



STEP – Agri-Value

**Taste of Canada 2017
June 5-6, 2017
Boston, Massachusetts**

TRIP REPORT

Notice to Recipient: *The attached information is provided by STEP on the express condition that the recipient of such information waives any and all claims of any nature whatsoever (including any claim based in negligence) that it may now or in the future have against STEP or its officers, directors, employees and agents resulting from or in any way connected with its use or reliance on such information.*

Overview/ Mission Description

STEP in collaboration with Alberta Agriculture, Rural Development (ARD) and Global Affairs Canada developed a program coined “Taste of Canada Showcase” for Canadian exporters targeting the food service and retail sector in the US New England Region .

Taste of Canada Showcase is an annual professional food showcase event designed as a mini Canada-only showcase for qualified export ready and capable Canadian suppliers to present food and beverage products to pre-screened US importers, buyers and distributors from the retail and foodservice industries. This intimate forum provides buyers and suppliers the time to meet, discuss suppliers’ capabilities, review buyers’ needs and negotiate possible synergies.

It provided STEP Members the Opportunity to:

- Showcase their products at a full-day tabletop exposition.
- Attend pre-scheduled B2B meetings with buyers from the retail and foodservice industries located in the New England Region.
- Collect market intelligence through market presentations and store tours.

Summarized Agenda

The event ran over a two day period. Day one started with a morning seminar providing information to participants on breaking into the US Food Market, Food & Beverage Trends for 2017, if it works in Canada does in work in the US and an update from The US FDA. The afternoon portion of the day consisted of store tours to various retail grocery stores throughout the city. The tours gave participants a chance to see firsthand what kind of products they would have to compete with in order to get into the market. It also provided an opportunity to see the different categories of stores from low-priced discount to high end specialty. Unlike previous years the tours were self-guided. Participants were dropped off at a starting point and given a map. This allowed companies to take as long as they wanted and not be rushed. The stores were all within walking distance and the tour guided them towards the reception location.

In the evening participants had the chance to attend a networking reception organized by the Canadian Consulate in Boston. The reception was attended by Canadian companies and a few select buyers who had arrived in time.

Day two was the table-top exposition and the pre-scheduled buyer meetings. Each participant had a schedule of meetings with relevant buyers. The meetings provided an opportunity to make an initial introduction and explore the

possibility of a business relationship. In between meetings buyers had the chance to check out participants' table top displays and sample product.

Market Information

The US and Canada have the largest trading partnership in the world, and the New England region has a significant presence in a number of key sectors in this important bilateral relationship. The New England region borders Canada along the provinces of Quebec and New Brunswick; making it an approachable market for Canadian companies especially for businesses in the Atlantic and Central region of Canada. In the US this region is alongside major markets in New York and Pennsylvania.

The New England region is home to a large market region in Boston, along with smaller markets such as Hartford, Springfield, and more. What is intriguing about the New England region are the food and travel trends throughout. This is a great region for private label to grow and expand as well as new innovative products to expand. Small thank you mints and candies (for abundant travellers due to rich history in this area), individually wrapped products specifically baked goods, natural and organic products, GMO free products, etc. would have strong market opportunities here. 'Free-from' is a growing trend in the US so gluten free, dairy or lactose free, and nut-free products could also have higher success in this region.

The New England Region consists of six unique US States: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. Each state has their own unique characteristics that are ideal for Canadian businesses and will be outlined in this report. This report was created to provide a representative sample of the key data needed for Canadian food manufacturers to better understand the region, what it has to offer, and the key dynamics of the retail food industry in the market.

The total population of this region is approximately 14,727,584 as per US Census Bureau 2015. In all six states, the population is increasing at an average rate of approximately 1%, with the highest change rate in Massachusetts at 3.8% and lowest in Maine with 0.1%.

It is important to note the business exchange already taking place between this region and Canada. In all six states, Agriculture is one of the highest imports to these states from Canada. Imports of Agriculture from Canada to the region ranks as follows:

- Rank #1 in Massachusetts with 25%,
- Rank #2 in Maine with 23%, Rhode Island with 16%
- Rank #3 in Vermont with 16%, New Hampshire with 4%
- Rank #5 in Connecticut with 6%

This region does very well for Supermarket statistics. For yearly supermarket sales per capita, five out of the six states rank in the top 10 out of all 50 states. Under the category of weekly sales per sq. foot all six states rank in the top 10. For weekly sales per checkout, again all six states rank in the top 10. Although they may have fewer stores and less square footage than other regions, their supermarkets still do well when compared to other states and regions.

Additionally, five out of the six states - Connecticut, Maine, Massachusetts, New Hampshire and Vermont - have higher total retail sales per capita than that of the national average (\$13,443) as per 2012 economic census from US Census Bureau. Furthermore, five out of the six states - Connecticut, Massachusetts, New Hampshire, Rhode Island and Vermont - also have a greater median household income compared to the national average of \$53,482 as per census bureau.

The New England region is a diverse agricultural region with highest sales in livestock, dairy, hay & haylage, apples, cranberries, maple syrup, potatoes, and blueberries as per 2015 State agricultural overview from USDA's National Agricultural Statistics Service, New England Field Office.

A market report was prepared for the mission and is available upon request if more market information is required.

Results

60 companies from 8 provinces participated in the event, including 4 from Saskatchewan. These companies had the opportunity to meet with 30 buyers from the New England Region. Each participant had a minimum of 4 pre-set meetings as well as the opportunity to meet with buyers as they walked the room.

The first day of the program provided a lot of useful market research. Touring stores is an easy way to get a feel for the local market. By finding the area in each store where their product would fit a company can learn a lot. Seeing a variety of stores also helps a company to decide where their product would be the best fit. The fact that they were self-guided was a nice addition as it provided flexibility. Companies could see the stores they wanted to and skip the ones that weren't of interest. It also allowed them to see other things if they wanted to.

The second day consisted of the B2Bs and the table top display. The setup of the room worked well as both the meetings and the table tops were in the same room. This allowed for participants to meet with buyers but still keep an eye on their table top. Compared to a standard trade show this format is a lot more efficient.

Recommendations

Overall this mission was a success for the STEP Members that participated. Each company met a handful of buyers and follow up is already underway. Initial feedback was positive with each company anticipating sales to come from the event. As a whole this was the best attended event in terms of Canadian Companies. The buyer numbers were about the same as previous years. As always more buyers would make for an even stronger event.

I found it odd that there was not a speaking program at the reception. In past years the consulate has provided welcoming remarks. The entire two hour reception passed without anyone taking the microphone. I was glad to see that the table top display and buyer meetings were back in the same room. Last year they were in separate rooms and this lead to zero buyer traffic at the company tables. Keeping everything in one room solves this problem. As already mentioned I enjoyed the self-guided aspect of the store tours. I think that companies appreciated the flexibility. The morning session continues to be informative and very valuable for companies in attendance.

The format of this event works very well. It is a great platform for any company wanting to take an inexpensive look at the US market. Some minor tweaks are needed to continue to improve the format but overall it hits the mark. The focused nature of the event makes for a much more efficient use of a company's time when compared to exhibiting at a standard trade show.

I recommend that STEP continues to recruit members to attend this yearly event. The location for next year's Taste of Canada is still being determined. Possible locations for next year include: Texas, Florida, California and Chicago.

STEP Contact for Further Information

For Further Information Please Contact:

Jeff Cooper
Trade Specialist, Agri-Value
306-933-6512
jcooper@sasktrade.sk.ca

Photos



Morning Sessions



Retail Tours



Retail Tours



Table Top Set-up



