



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

**Date:** 12/20/2005

**GAIN Report Number:** GM5043

## Germany

### Retail Food Sector

### Retail Guide

### 2005

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**Report Highlights:**

Germany, with its 82.5 million people (or 18 percent of the EU 25 population), is the leading market for food and beverages in the European Union. In 2004 Germany imported US\$ 799 million worth of consumer-oriented agricultural products from the U.S., substantially more than a year earlier. Germany's consumers spent Euro 191 billion (approximately US\$ 238 billion) on food and beverages in 2004. Of this amount, about 19 percent was spent in restaurants, canteens, and other places where food and beverages were served on-premise. The remaining amount was spent in retail food and beverage outlets.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Berlin [GM1]  
[GM]

## I. Market Summary

Germany, with its 82.5 million people (or 18 percent of the EU 25 population), has the world's third largest economy after the U.S. and Japan, and is the leading market for food and beverages in the European Union. Germany's consumers spent Euro 191 billion (approximately US\$ 238 billion) in 2004 on food and beverages, or 15 percent of total national expenditures. Of this amount, about 19 percent was spent in restaurants, canteens, and other places where food and beverages were served on-premise. The remaining amount was spent in retail food and beverage outlets.

Germany's stagnant economy, however, has slowed retail sales, including sales of food products. In 2004, total sales (turnover) by retailers of food and beverage in Germany were approximately Euro 127 billion (or US\$ 158 billion) compared to nearly Euro 124 billion (US\$ 140 billion) in 2003. The Euro 127 billion generated in 2004 were primarily from the sale of food products. These items are usually sold by organized food retailers such as supermarkets, hypermarkets, discount stores, and small traditional retail stores. Bakeries, butcher shops, farmer's markets, drugstores, gas stations, and kiosks also play a key role in Germany's retail food sector.

An additional Euro 36 billion in food and beverage sales were generated by restaurants, canteens, and snack shops (imbiss) where food and beverages are served on-premise. According to the German Federal Statistics Office, Euro 129.2 billion (approximately US\$ 122 billion), or about 11 percent of total expenditures by German consumers was spent on food alone (excluding beverages). This correlates with the Euro 191 billion German consumers spent on food and beverage products (including tobacco) in 2004. Monthly German household expenditures on food (excluding beverages) averages about Euro 303. Despite slower growth in the discount segment, this sector will remain an important driver in future German food retailing.

In 2004 Germany imported US\$ 799 million worth of consumer-oriented agricultural products from the U.S., substantially more than the US\$ 656 million a year earlier. The increase in imports was mainly in fish and fish products, snack foods, tree nuts, fresh fruits, and processed fruits and vegetables. Approximately one-third of all U.S. agricultural exports to Germany are in this category.

The major competitors in the consumer-oriented products market are from EU countries, particularly the Netherlands, France, Italy, and Spain. The U.S. is the second largest non-EU supplier of consumer-oriented products to Germany, after Turkey.

### Germany's Retail Profile

Germany's retailing sector is very competitive, highly complex and intertwined, and currently in the process of considerable consolidation. Margins are thinner than anywhere else in Europe, which together with a well-developed distribution system, results in a very competitive sector.

The most dynamic sector within Germany's retail trade is the discount store segment, which is fiercely competitive with the largest two discount companies – Aldi and Lidl – engaged in price wars since 2002. In terms of annual sales, discounters comprised 39.6 percent of the retail market in 2004, up from 38.3 percent last year. Most of the items marketed by discounters are private label products.

**Table: Composition of Germany's Food and Beverage Retail Trade:**

	Number of Stores			Market Share 2004	Value of Sales (Billion Euros)			Market Share 2004
	2002	2003	2004		2002	2003	2004	
<b>Hypermarkets</b>	2,409	2,494	2,688	4.3%	30.5	31.9	32.9	26.0%
<b>Discount Stores</b>	13,400	13,750	14,214	22.6%	44.6	47.4	50.1	39.6%
<b>Supermarket</b>	8,810	8,790	8,620	13.7%	30	30.1	29.7	23.5%
<b>Traditional Stores</b>	42,200	39,900	37,350	59.4%	15.4	14.5	13.8	10.9%
<b>Total</b>	<b>66,819</b>	<b>64,934</b>	<b>62,872</b>	100.0%	<b>120.5</b>	<b>123.9</b>	<b>126.5</b>	100.0%

Source: Eurohandel Institute (EHI).

Due to the growth in the discount segment, the majority of traditional retailers like Edeka, Rewe, Spar, and Tengelmann have started to develop and further invest in their own discount store chains/niches. In direct response to the threat by discount stores, many food retailers have also increased the use of private labels in their stores in order to reduce prices for consumers while maintaining quality.

Despite the consolidation of retailers and the increasing popularity of discounters, German consumers continue to frequent small convenience stores despite the higher prices, especially if these stores are open longer hours (as is the case with stores in train stations and gas stations) and carry ready to eat meals. In these cases, sales are motivated more by convenience rather than price.

Large retailers have applauded a new German law extending retail hours. Under the new German law, retail stores can stay open Monday through Saturday until 8 pm. Although Germany still lags behind France, UK, Denmark and other European countries, which have much more liberal store hours, these changes are making a moderate contribution to the slight increase in retail sales.

Buying associations or buying groups also play an important role in German retailing. These associations or groups are often operated by a wholesale company, which may do the purchasing, marketing, and provide other services for independent retailers. Markant is the largest buying association in Germany.

### **Advantages/Opportunities and Challenges Facing U.S. Products in Germany**

<b>Advantages/Opportunities</b>	<b>Challenges</b>
Germany's 82.5 million inhabitants have one of the highest income levels in the world.	Very competitive market combined with low growth in retail sales.
Germany is among the largest food/beverage importing nations in the world.	German (EU) import tariffs on certain products are high. EU enlargement will give preferential access to products from accession countries.
Fast growing market for organic products.	German buyers demand quality, but also low prices; discounters are fastest growing segment of retail market.

Germany has many, well-established importers. Distribution system is well developed.	Retailers often charge high listing fees for products.
The "American-Way-of-Life" and U.S.-style foods are popular, principally among the affluent younger generation.	Margins on food at the retail level are very thin.
Large non-German population and German's penchant to travel abroad help fuel demand for a variety of foreign products.	Retailers seldom import products into Germany (EU) on their own.
Private label products are popular, not only in discount stores but are also being utilized by supermarkets.	It can be a challenge for U.S. companies to promote a particular brand.

## II. Road Map for Market Entry

### "Traditional" Retail Outlets- Supermarkets, Superstores, Hyper Markets or Super Centers, Club, and Warehouse Outlets

#### Entry Strategy

Success in introducing your product in the German market normally depends on local representation and personal contact. The local representative should be able to provide market information and guidance on business practices and trade-related laws, sales contact with existing and potential buyers, market development expertise, and the distribution system. The local representative may or may not also be the importer and distributor. The Agricultural Affairs Office in Berlin maintains extensive listings of potential importers and maintains information about ongoing activities that provide opportunities to meet the German trade<sup>1</sup>.

Specialized Importers. In Germany, specialized importers usually handle the import and distribution of food and beverage products from countries primarily outside of the EU. German retail organizations rarely import directly from countries outside the EU, except for items that they purchase in large quantities. Traditional importers normally specialize in products or product groups. As a result of frequent contacts with their customers, traditional importers usually have an in-depth knowledge of the individual retailers and the market conditions in Germany. Because of their close relationships, importers usually source products, handle import (customs) formalities, logistics, supply, maintenance and often even pricing and labeling for their customers. They also advise foreign exporters and ensure that imported products meet food, labeling, packaging, packaging material disposal (including "Green Dot" licenses and fees), and other market requirements.

Importers can also arrange for consolidated shipments of products, such as specialty foods to test the market and gain access to distribution channels. Importers normally distribute nation-wide, either through their own sales force or through a network of independent sales agents.

<sup>1</sup> A directory of European Importers see "American Foods in Europe - Your Guide to European Importers of U.S. Food & Beverage Products" is available online at [www.american-foods.org](http://www.american-foods.org) or in hard copy. Please contact the Agricultural Affairs Office in Berlin for a printed copy.

Direct sales to the central purchasing organizations of food retailers may be the most desirable product-entry system for a foreign supplier. Due to their wide range of distribution, central buyers are generally flooded with offers from competing suppliers. Purchasing organizations often have only a limited interest in working with new suppliers, unless particular advantages in quality, price, or promotional support are offered.

New products on the German market may require up to 12 to 18 months of testing to gain market acceptance. Listing (slotting) fees equivalent to several thousand dollars or more per product are common and do not ensure shelf space if a profitable turnover is not achieved rather quickly. The exception may be a retailer's desire to maintain a competitive edge with a full-service assortment.

**Selling Direct.** Each of Germany's leading retail groups has a different business structure, purchasing, and distribution system. Many of the leading retailers have multiple retail chains, often with various types of retail formats such as large hypermarkets, discount and small neighborhood stores, or perhaps beverage and/or delicatessen outlets. The purchasing departments for the large retailers may also be divided by retail format and, sometimes, by region of the country.

Direct sales to the central purchasing department of Germany's leading retailers is typically very difficult, as most German retail buyers are usually not interested in taking on the added responsibility to import products directly. This is especially true for new-to-market products, which may not comply with German/EU import requirements, food laws and packaging and labeling requirements. Retail buyers may only be interested in importing products directly if they are unique, possess some specific attribute, or offer significant advantages in terms of quality, price, or financial promotional support.

### Table: Food and Beverage Retailing Profile

#### Retail Food/Beverage Sales, Number of Retail Outlets, 2000-2004

Category	2000	2001	2002	2003	2004
Total Sales (billion Euros)	115.8	118	120.4	123.4	126.5
Total Sales (billion U.S. Dollars)	107	105.7	113.9	139.6	157.5
Share of top 5 retailers (% of total sales)	63.5%	62.0%	61.2%	62.4%	62.4%
Share of top 10 retailers (% of total sales)	84.0%	84.4%	84.9%	85.7%	85.2%
Share of top 20 retailers (% of total sales)	94.0%	94.4%	94.8%	95.4%	95.1%
Retail outlets (1,000)	70.3	68.4	66.8	64.9	62.9

Note: Sales by the organized food retail industry.  
Source: EuroHandels Institute (EHI), A.C. Nielsen.

In 2004, Germany's retailers registered annual food and beverage sales (turnover) of Euro 127 billion (US\$ 158 billion). Combined with the small price deflation for food, this represents an almost 2 percent real increase in turnover after several years of relatively flat real growth. In the past 5 years (1999-2004) food/beverage sales grew about 9 percent. Once food price inflation was taken into account, real retail sales for food and beverages during this period grew by 5 percent. Most of this growth was over the last two years where according to official statistics, food sales not only grew but the growth also outpaced food

price inflation. For 2004, official statistics record a small price deflation for food and beverages. Despite a resumption in real sales growth, the food industry remains cautious and concerned about future growth as thin margins, fierce competition, and reported weak consumer demand continue to make Germany a tough market for food retailers. News reports about the state of the German food retail sector are thus still quite somber.

Despite efforts by the German government to protect small retailers, the market share of small retailers continues to drop. In 2004, small traditional shops comprised only 10.9 percent by turnover of the food retail market. At the same time, the concentration of giant retail organizations in Germany has increased dramatically and is expected to continue in the near future as competition laws continue to be loosened. In particular, large hypermarkets and discount chains are dominating the German market. In 2004, the top five food and beverage retailers accounted for 62 percent of national sales and the top fifty accounted for 99.5 percent of national sales. Per current trends, the five largest food and beverage retailers are well on their way towards accounting for 75 percent of national food and beverage retail sales by 2010. The top five largest German retailers of food and beverages (Rewe, Edeka, Aldi, Metro, Schwarz/Lidl) also rank among the top ten retailers in Europe.

With relatively flat domestic retail food sales, German retailers have sought to expand their sales -- and gain market share -- by buying-out their competitors, opening new stores, and focusing on markets outside of Germany. Many of the major German retailers already generate a significant portion of their total sales from non-German operations. For example, the following German retailers had significant sales outside of Germany in 2004: Metro (49 percent), Aldi (36 percent), Tengelmann (51 percent), Schwarz-Gruppe (42 percent) and Rewe (28 percent). Edeka stands out with only 8 percent of sales outside Germany. However, in 2005 Edeka took over the Spar AG retail chain from the French owners. This merger is expected to make the Edeka/AVA/Spar Group the largest retailer in Germany.

Wal-Mart celebrated its 8-year anniversary in the German retail market in September 2005. In 1997, Wal-Mart purchased 21 hypermarket outlets previously owned by the Wertkauf Group, followed by the purchase of 74 hypermarket outlets from Spar AG in late 1998. New super centers were built in Guettersdorf (2001), Pattensen (2001), and Bergkamen (2002). Although Wal-Mart is the 12th largest retailer in Germany, the chain continues to struggle to attract customers and establish itself as a dominant player in the German market. In summer 2004, Wal-Mart announced the closure of one of its stores in Germany. In 2004, Wal-Mart recorded sales of US\$ 4.12 billion in Germany. Food products comprise about 55 percent of Wal-Mart's gross sales in Germany.

Table: Top ranked Retail Stores in Germany 2004

**The Top Ranked Retail Stores in Germany  
2004**

Rank	Company	Ownership	Gross Sales	Food Receipts	Percent from Food
1	Metro-Gruppe	German/Swiss	32,520	14,082	43.3%
2	Rewe-Gruppe	German	30,901	22,015	69.7%
3	Edeka/AVA-Gruppe	German	29,232	24,534	83.9%
4	Aldi-Gruppe	German	22,000	17,600	80.0%
5	Schwarz-Gruppe	German	21,300	17,001	80.0%
6	Karstadt/Quelle	German	14,170	828	5.8%
7	Tengelmann-Gruppe	German	13,020	7,807	60.1%
8	SPAR-Gruppe*	French	8,650	8,131	93.0%
9	Lekkerland-Tobaccoland	German	8,500	6,120	80.0%
10	Schlecker	German	5,400	5,130	95.0%
11	Wal-Mart	U.S.	4,120	2,266	55.0%
12	Globus	German	3,541	1,948	55.0%

Note: Sales are in millions of Euros.

\* SPAR was taken over by Edeka/AVA in 2005.

Source: EHI and M+M Eurodata.

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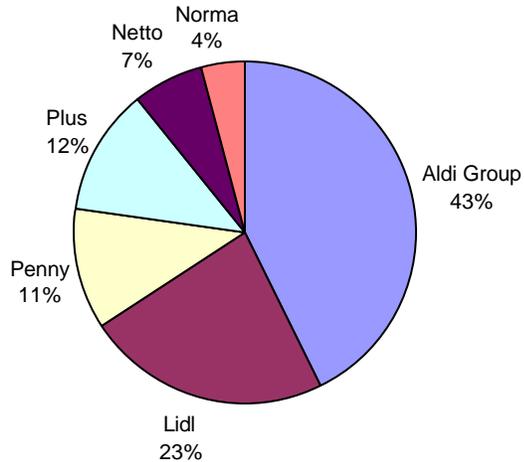
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Source: EHI and M+M Eurodata.

There are also major changes occurring in how food and beverages are being marketed in Germany. Small local shops and supermarkets still comprise the bulk of outlets, but they are increasingly being replaced by large hypermarkets and discount food stores. Hypermarkets and discounters now account for about 60 percent of all retail food and beverage sales, despite accounting for less than one-quarter of all the outlets. Metro AG is Germany's largest operator of hypermarkets. Aldi is the leading operator of discount markets followed closely by the Schwarz Group (Lidl).

**Chart: A Breakdown of the German Discount Market****A Breakdown of the German Discount Market in 2004**

The discount segment has been the most dynamic retail segment in Germany. Discounters have prospered in recent years, as German consumers have become increasingly price conscious. In addition, discount stores, which generally tend to be small in size, have benefited from German laws favoring small retailers. In 2004, growth in the discount segment slowed down after a decade of strong growth. In terms of sales, discount stores comprise 39.6 percent of the retail food market, up 38.3 percent from a year ago. In the past 5 years, the number of discounter outlets grew from 12,970 in 2000 to 14,610 in 2005, whereas the total number of German food retail outlets decreased from 70,263 to 61,460 during the same time frame. On a sales basis, Aldi is the largest discounter with about 43 percent of the discount market, however, in 2004, Lidl recorded stronger sales growth than Aldi.

**Table: Gross Sales for the leading Discount Stores in Germany**

<b>Gross Sales for the Leading Discount Stores in Germany</b>					
<b>(Million Euros)</b>					
<b>Discount Stores</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>1-Yr Growth</b>
Aldi Group	21,600	23,000	22,700	22,100	-3%
Lidl	6,300	9,500	11,500	11,900	3%
Penny	4,900	5,800	6,000	5,900	-2%
Plus	5,300	5,700	4,900	6,100	24%
Netto	3,000	2,900	3,200	3,500	9%
Norma	2,100	2,347	2,300	2,100	-9%
<b>Total Sales:</b>	<b>43,200</b>	<b>49,247</b>	<b>50,600</b>	<b>51,600</b>	<b>2%</b>

Source: EHI.

Most of the German consumers perceive the quality of discount products, particularly Aldi's, to be as good as branded products found in supermarkets and other retail-type stores. High quality products, convenient locations, combined with lower prices make discount stores a favorite shopping option for Germans. According to a poll conducted by AC Nielsen, German consumers spend about US\$ 21 per visit to Aldi compared to US\$ 23 in hypermarkets, US\$ 15 in other discount stores, and US\$ 13 in supermarkets.

### **Convenience Stores, Gas Stations, and Kiosks**

#### **Entry Strategy**

Convenience outlets -- small shops, often located at gasoline and train stations, highway rest stops, kiosks, and bakeries -- were among the fastest growing retail formats in Germany. In the last couple of years growth has leveled off. There are currently 48,000 snack stands and kiosks in Germany, although in terms of turnover, over half the convenience stores in Germany are kiosks or snack stands. Convenience stores in gas stations reported roughly the same amount of turnover with a much smaller number of outlets. In addition to non-food items, the most popular items at these outlets include: fruit juice and fruit drinks, soft drinks, beer, wine, other beverages, confectionery products, snacks, and convenience-type foods. Products sold in these outlets typically are priced 30-70% higher than in more conventional outlets. However, sales are motivated by convenience -- especially the longer store hours -- rather than price.

There are several large wholesalers that supply food and non-food products to these convenience outlets. The leading supplier to the convenience sector is Lekkerland-Tobaccoland (L-T), which carries about 10,000 different items and services more than 70,000 customers, including gas station shops, kiosks, beverage stores and bakeries. In 2004, the turnover for Lekkerland was Euro 8.500 billion, of which food products accounted for Euro 6.120 billion. Metro, Spar, and Tengelmann compete with Lekkerland in supplying these convenience outlets in Germany.

Organizations like Lekkerland, as well as other suppliers to convenience stores, normally source, most if not all, their imported products from specialized importers. Most U.S. companies interested in exporting to Germany and in developing a position in the German

market are advised to work with an importer(s) or with an agent/broker that services these sectors.

### **Buying Associations (Groups)**

#### **Entry Strategy**

Buying associations or buying groups play an important role in German food and beverage retailing. Buying associations are generally operated by a wholesale company that provides services for a group of independent retailers.

The largest and last remaining true buying association in Germany is Markant. Markant members have a total annual turnover valued at about 44.8 billion Euros. Markant is an association of more than one hundred independent enterprises, selling both food and non-food products. The goal of the company is to provide a cooperative platform for purchasing and marketing and providing of services for medium-sized merchants throughout Germany (and Europe). In Germany, Markant members include a number of major food retailers, including market leaders Bartels-Langness, Schlecker, Dohle, and Wal-Mart. Markant is part of the European-wide buying association EMD, whose members have a total annual turnover valued at over 110 billion Euros.

### **Other Channels**

Home food delivery, mail order, and internet sales are alternatives to the traditional German retailing sector. Germany's leading retailers have become increasingly involved in e-commerce with an estimated US\$ 8 billion in business attributed to consumer sales conducted on-line. However, the value of food and beverages sold over the Internet is still very small and is not growing. Home food delivery is not a new phenomenon in Germany, especially for frozen food.

### **III. Competition**

As the world's largest importer of agricultural products, Germany is an attractive and very sought-after market for exporters throughout the world. The internal EU market structure gives member states a competitive advantage in the German market; an advantage, which cannot be easily overcome by competing third countries. Approximately two-thirds of Germany's agricultural imports are sourced from other EU countries, many of which target the German market through the use of promotional programs. Moreover, the enlargement of the EU in 2004 will give products from the accession countries preferential access to the EU market and will further disadvantage U.S. products in the German market.

Besides the United States, Germany also imports significant quantities of agricultural products from other non-EU countries. Much of the third-country imports are sourced from Eastern Europe, North Africa and Israel, South Africa, Latin America, and the Caribbean. Germany's major consumer-oriented product imports from these countries include: meat and poultry, fresh fruit (particularly bananas), processed fruit and vegetables, and pistachios.

Third-country promotions for food products in Germany focus on generic aspects. Examples of these types of promotions are: in-store promotions, special combined editorial and advertising sections in trade magazines, and national exhibits at trade and consumer fairs. In department stores a country may be featured with a full line of food and non-food products as well as other economic segments, such as tourism.

Consumer-ready processed food products are imported and distributed by a large number of German importers and import agents. In addition to cooperative advertisement with

importers and suppliers, individual country promotions in the German retail trade are organized to increase visibility and awareness of those products and, consequently, increase distribution. Such promotions in Germany are normally organized and sponsored (often also financed) by the foreign country's Embassy or other government representation, in close cooperation and coordination with local importers and the retail organization.

### Biotechnology

As of April 2004, new EU regulations concerning the labeling and traceability of biotech and biotech-containing products were put in place. These regulations require that all products, including processed foods, produced from approved biotech ingredients must be labeled if adventitious or intended biotech presence exceeds a threshold level of more than 0.9 percent of one single ingredient. However, this labeling requirement does not apply to livestock products even if the animals have been fed with biotech-containing feedstuffs. Food manufacturers are still wary that European consumers will not purchase products with a biotech label. So far, the major German food retailers have avoided stocking their shelves with labeled biotech products. Instead EU food processors have substituted other raw materials not derived from biotech products for biotech ingredients - primarily soybean oil. At the moment FAS Berlin is not aware of any biotech labeled products being sold on German retail shelves.

### IV. Best Product Prospects

Below is a list of products identified as having a strong market potential in Germany and some helpful tips for interested exporters.

Best Product Prospects	Tips/Facts
<b>Snack Foods</b>	The US\$ 15 billion German snack food market consists mainly of chips and other salty items, followed by specialty snacks and nuts. Growth primarily driven by product innovation, like flavored snacks.
<b>Fresh Fruit &amp; Vegetables</b>	Good opportunities exist for supplying fresh produce, particularly citrus, pears, table grapes, and green asparagus during the winter months (Nov.-Feb.).
<b>Dried Fruits &amp; Nuts</b>	The market for most nuts and dried fruit is fairly stable throughout the year but sales generally peak in anticipation of the Christmas season. Imports are generally in bulk.
<b>Organic Products</b>	Germany is Europe's largest market for organic products, with sales roughly estimated at US\$ 4.2 billion in 2004.
<b>Alcoholic Beverages</b>	Although overall alcohol consumption is declining, the market for imported beer, wine, and spirits is stable or growing.
<b>Pet Food</b>	Sales of cat food have the biggest market share, followed by dog food. Market potential exists for premium pet food.
<b>Fitness foods and beverages</b>	Good prospects for "functional" products with added nutritional properties such as vitamins and minerals.
<b>Frozen Fish</b>	Good prospects exist for frozen Alaska Pollack and other frozen fish with Marine Stewardship certification (sustainable fishing certification).

For more information on the German market please refer to Germany's Exporter Guide and the Food and Agriculture Import Regulations (FAIRS) report.

## V. Upcoming Trade Shows

### German Trade Shows for Consumer-Oriented Products

Participating or simply attending a trade show can be a very cost-effective means to test the German market, to introduce a product, or to expand sales. Germany offers a wide variety of trade show venues for food and beverage products. The following table provides details on major trade shows for food, beverages, and other agricultural and related industries taking place in Germany.

<b>Important German Trade Shows – 2006/2007</b>		
<p><b>ISM (International Sweets and Biscuit Show)</b> Cologne, Germany (Interval: yearly)</p> <p>Target Market: Europe/International World's largest show for snacks and confectionery products.</p>	<p>January 29 – February 1, 2006</p>	<p>U.S. Pavilion Organizer: National Confectioners Association (NCA) Tel: (703) 790-5750 Fax: (703) 790-5752 <a href="http://www.koelnmesse.de/ism">www.koelnmesse.de/ism</a> <a href="http://www.ism-cologne.de">www.ism-cologne.de</a></p>
<p><b>Fruit Logistica</b> Berlin, Germany (Interval: yearly)</p> <p>Target Market: Germany/Central &amp; Eastern Europe Good venue for exhibiting fresh and dried fruit, nuts and related products.</p>	<p>February 2 – 4, 2006</p>	<p>U.S. Pavilion Organizer: B*FOR International: Tel: (540) 373-9935 Fax: (540) 372-1411 <a href="http://www.fruitlogistica.com">www.fruitlogistica.com</a> <a href="http://www.exhibitpro.com/services/pavilion.htm">www.exhibitpro.com/services/pavilion.htm</a></p>
<p><b>Bio Fach</b> Nuremberg, Germany (Interval: yearly)</p> <p>Target Market: Germany/Europe The leading European tradeshow for organic food and non-food products.</p>	<p>February 16 – 19, 2006</p>	<p>U.S. Pavilion Organizer: B*FOR International: Tel: (540) 373-9935 Fax: (540) 372-1411 <a href="http://www.biofach.de">www.biofach.de</a> <a href="http://www.exhibitpro.com/services/pavilion.htm">www.exhibitpro.com/services/pavilion.htm</a></p>
<p><b>ProWein</b> Duesseldorf, Germany, (Interval: yearly)</p> <p>Target Market: International International Trade Show for wine and spirits.</p>	<p>March 26 – 28, 2006</p>	<p>Show Organizer: Duesseldorf Messe Authorities Tel: (49-211) 4560 01 Fax: (49-211) 4560 668 <a href="http://www.prowein.de">www.prowein.de</a> <a href="mailto:info@messe-duesseldorf.de">info@messe-duesseldorf.de</a></p>
<p><b>Intercool</b> Duesseldorf, Germany, (Interval: 2 years)</p> <p>Target Market: International Trade Fair for Frozen Foods, Ice Cream, and Refrigeration Technology.</p>	<p>September 24 – 27, 2006</p>	<p>Show Organizer: Duesseldorf Messe Authorities Tel: (49-211) 4560 01 Fax: (49-211) 4560 668 <a href="http://www.intercool.de">www.intercool.de</a> <a href="mailto:info@messe-duesseldorf.de">info@messe-duesseldorf.de</a></p>

<p><b>ANUGA</b> Cologne, Germany, (Interval: 2 years)</p> <p>Target Market: Europe/International One of the leading international trade shows for food and beverages, and the premier show of its kind held in Germany. Traditionally there is a large U.S. Pavilion at this show featuring about 150-200 U.S. companies and associations. USDA-endorsed show.</p>	<p>October 13 – 17, 2007</p>	<p>U.S. Pavilion Organizer: Koelnmesse, Inc. Chicago Tel: (773) 326-9920 Fax: (773) 714-0063 <a href="http://www.koelnmessenaftha.com">www.koelnmessenaftha.com</a> <a href="http://www.anuga.com">www.anuga.com</a></p>
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Note: More information about these and other German exhibitions and trade shows can be found under the following Internet address: [www.auma-messen.de](http://www.auma-messen.de)

## SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

### Internet Home Pages

Internet home pages of potential interest to U.S. food and beverage exporters are listed below:

AUMA	<a href="http://www.auma-messen.de">www.auma-messen.de</a>
U.S. Mission to the European Union	<a href="http://www.useu.be/agri/usda.html">www.useu.be/agri/usda.html</a>
FAS/Washington	<a href="http://www.fas.usda.gov">www.fas.usda.gov</a>
European Importer Directory	<a href="http://www.american-foods.org">www.american-foods.org</a>
FAS/Berlin	<a href="http://www.usembassy.de">www.usembassy.de</a>

If you have questions or comments regarding this report, or need assistance exporting to Germany, please contact the U.S. Agricultural Affairs Office in Berlin at the following address:

Agricultural Affairs Office  
 American Embassy  
 Clayallee 170  
 14195 Berlin, Germany  
 Tel: (49) (30) 8305 - 1150  
 Fax: (49) (30) 8431 - 1935  
 Email: [AgBerlin@usda.gov](mailto:AgBerlin@usda.gov)  
 Home Page: [www.usembassy.de](http://www.usembassy.de)

Please view our Home Page for more information on exporting U.S. food and beverage products to Germany, including market and product "briefs" available on specific topics of interest to U.S. exporters.

Importer listings are available from the Agricultural Affairs Office for use by U.S. exporters of U.S. food and beverage products. Recent reports of interests to U.S. exporters interested in the German Market include:

Report Title	Report Number	Month Report was written
Exporter Guide	GM 5037	September 2005
Fish Products Report	GM 5036	September 2005
FAIRS Report	GM 5030	August 2005
Fruit Market Brief	GM 5002	January 2005
Wine Report	GM 4047	November 2004
HRI Food Service Sector	GM 4028	August 2004

For more information on exporting U.S. agricultural products to other countries, please visit the Foreign Agricultural Service Home Page at [www.fas.usda.gov](http://www.fas.usda.gov)

### Currency Conversion Rates

The value of the dollar has been decreasing against the Euro since 2002. This report includes the dollar equivalents for the reader's convenience, based on the average annual exchange rates. All percentage changes mentioned in this report are based on the Euro levels.

Average Annual Currency Conversion Rates:

2002 1 U.S. US\$ = 1.0575 Euro  
 2003 1 U.S. US\$ = 0.8840 Euro  
 2004 1 U.S. US\$ = 0.8030 Euro

**Store Definitions:**

**Hypermarkets** are defined as large retail stores with between 1,500 square meters and 5,000 square meters of sales space, with an emphasis on self-service. They carry a significant amount of non-food items.

**Supermarkets** are defined as a self-service food stores with sales space of between 400 to 800 square meters. The share of non-food items comprises less than 25 percent of store sales.

**Discounters** are defined as a no frills, self-service food store that concentrate on a limited range of products with a high turnover rate. Their main attraction is through their low prices.

**Cash & Carry** are membership style retail/wholesale stores with a varied selection of products sold under a warehouse style format. These stores have a broad product range in the food and non-food area.

**Attachment I****KEY GERMAN CONTACTS FOR THE FOOD RETAIL TRADE**

Note: While it is impractical to provide a complete list, this partial list is for your information only with the understanding that no discrimination is intended and no guarantee of reliability implied.

**Aldi Einkauf GmbH & Co. oHG - Sued**

Burgstrasse 37

45476 Muelheim/Ruhr, Germany

Tel: (49-208) 992 70

Fax: (49-208) 992 72 50

Homepage: [www.aldisued.de](http://www.aldisued.de)**Aldi Einkauf GmbH & Co. oHG - Nord**

Eckenbergstrasse 16

45307 Essen, Germany

Tel: (49-201) 859 30

Fax: (49-201) 859 33 18

Homepage: [www.aldi-essen.de](http://www.aldi-essen.de)**Dohle Handelsgruppe Service GmbH & Co. KG**

Alte Lohmarerstrasse 59

53721 Siegburg, Germany

Tel: (49-2241) 12 20

Fax: (49-2241) 12 24 44

Homepage: [www.hit.de](http://www.hit.de)**EDEKA Zentrale AG & Co. KG**

New-York-Ring 6

22297 Hamburg, Germany

Tel: (49-40) 63 770

Fax: (49-40) 63 77 22 31

Homepage: [www.edeka.de](http://www.edeka.de)**EuroHandelsinstitut e.V.**

Spichernstrasse 55

50672 Koeln, Germany

Tel: (49-221) 57 99 30

Fax: (49-221) 57 99 345

Homepage: [www.ehi.org](http://www.ehi.org)

Organization representing the retail sectors.

**KaDeWe Kaufhaus des Westens**

Tauentzienstrasse 21-24

10789 Berlin, Germany

Tel: (49-30) 212 10

Fax: (49-30) 211 01 90

Homepage: [www.kadewe.de](http://www.kadewe.de)

KaDeWe is the flagship of the Karstadt department store chain. It is comparable to Harrods in London and claims to have the biggest food & delicatessen department in Europe.

**Karstadt Warenhaus AG**

Hauptverwaltung

Theodor-Althoff-Strasse 2

45133 Essen, Germany

Tel: (49-201) 727-1

Fax: (49-201) 727 52 16

Homepage: [www.karstadt.de](http://www.karstadt.de)

**Kaufhof Warenhaus AG**

Hauptverwaltung

Leonhard-Tietz-Strasse 1

50676 Koeln, Germany

Tel: (49-221) 22 30

Fax: (49-221) 22 32 800

Homepage: [www.galeria-kaufhof.de](http://www.galeria-kaufhof.de)

Kaufhof is part of the METRO Group.

**Lekkerland GmbH & Co. KG**

Europaallee 57

50226 Frechen, Germany

Tel: (49-2234) 182 10

Fax: (49-2234) 182 14 45

Homepage: [www.lekkerland.com](http://www.lekkerland.com)**Markant Handels und Service GmbH**

ZHG Ware

Hanns-Martin-Schleyer-Strasse 2

77656 Offenburg, Germany

Tel: (49-781) 61 60

Fax: (49-781) 61 81 83

Homepage: [www.markant.com](http://www.markant.com)**METRO MGE Einkauf GmbH**

Schlueterstrasse 1

40235 Duesseldorf, Germany

Tel: (49-211) 68860

Fax: (49-211) 6886-2000

Homepage: [www.metrogroup.de](http://www.metrogroup.de)

MGE Metro handles buying for the entire Metro group.

**Norma Lebensmittelfilialbetrieb GmbH & Co. KG**

Wuerzburger Strasse 196

90766 Fuerth, Germany

Tel: (49-911) 973 90

Fax: (49-911) 97 39 370

Homepage: [www.norma-online.de](http://www.norma-online.de)**REWE-Zentral AG**

Foreign Trade Dept. - HWA -

Domstrasse 20

50668 Koeln, Germany

Tel: (49-221) 1490

Fax: (49-221) 149 93 71

Homepage: [www.rewe.de](http://www.rewe.de)**Anton Schlecker**

Talstrasse 12

89579 Ehingen/Donau, Germany

Tel: (49-7391) 58 40

Fax: (49-7391) 58 43 00

Homepage: [www.schlecker.de](http://www.schlecker.de)**Schwarz Gruppe (Lidl und Kaufland)**

Roetelstrasse 30-35

74172 Neckarsulm, Germany

Tel: (49-7132) 94 00

Fax: (49-7132) 94 03 00

Homepage: [www.lidl.de](http://www.lidl.de) [www.kaufland.de](http://www.kaufland.de)

**SPAR Handels-AG**

(taken over by Edeka)

Zentraleinkauf

Osterbrooksweg 35-45

22867 Schenefeld, Germany

Tel: (49-40) 83 940

Fax: (49-40) 83 94 19 22

Homepage: [www.spar.de](http://www.spar.de)

**Tengelmann Warenhandelsgesellschaft**

Unternehmenszentrale

Wissollstrasse 5-43

45478 Muelheim/Ruhr, Germany

Tel: (49-208) 580 60

Fax: (49-208) 5806-6401

Homepage: [www.tengelmann.de](http://www.tengelmann.de)

**Wal-Mart Germany GmbH & Co. KG**

Friedrich-Engels-Allee 28

42103 Wuppertal, Germany

Tel: (49-202) 282 90

Fax: (49-202) 2829 1724

Homepage: [www.walmartgermany.de](http://www.walmartgermany.de)