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Australia

Promotion Opportunities

Fine Food 2006 Trade Show - Australia 2006

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Report Highlights:

Interested in the Australian market? Don't miss Australia's largest food trade show, Fine Food 2006, in Melbourne, September 11-14, 2006. Fine Food attracts 30,000 'trade only' buyers and decision makers, including representatives of the food importing, distribution, retail, and catering industries. A large proportion of Australia's major food processors and importers actually exhibit at the show - an ideal opportunity to "walk" the show and meet potential buyers one-on-one.

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Australia is one of the fastest growing markets in the world for U.S. consumer-ready food products. Australia's multi-billion dollar food and beverage market serves a population that is affluent, diverse, well educated and appreciates innovative products. In 2004, U.S. exports of consumer-ready food products to Australia reached US\$256 million, representing about 9% of Australia's total imports of these products.

Fine Food is Australia's largest food trade show, and runs alongside a hotel exhibition and a fine wine exhibition. In 2006, Fine Food will be held in Melbourne, September 11-14, at the Melbourne Exhibition and Convention Center. For U.S. companies interested in marketing their products in the Australian market, we believe that Fine Food is the one show you should be in to 'meet the Australian market.'

To assist U.S. exporters interested in this market, FAS/Canberra is organizing exhibition space at Fine Food 2006. If you are an "export-ready" U.S. company, we want you to join us at Fine Food 2006.

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In partnership with the U.S. Commercial Service in Australia, we can offer additional options for participation, including appointments with prospective distributors before, during or after the show.

Attached is some information on trends and opportunities in the Australian market as well as a list of "best products."

If you are interested in taking advantage of this opportunity, please contact us (AgCanberra@usda.gov) and we will provide you with further information on the market and services that will be available to exhibitors in the U.S. Stand at Fine Food 2006.

AUSTRALIAN MARKET TRENDS & OPPORTUNITIES

- ✓ Total Australian imports of consumer-ready food products from all sources now totals nearly US\$3 billion.
- ✓ In 2004, the United States supplied US\$256 million of consumer-ready products to Australia, approximately 9% of total consumer-ready imports.
- ✓ About 85% of Australia's 20 million people live in urban areas, most of which are located along the coastal plains.
- ✓ Australia is an affluent country, with per capita GDP of approximately US\$31,000.
- ✓ **Health, convenience, and freshness** are key words in Australian consumer preferences.
- ✓ Nearly 60% of Australian women work outside the home, keeping demand for convenience high. Small households of one or two people are more common and are spurring demand for smaller package sizes and more flexible serving quantities.
- ✓ Australians enjoy international travel and bring home a taste for new and exotic foods.
- ✓ International foods have become mainstream and are no longer just in the "gourmet international" section in most stores. Demand for Caribbean, Cajun, or Tex-Mex ingredients is high.

- ✓ Healthy foods reign! All levels of government, schools, and the scientific community are becoming heavily involved in the fight against obesity and childhood obesity in particular.
- ✓ Diet books are best sellers in Australia. Low 'glycemic index' is indicated on packaging, as is the 'tick' of approval, to indicate the 'heart healthiness' of foods.
- ✓ The market for packaged organic products is developing in Australia, and may reach levels common in the United Kingdom and elsewhere in Europe.
- ✓ Snack foods and fresh and processed fruits and vegetables recorded export gains among U.S. consumer foods in recent years. Potato chips, biscuits and pastries (particularly frozen items) and confectioneries without chocolate are the most successful snack foods.
- ✓ Nuts and U.S. fresh fruits (which already have import approval) have also been very successful in Australia.
- ✓ Environmentally friendly "green" products are sought after – keep packaging to a minimum and use recycled or recyclable packaging whenever possible.

BEST HIGH-VALUE PRODUCT PROSPECTS

- ✓ The **organic and natural products** market in Australia is growing rapidly. Although Australia is a large producer of organic raw products, it does not have the manufacturing capacity to satisfy demand for the processed segment. Prospects are excellent for organic and natural ingredients as well as consumer-ready processed foods and beverages.
- ✓ **The Fruit/tea drinks** segment is the best performing in the cold beverage category with overall growth by grocery volume of 58 percent in 2004.
- ✓ **Sports and energy drinks** also performed well in 2004 with volume growth of 26 and 14 percent respectively. The value of these two sectors is now US\$62 million.
- ✓ The **fresh pasta sauce** segment grew by 14 percent (by grocery volume) in 2004 and now has a grocery value of US\$20 million.
- ✓ **Frozen Asian foods** (spring rolls, dim sims, etc) increased their grocery volume by a little over 13 percent in 2004 with the total grocery value of the segment now at US\$34 million.
- ✓ **Nutritious snacks** - with a grocery value of US\$341 million, the market for nutritious snacks grew by 14 percent in 2004. Health and convenience is a good combination and the nutritional snack category is currently one of the fastest growing categories in Australian supermarkets. The 'other snacks' segment (dips, health bars, muesli slice, toaster pastries, muffins, etc) of this category is the fastest growing, with growth of over 24 percent in both volume and value in 2004.

Recent Marketing Reports from FAS/Canberra:

Below is a list of reports from this office that will be of interest to U.S. exporters interested in the Australian market. All these reports may be downloaded at the FAS Attache Reports page at: <http://www.fas.usda.gov/scriptsw/AttacheRep/default.asp>.

Of particular use for U.S. exporters are the Food and Agriculture Import Regulations and Standards Report (AS5020), which gives detailed guidance on Australia's labeling, quarantine and import requirements; and the Exporter Guide (AS5031), which gives a quick overview of the Australian market.

Report Number	Title of Report	Date
AS6003	Health Claims & Sugar Content of Fresh Fruit	01/24/2006
AS5048	New Country of Origin Labeling Standard Becomes Law	12/08/2005
AS5047	New Glycemic Index Food Label System	12/08/2005
AS5046	Nutrition & Health Claims Draft Standard Released for Comment	12/08/2005
AS5045	Top Food Trends in Australia	12/05/2005
AS5039	Calcium Fortification of Beverages, Soups & Biscuits Allowed	11/21/2005
AS5038	Australia to Adopt Country of Origin Labeling Changes	11/21/2005
AS5032	Country of Origin Labeling Requirements Likely to Change	10/06/2005
AS5031	Exporter Guide	10/05/2005
AS5020	Food & Agriculture Import Regulations & Standards	06/16/2005
AS4038	Functional Food Sector Product Brief	01/05/2005
AS4037	New Standard for Health & Nutrition Claims on Food Under Development	11/16/2004
AS4035	Organic Food Market Brief	10/28/2004