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Canada

Food Service - Hotel Restaurant Institutional

Overview of the HRI Sector in Canada

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Report Highlights:

Canada remains a top U.S. agricultural export destination for consumer-oriented products offering promising opportunities for small businesses to expand their sales to Canada. In fiscal year 2014, U.S. agricultural exports to Canada reached $21.7 billion making Canada the second largest export destination followed by China. However, a closer look reveals Canada remains in the number one position as the ideal export market for U.S. consumer oriented products, reaching $17 billion, an amount double to the second highest export destination, Mexico. For those U.S. food firms with unique and competitively priced products, the food service sector serves as an excellent entry into the Canadian market.

Post:

Ottawa

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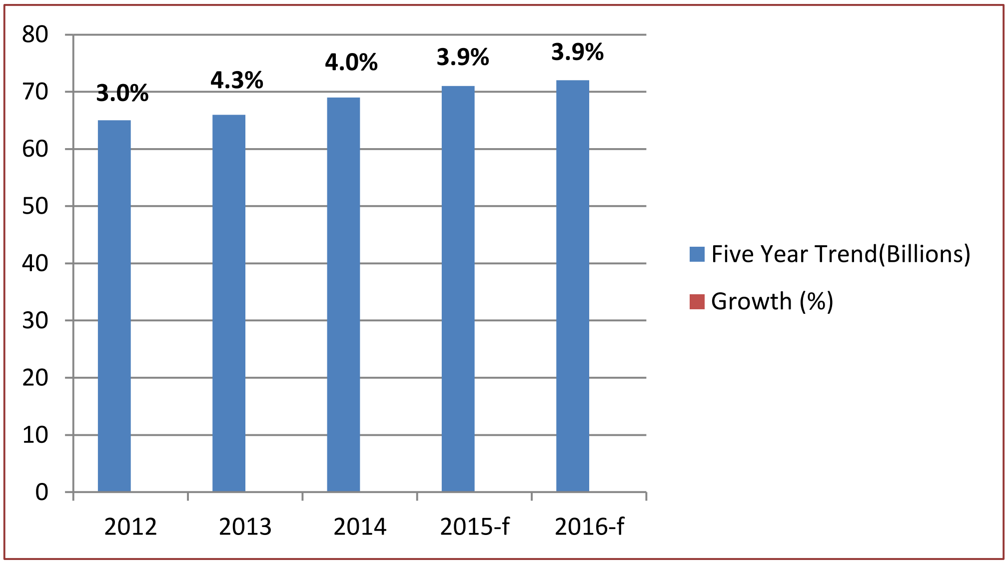
Section I: Market Summary

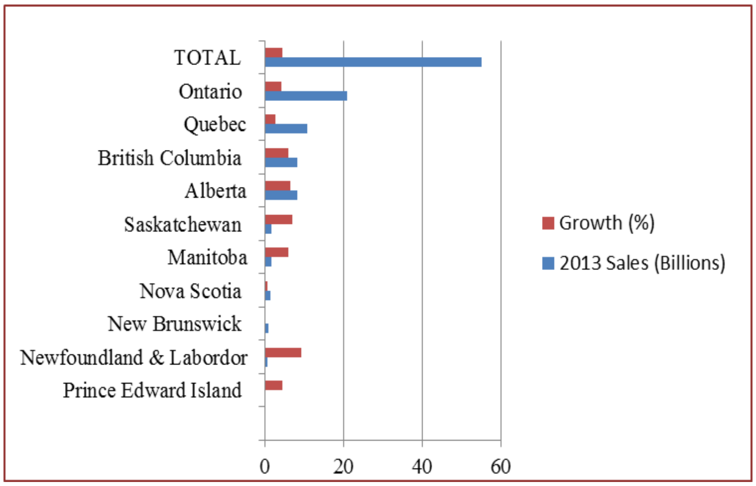
Restaurants Canada national association estimates growth in food service sales at 4 percent at the end of 2014 from the previous year, reaching $69 billion (C$71 billion). The industry is important to Canada's economy as the sector contributes 3.6 percent to the country's GDP. The industry serves as a training ground for a number of young Canadians getting their first job experience. Today, the sector engages 1.1 million workers through 88,800 food service locations in the country. The expected growth for the industry in the coming years continues to look promising as indicated below:



Source: Restaurants Canada and Euromonitor International

Breakdown of HRI Food Sales in Canada by Province and by Sub-Sector for 2013

Both Ontario and Quebec combined represents 61 percent of the total food sales in Canada, this reflects the population and industry concentration. However, Newfoundland and Labrador ranked highest among all the provinces with an increase of sales of 9.2 percent, closely followed by Saskatchewan with 7 percent and Manitoba with 6.1 percent in growth rate this year. Below is a provincial breakdown:



Source: Statistics Canada and Restaurants Canada Industry Forecast

○ **Food Service Subsectors**

The industry falls into three main subsectors. They are hotels and resorts, restaurants, and the institutional foodservice sector.

Hotels and Resorts

Canada attracts over 1.6 million international visitors from around the world with 75 percent of them from the United States. The growing number of visitors help fuel the growth of this segment of the market. The Hotel Association of Canada reports 8,090 hotels, motels and resorts generated revenues of close to $17.1 billion (C$17.6 billion) in 2013 and in that 'accommodation foodservice' sales reached $5.8 billion (C$6 billion)[1]. These establishments accounted for 440,123 rooms. Growth rate for food sales in this was 3.5 percent in 2014.

Canada continues to attract visitors to its numerous destinations and is likely to remain in the top ten global destinations for travelers. Some of Canada's most profitable hotel chains are, Four Seasons Hotels and Resorts, Fairmont Hotels International, Starwood Hotels & Resorts Worldwide, Marriott Hotels of Canada, Wyndham Hotel Group, Invest REIT, Best Western International, and Delta Hotels.

Restaurants

There are 88,800 restaurants, bars and caterers in Canada. Together they generated $56 billion (C$58 billion) in annual sales.[2] The growth rate for 2014 is 4.2 percent. Sixty percent of the establishments are independent while 40 percent are franchised or part of a national or local corporate chain. According to a reacent survey conducted by Vacay.ca that listed the Top 50 Restaurants in Canada, consumers still prefer eating at their favorite independent eatery. Canadians make approximately 18 million restaurant visits daily and lunch continues to be the most popular meal consumed away from home, accounting for 25 percent of these visits. With the influence of eating smaller but healthier meals, along with the growth of independent coffee shops and quick service restaurants, snacking has become more of an 'eating occasion' for consumers. There is a growing demand for healthy food service products that fit the healthing eating trend.

Institutional

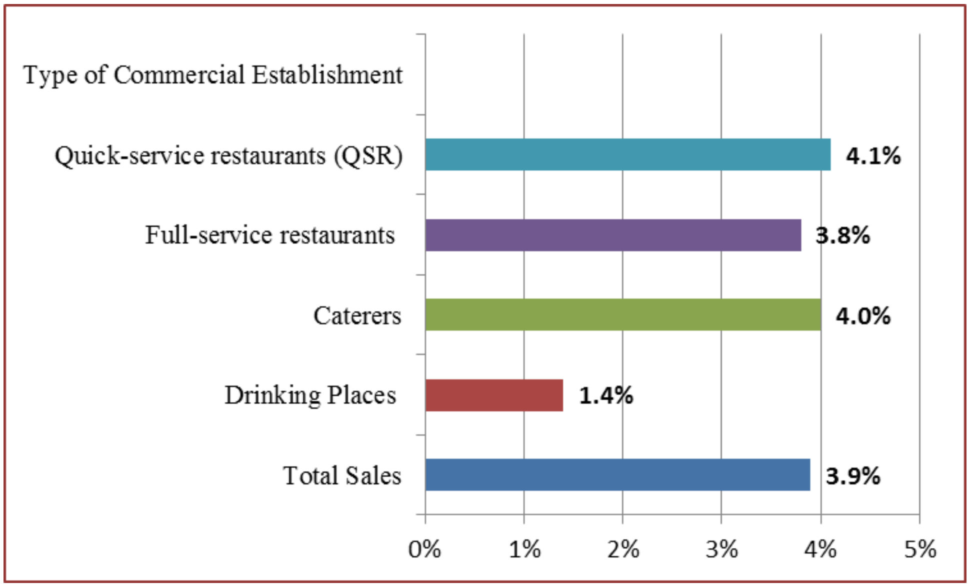
The institutional foodservice sector in Canada reached $3.8 billion (C$4 billion) in 2014[3]. The sector consists of hospitals, residential care facilities, schools, prisons, factories, remote facilities and offices, including patient and inmate meals at correction facilities. While the segment grew at a steady 3.9 percent from the previous year, there are selected channels within the institutional sector that show significant growth due to Canada's aging population as noted in the GAIN Exporter Guide (CA14116 page 4).[4] Food sales destined to retirement facilities grew by 3.5 percent, and those ordered for long-term care facilities rose by 11.4 percent, along with hospital food sales that grew by 3.7 percent.

[1] 2014 Canadian Institutional Foodservice Market Report by *fs*Strategy, p. 10
[2] 2014 Canadian Institutional Foodservice Market Report by *fs*Strategy, p.10
[3] 2014 Canadian Institutional Foodservice Market Report by *fs*Strategy, p.10
[4] Exporter Guide (CA) pages ------

Breakdown of HRI Food Sales in Canada by Sub-sector

	2012 Final	percent Change '12/11	2013 Preliminary	percent Change '13/12	2014 Forecast	percent Change '13/'14
Quick-service Restaurants	$ 23,139.70	5.4 percent	$ 24,114.50	4.2 percent	$ 25,271.30	4.2 percent
Full-service Restaurants	$ 23,631.10	5.3 percent	$ 23,847.30	5.4 percent	$ 24,935.10	4.3 percent
Caterers	$ 4,443.60	5.5 percent	$ 4,644.90	4.5 percent	$ 4,921.20	5.3 percent
Drinking Places	$ 2,355.60	-0.3 percent	$ 2,358.60	0.1 percent	$ 2,395.90	0.6 percent
Total Commercial	**$ 50,024.00**	**5.1 percent**	**$ 54,965.30**	**4.6 percent**	**$ 57,523.60**	**4.2 percent**
Accommodation Foodservice	$ 5,456.00	4.2 percent	$ 5,647.00	3.5 percent	$ 5,886.00	4.2 percent
Institutional Foodservice	$ 3,668.60	3.9 percent	$ 3,898.50	6.3 percent	$ 3,985.20	2.2 percent
Retail Foodservice	$ 1,234.30	-3.4 percent	$ 1,199.40	-2.8 percent	$ 1,229.40	2.5 percent
Other Foodservice*	$ 2,362.00	2.5 percent	$ 2,416.30	2.3 percent	$ 2,484.00	2.8 percent
Total Non-commercial	**$ 12,720.90**	**3.0 percent**	**$ 13,161.30**	**3.5 percent**	**$ 13,585.60**	**3.2 percent**
Total Foodservice	**$ 65,291.00**	**4.7 percent**	**$ 65,503.20**	**4.3 percent**	**$ 70,832.10**	**4.0 percent**
Menu Inflation		2.5 percent		2.3 percent		2.6 percent
Real Growth		**2.2 percent**		**2.0 percent**		**1.4 percent**
Source: Restaurants Canada's InfoStats, Statistics Canada, fsSTRATEGY Inc. and Pannell Kerr Foster						
All dollar amounts above in Canadian millions – USD$1.00 = CAD$1.03						
*Includes vending, sports and private clubs, movie theatres, stadiums, and other seasonal or entertainment operations						

Expected Growth Rate by Commercial Sub-Sector (2015-2018)



Source: Restaurants Canada's Food Service Facts (2014)

Global and Canadian Imports of Consumer Oriented Foods

	Total Global Imports (US$ millions)	**Total U.S. Food Imports** (US$ millions)	**U.S. Share of Market**	**Total Food Service Sales in Canada** (US$ millions)
2010	20,243	12,575	62 percent	59,390
2011	22,818	14,297	62 percent	65,950
2012	24,313	15,535	62 percent	65,261
2013	25,562	16,419	64 percent	66,160
2014	24,312	17,000	63 percent	69,000
2015-f	-	-	-	71,691

Source: Global Atlas Trade

Consumer-oriented Foods are value added products which include portion control meats, fruits, rice, food service packaged vegetables, etc.

Advantages and Challenges for U.S. HRI Food Products

Canadian Market Overview Summary	
Advantages	**Challenges**
Similar eating and buying patterns	A sophisticated selection of product is already available in the Canadian market
Wide exposure to U.S. culture	Dairy and Poultry product imports are controlled and limited by a tariff rate quota system
Geographical proximity provides an advantage in shorter transit delivery times	Higher landed costs, particularly on small shipments
High U.S. brand awareness	More competitive pricing in food service then retail
Frequent business and personal trips to United States by Canadians	Conversion of measurements to metric system required
Ease of business travel to Canada	Standard Canadian English required
Duty free tariff treatment for most products under NAFTA	Differences in nutrition labelling. Not required on food service products but helpful for food service operators.
High U.S. quality and safety perceptions	Differences in chemical residue tolerances
U.S. origin top choice among imported foods	Higher landed costs, particularly on small shipments
Canada's wide ethnic diversity provides a broad specialty cuisine opportunities	

Section II. Road Map for Market Entry

Entry Strategy

Food product manufacturers from the United States seeking to enter the Canadian marketplace have a number of opportunities. The United States is Canada's primary trading partner – with more than 64 percent of Canada's processed food imports originating from the United States. The demand for U.S. foods can be attributed to many factors, such as; proximity to the market, reliable shipping methods, similar business practices and similar food tastes between Canadians and Americans.

Although, Canadians are looking for new and innovative U.S. products, there are a number of challenges U.S. exporters must be prepared to meet. Some of them include currency, customs procedures, regulatory compliancy, and labeling requirements.

Overcoming these hurdles is possible with the right tools. FAS together with agricultural partners facilitate the exporting process and we recommend the following as first steps when entering the Canadian market:

1. Contact your state regional trade office or the international specialist of your State Department of Agriculture.
2. Conduct a thorough research on the competitive marketplace.
3. Locate a Canadian partner, such as a broker/distributor/importer to help in identifying key Canadian accounts.
4. Learn Canadian government standards and regulations that pertain to your product.

Step 1: Contact your State Regional Trade Office or the international specialist of your State Department of Agriculture.

The State Regional Trade Group (SRTG) offices are supported through U.S. government funding. Their goal is to help promote the export of U.S. food and agricultural products from specific geographical regions of the United States. In some cases they are in a position to provide limited financial assistance for small and medium sized firms that meet the U.S. government's criteria for assistance. This assistance may include reimbursements for; marketing and point-of-sale reimbursements, package and label modifications, tradeshows, and advertising. U.S. exporters are encouraged to either contact their State Department of Agriculture's International representative or their regional SRTG office. Click below the appropriate SRTG:

State Regional	Web Site	States
Food Export USA Northeast	http://www.foodexportusa.org	Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont
Food Export Association of the Midwest USA	http://www.foodexport.org	Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin
Southern U.S. Trade Association (SUSTA)	http://www.susta.org	Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Puerto Rico, Virginia, West Virginia

Western U.S. Agricultural Trade Association (WUSATA)	http://www.wusata.org	Alaska, Arizona, American Samoa, California, Colorado, Guam, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming
National Association of State Departments of Agriculture (NASDA)	http://www.nasda.org/9383/States.aspx	State Directory of the State Department of Agriculture

Step 2: Research the competitive marketplace

The State Regional Trade Groups will often have available information on specific markets. In addition, the FAS/Canada publishes market reports through the Global Agriculture Information Network (GAIN) for a number of commodities. To access these reports go to: http://gain.fas.usda.gov/Lists/Advanced percent20Search/AllItems.aspx

Step 3: Locate a Canadian partner - broker/distributor/importer

It is recommended that most new entrants to the Canadian market consider appointing a broker or develop a business relationship with a distributor/importer to enter the Canadian market. As the market is smaller than that of the United States, food companies are urged to closely evaluate their Canadian business partners well before entering into a contractual arrangement. Factors such as work experience, the Canadian firm's financial stability, product familiarity, account base, sales force, executive team commitment, and other considerations should all be taken into account prior to appointing the Canadian partner and or a entering into a future business transactions.

A partial listing of Canadian food brokers is available on our latest brokers report, Agent/Broker Directory – Central Canada (CA 11025) available online at: http://gain.fas.usda.gov

FAS/Canada can provide some assistance in identifying a broker/distributor/importer but is not in a position to endorse any Canadian firm. Furthermore, companies are encouraged to visit and/or participate in specific trade shows in Canada (see http://www.ats-sea.agr.gc.ca/eve/eve-can-eng.htm for a complete listing of trade shows in Canada) as this will help in evaluating the market and meeting potential Canadian partners.

FAS/USDA recommends a number of Canadian food shows. Among them is the Restaurants Canada Show which is the premier foodservice show in Canada. The event attracts 13,000 executives from the food service sector. The show takes place annually from the first Sunday to Tuesday of March each year at the Direct Energy Centre in Toronto. This year the event will take place March 1 – 3, 2015.

Additionally, the show organizers partners with two other foodservice shows in Atlantic Canada and in Vancouver, British Columbia. Although, FAS/Canada currently offers no USA Pavilion, some of the U.S. state agencies exhibit with a state pavilion. Interested U.S. companies are recommended to contact their respective Department of Agriculture representative or Natalie Mestnik, show coordinator at nmestnik@restaurantscanada.org

FAS/USDA endorses one food show in Canada, SIAL Canada that targets primarily the retail trade with some food service operators. The event alternates between Montreal, Quebec and Toronto, Ontario. The show takes place in Montreal the even years and in Toronto the odd years. The next show will take place in Toronto from Tuesday, April 28th to Thursday, April 30th of 2015. The USA Pavilion provides added support to exhibitors, such as an educational briefing breakfast on the Canadian market. U.S. food companies wanting to exhibit in the USA Pavilion may contact Sharon Cook, USDA/FAS Washington, DC at sharon.cook@fas.usda.gov

For those U.S. firms that choose to sell directly into the retail or food service market, then FAS/Canada recommends they closely assess whether the account will encourage or detract from future sales into the market. For example, selling the same brand into a discount chain may discourage future sales in a high-end or specialty shop. Also, selling directly to a large retailer or mass merchandiser may require the U.S. firm meet certain supply quantity guarantees.

Step 4: Understand Canadian government standards and regulations that pertain to your product

Review this Exporter Guide for Canadian government standards and regulations that pertain to your product. FAS/Canada recommends contacting the Canadian National Import Service Centre to ensure all customs paperwork is accurate and allow for pre-clearance of exported goods from the U.S. Canadian agents, distributors, brokers, and/or importers are also very adept to assisting exporters through the import regulatory process.

Canadian National Import Service Centre
7:00 a.m. to 3:00 a.m. (Eastern Time)
Telephone and EDI(electronic data interexchange: 1-800-835-4486 (Canada or U.S.A.)
1-289-247-4099 (local calls and all other countries)
Fax: 1-613-773-9999

Mailing Address:
1050 Courtney Park Drive East
Mississauga, Ontario L5T 2R4

The best entry method depends on the food product and the sub-sector identified as appropriate for each food product. Government and industry import policies and trade acts regulate each sub-sector. Each U.S. export opportunity must be thoroughly investigated relative to the legislation that exists for the product requesting entry. For additional information on the broadest Canadian regulations see the Food and Agricultural Import Regulations and Standards (FAIRS) Country Report and the FAIRS Export Certificate Report available online at: http://gain.fas.usda.gov

Frequently Asked Questions and their Answers

The following are some of the common questions asked by U.S. food and agricultural product exporters of the staff at the Office of Agricultural Affairs in Ottawa.

1. Question: Who can assist me with my labels?

Answer: The Canadian Food Inspection Agency consolidates federal food label review under its "Food Labeling Information Service". At regional locations across Canada, these offices coordinate the requirements of all federal departments to simplify product and label compliancy. It is recommended that U.S. exporters contact the CFIA regional office closest to the targeted marketing area (see list in "Label Review") for further questions.

Some U.S. firms will engage the services of a labelling specialist to ensure they have met compliancy. For those U.S. exporters that meet the criteria to receive export assistance by their respective State Trade Regional Group (SRTG), these costs may qualify for partial reimbursement as noted on page 8 of this report. The marketing section of FAS/Canada maintains a list of established labelling service companies.

2. Question: How do I find a distributor?

Answer: The USDA/FAS Office of Agricultural Affairs, U.S. Embassy and Toronto U.S. Consulate in Canada can provide marketing lists in helping U.S. companies identify a potential broker/distributor. Services available to help exporters locate appropriate brokers/distributors include USDA endorsed pavilions at various Canadian trade shows and referrals to the appropriate State Regional Trade Group (see "Entry Strategy" section).

4. Question: I know that Canada has a tariff rate quota for certain dairy and poultry products. How do I know if my particular dairy or poultry product is going to be affected by Canadian tariff rate quotas?

Answer: For a determination as to whether or not the product you intend to export into Canada is within the scope of Canada's tariff rate quota (TRQ), contact Canada Border Services Agency. Contact information can be found at the following webpage:
http://cbsa-asfc.gc.ca/publications/dm-md/d10/d10-18-1-eng.html

5. Question: How do I identify the major Canadian importers of my product(s)?

Answer: Industry Canada (IC) maintains a database of major Canadian importers by product type. To access the database, go to IC's web page at http://www.ic.gc.ca/eic/site/cid-dic.nsf/eng/home .

6. Question: Will there be import duties on my food products entering Canada?

Answer: Under provisions of the U.S./Canada Free Trade Agreement and the North American Free Trade Agreement (NAFTA), the majority of Canadian import duties on all U.S. food and commercial products have been phased out with a few exceptions like over-quota tariffs on dairy and poultry products. There are federal excise taxes and surcharges on alcoholic beverages. If using the services of a customs broker, there will be clearance and handling fees and these should not be confused for duty charges.

7. Question: I've heard that U.S. fruit and vegetable exporters can't sell apples or potatoes to Canada. Is this true?

Answer: There are package-size regulations restricting bulk imports if Canadian supplies are available, but imports in consumer and wholesale sized packages are permitted. In fact, US apple exports to Canada averaged $150 million per year between 2008 and 2013. Commonly referred to as Canada's "bulk waiver" requirement (or ministerial exemption), processors or packers must apply to the Canadian Food Inspection Agency (CFIA) for a special exemption to import bulk products. In late 2007, the United States and Canada established an arrangement to facilitate bilateral potato trade. The arrangement will provide U.S. potato producers with predictable access to Canadian Ministerial exemptions.

8. Question: My company is new to exporting. Can I test market my product(s) in Canada with my U.S. label? I don't want to produce a label for the Canadian market until I know it will be successful.

Answer: Canada offers a test marketing provision; however, this provision has certain limitations and is specifically designed to facilitate those products that are highly unique and not currently found in Canada. This provision **does not apply to U.S. brand introductions** into Canada for processed foods commonly found on retail shelves. We highly encourage U.S. exporters to work with their respective State Regional Trade Group to see if they qualify for export assistance programs as some of the costs on packaging and labeling modifications may be covered.

USDA/FAS Contacts

Office of Agricultural Affairs
U.S. Embassy, Canada
P.O. Box 5000, MS-30
Ogdensburg, NY 13669-0430
Telephone: (613) 688-5267
Fax: (613) 688-3124
Email: agottawa@fas.usda.gov

Kathryn Ting, Agricultural Minister-Counselor
Jeff Zimmerman, Agricultural Attaché & Director of Marketing
Darlene Dessureault, Senior Agricultural Specialist
Mihai Lupescu, Agricultural Specialist
Sonya Jenkins, Marketing Specialist
Joyce Gagnon, Administrative Assistant

Foreign Agricultural Service
U.S. Consulate General Toronto
P.O. Box 135
Lewiston, NY 14092-0135
Telephone: (416) 646-1656
Fax: (416) 646-1389
Email: agtoronto@fas.usda.gov

Maria Arbulu, Senior Agricultural Marketing Specialist

Canadian Government Standards and Regulations

The Canadian Government has multiple acts that govern the importation and sales of foods. As previously noted, the Canadian government is overhauling its food and beverage regulations and will eventually combine them all into one larger price of legislation. For now, some of the most important laws in place are:

- Canada Agricultural Product Act and Associated Regulations
- Consumer Packaging and Labelling Act
- Fish Inspection Act
- Food and Drug Act
- Food and Drug Regulations
- Importation of Intoxicating Liquors Act
- Meat Inspection Act
- Weight and Measures Act

A more thorough outline of applicable acts and regulations can be found on the Canadian Food Inspection Agency's website at: www.inspection.gc.ca.

U.S. exporters are urged to review the GAIN Export Guide (CA 14116) or review all regulations at the

Automated Import Reference System (AIRS) of the Canadian Food Inspection Agency

http://www.inspection.gc.ca/english/imp/airse.shtml

Labelling Exemptions

Products destined for the HRI segment are exempt from bilingual labeling companies and nutritional labelling. This is noted here:

> Foods for Commercial or Industrial Enterprise or Institution
> http://www.inspection.gc.ca/food/labelling/food-labelling-for-industry/nutrition-labelling/specific-foods/eng/1387901822866/1387901911502?chap=3
>
> Exemptions [B.01.012(11), Food Drug Regulations (FDR)]
> http://www.inspection.gc.ca/food/labelling/food-labelling-for-industry/shipping-containers/eng/1388169517831/1388169518862?chap=2#s2c2

While these foods are exempt from nutritionally labelling, a growing number of manufacturers are providing this information on a voluntary basis due to the growing trend to eat healthy. More and more establishments are finding it beneficial to provide nutritional information for their customers. To learn more go to:

> *Nutritional Labelling Regulations for Foods Sold in Restaurants and Food Service Establishments*
> http://www.inspection.gc.ca/food/labelling/food-labelling-for-industry/nutrition-labelling/additional-information/restaurants-and-food-service-establishments/eng/1409850385603/1409850437890

Exporters are encouraged to stay abreast of the latest developments as Canadian government as the regulations are currently being modernized and a number of food regulations are likely to affect business procedures between U.S exporters and their Canadian partners.

Summary of Useful Websites

The following is a listing of the major Canadian websites mentioned in the body of this report:

Canada Border Services Agency	http://www.cbsa-asfc.gc.ca/menu-eng.html

Canadian Food Inspection Agency	
Home Page	http://www.inspection.gc.ca
Acts and Regulations	http://www.cfia-acia.agr.ca/english/reg/rege.shtml
Guide to Food Labelling and Advertising	http://www.inspection.gc.ca/english/fssa/labeti/guide/toce.shtml
Meat & Poultry Inspection Regulations	http://www.inspection.gc.ca/english/fssa/meavia/meaviae.shtml
Fish Import Program Policy	http://www.inspection.gc.ca/food/fish-and-seafood/imports/documents/fish-import-program-policy/eng/1360859473208/1360859694298
New Regulatory Framework for Federal Food Inspection	http://www.inspection.gc.ca/about-the-cfia/transforming-the-cfia/action-plan/food-regulatory-forum/presentations/discussion-document/eng/1370029593829/1370029641557?chap=10

Department of Foreign Affairs and International Trade	http://www.international.gc.ca/international/index.aspx

Bank of Canada *Daily Currency Convertor*	http://www.bankofcanada.ca/rates/exchange/daily-converter/

Industry Canada	
Home Page	http://www.ic.gc.ca/eic/site/ic1.nsf/eng/home
Canadian Importers Database	http://www.ic.gc.ca/eic/site/cid-dic.nsf/eng/home
Trade Data Online	http://www.ic.gc.ca/eic/site/tdo-dcd.nsf/eng/Home

Health Canada	
Home Page	http://www.hc-sc.gc.ca/index-eng.php
Food and Drugs Act	http://laws.justice.gc.ca/en/F-27/
Nutrition Labeling	http://www.hc-sc.gc.ca/fn-an/label-etiquet/nutrition/index_e.html
Natural Health Products	http://www.hc-sc.gc.ca/dhp-mps/pubs/natur/index-eng.php
Food Allergen Labeling	http://www.hc-sc.gc.ca/fn-an/label-etiquet/allergen/index-eng.php
Proposed Changes to Format Requirement on Nutrition	http://www.hc-sc.gc.ca/fn-an/consult/2014-format-requirements-exigences-presentation/index-eng.php
Novel Foods	http://www.hc-sc.gc.ca/fn-an/gmf-agm/index-eng.php

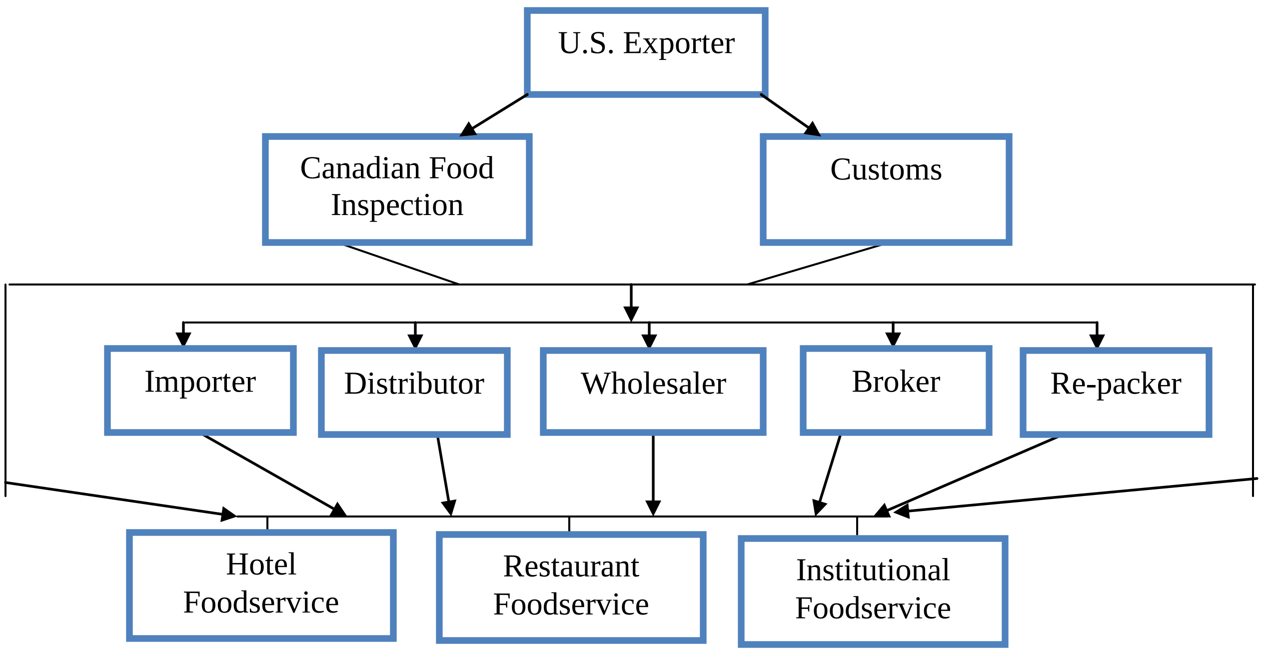
Justice Department	
On-Line Access to Official Canadian Acts & Regulations	http://www.justice.gc.ca

Pest Management Regulatory Agency	
Maximum Residue Levels	http://www.pmra-arla.gc.ca/english/aboutpmra/about-e.html

Pest Management Regulatory Agency	
Maximum Residue Levels	http://www.pmra-arla.gc.ca/english/aboutpmra/about-e.html

Media Publications and Associations	
FoodService and Hospitality	http://www.foodserviceworld.com
Canadian Restaurant & Foodservice News Restaurant Central	http://www.restaurantcentral.ca/
Canadian Hotel Association	http://www.hotelassociation.ca/site/Grassroots/Default.asp
Hotelier Magazine	http://www.hoteliermagazine.com/
National Foodservice Distributors Association (Canada)	http://nfda.ca/our-members
Restaurants Canada Association	https://restaurantscanada.org/
Restaurants Canada Foodservice Buyers Guide	http://buyersguide.restaurantscanada.org/Categories.aspx

Section III. Market Structure and Food Service Distribution Channel



Foodservice Distributors

Domestic and imported food products in the Canadian market may route directly to foodservice establishments but a number of the accounts filter through importers, brokers, food distributors, wholesalers and/or re-packers. These types of distributors are selling directly to the HRI accounts. The two largest and national foodservice distribution chains in Canada are Gordon Food Service and Sysco. However, there are a number of regional food service distributors that offer a specialty products, such as meatless or organic food products. Large HRI chains may choose to purchase directly through customized growing agreements, contract purchasing, central procurement office or from a chain-wide designated distributor.

Canadian Partners - Broker/Food Distributor/Importer Arrangements

U.S. firms, particularly small to medium sized firms are recommended to partner with a Canadian food broker/food distributor/importer.[5] Most food distributors and importers will import and take title of the product. The product will likely be stored in their warehouse and then sold to various foodservice accounts.

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[5] There is a distinction between food distributors and foodservice distributors. The prior, may not solely specialize in selling foodservice products to food service accounts but may carry retail lines. Foodservice distributors sell strictly to HRI accounts.

Brokers on the other hand, usually do not take title of the goods but act as sales people to help develop awareness for the product. There are some brokers that simply specialize in brokering foodservice products while others represent a combination of foodservice and retail products. Exporters are recommended to inquire a prospective' s business split between foodservice and retail to help them assess if the Canadian firm has sufficient expertise and time to develop key HRI accounts. In most cases, once a firm appoints a broker they will be responsible of setting up a network of foodservice distributors. These foodservice distributors well then list in their catalog of offerings. Additionally, brokers can help identify large and/or national HRI accounts to help pitch the product into the account. Usually brokers take a percentage of the product sales revenue, ranging from 3 percent to 10 percent. The percentage is influenced by several factors: the type of product, the uniqueness, the expected sales volume, arrangements for additional services such as planning promotions or data collection. In the beginning, a broker may request a monthly retainer fee as they must 'pioneer' the product to prospective foodservice distributors and accounts. Once targeted sales volumes are reached then the broker may switch to a percentage of the sales as mentioned earlier. All fees are negotiated between the principal and the broker prior to future transactions.

Sub-Sector Profiles

Hotels and Resorts

Company Name	Head Office Location	Number of Outlets	Sales †($ Mil)/2013
Four Seasons Hotels and Resorts	Toronto, ON	92	$4,174.76
Fairmont Raffles Hotels International	Toronto, ON	109	$3,878.25
Starwood Hotels and Resorts Worldwide Inc.	Stamford, CT	66	$ 858.25
Marriott Hotels of Canada	Mississauga, ON	74	$ 771.56
Wyndham Hotel Group	Parsippany, NJ	497	$ 768.83
IHG (InterContinental Hotels Group)	Atlanta, GA	164	$ 714.56
InnVest REIT	Mississauga, ON	128	$ 577.08
Best Western International	Phoenix, AZ	194	$ 549.51
Delta Hotels	Toronto, ON	41	$ 529.13
Hilton Canada Co.	Mississauga, ON	93	$ 527.18
Choice Hotels Canada Inc.	Mississauga, ON	308	$ 494.27
Atlific Hotels	Montreal, QC	60	$ 411.65
Source: Hotel Association of Canada Hotel Industry Facts Sheet (2013) *Exchange Rate used US$1.00 = C$1.03*			

In 2013, the accommodation sector in Canada generated $16.2 billion (C$16.7 billion) in revenue. For 2014, the occupancy rate is projected to reach 64 percent while the average daily rate is expected to be $132 (C$136).

Restaurants

Company Name	Head Office Location	Number of Outlets	Sales †($ Mil)/2013
Tim Horton's Inc.*	Oakville, ON	4,485	$6,572.81
McDonald's Restaurants of Canada Ltd.**	Toronto, ON	1,427	$3,747.57
Subway (Doctor's Associates Inc.)	Milford, CT	3,025	$1,553.40
Starbucks Coffee Canada Inc.	Toronto, ON	1,300	$ 970.88
Boston Pizza International Inc.*	Mississauga, ON	355	$ 946.41
A&W Food Services of Canada Inc.	Vancouver, BC	802	$ 865.34
Wendy's Restaurants of Canada**	Oakville, ON	369	$ 632.04
KFC (Yum Restaurants International Canada company)[2]	Vaughan, ON	663	$ 611.65
Coldstone Creamery (Kahala Corp.)*	Scottsdale, AZ	1,600	$ 551.46
Swiss Chalet (Cara Operations Ltd.) **	Vaughan, ON	215	$ 500.90
International Dairy Queen Canada Inc.	Burlington, ON	602	$ 480.10
Keg Steakhouse and Bar*	Richmond, ON	102	$ 461.07
Pizza Pizza*	Toronto, ON	395	$ 399.13
Burger King Restaurants of Canada, Inc.	Montreal, QC	289	$ 364.76
Pizza Hut (Yum Restaurants International Canada Company)	Vaughan, ON	345	$ 298.54

Source: Foodservice and Hospitality Magazine Top 100 Report
* Canadian owned company whose operations outside Canada are reflected in revenues and units
** Sales estimated
Exchange Rate used US$1.00 = C$1.03

Institutional

Company Name	Head Office Location	Number of Outlets	Sales †($ Mil)/2013
Compass Group Canada	Mississauga, ON	2,228 (focus on educational institutions, hospitals, airports, businesses)	$1,456.31
Aramark Canada Ltd.	Toronto, ON	1,500 (focus on health-care, educational, public and remote-market businesses)	$ 959.00
Sodexo Canada Ltd.**	Burlington, ON	750 (focus on educational institutions, hospitals and corporate businesses)	$ 530.10
Dana Hospitality Inc.	Oakville, ON	109 (residential and educational foodservice, resource industries, seniors' market)	$ 48.54
ClubLink Corporation	King City, ON	34 (Golf Courses)	$ 35.63
byPeterandPauls.com	Vaughan, ON	7 (catering and banquet halls)	$ 26.21

Source: Foodservice and Hospitality Magazine Top 100 Report
* Canadian owned company whose operations outside Canada are reflected in revenues and units
** Sales estimated
Exchange Rate used US$1.00 = C$1.03

Partial Listing of Foodservice Distributors

Company Name	Head Office	Geographical Coverage	Website
Sysco Food Services of Canada, Inc.	Toronto, ON	National	www.sysco.ca
Gordon F. Service	Milton, ON	National	www.gfscanada.com
Colabor	Boucherville, QC	Quebec, Ontario & Atlantic Canada	www.colabor.com
Flanagan FoodService	Kitchener, ON	Ontario	www.flanagan.ca
Reliable Food Supplies	Mississauga, ON	Greater Toronto Area	www.reliablefoods.com
I-D Foods Corp.	Laval, QC	Ontario & Quebec	www.idfoods.com
Stewart Foodservice Inc.	Barrie, ON	Ontario	www.stewartfoodservice.com
Pratts Foodservice	Winnipeg, MB	Alberta & Manitoba	www.pratts.ca
Belmont Meats	Toronto, ON	Greater Toronto Area	www.belmontmeats.com
Beverage World	Stoney Creek, ON	Ontario	www.beverageworld.ca
Classic Gourmet Coffee	Concord, ON	Ontario	www.classiccoffee.ca
Willoughby Distribution Inc.	Don Mills, ON	Ontario	www.willoughbydistribution.ca
PepsiCo Canada	Mississauga, ON	National	www.pepisico.ca
UNFI Canada (Foodservice Division)	Concord, ON	National	www.unfi.com
J & D Food Services	Edmonton, ON	Alberta	www.jdfoodservices.ca
Source: Scotts Directories and The Big Black Book 2013			

Section IV. The GRID on Leading U.S. Products and the Competition

Product Category	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
FRESH FRUITS & VEGETABLES **VEGETABLES**: CANADIAN GLOBAL IMPORTS (2013): U.S.$2.4. BILLION	VEGETABLES: 1. U.S.: 67 percent 2. Mexico: 26 percent 3. China: 2 percent	▪ Canada is the largest foreign buyer of U.S. fruits and vegetables. The U.S. benefits from relatively unimpeded export access into Canada during Canada's winter or non-growing months. ▪ Among imports, U.S. fruits and vegetables are viewed by most Canadians as their number one choice to other imports. ▪ Mexico maintained the same level of market share in Canada for the last three years. They remain a major competitor due to lower prices, along with some Canadian produce companies with winter operations in Mexico. Their leading products are tomatoes, cucumbers, asparagus, raspberries/blackberries/strawberries, peppers, avocados, watermelons, papayas, lemons/ limes. ▪ Chile is competitive with their leading exports of grapes, berries. They offer apples and cherries as well.	▪ Lettuce, onions, carrots, tomatoes, potatoes, cauliflower, and spinach are the leading vegetables sold in the fresh market. ▪ Apples are the largest production item, followed by blueberries, cranberries, grapes and peaches. ▪ Seasonality poses a constraint to growers; Canada imports 80 percent of its fresh vegetables between November and June. ▪ The 'Buy Local' campaigns are well supported by grocery retailers starting in June through October.
FRUIT: CANADIAN GLOBAL IMPORTS (2013): U.S. $3.5 BILLION	FRUIT: 1. U.S.: 48 percent 2. Mexico: 13 percent 3. Chile: 9 percent		
PROCESSED FRUITS AND VEGETABLES CANADIAN GLOBAL IMPORTS (2013): U.S. $2.2 BILLION	1. U.S.: 61 percent 2. China: 8 percent 3. Mexico: 4 percent	▪ There is a full range of prepared and frozen products. Major products are prepared potatoes, tomato paste, mixes fruits, and variety of processed vegetables. ▪ U.S. is a major player in the market with established process brands in the market. ▪ China's products are dried and prepared vegetables and fruits. ▪ Mexico supplies prepared and frozen strawberries and other prepared fruits and vegetables.	▪ Canadian companies process a wide range of canned, chilled, and frozen products. ▪ Adoption of advanced technologies in food processing has been fairly extensive among Canadian processors. Statistics Canada reported almost 50 percent companies adopted more than 5 new technologies in their operations. ▪ Higher manufacturing and operation costs than in the U.S.

Product Category *(continued)*	**Major Supply Sources**	**Strengths of Key Supply Countries**	**Advantages and Disadvantages of Local Suppliers**
SNACK FOODS CANADIAN GLOBAL IMPORTS (2013): U.S. $1.8 BILLION (excluding peanuts)	1. U.S.: 79 percent 2. Germany: 3 percent 3. U.K.: 2 percent	▪ The U.S. dominates this category with snack breads, pastry cakes, pretzels, chips, cookies, and dried fruits, ▪ Competitors vary by sub category with the main competitor and sub category as follows: Germany: cocoa, confectionaries and chocolate; Belgium: chocolate and confections. U.K. and Switzerland; chocolate, along with confection and non-confection items.	▪ Canada's snack food imports have grown by U.S. $236 million since 2011. The category includes chocolate and non-chocolate confectionary, cookies, crackers, potato chips, corn chips, popped popcorn, pretzels, and extruded cheese snacks, seed snacks, mixed nuts, peanuts and peanut butter, as well as pork rinds. ▪ The snack food industry is served primarily by domestic manufacturers however domestic market share is being lost to imports. The rapid increase in imports is due both to the strengthening Canadian dollar and a number of new products in the category, many targeted at specific ethnic groups ▪ Canada does have domestic raw materials for the grain based products but has to import sugar, chocolate, cacao, and nuts for manufacturing and is not competitive on dairy and egg ingredients used in some of the processing.
RED MEATS (Fresh/Chilled/Frozen) CANADIAN GLOBAL IMPORTS (2013): U.S. $1.8 BILLION **RED MEATS** (Prepared/Preserved) CANADIAN GLOBAL IMPORTS (2013): U.S. $987 MILLION	1. U.S.: 79 percent 2. Australia: 8 percent: 3. New Zealand: 8 percent 1. U.S.: 93 percent 2. Thailand 2 percent 3. Brazil 1 percent	▪ Beef imports fall into two distinct categories. The largest portion of imports being chilled cuts traditionally from the U.S. Midwest heavily destined for the Ontario region. The other part is frozen manufacturing meat from Australia (for grinding) and New Zealand (largely for specific manufacturing purposes). ▪ Many parts of South America, remain ineligible for entry to Canada (except as a supplier of cooked and canned beef) due to sanitary reasons. ▪ U.S. competitors are limited by a beef quota.	▪ Canada maintains a narrow acquired feed cost advantage. ▪ Canada continues to grow as a key U.S. pork export market. Canadian hog production numbers have been declining across the country and U.S. pork imports are up 16 percent due to market structures and the Canadian strong dollar. ▪ The industry has worked its way out of the inventory surge from the BSE trade disruption. Canadian exports have been sluggish due to a strong Canadian dollar. ▪ Canadian per capita basis consumption has declined since 2006 from 31 kg to 29 kg.

Product Category *(continued)*	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
FISH & SEAFOOD CANADIAN GLOBAL IMPORTS (2013): U.S. $2.6 BILLION	1. U.S.: 35 percent 2. China 15 percent 3. Thailand: 14 percent	▪ Two major categories make up approximately half of the imports ▪ Fish filleting is extremely labor intensive, which accounts for the rapid penetration of China and Thailand in this segment. ▪ With ocean catches having peaked, aqua culture is becoming a more important source of product and China is the dominant producer of farmed fish and seafood in the world. ▪ A growing concern among consumers and retailers for sustainable production practices may help some U.S. fish processors. ▪ More than two-thirds of seafood is sold by retailers.	▪ Declining fish stocks have lad to almost zero growth in fish and seafood catch over the last decade. ▪ In total, the capture fishery accounts for 76 percent of total fish and seafood production in Canada. ▪ Lobster, crab and shrimp comprise 67 percent of the landed value of all fish and shellfish harvested in Canada. ▪ Aquaculture is increasing in importance. Key products include farmed salmon, trout, steelhead, arctic char, blue mussels, oysters and manila clams. ▪ At approximately 50 lbs. per person, Canadian consumption of fish is significantly higher than in the U.S. 16.5 lbs. per person, making Canada an excellent export market for U.S. exporters.
BREAKFAST CEREALS/PANCAKE MIXES CANADIAN GLOBAL IMPORTS (2013): U.S. $480 MILLION	1. U.S.: 93 percent 2. U.K.: 2 percent 3. Spain: 1 percent	▪ Breakfast cereal imports have grown by over US $202 million since 2007. The U.S. continues to dominate imports although a variety of competitors are all growing small niche positions. ▪ Canada represents the largest market for U.S. Breakfast cereals accounting for approximately 66 percent of U.S total exports.	▪ Sales and manufacturing in Canada is largely controlled by U.S. based companies. ▪ Domestic non-U.S. owned competitors tend to be in the specialty or organic breakfast cereal business. ▪ Canadian consumption of breakfast cereals reached an annual 9 lbs per person. ▪ Three key trends in cereal consumption have driven continues growth, reduced sugar, high fiber whole wheat, and hot cereals.

Product Category *(continued)*	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
FRUIT & VEGETABLE JUICES CANADIAN GLOBAL IMPORTS (2013): U.S. $721 MILLION	1. U.S.: 63 percent 2. Brazil 16 percent 3. China 8 percent	▪ U.S. imports to Canada increased with the continued growth of juice products, particularly fresh orange juice and other mixed fruit and vegetable juices. ▪ Brazil is the leader in frozen orange juice concentrate, with 55 percent share of the market which has incrementally decreased since 2011. ▪ China's major juice export to Canada is fortified apple juice; China represents 89 percent of this import market.	▪ Canada is a major per capita consumer of citrus juices but is unable to grow these products. It will continue to be an exceptional value added market for the U.S. ▪ Both Canada and the U.S. have experienced major penetration by Chinese apple juice due to the major shift of Chinese agriculture toward labor-intensive crops and labor intensive processing.
NUTS CANADIAN GLOBAL IMPORTS (2013): Tree Nuts U.S. $582 MILLION Peanuts U.S. $113 MILLION	Tree Nuts 1. U.S.: 60 percent 2. Turkey: 14 percent 3. Vietnam: 9 percent Peanuts 1. U.S. : 80 percent 2. China: 16 percent 3. Nicaragua: 2 percent	▪ From 2012 and 2013 while the amount of U.S. imports marginally increased by 1 percent their share of market in Canada increased by 23 percent. Tree nuts increased 14 percent during the same period. ▪ US products lead with peanuts and almonds is preferred by Canadian importers as it meets Canadian sanitary and phytosanitary standards consistently. ▪ Turkey is a competitive supplier of Hazelnuts. ▪ Vietnam competes with cashew nuts. ▪ Nicaragua provides shelled peanuts to Canadians. ▪ Growing trend of nut allergens by Canadians caused the Canadian Food Inspection Agency and Health Canada to set specific allergen labeling regulations for all suppliers in 2012.	▪ Canada has areas of Ontario, which can grow peanuts, but it has not done so in commercial quantities as the returns are not competitive with other crop alternatives. Similarly British Columbia and other provinces produce small quantities of a number of tree nuts including hazelnuts. However, in general, Canada is not price competitive.

Products Imported in Canada Facing Significant Barriers

Product Category	Major Supply	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers

(continued)	Sources		
POULTRY MEAT CANADIAN GLOBAL IMPORTS (2013): U.S. $467 MILLION	1. U.S.: 89 percent 2. Brazil: 9 percent 3. Hungary: 1 percent	▪ The U.S. is the world's largest producer of poultry meat. Brazil is the largest exporter of poultry meat and can land product in Canada at a lower cost compared to the U.S. ▪ Brazil has rapidly expanded its share of the Canadian broiler market except with Canadian further processing plants that do not want to take the risk of commingling U.S. and Brazilian origin which would result in being unable to sell processed products to the U.S.A. ▪ Increases in imports of U.S. chicken are due in part to imports under the Canadian Import for Re-Export Program (IREP).	▪ The Canadian poultry industry is a Tariff Regulated Industry with live bird and meat prices well above the world market. The Canadian strategy has been to differentiate the product particularly at retail through air chilling and such additional attributes as 'vegetable grain fed chicken" However the scale of plant operations in Canada remains relatively small due to the supply managed system. In an effort to mitigate this and to offset difficulty obtaining labor, Canadian processing plants are among the most highly mechanized sectors in Canadian agriculture and employ the latest in robotics. ▪ The Canadian industry has significantly increased surveillance since the A.I. outbreaks in B.C. in 2004 and has continuously improved bio-security measures.

Products Imported in Canada Facing Significant Barriers

Product Category	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers

DAIRY CANADIAN GLOBAL IMPORTS (2013): (excluding cheese): U.S. $345 MILLION (Cheese/Processed & Prepared) : U.S. $265 MILLION	1. U.S.: 65 percent 2. Argentina: 11 percent 3. NewZealand:9 percent 1. U.S. 26 percent 2. Italy 21 percent 3. France 19 percent	• The U.S.'s close proximity to market, speedy delivery, and significant freight advantage has allowed it to be competitive in the Canadian Import for Re-export Program (IREP) which allows U.S. dairy product to be imported into Canada duty free, and used in further processing, provided the product is subsequently exported. • The European Union has a distinct advantage in the cheese trade since it has been allocated 66 percent of Canada's cheese quota as a result of the 1994 Agreement on Agriculture (AoA). Though details of the CETA free trade agreement between Canada and the EU have yet to be finalized, it is expected that this advantage will either increase or be maintained. • New Zealand has a cost leadership advantage. Low costs of production due to the availability of year-round pasturage have helped New Zealand achieve a 30 percent share of world dairy exports. New Zealand has an additional advantage on butter imports into Canada and hold 61 percent of Canada's import quota for butter.	▪ The Canadian dairy market operates under a supply management system, which attempts to match domestic supply with domestic demand while paying producers on a cost of production related formula. This system has tended to price dairy products above prevailing world levels. Imports are controlled under Tariff-rate-quota (TRQ) and over quota imports are subject to high tariffs. ▪ American suppliers have taken advantage of the Import for Re-export Program (IREP), which allows Canadian processors to import dairy products used in manufacturing provided the product is exported. The U.S. is the largest user of this program due to the perishable nature of the products. ▪ Canadian tariff rate quotas stipulate a 50-per-cent dairy content guideline for imported product, resulting in the creation of ingredients and blend products that are designed to circumvent this guideline. Butter-oil-sugar blends were the first major products to be imported tariff-free, displacing Canadian milk for ice cream. More recently there has been an increase in flavored milks imported as "beverages" and a number of milk proteins which are not captured by the dairy TRQ.

Products Imported in Canada Facing Significant Barriers			
Product Category	**Major Supply Sources**	**Strengths of Key Supply Countries**	**Advantages and Disadvantages of Local Suppliers**

EGGS & EGG PRODUCTS CANADIAN GLOBAL IMPORTS (2013): U.S. $105 MILLION	1. U.S.: 96 percent 2. China: 3 percent	• The U.S. egg industry traditionally fills Canada's needs when supply is seasonally low. There were significant increases in U.S. imports following the Avian Flu outbreaks in B.C. to both avert shortages in the market and rebuild the hatching egg supply. • The U.S. has also become a supplier of organic eggs to Canada.	• Canada's egg industry operates under Supply Management, which is designed to encourage production of a sufficient volume of eggs to meet market needs without creating surplus. The market is protected by high tariffs. Today, about 75 percent of Canada's total egg production is sold for the table market, while the remaining 25 percent is used in the manufacturing of value-added food and other products (liquid, frozen or dried form). These supplies are supplemented by imports and a Tariff Rate Quota system. • The Canadian industry has made considerable inroads at retail with differentiated egg offerings such as "free range", Omega 3, and Organic all of which are sold at a premium.. The Canadian Egg Marketing Agency has a sustained media campaign focused on the health benefits of eggs to support retail movement.

Section V. Growing Trends

Diet Friendly

Healthy eating has been a growing trend in Canada over the last several years. As a result, many Canadians have become more aware of what their food contains and have identified certain ingredients they would like to exclude. Demand for foods that are free of gluten, trans-fats, sugar and/or lactose is growing. Functional foods and organics also continue to be popular. Voluntary sodium reductions are taking place in processed products of all kinds to take advantage of this trend.

Snacking

Snacking continues to grow in importance in the Canadian market. In Technomic's 2013 "Canadian Snacking Consumer Trend Report," 56 percent of respondents revealed that they snack at least twice per day. Foodservice outlets are responding by altering their menus, McDonald's snack wraps are an example. Snacking also blurs the line between traditional dayparts, which has caused some outlets to extend their service to allow for late-night options, longer breakfast hours, etc. As an extension of this, small plates and sharing meals are also becoming more popular in foodservice outlets.

Vegetables

Vegetables are moving to the center of the plate in Canada and are no longer treated as solely side dishes. This is a continuation of the trend toward healthy eating, which is now seeing more consumers embrace "flexitarian" choices that do not always include meat. Leafy greens, such as kale and mustard greens, are particularly expected to grow further in popularity in 2014.

Ethnic Foods

Asian food is projected to continue to grow in popularity in the coming year. While Southeast Asian cuisine will again be popular, there will also be a focus on more traditional and regional offerings from China and Japan. In many cities in Canada, izakayas (casual, Japanese drinking establishments) as well as noodle and ramen bars are popping up. In addition, meals that are a fusion of cuisines (i.e. Vietnamese and Italian) will become more common.

Section VI. Top Ten Hot Trends on Canadian Menus

	Product
1	Gluten free/Food allergy sensitive foods

2	Quinoa
3	Locally sourced foods
4	Leafy greens, examples as kale, swiss chard, mustard greens, collard greens, dandelion, beet greens
5	Craft beer
6	Food smoking
7	Heirloom fruit and vegetables, examples as tomatoes, beans, and apples
8	Charcuterie/house-cured meats
9	Food trucks
10	Inexpensive /underused cuts of meat, examples as beef cheek, brisket, pork shoulder, skirt steak
Source: CRFA's Foodservice Facts 2014	

Top Five Established Menu Items

1. French Fries	• 2012: 15% • 2013: 14.6%
2. Chicken/Poultry Entrees	• 2012: 13% • 2013: 13.8%
3. Burgers	• 2012: 11% • 2013: 10.6%
4. Salads	• 2012: 9% • 2012: 8.5%
5. Seafood/Fish	• 2012: 6% • 2013: 6.9%

Market Sector Reports

Listed below are the food sector and marketing reports published by FAS Canada. For a complete listing of other Post reports and of FAS' worldwide agricultural reporting, visit the FAS GAIN web page at http://gain.fas.usda.gov.

Additionally, *This Week in Canadian Agriculture* is a periodic newsletter containing summaries of developments in the Canadian market, including regulatory changes. To be added to the distribution list, please contact FAS Canada at agottawa@fas.usda.gov.

AGR REPORT#	Title of Report	Date
CA 14117	An Overview of the Food Processing Sector in Canada	12/17/14
CA 14116	Exporter Guide: A Practical Handbook	12/19/14
CA 14115	Dairy and Dairy Products Annual	12/12/14
CA 14113	FAIRS Export Certificate Report	12/05/14
CA 14103	Entering Canada with Products for a Show or Trade Fair	11/07/14
CA 14090	Potato Annual	10/10/14
CA 14088	Livestock Annual	10/07/14
CA 14087	Canada Announces Consultations on Standards of Identity for Beer	10/07/14
CA 14078	Poultry Annual	10/21/14
CA 14075	CFIA Webinar on New Food Regulations	08/08/14
CA 14072	Nutritional Labelling – Additional Consultations Documents	08/05/14
CA 14054	Turkey Meat in Canada	05/28/14
CA 14044	Impact of Canadian Trade Action Taken Against US-Origin Pizza Toppings Kits	05/07/14
CA 14024	Canadians to Consume More Poultry Meat in 2014	02/27/14
CA 14017	Canada Top Market for U.S. High Value Agricultural Exports	02/10/14
CA 14022	Retail Foods – Canada	02/19/14
CA 14009	Polar Vortex May Create Opportunities for U.S. Wines	01/22/14
CA 13008	Survey Voluntary – Canadian Consumer Insights	02/08/13

Appendix A. Trade and Demographic Information

Agricultural Imports/from All Countries/2013/U.S. Market Share [1/]	$33.4 billion/ 61 percent
Consumer Food Imports/from All Countries/2012/U.S. Market Share [1/]	$25.6 billion/ 64 percent
Total Population, July 2014 [2/]	35.5 million
Urban Population / Rural Population / Percent Urban/2006 [2/]	25.2 mil./6.2 mil/ 80 percent urban/ 20 percent rural
Number of Metropolitan Areas Over 100,000	33
Per Capita Gross Domestic Product (U.S. dollars); 2013 [3/estimate]	$43,100
Unemployment Rate (September 2014), Statistics Canada	6.8 percent

Average Household Spending on food and drink, retail/foodservice, 2012; (U.S. dollars) [4/]	$626 monthly/ $7,514 annually • $5,410/Retail • $2,104/Foodservice
Total Employment / Full & Part Time; November 2013 [5/]	17.8 million
Exchange Rate, average annual 2013 [6/]	$1USD = $1.03CAD

Footnotes:
[1]/Global Trade Atlas
[2]/Statistics Canada
[3]/ CIA World Factbook
[4]/ 2011 Survey of Household Spending Statistics Canada/based on 19.5 million households
[5]/ Canada: Economic and Financial Data, Statistics Canada
[6]/ Bank of Canada

Appendix B. Summary of Key Resources

Agricultural and Agri-Canada. (2010 -2013). *Canadian Consumers.*
Bank of Canada
BICO Reports/USDA (2014).
Canadian Research Data Centre Network
Canadian Food Inspection Agency
Canadian Grocer (2014). *Category Captains*
Canadian Grocer (2014-2015). Executive Report
Canadian Institutional Foodservice Market Report by *fsStrategy.* (2014)
Centre for Science in the Public Interest (CSPI)
CIA World Fact Book (2014)
GE Canadian Chain Restaurant Industry Review
Department of Justice (Canada) (2011-2014)
Euromonitor International. *Consumer Foodservice in Canada*
FoodService and Hospitality. The 2014 Top 100 (June 2014)
FoodService and Hospitality. The Big Black Book (2013)
Global Trade Atlas (2010-2014)
Health Canada

Hotel Association of Canada. Fact Sheet (2013/2014)
Restaurants Canada. *Food Service Facts* (2014)
Statistics Canada (2011 - 2014)