STEP – Agri-Value

Food Ingredient Trade Mission
Dec 12 - 14, 2017
Minneapolis, MN and Chicago, IL

TRIP REPORT

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Overview / Mission Description

This mission was organized as part of the food ingredient export market development initiative. Given the last two year’s success and interests from exporters, this year the program was extended to Chicago. The sector of focus was food ingredients only. The main objective was to expose Saskatchewan suppliers to the extensive food processing industry in both Minnesota and Illinois and to facilitate successful business interactions in the region. We worked with the Trade Commissioner and provincial partners including Ontario, Manitoba and Alberta to organize this event. A total of three suppliers of niche and value-added Saskatchewan ingredients joined the event. One non-member, a new company created by a regular member also participated. A total of 13 local buyers participated. Besides B2Bs, several corporate presentations were made in order to educate about needs/opportunities within the region from the primary food companies and a tour was organized to a local analytical/testing labs as well as a local food processing facility.

A networking reception was also organized on the first evening with the local industries in Minneapolis and in Chicago respectively.

Summarized Agenda

Tuesday, December 12 – Minneapolis, MN
Morning Arrival in Minneapolis, check in DoubleTree Park Place
11:30 – 12:15pm Lunch & Welcome – Courtyard 5 & 6
12:30 – 4:30pm B2B meetings
5:00pm Bus departs hotel for Supervalu
5:30 – 7:30pm Reception and Product Demonstrations w/North Central Research Chefs Association
Supervalu Headquarters – Test Kitchen, 300 2nd Ave S – Hopkins, MN
7:30pm Bus returns to hotel – free evening

Wednesday, December 13 – Minneapolis, MN & Chicago, IL
8:00am Depart for tours
8:30 – 11:00am Cargill Minneapolis R&D Center, 14800 28th Avenue N – Plymouth, MN
11:30am Bus drop-off at MSP airport
12:00 – 2:00pm Flights to Chicago
2:00 – 4:00pm Arrival in Chicago; check in Marriott Chicago O’Hare

Thursday, December 14 – Chicago, IL
8:30am – 1:00pm B2B meetings
(box lunch provided)
1:15pm Depart for tour
1:30 – 5:30pm Tour, Biofortis Clinical Trials and Sensory & Consumer Insights Center, 800 S Rohlwing Rd, Addison, IL

7:00pm Return to hotel
Evening/next day Flights home
Market Information

The Midwest is the second largest region in the U.S. in terms of agricultural production, behind the Southwest. The Midwest comprises the largest portion of the U.S. Grain Belt, which also touches the Northwest. This region is labelled as such, as it is home to significant production of grains and oilseeds, notably corn, wheat, oats and soybeans. The region also hosts a major livestock industry, focused around poultry and pork. In 2015, agriculture, forestry, fishing and hunting contributed USD $37.6 billion to the GDP in the Midwest. The Upper Midwest USA and Canada’s Prairie provinces are closely integrated and the region has a long history of doing business with Canada. As an entry point to middle-America, the Upper Midwest USA provides great access for Canadian businesses. It is an excellent place for first-time exporters, especially those based in the Prairie Provinces. There are abundant reasons for Canadian food companies to consider the region, including the location and proximity, the food processing heritage and resources, the corporate headquarters of top food companies, the abundance of growing food categories, the distribution hubs, and the overall opportunities for Canadian businesses.

There are vital agricultural resources in the market as well as diverse processing options. The historical importance and growth around food processing makes it an excellent opportunity for add-on products and some of the largest food and food-related businesses call this region home.

In terms of a market for food ingredients and commodities, in 2015 (latest available data) the food and beverage manufacturing sector played a major role in the Midwest economy and contributed USD $67.95 billion to the region’s GDP. All of the states within the region have a sizeable food and beverage manufacturing sector, with the leading states being Ohio and Illinois. Given that the Midwest is a hub for agricultural production and food and beverage manufacturing in the U.S., the region is home to leading food and commodity industry players including: Archer Daniels Midland, CHS, Mondelez International, Kraft Foods and General Mills, among others

Results

A total of 3 STEP member companies joined the mission. It was a niche event, focused and targeted. The members reported that they gained some definite insights as well as some solid leads with some of the attending companies. The program ensured that companies had a quick one to one meeting with each of these presenters.

Quantitative Results

Trade Leads: 28
Deals in consummated: 6
# of Companies Participating: 3
# of Companies Represented: 0
Anticipated sales: About C$0.8M in the next 12 months.

Recommendations

This is the second consecutive ingredient focused trade mission in the region. This time it was extended up to Chicago, IL. The members’ feedback was very positive. It was a short visit and the length of the program was appreciated, the whole event was over in one and half days, this was convenient to all the participants including from other provinces. We are planning to continue this mission in the coming years.
Both of these markets provide excellent opportunities for our suppliers. As a result, I recommend that we continue to participate in this event this year and in the future.

**STEP Contact For Further Information**

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