, Shandong Province,  
China  
Qingdao International Expo Center  
[chinaseafoodexpo.com](http://chinaseafoodexpo.com)

### NOVEMBER

#### 12-14: BrauBeviale

Nuremberg, Germany  
Exhibition Centre Nuremberg  
[braubeviale.de/en](http://braubeviale.de/en)

#### 12-14: Food & Hotel China

Shanghai, China  
Shanghai New International Expo  
Centre (SNIEC)  
[fhcchina.com/en](http://fhcchina.com/en)

### DECEMBER

#### 3-5: Fi Europe 2019

Paris, France  
Villepinte Parc des Exposition  
[figlobal.com/fieurope](http://figlobal.com/fieurope)

Listed events are the international shows where Food Export will have staff/services available.



## Changing Habits Keep Healthy Snacks In Demand For C-Stores

The demand for health isn't only affecting restaurants. Consumers are snacking healthier too, which is changing the foods people hope to find at a convenience store. Many brands are adding more "green" snacks to their portfolios to attract mainstream consumers, and healthy snacking options are showing the fastest growth in new product development, reported *Convenience Store News*.

The Summer Fancy Food Show was ground zero for these up-and-coming options, with products like fruit and vegetable jerky making a strong showing, according to The Food Institute. Examples of these offerings included mushroom and banana jerky. Vegetable-infused ice cream and single-serve pickle snacks also showcased the interest in vegetables in the snacking space.



One of the major up-and-coming categories is vegan, which has experienced average annual growth of 31%, according to Mindy Herman of Innova Market Insights. Plant-based proteins are also on the rise, with ingredients such as chickpeas and brown rice making particularly large waves. This ties into the overall demand for health in snacking, putting these demands alongside claims such as "no sugar added," "no artificial sweeteners" and lower calorie counts.

Fiber is also important, and products featuring fiber saw 24% growth in snack launches and 9% growth in confectionery launches. This matches consumer trends, with 44% of people saying they want to increase their fiber consumption, 64% focusing on digestive health and 24% looking for options that can help them with weight management.

Healthy snacks are well-suited to helping consumers meet goals they've set for themselves. Claims that were most successful in meeting these needs in 2018 include high protein (13%), plant-based (9%), keto (6%) and paleo and vegan (3%).

Meeting these goals with snacks is particularly important as more and more consumers favor more snacks as their mealtimes shift. The percentage of adults who eat breakfast before 9 a.m., lunch before 1 p.m. and dinner before 8 p.m. dropped slightly between 2008 and 2018, according to research by *Packaged Facts*.

Gen Z topped those who tend to eat in later dayparts, and Asian-Americans and Millennials were also disproportionately more likely to eat later meals.

Convenience stores are well-positioned to help consumers stay healthy while providing them the energy they need through a selection of healthy snacks, and sales will likely reflect this.



## State Spotlights



Michigan is one of the nation's leaders in agricultural diversity, producing over 300 commodities commercially, on about 47,000 farms covering 9.8 million acres, leading the nation in asparagus; black cranberry, and small red dried beans; cucumbers; tart cherries; Niagara grapes and squash.

### 2018 TOP AGRICULTURAL EXPORTS

Miscellaneous Food Preparations	\$260.5 million
Soybeans for Oilstock & Consumption	\$178.9 million
Protein Concentrates & Textured Substances	\$89.3 million
Prepared Cereal Products	\$55.4 million
Sausages and Similar Products	\$53.7 million
Tomatoes, Fresh & Chilled	\$52.3 million
Baked Goods & Snack Foods	\$50.4 million
Kidney Beans, Dried, Shelled	\$47.2 million
Corn Seed, Certified, (Exc. Sweet Corn)	\$46.8 million
Peppers, Fresh & Chilled	\$49.7 million
Beef, Boneless, Fresh & Chilled	\$36.9 million



Agriculture in Maine is a diverse industry with some 7600 farms and nearly 1.3 million acres of land. The small, diversified farms supply niche markets with organic produce and meat, value-added products as well as fiber products.

### 2018 TOP AGRICULTURAL EXPORTS

Lobster Fresh, Live, Chilled, Dried	\$385.9 million
Salmon, Fresh & Chilled	\$58.2 million
Mucilage & Thickener from Vegetable Product	\$5.5 million
Salmon Fillets, Fresh & Chilled	\$41.7 million
Chicken Meat, Prepared & Preserved	\$22.7 million
Live Eels	\$22.3 million
Pollock Fillets, Frozen	\$17.3 million
Cranberries & Blueberries, Frozen	\$16.4 million
Potato Products, Prepared & Frozen	\$16 million
Sea Urchins, Live, Fresh & Chilled	\$16 million
Maple Sugar & Maple Syrup	\$6.9 million

# news briefs

**Total specialty food sales jumped 9.8% between 2016 and 2018, reaching \$148.7 billion.** Specialty food sales outpaced the growth of all food at retail, up 10.3% vs. 3.1%. While online represents less than 3% of sales, it has grown 41% since 2016, according to The Specialty Food Association's State of the Specialty Food Industry Report.

**Specialty food still remains one of the fastest-growing segments of the food business.** Product innovation and the wider availability of specialty foods through mass-market outlets is playing a part in the industry's success. Sales through foodservice represented 22% of sales in 2018, with retail taking the top spot with 76% of sales. While online represents less than 3% of sales, it has grown 41% since 2016.

**Financial concerns were up significantly as reasons for dining out less often.** Nearly half of consumers plan to reallocate savings toward purchases other than restaurant meals, 30% said restaurant meals are too expensive, 30% said their current finances mean they need to cut back on spending, and 15% said they're concerned about their future financial situation, according to AlixPartners. Additionally, the survey found that 59% of consumers are in favor of raising the minimum wage to \$15 an hour.



**Meat substitutes recorded \$19.5 billion sales globally in 2018.** Nearly one in four global consumers are trying to cut down their meat intake, according to Euromonitor International. Pricing and availability of meat substitutes are two key factors that currently hold back penetration worldwide.

**Organic food sales reached \$47.9 billion, an increase of 5.9% in 2018.** Organic food sales account for nearly 6% of the food sold in the U.S., as sales of organic fruits and vegetables rose 5.6% in 2018 to \$17.4 billion, according to the Organic Trade Association.

**Almost 80% of Americans believe breakfast is the most important meal.** Another 80% believe a shared breakfast can set the tone for the day, according to a survey from Hilton. However, 56% skip breakfast more than any other meal. Close to two-thirds typically use technology while eating breakfast.

**Taste, price, healthfulness and convenience are the top influencers for consumer purchasing decisions.** Over half of consumers believe it is at least somewhat important products they buy are produced in an environmentally sustainable way and 51% are interested in learning more about plant-based diets, according to the International Food Information Council Foundation. Additionally, only 23% understand "nutrient-density," while 58% have not heard of the term.

**Younger Millennials are outpacing older generations in food dollars.** Younger Millennials' edible dollar sales grew 21.5% for March compared to a year ago, and edible dollar sales for retirees and seniors are down 3.8%, according to research by IRI. Older cohorts are more likely to buy food and beverage brands that are on sale or with a coupon, but 44% of retirees and seniors regularly purchase premium-quality food and beverage products compared to 38% of younger Millennials.



**About 37% of U.S. consumers bought groceries online in the past year, up from 23% in 2018.** The portion of people who bought from Walmart jumped to 37% in 2019 from 26% in 2018, while Target.com shoppers rose to about 16% versus 7% in 2018, according to Coresight Research.

**Sixty-one percent of Americans are concerned about the safety of food and other consumer products.** However, 34% rarely or never research product claims. Almost half purchased a product despite being unsure of the validity of product claims, according to a survey by NSF International.



## MISSION STATEMENT

The U.S. Foodlink newsletter and e-mail bulletin are brought to you by the Food Export Association of the Midwest USA and Food Export USA-Northeast, two state regional trade groups located in the U.S. that promote exports of U.S. food and agriculture. 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. U.S. Foodlink was created to provide readers credible data and information in an easy-to-read format.

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Let us know what you like about U.S. Foodlink, and how we can make it better: send an e-mail to [info@foodexport.org](mailto:info@foodexport.org)

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