

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Caribbean Basin

**Post:** Miami ATO

### Islanders Enjoy U.S. Yogurt By The Spoonful

**Report Categories:**

Product Brief

Market Development Reports

Market Promotion/Competition

Promotion Opportunities

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**Report Highlights:**

The upward trend in U.S. domestic yogurt sales is being emulated in the Caribbean, where U.S. yogurt exports have tripled over the past five years, reaching an all-time high of \$9.1 million in 2012. Strong growth in Caribbean demand and the recent closure of Barbados' sole yogurt plant are creating excellent opportunities for U.S. suppliers.

## General Information:

U.S. agricultural, fish and forestry product exports to the islands of the Caribbean Basin<sup>1</sup> set a new high in 2012, reaching \$1.4 billion. Demand for U.S. consumer-oriented foods in particular continues to soar, despite only marginal economic growth throughout most of the region. Several factors fuel this demand, including the fact that most islands have limited domestic food production and tourist inflows continue to increase (albeit slowly).

Exposure to U.S. media as well as language, cultural, and commercial ties with the United States also contribute to the popularity of U.S. products in the region.

One product category that has experienced phenomenal growth in recent years is yogurt. U.S. yogurt exports to the Caribbean Basin have tripled over the past five years, reaching an all-time high of \$9.1 million in 2012.

Trinidad and Tobago accounts for a third of these exports, with The Bahamas, Bermuda, Barbados, and St. Lucia rounding out the top five export markets in the region.

**U.S. Yogurt Exports to the Caribbean Basin, U.S. Dollars 000's**

	2007	2008	2009	2010	2011	2012	% Change
Partner	Value	Value	Value	Value	Value	Value	2011-2012
Trinidad and Tobago	1,511	1,555	1,624	2,214	2,550	3,076	21
Bahamas, The	320	548	884	1,029	1,262	1,345	7
Bermuda	131	879	1,573	1,549	1,428	1,208	-15
Barbados	454	538	832	829	731	876	20
Netherlands Antilles (N.A.)	224	478	943	1,055	884	848	-4
Aruba	204	374	405	319	408	352	-14
Sint Maarten	0	0	0	0	95	275	189
Curacao	0	0	0	0	127	221	75
N.A. (exc. Aruba)	20	104	539	736	254	0	--
Saint Lucia	409	559	528	714	738	807	9
Cayman Islands	12	240	375	599	404	358	-11
Antigua and Barbuda	14	124	266	209	156	262	68
British Virgin Islands	3	18	142	157	150	183	22
Grenada	0	3	39	50	31	52	67
St. Kitts and Nevis	0	0	20	19	36	38	6
Dominica	0	0	0	13	22	37	69
Turks and Caicos Islands	0	8	31	3	57	6	-90
Anguilla	0	5	13	0	0	4	--
St. Vincent & the Grenadines	0	0	0	11	27	0	--
<b>Grand Total</b>	<b>3,080</b>	<b>4,954</b>	<b>7,269</b>	<b>8,449</b>	<b>8,476</b>	<b>9,099</b>	<b>7</b>

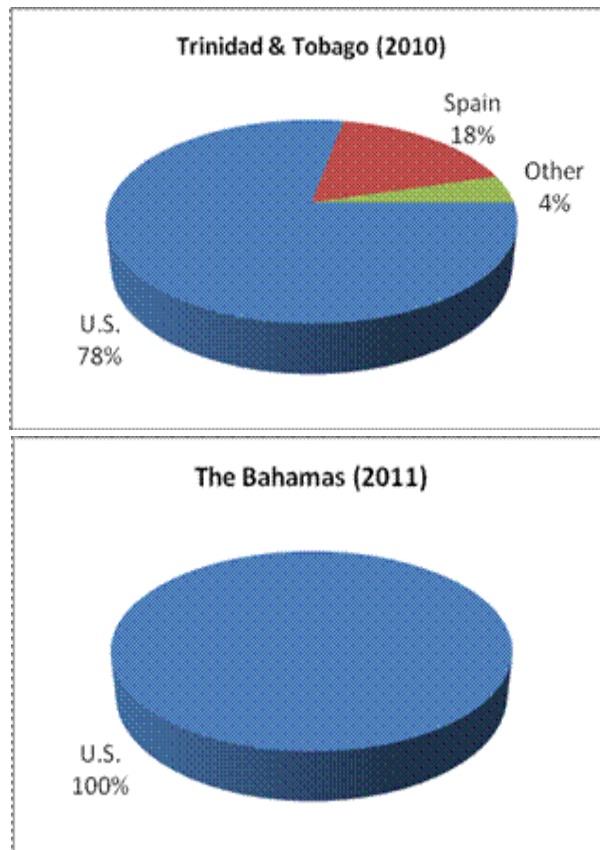
Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

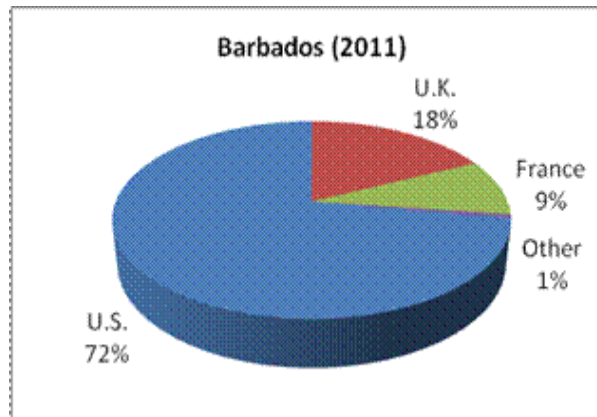
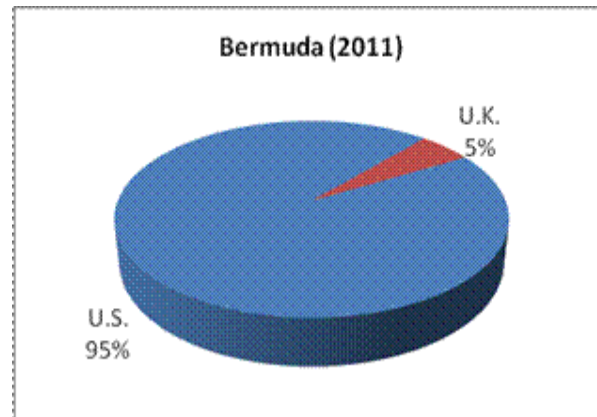
1 - For purposes of this report, "Caribbean Basin" refers to the 23 island markets covered by the Caribbean Basin Agricultural Trade Office (CBATO): Anguilla, Antigua and Barbuda, Aruba, The Bahamas, Barbados, Bermuda, British Virgin Islands, Caribbean Netherlands or BES Islands (Bonaire, Sint Eustatius and Saba), Cayman Islands, Curaçao, Dominica, Grenada, Guadeloupe, Martinique, Montserrat, Saint Barthélemy, Saint Kitts and Nevis, Saint Lucia, Saint Martin, Saint Vincent and the Grenadines, Sint Maarten, Trinidad and Tobago, and Turks and Caicos Islands.

What is behind this growth in U.S. yogurt exports to the Caribbean? The growth in Caribbean yogurt demand is believed to be a good example of how U.S. consumer trends can be readily adopted in the islands. Proximity, the many ties that exist between the United States and the Caribbean, and the fact that the United States is the main supplier of consumer-oriented foods to the region often result in many consumer trends in the United States spilling over into the islands. U.S. tourists, which account for over half of all visitors to the islands, also help transfer consumer trends to the region. According to Euromonitor, U.S. domestic sales of yogurt and sour milk products were expected to grow in 2012 by an estimated three percent in value terms, due largely to the increasing popularity of Greek yogurt and kefir in the United States. Driving expansion in the category, plain spoonable yogurt was expected to record the strongest growth in 2012 at 10 percent, with predicted constant value growth of 17 percent for 2012 to 2017. The strength of U.S. yogurt sales has likely not gone unnoticed in the Caribbean, where food buyers are always seeking to capitalize on new market trends.

Consequently, opportunities for U.S. yogurt suppliers are as strong as ever in the Caribbean. As shown in the following charts, the United States is already the main supplier of yogurt to most islands. On December 31, 2012, Pine Hill Dairy, Barbados' sole dairy plant, shuttered operations of its yogurt manufacturing facilities, creating a void in the local market that is now to be filled with imported product.

**Source of Yogurt Imports in Selected Caribbean Markets**





Source: Global Trade Atlas.