China - Peoples Republic of

Post: Shanghai ATO

USDA China Newsletter from October 2012

Report Categories:
Agricultural Trade Office Activities

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Report Highlights:
Highlights include: United Tastes of America - Asian Chef Challenge, American Seed Trade Association Discusses Upcoming US China Seed Forum • Cold Chain Team to USA, Food Blogger Team to USA, Animal Husbandry Forum in Beijing, Limited HRI Sector Demand but Great Potential for Imports in Guiyang, Fuzhou International Fisheries Expo, Michigan Department of Agriculture Delegation visit to Shanghai, Texas Department of Agriculture/Pecan Growers Visit to Shanghai/Ling'An, Organic Trade Association(OTA) visit in China to Explore Market Access Issues/Solutions, Preferred Freezer Service Opens 2nd Cold Storage Facility in China, EMP funded CIA Chef Training Successfully Completed, Opening ceremony of American Foods Festival at Changchun Eurasia Shopping Mall, Kansas Agriculture Delegation Visits Northeast China, U.S. Wild Blueberry/Food Export USA Promotion in Shanghai, Food Show Plus! at Asian Seafood Exposition in Hong Kong, APHIS Phytosanitary Technical Bilateral Meeting Results with China. For the newsletter with working links please click on the following URL: http://www.icontact-archive.com/ajv046v6l6BKR3bNhR65W9b5uF1gftsme?w=3
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- Food Blogger Team to USA
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- The Largest Feed Production Base in Guiyang
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- Organic Trade Association(OTA) visit in China to Explore Market Access Issues/Solutions

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ATO China Map

USDA China Contacts:
Beijing:
+ Facts & Figures

U.S. Exports to China
(CY 2007-2012 & Year-To-Date Comparisons - USD Million)

**BULK**

**Wheat**
- 2007: 6.09
- 2008: 0.14
- 2009: 86.89
- 2010: 40.53
- 2011: 160.19

Jan.-June Comparisons
- 2011: 62.56
- 2012: 109.50

%Chg: 75.0

**Coarse Grains**
- 2007: 8.97
- 2008: 2.86
- 2009: 48.06
- 2010: 278.12
- 2011: 842.77

Jan.-June Comparisons
- 2011: 155.30
- 2012: 753.96

%Chg: 358.5

**Soybeans**

- Preferred Freezer Service Opens 2nd Cold Storage Facility in China @ WaiGaoQiao Port - PFSYIDA Logistics
- FAS Mark Slupek Productive Visit to Shanghai
- EMP funded CIA Chef Training Successfully Completed
- Opening ceremony of American Foods Festival at Changchun Eurasia Shopping Mall
- Second Anniversary Celebration - ATO Shenyang
- Kansas Agriculture Delegation Visits Northeast China
- U.S. Wild Blueberry/Food Export USA Promotion in Shanghai
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- SUSTA Participates in Asian Seafood Expo 2012
- Food Show Plus! at Asian Seafood Exposition in Hong Kong 2012 led by Food Export USA
- USSEC Board Elects New Chairman, Executive Committee
- APHIS Phytosanitary Technical Bilateral Meeting Results with China
- ATOs Plan Chinese Reverse Trade Mission to PMA Show
- The 14th China Chain Store Expo and Mini-USA Pavilion Plans
- Upcoming Food Export USA Seafood Program
- Reserve your booth at FHC China's expanded USA Wine & Spirits Pavilion in November 2012!

**United Tastes of America - Asian Chef Challenge**
<table>
<thead>
<tr>
<th>Year</th>
<th>Value 1</th>
<th>Value 2</th>
<th>% Chg</th>
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<tbody>
<tr>
<td>2009</td>
<td>9,193.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>10,816.6*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>10,480.2</td>
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*Jan.-June Comparisons*

<table>
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<th>Value 2</th>
<th>% Chg</th>
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<tbody>
<tr>
<td>2011</td>
<td>4,757.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>5,371.1</td>
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**INTERMEDIATE**

**Vegetable Oil (Ex Soybean)**

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<thead>
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<tbody>
<tr>
<td>2007</td>
<td>13.99</td>
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<tr>
<td>2008</td>
<td>23.92</td>
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<td>2009</td>
<td>30.86</td>
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<tr>
<td>2010</td>
<td>47.75</td>
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<tr>
<td>2011</td>
<td>68.87</td>
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*Jan.-June Comparisons*

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<tr>
<td>2011</td>
<td>33.04</td>
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<tr>
<td>2012</td>
<td>62.75</td>
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**Hides & Skins**

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<tr>
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<td>2008</td>
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<td>2009</td>
<td>651.7</td>
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<tr>
<td>2010</td>
<td>951.6</td>
</tr>
<tr>
<td>2011</td>
<td>1,163.4*</td>
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*Oct.-Mar. Comparisons*

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<tbody>
<tr>
<td>2011</td>
<td>693.5</td>
</tr>
<tr>
<td>2012</td>
<td>777.3</td>
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**Sugar, Sweeteners & Bev Bases**

<table>
<thead>
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<tbody>
<tr>
<td>2007</td>
<td>12.79</td>
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<tr>
<td>2008</td>
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<tr>
<td>2009</td>
<td>3.40</td>
</tr>
<tr>
<td>2010</td>
<td>6.82</td>
</tr>
<tr>
<td>2011</td>
<td>11.96</td>
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*Jan.-April Comparisons*

<table>
<thead>
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<tbody>
<tr>
<td>2011</td>
<td>5.74</td>
</tr>
<tr>
<td>2012</td>
<td>7.39</td>
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**CONSUMER ORIENTED**

The first annual "United Tastes of America - Asian Chef Challenge" will be launched in Shanghai from December 5-7, 2012 at the ZhongHua Culinary Center in Puxi Shanghai. 18 teams from across China will be invited to participate in this competition. This competition will be a joint effort by the U.S. Department of Agriculture and more than 15 U.S. agricultural producer associations to launch a series of annual chef competitions in East Asia that will feature healthy, American food ingredients and highlight creative skills demonstrated by high-level Asian chefs. The initial target markets are Shanghai, Hong Kong, Tokyo and Taipei. The winning team of the regional Shanghai competition will participate in an East Asia competition in June 2013 at the Food Taipei Trade Show. The final winning team will be invited all expenses paid to attend a 5 Day Continuing Education Professional Development Course at the Culinary Institute of America, Napa Valley, California.

All of the competitions will be directed by WACS Executive Chef Alan Palmer, Global Culinary Competition Coordinator, who is in charge of monitoring and enforcing a uniform set of rules. The objectives are to attract and enhance media exposure of U.S. agricultural food and ingredients; To expand the use of U.S. agricultural food and ingredients in restaurant menus across Asia; To enhance the Hotel, Restaurant, and Industrial (HRI) sector's preference for U.S. agricultural food and ingredients; To cultivate relationships with professional chefs and to enhance the reputation and media exposure of highly skilled Asian chefs. Please click the here to download
2007 153.6
2008 179.4
2009 137.0
2010 236.7
2011 361.2*

Jan.-April Comparisons
2011 171.2
2012 244.6
%Chg 42.9

Processed Fruits & Vegetables
2007 101.6
2008 114.2
2009 130.5
2010 166.3
2011 210.7*

Jan.-April Comparisons
2011 128.3
2012 139.1
%Chg 8.4

Wine and Beer
2007 14.8
2008 20.1
2009 25.0
2010 35.0
2011 65.3*

Jan.-June Comparisons
2011 33.0
2012 38.8
%Chg 17.5

Pet Foods
2007 1.5
2008 7.5
2009 10.3 *
2010 4.8
2011 10.1

Jan.-April Comparisons
2011 4.6
2012 6.4
%Chg 38.9

Forest Products
Hardwood Lumber
2007 222.1

Recent Events:

All China Cooperators Meeting in Xi’an: U.S. Cooperator Representatives and FAS officers compared marketing strategies and improved coordination during meetings in Xian September 11-12. The meetings covered how cooperators are increasingly becoming involved in market access issues, changes in the policy environment for agricultural products in China, Chinese investment in the US agriculture sector, cooperation and GBI projects between cooperators, FAS funding of cooperators and post led projects, as well as FAS office and cooperator strategies for the various regions across China including a wide variety of commodities. This was the first time most USDA cooperators active in China and FAS officers have met in about 18 months. Held every other year, one of the main objectives of these meetings is to improve coordination among and between the FAS offices and the approximately 35 cooperators with an active marketing program in China. Lynn Reich and Mark Slupek from FAS/Washington's Office of Trade Programs participated in the meetings and provided updates on FAS programs including the Market Access Program, Emerging Market Programs, and Global Broad-Based Initiative Programs.

OAA Beijing

National Agricultural Statistics Service Attends Methodological Conference: From September 24-28, 2012, the National Agricultural Statistics Service (NASS) delegation led by USDA’s Administrator Cynthia Clark participated in a variety of meetings in Beijing. The delegation’s primary objective was to attend the Methodological Conference on U.S.-Sino Agricultural Statistics, but they also had several side meetings with different Chinese Ministries including: The National Bureau of Statistics, the
Development Research Center of the State Council, the Chinese Academy of Agricultural Sciences, and the Research Center for Rural Economics. Many of the meetings focused on exploring future collaboration and encouraging further involvement from China in the United Nations’ Global Strategy to Improve Agricultural Statistics.

**American Seed Trade Association Discusses Upcoming US-China Seed Forum:** From September 26-27, 2012, the American Seed Trade Association (ASTA) had meetings in Beijing with the China National Seed Association (CNSA), U.S. Industry, and the Ministry of Agriculture to prepare for the US-China Advanced Seed Science and Technology Forum at the end of the calendar year.

- **ATO Beijing**

**Cold Chain Team:** During the last two weeks of September, ATO/Beijing’s Pei Zhiyong led a self-funded team from China’s cold chain industry to the U.S. to learn more about how the U.S. industry deals with the safe handling of temperature sensitive foods, including issues of standards and enforcement. Support from USDA/AMS, FDA and industry for this group was outstanding. For more information on this program, please contact ATO Beijing.

**Food Blogger Team:** ATO/Beijing’s Amy Zhang led a team of new media food bloggers from across China on a tour of key sites in the U.S. to learn more about the range of products available from the U.S., and about U.S. food culture. The group visited New York, North Carolina, Louisiana and Chicago. ATO set specific expectations for media coverage by participants, which were far exceeded. Our most prolific blogger posted 156 micro blog entries and 18 blog entries during the two week trip, with nine of the blog entries reaching Sina.com’s front page. Sina has a user base in excess of 500 million. Many thanks to all of those in industry and local government who supported this effort, and particularly to the North Carolina Department of Food and Agriculture.

**Animal Husbandry Forum:** ATO/Beijing has scheduled the second meeting of the Animal Husbandry Forum for the morning of October 17. This is an informal meeting of U.S. exporters and organizations with an interest in China’s animal husbandry industry, including exporters of genetics (swine and cattle), feed, feed ingredients and other products. This iteration will include a session with key Chinese industry counterparts to discuss the potential for further cooperation in the development of the sector, and key issues facing both sides. For further information, please contact Ralph Bean at ralph.bean@fas.usda.gov.

**Feed Ingredients Event:** ATO/Beijing is working with the US Forage Export Council and the US Grains Council to organize a half-
Recent News:
China to see rising pork imports for 2013: China's hog figures see a three-year decline which may drive pork imports to record levels for 2013. (Source: eFeedlink)

China dairy firms affected by imports in milk powder industry: China's dairy firms are losing bargaining power as the milk powder industry has been dominated by product imports. (Source: eFeedlink)

China increases rapeseed imports to deal with soy shortages: China has increased rapeseed imports to cope with soy shortages expected in the coming months as US supplies continue to be affected by an on-going drought crisis. (Source: eFeedlink)

China soy crushers face low operating rate on soy shortage: The operating rate for China's major soy crushing firms is lower on-year and is expected to decline further with lesser soy imports and depleting stocks. (Source: eFeedlink)

China's corn imports to fall by 60%: China's corn imports are expected to fall by 60% in the year to September 2013 due to near-record global prices and a slowdown in consumption. (Source: eFeedlink)

Registration system launched for Chinese imports and exports: China this week launched a registration system to record the variety and origin of day seminar series on the use of forage and DDGS in animal nutrition, scheduled for October 16. For further information, please contact Ralph Bean at ralph.bean@fas.usda.gov.

ATO Chengdu

Treat In-store Promotion

On September 23, ATO Chengdu and Treat Supermarket jointly organized a Great American Food Festival in Chengdu's newest high-end supermarket, located in the new Raffles City Complex. Treat is a division of ParknShop supermarket, a chain store owned by AS Watsons Group. There are more than 300 outlets in Hong Kong, Macau, and mainland China. During this 2-week long promotion, Treat featured more than 600 SKU of U.S. imported products including many first time arrivals to southwest China, like Ranchers UHT milk. This U.S. milk is competitively priced at $2.20 USD (RMB 13.90) for a 946 ml container. It is specially made for Watsons Group by a U.S. dairy in California and is already a top seller according to the sales manager.

Limited HRI Sector Demand but Great Potential for Imports in Guiyang: During market outreach to Guiyang, Guizhou Province, ATO staff met with traders and distributors for agricultural products and found great interest in learning more about U.S. agricultural products and sources. Nan Ming Nan Yue (NMNY) Trading Company which started in 1998 is currently the largest distributor of imported foods and supplies all the luxury hotels in Guiyang. NMNY offers more than 100 different kinds of products, of which about 20% are imported. U.S. products include: butter, cheese, cream, frozen potato, and seafood. All imported products are purchased from suppliers in Guangdong. NMNY sales channel includes retail sales from the storefront, and distribution to restaurants and hotels. Hotels account for about 40 percent of sales and the company claimed to be the only supplier for many products to Guiyang five-star hotels. The sales volume in 2011 was about USD $15.73 million. Although the market for imported products in Guiyang is relatively small compared with other provincial capitals, it is growing by around 30 to 40 percent each year. ATO Chengdu will continue to follow up and provide information about U.S. food products.

The Second China (Guizhou) International Alcoholic
China approves use of ginseng in food products: Chinese authorities have given a green light for the use of ginseng in food products, a move that is being viewed positively by the plant's growers. (Source: FoodNavigator)

China lays out plan for global action on food security: A Chinese delegation today stressed the importance of coordinated global action to uphold food security and challenged economies with a five-point action plan to work to this goal. (Source: FoodNavigator)

China wakes up and smells the new Nescafé: Nestlé will launch a reformulated version of single-serve coffee product Nescafé 1+2 Original in China this month, and claims that consumer tastes in the nation have changed. (Source: Foodnavigator)

Beverage Expo: On September 12, ATO Chengdu staff attended the Second China (Guizhou) International Alcoholic Beverage Expo. Although Guizhou is a relatively poor province, it is well known for production of MaoTai which is China's most famous brand of grain alcohol or ‘baijiu.’ More than 800 Chinese and foreign companies attended the expo along with nearly 10,000 traders, distributors, brokers, and businesses. The exhibition area for this year's event grew to 80,000 square meters, 50 percent larger than last year. Chinese liquor, baijiu, dominated the domestic hall, but local wine, beer, and whiskey were also showcased. There was an imported wine section that featured wines from France, Australia and New Zealand. In the international hall exhibitors from the U.S., France, the United Kingdom, Australia, New Zealand, Italy, Spain, Portugal and Hong Kong had booths. Three U.S. wine companies attended the show, all of them with sales office in China.

The Largest Feed Production Base in Guiyang: On September 12, ATO Chengdu staff visited Guiyang New Hope Agricultural Science and Technology Company which is the newest and largest feed production enterprise in Guizhou Province. With an annual production of 150,000 tons of high-quality feed for livestock, poultry, and fish, the company is in need of corn, soybean meal, rapeseed meal, cottonseed, DDGS, fish meal, and other raw materials. As interest continues to grow among exporters of U.S. feed and forage providers in the southwest China market, ATO Chengdu continues to identify new potential buyers.

Cold Chain Situation Improves in Guiyang: On September 11, ATO Chengdu staff visited the largest cold chain logistics center and agricultural wholesale market in Guiyang, Guizhou - the Yun Guan Cold Chain Food Wholesale Market. This newly built cold chain facility opened in August, 2012 and is a one-stop wholesale market for all kinds of agricultural products including: chilled products, frozen products, dry products, aquaculture products, and other food ingredients. In addition to traditional cold storage, the market also boasts facilities for food processing, room temperature storage, trading, and distribution. The cold storage area alone can hold up to 50,000 tons of frozen and chilled products, which will benefit both imported and domestically produced goods. It is estimated that the total amount of agricultural products in Guiyang that require cold chain logistics may reach one million tons by 2015.

ATO Guangzhou

The 24th International Wool Trade Fair & Information Conference:

From September 12-14, ATO staff
attended the 24th International Wool Trade Fair & Information Conference organized by China Wool Textile Association and the Nanjing Wool Market in Sanya, Hainan Province. The Conference was regarded as China’s largest annual wool industry trade gathering. Delegates from major wool production countries including the United States, Australia, New Zealand, Great Britain, Uruguay, and Canada attended the event. ATO Guangzhou led a group of eight U.S. wool industry representatives and members of the American Sheep Industry Association (ASIA). The three-day conference consisted of an information plenary, wool trade fair, global wool summit and an international wool salon discussion session. This large-scale get-together of manufacturers, weavers, spinners, brokers, and agents as well as international wool boards has brought global wool exporters and experts to China for networking and, primarily, sharing market trends and doing business. The entire supply chain had an opportunity to present their perspective on the market outlook including local policies that impact the wool business and consumer demand in China.

ATO Guangzhou at Fuzhou International Fisheries Expo:
On September 15-17, ATO Guangzhou led a delegation of export association representatives and Guangzhou U.S. seafood traders to the 7th Strait Fuzhou International Fisheries Expo in Fuzhou, Fujian Province. It is the second largest fisheries exhibition in Mainland China and the largest in South China and Hong Kong. More than 500 companies from Burma, Indonesia, Thailand, Malaysia, Vietnam and Taiwan attended the Expo, although Japanese companies were discouraged participation and denied entry visas. ATO Guangzhou staff attended the opening ceremony and visited the show. The Fuzhou Fishery Expo also welcomed the first U.S. pavilion that was donated to the ATO and Alaska Seafood Marketing Institute as a friendship gesture from the provincial Fujian Fisheries Association to encourage closer ties to local trade.

ATO Guangzhou attended the China (Shenzhen) Maternity, Baby and Children Products (MBC) Exhibition:
On September 23, ATO Guangzhou staff attended the China (Shenzhen) Maternity, Baby and Children Products (MBC) Exhibition held in South China’s largest 1st tier city. This exhibition is considered to be on of the only
shows of its kind for maternity and baby products in the South China market. Exhibitors primarily include manufacturers and general agents of baby products. Other than a wide collection of baby and children care products, baby wear, toys, food and health supplements, imported brands of infant formulas and baby milk powder are key products featured during the Exhibition. Around 25 baby food manufacturers/general agents set up their booths during the three-day exhibition. Almost 90 percent of imported food products were baby formula brands from the United States, Korea, Australia, New Zealand, Spain, France, Korea, and the Netherlands. Except for the best-selling China-manufactured, Mead Johnson, all the other brands are seeking regional agents through this show. Mead Johnson’s infant formula products are processed in their production base in Guangdong province. The company enjoys favorable nationwide parental approval ratings. Mead Johnson’s reputation also ranks high with local officials who recognized their U.S. characteristic of producing high quality and safe goods. During the MBC show, Mead Johnson’s booth was busy with many show visitors, and they were the only exhibitors at this show that offered parental guidance short courses on infant milk feeding and selection onsite.

- **ATO Shanghai**

**Michigan Department of Agriculture Delegation**

**Developing Pathways for Michigan Agribusiness:**

On September 20, ATO Shanghai organized a briefing and several meetings for Michigan Department of Agriculture and Rural Development Director Jamie Clover Adams and an agricultural delegation that included dried fruit and processed food manufacturers. “Throughout this mission we are focused on
strengthening relationships and developing pathways for new food and agriculture trade and business opportunities in Michigan," said Clover Adams. "There is great potential for Michigan's high quality food products in China, as Chinese consumers desire more Western food choices coupled with the country's growing middle-class continues."

The agriculture delegation met with the United States Department of Agriculture's (USDA) Agricultural Trade Office (ATO) officials, toured LongWu Wholesale Market and retail markets, and attended meetings with Michigan food companies and current and potential buyers. For full information, please click [here](#).

**Texas Department of Agriculture/Pecan Growers Visit to Shanghai/Ling’An:** From September 17-21, TDA's Carlos Guerrero led a team of Texan Pecan Growers to Shanghai. ATO Shanghai arranged meetings for the team and took them on a tour to LingAn which is near Hangzhou which is one of largest nut roasting areas in China. Last summer, ATO Shanghai led a team of LingAn roasters to California, Georgia, and Texas. The Texan suppliers hope to sell direct in the future to the LingAn roasters and avoid going through middlemen in Hongkong. The team traveled to China using the Small Business Administration’s State Trade and Export Promotion Program. The State Trade and Export Promotion Program (STEP) is a trade and export initiative administered by the U.S. Small Business Administration. Funded by federal grants and matching funds from the states, the STEP Program is designed to help increase the number of small businesses that are exporting and to raise the value of exports for those small businesses that are currently exporting. For 2012, Texas’ approved project will focus on three key markets, the People's Republic of China, the United Arab Emirates and the Republic of Korea. For more information on this program, contact Carlos Guerrero at (512) 463-6507.

**Organic Trade Association(OTA) visits China to Explore Access for U.S. Organic Products in China:** A delegation of four U.S. organic certifiers and a representative of the Organic Trade Association (OTA) visited China from Sept 22-28. The delegation met with government agencies and certifiers in Beijing and then traveled to East China where they met three major organic certifiers CERES (Shanghai), OFDC (Suzhou) and WIT(Hangzhou). The delegation also met with importers of organic/natural food products in Shanghai and discussed the challenges of importing U.S. organic products. The meetings focused on how U.S. organic products can get certified to Chinese standards in spite of the practical obstacles imposed by Chinese regulations. In addition to the meetings, the delegation visited organic farms near major cities of Nanjing (Jiangsu Province) and Hangzhou (Zhejiang Province). For more information, please contact Freddie Xu at ATO Shanghai at zhen.xu@fas.usda.gov

**Preferred Freezer Services Opens 2nd Cold Storage**
Facility in China - Waigaoqiao Port, Shanghai - PFSYiDA Logistics:

On September 17, 2012, ATO Shanghai staff attended Shanghai-PFSYiDA Logistics (Shanghai) Company’s WaigaoQiao Facility Grand Opening ceremony of its second facility in China with more than 300 people in attendance. Honored guests included officials from the WaigaoQiao Entry-Exit Inspection and Quarantine Bureau, the Shanghai Free Trade Zones Administration, the Shanghai WGQ Free Trade Zone UDC, the Gaodong Government and the WGQ AIC. Also in attendance were several prominent food manufacturing companies. Tim McLellan, Managing Director of Int’l Business Development for Preferred Freezer Services, talked about PFS’ plan for development and expansion throughout China. Mr. McLellan highlighted the company’s international cold chain expertise, and reaffirmed its commitment to improving China’s cold chain logistics services and to food safety awareness in handling frozen foods. This is the second state-of-the-art cold storage facility to be opened in Shanghai region by PFSYiDA. Another facility will be opened in Tianjin in 2013. For more information, please click here.

FAS/W Mark Slupek Visits Shanghai ATO: From Sep 13-14, Mark Slupek from FAS Washington visited ATO Shanghai after attending the All China Cooperators meeting in Xian. The purpose of his visit to Shanghai was to participate in a series of market development activities in Shanghai and to better understand how ATOs support American States, companies and producer associations. He attended a U.S. consulate briefing with Maine Governor Paul LePage followed by a meeting with Ms. Lauren Swartz, Deputy Director of Food Export USA-Northeast, who was traveling with the Maine Governor’s delegation assisting with various promotion activities. Slupek and Swartz joined in a market tour organized by
China Fishery and Seafood Expo in Dalian

**Nov. 11-12**
WUSATA Trade Mission to Chengdu

**Nov. 11-13**
Reverse Trade Mission to PLMA Show Chicago, Illinois

**Nov. 14-28**
Parkson In-store Promotion, Kunming, Yunnan Province

**Nov. 14-16**
Food & Hospitality China 2012 USDA Endorsed Show Shanghai

**Dec. 4-9**
Ito-Yokato In-store Promotion, Chengdu

**Dec. 5-7**
United Tastes of America - Asian Chef Challenge - Zhonghua Culinary Center, Shanghai

**Dec. 12-14**
PLMA show Shanghai

ATO Shanghai which included a visit to the German Cash & Carry’s Metro headquarters in Shanghai and a visit to Shanghai’s main wholesale seafood market where we observed tons of Maine lobsters being marketed to hotel and restaurant buyers. Later that afternoon, Slupek participated in a US Wild Blueberry Promotion event sponsored by Food Export USA before attending the Maine Governor’s trade reception where he met several importers of American agricultural products. On the 14th, he visited with several American exhibitors including large delegations from the US Softwood Export Council and the Hardwood Export Council at the Furniture Manufacturing and Supply China (FMSC) trade show in Shanghai. Later that afternoon, he met with an American importer/distributor of Kentucky Bourbon at the annual Whiskey Live trade show. Both shows provided Slupek with a better feeling of the rapid economic growth of the China market. The FMSC show occupied 70,000 square meters featuring 850 exhibitors and attracted more than 35,000 trade buyers.

**EMF funded CIA Chef Training Successfully Completed:**

ATO Shanghai took lead in an EMF funded chef training program with the Culinary Institute of America in mid-September. Fourteen chefs from across China were trained in managing chain restaurants and menu development. The main purpose of this project was to influence R&D specialists working at Chinese casual dining chain restaurants to incorporate more American ingredients into their menus.
The custom-designed training program covered key concepts of managing casual chain restaurants and the latest trends in American cooking. Follow up activities will be conducted with selected restaurant chains; our objective is to get US ingredients permanently on the menus of restaurant chains across China.

- **ATO Shenyang**

**Opening ceremony of American Foods Festival at Changchun Eurasia Shopping Mall:**
The opening ceremony of American Foods Festival at Changchun Eurasia Shopping Mall was conducted on Sep 15th, 2012. As the largest shopping mall not only in Asia, but also in the whole world, Changchun Eurasia boasts an operational area of 560,000 square meters at present and 700,000 more are under construction. In its two supermarkets, imported items account for more than 40 percent, which is the highest in Changchun, the capital city of northeastern province of Jilin. Mr. Lv, the Vice GM of Changchun Eurasia Shopping mall, said the cooperation with ATO Shenyang would be very helpful to create more awareness of American foods in Jilin Province and in the whole northeast China. Mr. Jarrell, the director of ATO Shenyang also expressed his hope of more cooperation in the future with Changchun Eurasia Shopping Mall.

**Second Anniversary Celebration of ATO Shenyang and Welcome Reception of Director Philip Jarrell**
On September 17, 2012, ATO Shenyang celebrated its second anniversary. About 60 guests were invited to the celebration, including contacts from HRI, retailing, dairy, feed, meat, bakery, wine and provincial agricultural commissions. ATO Shenyang was officially opened on Sep 17th, 2010. In the past two years, ATO Shenyang has reached out to many ag-related industries in northeast China, introducing and promoting US agricultural products. Mr. Philip Jarrell, the new director of ATO Shenyang arrived this August, welcomed and addressed the guests, saying that there would be no success without everyone’s support to ATO Shenyang and he looked forward to more cooperation with food and agricultural contacts in the region in the future. Minister Counselor Scott Sindelar from the US Embassy in Beijing and ATO Shanghai’s Director Keith Schneller attended the celebration.

Kansas Department of Agriculture Visit to Northeast China:
In late September, Kansas Secretary of Agriculture Dale Rodman led an Agricultural Delegation to northeast China for three days, after a few days stay in Korea and Beijing. ATO Shenyang arranged visits to the local meat wholesale market in Shenyang, the cattle breeding station under Liaoning Animal Husbandry Bureau, one of Liaoning Huishan Dairy Company’s dairy farms, Jilin Haoyue Islamic Beef Company’s beef processing workshop and feed lot, a boar farm and some corn fields in Liaoning Province. The delegation said it was a very productive and informative trip. It also gave contacts from ATO Shenyang a deeper understanding of Kansas’s advantages on agriculture. For more information about the mission, click here.

U.S. Cooperators in China

Food Export USA Launches U.S. Wild Blueberry Event in Shanghai:

The U.S. Wild Blueberry Association with support from Food Export USA-Northeast hosted a U.S. Wild Blueberry Nutrition Seminar & Trader Gathering at The Westin Bund Center in Shanghai on September 13, 2012. This event is part of a continuous effort by Food
Export USA Northeast to promote agricultural products to the Chinese market. The event attracted around 50 local buyers. Maine Governor Paul LePage provided opening remarks for the event. He spoke about the natural and wild beauty of his state and emphasized it is one of the few states where wild blueberries are grown and packaged for commerce. The other honorable guests include Mr. Keith Schneller, Director of ATO Shanghai; Ms. Patricia Kontur, Program Director of the U.S. Wild Blueberry Association; and Dr. Vivian Chi-Hua Wu, Associate Professor of Microbiology and Food Safety at the University of Maine, Orono. Ms. Lauren Swartz, Deputy Director of Food Export USA-Northeast, was also in attendance.

For full story, please click here.

**CCI Presents at Intertextile Shanghai Home Textiles 2012:**
From August 28-30, 2012, Cotton Council International (“CCI”) presented itself, in collaboration with COTTON USA licensees Shanghai Imagine Home Textile Co., Ltd. (“Shanghai Imagine”) and Ibenas Shanghai Technical Textiles Co., Ltd. (“Ibenas Shanghai”) at the 18th Intertextile Shanghai Home Textiles. The quality home textile products made of US cotton natural fibers are displayed on the joint stand located at Hall W2, D08. Designed to present the household settings, CCI’s joint booth demonstrates the cozy, natural and environmental-friendly lifestyle by the household products bearing COTTON USA trademark to convey the theme of the new year’s campaign: “COTTON USA: Naturally Live Your Life”. Ms. Karin Malmstrom, China Director of CCI in talking with industry media commented on current trends of the global cotton market. “The current situation brings about a lot of challenges to the textile industry….. CCI’s unique promotions and licensing program covers the whole cotton textile supply chain ranging from cotton fiber to retailers’ shelves, linking the purchasers of textile products made of US cotton with renowned global COTTON USA licensed suppliers and brands to establish long-term partnerships for effective procurement throughout the cotton supply chain.”
For full story, please click here.
SUSTA Participated in Asian Seafood Expo 2012

Among all food categories, seafood remains a key product in the daily diet of Hong Kong consumers either at home or dining out. Without domestic catch or aquaculture, it relies almost solely on importation. During first half of 2012, Hong Kong has become the 7th largest exporting destination of U.S. fish and seafood products. In addition, a wide range of items from crustaceans, mollusks to various fishes could all find their own market in Hong Kong. Consequently, U.S. companies start to pay attention to the development in this market seeking exporting opportunities. And Asian Seafood Show, the newly emerging exhibition focusing on seafood sector provides an ideal platform for connecting U.S. exporters to local buyers. SUSTA continued to sponsor this momentum by exhibiting at the 3rd edition of Asian Seafood Expo in Hong Kong on September 11 - 13, 2012. For full story, please click here.

Food Show Plus! at Asian Seafood Exposition in Hong Kong 2012 by Food Export USA:

Hong Kong is one of the most important seafood import market and
ranked in the world’s tops in recent years. During September 11-13, 2012, Asian Seafood Exposition was held in Hong Kong and it was the 3rd edition of the show. During the time of the Asian Seafood Exposition, local professional seafood buyers visit the show to seek for suitable seafood items. Due to the close proximity, the Asian Seafood Exposition has been able to attract visitors from different parts of Asian market. From all the success stories development in the past two years, Food Export USA once again had the Food Show Plus! service available for the Northeast seafood companies to provide them a chance to explore the Hong Kong market. Eventually, Food Export USA had 7 seafood companies from the northeast of USA participating in this Food Show Plus! program. The participants were bringing in a wild range of seafood products, which included American lobsters, monkfish, scallop, etc., to the show in Hong Kong. Please click here for full information.

**USSEC Board Elects New Chairman, Executive Committee**

Soy industry representatives and farmer leaders gathered in New Orleans this week to appoint the new USSEC Board and elect officers for the coming year. USSEC appoints, or reappoints, a board of directors comprised of 15 members - four representing the American Soybean Association (ASA), four representing the United Soybean Board (USB) and seven representing industry and state soy organizations.

The following farmer-leaders selected to serve on the USSEC Board include:

**ASA**
- John Heisdorffer,
- Ron Kindred,
- Randy Mann, elected Chairman
- Jim Miller,

**USB**
- Jim Call,
- Sharon Covert, elected Vice-Chair

Vanessa Kummer,
- Tom Rotello,
- Kirk Leeds, Iowa Soybean Association CEO, and John Wright, of Owensboro Grain Company, were elected to serve as secretary and treasurer respectively. Please visit [http://www.ussec.org/about-ussec/board-of-directors/](http://www.ussec.org/about-ussec/board-of-directors/) to view a full list of 2012-2013 USSEC Board.
+ Trade Policy Updates

**APHIS Hosts Phytosanitary Technical Bilateral Meeting with China**
From September 25-27, APHIS hosted the 20th U.S.-China Phytosanitary Technical Bilateral Meeting in Napa, California. More than 20 bilateral phytosanitary issues were discussed and two protocols were finalized and initialed for formal signature at a future date: (1) An import protocol for Chinese Asian (or sand) pears, and (2) an export protocol for U.S. pears from California, Oregon, and Washington. It is anticipated that these protocols will be finalized and formally signed in preparation for the 2013-14 shipping season.

Additionally, both sides provided updates on the status of their evaluation of new market access requests for other commodities. The United States provided updates for Chinese apples, cherries, grapes, phalenopsis orchids, mangoes, and citrus. Likewise, Chinese officials provided updates on their evaluation of U.S. nectarines, strawberries, avocados, pomegranates, potatoes, Hawaiian papaya, blueberries, and cane berries. For more information, please contact APHIS Beijing.

+ Upcoming Events:

**Reverse Trade Missions to PMA Show:** ATO Chengdu and Shanghai will lead buyers to visit California and Oregon State and to attend the PMA Fresh Summit trade show in Anaheim from Oct 24-31. In California, the trip includes visits to orchards and packing houses around Fresno and Bakersfield, and meetings with trading companies. The team from East and Southwest China will include fruit importers and representatives from retailers, online retailers and wholesale markets. ATO Shanghai will be reaching out to relevant cooperators and State Departments of Agriculture for help with trip logistics. For more information, please contact Ms. Freddie Xu (Zhen.Xu@fas.usda.gov) at ATO Shanghai.

**Upcoming Food Export Seafood Program:** In 2011, total fish and seafood importation in China reached 4.25 million MT, valued at USD 8.02 billion. Among all the competitors, U.S. suppliers have witnessed profound growth, helping it to become the 2nd largest seafood supplier to China. In addition to the growing purchasing power and consumer awareness, the development in the HRI sector also generated demand on high-end seafood products. Consequently, Food Export has planned to launch an integrated
seafood program in mainland China. On November 6 - 8, 2012, Food Export will exhibit at the China Fisheries & Seafood Expo in Dalian. There are two companies namely Atlantic Capes Fisheries and Heron Point exhibiting at the grand Food Export pavilion. In addition, four more companies including Blue Water Seafood Distributors, Chesapeake Bay Packing, Providence Bay and Seafreeze have registered for the Food Show Plus! projects. Products to be promoted cover a wide range including American Lobster, Atlantic Sea Scallop, Conch, Whelk, Squid, Surf Clam, Crab and various fish products. For more information, please click here.

**The 14th China Chain Store Expo and Mini-USA Pavilion:**
From Nov 1 – 3, ATO Shanghai will cooperate with the China Chain Store and Franchise Association to organize a delegation of east China based importers, distributors and U.S. companies to exhibit at the “14th China Chain Store Expo” in Tianjin. The CCSFA will provide FAS China with a free information booth at the show. Last year 103 retailers from all over China participated in the expo which included Walmart, Carrefour, Auchan, Tesco, Ito Yokado, etc. Through this Expo, ATO would like to introduce U.S. companies, importers, and distributors to retailers all over China; to create match-making opportunities between U.S. products suppliers and Chinese retailers and to identify opportunities for outreach and collaboration with retailers in and outside of Shanghai in support of ATO Shanghai’s Distributor Development Strategy. For more details about the Expo, please refer to the link [http://www.chinaretailexpo.com/cn/default.asp](http://www.chinaretailexpo.com/cn/default.asp)

For more information about joining this activity, please contact Ms. Leanne Wang at Li.Wang@fas.usda.gov

**Reserve your booth at FHC China’s expanded USA Wine & Spirits Pavilion in November 2012!**

FHC China 2012 will host the largest USA Pavilion to date covering 1100+sqm with over 70 companies. The USA Pavilion will join over 40+ National Groups (up from 27 in 2011) and 1500+ exhibiting companies from over 70 countries, the largest FHC to date. Additionally, US Wine & Spirits companies can participate in the renowned China Wine Sommelier Challenge and the USA Wine & Spirits Pavilion located in the newly FHC Wine & Spirits hall; devoted uniquely to international wines & spirits where renowned [ProWein has just announced the ‘ProWein Tasting Zone’ offering over 300](http://www.prowein.com/Home.html)
international wines alone for tasting. FHC China offers buyer drawing events such as: China Sommeliers Challenge, Ultimate Barista Challenge, Ice Cream University, China Culinary Arts Competition, Chinese Pizza Championship, Olive Oil China and more! FHC China is the largest international food, drink, hospitality, food service, bakery and retail event in China.

Date and Location: November 14-16, 2012, Shanghai New International Expo Centre (SNIEC)

FHC China 2012 will feature an expanded USA Wine & Spirits Pavilion!

For more information on the Pavilion how and how to reserve your booth, please Click Here


+ GAIN Reports (Global Agricultural Information Network)

- Livestock and Products Annual_Beijing_China - Peoples Republic of 9-23-2012
- Registration Required for Foreign Food Product Exporters - Update_Beijing_China - Peoples Republic of 9-25-2012
- Raisin Annual_Beijing_China - Peoples Republic of 9-18-2012
- Poultry and Products Annual_Beijing_China - Peoples Republic of 9-18-2012
- 2012 South China Tree nut_Guangzhou_China - Peoples Republic of 9-12-2012
- Matchmaking Promoted by ATO Hong Kong Brings Potential
- Business Hong Kong_ Hong Kong_ 9-11-2012
- Agricultural Biotechnology Annual Hong Kong Hong Kong_ 7-12-2012
- Voluntary Recall of Infant Formulas for Low Iodine Content Hong Kong Hong Kong_ 8-16-2012