STEP – Agri-Value

Natural Products Expo East 2018
Sept. 12 – 15
Baltimore, MD

TRIP REPORT
Overview/Mission Description

Natural Products Expo East (NPEE) is the largest natural products trade show on the East Coast in the US. This year, there were as many as 29,000 attendees, and over 1,500 exhibitors, including 244 first-time exhibitors. NPEE continues to be the forefront of launching new and innovative products focusing on health, wellness and sustainability. The 33rd edition of the show took place from September 12 – 15, 2018 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.

Five STEP members participated at the show, four of whom exhibited at the STEP booth. The marketplace for natural and organic food and beverages is undergoing tremendous expansion and change. This was clearly evident at the show as natural and healthy food products 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 four-day period, which included the Harvest Festival, a pre-show exhibition occurring on the first day. The main expo 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.

STEP introduced the members to various industry contacts around the world, including buyers, partners, distributors and the Canadian Trade Commissioner out of Atlanta, Georgia. STEP conducted meetings with new and current contacts. The group of Saskatchewan companies networked each evening through their own contacts or via STEP set events.

Each day had a fixed set of exhibiting hours, an average of 8 hours per day. Both before and throughout exhibiting hours, attendees were able to attend the different seminars and presentations on a variety of topics during the show.
Market Information

The natural products industry in the US grew by 6.3% reaching $206 billion in annual sales in 2017. Since 2007, sales in the industry have been more than doubling, according to New Hope Network’s Nutrition Business Journal. This growth was about 10 times that of the overall $280 billion total food industry, which saw another sluggish year of about 0.7% growth.

The growth of the natural products industry can be largely attributed to the rise of entrepreneurs and small food brands. Through innovative farm to fork solutions, a world of possibility has been created for the natural food producer. Consumers are demanding more from their food, meaning that producers have more room to cater to niche needs. Some of the top trends in the natural food industry are plant-based proteins, GMO-labelling or non-GMO claims, clean labels, reduced sugar or sugar alternatives, probiotics, allergen-free, sustainability, organics, and so much more. Small brands are rising to the top, simply by listening to consumers and providing innovative and creative solutions.

The Eastern Seaboard, or those states that line the Atlantic coast from Maine to Florida, consists of 15 states. The 2017 US Census stated that the population of these 15 states was an estimated 105,237,090 (32% of the country’s total population). With a GDP (PPP) of US $19.49 trillion and household consumption reported to be 68% of GDP, the US is the largest consumer-based economy in the world. In 2017, the US proved once again to be Saskatchewan’s largest trading partner, accounting for 55.5% of the province’s total exports. Export shipments valued at $16.1 billion were sent to the United States which is an increase of 25.8 percent from 2016.

Results

A total of five STEP companies attended the show, four of whom exhibited and one of whom walked. Although the potential of Hurricane Florence reaching Baltimore may have decreased
attendance overall, STEP members reported positive results and stated they would return in future years.

The show provided a great networking platform and the opportunity to observe food trends in the western markets. Innovative retail food products and ingredients that included claims of allergen-free, grain-free, meatless, vegan, FODMAP, organic, environmentally friendly and more, were in large supply. Saskatchewan companies with these types of claims would be wise to attend this event in the future.

By attending Expo East, members were able to meet some existing and new buyers/clients. There were several qualified trade leads generated at the show, with some members reporting sales while in market.

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<th>Quantitative Results</th>
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<tr>
<td>Trade Leads: 83</td>
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<tr>
<td>Deals in Market: 12</td>
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<td># of Companies Participating: 5</td>
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<td># of Companies Represented: 9</td>
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<td>Expected sales in the next 12 months: $5,320,000</td>
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**Recommendations**

This is the fourth consecutive year that STEP has participated in Expo East, with each year having added interest from Saskatchewan companies than the previous. It is recommended to increase the STEP booth space in order to accommodate the growing demand from Saskatchewan companies to attend the show.

It is recommended to look for creative, yet inexpensive solutions to create a more attractive booth space to promote STEP and all exhibiting companies equally. Fitting four companies into a 200 sq. ft space is possible but may require some adjustments in order to still appear welcoming.

When coordinating a group dinner for STEP members, it is recommended to invite buyers to attend as well.
STEP Contact for Further Information

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