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Spain

Product Brief

Pet Food Market

2000

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Office of Agriculture Affairs

U.S. Embassy

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Report Highlights:

After growing dramatically in recent years, U.S. pet food exports to Spain will face stiffer competition from locally produced product. Nonetheless, demand continues to grow, and U.S. pet food still has excellent potential.

Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Madrid [SP1], SP

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Executive Summary

Despite dramatic growth in recent years, higher domestic production and the strength of the dollar versus the Spanish peseta resulted in lower total U.S. pet food exports to Spain in 1999. These same factors are expected to limit growth in sales in 2000 as well. Nonetheless, domestic consumption continues to grow dramatically as favorable economic conditions are leading to a greater number of pet owners searching for greater quality products. Thus, significant opportunities remain for high quality U.S. pet food, snacks, biscuits and "treats." Meanwhile, these same opportunities are leading to greater competition as U.S. and EU pet food companies are increasingly establishing local production to supply the domestic market, as well as to export.

Production

Spain's pet food production rose to about 225,000 tons in 1999, which was about 12 percent higher than in 1998, and double that produced in 1994. Large investments in the pet food sector have increased production capacity from 150,000 tons in 1995 to about 300,000 tons in 1999. Investment continues and production capacity is expected to grow further. Major U.S. (e.g. Ralston Purina, Mars, and Hill's Pet Nutrition) and European pet food companies (e.g. Nestle, Dalgety and Royal Canin) have plants in Spain. Total meat (particularly pork) and poultry production has been growing and amounted to about 4.8 million tons (carcasses weight) in 1999. With higher production, meat and offal prices have declined during the last two years, which has been a driving force for the sector, providing competitively-priced raw materials to produce pet food.

Consumption

Spurred by economic growth and greater disposable incomes, the market is growing about 10 percent annually, and total sales amounted to about \$440 million in 1999. Sociological reasons, including larger numbers of couples without children and single adults have also boosted the dog and cat population. The dog population increased from 3.3 million in 1996 to about 4 million in 1999. Cat numbers rose from 2.2 million in 1995 to about 2.6 in 1999. In addition, the number of pet birds, fish, and other pets are about 5, 2.5 and 0.7 million respectively.

With a share of about 42 percent of the total, dog food comprises the largest category of pet food sales, with cat food accounting for about another 28 percent of the market. When considering just dog and cat food portion of sales, dry dog and wet dog food account for about 45 and 15 percent, respectively. Wet and dry cat food comprise the remaining 23 and 17 percent, respectively.

Trade

Both imports and exports have risen dramatically in the last few years. Due to growth in domestic production capacity, exports are expected to continue growing. Regarding imports, Spain will continue to be a major importer of U.S. high quality pet food. During the period October 1998/September 1999, U.S. exports of pet food rose to 20.7 \$ million, a new record. Nonetheless, a decline in U.S. exports is expected in the future as local demand is increasingly met by expanding domestic production.

Imports(MT) Heading Number 230910

Year	1996	1997	1998
EU	38,981	111,165	115,433
U.S.	8,551	11,772	15,908
Total	49,032	124,828	133,226

Exports(MT) Heading Number 230910

Year	1996	1997	1998
EU	15,681	56,511	68,685
U.S.	18	1	38
Total	17,208	60,566	72,406

Marketing

Despite growing domestic production, speciality pet food such as "treats", snacks and biscuits continue to hold good potential for U.S. exporters. In addition, relatively low-priced generics, which have a share of about 34 percent of the cat and pet food markets, offer marketing possibilities.

About 50 companies produce and market pet food, some of which are also major importers. The sales of the five top companies account for over half of total sales. Some feed companies produce both pet food and regular compound feed for livestock.

During the last few years, sales in super/hyper markets have risen dramatically and now account for 45 percent of total sales. It is also in these outlets where the overwhelming majority of the generic pet food is marketed.

One way an exporter can market products and contact Spain's pet food importers is to attend the Alimentaria Food Show, held in even number years in Barcelona, or the SIZOO Show, also held every two years in Barcelona. For additional information on the shows contact:

SIZOO
Fira de Barcelona
Avda. Reina María Cristina, s/n
08004 Barcelona
Phone 34 93 233 22 48, Fax 34 93 233 22 49.

Alimentaria
Miller Freeman Iberica
Diputacio, 119-4º
08015 Barcelona
Phone 34 93 452 07 22, Fax 34 93 451 66 37

An exporter may also wish to join the U.S. Pavilion Alimentaria as an exhibitor. For additional information on participating at Alimentaria contact:

Office for Agricultural Affairs
 American Embassy
 PSC 61 - (Box 20)
 APO AE 09642
 Phone 34 91 564 52 75
 Fax 34 91 564 96 44
 E-mail: agmadrid@fas.usda.gov

A list of manufacturers of pet food some of which are importers is attached. This partial list is provided without intention of discrimination nor guarantee of reliability.

LIST OF MAJOR PET FOOD COMPANIES IN SPAIN

Agrícola y Ganadera Pibar Carretera de Puigcerda, Km 70.300 08503 Gurb (Barcelona) Phone 93 8861 944 Fax 93 889 1123	Ancosa Aranjuez, 8 17800 Olot (Gerona) Phone 972 264312 Fax 972 266716
Arovit Petfood España Montferri s/n 43830 Torredembarra (Tarragona) Phone 977 644800 Fax 977 645222	Biologia y Nutricion Poligono Industrial la Noria-El Vadillo 50730 El Burgo de Ebro (Zaragoza) Phone 976 104770 Fax 976 104771
Campofrio Avda Europa, 24 Poligono Empresarial la Moraleja 28109 Alcobendas (Madrid) Phone 914 84270070 Fax 91	CARGILL ESPAÑA Alcalde Barnils s/n 8180 San Cugat del Vallés (Barcelona) Phone 93 581 91 00 Fax 93 581 91 01/02/03/05
COTECNICA Carretera Nacional II Km. 494.5(Apdo.79) 25250 Bellpuig (Lleida) Phone 973 337142 Fax 973 320864	Corsa Petfood Santalo, 103-1 08021 Barcelona Phone 932 404065 Fax 932 404066

<p>Agropecuaria de Guissona Verge del Claustre, 32 25210 Guissona (Lerida) Phone 973 550100 Fax 973 550788</p>	<p>Effem España Rosa de Lima, 1 BIS-Edificio Alba 28290 Las Matas (Madrid) Phone 915 908700 Fax 915 908765</p>
<p>Envasodos Dicaf, Isaac Peral, Nave 16L 08420 Canovelles (Poligono Industrial Can Castells) (Barcelona) Phone 938 446222 Fax 938 494951</p>	<p>Friskies España Avda. Can Campaya, s/n 08775 Castellbisbal (Poligono I. Comte de Sert) Phone 937 724500 Fax 937 724594</p>
<p>Gallina Blanca Purina Ronda General Mitre, 149 08022 Barcelona Phone 932 532600 Fax 932 532601</p>	<p>Gidi Pet Food Industria, s/n 08420 Canovelles (Barcelona) Phone 938 643480 Fax 9 38 690532</p>
<p>Gonzalo Zaragoza Manresa Carretera Carral Km. 3,800 03360 Callosa de Segura (Alicante) Phone 966 758365 Fax 965 312472</p>	<p>Grupo Dibaq-Diproteg Carretera. Navalmanzano-Fuentepelayo 40260 Fuentepelayo (Segovia) Phone 971 574286 Fax 9 71574149</p>
<p>Hill's Pet Nutrition España General Aranaz, 88 28027 Madrid Phone 917 410612 Fax 917 413210</p>	<p>Iberamigo Carretera Nacional 152 Km. 24.4 (Apartado 13043) 08185 Llica del Vall (Barcelona) Phone 938 443050 Fax 938 443350</p>
<p>Inve Animal Health Carretera Camposancos, 117 36213 Vigo (Pontevedra) Phone 986 242232 Fax 986 242235</p>	<p>Ipes Iberica Carretera de Burgos, Km, 117 47080 Valladolid Phone 983 353183 Fax 983 353100</p>
<p>JB Distribuciones Manuel Farres, 15 Local B 08190 Sant Cugat del Valles (Barcelona) Phone 935 890925 Fax 936 755502</p>	<p>Legumbre las Bañezanas Tejedores, 1 24750 La Bañeza (Leon) Phone 987 641199 Fax 987 641695</p>

Miboexport Poligono el Pino-Parcela 21-A 41016 Sevilla Phone 954 510877 Fax 954 511344	Nutral Cobalto, 261 28770 Colmenar Viejo (Madrid) Phone 918 458820 Fax 918 454868
Pascual de Aranda Poligono Industrial Calle Segovia s/n 09400 Aranda de Duero (Burgos) Phone 947 510450 Fax 947 503227	Piensos Picart Sant Nonet, 2 08458 San Pere de Vilamajor (Barcelona) Phone 93 450121 Fax 93 8450588
Prosandimas Carretera de Madrid-Coruña, KM 302.5 24750 La Bañeza (Leon) Phone 987 641930 Fax 987 640600	Ralston Purina Villaroel, 216-1-1 08036 Barcelona Phone 934 191644 Fax 934 191610
Royal Canin Iberica apdo. De Correos 36.316 2880 Madrid Phone 914 492180 Fax 915 706403	Saprogal Avenida del Ejercito, 2-2 15006 La Coruña Phone 981 187500 Fax 981 293720
Trow España Carretera de la Estacion, s/n 09620 Cojobar (Burgos) Phone 947 400301 Fax 947 423053	Tubalia Agencia Comercial Dos de Mayo, 57-1 28934 Mostoles (Madrid) Phone 916 139237 Fax 916 138398
Coren Juan XXIII, 37 32004 Orense Phone 988 369400 Fax 988 372608	Jateko Poligono Industrial 46 (Landeta) 20730 Azpeitia (Guipuzcoa) Phone 943 81 1856 Fax 943 812478
Visan Industrias Zootecnicas Carretera de la Poveda a Velilla, s/n 28500 Arganda del Rey (Madrid) Phone 918 714912 Fax 918 715175	Tunaliment Lugar de la Bayuca, s/n 15940 Puebla del Cramiñal (Coruña) Phone 981 832260 Fax 981 832155

