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GAIN Report

Global Agricultural Information Network

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South Africa Pet Food Market Brief

Report Categories:

Product Brief

Market Promotion/Competition

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Report Highlights:

South Africa has a well-developed pet culture and is a net importer of pet food products. The main opportunities are for dog and cat food in the retail sector, which has shown increasing sales over the past few years. In addition, South Africa is a gateway for regional markets, with growing consumer demand for pet food and pet related products continuing to drive imports.

SECTION 1. MARKET OVERVIEW

South Africa, a highly competitive market with a developed pet culture and pet industries, is a net importer of pet food products. Despite, the country economic hardships and pressure of a weakening exchange rate, according to the Global Trade Atlas statistics (GTA) FY16 imports totaled \$40 million and exports totaled \$22 million. Netherlands, the United States, and France are the main suppliers collectively, accounting for 75 percent of the total imports in FY16. Opportunities exist mainly for dog and cat food (HS 230910) in the retail sector, which has been characterized by increasing sales over the past few years. Supermarkets and wholesaler outlets stock a wide range of pet food and remain the most common distribution channel for dog and cat food with a smaller range of pet care products. Specialty stores or pet shops and vet shops stock premium food brands, including premium imported brands among other pet food.

The pet food industry is regulated by the Farm Feed Regulation Act 36 of 1947. U.S. exporters are allowed to export pet food into South Africa provided the products are registered in terms of the Farm Feed Regulation Act No. 36 of 1947 prior to importation. The registration holder can only be a company registered in South Africa or a South African citizen.

SECTION 2. MARKET SECTOR OPPORTUNITIES AND THREATS

2.1 Entry Strategy

South Africa presents opportunities as a gateway for regional markets, with growing consumer demand for pet food and pet related products continuing to drive imported pet food products.

The basic and most common distribution channel for pet foods in South Africa is through importers, retailers/supermarkets/hypermarkets outlets, wholesalers, specialty stores which include veterinarian shops and pet shops. Dog and cat goods are the biggest commodities within pet care, enabling supermarkets and retailers to dominate in terms of distribution. Pet food manufacturers maintain a wide distribution network across the mainstream channels to retailers, wholesalers and others, and may import other products directly or through their subsidiaries on a limited case, if not through an importer. Pet shops and vet shops stock both premium brands of dog and cat food as well as imported premium brands of other pet food products.

2.2 Company Profiles

The following is key information on major companies active in the sector, whose brands are accessible from South African major retail chains, and some of the wholesale outlets.

Mars Africa Pty Ltd: Mars www.mars.com/south-africa is a manufacturer of dog treats and cat treats, dog and cat food. The company was formerly known as Master Foods South Africa, a wholly-owned subsidiary of Mars Inc., a family-owned company which is made up of four main divisions: namely chocolate, pet care, gum and packaged food. Master Foods was renamed Mars in 2008. This name change extended the company's presence within pet care on the back of a well-established global brand. Mars is known for its leading brands in pet food, such as Pedigree, Sheba, Perfect Fit and Whiskas. The company operates from three sites in South Africa: Johannesburg, Rosslyn in Pretoria and Montague

Gardens in Cape Town, with a wide distribution network across mainstream channels, including supermarkets and hypermarkets, with the majority of the products positioned in the mid-priced segment.

Foodcorp Pty Ltd: Foodcorp www.foodcorp.co.za is a manufacturer and distributor of branded packaged food products. Foodcorp is a subsidiary of RCL Foods Limited (formerly Rainbow Chicken Limited), which is a diversified food producer in South Africa. Foodcorp operates seven production units namely, grocery, milling, baking, pie, fishing, beverage and specialty. Pet food falls under grocery, along with leading packaged food brands such as Yum Yum peanut butter, Nola condiments and Ouma rusks. The company’s leading pet food brands include Bobtail, Ultra Dog, Dogmor and Catmor. Foodcorp positions its products across all price brands, targeting consumer of all income levels. Dogmor and Catmor cater mostly for the needs of low-to-middle income consumers and are available through Foodcorp’s wide distribution network of major local retailers and supermarkets such as Pick n Pay, Spar, Shoprite-Checkers, Woolworths and Game, as well as independent and forecourt retailers at affordable prices.

Martin & Martin Pty Ltd: Martin & Martin www.bobmartin.co.za is a manufacturer of affordable medium priced dog treats and cat treats, dog and cat food, other pet food and premium pet products. The company is a privately owned independent South African company with more than fifty years of experience in the country, with a strong presence within pet food, health care, grooming and snacks and treats. Martin & Martin brands are available in major South African retail chains such as Shoprite, Spar and others with key brands such as Beeno, Bob Martin, Epol, and Lopis.

SECTION 3. COSTS AND PRICES

The following are some of the current retail selling prices of pet food products sourced from one of the major retail chains and wholesalers (Table 1). Prices are inclusive of 14 percent value added tax (VAT).

Table 1 Retail prices of various pet food products in South Africa

Company Name	Brand	Size & Retailer Retail Selling Price (RSP)	Size & Wholesaler Retail Selling Price (RSP)
Foodcorp Pty Ltd	Bobtail	8kg Bobtail dry dog food @ R139.99	25kg Bobtail dry dog food @ R359.00
		1.79kg Bobtail dog chunks @ R52.99	8kg Bobtail dry dog food R134.95
			1.76kg Bobtail dry dog food large @ R46.95
			300g Bobtail dog biscuits R52.95

			250g Bobtail dog food @ R17.99
			85g Bobtail chunks R3.79
	Scientific Veterinary Diets	750g Scientific Vet Diets dog chunks @ R49.99	
Mars Africa Pty Ltd	Whiskas	1kg Whiskas cat food @ R69.95	2kg Whiskas cat nuggets @ R209.00
		85g Whiskas cat food @ R7.49	500g Whiskas meaty cat nuggets @ R41.95
			12 x 85g Whiskas multipack kitten @ R79.95
Nestle South Africa Pty Ltd	Purina Husky	85g Purina Husky cat food @ R5.29	
	Purina Friskies	2.9kg Purina Friskies cat food @ R117.99	12 x 85g Purina Friskies multipack cat food @ R67.95 (Unit Price @ R5.66)
		1.4kg Purina Friskies cat food @ R81.99	
		84g Purina Friskies cat food @ R6.29	
	Purina Alpo (husky chunky steak flavor)	400g Purina Alpo cat food @ R13.99	
	Purina ONE		1.59 Purina dry cat good @ R108.95
	Epol		8kg Epol dry dog food @ R109.95
Martin & Martin Pty Ltd	Vitagen		20kg Vitagen dog food @ R289.95
			1.75kg Vitagen dry dog food @ R52.95

	Bob Martin	Bob Martin tick & fleas acting spray @ R145.99	7kg Bob Martin Complete puppy dog food @ R189.95
	Bob Martin (dog ticks & fleas)	400ml Bob Martin tick & fleas @ R145.99	3kg Bob Martin Anti Bacteria Crystals @ R98.95
		100 each Bob Martin condition tablets @ R88.99	1.75kg Bob Martin meaty dog chunks @ R76.95
		200ml Bob Martin tick & fleas @ R81.99	100g x 4 Bob Martin Flow pack sachets @ R24.95
		2ml Bob Martin dog ticks & fleas @ R81.99	400ml Bob Martin tick & flea shampoo @ R99.95
		0.7ml Bob Martin kitten ticks and fleas @ R79.99	300ml Bob Martin all in 1 shampoo @ R66.95
		50 each Bob Martin conditions tables @ R48.99	
	Beeno	1kg Beeno dog food @ R68.99	1kg Beeno dog biscuits @ R54.95
		120g Beeno dog treats @ R20.99	1kg Beeno dog biscuits small @ R63.95
	Epil		20kg Epil dog food @ R259.95
			4kg Epil adult dry cat food @ R99.95
			1.8kg Epil kitten dry food @ R68.95
			1.8kg Epil dry cat food @ R45.95
	Lopis	10kg Lopis cat litter @ R54.99	
Pick n Pay Retailers Pty Ltd	Dog food No Name (private label)	8kg No Name dog food @ R113.99	
		420g No Name meat loaf dog food @ R9.99	

		100g No Name dog food chunks @ R4.95	
		400g Pick n Pay dog food chunks @ R13.99	
Pedigree	Dog Food	3.5kg Pedigree dog food @ R224.99	15kg Pedigree dry dog food @ R559.95
		100g Pedigree dog food @ R7.49	5.5kg Pedigree Senior dry dog food @ R276.95
			4kg Pedigree dry small dog food @ R216.95
			1.75kg Pedigree dry dog food adult @ R87.95
Canine Cuisine	Dog Food	7kg Canine Cuisine dog food @ R189.99	6kg Canine Cuisine dog food @ R166.95
Fancy Feast			12 x 85g Fancy Feast chunky cat food @ R136.95 (Unit Price @ R11.41)
Pampers			12 x 385g Pampers cat food @ R134.95 (Unit Price @ R11.25)
OL'Roy	Dog Food		25kg OL'Roy dry dog food @ R349.95
			8kg OL'Roy dry dog food @ R124.95
Grants			500g Grants parrot treat @ R53.95
			1 x Grants pet repellent @ R90.95
			1 x Grants Catnip spray @ R42.95

SECTION 4. MARKET ACCESS

4.1 Barriers to Entry

4.1.1 Tariff Barriers

The import tariff duties on pet foods into South Africa as of December 19, 2016 are presented below (Table 2). VAT of 14 percent is payable on all imports and on locally manufactured products. VAT on imports is levied on the value of customs duty plus 10 percent.

Table 2 Tariff duties on pet foods imports into South Africa

HS Code	Description	Duty				
		Unit	General	EU	EFTA	SADC
2309.10	Dog or cat food, put up for retail sale:					
2309.10.10	Imported from Switzerland	kg	20%	free	2.6%	free
2309.10.90	Other	kg	20%	free	20%	free
2309.90	Other:					
2309.90.10	Sweetened forage Preparations put up as crustaceans food	Kg	free	free	free	free
2309.90.15	Preparations put up as salmon food	kg	free	free	free	free
2309.90.20	Feed Supplements (excluding milk substitutes) containing added antibiotics	kg	free	free	free	free
2309.90.91	Other: Imported from Switzerland	Kg	20%	free	2.6%	free
2309.90.92	Other	kg	20%	free	20%	free

Source: South Africa Customs Tariff

4.2 Non-tariff Barriers

4.2.1 Regulation

Pet food in South Africa is subject to regulation under the Farm Feed Regulation Act 36 of 1947, http://www.nda.agric.za/doaDev/sideMenu/ActNo36_1947/FF/Animal%20Feed%20Regulation.pdf, which is enforced by the Department of Agriculture, Forestry, and Fisheries (DAFF). The Act stipulates requirements aimed at ensuring safety, nutritional adequacy, and proper labeling of pet food. Additionally, to manufacture, import, or sell farm feed or pet food in South Africa, one must be registered in terms of the Fertilizers, Farm Feeds, Agriculture and Stock Remedies Act, <http://www.gov.za/node/727474>. Importers must apply for an import permit license issued by DAFF, <http://www.gov.za/services/fertilizers-farm-feeds-agricultural-remedies/import-farm-feed-and-pet-food>.

SECTION 5. KEY CONTACTS AND FURTHER INFORMATION

5.1 Post Contact

For questions or comments regarding this report or for further assistance, please contact AgPretoria at the following address:

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For more information on exporting U.S. agricultural products to other countries, please visit the FAS home page at: <http://www.fas.usda.gov>

5.2 Other Trade Associations, Trade Press and Expo Information Sources

The Pet Food Advertising Standards Authority of South Africa

<http://www.asasa.org.za/codes/advertising-code-of-practice/appendix-i-pet-food-advertising>

The Pet Food Industry Association of Southern Africa

<http://pfisa.co.za/>

The World of Dogs, Cats, & Pet Exhibition

<http://www.ntradeshows.com/world-dogs-cats-pet-exhibition/>

The South African Veterinary Association

<http://www.sava.co.za/>

Animal Talk Magazine

<http://animaltalk.co.za/>