

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Report Highlights:

tasteUS! Culinary Celebration * Growing Trend: Snacking * Changing Palates Mean Changing Flavor Pairings * Energy Category Powering Up * Non-Traditional Retailers Provide New Opportunities * Plant-Based Proteins Beefing Up Market Share * Back-to-School Lunch Ideas * Upcoming Events in Canada * 2011 Reports from FAS Canada

tasteUS! Culinary Celebration

On September 7, Ambassador David Jacobson hosted a celebration of U.S. agricultural products at the Hockey Hall of Fame in Toronto. The menu featured food and beverage items from all across the United States including catfish, beef, almonds, kiwis, watermelon, oranges, peanuts, strawberries, wine and beer.

The event was attended by approximately 90 members of the media, foodservice, distribution and retail industries as well as cooperator representatives. Contacts were made and renewed which will serve to increase the exposure and availability of U.S. agricultural products in Canada.

On a lighter note, many guests seized the opportunity to have their picture taken with the Ambassador and the Stanley Cup, which was on display during the event.

Growing Trend: Snacking

Research by the NPD Group indicates that the average Canadian is snacking more today than they were 10 years ago. In 2000, the annual average consumption of snack meals in Canada was 270 per person. By 2010, this number had climbed to 300. Whether for convenience or health, Canadians are grazing throughout the day more often. This presents opportunities for companies with snack food products, particularly products that come in individual, single-serve formats and are quick and convenient.

Some products that are already successful are single-service ice cream cups, sliders and veggies & dip packages. Yogurt, raisins and granola bars have also been big sellers as health is still a concern for Canadian consumers, even when snacking. Also interesting to note is that while Americans prefer sweet snacks, Canadians prefer savory snacks. The savory snack category is expected to grow by 20.8 percent in Canada by 2020 while the sweet snack category will grow by 6.2 per cent over the same time period.

Changing Palates Mean Changing Flavor Pairings

McCormick Canada reports that as Canadian palates become more accustomed to international influences, the demand for more unique flavor combinations is rising. McCormick lists its top 10 unexpected flavor combinations as:

1. Fennel and piri-piri sauce
2. Pickling spice and rice vinegar
3. Roasted curry powder and wild mushrooms
4. Caramelized honey and Adzuki red beans
5. Ancho chile pepper and hibiscus

6. Thyme and stone fruits
7. Mustard seeds and Vermouth
8. Cilantro and nut butters
9. Herbes de Provence and popcorn
10. Green peppercorns and goat's milk

Energy Category Powering Up

Canadians are busier than ever and as a result energy boosting foods, not just beverages anymore, are increasing in popularity. Energy boosting foods contain ingredients such as vitamins, electrolytes, caffeine and/or taurine to create a feeling of higher energy. In response to consumer demand, this category is featuring more natural ingredients such as natural flavors and colors as well as tapioca syrup and evaporated cane juice in the place of corn syrup and sugar. Energy boosting foods now include cereal, bars and even jelly beans.

Non-Traditional Retailers Provide New Opportunities

General-merchandise retailers, dollar stores and drug stores have all been steadily adding grocery space in Canada. Since 2005, these formats have combined to take C\$3 billion in grocery sales from traditional grocers, who remain the dominant choice for purchasing groceries in Canada. Most of these non-traditional retailers, including Zellers, Shoppers Drug Mart, Tb!s The Bargain Shop and Canadian Tire, carry only frozen, dairy, baked and dried goods. Wal-Mart has already added fresh produce to its offering in some stores, as will Target when it opens in Canada in 2013. This type of retailer could provide opportunities for companies trying to break into the Canadian market.

Plant-Based Proteins Beefing Up Market Share

Plant-based proteins are gaining popularity in Canada as consumers look for alternatives to meat that still provide necessary dietary protein. Statistics Canada states that over the last two decades, Canadians' diets have shifted to include more fruits and vegetables, cereals, nuts, beans and pulses. The reasons consumers decide to make this shift range from health reasons to concern for environmental sustainability to animal rights. In addition, as Canadians become more food savvy, they are more willing to try new things. Sales of pulses in Canada grew 11 per cent between 2004 and 2008 while Manitoba Harvest has seen their hemp seed products double in sales every year for the last five years. Other popular plant-based proteins include soy beans and quinoa.

Back-to-School Lunch Ideas

In honor of back to school time, here are some ideas for packing more fruits and vegetables in your lunch:

1. Spread cream cheese on half a bagel and sprinkle diced fresh vegetables on top
2. Sneak fruits and vegetables into sandwiches by adding thin slices of melons, pears or apples or by using pureed squash instead of mayonnaise
3. Present sandwiches in fun ways – like sandwich on a stick with chunks of bread, meat and fresh vegetables
4. Banana Dogs – A banana on a hot dog bun with jam and nut butter instead of ketchup and mustard

Upcoming Events in Canada

September	Location	Dates	Website
Port of Wines Festival	Halifax, NS	Sep t. 28 – Oct. 1	www.mynslc.com/Content_MarketingPages/Content_Events/Events_PortofFestival.aspx
Baking and Sweets Show	Mississauga, ON	Sep t. 30 – Oct. 2	www.canadasbakingandsweetsshow.com
October			
The Canadian Coffee & Tea Show	Vancouver, BC	Oct. 2-3	www.coffeeteashow.ca
Alberta Foodservice Expo	Calgary, AB	Oct. 2-3	www.albertafoodserviceexpo.ca
Rocky Mountain Wine & Food Festival	Calgary, AB	Oct. 13-15	www.rockymountainwine.com
CHFA	Toronto,	Oct.	www.chfa.ca/EVENTS/ExpoEast/tabid/330/language/en-

Expo East	ON	13-16	US/Default.aspx
Rocky Mountain Wine & Food Festival	Edmonton, AB	Oct. 21-22	www.rockymountainwine.com
Grocery Innovations Canada	Toronto, ON	Oct. 24-25	www.groceryinnovations.com
November			
Royal Agricultural Winter Fair	Toronto, ON	Nov. 4-13	www.royalfair.org/home
Ottawa Wine & Food Show	Ottawa, ON	Nov. 9-13	www.ottawawineandfoodshow.com
Gourmet Food & Wine Expo	Toronto, ON	Nov. 17-20	www.foodandwineexpo.ca/sitepages

2011 Reports from FAS Canada

The following reports can be accessed through <http://gain.fas.usda.gov>:

CA11047	This Week in Canadian Agriculture, Issue 17	09/09/2011
CA11046	Poultry Annual	08/17/2011
CA11044	Grain and Feed Quarterly	07/29/2011
CA11042	This Week in Canadian Agriculture, Issue 16	07/28/2011
CA11040	This Week in Canadian Agriculture, Issue 15	07/15/2011
CA11039	Biotechnology Annual	07/15/2011
CA11037	This Week in Canadian Agriculture, Issue 14	07/07/2011
CA11036	Biofuels Annual Report	07/05/2011

CA11035	This Week in Canadian Agriculture, Issue 13	06/17/2011
CA11034	This Week in Canadian Agriculture, Issue 12	06/03/2011
CA11033	Northern Trends – Spring Edition	06/02/2011
CA11032	Top Ten U.S. Fresh Vegetable Exports to Canada	05/27/2011
CA11031	This Week in Canadian Agriculture, Issue 11	05/27/2011
CA11030	This Week in Canadian Agriculture, Issue 10	05/19/2011
CA11029	Top Ten U.S. Fresh Fruit Exports to Canada	05/19/2011
CA11027	This Week in Canadian Agriculture, Issue 9	05/06/2011
CA11025	2011 Agent/Broker Directory – Central Canada	5/2/2011
CA11024	This Week in Canadian Agriculture, Issue 8	4/29/2011
CA11023	2011 Canadian March Planting Intentions	04/29/2011
CA11022	U.S. Wines Show Explosive Growth	04/21/2011
CA11019	In a Nutshell: Explaining Dairy Trade Flows Between the United States and Canada	04/18/2011
CA11017	Exporting Alcoholic Beverages into the Canadian Market	04/08/2011