Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

Voluntary Report - public distribution

Date: 10/23/2002

GAIN Report #CA2124

Canada

Market Development Reports

Asian-Style Foods In The Canadian Market

2002

Approved by:
Gary C. Groves
U.S. Embassy
Prepared by:
LBC Consulting, Montreal, Canada

Report Highlights:
Opportunities exist in the Canadian market for U.S. exporters of Asian-style food products. Canadians spend $6 billion annually on Asian-style foods. Of Canada's 31.7 million population, an estimated 5% are of Asian origin and increasing by a compound annual rate of nearly 9% over the course of the last five years.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa[CA1], CA

Table of Contents

OVERVIEW

The population of Canada is presently about 31.7 million, and for the past 10 years, has grown more from immigration than from natural increases. Much of that immigration has been from the Countries of the Far East and South-East Asia; to the point where approximately 5% of the Canadian population or 1.6 million people, are immigrants from these regions.

This Report focuses on Chinese, Japanese, Vietnamese, Thai, and Korean foods[1], which are hereinafter collectively referred to as "Asian" foods.

Immigration to Canada from these Asian countries has been increasing by a compound annual rate of nearly 9% over the course of the last five years. Canada's Asian population is now about 1.3 million people, or 4.1% of the total population.

Demand

At the consumer level, the demand for Asian food is met primarily through restaurants, mainstream retail grocery outlets, and Asian specialty outlets. In aggregate, these three classes of trade represent nearly 75% of Canada's Cdn.$100 billion annual retail spending (the "total food dollar") on food and foodservices:

	Asian	All Other	Canada	Asian %
Population (millions)	1.3	30.4	31.7	4.1%
Restaurants (000)	7.0	57.9	64.9	10.8%
Restaurants (CAD billions)	$3.5	$29.5	$33.0	10.6%
"Mainstream" retail grocery (CAD billions)	$1.5	$36.5	$38.0	3.9%
Asian specialty grocery (CAD billions)	$1.0	$2.5	$3.5	28.6%
Total (CAD billions)	$6.0	$68.5	$74.5	8.1%

Although it is no surprise that the number of Asian restaurants (and by extension, the popularity of Asian cuisine) far exceeds what one would expect based on Canada's Asian immigrant population, what may be surprising is the extent to which non-Asians purchase and consume Asian food. The foregoing estimates suggest that as much as Cdn.$1.2 billion, or nearly 50% of grocery store purchases of Asian foods, are made by non-Asians. This conclusion further implies that non-Asians spend about 3% of their grocery budget on Asian food purchases and/or on food used to prepare Asian-style dishes.

While essentially all of the Cdn.$ 3.5 billion spent on food served in Asian restaurants is, in fact spent to purchase Asian-style food; it is much more difficult to assess grocery store purchases. Obviously, many products (such as chicken, broccoli, celery and cabbage) that are used to prepare Asian-style dishes are not inherently Asian-style products. Even with most pre-packaged food products, it is not usually apparent what type of cuisine the product will eventually be used for.

[1] and therefore excludes the foods of e.g. the Philippines, Indonesia, Malaysia, Singapore, Burma, Laos, and Cambodia.

The following Table summarizes our estimates of retail spending (Millions Cdn. $) related to the preparation of Asian-style dishes by product category and where purchased:

	"Mainstream" Retail	Asian Specialty	Total	Asian %
Inherently Asian-style packaged goods	$437.2	$412.8	$850.0	34.0%
Other pre-packaged products	$463.1	$135.0	$598.1	23.9%
Fresh Produce	$352.1	$293.7	$645.9	25.8%
Fresh Meat & Poultry	$117.6	$76.8	$194.4	7.8%
Fresh Seafood	$70.0	$62.3	$132.3	5.3%
Fresh Bakery	$60.0	$19.4	$79.4	3.2%
Total	$1,500.0	$1,000.0	$2,500.0	100.0%

The estimated % of retail spending by category related to the preparation of Asian-style dishes compares to the components of retail food spending for the preparation of dishes[2] of all types, as follows:

	Canada %	Asian %
Inherently Asian-style packaged goods	2.3%	34.0%
Other pre-packaged products	61.3%	23.9%
Fresh Produce	12.9%	25.8%
Fresh Meat & Poultry	15.6%	7.8%
Fresh Seafood	2.6%	5.3%
Fresh Bakery	5.3%	3.2%
Total	100.0%	100.0%

The product category described as "inherently Asian-style packaged goods" includes, e.g. egg rolls, Asian frozen dinners, entrees, specialty rice dishes, etc. Note, however, that even within this product category, it cannot necessarily be assumed that all of the products sold are used for purposes of preparing Asian-style dishes. For example, soya sauce is often used in marinades, and tofu has long outgrown its original "Asian" label.

The following Table presents 2002 projected "mainstream" retail spending (Millions Cdn.$) for the principal A.C. Nielsen categories containing "inherently Asian-style" packaged goods, as well as the estimated proportion of the category destined for use in preparing Asian-style dishes. The compound annual growth rate (CGR) the category has been experiencing is also indicated:

[2] Based on A.C. Nielsen data for total Canada

Mainstream Grocery Packaged Goods	CGR %	2002FC	Asian %	Asian $
Rice Drinks	15.0%	$4.9	80%	$4.0
Soya Drinks	43.0%	$83.1	30%	$24.9
Regular Packaged Rice	1.0%	$130.4	40%	$52.1
Oriental Fondue & Bouillon Products	4.0%	$41.7	50%	$20.8
Rice & Corn Cakes	20.0%	$65.4	50%	$32.7
Specialty Rice Dishes	10.0%	$61.0	80%	$48.8
Oriental Noodles (Ramen)	1.0%	$77.2	80%	$61.8
Oriental Sauces	12.0%	$29.8	80%	$23.8
Oriental Frozen Dinner Entrees	10.0%	$24.5	100%	$24.5
Egg Rolls	10.0%	$27.6	100%	$27.6
Spices	4.0%	$52.3	40%	$20.9
Tofu & Meat Analogs	13.0%	$53.7	40%	$21.5
Vegetable Combos with Sauce	16.0%	$94.2	40%	$37.7
Canned & Bottled Mushrooms	0.0%	$45.4	40%	$18.2
Dry Soup Mixes	-2.0%	$89.6	20%	$17.9
Total	8.9%	$880.7	50%	$437.2

Given the performance of the principal product categories containing “inherently Asian-style” packaged goods is a representative sample of products (bellwether), retail purchases of Asian foods are increasing at a rate of nearly 9% per annum. Interestingly, the “cleanest” categories, viz. those where the category components are most likely to be used in Asian cooking, are growing at a rate which is even faster than the average.

Supply

Canada-wide, only 35.2% of every dollar spent in restaurants goes to defray the expense of food and drink purchases[3]. For Asian restaurants, it is estimated that food purchases absorb about 25% of revenues. After allowing for the profit margins of the various intermediaries in the supply chain, about Cdn.$ 400 million remains. This amount then represents the combined revenues to exporters, and the farm-gate value received by Canadian producers, for supplying the components that eventually generate the Cdn.$ 3.5 billion that Canadians spend on restaurant purchases of Asian-style dishes. Similarly, after taking into consideration the mark-ups in the supply channel, approximately Cdn. $ 850 million is the revenue received by those that initially supply the components of Asian-style dishes (and for purchase of which Cdn.$ 2.5 billion is spent at retail).

In summary, on the supply side, the size of the Canadian market for products used to prepare Asian-style dishes is about Cdn. $1.25 billion. It is estimated that about 2/3 of this market is supplied by Canadian producers, leaving approximately Cdn.$ 400 million which is supplied by imported products. Perhaps surprisingly, only about 20% of the Cdn.$1.1 billion of food products that Canada imports from Asia,

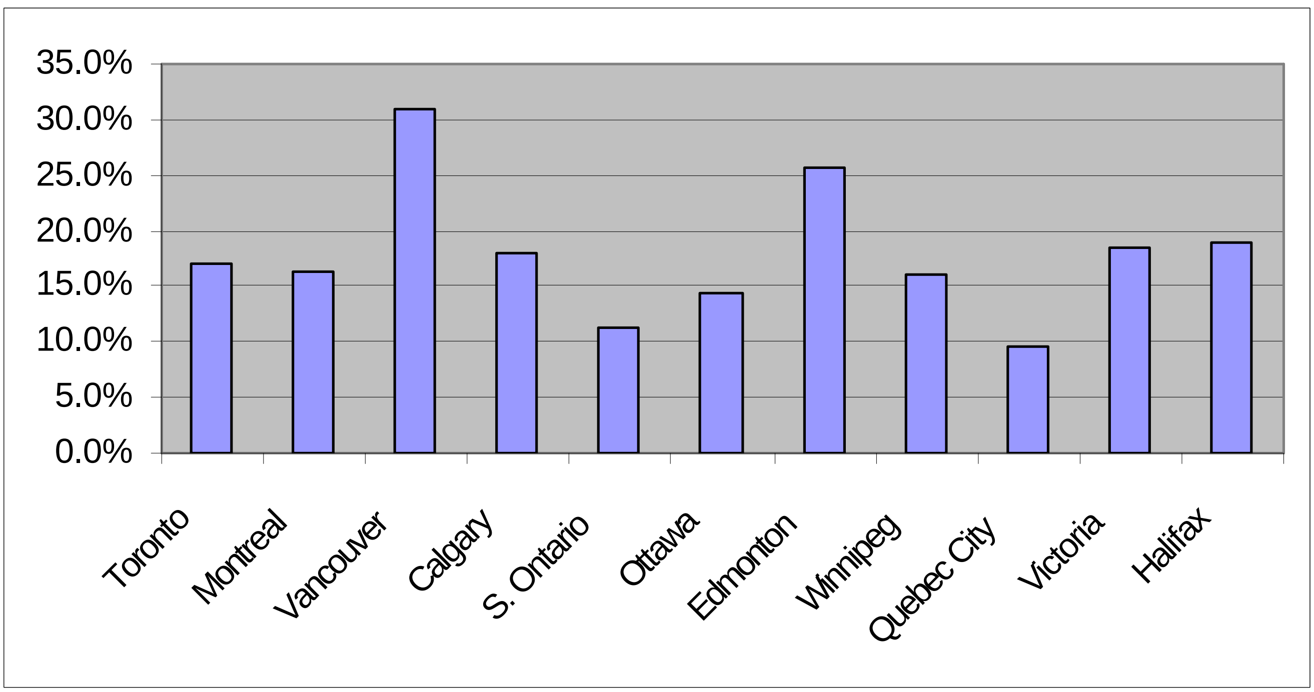
[3] Food Service Facts 2002

could be considered inherently Asian in nature. For example, shrimp & prawns, mostly from Thailand, account for fully 25% of Canada's imports from Asia, and tuna imports account for nearly another Cdn.$100 million. In short, most of the more than 400 HS categories[4] that Canada imports from Asia have no particular Asian characteristics, and are procured there for the normal reasons of price, availability, etc.

In the same vein, inherently Asian-style imported products do not all originate in Asia. For example, Canada imports nearly twice as much soya sauce from the United States, as it does from all of the Asian countries combined!

The balance of this Report will focus on inherently Asian-style products, and how these products reach Canadian consumers.

RESTAURANTS
Most Asian immigrants to Canada settle in the Country's major cities, and the distribution of Asian-style restaurants in Canada's Census Metropolitan Areas (CMA) closely follows the pattern of immigration. Approximately 60% of Canada's total population reside in 11 major population centers. The following Chart depicts the estimated percentage of Asian-style restaurants in Canada's major CMAs[5]:



As might be expected, Canada's two largest French-speaking cities, Montréal & Québec City, contain the densest population of Vietnamese restaurants. Japanese restaurants are most common in Toronto, Vancouver and Edmonton; and although more and more Korean and Thai restaurants are emerging,

[4] Harmonized System

[5] http://www.restaurant.ca

Chinese restaurants still dominate the urban landscape. The following Table provides the estimated percentage of the Asian restaurants in each CMA that the component cuisines represent:

CMA	Chinese	Japanese	Korean	Thai	Vietnamese	Total Asian
Toronto	43.1%	32.8%	4.3%	14.7%	5.2%	100.0%
Montreal	41.8%	17.2%	2.5%	10.4%	28.1%	100.0%
Vancouver	52.6%	32.7%	2.1%	3.6%	8.9%	100.0%
Calgary	55.7%	15.5%	2.9%	4.0%	21.8%	100.0%
S. Ontario	87.1%	5.9%	0.0%	4.7%	2.4%	100.0%
Ottawa	47.4%	11.6%	2.1%	20.0%	18.9%	100.0%
Edmonton	66.4%	10.7%	7.1%	3.6%	12.1%	100.0%
Winnipeg	73.8%	10.8%	1.5%	3.1%	10.8%	100.0%
Quebec City	22.2%	11.1%	0.0%	13.9%	52.8%	100.0%
Victoria	60.7%	30.4%	0.0%	3.6%	5.4%	100.0%
Halifax	78.6%	11.9%	2.4%	2.4%	4.8%	100.0%

Trends

Based on recently published restaurant reviews from across the country, trends in the type of new restaurants are:

- Japanese cafeterias, typically offering fewer choices (no kamikaze, not happy or California rolls, no tobiko, etc.) and less expensive fare. One might find 9-12 sushi selections for about Cdn.$10.00 with a miso soup. Often these cafeteria style restaurants also have some tempura. As a rule, these is a fairly good selection of maki and nigiri sushis, and fewer temaki than is typical in a Japanese restaurant.

- Thai vegetarian restaurants, featuring vegetarian meat (imitation meat made from tofu or gluten).

- Inexpensive Chinese restaurants specializing in lunch, featuring e.g. a small bowl of soup and a choice of a main dish, as well as tea for less than Cdn.$ 5.00. Usually the portions are large, and there is considerable choice for the main dish, even if the latter are mostly comprised of rice or noodles and just a little bit of meat.

- Restaurants featuring Vietnamese crepes. These are large, crispy omelets filled with e.g. shrimps and vegetables which you eat by tearing the crepe into pieces before rolling it in fresh vegetables and/or lettuce and dipping it in sauce.

- According to the media, noodles are catching on as the new fast food. Chinese noodle restaurants are springing up like weeds, as are Vietnamese "soup-noodle" places.

- All-you-can-eat buffet restaurants specializing in War Tai or Pan Stickers (pan-fried dumplings).

- “Authentic” Chinese restaurants trying to appeal to a broader market by offering both "westernized" and authentic versions of e.g. Cantonese fried noodles (with or without the squid) and Wanton (thick white dough for wrapping or thin egg-noodle dough with shrimp and minced pork stuffing).

- More and more people seem to be discovering the economy of having steamed and baked buns for lunch. A number of small restaurants have opened up featuring baked buns with curry beef, chicken, barbecue pork, and wieners; steamed sticky rice and meat packaged in a lotus leaf, and dim sum to go.

- Fusion, fusion, fusion! For example, Chef Mattéo Yacoub introduced Vietnamese, North African and Japanese dishes in his essentially Italian restaurant: “Always, the cuisine du monde influence is felt, in dishes like the crab cakes . . . in the 15 types of vinaigrettes, from papaya to cilantro and kiwi; at each table, where beside the salt and pepper stands a bottle of soya sauce and a small jar of an Asian spice mix”[6].

As the above examples illustrate, restaurateurs are finding that the Asian restaurant trade in Canada is beginning to have enough "critical mass" to justify segmenting the market into niches. The days when an Asian restaurant meant a Chinese (Cantonese) restaurant are clearly over. Indeed, Chinese restaurants have become so common place that consumers are more willing to try other types of Asian cuisine.

MAINSTREAM RETAIL GROCERY

Some of the inherently Asian-style products that can be found in a typical Canadian supermarket include:

Department	Products
Produce	Bean Sprouts, Bok choy, Chinese Cabbage, Ginger Root, Happa, Shitake mushrooms
Dairy	Soya drink, Soya Milk, Tofu var.
Frozen Foods	Almond Chicken, Asian Shrimp Trio, Asian-style special mixed vegetables, Beef/Chicken for Chinese Fondue, Chicken & Broccoli, Egg Roll Covers, Egg Rolls, Fried Rice var., Asian spareribs, Asian-style mixed vegetables, Pineapple Chicken, Pot stickers, Seafood Dim Sum, Spring Rolls, Stir Fry Vegetables, Teriyaki Chicken, Teriyaki Chicken Stir Fry, Thai-style mixed vegetables, Won Ton Covers, Won Ton Soup
Dry Goods	Beer & broccoli sauce mix, Cherry Sauce, Chinese Fondue mix, Chinese noodles, Chow mein noodles, Chow Mein sauce mix, Coconut milk, Cup Noodles var., Dipping sauce, Dry spice, bulk, var., Duck sauce var., Edamame (beer bean), Fortune cookies, Fried noodles, Fried Rice, Green Tea, Lychees, canned, Miki (Shanghai) noodles, Asian stir-fry kits, Ramen Noodles, Rice Cakes, Rice thins, Soba noodles, Soya sauces, Spare rib sauce mix, Sparerib sauces,

[6] The Montreal Gazette, Fall 2002 Supplement “Trends”

	Specialty rice (bulk), Specialty rice var., Sunflower seeds, Teriyaki sauce, Teriyaki sauce mix
HMR	Chop Suey, Chow mein, Fried Rice, Asian spareribs, Pineapple Chicken, Sushi
Specialty	Chili dipping sauce, Coconut milk, Dry mix for tomka, Fish sauce, Green chili curry, Green curry paste, Lemon grass, Minced coriander, Orange sauce & glaze, Peanut coating, Peanut satay, Red chili curry, Red curry paste, Red curry soup, Rice vinegar, Soya sauce var., Stir-Fry Vegetables, canned, Sweet curry, Teriyaki sauce, Tom yum soup paste, wasabi (dry and paste).

Trends

In summary, Asian-style products that were once relegated to specialty stores or the "ethnic food" aisle, are becoming much more prominent in Canada's mainstream supermarkets. Yet even so, the consensus of opinion seems to be that mainstream retailers are not meeting the Asian demand[7]. While it is certainly true that many mainstream supermarkets stock a much more comprehensive supply of Asian products than the list compiled in the preceding Table, there is significant evidence to support the conclusion that these outlets have captured 60% of consumer spending on Asian food products (excluding foodservices) despite their performance rather than because of it:

- Immigrants from Asia purchase more and more of their basic food supplies from mainstream supermarkets as they become more “Westernized” and are unable to find certain “Western” products[8] in Asian specialty outlets. At the same time, they are likely to purchase such authentic inherently Asian-style products as are available, as well as staple products such as chicken, broccoli, celery and cabbage.

- As intimated earlier in this Report, mainstream supermarkets are benefitting from the interest in Asian cuisine among non-Asians which has been generated, in large measure, by restaurants. Only the most adventurous and committed of these consumers shop at Asian specialty stores – most will buy the Asian-style products offered to them by the mainstream supermarkets.

- The shelves of mainstream supermarkets are largely stocked with Asian-style products that cater to N. American preferences (frozen, just add water, etc.) manufactured by N. American companies.

- In response to unmet demand, stores are springing up which are neither mainstream supermarkets nor Asian specialty stores. For example, Urban Fare, a 25,000 -sq.-ft. grocery store in downtown Vancouver that specializes in “exotic” products (but does not specialize by ethnic group) can be considered a “spin-off” mainstream supermarket, and the T&T Stores can be viewed as giant Asian specialty stores.

---

[7] See e.g. panel discussion, 2001 Canadian Council of Grocery Distributors Conference, as reported in Canadian Grocer, Marketscan, December 1, 2001.

[8] For example pop tarts, frozen waffles, Kraft Dinner

ASIAN SPECIALTY STORES

There is no question that Asian specialty stores have lost market share to mainstream retail grocery outlets. Ten years ago, for example, it was estimated that specialty outlets held 80% share of the Chinese food market in Canada[9]. However, the influx of Asian immigrants over this period has provided a constant replacement market which, combined with inflation, has enabled these specialty stores as a group to grow their sales by 11% per year. Asian specialty stores have half the market share they had ten years ago, but twice the sales volume.

Trends

T&T Supermarket Inc., based in Richmond, B.C., already operates eight stores in Western Canada, and has recently opened the largest Asian grocery store in Canada - a 65,000 sq. ft., outlet in the Toronto area, with three more stores are planned.

- Many specialty stores are offering prepared food, such as Chinese roasted duck and dim sum, to go. Some outlets in Vancouver reportedly sell tea smoked duck in vacuum sealed bags.

- Quick frozen dim sum and, increasingly, other Asian specialties are being sold by Asian specialty outlets trying to capitalize on the trend towards foods that deliver taste, convenience, and ease of use.

- Still, most Westerners find Asian specialty stores intimidating

[9] "Opportunities in Selected Ethnic Markets in Canada", Ekos Research Associates Inc. and Agriculture and Agri-Food Canada, 1994

IMPORTS

Canada imports some 425 product categories (6-digit level HS codes) from Asia. There are only 93 of these categories where the value of imports from Asia exceeds the value of imports from the United States, and in only 46 of these categories, does the value of the imports from Asia exceed Cdn.$1 million annually. Imports from Asia of these 46 selected product groups account for 64% of the value of all imports from Asia, but imports from the U.S. of these same 46 categories account for only 1.5% of the value of all imports (of these 425 product categories only) from the United States. The following Table focuses on these 46 product groups:

HS Code	Description	Orient	USA	Ratio
30613	Shrimps And Prawns - Frozen	$215,670,951	$33,910,438	6.4
160414	Tunas, Skipjack & Atlantic Bonito - Prepared Or Preserved	$86,730,479	$1,730,727	50.1
30420	Fish Fillets And Other Fish Meat - Frozen	$66,126,290	$30,754,168	2.2
160520	Shrimps And Prawns - Prepared Or Preserved	$42,571,880	$17,791,355	2.4
160590	Molluscs And Other Aquatic Invertebrates - Prepared Or Preserved	$23,142,366	$11,234,685	2.1
30749	Cuttle Fish - Frozen, Salted, Dried Or In Brine	$22,922,968	$3,337,774	6.9
200820	Pineapples nes, o/w prep or presvd, sugared, sweetened, spi	$20,468,826	$971,564	21.1
200310	Mushrooms prepared or preserved other than by vinegar or	$19,917,866	$921,980	21.6
81090	Fruits, fresh nes	$17,625,806	$1,540,048	11.4
30559	Dried Fish (Other Than Cod) - Not Smoked	$16,032,020	$726,259	22.1
90111	Coffee, not roasted, not decaffeinated	$14,623,256	$2,896,490	5.0
200979	Apple juice unfermented and not spir w/n sweet, concentrat	$13,107,998	$11,550,042	1.1
30379	Fish Nes (Except Livers Or Roes) - Frozen (Excl Fish Fillets)	$12,447,197	$6,415,642	1.9
200830	Citrus fruits nes, o/w prep or presvd, sugared, sweetened, s	$10,847,338	$3,582,226	3.0
80132	Cashew nuts, shelled	$9,050,228	$306,612	29.5
160510	Crabs - Prepared Or Preserved	$7,965,144	$1,296,791	6.1
200949	Pineapple juice,nes, unfermented & not spirited,whether or	$6,797,972	$714,844	9.5
121220	Seaweeds and other algae, fresh, chilled, frozen or dried w/	$5,958,186	$2,039,914	2.9
91010	Ginger	$4,790,986	$951,984	5.0
151550	Sesame oil and its fractions whether or not refined, but not	$3,931,006	$620,202	6.3
71490	Arrowroot, salep,etc & sim roots & tubers,nes,fr,chd,frz or	$3,575,756	$1,545,580	2.3
81290	Fruits and nuts, provisionally preserved but unfit for immed	$3,542,364	$598,502	5.9
40900	Honey, natural	$3,538,048	$2,533,134	1.4
90210	Green tea (not fermented) in packages not exceeding 3 kg	$3,417,790	$1,833,098	1.9
200390	Mushrooms, o/t genus Agaricus, prepr/presvd o/t by vinegar	$3,331,888	$231,702	14.4
30530	Fish Fillets - Dried, Salted Or In Brine But Not Smoked	$3,131,404	$413,627	7.6
30623	Shrimps And Prawns - Not Frozen	$3,057,061	$1,069,953	2.9
30372	Haddock (Except Livers Or Roes) - Frozen (Excl Fish Fillets)	$2,845,449	$238,148	11.9
41000	Edible products of animal origin nes	$2,700,498	$630,916	4.3
71239	Mushrooms & truffles,dried,cut,sliced, etc, but not further p	$2,514,312	$266,302	9.4
110814	Manioc (cassava) starch	$2,509,120	$22,132	113.4
90411	Pepper of the genus Piper, except cubeb pepper, neither cru	$2,474,626	$307,920	8.0
120799	Oil seeds and oleaginous fruits, nes, whether or not broken	$2,064,724	$1,850,950	1.1
90112	Coffee, not roasted, decaffeinated	$1,845,778	$792,372	2.3
71331	Urd,mung,black or green gram beans dried shelled, whethe	$1,783,340	$232,758	7.7
90220	Green tea (not fermented) in packages exceeding 3 kg	$1,651,510	$1,283,044	1.3
71231	Mushrooms of the genus Agaricus,dried, cut,sliced,etc,but n	$1,615,310	$148,726	10.9
30759	Octopus - Frozen, Dried, Salted Or In Brine	$1,492,908	$184,241	8.1
80450	Guavas, mangoes and mangosteens, fresh or dried	$1,409,196	$894,356	1.6
160413	Sardines, Etc. - Prepared Or Preserved, Whole Or In Pieces, Not Minced	$1,394,448	$0	n/a
30333	Sole (Except Livers Or Roes) - Frozen (Excl Fish Fillets)	$1,362,740	$0	n/a
30569	Other Fish Nes - Salted Or In Brine - Not Dried Or Smoked	$1,236,858	$724,830	1.7
30739	Mussels - Frozen, Salted, Dried Or In Brine	$1,222,985	$437,774	2.8
160415	Mackerel - Prepared Or Preserved, Whole Or In Pieces, Not Minced	$1,168,433	$1,911	611.6
200600	Veg,fruits,nuts,frt-peel & pts of plants presvd by sugar(drai	$1,106,044	$548,336	2.0
91050	Curry	$1,103,224	$174,148	6.3

American firms that manufacture or produce products that fall into any of the foregoing HS groups can obtain further insight into the potential for their product(s) and the competition, by ordering a custom report on Canada's imports to the 10-digit HS level[10]. At the 10-digit level, products are generally quite specifically defined (description, type of preparation, how packaged). The cost is incremented in groups of 25 products and by year, so e.g. the cost for an Excel spreadsheet showing Canada's imports from all countries of a group of 25 products for 1 year is about Cdn.$350. For all products for 3 years, the cost is about Cdn.$1,000. Statistics Canada generally takes about 10 days to generate a customized report.

It is recommended that American producers of Asian-style perishable goods in general, and produce in particular, examine the import statistics closely. It may well be that certain fruits and vegetables that Canada imports from Asia, cannot be locally produced because of Canada's climate; but could be/are being produced in the United States.

Trends
An analysis of the leading imports by country is provided in the Appendix to this Report.

OPPORTUNITIES
There is a significant opportunity for American producers of Asian-style frozen or dry packaged food products to penetrate the mainstream supermarket channel. The opportunity to penetrate the foodservice or Asian specialty store channels is less interesting, as is the opportunity for American producers of Asian-style perishable goods.

Within the mainstream supermarket channel, the primary consumer of Asian-style products is the non-Asian. This consumer is on the lookout for Asian-style foods which provide a novel taste experience, but are at the same time quick and easy to prepare. These needs are not being met by the products currently available in the typical mainstream supermarket. Judging by the products which are available in the typical Canadian supermarket, either producers have not been very daring and innovative in their product development efforts, or they have been unsuccessful in getting such products listed by the major supermarket chains[11].

- Chinese food: Only the most common Cantonese dishes (egg rolls, spareribs, chow mein, fried rice) are typically available frozen or at the HMR counter. Occasionally, one finds some Szechwan dishes (General Tao's chicken!), and rarely, if ever, Shanghai or Hunan-derived dishes.

- Japanese food: Of course, sushi is still the hottest cuisine trend around, and tempura & teriyaki flavors have been adopted by western frozen dinner and entree producers. But what of the rest of the rich, Japanese food culture? Where are the Gyoza dumplings?

- Korean food: The hot chili pepper dishes of S. Korea and western adaptations of the famous Korean Barbecue are conspicuous by their absence from Canadian supermarket shelves.

- Thai food: Thailand seems to have its marketing act together, and many of that country's flavor staples (e.g. nam bla, burned garlic, kaffir lime, and assorted chilies) have made their way into Canadian supermarkets – with "Thai" or "Thailand" prominently featured on the labels. However,

[10] Call 1-800-294-5583 or 1-613-951-9647 or visit the Statistics Canada web site at: http://www.statcan.ca/english/ads/trade/custom.htm).

[11] Unlikely. The mainstream retailers have made it clear that they are actively seeking innovative new products, and in some cases – e.g. Loblaw's President's Choice -are creating same via the private label route.

apart from Thai-style mixed vegetables, there are few, if any, Thai -derived products in the frozen food section of the average Canadian supermarket.

- Vietnamese food: Even the basics needed for Vietnamese cooking are virtually absent from Grocers' shelves outside of Canada's French-speaking regions.

There is a clear opportunity to develop and/or introduce more innovative Asian-style frozen dinners and frozen entrees to the Canadian mainstream supermarket segment. There is similar opportunity for dry-packaged, bottled or canned sauces as well as for spices. Although Korean Barbeque-inspired products are probably the best prospect, opportunities exist in every Asian-style cuisine category.

As for the foodservice and Asian specialty grocery markets, the distribution channels for these two retail outlet types are specialized, in the sense that the participating firms are predominantly staffed by Asians. Accordingly, the main pre-requisite for success for American producers that wish to penetrate these channels (besides authentic Asian-style products) is to have someone on staff with the ability to communicate in the language of the buyer. All other things being equal, these buyers might be convinced to buy from U.S. exporters[12], rather than from exporters in their native country(s), but they need to be "sold" in the appropriate Asian language. For these reasons, targeting the foodservice and/or Asian specialty store channel is probably less interesting to the "average" prospective American exporter than the mainstream supermarket channel.

DISTRIBUTION CHANNELS

In general terms, Canadian agribusiness distribution channels are similar to those in the United States; the most important difference being that the food distribution system is more structured and effective in the United States than in Canada. In Canada's less-structured distribution environment, there are "pure-play" wholesalers, distributors, and food brokers, but there are also many hybrid organizations that defy specific characterization. The essential intermediary role that food brokers play in the U.S. is relatively underdeveloped in Canada (Food Brokers handle only about 25% of products), and it is estimated that producers directly supply 25 to 35% of the products that retailers sell. However, at the end of the chain, the differences between Canada and the United States are minimal. On the retail grocery side, there are still buyers that need to be convinced, slotting fees to be paid, and the omnipresent risk of being de-listed. On the foodservice side, in Canada as in the U.S., there are higher margins, a significantly higher number of end-use outlets, and more opportunities for non-traditional deals to be made.

As might be expected given Canada's smaller population, immense geography, and a "flatter" distribution channel hierarchy; national member-groups and associations[13] formed to represent the common interests of the channel-players are also less evolved than in the United States. Consequently, these organizations are not as useful a resource for companies wishing to enter the Canadian market, as their American counterpart organizations are for would-be exporters to the U.S. - particularly when it comes to furnishing lists of potential dealers or distributors and advice related to the selection of a suitable intermediary(s). Other sources of lists include the Yellow Pages for each City (or on-line at

[12] Arguments such as speed of delivery, ease of communication (time zones), and other similar advantages related to being based in N. America may be advanced to offset the natural tendency to import from Asia.

[13] A partial listing of such trade associations is included in the Appendix section of this Report

http://www.yellowpages.ca) and the Thomas Food & Beverage Market Place[14], whose database includes 1848 Canadian companies.

ROAD MAP FOR MARKET ENTRY

How can US exporters take advantage of this burgeoning Canadian market sector?

The first step in entering the Canadian market is contacting the State Regional Office representing the various State Departments of Agriculture. These offices promote the exports of food and other agricultural products from their region, worldwide and often are able to offer support in the form of the Foreign Agricultural Service (FAS) Market Access Program (MAP) funds.

- Food Export USA represents agricultural products in the states of Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont. (http://www.foodexportusa.org)

- The Mid-American International Agri-Trade council (MIATCO) represents the states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin. (http://www.miatco.org)

- The Southern United States Trade Association (SUSTA) represents the states of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia and the Commonwealth of Puerto Rico. (http://www.susta.org)

- The Western US Agricultural Trade Association (WUSATA) represents the twelve western state departments of agriculture and two territories from the Western U.S. The states include Alaska, Arizona, American Samoa, California, Colorado, Guam, Hawaii, Idaho, Montana, New Mexico, Oregon, Utah, Washington and Wyoming. (http://www.wusata.org)

The second step in entering the Canadian market is locating an agent/distributor in Canada to represent your product(s).

, The Foreign Agricultural Service (www.fas.usda.gov) at the United States Embassy in Canada (www.usembassycanada.gov) endorses a program for U.S. export ready companies called "Canada Connect". The program is designed to help match prospective exporters with the suitable Canadian business entities (agents/distributors/brokers/buyers) and to ensure an accurately expedited entry into Canada. For more information on this program, refer to www.usembassycanada.gov, (Embassy Ottawa> Embassy Offices> Foreign Agricultural Service> Exporting to Canada> Canada Connect Program.)

, In addition, the formerly named Canadian Food Brokers Association, now the International division for the Association of Sales and Marketing Companies (ASMC), will provide listings of

[14] http://www.tfir.com

broker members, as well as assistance distributing your broker needs to its members within Canada.

, Another good source is the Canadian Importers Database, which is available on-line at http://www.strategis.gc.ca/sc_mrkti/cid/engdoc/index.html. This database, which is searchable by HS Code to the ten-digit level, provides the coordinates of the leading Canadian importers by product category.

REGULATORY REQUIREMENTS

Comprehensive information pertaining to safety, quality, composition, labeling requirements and inspection procedures for agri-food products imported into Canada is available on the web site of the Canadian Food Inspection Agency (CFIA). New exporters should not be intimidated or dissuaded from investigating the possibility of exporting to Canada by the number of rules & regulations involved and the "bureaucratic legalese" in which they are presented. In fact, despite the daunting way the information is presented, most of the Canadian standards are not dissimilar to the standards which already govern U.S. processors. The most important difference is that all imports must meet Canadian labeling regulations, which require, among other things, that packaging be bilingual (French & English). Ingredient disclosure regulations are less onerous than the FDA’s regulations. Although the Universal Product Code (U.P.C.) or bar code is not required or administered by government, virtually all retailers require products to be labeled with a U.P.C. Further information regarding Canadian regulatory requirements has been included in the Appendix to this Report.

APPENDIX
Related Web Sites and Primary Data Contacts

AC Nielsen Data	http://www.agr.gc.ca/food/consumer/mrkreports/
Agriculture Canada Statistics	http://atn-riae.agr.ca/stats/data-e.htm
Agrifood Import Data (Except Seafood)	http://strategis.ic.gc.ca/sc_mrkti/tdst/tdo/tdo.php#tag
Canada's Department of Fisheries & Oceans	http://www.dfo-mpo.gc.ca.
Canadian Association of Specialty Foods	http://www.cfta.ca/cast/
Canadian Business Magazine	http://www.canadianbusiness.com
Canadian Council of Grocery Distributors	http://www.ccgd.ca
Canadian Federation of Independent Grocers	http://www.cfig.ca
Canadian Food Brokers Association	khbray@home.com
Canadian Food Inspection Agency	http://www.inspection.gc.ca
Canadian Food Trade Alliance	http://www.cfta.ca
Canadian Grocer Magazine	http://www.cdngrocer.com
Canadian Importers Database	http://www.strategis.gc.ca/sc_mrkti/cid/engdoc/index.html
Canadian Restaurant & Foodservice Association	http://www.crfa.ca
Canadian Soyfoods Directory	http://www.soybean.on.ca
Citizenship & Immigration Canada	http://www.cic.gc.ca
Food & Drink Market Data (FOMAD)	http://207.236.161.226
Food In Canada Magazine	http://www.foodincanada.com
Food Industry On-Line Library	http://www.quebecfood.com
Information on Canadian Restaurants	http://ekwest.restaurant.ca
Korean Food	http://www.1stopkorea.com
Montreal Magazine	http://www.montrealplus.ca
Ontario Chinese Restaurant & Foodservice Association	ocrfa_ontario@yahoo.com
Québec City Magazine	http://www.quebecplus.ca
Statistics Canada	http://www.statcan.ca
Thai Food	http://www.thaigrocer.com
Thomas Food & Beverage Market Place	http://www.tfir.com
Toronto Life Magazine	http://www.torontolife.com
Vancouver Magazine	http://www.vancouvermagazine.com
Wong Wing Foods	http://www.wongwing.com
Yellow Pages on Line	http://www.yellowpages.ca

Bellwether Products

Mainstream Grocery Growth[15] (Cdn.$ millions) of principal product categories containing "inherently Asian-style" packaged goods

Mainstream Grocery Packaged Goods	**1998**	**1999**	**2000**	**2001**	**2002FC**
Rice Drinks	$2.1	$3.2	$3.8	$4.4	$4.9
Soya Drinks	($13.0)	$25.5	$44.7	$63.9	$83.1
Regular Packaged Rice	$124.0	$126.5	$127.8	$129.1	$130.4
Oriental Fondue & Bouillon Products	$34.0	$37.1	$38.6	$40.1	$41.7
Rice & Corn Cakes	$18.7	$37.4	$46.7	$56.0	$65.4
Specialty Rice Dishes	$35.6	$45.7	$50.8	$55.9	$61.0
Oriental Noodles (Ramen)	$73.4	$74.9	$75.7	$76.5	$77.2
Oriental Sauces	$15.4	$21.1	$24.0	$26.9	$29.8
Oriental Frozen Dinner Entrees	$14.3	$18.4	$20.4	$22.4	$24.5
Egg Rolls	$16.1	$20.7	$23.0	$25.3	$27.6
Spices	$42.6	$46.5	$48.4	$50.3	$52.3
Tofu & Meat Analogs	$26.0	$37.1	$42.6	$48.1	$53.7
Vegetable Combos with Sauce	$37.1	$60.0	$71.4	$82.8	$94.2
Canned & Bottled Mushrooms	$45.4	$45.4	$45.4	$45.4	$45.4
Dry Soup Mixes	$98.9	$95.2	$93.3	$91.4	$89.6
Total	$570.5	$694.6	$756.6	$818.6	$880.7

[15] Based on A.C. Nielsen data and L.B.C. Consulting Services estimates

Regulations

In order to enter the Canadian market U.S. exporters must be armed with information on Canadian standards and regulations. Agents, distributors, brokers, and importers are often the best first line of communication and can lead companies through the regulatory import process.

U.S. exporters encounter a number of federal acts and regulations that govern the importation of food into Canada. It is a shared responsibility of several federal agencies. The primary federal agencies involved are the Canadian Food Inspection Agency and the Department of Foreign Affairs and International Trade.

The Canadian Food Inspection Agency (CFIA) provides all federal inspection services related to food safety, economic fraud, trade-related requirements, animal and plant disease and pest programs. The CFIA administers the following acts:

- Food and Drug Act
- Meat Inspection Act
- Plant Protection Act
- Administrative Monetary Penalties Act
- Feed Act
- Canadian Food Inspections Act
- Canada Agricultural Products Act
- Consumer Packaging and Labelling Act
- Health of Animals Act
- Seed Act
- Fertilizers Act
- Plant Breeder's Rights Act

The Food and Drug Act and Regulations is the primary legislation that applies to all food sold in Canada, whether imported or domestic. This legislation sets out minimum health and safety requirements, as well as provisions preventing fraud or deception (labelling, packaging, treatment, processing, sale and advertising).

Of particular importance to U.S. exporters are the Regulations covered under the Section 5.1 of the Food and Drugs Act (FDA) and Section 7 of the Consumer Packaging and Labelling Act (CPLA).

While federal responsibility for food inspection resides with the CFIA, other departments play a role in the regulation of food importation. The Department of Foreign Affairs and International Trade controls the importation of certain agricultural products through the application of the Export and Import Permits Act and Tariff Rate Quotas.

Ultimately, the best entry method depends on the food product and the sub-sector identified as appropriate for each food product. Each sub-sector is regulated by government and industry import policies and trade acts. Each U.S. export opportunity must be thoroughly investigated relative to the legislation that exists for the product requesting entry.

Analysis of Leading Imports Representing 80% of:
Canada's Imports from China

				(Cdn. $ millions)								
No.	**%**	**HSCode**	**Description**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002 FC**	**CGR %**	**Cum. $**	**Cum. %**
1	0.2%	30420	Fish Fillets And Other Fish Meat - Frozen	$20.4	$28.4	$33.5	$41.7	$50.7	$57.1	23.2%	$57.1	17.2%
2	0.5%	200310	Mushrooms prepared or preserved	$8.2	$7.4	$12.0	$28.1	$16.6	$19.5	32.7%	$76.6	23.0%
3	0.7%	30613	Shrimps And Prawns - Frozen	$1.8	$2.3	$1.9	$13.4	$11.2	$15.1	124.0%	$91.7	27.6%
4	0.9%	200979	Apple juice unfermented	$0.0	$0.0	$0.0	$0.0	$0.0	$13.1	n/a	$104.8	31.5%
5	1.1%	30490	Fish Meat Nes - Fresh, Chilled Or Frozen	$5.7	$8.2	$12.1	$7.8	$8.0	$9.6	16.1%	$114.4	34.4%
6	1.4%	170490	Sugar confectionery nes	$3.8	$5.3	$5.2	$6.3	$9.0	$9.6	21.9%	$124.0	37.2%
7	1.6%	190230	Pasta nes	$8.8	$10.5	$10.2	$9.8	$9.5	$9.5	1.8%	$133.5	40.1%
8	1.8%	71333	Kidney beans and white pea beans	$0.2	$0.4	$0.1	$0.3	$2.1	$8.9	233.2%	$142.3	42.8%
9	2.1%	200830	Citrus fruits nes	$3.5	$2.6	$3.9	$4.0	$4.8	$7.6	20.9%	$149.9	45.0%
10	2.3%	120220	Ground-nuts shelled	$2.1	$4.0	$2.7	$3.9	$9.3	$6.8	41.8%	$156.7	47.1%
11	2.5%	190219	Uncooked pasta	$4.7	$3.8	$5.4	$4.3	$5.5	$6.7	10.5%	$163.4	49.1%
12	2.8%	160590	Molluscs And Other Aquatic Invertebrates	$0.8	$1.0	$2.0	$3.6	$5.5	$6.1	53.0%	$169.5	50.9%
13	3.0%	81090	Fruits, fresh nes	$0.3	$1.7	$2.4	$4.4	$4.0	$5.9	129.6%	$175.4	52.7%
14	3.2%	30559	Dried Fish (Other Than Cod) - Not Smoked	$2.4	$2.2	$3.5	$4.7	$5.1	$5.9	21.9%	$181.4	54.5%
15	3.4%	80290	Nuts edible, fresh or dried	$1.1	$4.9	$4.5	$4.8	$7.0	$5.9	76.0%	$187.2	56.2%
16	3.7%	210690	Food preparations nes	$5.8	$4.8	$4.8	$4.8	$4.1	$5.3	-0.5%	$192.5	57.8%
17	3.9%	80820	Pears and quinces, fresh	$0.2	$0.2	$0.6	$2.0	$3.9	$4.2	123.1%	$196.8	59.1%
18	4.1%	80232	Walnuts, fresh or dried, shelled or peeled	$5.0	$5.3	$2.5	$3.3	$6.4	$4.2	9.2%	$200.9	60.4%
19	4.4%	71290	Vegetables and mixtures dried	$2.9	$4.4	$5.8	$4.1	$4.4	$4.0	10.6%	$204.9	61.6%
20	4.6%	190590	Communion wafers,empty cachets	$0.7	$1.0	$1.3	$1.9	$2.5	$4.0	42.4%	$208.9	62.8%
21	4.8%	200590	Veg nes & mix of veg prep or presvd	$3.4	$1.6	$2.3	$2.7	$2.9	$3.9	10.9%	$212.9	63.9%
22	5.1%	71490	Arrowroot, salep,etc & sim roots & tubers	$2.1	$2.4	$2.2	$2.9	$3.2	$3.3	10.5%	$216.1	64.9%
23	5.3%	200390	Mushrooms, o/t genus Agaricus	$0.0	$0.0	$0.0	$0.0	$0.0	$3.3	n/a	$219.4	65.9%
24	5.5%	40900	Honey, natural	$1.9	$3.0	$3.4	$2.7	$5.0	$3.1	19.7%	$222.5	66.8%
25	5.7%	30749	Cuttle Fish - Frozen, Salted, Dried Or In Brine	$2.3	$2.6	$2.4	$3.0	$2.8	$3.0	6.4%	$225.5	67.7%
26	6.0%	40700	Eggs, in shell, fresh, preserved or cooked	$2.7	$2.3	$2.6	$2.0	$2.1	$3.0	5.1%	$228.5	68.6%
27	6.2%	30372	Haddock - Frozen (Excl Fish Fillets)	$0.0	$0.0	$0.0	$0.0	$3.5	$2.8	-20.0%	$231.3	69.5%
28	6.4%	30530	Fish Fillets - Dried, Salted, etc., not Smoked	$0.2	$0.4	$0.5	$0.8	$3.0	$2.8	103.0%	$234.2	70.3%
29	6.7%	70810	Peas, shelled or unshelled, fresh or chilled	$0.0	$0.2	$0.4	$0.7	$1.2	$2.8	2320.6%	$236.9	71.2%
30	6.9%	121220	Seaweeds and other algae	$1.2	$1.1	$1.3	$1.9	$2.2	$2.7	18.3%	$239.6	72.0%
31	7.1%	160520	Shrimps And Prawns - Prepared Or Preserved	$0.2	$0.8	$0.8	$1.1	$2.6	$2.6	91.5%	$242.2	72.8%
32	7.4%	91010	Ginger	$0.4	$0.8	$1.9	$3.1	$2.8	$2.6	56.4%	$244.8	73.5%
33	7.6%	210390	Sauces and preparations nes	$1.9	$1.6	$1.8	$1.6	$2.0	$2.5	6.9%	$247.3	74.3%
34	7.8%	160419	Fish Nes - Prepared Or Preserved	$2.2	$1.6	$3.7	$2.5	$1.6	$2.2	14.6%	$249.5	74.9%
35	8.0%	30799	Molluscs Nes, Invertebrates Nes	$1.3	$1.4	$1.8	$2.2	$1.7	$2.2	12.6%	$251.7	75.6%
36	8.3%	71080	Vegetables, frozen nes	$1.2	$1.2	$1.1	$1.4	$1.7	$2.1	13.1%	$253.8	76.2%
37	8.5%	30729	Scallops - Frozen, Salted, Dried Or In Brine	$7.8	$6.5	$4.4	$3.5	$4.0	$2.1	-20.5%	$255.9	76.9%
38	8.7%	120799	Oil seeds and oleaginous fruits, nes	$1.4	$1.3	$2.0	$1.9	$2.3	$2.0	10.3%	$257.8	77.4%
39	9.0%	210310	Soya sauce	$1.5	$1.2	$1.3	$1.3	$1.6	$1.9	5.9%	$259.7	78.0%
40	9.2%	200899	Fruits & other edible pts of plants nes	$0.9	$1.4	$1.9	$1.8	$1.9	$1.9	17.2%	$261.6	78.6%
41	9.4%	70990	Vegetables, fresh or chilled nes	$0.8	$0.6	$0.9	$1.2	$1.3	$1.9	24.8%	$263.6	79.2%
42	9.7%	71239	Mushrooms & truffles,dried,cut,sliced, etc.	$0.0	$0.0	$0.0	$0.0	$0.0	$1.9	n/a	$265.4	79.7%
317	72.9%		All Others Group #1; 275 Items	$64.5	$70.0	$70.9	$73.9	$79.6	$67.5	1.3%	$332.9	100.0%
435	100.0%		All Others Group #2; 118 Items	$9.1	$12.2	$11.3	$16.0	$16.1	$0.0	-6.2%	$332.9	100.0%
			Total	$185.2	$212.5	$233.5	$281.2	$314.5	$332.9	12.6%		

Analysis of Leading Imports Representing 80% of: Canada's Imports from Japan

				(Cdn. $ millions)								
No.	%	HSCode	Description	1997	1998	1999	2000	2001	2002 FC	CGR %	Cum. $	Cum. %
1	0.3%	210690	Food preparations nes	$2.5	$3.5	$5.2	$3.7	$1.5	$3.2	23.2%	$3.2	7.4%
2	0.5%	151550	Sesame oil and its fractions	$1.5	$1.7	$2.1	$2.3	$2.5	$2.7	12.1%	$6.0	13.6%
3	0.8%	210310	Soya sauce	$0.5	$0.5	$0.8	$1.1	$1.2	$2.5	43.6%	$8.5	19.3%
4	1.1%	210390	Sauces and preparations nes	$1.1	$1.3	$1.6	$2.0	$2.3	$2.4	16.0%	$10.8	24.7%
5	1.3%	30269	Fish Nes - Fresh Or Chilled (Excl Fish Fillets)	$0.1	$0.3	$1.1	$1.6	$1.3	$2.0	120.3%	$12.8	29.3%
6	1.6%	190590	Communion wafers,empty cachets	$1.0	$1.4	$1.5	$1.7	$1.8	$1.9	14.9%	$14.7	33.6%
7	1.9%	190531	Sweet biscuits	$0.0	$0.0	$0.0	$0.0	$0.0	$1.7	n/a	$16.4	37.4%
8	2.1%	210410	Soups and broths and preparations thereof	$1.0	$1.1	$1.1	$1.3	$1.3	$1.6	8.9%	$17.9	40.9%
9	2.4%	121220	Seaweeds and other algae	$1.3	$1.2	$1.2	$1.2	$1.2	$1.3	-0.2%	$19.2	43.8%
10	2.7%	190219	Uncooked pasta	$0.7	$0.6	$0.9	$1.2	$1.0	$1.3	15.8%	$20.5	46.7%
11	2.9%	30559	Dried Fish (Other Than Cod) - Not Smoked	$0.7	$0.7	$0.8	$1.2	$0.9	$1.1	13.4%	$21.6	49.3%
12	3.2%	30410	Fish Fillets And Other Fish Meat	$0.5	$1.0	$1.2	$0.6	$1.0	$1.0	26.8%	$22.6	51.6%
13	3.5%	130219	Vegetable saps and extracts	$0.7	$0.9	$1.3	$0.5	$0.5	$0.9	19.6%	$23.5	53.6%
14	3.7%	190230	Pasta nes	$0.5	$0.9	$0.9	$0.7	$0.9	$0.9	16.3%	$24.4	55.7%
15	4.0%	170490	Sugar confectionery nes	$0.5	$0.7	$0.7	$0.9	$0.8	$0.8	14.5%	$25.2	57.5%
16	4.3%	160430	Caviar And Caviar Substitutes	$0.4	$0.4	$0.4	$0.6	$0.7	$0.8	20.7%	$26.0	59.3%
17	4.5%	200551	Beans, shelled prepr or presvd	$0.2	$0.2	$0.4	$0.8	$0.7	$0.8	34.3%	$26.7	61.1%
18	4.8%	30331	Halibut - Frozen (Excl Fish Fillets)	$4.5	$2.7	$2.5	$3.4	$0.8	$0.8	-18.7%	$27.5	62.8%
19	5.1%	30759	Octopus	$0.6	$0.4	$0.7	$0.4	$0.8	$0.7	11.2%	$28.2	64.3%
20	5.3%	200590	Veg nes & mix of veg	$0.3	$0.3	$0.5	$0.5	$0.5	$0.6	16.9%	$28.8	65.7%
21	5.6%	210220	Yeasts, & other single- cell micro-organisms	$0.1	$0.2	$0.3	$0.2	$0.4	$0.6	42.4%	$29.4	67.1%
22	5.9%	90220	Green tea in packages exceeding 3 kg	$0.8	$0.8	$0.8	$1.0	$0.8	$0.6	-5.1%	$30.0	68.4%
23	6.1%	90210	Green tea in packages not exceeding 3 kg	$0.4	$0.5	$0.6	$0.5	$0.5	$0.6	11.9%	$30.5	69.8%
24	6.4%	200899	Fruits & other edible pts of plants nes	$0.7	$0.4	$0.8	$0.8	$0.7	$0.6	4.1%	$31.1	71.0%
25	6.7%	160420	Fish Prepared Or Preserved	$0.4	$0.3	$0.4	$0.4	$0.6	$0.5	11.9%	$31.6	72.3%
26	6.9%	160415	Mackerel - Prepared Or Preserved	$0.2	$0.3	$0.3	$0.4	$0.4	$0.5	19.2%	$32.1	73.4%
27	7.2%	160590	Molluscs And Other Aquatic Invertebrates	$0.5	$0.5	$0.5	$0.7	$0.3	$0.4	5.1%	$32.6	74.4%
28	7.5%	30239	Tunas Nes - Fresh Or Chilled	$0.1	$0.0	$0.2	$0.2	$0.4	$0.4	73.8%	$33.0	75.4%
29	7.7%	190190	Malt extract & food prep of Ch 19	$0.1	$0.1	$0.2	$0.1	$0.1	$0.4	48.2%	$33.4	76.3%
30	8.0%	71290	Vegetables and mixtures dried nes	$0.4	$0.5	$0.6	$0.5	$0.4	$0.4	0.7%	$33.8	77.1%
31	8.3%	30614	Crabs - Frozen	$0.0	$0.0	$0.0	$0.7	$0.0	$0.4	5554.6%	$34.1	77.9%
32	8.5%	30420	Fish Fillets And Other Fish Meat - Frozen	$0.8	$0.3	$0.6	$0.4	$0.5	$0.4	3.0%	$34.5	78.8%
33	8.8%	160419	Fish Nes - Prepared Or Preserved	$0.1	$0.1	$0.2	$0.2	$0.3	$0.4	40.1%	$34.8	79.6%
258	68.8%		All Others Group #1; 225 Items	$15.9	$16.3	$19.2	$14.0	$12.8	$8.9	-9.2%	$43.8	100.0%
375	100.0%		All Others Group #2; 117 Items	$11.7	$6.0	$4.0	$4.1	$3.3	$0.0	-39.6%	$43.8	100.0%
			Total	$50.8	$46.4	$53.7	$50.0	$43.0	$43.8	-2.4%		

Analysis of Leading Imports Representing 80% of:
Canada's Imports from S. Korea

				(Cdn. $ millions)								
No.	**%**	**HSCode**	**Description**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002 FC**	**CGR %**	**Cum. $**	**Cum. %**
1	0.3%	160590	Molluscs And Other Aquatic Invertebrates	$8.1	$6.7	$8.6	$8.3	$7.9	$8.2	1.3%	$8.2	17.2%
2	0.6%	190219	Uncooked pasta	$1.9	$0.0	$4.2	$5.3	$7.1	$6.7	18.5%	$15.0	31.3%
3	0.9%	190230	Pasta nes	$9.0	$0.0	$8.1	$7.3	$6.5	$6.7	-5.9%	$21.6	45.3%
4	1.2%	160411	Salmon - Prepared Or Preserved	$0.0	$0.3	$2.8	$3.3	$2.1	$3.9	219.9%	$25.5	53.3%
5	1.5%	190590	Communion wafers,empty cachets	$0.9	$0.0	$1.4	$1.9	$1.9	$2.5	20.4%	$27.9	58.5%
6	1.8%	30420	Fish Fillets And Other Fish Meat - Frozen	$0.0	$0.0	$0.1	$1.4	$2.1	$2.4	280.6%	$30.3	63.5%
7	2.1%	30749	Cuttle Fish - Frozen, Salted, Dried Or In Brine	$0.2	$0.1	$1.1	$0.3	$1.5	$1.5	207.9%	$31.9	66.7%
8	2.4%	121220	Seaweeds and other algae	$0.6	$0.0	$0.5	$0.7	$1.0	$1.5	39.9%	$33.4	69.8%
9	2.7%	30360	Cod - Frozen (Excl Fish Fillets)	$0.2	$1.7	$0.8	$1.5	$0.8	$1.3	174.7%	$34.6	72.5%
10	3.0%	210690	Food preparations nes	$0.3	$0.0	$1.2	$0.8	$0.9	$1.2	4.6%	$35.8	75.0%
11	3.3%	30710	Oysters	$0.1	$0.1	$0.3	$0.3	$1.0	$0.9	83.2%	$36.8	77.0%
12	3.6%	30212	Salmon (Pacific, Atlantic, Danube)	$0.0	$0.0	$0.0	$1.2	$0.4	$0.9	39.1%	$37.6	78.8%
13	3.9%	60290	Plants, live, nes and mushroom spawn	$0.4	$0.0	$0.5	$0.5	$0.6	$0.8	18.6%	$38.5	80.5%
198	59.8%		All Others Group #1; 185 Items	$6.0	$1.6	$11.8	$9.9	$12.6	$9.3	113.3%	$47.8	100.0%
331	100.0%		All Others Group #2; 133 Items	$1.1	$0.4	$0.8	$1.1	$1.1	$0.0	-2.1%	$47.8	100.0%
			Total	$28.8	$11.0	$42.5	$43.9	$47.5	$47.8	47.0%		

Analysis of Leading Imports Representing 80% of: Canada's Imports from Thailand

				(Cdn. $ millions)								
No.	**%**	**HSCode**	**Description**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002 FC**	**CGR %**	**Cum. $**	**Cum. %**
1	0.3%	30613	Shrimps And Prawns - Frozen	$96.3	$115.4	$124.1	$139.6	$157.2	$170.3	12.1%	$170.3	37.3%
2	0.6%	160414	Tunas, Skipjack & Atlantic Bonito	$86.1	$91.6	$90.2	$78.3	$91.2	$86.5	0.6%	$256.8	56.3%
3	0.9%	160520	Shrimps And Prawns - Prepared Or Preserved	$37.5	$43.8	$39.1	$37.2	$32.8	$33.2	-1.9%	$290.0	63.6%
4	1.2%	100630	Rice, semi-milled or wholly milled	$45.6	$43.5	$39.2	$40.7	$36.0	$30.5	-7.5%	$320.5	70.3%
5	1.5%	200820	Pineapples nes, o/w prep or presvd	$18.3	$18.2	$21.0	$13.9	$17.1	$20.1	4.2%	$340.6	74.7%
6	1.7%	81090	Fruits, fresh nes	$8.5	$6.8	$12.4	$10.3	$10.5	$8.3	5.4%	$348.9	76.5%
7	2.0%	160590	Molluscs And Other Aquatic Invertebrates	$4.9	$5.1	$6.0	$4.7	$8.1	$7.6	13.2%	$356.4	78.1%
8	2.3%	160510	Crabs - Prepared Or Preserved	$3.6	$4.0	$4.4	$5.4	$6.6	$7.0	14.7%	$363.5	79.7%
9	2.6%	200949	Pineapple juice unfermented & not spirited	$0.0	$0.0	$0.0	$0.0	$0.0	$6.6	n/a	$370.1	81.1%
212	61.6%		All Others Group #1; 203 Items	$63.1	$64.2	$61.7	$65.0	$76.9	$86.1	6.7%	$456.2	100.0%
344	100.0%		All Others Group #2; 132 Items	$7.4	$8.5	$7.3	$3.7	$3.5	$0.0	-30.7%	$456.2	100.0%
			Total	$371.3	$401.1	$405.3	$398.8	$440.0	$456.2	4.3%		

Analysis of Leading Imports Representing 80% of:
Canada's Imports from S. Vietnam

				(Cdn. $ millions)								
No.	**%**	**HSCode**	**Description**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002 FC**	**CGR %**	**Cum. $**	**Cum. %**
1	0.3%	30613	Shrimps And Prawns - Frozen	$8.7	$10.6	$8.6	$24.6	$21.1	$26.3	40.2%	$26.3	32.1%
2	0.6%	90111	Coffee, not roasted, not decaffeinated	$20.8	$16.9	$13.2	$27.2	$30.2	$14.6	5.0%	$40.9	49.8%
3	0.9%	80132	Cashew nuts, shelled	$2.8	$3.8	$3.9	$6.6	$8.6	$8.8	28.1%	$49.6	60.5%
4	1.2%	160520	Shrimps And Prawns - Prepared Or Preserved	$0.0	$1.5	$3.1	$4.3	$4.4	$6.2	667.2%	$55.8	68.0%
5	1.5%	30420	Fish Fillets And Other Fish Meat - Frozen	$0.4	$0.1	$0.8	$2.0	$2.6	$3.1	127.5%	$58.9	71.8%
6	1.7%	90411	Pepper of the genus Piper, except cubeb	$0.2	$0.0	$0.0	$0.3	$0.4	$2.1	380.3%	$61.0	74.3%
7	2.0%	90112	Coffee, not roasted, decaffeinated	$0.2	$0.9	$0.9	$1.8	$1.8	$1.8	99.5%	$62.9	76.6%
8	2.3%	81090	Fruits, fresh nes	$0.2	$0.2	$0.6	$0.6	$0.6	$1.7	82.4%	$64.6	78.7%
9	2.6%	190590	Communion wafers,empty cachets	$0.7	$0.8	$1.0	$1.0	$1.1	$1.6	20.0%	$66.1	80.6%
212	61.6%		All Others Group #1; 203 Items	$6.7	$7.5	$8.3	$9.3	$14.1	$15.9	19.9%	$82.1	100.0%
344	100.0%		All Others Group #2; 132 Items	$0.5	$0.5	$1.0	$1.2	$0.9	$0.0	-2.9%	$82.1	100.0%
			Total	$41.1	$42.9	$41.3	$79.1	$85.9	$82.1	19.3%		

Contact:
LBC Consulting Services
Tel: 514-694-7589
Fax: 514-956-9639
Email: czsl@musica.mcgill.ca

Find Us on the World Wide Web:

Visit FAS home page at http://www.fas.usda.gov for a complete listing of FAS' worldwide agricultural reporting. To access these reports click on "Commodities", then "Market Reports" and then "Attaché Reports". If you have the report number search Option 3, by inserting the AGR # in the appropriate field.

Contact FAS/Ottawa by e-mail: info@usda-canada.com

Related FAS/Ottawa reports:

AGR#	Title of Report	Date
CA9016	Marketing In Canada	2/18/99
CA9142	Western Canada Retail Study	12/23/99
CA0001	Eastern Canada Retail Study	1/5/00
CA0047	HRI Foodservice Sector - Eastern Canada	4/19/00
CA0127	HRI Foodservice Sector - Western CA	8/25/00
CA0135	Private Label Grocery Opportunities	9/11/00
CA1054	SIAL Montreal 2001 Evaluation	04/02/01
CA1126	Exploring Canada's Food Manufacturing Industry	09/18/01
CA1161	Canadian 2002 Foodservice Sales Forecast	11/16/01
CA2001	Organic Food Industry Report	01/04/02
CA2002	Convenience & Non-Traditional Grocery Outlets Report	01/04/02
CA2048	Kosher Foods Market	09/02/02
CA2075	An Overview of the Institutional Foodservice Market in Canada	07/10/02
CA2078	Canadian Seafood Industry	07/10/02
CA2099	Food and Beverage Shows	8/19/2002
CA2114	Canadian Food Brokers	09/30/2002
CA2115	Vending Machine Food Distribution In Canada	10/23/2002
CA2125	Frozen Foods In the Canadian Market	10/23/2002