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Voluntary _ Public

Date: 7/26/2013

GAIN Report Number:

China - Peoples Republic of

Post: Shanghai ATO

USDA China Monthly Newsletter from June 2013

Report Categories:

Agricultural Trade Office Activities

Approved By: Linston Terry Prepared By: Joy Wang

Report Highlights:

This monthly newsletter includes articles on: Final Round of United Tastes of America – Asian Chef Challenge; Qingdao Blueberry Conference/Joyvio; Fancy Food Mission; Food Manufacturing Events; Zhengzhou Outreach; Qingdao Outreach; Amazon.CN; Wholesale Association Convention; Taste V. Wine Club; Hisense Plaza Promotion; Northwest Cherry Promotion; Absolute US Wine Culture and Tasting Event; Match-Making Meeting in SIAL China 2013; Wood Structure Show in Chongqing; The 16th China International Investment and Global Sourcing Fair; Chengdu Coffee Tour; Food & Hospitality China; WUSATA Delegation to Chengdu; 1st China-South Asia Expo in Kunming; AHEC Seminar in Chengdu; Cold Chain Summit to be Held in Chongqing; US Agricultural products Featured at July 4th Events in Chengdu and Chongqing; ATO Shanghai's second TMall Promotion; USMEF/SH CIQ Meeting; US Pork Promotion at Metro; Yiguo to Promote U.S. Pork Online; FAEA Sino-U.S. Food Safety Workshop on the Regulations and Standards of Dairy Products; Food & Agriculture Trade Missions to U.S.; Opening of the Young Star boutique in Shanghai; California Week Briefing; Amazon.com.cn American Food Promotion; ATO Shanghai Ecommerce Report Series; Tesco China to

start Ecommerce in Shanghai; Shanghai Asian Chef Challenge; Channel Young A'nan's Great Food Master TV Show Filming; American Food Exporter visiting Shenyang; California Wine Institute Master Class 2013 – Success for South China Tour; CWC China "2013 Healthy & Tasty California Walnut Children's Menu Online Competition; USSEC Hosting China Soybean Industry Association Team; U.S. – China Agriculture and Food Partnership Launched; Food Safety Report; UC Davis Graduate School of Management and China Agribusiness Symposiums. To view a newsletter with working links, please use the following link: http://www.icontact-archive.com/ax046v6l6BKR3bNhR6gW9TSY8AcLDODE?w=3





USDA China e-Newsletter

June 2013 | Volume II, Issue 6 www.usdachina.org www.meiguomeishi.org

Newsletter Content:

- + Recent Events
- + Facts & Figures
- + News
- + Trade Policy Updates
- + Upcoming Activities
- + Event Calendar
- + Recent GAIN Reports

USDAChina e-Newsletter

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ATO China Map

Team from Hong Kong wins Final Round of United Tastes of America - Asia Chef Challenge @ Taipei International Food Show



The final round of the United Tastes of America - Asian Chef Challenge at the Taipei International Food Show's USA Pavilion, which was jointly organized by the U.S. Meat Export Federation and ATO Taipei on June 27, was a huge success. The grand champion award went to Chefs Eyck Zimmer and Yiu Sing Lau from Hong Kong Jockey Club's Derby Restaurant. The first runner-up went to Tokyo's Kenzo Estate Winery. Taipei's Bite 2 Eat received the prizes of the second runner-up and the third runner-up went to Shanghai's Le Domaine du Lac.



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2012-2013 Jan.-Mar.+ Facts & Figures

<u>U.S. Exports to China</u> (CY 2008-2012 & Year-To-Date Comparisons - USD Million)

<u>BULK</u> Wheat

2008 0.14 2009 86.89

2010 40.53

2011 160.192011 113.38

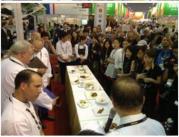
2012 213.53 2012-2013 Jan.-May Comparisons

%Chg 182.76

Coarse Grains

2008 2.86 2009 48.06





This international chef competition that was co-sponsored by around 18 U.S. agricultural producer groups included culinary talents from Shanghai, Tokyo, Hong Kong, and Taipei to compete for Asia's top chefs' title. Throughout the entire final competition that lasted for three hours, the chefs had to utilize twenty high-quality U.S. ingredients to create an appetizer, soup, main course, and dessert. The Hong Kong team managed the ingredients with adept execution, winning the championship. Two judges from Napa Valley's Culinary Institute of America provided expert assistance to the judges panel and provided great guidance to the teams after the event. The Hong Kong team will be flown to California later this year to participate in a one week long training program as the grand prize.





At the final competition, the list of mandatory ingredients from the United States included Alaskan salmon, Pacific cod, Cornish

```
1,309.73*
2012
2012-2013 Jan.-May
Comparisons
         -14.54
%Chg
Soybeans
2007
         4,117.4
2008
         7,259.7
2009
         9,193.7
2010
        10,816.6
2011
        10,480.2
2012
        14,973.15*
2012-2013 Jan.-May Comparisons
%Chg
         -14.83
Pulses
2008
          1.88
2009
          4.14
2010
         19.14*
2011
          4.98
2012
         12.79
2012-2013 Jan.-May Comparisons
%Chg
         72.11
Tobacco
2008
         108.3
2009
         121.8
         152.0
2010
2011
         117.1
         118.9
2012
2012-2013 Jan.-May Comparisons
         47.08
%Chg
Peanuts
2008
          4.77*
2009
          0.08
2010
          0.22
2011
          0.90
          0.99
2012
2012-2013 Jan.-May Comparisons
%Chg
         3,759.2
INTERMEDIATE
Sovbean Oil
2008
          133.12
2009
           34.51
          395.01*
2010
2011
          128,72
          264.74
2012
2012-2013 Jan.-May Comparisons
```

game hen, pork bone-in loin, Prime strip-loin beef, Parmesan cheese, California Mozzarella, California golden raisins, California dried figs, California broccoli, California iceberg lettuce, sweet rice, medium grain rice, California walnuts, Sunkist oranges, Sunkist lemons, fresh blueberries, Wisconsin ginseng, Idaho's dehydrated mashed potatoes, and dried cranberries. For more information, please click here.

ATO Beijing

Qingdao Blueberry Conference/Joyvio: ATO/Beijing participated in this conference over the weekend of June 8, giving a presentation on U.S. blueberry production and the current status of U.S. fresh blueberry market access to China. This was the second major blueberry event to be sponsored by Legend's new fruit division, Joyvio. The event featured a strong presence from the blueberry industries in the U.S., Chile, Canada and Australia as well as China. Joyvio is placing a very strong emphasis on trade as the means to build markets for blueberries, and eventually for other fruit. They are also investigating markets for dried and processed fruit products, as well as wines. It seems several high-tech companies in China are getting into food production.

Fancy Food Mission: ATO/Beijing's Wang Tong will lead 30 traders on a mission to the Fancy Food Show in New York from June 30 - July 4. The group will make a number of local retail stops. For further information on the group, please contact ATO Beijing directly.

Food Manufacturing Events: ATO/Beijing is putting together three separate events under the EMP Food Manufacturing grant. A reverse trade mission will depart in early July and visit Chicago, Nebraska and North Dakota. This mission will be focused on technical applications for dry beans, minor grains and specialty flours, with emphasis on instant noodles. Seminars are currently targeted for September, and will include one seminar on frozen foods and another on instant noodles and snack foods. Details on the seminars are currently under development.

Zhengzhou Outreach: ATO/Beijing will travel to Zhengzhou during early July to renew contact with major food processors in the region, and will reach out to processors in Luohe. Zhengzhou is home to China's largest manufacturers of frozen dumplings (1 MMT total volume), and was the site for last year's ATO-sponsored Frozen Foods Technical Seminars. Details of the trip are still being finalized.

Qingdao Outreach: In conjunction with the Blueberry Conference, ATO/Beijing conducted outreach to food manufacturers in the Qingdao area. ATO identified several

```
Feeds & Fodders
2007
           51.86
2008
           71.84
2009
         228.64
2010
         735.95
2011
         627.11
         969.89*
2012
2012-2013 Jan.-May Comparisons
          21.20
%Chg
Live Animals
2008
           37.7
          31.6
2009
2010
           33.7
2011
           44.5
2012
           60.01 *
2012-2013 Jan.-May Comparisons
%Chg
           22.47
Hides & Skins
2008
          859.0
2009
          651.7
2010
          951.6
2011
        1.163.4
2012
        1,330.66*
2012-2013 Jan.-May Comparisons
%Chg
          30.77
CONSUMER ORIENTED
Breakfast Cereals
2008
          4.1
2009
          3.7
2010
          7.0
2011
          8.5
         16.1*
2012
2012-2013 Jan.-May Comparisons
%Chg
         -25.12
Red Meats, Prep/Pres
2008
         24.0
2009
         25.4
2010
         58.2
         33.5
2011
2012
         76.5*
2012-2013 Jan.-May Comparisons
         540.7
%Chg
Dairy Products
2008
         179.4
2009
         137.0
2010
         236.7
```

outstanding prospects for U.S. food ingredients, particularly on poultry, pork and offals for use in processed meat products. One manufacturer may be interested in sourcing processed products to feature in the import section of their own stores. ATO also made contact with a major bakery chain based in Qingdao that is seeking premium ingredients for their products.

Amazon.CN: Amazon.cn is launching a U.S. food promotion soon and they interviewed ATO Director Ralph Bean and will put the video in their communication campaign of the event. ATO/Beijing met with the new direct purchasing manager for Amazon.CN. This is a new position that will allow Amazon to source directly from the U.S. Amazon noted that the emphasis for their food sales program will be on variety - they are seeking to distinguish themselves from competing e-commerce platforms by carrying a broader range of products than their competitors.

Wholesale Association Convention: ATO/Beijing is planning to attend and speak at the China Agricultural Wholesale Association's annual meeting in Urumqi July 20-23. The association's members include China's largest fruit markets, and is interested in better developing its connections with overseas suppliers.

Wine Club: ATO/Beijing recently met with Steve Han of Taste V. Taste V is an online wine club that offers members two different wines every week, with emphasis on interesting and unusual wines. The group has an active forum (members can suggest wines to share with the group), and includes a large number of restaurant owners/managers. ATO is working to connect Mr. Han with wine suppliers to ensure that he can offer the widest possible array of U.S. wines.

Hisense Plaza Promotion: ATO/Beijing is moving forward with a retail promotion at Hisense Plaza stores in Tianjin and Qingdao in mid-July. If you are interested in participating or knowing more, please contact ATO/Beijing directly.

Northwest Cherry Promotion: On July 2nd, ATO Beijing assisted Ambassador Gary Lock participate in a Northwest Cherries cherry market season kickoff event at Sam's Club. The event promises to garner extensive press coverage for one of our fastest growing exports to China. The activity is also being featured on a TMall on-line promotion.

ATO Chengdu

Absolute US Wine Culture and Tasting Event: On May 18, the ATO attended the "Absolute US Wine Culture and Tasting Event" in Chengdu. The event was organized by Guangzhou 16 AREA Wine Co., Ltd. and supported by the American Wine

```
2012-2013 Jan.-May Comparisons
%Chg
         8.23
Fresh Fruits
2008
          45.5
2009
          55.4
2010
         80.0
2011
         103.3
2012
         111.6*
2012-2013 Jan.-May Comparisons
%Chg
         17.45
Processed Fruit & Vegetables
          114.2
2009
          130.5
2010
          166.3
2011
          210.7
2012
          229.5*
2012-2013 Jan.-May Comparisons
          -22.48
%Chg
Fruits & Vegetable Juices
2008
          10.9
2009
          16.7
2010
          15.6
2011
          17.3
          32.0*
2012
2012-2013 Jan.-May Comparisons
%Chg
          94.59
Tree Nuts
2008
           86.5
          142.7
2009
2010
          144.7
2011
          202.5
2012
          391.7*
2012-2013 Jan.-May Comparisons
%Chg
          -14.06
Wine and Beer
2008
          20.1
2009
           25.0
2010
           35.0
2011
          65.3
2012
           76.0*
2012-2013 Jan.-May Comparisons
%Chg
          15.46
Pet Foods
           7.5
2008
2009
          10.3
```

Importers Association. CG Haymond gave the opening speech. Sichuan News Center, Sichuan TV, and Chengdu TV joined the event.

Match-Making Meeting in SIAL China 2013: The 14th SIAL China, one of the largest food & beverage shows in Asia was held in Shanghai, May 5-7. ATO Chengdu brought a delegation of 10 local distributors from Sichuan, Chongqing, Yunnan, and Guizhou to the show and organized an on-site match-making event for them with about 30 coastal importers. Staff from ATO Shanghai, ATO Guangzhou, and ATO Beijing worked together to put the visitors from southwest China in touch with their key trade contacts. Distributors and importers had good interaction and some distributors have placed orders since the show with more in the works.

Wood Structure Show in Chongqing: The 3rd Wood Structure Show was held in Chongqing, May 16-18. The Chongqing Construction Industry Association and the Building Materials Dealer Association organized the show. ATO Chengdu visited the show and found it was primarily a local event. Only two companies were found to be using imported wood products from the United States and Canada. Dongliang Wood Industry Co. is using pressure treated U.S. Southern Yellow Pine to build wood construction villas.

The 16th China (Chongqing) International Investment and Global Sourcing Fair: China Chongqing International Investment and Global Sourcing Fair (CCISF) was held in Chongqing from May 16 - 18 at the newly built Yue Lai International Exhibition Center. For the first time, about three dozen representatives from the city of Sacramento incluing several food and agricultural companies, and clean technology firms came to exhibit at the show. The Sacramento government formally opened their trade office in Chongqing at the CCISF. ATO staff visited the fair and attended the Sacramento Trade Office opening ceremony and trade seminars. Post will work closely with their Chongqing trade office in the agricultural field in the future.

Chengdu Coffee Tour: In order to assist the Puerto Rico Coffee Export Board promote their coffee in Southwest China, ATO Chengdu made a coffee tour in May to collect market information about high-end coffee shops. Puerto Rican coffee competes against Blue Mountain from Jamaica, Kopi Luwak from Indonesia, and Kona from Hawaii. Prices range from RMB650/kg to RMB2,000/kg. Following the tour, ATO Chengdu identified 4-5 coffee companies in Chengdu and 6 in Chongqing for follow up meetings with the Puerto Rico Coffee Export Board when it comes to Chengdu and Chongqing after the Consulate's July 4 celebrations.

```
2012
2012-2013 Jan.-May Comparisons
%Chg
         -1.13
Forest Products
Hardwood Lumber
2008
          187.4
2009
          208.2
2010
          359.1
2011
          506.7
2012
          602.4*
2012-2013 Jan.-May Comparisons
%Chg
           31.73
                    (Inc Plywood)
Panel Products
2008
          32.5
2009
          17.8
2010
          25.8
2011
          24.8
2012
          35.5
2012-2013 Jan.-May Comparisons
%Chg
         146.97
Seafood Products
Salmon Whole or Eviscerated
2008
          141.0
2009
          154.2
2010
          210.0
          286.0*
2011
          175.0
2012
2012-2013 Jan.-May Comparisons
           -2.84
%Chg
Crab & Meat
2008
           44.0
2009
           41.7
2010
           41.6
2011
           67.0
2012
          102.1*
2012-2013 Jan.-May Comparisons
%Chg
            15.82
FAS/BICO - U.S Bureau of the Census
Trade Data
* Denote Highest Export Levels since at
```

beverage companies for the first-ever Food & Hospitality China (FHC) trade mission to take place in Chengdu on November 18. This year's event is billed as a road-show which will immediately follow the FHC show which is held each November in Shanghai. The show is one of three USDA endorsed shows held in Shanghai each year. In 2014, the FHC organizer is considering to convert the one-day road show into a full expo.

Food & Hotel China Goes West: On May 29, the ATO met

with and secured 10 table-top booths for American food and

WUSATA Delegation to Chengdu: WUSATA accompanied 14 agricultural companies to Chengdu from June 6-8 to explore the Southwest China market. Products brought in by these companies included wines, chocolate, coffee, nuts, seafood, olive oil, and snacks. About 40 local companies joined the one-on-one business meetings and many of the WUSATA companies found good potential buyers. Post assisted in providing local contacts and a market briefing to the delegation. Post also offered to provide any follow up assistance as required.

1st China-South Asia Expo in Kunming: The 1st China-South Asia Exposition kicked off in Kunming, Yunnan province on Jun 6. The five-day expo was designed to provide a grand platform for China and South Asian Countries to expand their economic and trade contacts with other nations around the globe. The Expo held a series of events, including South Asia countries exhibition, a China-South Asia Sourcing Event, Investment Promotion for South Asian Countries and a China-South Asia Business Forum. ATO Chengdu met the Deputy Director of Kunming Foreign Trade and Economic Relations Commission on site and discussed the possibility of cooperation in order to increase the import of U.S. Agriculture products in Yunnan Province.

AHEC Seminar in Chengdu: The American Hardwood Export Council (AHEC) organized a seminar held in Chengdu on June 17. ATO Chengdu director made opening remarks. About 150 people participated in this program including members of the Chengdu Furniture Association, Sichuan Interior Decoration Association, Sichuan Chamber of Commerce for Import & Export of Furniture (SCCF) and the National Hardwood Lumber Association. The major topics for this seminar included the LCA study of US hardwood and US hardwood industry, sustainability of US hardwood, kiln dried certificates and US hardwood lumber grading rules. Many participants expressed interest to purchase US hardwood products after the seminar.

Cold Chain Summit to be Held in Chongqing: The 2013 International Cold Chain Logistics Summit & the 5th U.S.-China Cold Chain Logistics Conference was held on June 27-28, 2013 at Sofitel Forebase Chongqing. The Conference was hosted by China Federation of Logistics and Purchasing (CFLP), Agricultural Trade Office, U.S. Embassy Beijing (ATO Beijing), Global Cold Chain

+Recent News:

least CY 1970

<u>USSEC is Optimistic Regarding</u> <u>Shuanghui's Acquisition of</u> <u>Smithfield</u>

USSEC is expressing optimism over the recent acquisition of Smithfield Foods, the world's largest pork producer, by Shuanghui, the largest meat processor in China. Shuanghui's portfolio includes meat processing, hog production, consumer meat production, flavorings and logistics. Shuanghui is privately owned and led by CEO Wan Long. Read more.

China finally looking to act on cadmium rice scandal

China's Ministry of Land and Resources has announced plans to conduct a survey across the country to assess pollution levels as a means to ascertain the reasons behind excessive cadmium content in rice detected in some regions early this year... Read.

(Source:Foodnavigator-asia.com)

China to get revised dietary guidelines to boost omega 3 consumption

The Chinese Nutrition Society its to revise its dietary intake guidelines because of a marked increase in the nation's intake of DHA and EPA fatty acids. .. Read

(Source:Foodnavigator-asia.com)

China to import cherries, blueberries from British Columbia

(Source: PMA Smartbrief)

Commodity Reports http://www.fas.usda.gov/currwmt.

asp

(Source: June WASDE Summary | Tim Rocke | Director, Global Commodity Analysis Division

| Office of Global Analysis USDA/FAS)

Shanghai Seeks Public Opinions of Managing Trade of Live Poultry

Shanghai Government released the

Alliance (GCCA) and Chongqing Development &Reform Commission, and organized by Cold Chain Logistics Committee of CFLP. Post cooperated with ATO Beijing and the organizer to recruit logistics and cold chain companies and provided assistance at the event.

US Agricultural Products Featured at July 4 Events in Chengdu and Chongqing: On June 28 and July 3, U.S. agricultural products were showcased at two July receptions in Chengdu and Chongqing. Post worked with the U.S. Consulate General in Chengdu to put this year's July 4 reception into a more U.S. cultural and food themed event. Agricultural products featured at the events included U.S. pork, Alaska Pacific Cod, frozen potato products, Northwest cherries, California walnuts, pistachios, almonds, wines, hard liquors, pre-packaged snack food, beverages and Puerto Rico coffee. Post will use this platform to help promote U.S. food products, as well as U.S. food culture.

ATO Shanghai

Ambassador Locke and Northwest Cherries highlight ATO Shanghai's second Tmall promotion: After several months of preparation. ATO Shanghai launched its second Great American Food Promotion with T-Mall, which is China's largest eCommerce platform. The promotion will run from June 27th through July 8th. More than 60 SKUs of U.S. products will be featured in T-Mall's pre-sale and supermarket platforms, which include northwest cherries, wine, bourbon, craft beer, UHT milk, nuts, and a variety of packaged products. On July 2nd, US Ambassador Gary Locke received this year's first shipment of Northwest Cherries at the US embassy and handed them over to T-Mall representatives to launch the promotion. The presentation of Northwest Cherries was videotaped and posted online. The event is expected to greatly enhance the awareness and influence of American food products in China. <u>Tmall Promotion</u> website

USMEF/SH CIQ Meeting: ATO staff attended a round-table session with CIQ officials organized by USMEF on June 18 in Shanghai. Joel Haggard with USMEF delivered an overview of U.S. pork production and trade in 2012. CIQ officials provided a presentation on import analysis of frozen pork imports in 2012 and updates on import inspection procedures, certification and regulations. Two of the main topics of the seminar's Q&A session focused on requirements for third-party test reports on ractopamine and status of processed meat exports to China. Participants included three officials from the CIQ Food Safety and Supervision Division, representatives of four U.S. meat packers (Smithfield, Cargill, Tyson, and JBS), two importers (AJC Int'l and PMI), and staff from USMEF and ATO Shanghai. For photos of the

draft of the regulation (banfa) of Shanghai Live Poultry Market Management, and asked the public to submit any suggestions/comments to Legal Office under Shanghai Municipality by June 12. http://t.cn/zHpAQ6x California Wine Hits China Wine from California is still relatively new in China, but Napa's famous export is catching on quick.

Internet's Annual Report Card Shows China's Rise

Huiyan Juice Group in USD631m supplier acquisition

China Huiyan Juice Group, a Chinese fruit beverage company based in Beijing, announced plans to acquire fruit planting and juice-concentrate-making businesses from its parent company as it seeks to bolster investor confidence. The group said it will buy the fruit juice supplier from China Hui Yuan Juice Holdings, the controlling shareholder of China Huiyuan, for USD631m in order to secure raw materials and generate new revenues

(Source: Shanghai Business Review)

Must Watch Videos:

The Story of Virginia

Episode One Episode Two

USMEF- US Pork enters into Shanghai Retail Store event, please click here.

US Pork Promotion at Metro: USMEF and Metro supermarket collaborated in a joint media event to promote US natural pork. This was one of USMEF's first ever "retail" pork promotion events in China. The event featured a cooking demonstration by Metro chefs, as well as a tour of the supermarket. A US pork promotion booth was set up in-store with free samples for customers. Attendees included representatives from USMEF, ATO Shanghai, USA supplier JBS, and the local Chinese distribution company. ATO Shanghai's Joy Wang assisted USMEF in generating extensive media coverage with features on ICS|Shanghai English channel TV and Tudou, as well as releases on popular social media channels (including Weibo).





A number of shoppers who

purchased U.S. pork at the tasting booth provided positive interviews to the media, attesting to the success of the event. USMEF informed us that RT Mart and Carrefour requested US natural pork shortly after the event due to extensive media coverage generated by the event. For photos, please click here.

Yiguo to Promote U.S. Pork Online: Yiguo, an online produce and food ingredient retailer, recently started promoting U.S. pork on its

website: http://www.yiguo.com/activity_186.html. The items include shoulder butt, spareribs, loin roast, and several other cuts. Yiguo first started as an ecommerce retailer with a focus on fresh fruits, both domestic and imported. Now, it is one of the leading B2C perishable ecommerce retailers in East China. Other players include itruelife (by Lotus) and womai (by COFCO). After the success it experienced in fresh fruits, the company has been expanding into chilled and frozen meat, seafood, poultry, dairy and bakery products. Currently, Yiguo is pushing very hard on



- Tudou video
- ICS video

Brief introduction of Tudou:
One of the biggest online video
platforms in the world. Nasdaq: Tudou
(Chinese Youtube); Video play- 200
million per day; Coverage- 230million
users/Month; 100million registered
users; 3.5 million independent
visitors/day.

USMEF- US Pork | Media Tasting Event



imported food products. ATO Shanghai will follow up with Yiguo and introduce their buyers to our U.S. cooperator partners and local importers/suppliers of U.S. food and beverage products.

FAEA Sino-U.S. Food Safety Workshop on the Regulations and Standards of Dairy Products:



On June 25, ATO Shanghai staff and Ralph Bean from Beijing, participated in the Sino-US Food Safety Workshop on Regulations and Standards of Dairy Products organized by the Food and Agriculture Export Association. The workshop featured speeches from several distinguished guests representing U.S. and Chinese food safety regulatory and enforcement agencies. U.S. organizations included: FAEA, USDEC, and USDA; P.R.C. organizations included: CIQA, CNCA, AQSIQ, and SHCIQ. The purpose of the conference was to facilitate an exchange on food safety, with an emphasis on dairy products, between the regulatory agencies of both nations. Presentations addressed the growth in Sino-American trade activity, new inspection and regulatory agency structures in China, Decree 152, and included a comparative discussion of food safety. The details and implications of Decree 152 and other recent structural changes in Chinese food safety regulation attracted the most attention from those in attendance. As evidenced by the types of questions posed to the speakers, it seemed the Chinese attendees were just as unsure of China's food safety regulations and enforcement process as the foreign attendees. CIQA indicated that stricter import laws were the result of several instances of high-risk dairy related food safety incidences in recent times but would not provide further details or clarifications. For photos of the event, please click here.

Food & Agriculture Trade Missions to U.S.: ATO

Shanghai's Susan Zhang will lead three trade missions to promote the sale of U.S. agricultural products over the summer. In addition to visiting several States, the trips will include the Fancy Food (June 30-July 2), International Food and Technologists Show



+Event Calendar:

2013 United States Trade **Show Calendar**

World Dairy Expo and Summit/China - Nanchang, Jiangxi Province - ATO

June 2-14

Washington State Wine Experience, OR and CA Wine Tour - RTM - XM (cancelled)

IDDBA 2013, Orlando, Florida Intl Dairy, Deli, & Bakery Show

<u>June 16-20</u>

VINEXPO HK 2013

<u>June</u> 18

USMEF/CIQ Meeting in Shanghai

June 19-20

American Hardwood Export Council -Annual Asian Conference, Harbin -ATO Shenvang

<u>June 25-27</u> <u>Fi, Hi, & Ni Asia</u> - Shanghai Food, Health & Natural Ingredients Show

(July 13-16), and Far West (Aug 22-24) shows. A 10-person Chinese delegation comprised of influential bloggers, purchasing managers, and import/export suppliers and distributors, will attend the Fancy Food show in New York. A six-person delegation is scheduled to attend the IFT show in Chicago as well as meet with suppliers and manufacturers in Idaho and Los Angeles. Lastly, ATO Shanghai will support three separate delegations from East China including nursery industry personnel, real-estate developers, landscaping company representatives, and live-plant quarantine officials, in visiting the Far West Show in Portland, Oregon. The tour Far West mission will be coordinated with the Oregon Department of Agriculture and several Oregon Exporters.

Opening of the Young Star boutique in Shanghai: The U.S.A. Trading Center will open its first Young Star specialty store in Shanhgai in July, becoming a premier location to find U.S. Quality products at reasonable prices. Young Star offers over 300 American products ranging from king crab and California wine to cosmetics and baby-food. Young Star will hold regular tasting events for their wine and large selection of handcrafted beers. The U.S.A. Trading Center plans to open 50 Young Star boutique stores throughout greater China within the year including Beijing, Shenzhen, Harbin, and multiple locations in Shanghai. ATO staff has been working with the purchasing management of the center on sourcing U.S. food and beverage products from local suppliers. The U.S.A. Trading Center is located at No. 288 XuanHua lu in Changning district and is minutes away from the Zhongshan Park stop on line 2. For more info contact:

info@usatradingcenter.com; www.usatradingcenter.com

California Week Briefing: Diane Long of Xanadu Enterprise, a marketing strategy consultancy firm for China market entry, recently gave ATO Shanghai staff a presentation on a proposed project, California Week, scheduled for September. California Week will be a consumer event, which will aim to promote and sell the "experience" of California directly to Chinese consumers. Because it will take place over a busy Chinese holiday weekend (Sept 19 - 22, 2013), Mrs. Long expects that the event will attract over 100,000 visitors, as well as 13 million + Chinese consumers through its associated publicity campaigns (via social media as well as print media). The ultimate goal of California Week is to raise awareness of high-quality Californian products (such as wine, dried fruits and nuts) among Chinese upper-middle-class "cash-in-hand" consumers, while also promoting California lifestyle. Exhibitors at the show will be allowed to sell their goods if they choose to. ATO will provide Xanadu with contact information for potential exhibitors. Please contact Diane directly for more information at: diane_long@xanaduent.com Amazon.com.cn American Food Promotion: ATO Shanghai has been working to introduce American importers to

Amazon.com.cn China (headquartered in Beijing), to participate in an American food promotion later in July. Seven food importers and nine wine importers were recently introduced to

The 23rd Taipei International Food Show 2013 - Final Round of United Tastes of America - Asian Chefs Challenge

June 30-July 2

Summer Fancy Food Show 2013, New York City - ATO SH RTM

July 13-16

IFT Show - Chicago - ATO SH RTM

Aug 22-24

Far West Show 2013 - ATO SH RTM

Aug 24-25

Alfafa Devleopment Conference / IM

Aug 29-31

Natural Productrs Expo HK

Sept 1-3

Tentative All-China Cooperator Meeting in Shenzhen (TBC)

Sept 3-5

Asia Seafood Expo - HK

Sep 4-5

<u>Vitafoods Asia</u> - HK

Sep 4-6

Asia Fruit Logistica - HK

Sept. 11-14

FMC show in Shanghai SNIEC

Sept 25-28

Natural Products Expo - East -Baltimore - ATO SH RTM

<u>Sept.26-</u>28

HORFA 2013- ATO SH

Oct. 1-5

2013 World Dairy Expo

- Madison, WI

Oct. 17-19

Sweets & Snacks China 2013 - ATO SH RTM

Oct 18-20

the company by ATO Shanghai. The promotion is tentatively scheduled to take place starting from July 30th. For more information, please contact marketing specialist Ms. Freddie Xu at: zhen.xu@fas.usda.gov

ATO Shanghai Ecommerce Report Series: To better understand ecommerce opportunities in east China, ATO Shanghai is developing a series of in-depth reports on the development and projected growth of the food & beverage ecommerce market. The series will include an overview of the market as a whole, strategic concerns and solutions, as well as product-specific reports - including grocery products, wine, fresh produce, baked goods, and potentially, infant/child food products. Food & beverage ecommerce is an extremely worthwhile topic of investigation, due to its many differences from online retailing of other products, and unique opportunities for exporters to China such as simplified distribution channels, via direct import. At this time, the reports will be for internal use only. For more information, please contact marketing specialist Ms. Freddie Xu at: zhen.xu@fas.usda.gov

Tesco China to start e-commerce in Shanghai: Tesco China announced on June 24 that it will enter the e-commerce field with its business starting in Shanghai, vicai.com reported. The retailer's e-commerce will mainly cover food, vegetables, fruits and daily use articles, using its own logistics system. To reduce startup costs, Tesco China's distribution will initially only cover the inner rings of Shanghai. All the goods will be delivered by its physical retail stores in the city. Influenced by the expansion of e-commerce and the rise in rents, the physical retail stores' business is seeing less revenue than before. Tesco China has closed several stores in recent years. Before Tesco China's move, Wal-Mart China, Carrefour China and Shanghai-based NGS Supermarket had already started their e-commerce operations. Wal-Mart China also purchased Yihaodian.com in 2012, a Chinese online supermarket, while the other two set up their own ecommerce systems.

Shanghai Asian Chef Challenge team competes at 2013 Taipei International Food Show:



Convention & Exposition 2013 - New Orleans, LA

Oct 31 - Nov 1
China Food & Beverage Executive
Summit 2013
Shanghai China

Nov 1-3
UC Davis Graduate School of
Management China Agribusiness
Symposiums

Subscribe to USDA China e-Newsletter



ATO Shanghai's Keith Schneller and Joy Wang accompanied 12 lifestyle media representatives and Chefs Pan and Li to participate in the final round of the United Tastes of America - Asian Chef Challenge at the Great American Kitchen at the Taipei International Food Show from June 26-28. The Shanghai team prepared some wonderful dishes using a wide variety of American ingredients, and faced great competition from professional teams from Hong Kong, Taipei, and Tokyo. The team from Hong Kong went on to win the competition.





The Great American Kitchen was well organized and fully equipped by longtime friend, Unitech Kitchen Equipment Trading Company. The judges, which included two instructors from Napa Valley's Culinary Institute of America, did an excellent job monitoring the competition and providing the teams with expert guidance for future competitions. USMEF and ATO Taipei staff - including their contractor JoBank - coordinated the competition to perfection, and organized a very successful award ceremony/reception following the competition. For photos of the event, please click <a href="https://example.com/reception/englisher-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony/reception-following-successful-ward-ceremony-grand-ce

Channel Young A'nan's Great Food Master TV Show Filming: ATO Shanghai was invited to the filming of the hit Chinese cooking show, "A'nan's Great Food Master." The show, which follows the format of two teams competing to cook the best dish, featured a number of imported American ingredients,

such as cranberries, pecans, and pork. In May, A'nan's crew spent several hours at the USA pavilion at the SIAL China show, and will include most of that film footage in the final episode. During the studio shooting, audience members were asked to sample the dishes, and give short answers to questions. Two ATO Shanghai interns, Sasha Small and Paxon Wallace, participated as audience members and were introduced as "American friends." Although the show's hosts were not allowed to mention specific brand names, participation in the show was a valuable opportunity to promote U.S. products -- chefs on the show made frequent references to the "high-quality American" ingredients that they were using. ATO Shanghai was able to secure donations of US pork, pecans, blueberries, cranberries, almonds, cheese and olive oil from our cooperator associations which include the US Meat Export Federation, Almond Board of California, US Dairy Export Council, US Cranberry Marketing Committee, US Highbush Blueberry Council and Paramount Farms. The episode will air in mid-July to a nationwide audience. For photos of the event, please click here.

ATO Shenyang

American Food Exporter (AFE) visits Shenyang:





AFE's training for Metro Shenyang GM

AFE meets with Shenyang Yoohoo's

Mr. David Shogren, Chief Operation Officer of AFE, visited Shenyang to conduct product training for Metro Shenyang. ATO Shenyang's marketing staff met AFE briefly at SIAL where David introduced his company and discussed marketing strategies for Northeast China. After the training, ATO Shenyang showed AFE around one of RT Mart's outlets, followed by a meeting with the general manager of Yoohoo, one of the largest high-end

supermarkets in Shenyang. David said he was impressed by the market visit and thought it fit well with his company's direction of penetrating into second tier cities in China. AFE is one of the first American food exporters to pay a personal visit to Northeast China, where the needs for imported food are growing rapidly. ATO Shenyang welcomes more American food companies or their distributors to this area to probe the potential market and is happy to provide assistance accordingly.

U.S. Cooperators in China

California Wine Institute Master Class 2013- Success for South China Tour:

SHANGHAI- The latest California Wine Institute Master Class for South China was taught by famous Chinese wine educator Guo Songquan in the last week of May. Mr. Guo comes from a celebrated winemaking family, his father being



one of the first producers of Chinese wine. The California Wine Institute tour of Guangzhou, Shenzhen and Xiamen attracted around 200 traders. They received a comprehensive education in California wines, including history, varietals and wine and food pairing. Jorge Sanchez, director of the U.S Agricultural Trade Office Guangzhou, made a speech welcoming the students to the delights of California wines. A range of eight classic California style wines were sampled and each student received a graduation certificate which acknowledged he or she had completed the 2013 California Wines Master Class and was now a Certified Expert and California Wine Ambassador.



CWC China "2013 Healthy & Tasty California Walnut Children's Menu Online Competition"

May 2-June 30, 2013 CWC China is collaborating with Food Magazine to conduct a "2013 Healthy & Tasty California Walnut Children's Menu Online Competition" @ smartshe.com. From the beginning to middle of May CWC advertisements were run on smartshe.com for 2 weeks introducing the competition (activity) information, California Walnut nutritional information, and suggested California Walnut



recipes, etc. More than 100 known bloggers participated in the activity as part of the program. During the 2-week online ad campaign, Food Magazine recruited 10 renowned Chinese bloggers to design the California Walnuts Children's Menu with CWC China providing walnut ingredients to 10 participants. From end of May to mid-June, participants developed 2 Children's dishes with California Walnuts, published via BBS and shared comments with site page visitors @ smartshe.com. By the end of June, smartshe.com visitors will vote for the most popular (top) 8 California Walnut recipes (dishes) from a field of 20 recipes developed by 10 participants. Finally, the most popular (top) 8 recipes selected will be incorporated into a 2013CWC Kid's Menu Recipe Book in July 2013.

USSEC Hosts China Soybean Industry Association Team

USSEC recently hosted a team consisting of officials from

the China Soybean Industry Association (CSIA). The CSIA is a China government-created association of soy-related industries and academic institutions.





+ Trade Policy:

U.S.-China Agriculture and Food Partnership Launched:

The U.S. agribusiness community in China on April 20, 2013 formally launched the U.S.-China Agriculture and Food Partnership. Similar in structure and governance to the aviation, healthcare, and energy councils, this new Partnership will provide a platform to better promote U.S. agricultural interests. This Partnership meets the U.S. agribusiness' growing need for broader advocacy while maintaining the emphasis on cooperation between the U.S. and Chinese agricultural sectors.

Food Safety Report: The political toll and economic backlash from a history of food safety scandals have influenced an ongoing evolution in China's food safety management system. A lack of coordination amongst regulators and inconsistencies in the development, interpretation, and enforcement of food safety standards weakened regulatory oversight and created systemic vulnerabilities. Consequently, China's leaders have been taking steps to increase cohesion in government supervision, unify food safety standards, and toughen penalties for non-compliance. Recent refinements accentuated this shift toward a more vertical, product-oriented structure in China's food safety management which are detailed in the following report which can be found by clicking here. For more information, please contact the main author, Ms. Melinda Meador Medinda. Melinda Meador@fas.usda.gov | Agriculture Attache, American Embassy Beijing

+ Upcoming Events:

UC Davis Graduate School of Management, China Agribusiness Symposiums (November 1-3, 2013):

The <u>UC Davis Graduate School of Management</u> China Agribusiness Symposium will take place in Shanghai on November 1-3, 2013 where approximately 100 CEO's of Agribusiness companies from across China will come to learn how to grow and scale their businesses. The first Symposium will feature a living case study of Earthbound Farm and CEO Charlie Sweat will be on hand to help lead the discussion. It is a great story that emulates where many farms are in China today in that the Earthbound Founders began with just a few acres and the business has grown to over USD500 million in revenue today. Along the way they dealt with a major food safety issues and are now focusing on organics which are also key topics for the China market. UC Davis is utilizing advanced Executive Education techniques to deliver the program and will be incorporating a variety of tools and methodologies for learning including providing an assessment

of their entrepreneurial talent, a growth template for them to use before they arrive to begin planning what they want their learning to focus on, and the ability for private reflection, small group and large group discussions to be held at different points around the content being delivered. Take advantage of our special introductory pricing offer before August 31st! For more information about the program content and to register please click here.

The program will be held in conjunction with the CHIC Group which is a major investor in modern agricultural practices in China. CHIC's founder is working to bring more and more U.S. agricultural firms like Earth Bound Farms to come to China to set up shop in country to serve the China market and to share U.S. agricultural know-how and logistics/food safety expertise.

+ GAIN Reports (Global Agricultural Information Network)

- Stone Fruit Annual Beijing China Peoples Republic of 7-1-2013
- Grain and Feed Update_Beijing_China Peoples Republic of_6-28-2013
- Oilseeds and Products Update_Beijing_China Peoples Republic of 6-28-2013
- Retail Annual Contribution Regional city profile in <u>South China _Guangzhou China - Peoples Republic of 6-</u> <u>26-2013</u>
- Provisions of CFDA Responsibilities and <u>Departments_Beijing_China - Peoples Republic of_6-14-</u> 2013
- 2013 Plan for National Food Safety Standard
 Development and Revision_Beijing_China Peoples
 Republic of_6-6-2013
- China Cotton Association Cotton Import
 Contract_Beijing_China Peoples Republic of_5-7-2013
- Macao Passed Food Safety Law_Hong Kong_Hong Kong_6-17-2013
- Oilseeds and Products Update_Beijing_China Peoples Republic of_5-31-2013
- U.S. Exhibitor's Spectacular Success at HOFEX -IBC_Hong Kong_Hong Kong_6-5-2013
- Consumer Council Called for Mandatory Labeling for Biotech Food_Hong Kong_Hong Kong_6-4-2013
- U.S. Exhibitor's Spectacular Success at HOFEX -ASMI_Hong Kong_Hong Kong_5-30-2013
- US Exhibitor's Spectacular Success at HOFEX-Idaho
 Potato Commission Hong Kong Hong Kong 5-30-2013

- U.S. Exhibitor's Spectacular Success at HOFEX-Trans USA Corporation_Hong Kong_Hong Kong_5-30-2013
- HOFEX 2013_Hong Kong_Hong Kong_5-24-2013
- U.S. Exhibitors Enjoyed Great Success at HOFEX 2013_Hong Kong_Hong Kong_5-24-2013