



## **STEP – Agri-Value**

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**Natural Products Expo East 2017  
September 13-16, 2017  
Baltimore, MD**

# **TRIP REPORT**

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## Overview / Mission Description

Natural Products Expo East (NPEE) is the largest natural products trade show on the East Coast in the US, with as many as 29,000 attendees and over 1,900 exhibitors. NPEE continues to be the forefront of launching new and innovative products focusing on health, wellness and sustainability. The 32<sup>nd</sup> edition of the show took place from September 13 – 16, 2017 at the Baltimore Convention Center in Baltimore, MD. This show is growing each year and has been a good platform to reach natural, organic and healthy lifestyle buyers from the East Coast. NPEE is an excellent platform to meet with like-minded companies. The show provides a great opportunity for spotting trends in food, beverage, supplement and personal care products.

Six STEP members participated at the show, with STEP representing an additional three members. Two STEP members exhibited at the STEP booth. The marketplace for natural and organic foods and beverages is undergoing tremendous expansion and change. This was clearly evident at the show and the vibe and energy for natural and healthy food were prevalent in every corner. The show provided an opportunity to meet in-person with retail buyers of natural, organic and healthy lifestyle products and strengthen relationships with existing buyers, brokers and distributors.

Co-located with All Things Organic - Biofach America, Natural Products Association East, and the Harvest Festival, this event presented an opportunity to showcase the entire value chain of healthy products, from start to finish.

## Summarized Agenda

The show took place at the Baltimore Convention Center over a three day period. The show featured a robust education program including keynote panel discussions, several seminars, presentations, new product launches and educational sessions, organized by the show throughout the three days. Prior to the show, members were provided with selected and verified contacts of distributors/trading companies relevant to their sectors of interest, who were participating at the show. We invited the members to set up advance appointments with these companies.

Each day had a fixed set of exhibiting hours. The mission members were able to attend the different seminars and presentations on a variety of topics during the show.

*Thursday, September 14, 2017*

10:00 – 18:00	Exhibits Open	
10:00 – 11:15	State of the Organic Industry: Where We Are in 2017, and How Can We Protect the Organic Seal & Get the Government Working for Organic?	Baltimore Convention Center Room 316
12:00 – 13:00	Certification Made Easy: Organic, Non GMO, Gluten Free and more.....	Baltimore Convention Center Room 322
18:00	Self-hosted Group Dinner arranged by Canada Organic Trade Association	Forno Restaurant and Wine Bar 17N Eutaw Street <a href="http://www.fornobaltimore.com/">http://www.fornobaltimore.com/</a>

*Friday, September 15, 2017*

09:30 – 10:30	Organic 101	Baltimore Convention Center, Room 316
10:00 – 18:00	Exhibits Open	
10:00 – 11:00	Global Organic Trade Update	Baltimore Convention Center Room 317
10:30 – 11:45	Product Innovation: A current Snapshot & Predictions for the Future of Plant-Based Foods	Hilton, Holiday Ballroom 1
12:30 – 13:30	The Organic Center Presents: Sounds Good, but...What About the Chemicals?	Baltimore Convention Center Room 316

*Saturday, September 16, 2017*

10:00 – 16:00	Exhibits Open	
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## Market Information

The natural products industry is experiencing rapid growth, which has spurred increased interest in emerging brands and a rise in mergers and acquisitions. At the retail level, while Whole Foods Market remains the dominant natural foods supermarket chain, it is being challenged by Trader Joe's and Kroger Co. Kroger now sells about \$11 billion in natural and organic products annually, making it the third-largest player in the natural and organic food market after Whole Foods and Trader Joe's. Many consumers now seek out organic or natural foods and beverages when shopping for food. This year more than 451 exhibitors showcased innovative products in food, beverage, beauty and health products at the show.

Consumers are beginning to place more value on foods that offer them benefits outside of just taste, with increasing demand for healthy, natural and safe food products. These healthier food alternatives are popping up all over (e.g. fortified, gluten-free) in the US. Health awareness and concerns for food safety are also increasingly leading consumers to purchase organic products.

The East Coast of the US consists of 15 states that run along the Atlantic Ocean. In 2010, the population of the states which have shoreline on the East Coast was estimated at 112,642,503 (36% of the country's total population). With a GDP (PPP) of US\$17.46 trillion and household consumption reported to be 68% of GDP, the US is the largest consumer-based economy in the world. The US is Saskatchewan's largest trading partner. In 2016, Saskatchewan exports to the US totaled \$12.88 billion. In 2016, SK agri-food exports to the US were about C\$3.5B. However the eastern side of the US is comparatively a new market to most of the Saskatchewan companies. In 2016, our exports to the region were about 20%.

This particular show targeted healthy, organic, and natural products, comprising the US' fastest growing market. This segment of the market is poised to grow to \$226 billion by 2018, with an annual growth rate of 8.6 percent.

## Results

A total of Nine STEP member companies participated at the show (Six were present and three were represented). The show provided a good networking platform and the opportunity to observe the food trends and directions that are happening in the US market. The growth and demand for organic products were clearly noticeable along with the development in the pet food industry, and the engagement of the global food giants.

The show was a good platform to meet some existing and new buyers for our members. There were several qualified trade leads generated at the show. Some members reported potential sales in the region resulting from participation at the show. Over 400 new products were launched at the show so this was a good opportunity to look into and follow the trend. This year saw a debut of over 481 new brands that utilized Expo East as a launch pad into the Marketplace.

#### Quantitative Results

Trade Leads: 64

# of Companies Participating: 5

# of Companies Represented: 6

Expected sales in the next 12 months: 230,000

#### Recommendations

This is the third consecutive year that STEP participated at the show, and we have a growing number of members attending since the last show. This show is a gateway to access to the region. The show was a success for most of our members. I would recommend continuing to participate at the show in the next year. This year the show hosted more than

1,500 brands. About 451 first-time exhibitors exhibited their products at the 2017 show. The show has turned-out to be a great venue to launch innovative products featuring health, wellness and sustainability.

The robust American organic sector stayed on its upward trajectory in 2016, gaining new market share and shattering records, as consumers across the United States ate and used more organic products than ever before, according to the Organic Trade Association's (OTA's) 2017 Organic Industry Survey. Organic sales in the U.S. totaled around \$47 billion in 2016, reflecting new sales of almost \$3.7 billion from the previous year. Organic food now accounts for more than five percent -- 5.3 percent to be exact -- of total food sales in this country. Given that the US is a big potential market, there is lots of interest towards the market. OTA's survey uncovers that America's 75 million Millennials are now devouring organic, and they're making sure their families are too. Parents in the 18- to 34-year-old age range are now the biggest group of organic buyers in America. Participating at this type of show provided a platform to our members to understand the regulations, it's requirements and subsequently explore the market.

#### STEP Contact For Further Information

For further information, please contact:

Mortoza Tarafder

Director - Agri-Value

Tel: 306-787-9687

E-mail: [mtarafder@sasktrade.sk.ca](mailto:mtarafder@sasktrade.sk.ca)

Photos

