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Philippines

Food Processing Ingredients Sector

Food Processing Ingredients Sector

2008

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Report Highlights: Food manufacturing - including food and beverage processing - remains the Philippines' most dominant primary industry accounting for 40.1 percent of total output in manufacturing. The industry represents a gross added value of more than \$2.0 billion and grew by 3.2 percent in 2007. Domestic processors continue to face numerous challenges, including high energy cost, increased competition due to trade liberalization, and lack of post-harvest facilities, and inadequate farm to market transportation infrastructure. With the increasing awareness by consumers on healthy eating and a healthy lifestyle, food processing companies continue to develop or add new products that cater to the demand of this growing segment. In an effort to improve the efficiency of the sector, food processing has been identified by the Philippine government as a priority sector for attracting foreign investment under the Philippine Export Zone Authority.

Includes PSD Changes: No
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[RP]

Market Summary

Philippine Food Processing Industry Overview

Food manufacturing - including food and beverage processing - remains the Philippines' most dominant primary industry accounting for 40.1 percent of total output in manufacturing. The industry represents a gross added value of more than \$2.0 billion and grew by 3.2 percent in 2007. The Philippine Bureau of Food and Drugs' Statistical Report of Establishments for 2004 lists a total number of 11,601 food processing establishments nationwide. Most of the companies are owned by a single proprietor that is common among micro, cottage and small industries. There are a few large multi-product firms, some of which operate in partnership or as a subsidiary of foreign or multinational companies. Unlike some other countries in the regions where multinationals dominate food sales, local companies such as San Miguel, RFM Corporation, Universal Robina Corporation and a few others dominate some sectors of the market or compete equally with foreign players.

The food processing industry is comprised of the following major sectors: fruits and vegetables; fish and marine products; meat and poultry products; flour and bakery products; beverage and confectionery; dairy foods; food condiments and seasonings; food supplements; bottled water; snack foods, and fats and oils. Local food processors are faced with numerous challenges in order to maintain market share - or when introducing a new product - now that a wide variety of imported processed foods readily enter the market due to increased trade liberalization.

The industry contributes approximately 20 percent of GDP per annum. Domestic processors continue to face numerous challenges, including one of the highest energy costs in Asia; the need for improvements and innovations in technology and packaging in order to become more globally competitive; insufficient post-harvest and storage facilities; and inadequate farm-to-market transportation infrastructure. There has been considerable improvement, particularly for the bigger companies whose financial capabilities are able to support expensive capital outlays. Some companies have qualified and are ISO certified. However, there are still a significant percentage of SME processors, especially in provincial areas.

Food and beverage imports per the Philippine National Statistics Office totaled \$4.7 billion in 2007 from all sources and an estimated 60 percent of these are raw materials or ingredients used in food processing. Wheat, dairy products, processed potato products, and meat and poultry for further processing beef topped the list of imported raw ingredients.

The United States has remained the top exporter in total value per country in 2007 at \$770 million, followed by Vietnam (\$507 million), Thailand (\$356 million), New Zealand (\$320 million), China (\$290 million) and Argentina (\$282 million). As a group, combined exports of ASEAN reached \$1.36 billion. Wheat, dairy, dried peas, potato products and meat/fish extracts are the top food exports from the United States. (Note: Trade data cited above from the World Trade Atlas. U.S. Census data indicates U.S. food and agricultural exports to the Philippines in 2007 at a record \$1.1 billion.)

Advantages and Challenges for US exporters

Advantages	Challenges
U.S. ingredients are highly regarded for quality and product consistency.	Competition and cheaper prices from other exporting countries.
A young population heavily influenced by Western habits and culture through local media. Plus increased demand for convenience.	Limited disposable income and available cheaper alternatives in a very price sensitive market.
Proliferation of malls and accompanying expansion in the retail and dine out establishments especially on American franchises that require American ingredients.	Available supply from regional facilities licensing American brands and an abundant domestic supply especially on fresh vegetables, poultry and seafood products.
Market is far from saturated with plenty of room for growth in the regional areas of the Philippines with a growing middle class market.	Deficient distribution and cold chain systems in place.
Global tightening of supply and a strong local currency plus an increasing dependence on imported ingredients.	High prices, increasing cost of production and competition for supply from other foreign suppliers.
The Philippines is strategically located to serve as a regional hub for food processing and is emerging as the “new entry point to Asia”, especially as the regional free trade agreements take effect.	Foreign investment often faces bureaucratic red-tape.

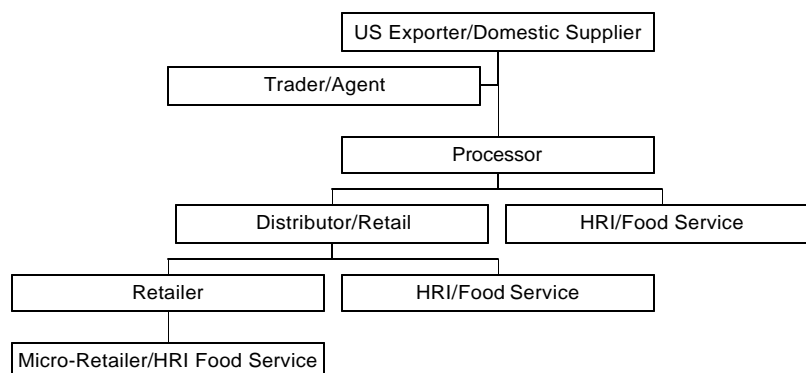
Road Map for Market Entry**A. Entry Strategy**

New—to-market exporters should consider the following when planning to enter the market:

- Filipino businessmen value interpersonal relationships and U.S. exporters should work to develop and maintain close contact and if able, make regular visits to their client
- While there is an increasing trend to import directly, especially by the large multi-products companies, a majority still rely on traders or agents.
- Competitive pricing as compared to other imported suppliers. While American products are usually highly regarded for their high quality and product consistency - which is a competitive advantage – end-users are highly price sensitive that processors may switch to other suppliers if they think the market cannot accept price increases at this time.
- Willingness to adapt to changes in the market requirements such as adjustments in formulations, package sizes and design as dictated by the changing consumer trends.
- Willingness to work with one or several importers. Exclusive distributorship agreements are difficult to enforce in the Philippines while parallel imports are common.

B. Market Structure

This diagram gives an overview of the usual distribution channel for imported food ingredients, with a similar pattern from domestic suppliers to the retail and HRI sector.



Large food processing companies typically prefer to buy their imported food ingredients directly to maintain control over price and quality. However, they may also buy through a trader/agent because:

- the quantity required is minimal.
- unresolved technical or quality problems with supplier in the past which they prefer the trader/agent to handle these problems.

While most companies have their own distribution network, especially in supplying their major accounts or the big retailers, a considerable number use the services of a distribution company to tap into smaller grocers and micro-retailers.

C. Company Profiles

The following lists the major manufacturing companies of several processing sectors. A number of these companies are multi-product and/or have subsidiaries or partners in the industry. Figures below are for the respective sectors.

Production, processing and preserving of meat and meat products:			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
The Purefoods-Hormel Company, Inc.	203,551	Retail	2 (Philippines) that also processes for Purefoods Hormel and San Miguel Campocarne
San Miguel Purefoods Company, Inc.	98,020	Retail	1 (Philippines)
Swift Foods, Inc.	76,367	Retail	1 (Philippines)
Fil-Am Foods, Inc.	59,490	Retail	1 (Philippines)
A. Tung Chingco Manufacturing Corp.	20,163	Retail	1 (Philippines)
Note: Purefoods-Hormel and San Miguel Pure Foods Company, Inc. are owned by San Miguel Corporation.			

Flour milling except cassava flour milling			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
General Milling Corp.	137,673	HRI/ Retail	1 (Philippines)
Philippine Foremost Milling Corp.	129,816	HRI/ Retail	1 (Philippines)
San Miguel Mills Inc.	123,265	HRI/ Retail	1 (Philippines)
Pilmico Foods Corp.	99,102	HRI/ Retail	1 (Philippines)
Liberty Flour Mills, Inc.	36,551	HRI/ Retail	1 (Philippines)

Manufacturer of Chocolate and sugar confectionery products, n.e.c.			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
AB Food and Beverages Philippines, Inc.	33,429	Retail	1 (Philippines)

Manufacturer of fruit and vegetable sauces			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Southeast Asia Food, Inc.	65,122	Retail	2 (Philippines)
UFC Philippines	32,939	Retail	2 (Philippines)
Note: Southeast Asia Food, Inc. and UFC Philippines are sister companies.			

Manufacture of Powdered Milk (Except for Infants) and Condensed or Evaporated Milk			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Nestle Philippines, Inc.	1,374,633	Retail	1 (Philippines)
Alaska Milk Corporation	122,878	Retail	1 (Philippines)

Manufacture of Butter and Cheese			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Kraft Foods Philippines, Inc.	142,041	Retail	1 (Philippines)
Magnolia, Inc.	98,837	Retail	1 (Philippines)
Note: Magnolia, Inc. is also owned by San Miguel Corporation.			

Baking of bread, cakes, pastries, pies and similar “perishable” bakery products			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Red Ribbon Bake Shop, Inc.	36,714	Retail	3 (Philippines)
Grupo Marilen, Inc.	30,265	Retail	1 (Philippines)
Gardenia Bakeries Philippines, Inc.	28,143	Retail	1 (Philippines)
Golden Donuts, Inc.	21,286	Retail	1 (Philippines)

Baking of biscuits, cookies, crackers, pretzels and similar dry bakery products			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Monde Nissin Corporation	340,367	Retail	1 (Philippines)
Monde M.Y. San Corp.	71,816	Retail	1 (Philippines)

Note: Monde M.Y. San Corp. is a subsidiary of Monde Nissin Corporation

Manufacture of macaroni, noodles, couscous and similar farinaceous products			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Unilever Foods Philippines (CMC), Inc.	152,939	Retail	3 (Philippines)
Nissin-Universal Robina Corp.	19,204	Retail	1 (Philippines)

Manufacture of macaroni, noodles, couscous and similar farinaceous products			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Wrigley Philippines, Inc.	44,163	Retail	1 (Philippines)
Columbia International Food Products, Inc.	33,837	Retail	1 (Philippines)
Schuermans & van Ginneken Philippines, Inc.	24,980	Retail	1 (Philippines)

Manufacture of ice cream and sherbet, ice drop, ice candy and other flavored ices			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Unilever RFM Ice Cream, Inc.	46,184	Retail	1 (Philippines)

Manufacture of snack products such as corn curls, wheat crunchies and similar products			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Liwayway Marketing Corp.	28,000	Retail	3 (Philippines)

Manufacture of drinks flavored with fruits juices, syrups & other materials			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Zest-O-Corp.	46,469	Retail	4 (Philippines)
Marina Sales, Inc.	39,061	Retail	1 (Philippines)

Manufacture of drinks flavored with fruits juices, syrups & other materials			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
CPW Philippines, Inc.	42,143	Retail	1 (Philippines)

Manufacture of flavoring extracts and food coloring			
Company	Sales (\$000)	End-use Channels	Production/Plant Location
Edward Keller (Philippines) Inc.	34,816	HRI/Retail	1 (Philippines)
Himmel Industries, Inc.	24,041	Hri/Retail	1 (Philippines)

Source: Business World Top 1,000 Corporations 2007

D. Industry players:

The multi-product food and beverage processing companies and multinationals - or those with foreign partners - dominate most of the categories. Several have increased their presence in Asia by exporting or through joint ventures, direct investment or acquisition of established companies.

San Miguel Corporation – still the country's biggest conglomerate, despite its divestment of major shares in Coca-Cola Bottlers Philippines Inc., NutriAsia, Berri and National Foods of Australia. Its core business of food, beverage, agribusiness and packaging are produced throughout the region and its products are distributed or exported to 40 different international markets. Business sectors include vegetable oils, feeds, flour, poultry, fresh and processed meats, dairy products to food service, distribution, shipping, insurance brokerage and real estate properties.

RFM Corporation - is the one of the biggest diversified food and beverage company in the Philippines. Its food and beverage business includes flour-based products, ice cream, meat-based products, pizza, fruit juices and milk-based products. Among its past acquisitions are the Cosmos Bottling Corp. and Selecta Dairy Phil., Inc., both of which have grown to be major local brands. RFM also has a partnership with Unilever Philippines Inc. on the Selecta ice cream operations, and a brand franchising arrangement with Sunkist Growers of USA, Inc.

Universal Robina Corporation - is one of the largest branded food product companies in the Philippines that manufactures and distributes a diverse mix of snack, chocolate, candy, biscuit, bakery, beverage, noodles and tomato-based products. It has manufacturing facilities and warehouses in several Asian markets. Recently, they purchased the snack manufacturing business of General Milling Corporation adding the Granny Goose brands to their portfolio of snack products.

Liwayway Marketing Corporation – is the manufacturer of the Oishi brand of snack products with over 50 variants of salty snacks, cereals, popcorn, cookies, powdered juices, and sauces. It has nationwide distribution with a main manufacturing facility in Luzon and satellite factories in the southern regions of the Visayas and Mindanao. Oishi products are exported to Japan, Korea, and Hong Kong, among others.

Southeast Asia Food, Inc. – is the country's leading sauce and condiment company and is the sister company of Heinz UFC Philippines. The product range includes banana ketchup, hot sauce, sweet chili sauce, tomato ketchup, fish sauce, soy sauce and vinegar.

Monde Nissin Corporation - is considered as one of the industry leaders in both noodles and biscuit product categories. Its partnership with Monde M.Y. San Corporation makes it the market leader for biscuit and crackers which are also exported in North America, Europe, the Middle East and Asia.

E. Sector Trends

Following are some of the trends affecting the food processing industry:

Healthy Lifestyle: With the increasing awareness by consumers on healthy eating and a healthy lifestyle, food processing companies continue to develop or add new products that cater to the demand of this growing segment. Beverages continue to be the trendsetter with new brands and/or variety of flavored waters, soy beverages, yogurt drinks, energy drinks, and health drinks such as green teas. The marketing campaigns for the beverages emphasize "no sugar", "natural", "vitamin and fiber enriched", "no fat", "no cholesterol". A highly competitive market place has led companies to seek out prime shelf space in supermarkets and convenience stores. The healthy lifestyle trend has also helped in the sales of known or existing fruit beverages to include Florida Naturals, Tropicana, and Ocean Spray.

New and exciting developments are also happening in the retail baking segment with the leading brand, Gardenia, and its competitors releasing new varieties of bread such as sugar free, high fiber, whole wheat, California raisin, Carrot cake, Chocolate and others. This sector is becoming a growing market for U.S. dried fruits & nuts.

Even packaged toasted bread has become popular after it was reinvented by Liwayway Marketing Corporation through its Bread Pan series of garlic, butter toast and cheese and onion flavors

Barbecue, cheese and garlic flavors remain the popular choice for packaged snacks but with new exotic and local flavors being introduced to add variety and choices among consumers such as adobo, pork sisig, pizza and tomato ketchup. Corn snacks – made from fried white corn - remain popular while a similar product utilizing U.S. dried green peas has become increasingly popular among local consumers.

New ice cream flavors that capture familiar or local tastes like langka(jackfruit), cashew, halo halo(mixed fruits), ube macapuno(purple yam with coconut) or braso de mercedes(a popular cake) and real fruit and natural flavor infusions like strawberry, cranberry or raspberry.

With skyrocketing prices of basic commodities such as rice or baked products, instant noodles are increasingly becoming a popular alternative for average consumers and food processors are meeting this demand with more variants and package sizes promoted as instant breakfast, lunch or snack alternatives.

Other processed products like meats, cereals, pastries and butter continue to carry fortified and/or enriched products not only to support the Philippine government's food fortification program but also due to the increasing market demand.

Coupled with these new brands or products is a continuing demand for new flavors, new varieties, natural colors and vitamin, herb or real fruit infusions. New fruit variants, tree nut variants, local and regional tastes are just some of these in addition to the regular lines.

The development of the healthy product segment has created more choices for consumers. While these types of products share prime shelf space in supermarkets with the regular products, healthy products is still considered a niche market. New entrants tend to target a particular demographic or health concern - osteoporosis among older women, diabetic friendly baked goods, lactose intolerance among children, protein or energy drinks for fitness buffs, memory enhancers, fiber in diets, etc.

The Philippine government, specifically the Department of Health has also been supportive in promoting healthy eating and lifestyle thru advertising and even tie-ups with local processors.

Nutraceutical and food supplements are another growing segment being marketed either in its natural form or a combination of ingredients. There is a wide local patronage of herbs and natural healing plants and pharmaceutical or nutraceutical companies are developing products using a variety of local herbal plants.

F: Consumption Trends:

Convenience Foods: The lifestyle of the urban Filipino is continually changing wherein a local patron not only spends more time away from home but home cooked meals are being replaced by packaged or ready-to-eat meals. The rapidly increasing demand for convenience is the result several factors: traffic gridlock, rural residents commuting daily to work or study in nearby cities, increasing rarity of domestic household help, more households with both parents working, households with a parent working overseas, and the rapid expansion of 24/7 call centers or business process outsourcing centers (BPO's).

The National Statistics Office – Family Income and Expenditures Survey 2003 revealed that the proportion of expenditure on food consumed at home went down from 38.6 percent in 2000 to 37.3 percent in 2003. On the other hand, higher spending on food consumed outside the home was observed as the proportion went up from 5.0 percent in 2000 to 5.3 percent in 2003 suggesting a change in the Filipino family lifestyle of regularly eating.

With the Filipino propensity for buying only for their daily needs, the variety and availability of smaller retail packs has increased. Food processors realize that this is a huge segment of the market and develop sachet packaging accordingly. This habit is deeply ingrained, even in households that have refrigerators or freezers.

In addition to food processor companies, opportunities abound to supply the raw ingredient requirements of food commissaries; caterers; quick service restaurants. There also is a niche market for higher-priced ingredients for independent bakers, restaurants and hotels – especially those that cater to the health conscious.

G. Competition in the Sector

Product Category	2007 Import Statistics Vol: ,000 mt Val: \$mil fob	Major Supply Source (share by value)	Strengths in Key Supply Countries	Advantages/ Disadvantages of Local Suppliers
Red meat (Beef and pork)	117.0 \$137.09	India (56%) Brazil (30%) Australia (4%) USA (2%)	Indian buffalo beef which is priced competitively and used for corned beef.	Shortage of supply. Most are sold fresh to wet markets and supermarkets
Milk and cream in solid form	204.6 \$447.0	New Zealand (50%) USA (17%) Australia (13%)	Demand for USA imports increased due to strong local currency/weak dollar	Domestic production is very minimal to supply industry requirements.
Whey or modified whey	43.6 \$62.7	USA (33%) Netherlands (18%) France (16%)	USA remains the preferred supplier and increased market share.	No domestic supply available.
Wheat and wheat flour	1,865.0 \$411.0	USA (65%) Canada (17%) China (16%)	Quality, consistency and in-country trade servicing which is crucial in maintaining the loyalty of buyers/users.	No domestic production.
Edible Nuts	57.0 \$11.7	Hong Kong (29%) India (27%) USA (7%)	Hong Kong is a transshipment point from China or other countries. India supplies main peanuts. USA supplies mainly almonds, pistachios, macadamia, etc.	No domestic production of a variety of edible nuts used by bakeries, ice cream companies or re-packed under a local brand for the retail sector.
Dried fruits	\$2.6	USA (60%) Iran (21%)	Raisins is the major item brought in under this category both from the USA and Iran.	No domestic production of a variety of dried fruits used by bakeries, ice cream companies or re-packed under a local brand for the retail sector.
Dried, shelled leguminous vegetables	104.4 \$20.7	USA (21%) China (17%) Canada (15%)	USA supplies mainly peas and lentils.	No domestic production.
Tomato paste/puree	16.8 \$10.4	China (67%) USA (138%) Turkey (9%)	Mainly tomato paste is being imported for processing.	Domestic production cannot keep up with the volume, consistency and quality required by processors.
Spices in bulk	2.6 \$3.1	Hong Kong (38%) USA (17%) Turkey (14%)	Hong Kong is a transshipment point from China or other countries.	Mostly still sold in unpacked or unlabelled formats in open markets.
Sugar derivatives (lactose, fructose, glucose and other sugars)	96.9 \$51.5	USA (34%) China (32%) France (9%)	Technology to obtain the required specifications.	While the country now exports sugar, its does not have the technology to process sugar derivatives

Product Category	2007 Import Statistics Vol: ,000 mt Val: \$mil fob	Major Supply Source (share by value)	Strengths in Key Supply Countries	Advantages/ Disadvantages of Local Suppliers
				required by carbonated or cola companies.
Fresh/Frozen potatoes	37.0 \$17.7	USA (69%) Canada (20%) Belgium (4%)	The USA mainly supplies frozen fries for the HRI/retail sector.	Local production of potato is mainly supplied to chipping companies.
Potato flour/flakes/powder	9.3 \$6.3	USA (34%) Germany (33%) China (15%)	USA has regained its position as the lead supplier and is preferred in terms of taste and quality.	Local production is mainly on potato powder and starch.
Protein concentrates	18.0 \$14.8	China (38%) USA (18%) India (9%)	China became the lead supplier two years in a row, USA maintained its no. 2 position.	No domestic production.
Animal & Vegetable fats and oils and their fractions	63.9 \$35.4	Malaysia (65%) Indonesia (26%) USA (2%)	Proximity to Philippines and pricing compete with other markets.	Local production is mainly on cooking oil and fats from coconut and corn based products.

Source: 2007 Volume and Value of Imports, Philippine National Statistics Office

Business Opportunities for Trade and Development in Food Processing

FAS Manila has commissioned the following reports that present opportunities for U.S. agribusiness trade and investment in food processing. The complete report will be provided upon request from our office.

Special Economic Zones for Regional Markets: The study focused on the feasibility of U.S. agricultural trade and investment in the Food Processing Sector within the Philippine Ecozones under the administration of the PEZA and the Subic-Clark Area Development. It provides basic data and analysis for U.S. agribusinesses seeking to invest in the region and gain more open access to the regional Asian markets for their value-added processed food products by investing in the ecozones. It would also serve as a marketing tool as it seeks to diversify the investments in the ecozones by attracting industries in the food-processing sector.

Specifically, the study aimed to:

- assess the comparative advantages of investing in designated EcoZones as a regional hub for value-added food processing;
- identify which food processing industries offer the best prospects;
- identify which local agricultural commodities could benefit from U.S. investment in the EcoZones;
- identify which zones in the Philippines offer the best prospects;
- identify opportunities for technology transfer for the local food processing industries;
- identify areas for complementary investment within the realm of trade capacity building, including supporting infrastructure such as port facilities and the cold chain;
- identify technical issues affecting trade, including sanitary and phytosanitary issues, and to recommend possible resolutions; and

- understand the current regional trading environment in East Asia.

Ingredient Opportunities in Mass Market Products: Street food is defined as food available from street-corner vendors, often from makeshift or portable stalls. They are common throughout the world, but are especially popular in Southeast Asia. With a high unemployment rate and a higher underemployment rate, it is not surprising that the street food vending industry in the Philippines is on the increase. It is a rapidly growing food segment, propelled by the informal economy and driven by the high product acceptability and rising demand across a wider section of society. With the increased popularity of street foods, the line between traditional street food vendors and Quick Service Restaurants are being blurred. Demand will continue to increase as population increases and as the need for cheap, good tasting, filling and convenient food remains. In Manila, take out and drive-thru windows at fast food restaurants are increasingly popular. Whereas a few years ago only a minimal portion of raw materials were imported, sources say that it is now 50 percent due to the increase in demand and the limited and erratic local supply.

Local capacity to provide raw materials has been exceeded by demand, and this has put heavy pressure on our fish supply. Over-fishing has become a cause of concern as prices of local fish rise and supply declines. Some manufacturers have become concerned about this natural resource issue since their livelihood depends on fish. The proportion of imported raw materials has increased and will continue to increase over time. Fish and squid are the key raw materials in this food segment, and the availability of reasonably priced raw materials will ease the pressure on our local supply. An additional source of supply – including affordable substitutes such as MDM poultry meat, beef offals, processed soy products, or meat extenders - that can compete in terms of price and quality will be welcome to manufacturers in the Philippines.

Suggestions for Marketing Activities in the Food Processing Sector

For U.S. companies seeking to enter the market for the first time, it can be a challenge working with the larger food processing companies to develop or incorporate new ingredients into their product lines. As such, for new-to-market ingredients, ATO Manila suggests the following marketing activities for consideration:

- Work with a small or medium sized company that is identified as an established “trendsetter”. The likelihood of your ingredient being utilized will be greater and if the client or consumer feedback is good, production and implementation would be quicker. This can have a consequential effect with other companies who establish a “wait and see” attitude before doing it themselves.
- Utilize available technical facilities or expertise in country to demonstrate the application of your ingredient. FAS Manila opened a state-of-the-art Culinary Theater that U.S. exporters can utilize upon request to demonstrate the application of their ingredients. ATO Manila also has a USDA Council of Filipino Chefs on call to render service in behalf of U.S. exporters or Philippine importers of U.S. products. All of the Chefs have received culinary training in the United States – most through a USDA program. It is a low cost opportunity to conduct initial market testing of your product with the trade or consumers and receive immediate feedback.
- Provide marketing and technical support to local partners or importers. This is important in the Philippines as many importers/distributors do not have their own technical service personnel.
- Lastly, always make it a point to check with your commodity or state representative or overseas USDA office covering the region or country you plan to market your product for changes in foreign government or trade policy or new developments and

specific commodity or sectoral reports on the market. Contact information for is listed below for the respective offices.

Best Product Prospects

The following products have the best prospects for growth or have potential as either untapped or available in small quantities:

Food use soybeans
Mechanically deboned meats and offals
Milk substitutes and enhancers
Dehydrated potatoes
Natural flavors, colors and extracts
Dried fruits and nuts
Fruit and vegetable concentrates/juices
Vitamin, herb and natural infusions
Sugar substitutes

Post contact and further information

Agricultural Trade Office
Foreign Agricultural Service
U.S. Department of Agriculture
Embassy of the United States of America
25/F Ayala Life-FGU Building
6811 Ayala Avenue
Makati City 1203
Tel: (632) 8945379/63
Fax: (632) 8125430
Email: ATOManila@usda.gov

Annual and updated information on the following related industries and commodities as reported by the Foreign Agricultural Service in Manila can also be viewed online at www.fas.usda.gov under FAS Attache Reports:

- a. Dairy and Products
- b. Coffee
- c. Livestock and Products
- d. Sugar
- e. Grain and Feed
- f. HRI Food Service Sector
- g. Retail Sector
- h. Philippine Exporter Guide

Additional information can also be accessed thru the following cooperators that have either an office in Manila or Asia-based office that cover the Philippine market:

Lieu Marketing Associates Pte Ltd
(ASEAN Representative of California Tree Fruit Agreement, Florida Department of Citrus, Pear Bureau Northwest, Raisin Administrative Committee, Wine Institute of California, Western United States Agricultural Trade Association, Mid-America International Agri-Trade Council, Food Export USA-Northeast and the Southern United States Trade Association)
48 Toh Guan Road East
02-129 Enterprise Hub

Singapore 608586
Tel: (65) 6278-3832
Fax: (65) 6278-4372
Contact: Richard Lieu
Email: richelieu@lieumktg.com.sg

Pacrim Associates Ltd.
(ASEAN Representative for US Dairy Export Council)
11/14 Soi Ruam Rudee
Wireless Road
Bangkok 10330, Thailand
Tel: (662) 6896311
Fax: (662) 6896314
Contact: Mr. Dan Fitzgerald, ASEAN Representative
Email: dan@pacrimassociates.com

U.S. Wheat Associates
28th Floor Ayala Life FGU Center
6811 Ayala Avenue
Makati City
Philippines
Tel: (632) 8184610
Fax: (632) 8154026
Contact: Mr. Mike Spier, Assistant Regional Director
Email: mspier@uswheat.org

USA Dry Pea and Lentil Council
c/o AgriSource Co. Ltd.
Ambassador's Court, No. 416 76/1
Soi Lang Suan, Ploenchit Rd, Patumwan
Bangkok, Thailand
Tel: (662) 2518655
Fax: (662) 2510390
Contact: Mr. Tim Welsh, Regional Representative
Email: tim@agrisource.co.th

American Soybean Association-International Marketing
Unit 1408-B Robinson's
PCIBank Tower ADB Avenue
Corner Poveda St., Ortigas Center
Pasig City, Philippines
Tel: (632) 6375384
Fax: (632) 6375388
Contact: Mr. Ted Cortes, Country Manager
Email: asatcj@mozcom.com

U.S. Meat Export Federation
#15-03 Liat Towers, 541 Orchard Road
Singapore 238881
Tel: (65) 6733-4255
Fax: (65) 6732-1977
Contact: Ms. Sabrina Yin, Asean Director
Email: singapore@usmef.com.sg

USA Poultry and Egg Export Council
#15-04 Liat Towers
541 Orchard Road
Singapore 238881
Tel: (65) 67371726
Fax: (65) 67371727
Contact: Ms. Margaret Say, Regional Director
Email: usapeec_sing@pacific.net.sg

Synergy Asia Marketing Services, Inc.
(Philippine Representative of the California Table Grape Commission and the United States
Potato Board)
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