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France

Product Brief

Nuts

2008

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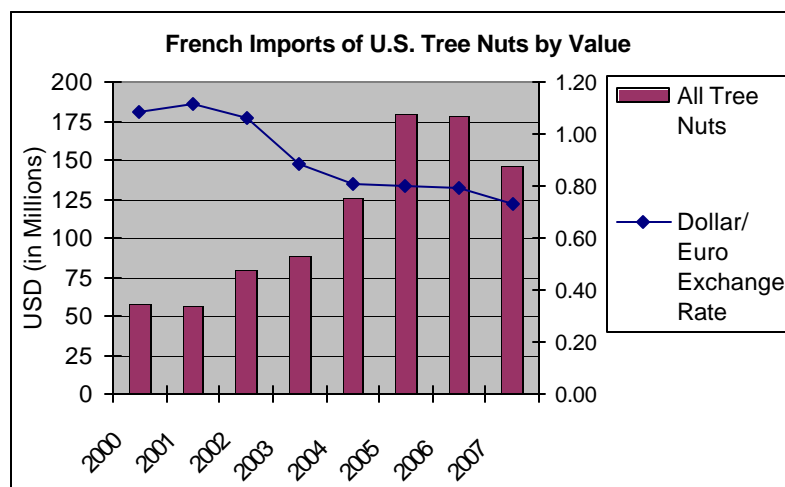
Report Highlights:

The U.S. is France's number one source for tree nut imports. Tree nuts imported from the United States include: almonds, pistachios, cashews, hazelnuts, walnuts, macadamia, and other nuts, with almonds accounting for the largest quantity. Currently, the French market is valued close to \$430 million. Nuts are mostly consumed in France as snacks and during the pre-dinner aperitif, though almonds are also incorporated into many of the baked goods traditionally made for the winter holidays. Other major nut exporters to France are Spain and India. A handful of other countries are also competitive with the U.S. in some tree nut categories.

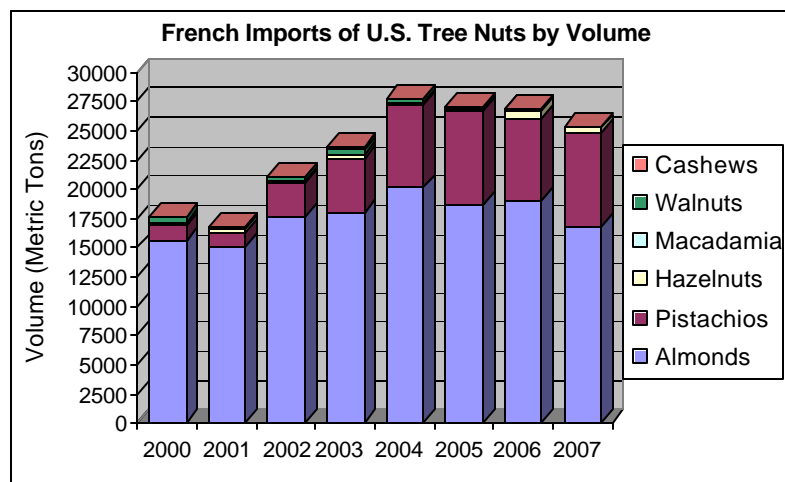
Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Paris [FR1]
[FR]

Executive Summary

The U.S. is France's number source for tree nut imports. Almonds were France's primary tree nut import from the U.S. in 2007, with pistachios at a distant second. U.S. nut exports to France also included hazelnuts, macadamia nuts, walnuts, cashews, and other nuts. France's market for tree nuts totaled almost \$428 million in 2007 with the U.S. garnering slightly more than a third of the total market, or about \$146 million. Last year was the first year in which French imports of U.S. tree nuts declined in volume, though the value has been declining since 2006. These declines are consistent with trends in France's tree nut market overall, which has been shrinking for the last two years.



Source: Global Trade Atlas, 2008



Source: Global Trade Atlas, 2008

Consumer Trends

In 2007, nuts were France's second-best selling snack food by value after chips and crisps, but, in terms of volume, nuts continue to place behind extruded puffs as well. Nuts and other snack foods are the heart of the French pre-dinner aperitif tradition, which has experienced a revival in recent years. However, nuts sales face stiff competition from snack foods such as meats, chips, dips, and chilled dairy items intended for consumption during the aperitif.

French consumers are increasingly interested in healthy and “natural” foods, and nuts are perceived as a wholesome snack. Nutritionists tout their high fiber, anti-oxidant, calcium, protein, and omega3 content. The most successful snack food products during 2007 were those that featured new, exotic flavors (sweet & salty, chili, sweet & sour), healthier content (reduced sodium, reduced fat), or a combination of the two. Providing a sophisticated and high-quality product continues to be key to the French marketplace.

Market Outlook

Between 2006 and 2007 imports of U.S. tree nuts to France decreased by 6.0% to 26,285 metric tons (MT). Spain is a distant second in total tree nut exports to France with 11,295 MT, while India is in third place with a total of 7,059 MT in 2007. In the almond and pistachio markets, which represent the largest share of U.S. nut exports, competition is primarily from Spain in the almond market and Iran in the pistachio market.

A likely explanation for the overall decline of nut exports to France is rising inflation. Inflation in 2007 was 1.5%, but is projected to reach 3.2% in 2008¹. In response, French consumers are becoming more price conscious, looking for items on sale, shopping at hard-discounters, and buying more private-label products. There has been a marked growth in consumption of private-label nut products at the expense of brand name products. The degree of the impact of this inflation is not yet clear for nut consumption trends, in part because of the ongoing popularity of the aperitif. Innovations in nut and seed mixes may support growth if they are able to meet a wide diversity of consumer taste preferences and health concerns.

Brand Information

Global Brand Name Shares - Retail Value – by percent of French Nut Market								
Brand	Company name	2001	2002	2003	2004	2005	2006	2007
Bénénuts	PepsiCo Inc	-	-	-	-	-	20.9	20.8
Lorenz Snack-World	Intersnack Knabber-Gebäck GmbH	-	-	-	-	-	-	17.9
Menguy's	Menguy's	6.6	6.9	6.9	6.8	6.8	6.6	6.5
Jack Benoit	Benoit SNC	8.9	11.6	6	6	6.1	6.3	3
Lorenz Snack-World	Lorenz Snackworld GmbH	14.5	15.6	15.7	17.9	17.8	17.2	-
Bénénuts	Sara Lee Corp	15.5	18.2	21.1	22.3	22.2	-	-
Private label	Private Label	37	35.7	36.5	36	36.8	37.6	38.4
Others	Others	17.5	12	13.8	11	10.3	11.5	13.4
Total	Total	100	100	100	100	100	100	100

Sources:

1. Packaged Food: Euromonitor from trade sources/national statistics

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¹ INSEE. *Conjoncture in France*. June 2008.

Tariff Information

CN Code	Description	EU Tariff Rate
0801	Coconuts, Brazil nuts, cashew nuts, fresh or dried, shelled or in shell	Exempt
08021110	Bitter almonds in shell	Exempt
08021190	Other almonds in shell	5.6%
08021210	Bitter almonds shelled	Exempt
08021290	Other almonds shelled	3.5%
08022100	Hazelnuts in shell	3.2%
08022200	Hazelnuts shelled	3.2%
08023100	Walnuts nuts in shell	4%
08023200	Walnuts nuts shelled	5.1%
08024000	Chestnuts	5.6%
08025000	Pistachios	1.6%
08026000	Macadamia	2%
08029020	Pecan, betel, cola	Exempt
08029050	Pine nuts	3.2%
08029085	Other nuts	3.2%
	Mixtures of nuts under 0801 & 0802	
08135031	Nut mixes (tropical)	4%
08135039	Other nut mixes	6.4%
08135091	Dried fruit and nut mix without prunes or figs	8%
08135099	Dried fruit and nut mix other	9.6%

Source: Official Journal of the European Union, L 286, Oct. 31, 2007

Importers

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 11, Rue de Cernay BP 153
 Reims Cedex 51056
 Phone: 011 (33) 3.26 40 13 22
 Fax: 011 (33) 3.26 40 13 76
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For a list of more nut importers, please contact us at: agparis@usda.gov