



STEP – Agri-Value

**Food Ingredients Europe
November 28-30, 2017
Frankfurt, Germany**

TRIP REPORT

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Overview/ Mission Description

Launched in 1986, Food ingredients Europe (Fi Europe) is the global meeting place for all stakeholders in the food ingredients industry. Over 500,000 people have attended this show over the years, with billions of Euros of business generated as a result. Fi Europe is held biennially in a major European city. It brings together the world's leading food and beverage suppliers, research and development, production and marketing specialists; and showcases the most diverse range of new and innovative ingredients and services.

The 2017 edition of the show took place in Frankfurt, Germany. STEP had a small nine square metre booth in the Canadian Pavilion organized by CFEA. STEP members were given the option to walk the show or share the booth with STEP. The show gave participants the opportunity to market their food ingredient solutions to food manufacturers, R&D personnel, product development managers, food ingredient distributors and importers, food scientists and more.

Summarized Agenda

The event ran over a three day period at the Frankfurt Messe Convention Centre. Each day consisted of set exhibiting hours. Participants also had the chance to attend hundreds of different educational sessions on a variety of topics related to the food ingredient industry. At the conclusion of day one, the show hosted a networking reception open to all participants. Innovation awards were given out and one STEP member was nominated.

Outside of the show hours there was a group dinner where participants had a chance to relax and meet the other companies who were part of the pavilion. The dinner provided a venue for networking in a relaxed environment.

Market Information

The Europe Specialty Food Ingredients market has been estimated at USD 13.91 Billion in 2016 and is projected to reach USD 17.83 Billion by 2021, at a CAGR of 5.10% during the forecast period from 2016 to 2021. Specialty food ingredients are an essential part of a wide range of food products. These food ingredients have been used since many years to flavor, preserve, blend, color and also to maintain the nutritional content of the food.

The market for Specialty Food Ingredients in Europe is mainly driven due to changing lifestyle which is making people more addicted to the packaged and processed food, which eventually is leading to obesity among people. Due to this, people are resorting to balanced food and low consumption of fat, which is increasing the demand for Specialty food ingredients. But, the market growth can be restrained due to high price of raw materials and processing equipment, and also strict regulations on the consumption levels by food administration bodies.

Europe market for Specialty Food Ingredients is segmented based on Ingredients and Application. By ingredients, the market is further sub-segmented into Functional Food Ingredients, Sugar Substitutes, Flavors, Specialty Starches, Acidulants, Preservatives, Emulsifiers and Colors, Enzymes, F&B Starter cultures, Nutraceuticals. By Application, the market is further sub-segmented into Bakery & Confectionery, Beverages, Dairy & Frozen foods, Convenience foods, Meat Products & Functional Foods and Beverages, Dietary Supplements. Functional Food Ingredients segment dominate the market with largest share and demand, while, Nutraceuticals segment is escalating in the market with high CAGR.

Geographically, Europe market for Specialty Food Ingredients is segmented into U.K., Germany, Spain, France and Italy. Europe is the second biggest market in terms of market share across the globe. With high organized retail penetration, U.K. is seen as saturated market for processed foods. Technological developments are considered as the strongest factor leading to the growth of the specialty food ingredients market. As a result, the industry is expected to progress at a steady growth rate in this region.

Archer Daniel Midland, Royal DSM N.V., Kerry Groups, Cargill Inc., E. I. DuPont de Nemours and Company, Givaudan Flavors, Sensient Technologies, CHR. Hansen, Ingredion Incorporated, and Tate & Lyle PLC are the major players of Europe Specialty Food Ingredients market.

Results

In total, six STEP members participated in the mission. Four exhibited with STEP, one walked the show and one exhibited on their own. 103 trade leads were generated by STEP members. 18 deals were reported which will lead to an estimate \$1,150,000.00 in export sales over the next 12 months.

The show was busy for two and a half out of three days and the pavilion was perfectly located in a high traffic area. The last half of the third day was very slow.

The group dinner provided a nice relaxing break from the show and continues to be a fun addition to any trade mission. Invitation to the reception allowed for an excellent chance to network and meet potential leads.

Recommendations

This marked our first visit to FI Europe. For an initial visit to a show this event was very successful. Members in attendance all gave positive feedback with most indicating a desire to return. FI Europe lines up perfectly with STEP's efforts to grow the market for Saskatchewan food ingredients in the EU. The show is very similar to the IFT show in the US which lines up well with member interests. With the CETA agreement coming in to force more and more members are interested in exploring potential opportunities in the EU. This initial visit is part of a larger planned effort into the EU that will see us return to FI Europe for the next show in two years' time. Additional shows and market visits are also being organized as part of this initiative.

As far as the booth layout goes it served its purpose for our initial visit to the show. However, for future shows if budget/company interest permits more space should be taken. Ideally each company would have had their own display counter. The set up used this time lead to some crowding in the booth, especially when multiple members had scheduled meetings. A larger space would be able to accommodate additional meeting tables. With that said, for an initial visit to a show not knowing member interest this set up worked fine.

An argument could also be made about the necessity of being in the Canadian Pavilion. While a larger footprint should drive more traffic, there are also a lot of costs associated with booth structure. There is also the issue of splitting booth space with Non-CFEA Members. STEP should look into getting our own space for the next show. Potentially this space could be in the same vicinity of the Canadian Pavilion.

FI Europe is a bi-annual event with the next show taking place in Paris, France in December of 2019. STEP is planning on being in Paris for the next show.

STEP Contact for Further Information

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Photos



