

The Food and Beverage Market Entry Handbook: The United States:

**a Practical Guide to the Market in The United States for European Agri-
food Products**



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Note: the term EU in this handbook refers to the EU-27 excluding the UK, unless otherwise specified. For product trade stats, data is presented in order of exporter size for reasons of readability. Data for the UK is presented separately where it represents a notable origin (>5% of imports). In case it represents a negligible origin that would not be visually identifiable in a graph, data for the UK is incorporated under "rest of the world".

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1 The Food and Beverage Market Entry Handbook: The United States

This Handbook is intended to act as a reference for those agri-food producers planning for, or in the process of entering, the American market. This Handbook provides **step-by-step guides** on entering the agri-food market in American including relevant information such as **analysis of the American market** for different product categories, **market access** and **market entry procedures**, **IP protection**, **referrals to professional buyers** and a signposting and referral system providing useful contacts and ways to penetrate the US market.

1.1 How to use this handbook

Depending on your stage of market entry, company profile, and product range, different sections within this handbook will be helpful to a different extent for your business strategies.

For those wishing to learn more about the American food and beverage market in general, section 2 provides a general country overview; section 3 provides an overview of the agri-food market; and section 4 an overview on market entry. These latter two sections contain information on: the food and beverage market, market access procedures, customs procedures, SPS and labelling requirements, intellectual property protection, including the status of geographical indications. The information contained within these sections is of a general nature and so may not be relevant for those in the more advanced stages of market entry.

If you want to find out more information relevant for your product, then check out the **Market Snapshots for Selected Products** (section 5). This content illustrates the market situation, market access procedures, SPS requirements etc. specific for this product or product category. This information will provide more industry specific information to consider as part of any market entry or market expansion strategies.

If you already have decided that the American market is where you want to be, but you need some support, then the **Support Services Directory** can point you in the right direction. Contact information for a service provider, business facilitation support organisation, or from a business contact, could help put you in touch with the right parties who can help you to build your brand in the American market.

2 Country introduction and overview



Capital:	Washington DC						
Population:	328 Million						
Area:	9.834 Million Km ²						
Political structure:	Federal Republic						
Major languages:	English (de facto national language), Spanish						
Major religions:	Christianity 71%, Atheism 18%, Judaism 2%, Islam 0.8%, others 2.5%						
Life expectancy:	78.9 years (Male 81.4 years, 76.3 years)						
Currency:	United States Dollar (USD\$); 1 EUR = 1.13 USD (2019 average)						
GDP growth (real):	2.3 % (2019)						
Exports:	12.2% of GDP (2019)						
Imports:	15.3% of GDP(2019)						
Main exports*:	Machinery including computers (12.5%), Mineral fuels including oil (12.1%), Electrical Machinery, equipment (10.5%), Aircraft, spacecraft (8.3%)						
Main imports*:	Machinery including computers (14.8%), Electrical machinery, equipment (13.7%), Vehicles (12.1%), Mineral fuels including oil (8.2%)						
Unemployment rate:	3.8% (February 2020) <i>(Before the outbreak of Covid 19)</i>						
Labour force:	62% (February 2020) <i>(Before the outbreak of Covid 19)</i>						
Main industries:	<table> <tr> <td>Agriculture:</td> <td>0.8 % of GDP</td> </tr> <tr> <td>Industry:</td> <td>18.9% of GDP</td> </tr> <tr> <td>Services:</td> <td>80.2% of GDP</td> </tr> </table>	Agriculture:	0.8 % of GDP	Industry:	18.9% of GDP	Services:	80.2% of GDP
Agriculture:	0.8 % of GDP						
Industry:	18.9% of GDP						
Services:	80.2% of GDP						
Average household income (2019):	EUR 52 459						
Household expenditure on food and beverages (2019):	EUR 7 173						
Food and beverage market size (2019):	EUR 922bn						

Sources: Euromonitor International: Economies and Consumers, 2020; IMF; UN, World Bank; WHO, OECD. * Goods only listed

2.1 Country overview: The United States at a glance

2.1.1 Past economic and political trends

- *The United States has grown from a collection of thirteen colonies along the coast of the Atlantic Ocean to one of the most influential countries in the world stretching from the Atlantic coast to the Pacific to become the world's third-largest nation by land area.*
- *The societal, cultural, and political trends of the United States during the 19th and 20th century have influenced many aspects of life across the world today.*
- *The United States acted as a gateway location for immigrants throughout the world in the 19th and 20th century allowing for the United States to become one of the world's most multicultural nations.*
- *Due to the Geographic location of the United States the country has been largely shielded from outside intervention as conflict on the northern American hemisphere was fairly rare compared to the rest of the world, allowing for increased economic development within the country during large periods of conflict on a global scale in the 19th and 20th century.*

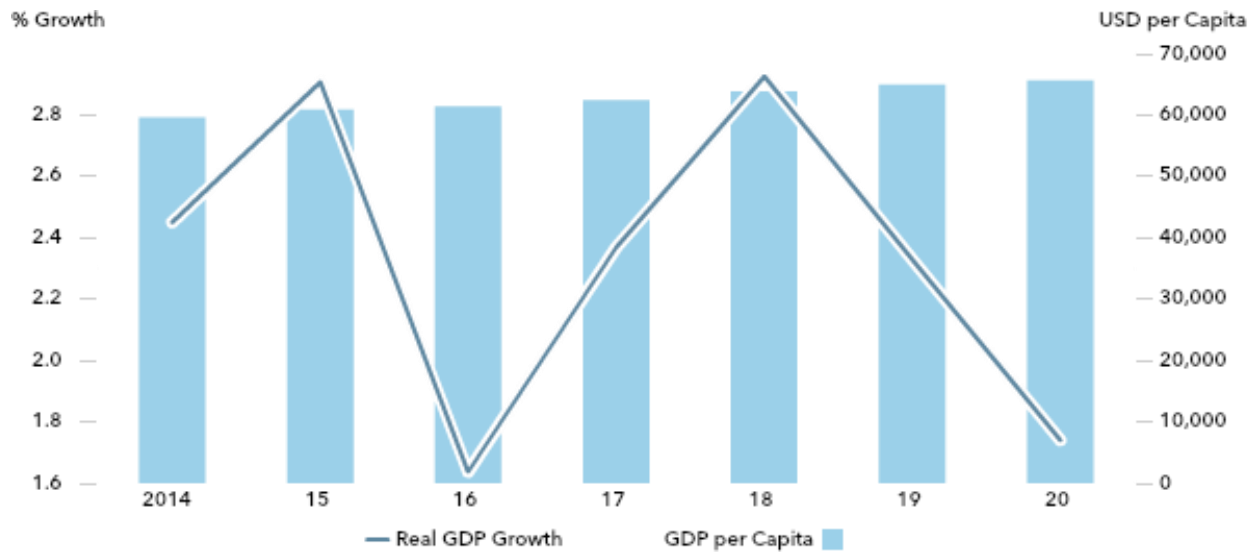
The United States is a relatively young nation only founded in 1776 after a War of Independence against the British empire. The young nation has since grown from its original 13 colonies and a civil war to become the world's third-largest nation by land area incorporating 50 federal states which stretch from Florida on the coast on the Caribbean Sea to Alaska in the north pole to Hawaii in the Pacific Ocean. The United States throughout the 18th, 19th and 20th century was often viewed through the famous phrase “the land of opportunity” and welcomed immigrants from across the world to help develop the country from the Irish fleeing the Irish potato famine to Italians, Spaniards and many other Europeans fleeing poverty in their home countries. This in turn led to the United States becoming one of the world's most multicultural nations which it very much remains today. The ability of the United States to act as a pull factor for many immigrants across the world led to some of the world's most innovative minds arriving in the country which has helped spur economic growth and innovation in the country. The United States played a pivotal role in global affairs in the 20th century and has a seat in the United Nations as a permanent member country with veto powers cementing its place as one of the world's most influential nations. The events in the post-world war 2 world were heavily influenced by the United States and the cold war era with the Soviet Union which created some of the world's most significant events such as the moon landing and the fall of the Berlin wall. After the dissolution of the Soviet Union, the United States effectively found itself as the world's sole superpower nation, a status that led to the country playing an influential role in global affairs at the turn of the 20th century.

2.1.2 Current economic situation and mid-term outlook

- *The United States is the world's largest economy and is a beacon of innovation throughout the world.*
- *The Great Recession of 2008 influenced by the collapse of the US housing market heavily impacted the economy of the country, the country had since largely recovered from this recession up until the outbreak of COVID 19.*
- *The Trump administration has increasingly sought trade renegotiations with global powers which have impacted trading patterns into the US, with the US-China trade dispute, in particular, impacting the agricultural sector of the US.*
- *The US economy grew by 2.9% in 2019 and had been growing consecutively year on year for over a decade until the outbreak of COVID 19 in 2020.*

The impact of the 9/11 terror attacks on the United States has largely guided their foreign policy in the 21st century which in turn has impacted the economy of the country. After the 9/11 attacks in the US and still feeling the effects of the dot-com bubble crash of the late 1990s / early 2000s, the economy entered a recession. The housing market of the United States was the next bubble to pop which helped to trigger the great recession of 2008. As the then Obama administration rushed to bail out the automobile sector and banks received a rescue stimulus the economic situation of the US began to stabilise, and growth returned. The US economy grew throughout the 2010s and in 2019 grew by 2.9%, significant for a market of its size. Into 2020 the US became the epicentre of the COVID 19 pandemic with the states of New York and California, in particular, being affected. The subsequent lock-down of the country ground the economy to a halt. The midterm outlook of the US economy is difficult to analysis as the COVID situation continues to develop and a presidential election in the country at the end of the year may lead to different trading and economic policy agendas in 2021.

Figure 2-0: Real GDP Growth and Per Capita GDP in The United States: 2014-2020



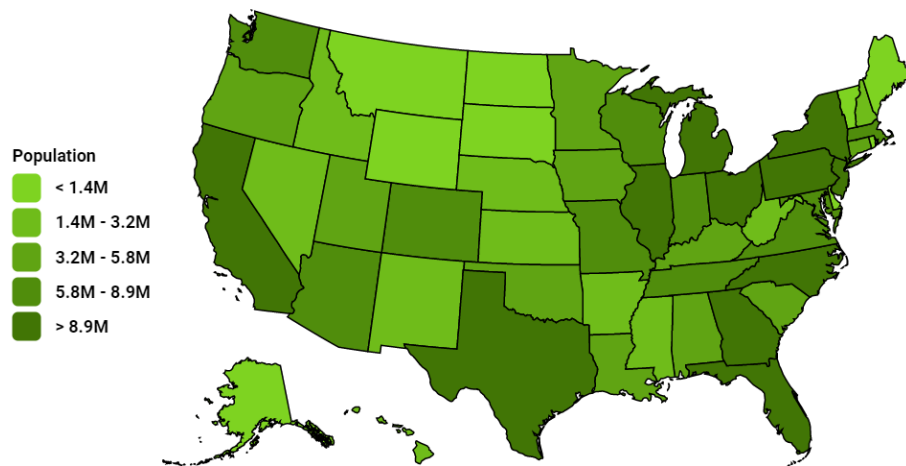
Note: Data for 2019 is forecast. GDP per capita are in constant 2018 prices

Source: Euromonitor International: Economies and Consumers, 2020

The United States is the world's third most populous nation and is likely to remain in this position up until 2050. The population of the United States is largely concentrated around urban centres in the country with LA country alone having a larger population than North Carolina, the country's 10th most populous state. The Midwest of the United States is largely sparsely populated outside of urban centres with states such as Montana, South Dakota, and Wyoming having populations below 1 million. The US has a large number of urban centres with the metro area populations of the cities of New York (19 Million), Los Angeles (13m) and Chicago (9m) being the three largest (city populations are around 1/3 of the metro area populations). Other notable cities with populations above 1 million (excluding their metro areas) include Dallas, San Antonio, San Diego, and San Jose. Idaho has the fastest growing population percentage by the state while Wyoming is the slowest growing.

2.1.3 Populations trends

Figure 2-1: Population of The United States by State



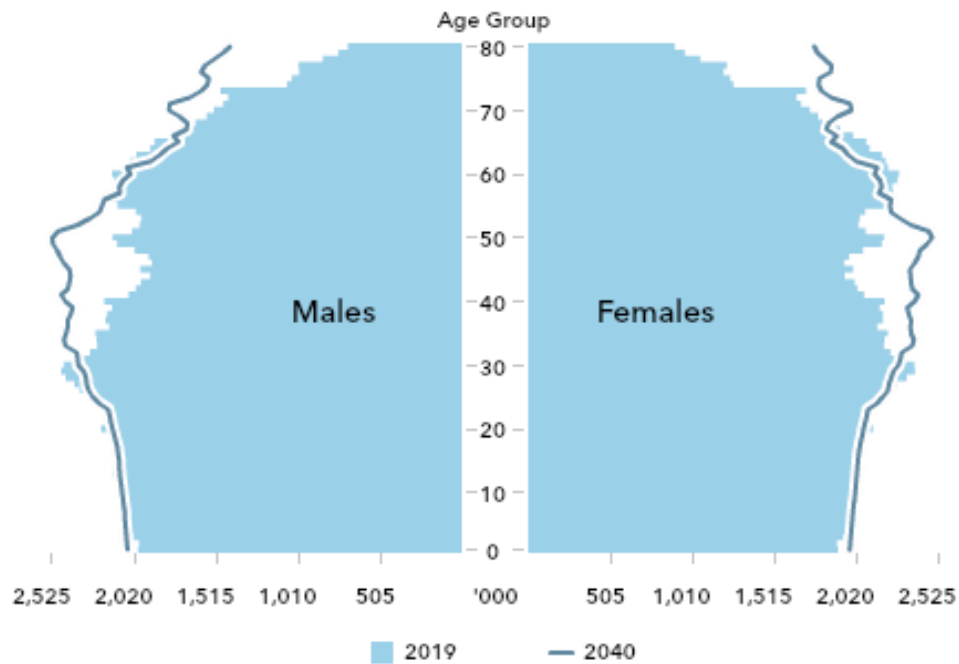
Source: Agra Ceas based on various

- A large percentage of the US population lives in urban centres on the coasts of the country. The State of California would be the world's 34th most populous country, while the north eastern seaboard has a population in excess of 50m.
- The states of Idaho, Nevada, and Utah have the fastest-growing population growth as a percentage.
- The States of Wyoming, Illinois, and West Virginia have the lowest population growth rates as a percentage.
- The American population is extremely diverse as an influence of decades of immigration to the country from all corners of the world this, in turn, leads to many states adopting cultural norms and traditions based on the majority of immigrants that arrived in the state, for example, Norwegian culture (Minnesota), German (Pennsylvania) and Mexican (California)

As can be observed in Figure 2-1, many US citizens live in coastal states such as California and New York which also have large urban centres. Many citizens of the United States continue to research and identify with the homelands that their ancestors originally arrived from leading to popular identities such as Italian-American, Latino American, and African American, etc. This in turn leads to many different cultures and ideas that influence mainstream American societal norms and values. An example of this includes in sports with teams known as the Minnesota **Vikings** and the Boston **Celtics** demonstrating the continuing influence of the immigration background of many citizens in the United States.

The population of the United States has been growing rapidly in recent years with a notable increase occurring during the 50s and 60s in what is known as the baby boomer generation. The population in 1920 stood at roughly 106 million and has grown to 328 million today. The United States continues to attract immigrants from across the world which helps them to sustain population growth in the country as the fertility rate within the United is just 1.8, below the generally accepted replacement rate of 2.1.

Figure 2-1: Age Pyramid in 2019 and 2040 in The United States



Source: Euromonitor International from national statistics/UN, 2020

Note: Data for 2030 is forecast

The total population has been rising at about 1% per year with a median age of 38.4 years. The median age is expected to reach 40 years old by the year 2030 which indicates that the population is aging; however, immigration to the country is offsetting some of the issues typically inflicted on countries with ageing populations. The Hispanic population is the fastest-growing ethnicity in the country and will continue to have a larger share of the population. This will have cultural impacts in the United States as the country is effectively currently one of the largest Spanish speaking nations in the world; and though no official data exist, is likely to be among the top three Spanish speaking economies in the world in GDP terms (based on the contribution of Spanish speakers in the country). Some states are growing much quicker than others with Idaho, Nevada, and Utah being amongst the fastest growing and Wyoming, Illinois, and West Virginia being the slowest growing. In terms of the total population, California is the most populous state with 39 million inhabitants, followed by Texas (28 million) and Florida (21 million) the least populated states in Wyoming with a population of 578 000 followed by Vermont (620 000) and Alaska (731 500).

Income inequality remains an issue in the United states and the capacity for high income earners to purchase premium goods is far higher than those of a lower income. The middle class makes up the majority of consumers at roughly 52% but can be further divided between lower middle income and upper

middle income, lower middle income earners are typically very cost conscious about their food and beverages purchases.¹

2.2 Geography and key markets

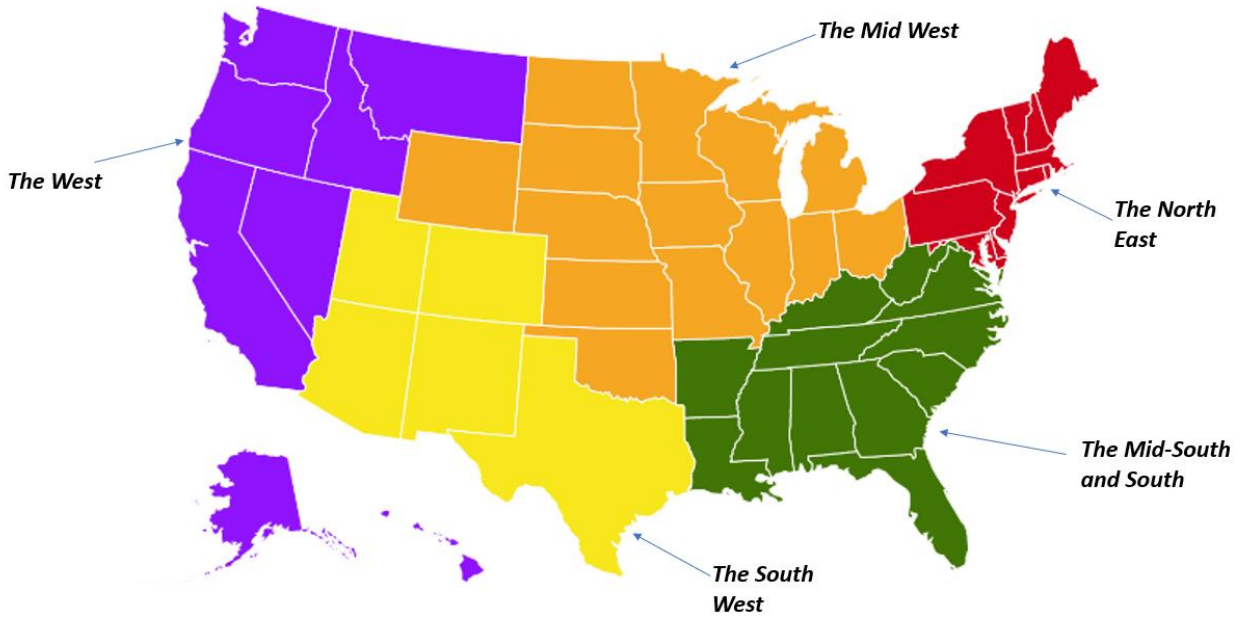
The United States stretches across the North American hemisphere and borders the world's largest oceans the Atlantic Ocean and the Pacific Ocean. The United States owes geography a lot of credit for the success of its economy as the country can exert influence across both the key geographies of the Atlantic and Western European sphere and the Pacific and East Asian Sphere. The country is home to a large river basin with the Mississippi river allowing for inward trade which helped to spur development with the USA. The country is made up of a large variety of climatic biomes from deserts in the southwest of the country to snow peak mountains in the Rockies, swamps in the southeast, and forestry in New England. The USA is also home to a large amount of deep-sea natural harbours which helped develop trade into the country and construct harbours cheaper than in other nations such as Singapore and the Netherlands. The United States also has a large percentage of land that is ideal for agricultural economic activities with states such as Iowa, Missouri, and Illinois incorporating a region known as “America's Breadbasket”. The large varieties of biomes and geographies that make up the United States allow the country to produce a wide variety of agricultural products from Californian wine to Vermont maple syrup.

2.2.1 Overview of urban markets

The United States spans across the centre of the North American hemisphere is what is sometimes referred to as the “Lower 48”. These 48 contiguous states make up the majority of the United States, however the largest state Alaska is located in the Arctic Circle and is almost twice the size of the second-biggest state in the union, Texas. The island of Hawaii is the newest state in the union and is located in the Pacific Ocean. The United States also has several small unincorporated territories scattered throughout the world such as Puerto Rico, Guam, The US Virgin Islands, American Samoa, and the Northern Mariana Islands. The territory of Puerto Rico is home to 3 million people and were it a state would be the 29th most populous state.

¹ Investopedia, Which income class are you ?, Available at <https://www.investopedia.com/financial-edge/0912/which-income-class-are->

Figure 2-2: Regions and Federal states of The United States



Source: Agra CEAS based on various

Table 2-1: State and Federal Territories of The United States by region

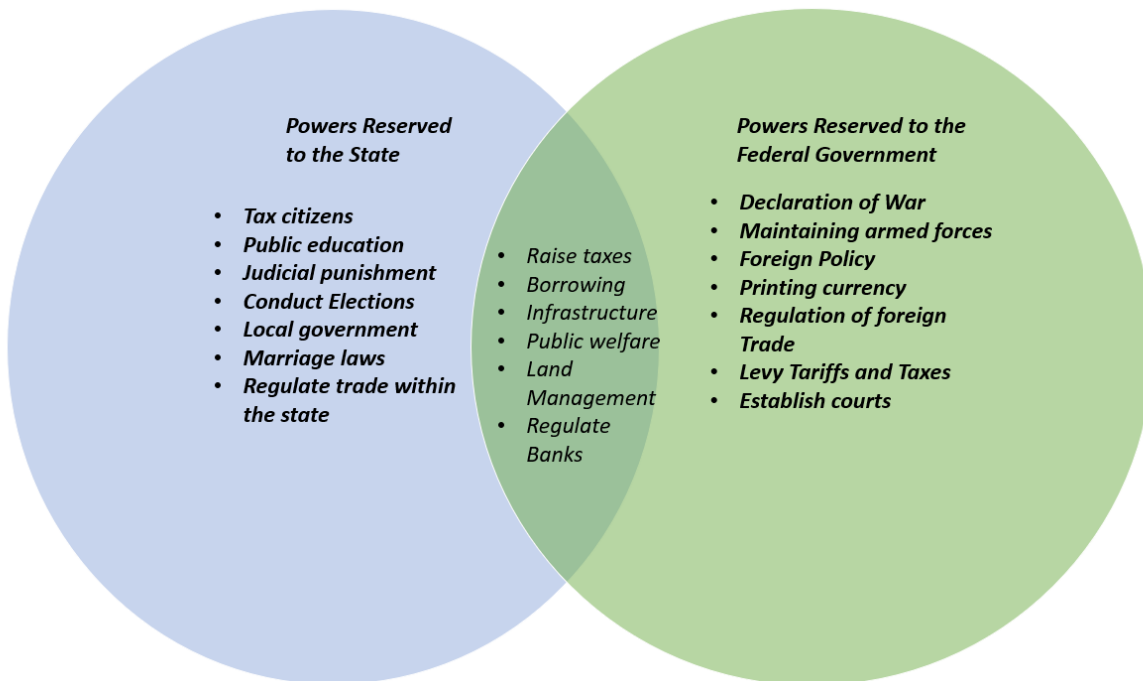
Region	State and Federal Territories	Capital
The Northeast	Connecticut	Hartford
	Delaware	Dover
	Maine	Augusta
	Maryland	Annapolis
	Massachusetts	Boston
	New Hampshire	Concord
	New Jersey	Trenton
	New York	Albany
	Pennsylvania	Harrisburg
	Rhode Island	Providence
	Vermont	Montpelier
The Mid South and South	Alabama	Montgomery
	Arkansas	Little Rock
	Florida	Tallahassee
	Georgia	Atlanta
	Kentucky	Frankfort
	Louisiana	Baton Rouge
	Mississippi	Jackson
	North Carolina	Raleigh
	South Carolina	Pierre
	Tennessee	Nashville

	Virginia	Richmond
	West Virginia	Charleston
The Mid-West	Illinois	Springfield
	Indiana	Indianapolis
	Iowa	Des Moines
	Kansas	Topeka
	Michigan	Lansing
	Minnesota	Saint Paul
	Missouri	Jefferson City
	Nebraska	Lincoln
	North Dakota	Bismarck
	Ohio	Columbus
	Oklahoma City	Oklahoma
	South Dakota	Pierre
	Wisconsin	Madison
	Wyoming	Cheyenne
The South West	Arizona	Phoenix
	Colorado	Denver
	New Mexico	Santa Fe
	Texas	Austin
	Utah	Salt Lake City
The West	Alaska	Juneau
	California	Sacramento
	Hawaii	Honolulu
	Idaho	Boise
	Montana	Helena
	Nevada	Carson City
	Oregon	Salem
	Washington	Olympia

Source: Agra CEAS based on various

States within the US enjoy a certain degree of autonomy when it comes to local affairs, mostly in relation to education, local governance and the regulation of trade locally, they also share this autonomy with the federal government when it comes to issues such as infrastructure development and maintenance and land management. While in general terms, federal law supersedes state law, in many areas where federal legislation exists, states have the power to introduce additional legislation; this generally either goes beyond the provisions of federal law or is introduced in areas where there is no federal legislation. Food is one such area. The Federal government ultimately have the power to regulate foreign trade into the US. Figure 2-4 further illustrates, in a simplified manner, the division of power between the state and federal governments.

Figure 2-4: Legal relationship between the Federal states of The United States and the federal government



2.2.2 Snapshots of important markets

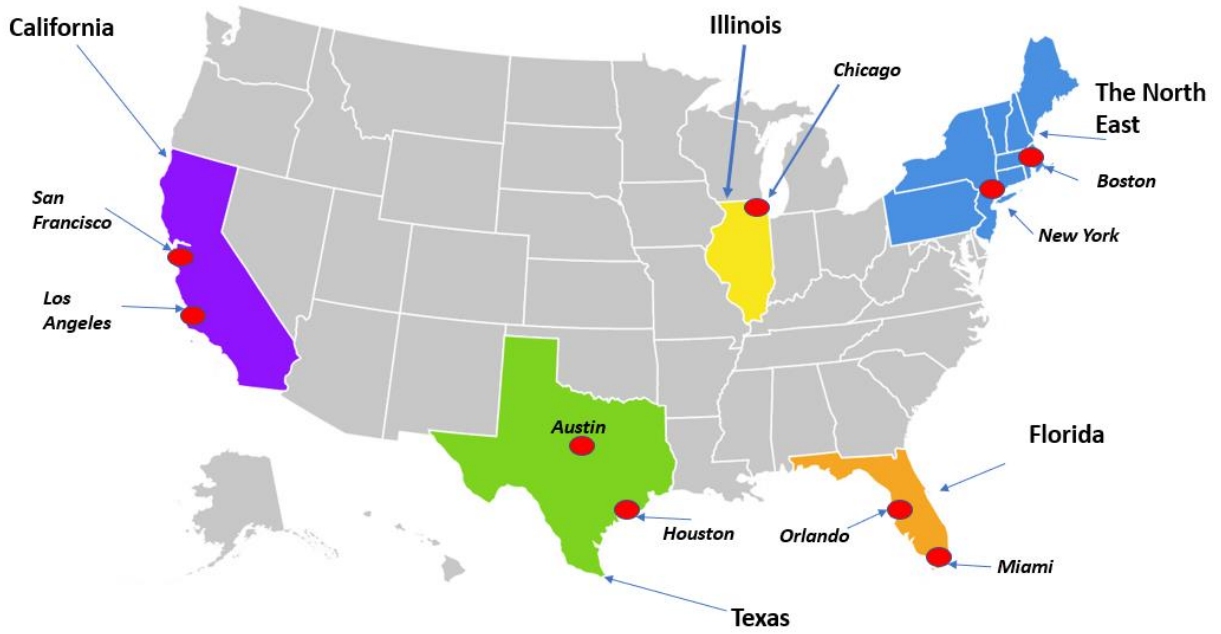
According to

Figure 2-2, most highly populated areas in the United States are located on the coasts although notable cities within the United States with a large population include Chicago, Denver, and St Louis. The United States is home to a large number of potentially important or interesting markets as each region of the country typically has a high population except for some mid-western states such as North Dakota, South Dakota, and Wyoming. However, five key regions for more focused profiles have been identified based on the market size and the extent to which European agri-food products may be of interest. These are:

- **The North East** – New York, the New England states and Pennsylvania. This includes the key cities of New York and Boston.
- **California** – including the key cities of Los Angeles and San Francisco.
- **Illinois** – focused around the city of Chicago.
- **Florida** – including the cities of Miami and Orlando.
- **Texas** – including the cities of Houston and Austin.

Each region typically has its own cultural nuances and adopts “local” consumption habits and norms which are partially outlined below. Each region is home to several large urban centres which act as regional economic centres such as New York (The northeast), Los Angeles (California), Houston (Texas), Miami (Florida), and Chicago (Illinois)

Figure 2-5: Location of focus markets



Source: Agra CEAS

The Northeast (including New York, Boston and Philadelphia)



Key facts:

Total GDP (current prices):

EUR 3-4 Trillion (estimated)

Real GDP growth (2019):

3% + (estimated)

Food and non-alcoholic beverage market (2019):

EUR 150 bn+ (estimated)

Population:

54m

The Northeast of the United States is made up of the States of Connecticut, Delaware, Maryland, Maine, Massachusetts, New Jersey, New York, Pennsylvania, New Hampshire, Rhode Island, and Vermont. Within these states exists a large number of urban centres such as the metro population of the cities of New York is (19 m), followed by Philadelphia (6.1m) and Boston (4.8m). These states have a wide variety of economic activities attached to them with New York being a national and global financial powerhouse and home to the United Nations. Pennsylvania is home to many heavy industries with the production of automobiles and steel being associated with the state. Boston is home to many educational institutions such as Harvard and MIT which attracts skilled workers to the city. The northeast has been heavily influenced by immigrants arriving in the region throughout the 18th 19th and 20th century with each group leaving an impact such as Little Italy in New York, a strong Irish community in Boston and the Amish community of in the region (Pennsylvania in particular) who originally arrived from Germany and Switzerland.

The Northeast accounts for 23% of the GDP of the United States and was one of the fastest-growing regions in the United States before the outbreak of COVID 19. Unemployment in the northeast was generally low as well with an average unemployment rate of 3.2% before COVID 19 with unemployment being slightly higher in Pennsylvania as the economy of the state continues to move away from heavy manufacturing. The income per capita in the northeast is amongst the highest in the country with the states of Maryland and New Jersey being the 1st and 2nd highest respectfully. New Hampshire, Connecticut, and Massachusetts are also in the top 10.

Consumers in the northeast have been influenced by the general European ancestry of individuals living in the region as a result European style food and beverages are readily found in the region - though this is not to say they are of European origin, however. Examples include Irish stews and bars in Boston, Little Italy in New York, and German foods in central Massachusetts and Pennsylvania. A large percentage of consumers still feel an attachment to their ancestral homelands and will be open to consuming food and beverages from these nations. As the northeast was a large funnel for European settlers and migrants

arriving in North America this region experiences this effect to a larger degree than other regions in the USA.

The city of **New York** acted as one of the main entrance points for European migrants arriving in the US throughout the 19th and 20th century and as a result to influence on European migration on the cuisine of New York city is profound. Areas in New York that were particularly influenced by European migration include Little Italy (Italian), Woodlawn (Irish) and Upper East Side (German, Czech). In these neighbourhoods of the city it is common to find European origin foods such as spaghetti and meatballs (Italian), pretzels (German) and boxty (Irish). Italian foods in particular have impacted and shaped the culinary diets of many New Yorkers with New York Pizzas and Ice cream being of Italian origin.

Similarly, to New York the city of **Boston** was impacted by European migration that both shaped the city and its food consumption habits. The city is home to a large variety of seafood products from with dishes such as New England clam chowder originating from the region. Foods of European backgrounds commonly found in the city include pastrami (Romanian), soda bread (Irish, Polish) and schnitzels (German). The city of Boston is particular places pride in selling agri-food produced in the region and is home to many food and beverage fairs throughout the calendar year. Boston is also home to many famous agri-food outlets such as Cheers Restaurant and Quincy market.

Philadelphia is also another city in the northeast region that has been hugely influenced by European migration with dishes such as the Philadelphian cheesesteak, the hoagie and Irish Potato candy all being popular in the city. Italian American foods have impacted the city to the largely extent with the cheesesteak and hoagie being largely exclusively associated with Philadelphia and being of Italian origin. And many Italian markets existing in the city.

The rest of the Northeast region on average consumes a significant amount of sea food products and vegetables with potatoes and beans in particular being popular in the region. Pride in local production is synonymous with small new England towns with local farmer markets being a common sight in these towns. Yearly state fairs are also popular in the northeast and present an opportunity for farmers to showcase their recent harvests and innovations in the agricultural sphere. The state of Maine is known nationally for their consumption and production of lobster with Maine lobster being a common luxury dish found throughout the United States.

Many nations of Europe will find to an extent a dish from their homeland present in the US northeast with examples including *buzara* (Croatian, consumed in Maine and New Hampshire), Goulash (Hungarian, found throughout the northeast) and Swedish meatballs to name a few.

Sources Food in Every country, United States Northeast Region, Available at <http://www.foodbycountry.com/Spain-to-Zimbabwe-Cumulative-Index/United-States-Northeast-Region.html>; US Bureau of Labour Statistics, Northeast Region. Available at <https://www.bls.gov/eag/eag.northeast.htm>

California (including Los Angeles and San Francisco)



Key facts:

Total GDP (current prices):	<i>EUR 2.8 Trillion</i>
Real GDP growth (2019):	<i>2.2%</i>
Food and non-alcoholic beverage market (2019):	<i>EUR 280 bn</i>
Population:	<i>39 m</i>

California is one of the most crucial states in the economy of the United States. The State is the most populous with 39 million individuals, were California a nation in its own right it would have a larger population than nations such as Malaysia and Poland. The GDP of California would also make it the world's 5th largest, ahead of France and the UK. Reasons behind California's successful economy include an incredibly mixed economy from Silicon Valley tech companies, to the Hollywood industry to a large agricultural output this state continues to attract individuals from across the United States and further afield.

California has a large European-American population with the state being home to the highest number of Hungarian-Americans, Bulgarian-Americans, and Romanian Americans. The state's population is very diverse with a large Latino population also residing in the states. The States is home to several large urban centres such as Los Angeles, San Francisco, and San Diego however a large percentage of the State is also rural.

California is home to a large variety of climates from the Mojave Desert in the southwest of the state to dense forestry in the north of the state. This in turn allows the states to produce a variety of agricultural products such as Californian wine, Dairy products, and almonds. The state produces almost all of the USA's apricots, dates, figs, kiwi fruit, nectarines, olives, prunes, and walnuts, as a result, agriculture accounts for 2% of the states GDP and 3% of the states total workforce.

The cuisine of California reflects the diverse nature of the state with foods being influenced by the many immigrants that have arrived in the states throughout its history from Latin America and Europe. French, Italian, and wider Mediterranean style foods are also often consumed in the region. Dishes from nearby Mexico are also widely consumed in the state.

The city of **Los Angeles** has seen waves of European migration since it was first settled in 1781. The city continues to experience a large amount of migration today both domestically with the United States and from neighbouring Mexico. As a result Los Angeles is the largest Spanish speaking city outside of Latin American and Spain. These waves of migration to the city have impacted the cuisine of the city with

common dishes from Los Angeles including hamburgers (Los Angeles has one of the highest numbers of fast food outlets in the US), tacos (Mexican influence) and Californian sushi rolls (Asian American influence).

To the north of Los Angeles is the city of **San Francisco** which, like Los Angeles, has been heavily influenced from migration to the city over the past two centuries which has helped define foods found in the city. European foods popularly consumed in the city include Dutch crunch bread (known as *tijgerbolletjes* in Dutch), *caldo verde* (Portuguese origin) and *focaccia* (Italian Origin). The city of San Francisco is amongst the wealthiest per capita in the United States combined with a large number of tourists visiting the city each year means the market for luxury items is very competitive in the city.

Outside of Los Angeles and San Francisco other large urban centres include San Diego, San Bernardino and Sacramento. Cities located close to the Mexican border will likely have a large variety of Mexican foods available as the large Mexican population present in the state combined with migration and tourism from Mexico compounds demands for these products. As California is amongst the most diverse states in the United States it can be expected readily find food and beverages inspired from dishes across the world throughout the state including European foods.

Many Californians aspire for a laid back lifestyle and consumers in the state are generally more open to consuming new and a variety of products which gives room for European goods to enter and succeed in the states. Examples of goods originating and produced in Europe and doing well in the Californian market include Heineken, Italian wine and cheese from throughout Europe including France, Germany and Spain.

Sources: Faraway Life, California cuisine famous dishes from the golden state, Available at <https://faraway.life/2017/11/26/california-cuisine-famous-dishes-in-the-golden-state/>; CDFA California agricultural production statistics <https://www.cdfa.ca.gov/>

Illinois (notably Chicago)



Key facts:

Total GDP (current prices):	EUR 700bn (estimated)
Real GDP growth (2018):	1.9%
Food and non-alcoholic beverage market (2019):	EUR 25bn+ (estimated)
Population:	12.6m

The State of Illinois is largely rural with the exception of the city of Chicago. The city of Chicago alone has a metro population of roughly 9 million which accounts for over 75% of the state of Illinois population.

Other large urban centres in Illinois include Aurora, Naperville, and Joliet. Chicago is a global city and the largest located in the US mid-west region. Chicago was one of the main destinations for European immigrants arriving in the USA during the 19th and 20th centuries. The largest ancestral groups in the city were from Ireland, Poland, and Germany. As a result of waves of European migration to the city, European cuisines and consumption habits are regularly seen in the city. Chicago is known in the US for its pizzas, Italian beef sand wedges, and Hot dogs. A large amount of food companies also has their headquarters in Chicago such as McDonald's, Mondelez, and Heinz Kraft. As Chicago is the largest city in the region it also acts as a gateway for agri-food products going to nearby states and cities such as Detroit and St Louis.

Chicago attracts visitors from across the world for both leisure and professional activities an amount that is roughly 50 million per year (including and largely made up of domestic visitors). Visitors from Europe will be able to find many of the same foods from their homelands with Chicago having a large number of European butchers and food stores especially themed around Poland, Germany, and Italy. Greek saganaki and Polish kielbasa are both popular in Chicago and have evolved into a unique Chicagoan food such as kielbasa hot dogs.

Outside of Chicago, the state of Illinois incorporates an area known as “Americas breadbasket” this region is known for its high production of corn and wheat, and agriculture is a key component in the economy of Illinois outside of Chicago. About 75% of the state's total land is farmland. The agri-economy such as farm machinery and farm real estate is also a large industry in the state estimated to be worth roughly EUR 16 billion annually. Illinois centrally located combined with having O’Hare airport in Chicago compounds the success of the agricultural industry of states which employs roughly 1 million residents or roughly 7% of the state's population.

Sources: Illinois Department of agricultural, facts about Illinois agriculture, Available at <https://www2.illinois.gov/> ; Fact and statistics, The city of Chicago council, Available at <https://www.chicago.gov/>; The story of Chicago’s rise as a distinctly Polish city, WTTW, Available at <https://news.wttw.com/>

Texas



Key facts:

Total GDP (current prices):	EUR 1.4 Trillion
Real GDP growth (2019):	4.7%
Food and non-alcoholic beverage market (2019):	EUR 70bn (estimated)
Population:	29 m

Located in the southwest of the United States the former independent country of Texas now is the largest state located in the lower 48 and has the second-highest population in the union behind just California. Texas is home to a wide variety of industries from the large oil fields that straddle the state and its coast to tech companies based in Austin and Houston to a large amount of farmland that helps to make up the state. If Texas was an independent country today it would have a larger GDP than the countries of South Korea and Canada to be the world's 10th largest economy.

Texas has a diverse population that is increasingly influenced from neighbouring Mexico and other Central American states. The state is also home to significant populations of German, English, and Irish ancestry groups. German origin Americans make up 11.3% of the state's population while Irish Americans make up 8.2% of the state's population. This in turn helps to drive demand for foods associated with individuals' ancestral homelands. Popular foods in Texas include kolaches a type of dessert that traces itself back to the Czech Republic (With Texas being home to the largest number of Czech-Americans in the country). Texas barbecue is famous throughout the United States and further afield and can largely trace its origin to German foods brought to the state by settlers and migrants. Today Mexican and migration from other nations in Latin America are key influences on cuisines consumed in Texas as the Hispanic population of the state continues to rapidly grow.

Agriculture is a key part of the Texan economy as Texas is home to more farms based on output and acreage than any other state in the union. It is estimated there are as many as 248 416 farms in the state with the phenomenon of owning a "Texas ranch" being popular in both the state and the wider USA. Cattle are the most produced agri-good from the state which is followed by cotton, milk, and broilers. It is estimated that at least 1 in 7 residents in Texas are working in jobs directly related to agriculture.

Sources: Texas department of agriculture, Texas AG stats, Available at <https://www.texasagriculture.gov/>; A round up of 50 famous Texas foods, Taste of home, Available at <https://www.tasteofhome.com/>

Florida



Key facts:

<i>Total GDP (current prices):</i>	<i>EUR 726 Billion</i>
<i>Real GDP growth (2019):</i>	<i>4.3 %</i>
<i>Food and non-alcoholic beverage market (2019):</i>	<i>~ EUR 50 bn (estimated)</i>
<i>Population:</i>	<i>21 m</i>

Located in the south of the United States the State of Florida juts out into the Caribbean Sea making it a touristic hotspot for both travellers domestically in the United States and from further afield. Florida is home to several cities that have a metro population of over 1 million such as Orlando, Tampa Bay, Jacksonville, and the most populous city Miami. The state is home to the largest number of citizens of 65 (17% of the state population) as the state is a popular location for Americans and internationals to retire.

Florida is the fourth largest economy within the United States however it would be the world's 15th largest were it its own nation. The economy of Florida largely revolves around tourism and the service sector however agriculture is also a significant part of the economy of the state. Florida produces the most cucumbers, grapefruit, oranges, squash, sugarcane, and tomatoes in the United States. The warm yearly climate of Florida allows for these products to be grown throughout the state.

The cuisine of Florida is influenced by its proximity to the Caribbean, Hispanic and European immigration and the climate of the state. As a result of these influences, there are a wide variety of dishes typically consumed in the state such as Menorcan chowder (*Also consumed in the Spanish Balearic Islands*), conch fritters (*Southern US influence*), and shrimp and grits stew (*Cajun French influence*). The influence of Spanish and nearby French colonisation of the state and the wider Caribbean Sea continues to influence many foods consumed in the state.

Sources: Visit Augustine, 13 foods in Augustine, Available at <https://www.visitstaugustine.com/>; Florida State Agricultural department, Agriculture overview and statistics, Available at <https://www.fdacs.gov/>

2.3 Domestic agricultural production and regions

The many biomes of the United States combined with the size of the country, being the world's 3rd largest by land area allows the nation to produce a wide variety of agricultural goods. On a global stage, the United States is the number one producer of maize, sorghum, blueberries, milk, turkey, and almonds in the world; and is typically in the top five producers for the majority of major agricultural goods. The US

agricultural economy contributed roughly 1 trillion Eur to the US economy, almost the same size as the economy of Indonesia. There are an estimated 12 million farms in the United States with farmers and ranchers alone making up 1.3 % of the US labour force. 41% of the lower 48s landmass is used to feed cows and other livestock an area roughly the same size as India². As the United States is varied a number of regions specialise in the production of particular agri goods as a result of their climates and geographies. The key regions and their production include:

The Mid-West

The Mid-West states are often referred to as “Americas breadbasket” due to its large production of wheat and other agricultural goods. Despite many of these states being sparsely populated their agricultural output is key to meeting domestic and international consumption demands. The production of corn and sorghum is high in these states and farmers are incentivised to produce these products through governmental legislation and subsidies. Farmers in these states make up a powerful political bloc and as many of these states are “swing states” policies that help to compound agricultural development in these states are typically enacted. The “corn belt” of the United states a region associated with corn production incorporates many mid-west states and corn produced here is the backbone of many local economies. Soybeans and potatoes are also grown throughout these states on a significant scale and are well known around the world. The mid-west is likely to face many issues in agricultural production in the future as international trade disputes as touched on in section 4.3 and climate change is likely to impact production patterns in these states.

The Northeast

Despite the high concentration of urban centres, the northeast of the United states is largely made up of agricultural land with 70% of the state of New York being used by the agricultural sector³. Dairy products and poultry are largely produced in the region. A large number of the northern states such as New Hampshire and Maine experience prolonged periods of snowfall throughout the winter months which limits agricultural production in these states, but also lends production to fruits and vegetables that benefit from these resting periods. Many locals take pride in products grown in their vicinity and farmers markets in the region are generally quite popular. Livestock is important to the agricultural sector of the northeast accounting for 66% of New York’s agricultural income. Fruits and nuts are grown popularly in the states of Massachusetts and Vermont while the States of Pennsylvania, Maryland and Delaware are known for their production of mushrooms, soybeans and corn. Agriculture is a way of life for many residents of the northeast with communities such as the Amish which number roughly half a million living primarily though agricultural activities. Water shortages and more extreme winters are two climatic developments that will impact agricultural production in this region in the future.

The Mid-South and South.

The States located in the US Mid-South and South are known for their production of tobacco, cotton and citrus fruits. Agriculture across the mid-south and south has been declining in recent years as demand for

² 9-Mind blowing facts about the US farming industry, Business insider, Available at <https://markets.businessinsider.com/>

³ New York department of Agriculture, Facts and figure, available at <https://agriculture.ny.gov/>

goods such as tobacco are falling globally. Cattle farming is popular in the states of Kentucky and Tennessee with Kentucky alone being home to 1 million cows. The states of West Virginia and Virginia are known for their production of tobacco; however other agri-goods produced in these states include apples (Virginia is the 6th highest produced in the US), tomatoes and turkey. The Carolinas (North and South) produce a significant amount of eggs, blueberries and cotton. The state of Georgia alone produces almost half of the total amount of peanuts produced in the United States while Florida produces a significant amount of citrus fruits such as oranges. States located around the Mississippi river delta such as Alabama, Louisiana and Mississippi produce a significant amount of eggs, rice and soybeans. Agriculture is important to these states with 29% of the population of the state of Mississippi working directly or indirectly in the sector.

The Southwest

The southwest of the United States is home to a large amount of agricultural production with the state of Texas alone (the second largest state in the union), allocating 86% of its land area to agricultural production. The region is home to the largest amount of cattle, cows and horses. The dairy industry is also a large business in this region with roughly 20% of US dairy products originating from southwest states. Arizona and New Mexico have a large percentage of desert landscapes which limits their ability to engage with the agricultural sector; however, these states still produce a significant amount of agricultural goods with Arizona producing the second most head lettuce, leaf lettuce, cauliflower and broccoli.

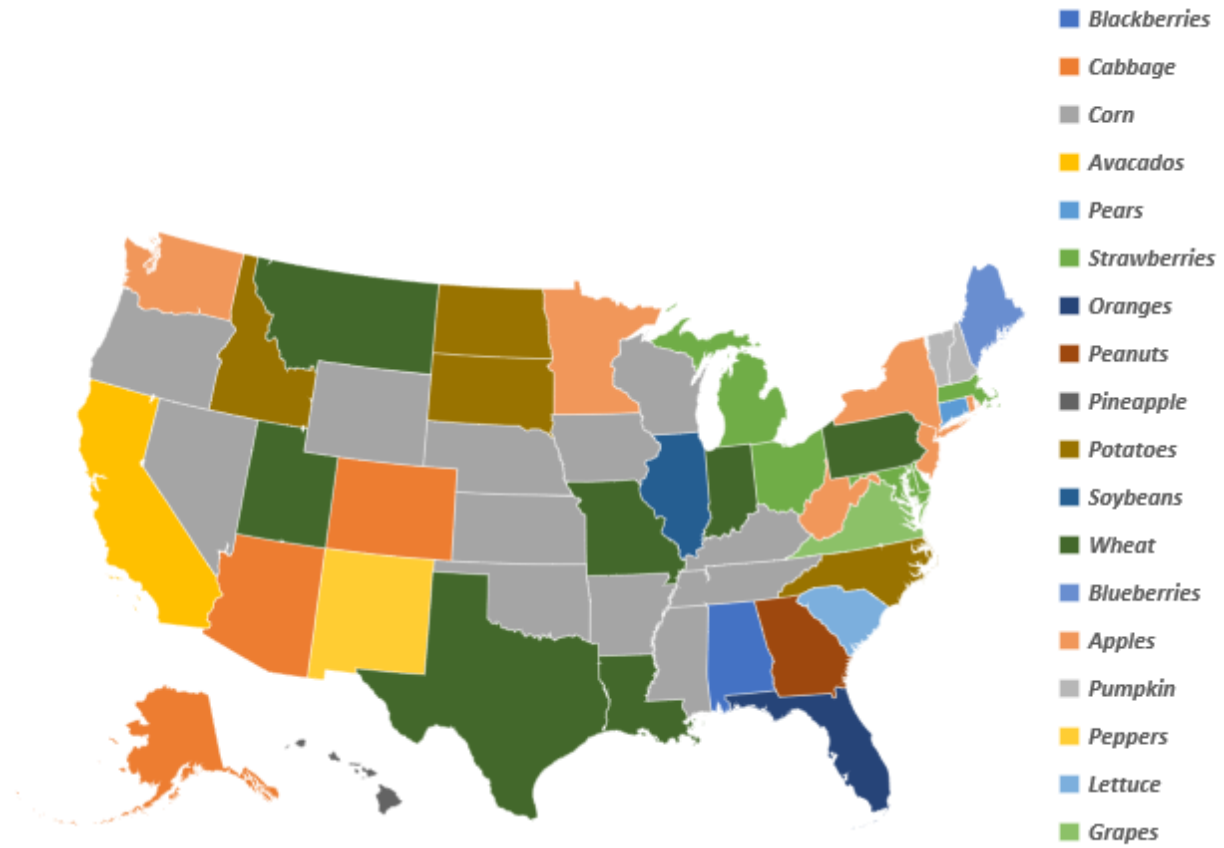
The West

The west is one of the most important regions for agricultural production in the United States. The state of California alone accounts from almost one third of the US vegetable production and two thirds of US fruit production combined with the largest production of wine in the country. Oregon is known for its production of onions, eggs and pears with one in twelve people working in the agricultural sector of the state. The State of Washington produces a large volume of apples, being the largest producing state in the union. The islands of Hawaii produce a large amount of sugarcane and pineapple while Alaska despite its difficult climate and sparsely populated population produces a small amount of dairy and potatoes with deer farming being the largest produced agri-food in the state.

The US Farm Bill

In 2018 The Trump administration signed into law the latest US Farm Bill. The farm bill evolves and is revised every five years. It aims to help farmers throughout the nation and also to tackle issues faced to them by climate change by offering subsidies and support in the production of a number agri products namely corn, dairy and meat. The US Farm Bill is the primary agricultural and food policy tool and is considered crucial to the sustainability of farms throughout the nation. It is not without criticism, however. It is commonly considered very complex; but more notably, it is has been criticised for the nature of production it promotes – generally favouring very large scale farming and leading to the mass production of commodity crops such as corn which are either turned into cheap processed products for the domestic market, or exported; with both having knock on effects on the market for agri food products.

Figure 2-6: The most produced agri-food product by state



Source: Agra CEAS based on <https://www.purewow.com/food/best-produce-grown-in-every-state>

3 Introduction to the food and beverage market and consumers

3.1 Overview of the food and beverage market and demand for imported products

3.1.1 F&B market summary

As noted in section 2.3 The United States has the capacity to grow and produce a wide variety of agri-foods products. The presence of the massive Mississippi river basin combined with favourable climate conditions throughout the nation allows the US to also grow foods at large capacity. Roughly 18% of the US landmass is arable which translates to 174 million hectares, the highest of any country in the world. Investment and innovation into Agri machinery and technology in the United States have also led to the country having the highest yield per hectare in the world. Due to these factors, the United States is one of the few countries that can boast self-sufficiency in meeting agricultural goods demand across most major categories.

The United States also has a large food processing sector with an estimated 36 500 food processing plants operating in the country. These plants in 2019 hired roughly 1.7 million individuals which translated to 14% of all manufacturing employment in the United States.⁴ Meat processing is the largest processed food manufacturing sector in the United States accounting for 24% of production, this is followed by Dairy (12%), beverages (12%), and grain and oilseeds (10%). These processing plants are located throughout the United States with the State of California having the most at 5 731, followed by New York with 2 573 and Texas with 2 273. Consolidation in the United States is a common practice, which leads to larger plants combined and mergers of different companies. These developments lead to the food processing sector being dominated by larger companies. The total sector is estimated to be valued at roughly EUR 450 billion.

The presence of these many food processing plants combined with the capacity for the United States to produce a wide variety of foods at large quantities has led to the widescale availability of agri-food and beverages in the USA. The supply of agri-food and beverage products exceeds demand for them in many categories, leading to low prices of food and beverage products produced in the United States domestically. The availability of cheap food produced in the United States compounds consumption which as a result leads to a situation where US consumers are amongst the highest food consumers per capita in the world. The state that consumes the most per capita is Alabama while the state that consumed the least per capita is Vermont. Nonetheless, as will be seen in the market snapshots in section 5, there are multiple processed food categories in which the USA relies on imports.

3.1.2 International trade in F&B

The United States is a net exporter of agricultural products as a whole. The country exported an estimated value of EUR 120 billion worth of agricultural goods in 2018 with Canada being the largest destination for US agricultural products. Mexico and the EU are the second and third largest destination markets

⁴ <https://www.ers.usda.gov/Processing-marketing/manufacturing>

respectively. The US had the smallest trade surplus in agriculture in 2018 for over a decade largely accredited to a fall in demand for soybeans globally. The EU has a positive trade balance with the USA; however, there are several obstacles that limit EU-US trade in agricultural goods with examples including, for exports from the US:

- **Processed Vegetables** (instant vegetable products that contain Butylated Hydroxyanisole, BHA, banned in the EU).
- **Dairy** (US dairy products that contain the chemical rBGH banned in the EU).
- **Poultry** (chlorine-washed chicken banned in the EU).

A list of further examples, including more importantly for EU agri-food producers, those which constrain EU exports is included in section 4.3.

Figure 3-1: Structure of EU-27 (i.e. exc. UK) agri-food trade with United States, 2009 to 2019



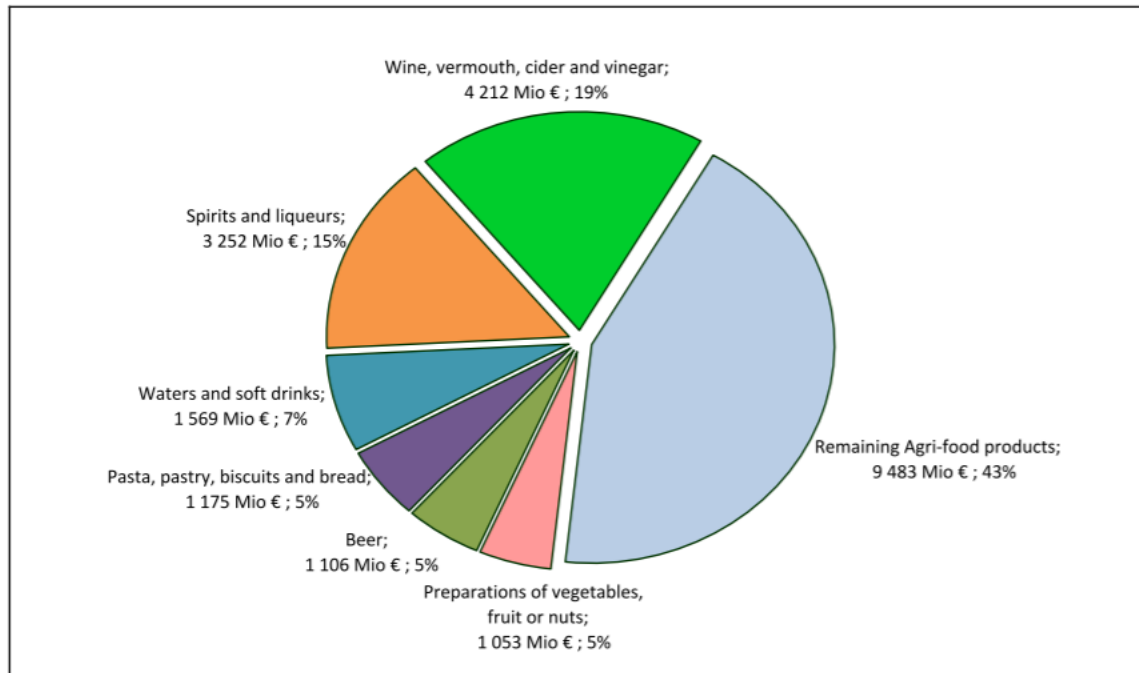
Source: European Commission: agri-food trade statistical factsheet, European Union – United States. Based on Eurostat-COMEXT data.

The major exports from the EU to the USA in 2019 were, in terms of value:

- Wine Products, the most traded product to the USA from the EU, wine accounts for roughly 19% of all Agri-trade between the EU and the United States. Worth roughly EUR 4.2 billion
- Spirits and Liquors – EUR 3.2 billion or 15% of exports.
- Waters and soft drinks – EUR 1.5 billion or 7% of exports.

Other notable groups include pasta (EUR 1.1 billion) with 5.4 % of all exports and beer (EUR 1.1 billion) with around 5.1% (Figure 3-2).

Figure 3-2: Top EU-27 agri-food exports to United States in 2019



Source: European Commission: agri-food trade statistical factsheet, European Union – USA. Based on Eurostat-COMEXT data

3.1.3 The market for imported F&B

The United States produces many products that are also produced in the EU, however, demand for a wide variety of goods opens small markets for EU products:

1. **Fruits and Nuts.** While the United States has the capacity to produce the majority of the fruit and vegetables it consumes, imports of these two products have grown steadily in recent years with popular fruits imported to the USA including bananas, kiwis and avocados.
2. **Ancestral Connection.** While most European style foods can be produced in the USA there is still a demand for foods that come directly from the EU by consumers of European ancestry. This is largely associated with the want to experience and authentic dining experience from foods directly from their ancestral homelands. This is indeed a pattern which extends to imports into the US more broadly, with the various ethnic groups often preferring to obtain certain foods from their homelands.
3. **Alcohol Products.** As previously noted, the largest trading agri product from the EU to the USA is wine, with spirits and beer also being in the top five. These products resonate with consumers seeking an experience outside of the normal American brands, with European alternatives often being the first choice outside of American varieties.

European goods such as dairy (cheese) as well as pasta and some baked goods also have a small following amongst US consumers, particularly those who are seeking eccentric products or what they perceive to be healthier alternatives. The large number of European restaurants combined with consumers of

European ancestry seeking products from their homelands helps compound demand for EU goods into the USA.

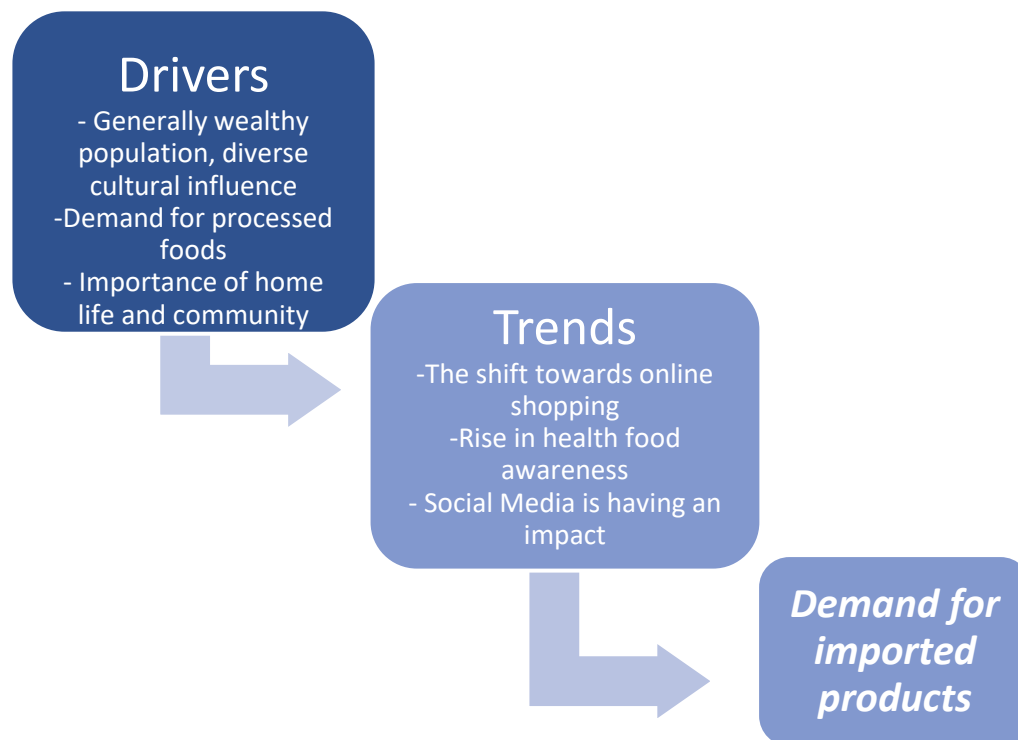
3.2 Growth Drivers and Trends

The key factors affecting the food and beverage market in The United States are:

- **A generally wealthy population with diverse cultural influences.** Consumers in the United States are generally wealthy when compared to the rest of the world with a nominal GDP per capita of EUR 54 000, with the highest GDP per capita state being Massachusetts at EUR 65 000. This combined with an extremely diverse population that developed from decades of migration to the country creates a market for a wide variety of food and beverage products. Many urban centres as discussed in the market snapshot section 2.2.2 will adopt local consumption patterns based on income per capita of the urban centre and the ethnic makeup of the population with the northeast being inclined to produce goods influenced by European migration and the southwest producing goods influenced by Hispanic migration.
- **Demand for processed foods.** Processed foods typically make up a large percentage of the average American diet with analysis reporting that roughly 60% of the average American diet consisting of processed foods⁵. Processed foods and convenient, readily available throughout the country, and generally more affordable than alternatives. Typically, processed foods consumed in the US fall into the “ultra-processed” category, that is that these foods have undergone specific types of processing to ensure they are readily able to be eaten on the go and have a longer shelf life than alternatives.
- **Homelife and community are important to Americans.** Homelife is important to Americans and typically the main meals of the day such as breakfast and dinner will be consumed together with the family. Americans also place value in community spirit which is particularly true in smaller towns, in these towns’ community get together and food consumption is common. Americans consuming food individually, therefore, is not as common as in other nations, especially when compared to western nations. Local foods are also important to American consumers with the presence of farmers' markets in smaller towns and communities invoking a sense of pride in local production amongst consumers.

⁵ Highly process foods dominate US grocery purchases, science daily, available at <https://www.sciencedaily.com/releases/2015/03/150329141017.htm#:~:text=A%20nation%2Dwide%20analysis%20of,salt%20than%20less%2Dprocessed%20foods>.

Figure 3-3: Growth drivers and trends – the US food and beverage market



Source: Agra CEAS based on European Commission agri-food factsheet; Euromonitor International, and various (see footnotes).

In terms of current trends, the following stand out:

- **The shift toward online shopping.** In 2018 the USDA announced the SNAP (*Supplementary nutrition assistance programme*) an online purchasing scheme which aimed to give US consumers in need more purchasing power in buying food online, this an example of how online shopping in the USA continues to impact the agri-food sector. Combined with the ongoing COVID pandemic which has forced consumers to purchase their groceries online it is likely that online shopping for food and beverages will become a regular occurrence in the USA in the foreseeable years, up from just 3% in 2018. As discussed in section 4.4 the US has a well-developed transport infrastructure system that helps to facilitate the rapid arrival of online shopping to consumer households. More information on e-commerce channels can also be found in that same section.
- **The Rise in health food awareness.** Consumers in the USA are increasingly aware of the value of health-based foods, while these foods are typically more expensive than alternatives, the rise of retail outlets in the country such as Wholefoods that specifically caters to health foods have made them more available. Vegetarianism is increasingly common in the United States with roughly 3.2% of US adults identifying as such or 7.3 million individuals. Concerns about GMO foods and chemicals have helped to increase the development of this trend.
- **Social media is having an impact.** Americans are amongst the highest users of social media platforms in the world; indeed many aspects of American life can be attributed to developments in the social media space. Companies are actively trying to utilise social media to promote their products and services. Food influencers have become an increasingly important avenue for food

promotion in the United States with many focuses on one sector such as a vegetarian channel or BBQ etc.

3.3 Consumer profiles and preferences

3.3.1.1 Consumer profiles

Certain aspects of the American population that were touched upon in sections 2.1 and 2.2 are worth bearing in mind when considering American consumers. Most notably (regional difference):

- **American pride.** Consumers take pride in products made in the USA and producers in the country will proudly display a label to that effect across their products. Roughly 70% of Americans felt it was important to buy American products and the issue has become a political talking point in recent years. Regions of the country particularly affected by the outsourcing of jobs such as Michigan and Ohio will have consumers that pay attention to this issue in particular.⁶
- **Post-recession aftershocks.** Many consumers were forced to tighten their belts during the great recession of 2008 and many of those same consumers habits adapted habits from that period and continue to implement them in their spending today. Coupons, customer loyalty, and bulk buying remain popular cost-saving methods from consumers in the USA regardless of income levels. Discount outlets and the growth of hypermarket chains in the country have compounded this trait of the American consumer.
- **Company ethics matter.** Americans are proud of the values that they stand for and will boycott establishments that actively advocate against them. Boycotting establishments is a form of protest from consumers and companies operating in the country need to take these concerns into account. Companies that exploit their workers, are involved in a scandal, or make an offensive statement will have to be prepared for the backlash from the public both on the streets and in their balance sheets.

Against the considerations set out above, notable overarching consumer types in the USA are set out below. It is important to note that, while these overarching types have relevance across the country to some extent, the various aforementioned nuances must be taken into account given that in such a diverse country, the relevance of universal consumer types is limited:

- **Independent and free consumers.** Americans take pride in their independence when it comes to many aspects of their lives and this can also translate to consumption. Hunting food is popular amongst many Americans as is the production of their own crops with many houses in the country having a small garden dedicated to the growth of vegetables such as potatoes, cabbages, and lettuce. In urban centres rooftop gardens are now a common sight.
- **Fitness minded consumers.** Fitness and health are increasingly important to American consumers aided by increasing awareness of the benefits of healthy food products and the high costs of healthcare in the USA. Many varieties of foods now exist in the country to cater to this consumer group such as high fibre bread, alcohol-free beer, and vitamin supplements. Consumers

⁶ United States - Reaching the consumer, Santander Available at <https://santandertrade.com/en/portal/analyse-markets/united-states/reaching-the-consumers>

throughout the country have been slowly increasing their intake of these goods and its likely this consumer group will continue to grow in the future.

- **Strivers.** Striving is common in the USA as it is in many countries. People who have been successful in the USA will tend to spend more on luxury products with wine, beers, and liquors been highlighted as products that particularly impact this group. Millennials have been shown to be the demographic group in the USA which is mostly likely to be strivers; this can be accounted for by the rise of social media and the need to demonstrate success.⁷

3.3.2 Cultural Sensitivities and Other Considerations

As the United States is extremely multicultural combined with differences across different regions of the country cultural sensitivities need to be taken into account in all parts of the country. Cultural sensitivity remains a contentious issue in the United States and not taking these considerations into account will not be well received. Some of what will be particularly important for EU exporters to consider are laid out below.

3.3.2.1 Ethnicity and religion

The United States is a largely Christian nation with many denominations of Christianity operating within the country such as Protestantism, Catholicism, and Mormonism. Imagery that defames or belittles these beliefs will not be well received in the country as the country is quite religious by western standards. There is also a large Jewish population in the United States, the highest outside of Israel which needs to be considered. Other notable minority religions include Islam, Hinduism, and Buddhism.

Respect for ethnicities is a controversial issue in the United States and while developments in addressing this issue have taken place in recent decades it remains a sensitive topic of discussion in the country. Generally, producers need to ensure products do not invoke any feeling of belittlement and offense to consumers of all ethnicities in the United States. As recently as 2020 a number of American producers have rebranded themselves as a result of this issue.

3.3.2.2 Regional differences

As the United States is a large nation and quite varied regional difference often exists within states and within regions of the nation. A producer may find that a product they export may find success in one region but not in another one. Many factors play into this such as the cultural upbringing of consumers throughout the US, the geography of the region, and generally accepted norms within the region. One example of this is the word 'soda' to refer to soft drinks that are popular in the northeast but not in the rest of the country.

⁷ The future of luxury marketing, Agility PR solutions, available at <https://www.agilitypr.com/pr-news/public-relations/future-luxury-marketing-5-consumer-types-trends/>

3.3.2.3 Gift giving

Etiquette around the giving of gifts in the United States mirrors many aspects of gift-giving in Europe as many of the national holidays of the US has been influenced by the large European and Christian migration to the country since its inception. Americans will typically give gifts on dates such as anniversaries, Christmas, birthdays, and national holidays. EU producers should pay a particular focus on the holidays such as Christmas as Americans have been shown to spend more than average on gifts than themselves.

3.3.2.4 Festivals and holidays

Many states will have their own holidays and unique festivals such as yearly state fairs, however, on a national level, the following events are national holidays in the United States. It should be noted that many of these fall in a range and change every year rather than being a fixed date.

- **Martin Luther King Jr Day** (*between 15th and 21st January*). A Day dedicated to civil rights activist Martin Luther king JR about one-third of Americans will be given the day off. This day is of particular importance to members of the African American community as Martin Luther king is often associated with the rise of civil rights awareness during the 1960s.
- **Memorial Day** (*between 25th and 31st May*). Memorial Day is a day dedicated to commemorates and to the respect of US military personal that have served and died during operations within the US military. Americans typically have this day off from work.
- **Independence Day** (*4th July*). A day dedicated to the Independence of the United States original 13 colonies and the founding of the country of the United States. The date is a day off for Americans who typically vacation at this time
- **Labor Day** (*between 1st and 7th September*). Labour Day is a day to recognise and honour the US labour movement throughout the late 19th century. Labour Day is a day off for most Americans.
- **Veterans Day** (*11th of November*). Veterans Days falls is a day in the United States dedicated to veterans that have served the US armed forces.
- **Thanksgiving** (*between 22nd and 28th of November*). Thanksgiving commemorates the event of the first thanksgiving, which was an event were native Americans and new world colonialist had a meal together after a difficult harvest for the new world colonialist and shared food together.
- **Christmas** (*25th of December*). Christmas is a very important holiday in the United States and commemorates the birth of the founder of the country's largest religion, Jesus Christ.

3.3.2.5 Important cultural symbols

The large size of the USA means many US states will have their own individuals' symbols that they deem to be culturally important, however, nationally the following cultural symbols are universally important to Americans.

The Statue of liberty

Despite being in New York the statue has come to symbolise the openness and opportunities associated with the USA and its attitude to immigrants arriving into the country.

The US Flag

Americans are very proud of their flag and the flag will be a common sight in both rural and urban areas of the country. Defacing the flag of the United States will not be well received and may lead to a confrontation with locals.

The Bald Eagle (Right)

The bald eagle has come to identify many aspects of American life such as the desire for independence and pride. The bald eagle appears on the US national seal and the presidential seal and is typically visible on brands of many products produced throughout the country.



4 Market access and entry

This section provides details on the necessary requirements for entry into the US market, outlining existing market access restrictions and explaining procedures. A summary of market access and entry is presented in section 4.1, in the form of a SWOT analysis.

4.1 Summary SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Massive market – the biggest in the world for multiple product categories. ▪ Cultural proximity to the EU and close historical ties means that there is a taste for European style products and consumption patterns are often similar to those of the EU. ▪ A wealthy population that is also diverse in many senses means that there is a sizable demand for almost every type of agri-food product imaginable. ▪ Legislative situation at the federal level is fairly stable; changes to federal legislation are quite infrequent compared to in many other countries. ▪ The number one market for EU agri food exports, and the EU has a strong positive trade balance in agri-food trade. 	<ul style="list-style-type: none"> ▪ Huge agricultural production – the world’s number one producer of multiple agricultural products. ▪ The size and diversity of the market, while a massive opportunity, also presents challenges for exporters to find, define and corner their niche. ▪ Legislation has its complexities. Most notably, states may introduce their own additional legislation, and subsequently, exporters may feel they are dealing with multiple smaller markets. This is particularly an issue for alcohol. ▪ Retail is dominated by some very large players, and working with them may be challenging. Private label products from these retailers are popular. ▪ Access for some products, notably most fresh meats and all fruit and vegetables is burdensome, and there is a general facility registration requirement for all food products.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Despite massive agricultural production and a very strong food processing sector, there are structural shortages of multiple types of processed food products. ▪ European products are very well regarded for some segments (e.g. wine, cheese, olive oil) and this is reflected by the massive share of imports they hold in such segments. ▪ The pure size and diversity of the country means that opportunities exist across the board to some extent. 	<ul style="list-style-type: none"> ▪ Very strong domestic agri-food sector, dominated by American companies and American multinationals, many of which are among the biggest consumer food companies in the world. ▪ Neighbouring NAFTA members Canada and Mexico dominate imports of multiple product categories. ▪ Difficult situation for GIs: no GI-specific legislation; several EU GIs are considered generic or semi-generic; and in the case of an

<ul style="list-style-type: none"> Private label goods are popular in many categories, and in those where the EU has structural shortage there may be opportunities to supply these. 	<p>issue with a trademark protected GI, the action taken must be through an injunction rather than through administrative means.</p> <ul style="list-style-type: none"> Additional tariffs have been imposed on several EU agri food products due to the airbus case. These may further change or increase and it is currently uncertain when the situation will be resolved.
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4.2 Food and beverage legislation and regulations

4.2.1 Import requirements/restrictions, customs procedures and documentation

Imports into the US, including those of food products, are strictly regulated. U.S. Customs and Border Protection (CBP) is the body responsible for the general controlling of imports; the Food and Drug Administration (FDA) has certain responsibilities in the specific case of food (more information on the FDA is provided below). The general documentation requirements for shipments to the US are set out in Table 4-1. A summary of specific requirements by food and beverage type covered in this handbook is set out in Table 4-2, with further explanations regarding some of the general registrations / notifications required for food products provided thereafter.

Table 4-1: General requirements for goods exported to the US (including F&B)

Name	Description	To be prepared by	Language
Air Way bill	A document containing the details of the transportation of products by air and proving the transport contract between the consignor and the carrier's company. One Air Waybill may be used for the multiple transshipment of products. May be submitted via automated commercial environment (ACE), additional paper copies may be requested.	Carrier (or his agent)	EN
Bill of Lading	A document containing the details of the international transportation of products by sea. May be submitted via the automated commercial environment (ACE), additional paper copies may be requested.	Carrier (or his agent)	EN
Commercial Invoice; pro forma invoice	Commercial invoice: a document containing the details of the transaction. One copy to be submitted but further may be requested. Pro forma invoice – contains details of the transaction prior to proper invoice; it may be accepted in specific cases. Must contain information in 19 CFR 141.85. Both may be submitted via the document information system (DIS) or automated commercial environment (ACE).	Exporter	EN

Customs import declaration	A document declaring the goods to be imported Customs, required for merchandise worth above USD 2 500. To be submitted via the automated commercial environment (ACE).	Importer	EN
Importer Security Filing and Additional Carrier Requirements	Required for customs surveillance of cargo imported by ocean vessels; to be submitted to Customs and Border Protection.	Importer or authorised agent	EN
Customs bond	Document proving a bond has been placed with customs to cover any potential duties, taxes or charges that may accrue. Must be issued by the responsible surety company in the US.	Normally importer	EN
Manifest	A document notifying the authorities of the arrival of a vessel/an aircraft and summarising the goods loaded therein.	Freight forwarder (or his agent)	EN
Packing List	A document containing the details of the shipment, including the content of the packages, description of the goods, marks and numbers.	Exporter	EN
Transportation entry	Required if merchandise is transported in bonded status from the port of arrival to the intended port of entry.	Carrier or their agent	EN
Certificate of non-preferential origin	A document confirming the non-preferential origin of the goods to be imported. While not always necessary, it may be requested by customs for goods without preferential origin for which customs has doubts.	Exporter	EN

Source: European Commission Market Access Database.

Automated commerce environment (ACE)

The ACE is a through which system imports and exports are reported by operators and the US government determines the admissibility of them; and hence greatly facilitating the import process and effectively making it essential for importers of goods. Prior registration by users is required (at <https://www.cbp.gov/trade/automated/getting-started/portal-applying>). Once a user is registered, various documents related to importation can be uploaded through the system. More information on ACE can be found at: <https://www.cbp.gov/trade/automated>

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Table 4-2: specific market entry requirements mapped to handbook categories

Name and description	Fresh meat	F&V	Dairy	Alcohol (spirits,	Olive oil	Confectionery	Proc meat	Ice cream	Processed F&V	Pasta	Baked goods	Biscuits
Registration of food facility: document certifying a facility involved in food manufacture, processing, storage etc is registered with the FDA.	X	X	X	X	X	X	X	X	X	X	X	X
Prior notice of food imports: a document announcing the import of food to the FDA.	X	X	X	X	X	X	X	X	X	X	X	X
Manufacturer Identification Code: a code identifying the foreign manufacturer of a product in accordance with legal stipulations.	X	X	X	X	X	X	X	X	X	X	X	X
Notice of FDA action: a document with the FDA's decision regarding the clearance of FDA related goods and action to be taken (release, refusal).	X	X	X	X	X	X	X	X	X	X	X	X
Import inspection: a document certifying that imported meat, poultry and certain agricultural products under the responsibility of the USDA have been inspected upon arrival to the US and found to be compliant with national requirements.	X	X	X				X					
Veterinary certificate for animal products: issued by the exporting country; confirming that products of animal origin have been inspected according to appropriate procedures.	X		X				X			?		
Import licence for wildlife; import permit for endangered animals; CITES document: three separate documents only required for products of endangered species.	?						?					
Import permit for plant and plant products. For import of plant and plant products under 7 CFR part									?			

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319.37-3. Should be completed 30 days before arrival.													
Phytosanitary certificate. A document confirming the products have been inspected according to appropriate procedures and comply with conditions stipulated in the respective import permit (see above). Issued by authorities of country of export.									?				
Registration of new plant varieties. Only required if new plant species. Minimum testing period 2 growing seasons.	?												
ISTA Orange international food lot certificate. Document proving the degree of purity of seeds to be imported.	?												
Import permit for milk and cream. Obtainable from the FDA and valid for 1 year.			X										
Alcohol dealer registration. Certification that the importer/dealer has been registered with the alcohol and tobacco tax bureau.				X									
Import permit for alcohol. Unlimited validity, but about 65 days required for processing and applicant must be US based.				X									
Certification of natural wine. Certifying the manufacturing methods of natural wine into the US complies with US requirements. Issued by authorities of the country of manufacture, only required for natural wine.				?									
Alcohol label approval. Required prior to import, application to be submitted electronically via the Certificate of Label Approval (COLA) online system.				X									

Source: Agra CEAS based on MADB

X = required for category; ? = only required for category in specific cases, consult MADB for more details

More detail on the overarching registration/notifications for food are provided below:

- **Registration of food facility** – facilities manufacturing, processing or storing food – whether in the US or in foreign countries – must be registered with the FDA. Indeed, of the over 300 000 registered facilities, over 2/3s are foreign. There are only very few exceptions that exist to this requirement (e.g. for certain farms that ship/sell directly). The FDA has created a detailed FAQ document on the registration requirement; this can be found at: https://www.access.fda.gov/oaa/logonFlow.htm;jsessionid=sP_r9tR0INnOsnHPrUGRJdi03CwZk3d3gVAgCJsk7o0qQHmW7uJh!1606621757?execution=e1s1. More general information on the registration requirement can be found at: <https://www.fda.gov/food/guidance-regulation-food-and-dietary-supplements/registration-food-facilities-and-other-submissions>. An online FDA account is required for registration, the webpage for this account is: https://www.access.fda.gov/oaa/logonFlow.htm;jsessionid=sP_r9tR0INnOsnHPrUGRJdi03CwZk3d3gVAgCJsk7o0qQHmW7uJh!1606621757?execution=e1s1
- **Prior notice of import of food** – this is required for all foodstuffs, including animal feed. The introduction of this requirement dates back to 2002 and is rooted in protecting food supply against terrorist acts and other public health emergencies. The requirement facilitates the more effective targeting of import inspections. There are two options for filing prior notice: (1) the ACE system of the CBP – a modification has been made to enable submission through this platform with onward transmission to the FDA; (2) through the Prior Notice for Food Articles in the Prior Notice System Interface (PNSI) of the FDA. More information on the latter option can be found at the following link: <https://www.fda.gov/food/importing-food-products-united-states/quick-start-guide-prior-notice-food-articles-prior-notice-system-interface-pnsi>. More information on prior notice in general can be found at: <https://www.fda.gov/food/importing-food-products-united-states/filing-prior-notice-imported-foods>

Voluntary Qualified Importer Program (VQIP)

This voluntary, fee-based program allows expedited review and import entry of human and animal foods into the US. It may be of particular interest for any importers of regular, frequent shipments. More information can be found at: <https://www.fda.gov/food/importing-food-products-united-states/voluntary-qualified-importer-program-vqip>

In addition to the requirements set out above, for certain products the accreditation of the competent authorities and/or additional listing of establishments is required. Notably, such requirements apply for **meat**.

There are also frequently preclearance inspection requirements for **fruit and vegetables**.

More information on these requirements can be found in the corresponding market access sections of the product snapshots in section 5.

4.2.2 Food safety and other food certification requirements

The Food and Drug Administration (FDA) is the main body with overarching responsibility for the safety of food – including imports - in the USA. In addition to this, the United States Department of Agriculture (USDA) has some responsibilities in relation to meat and poultry, eggs and dairy products.

The FDA, the USDA, TTB and their boundaries.

- FDA is responsible for enforcing the Federal Food, Drug, and Cosmetic Act, as well as other laws designed to protect consumers' health and safety. It is estimated that the FDA is responsible for 80% of the US's food.
- The Food Safety Inspection Service (FSIS) of the USDA deals with certain livestock products. The work of the USDA in this area is based on three acts: Federal Meat Inspection Act (FMIA), Poultry Products Inspection Act (PPIA) and the Egg Products Inspection Act (EPIA).
- Fruit and vegetables are a particular case. The Animal and Plant Health Inspection Service (APHIS) of the USDA is responsible for administering the Plant Protection Act, while the Agricultural Marketing Service (AMS) sets out standards for grades of fruit and vegetables.
- The Alcohol and Tobacco Tax and Trade Bureau (TTB) deals with alcoholic beverages – both classes and designations, and labelling. The Federal Alcohol Administration Act is a key piece of legislation administered by the TTB, with the Code of Federal Regulations Title 27 containing implementation regulations.

FDA	USDA	TTB
Processed food	Meat and poultry (excluding game)	Alcoholic beverages (wine, spirits and beer)
Seafood other than catfish	Processed products with meat (e.g. stews, pizzas, frozen foods)	
Game meats	Processed egg products (generally liquid, frozen or dried)	
Shell eggs and eggs containing products outside USDA control	Catfish	
Bottled water	Fruit and vegetables	
Wine with less than 7% alcohol		

Source: Agra CEAS based on FDA, USDA, TTB and <https://ncfsma.ces.ncsu.edu/wp-content/uploads/2018/01/FDA-versus-USDA.pdf? fwd=no>

Federal Food, Drug, and Cosmetic Act (FD&C Act)

The FD&C Act, as its name suggests, is the key piece of legislation covering food, as well as drugs and cosmetics. The Act, first introduced in 1938 has been amended multiple times since, the most notable recent amendment being through the 2011 Food Safety Modernization Act (FSMA). The FD&C Act is extensive – it contains 10 main subchapters and runs to hundreds of pages in length. However, the main chapters of relevance for imports of food are:

- Subchapter II on Definitions. This includes definitions of key terms such as food, label, labelling, food additive, processed food and infant formula. In addition, there are specific definitions for butter and non-fat dry milk.

- Subchapter IV on Food. This includes, among others: general labelling requirements; general provisions for tolerance levels for pesticides and poisonous/deleterious substances; provisions for food additives; provisions for food production facility registration and production standard safety.
- Subchapter VIII on imports and exports, which as well as containing general provisions on imports and exports, includes the requirement for inspection of foreign food facilities.

An online navigable version of the act can be found at the following link:

<https://uscode.house.gov/view.xhtml?path=/prelim@title21/chapter9&edition=prelim>

The Code of Federal Regulations Title 21 (21 CFR)

Codes of Federal Regulations (CFR) contain general and permanent rules and regulations for executive agencies and government bodies. Number 21 (21 CFR) contains these rules and regulations the FDA, and hence contains key provisions for food. Effectively, 21 CFR contains detail to build on the more general provisions of the FD&C Act.

21 CFR contains around 1 000 parts (each with sections). Most parts relevant for food are numbers 100 to 190. Most notably, *there are specific standards for many food products*; more detail on these is provided in the relevant market snapshots in section 5. There is also a part (No 105) covering the common or usual name to be used for non-standardised foods (i.e. those without standards set in 21 CFR). There are also parts for food additives (170-180; see below); substances generally recognised as safe (182-186) and substances banned in food (189). The latter (substances banned in food) include: calamus and its derivatives; cinnamyl anthranilate; cobaltous salts and its derivatives; coumarin; cyclamate and its derivatives; diethylpyrocarbonate (DEPC); dulcin; monochloroacetic acid; nordihydroguaiaretic acid (NDGA); P-4000; safrole; thiourea; and chlorofluorocarbon propellants. There are also substances which are banned in food through contact materials; these are touched upon in section 4.2.3.

Searchable database of 21 CFR

A full, searchable, online database of 21 CFR can be found at the following link:
<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

This tool is potentially of great use as it is possible to search by a term (e.g. a product such as “cheese”) and all parts containing a reference to the search term will be displayed, with a clickable link to the text of the part.

7 CFR and 9 CFR

In line with the split of responsibilities between FDA and USDA, there are separate CFRs for meat and for fruit and vegetables.

- 9 CFR covers animals and animal products. It can be found at: https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/veterinary-biologics/biologics-regulations-and-guidance/ct_vb_cfr
- 7 CFR covers agriculture and includes some requirements for plants and plant products. It can be found at: <https://www.law.cornell.edu/cfr/text/7>

State level food safety legislation

In addition to the federal level legislation on food safety, many states have introduced additional legislation relevant for food safety. The interaction between state and federal law is complex, but in general terms, federal law supersedes state law.⁸ This means that state law generally either: (1) goes beyond the provisions of federal law or (2) is introduced in areas where there is no federal legislation.

The situation with state law is therefore potentially complex, as food and beverage products may face additional legislation in some states, and this legislation obviously can vary between states. A summary of main state legislation thus far identified can be found in Table 4-3. This covers the areas of food safety, food facilities and raw milk and dairy; it should be noted that there is also some additional legislation not in the table covering areas such as certain aspects of food nutrition and the labelling of cell or plant-based meat. It should be noted that some of the food safety laws apply to very specific products, often produced in the state (e.g. mushrooms in New Hampshire) and so may not be relevant for imported food. Similarly, some of the laws relating to food facilities cover very specific facilities and/or aspects which are not likely to be relevant to imported food and beverage. Finally, it should be noted that the table contains legislation identified, but further state legislation may also exist or subsequently be introduced. If a specific state or states are being targeted, it is strongly recommended that checks of the existence of additional legislation be performed, either with the assistance of an import partner or directly with the department responsible for food/agriculture in the targeted state.

Table 4-3: Summary of relevant state legislation on food safety identified

Region	State	Key identified state legislation by area		
		Food safety	Food facilities	Raw milk and dairy
The Northeast	Connecticut			
	Delaware	H 79	H 79 Act 100	
	Maine	H 1244 Act 334	S 132 Act 511	
	Maryland	H 50 Act 131		S 922 Act 530
	Massachusetts			
	New Hampshire	H 634 Act No. 2019-35		
	New Jersey		A 2164 Act 15	AR 156
	New York			
	Pennsylvania			AR 222
	Rhode Island	S 406 Act 134 and H 6218 Act 122		
	Vermont			
The Mid South and	Alabama			
	Arkansas	H 1005		H 1699 Act 846
	Florida			
	Georgia			

⁸ There are certain cases in which states can nullify or override federal law, but an examination of these cases is beyond the scope of this handbook.

Region	State	Key identified state legislation by area		
		Food safety	Food facilities	Raw milk and dairy
	Kentucky			
	Louisiana		H 335 Act 372	S 39 Act 184
	Mississippi		H 1206	
	North Carolina	H 735, Act 129		
	South Carolina	S 360 Act 6		
	Tennessee			
	Virginia	H 1404 Act 559 and H 286 Act 819	H 1663 Act 275	
	West Virginia		H 2396 Act 12	
The Mid-West	Illinois	H 3440 Act 510 and H 2123 Act 129		
	Indiana			
	Iowa			
	Kansas			
	Michigan			
	Minnesota			
	Missouri			
	Nebraska			LR 13
	North Dakota			
	Ohio			
	Oklahoma	H 2155 Act 109	H 1055, Act 138	
	South Dakota	H 1121 Act No. 147		
	Wisconsin			
	Wyoming			
The South West	Arizona			H 2178 Act No. 44
	Colorado	H 1114	H 1014 Act 11 and H 1246 Act 234	
	New Mexico			
	Texas			
	Utah	H 33 Act 33	S 71 Act 260	
The West	Alaska			
	California	677, Act 254 and A 1532 Act 131	Processed food registration requirement	A 590 Act 304
	Hawaii	H 463 Act 104 and S 754 Act 103	S 549 Act 138	
	Idaho	H 38 Act 27		
	Montana	S 56 Act No. 86		
	Nevada	S 178 Act No. 130 and A 303 Act No. 429		
	Oregon		H 2060 Act 387	
	Washington	H 1385 Act 337	S 5218 Act 185	

Source: Agra CEAS based on various including <https://www.ncsl.org/research/agriculture-and-rural-development/food-safety-legislation-2019.aspx>

Also some additional legislation in overseas territories (e.g. food safety legislation in Puerto Rico).

Food additives

Section 348 of the FD&C Act contains general provisions relating to food additives. Food additives are subject to pre-market approval by the FDA, unless it is generally recognised as safe (GRAS) under its conditions of intended use, or meets an exclusion from the food additive definition. 21 CFR (mainly parts 170-180) contains the more specific provisions for food additives.

The FDA publishes a food additive status list, which organises additives found in many parts of the Code of Federal Regulations Title 21 (21 CFR) into an alphabetical list. This list can be found at the following link:

<https://www.fda.gov/food/food-additives-petitions/food-additive-status-list>

Certain additives are not included in this list; this includes:

- Obviously safe substances not cited in a regulation as Generally Recognized as Safe. These are listed in the GRAS notice inventory: <https://www.fda.gov/food/generally-recognized-safe-gras/gras-notice-inventory>
- Synthetic flavouring substances identified in 21 CFR 172.515.
- Substances granted prior sanction for specific use prior to the enactment of the Food Additives Amendment (of 1958).
- Indirect food additives.
- Colour additives; a list of these can be found at: <https://www.fda.gov/industry/color-additive-inventories/color-additive-status-list>

Pesticides and other contaminants

Section 346A of the FD&C Act contains tolerances and exemptions for pesticide chemical residues; while section 346 contains those for and poisonous/deleterious substances in general. Regarding pesticides, any pesticide residue on food shall be considered unsafe unless a tolerance level for the pesticide residue in the food in question has been set, or an exemption from the requirement has been granted. The United States Environmental Protection Agency (EPA) sets tolerances for pesticide levels in food. A link to more information on tolerance levels, including a searchable database, is below:

<https://www.epa.gov/pesticide-tolerances>

Alcohol

While the Federal Alcohol Administration Act is a key piece of legislation for alcoholic beverages, the Code of Federal Regulations Title 27 (27 CFR) contains detailed regulations relevant to alcohol, including on standards and classes of alcoholic beverages. Chapter 1, subchapter A covers alcohol. A link to an electronic version of this chapter of 27 CFR can be found at the following address:

https://www.ecfr.gov/cgi-bin/text-idx?SID=65624576acc1aebccb3e316426eb0aa7&mc=true&tpl=/ecfrbrowse/Title27/27cfrv1_02.tpl#0

However, it is important to note that states and counties retain considerable power in the area of alcohol legislation. Most notable, states can (and do) introduce legislation to control:

- the import of alcohol into the state;
- the distribution and sale of alcohol within the state;
- who can possess alcohol within the state.

As part of this legislation, states may assign some roles and responsibilities in relation to the above three areas to local jurisdictions (e.g. counties); meaning that the regulation of the above issues may vary within a single state.

The Digest of Wine and Spirits Law

The Digest of Wine and Spirits Law (<https://wineandspiritslaw.com/>) is the most comprehensive source for all state laws pertaining to the alcoholic beverages industry including excise tax, requirements, control states, statutes, regulations, and decisions governing the sales and marketing of wine and distilled spirit by state.

4.2.3 Labelling Requirements

Labelling requirements at a federal level for food are set out in two main pieces of legislation:

- The FD&C Act (see above), as amended by the Nutrition Labeling and Education Act (NLEA)
- The Fair Packaging and Labeling Act

In addition to this, the Food Allergen Labeling and Consumer Protection Act of 2004 (FALCPA) regulates the labelling of allergens.

Prior to entering into specific requirements, a key principle important to labelling requirements in the USA is the different parts of the container/package. These are set out below:

- **Principal display panel (PDP):** this is the part of the label most likely to be seen by consumers at the time of purchase. It is generally identified as the front panel on the front label; though in certain cases, more than one surface may be suitable for the PDP (these surfaces are identified as alternative PDPs). As some size requirements depend on size of the of the PDP, it is necessary to calculate the PDP size.
- **The information panel:** the panel to the right of the PDP, as seen by the consumer when facing the label.

Against this background, requirements are set out in Table 4-4 below. Some general further considerations to bear in mind are set out below.:

- **Labelling must be in English.** If a foreign language is used anywhere on the label, all required statements must be in English as well as the foreign language.
- **Layout, minimum size requirements.** There are various layout requirements for labels, including some minimum size requirements for fonts. While some of the key font size requirements are

covered in the table below, it is recommended that the official FDA guide be consulted for full details, as they are variable in some cases, hence introducing complexity.

- **Date labels are generally not required on packaged food.** They can be included on a voluntary basis, though it cannot be false or misleading (such false and misleading information is generally banned on labels).

Volume and weight measures in the USA		
As a general rule, metric measures (millilitres / litre; grams / kilograms; and centimetres / metres) are not customarily used in the USA. Instead, the so called US customary system (US English) or imperial system (UK English), which is based on fluid ounces / pints, ounces / pounds and inches / feet is generally used. In terms of labelling, some products have to be labelled using the US customary / imperial system; while others use the metric system. Below is a simple summary of the units and conversion rates		
Type of measure	US Customary/ imperial unit	Metric equivalent
Weight	Ounce (oz)	28.3 g
	Pound (lb; equivalent to 16 oz)	454 g (0.454 kg)
Volume	Fluid ounce (fl oz)	29.6 ml
	US pint (equivalent to 16 fl oz)	473 ml (0.473 litres)
	UK pint (equivalent to 20 fl oz)	568 ml (0.568 litres)
Length	Inch	2.54cm
	Foot (equivalent to 12 inches)	30.5 cm (0.305 metres)

Table 4-4: Summary of labelling requirements

Item	Location	Description / notes
Statement of identity	PDP (parallel to package base)	Name of food (as established by law/regulation or absence thereof) Must be in prominent print; generally, ½ of the size of the largest print on the label.
Country of origin	Anywhere conspicuous	If a US distribution company is also listed, this must be placed close to the country of origin.
Net quantity statement	PDP (bottom 30%)	Generally weight for solid, semi-solid or viscous food; volume for fluid. Content only (with added liquid) included, not packaging. Must be both in metric (grams, litres etc) and US customary / imperial (ounces / pounds, fluid ounces, etc). There are minimum size requirements (between 1.6mm and 12.7mm type size, based on little “o”); but these depend on the PDP size and the calculations for them are complex (see FDA guide).
Name and address of the manufacturer, packer or distributor	Information panel	If not the manufacturer, it must include a qualifying phrase stating the firm's relation to the product (e.g. manufactured for, distributed by”.
Ingredients list	Same label panel as name & address of	Each ingredient in order of descending importance (by weight). Font at least 1/16 inch in height (1.6mm) based on little “o”. Water added counts as an ingredient.

Item	Location	Description / notes
	manufacturer / distributor.	Flavours, colours, and incidental additives must be included in this list. Some exemptions refer for incidental amounts (as long as not allergens). It is recommended to consult the FDA guide for any more complex clarifications round ingredient listing (e.g. listing for foods used as an ingredient that consist of multiple ingredients; listing of flavourings).
Allergen labelling	With ingredients / nutritional facts	Generally identified in a “Contains” statement; in bracket after each ingredient name also a possibility. Required for food products with few exceptions (e.g. raw agricultural commodities) 160 foods have been identified in FALPA for allergen labelling, but 90% of these fall into one of the following categories: milk; egg; fish; crustacean shellfish; tree nuts; wheat; peanuts; soybeans. Full details on allergen labelling available at link in footnote ⁹ .
Nutrition labelling	With ingredients list, on information panel or on PDP	Required for most food products. Must state “Nutrition facts” (min 8 point font) in a box. Must list: calories, total fat, saturated fat, transfat, cholesterol, sodium, total carbohydrates, dietary fibre, sugars, protein. Serving size and servings per container must be listed. Additionally, other information including calories from certain nutrients (e.g. saturated fat, polyunsaturated fat, monosaturated fat) and vitamins and minerals for which reference daily intakes have been established may be listed.

In addition to the general requirements above, there are some product specific requirements. Most notably, there are extensive product specific requirements for juices (a product category not covered by this handbook).

FDA guide to food labelling

The FDA publishes a comprehensive guide containing detailed information on food labelling requirements, as well as information on and lists of authorised claims. This guide can be found at the following link: <https://www.fda.gov/media/81606/download>

An unofficial translation into Spanish is also provided by the FDA, this can be found at: <http://wayback.archive-it.org/7993/20180907182523/https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm247920.htm>

This overarching guide, which was last updated 2013, is supplemented with additional guides which cover specific, subsequently clarified rules (many of which are product specific or voluntary in the case of

⁹

<http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Allergens/default.htm>

labelling). A link to the list of these guides can be found at: <https://www.fda.gov/food/guidance-regulation-food-and-dietary-supplements/guidance-documents-regulatory-information-topic-food-and-dietary-supplements>

Additional labelling requirements at state level

While the legislation set out above applies at the federal level, states may – and in some cases have – introduced additional specific labelling requirements. Most notably, states have been active in the area of labelling of genetically modified food (with several New England states having passed such legislation). There is overall pushback to try and negate the introduction of state-level requirements through various methods, including the introduction of federal requirements in affected sub-areas. Nonetheless, the possibility of additional requirements at state level is real; and it is recommended that, if a specific state is being targeted, the existence of any state-specific requirements is verified and it may also be worth checking if there are any specific consumer concerns at state level which could lead to the introduction of specific legislation.

Country of origin labelling

This is obligatory for certain foods. In short, these are fresh and frozen fruit and vegetables; fresh/frozen meat; fish; and nuts. More information on the country of origin labelling requirement can be found at: <https://www.ams.usda.gov/rules-regulations/cool>

Claims

There are three broad categories of claims in the US:

- **Nutrient content claims (NCCs):** these characterise the level of a nutrient in the food (either directly or indirectly). Specific nutrient levels must be reached for them to be used.
- **Health claims:** these indicate a relationship between a substance and a disease or health-related condition, whether directly or implicitly (e.g. the use of certain symbols for the latter).¹⁰
- **Structure/function claims:** these indicate how a nutrient impacts the structure or function of the body, but without any link to the impact on a disease.

If there is interest in using health claims in the US, it is highly recommended that the FDA labelling guide (below) be consulted. This contains an extensive section on claims, providing more detail on the differences between the three types set out above as well as the conditions for their use. Furthermore, it contains a list of NCCs and the criteria that must be met for their use, as well as more information on health claims.

Labelling requirements for alcoholic beverages

¹⁰ There is a group of so called “qualified health claims”, which perform a similar function to health claims, but (1) the scientific evidence is not as clear and (2) a disclaimer effectively making this clear must be included with any such claim.

The regulation of and requirements for alcoholic labelling vary to some extent on the type of beverage. However, in general terms, the Federal Alcohol Administration (FAA) Act sets out the labelling requirements for alcoholic beverages¹¹. In summary, the information required is set out in Table 4-5 below. It is nonetheless highly recommended to check also the full guides on labelling, by product, produced by the Alcohol Tax and Trade Bureau (TTB), as these contain more detail; in certain cases there are some further specificities which should also be taken into account. Links to these guides are provided in the box after the table.

Table 4-5: labelling requirements for alcohol beverages

Item	Description / notes	Spirits	Wine	Beer
Brand name	Name under which marketed. Most prominent information on label. Location: must be on the front of the container. No type size requirements but must be legible.	X	X	X
Class*	Specific identity of spirits / beer. Type of wine (more complex – see labelling guide box below). Location: front.	X	X	X
Alcohol content*	% alcohol by volume. Location: front for spirits; front, back or side for beer. For spirits, tolerance levels generally of 0.15% (0.25% in specific circumstances). For beer, tolerance levels generally 0.1% (unless alcohol content under 0.5%, in which case tolerance 0.01%). For wine, if between 7 and 14% and the mention "Table wine" is on the bottom, the alcohol content is optional. Size is between 1mm and 3mm for containers under 5 litres.	X	X	X
Name and address*	For imported drinks bottled/packed before import: name and address of the importer. For spirits bottled after import: name and address of importer and/or bottler. Explanatory note (e.g. "imported by", "bottled by", etc). Location: front, back or side for spirits; front for beer.	X	X	X
Country of origin*	Either "Product of / produce of:"; or "produced in (by) / produced and bottled in (by):"; or name of country and product designation. Location: front, back or side. No size requirement for beer.	X	X	X
Net contents*	Metric standard for spirits and wine. American (imperial) measure for beer. Location: front, back or side for spirits; front for beer.	X	X	X
Disclosures of presence / treatment methods*	For presences of: <i>F&DC yellow; saccharin; sulphites; colouring materials (spirits); aspartame (beer); "cochineal extract" or "carmine" (wine)</i> . Location: front, back or side.	X	X	X

¹¹ Defined as wine over 7% by volume; spirits; and so called "malt beverages", which cover the vast majority of beer.

	In the case of saccharin, an additional statement is required: "USE OF THIS PRODUCT MAY BE HAZARDOUS TO YOUR HEALTH. THIS PRODUCT CONTAINS SACCHARIN WHICH HAS BEEN DETERMINED TO CAUSE CANCER IN LABORATORY ANIMALS." For treatment with: <i>wood</i> (location: front).			
Commodity* statement	For certain spirits only (mainly whiskies, gin, vodka). Exact requirements vary by spirit type. Depending on spirit, indication either: "% neutral spirits distilled from"; "neutral spirits" or "distilled from". Front, back or side.	X		
Statement of age*	Only required for certain spirits (e.g. whisky aged under 4 years, most grape spirits aged under 2 years, certain distilled labelled spirits with a distillation date miscellaneous date references). Location: front, back or side.	X		
Health warning	Following text, as formatted below and as a continuous paragraph: GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. (2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems. Location: front, back or side. Specific size requirements: 3mm for containers over 3l; 2mm for 237ml-3l; 1mm for under 237mm.	X	X	X

* Size requirements for spirits: Type of 2mm for containers over 200ml; 1mm for smaller containers

Size requirements for wine: Type of 2mm for containers over 187ml; 1mm for small containers

Size requirements for beer: 2mm for containers over 0.5 pints; 1mm for containers under 0.5 pints

Note: State of distillation required for certain types of whisky distilled in the US; but this is not relevant to imports.

Online labelling guides for alcoholic beverages

The Alcohol Tax and Trade Bureau (TTB) publishes labelling guides for alcoholic beverages. These can be found at the following links:

Distilled spirits: <https://www.ttb.gov/distilled-spirits/beverage-alcohol-manual> (main page);
https://www.ttb.gov/images/pdfs/spirits_bam/chapter1.pdf (labelling requirements manual)

Wine: <https://www.ttb.gov/wine/beverage-alcohol-manual> (main page);
https://www.ttb.gov/images/pdfs/wine_bam/c1-mandatory-label-information.pdf (labelling requirements manual)

Malt beverages: <https://www.ttb.gov/beer/beverage-alcohol-manual> (main page);
<https://www.ttb.gov/images/pdfs/beer-bam/chapter1.pdf> (labelling requirements manual)

There are further specific requirements for the low/reduced/ non-alcoholic labelling of beer. A summary of these is presented in the box below. The guide in the box above (malt beverages) can be referred to for the full presentation of this labelling by TTB.

Low/reduced/non-alcoholic labelling for beer:

- **Low alcohol:** less than 2.5% alcohol by volume
- **Reduced alcohol:** less than 2.5% alcohol by volume
- **Non-alcoholic:** less than 0.5% alcohol by volume. The statement “CONTAINS LESS THAN 0.5% ALC BY VOL” must appear alongside “NON-ALCOHOLIC” on the label
- **Alcohol free:** no alcohol (0.0% alc by vol). The statement “0.0% ALC BY VOL” may not appear on the label the label contains the indication “ALCOHOL FREE”

Food contact requirements

21 CFR part 189 subpart D contains a list of substances prohibited from indirect addition to human food through food contact surfaces. These include: flectol H; lead solders; mercaptoimidazoline and 2-mercaptoimidazoline; 4,4'-Methylenebis (2-chloroaniline); hydrogenated 4,4'-isopropylidene-diphenolphosphite ester resins; tin-coated lead foil capsules for wine bottles.

Voluntary labelling schemes

No notable voluntary labelling schemes stand out at national level in the US. It may be worth noting that there are various private initiatives with regard to labelling and/or standards, though requirements/specifications inevitably vary greatly between schemes.

4.2.4 Protection of intellectual property rights, including geographical Indications (GIs)

The US Patent and Trademarks Office (USPTO) is the primary body responsible for IP registration in the US. The primary legislation for trademark registration is the Trademark act of 1946 (subsequently amended) and 37 CFR part 2.

Key points to US IPR protection to bear in mind are:

- There is no specific mechanism dedicated solely to the protection of GIs. These can either be protected as collective marks, certification marks or as trademarks. It should be noted that many GIs are protected in the US through one of these mechanisms (both of which fall under trademark law).
- Foreign-based applicants for trademark protection must have a US licenced attorney to represent them at the USPTO.
- When filing for a trademark, it is important to follow certain procedures in order to ensure a complete and strong application can be filed. For example, the basis for filing should be clearly justifiable; and the goods or services to which the trademark will apply should be specified.
- Fees for filing vary; an overview of fees can be found at the following link: <https://www.uspto.gov/trademark/trademark-fee-information>

- Trademark protection is valid 10 years and renewable, but care has to be taken to ensure the maintenance of a trademark so protection does not lapse.

The USPTO website has considerable information on the process for filing trademarks; and in the case there is interest in filing a trademark (including a GI as a trademark, a collective mark or a certification mark), it is strongly recommended that this site be consulted.

<https://www.uspto.gov/trademarks-getting-started/trademark-basics>

It is important to note that the enforcement of trademark IP in the US typically occurs through injunctions, meaning that legal action must be taken in the case of trademark infringement (rather than complaints to the authorities and subsequent administrative action).

Searching for trademarks (including GIs) in the US

Trademarks registered in the US can be searched online through the following portal:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

Protecting GIs in the USA

The USPTO effectively adopts the WTO TRIPS definition of GIs, i.e. "indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographic origin." However, as noted above, GIs in the US must be protected under trademark law as trademarks, collective or certification marks. Definitions of these, as provided by the USPTO, are provided in the box below. More general information on GIs in the US from the USPTO can be found at the following link: [https://www.uspto.gov/ip-policy/trademark-policy/geographical-indications-gi-protection#:~:text=%22Geographical%20indications%22%20\(%22GIs,in%20that%20territory%2C%20where%20a](https://www.uspto.gov/ip-policy/trademark-policy/geographical-indications-gi-protection#:~:text=%22Geographical%20indications%22%20(%22GIs,in%20that%20territory%2C%20where%20a)

USPTO brief definitions of trademarks, certifications and collective marks

- **Trademarks** - protect words, names, symbols, sounds, or colours that distinguish goods and services from those manufactured or sold by others and to indicate the source of the goods.
- **Certification marks** - any word, name, symbol, device, or any combination, used, or intended to be used, in commerce by someone other than its owner, to certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of such person's goods or services, or that the work or labour on the goods or services was performed by members of a union or other organization.
- **Collective marks** - a trademark or service mark used, or intended to be used, in commerce, by the members of a cooperative, an association, or other collective group or organisation, including a mark that indicates membership in a union, an association, or other organisation.

There have been some notable challenges for GIs in the US. More specifically:

- There are many GIs names which it is argued are generic in the USA, with products bearing the names of GIs which are registered in the EU being produced and marketed domestically in the USA, and it is argued by the US are generic names of these US products. This is an issue for cheeses in particular, but also for some other products.
- Some 16 wines with names which are registered as GIs in the EU, were recognised as semi generic in the US in 2006. This means that the name has been recognised to be of geographic significance but also that it is a designation of class and type for wine in the United States.
- While not relevant to the domestic US market, it is worth noting that the US also expresses concern about the registration of some EU GIs in other countries (most notably in trade agreements with other countries) on the basis of the two points outlined above.¹²

It should be noted that the GI of Parma ham poses a specific case, as it was protected under a system known as “Standards of Identity” run by the USDA. This system means that only products that follow the specified standard can be labelled as such; and options for administrative action exist in the case of a perceived infringement. However, this system is effectively closed to new registrations, which meant that it is not possible for new GIs to benefit from the system. More information on the standards of identity system can be found at the following link (including the reference to Parma ham protection): <https://www.fsis.usda.gov/wps/wcm/connect/7c48be3e-e516-4ccf-a2d5-b95a128f04ae/Labeling-Policy-Book.pdf?MOD=AJPERES>

Despite the situation outlined above, many EU GIs are protected in the US as trademarks, though no single comprehensive list of these exists given that GIs are not separated in IPR databases. In order to confirm whether or not a specific GI is protected, it is recommended to check the trademark search database (link in box in previous section).

4.2.5 Relevant authorities for IPR and GI protection and further contacts

<p style="text-align: center;">US Patent and Trademark Office Trademark assistance centre: 600 Dulany Street, Madison East, Concourse Level, Alexandria, VA 22314 ☎ (+1) 571-272-1000 ✉ TrademarkAssistanceCenter@uspto.gov 🌐 https://www.uspto.gov/</p>

4.3 International trade

4.3.1 The USA and foreign trade

As the world’s largest economy, the incentive for countries to establish trade relations and free trade agreements with the United States is clear. The USA is a huge market and downturns and upturns in the US market generally have consequences throughout the globe. Countries with free trade agreements with

¹² <https://www.everycrsreport.com/reports/R44556.html>; <https://fas.org/sgp/crs/misc/R44556.pdf>

the US tend to benefit from being able to import a wide variety of goods that the US can produce due to the favourable agricultural conditions in the country as discussed in section 3.1.1. That said, reaching an agreement is not always easy for partners as the size of the US economy tends to give the country a dominant position in trade negotiations. The United States trade representative (USTR) is the sole responsible body for free trade agreements in the country.

4.3.2 Key trade agreements, present, and future

As the world's largest economy, the United States has a wide variety of free trade and favourable trade agreements for several nations throughout the world (though several of these are on the continent of America). Key ones are presented in Table 4-6.

Table 4-6: Chronological list of The United States trade/economic agreements with third countries/regions

Partners	Type of agreement	Entry into force
Israel	Free Trade Agreement	1985
NAFTA (Canada-Mexico) (a)	Free Trade Agreement	1994
Jordan	Free Trade Agreement	2001
Australia	Free Trade Agreement	2004
Chile	Free Trade Agreement	2004
Singapore	Free Trade Agreement	2004
Bahrain	Free Trade Agreement	2006
Morocco	Free Trade Agreement	2006
Oman	Free Trade Agreement	2006
Peru	Free Trade Agreement	2007
Central America – Dominican Republic (DR-CAFTA) (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and The Dominican Republic)	Free Trade Agreement	2009
South Korea	Free Trade Agreement	2010
Columbia	Free Trade Agreement	2012
Panama	Free Trade Agreement	2012

(a) The Nafta agreement has recently been amended to be now referred to as the UMSCA agreement.

Source: Agra CEAS based on various

The USA has taken a more protectionist stance in trade negotiations in recent years. Still, there have been discussions regarding the following trade agreements:

- **FTAA.** (Free trade area for all countries in the Americas with the exception of Cuba.)
- **Transatlantic free trade area.** A free trade agreement with the European Union.
- **Thailand- US FTA**
- **New Zealand - US FTA**

- **Ghana-US FTA**
- **Indonesia- US FTA**
- **Kenya- US FTA**
- **Kuwait – US FTA**
- **Malaysia-US FTA**

That said, progress on many of the potential trade agreements listed above has stalled due to challenges to find agreements on specific areas. A number of issues, including several in relation to access for US agricultural goods often create major barriers to progress in negotiations, with the partner country or its public often having differing views/levels of acceptance. Common barriers include: some details of meat rearing and processing practices and access for livestock products in general; and the acceptance of genetically modified products. These issues must typically be tackled before a free trade agreement with the US can be properly established.

4.3.3 EU- US Transatlantic Trade and investment partnership agreement (TTIP)

The negotiations between the European Union and the United States concerning a possible Transatlantic free trade area known as the Transatlantic Trade and investment partnership agreement (TTIP) were ongoing for some time with the latest negotiations commencing in 2013 and concluding unsuccessfully in 2016. There were various challenges with negotiations, including some related to agriculture and food (e.g. Geographical Indications, various technological and process-based issues such as the use of hormone treatment and genetic modification) but also public procurement. A council decision in 2019 stated that the negotiation directives for the TTIP were obsolete and no longer relevant. In view of this, it seems unlikely that a trade agreement between the EU and the US will occur in the foreseeable future.

Recent US Trading Policy

The US has been slowly moving towards a somewhat more protectionist stance in regard to foreign trade in recent years with the last FTA with a third country occurring in 2012. Extra tariffs and barriers to entry have been enacted in recent years which has caused concern for foreign producers seeking to enter the US market. Considerations in regard to current and potential future tariffs need to be taken by producers seeking to enter the US market.

4.3.4 WTO disputes and other trade barriers

The United States as the world's largest economy is in the middle of a host of trade disputes with many members of the WTO including the EU, in total the USA is currently the complainant of 124 cases (the highest in the world) and a responder to 155 cases (also the highest in the world) while not of these disputes relate to Agri -goods, those that do and act as trade barriers between EU and US Agri-food trade include;

- ***Sheep and goat meat market access to the US.*** The United States is closed for sheep and goat meat from the EU due to applications being stuck, with the reason cited being Transmissible spongiform encephalopathies (TSE).
- ***Rules for the import of dairy products from the EU.*** Grade A milk products from the EU must come from establishments approved and listed by the *Inter-State Conference of Milk*

Shipments (IMS), with certain parameters which must be respected for pasteurisation. This requirements affects certain dairy products only, such as fresh milk, cream, cottage cheese and whey powders. There is no generic definition of grade A products and there is the possibility for products to be added the list of those that are deemed must be from grade A milk.

- **US restrictions on the imports of apples and pears; preclearance requirements for many products.** The EU has an application pending for market access to the USA of apples and pears from the several EU Member States under the so-called system approach, instead of the current preclearance approach, which is costly. The process was initiated in 2008 and despite the finalisation of the main scientific work around 2014, the USA has still not finalised the procedure. In general terms, many fruit and vegetable products must undergo pre-clearance prior to import.
- **Import restrictions on poultry meat and egg products.** Establishments must be approved and Member States re-instated by FSIS for compliance with hygiene rules. This process is quite lengthy and burdensome with several EU Member States applications that are pending for multiple years.
- **IPR: inadequate protection of GIs.** Difficulties to protect intellectual property rights and prevent the continuing use of EU geographical indications on food and drinks produced or sold in the U.S., especially in the food (such as cheese and meat products) sector are a source of considerable frustration for EU producers (this was also covered extensively in section 4.2.4).
- **EU Food safety systems recognition by the USA.** The US FDA (Food and Drugs Administration) rules foresee the possibility to recognise foreign food safety systems as being comparable to that of the US FDA. Work is ongoing between the EU and the USA to mutually recognise their food safety systems as being comparable via Systems Recognition.

Further information, as well as an up to date list of trade barriers, can be found here:

https://madb.europa.eu/madb/barriers_result.htm?isSps=false&countries=US

4.3.5 Summary of key trade barriers

As the United States imposes several restrictions on some EU products entering the US, particularly meat and fresh fruit and vegetables products, there are challenges to export to the US. The various challenges around GI protection in the United States is an issue affects some cheese GIs in particular. Various efforts are being made by the EU and Member States to address these barriers, but progress remains largely challenging. Furthermore, the US has arguably taken a more protectionist stance on foreign trade in recent years. This is to an extent witnessed by the lack of new FTAs; various trade disputes and disagreements which, while based on long standing issues in many cases, have accelerated in recent years; and the lack of progress on some market access issues, including some for EU agri food products. On the side specifically of the EU, the Airbus case (see box below) has led to the imposition of additional tariffs on multiple EU agri food products, and there are also additional tariffs for Spanish olives for reasons outside the Airbus case.

On the positive side, the success in recognition of regionalisation for animal diseases is a major positive for meat exporters (see section 5.1.4 for full details). Going forwards, if work ongoing work on the mutual

recognition of food safety systems between the EU and US is successful, this could somewhat alleviate the import process for EU exporters of agri-food products to the US.

Carousel Retaliation and the Airbus dispute

The US and the EU have an ongoing dispute about subsidies provided by the EU and three individual countries, Germany, France and Spain with the UK also impacting the dispute. These subsidies relate to the manufacturing of civil aircraft which the US maintained has harmed US aircraft manufacturers. The EU has a corresponding case with the US in relation to the same issue but in reverse (the Boeing case). While this is not a direct agri-food issue it does impact the export of Agri-food to the US as a number of EU products were hit with a tariff as a result of this dispute. The USTR has a list of products it routinely updates for tariff subjection in what is known as “Carousel Retaliation”. Notable currently impacted agri-foods include, cheese, wine and processed F&V juices, with additional tariffs at a rate of 25%. Full information on the actions taken are available on the website of the USTR: <https://ustr.gov/issue-areas/enforcement/section-301-investigations/section-301-large-civil-aircraft>

The list of additional tariffs applicable as of 21st February 2020 can be found at: https://ustr.gov/sites/default/files/enforcement/301Investigations/Notice_of_Modification_of_Secti_on_301_Action_Enforcement_of_U.S._WTO_Rights_in_Large_Civil_Aircraft_Dispute.pdf

It is expected that this list will be modified in August 2020. It should be noted that the WTO ruling permits for the US to impose extra tariffs of up to 100% and with a total value of USD 7.5bn per year; currently it is estimated that tariffs imposed are around USD 2bn. However, it should be noted that negotiations to resolve the situation are ongoing. The final outcome of the Boeing case is pending an it is possible that a resolution will be found after this.

4.4 Operating in the US food and beverage market

4.4.1 Logistical services and transportation infrastructure

Due to its strong economy and the presence of large urban centres spread out across the country the infrastructure of the United States is well developed and interconnected. The United States relies on its transportation infrastructure to help sustain the world's largest economy. Logistics is a huge segment of the US economy with the United States business logistics costs amounting to EUR 1.3 Trillion in 2018 or about 8% of the US GDP.¹³

Shipping

The US shipping industry is hugely important to its economy. America's maritime industry is also responsible for 650 000 jobs in the country. There are several large ports spread out throughout the nation, usually located near major urban centres. The largest port is the port of Los Angeles, the port handled 4.4 million TEUs in 2015 which made the port the world's 19th busiest, the port is also hugely important for the American pacific trade. Other large ports in the United States include the port of Long

¹³ Selectusa, Logistics Available at <https://www.selectusa.gov/logistics-and-transportation-industry-united-states>

Beach on the west coast; the Port of New Jersey & New York and the Port of Virginia on the east coast (see Figure 4-1).

Figure 4-1: Major Ports in The United States.



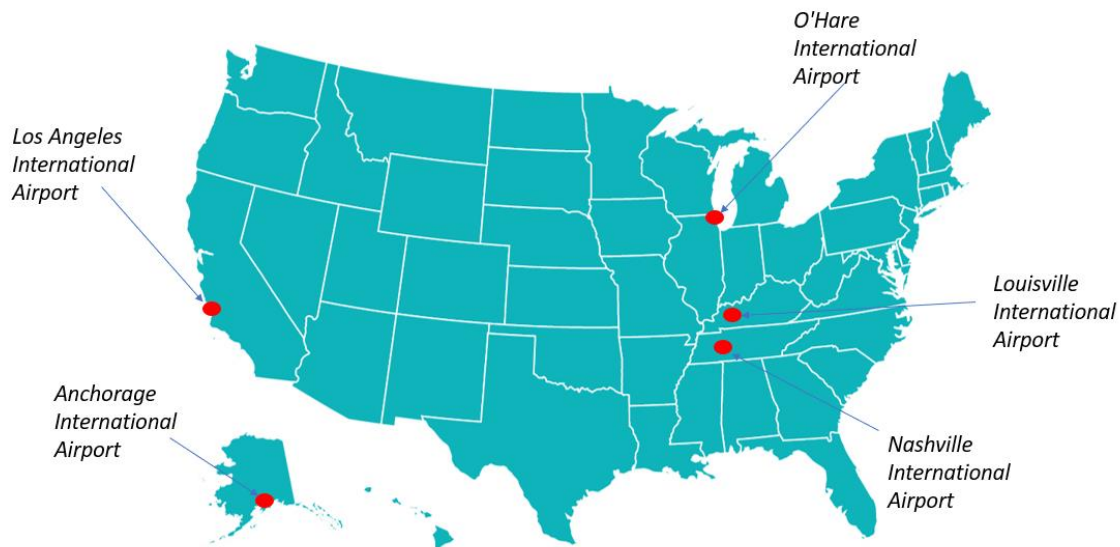
Source: Agra CEAS based on various

Airfreight

The United States helped to pioneer air travel with the world's first airport being in the country. Air Travel to the US is the backbone of the economy as many travellers in the country choose to use air travel to travel domestically, domestic air travel commonly being preferred over alternatives in the USA. Four of the ten busiest passenger airports are located in the United States with them being Atlanta Hartsfield – Jackson airport, Los Angeles International, O’Hare international Airport Chicago and Dallas/Fort Worth International. Major cargo airports are shown in Figure 4-2. Memphis International Airport is the largest cargo airport in the nation boosted by its central location and having the US company FedEx having its headquarters and operational hub in the airport. Anchorage International Airport (Alaska) is the second busiest cargo airport in the country and acts as an important refuelling and transit hub for goods being sent between Asia and the USA. The airport’s importance was highlighted during the COVID-19 pandemic as the airport rose to become one of the busiest in the world for a short period as emergency goods transited through the airport. Every major urban centre in the US has an airport adjacent to them with every state also having an airport of some size located within its borders. In 2018 it is estimated that roughly 777 million passengers flew domestically with the United States.¹⁴

¹⁴ Bureau of transportation statistics, Foreign airlines to and from the US, Available at <https://www.bts.dot.gov/newsroom/2018-traffic-data-us-airlines-and-foreign-airlines-us-flights#:~:text=The%20year%2Dover%2Dyear%20systemwide,1A%2C%205%2C%209>.

Figure 4-2: Major International Cargo Airports in The USA



Source: Agra CEAS based on various

Rail freight

Rail freight is a hugely important method of freight distribution in the US. Close to 600 freight railroads are in operation in the US and many of them offer a lifeline for isolated communities scattered across the country. Approximately 170 000 employees work in the freight sector, without the freight sector in the USA businesses would struggle to transit goods throughout the country to major urban centres. The track length as a whole comes to almost 230 000 km across the nation. The largest rail freight companies in operation in the USA are BNSF, CSX Transportation and Amtrak. Chicago is the biggest rail hub in the country and acts as a major transit zone for freight coming from the east to the west of the country. Figure 4-3 shows the key railway connections in the US, though this map is not comprehensive, as would be expected with such an extensive network there are many other connections not displayed.¹⁵

Figure 4-3: Major Railway Connections in The USA



Source: Agra CEAS based on various

Road Freight

The United States has one of the largest highway systems in the world, the country has invested heavily in highway construction after the second world war as a means to create a more interconnected nation in parallel with increased car ownership in the country. Highways in the USA are split into four different categories, namely Interstate highways, US Highways, State highways, and county highways. Almost 70% of the tonnage moved throughout the USA is moved by road¹⁶ and interstate connections are vital for the smooth transportation of freight throughout the country. The movement of goods between the US and its neighbours Canada and Mexico is also primarily through road freight, aided by NAFTA agreement. While rail freight continues to grow in the country, road freight will remain the number one method of freight transportation within the United States.

Waterway freight

The Mississippi River has long been the backbone of waterway freight in the USA, the river stretches the length of the country from Minnesota to the Caribbean Sea. Many cities such as Memphis, St Louis, and Minneapolis have grown as a result of the river and the ability to use it to receive freight. New Orleans was historically one of the most important cities in the United States for the transit of goods as the city is located on the Mississippi River delta, which links to the Gulf of Mexico. Today waterway freight in the

¹⁶ US department of transport, Freight rail overview, Available at <https://railroads.dot.gov/rail-network-development/freight-rail-overview>; North American Road Freight Transportation Market Forecast, Mordor Intelligence, Available at <https://www.mordorintelligence.com/industry-reports/north-america-road-freight-transport-market>

USA is still important for the transit of goods (particularly those coming from or going to the Gulf of Mexico) such as coal and petroleum. However, goods such as food and beverages are rarely transported by water freight compared to alternatives.

4.4.2 Distribution – retail channel overview

The retail sector of the US economy is huge, the presence of many supermarkets and hypermarkets located throughout the world will typically adapt business models that were first established in the United States. The retail sector in the US generated roughly 4.4 trillion Euros in 2017 and continues to grow¹⁷. There are an estimated 1 million retail outlets located throughout the United States which works out at one retail outlet for every 328 people in the country. The retail sector in the US continues to adapt and change with e-commerce becoming the latest trend in the sector; and how the broader retail sector in the US adapts to these changes will likely be mirrored in other nations throughout the world as the US is commonly considered the leader in this sector.

Hypermarkets

The term hypermarkets aren't used often by Americans with the phrase "Big Box stores" or Supercentres" being preferred. Hypermarkets have been growing in the US ever since the first concept of them arrived in the market in the early 1960s. Hypermarkets from the US are usually well known throughout the world and some of them are amongst the largest companies in the country. These include companies such as Best Buy, Target, and Walmart, with Walmart being the biggest employer in 22 states in the USA.

Supermarkets

Supermarkets are a common sight on American streets with most communities with a population above 5000 having one in their vicinity. The market for supermarkets is competitive in the USA with many domestic players and some European ones (Aldi, Lidl). Companies such as Trader Joe are also owned by European entities (Aldi Nord). Popular national chains include Ahold Delhaize (*Belgian-Dutch*) with 2265 stores with varying names depending on the region, Kroger and Albertsons. Popular regional chains include Smart & Final (*California*) Market basket (*New England*) and Food City (*The South*).

Organic Outlets (supermarkets)

In recent years the market for organic foods has risen dramatically in the United States which has seen the rise of notable outlets such as *Whole Foods* and Safeway (while the latter has existed for a long time, it has very much moved into the organic area in recent years; it should be noted that the former was acquired by Amazon in 2017). These outlets present a large window of opportunity for EU producers as EU products will easily integrate into the organic food business models of these outlets due to their lack of GMOs and general perception of freshness.

¹⁷ SelectUSA, Retail Services Spotlight, Available at <https://www.selectusa.gov/retail-services-industry-united-states-jobs>.

Department Stores

Department stores are another common sight on American streets and will typically cater to consumers who wish to purchase a wide variety of consumer products, typically outside of the food and beverage category. Popular department stores in the USA include JCPenney, Kohls, and Macy's with these chains being synonymous with US consumer lifestyle culture.

Discounters

Discounters in the USA tend to be quite popular as the products offered through them are typical of good quality and cheap. Discounters have grown significantly since the 2008 great recession in the country and are a common establishment in communities throughout the country. Popular discounters in the USA include Costco, Bargain Hunt, and Fred Meyers.

Convenience Stores

Small shops, that can be found close to residential areas, at road corners or gas stations. These stores are located throughout the country and are a common sight on the many highways of the country. It is difficult to say exactly how many convenience stores are in operation in the USA however a report in 2019 estimates that there are roughly 150 000 in operation in the country, with Texas having the most and Alaska having the least amount.¹⁸

Food markets

A wide variety of fresh products can be found in food markets throughout the country. Americans are proud of produce grown locally and food markets offer a channel for them to enjoy foods from their region. Foods in the markets are typically perceived to be fresher, healthier, and better for the community than store-bought alternatives. Some of the most well-known food markets in the USA include Chelsea market (*New York*), Quincy market (*Boston*) and Grand central market (*Los Angeles*).

Specialised stores

Specialised shops are mostly situated in bigger malls and sell one kind of products such as alcohol or shoes. These types of stores will typically specialise in the product they are selling and be one of the first options Americans consider, examples of these stores include Footlocker (*Shoes*), Home Depot (*DIY Tools and accessories*), and Bed bath and beyond (*Homeware*).

E-commerce

E-commerce has exploded in the USA in recent years and the trend for e-commerce globally can be largely traced back to the USA. Businesses and retailers throughout the country offer e-commerce alternatives as to not do so in the USA would make them uncompetitive in the market there. The biggest e-commerce companies in the USA include Amazon (*Also the biggest in the world*), eBay, and Etsy. Americans value the convenience that e-commerce brings them, particularly residents in more rural areas without access to certain goods. E-commerce has evolved to become a new norm in the US consumer market, aided by the

¹⁸ US Convenient store count, Advanced convenience and fuel retailing, available at <https://www.convenience.org/Research/FactSheets/ScopeofIndustry/IndustryStoreCount>

COVID-19 pandemic which saw a larger shift towards E-commerce in the nation. Recently Amazon has launched its Amazonfresh service which aims to facilitate the rapid delivery of fresh foods in the USA (partly building on the position of its now subsidiary, Whole Foods). Other notable fresh food distributors online include *Blue Apron*, *Instacart* and *Home-Chef*.

4.4.3 Intermediaries

As the USA is a large country, producers need to pay particular attention to the supply chains in the country. Direct exports to major urban centres are relatively easy as many of them are connected through a variety of methods such as air cargo, shipping, and the large highway system in the country. Urban centres such as New York, Chicago, and San Francisco – all of which were highlighted as key markets in section 2.2.2 - are more open to receiving European products as there is a demand from these cities, and the ability to send goods it is possible due to the presence of a variety of port of entry in these cities. Nonetheless, smaller markets can also be interesting simply because they can be comparatively underserved as a result of importer focus on the larger markets.

Nature of partners / operations

Importer/distributors generally play an important role in helping imported foods reach shop shelves in the USA; however, it will be common for many distributors to focus on one region of the nation rather than nationwide. Indeed, while national level importers tend to have strong outreach and their clients may include larger retailers, it can be difficult to get them to take on new products. When considering new products they are likely to look strong pricing discounts, big brand-name advantage or higher quality product (proven). However, working with such national level importers can ultimately be very profitable.

Small independent brokers and state-level importers are relatively easier to work with, but most of these companies have higher costs of operations. Recently a more regional approach seems to be gaining traction amongst importers and distributors. Despite the presence of many national-level brands, there are many more regional centric brands, both domestic and imported that ascertain the success of this strategy.

In view of the specificities outlined above and the sheer size of the market, it is common for larger overseas manufacturers to have an importing wing as part of their company and import the product from Europe to the USA; hence doubling up as an importer and manufacturer.

It should be noted that overall, there is no standard path to market in the US. As hinted at above, even larger retailers such as Walmart rely on importers to some extent in order to source the products they sell.

Working with importers/partners

- A lot of importers are not just industry-focussed but also region focussed. For instance, some importers only focus on importing products from Australia-New Zealand or Europe. It is important to find an importer that understands and focuses on the country of origin for the product and not just the product; as they can leverage their existing contacts in the distributor/wholesaler realm.

- There are no standard minimum order quantity / value criteria. While some importers may impose minimum quantity requirements, the situation varies depending on the importer preferences and the nature of the product itself.
- Any chosen importer should be willing to take the risk of expanding their portfolio to include emerging brands in case of a new product/exporter from Europe; and hence ideally they should have a proven track record in this domain.
- Some importers provide a full partnership model where they offer sales and marketing support for the products along with supply chain management; while others offer warehouse, logistics, fulfilment, inventory management, regulatory compliance, sales reporting, and some advisory support (e.g. distributor recommendations and introductions) but do not get into the sales, promotions, marketing aspects.
- Transparency in the billing process and the use of data-driven models are important considerations when choosing an importer in the USA.
- Many national level importers focus only on the big markets (north eastern seaboard, California, Texas) and miss out on the next set of markets. It can be interesting to work with an importer which has a foothold in smaller markets as well.
- Payment is a two-three-step process. The importers/partners usually pay the company once the product is moved to the distributor's warehouse, and they receive their invoice.
- Most importers work with a promotional allowance, and average mark-ups at every level of the chain are around 30-40%.

Industry specific considerations

With the US being a massive market and having stringent and/or heterogeneous legislation in some areas, there is an subsequent impact on certain products.

In the case of **alcoholic beverages (spirits, wine, beer)** where different state rules exist, there is effectively a three tier system in place: importers or producers, distributors and retailers. State rules vary greatly; for example, 17 states are “control” states where some or all forms of alcohol can only be purchased from state stores; some states have import licences for “importing” from another state (note this licence is different from the one for importing into the country in the first place). Despite this high level of variation, the large distributors such as South Glazer and Republic National work across more or less the whole country with most major retailers and control around 80% of the national market. Furthermore, whether importers work at a national or local level, they are well aware of the registration process as well as regulations and compliances that have to be followed. While larger foreign producers often have US-based import units for bringing products into the country, they still work with distributors thereafter.

With regards specifically to the large distributors, given their massive reach – which obviously offers great opportunities - it should be noted that getting them to take new products is tough. They will tend to look for products with a strong reputation or a unique profile/taste, strong backing and/or celebrity endorsements. This is in contrast to smaller independent distributors, who incidentally are often used by local craft manufacturers. Trade shows amongst members of the supply chain are popular in this industry and are potentially a very good way for a new product to gain attention.

Import requirements for **meat** and **fruit and vegetables** are stringent (see also sections 4.2, 5.1.4 and 5.2.4). In view of this, a good relationship with an established importer is important, as the importer can help navigate the requirements and e.g. in the case of fruit and vegetables are obliged to develop, maintain and follow Foreign Supplier Verification Program (FSVP) dossiers for each supplier. Importers in these area may operate at a national level (e.g. North-western Meat) or a regional level (e.g. Atlantic distributors)

Final considerations

As a general rule, when considering exporting to the USA the following variables should be remembered:

- States in the region are different from each other and taxes can be complex. As well as regulatory, and cultural differences that exist within the country. There is no catchall approach towards entering the USA as a popular marketing initiative in one part of the nation may not be successful in another. The USA is a very competitive market with many domestic producers already producing European style goods. Indeed, as many European style goods are produced in the USA coupled with complications surrounding GI products, it can be difficult to stand out in the market; creating additional challenges when negotiating a price with distributors in the country.
- Labelling, additional nutrition, and price all need to be considered as ways to stand out in this market.
- The USA is home to many food and beverage conferences and events and the opportunities to network in the sector are numerous. Many events however will typically cater to a state and region rather than the nation as a whole.
- The USA has a well-educated workforce with a high work ethic that values relationships. Building trust with American distributors and importers can go a long way towards establishing a product in the market as many times these distributors will be able to get in touch with distributors working in different regions of the country.
- It is important to remember that all foods distributed in the USA require a label with a US address, which will be the address of the distributor.

Some general dos and don'ts for conducting business are set out in section 7.2, and these can be extended to any business conducted with intermediaries. Some further considerations for dealing with intermediaries are as follow:

- Personal contacts are important and strong business relationships tend to develop over the years.
- Americans are generally open to new opportunities provided producers can clearly explain their vision and business plan to them.
- Pay particular attention to trends within a region as analysing them on a national level can skew the market research for your product, as the country is extremely large.

Business Contact Database:

A database of importers, wholesalers, retailers, and distributors can be found in section 8.5

s

N.B. due diligence will have to be performed for any contacts on this database as no warranty is given as to the standing of these individuals, organisations or firms, and no corresponding responsibility or liability is accepted by the authors.

4.4.4 Business environment

The business environment of the USA is generally more open and optimistic compared to other nations in the world. Businesses are open to investing in products and innovations they feel will, in the long run, benefit them; and for this reason, many of the biggest innovations throughout the world have come from the USA. The market, however, is very competitive and companies in the country are constantly trying to out-maneuver and out-compete their competitors. The environment in urban centres in particular can be quite fast-paced compared to European alternatives and Americans generally are more open to taking risks within the business.

4.4.5 Key operational considerations and challenges: summary

Key challenges to bear in mind when operating in the American market are:

- There are several ports of entry in the US with many urban centres having a port and airport adjacent to them.
- For some products (alcohol notably), the country very much acts like multiple different markets rather than a single market, both in terms of consumer preferences and legislative requirements.
- Business is conducted in English although in the southwest of the country Spanish is increasingly popular.
- The USA has many different retail channels to choose from, suited for different products.
- As noted in sections 4.2 and 4.3, there are several challenges to get through before gaining access to the USA.

4.4.6 Other relevant information

4.4.6.1 Methods of payment in the USA

The most common form of payment in the USA is the credit card. European credit cards can also be used in the nation. Sales taxes also vary by state and the price seen in the supermarkets will typically not incorporate a sales tax which will be included at the final point of purchase. Euros can be readily exchanged for dollars in the USA at any point of entry and US ATMs will accept EU cards for the withdrawal of US dollars. It is important to note that coins in the USA are not often used, dollar notes are typically the most commonly accepted monetary method of payment.

4.4.6.2 Travel from the EU to the USA

To travel to the USA, a visa is required. The USA is typically one of the more difficult nations to enter the world and a wide variety of visas exist depending on the purpose of the visit. The most commonly used visa for travelling to the USA is the ESTA visa which allows citizens to enter the nation for a period of 90 days. Not all EU countries can avail of the ESTA visa with citizens of the nations of Bulgaria, Croatia and Romania not being eligible for the visa at the time of writing. Citizens of these nations will typically have

to apply for a B1/B2 visa to visit the United States. It is recommended that the local US embassy be contacted for more details on visas.

5 Market Snapshots for Selected Products

This section provides specific information for various food and beverage categories and products. This information covers three main categories:

- **Consumption:** data on the evolution of consumption; consumer profiles and any notable consumer trends;
- **Offer:** domestic production; imports and exports; the competitive landscape; relevant specific customs procedures/import considerations;
- **Distribution:** main distribution channels used; domestic and imported offer.

Furthermore, each category contains a SWOT analysis and a key takeaways message.

Fresh meat	Fresh fruit and vegetables	Dairy
Wine	Spirits	Olive oil
Chocolate and confectionery	Beer	Processed meat
Ice cream	Processed fruit and vegetables	Pet food
Pasta	Baked goods	Biscuits and cereal bars

5.1 Fresh meat

5.1.1 SWOT analysis

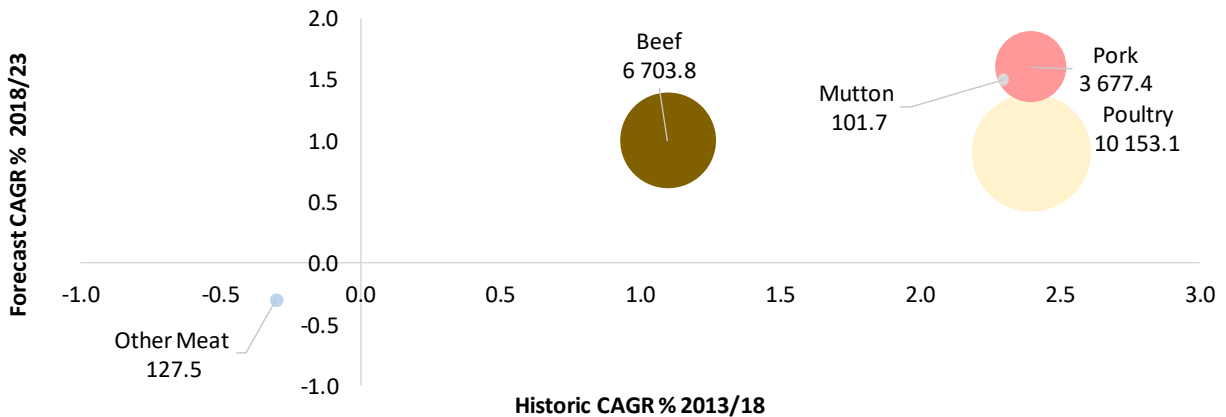
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Americans are amongst the highest consumers of meat in the world ▪ Fresh meat increasingly preferred over processed meat due to lifestyle changes ▪ US largely recognised regionalisation in the case of disease outbreaks. 	<ul style="list-style-type: none"> ▪ Ban of the exportation of EU goat and sheep meats ▪ Certain restriction on poultry products from the EU ▪ USA can mass produce a large amount of fresh meat annually, enough to satisfy domestic demand.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Small amount of European butchers with meats from European countries in the US. ▪ Pork market shows potential – structural shortage with a reliance on imports of multiple origins, faster growing demand than other meats. 	<ul style="list-style-type: none"> ▪ Australia, Canada and Mexico larger exporters than the EU. ▪ Total consumption of meats expected to see slower growth rates in the foreseeable years between 2020 – 2023 ▪ Americans typically have a lot of pride in meat reared and produced near to their local communities.

5.1.2 Consumption

5.1.2.1 Evolution of consumption

Figure 5-1 below shows that poultry is the most popular meat in the United States with a total volume 10.2 million tonnes consumed in 2019, with consumption growing at 2.4% over the period between 2013-18. Beef grew at a slower rate of 1.1% over the same period however remains the second most popular meat in the US with a total volume of 6.7 million tonnes in 2019. Pork has grown at the same rate of poultry at 2.4% and in 2019 a total of 3.6 million tonnes were consumed in the United States. Mutton is far smaller than other categories with only 101 000 tonnes consumed in the United states in 2019, mutton is forecasted to grow at a CAGR of 1.5% for the forecasted period between 2020-2024. The other meats category typically catering to niche meats remains more consumed then mutton with a total of 127 000 tonnes consumed in the US in 2019. However this segment is declining in the US and is likely to decline at CAGR of 0.3% between 2020-2023, the only meat category forecasted to see a decline in consumption.

Figure 5-1: Evolution and forecast of fresh meat market (000 tonnes) in the USA, 2013-2023; total volume



Source: Euromonitor International: Fresh Food, 2020.

5.1.2.2 Consumer profile and purchase criteria

Consumers

Meat is commonly consumed throughout the United States; indeed, a large number of American dishes will incorporate meat of some category into their dish. Americans are amongst the highest consumers of meat per capita and fresh meat is widely available in the country. Americans are the world's 4th highest consumers of beef; the second highest consumers of poultry; and the world's 8th largest consumer of pigmeat. Combined, this means that, according to most sources, the US has the highest overall per capita consumption of meat in the world, at around 120kg per capita. In recent years as American consumers have grown to be more conscious about their dietary needs and intakes, the demand for fresh meat has risen as consumers seek unprocessed products that give them a large amount of protein. American consumers place a lot of value on the transparency of their meat products and will typically want to know the origin of the meat, how the animal was reared and if antibiotics were used on the animal. Labels that feature anti-biotic free on meat products are increasingly common in the United States as a result of this shift in focus from consumers.

Plant-based diets are increasingly common in the United States however the consumption of fresh meat as a whole is expected to remain strong in the country with this trend being particularly popular in urban centres located along the coasts, as a result states such as California, New Jersey, New York have lower levels of meat consumption per capita. In contrast, the states of Georgia, Mississippi, and Alabama have the highest level (and poultry is particularly popular in these states). The mid-west also has a comparatively high level of meat consumption.

Finally, as previously noted the US is ethnically diverse, and there are some nuances in preferences between overarching groups. Notably:

- While African Americans consume all types of meat, there is an overarching preference for steak (beef), chicken, fish, turkey, and pork. Among those living in the south there is an emphasis on

“Soul Food”, a style of cuisine which includes meats such as fried chicken, fried fish, fatback (fatty, cured pork), and Hog Jowl (cured and smoked cheeks of pork).

- Hispanic Americans have a stronger preference for pork compared to other fresh meats. Hispanics generally prefer home-cooked family meals and have a strong fondness for pre-cut thin pork, pork shoulders and authentic flavours in pre-processed and pre-flavoured marinated meats, with spices such as herbs, garlic, lemon, paprika.
- No notable nuances stand out for white Americans or Asian Americans
- Americans of Indian origin do not consume beef (due to religious restrictions); and Muslim Americans do not consume pork also for religious reasons.

Drivers and method of consumption

There are many drivers of fresh meat consumption in the United States. BBQs are popular throughout the nation and are associated with holidays such as the fourth of July and Labor Day, on these days fresh meat is typically priced to attract additional consumers as producers are aware a large amount of them will consume fresh meat at a BBQ. Most urban centres will also have restaurants and outlets that will sell fresh meat of high quality. Many American foods will incorporate fresh meats with notable dishes including London broil, American style T bone steak, and pork ribs. Chicken is popular in the USA and many states will have their variations of chicken flavours unique to ingredients found in their region. Consumers are largely attracted to the protein and nutritional values found in fresh meat which is the key driver of consumption. Given the high level of per capita consumption, unsurprisingly Americans incorporate meats in a large amount of their meals and meat consumption throughout any part of the day is a normal occurrence, fresh meats also compliment many mainstream American meals (many with European origins) such as spaghetti bolognese (*Italian*) and a Pot Roast (*French-German influence*).

Purchase criteria

The presence of a large number of processed meats in the United States which are typically cheaper than fresh meat alternatives presents a challenge for price-conscious consumers. Many consumers have actively adapted their diets to be healthier which compounds the sale of fresh meat, despite being priced higher than process meats. Many consumers will prefer American fresh meat as its widely available and generally perceived to be of high quality, the industry also supports a large number of jobs in certain states in the US and consumers have pride in purchasing fresh meat from their local areas. Animal welfare is another important trait that some American consumers use to determine their fresh meat products with facilities that have been found to mistreat animals being subject to public backlash and protest.¹⁹

¹⁹ Euromonitor International: Fresh Food, 2020; Beef2Live, world beef consumption per capita, available at [https://www.wattagnet.com/blogs/23-poultry-around-the-world/post/36806-where-is-per-capita-poultry-meat-consumption-highest](https://beef2live.com/story-world-beef-consumption-per-capita-ranking-countries-0-111634#:~:text=Uruguay%20consumed%20the%20most%20beef,pounds%20of%20beef%20per%20capita;WattAgnett, where is the highest per capita consumption of poultry? Available at <a href=); Porkcheckoff, world pork consumption per capita, available at www.pork.org/facts/stats/u-s-pork-exports/world-per-capita-pork-consumption/

Grass-fed or organic meats are increasingly sought as a healthier alternative and many consumers in the US will exclusively only purchase meats with this method of production. This trend is likely to increase as the population continues to become ever conscious of the health effects of meat consumption and the associated environmental effects of livestock production.

Finally, there are some clear consumer preferences in terms of cuts:

- Chicken: breast is most popular, accounting for 60% of sales by value. Thighs and wings account for around 20%. Whole birds account for less than 10%.
- Pork: chops (38% of value) and ribs (28%) are the most popular cuts.
- Beef: ground beef (40% of value) is the most popular segment, though shank and brisket are the cuts with fastest-growing demand.
- Turkey: while ground is by far the most popular (60% of value), whole birds account for 20% value with demand for them peaking around thanksgiving.

Fresh meat on retailers' shelves in the USA

The price of meat inevitably varies depending on meat and cut type. To provide some broad indications, typical retail price per pound (lb – 454 grams) of some different meats are set out below:

- Sirloin steak: USD 8.40
- Standard ground beef: USD 3.80 (lean or extra lean: USD 5.40)
- Pork chops: USD 3.35
- Whole chicken: USD 1.50

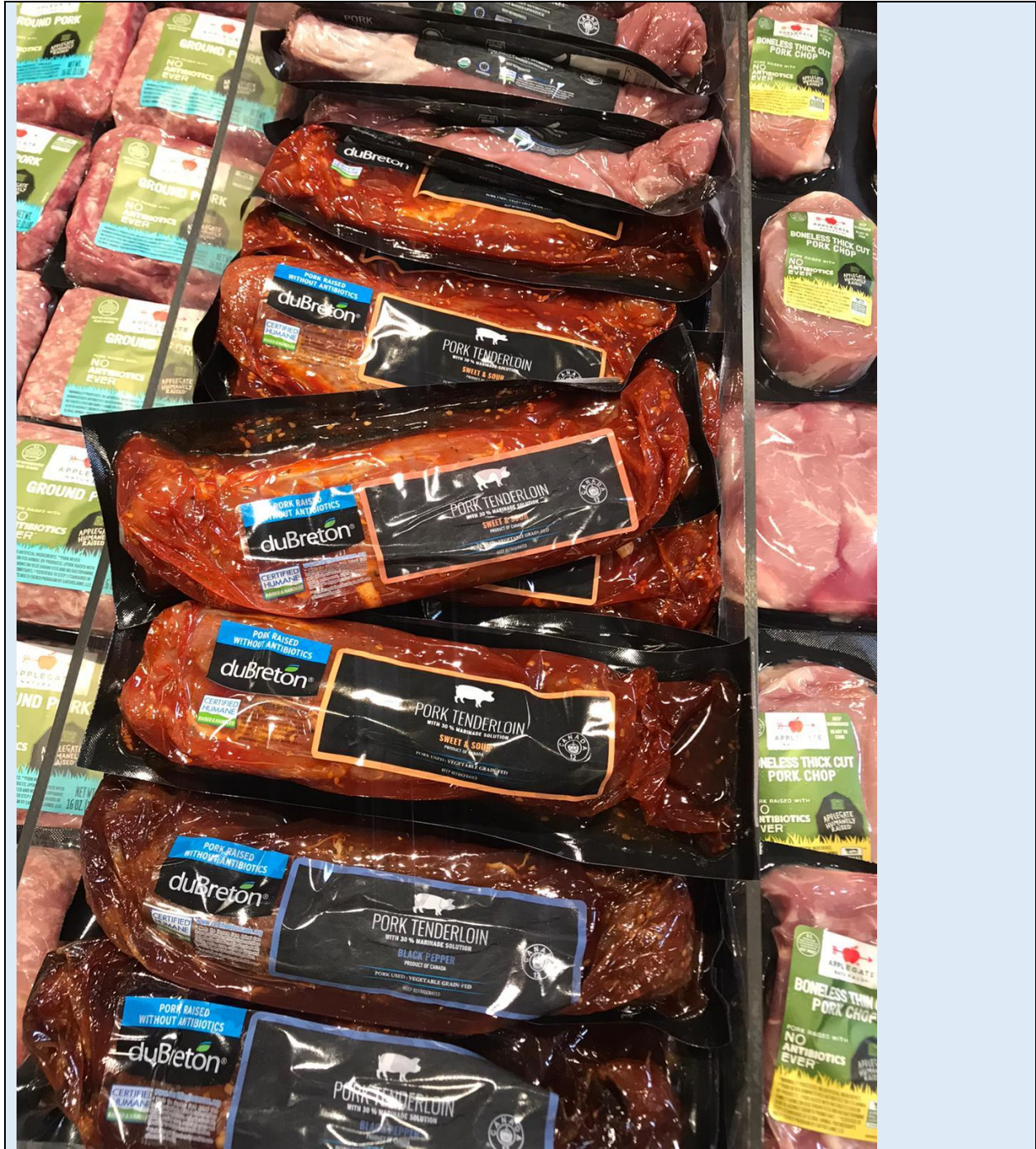
Imported meat which targets mid-higher level segments through the production methods used (e.g. organic, certain types of feed, animal welfare assurances) may retail at slightly higher prices.

Depending on the supermarket, meat may be sold loose or pre-packaged. In terms of packaging, PVC overwrap is still the most prominent package type used for meat in the US. Vacuum wrapping has grown strongly in the last few years and some newer packaging materials, such as leak-proof packs are emerging. A lot of customers end up freezing even the fresh meat purchased, so packaging that protects the freshness and quality of the product is increasingly popular among consumers. Large pack sizes are common (see below).



Above: general packaged meat layouts in supermarkets. PVC overwrap the most common packaging. Large pack sizes, US origin often indicated.

Labels relating to the production method (feed, organic status, animal welfare, other production characteristics) are trending at present, including for some imported products; and promotions/marketing efforts are usually centred around these aspects. An indication of the country of origin is common on imported products targeting the more premium segments (see below).



Above: imported marinated fresh meat in a gourmet store. Clear indication of “antibiotic free” rearing method. Country of origin (Canada) also prominent on packaging.



Above: Imported meat from Australia in freezer friendly packaging with origin clearly indicated.

Pictures: © Agra CEAS / Euromonitor International, 2020.

5.1.2.3 Recent market trends

All meats with the exception of the other meats category are expected to grow in the foreseeable future. Poultry has grown to be the largest consumed meat in the United States spurred as a result of increasing health concerns amongst the American public. Increased disposable income amongst consumers in recent years has increased the capacity for consumers to purchase more fresh meat products with many consumers switching to fresh meats in tandem with rising disposable income for health benefits. Plant-based diets are increasing in the US however the consumption of fresh meat is expected to remain strong for the forecasted years. That said, pre-COVID19 growth rates across all meats were expected to slow down significantly when compared to the years 2013-2019. In relation to retail volume, poultry, beef and pork are expected to have a CAGR of roughly just 1% for the foreseeable years up until 2023. Fresh meat producers will need to increasingly ensure they display and carry out initiatives that help to sustain and improve the quality of life of the animals they are rearing.

Overall, consumers are likely to continue to pay attention of the issue of livestock production in the country and any lack of transparency or controversy in the sector will likely have far reaching effect on total demand for meat and consumer preferences with regards to meat types, production methods and origins. As touched on previously, the rise in plant based diets have already impacted total meat consumption in key states such as New York and California and this trend will likely be seen in more states in the future.

5.1.3 Offer

5.1.3.1 Domestic production

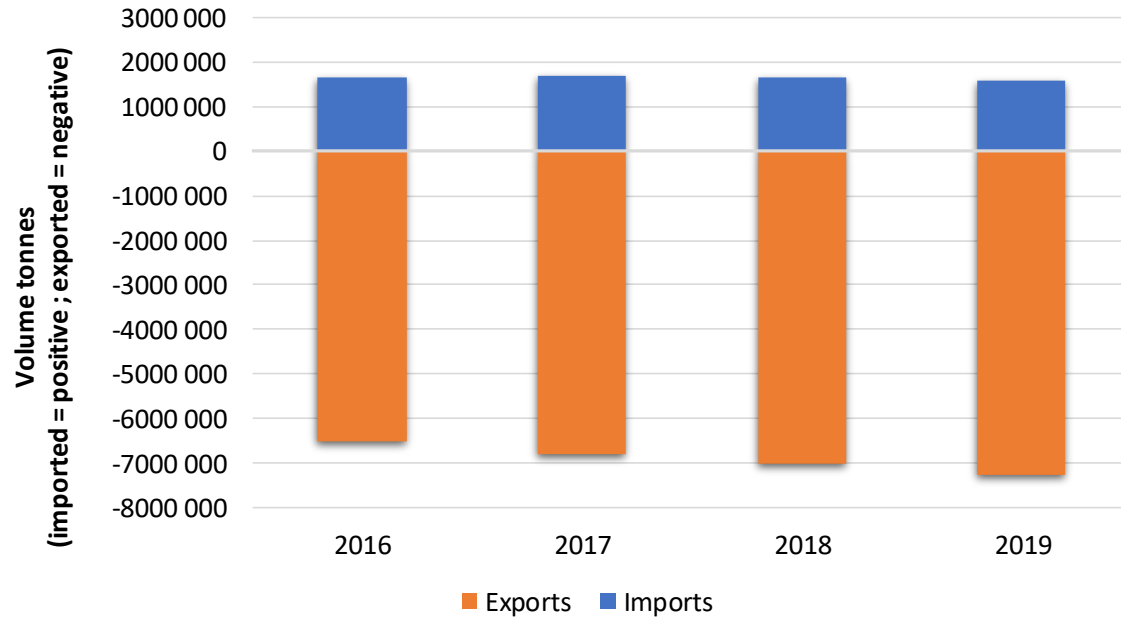
The fresh meat production sector of the United States is huge, US total meat production totalled 52 billion pounds in 2018 which translates to 9 billion chickens, 32 million cattle, 241 million Turkeys, 2 million sheep, and 121 million hogs. Many types of meat bear an association to certain states and will typically be a common sight within them. Such examples include cattle (**Texas, California, Pennsylvania**), chicken (**Georgia**), and turkey (**Minnesota**). The largest producers within the USA include large multinational companies such as Tyson Foods, JBS USA, and Cargill meats. On a state by state basis, the smallest meat producer in the United States is the state of Rhode Island with a total value in meats sales of roughly EUR 1.4 million, mostly beef while the largest state producer is the state of Iowa with a total value in meat sales of roughly EUR 7.4 billion, mostly pork.²⁰ The United States is the second-largest producer of meat in the world, behind China but ahead of other large producers such as Brazil, Russia, and Germany. The USA has a number of specific production practises that allow for the widescale production and cheap prices of meats, such practices relate to space available for poultry, chemicals used in the production process amongst others. While some of these practises are not widely used in the EU, their use in the USA partly contributes to cheaper meats and is often an issue that impacts EU-US fresh meat trade. The abundance of animal feed in the US is another key factor which contributes to competitive production prices in the country.

²⁰ 24/7 Wall street, Peters Steven, States producing the most meat, available at <https://247wallst.com/special-report/2017/05/26/states-producing-the-most-meat/12/>

5.1.3.2 Imports and exports

Figure 5-2 shows that the US overwhelmingly exports more meat than it imports, this can largely be attributed to the large-scale production of fresh meat within the United States. Imports to the United States have remained stable throughout the past few years being around 1 million tonnes while exports have been grown consistently in recent years to reach over 7 million tonnes in 2019.

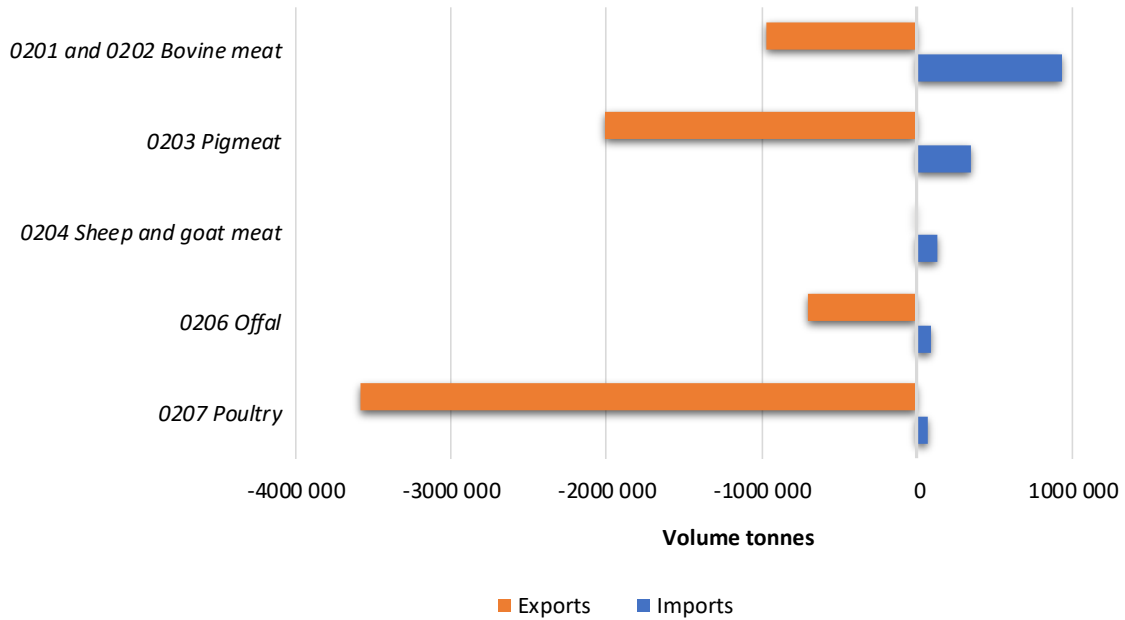
Figure 5-2: Trade balance (imports and exports) of fresh meat in the USA, 2016-19; volume tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 0201, 0202, 0203, 0204, 0206, 0207.

Figure 5-3 shows that poultry is the largest exported meat from the USA which can be attributed to the large production of poultry in the country, the largest in the world. The US is also a large exporter of pig meat, bovine meat and offal. Sheep and goat meat is not largely produced in the US when compared to other meats and is one of the few meats that is overwhelmingly imported. Australia and New Zealand are both large exporters of sheep meat to the USA while the large amount of bovine meat imported to the country comes from Canada and Mexico.

Figure 5-3: Trade balance (imports and exports) of fresh meat in the USA, by type, 2019; tonnes

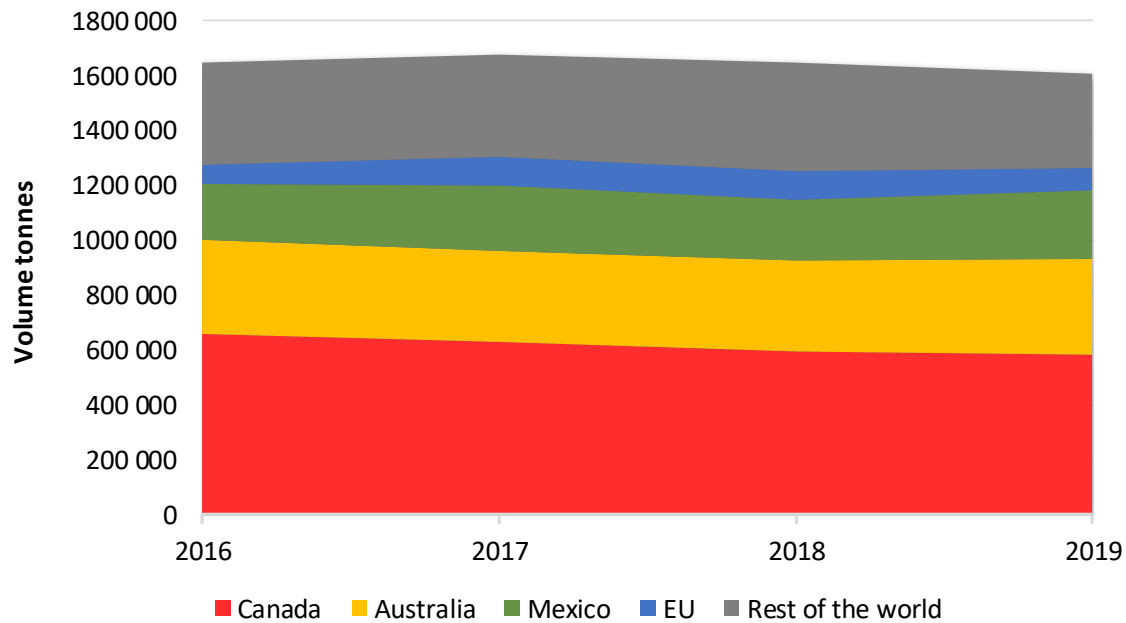


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 0201, 0202, 0203, 0204, 0206, 0207.

Figure 5-4 shows that Canada is the largest exporter of meat to the US which is followed by Australia and finally Mexico. The EU is a smaller exporter of meat to the US with notable countries being France, the Netherlands, Poland, and Denmark.

Figure 5-4: US imports of fresh meat by country, 2016-19; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 0201, 0202, 0203, 0204, 0206, 0207.

5.1.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU fresh meat were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.1.3.4 Main competitors

Canada, Australia, and Mexico are the largest exporters of meat to the US and present the main competitors internationally for EU meats in the country. The largest competitor however comes from producers within the United States which produce more meat overall than the country consumers, and includes some very large, multinational producers.

5.1.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the handling, storage, etc. of fresh meat must be registered with the FDA.

In order to export fresh meat, a country must be approved for the product in question. The USDA (FSIS) has a list of countries approved and the products for which they are approved; this can be found at:

<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/importing-products/eligible-countries-products-foreign-establishments/eligible-countries-and-products>

Selecting the country will provide information on the products approved and any specific requirements. Establishments must also be approved; a list of approved establishments by country can be found at the link below. There is also a link on the country page with details of approval.

<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/importing-products/eligible-countries-products-foreign-establishments/eligible-foreign-establishments>

In terms of tariffs, tariffs can be ad valorem or quantity, depending on the exact HS code. A brief summary is presented below; it is recommended to consult the MADB website for specific details.

HS code	Ad valorem rate	Quantity rate
Beef (0201, 0202)	4-26.4%	4.4 cent / kg
Pork (0203)	0%	1.4 cent / kg
Sheep and goat (02014)	0%	0.7 – 2.8 cent / kg
Offal (0205)	0%	n/a
Poultry	n/a	8.8 – 17.6 cent/kg

It should be noted that some fresh meat products have been the subject of additional tariffs under the Airbus dispute at a rate of 25% (see section 4.3). It is not currently clear if this may change or how long any additional tariffs will remain in force.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by entering the corresponding CN code:

e.g. pork: <https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=0203>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for fresh meat can be also found on the website indicated in the box below. Requirements notably include an import inspection and a veterinary certificate for animal products.

As mentioned in the section above, there can be certain requirements by country and meat type. It is strongly recommended to consult the website above in order to check if any exist.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by entering the corresponding CN code:

e.g. poultry: <https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=0207&countries=US>

Standards, SPS measures

As noted above, establishment approval is required. This process can be burdensome.

The United States is closed for sheep and goat meat from the EU. While applications have been made, they are stuck, with the reason cited being Transmissible spongiform encephalopathies (TSE). The market for beef has been opened up for multiple Member States following the removal of long standing restrictions related to BSE.

It should be noted that access for ground beef is separate from access for beef, with the procedure for the latter more complex.

By and large, the US does recognise regionalisation in the case of animal disease outbreaks, with regionalisation generally occurring speedily. More specifically, there are firm agreements between the EU and the US in place for the recognition of regionalisation for major pig related diseases (ASF, CSF, SVD) and avian diseases (AI, Newcastle disease). These agreements do not yet extend to e.g. foot and mouth disease, so it is not entirely clear if regionalisation would be possible in the case of such an outbreak.

Voluntary quality grades for meat exist in the US. More information on these can be found at: https://www.fsis.usda.gov/wps/portal/fsis/topics/food-safety-education/get-answers/food-safety-fact-sheets/production-and-inspection/inspection-and-grading-of-meat-and-poultry-what-are-the-differences_/inspection-and-grading-differences

Up to date information on appropriate documents concerning SPS measures and provisions for meat can be found at:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=0201&countryid=US#h20>

Labelling

There are specific labelling requirements for fresh meat. The USDA has a guide which covers these; this guide can be found at: https://www.fsis.usda.gov/wps/wcm/connect/f4af7c74-2b9f-4484-bb16-fd8f9820012d/Labeling_Requirements_Guide.pdf?MOD=AJPERES

Country of origin labelling is required for fresh meat. More information on this can be found at the following website: <https://www.ams.usda.gov/rules-regulations/cool>

5.1.5 Distribution

Retail accounts for the largest distribution channel for fresh meat purchases with roughly 60% of sales being conducted through this channel, foodservice channels are also important and account for 34% of fresh meat sales, institutional channels accounted for just 5% of fresh meat sales (Figure 5-5).

Most consumers also prefer purchasing meat along with their other weekly groceries at supermarkets (around half of retail sales), hypermarkets (a quarter of retail sales), and warehouse clubs (under 10%). These retail stores also tend to have a great variety of meat available from a number of different regions, both local and imported. Between 2019 and 2020, there has been a small decline in sales in the

supermarket and hypermarket channel (1-2 percentage points) in favour of other channels primarily speciality and others, Meat sales via meal kits are also increasing.

Figure 5-5: Distribution of fresh meat in the USA



Source: Euromonitor International: Fresh Food, 2020.

5.1.6 Challenges for EU products

The main challenge for EU producers comes from limits on the ability of EU exporters to export certain meat products to the US. These challenges include that the United States is closed to EU imports of sheep and goat meat; access for beef is returning for some Member States but the process for ground beef is separate from that for beef; and the generally process of obtaining access can be difficult. The US is a large producer of fresh meat and is able to produce and sell fresh meat in its domestic market at very cheap rates, this coupled with demand for a widescale variety of meats makes it tougher for EU producers to specialise in producing one particular meat to cater to a niche demand in the US market.

Market Takeaway: Fresh meat

Consumption: *One of the highest per capita meat consumptions in the world, the consumption of fresh meat in the US is a common occurrence in everyday American life.*

Competition: *Canadian, Mexican, and Australian fresh meats present the largest international competition for EU producers combined with the largest challenge being the large-scale domestic production of fresh meat within the US.*

Distribution: *wet markets remain the most popular retail channel by some distance.*

Challenges: *A ban on sheep and goat meat from the EU combined with general access difficulties present the main challenges for EU producers*

Opportunities: *Some specialist European butcheries exist; pork market shows potential*

5.2 Fresh fruit and vegetables

5.2.1 SWOT analysis

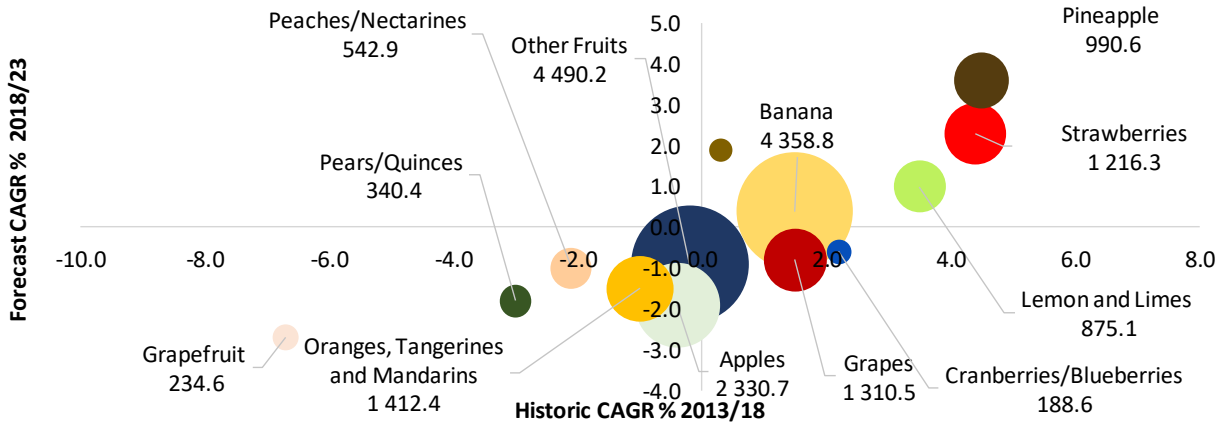
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Net importer of both fruit and vegetables in value terms, with structural shortages across many F&V types. ▪ Partly as a result of the pure size and heterogeneity of the country, substantial demand exists for more or less all fruits and vegetables. 	<ul style="list-style-type: none"> ▪ The US has surpluses in multiple fruit and vegetable types which the EU produces in large volumes. ▪ Various factors have placed downward pressure on consumption; and for some consumers, fruit and vegetables face indirect competition from cheaper, processed products.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ A notable segment for organic produce. ▪ The high concentration of production in a handful of states, which are not close to all major markets, may provide some geographical opportunities. ▪ Fruit as a snack and the convenient cooking markets are growing. 	<ul style="list-style-type: none"> ▪ Mexico a major origin of imports for both fruit and vegetables. ▪ Pre clearance system, under which many products enter the US is expensive and burdensome. Systems approval difficult.

5.2.2 Consumption

5.2.2.1 Evolution of consumption

Bananas are the most commonly consumed category of fruit in the US, with the exception of other fruit. 4.4m tonnes were consumed in 2018 (Figure 5-6). However, the market for bananas is mature with historical growth under 2% per year, and no forward growth. Indeed, growth is very low or even negative for most widely consumed fruit categories. The next largest categories of apples (2.3m tonnes) and oranges / mandarins / tangerines (1.4m tonnes) both show negative historical and forecast volume growth rates. Grapes (1.3m tonnes) show positive historical growth but going forwards is forecast to shrink. Strawberries and pineapples (1.2m tonnes and ~1m tonnes) are exceptions to the general rule of mature or shrinking markets; they have grown in volume terms at 4.4% and 4.5% per year historically, and are forecast to grow at 2.3% and 3.6% per year. There are various markets for other types of fruits; while these markets are small compared to the aforementioned fruit types, they are still substantial markets in absolute terms; for example, the smallest markets for kiwis, plums/sloes and cherries – none of which are not shown in the chart due to size – are still some 79 800 tonnes, 132 500 tonnes and 170 600 tonnes respectively. All three are growing slowly in volume terms (generally between 0 and 2% per year).

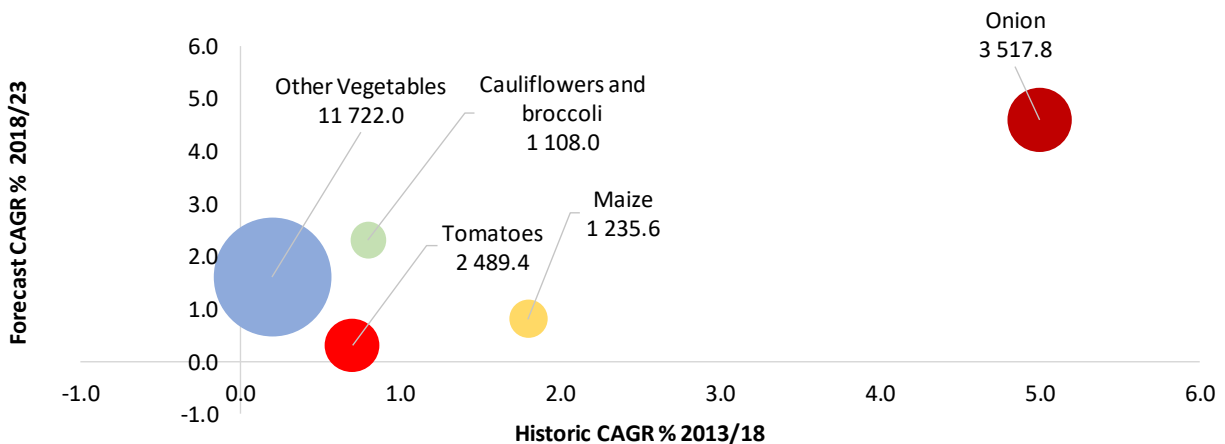
Figure 5-6: Evolution and forecast of fruits market (000 tonnes) in the USA, 2013-2023; total volume



Source: Euromonitor International: Fresh Food, 2020.

The varied category of other vegetables is by far the biggest overarching vegetable category in volume terms, with some 11.7m tonnes consumed in 2018. Historical growth of this category is fairly flat, while forward volume growth of 1.6% per year is foreseen. Onions are next biggest, with 3.5m tonnes consumed in 2018. With both historical and forecast growth of over 4.5%, the market for onions is also fast growing. Tomatoes are the third biggest vegetable market by volume at 2.5m tonnes, though it is fairly static. Maize and cauliflower have markets of 1.2 and 1.1m tonnes respectively and are growing more quickly than the market for both other vegetables and tomatoes (Figure 5-7).

Figure 5-7: Evolution and forecast of the vegetable market (000 tonnes) in the USA, 2013-2023; total volume



Source: Euromonitor International: Fresh Food 2020.

5.2.2.2 Consumer profile and purchase criteria

Consumers

As would be expected, both fruit and vegetables are universally consumed in the USA. While the figures available on per capita consumption vary somewhat, on balance evidence suggests slight declines in fruit and vegetable consumption in the US over the medium term. Independent of this, the evidence is fairly conclusive that average fresh fruit and vegetable consumption in the US is below recommended levels. There are some notable differences between demographic groups with regards to fruit and vegetable consumption and expenditure; some of these differences overlap or are complementary:

- Lower-income consumers are more likely to both spend substantially less on fruit and vegetables and to consume insufficient levels of them.
- Expenditure on fruit and vegetables is substantially higher among households whose members have a higher level of education.
- Middle-aged consumers tend to spend more on fruit and vegetables than any other group. In contrast, under 25s and over 75s tend to have the lowest level of expenditure.
- Some differences in consumption level by ethnicity have been observed, with Asian Americans and Hispanic Americans generally considered to have higher levels of consumption.
- Geographically, consumption is seen to be slightly higher in the west of the country and slightly lower in the south.

Finally, as consumers in the USA, particularly those in large urban centres along the coasts in states such as California and New York continue to see a rise in plant-based diets, it is likely that fruit and vegetables will see a growth in demand in these regions.

Drivers and method of consumption

Fruit may be consumed in a variety of ways. However, one particular method of consumption, that has also driven the market to some extent in recent years is that of the consumption of fruit as a snack. In effect, this is the result of two broader trends in the food space: (1) driven by busy lives, American consumers are increasingly snacking rather than eating large meals; and (2) there is increasing awareness of the healthiness of food. This method of consumption is affecting purchase criteria in some cases (see below). A further notable driver is the increasing consumption of fruit at breakfast. This is particularly common among the middle-aged demographic and is partly the result of the replacement of fruit juice with fresh fruit.

For vegetables, the level of home cooking is a key driver for their consumption. Indeed, the combination of increased consumption of ready meals, snacking or eating out (rather than consuming meals at home), and the reduced occurrence of vegetable side dishes with main meals in the US are generally considered to have had a negative effect on vegetable consumption. Many popular home-prepared meals in the USA such as pizza or sandwiches often do not incorporate fresh vegetables; though increased interests among some groups in different cuisines counteract this to some extent. Against this background, some retailers are offering pre-washed and pre-packed vegetables in an attempt to facilitate cooking with vegetables.

The price and availability of fresh fruit and vegetables are notable constraining factors on consumption among lower income groups. Lower income groups often do not have access to stores which stock a range of fresh produce, and the price of such produce may be expensive compared to other, generally processed foods. There are, however, various initiatives (particularly at state level) to boost consumption of fresh fruit and vegetables among this group.

Indeed, economic conditions have been shown to impact fruit and vegetable consumption among US demographic groups other than lower income ones; though this tends to manifest itself through shifts between types of fruit and vegetables. For example, during the great recession of 2008-09, there was a notable move away from more expensive products such freshly cut fruit and packaged salads; though interestingly enough, consumption of organic produce held up well.

Purchase criteria

Purchase criteria vary substantially between consumers; and hence it is not possible to define universal purchase criteria. Nonetheless, criteria for certain groups and some criteria of increasing importance stand out.

For both fruit and vegetables, sourcing and origin are increasingly important purchasing criteria for consumers, with many consumers preferring locally grown produce. Along similar lines, organic status is increasingly a criterion taken into account by some consumers. Convenience is also a key consideration for many consumers, with fruits that can be easily eaten on the go popular. This partly explains the strong popularity of strawberries and grapes (see Figure 5-6); though in the case of larger fruits, it leads to consumers looking for pre-cut pre-packaged fruits in the case the intention is for it to be consumed as an on-the-go snack.

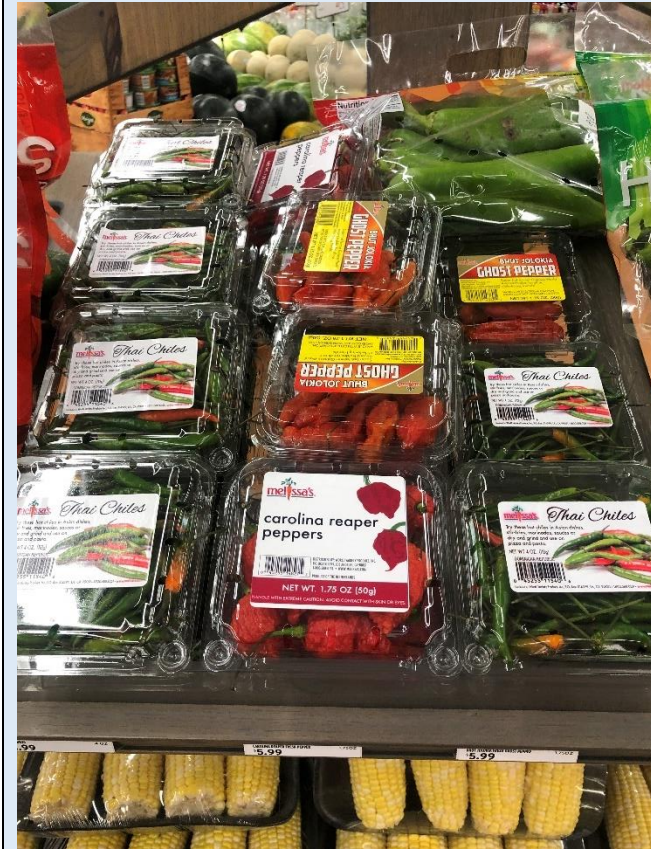
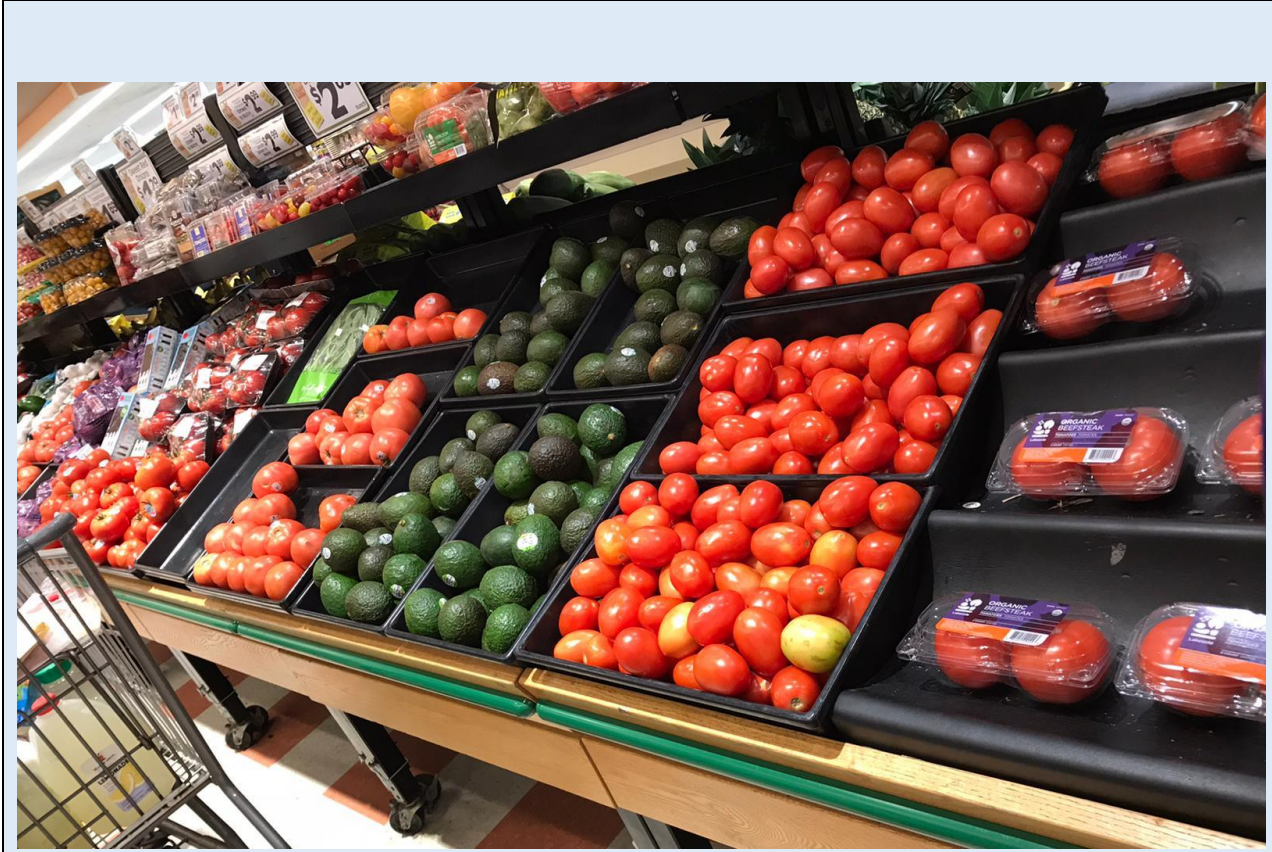
For lower income groups, price and availability remain key purchasing criteria. Indeed, as noted in the section above, the comparatively high price and/or low availability of fresh fruit and vegetables tend to constrict demand (indeed price has consistently shown to be inversely related to availability in the US).²¹

Fresh fruit and vegetables on retailers' shelves in the USA

Price inevitably varies depending on the type of fruit or vegetable; and as such it is not possible to provide overarching price ranges. Prices are generally set by consumer demand, with the exception of exotic products, and most products target the economy and mid-range segments. As a general rule, higher pricing is only possible for fresh fruit and vegetables if they are pre-cut and pre-packaged. All these rules can be considered to extend to imported produce as well as applying to domestic produce.

²¹

https://fruitsandveggies.org/wp-content/uploads/2019/05/2015-State_of_the_Plate.pdf;
https://ucanr.edu/sites/Postharvest_Technology_Center_/files/232109.pdf;
<https://pediatrics.aappublications.org/content/pediatrics/136/4/664.full.pdf>; https://fruitsandveggies.org/wp-content/uploads/2019/05/2015-State_of_the_Plate.pdf ; Euromonitor International: Fresh Food 2020.



Above and left: general fruit and vegetable layouts in supermarkets. Products may be sold loose or pre-packaged, depending on the product type.

With increased consumer interest in production methods and organic status, some imported produce targets these consumers with the use of organic certification and clear indications of origin (see below).



Above: Imported asparagus from Mexico, bearing an organic label.



Organic status may also be indicated on shelf labelling as well.

Pictures: © Agra CEAS / Euromonitor International, 2020.

5.2.2.3 Recent market trends

As noted above, there is an increasing interest in locally produced fruit and vegetables. This however is creating some interesting dilemmas for retailers, as consumers continue to be interested in the same fruits even during the off-season for local production; so while the interest in and demand for local

produce remain during these periods, retailers have to find other solutions to meet it. In the specific case of vegetables, retailers are drawing consumer attention to the local origin of vegetables through signage and the use of labels. At the extreme end of the trend of local production, there is increased interest direct-to-consumer sales (generally within a 50 mile radius of place of production).

Another recent trend is that of pre-cutting and pre-packaging fruit in order to address the increasing trend of fruit being consumed as a snack; and this even extends to fruit cups which combine multiple varieties of cut fruit. However, one challenge for the “fruit as a snack” market is that of indirect competition from fruit squeeze pouches, which are proving popular among some children. This preparation also extends to vegetables, which, as noted above, are increasingly pre-washed and pre-packed in order to make them attractive to busy home cooks. Indeed, meal kits – which tend to include pre-cut, in-season fruit and vegetables were are a recent popular subset of this trend.

Finally, the availability of organic vegetables has increased of late, driven by increased consumer interest in them – further expanding the already loyal organic consumer segment. This in turn is a result of some consumers being increasingly aware of the harmful effects of pesticides and chemicals, and to a lesser extent, environmental concerns. The interest in organic has resulted in the fairly recent emergence of two notable organic labels, in addition to the USDA’s organic label. These two new emergences are: the Real Organic Project label and the Regenerative Organic Certified label. Some recent estimates place the organic market at around 9% for fruit and 14% for vegetables. Millennial parents are particularly likely to purchase organic products.

5.2.3 Offer

5.2.3.1 Domestic production

The US is a major producer of a wide variety of fruit and vegetables, even though overall fruit and vegetable production is insufficient to meet demand. It produces around 28m tonnes of fruit each year and 32m tonnes of vegetables, with production of tomatoes (around 5.5m tonnes) and apples (around 4.5m tonnes) particularly notable. However, as was seen in section 2.3, ultimately more or less all mainstream fruit and vegetables are produced in the USA; and the main type of fruit or and vegetable produced varies substantially between states. California is a particularly large fruit and vegetable producer (apples, blueberries, cherries, pear). Arizona and Florida are also important. The four states combined are estimated to account for the majority of US fruit and vegetable production.

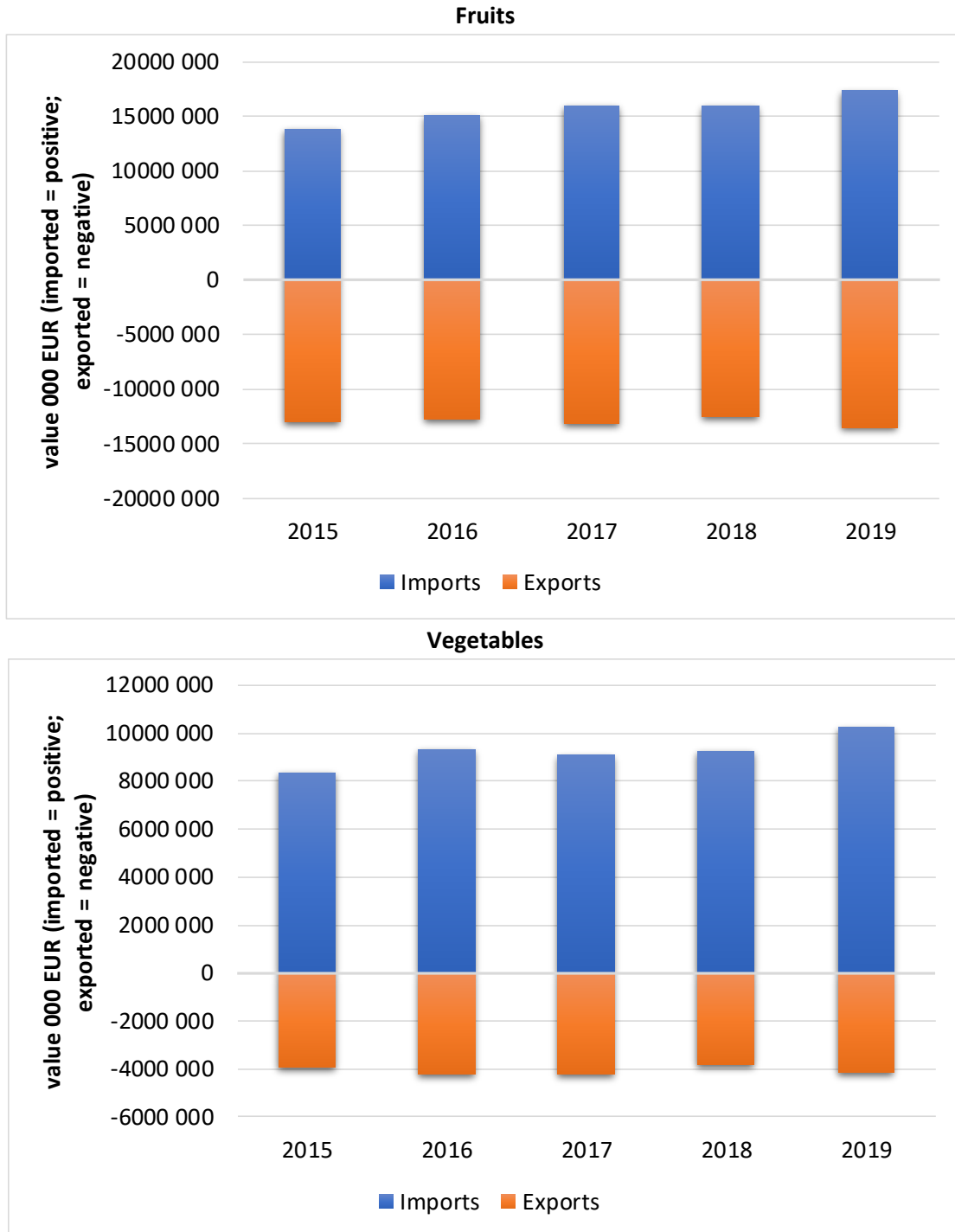
Despite the large overall fruit and vegetable production, there is reliance on imports to meet demand for various types (see subsequent sections). Furthermore, the US faces challenges in terms of weather-related issues and an aging workforce.²²

²² <https://apps.fas.usda.gov/psdonline/circulars/fruit.pdf>; <https://downloads.usda.library.cornell.edu/usda-esmis/files/02870v86p/gm80j322z/5138jn50j/vegean19.pdf>; <https://vegetablegrowersnews.com/news/3-states-produced-76-percent-u-s-veggies-2017/>

5.2.3.2 Imports and exports

The USA is a marginal net importer of fruit; and a clearer net importer of vegetables (Figure 5-8). Imports of fruit have increased steadily in recent years, reaching around EUR 17bn in 2019, compared to exports of roughly EUR 14bn. Imports of vegetables are lower on the other hand at around EUR 10bn, having also steadily increased in recent years. Exports are also substantially lower at EUR 4bn.

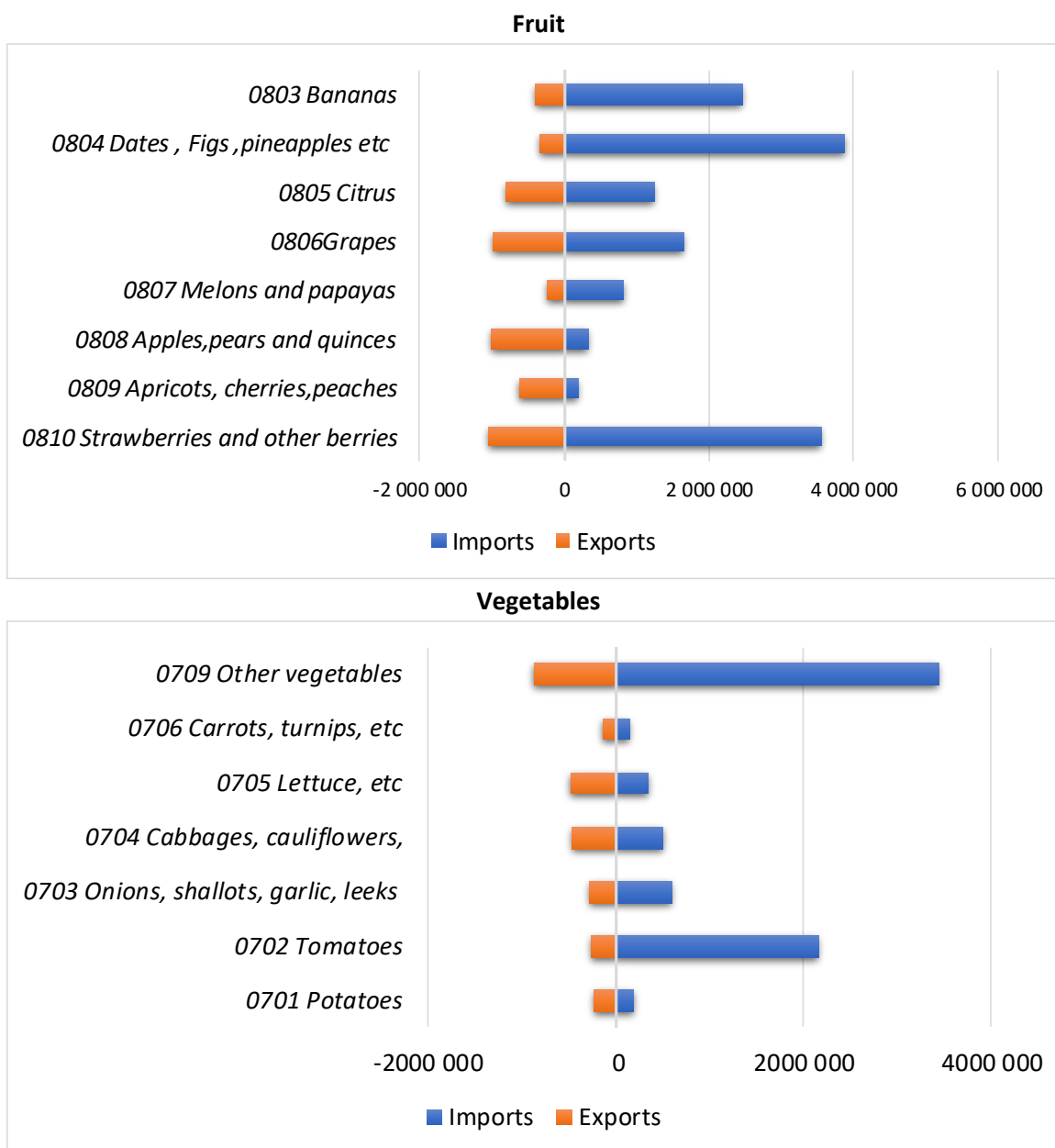
Figure 5-8: Trade balance (imports and exports) of fruits and vegetables in the USA, 2015-19; value 000 EUR



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
 Data for CN code 07 and 08.

Interestingly, the USA is a net importer of most of the selected types of fruit and vegetables displayed in Figure 5-9. While dates, figs and pineapples are the single most imported fruit with a massive trade deficit, there are also substantial imports and deficits for berries and bananas; as well as smaller deficits for grapes and citrus fruit. The US has a trade surplus in apples, pears, quinces; and apricots, cherries and peaches. Similarly, for vegetables, there are substantial deficits for other vegetables and tomatoes; as well as more minor deficits for onions, shallots, garlic, leeks; and cabbages / cauliflowers.

Figure 5-9: US trade balance of fruit and vegetables by type, 2019 (value 000 EUR; selected types only)



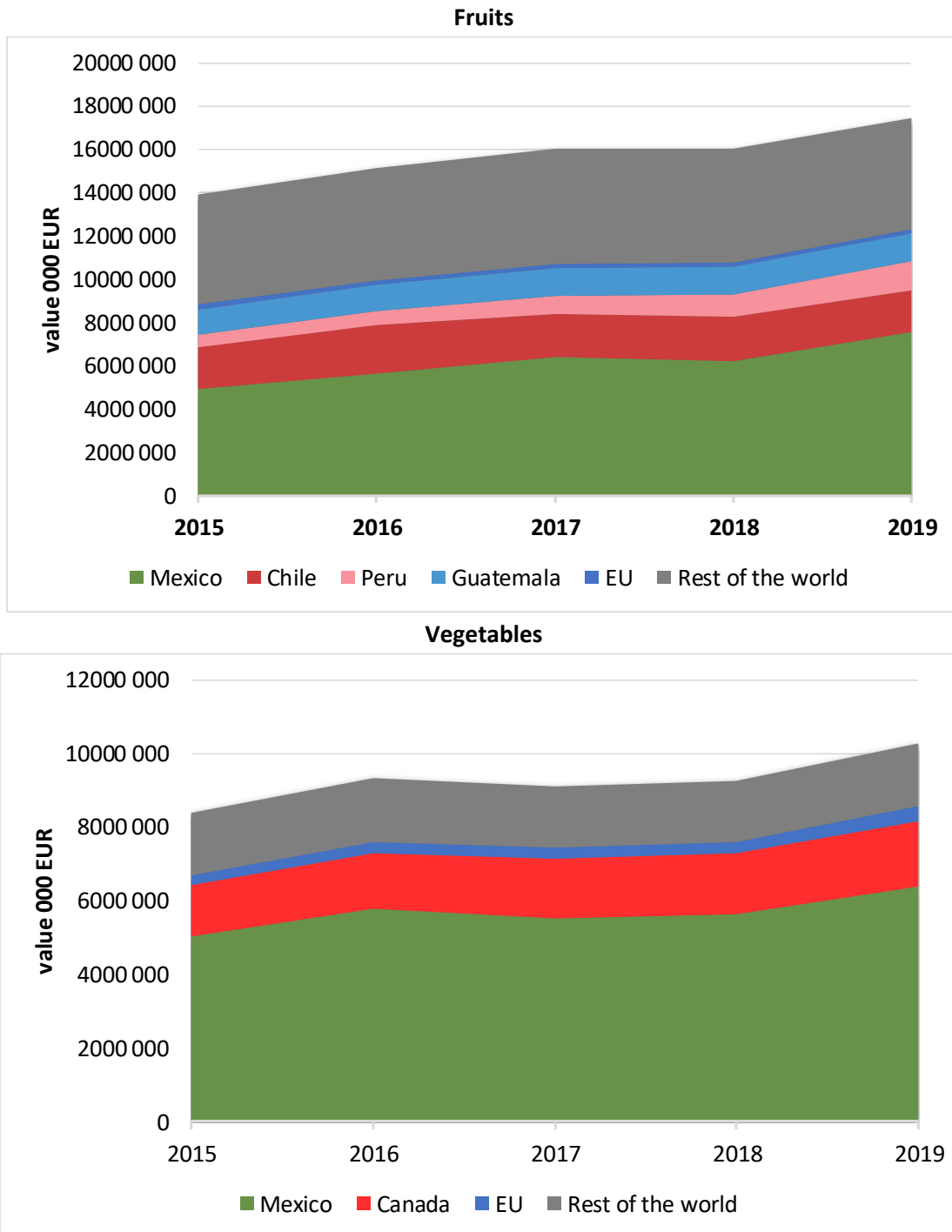
Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Note: names for CN codes abbreviated in most cases.

Only indicated CN codes presented in these figures. 6 codes for fruit and 7 codes for vegetables are missing, which is why individual figures do not add up to totals in previous graphs.

In terms of origins, Mexico is a key origin of both fruit and vegetables; the country accounts for some 40% of fruit imports and 60% of vegetable imports (Figure 5-10). Other origins for fruit are somewhat fragmented, with Chile, Peru and Guatemala the next three biggest origins, but each accounting for 10% or less of imports. For vegetables, Canada is the next largest origin and accounts for a little under 20% of imports. The EU is a minor origin for both imports of fruit and vegetables.

Figure 5-10: US imports of fruits and vegetables by country, 2015-19; value 000 EUR



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
 Data for CN code 07 and 08.

5.2.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU fresh fruit and vegetables were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.2.3.4 Main competitors

The main competition for EU producers is the combination of domestic production alongside imports from Canada and Mexico. However, overall, there are market access challenges that overshadow the issue of competition. There are a number of areas where importers, including in some cases EU producers can take advantage. Research from the USDA which shows that nearly 99% of all bananas, limes, mangoes and pineapples; 80% of kiwis and avocados, more than 95% of papayas and asparagus; over 70% of cucumbers, blackberries, artichokes and over 50% of grapes, blueberries, tomatoes, eggplants, are imported into the US.

5.2.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the handling, storage, etc. of fruit and vegetable products must be registered with the FDA.

Market access requirements for fruit and vegetables vary by the fruit and vegetable type and the country of origin. APHIS has a searchable online database *Fruits and Vegetables Import Requirements (FAVIR)* which specifies the exact requirements based on these factors. This database can be found at the following link:

<https://epermits.aphis.usda.gov/manual/index.cfm?ACTION=pubHome>

It is strongly recommended that this database be consulted prior to engaging in any export activities.

As a general rule, the existence of pre-clearance requirements for fruit and vegetables is common, meaning that consignments have to be inspected by APHIS inspectors in the country of export.

It should be noted that there are long standing applications for a systems approach to overcome this pre-clearance requirement for apples and pears for multiple countries, and both the EU and Member States have performed considerable follow up to try to ensure their finalisation; however they have still not been finalised by the US authorities at the time of writing.

In terms of tariffs, the tariff system is complex and variable; generally quantity tariffs exist. A summary by main fruit and vegetable type is set out below, but it is strongly recommended that the MADB link in the box after this table be consulted for more details.

Product (HS code)	Type of tariff	Tariff level
Potatoes (0701)	Quantity	0.5 cent / kg
Tomatoes (0702)	Quantity	2.8-3.9 cent / kg
Onions etc (0703)	Quantity (mainly)	0.43-3.1 cent / kg (20% for leeks)
Cabbage, cauliflower etc (0704)	Ad valorem (mainly)	2.5-20% (0.54 cent/kg cabbage)
Lettuce (0705)	Quantity	0.15 – 3.7 cent / kg
Carrots etc (0706)	Varies	0-14.9% or 0.7-1.4 cent / kg
Cucumbers etc (0707)	Quantity	1.5 – 5.6 cent / kg
Leguminous veg (0708)	Quantity (mainly)	0.1-4.9 cent / kg (few 0%)
Other vegetables (0709)	Varies (can be both)	Up to 21% and/or 8.8 cent/kg
Dates, figs, mangoes etc (0804)	Quantity (mainly)	0.44-13.2 cent/kg (or 29.8%)
Citrus (0805)	Quantity (mainly)	1.5-2.5 cent/kg (or 0.8%)
Grapes (0806)	Quantity (mainly)	1.8-3.5 cent/kg or m3 (or 0%)
Melons (0807)	Ad valorem	1.6-28%
Apples, pears etc (0808)	Varies	0.3 cent/kg or 0%
Apricots, cherries etc (0809)	Varies	0.2-0.5 cent/kg or 0%
Other fruit (0810)	Varies	0.18-1.1 cent/kg or 0-2.2%

It should be noted that there are additional tariffs on Spanish olives.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by entering the corresponding CN code:
 e.g. Potatoes: <https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=0701>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for fruit and vegetables can be also found on the website indicated in the box below. A phytosanitary certificate and import permit for plants / plant products are required.

APHIS also has a general website on import requirements which may be useful to consult: <https://www.aphis.usda.gov/aphis/ourfocus/planthealth/import-information>

As mentioned in the section above, it is strongly recommended to consult the FAVIR website to obtain requirements and customs procedures by country and fruit/vegetable type.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by entering the corresponding CN code:
 e.g. citrus fruits:
<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=0705&countries=US>

Standards, SPS measures

The FAVIR database contains information on SPS requirements by fruit and vegetable type. It should be noted that some products do require special treatment, e.g. cold treatment, and in some cases, treatment with methyl bromide (notably tomatoes and cherries). Discussions about finding alternatives to the latter are ongoing.

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=0701&countryid=US#h20>

Labelling

Nutrition labelling for fresh fruit and vegetables is voluntary, but if used must comply with the general labelling requirements which were described in section 4.2.3. Country of origin labelling is required for fruit and vegetable products. More information on this can be found at the following website: <https://www.ams.usda.gov/rules-regulations/cool>

5.2.5 Distribution

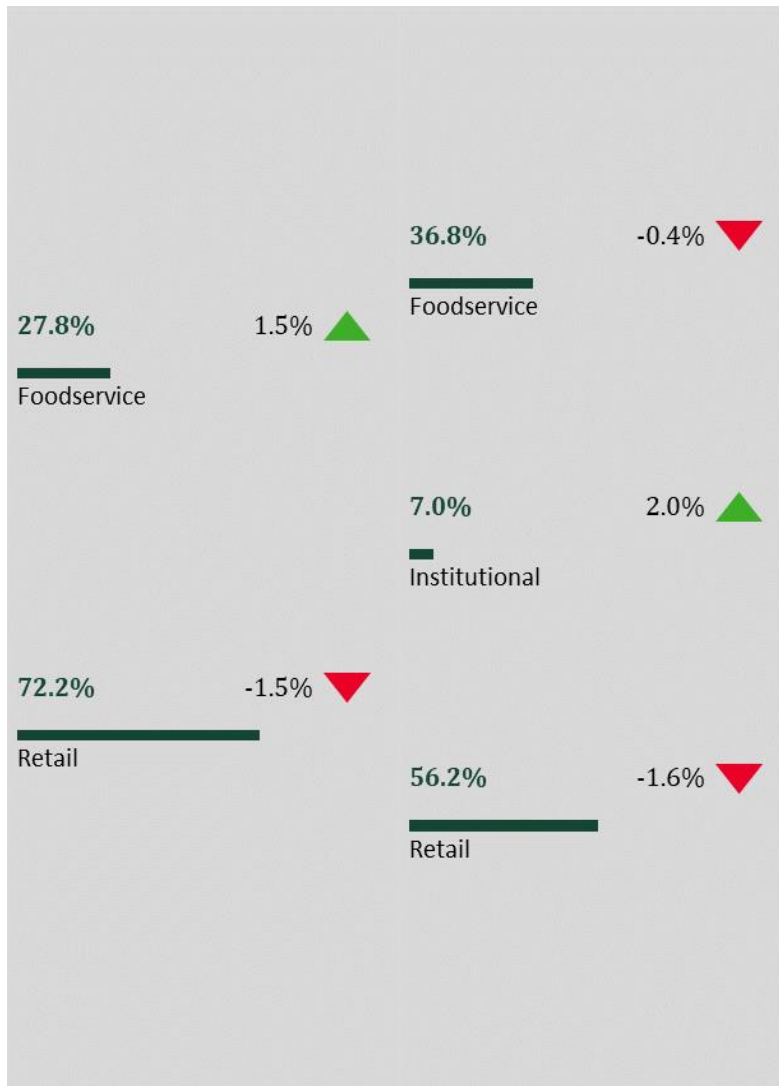
Retail channels account for the majority of distribution of both fresh fruit and vegetables in the US; though with a 72% share, the importance is greater for fruit than for vegetables (56%). Food service plays a smaller but still notably role for the distribution of vegetables (37%) but is of fairly low relevance for fruit (Figure 5-11).

In terms of retail sales, supermarkets (estimated 60% of sales by volume) are the main channel, followed by hypermarkets and warehouse clubs. Farmer's markets and e-retail channels remain niches. The channel with the largest share of imported fresh fruits and vegetables is similar to that of the overall channel - supermarkets. In addition, speciality stores (e.g. ethnic, gourmet stores, etc.) are also significant for imported products.

Distribution of fruit and vegetables is often influenced by the age of the consumer with notable examples including:

- Millennials and baby boomers clearly prefer to purchase their fruit and vegetables at natural stores or supermarkets
- Generation Z shows a greater tendency than other age groups to purchase through alternative channels such as farmers markets and internet retailing.

Figure 5-11: Distribution of fruit (right) and vegetables (left) in the USA



Source: Euromonitor International: Fresh Food, 2020.

5.2.6 Challenges for EU products

The main challenge for EU products is the preclearance requirement that exists for most fruit and vegetable products, including most notably apples and pears, despite the best efforts of the EU and Member States to remove this. This preclearance requirement is costly, leads to only small consignments being shipped and fundamentally lowers the competitiveness of EU products. A further challenge for the specific cases of tomatoes and cherries relate to requirements for methyl bromide treatment. Efforts are ongoing to change this.

Market Takeaway: Fresh fruit and vegetables

Consumption: *large overall and varied, but below recommended levels in per capita terms and showing a slight downward trend.*

Competition: *While there is substantial domestic production, it is insufficient to meet overall demand. Mexico is the major origin for imports of both fruit and vegetables.*

Distribution: *Retail channels accounts for the majority of distribution, though for vegetables food service channels also have an important minority role.*

Challenges: *The preclearance requirement that exists for many products lowers the competitiveness of EU producers and ultimately the attractiveness of exporting.*

Opportunities: *Notable and loyal organic segment. High concentration of production in a handful of states away from some major markets combined with structural shortages may provide some geographical opportunities.*

5.3 Dairy

5.3.1 SWOT analysis

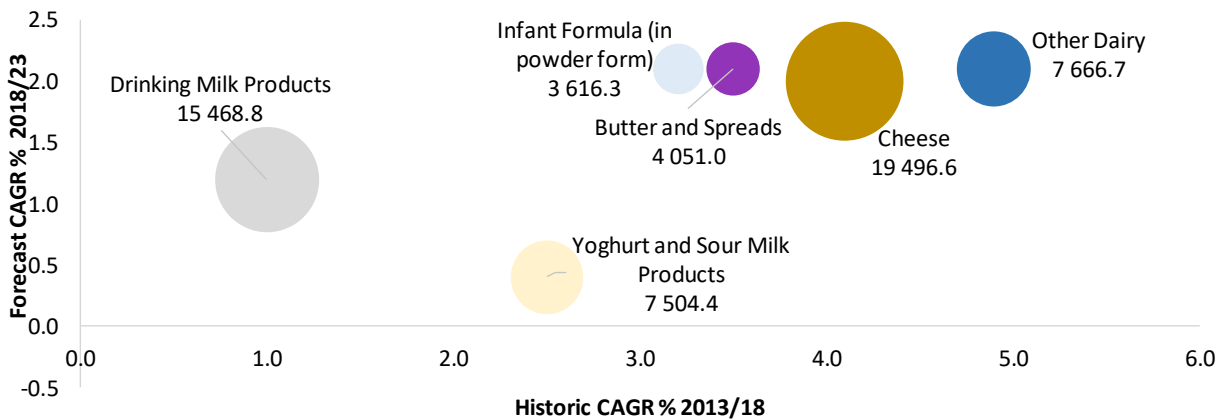
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Massive market with high levels of per capita consumption, similar to those in Europe. ▪ Patterns and methods of consumption are fairly similar to European ones, and so are the products found on the market. ▪ The size and variety of the market means that, in each segment, a wide range of dairy products are in demand. 	<ul style="list-style-type: none"> ▪ While the market is massive, so is production – the US is the world’s second largest producer and runs a large overall trade surplus in dairy. ▪ Private label products are popular across multiple dairy segments. ▪ Grade A milk requirement for certain types of product which are very difficult to comply with.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Cheese is the largest dairy segment and the EU already has a leading position among importers, that can be further built on. ▪ Structural shortage of butter. The example of some Irish producers shows that EU operators can take advantage of this. ▪ Increased interest in origin, production methods and to some extent, animal welfare. ▪ Dairy alternatives market is growing quickly across all dairy segments. 	<ul style="list-style-type: none"> ▪ Temporary tariffs have been placed on European cheese products, making them financially less attractive; and demonstrating a price sensitivity of some consumers. ▪ Several cheese GIs are considered generic class names in the US, hence impacting the market for these products. ▪ Competition from domestic producers should not be underestimated. Most notably, in some regions there are effective niche monopolies.

5.3.2 Consumption

5.3.2.1 Evolution of consumption

Cheese is the largest dairy segment in the US, with the retail market worth some EUR 19.5bn in 2018. Furthermore, at just over 4% per year, the market for cheese in recent years has grown more quickly than all segments with the exception of other dairy. Going forwards, this growth rate was forecast to drop to about 2% per year prior to COVID19; but still remain one of the faster growing dairy segments. Drinking milk products are the second biggest segment, worth EUR 15.5bn in 2018. However, this market is very mature, with both historical and forward growth at just over 1% per year. Other dairy segments are considerably smaller than these two giant sectors. Other dairy, which is the fastest growing historical segment, was worth EUR 7.7bn in 2018; and this was followed by yoghurt and sour milk products at EUR 7.5bn, then butter and spreads at EUR 4bn. Other dairy has grown at just under 5% per year historically, with butter and spreads having grown at 3.5% and yoghurt at 2.5%. All pre-COVID19 forward growth rates are around or under 2% per year (Figure 5-12).

Figure 5-12: Evolution and forecast of dairy market (retail value, EUR millions) in the USA, 2013-2023



Source: Euromonitor International: Packaged Food, 2020.

5.3.2.2 Consumer profile and purchase criteria

Consumers

The United States has one of the highest, if not the highest per capita dairy consumptions in the world, outside Europe. To provide some context, the average American is estimated to consume around 65kg of drinking milk per year; 11kg of cheese; and 5kg of butter and spreads. Unsurprisingly, dairy is therefore fairly universally consumed in the United States. Against this background, consumers are best defined by the popularity of product of specific types of dairy products in each main dairy category, and notably deviations from this, rather than as an overarching group. Against this background:

- **Milk:** fresh cow's milk is by far the dominant segment, accounting for over 80% of milk consumption by volume. Semi-skimmed the most popular followed by full fat milk. However, while the fresh milk segment is shrinking in volume terms, the market for milk alternatives is growing quite quickly. Even consumers of this segment are quite varied; while some have lactose intolerances, others have ethical concerns, are interested in the nutritional aspects or are just curious. Flavoured milk, often favoured by children, is similar in volume terms to the market for milk alternatives, but not as fast growing.
- **Yoghurt:** flavoured yoghurt dominates the market, accounting for around 70% of all yoghurt in volume terms. However, volumes are slowly shrinking, while those of drinking yoghurt are increasing rapidly and are now similar in volume terms to consumption of plain yoghurt.
- **Cheese:** with around ¾ of the market by volume, unprocessed cheese is preferred to processed cheese; and indeed the market for processed cheese continues to shrink while that for unprocessed cheese grows. The unprocessed cheese market is fairly evenly split between hard and soft cheeses. With a few exceptions, processed cheese is generally considered a non-premium product and is often consumed by lower income consumers, with so-called American cheese the most common type of processed cheese.

- **Butter and spreads:** while momentum is progressively moving to butter – the segment has grown at around 4% per year in recent years in volume terms, while that of margarine has shrunk at around 5% per year – the latter remains the largest market segment by volume. Butter consumers vary, but those who look for all natural butters – among which some EU products feature strongly – are more likely to be health conscious in nature.
- **Other dairy:** the market is quite varied, though coffee whiteners remain the largest segment in volume terms (as well as one of the fastest-growing) followed by cream. There are nonetheless also large markets for fromage frais, condensed milk and dairy based desserts.

Consumers of **imported cheese** are likely to either: have higher levels of income; be wine connoisseurs or cheese enthusiasts; and/or belong to the category of millennial, generation Z or children (with imported cheeses such as babybel popular among the latter).

Drivers and method of consumption

As well as having fairly similar levels of consumption to Europe, methods of consumption are also quite similar and just as varied as they are in Europe. For example, to name just a few methods, milk may be drunk, consumed at breakfast with cereal, used as an ingredient for food or milk based drinks; cheese may be consumed with bread, as a snack, in cooking or in baking. Many methods of consumption therefore exist, but some specific popular methods of consumption, which also stand out as drivers for recent growth are set out below.

While in overall volume terms, consumption of **milk** per capita has been slightly falling in recent years, a notable driver of the choice between different types of milk has been health concerns. The improved reputation of fats (with the recognition of the role of certain fats in the diet) means that consumers have increasingly shied away from low fat products in favour of whole and skimmed milk. Organic products have been popular, and as noted above, there have been multiple drivers for the consumption of milk alternatives, including health related drivers.

Healthiness of the product is an increasingly important driver for consumer choice among different types of **yoghurt**, and helps explain the fairly steady move away from flavoured yoghurt. Convenience is also a notable driver, and results in yoghurts being consumed either as meal replacements or as snacks. That said, breakfast remains the main time of the day during which yoghurt is consumed in the US.

While **cheese** has been consumed at social gatherings for a long time, recently it has been used as a specific focal point during gatherings. This has driven the consumption of more premium, mainly unprocessed cheeses, as these fit naturally with this more central position. Unprocessed premium cheeses are also increasingly used for cooking. Unprocessed cheeses more broadly benefit from consumption in the context of snacking; particularly those which are conveniently packaged. The processed cheese American cheese on the other hand is an integral part of multiple American dishes, and this is a key driver for its demand.

With **butter** having undergone somewhat of a revival in recent years, the methods of consumption have expanded. In addition to being commonly used in cooking/baking or a spread on bread, it can even be found in some beverages. The general interest in butter over margarine is also resulting in a tailwind for butter as consumers move from margarine to butter.

As noted above, coffee whitener is the main **other dairy** category, with their usage effectively defined by their name. Nonetheless, a notable driver behind their consumption is the wish of consumers to recreate, at home, the experiences they have of drinking coffee in food service channels.

Purchase criteria

With such large and varied markets, as seen from the consumer sub-section above, it is not possible to generalise on overarching purchase criteria. Nonetheless, criteria which are either gaining in importance or key for certain segments can be highlighted. More specifically:

- **Milk:** Price is an overarching important criterion for milk as a whole, and this is best reflected by the strong interest in private label brands which are generally considered cheaper. In the alternative milk products category, novelty is effectively a significant criterion, with many consumers attracted by new products.
- **Yoghurt:** following on from the drivers outlined above, the healthiness of the product is an important purchase criteria for yoghurts. In the case of drinking and flavoured yoghurts, it leads to consumers often choosing those with lower sugar content. Furthermore, as is the case with many other foods categories, convenience is an important purchase consideration
- **Cheese:** Overall, convenience and suitability for purpose are notable purchase criteria for cheeses. Convenience in particular is important for snack cheeses, but also for those used in cooking; many consumers will look for e.g. pre-shredded or grated cheese if they intend to use it for cooking. Provenance and place of origin are increasingly used as criteria by consumers as proxies for quality; most notably by consumers of more premium cheeses. While price is not necessarily the number one criteria, recent experiences with price increases of EU some cheeses due to temporary tariffs imply some degree of price sensitivity.
- **Butter:** for premium products, the all-natural status, along with attributes related to production methods (including in some cases, animal welfare) and provenance are notable purchasing criteria.
- **Other dairy:** for coffee whiteners, the most popular category, price is a major consideration for consumers, as reflected by the popularity of private label brands. Branded products on the other hand tend to distinguish themselves and attract consumers through innovative features that private label brands rarely have.²³

²³ Euromonitor International: Packaged Food, 2020; <https://www.dairyfoods.com/articles/90891-ways-americans-will-eat-cheese-in-2015>; <https://nutrition.org/going-nuts-about-milk-heres-what-you-need-to-know-about-plant-based-milk-alternatives/>; <https://www.dairyfoods.com/articles/92992-us-cheese-market-evolving-with-shifting-consumer-preferences#>

Dairy products on retailers' shelves in the USA

Pricing for cheese is influenced by the type of cheese. In very broad terms, price ranges which can be applied to imported cheese are:

- **Economy:** under USD 4 per 7oz (~200 grams)
- **Mid-range:** USD 4 to 7 or 8 per 7oz
- **Premium:** over USD 7 or 8 per 7oz

The majority of imported cheese targets the mid-range segment. Products such as Parmigiano Reggiano, which may be premium in many other countries, are expected to be mid-range in the US with typical pricing for this cheese in the range of USD 4 to 6 per 7oz.

Most dairy products other than cheese are largely considered commodity-like in nature; and the pricing of imported products is expected to fall in line with that of the general price range. This extends to most butter products as well.

In terms of packaging, plastic is the most common packaging for cheese. Paper-based containers followed by plastic tubs are most common for butter. Popular pack sizes for imported cheese are 7oz (198g) and 1lb (454g). Domestically produced cheese is often sold in larger pack sizes.

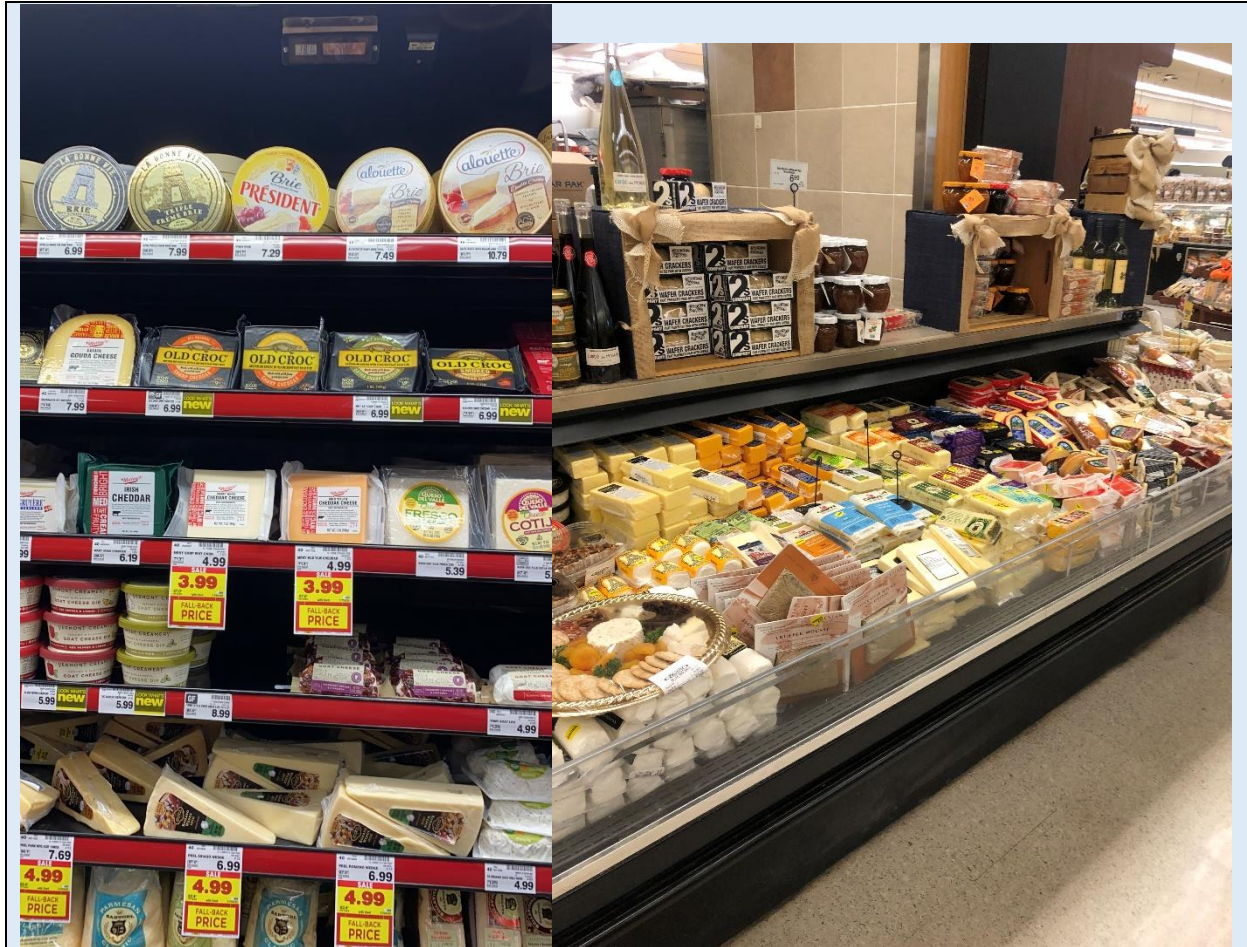


Common packaging for cheese and for butter

It is not uncommon for cheese product displays to be densely populated with a large number of products; particularly for stores which try to offer a wide range of products (including often gourmet stores). This can make it challenging products to stand out. In contrast, more mainstream supermarkets may choose to stock a smaller number of products in a less crowded fashion. Depending on the outlet, price discounts may be used to promote products.



Cheese display in a gourmet supermarket / store



Left: cheese display in a mainstream supermarket stocking fewer products and offering price discounts; right: cheese display in a higher end supermarket stocking a wider range of products. Below: crowded cheese display in a more speciality supermarket.



Some European products bear not only the country of origin of the product, but also indications to help the consumer better understand the product, such as the type of milk from which the cheese is made (see below).



Pictures: © Agra CEAS / Euromonitor International, 2020.

5.3.2.3 Recent market trends

As noted above, there is an ongoing decline in **milk** consumption by volume. Against this background, there are various recent shifts within this large but contracting category. These include, as noted above, the continued shift towards full fat or semi-skimmed milk; and the growth of interest in milk alternatives. Within the latter trend, however, innovation is proving very important. While milk alternatives as a whole is increasing, soy milk is in decline, with products such as cashew and almond milk driving the growth.

Furthermore, private label products are increasingly present in the milk alternative segment. An interesting sub-trend in the flavoured milk area is an increased interest in organic flavoured milk drinks. Finally, following an exposé on the treatment of some dairy cows, there are signs that some consumers are paying more attention to animal welfare.

In the **yoghurt** market, in addition to the ongoing health focus set out above, the most notable trend relates to dairy and lactose free products. While these segments are still fairly small, they are by far the fastest growing ones; and have recently reached a stage at which they appeal to a consumer base which is broad enough for them to almost be considered mainstream products. Notable other trends relate to the convenience of yoghurts; fast paced lives are increasing consumer focus on the portability of yoghurt products and ability to consume them quickly; and this in turn is helping drive consumption of drinking yoghurts, plus encourage innovations.

As part of the premiumisation trend, there has been increasing recent interest in unpackaged, unprocessed **cheese**. While snacking has always been a method of consumption of cheese, it has become particularly popular among younger consumers. Private label products have always played a notable role in the cheese market, but they have increasingly expanded the range of products and formats, with e.g. pre-shredded mozzarella for pizza available. As is the case with other dairy categories, plant-based alternative products are increasingly present on the market, though on balance they are still less present on the cheese market than on most markets for other dairy products.

Speciality cheese (both imported and US-based) is currently growing in popularity with a presence in meal kits and gourmet snack kits that combine it with meats, nuts or fruits, wine/beer baskets(similar to gourmet snack kits). Bold flavours such as smoked or spicy are also drawing customers toward speciality cheese varieties. The potential for speciality cheeses extends to food service, where the greatest opportunities for speciality cheeses are in fine dining, casual dining, pizza, sandwich, and prepared foods in grocery stores. Partly connected to this interest in speciality cheeses is the increasing range of European cheeses which show potential in the US. While historically certain European cheeses such as mozzarella, feta and gouda have been most popular, cheeses such as Havarti, kasseri and cabrales are showing increasing potential. However, the ongoing issue with temporary tariffs on European cheese products is causing uncertainty for both European cheese products and the wider cheese market as a whole.

Building on the focuses on production methods and provenance, there has been increasing interest in the organic status of **butter** in recent years. Indeed, some smaller producers have managed to regain the initiative from larger producers by focusing specifically on the organic, grass-fed status of their produce (larger producers who make organic butter tend to use milk from grain fed cows). These various features tend to be more commonly found in premium butters; and indeed the Irish butter Kerrigold is an example of a product which combines several of these factors and has successfully targeted the premium segment. Margarine and cooking fats have continued to fall at the expense of butter in recent years and are expected to continue to do so going forwards.

Within the **other dairy** (coffee whitener) category, as is the case in other with other dairy categories, interest in products based on dairy alternatives has increased of late. The other notable trend, which was also identified in drivers, was increased interest of consumers to recreate at home the coffees they experience drinking outside the home.²⁴

5.3.3 Offer

5.3.3.1 Domestic production

The United States is the world's second largest milk producer after India. Milk is produced in all US states, though the top five states - California, Wisconsin, Idaho, New York, and Texas – account for over 50% of production. The majority of cows in the US are Holsteins, leading to high milk yields.

At a farm level, production is highly splintered, with individual farms taking the decision whether or not to produce milk. There are around 35 000 dairy farms in the US. However, even though production is splintered, there is a long term trend towards larger players at farm level. The number of farms has consistently shrunk; for example, the number of dairy farms has shrunk by over 50% since 2006, and by 95% since 1970. Most farmers are members of co-operatives, and while this has always been the case in the US, the size of co-ops has increased; it is now estimated that the 50 largest co-operatives in the US account for over 80% of the milk production. Against this background, it is unsurprising that many co-operatives are active nationally and have their own processing and manufacturing plants as well.

Most of the milk produced in the US goes to production of manufactured products, with cheese topping the list. Against the background set out above and bearing in mind the importance of private label products (section 5.1.2.2) it is unsurprising that in most dairy segments, the market is mainly split between many producers with single digit market shares. The one notable exception to this is the yoghurt segment, where the biggest three players Danone, Chobani and General Mills hold over 60% of the market.²⁵

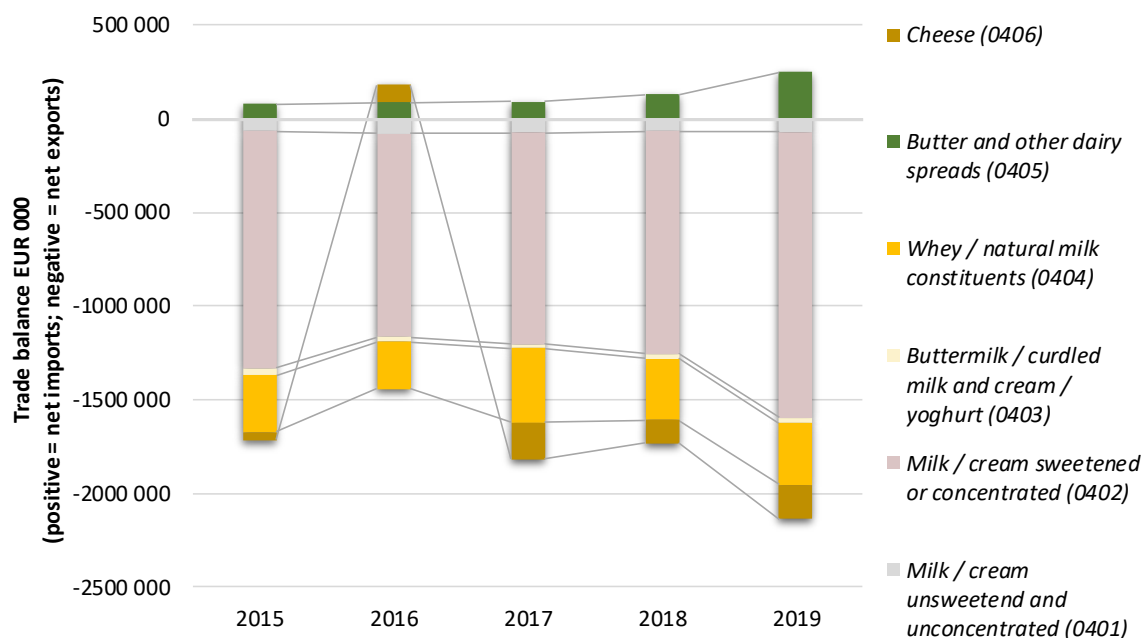
5.3.3.2 Imports and exports

Overall, the USA is a substantial net exporter of dairy products. As can be seen in Figure 5-13, it has been a consistent exporter of all dairy products other than butter and dairy spreads (with the one exception of cheese, for which the USA was a net exporter all years but one). The largest part of exports are accounted for by sweetened/concentrated milk and cream. Furthermore, overall exports of dairy products have increased overall during the period 2015-19, reaching a value of over EUR 2bn in 2019, up from EUR 1.7bn in 2015.

²⁴ Euromonitor International: Packaged Food, 2020; <https://nutrition.org/going-nuts-about-milk-heres-what-you-need-to-know-about-plant-based-milk-alternatives/>; <https://www.dairyfoods.com/articles/92992-us-cheese-market-evolving-with-shifting-consumer-preferences#>

²⁵ <https://hoards.com/article-24212-top-50-co-ops-handle-81-percent-of-us-milk.html>; <https://www.agweb.com/article/licensed-us-dairy-farms-dropped-88-last-year#:~:text=The%20United%20States%20Department%20of,down%20from%2037%2C468%2C%20or%208.8%25> ; https://www.ers.usda.gov/webdocs/publications/45868/17034_err47b_1_.pdf?v=41746 ; <https://washingtonmonthly.com/2019/11/21/the-monopolization-of-milk/>

Figure 5-13: Trade balance (imports and exports) of dairy in the USA, 2015-19; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

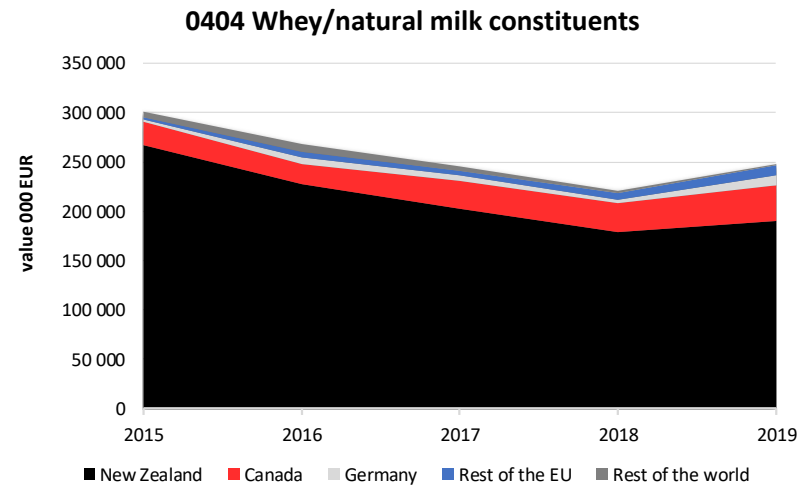
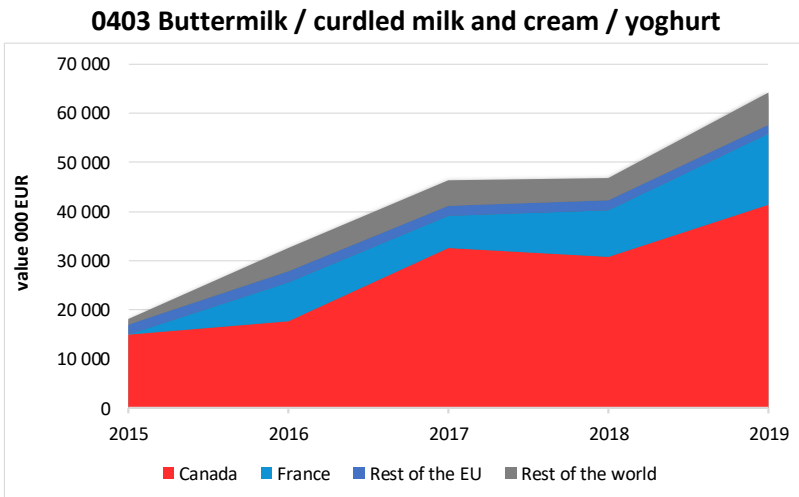
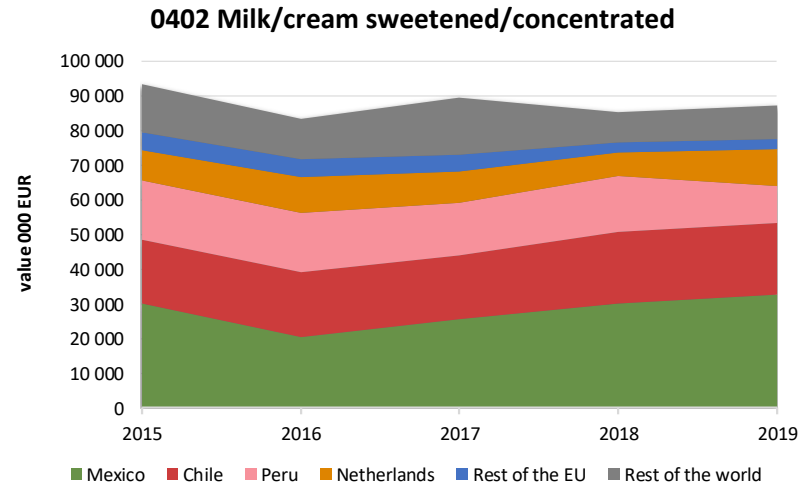
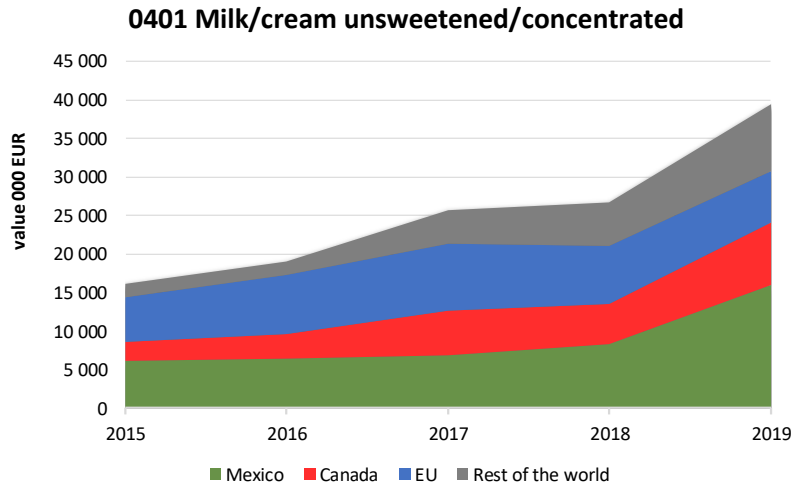
CN codes in brackets.

In terms of origins of imports, these vary by category to some extent, though Mexico and Canada are important origins across multiple categories. More specifically, as show in Figure 5-14:

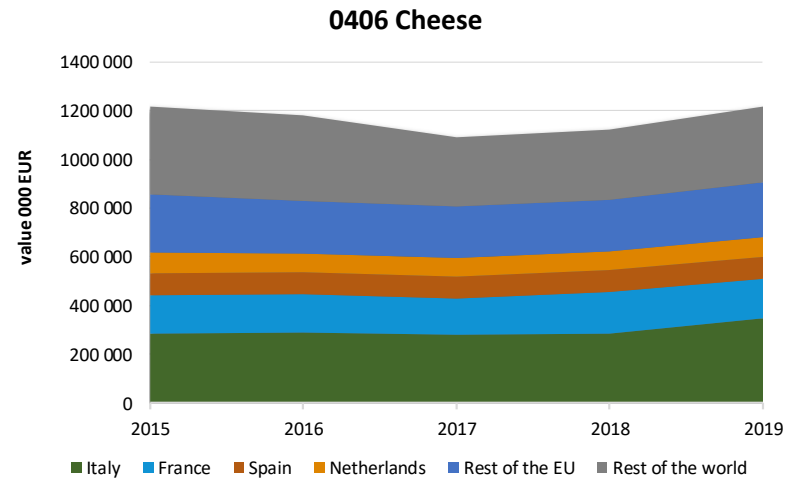
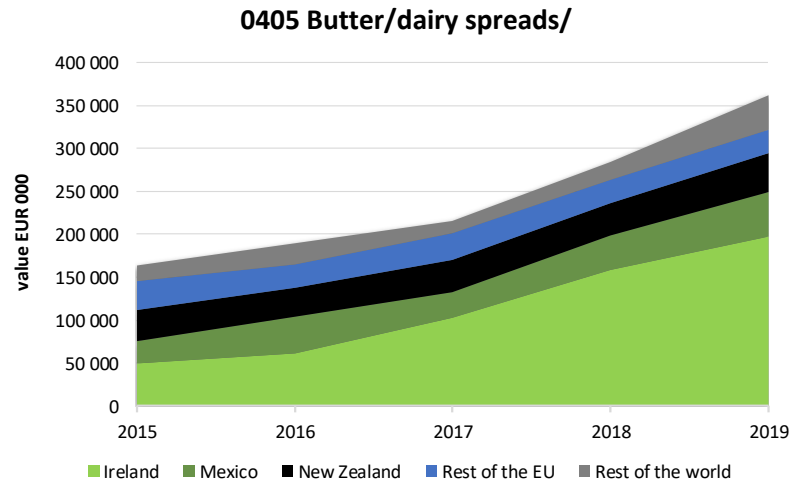
- **Sweetened / concentrated milk / cream:** imports of this category have increased rapidly in recent years. Mexico and Canada are the main origins, together accounting for around 60% of imports.
- **Unsweetened / unconcentrated milk / cream:** origins of imports are varied. While Mexico is the single largest origin accounting for just over 1/3, Chile, Peru and Netherlands all follow.
- **Buttermilk, curdled milk and yoghurt:** imports have increased rapidly over the last 5 years, more than tripling to reach over EUR 60m in 2019. Canada is by far the largest origin, accounting for 2/3 of imports and is followed by France.
- **Whey and natural milk constituents:** imports are substantial at EUR 250m, though they have fallen slightly in recent years. New Zealand accounts for around ¾ of these imports.
- **Butter / dairy spreads:** is now the second most imported product after cheese, with imports of EUR 350m in 2019. Ireland accounts for over half of imports, followed by Mexico and New Zealand
- **Cheese:** is by far the most imported dairy product. Imports were worth EUR 1.2bn in 2019. While origins are varied, the EU is dominant. Italy is the biggest origin, followed by France, Spain and the Netherlands. Together, EU countries account for close to ¾ of imports.

United States – Market Entry Handbook

Figure 5-14: US imports of different dairy categories by country, 2015-19; EUR 000



United States – Market Entry Handbook



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

CN codes in brackets.

5.3.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. It is understood that several EU dairy product GIs may have been registered as trademarks. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

As outlined in section 4.2.4, there are specific challenges for multiple EU cheese GIs in the US, with the US claiming generic status of some EU cheese GIs due to the existence of local production using the terms, with the US argument that this designates the type of product. A full list of the main products facing the challenge can be found at the following link: <http://www.commonfoodnames.com/the-issue/names-at-risk/>. Cheese products affected by this issue include asiago, mozzarella, parmesan, gorgonzola, muenster and feta, among others.

In view of the challenges around GIs for some cheeses and against the background of purchase criteria set out above, some EU producers have used marketing and promotion of products based on their origins, ways of production (such as natural) and uniqueness of their taste. This has helped ensure customers are educated about it and understand the difference between the imitations from the actual EU cheese type; and created a premium position for the product.

5.3.3.4 Main competitors

With the US being the second largest producer of dairy products in the world and running a substantial trade surplus in dairy products, the primary competition comes from domestic producers. The huge US dairy market is generally not highly concentrated at national level, and co-operatives play a major role in domestic production. However, at a state or regional level there can be high levels of concentration; with certain players having near monopolies in some regions.

Despite the very strong domestic milk production, the US does import substantial amounts of cheese and butter (indeed, in the case of the latter, it is consistently reliant on imports to meet demand). European countries are important origins for both of these products. Across all categories of dairy imports, Canada, Mexico and New Zealand tend to provide the main source of import based competition for European importers.

5.3.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of dairy products must be registered with the FDA.

In terms of tariffs, currently European dairy products currently face high varying MFN tariffs. In some cases these are quantity, in some cases ad valorem and in a few cases, both. In view of the highly varying tariffs

even within a single HS code, it is recommended to consult the link in the box below for full details of tariffs, though a very high level summary is presented below:

- Unconcentrated milk/cream (0401): quantity tariffs up to 77.2 cent / litre or 1.646 USD per kg
- Concentrated milk/cream (0402): mainly quantity tariffs up to 1.556 USD per kg; some ad valorem tariffs up to 17.5% and a few combinations of ad valorem and quantity.
- Buttermilk, yoghurt (0403): quantity and/or ad valorem, up to 1.646 USD / kg and/or 20%.
- Whey (0404): quantity and/or ad valorem, up to 1.189 USD/kg and/or 14.5%.
- Butter (0405): quantity and/or ad valorem, up to 1.865 USD/kg and/or 10%.
- Cheese (0406): highly variably quantity or ad valorem, up to +/- 2.5 USD/kg or 20%.

It should be noted that some dairy meat products have been the subject of additional tariffs under the Airbus dispute at a rate of 25% (see section 4.3). It is not currently clear if this may change or how long any additional tariffs will remain in force.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by entering the corresponding CN code:

e.g. cheese: <https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=0406>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for dairy products can be also found on the website indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by entering the corresponding CN code:

e.g. cheese: <https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=0406&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 21 (21 CFR) contain various standards for dairy products. More specifically:

- Part 131 contains standards on **milk and cream** (including different types of milk including condensed and dry; creams; and yoghurts).
- Part 133 contains standards on **cheeses** and related products (around 50 different types of cheese; it should be noted that there are standards for some products which are GIs in the EU, such as asiago and Munster; please see section 5.3.3.3 for more information on the issues with GIs for some cheeses in the US).

Part 106 and 107 also contain standards relating to infant formula and part 166 for margarine.

As set out in section 4.2.2, a searchable version of 21 CFR with full details of standards can be found at the following link:

<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

In addition, the pasteurised milk ordinance exists. In brief, this introduces certain requirements to address the risk of foodborne illnesses in dairy; with certain periods and temperatures required for milk pasteurisation. This creates an issue for imports as they must meet the specific parameters. There are ongoing efforts being made for the end result of pasteurisation of EU products to be recognised as meeting grade A requirements; but the situation has not yet been concluded. This grade A requirement issue affects **liquid milk, cream** (other than frozen), **cottage cheese, whey** and **sterilized products** (butter, cheese, infant formula are not impacted; and neither is ice cream)

The full text of the last updated version (2017) of the pasteurised milk ordinance can be found at: <https://www.fda.gov/media/114169/download>

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=0401&countryid=US#h20>

Labelling

Dairy products must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted.

5.3.5 Distribution

Overall, modern grocery retailers are the most important distribution channel for dairy goods, accounting for 86% of the sales by value, with almost all of this evenly split between supermarkets and hypermarkets. Whilst this share already reflects the high importance of modern retailers in the US, it is undoubtedly further boosted by the popularity of private label products in many dairy segments. Mixed retailers account for a further 10%, leaving just 4% of dairy sales spread across other channels (Figure 5-15). This pattern of distribution is fairly consistent across dairy product categories, with only very minor nuances. For example, modern grocery channels are of slightly greater importance for cheese, but slightly less important for milk; while yoghurt is much more likely to be sold through supermarkets than hypermarkets.

Retail channels are more important for distribution than food service channels, with the latter only accounting for 1/3 of distribution of all dairy products. However, the importance of food service does vary by product; and in the case of butter and cheese food service channels account for over 50% of volumes, making them more important than retail channels. Fast food outlets, cheese centric restaurants and cafes and bakeries are the main food service outlets using butter and cheese.

Figure 5-15: Distribution channel overview of dairy in the USA (2019); all dairy products; retail value



Source: Euromonitor International: Packaged Food, 2020.

5.3.6 Challenges for EU products

Overall, the dairy market in the US can be considered to be very attractive for European producers given its size and the high levels of EU imports of butter and cheese. Nonetheless, there are some substantial challenges. Multiple cheese GI names are considered generic in the US, impacting the markets for these products. The grade A milk standard makes the import of several products including fresh milk, cottage cheese and whey powder very challenging. More recently, the imposition of temporary tariffs is believed to have impacted both the market for EU cheese, and the broader cheese market to some extent due to price increases. Finally, while European products have a strong foothold in some segments, it must be remembered that ultimately the US is a massive dairy producer and a fairly consistent net exporter of all dairy products except butter. Therefore, competition from domestic production can be considered to be substantial.

Market Takeaway: Dairy

Consumption: massive consumer of dairy products, with per capita levels and patterns of consumption comparable to those in European countries. Cheese the biggest market.

Competition: the world's second biggest milk producer and a net exporter means considerable competition from domestic production. While the market is quite fragmented, domestic players are nonetheless big and there are regional quasi monopolies.

Distribution: modern grocery retailers by far the dominant channel, with a roughly even split between hypermarkets and supermarkets for most dairy products.

Challenges: Challenges with some cheese GIs and with the grade A milk standard for some non-cheese products. The recent imposition of temporary tariffs is believed to have impacted the market for cheese. Domestic competition should not be underestimated.

Opportunities: while there are multiple opportunities in this large market, cheese and butter stand out as strong opportunities; more premium products (as indicated by origin and method of production) in particular. Also continuing interest in dairy alternatives, and some recent interest in production methods and animal welfare.

5.4 Wine

5.4.1 SWOT analysis

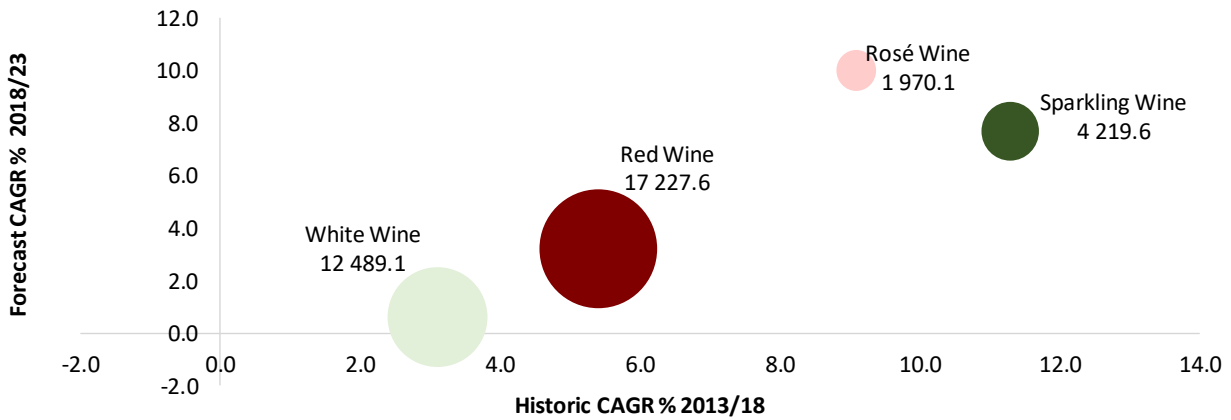
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ The USA is a net importer of wine and between 2015 and 2019 its imports increased in value while its exported value decreased. ▪ EU exporters, France and Italy, are the biggest exporters and account for about 66% of the total export market value. ▪ The wine market is forecast to grow 	<ul style="list-style-type: none"> ▪ The forecasted market growth rates are smaller than the historic ones ▪ Fortified wine and vermouth in general not very popular.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ High-quality and high-class EU wine because it is perceived to be very good by consumers, as reflected by unit value export prices. ▪ Red and white wines have the biggest market size, but rosé and sparkling wines show the highest historic and forecasted growth rates. ▪ Premiumisation (high-quality products), new flavours and types such as rice wine, cocktail trend using port, sherry and vermouth. ▪ New packaging in cans and boxes due to convenience, portability and novelty. 	<ul style="list-style-type: none"> ▪ New Zealand is the third biggest wine exporter. ▪ The USA is the fourth biggest wine producer in the world. ▪ The USA mainly uses grapes that are originally from the EU, creating domestic competition for EU wines using these varieties.

5.4.2 Consumption

5.4.2.1 Evolution of consumption

In 2018 the total wine market size in the USA was close to EUR 36bn. As shown in Figure 5-16, red wine and white wine are leading the market. In 2018 the red wine market was about more than EUR 17.2bn, followed by white wine with a market size of approximately EUR 12.5bn. These two categories together made up more than 80% of the total market size in 2018. The remaining 20% are made up of sparkling wine, which accounted for around EUR 4.2bn and rosé wine with close to EUR 2bn. The whole wine market was forecast to grow between 2019 and 2023 prior to COVID19, however, at a smaller rate than historically between 2013 and 2018. Even though the last two categories are smaller, they showed the highest historic and forecasted growth rates. Sparkling wine historically had the highest CAGR of 11.3% followed by rosé wine with about 9.1% but both categories switched ranks in the forecasted CAGR scenario. Rosé wine is forecasted to have the highest growth rate of 10% followed by sparkling wine with 7.7%. The forecasted growth rates for the two biggest categories are both smaller than their historic ones. Red wine historically grew by 5.4% per year between 2013 and 2018 and is forecast to grow around 3.2% between 2018 and 2023. White wine grew at a lower rate of about 3.1% per year and is forecast to grow at an even lower rate of around 0.6% going forwards.

Figure 5-16: Evolution and forecast of wine market (million Euros) in the USA, 2013-2023; total value



Source: Euromonitor International: Alcoholic Drinks, 2020.

5.4.2.2 Consumer profile and purchase criteria

Consumers

Wine consumers span all parts of the US American society, young adults as well as older generations, high-income as well as lower income groups. That said, women are slightly greater consumers than men; and in terms of generations, baby boomers (aged 55-73) are the greatest wine consumers, accounting for around 40% of all wine consumption, followed by Generation X (around 35%) and Millennials (under 20%). Furthermore, depending on income the quality and price of wine chosen may differ. Higher income consumers are both more likely to consume wine and tend to follow the premiumisation trend and seek good quality wines. Young adults are more likely to try new types of wine and innovative products than older generations, however, US American consumers are in general interested in new wines overall. More than half of US American consumers claim that they are not capable of telling the difference between cheap and expensive wines. Millennials are more likely to think that can distinguish wine of different quality than Generation X; and men are more confident than women. Millennials show low brand loyalty and thus drive the sales of new and up and coming brands. New brands seem more interesting and hipper. Moreover, millennials drive the consumption of more niche wine categories such as sparkling and rosé wine. Young adults moreover seek out convenience and portability of products. Generation X consumers are, on balance, the most likely to consume imported wine as they are the most willing to spend more on single bottles of wine (baby boomers in contrast prefer to buy in bulk). Millennials are also a notable demographic for imported wine due to their willingness to experiment set out above.

Even though wine is consumers in all states of the US the consumption behaviour differs. The three states in which consumers drink most wine per capita are Idaho, Washington D.C. and New Hampshire. When it comes to the total volume consumed states with many inhabitants win such as California, Washington and New York top the charts.

Drivers and method of consumption

According to a study about 3/5th of US consumers drink wine at least occasionally and 1/3rd even at least once per month. In particular millennials and consumers from urban areas are likely to drive the wine consumption the most. There are many different occasions to drink wine:

- The most common occasions for wine consumption are bachelor/bachelorette parties; nights out with co-workers; wedding receptions; night out with friends and family gatherings. .
- Wine is often used for celebrations such as birthdays or company events
- There are a number of smaller social gatherings in the US which are typically associated with the consumption of wine. These include book, paint and wine clubs.
- The consumption of wine with meals is not as frequent in the US as seen in number of European countries however this trend was growing, until the outbreak of Covid-19 which saw this method of consumption begin to decline.

Some consumers prefer to enjoy a glass of wine after work at home to relax, while others choose to drink some fresh sparkling wine in a bar or restaurant in warm summer month. The cocktail culture is driving wine consumption in bars in particular. Moreover, the festive seasons are driving wine consumption.

Wine has not been generally associated with sporting events in the US however new varieties of wine packaging such as boxed wine is making it easier for consumers to consume wine in a wider variety of events, including sporting events.

Purchase criteria

Even though red wine is the most popular wine category, most consumers who drink red wine also likes white wine and rosé. The most popular varieties of red wines in the US are Merlot, followed by Cabernet Sauvignon, Pinot Noir and Zinfandel (effectively the American name for the Primitivo grape grown in Europe). The most popular white wine is Moscato, followed by Chardonnay, Riesling, Pinot Grigio and Sauvignon blanc. Drinkers of rosé wine do not seem to have strict preferences; however, Zinfandel rosé is often the consumers first choice. Overall wines that are a little sweet, have a smooth texture, and taste fruity have been shown to be the most popular.

Although the consumers wine varietal preferences are important, the varietal is not the main purchase criterium. The quality of wine often is a purchase criterion and due to the premiumisation trend consumers often prefer higher quality products. However, the price is still the most important purchase criterion and many consumers tend to find an equilibrium between both. Private label wines are available at most stores such as Trader Joe's, Aldi and Costco and consumers increasingly choose these products because they are considered to offer reasonable to good quality for low prices. The interest in private label products might undermine the interest in premium and branded products a bit the more private label options are available. However more than 1/3rd of consumers say that the wine brand is there second most important purchase criterium. Another important aspect is convenience. Consumers increasingly look for convenient options, which is why cans in wines and boxes are in trend. In general, consumers also

pay attention to the alcohol percentage as well as to the region the wines comes from. Moreover, internet retailing is increasing even though it is still a comparatively small sector.²⁶

Finally, wines from Europe are generally very well-perceived by the American consumer with wines from regions such as Tuscany and Champagne in particular being largely associated with luxury; as a result high income earners may be drawn to wines from these regions when considering their purchase.

Wine on retailers' shelves in the USA

Pricing is affected by state level taxes, which can vary considerably²⁷. Consumers preferences/habits, which vary between regions in the US can also affect what is considered economy, mid-range and premium. Nonetheless, in very broad terms, the market can be divided into the following segments:

- **Economy:** under USD 9.50 per bottle
- **Mid-range:** between USD 9.50 and 18.50 per bottle
- **Premium:** over USD 18.50 per bottle

While there is a general trend towards packaging other than glass in alcoholic beverages segment as a whole, glass dominates the wine market. 750ml and 1 500ml are the most common sizes, though 187ml and 375 ml formats also exist (and are growing in popularity).

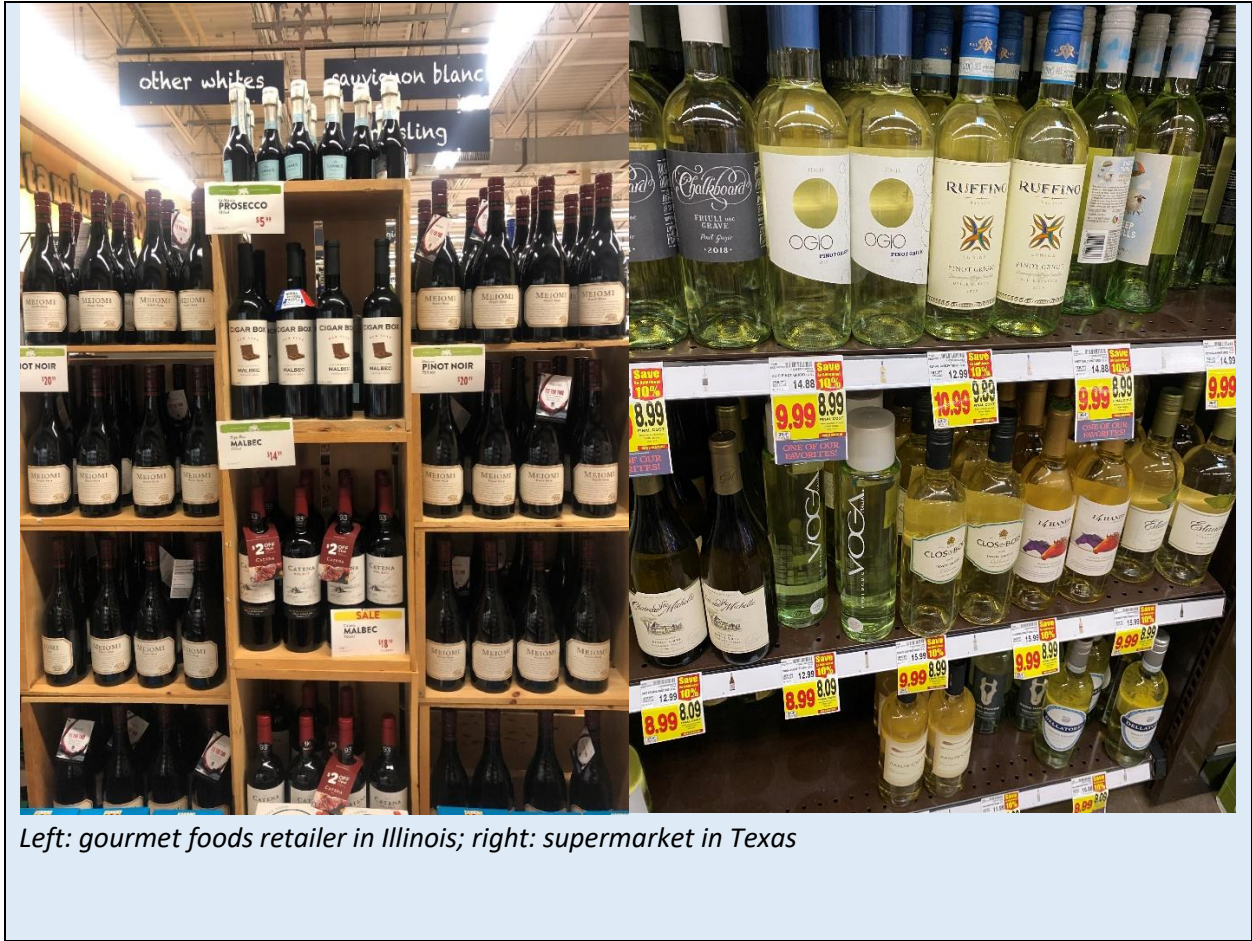
It must be remembered that, due to differences in legislation between states, the nature of retailers of wine varies between states. This, along with differences in the nature of stores themselves (e.g. general grocery, specialist liquor) impact the layout of products. Some examples of different store layouts and product positionings are shown in the pictures below.

²⁶ Top 5 Wine Producing States of America, US States by Wine Production, <https://www.worldatlas.com/articles/us-states-by-wine-production.html>; This is the most popular wine in America, <https://today.yougov.com/topics/food/articles-reports/2019/11/05/most-popular-best-wine-poll-survey>;

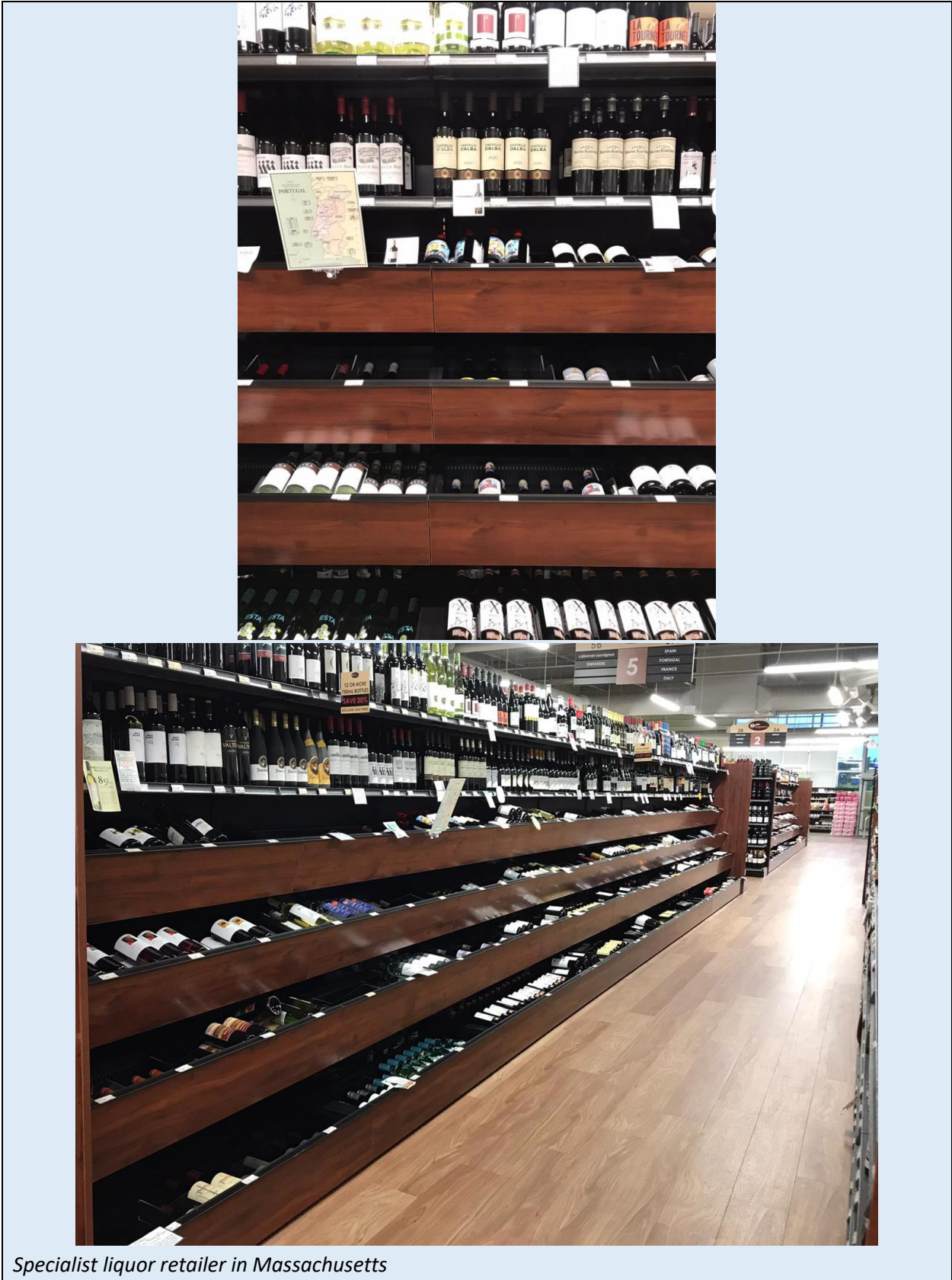
Euromonitor International: Alcoholic Drinks, 2020.

²⁷

See [https://taxfoundation.org/state-wine-tax-rates-2020/#:~:text=Those%20states%20are%20followed%20by,and%20New%20York%20\(%240.30\)](https://taxfoundation.org/state-wine-tax-rates-2020/#:~:text=Those%20states%20are%20followed%20by,and%20New%20York%20(%240.30)) for an overview with more details.



Left: gourmet foods retailer in Illinois; right: supermarket in Texas



Specialist liquor retailer in Massachusetts

As is clear from the pictures, there is no standard layout or positioning; and the amount of the shelf dedicated to individual products also varies considerably, as indeed does the amount of shelf space dedicated to wine overall. Furthermore, the use of price promotion varies with such promotion being much more prevalent in supermarkets.

Pictures: © Agra CEAS / Euromonitor International, 2020.

5.4.2.3 Recent market trends

There are several trends regarding the type of wine visible on the wine market, such as the following:²⁸

- **Rosé and sparkling wine:** These two categories are driving the current growth the most, even though their general market size is still comparatively small. Prosecco and sparkling rosé are trending in particular because millennials are continuously looking for new wine experiences and thus are interested in less typical types of wine. The warm summer month drove consumers towards this refreshing wine types even more.
- **Fortified wine and vermouth:** Fortified wine sales are stagnating, and vermouth sales are even declining. However, port, sherry and vermouth remain popular on-trade due to the continuing cocktail trend. These wines are often used due to their lower alcohol content and interesting flavours. However, fortified wine is only seen as an ingredient for cocktails and not as a wine to enjoy by itself, which is why this category is not really growing.
- **Rice wine:** Rice wine is becoming more popular on the on-trade channel. However, off-trade sales are forecast to increase as well because Asian cuisine is gaining popularity as well. Consumers are increasingly curious about this type of wine's interesting cultural history and are open to tasting it. It moreover has profited from the flavour and premiumisation trend because consumers like to experience new wine of good quality.
- **Non-Alcoholic wine.** Similar to the growth of non-alcoholic beer, there is a strong segment for low and non-alcoholic wine in the US. However there are only a few such products sold in the US (e.g. Ariel Cabernet Sauvignon Dealcoholized, Sutter Home Fre Alcohol-Removed Sparkling Brut, St. Regis Chardonnay De-Alcoholised Wine etc.) that currently cater to this segment. Thus, there is a potential opportunity for EU based wines.
- **Direct to consumer sales:** are increasingly popular, particularly for more expensive wines priced at over USD 20 per bottle. However, state regulations are a challenge for this channel (regulations vary and indeed a few states such as Alabama, Utah and Oklahoma prohibit sales through this channel). Similarly, the **online channel** is also increasingly popular with some retailers using subscription models.
- **Private label products:** are increasingly in demand, with consumers seeing them as offering good, cost-effective quality. Private label wine grew by around 15% in the last year. Distributors are increasingly in tune with what consumers want and are working with manufacturers to get such private label products on their shelves.

²⁸ This is the most popular wine in America, <https://today.yougov.com/topics/food/articles-reports/2019/11/05/most-popular-best-wine-poll-survey>; Euromonitor International: Alcoholic Drinks, 2020.

A more general trend is to sell wines cans or boxes. On the one hand these packages might be more convenient to carry or to use than wine bottles. Cans offer smaller amounts while boxes mainly offer big amounts and thus are made for different consumer preferences. This non-traditional packaging is supposed to catch the attention of the consumers and is showing great growth potential. Cans and boxes are easier to carry, seem more casual, which offer the possibility of wine to compete with beer which has similar packaging. The idea of producers is to refresh the consumers interest in having wine for many different occasions.

5.4.3 Offer

5.4.3.1 Domestic production

The USA is the world's fourth biggest wine producing country and ranks right after France, Spain and Italy. The wine production started in the 16th century, when the French came to Florida and found grapes there. Its big production started in the 17th century in New Mexico and today all 50 states produce wine. Many native grape species can be found in North America, however the US American wine production is rooted in the cultivation of the European *Vitis vinifera*, which European settlers brought to the country.

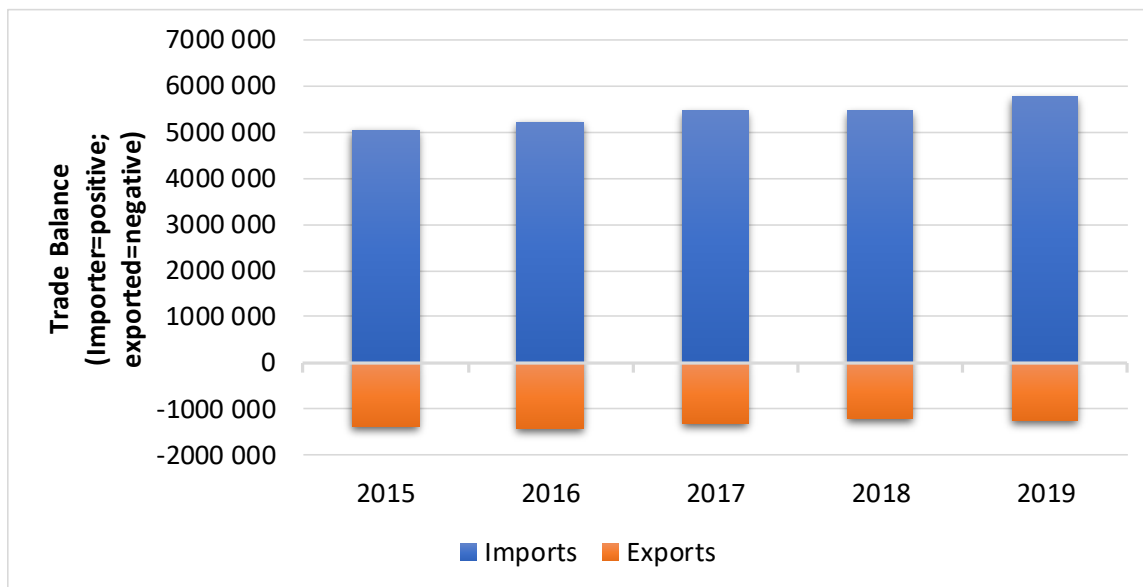
Grapes crops of the highest value in the US compared to other fruit. The grape production is estimated to have an annual value of about EUR 5.77bn, which means that approximately 36% of all value from non-citrus fruits is due to grapes. To produce such a high amount of grapes the USA grows the fruit on about one million acres of grape-bearing land (not only for wine but also table grapes and raisins). In 2018 about 7.5m tonnes were produced. In 2017 the country managed to produce about 3.4m litres of wine and thus the US accounted for about 12% of the world's wine production. In the beginning of 2019, more than 10 000 wineries were present in the country, most of which are in California - the state accounts for at least about 85% of the countries wine production. The state of California has close to 4 400 wineries, followed with a lot of distance by Washington state and Oregon, each with close to 800 wineries each. New York ranks third with close to 400 wineries, followed by Texas and Virginia. California's wine production is so high that if it would be a country it would be the fourth biggest wine producer in the world all by itself. It is even about 1/3rd bigger than Australia's wine production. Spanish missionaries first planted massive wine yards for wine production in the 18th century in California. The state currently has close to 430 000 acres of vineyards and more than a hundred different varieties of grapes grown such as Cabernet Sauvignon, Chardonnay, Merlot and others. Washington had around 55 000 acres of wine yards mainly in the shrub-steppe in the eastern part of the state and viticulture is influenced by hours of sunlight and consistent temperatures. Most grapes grown in New York are from the *Vitis labrusca* varieties, however they also use *Vitis vinifera* and French hybrids. California's Napa Valley and Sonoma are the top wine regions of the US; however, many other regions of the country are growing their wine production and popularity quite fast. This growth and variety establish a basis for a thriving wine industry in the USA. The many wine festivals and wine tourists show the importance of wine in the country.²⁹

²⁹ An Introduction to the Top 10 Wine Regions of the USA, <https://usawineratings.com/en/blog/insights-1/an-introduction-to-the-top-10-wine-regions-of-the-usa-38.htm>; United States Wine and Grape Industry FAQs,

5.4.3.2 Imports and exports

As shown in Figure 5-17, despite substantial domestic production the USA is by far a net importer of wine. In 2019 the country imported wine with a value of about EUR 5.8bn, whereas it exported a value of about EUR 1.2bn in the same year. This means that in 2019 the USA imported approximately 80% more wine than it exported to the world. Since 2015 the imported value increased by about 12%, which equals more or less a 12% growth. Exports on the other hand decreased. In 2015 the US exported a value of approximately EUR 1.4bn, which was about 14% more than in 2019.

Figure 5-17: Trade balance (imports and exports) of wine in the USA, 2015-19; EUR 000

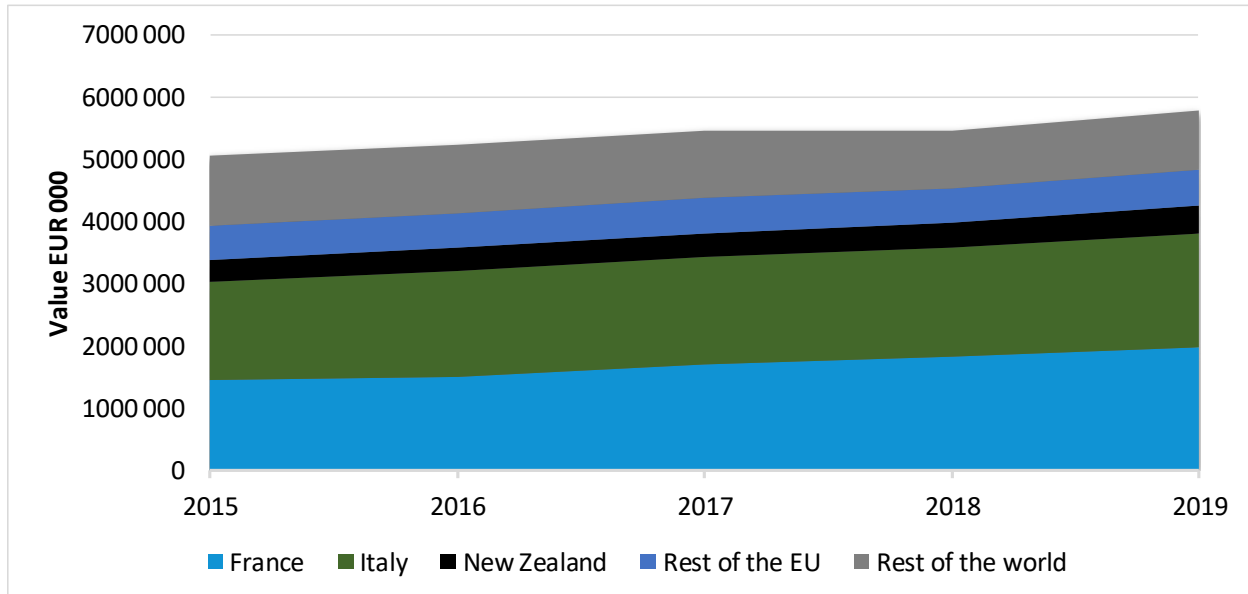


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 2204.

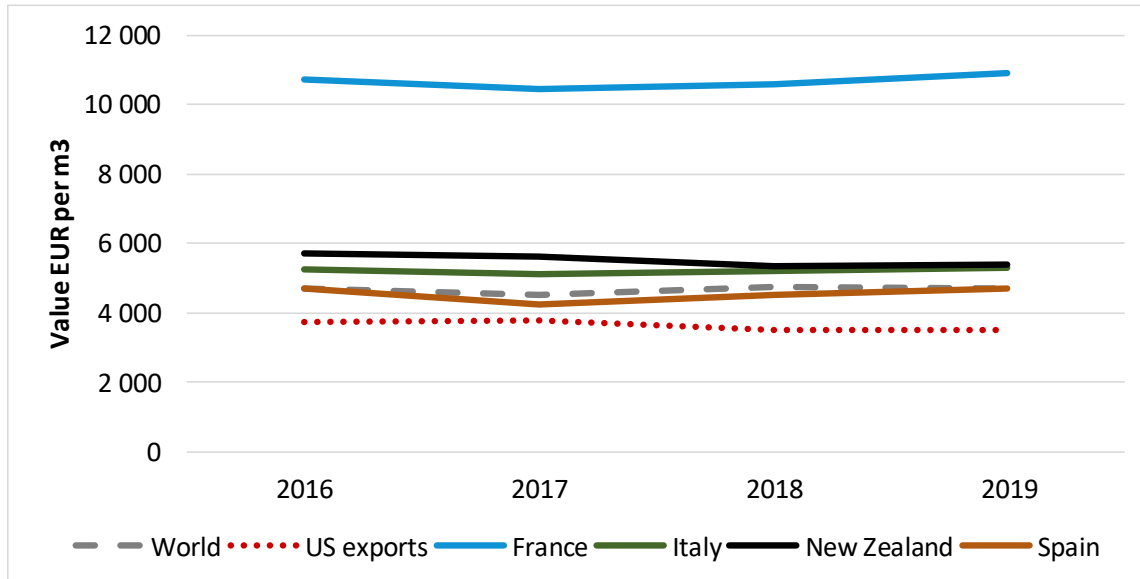
Five out of the most successful ten exporters of wine to the USA are from the US, namely France and Italy, who even rank first and second, as well as Spain and Portugal. Figure 5-18 shows that the values of exports from France and Italy are way above the others. In 2019 France exported a total value of about EUR 1.98bn and Italy around EUR 1.83bn. Together only these two countries accounted for close to 66% of the total imports value. New Zealand ranks third and thus is the biggest non-EU competitor, which exported a value of about EUR 432m in the same year. Even though the rest of the world is exporting more than the rest of the EU, EU exports from other countries than the main ones are still very relevant in the big picture.

<https://wineamerica.org/policy/by-the-numbers/>; Top 5 Wine Producing States of America, US States by Wine Production, <https://www.worldatlas.com/articles/us-states-by-wine-production.html>;
<https://americawinespaper.com/index.php/2019/08/06/top-5-wine-producing-states-of-america/>

Figure 5-18: US imports of wine by country, 2015-19; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 2204.

Figure 5-19: US imports of wine by country, 2015-19; Value EUR per m³

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 2204.

The unit value of French wines was around EUR 10 900 per cubic metre in 2019 and thus by far the highest as depicted in Figure 5-19. The unit value is about 57% higher than the world's average which was at about EUR 4 700 per cubic metre in 2019. The unit values from all other depicted countries are closer together. The unit value of wine from Italy was around EUR 5 300 per cubic metre. The Spanish one has the lowest

depicted unit value from the EU, yet not below the world's average at around EUR 4 700 per cubic metre. The biggest competitor, New Zealand, had a unit value of approximately EUR 5 400 per cubic metre in 2019 and thus is above the ones from Italy and Spain, but still far behind the French one. The average unit value of US wine exported to the world is the lowest depicted one and more than 25% below the world's average at around EUR 3 500 per cubic metre. Since 2015 the unit values remained more or stable.

5.4.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. It is understood that several EU wine GIs may have been registered as trademarks. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

Furthermore, as noted in section 4.2.4, some 16 wines with names which are registered as GIs in the EU, were recognised as semi generic in the US in 2006. This means that the name has been recognised to be of geographic significance but also that it is a designation of class and type for wine in the United States. The list of these wines is set out below. Discussions regarding these wines remain ongoing to some extent, with both the EU and some US producers keen for the use of terms to be limited to GIs only; however, there is no clear foreseeable change in the situation at present.

- Burgundy (France)
- Chablis (France)
- Champagne (France)
- Chianti (Italy)
- Claret (France)
- Haut Sauterne (France)
- Hock (Germany)
- Madeira (Portugal)
- Malaga (Spain)
- Marsala (Italy)
- Moselle (France)
- Port (Portugal)
- Rhine (Germany)
- Sauterne (France)
- Sherry (Spain)
- Tokay (Hungary)

In addition to this, certain labelling terms have been accepted for traditional use as part of the 2006 agreement. More details on these are set out in section 4.2.4.

5.4.3.4 Main competitors

The biggest competitor is the US itself because it is the fourth biggest wine producing country in the world and though the country is not self-sufficient in wine, the majority of demand is met by domestic production. Today, wine is produced and each and every one of the 50 states. However, California is by far the main wine producing state and accounts for more than 85% of the country wine production, which means that it would be the fourth biggest wine producer of the world by itself if it would be a country and not a state. Other main wine producing states are Washington and New York on the east coast. Moreover, the US wine production is mainly rooted in European grape varieties due to early European settlers who started to plant them widely. This means the competition to EU wines is high.

The main exporters, France and Italy are from the EU. The unit value of wines from the US are below the world's average while the ones from the EU are above it. This indicates that EU wines are perceived to be of a high quality. New Zealand is the one exporter, which is a bigger competitor to the EU because the country is the third biggest exporter of wine to the US and the unit values of its products is in line and even slightly higher than the ones from some EU countries.

5.4.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of wine must be registered with the FDA (note that the food facility registration requirement does include alcoholic beverages).

It is important to remember that states may introduce additional legislation on the import of alcohol into the state; as well as the distribution and sale of alcohol within the state and who can possess alcohol within the state. Against this background, it is strongly recommended to check on additional requirements for any state that is being targeted for export.

In terms of tariffs, European still wines face quantity tariffs of up to 22.4 cents per litre (except grape must, which faces a combined quantity and proof quantity tariff).

It should be noted that some dairy products have been the subject of additional tariffs under the Airbus dispute at a rate of 25% (see section 4.3). It is not currently clear if this may change or how long any additional tariffs will remain in force.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=2204>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1. A list specifically for wine can be found on the website indicated in the box below; most notably it includes an import licence for alcohol and tobacco products.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=2204&countries=MY>

Standards, SPS measures

The Code of Federal Regulations Title 27 (27 CFR) contains detailed legislation relevant for alcohol, with parts 4 and 24 containing standards of particular relevance to wine. Most notably, standards of identity are included in part 4.20.

The full contents of CFR 27 parts 4 and 24 can be found at the following addresses:

[https://www.ecfr.gov/cgi-bin/text-](https://www.ecfr.gov/cgi-bin/text-idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr4_main_02.tpl)

[idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr4_main_02.t](https://www.ecfr.gov/cgi-bin/text-idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr4_main_02.tpl)

[https://www.ecfr.gov/cgi-bin/text-](https://www.ecfr.gov/cgi-bin/text-idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr24_main_02.t)

[idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr24_main_02.t](https://www.ecfr.gov/cgi-bin/text-idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr24_main_02.t)
[pl](https://www.ecfr.gov/cgi-bin/text-idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr24_main_02.t)

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=2204&countryid=US#20>

Labelling

Table 4-5 in section 4.2.3 contained detailed information on the labelling requirements for alcoholic beverages, including wine. This section should be consulted for details on labelling.

As noted above, in 2006 certain traditional EU labelling terms were accepted for use by US winemakers placing products on the US market. These are listed below:

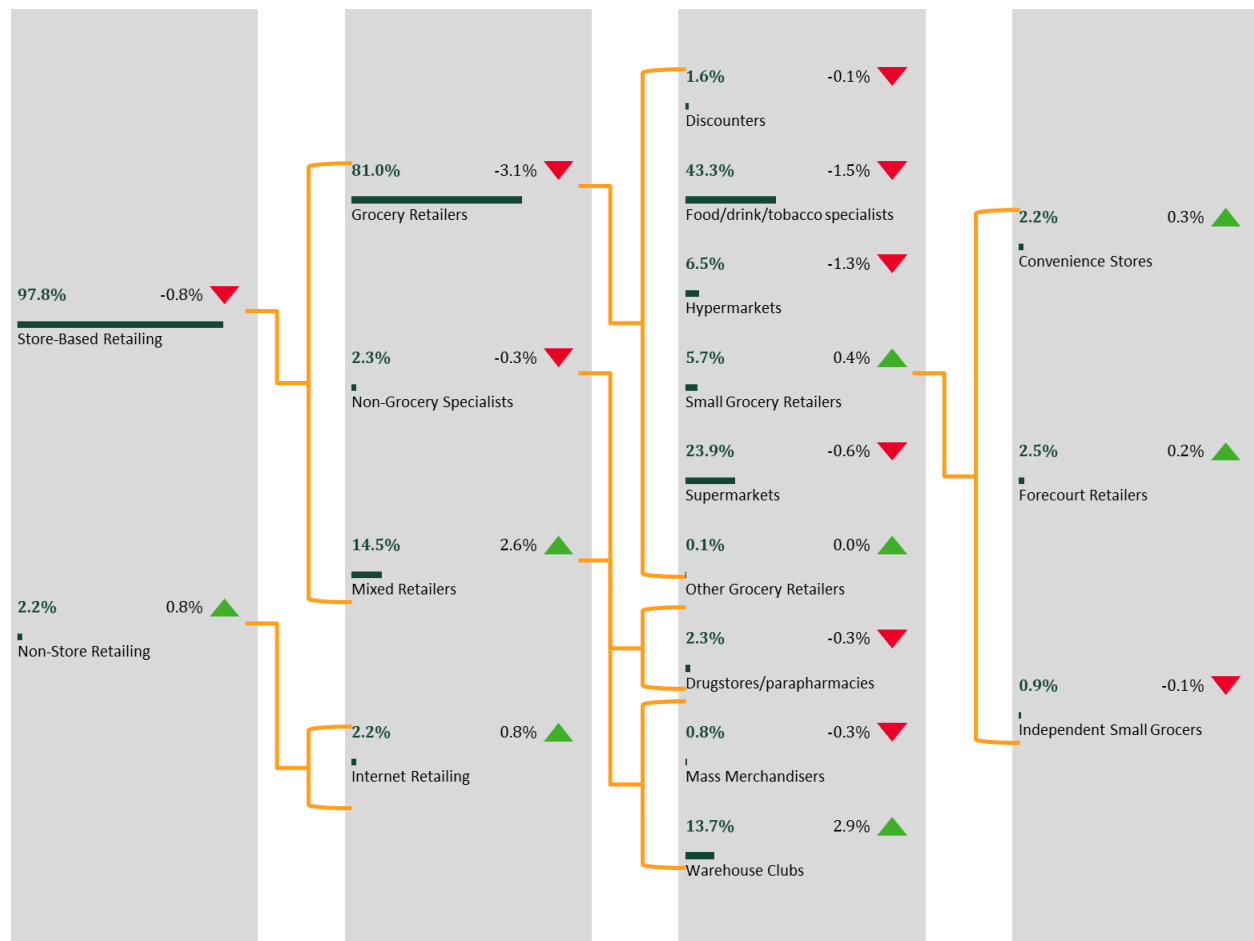
- Chateau
- cream
- fine
- sur lie
- classic
- crusted/crusting
- noble
- superior
- clos
- late bottled vintage

- ruby
- tawny
- vintage/vintage character

5.4.5 Distribution

About 80% of wine by volume in the US is sold off trade and the remaining 20% on trade. Figure 5-20 shows the off-trade distribution channels. Most wine, around 97.8% of the volume is sold in store-based retailing, whereas the remaining 2.2% are sold in non-store-based retailing (internet retailing). The online retail sector is growing in the US. Around 81% of wine is sold in grocery retailers, followed by 14.5% in mixed retailers and a small 2.3% in non-grocery specialists. Yet, the sales in mixed retailers are increasing whereas they decrease in grocery retailers. Food/drink and tobacco specialist stores are the main channel of distribution by far with 43.3% followed by supermarkets with 23.9%. Warehouse clubs are an important off-trade channel with around 13.7% and are becoming a more popular distribution channel in general as well.

Figure 5-20: Distribution channel overview of wine in the USA (2018); off-trade volume



Source: Euromonitor International: Alcoholic Drinks, 2020.

5.4.6 Challenges for EU products

The US is the fourth biggest wine producing country in the world, which is a challenge in itself already. However, all three biggest wine producing countries France, Spain and Italy are from the EU, which means the EU is a big competitor for the US itself. All 50 states produce wine by themselves, however the EU is still the main exporter of wine to the US, which shows the demand for European wine in the country. Consumers cherish European wine, even though it is mainly more expensive than their local wine. The biggest competitors for the EU are California, which accounts for more than 85% of the domestic wine production, followed by Washington State and New York. Moreover, most grape varieties planted and used for wine in the US are originally from the EU and European settlers brought them to the US several hundred years ago. This means that European wine and US American wine are both often made from the same grapes, creating similarities between the wine; and this bears a challenge in itself. Finally, alcohol legislation varies considerably between states, meaning that different states must generally be treated as separate markets.

Nonetheless, though challenges exist, the US American market for wine is very well suited for European products; the US is a huge country and consumers drink quite a lot of wine, which gives EU exporters a lot of opportunities to fill some gaps and to find their niche.

Market Takeaway: Wine

Consumption: The wine market was around EUR 36bn in 2018, with the markets for red wine and rosé wine being the biggest.

Competition: USA is the fourth biggest wine producer in the world (in particular California with more than 85% of the production, followed by Washington State and New York). The EU is the main exporter, but New Zealand is still the third biggest exporter.

Distribution: 20% on-trade and 80% through off-trade channels. The most popular off-trade channels are food/drink/tobacco specialists, followed by supermarkets and warehouse clubs. Warehouse clubs are increasing in popularity.

Challenges: To combat the big domestic wine production and the fact that most grape varieties in the US are originally from the EU. Differing alcohol legislation across states.

Opportunities: Sparkling wine and rosé wine have high forecasted growth rates.

5.5 Spirits

5.5.1 SWOT analysis

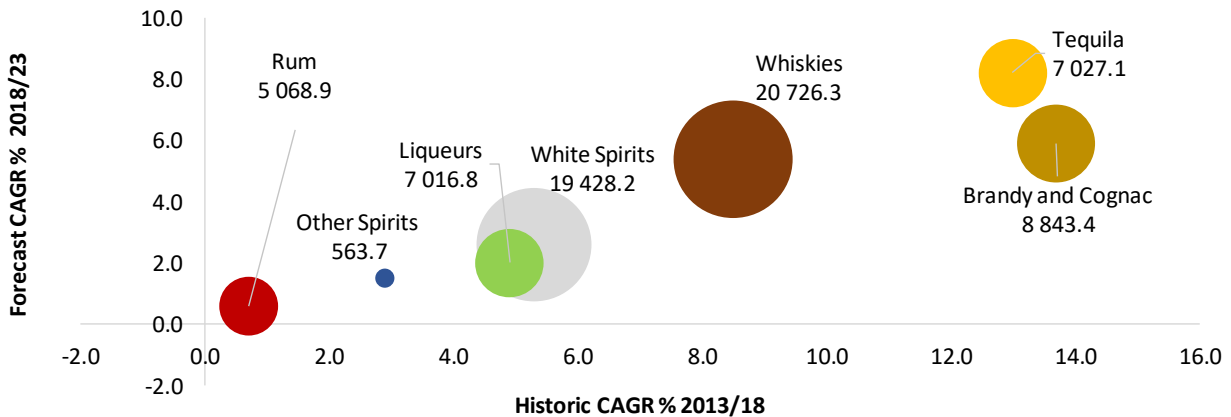
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Consumers in the US are well accustomed to the presences of European spirits in retail outlets ▪ Exports of spirits from major EU producers all grew in 2019 ▪ The largest categories by market value are whisky and white spirits, both majorly produced and exported from the EU 	<ul style="list-style-type: none"> ▪ Liquor taxes in the US can be high depending on the state in question. ▪ EU spirits will typically cost more than US spirits
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ The presence of European bars in the US such as Irish and Spanish are opportunities to display EU spirits to the American consumer. ▪ The fastest-growing products, brandy, and cognac are both largely produced and exported from the EU. ▪ Many states are moving away from Sunday bans on the sales of alcohol with a recent example being West Virginia. 	<ul style="list-style-type: none"> ▪ Alcohol consumption has been declining in the USA ▪ Craft spirits brewed locally and with local ingredients are increasingly popular ▪ Challenges to navigate the varying state legislation for alcohol.

5.5.2 Consumption

5.5.2.1 Evolution of consumption

As observed below in Figure 5-21 whisky is the most popular spirit beverage in the US. The market size for whisky is valued at roughly EUR 20 billion, having grown by 8.4% per year in recent years and will likely grow by 5.5% per year in the forecasted years up until 2023. White spirits are also popular in the USA with a market value of EUR 19.5 billion and a slightly lower forecasted CAGR of 2.6% up until 2023. Brandy, cognac, and tequila are the fastest-growing spirits in the US markets with each category recording CAGR of 13% in recent years. The Market value brandy and cognac stand at EUR 8.8 billion while tequila likewise stands at 7 billion which is expected to surpass the market value of liquors in the forecasted years as liquors current is valued at the same figure with small CAGR predicted pre-COVID19. Rum at EUR 5 billion is valued smaller than alternatives while the other spirits category comes in with a value of EUR 563 million and a small predicted CAGR of 1.5%.

Figure 5-21: Evolution and forecast of spirits market in the USA, 2013-2023; total value, EUR millions



Source: Euromonitor International: Alcoholic Drinks, 2020.

5.5.2.2 Consumer profile and purchase criteria

Consumers

Spirits are the second most popularly consumed alcoholic beverage in the USA behind the beer, per capita the US ranks as the 48th largest consumer in the world. Consumers in the state of California are the largest consumers of spirits per capita in the nation followed by Florida and New York. Consumers in the USA have increasingly sought eccentric alternatives in spirit preferences, and this translates to products continuously innovating in this sector. Consumers in the US are heavily influenced by the on-trade distribution of spirits as this is where they generally first encounter new products, producers have caught onto this trend with examples including the Negroni (*Cocktail*) festival which incorporated up to 3100 on-trade establishments in the US and followed a similar successful marketing campaign undertaken in neighbouring Canada. Craft spirits are also rising in popularity in the US as some consumers continue to seek new and eccentric products. The most consumed spirit products amongst our market snapshots include Jack Daniels whisky (**California, Florida, Texas**) Evan Williams Bourbon (**Illinois**), and Hennessy whisky (**New York**).

The core consumer base varies to some extent by spirit type: more specifically:

- Key consumer base of **tequila** is between 18-29 years of age. The second-largest consumer base falls in the age group of 30-49 years, followed by 50-64 years. The states with the highest consumption for tequila are Arizona, California, Colorado, Florida, Georgia, Illinois, Nevada, Ohio, and Texas.
- The key **whisky** consumer base primarily consists of men, although the gender shift continues to take place in this segment as more women under 40 years (primarily millennials) are experimenting with whisky. Caucasians make up about three-quarters of all bourbon consumers in the United States; however, the Black Bourbon Society numbers show an increasing appreciation for whisky, especially bourbon amongst African Americans.

- Wisconsin is the largest consumer of **brandy** in the US, followed by California, Minnesota, Kentucky, and Florida. On the other hand, people from Vermont, Wyoming, Maine, Alaska, and Idaho consume the least amount of brandy in the US, Most consumers of cognac are men and are below 50 years of age.
- **Vodka** drinkers are primarily female. Most consumers of vodka fall in the age group of 25-40 years and are mostly Caucasian. Hence, the top generation of vodka drinkers is predominantly millennials.
- Traditionally, **gin** was consumed by the elderly cohort. However, over the years, this segment saw a complete revamp and is now preferred by consumers of all ages over 21 years. The biggest consumer base is younger than 35 years of age. Gin is more preferred by women than men.
- Older millennials (30+) and Gen X are primary consumers of **rum** where men acquire a larger share than women, even though women are closing the gap slowly

Drivers and method of consumption

Spirit consumption is a regular occurrence in the US in social gatherings and events. Whisky tasting is common throughout the US particularly in the states of Kentucky and Tennessee and also acts as a driver for spirit consumption. Consumers in the US will likely purchase their blend of spirit and mixer to their particular taste and producers need to consistently innovate to cater to these needs. Tequila bars are present throughout the US and are increasingly popular in regions with favourable climatic regions such as Florida and California. Business meetings and conferences typically offer spirits to compliment the event which is typically whiskies or bourbons.

There are some further specific drivers by spirit type:

- **Brandy** is traditionally a drink for cold weather times or as an after-dinner occasion; however increasingly it is being viewed also as a special occasion drink. **Cognac** is most popular for at-home consumption followed by social settings such as bars.
- Consumption of **Irish whisky** peaks around St Patricks day. Similarly, consumption of **tequila** peaks around 5th May (the Mexican national day).
- **White spirits** are consumed at similar occasions as spirits as a whole; however consumption through cocktails or with mixers is popular. Gin is commonly consumed as a pre-dinner drink

Overall, usage of imported spirits is in line with that of spirits as a whole; however imported brands may be preferred during certain celebratory events such as weddings, bachelors/bachelorette parties, night out with friends/families, celebrating a promotion or similar.

Purchase criteria

Consumers in the US have been shown to spend more to get the spirits products that they want. High-income consumers will have the capacity to spend more on spirits such as bourbon while most other spirits will appeal to all consumers as they are generally affordable for American consumers. Premium vodkas and whiskies are often bought as a gift during special events such as birthdays and Xmas and Americans have shown to spend more when purchasing gifts. There are cases where consumers may cross to neighbouring states to avail of lower liquors taxes with a notable example being the state of New

Hampshire which does not have liquor taxes and neighbours states with high liquor taxes such as Maine 5.5%, Vermont 6% and Massachusetts 5% this, in turn, attracts consumers to the state of New Hampshire to purchase spirit products. Wyoming likewise does not have taxes on spirits and attracts consumers for the same purpose.³⁰

Notable purchase criteria of particular relevance to imported spirits are:

- Quality and taste. In the case of whisky and tequila, age may also specifically be taken into account.
- Brand name (with some brands such as Hennessy and Jameson's well recognised)
- Recommendation, whether from family, friends or waiters/barkeepers.
- Origins / story of production – younger consumers in particular pay attention to this when considering newer or lesser known brands.
- Promotion and price

Spirits on retailers' shelves in the USA

As is the case with all alcoholic beverages, pricing is affected by state level taxes, which can vary considerably. The nature of the spirit drink also affects what is considered economy, mid-range and premium. In very broad terms, the market can be divided into the following segments:

- **Economy:** under USD 12 per 750ml bottle
- **Mid-range:** between USD 12 and 24 per bottle
- **Premium:** over USD 24 per bottle

Spirits are most commonly sold in 750ml glass bottles. Larger sizes, most notably 1.75 litres, and in some cases 1 litre, can also be found. While spirits in smaller bottle sizes can be found (e.g. 473ml, a US pint) it is not common for imported spirits to be sold in sizes smaller than 750ml. While packaging other than glass (e.g. PET) is gaining traction for some spirits, glass bottle packaging is a fairly standard expectation for premium spirits.

It must be remembered that – as is the case with alcoholic beverages in general - due to differences in legislation between states, the nature of retailers varies between states.; and the nature of stores themselves (e.g. general grocery, specialist liquor) further impact the layout of products. Some examples of different store layouts and product positionings are shown in the pictures below.

³⁰ Euromonitor International: Alcoholic Drinks, 2020.



Above: specialist liquor retailer in Massachusetts. Clear organisation of drinks by type; considerable shelf space dedicated to each product; limited use of promotions.



Large, mid-level grocery store in Illinois. Considerable space dedicated to each product but the use of pricing discounts is more or less standard.



Gourmet store in Illinois. Less space per product in order to offer a wider range; limited pricing discounts

Pictures: © Agra CEAS / Euromonitor International, 2020.

5.5.2.3 Recent market trends

Tequila has stood out as one of the most innovative products in the spirits sector in recent years with premiumisation helping to push tequila towards being the fastest growing product in this sector. Craft spirits represent a small yet growing market, a reduction of excise tax in 2017 has taken some financial burden off small distillers and allowed for the financing of innovations in this sector. Consumers are

increasingly placing value behind the story of spirit products with trends such as local sourcing and the incorporation of local ingredients typically being well received by consumers from the local region.

On the back of the health and wellness trend, some consumers are increasingly looking for low sugar or low alcohol versions of spirit drinks. Partly as a result of this, savoury, sour drinks with less sugar content have recently been trending.

Finally, whiskies remain popular in the US with Irish whiskies, in particular, performing well in this market. Spirits have been increasingly accepted at many social gatherings and occasions which has helped to spur the growth of spirits such as tequila and brandy.

5.5.3 Offer

5.5.3.1 Domestic production

Spirits are distilled throughout the United States and are synonymous with certain states in the country such as Kentucky Bourbon. Kentucky also produces the largest volume of whisky in the United States with neighbouring Tennessee following close behind. Whiskies such as Jack Daniels and Jim Bean are produced in these states. Craft spirit production has grown in recent years and today it is estimated to be valued at roughly EUR 3.7 Billion in the USA and hires an estimated 18 000 employees in 2019. The USA produces roughly 37 million cases of whisky per year equating to just under 500 million litres³¹ and 1.7 million barrels of Kentucky bourbon³² amongst a large production of multiple spirits.

Figures from the Alcohol Tobacco Tax and Trade Bureau place white spirit production (rum, gin and vodka) at around 8m proof gallons in 2017. American vodka is not as well-known globally as its Russian and Swedish counterparts but within the states, it garners a small following with notable brands including Haangal from California, Spring 44 from Colorado, and Tito's vodka from Texas. Rum is an increasingly popular alcoholic beverage produced in the USA with notable brands including Bayou (Louisiana), Crusoe (California), and Owners from New York

American tequilas are not well established as neighbouring Mexico produces a large amount of tequila and exports an equal measure to the USA and has protections in place for the Tequila name.. According

³¹ USA Spirits rating, Top whisky producing countries in the world, available at <https://usaspiritsratings.com/en/blog/insights-1/top-whiskey-producing-countries-of-the-world-99.htm#:~:text=The%20USA%20produces%20approximately%2037,net%20whiskey%20production%20in%202018.>

³² The Guardian, Kentucky bourbon production at highest level in nearly 50 years, available at <https://www.theguardian.com/us-news/2018/sep/27/kentucky-bourbon-wiskey-distillers-production>

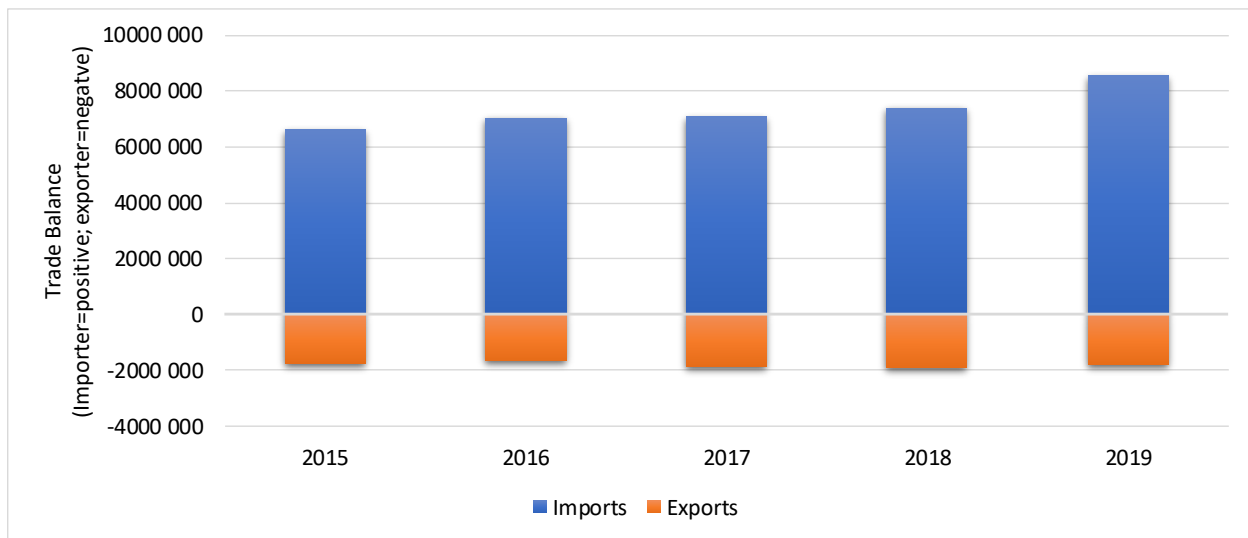
to the Alcohol Tobacco Tax and Trade Bureau, domestic production of brandy stood at 11m proof gallons in 2017.

Overall, while domestic production is substantial, it is insufficient to meet demand.

5.5.3.2 Imports and exports

As shown below in Figure 5-22 the US imports far more spirits than it exports. In 2019 there was a notable rise in imports from 2018 with the value of imports rising by EUR 1.2 billion to reach a total value of EUR 8.5 Billion. Concerning spirit exportation, Panama is the largest destination market for American spirits with a large number of American ex-pats in the nation helping to explain why this is the case.

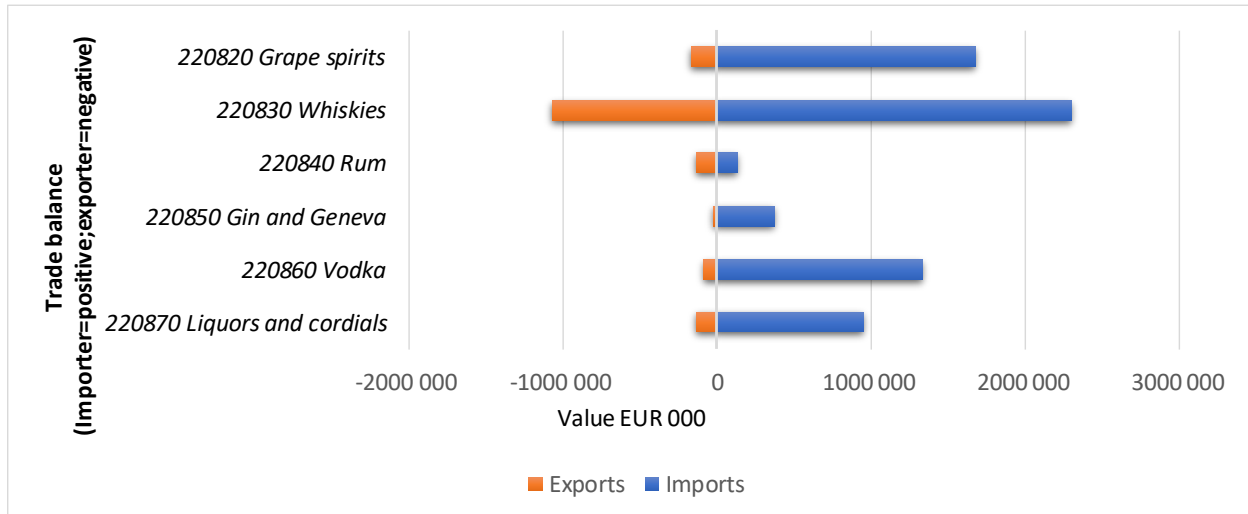
Figure 5-22: Trade balance (imports and exports) of spirits in the USA, 2015-19; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 2208.

As shown below in Figure 5-23, whiskies account for a large amount of the total import and export of spirits in the USA, reflecting both the overall popularity of the spirit and the considerable, well regarded domestic production. Whisky imports into the US is valued at over EUR 2 billion which has grown from EUR 1.8 billion in 2018. Grape spirits are the second most imported spirits with a value of 1.6 billion. Vodkas imports into the US are valued at EUR 1.3 billion followed by liquors and cordials at EUR 900 million. The US is a net importer of all of these spirit categories.

Figure 5-23: Trade balance (imports and exports) of spirits in the USA, by type, 2019; EUR 000

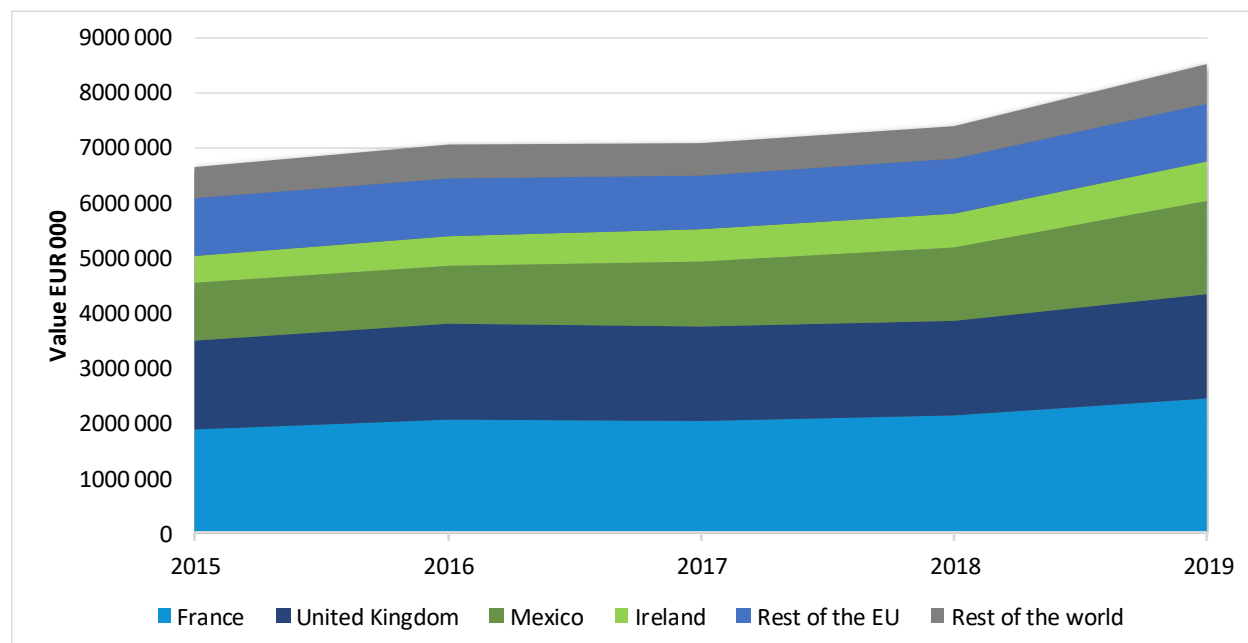


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Spirit names shortened. CN codes before spirit name.

Further analysis of the spirit export market to the USA is shown below Figure 5-24. France is the largest exporter of spirits to the USA with grape spirits and vodkas from the country being the largest products exported to the USA. This is followed by the UK which largely exports whisky; Mexico which largely exports tequila; and Ireland which also largely exports whisky. The Netherlands, Sweden, Italy, Germany, and Latvia also help to make up the ten largest exports of spirits to the US with notable exports from these countries including vodka, gin, and liqueurs.

Figure 5-24: US imports of spirits by country, 2015-19; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2208

5.5.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. It is understood that several EU spirit GIs may have been registered as trademarks. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.5.3.4 Main competitors

The largest market competition comes from American producers which have the capacity to produce the majority spirit products consumed in the country. Mexico presents a competitor however it must be noted that the majority of exports from Mexico are the product of tequila with other exports being smaller; and the UK provides competition for whisky. Overall EU producers are in a strong position in the US market as EU spirit brands are generally well known by American consumers and a regular sight in retail outlets in the country.

5.5.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of spirits must be registered with the FDA (note that the food facility registration requirement does include alcoholic beverages).

It is important to remember that states may introduce additional legislation on the import of alcohol into the state; as well as the distribution and sale of alcohol within the state and who can possess alcohol within the state. Against this background, it is strongly recommended to check on additional requirements for any state that is being targeted for export.

In terms of tariffs, currently many European spirits face no MFN tariffs, though there are specific products such as certain types of rum which face e.g. 23.7 cent per litre proof tariffs.

It should be noted that some spirits have been the subject of additional tariffs under the Airbus dispute at a rate of 25% (see section 4.3). It is not currently clear if this may change or how long any additional tariffs will remain in force.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=2208>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1. A list specifically for spirits can be found on the website indicated in the box below; most notably an import licence for alcohol and tobacco is required.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=2208&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 27 (27 CFR) contains detailed legislation relevant for alcohol including spirits. This legislation is extensive; the main part of relevance for standards is part 5 on labelling and advertising of distilled spirits. This includes certain standards of identity for different types of spirits. The full contents of CFR 27 part 5 can be found at the following address, and it is recommended they be consulted for information on the standards of identity as well as other relevant provisions:

https://www.ecfr.gov/cgi-bin/text-idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr5_main_02.tpl

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=2208&countryid=US#h20>

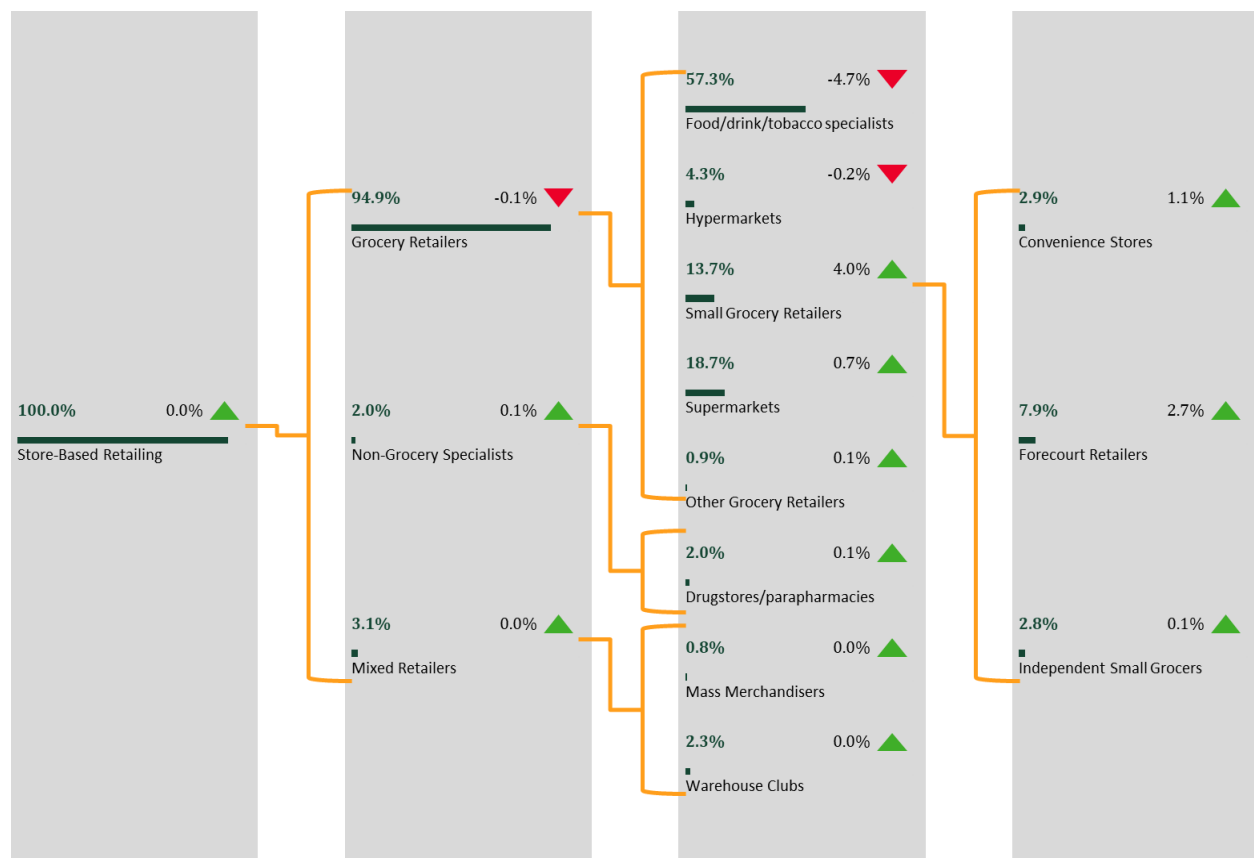
Labelling

Table 4-5 in section 4.2.3 contained detailed information on the labelling requirements for alcoholic beverages, including spirits. This section should be consulted for details on labelling.

5.5.5 Distribution

As is the same for beer, issues revolving around licensing for the sale of alcoholic beverages lead to a situation where the distribution channels for spirits as shown below in Figure 5-25 experience little change. Small grocery outlets have recorded a growth of 4.0% in spirits sales while food, drink, and tobacco specialist stores have seen a decline of 4.7%, these are the largest changes. Internet retailing has yet to impact this market as spirits are readily available throughout the US and consumers to value the convenience of picking them up at a time of choosing. Despite a recent decline of 4.7% for food, drink, and tobacco specialists this channel still represents the majority of sales with 57%. On-trade sales of spirits account for roughly 20% of sales by volume, and are usually the first point where consumers will try new spirits as noted in section 5.1.2.2.

Figure 5-25: Distribution channel overview of spirits in the USA (2018); off-trade volume



Source: Euromonitor International: Alcoholic Drinks, 2020.

5.5.6 Challenges for EU products

Challenges for EU products include American branded spirits of which there are numerous amounts and variations, the need to innovate to cater to the unique blends expected by American consumers, and pricing with EU spirits typically costing more than American counterparts. Also, as is the case for all alcoholic drinks, there are areas where legislation differs between states. Despite these challenges EU

spirits have been very successful in the US market and have demonstrated that the American market is viable.

Market Takeaway: Spirits

Consumption: Spirit consumption in the US is a common occurrence, particularly around social events. Per capita, the US ranks as the world's 48th highest, with the strongest consumption occurring in the states of California and Florida.

Competition: The US is home to a wide variety of spirit producers and some of the world's largest brands such as Jack Daniels. These products present significant competition to EU spirits however EU spirits remain popular in the US.

Distribution: Off-trade sales account for 78% of overall sales and the food, drink, and tobacco outlets make up the majority with 57% of off-trade sales. On-trade accounts for 22% and is typically the point of the first contact from consumers seeking new spirits.

Challenges: American producers are renowned for high-quality products and alternatives will need to adhere to this requirement from consumers. Sales taxes for liquors averages at around 4% nationally and many states raise this tax regularly. Legislation in some areas varies between states.

Opportunities: European spirits have a well-established presence in the US market and many consumers are loyal to European products, European spirits that continue to innovate with new flavours and varieties have a lot of opportunities to grow in the US market.

5.6 Olive oil

5.6.1 SWOT analysis

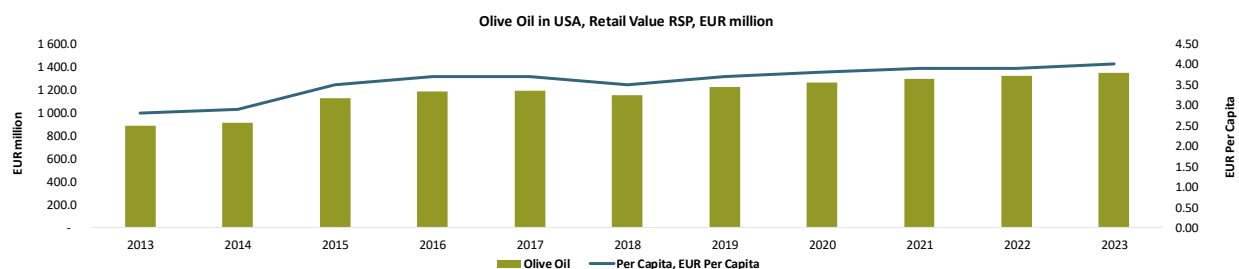
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Olive oil has the largest market value of all edible oil segments in the US. ▪ Furthermore, driven by health concerns, the market for olive oil has grown faster than that of all other oil types in recent years and is expected to continue to do so. ▪ Market dominated by EU exports, which account for almost 4/5ths of the market (mainly Spain and Italy). 	<ul style="list-style-type: none"> ▪ Consumers are not generally attracted by brands; indeed there is a strong and varied market for private label products which includes premium products. ▪ There is fast growing, quality domestic production – though this remains small at only 5% of domestic demand.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ The market for organic olive oil, though a niche, is growing rapidly – 10 times more quickly than the non-organic market. ▪ There is increased interest in premium products and premium private label products are proving particularly popular. ▪ Oils with fresh and robust taste qualities have widespread appeal in the US. 	<ul style="list-style-type: none"> ▪ Various recent issues with the labelling and marketing of olive oil products in the US have dented consumer trust to some extent. ▪ The imposition of special tariffs which affected US imports of Spanish bottled olive oil – the full effect of which are still to be seen - are both a potential threat both to EU producers and the wider olive oil market.

5.6.2 Consumption

5.6.2.1 Evolution of consumption

Consumption of olive oil shows a general upward trend in recent years, growing at an average rate of 5.3% per year to reach a market size of EUR 1.15bn in 2018; with a pre-COVID19 forecast average growth rate of 3.2% per year for the period to 2023. Per capita consumption, both historically and going forward is around $\frac{3}{4}$ of a litre per person per year (Figure 5-26).

Figure 5-26: Evolution and forecast of the retail market for olive oil (value, EUR millions) and olive oil consumption per expenditure, in the USA; 2013-2023



Source: Euromonitor International: Packaged Food, 2020.

Note: figures for 2019 to 2023 based on forecasts.

5.6.2.2 Consumer profile and purchase criteria

Consumers

Olive oil is a widely consumed oil in the US, accounting for around 15% of the total oil market by volume, but more importantly, almost 40% by value. Furthermore, growth of olive oil consumption has both substantially outstripped the average growth of edible oils historically, and is forecast to continue to do so going forwards; in effect, many consumers, often driven by health considerations, are replacing the vegetable and seed oils they traditionally use with olive oil. One consequence of this is that there is not a clear niche of consumers which purchase olive oil; rather a wide range of consumers across American society. Nonetheless, knowledge of, and interest in different olive oils does vary among this broad group.

As a rise in health awareness continues to impact consumption trends in the US, it is likely an ever growing amount of US consumers will be attracted to olive oil. This is demonstrated through consumers who have begun substituting olive oil in place of vegetable and seed oil which is resulting in continued sales growth for olive oil in the US.

Drivers and method of consumption

As noted above, health considerations have been a major driver of olive oil consumption in recent years, and have led to consumers replacing vegetable and seed oils with olive oil. Nonetheless, there is also evidence to suggest flavour is a major driver as well, with US consumers highly like to continue to purchase olive oil after they first try it. With olive oil so widely consumed, it is of little surprise that there are a wide range of ways in which it is consumed. The most common uses are for sautéing, making salad dressings, and dipping, with over ¾ of olive oil consumers estimated to use olive oil for each of these purposes. Grilling and finishing are also popular uses, while around half of consumers use it for baking, but only a small percentage use it for deep frying. It is important to note that over half of the olive oil consumed in the USA is consumed through non-retail channels (i.e. food service).

Purchase criteria

While the growth in olive oil consumption at the expense of other oils, alongside increased interest in organic and premium products suggest that price is not a primary concern for olive oil purchasers, it is important to note that consumers do look for value. This is best demonstrated by the massive growth of private label olive oil products in the country, with such private label products covering a wide variety of product types, including premium and organic products. Overall, brand is not a notable consideration for the majority of olive oil consumers. Rather, factors such as the colour of the olive oil, the packaging and the geographical origin more likely to be considered. European olive oil – Italian in particular – tends to be well seen by American consumers. That said, there have been some media attention in the US with regards to olive oil labelled as being made in Italy but consists of blends of oil from other countries. This has impacted the perception of Italian olive oil (including some GI oils with strong traditions) by some consumers.

Overall, extra virgin olive oil is by far the preferred grade in the USA. This is both reflected by the fact that almost 90% of consumers are estimated to purchase extra virgin olive oil (compared to under 50% for

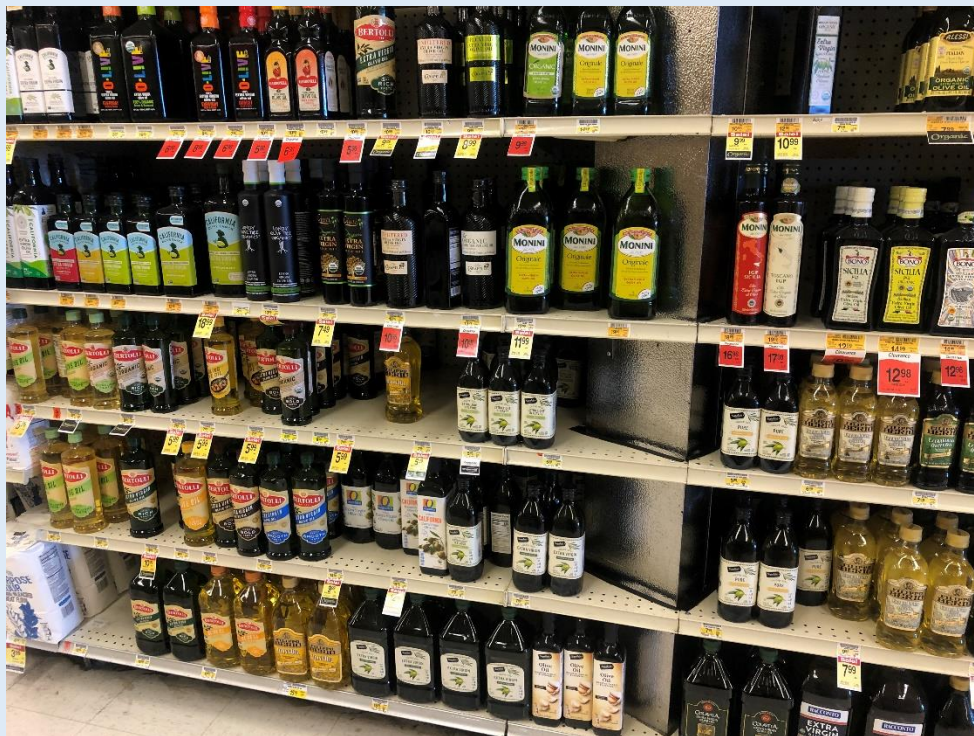
other qualities); and by the rapid growth in imports of extra virgin olive oil in recent years (while the imports of other grades of olive oils have remained flat).

In terms of taste qualities, those most widely preferred by American consumers are fresh, robust, and to a lesser extent, buttery. Olive oils with fruity, grassy or peppery tastes are generally less widely appreciated (though there are niches of consumers who also appreciate these tastes).³³

Olive oil on retailers' shelves in the USA

Economy olive oil normally retails in the range of USD 6 to 12 per litre equivalent. Mid-range oils tend to sell at between USD 12 and 24 per litre equivalent; and premium oils at prices above USD 24 per litre. In terms of qualities, pomace oil tends to be 40-45% cheaper than extra virgin olive oil; and refined and/or virgin olive oils around 25-30% cheaper.

In terms of packaging, glass bottles are the most popular, though plastic bottles may also be used. In the case of glass bottles, 500ml (16.9 fl oz) or 16 oz are the most common size. Plastic bottles sizes vary more. Metal containers may be used for larger volumes (see second picture below).



³³ Euromonitor International: Packaged Food, 2020; <https://www.oilseedandgrain.com/single-post/2016/1/5/The-Global-Race-to-Capture-the-US-Olive-Oil-Market>; <https://olivecenter.ucdavis.edu/media/files/surveyfinal052913reduced.pdf>; https://s.giannini.ucop.edu/uploads/giannini_public/64/73/64739818-166d-4993-9b42-f228a8af3704/v16n4_3.pdf

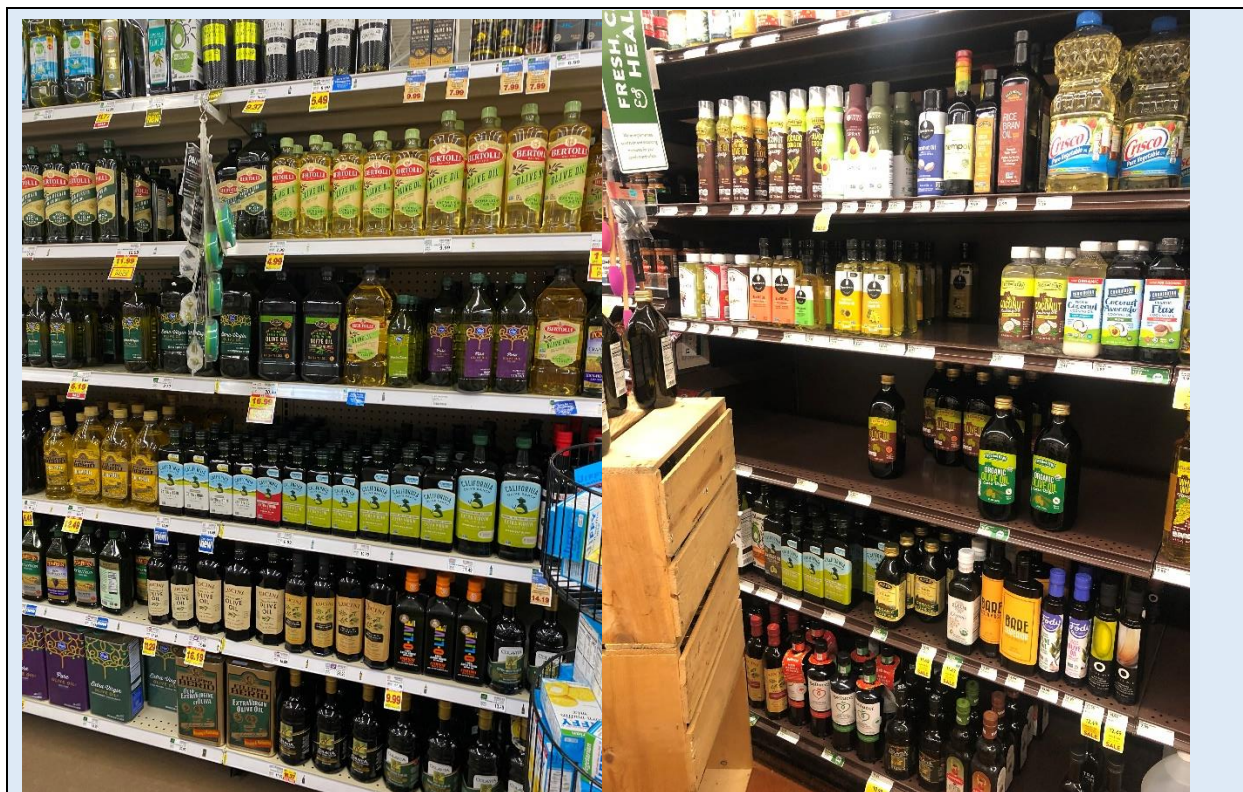


The indication of organic on compliant olive oils is increasingly common, as is the PGI indication on PGI oils. Other claims are also increasingly used (such as GMO free, gluten-free) though care should be taken in the use of claims as they may be investigated by the FDA.



Above: Organic and PDO/PGI status are commonly identified on bottles. Non GMO status may be indicated at point of sale.

While mainstream supermarkets may stock a limited range of products and often offer discounts (below left), more specialist or gourmet stores may stock a broader range (below right).



Pictures: © Agra CEAS / Euromonitor International, 2020.

5.6.2.3 Recent market trends

There has been a general interest in organic products across the edible oils segment recently, and olive oil has been a particular beneficiary of this. While non-organic olive oil does remain dominant in the USA, the market for organic olive oil is estimated to be growing at a rate 10 times faster than that of non-organic olive oil, despite the considerable price premium for organic olive oil. This growth may be connected to two other recent trends: the aforementioned increased focus on health, and increased interest in premium products among some consumers. Extra virgin olive oil is benefitting from the former trend. The latter trend manifests itself not only in interest in natural ingredients, but also a strong focus on the origin of products.

In line with the broader trend affecting all products, private labels are increasingly popular in the olive oil segment. The private label share of the olive oil market was estimated to reach 35% of the whole olive oil market in 2019, and over 40% of the sub-segment of organic olive oil.

Among more speciality retailers, flavoured/infused oils have become popular recently. Flavours available are becoming increasingly complex. Citrus habanero and honey ginger lemon olive oils have been launched recently to add to the more classic jalapeno, basil, garlic, or rosemary flavours.

A recent development which is affecting the market for olive oil is that of additional tariffs imposed on European imports (see section 4.3). There were considerable discussions about the inclusion of olive oil in the list of products for proposed additional tariffs, as there were concerns that any substantial price increases to the consumer would lead to them switching to less healthy oil alternatives (given that there is a strong reliance on EU imports of olive oil to fulfil domestic demand – see section 5.6.3). While initial tariffs were not placed on major olive oil producers from the EU such as Portugal, Italy and Greece they were placed on some olive oils from Spain. Partly as a result of this the presence of Spanish olive oil in the US has declined in recent years with total volume exports from Spain being in the range of 15 000 to 30 000 tonnes lower per month. While price continues to be a barrier to purchase in particular to low-income earners, it is likely that extra tariffs may price olive oil out of their reach. Some players are considering moving bottling operations out of Spain (e.g. to Tunisia) in response to these tariffs in the case they remain or are increased.

5.6.3 Offer

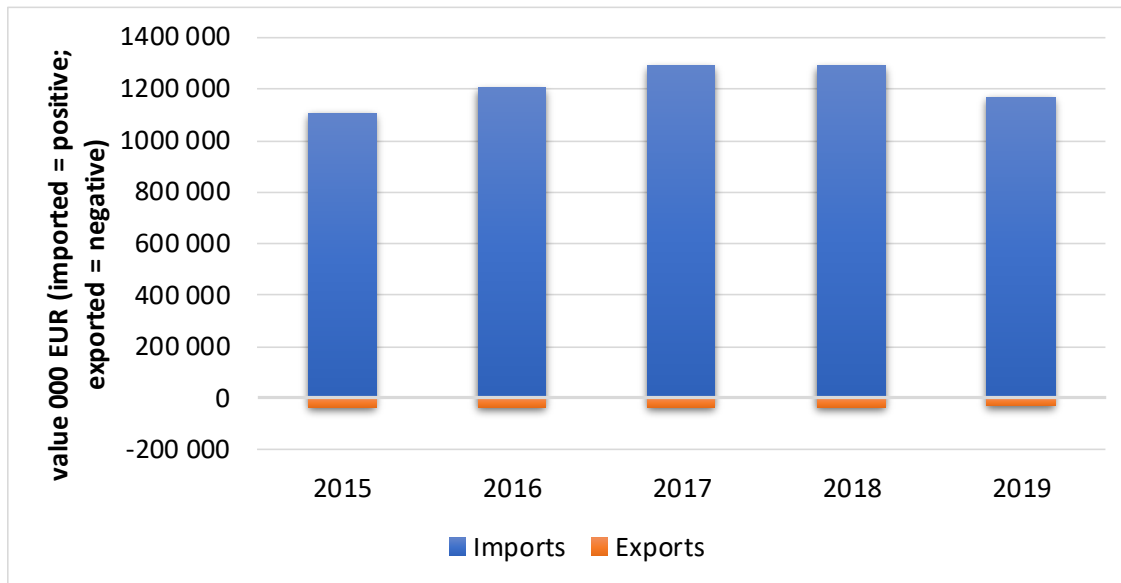
5.6.3.1 Domestic production

Domestic olive oil production has increased greatly in recent years. There are now around 45 000 hectares of olive trees in the US destined specifically for the production of olive oil, with the main producing states being California (in particular), Arizona, Texas, Georgia, Florida, Oregon and Hawaii. Nonetheless, domestic production only meets around 5% of total demand in the US. Quality of production has been improving as well as quantity, with the American Olive Oil Producers Association (AOOPA) working hard to promote quality and the use of standards. More information on the AOOPA can be found at <http://www.aopaa.org/>.

5.6.3.2 Imports and exports

As can be seen in Figure 5-27, the US is a massive net importer of olive oil. This is unsurprising given that, as noted above in section 5.6.3.1, domestic production accounts for only 5% of consumption. Imports had been steadily increasing since 2015, however, they fell substantially in 2019. The likely reason for this is the introduction of additional tariffs on EU olive oil in late 2019; as well as a decline in unit prices. Imports in 2019 fell back to just under EUR 1.2bn in 2019 from 1.3bn the year before.

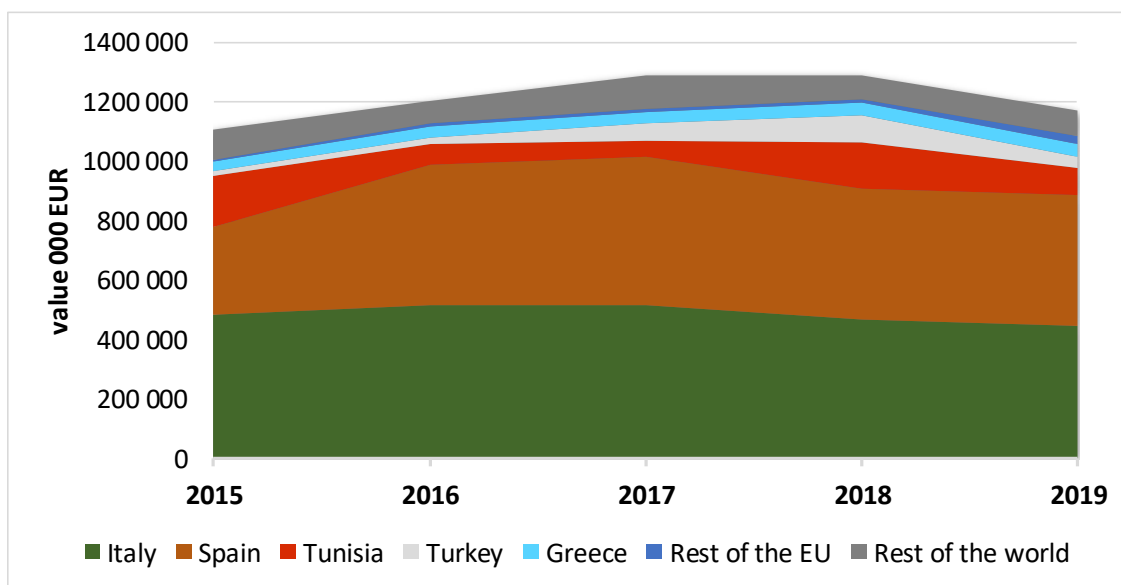
Figure 5-27: Trade balance (imports and exports) of olive oil in the USA, 2015-2019; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 1509.

The EU is, and has concisely been the dominant source of olive oil imports. Italy and Spain are the main two origins, with little to separate the two, and together they account for around three quarters of olive oil imports into the US by value. Tunisia, Turkey, and Greece follow, accounting for a further 15%. While imports of Greek olive oil have remained fairly steady, those of Tunisian and Turkish olive oil have varied considerably year on year in recent years (Figure 5-28).

Figure 5-28: US imports of olive oil by country, 2015-2019; EUR 000

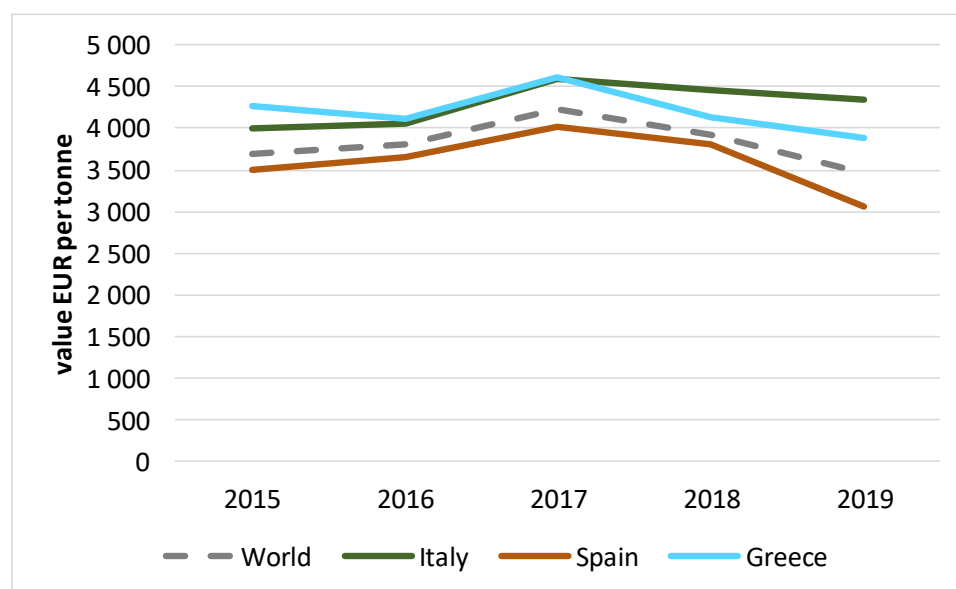


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1509.

In 2018 and 2019 Italy had the greatest unit value of major olive oil origins, though prior to 2018 the unit value of Greek olive oil was superior to that of Italian olive oil. The unit value of Spanish imports has consistently been below the world average; though it must be remembered that the world average is mainly determined by the average unit values of Italian and Spanish imports given their importance. Furthermore, the unit value of Spanish imports has generally been greater than that of Tunisian and Turkish imports (Figure 5-29). It should be noted that a lot of Spanish olive oil is exported to the US in bulk (whereas Italian olive oil tends to be bottled) and this one reason for the difference in unit values.

Figure 5-29: unit value of US imports of olive oil by country, 2015-2019; EUR 000 per tonne



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1509.

5.6.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. It is understood that several EU olive oil GIs may have been registered as trademarks. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.6.3.4 Main competitors

As indeed is the case with global production, Europe – led by Spain and Italy - dominates the market for olive oil in the United States. Together the two countries of Italy and Spain account for around ¾ of the olive oil sold in the USA, with the rest of the EU (led by Greece) consistently providing about another 5%. While Tunisia and Turkey have made some inroads into the market, their import volumes remain highly variable year on year and dwarfed by EU volumes. Production of olive oil within the US, focused mainly

around California, has increased massively in recent years. However, despite these increases, domestic production can only satisfy around 5% of demand. In summary, EU countries dominate the olive oil market, and this is unlikely to change in the near future despite challenges with tariffs. Furthermore, olive oil is very popular in the US and has indeed been gaining ground on other oils in recent years, so while other oils do provide direct competition, arguably the popularity of olive oil combined with the recent ground it has gained on other oils mean that this indirect competition is a lot weaker than in many other markets.

5.6.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of olive oil must be registered with the FDA.

In terms of tariffs, currently European olive oil products currently face MFN quantity tariffs of 3.4-5.0 cent/kg (generally on both contents and container).

It should be noted that some olive oil products (more precisely bottled Spanish olive oil weighing with the immediate container under 18kg) have been the subject of additional tariffs under the Airbus dispute at a rate of 25% (see section 4.3). It is not currently clear if this may change or how long any additional tariffs will remain in force.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=1509>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for olive oil can be also found on the website indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=1509&countries=US>

Standards, SPS measures

The USDA has standards for olive oil dating from 2010. However, these are voluntary. A link to these standards can be found at the following link:

https://www.ams.usda.gov/sites/default/files/media/Olive_Oil_and_Olive-Pomace_Oil_Standard%5B1%5D.pdf

These standards are quite extensive it is recommended that they be checked. They include, among others, definitions of grades and the identification of methods of analysis.

It is worth noting that there is long standing pressure from several parts the olive oil industry on the FDA to regulate olive oil through the introduction of mandatory standards for olive oil in order to combat mislabelling (when compared to international standards); however, so far, such regulation has not emerged. Some industry groups and states have introduced standards in the absence of FDA ones, affecting how the product is labelled (see below).

The existence of the Codex Alimentarius standard for olive oils (CFX 33-1981) should also be noted. This is particularly important in the context of the US as there have been petitions for any mandatory standard to be based on this Codex Alimentarius standard. The codex standard can be found at: http://www.fao.org/fao-who-codexalimentarius/sh-proxy/en/?Ink=1&url=https%253A%252F%252Fworkspace.fao.org%252Fsites%252Fcodex%252Fstandards%252FCXS%2B33-1981%252FCXS_033e.pdf

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscode=1509&countryid=US#h20>

Labelling

Olive oil must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted.

As noted above, in the absence of mandatory federal standards, some states and industry organisations have introduced standards that effectively ultimately relate to the labelling of olive oil:

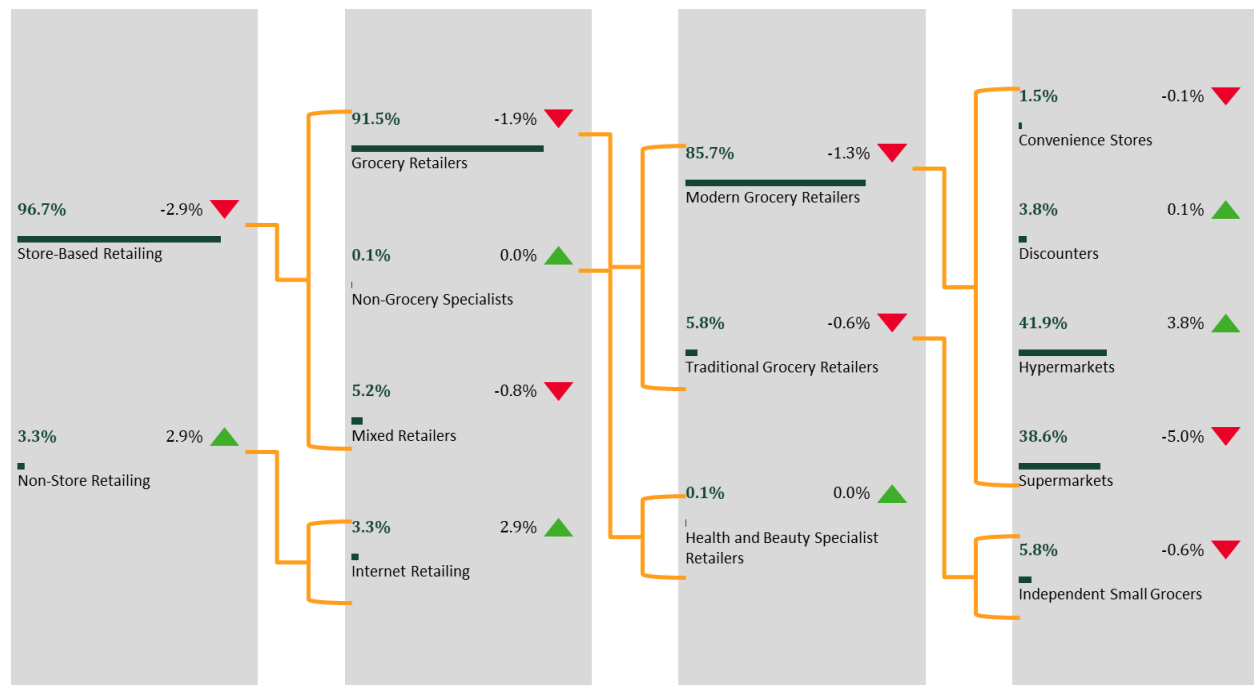
- The North American Olive Oil Association introduced labelling requirements in 2018 for its members to indicate two best before dates, indicate the country of origin and provide storage and usage recommendations. There are also standards for California based producers from the Olive Oil Commission of California.
- Some states have introduced standards and labelling requirements for olive oil. California is at the top of the list of these states. Californian requirements can be found at the following link: <https://www.cdph.ca.gov/Programs/CEH/DFDCS/CDPH%20Document%20Library/FDB/FoodSafetyProgram/OliveOil/Standards.pdf> Other states which have been reported to have, or have discussed specific labelling requirements for olive oil include: Connecticut, New York, Oregon, Massachusetts, New Jersey, and Maryland.

5.6.5 Distribution

Figure 5-30 shows distribution channels by retail value for edible oils as a whole in the US. Given that olive oil accounts for over 1/3 of the retail value of all edible oils in the US, it can be considered a good reflection of the channels used for distributing olive oil. Modern grocery retailers account for the vast majority of retail sales, with hypermarkets and supermarkets each accounting for around 40%. Among other channels, only small independent grocers stand out, accounting for just under 6% of sales. Internet sales of edible oils is in a nascent, but rapidly growing stage, having reached just over 3% in 2018.

Nonetheless, it must be remembered that food service channels are also important for olive oil distribution; around 60% of all olive oil by volume is estimated to be distributed through food service channels. Foodservice volume sales grew by 2.6% over 2018/2019, one of the major reasons often cited to explain this growth has been the younger generations like millennials and Gen Z with their tech/internet savviness and desire for a better-for-you menu alternative. Italian restaurants are a notable driver of olive oil in the food service segment

Figure 5-30: Distribution channels overview of edible oils (including olive oil) in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

5.6.6 Challenges for EU products

Overall, the olive oil market in the US is a very attractive one for EU producers given its large size and import reliance. However, a notable challenge of late is that of additional tariffs due to the Airbus case, which amount to a further 25% for Spanish bottled olive oil. These are believed to have impacted the market for EU olive oil. There have also been some notable issues around olive oil labelling.

Market Takeaway: Olive oil

Consumption: Rapidly growing, retail market reached EUR 1.15bn in 2018, accounting for over 1/3 of the total edible oil market in value terms and growing faster than other oil products.

Competition: Some domestic production, but this is small. Overall, EU olive oil dominates. Indirect competition with other edible oils, but this is a battle that olive oil has been winning in recent years.

Distribution: Almost all through hypermarkets and supermarkets. E-commerce in a nascent, but rapidly growing phase.

Challenges: Some issues with labelling and quality have had reputation impacts of late. Special tariffs a threat to EU products. Strong consumer interest in private brands may pose a challenge to branded producers.

Opportunities: Overall good expected growth and reliance on EU imports provide positive overall prospects. Organic and premium oils show particular potential of late.

5.7 Chocolate and confectionery

5.7.1 SWOT analysis

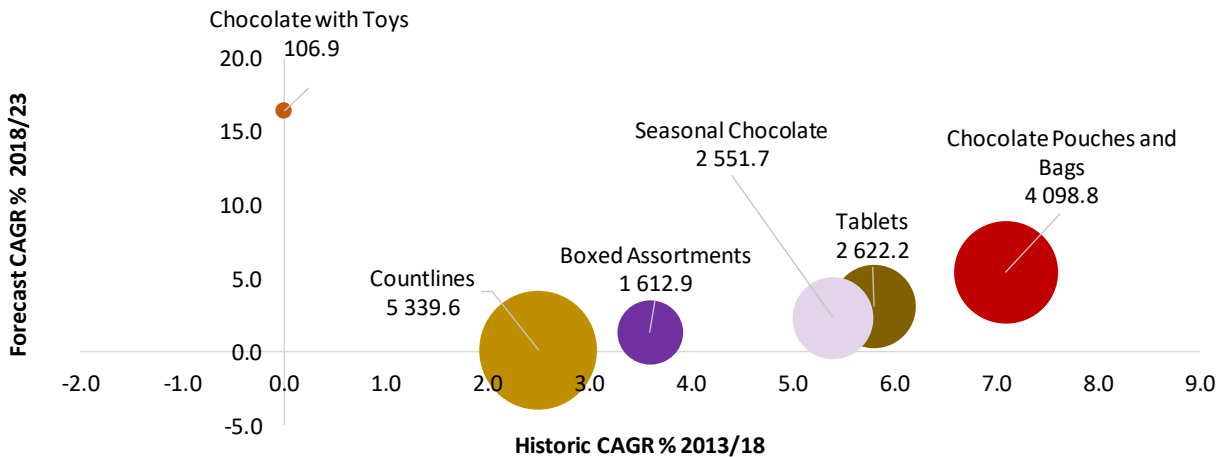
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ The USA is a net-importer of chocolate and sugar confectionery. ▪ The unit values of chocolate imported from the EU are much higher than the world's average. ▪ 6/10 main exporters of chocolate confectionery are from the EU and together account for about 17% of total exports. 	<ul style="list-style-type: none"> ▪ The EU is not a leader in sugar confectionery exports to the USA. ▪ The markets for boiled sweets as well the one for toffees, caramels, and nougats are small and forecast to have a negative growth rate. ▪ The USA is a big domestic chocolate producer.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ The market for chocolate with toys is forecast to have the highest growth rate (>16%), however, it still is the smallest one. ▪ Sugar reduced, dark chocolate, and premium products due to the health trend and also sugar-reduced sugar confectionery. Due to differences in product characteristics, EU producers have a strong position in the premium market. ▪ Online retailing is on the rise for chocolate and sugar confectionery. ▪ Innovative products with interesting textures and tastes are trending on the sugar confectionery market. 	<ul style="list-style-type: none"> ▪ Canada and Mexico are the two biggest competitors when it comes to chocolate and sugar confectionery exports. They are by fa the export market leaders. ▪ The market is dominated by big international and domestic US American companies Hershey's and Mars. ▪ The sugar confectionery market is forecast to grow not too much.

5.7.2 Consumption

5.7.2.1 Evolution of consumption

In 2018 the total market size of the chocolate confectionery market in the USA was about EUR 16.3bn. As shown in Figure 5-31 the biggest market is the one for countlines with a size of EUR 5.3bn, followed by chocolate pouches and bags with EUR 4.1bn. The market sizes for tablets and seasonal chocolate are similar at around EUR 2.6bn. Boxed assortments have a market size of EUR 1.6bn in 2018. The market for chocolate with toys was the smallest at EUR 106m. The chocolate market in the US has been growing historically and pre-COVID19 was forecast to continue to grow in the coming years, however at different rates. Historically, between 2013 and 2018, the market for chocolate pouches and bags grew at the highest CAGR of 7.1% followed by tablets with 5.8% and seasonal chocolate with a growth rate of about 5.4%. Chocolate with toys had the lowest growth rate and was not growing at all. However, this changed because the market for chocolate with toys is forecast to grow by around 16.4% between 2018 and 2023, which makes it have the highest forecasted growth rate of all chocolate categories. The growth rates of all other categories are forecast to decrease, however, chocolate with pouches and bags is forecast to have the second-highest growth rate with about 5.4%, followed by tablets with 3.1% and seasonal chocolate with 2.3%. The market for countlines is forecast to grow the least at a rate of approximately 0.1%.

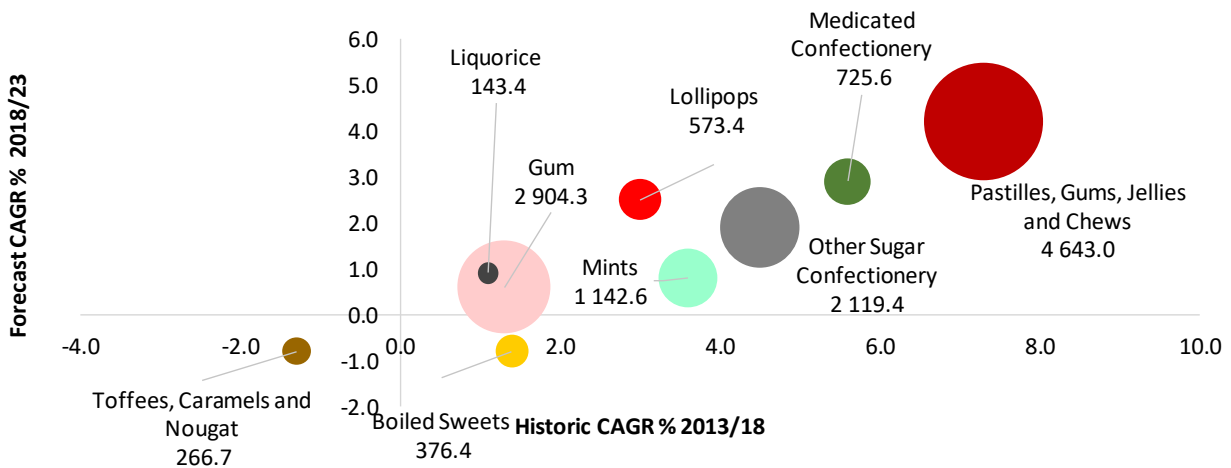
Figure 5-31: Evolution and forecast of chocolate confectionery market in the USA, 2013-2023; total retail value EUR million



Source: Euromonitor International: Packaged Food, 2020.

In 2018 the total market size of the sugar confectionery market in the USA was EUR 12.9bn. As depicted in Figure 5-32 the biggest market by far is the one for pastilles, gums, jellies and chews with a value of EUR 4.6bn. With some distance, those are followed by gum with a market size of around EUR 2.9bn, other sugar confectionery with EUR 2.1bn and mints with more than EUR 1.1bn. The remaining four other categories are much smaller and all below EUR 1bn. Liquorice has the smallest market size with EUR 143m. The historical 2013-2018 growth are generally higher than the forecasted ones. Between 2013 and 2018 the market for pastilles, gums, jellies and chews had the highest growth rate at around 7.3% per year. Medicated confectionery ranked second with approximately 5.6%, followed by other sugar confectionery with an increase of around 4.5%. The category of toffees, caramels and nougat showed the lowest rate and was the only category which decreased with a negative growth rate of around -1.3%. The category's growth rate is forecast to stay negative at around -0.8% between 2018 and 2023. In addition, boiled sweets are forecast to have the same negative growth rate of -0.8%. Pastilles, gums, jellies and chews are forecast to remain to have the highest growth rate which is however forecast to be smaller than before at about 4.2% per year. Medicated confectionery ranks second with a forecasted growth rate of about 2.9%, followed by lollipops with a forecast CAGR of around 2.5%.

Figure 5-32: Evolution and forecast of sugar confectionery market in the USA, 2013-2023; total retail value, EUR million



Source: Euromonitor International: Packaged Food, 2020.

5.7.2.2 Consumer profile and purchase criteria

Consumers

Consumers of chocolate confectionery in the USA can be found in all age groups, all income groups, and in general in all groups of society. However, around 1/5th of consumers are children and about 1/5th are older than 65 years. The remaining 3/5th are spread out more or less evenly between the age groups in the middle, i.e. consumers between 18 and 65 years.³⁴ Some consumers are more health-conscious and appreciate premium products, while others are interested in convenience and thus enjoy ordering online more than going to shops.

Looking at the evolution of chocolate consumers by age, children are by far the largest consumer group of the chocolate with toys category. As these children grow older, they tend to prefer commercial chocolates like Reese's, M&Ms, Hershey's, Snickers, KitKat, Mars and Twix, as opposed to sugar confectionery items like chewy candies. For millennials, commercial chocolates are popular, but they are also more experimental in nature, trying out different varieties of chocolates such as dark chocolates, which are known to be healthier, as well as premium chocolates from brands such as Ghirardelli and

³⁴ Percentage of chocolate consumption in the United States by age group, <https://www.statista.com/statistics/238723/percentage-of-us-chocolate-consumption-by-age-group/>

Godiva. As consumers grow older and have higher disposable incomes, the demand for premium and artisanal chocolates accordingly increases.

Finally, with regards to chocolate, the American National Chocolate association identifies three main segments:

- (i) Mainstream consumers who prefer regular mainstream brands such as Hershey's, Baby Ruth, Snickers, etc.;
- (ii) Premium consumers who prefer more expensive chocolates like Lindt, Ghirardelli, Ferrero, etc.;
- (iii) "Fine" consumers who prefer Artisan brands and small batch production chocolates, for instance, Lonahona from Hawaii or those made by local chocolatiers like hand-made truffles.

It notes that consumers may span multiple segments depending on consumption. While the mainstream segment is the most popular (an estimated 9 in 10 chocolate consumers purchase mainstream products), the premium segment is surprising popular as well (an estimated 7 in 10 chocolate consumers purchase these products). The typical profile of a consumer of premium or fine chocolate is a millennial who live in urban areas, has earning above-average income and an above-average grocery spend.

Sugar confectionery consumers in the USA vary widely as well and can be found in all different groups of society, age groups, and income groups. That said, children, pre-teens, teenagers and young adults are the most predominant consumers. Women consume more sugar confectionery than men, which is particularly the case in the gum category. Young consumers often choose different sugar confectionery than older generations, depending on what they grew up with. However, younger consumers are also more likely to try new products. Young adults mainly choose gum and the older consumers get the less likely they are to consume gum which shows general preferences. Women not only consume more sugar confectionery than their counterparts, they also do so more often.³⁵

Drivers and method of consumption

Chocolate confectionery is forecast to continue to grow due to population growth and increasing purchasing power of US American citizen. Consumers often purchase chocolate following an impulse rather than planning to buy some. In most cases chocolate is seen as an indulgence; a sweet treat to make the day more enjoyable. Half of millennials and over a third of generation X in the US considered chocolate to be "a treat to boost their mood". In a similar vein, the consumption of chocolate as a mid-afternoon snack is common, with it preferred by many consumers to other, potentially healthier alternatives.

The holiday seasons are in particular important for chocolate sales in the US because consumers are more likely to treat themselves or their friends with some nice chocolate, thus increasing the use of chocolate for gift giving. The most important holiday for chocolate sales in the US is Easter. Moreover, gifting culture also includes children who are happy to enjoy chocolate with toys. Interestingly most chocolate is consumed in winter compared to the other seasons. One reason might be that chocolate is affiliated with happy and cosy feelings, which many consumers aim for on cold winter days. Studies found that over 20%

³⁵ The US Confectionery Market: What Consumers Eat and Why?, <https://www.prnewswire.com/news-releases/the-us-confectionery-market-what-consumers-eat-and-why-241131751.html>

of chocolate in the US is consumed in the evening and night.³⁶ However other factors act as notable drivers for the growth of the market as well such as people switching to healthier lifestyles and thus boosting demand for healthy dark chocolate or sugar-reduced versions. The quality of the product becomes increasingly important which is why the demand for premium products is rising.³⁷ Finally, the consumption of chocolate is common during celebratory events such as birthdays and graduations.

The sugar confectionery market is mainly driven by the consumers need for indulgence. Confectionery can be bought nearly everywhere and, on the go, which makes it a perfect quick treat in everyday life and a good snack. Enjoying personal space and time with oneself is also a driver of sugar confectionery consumption because consumers like to treat themselves with something sweet. However, consumers also become more and more health-conscious which is why sugar-reduced or sugar-free options slowly start to be popular. Until now most health-conscious consumers still tend to switch to chocolate because it is perceived to have better health benefits than sugar confectionery.³⁸ Gums are driving consumption currently more than mints because companies put more efforts into innovation, which consumers appreciate. Another driver are festive seasons such as Halloween because consumers increasingly purchase sugar confectionery during these times.³⁹

Purchase criteria

According to the National Confectioners Association chocolate is the general favourite flavour of over 50% of US Americans.⁴⁰ In other words, they would choose a chocolate taste over any other taste. Different criteria are important for consumers when choosing their chocolate products such as the level of indulgence. Most consumers buy chocolate to obtain the highest level of indulgence within the limits of their other purchase criteria. This might be slightly different from person to person due to different taste preferences. Most consumers choose filled chocolate and even more than half of North Americans stated that their favoured chocolate is flavoured with vanilla and or fruits.⁴¹ However, plain milk chocolate ranks second, followed by plain dark chocolate which popularity is on the rise due to health-conscious consumers and due to it being rich in antioxidants and other potentially healthy ingredients.⁴² Plain white chocolate is the least bought chocolate product in the US. Even though premium products gain popularity for some consumer the price still is important. This is why cheaper private label products in the US perform well. Consumers generally want good value for a not too high price. Also, private labels are not very innovative, but this is not a big issue when it comes to chocolate confectionery in the US because

³⁶ Chocolate consumption, <https://www.sfu.ca/geog351fall03/groups-webpages/gp8/consum/consum.html>

³⁷ Report: U.S. chocolate market to surpass \$20 billion by 2025, <https://www.candyindustry.com/articles/88102-report-us-chocolate-market-to-surpass-20-billion-by-2025>

³⁸ Candy Production in the US industry trends (2015-2020), <https://www.ibisworld.com/united-states/market-research-reports/candy-production-industry/>

³⁹ Countries That Eat a Scary Amount of Candy, <https://www.usnews.com/news/best-countries/articles/2016-10-31/countries-that-consume-the-most-candy-per-year>

⁴⁰How Large Is the Chocolate Industry?, <https://smallbusiness.chron.com/large-chocolate-industry-55639.html>
226291

⁴¹ Chocolate consumption, <https://www.sfu.ca/geog351fall03/groups-webpages/gp8/consum/consum.html>

⁴² United States Chocolate Market By Type, By Age Group, By Point of Sale, Competition Forecast and Opportunities, 2011-2021, <https://www.prnewswire.com/news-releases/united-states-chocolate-market-by-type-by-age-group-by-point-of-sale-competition-forecast-and-opportunities-2011-2021-300339352.html>

innovation is not one of the main purchase considerations. The packaging is important for consumers as well and they are more prone to choose chocolate which is packaged in a unique and pretty way.

Many consumers want to eat the standard variety of a chocolate or sugar confectionery but are worried about the calorie content and thus exercise portion control. This leads to a growing segment of consumers who look for bite-sized snacking chocolate in thins, chocolate snacks, high cacao dark chocolate and other new clean label products.

Finally, for the more premium and fine segments, origin and cacao content can be important. Just over half of consumers believe that European chocolates trump local chocolates due to the regions history of production; and around 7 in 10 consumers of fine chocolates believe cacao content is an important criterion for this type of chocolate. With regards to origin, it should be noted that American chocolate is known to be sweeter compared to the bitter and richer flavours of EU-based chocolates; and is generally considered to have a higher cacao content (partly as a result of different regulations for chocolate classification in the US and EU). Some consumers will therefore pay attention to origin as a proxy for taste, texture and cacao content.

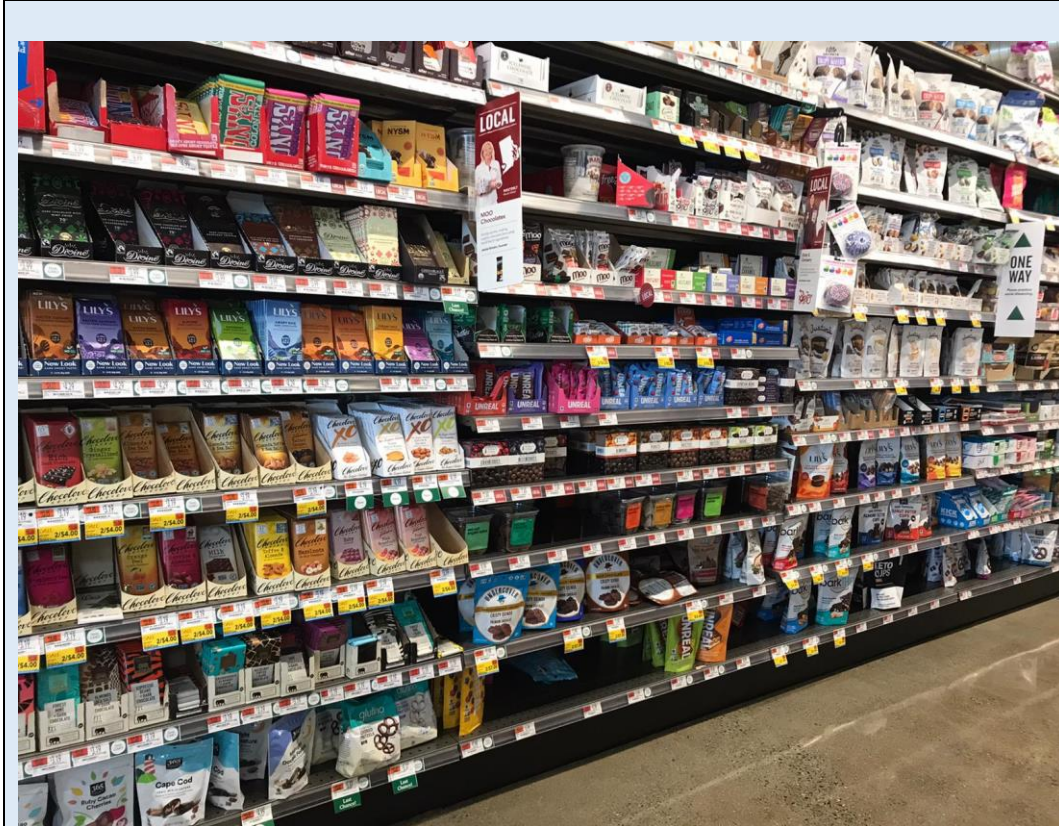
One of the main purchase criteria for sugar confectionery is the texture of the product. A good and interesting texture is key to establish a product on a market where other similar tasting products already exist. Consumers increasingly choose gummy confectionery when they want to experience interesting textures. Besides textures, the taste is obviously important as well. The sector launches many different products with new and unique flavours and flavour combinations. Innovation and new products are welcomed by some consumers – younger ones in particular. Consumers moreover pay attention to the product packaging and often choose the one that looks most appealing and promising to them. When it comes to sugar confectionery innovation is key, which is one reason why private label penetration is lower than the one for chocolate. Consumers often prefer to stick to their known brands.⁴³ In conclusion, US American consumers look for innovative sugar confectionery products which fit their taste preferences.

Confectionery on retailers' shelves in the USA

As noted above, imported chocolates generally fall into the premium category, and subsequently retail at over USD 11 per pound (454 grams). The super-premium segment starts at around USD 24 per pound. Some mid-range imported products selling at just under USD 11 per pound may also be found.

Product arrangement varies. Most commonly, chocolates are arranged by type, e.g. bars, pouches etc., though in these cases premium/imported products or each type may or may not be clearly separated or more blended with economy/mid-range products (first two pictures below). In some cases, the arrangement will be on the basis of premium/imported status rather than product type (third picture below). Packaging also varies by type, e.g. with carton popular for higher end tablets.

⁴³ The US Confectionery Market: What Consumers Eat and Why?, <https://www.prnewswire.com/news-releases/the-us-confectionery-market-what-consumers-eat-and-why-241131751.html>



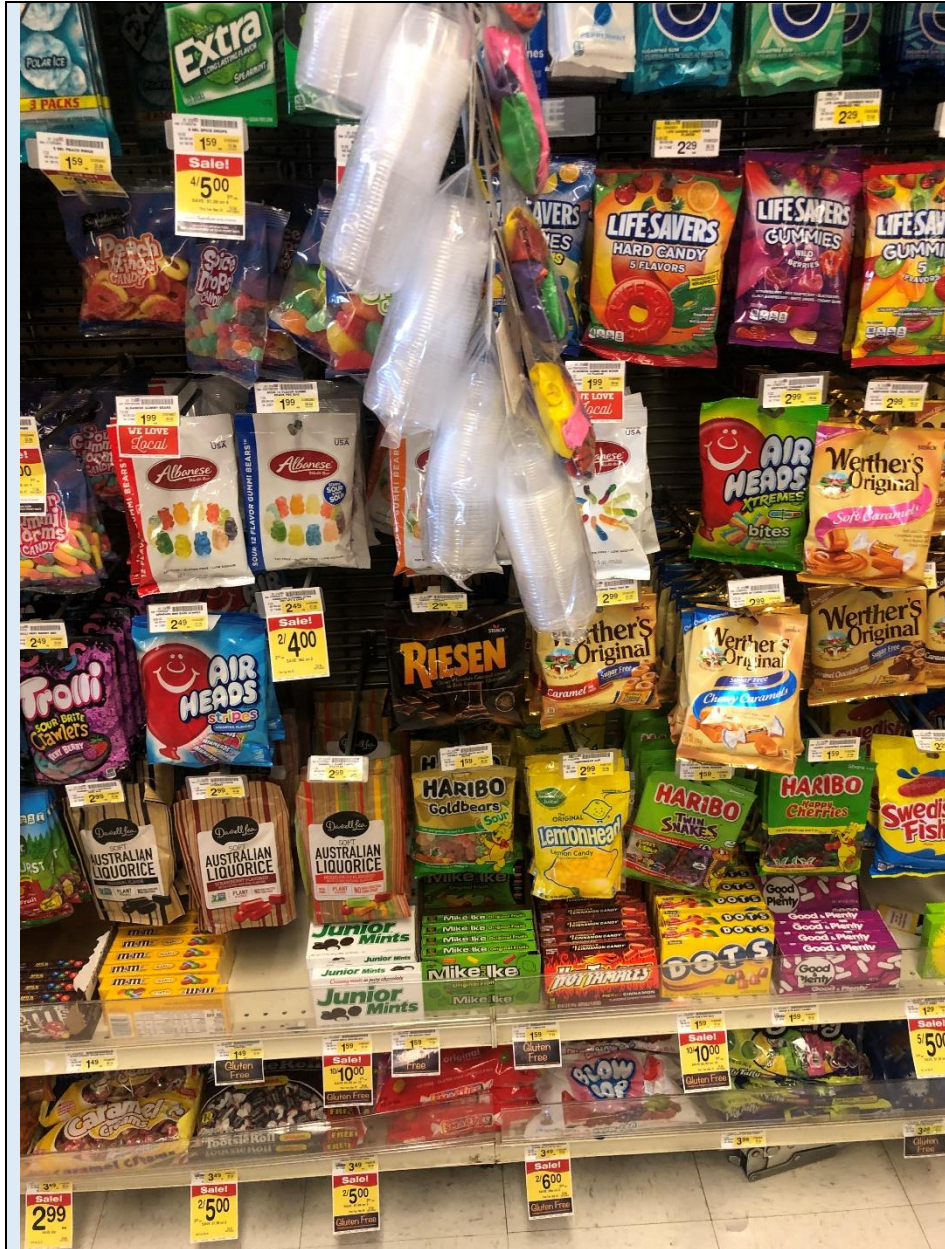
Chocolates organised by type and segment (above); and by type only (below) in high end supermarkets.





Chocolates arranged by premium/imported status in a mainstream retailer

In the case of sugar confectionery, products tend to be mixed, regardless of origin. This is partly as imported sugar confectionery either does not, or struggles to distinguish itself as being premium in comparison to local products; and subsequently tends to target the mid-range segment.



Sugar confectionery – origins mixed

It is common for cocoa content to be indicated on higher end chocolate as an indication of quality. Other claims such as added sugar and gluten-free are also gaining traction on some products or at points of sale (see below).



Pictures: © Agra CEAS / Euromonitor International, 2020.

5.7.2.3 Recent market trends

As already mentioned, the health trend is shaping the chocolate confectionery market in the US. Consumers are looking for products with maximum indulgence but less sugar. In general, people pay more attention to what they eat. In the last years, sugar-reduced chocolate variations have not been very popular in the US yet, however, this changed in 2018, when these products started to experience actual

growth. Before consumers mainly relied on portion controls, but now this does not seem enough anymore. In addition, consumers also increasingly choose products high in antioxidants and those with other potential health benefits, which are often found in the premium chocolate section. Even though the market is led by a couple of international organizations, premium chocolate makers are still competitive and contribute to the US chocolate market and demand for premium chocolate is increasing steadily.⁴⁴ On another note, the internet retailing sector has been growing a lot in the US and therefore internet retailing is an interesting trend as well. Chocolate has been performing well in this sector, which showed noteworthy growth potential. Chocolate is on par with other sugar confectionery categories even though delivery has the potential to melt or break chocolate products.

Between 2018 and 2019 the main driver of growth of the sugar confectionery market has been the category pastilles, gums, jellies and chews. One reason for this is the consumers' interest in different textures. As is the case for chocolate, e-retailing is very promising for sugar confectionery as well and has been growing immensely recently. Sugar confectionery products are shelf-stable and easy to ship and the delivery to the customers is quite easy in general. However, retailers have to face the problem, that consumers do not necessarily do impulse orders online and consequently they cannot rely on one of their sectors main drivers. Retailers will have to find other ways to promote sugar confectionery only because internet retailing is forecast to continue to grow. Innovation is probably the biggest trend in the sugar confectionery market. Consumers are interested in new textures, flavours and flavour combinations, which is why companies should not stop to develop new innovative products to keep up with an everchanging market. Moreover, due to the health trend producers should introduce e.g. sugar-free or sugar-reduced confectionery to keep customers and make them see the good in sugar confectionery, rather than just its sugar content. Both Haribo and Hershey are good examples of following these trends, which is why they are leaders in the market. Haribo often introduces products with new shapes and colours and adds interesting flavours or sour sugar coatings. Hershey introduced a caramelised crème bar, which is very successful due to the uniqueness and novelty of the product.

An interesting trend in the US market has been how consumers are taking to private label products across chocolate and sugar confectionery categories. Consumers with tight budgets, who view this as great value for money, generally prefer private label products. The market for private label products grew at almost 10% per year over the period 2014-19.

5.7.3 Offer

5.7.3.1 Domestic production

In 2018 the size of the US chocolate market was about EUR 16.36bn. In the same year, the country imported about 16% of the total chocolate market size, which leaves a lot to domestic production and even more - an estimated EUR 15bn - when the country's exports are considered as well. Consequently, domestic production is big in the USA. Actually, the US is one of the top chocolates producing countries

⁴⁴ Chocolate Market United States, List of best chocolates in US, <https://advanton.com/chocolate-market-united-states/>

worldwide alongside Germany, Switzerland and Belgium. The country is more or less accountable for 30% of chocolate production in the world. However, the USA is not a major source of cocoa, which is why most of it is imported from other places in regions such as Africa and Asia.⁴⁵ The chocolate industry is situated in about 35 states but mainly in Pennsylvania, New Jersey, Illinois, California, New York, Wisconsin, Texas, Virginia and Ohio. The chocolate industry is a consumer of key US American agricultural products. It is estimated that for every dollar of cocoa imported, around one or two dollars of domestic agricultural products are generally used in the chocolate making.⁴⁶ The biggest US American chocolate company and one of the most popular brands worldwide is Hershey Foods Corporation. The company was founded in 1894 and their headquarter is situated in Pennsylvania until today.⁴⁷ In 2019 Hershey accounted for over one third of the whole markets value, followed by Mars Wrigley Confectionery, which is a US American company as well, with just under 30%. These two have by far the biggest impacts. Other companies such as Ferrero USA, Lindt & Sprüngli USA and Ghirardelli Chocolate Co together accounted for close to 1/8th of the markets value in the US in 2019. Besides those international big companies, the artisanal production of chocolate confectionery takes place in the USA as well and people increasingly show interest in it. However, there is no official number of artisanal chocolate producers because the number depends on the criteria set. The USA is yet having one of the highest amounts of artisanal chocolatiers in the world.⁴⁸ Already in 2016, 183 bean-to-bar chocolate manufactures had been established.⁴⁹

The sugar confectionery market in the US in 2019 was about EUR 12.9bn. About 14% was imported in the same year, and with US exports factored in as well, production can be estimated to be around EUR 12bn. The market is dominated by big international companies. In 2019 the market has been dominated by Mars Wrigley Confectionery followed by Hershey Co; together they account for ¼ of the market value. Both companies are domestic in the USA, even though they are known worldwide and have production facilities in other countries as well (including neighbouring Mexico). Ferrara Candy Co Inc ranked third with around 10% followed by Mondelez International and Perfetti Van Melle USA.

5.7.3.2 Imports and exports

Figure 5-33 shows that the United States is a net importer of chocolate confectionery. In 2019 chocolate with a value of about EUR 2.64bn was imported whereas chocolate with a value of around EUR 1.48bn was exported. This means the United States imported approximately 44% more than it exported in the same year. Since 2015 the value of imported chocolate increased by around EUR 43m, which is an increase of about 16%. The export market, on the other hand, remained rather stable and only increased by EUR 1m over the same period.

⁴⁵ The 4 Countries That Produce the Most Chocolate, <https://www.investopedia.com/articles/investing/093015/4-countries-produce-most-chocolate.asp>

⁴⁶ Economic Profile of the U.S. Chocolate Industry, https://www.worldcocoaoundation.org/wp-content/uploads/Economic_Profile_of_the_US_Chocolate_Industry_2011.pdf

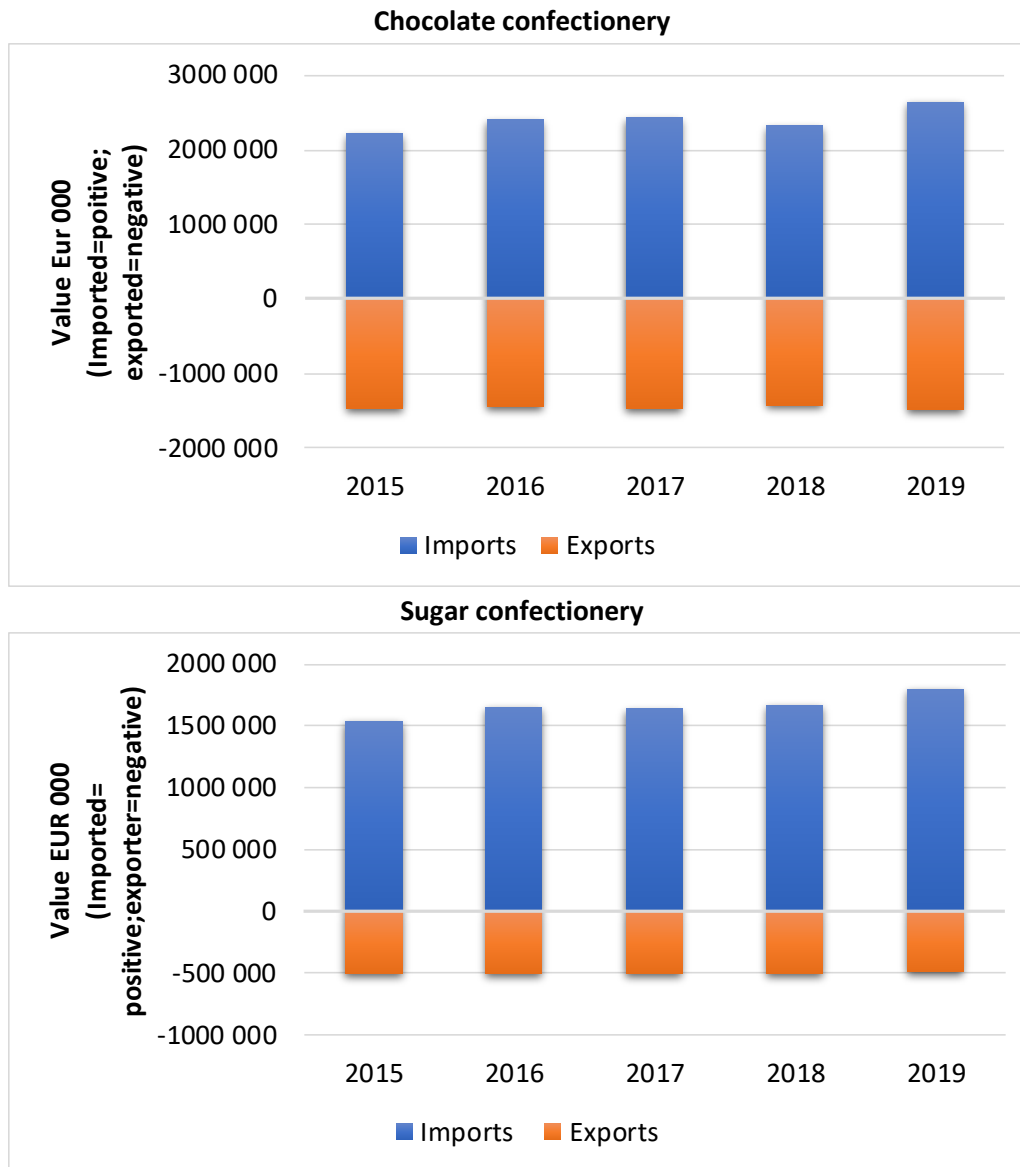
⁴⁷ The 4 Countries That Produce the Most Chocolate, <https://www.investopedia.com/articles/investing/093015/4-countries-produce-most-chocolate.asp>

⁴⁸ Sizing the craft chocolate market, <https://chocolateinstitute.org/blog/sizing-the-craft-chocolate-market/>

⁴⁹ 183 Bean-to-Bar Chocolate Makers In the United States, <https://medium.com/@CarolWiley/183-bean-to-bar-chocolate-makers-in-the-united-states-a7a31325733d>

The United States is also a net importer of sugar confectionery. In 2019 it imported a value of EUR 1.79bn, whereas it exported EUR 484m. This means the USA exported approximately 73% more than it imported in 2019. Since 2015 the country's imports of sugar confectionery increased by around EUR 26m, which is an increase of about 14%. The exports on the other hand decreased by approximately EUR 16m over the same time.

Figure 5-33: Trade balance (imports and exports) of confectionery in the USA, 2015-19; EUR 000



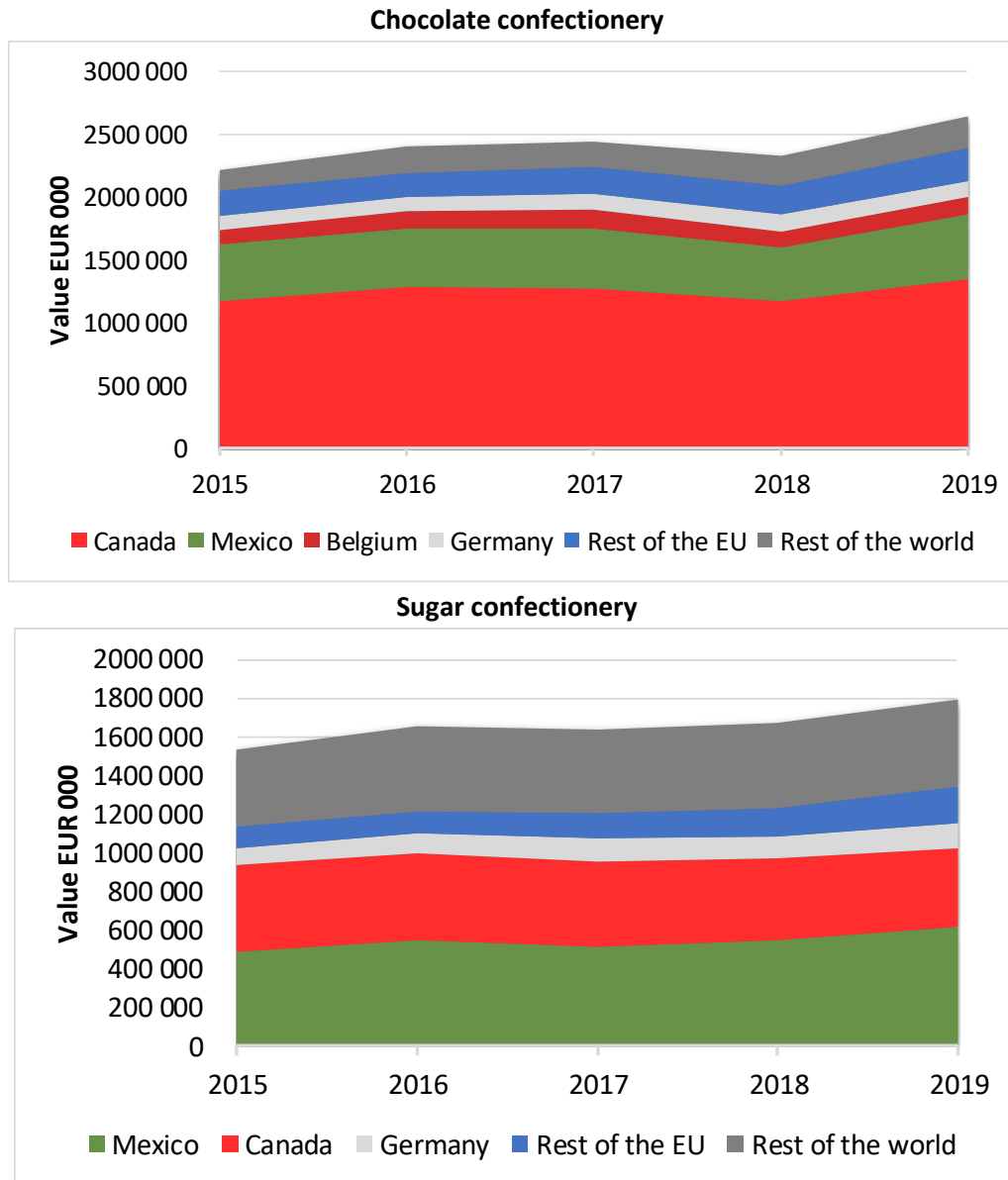
Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 1806 and 1704.

In 2019 Canada was by far the main exporter of chocolate confectionery to the USA and exported chocolate worth of around EUR 1.35bn as shown in Figure 5-34. Mexico ranked second with an exported

value of approximately EUR 511m, followed by Belgium with around EUR 140m and Germany with around EUR 125m. Out of the first 10 largest exporters in 2019, six were from the EU and together those six countries accounted for approximately 17% of total chocolate confectionery exports to the USA. Since 2015 the percentage of exported values covered by the four main exporters shown in the figure remained relatively stable.

The main exporter of sugar confectionery to the United States in 2019 was Mexico which exported a value of about EUR 617.8m, followed with a distance by Canada with a value of around EUR 404.6m and Germany with about EUR 133.2m. In total, only two out of the biggest exporters of sugar confectionery to the US are from the EU: Germany, which ranked 5th in 2019 and Spain. Besides Germany, the whole rest of the EU accounted for about the same value as Germany in 2019. However, Mexico and Canada are by far the main exporters.

Figure 5-34: US imports of confectionery by country, 2015-19; EUR 000



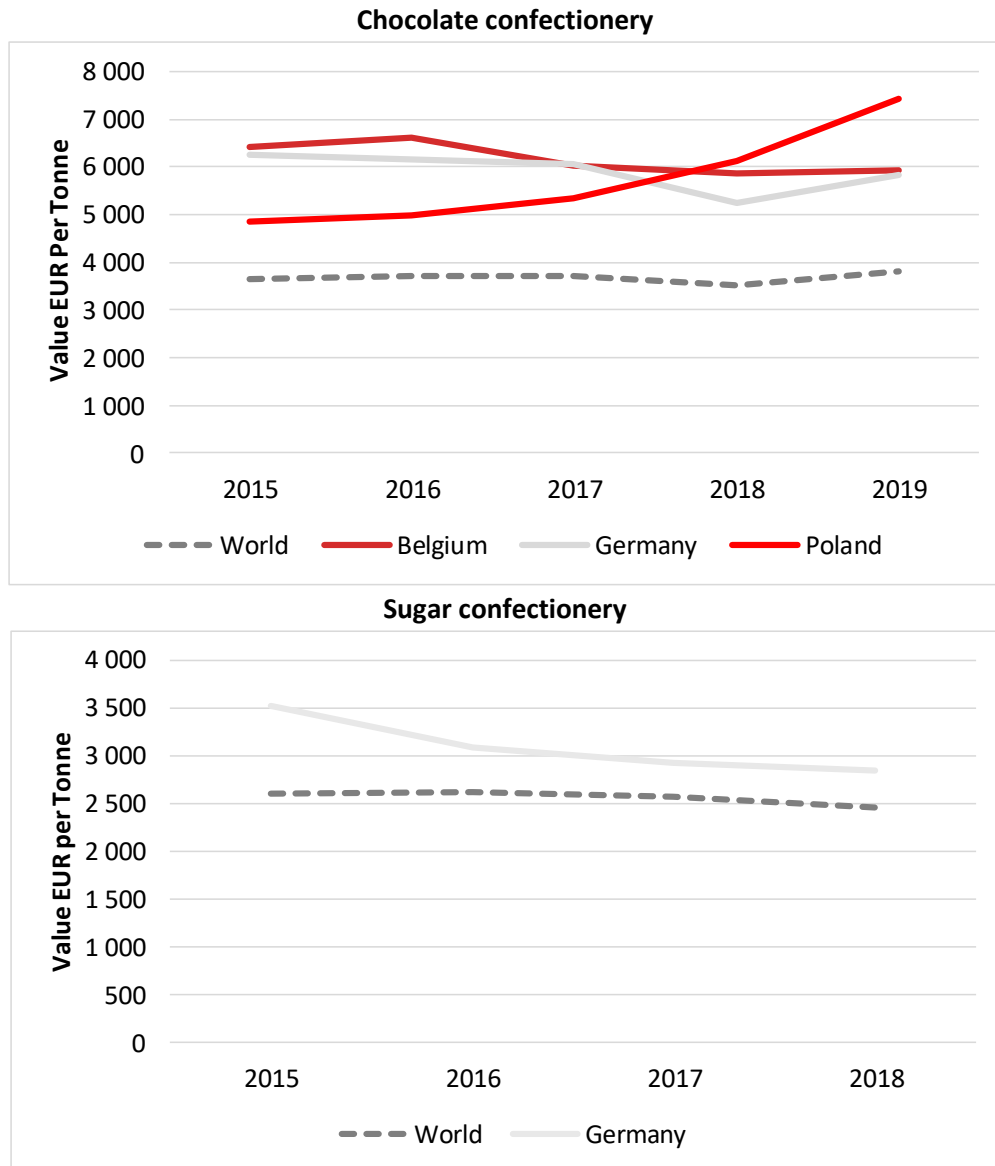
Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1806 and 1704.

The unit values of the three main EU chocolate confectionery exporters (Belgium, Germany and Poland) are all far above the average world's unit value. In 2019 the world's unit value for chocolate confectionery was at about EUR 3 800 per tonne as depicted in Figure 5-35. In the same year chocolate exported from Belgium was worth approximately EUR 5 900 per tonne, from Germany about EUR 5 800 per tonne and from Poland even much higher EUR 7 400 per tonne. These high prices for EU chocolate show the appreciation for EU chocolate products in the US. Since 2015 the unit values for products from Belgium and Germany decreased slightly, whereas Poland's unit value prices increased to a point where overtook the first two in 2018.

The world's unit value for sugar confectionery in 2019 was around EUR 2 550 per tonne. Germany's unit value for sugar confectionery in the same year was higher at approximately EUR 3 000 per tonne.

Figure 5-35: Per unit value of US imports of confectionery for selected countries, 2015-19 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1806 and 1704.

5.7.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU confectionery were uncovered while drafting this handbook, this does not preclude

the possibility that some may have been registered. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.7.3.4 Main competitors

The chocolate, as well as the sugar confectionery market, are by far dominated by domestic US American chocolate and sugar confectionery production. The two market leaders are both from the USA: Hershey's and Mars (though they have production facilities both in the US and in other countries). Besides those big international companies, the US has a high number of artisanal chocolate manufacturers as well, which are big competition in particular for other smaller chocolate manufactures and companies. The chocolate and sugar confectionery import market are dominated by the neighbouring countries Mexico and Canada, which export much more chocolate and sugar confectionery than any other country.

5.7.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of confectionery products must be registered with the FDA.

The tariffs imposed on European chocolate and confectionery products vary greatly between HS codes. The vast majority of products are subject to tariffs; in some cases quantity, in others ad valorem, and in a few cases both subject to tariffs of 15%, with the exception of a few chocolate products which face tariffs of 10%. In view of the complexity of the tariffs system, it is recommended that the links below be consulted for full information; though as a general guide, these tariffs reach up to approximately 12% and / or +/- 53 cents per kg.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=1806>

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=1704>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for confectionery products can be also found on the websites indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=1806&countries=US>

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=1704&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 21 (21 CFR) contain a standard chocolate (cacao) products under part 136. More specifically, standards for the following products exist under this part:

- 163.111 - Chocolate liquor.
- 163.112 - Breakfast cocoa.
- 163.123 - Sweet chocolate.
- 163.124 - White chocolate.
- 163.130 - Milk chocolate.
- 163.135 - Buttermilk chocolate.
- 163.140 - Skim milk chocolate.
- 163.145 - Mixed dairy product chocolates.
- 163.150 - Sweet cocoa and vegetable fat coating.
- 163.153 - Sweet chocolate and vegetable fat coating.
- 163.155 - Milk chocolate and vegetable fat coating.

As set out in section 4.2.2, a searchable version of 21 CFR with full details of standards can be found at the following link:

<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscode=1806&countryid=US#h20>

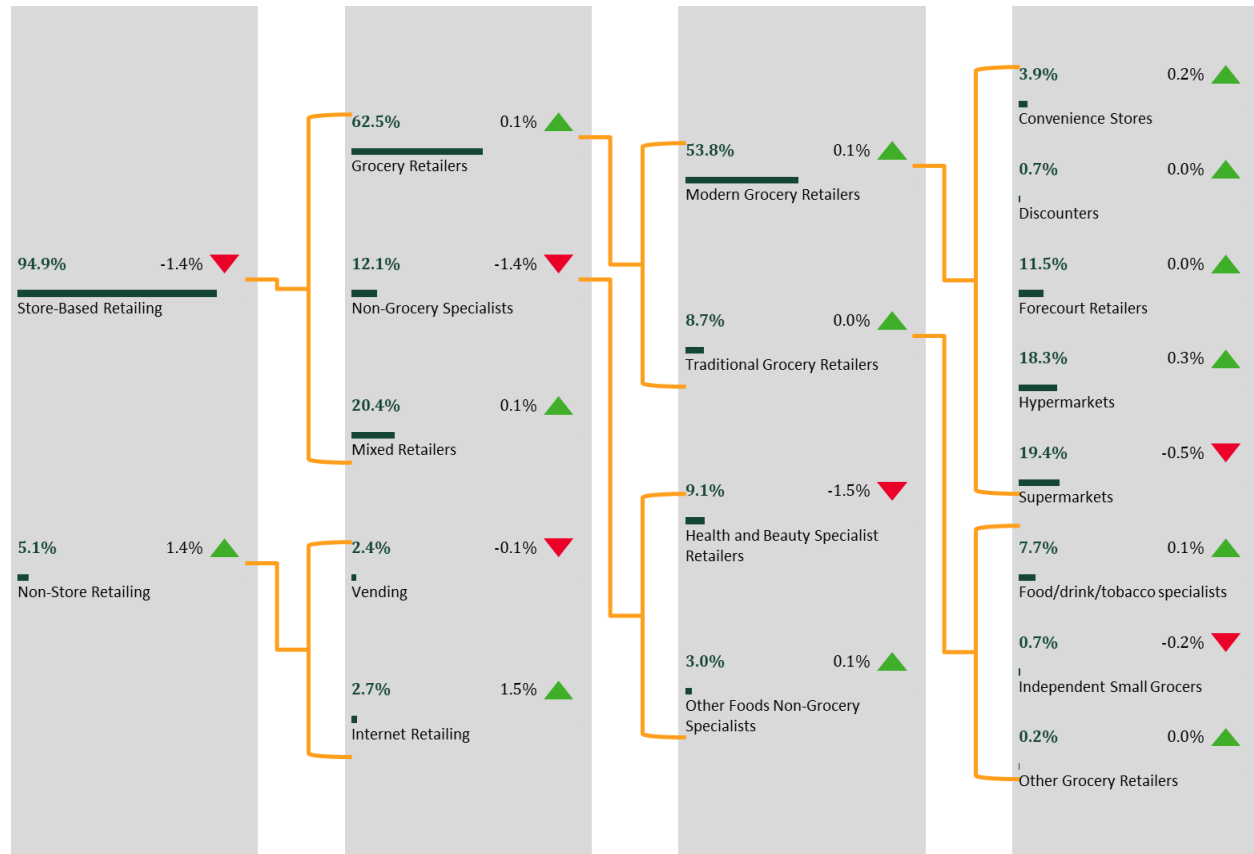
Labelling

Sugar and chocolate confectionery products must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted.

5.7.5 Distribution

As shown in Figure 5-36 chocolate confectionery is still mainly sold through store-based retailing (94.9% of retail value), while the remaining 5.1% of the retail value comes from non-store based retailing such as from internet retailing or vending machines. The importance of internet retailing is increasing. Grocery stores, which accounted for 62.5% of the retail value in 2018 are the main channel, followed by mixed retail and non-grocery specialists. Most grocery retailer outlets increased their retail value percentage. Modern grocery retailers with 53.8% are a much more common distribution channel than traditional grocery retailers with only 8.7% in 2018. The main modern grocery channels are supermarket with 19.4%, followed by hypermarkets with 18.3% and forecourt retailers with about 11.5%. Together those three specific channels alone accounted for nearly half of the retail value of sugar confectionery in the USA in 2018.

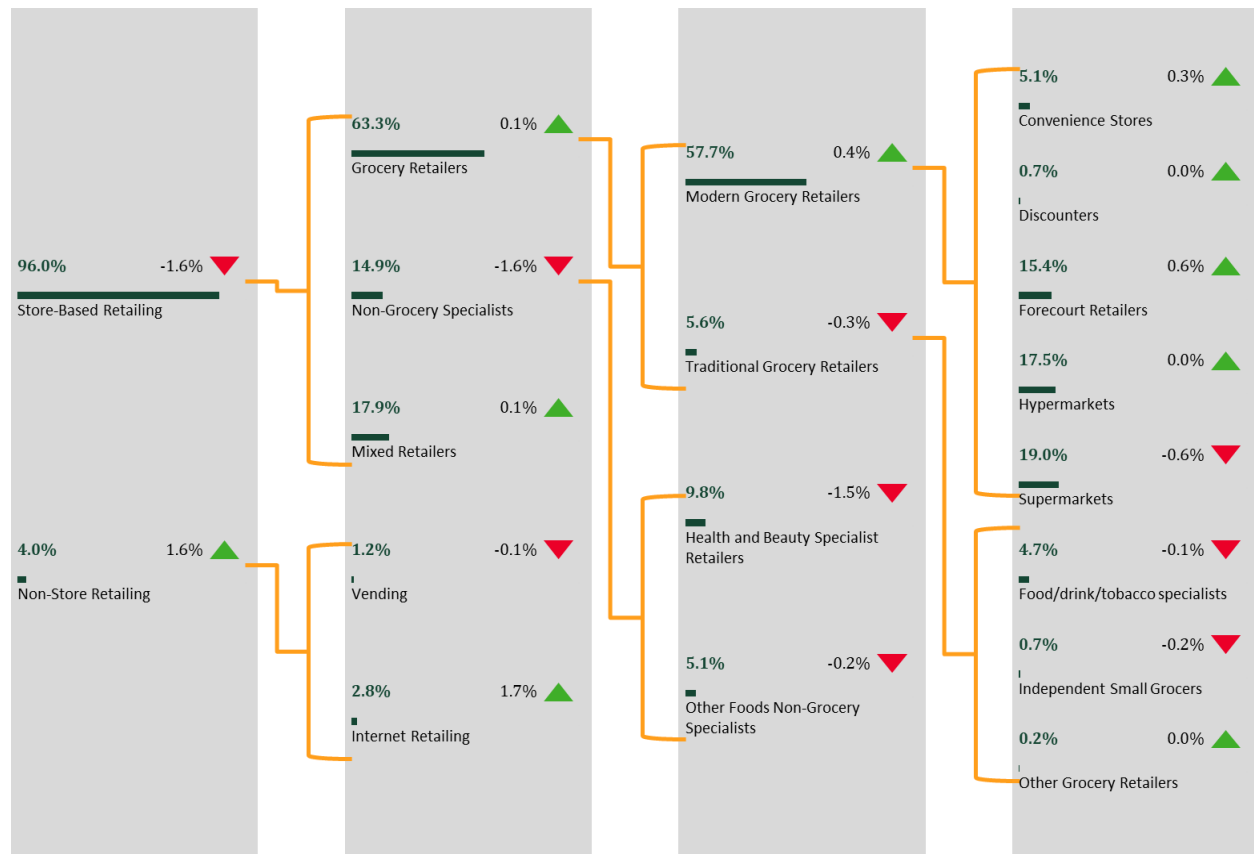
Figure 5-36: Distribution channel overview of chocolate confectionery in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

Figure 5-37 shows the distribution channel overview of sugar confectionery in the USA. As it is the case for chocolate confectionery, most channels used are store-based (96%) and only about 4% of the retail value in 2018 came from non-store-based retailing such as internet retailing and vending machines. Internet retailing becomes more and more popular. With 63.3% and growing grocery retailers are the most popular channels followed by mixed retailers and non-grocery specialists. Modern grocery retailers are much more popular than traditional grocery retailers and their retail value is increasing. The most important modern grocery retailers are supermarkets with 19% followed by hypermarkets with 17.5% and forecourt retailers with 15.4%.

Figure 5-37: Distribution channel overview of sugar confectionery in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

5.7.6 Challenges for EU products

EU products will face a lot of competition on the US market for chocolate confectionery from big international companies, as well as from smaller artisanal chocolate manufacturers. Most chocolate is manufactured domestically in the country. However, chocolate from the EU is perceived to be of high quality and US American consumers value it a lot, which is why six out of ten main exporters of chocolate confectionery are from the EU and together account for about 17% of total exports. Chocolate with toys, though small, is a very promising category which is forecast to have strong growth between 2018 and 2023. However, this market is fairly new because chocolate with toys such as Ferrero's Kinder Surprise egg were forbidden in the USA due to choking hazards. Ferrero just recently managed to launch Kinder Joy in the US but had to make sure that the product is in line with all regulations. Consequently, it is not impossible to export chocolate with toys but it is important to keep US American regulations in mind.

The sugar confectionery market is smaller than the one for chocolate. The competition is similar because the two American international companies Mars and Hershey are also the two biggest competitors in the sugar confectionery market, though they hold smaller shares as the market for sugar confectionery is more fragmented than that for chocolate. The same is the case for the exporters: Mexico and Canada are by far the main sugar confectionery exporting countries to the US and thus important competitors. The

market for sugar confectionery is forecast to grow less than the one for chocolate. One reason for this might be the health trend. Sugar confectionery is deemed to be unhealthy which is why consumers who are looking for indulgence sometimes switch to chocolate because it is supposed to be the healthier choice.

Market Takeaway: Chocolate and confectionery

Consumption: *The market size of the chocolate market was about EUR 16.3bn and the one for sugar confectionery around EUR 12.9bn in 2018. Pre-COVID19, both markets were forecast to grow but at a slower rate than before.*

Competition: *Huge domestic production by big international companies Hershey's and Mars and the main competitors in imports are Canada and Mexico.*

Distribution: *Mainly through modern grocery retailers (50%-60%) such as supermarkets, hypermarkets and forecourt retailers. Internet retailing is gaining more popularity.*

Challenges: *To compete with big international companies and exporters. For chocolate to overcome the barrier of being allowed to export chocolate with toys because of strict regulations. The sugar confectionery sector is forecast to grow not as much due to the health trend and many people switching to chocolate products instead.*

Opportunities: *Healthy products e.g. sugar-reduced chocolate and sugar confectionery, internet retailing, innovation in texture and flavours for sugar confectionery, Chocolate with toys. Premium chocolate products.*

5.8 Beer

5.8.1 SWOT analysis

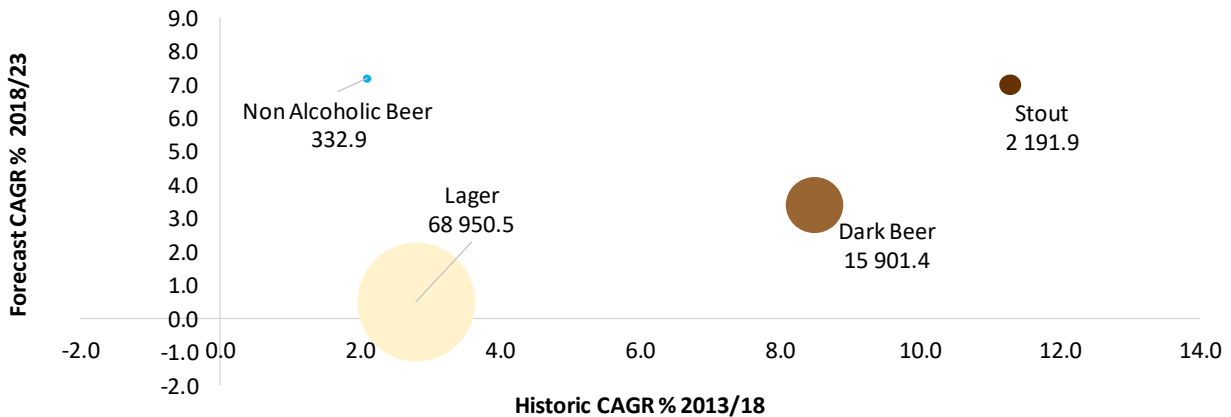
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ EU beers are popular in the United States and are a common sight in bars with beer such as Heineken and Guinness being widely available. ▪ American consumers seeking an alternative to domestic lagers will largely switch to European alternatives. ▪ European bars such as Irish and Spanish are common throughout the USA. 	<ul style="list-style-type: none"> ▪ The US produces a large amount of beer annually, enough to largely meet domestic demand. ▪ Consumers under 21 are not legally allowed to have a beer. ▪ Many Americans have pride in American beers and will refuse to drink alternatives.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Consumer demand for non-mainstream beers is driving consumption of craft beers; and imported beers could potentially benefit from this. ▪ European events such as St Patrick's day are popular in the USA and are usually associated with the consumption of European beers, in this case, Guinness. ▪ A large European origin population in the USA helps to compound demand for beers from the EU. 	<ul style="list-style-type: none"> ▪ Mexican beer is popular in the USA and is growing yearly ▪ The lingering threat of tariffs is threatening confidence in the US market. Increasing production of craft beer.

5.8.2 Consumption

5.8.3 Evolution of consumption

As observed below in Figure 5-38 lager is by far the biggest valued beer in the United States at EUR 68 billion and is expected to have a slight growth rate of 0.5% for the forecasted years up until 2023. The second-largest beer is a dark beer with a value of EUR 15 billion having grown at a CAGR of 8.5% in recent years, this is expected to decline to a CAGR of 3.4% in the future. Stout is worth EUR 2 billion and is the fastest-growing beer in the United States with a CAGR in recent years of 11.3%. Non-Alcoholic beer is expected to be the fastest-growing category in the forecasted years up until 2023 at 7.2% per year. In 2018 the market for Non-Alcoholic beer is valued at EUR 332 million.

Figure 5-38 the beer market in the USA (value, EUR million); 2013-2023



Source: Euromonitor International: Alcoholic Drinks, 2020.

5.8.3.1 Consumer profile and purchase criteria

Consumers

After the enactment of the Minimum legal drinking age act (MLDA) in 1984, the national legal drinking age of the US was set at 21; previously this varied by state. As a result, the USA has one of the older legal drinking ages in the world which makes it difficult to attract younger consumers. Consumers of beer can be found throughout the nation and is a common practice, observers have noted key trends in the US market that help the market stand out. Non-Alcoholic beers have struggled to attract consumers in the country as the perception of them that they are of a lower quality compared to alcoholic alternatives, there is also a strong stigma against drinking non-alcoholic beers in social settings in the US. The rise of craft beer consumption in the US has also compounded the perception that beer of high quality can be judged by its ABV content. Male consumers have been shown to be more likely to consume lagers and dark beers in the USA with many advertisements of these products appealing to the male demographic in particular. Females who also consume a large amount of lagers and dark beers have been shown to be more open to alternatives such as non-alcoholic beers and corona beer being popular amongst this demographic.

Craft beer is growing in consumption in the USA as consumers seeking new and eccentric tastes in their beer, craft beer is especially popular in the states of California and Pennsylvania. Younger generations, especially millennials, are consuming much less beer than the previous generations such as Generation X and Boomers, and those that do consume beer tend to prefer craft beer.

Finally, non-alcoholic beer – a small but growing market - has a slightly different clientele than craft/regular beer. In addition to the general openness of women to this type of beer (see above), the key demographics include seniors and pregnant women who avoid alcohol due to health reasons or medication that conflicts with alcohol.

Drivers and method of consumption

Beer consumption is a common practice in the USA, the consumption of beer is a common practice in social meetings and get-togethers. Sports events typically will have a large number of fans before the event purchasing beer near the arena and during the event. Notable sporting events associated with beer consumption include baseball and soccer (football) with the US premier soccer league (MLS) partnering with Heineken. It is estimated that over 1 million Heineken beers are consumed exclusively because of soccer in the US annually. Indeed, the European connection to soccer (football) provides a platform for other European beers

Holidays such as thanksgiving and the fourth of July are also associated with the consumption of beer to an extent. St Patrick's day creates a notable peak in consumption of Irish beer; and Oktoberfest similarly can drive an increased consumption of German beer. Periods such as spring break drive consumption of beer in general.

Beer is readily available on American streets and available to income earners of all classes. Drivers of beer consumption vary by state with southern states of a typically warm climate having consumers that will be likely to consume beer to stay hydrated, consumers in the mid-west having access to typically locally produced beers. The northeast is home to the largest beer drinking states per capita which are New Hampshire, Maine, and Vermont. Regionally they are some variations in the types of beers that are generally consumed, while most beers are consumed in all of the US states and lager is fairly universally dominant, particular beers that stand out amongst our market snapshots include Corona (*California, Florida*), Budweiser (*Illinois, Texas*) and Stella Artois (*New York*).

Finally, it is worth noting that there are beer festivals in the USA. While the vast majority of these are for local beers, one which stands out for international beers is the Portland International Beer Festival; a three-day beer event, held annually in the summer (months of June-August).

Purchase criteria

Beer in the USA is typically cheap with observers noting that beer is often cheaper than water in many hypermarket outlets. Beers are produced throughout the USA and the ingredients required for the production of beer such barley is produced to scale in the USA, these factors account for lower prices. That said, beer prices vary by state depending on a host of factors such as the general cost of living, local production and state alcohol taxes with the most expensive state to purchase a standard case of beer being Alaska at EUR 27 a case and the lowest being Illinois at EUR 13 a case. European beers in the USA such as Heineken and Guinness are popular despite costing slightly more than American counterparts, though there are fears about how additional tariffs may affect this. Loyalty to beer brands is important to consumers who will spend more to get their favourite brands however prices still are required to be competitive.⁵⁰

⁵⁰ How much a case of beer costs in every state, CNBC Available at <https://www.cnbc.com/2019/02/01/how-much-a-case-of-beer-costs-in-every-us-state.html>; Fatherly, Most popular beer drunk by state map, available at [https://www.fatherly.com/news/map-shows-most-popular-beer-in-every-state/#:~:text=Budweiser%20took%20the%20top%20spot,poll%20residents%20voted%20for%20it.](https://www.fatherly.com/news/map-shows-most-popular-beer-in-every-state/#:~:text=Budweiser%20took%20the%20top%20spot,poll%20residents%20voted%20for%20it.;); Euromonitor International: Alcoholic Drinks, 2020.

In terms of criteria beyond price:

- Generally, cans of beer are preferred by American consumers over bottles, In 2019, beer packaged in glass bottles held a retail volume share of 32% compared to 67% for metal beverage cans. It is also likely that for craft beer, canned craft beer sales will overtake craft bottle sales by the end of 2020.
- Consumers tend to favour beers between the 4.5 to 5.5% ABV. Consumers tend to be flexible in terms of flavour; and indeed many actively seek out new flavours. However, regardless of flavour they tend to gravitate towards beers which fit in the aforementioned ABV range.
- Sugar content is another criterion which is increasingly viewed as important by US consumers. This has been a driving factor in the growth of light beers, and even non-alcoholic beers.

Craft beers typically have the Independent Craft Brew seal attached to their beers which is often seek out by consumers before they purchase their products; and for around ¼ of craft beer consumers, this seal is an important purchase criterion. Young customers have also been noted as willing to pay more money for craft beer compared to standard, regular beer.

Beer on retailers' shelves in the USA

As is the case with all alcoholic beverages, pricing is affected by state level taxes. In broad terms, the market can be divided into the following segments:

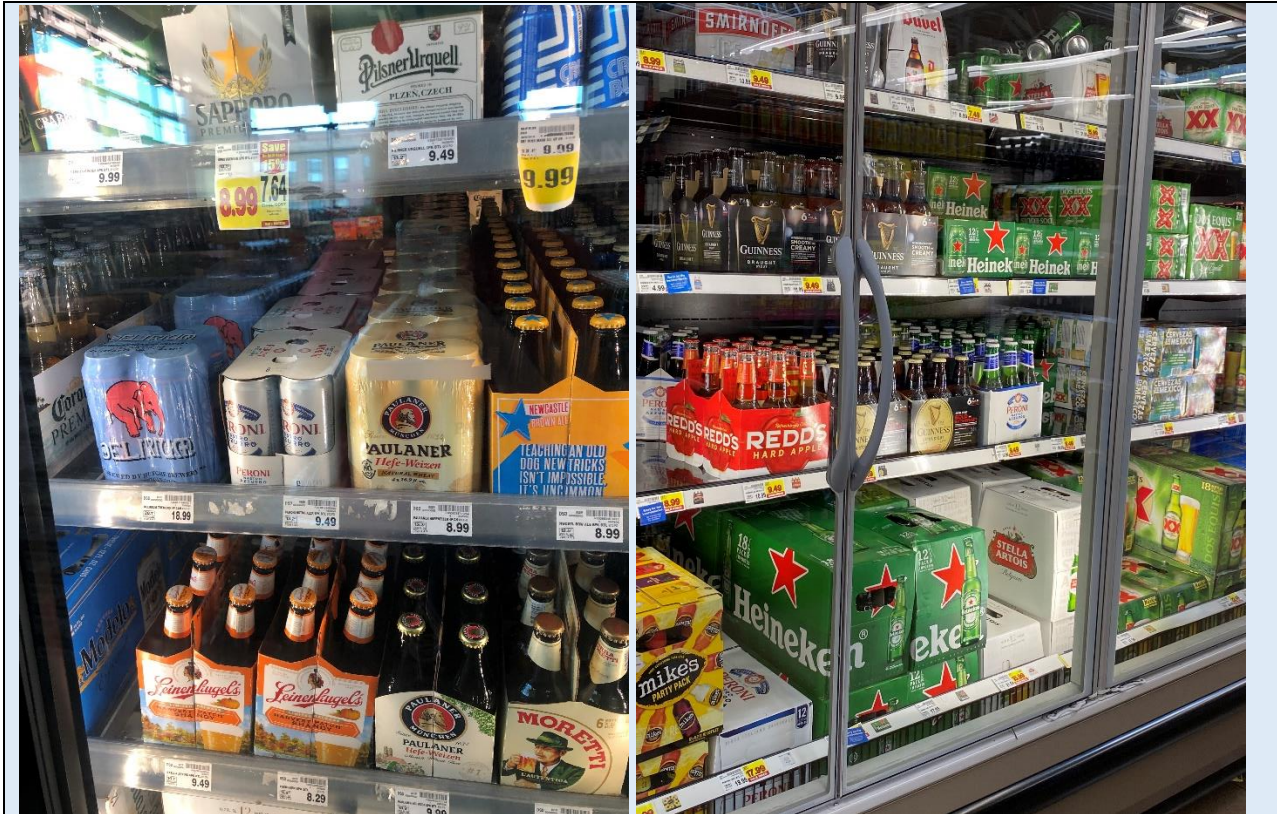
- **Economy:** under USD 1.50 per litre
- **Mid-range:** between USD 1.50 and 2.45 per litre
- **Premium:** over USD 2.45 per litre (with super-premium products reaching above USD 8 per litre).

The packaging landscape for beer is the most varied and currently most dynamic of all alcoholic beverages. While glass is traditionally very popular, attitudes towards metal can packaging have changed considerably in recent years, with its preservation of quality seen more positively. Subsequently metal can packaging is increasingly used for craft, imported and premium beers as well as more economy beers. Regardless of whether beer be sold in bottles or cans, they are most commonly sold in packs of 6 or cartons of 12. In some cases, imported beers are sold in 4 packs. The fluid ounce metric is normally used for beer volumes, with 12 fl oz (355 ml) and 16 fl oz (473 ml) the most common packaging size for individual bottles and cans.

As is the case with alcoholic beverages in general - due to differences in legislation between states, the nature of retailers varies between states. The nature of stores themselves (e.g. general grocery, specialist liquor) can further impact the layout of products. Some examples of different store layouts and product positionings are shown in the pictures below.



Above: specialist liquor retailer in Massachusetts. Considerable space dedicated to each product. Cartons of 12 are particularly common.



Above left: mid-level grocery store in Illinois. Range of products offered; some discounts. Above right: mainstream supermarket in Texas. Mainstream products offered in larger volumes; discounts of some degree fairly standard.



Gourmet store in Illinois. Wide range of products, but limited space per product. Products available chilled as well as warm; and some products sold individually.

Pictures: © Agra CEAS / Euromonitor International, 2020.

5.8.3.2 Recent market trends

The following different trends are visible on the beer market in the USA:

- **Microbreweries are becoming more popular.** Microbreweries and craft beer are increasingly popular in the USA, particularly amongst younger consumers who are more inclined to pursue eccentric tastes. The highest number of microbreweries in the USA were found in Vermont where there is one brewery for every 24 000 residents. In 2019, craft beer accounted for 13% of the total beer volume sales. While the craft beer been growing rapidly internationally, the US remains at the forefront, with the constant introduction of new independent microbrewers.

- **Growth in ales is slowing down as craft beer is rising.** While the growth of ales in the USA has been consistent over the past number of years which was aided by the rise in popularity of craft beers, this association to craft beer is likely to result in the growth of sales slowing down. As consumers become more aware of craft beers and premium craft beers it is likely that they will continue to pursue premium craft beers over ale alternatives. Nationally produced ales such as Blue Moon and Newcastle brown ales have more competition from locally produced ales which is hampering the growth of national varieties.
- **Growth in Non-Alcoholic beer consumption.** Non-alcoholic beers for a long time in the US have suffered from a negative stigma which is more profound in the US than other markets, this negative stigma, however, is gradually fading as consumers are becoming more open to purchasing non-alcoholic alternative beers. Increasingly mindful attitudes combined with new product launches in this sector has helped to increase awareness and consumption of non-alcoholic beers in the US and it is becoming more acceptable to consume them in a social setting.
- **Cans preferred over bottles;** as noted above cans are more popular than bottles; however it should be noted the shift to cans over bottles continues, with cans expected to become more popular even in the case of craft beers.

5.8.4 Offer

5.8.4.1 Domestic production

The USA produces a wide variety of beers, aided by the abundant growth of ingredients required for beer production such as barley and sorghum. There are over 8 500 brewers in the country and it is estimated that produce just over 80% of the beer consumed in the country. The most popular American beers include Budweiser, Pabst blue ribbon, and Miller. Beer producers in the USA produced sold roughly 203 million barrels of beer in 2019, in the US internal market, producers have sold over EUR 104 billion worth of beer in 2019⁵¹. American lager is the most produced beer in the nation with brands like Miller and Budweiser adapting this flavour.

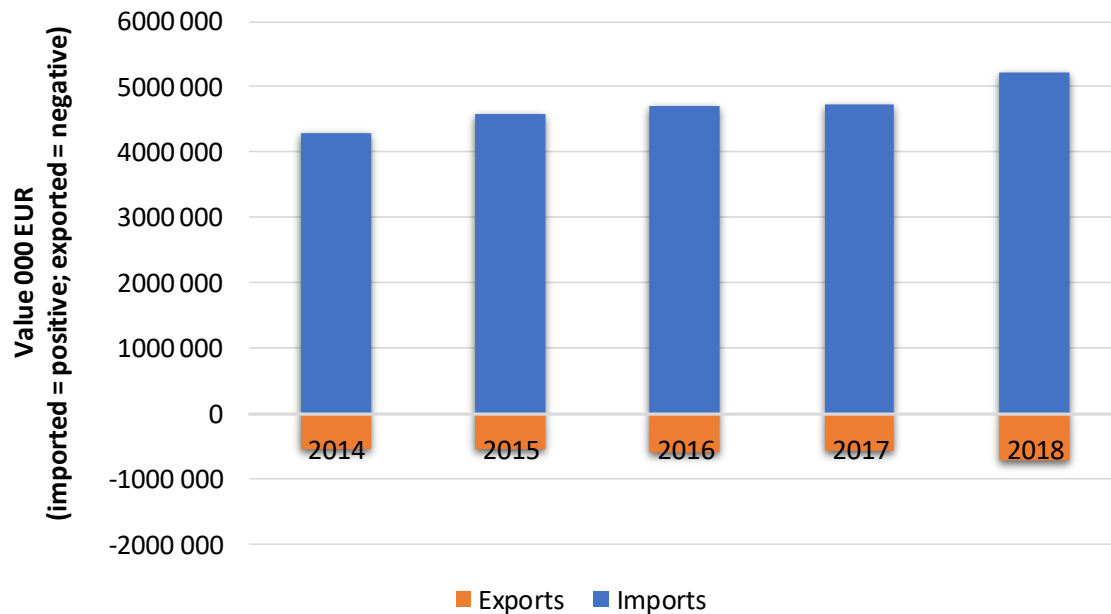
There are over 4 000 craft breweries scattered across the USA with the Midwest in particular being home to a large amount of them, but Vermont also strong. The city of Portland in Oregon has craft brewing firmly ingrained in the culture of the city with the city being home to 58 breweries, more than any other city in the world. Before the outbreak of Covid-19, it was estimated that roughly 70 000 employees were working in the craft beer sector, triple the figure from 2012. California was the largest producer of craft beer in the US in 2019, at 3.7 million barrels, followed closely behind by Pennsylvania, at 3.6 million barrels. The next largest state producers were Colorado, Florida and New York, at 1.5 million, 1.4 million and 1.3 million barrels respectively.

⁵¹ Americans beer distributors, The us beer industry in 2019, Available at <https://www.nbwa.org/resources/industry-fast-facts>

5.8.4.2 Imports and exports

As shown below in Figure 5-39 it can be observed the USA is a net importer of beer. The USA exports a small amount of beer relative to the amount it imports however this figure still is valued at roughly EUR 720 million. Total imports to the USA in 2019 for beer came in at a value of EUR 5.2 billion.

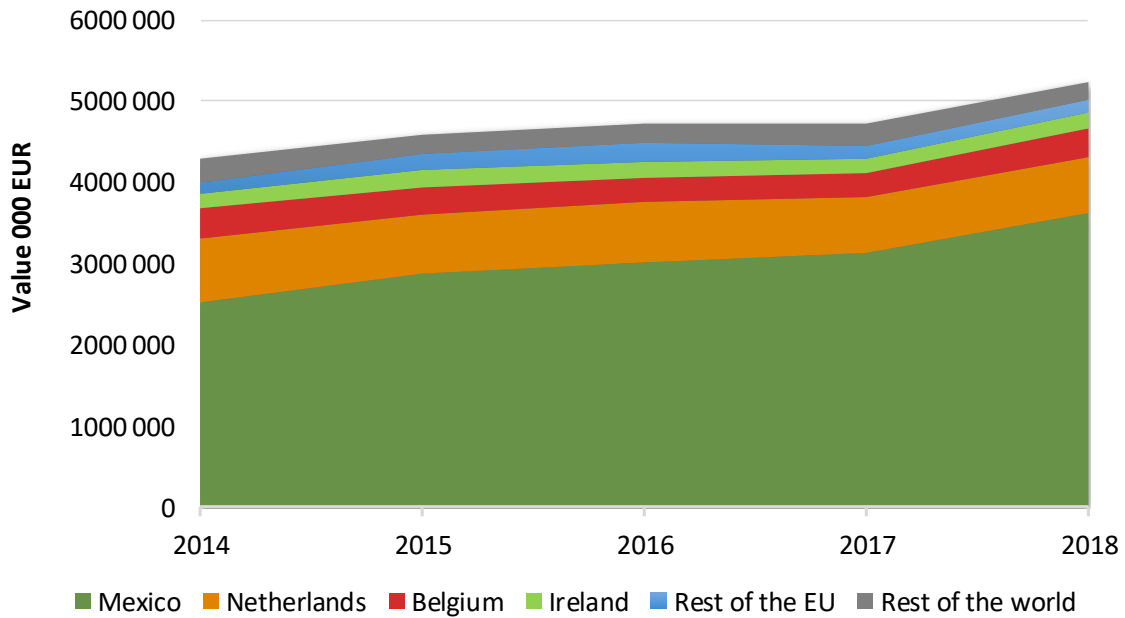
Figure 5-39: Trade balance (imports and exports) of beer in the USA, 2015-19; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 2203.

Figure 5-40 further explains the most popular countries that the United States imports its beer from. Neighbouring Mexico is by far the largest exporter of beer to the United States with a value of EUR 3.1 billion sent to the country in 2018, well over 60%. EU beers however are popular and the nations of The Netherlands, Ireland, and Belgium export the largest amount of beer to the US from the EU with a combined total coming to roughly EUR 1 billion. Germany and Italy respectively are also ranked in the top ten largest exporters to the USA.

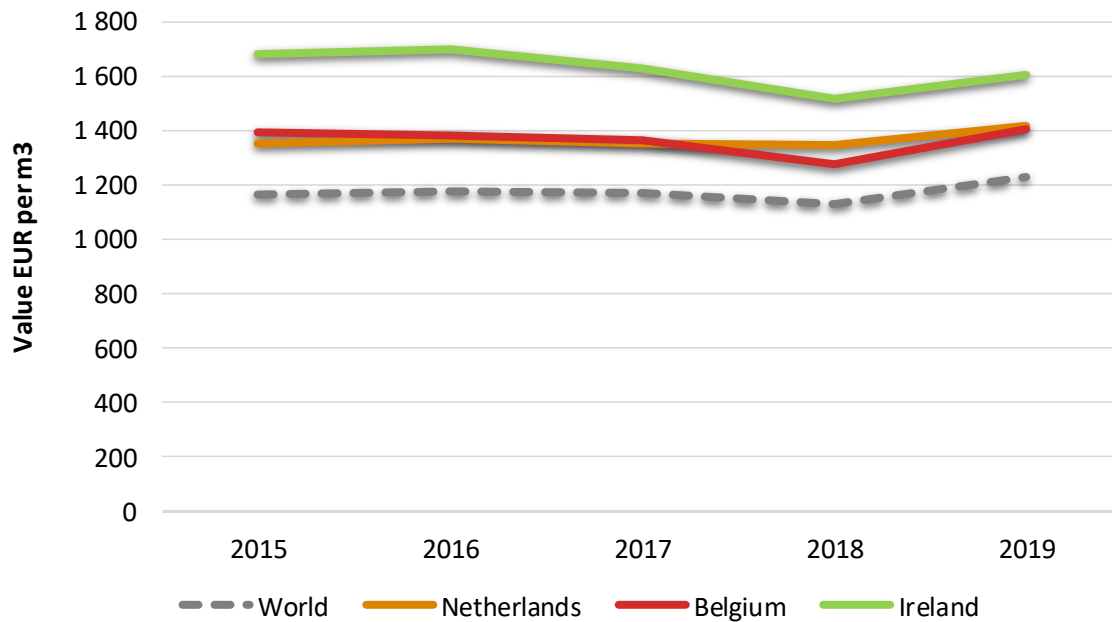
Figure 5-40: US imports of beer by country, 2015-19; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
 Data for CN code 2203.

Figure 5-41 goes further to explain the unit value of US beer imports with Irish beer having the highest overall per unit value followed by the Netherlands and Belgium which both have roughly the same figure at EUR 1400 per Unit value.

Figure 5-41: Per unit value of US imports of beer for selected EU countries, 2015-19 (EUR per m³)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 2203.

5.8.4.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU beer were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.8.4.4 Main competitors

The main competitors for EU beer producers come from a large number of beer producers already present in the US and exporters from nearby regions such as Latin America. American beers are typically cheaper than European alternatives as to the capacity to produce beer in the US to scale exists. American consumers have been shown to spend more on European beers at times so while pricing remains a disadvantage it should not discourage EU exporters. Beers from nations Mexico such as Corona are popular in the US particularly in the southwest of the nation and present a considerable challenge for EU producers in that region. EU beers such as Guinness and Heineken are popular in the US and amongst the largest consumed beers in the country which demonstrates the viability of EU beers in the US market.

5.8.5 Specific market entry requirements

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of beer must be registered with the FDA (note that the food facility registration requirement does include alcoholic beverages).

It is important to remember that states may introduce additional legislation on the import of alcohol into the state; as well as the distribution and sale of alcohol within the state and who can possess alcohol within the state. Against this background, it is strongly recommended to check on additional requirements for any state that is being targeted for export.

In terms of tariffs, currently MFN tariffs for beer are 0%.

Market Access and Entry

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=2203>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1. A list specifically for beer can be found on the websites indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=2203&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 27 (27 CFR) part 25 contains detailed legislation relevant for beer. This legislation covers a wide range of topics related to beer relevant for domestic producers and distributors such as qualification as a brewery and tax. There are also standards for beer set out in 25.15. This states:

(a) Beer must be brewed from malt or from substitutes for malt. Only rice, grain of any kind, bran, glucose, sugar, and molasses are substitutes for malt. In addition, you may also use the following materials as adjuncts in fermenting beer: honey, fruit, fruit juice, fruit concentrate, herbs, spices, and other food materials.

(b) You may use flavors and other nonbeverage ingredients containing alcohol in producing beer. Flavors and other nonbeverage ingredients containing alcohol may contribute no more than 49% of the overall alcohol content of the finished beer. For example, a finished beer that contains 5.0% alcohol by volume must derive a minimum of 2.55% alcohol by volume from the fermentation of ingredients at the brewery and may derive not more than 2.45% alcohol by volume from the addition of flavors and other nonbeverage ingredients containing alcohol. In the case of beer with an alcohol content of more than 6% by volume, no more than 1.5% of the volume of the beer may consist of alcohol derived from added flavors and other nonbeverage ingredients containing alcohol.

The full contents of CFR 27 part 25 on beer can be found at the following address:

https://www.ecfr.gov/cgi-bin/text-idx?SID=1b8cdf86b90bc296e2ec1b0062d53426&mc=true&tpl=/ecfrbrowse/Title27/27cfr25_main_02.tpl

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=2203&countryid=US#h20>

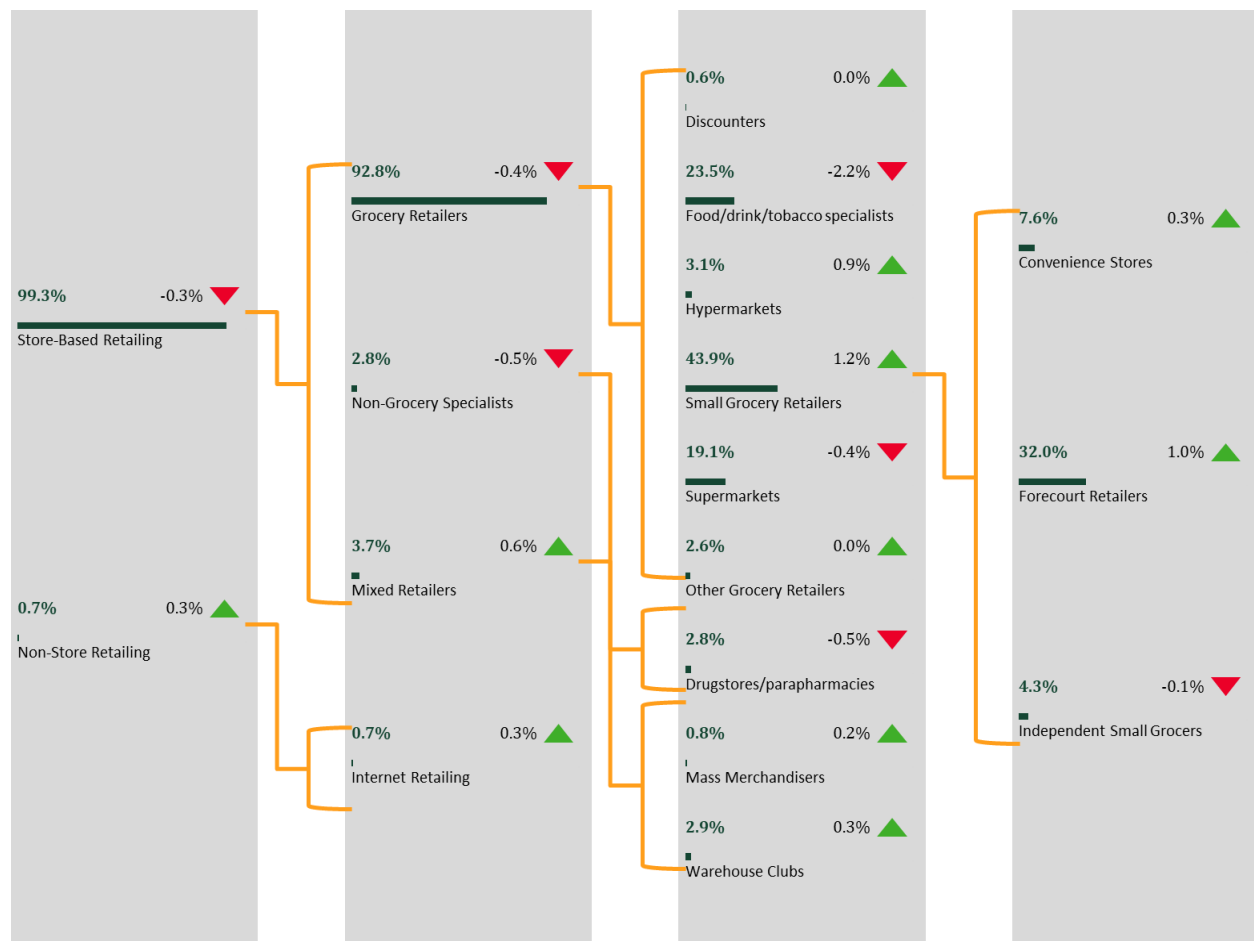
Labelling

Table 4-5 in section 4.2.3 contained detailed information on the labelling requirements for alcoholic beverages, including beer. This section should be consulted for details on labelling.

5.8.6 Distribution

As shown in Figure 5-42 store-based retailing is the largest channel for beer distribution in the USA. The US has tough regulations in relation to the sale of alcohol and the establishments that have a license to sell the product which compounds both a consumer identification with familiar alcohol distribution channels and the presence of little movement in the graph below as the capacity to sell beer across a number of outlets is limited. Grocery retailers and supermarkets are the largest retail channel as these retailers can offer a wide variety of beers in one location. Internet retailing remains quite low for the sale of beer standing at just 0.7% of total sales. On-trade sales represent 22% of total beer sales and as remained consistently around this figure since 2013. Overall the trade of beer in retail outlets isn't subject to many major changes as a result of the aforementioned licensing agreements and consumer association with beer to certain outlets they visit.

Figure 5-42: Distribution channel overview of beer in the USA (2018); off-trade volume



Source: Euromonitor International: Alcoholic Drinks, 2020.

5.8.7 Challenges for EU products

Pricing remains a challenge for EU products in the American market which may dissuade price-conscious consumers in the market. EU producers also have to deal with the lingering threat on increased tariffs on

their products which causes caution about exporting to the US market. Pride in American beer is a perspective still held by many Americans who will favour domestic beer over European beers; this presents a challenge in some regions of the country however producers should not be overly dismayed by this.

Market Takeaway: Beer

Consumption: Consumption of beer is a common occurrence in the United States and the country has a per capita consumption rate of 73.5 litres, the 20th largest in the world.

Competition: The USA in its own right is a large producer of beer and largely meets domestic demand, neighbouring Mexico also provides a significant amount of beer.

Distribution: Due to stringent licensing laws surrounding the sale of beer in the USA distribution channels face little changes in rates per year with grocery retailers accounting for almost half of sales.

Challenges: There is a lingering threat of tariffs that may impact EU producers in the short-term future; this combined with a perception amongst a segment of consumers that clearly prefer American beer pose challenges for EU beers.

Opportunities: EU beers are popular in the United States and have garnered a following throughout the nation particularly amongst eccentric and curious consumers seeking an alternative from the wide variety of domestic beers available to them

5.9 Processed meat

5.9.1 SWOT analysis

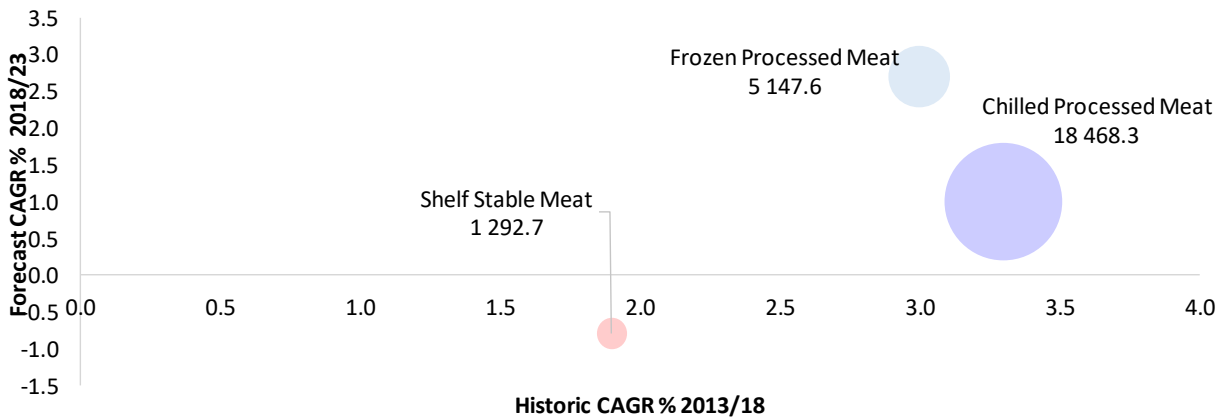
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Processed meat consumption in the US amongst the highest in the world. ▪ Processed meats widely available and normalised in the USA. ▪ Italy amongst the highest exporters of processed meats to the US. 	<ul style="list-style-type: none"> ▪ The rise of fresh meat consumption and plant-based diets is having an impact on this sector. ▪ The USA by itself is already a large producer of processed meat, one of the largest in the world. ▪ Processed meats have been under increased scrutiny in the USA.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Processed meat substitutes produced in the EU such as tofu are increasingly popular in the US 	<ul style="list-style-type: none"> ▪ Canada and Brazil both large exporters of processed meats to the USA. ▪ Areas where processed meat plants operate and act as key drivers of employment and less likely to be attractive to EU, processed meats. ▪ Getting approval to export processed meat from the EU to the USA is challenging, as may be meeting listeria requirements.

5.9.2 Consumption

5.9.2.1 Evolution of consumption

Figure 5-43 illustrates the retail value of various processed meats in the US market, as shown below chilled processed meat is the most valued processed meat in the American market with a retail value of EUR 18 billion and a CAGR in recent years of 3.3%. This is expected to slow down to 1% for the forecasted years up until 2023. Frozen processed meat is a distant second with a retail value of EUR 5 billion, coupled with a CAGR rate of roughly 3% in recent years. Like chilled processed meat this growth rate is expected to be lower going forwards; in the case of frozen processed meat, it is expected to fall to a CAGR of 2.7%. Shelf-stable meats are the lowest retail value processed meat in the US market with a value of EUR 1.2 billion, these meats are expected to decline at a rate of -1% in the foreseeable future up until 2023.

Figure 5-43: Evolution and forecast of the processed meat market in the USA, 2013-2023; retail value EUR million



Source: Euromonitor International: Packaged Food, 2020.

5.9.2.2 Consumer profile and purchase criteria

Consumers

Consumers of processed meats can come from any income class and social background, such as the widescale availability of processed meats in the United States. Popular processed meats in the USA include hoagies, London broil, and hot dogs. The USA is one of the largest consumers of processed meats in the world and this is a result of the high domestic production of processed meats which lead to American retailers offering some of the lowest prices for processed meats in the world. Consumers of processed meats are increasingly moving towards fresh meat alternatives and plant-based diets as the health risks associated with heavy processed meat consumption became more visible amongst members of the public, still despite this process meat consumption in the USA is expected to remain high.

Drivers and method of consumption

Most urban centres will offer a fast food outlet of some variety which drives up the consumption of processed meat across the nation. Sporting events such as American football and baseball are also associated with the consumption of processed meat with hot dogs in particular often being a common sight amongst spectators at these events. Processed meats can be associated during any meals in the average American diets with examples including bacon (*breakfast*), luncheon meat (*lunch*) and sausage (*dinner*). Americans are exposed to processed meat products through most food retailers in the country and the wide variety and generally cheap prices of them act as key drivers of consumption. In relation to processed meats from the EU there is a small albeit niche market for certain EU products such as Parma ham, though Spanish Jamon has yet to impact the US market to a significant scale; an American produced “variation” of the product having some role in this. Efforts are nonetheless continuing and a small following has emerged for Jamon consumption in areas such as Georgia and Delaware. These imported EU charcuterie products are more expensive than cheaper American variation and will likely appeal to income earners of the middle class and upper-middle class.

Purchase criteria

As touched on, processed meat in the USA is amongst the cheapest in the world due to the large scale domestic production of the product in the country. American consumers of a lower income will often purchase processed meats instead of fresh meats out of necessity while those of a middle and higher income may purchase processed meats to consume a specific variety of meat such as sausage or chicken nugget. Another criteria is the pride of production of processed meats with many meat processing plants especially in rural areas operating as a key employer for the region which in turn encourages consumers in the local area to purchase their products to help support local employment.⁵²

5.9.2.3 Recent market trends

Plant-based diets and the rise in fresh meat consumption are both having negative effects on the processed meat sector, this combined with a number of media outlets in the country regularly reporting on the health risks of heavily processed meat consumption has led to many consumers turning their backs to the product. Processed meats have evolved to complement these trends to an extent with processed meat substitute products such as tofu now entering the market in an attempt to entice consumers who have switched to a plant-based diet, processed meat in the USA is likely to remain a huge sector as consumption of these products remain high in the USA and are widely available to consumers throughout the nation.

5.9.3 Offer

5.9.3.1 Domestic production

It is estimated that there are roughly 2 979 meat processing plants in operation in the USA, these plants hire roughly half a million people and in many cases these plants operate as the backbone of employment for smaller communities in the nation. Chicken is the most processed meat in the USA with 42 billion pounds being processed in 2017, this is followed by beef at 26 billion pounds, pork at 25 billion and finally turkey at 5.9 billion. Notable companies operating in the processed meat sector include Cargill and Tyson foods.⁵³ The USA is one of the top producers of processed meat in the world and is the top producer of processed chicken, most chickens processed in the USA come from the states of Iowa, Indiana and Ohio. In summary, domestic production is substantial, economically important and includes several large multinational companies.

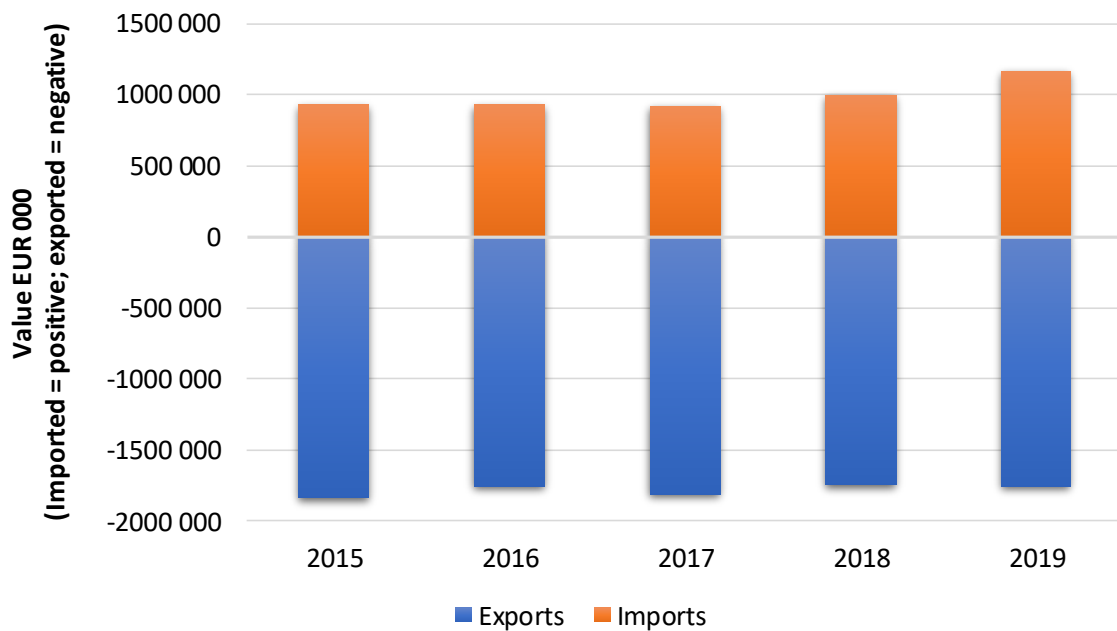
5.9.3.2 Imports and exports

Figure 5-44 shows that the USA is a net exporter of processed meats. Most exporter meat from the USA goes to neighbouring Canada and Mexico however processed meats from the USA can be found across most areas of the world. Exports have fallen slightly in recent years, and they were worth around EUR 1.7bn in 2019, while imports have increased over the same period to reach just over EUR 1.1bn.

⁵² Eater, The Jamon went down to Georgia, available at <https://www.eater.com/2018/4/18/17207906/jamon-iberico-made-in-america>; Euromonitor International: Packaged Food, 2020.

⁵³ North American meat institution, The United states meat industry at a glance, available at <https://www.meatinstitution.org/index.php?ht=d/sp/i/47465/pid/47465>

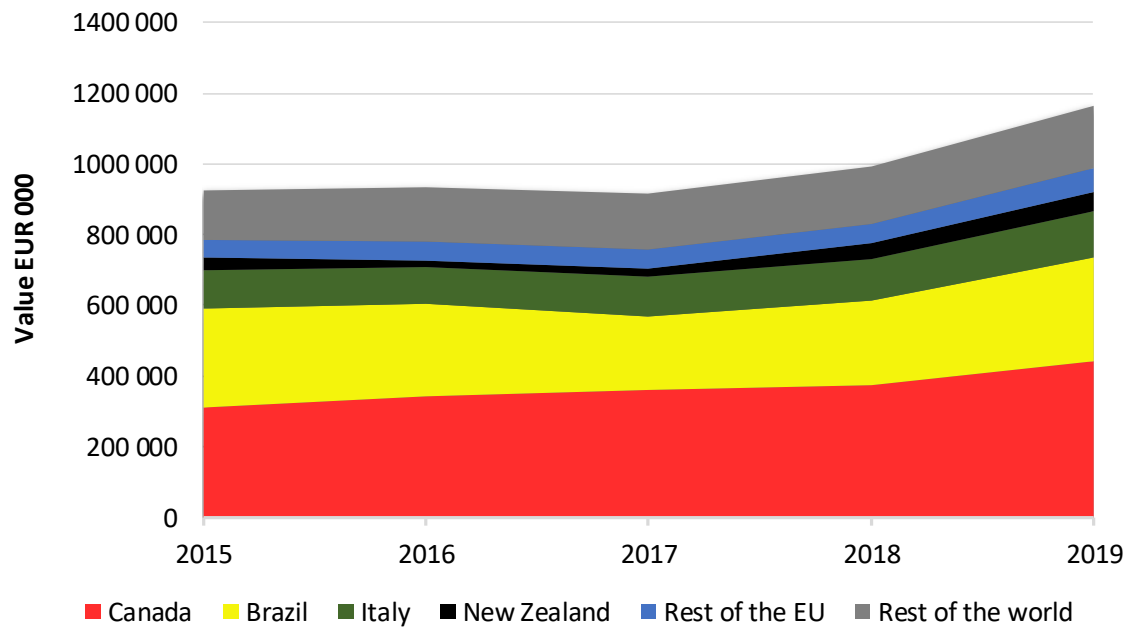
Figure 5-44: Trade balance (imports and exports) of processed meat in the USA, 2015-19; in euros



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN codes 0210, 1601, 1602.

Figure 5-45: US imports of processed meat by country, 2015-19; in euros below relates to the countries that the USA imports its processed meats from and shows that Canada is the largest exporter of processed meat to the USA, mostly beef. Brazil is another large producer and exporter to the USA of processed meats with notable processed meats coming from the country including beef and pork. Italy is the largest exporter of processed meat from the EU bloc with total Italian exports coming to a value of roughly EUR 150 million, more than the rest of the EU bloc combined. Processed meats coming from Italy to the USA are mainly pig meats.

Figure 5-45: US imports of processed meat by country, 2015-19; in euros



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 0210, 1601, 1602.

5.9.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. It is understood that some GIs for EU processed meat may have been registered as trademarks in the USA. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

As outlined in section 4.2.4, there are specific challenges for multiple EU GIs in the US, with the US claiming generic status of some EU GIs due to the existence of local production using the terms, with the US argument that this designates the type of product. A full list of the main products facing the challenge can be found at the following link: <http://www.commonfoodnames.com/the-issue/names-at-risk/>. While cheese products are the main ones affected by this issue, some meat products have been identified as potentially causing issues (though the precise terms for these meat products are generally not currently protected in the EU).

Finally, as also noted in section 4.2.4, Parma ham benefits from a particular kind of protection under a USDA scheme called “standards of identity”. This protection, in effect, acts in a way similar to that of GI protection. More details can be found in the aforementioned section.

5.9.3.4 Main competitors

Main competitors in this market comes from strong, large scale domestic producers operating in the US market coupled with neighbouring Canada who also has a quiet large production base for processed meats. Brazil is also a competitor in this market with exports from this country growing in recent years.

5.9.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacturing, handling, storage, etc. of processed meat products must be registered with the FDA.

In order to export processed meat products, a country must be approved for the product in question. The USDA (FSIS) has a list of countries approved and the products for which they are approved; this can be found at:

<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/importing-products/eligible-countries-products-foreign-establishments/eligible-countries-and-products>

Selecting the country will provide information on the products approved and any specific requirements. Establishments must also be approved; a list of approved establishments by country can be found at the link below. There is also a link on the country page with details of approval.

<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/importing-products/eligible-countries-products-foreign-establishments/eligible-foreign-establishments>

In terms of tariffs, currently European processed meat products imported into the US face varying tariffs, that can be ad valorem or based on quantity. These range up to 6.4% or 4.9 cent per kg.

It should be noted that some processed meat products have been the subject of additional tariffs under the Airbus dispute at a rate of 25% (see section 4.3). It is not currently clear if this may change or how long any additional tariffs will remain in force.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by putting in the corresponding code:

e.g. <https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=1601>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for processed meat products can be also found on the website indicated in the box below. Requirements notably include an import inspection and a veterinary certificate for animal products.

As mentioned in the section above, there can be certain requirements by country and product. It is strongly recommended to consult the website above in order to check if any exist.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by putting in the corresponding code:

e.g. <https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=1601&countries=US>

Standards, SPS measures

As noted above, establishment approval is required. This process can be burdensome.

As noted in section 5.1.4, by and large, the US does recognise regionalisation in the case of animal disease outbreaks, with regionalisation generally occurring speedily. It is recommended to consult that section for more details.

There are specific requirements for listeria which can impact seasoning times. Both the FDA and USDA have produced guidance on compliance with these requirements; the documents can be found at:

<https://www.fsis.usda.gov/wps/wcm/connect/d3373299-50e6-47d6-a577-e74a1e549fde/Controlling-Lm-RTE-Guideline.pdf?MOD=AJPERES>

<https://www.fda.gov/files/food/published/Draft-Guidance-for-Industry--Control-of-Listeria-monocytogenes-in-Ready-To-Eat-Foods-%28PDF%29.pdf>

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=1601&countryid=US#h20>

Labelling

Processed meat products must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted.

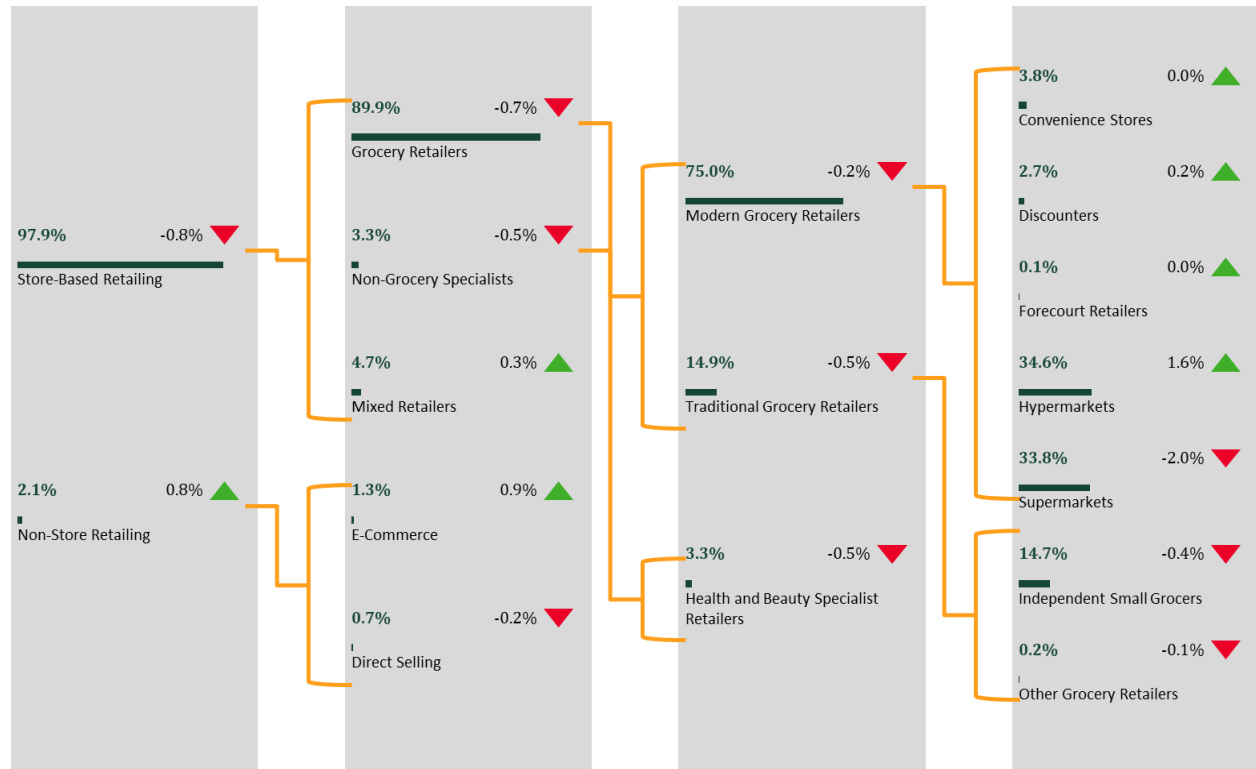
There are specific labelling requirements for meat, some of which extend to processed meat. The USDA has a guide which covers these; this guide can be found at:

https://www.fsis.usda.gov/wps/wcm/connect/f4af7c74-2b9f-4484-bb16-fd8f9820012d/Labeling_Requirements_Guide.pdf?MOD=AJPERES

5.9.5 Distribution

Figure 5-46 outlines the main distribution channels from processed meat in the USA, as shown in the graph grocery retailers are the main distribution channel with modern grocery retailers such as hypermarkets and supermarkets accounting for 75% of sales. Traditional grocery retailers such as independent small grocers used to be one of the main distribution channels for processed meats in the US market but today only accounts for 14% of sales. There have not been many fluctuations in sales across distribution channels as many consumers have grown accustomed to the association of purchasing processed meat with a particular retail outlet.

Figure 5-46: Distribution channel overview of processed meat and seafood in the USA (2018); retail value



Source: Euromonitor International: Packaged foods, 2020.

5.9.6 Challenges for EU products

Notable challenges include restrictions on certain EU meats. The criteria for listeria can provide a further challenge; and the situation with some GIs and the domestically produced “variations” of European products pose further challenges for some products. Furthermore, European style charcuterie products do not feature heavily in the mass market for processed meat in the US; though notably, niches for these products do exist. Italy is a large player in the market and demonstrates that it is indeed possible for EU processed meats to enter and be successful in the US market. Italy benefits from having a large population of Americans with Italian ancestor however this is also the case for many EU member states.

Market Takeaway: Processed meat

Consumption: One of the largest consumers of processed meat in the world, aided by its generally cheap price and wide availability throughout the nation.

Competition: Canada is a large producer and exporter to the USA coupled with Brazil. US domestic companies however present the greatest competition for EU producers.

Distribution: three-quarters of sales come from modern grocery retailers such as supermarkets and hypermarkets, independent grocers are also a notable distribution channel accounting for roughly 14% of sales.

Challenges: Restrictions on EU meat exports to the USA present the largest challenge EU exporters of processed meats will have to face; though the substantial domestic competition is also a challenge.

Opportunities: Italy is a large exporter and demonstrates that it is indeed possible for processed European meats to succeed in the US market.

5.10 Ice cream

5.10.1 SWOT analysis

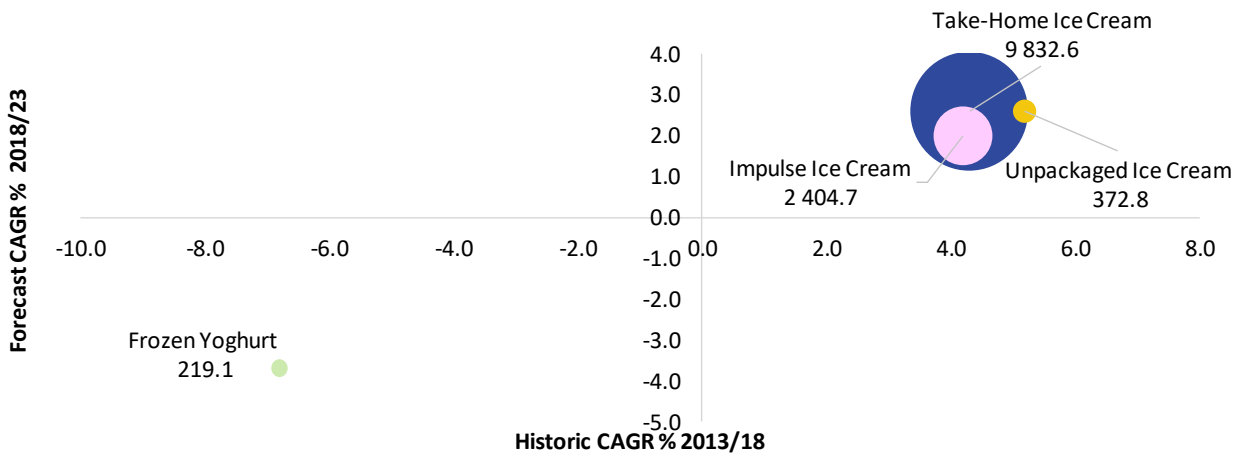
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Even though the USA is a net exporter of ice cream, the import sectors value increased at a higher rate than the export sectors value between 2015 and 2019. ▪ Even though the EU is not on top of the export market, in total it is still a very important ice cream exporter with Italy and Germany exporting the most value-wise. ▪ The price of ice cream from Italy and Germany is way above average, which mirrors the high quality of European ice cream products. ▪ The USA is the world's second-biggest ice cream consumer. Every US citizen consumes close to 21 litres of ice cream per year. 	<ul style="list-style-type: none"> ▪ The ice cream sector is forecast to grow only at a low rate. ▪ The market for frozen yoghurt historically declined and is forecast to continue to decline until 2023. ▪ The demand for low-fat ice cream is decreasing.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Take-home ice cream and impulse ice cream have the biggest market size and are forecast to grow (but at small rates). ▪ Vegan, organic and sugar-free ice cream due to health and premiumisation trend. ▪ Innovative products and chocolate induced flavours. 	<ul style="list-style-type: none"> ▪ The USA is by far a net-exporter of ice cream. ▪ The Republic of Korea and Canada are the main competitors in export. ▪ The USA is domestically producing about 2.7bn kg ice cream per year.

5.10.2 Consumption

5.10.2.1 Evolution of consumption

The whole ice cream market in the US was about EUR 12.8bn. Take-home ice cream has by far the biggest market size for ice cream in the US as depicted in Figure 5-47. In 2018 the category had a market size of about EUR 9.8bn, followed with a lot of distance by impulse ice cream which had a market size of more than EUR 2.4bn. Unpackaged ice cream and frozen yoghurt are very small categories compared to the first two. In 2018 unpackaged ice cream had a market size of close to EUR 373m and frozen yoghurt of about EUR 219m. Take-home ice cream alone accounted for close to 77% of the total market size in 2018 and together with impulse ice cream even for around 95%. Historically, as well as forecasted CAGRs are all positive except the one for frozen yoghurt. Historically, between 2013 and 2018 this category has a negative growth rate of about -6.8%. In the forecast this category continues to have a negative growth rate, however, it is forecast to be slightly less negative at around -3.7%. All other categories have been historically growing at a similar rate. Unpackaged ice cream ranked first with a growth rate of approximately 5.2% followed by take-home ice cream with 4.3% and impulse ice cream with 4.2%. Between 2013 and 2023 the categories are forecast to grow still at similar, but lower rates. Take-home ice cream, as well as unpackaged ice cream, are forecast to rank first with a growth rate of around 2.6% followed by impulse ice cream with 2%.

Figure 5-47: Evolution and forecast of the ice cream market in the USA, 2013-2023; retail value EUR million



Source: Euromonitor International: Packaged Food, 2020.

5.10.2.2 Consumer profile and purchase criteria

Consumers

Consumers are spanning all groups of society from younger to older inhabitants as well as lower to higher income. However, depending on the income consumers might prefer different ice cream categories. According to retailers, families are the main target group for ice cream in the USA.⁵⁴ Even though consumers in all states consume ice cream several regions consume more than others. California, in particular, consumers in Long Beach are known to consume most ice cream. Other high consuming regions are Oklahoma and Washington DC; plus, according to ice cream makers, one of the most effective ice cream markets are the states in the Great Lakes region.⁵⁵

Drivers and method of consumption

There are many different drivers of ice cream consumption in the US. According to statistics, the USA ranks second when it comes to ice cream consumption, just after New Zealand who is the world's leader. Each US American consumer eats close to 21 litres of ice cream per year.⁵⁶ Even though ice cream consumption is high everywhere in the USA it is particularly high in the summer months due to hot weather conditions, as well as in states with hot weather year-round. Consumers often take their ice cream home to enjoy it there with their family or occasionally by themselves. Ice cream is an indulgence product. When the weather is good consumers also enjoy ice cream on the go or in restaurants. In recent years consumers have increasingly become more health-conscious which is why the demand for sugar-free or sugar-reduced ice cream is increasing. Moreover, some consumers tend to choose vegan ice cream alternative partly also due to health reasons. Due to the health and the premiumisation trend, organic ice cream is gaining popularity as well.

⁵⁴ Ice Cream Sales & Trends, <https://www.idfa.org/ice-cream-sales-trends>

⁵⁵ Biggest Ice Cream Consumers by State, <https://gravyanalytics.com/blog/biggest-ice-cream-consumers-by-state/>

⁵⁶ Biggest Ice Cream Consumers by State, <https://gravyanalytics.com/blog/biggest-ice-cream-consumers-by-state/>

Purchase criteria

Consumers' flavour preferences are an important indicator of what products will be bought more often. In 2019 the most bought flavours were classic ones such as vanilla and chocolate. Chocolate chip ranked third followed by cookies and cream. Mint and chocolate chip, as well as butter pecan, are very popular as well even though they seem less classic. These flavours indicate that US American consumers particularly enjoy dense chocolate infused milk (or vegan) ice creams more than fruity flavours. In general, pecan is the consumers favoured nut flavouring and strawberry the most commonly chosen fruit ice cream flavour. In 2019 consumers mainly preferred ice cream from sticks. This category accounted for the most markets value with around 75% followed by 10% from ice cream cones and the remaining percentage from other categories. When it comes to cones, waffle and sugar cones are the most popular choice. Ice cream consumers value innovative products and often choose accordingly. Due to the premiumisation trend, the quality of the ice cream is important as well. Many ice cream makers agree that there is an increasing demand for this category. Some years ago, consumers tend to look for low-fat ice creams, however, this changed. In 2019, health-conscious consumers pay attention to the ingredients and tend to choose healthier ice creams like sugar-reduced ones or vegan alternatives to substitute milk for different reasons (e.g. lactose intolerance, animal welfare reasons, general health concerns).⁵⁷

5.10.2.3 Recent market trends

In the last years the following trends have been in particular shaping the ice cream category:

- **Healthy ice cream varieties:** Due to the increasing health awareness of consumers, healthy ice-cream varieties are thriving. Consumers look for the optimal balance of as healthy as possible ice cream product which still offers them indulgence. At some point, low-fat ice cream was very popular, but this trend is over now because fat is not necessarily seen as bad for health anymore. In 2019, sugar-reduced and sugar-free ice cream was trending. Moreover, due to the premiumisation trend, organic products are experiencing growth because they are supposed to be made of healthier ingredients. Ice cream makers continuously seek to find other healthy ingredients to create new ice creams, which will be demanded by consumers such as ice cream with probiotics.
- **Dairy-free plant-based alternatives:** Consumers increasingly switch to dairy-free and plant-based alternatives. Some just generally want to reduce their milk intake because of their health, while others switch to plant-based ice cream because they want to contribute to a healthier environment and animal welfare. Ice cream manufacturers hopped on that trend a few years ago and today plant-based ice cream can nearly be found everywhere in the United States and thus is becoming a mainstream ice cream choice. This trend is forecast to grow and to even be part of shaping the ice cream market of tomorrow.
- **The importance of innovation:** Innovation is key to this product area as already seen in the trend before. The market has to go with the trends and changing interests of the US American society. Non-commodity products such as ice cream face limits in consumption because they are not essential and not consumed daily. Therefore, ice cream makers need to constantly innovate and

⁵⁷Ice Cream Sales & Trends, <https://www.idfa.org/ice-cream-sales-trends>

to create new products, with new flavours or flavour combinations and new formats to keep consumers interested and eat more ice cream. Halo Top's low-calorie ice cream is probably the best example of the recent years showing that good new idea can pay off. Even though demand is declining in 2019 it showed incredible growth during the years before. Other up and coming products are from Yasso, which established innovative Greek yoghurt bars and The Mochi Ice Cream Company with its My/Mo Mochi ice cream.

5.10.3 Offer

5.10.3.1 Domestic production

The USA produces about 2.7bn kg of ice cream and frozen yoghurt each year.⁵⁸ The main production months are March to July, with July being the busiest month. The ice cream sector thus is a multi-billion-euro industry which provides the country with approximately 26 000 jobs. Many big international ice cream companies originated in the United States and have been established over 50 years ago. Many, in particular, smaller companies are still owned by the same family, who established the business on the market many years ago.⁵⁹ Dreyer's Grand Ice Cream Holdings Inc was established in 1928 in California and currently is the biggest player on the US American ice cream market. In 2019 the company accounted for around 20% of the market's value due to its wide variety of ice cream brands such as Häagen-Dazs, Outshine, Drumstick and, of course, Dreyer's.⁶⁰ Even though Unilever did not originate in the USA it accounted for just under 15% of the market's value and thus ranked second in 2019. The company has several ice cream factories situated in the US and thus also produces domestically.⁶¹ The domestic company Ben and Jerry's Homemade Ltd, which was founded in Vermont as well as Blue Bell Creameries Inc, which was founded in Texas, both accounted for about 5% of the total market value each. This is much less than the first two, but still very important. The ice cream sector in the US is very promising because as Halo Top's sudden rise in the last years showed, companies can be very successful if they can find the right spot in the market to create a product for.

5.10.3.2 Imports and exports

The USA is by far a net-exporter of ice cream as shown in Figure 5-48. In 2019 the country exported ice cream with a value of about EUR 223.4m and imported ice cream with a value of around EUR 75m. Since 2015 exports, as well as imports, have been increasing. The US American ice cream exports rose by approximately EUR 38.2m, which means by about 17%. The imports increased less value-wise by about EUR 38.2m, but more percentage-wise by around 34%. Even though the US is a net-exporter of ice cream the importance of the import sector has been increasing at a faster level than the export sector.

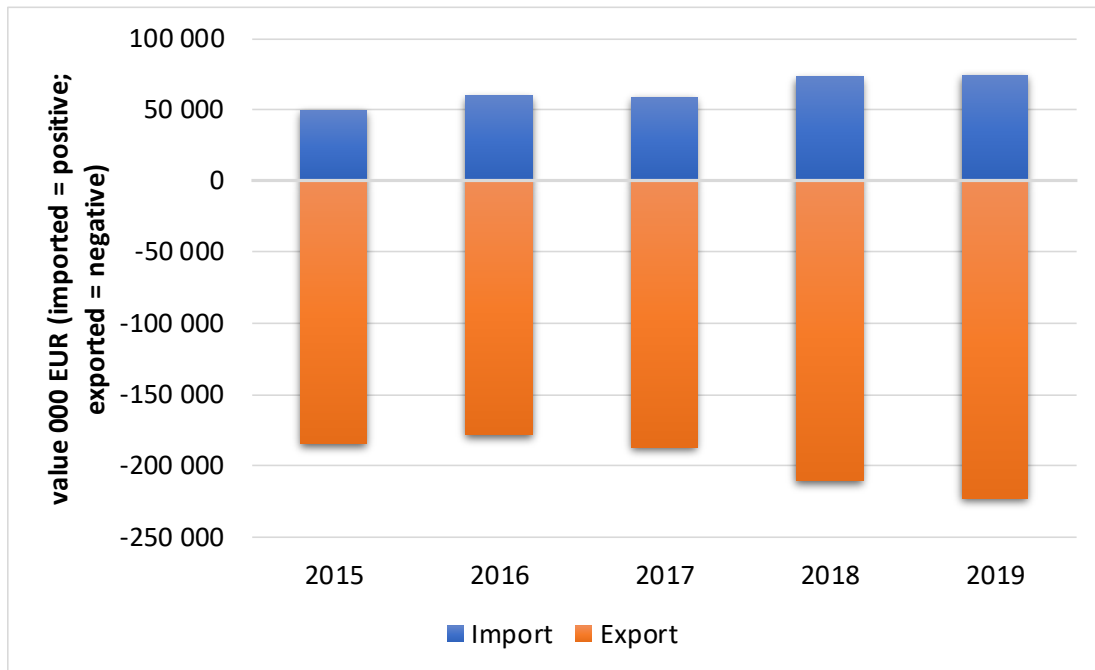
⁵⁸ U.S. production of ice cream and frozen yogurt totals 6.4 billion pounds per year, <https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=95003>

⁵⁹ Ice Cream Sales & Trends, <https://www.idfa.org/ice-cream-sales-trends>

⁶⁰ Our story, <https://www.dreyers.com/our-story>

⁶¹ Unilever expanding West Tenn. ice cream factory, <https://www.sandiegouniontribune.com/sdut-unilever-expanding-west-tenn-ice-cream-factory-2013sep19-story.html>

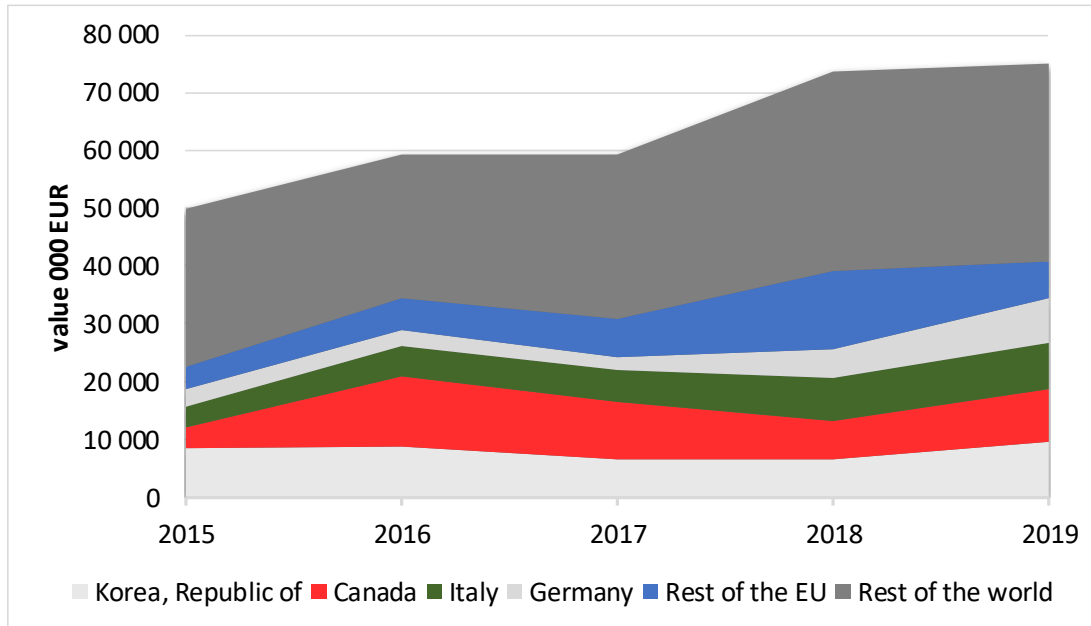
Figure 5-48: Trade balance (imports and exports) of ice cream in the USA, 2015-19; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 2105.

The largest exporter of ice cream to the USA is the Republic of Korea which exported ice cream with a value of around EUR 9.6m in 2019, followed by Canada with about EUR 9.1m as shown in Figure 5-49. Even though these two countries dominate the US import market, two EU countries are ranking close behind them, namely Italy who exported ice cream with a value of approximately EUR 8m and Germany with about EUR 7.6m. However, these two EU countries are the only ones in the top 10 list of exporters to the USA. The rest of the EU's exports together are important as well and even though the EU is not ruling this export market it is still very important.

Figure 5-49: US imports of ice cream by country, 2015-19; tonnes

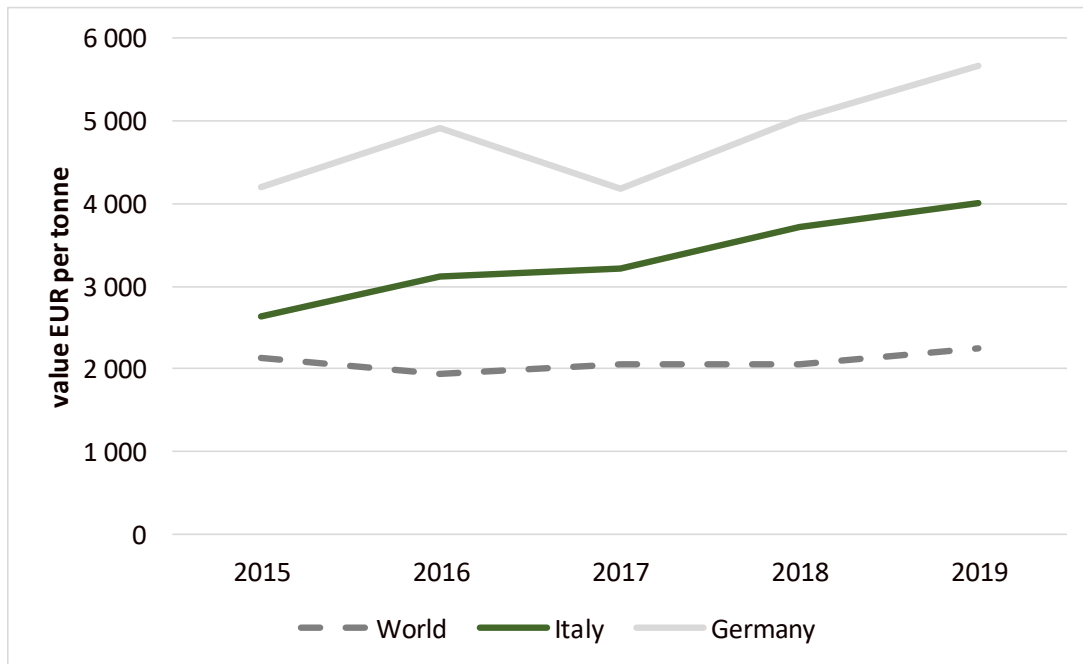


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2105.

The world's unit value of ice cream exports to the USA was around EUR 2 569 per tonne in 2019 as depicted in Figure 5-50. Ice cream unit values from the two main exporting countries from the EU are much higher than the world's average. Italy's unit value in 2019 was about EUR 4 000 per tonne, which is close to 1.6 times higher than the world's average. Germany's unit value of ice cream is even higher than that at around EUR 5 670 per tonne and thus about 2.2 times higher than the world's average.

Figure 5-50 US imports of ice cream by country, 2015-19; Value EUR per tonne



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2105.

5.10.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for products relevant for EU ice cream were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. However, the best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.10.3.4 Main competitors

The US itself is the biggest competitor due to its high ice cream production of about 2.7bn kg per year. Many big international companies have their headquarters in the US and even if they do not, they still have ice cream production facilities in the country. Dreyer's Grand Ice Cream Holdings and Unilever are the main competitors followed by Ben and Jerry's as well as Blue Bell Creameries. Competition in the export market is high as well. The Republic of South Korea and Canada are the two main ice cream exporting countries. However, EU countries, namely Italy and Germany rank third and fourth and can compete with the first two.

5.10.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of ice cream must be registered with the FDA.

In terms of tariffs, depending on the precise HS code, currently European ice cream products face tariffs of either 17% ad valorem and 50.2 cent per kg or 17-20% ad valorem.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=2105>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for ice cream can be also found on the website indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=2105&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 21 (21 CFR) contain a standard for ice cream under part 135 on frozen desserts. More specifically, standards for the following products exist under this part:

- 135.110 - Ice cream and frozen custard.
- 135.115 - Goat's milk ice cream.
- 135.130 - Mellorine.
- 135.140 - Sherbet.
- 135.160 - Water ices.

As set out in section 4.2.2, a searchable version of 21 CFR with full details of standards can be found at the following link:

<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=2105&countryid=US#h20>

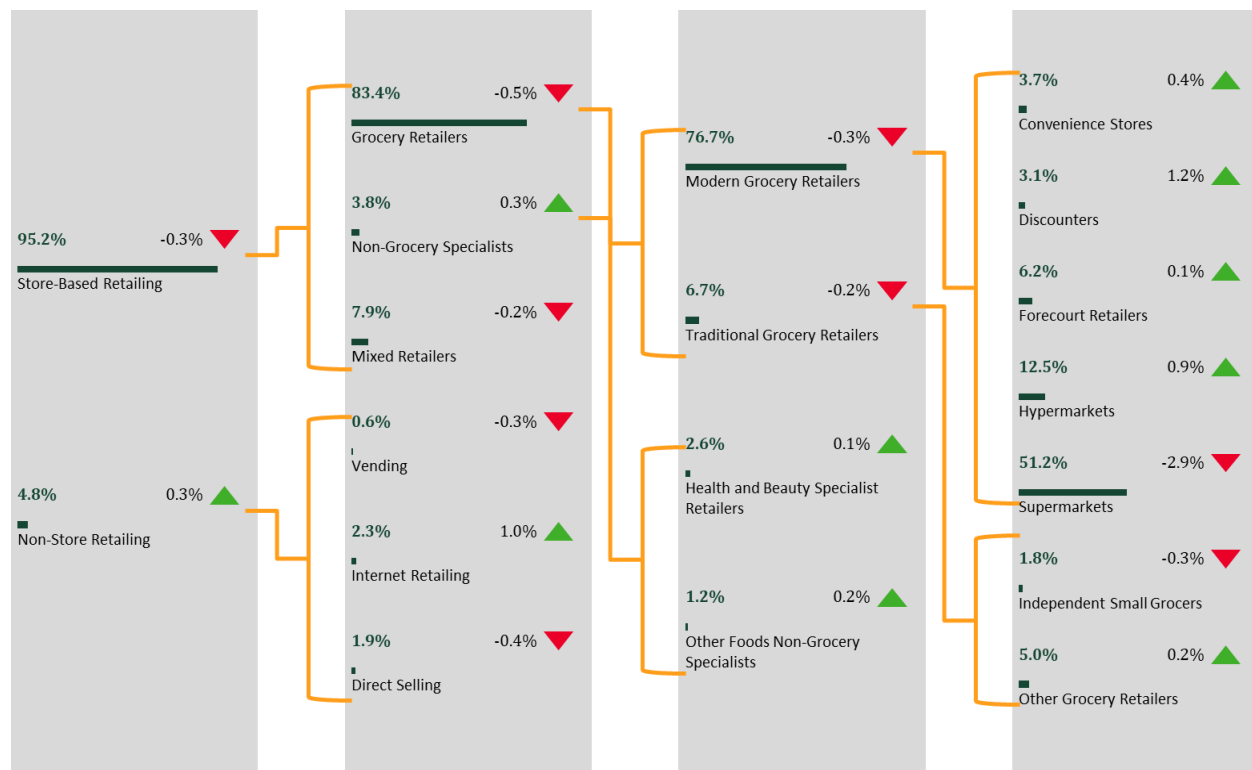
Labelling

Ice cream must comply with generic labelling requirements set out in the Food Regulations, which were described in section 4.2.3. As noted in the standards above, there are certain restrictions on what can be indicated on the label of ice cream. In addition to this, regulation 117 of the food regulations contains particular labelling products for milk and milk products, which extend to ice cream (these were also covered in section 5.3.4).

5.10.5 Distribution

As shown in Figure 5-51 most ice cream (about 95.2%) is sold in store-based retailing. The remaining 4.8% are sold via internet retailing, vending machines and direct selling. The internet retail channel is gaining popularity and continues to grow. Grocery retailers, in general, accounted for 83.4% of the retail value in 2018. Mixed retailers and non-grocery specialist are far away from being as important retail channels, however, non-grocery specialists are gaining some popularity. Modern grocery retailers accounted for 76.7% of the retail value. Supermarkets, hypermarkets and forecourt retailers are the most popular channels and together accounted for close to 70% of the total retail value and thus nearly made up the whole modern grocery retail channel. The popularity of supermarkets as a go-to channel is decreasing whereas the ones for in particular discounters and hypermarkets are increasing. Traditional grocery retailers on the other hand, such as independent small grocers and other grocery retailers accounted for about 6.7% of the retail value in 2018, however, their popularity is decreasing.

Figure 5-51: Distribution channel overview of ice cream in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

5.10.6 Challenges for EU products

To compete with big international companies dominating the market such as Dreyer's Grand Ice Cream Holdings and Unilever USA as well as to find a unique place in the market. Opportunities are available as shown by the Halo Top's example, which showed incredible growth. Due to the premiumisation trend, there are good opportunities for EU products because they are seen to be of high quality. Moreover, they

are usually more expensive than other products. In conclusion, the unit values of EU ice cream products are much higher than the world's average price but still quite popular in the US.

Market Takeaway: Ice cream

Consumption: *The US ice cream market was about EUR 12.8bn in 2018. Take-home ice cream and impulse ice cream had the biggest market sizes.*

Competition: *High domestic production of about 2.7bn kg per year by mainly US American big international companies such as Dreyer's Grand Ice Cream Holdings and Ben & Jerry's. The biggest exporters of ice cream to the US are the Republic of South Korea and Canada.*

Distribution: *Mainly through modern grocery retailers such as supermarkets, hypermarket and forecourt retailers, which together accounted for nearly 70% of the retail value in 2018. Internet retailing is a small category, but its popularity is increasing.*

Challenges: *To compete with big international companies dominating the market such as Dreyer's Grand Ice Cream Holdings and Unilever USA.*

Opportunities: *Vegan, organic and sugar-free ice cream due to health and premiumisation trend as well as innovative products and chocolate induced flavours.*

5.11 Processed fruit and vegetables

5.11.1 SWOT analysis

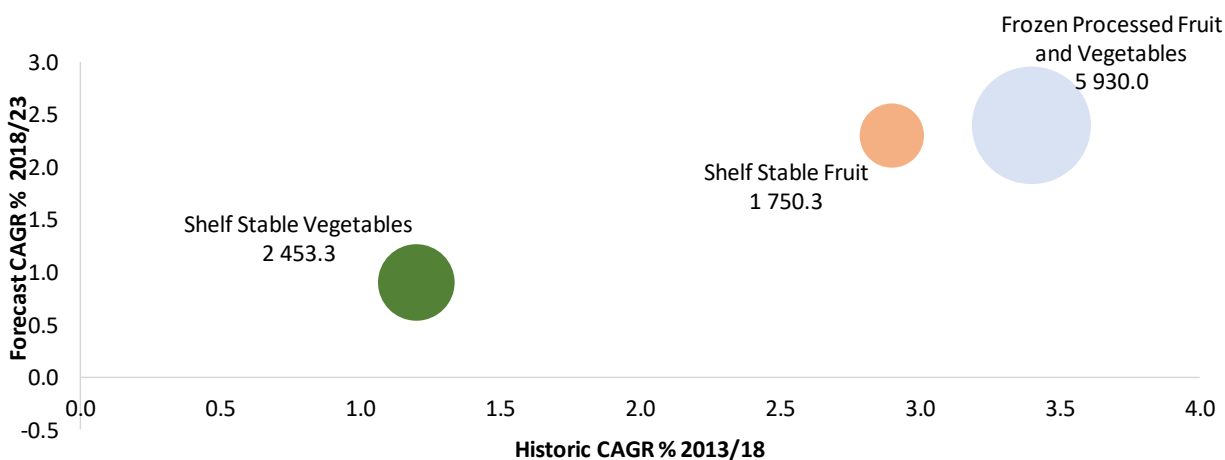
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Big market, with frozen processed fruit and vegetables the biggest segment and rapidly growing. Varied market with different segments provides a range of potential opportunities. 	<ul style="list-style-type: none"> High presence of private label products due to a value conscious consumer. With the health conscious trend, many consumers simply prefer fresh fruit and vegetables.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> Products which offer convenience, particularly if the method in which they offer this is clearly communicated. Products that plug into an ongoing health trend; this includes confectionery substitutes. 	<ul style="list-style-type: none"> Many large American multinationals present in the market; they tend to produce local and import. Segment has been the subject of attention from some states as producers have tried to introduce innovative products that some states see as misleading.

5.11.2 Consumption

5.11.2.1 Evolution of consumption

Frozen fruit and vegetables are by far the largest category in the USA. The market was worth some EUR 5.9bn in 2018, having grown at 3.4% per year over the period 2013-18; and being forecast to grow at 2.4% per year till 2023, prior to COVID19. The second largest market, that of shelf stable vegetables, is under half the size at EUR 2.45bn. It is also effectively a mature market, having grown at 1.2% per year historically, and being forecast to grow at 0.9% per year going forwards. The market for shelf stable fruit is the smallest at EUR 1.75bn, but is somewhat faster growing than that for vegetables at 2.9% per year historical and 2.3% per year going forwards (Figure 5-52).

Figure 5-52: Evolution and forecast of the processed fruit and vegetable market in the USA, 2013-2023; retail value, EUR million



Source: Euromonitor International: Packaged Food, 2020.

5.11.2.2 Consumer profile and purchase criteria

Consumers

Whilst processed fruit and vegetables are consumed by a wide variety of consumers, two groups stand out in particular:

- **Lower income groups.** Many lower income groups do not have easy access to stores stocking a varied of fresh produce; and furthermore they may find fresh produce expensive. As a consequence of this, they often replace fresh fruit with other processed, often cheaper products; including processed fruit and vegetables.
- **Consumers with busy lives.** Some consumers with busy lives like to use fruit and vegetables in their food – whether smoothies, cooked meals or baby food. However, the process of preparing the fruit or vegetables is inconvenient to them in the context of their busy lives; and hence processed (often frozen) fruit and vegetables which facilitate their incorporation may be purchased by them for these purposes rather than fresh.

Drivers and method of consumption

The main common methods of consumption were identified above, namely: as part of a homemade meal; or drink (smoothie), particularly for consumers driven by convenience. Health and wellness aspects are a notable driver of consumption of this category and within the category. Firstly, it means that some consumers – particularly those with limited access to fresh produce – are driven to the category by the healthy nature of the product. Secondly, with shelf stable products often viewed less favourably due to the potential use of preservatives, there is a general preference for frozen products which are commonly considered healthier; and indeed this has already been seen in Figure 5-52. A final driver related to health is the preference of processed vegetables, which are low in carbohydrates, to higher carbohydrate-containing traditional staples such as noodles. This final driver plugs specifically into certain recent market trends which are mentioned in section 5.11.2.3.

Purchase criteria

Purchase criteria vary somewhat. For consumers who consume processed fruit and vegetables due to the limited possibilities to consume fresh, a combination of availability and price are key criteria. For consumers who use processed fruit and vegetables as an ingredient, the suitability for the intended food preparation purpose – or inspiration for its use in other food are key considerations; as is obviously the degree of convenience it provides.⁶²

5.11.2.3 Recent market trends

As was seen in section 5.11.2.1, not only is frozen fruit and vegetables the largest product segment, but also the fastest growing, with continuing interest in the healthiness of products providing it with a boost compared to shelf stable products. The focus on healthiness has also led to a trend in the replacement of traditional staples with frozen processed vegetables. Producers are taking advantage of this trend by dressing up their vegetables in the form of staples, for example mixed vegetable spirals which resemble

⁶² <https://produceprocessing.net/article/attracting-younger-generation-frozen-foods-fruits-vegetables/>; Euromonitor International: Packaged Food, 2020.

pasta, and cauliflower and broccoli rice. This has however led to some states taking action against such products on the basis that they are misleading.

In the shelf stable area which has struggled recently compared to the frozen segment, the main recent trends relate to the launch of tropical fruit products. There are also some manufacturers who are trying to have their products seen as healthy alternatives to confectionery. This is mainly done through the marketing of fruit pouches aimed at children.

5.11.3 Offer

5.11.3.1 Domestic production

While local production is substantial and varied, the US ultimately does not produce enough processed fruit and vegetables to meet its demand. Economics and availability of fruit/vegetables for processing (whether general or seasonal availability) are key reasons why some US fruit and vegetable processing companies and retailers either have operations in foreign countries or source products from them for their private label brands.

Overall, on the supply side the market for processed fruit and vegetables in the USA is highly fragmented, with no one producer holding over 10% of the market. The largest players are almost all American companies, but as noted above they do not produce all their products in the US.⁶³

5.11.3.2 Imports and exports

Identifying data on trade in processed fruit and vegetable product is extremely complicated due to the number of different lines under which such products can be imported. Data on trade in processed fruit and vegetables is ultimately captured under the trade data for fruit and vegetables in section 5.2.3.2.

5.11.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU processed fruit and vegetables were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. However, the best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.11.3.4 Main competitors

The processed fruit and vegetable market in the US is highly fragmented. It is dominated by multiple US based players, though it is common for these companies to source products from or produce them in other countries. Private label products provide notable competition, with their price attractive to consumers. They account for around 40% of the total market in the US.

⁶³ <https://fas.org/sgp/crs/misc/RL34468.pdf>; Euromonitor International: Packaged Food, 2020.

5.11.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of processed fruit and vegetable products must be registered with the FDA.

In terms of tariffs, rates vary substantially by HS code. By way of example, tariffs for frozen fruit and vegetables (codes 0710 and 0811) reach 14.9% of value or 4.9 cents per kg.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by entering the corresponding CN code:

e.g. frozen vegetables

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=0710>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for processed fruit and vegetables can be also found on the website indicated in the box below by entering the corresponding HS code. It should be noted that some frozen products are liable to require phytosanitary certificates and import permits for plant products.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by entering the corresponding CN code:

e.g. frozen fruit

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=0811&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 21 (21 CFR) contains some standards for processed fruit and vegetable products. More specifically, canned fruits are covered in part 145; canned vegetables in part 155, and frozen vegetables in part 158. There are also standards for several other products from fruit or vegetables, such as juices and jams.

As set out in section 4.2.2, a searchable version of 21 CFR with full details of standards can be found at the following link:

<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcr/cfrsearch.cfm>

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=0811&countryid=US#h20>

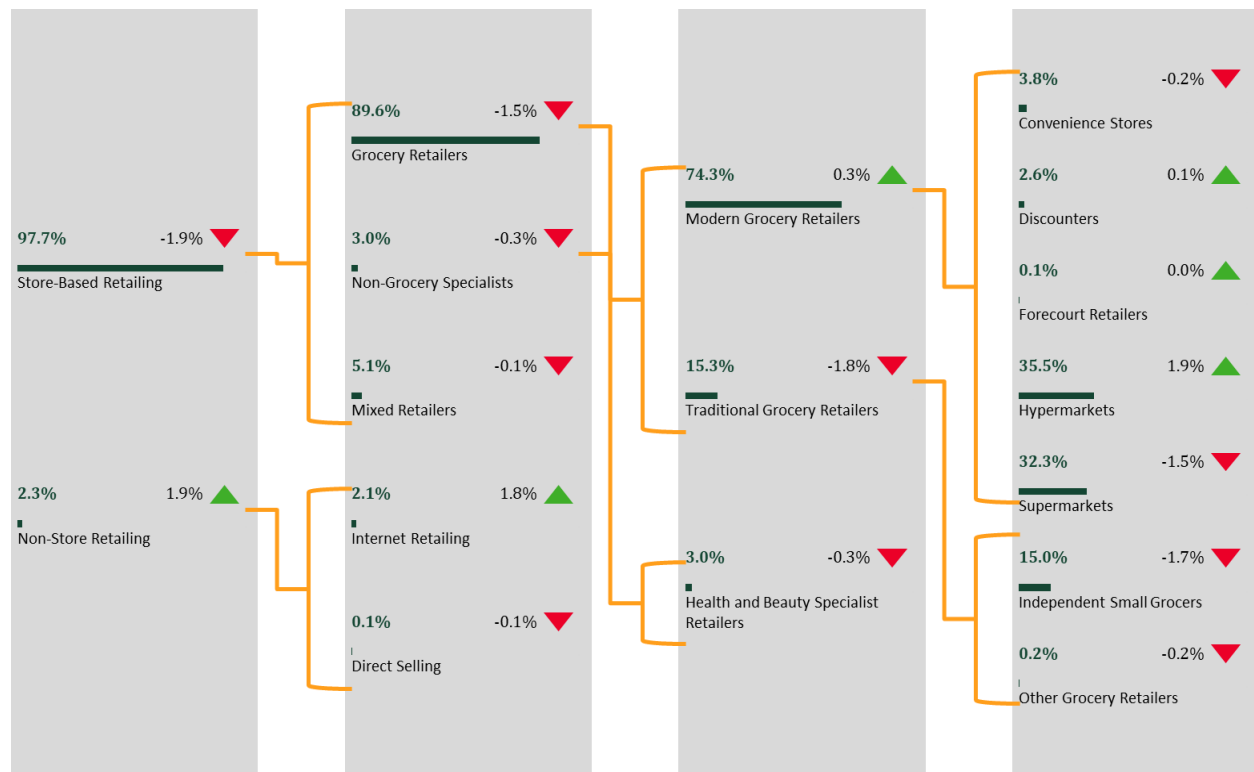
Labelling

Processed fruit and vegetables must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted. It must be remembered that frozen fruit and vegetables must comply with country of origin labelling requirements.

5.11.5 Distribution

As can be seen in Figure 5-53, modern grocery retailers (primarily supermarkets and hypermarkets) are the most important channel for the distribution of processed fruit and vegetables in the US, accounting for $\frac{3}{4}$ of products. Independent small grocers account for a further 15%, and can play an important role in areas where there is limited access to fresh fruit and vegetable products. Internet retailing, though only accounting for 2.3%, has increased rapidly in importance in recent years.

Figure 5-53: Distribution channel overview of processed fruit and vegetables in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

5.11.6 Challenges for EU products

While the market for processed fruit and vegetables is large in the US, it is fragmented, both in terms of the wide range of products offered and in terms of the market share of the companies. Furthermore, for more mass market processed fruit and vegetables, private label products are popular due to the price-quality rapport they offer. Against this background, a major challenge for exporters is finding an attractive niche in this market.

Market Takeaway: Processed fruit and vegetables

Consumption: Frozen processed fruit and vegetables by far the largest segment as well as the fastest growing, with tailwinds due to increased health consciousness.

Competition: highly fragmented market, but ultimately large American multinationals are among the biggest players together with retailers offering private label brands.

Distribution: ¾ through modern retail channels. Small independent grocers play an important role in areas with limited access to fresh fruit and vegetables.

Challenges: finding a suitable niche in a varied and competitive market in which many consumers focus on price.

Opportunities: products which are designed for convenience and clearly indicate to the consumer their intended use / how the product can make the consumer's life easier. Products which plug into an ongoing health trend.

5.12 Pet food

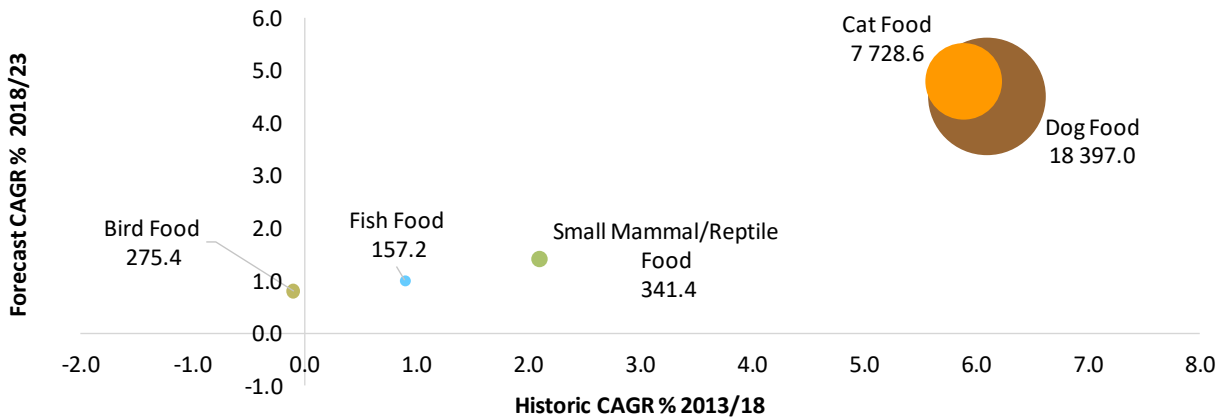
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Pet ownership is high in the USA ▪ Exports from Italy doubled between 2018-2019 ▪ All pet foods with the exception of bird foods have seen growth in recent years. 	<ul style="list-style-type: none"> ▪ The USA has a large domestic production of pet food products ▪ American consumers expected their pet food products to be of the highest quality and will scrutinise products that they consider not to be so. ▪ Bird food sales have declined in recent years.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Internet retailing has grown quickly in recent years, exposing consumers to new products from across the world including the EU. ▪ The average pet-owning consumer spends a significant amount of their incomes on the care of their pets. 	<ul style="list-style-type: none"> ▪ Canada and Thailand both larger exporters than the EU. ▪ Total exports from the EU remain low.

5.12.1 Consumption

5.12.1.1 Evolution of consumption

Figure 5-54 below illustrates that dog food is the most popular pet food item purchased in the US with a value of roughly EUR 18 billion. The sale of dog food has grown tremendously in the USA in recent years with a CAGR of 6%, the percentage is expected to drop to a CAGR of 4% for the foreseeable years up until 2023. Cat food has also grown quickly in the USA in recent years with a CAGR of 6% which is expected to drop to a CAGR of 4.8% up until 2023, this in turn leads to a present value of EUR 7 billion for cat food in the United states. Small mammal food which per unit value is typically more expensive has a value of EUR 341 million and has grown at a slower rate than cat and dog food with a CAGR of 2.1%. Bird food is the only mentioned pet food which has seen a decline in recent years with a decline of 0.1%, still the value of bird food in the US market is roughly EUR 275 million. Fish food has the smallest retail value amongst the various pet food products with a market value of just EUR 157 million, this is expected to grow by a CAGR of 1% up until 2023 from present figures.

Figure 5-54: Evolution and forecast of the market for pet food (EUR million) in the USA, 2013-2023



Source: Euromonitor International: Pet Care, 2020.

5.12.1.2 Consumer profile and purchase criteria

Consumers

Roughly half of American households have a pet of some variety and pet ownership has largely always been common in the country. Dogs are the most popular pet in the country and owners are increasingly paying attention to foods that address nutritional needs specific to the breed of dog that they own. Pet ownership is incredibly common in the USA and most households in rural areas will have a pet of some variety, while popularity of pets in urban areas, though lower, also continues to rise. It is estimated that roughly 67% or 85 million families have one or more pet of some variety within their households, with dogs numbering at roughly 63 million, cats at 42 million, fish at 11 million, reptiles at 4.5 million and finally birds at 5.7 million.⁶⁴ The humanisation of pets in the USA is increasingly encouraging consumers to spend an ever-larger amount on the food and care of their pets, increasingly pets such as dogs and cats have been associated as full members of the family unit in the USA. Smaller pets such as fish and small mammals are increasingly popular office pets as they generally need little space and are adaptable to the large urban environments of the USA.

Drivers and method of consumption

Key drivers include the humanisation factor discussed earlier, this in short entails that pets are increasingly viewed as a full member of the family unit in the USA and can expect a large amount of care and attention from their owners. Premium foods for pets have grown substantially in recent years on the backdrop of this driver. The rise in eccentric consumers drives the ownership of eccentric pets such as lizards and birds in the country and despite the decline in bird food sales, having a bird as a pet is common in the USA. Premiumisation has come to be a defining factor amongst consumers at the point of purchase with many

⁶⁴ Insurance information institute, facts + statistics, Pet ownership in the United states available at [https://www.iii.org/fact-statistic/facts-statistics-pet-statistics#:~:text=in%20North%20America,-Pet%20ownership%20in%20the%20United%20States,Pet%20Products%20Association%20\(APPA\).](https://www.iii.org/fact-statistic/facts-statistics-pet-statistics#:~:text=in%20North%20America,-Pet%20ownership%20in%20the%20United%20States,Pet%20Products%20Association%20(APPA).)

consumers being shown to spend an equal amount on pet food as their own food consumption in the country.

Purchase criteria

American consumers have been shown to spend some of the highest amounts in the world on the care and maintenance of their pets, largely as the result of the humanisation factor discussed earlier. This in turn means many Americans will be willing to spend a significant portion of their incomes on their pets. Pet foods in the USA are generally not expensive and widely available however consumers have taken an ever cautious approach to pet food purchases, instead focusing on the needs of their specific animal and foods that provide the highest nutritional value for their pets. In view of the combination of humanisation and the ready availability of pet food leading to low prices, consumers in general tend to prioritise quality over price. Social media has also compounded this growth in pet food purchases and the rise of e-commerce in this sector as touched on in the distribution section. Social media groups focused on disusing pet health practices and food consumption are common in the USA.

5.12.1.3 Recent market trends

The pet industry has been growing quite quickly in the United States in recent decades with the number of pet owners in the country doubling since 1988⁶⁵. This in turn has led to a growth in production in the country to cater to the larger amount of pets in the country and the increasing humanisation of them within the family unit. Consumers are increasingly unsatisfied with purchasing standard pet foods for their pets and will expect pet foods with added nutritional value for their pets. Treats are very popular amongst pet owners which can expect to feed their pets treat of some variety at least 8-10 times a day. Producers that have been able to innovate, cater and address the demand for healthier varieties of pet food and for treats have been amongst the most successful in this market in the USA.⁶⁶

5.12.2 Offer

5.12.2.1 Domestic production

There are a number of large pet food producers operating in the USA with notable companies including Mars and Nestlé Purina. Notable brands from the country include Pedigree and Blue Buffalo; however ultimately there are a large number of brands and companies operating in this sector in the USA. While the USA is one of the larger producers of pet foods globally it is also a large producer of pet food ingredients accounting for 30% of the global share; indeed US-based pet food producers benefit to some extent from the country's high level of meat production. Domestic producers have largely caught onto the humanisation of pets within their country and continue to innovate towards providing the most

⁶⁵Insurance information institute, facts + statistics, Pet ownership in the United States available at [https://www.iii.org/fact-statistic/facts-statistics-pet-statistics#:~:text=in%20North%20America,-Pet%20ownership%20in%20the%20United%20States,Pet%20Products%20Association%20\(APPA\).](https://www.iii.org/fact-statistic/facts-statistics-pet-statistics#:~:text=in%20North%20America,-Pet%20ownership%20in%20the%20United%20States,Pet%20Products%20Association%20(APPA).)

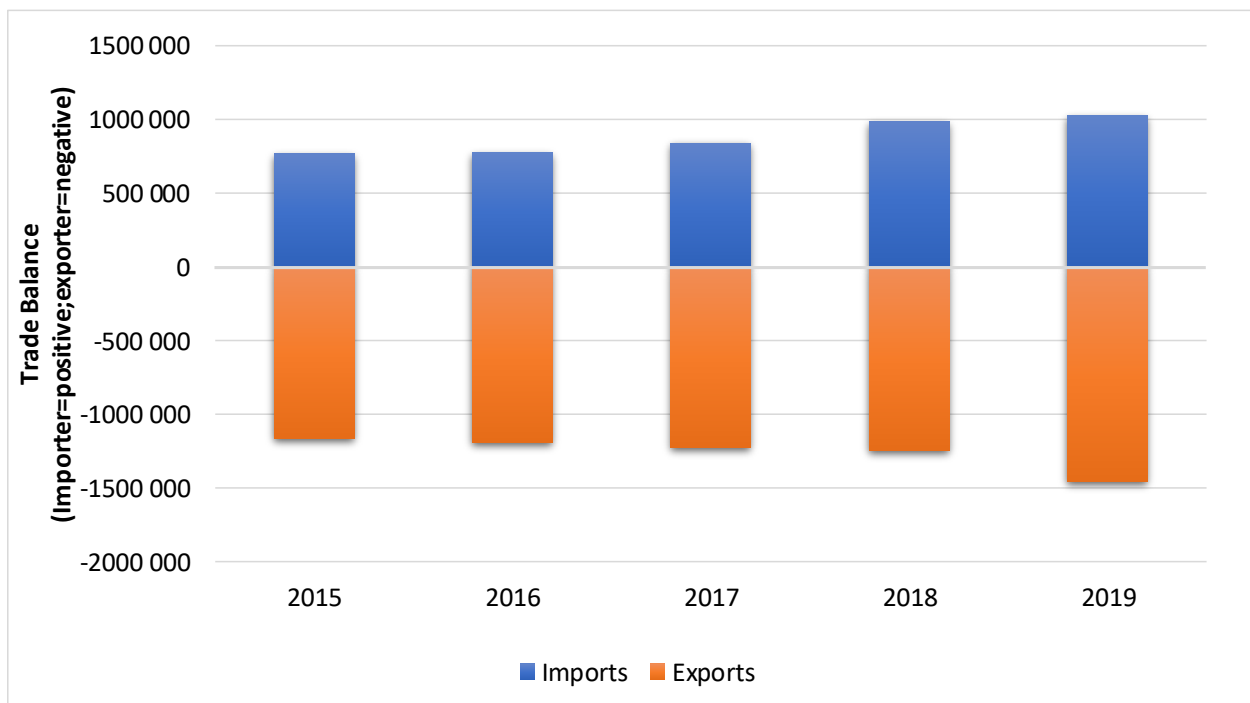
⁶⁶ The biggest trends in the pet industry, Forbes, available at <https://www.forbes.com/sites/richardkostenbaum/2018/11/27/the-biggest-trends-in-the-pet-industry/#48f26bef099a>

premium variety of pet foods possible. Cat food is largely produced by Nestlé Purina which has a 45% share of the cat food market while other pet foods are largely more competitive.

5.12.2.2 Imports and exports

Figure 5-55 shows that the USA exports more pet food than it imports with a value of EUR 1.4 billion worth of exports from the country compared to imports of EUR 1bn. Notable export markets for US pet foods include Canada, Japan and Mexico.

Figure 5-55: Trade balance (imports and exports) of pet food (cat and dog) in the USA, 2015-19; value EUR 000

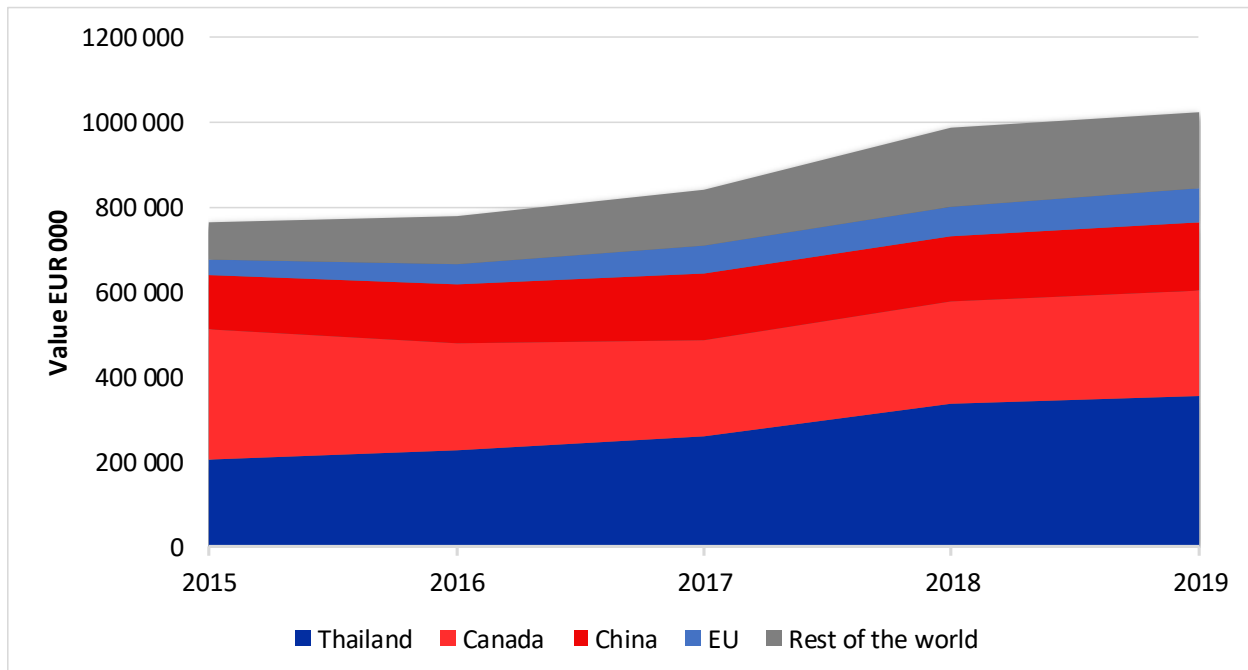


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 230910

Figure 5-56 illustrates the market origins for pet foods arriving into the US market, the largest origin of imports being Thailand. Thailand has an export value of EUR 317m followed by Canada at EUR 220m and China at EUR 145m. The Netherlands is the largest exporter from the EU with a value of EUR 24m. Italy and Ireland also accounted for EUR 16m and EUR 10m respectively.

Figure 5-56: US imports of pet food (cat and dog) by country, 2015-19; value EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 230910

5.12.2.3 Main competitors

The biggest competitor for EU producers come from the large amount of US-based companies that produce pet foods; indeed the US is an overall net exporter of pet food, and the level of imports are small in the context of the overall domestic market. Among importers, the countries of Thailand and Canada stand out as the largest exporters to the country, though as mentioned above they are dwarfed by domestic supply. Domestic producers operate in a competitive environment and need to constantly innovate which makes many of the products available to pets in the USA being unique to the country.

5.12.3 Specific market entry requirements

Market Access and Entry

In term of tariffs, currently European pet food tariffs are not subject to duties.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by entering the corresponding CN code:
e.g. <https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=230910>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirement for export, which extend to pet food, are set out in Table 4-1. A list specifically for pet food can be found on the website indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by entering the corresponding CN code:
e.g. <https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=230910&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 21 (21 CFR) contains some standards for some animal food including pet food under parts 500-589. This includes substances which can be used in animal feed, manufacturing practices as well as labelling (see below). It is recommended to consult 21 CFR; a link is provided below: <https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/CFRSearch.cfm>

Up to date information on appropriate documents concerning SPS measures:
<https://madb.europa.eu/madb/viewPageIFpubli.htm?doc=overview&hscod=230910&countryid=US#h20>

Labelling

21 CFR part 501 covers labelling for animal food. It includes the sections listed below. It is recommended to consult the online 21 CFR link (above) in order to consult these.

Subpart A--General Provisions

- 501.1 - Principal display panel of package form animal food.
- 501.2 - Information panel of package for animal food.
- 501.3 - Identity labeling of animal food in package form.
- 501.4 - Animal food; designation of ingredients.
- 501.5 - Animal food; name and place of business of manufacturer, packer, or distributor.
- 501.8 - Labeling of animal food with number of servings.
- 501.15 - Animal food; prominence of required statements.
- 501.17 - Animal food labeling warning statements.
- 501.18 - Misbranding of animal food.

Subpart B--Specific Animal Food Labeling Requirements

- 501.22 - Animal foods; labeling of spices, flavorings, colorings, and chemical preservatives.

Subpart F--Exemptions From Animal Food Labeling Requirements

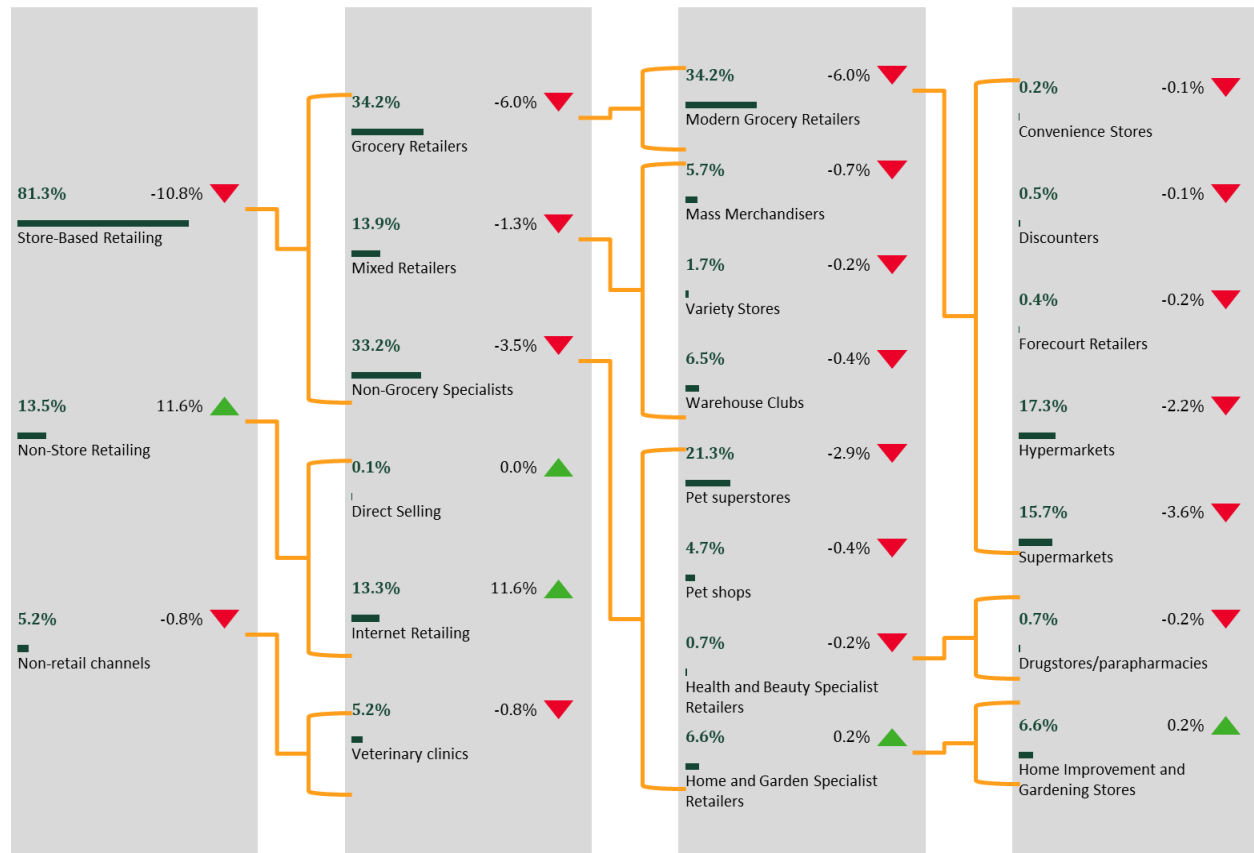
- 501.100 - Animal food; exemptions from labeling.
- 501.103 - Petitions requesting exemptions from or special requirements for label declaration of ingredients.
- 501.105 - Declaration of net quantity of contents when exempt.
- 501.110 - Animal feed labeling; collective names for feed ingredients.

5.12.4 Distribution

Figure 5-57 below shows that modern grocery retailers are the largest distribution channel for pet food products with roughly 34% of pet foods being distributed from this channel. Internet retailing is growing extremely fast with a growth rate of 12% in recent years, largely as a result of the continuing influence of social media on the purchasing practises of American consumers; and the channel now accounts for

almost 14% of pet food purchases. As shown, many retailer channels are showing a decline in their share of total distribution sales of pet foods which can largely be explained by the quick rise in internet retailing sales in the country. Pet superstores, which accounts for 21.3% will typically have the largest variety of pet foods on sales amongst distribution channels however this channel is increasingly being threatened by the rise in internet retailing sales as well

Figure 5-57: distribution of pet food in the USA (2018); retail value



Source: Euromonitor International: Pet Care, 2020.

5.12.5 Challenges for EU products

The challenge for EU products is that of domestic US supply. As well as being able to more than meet demand, US-based producers have grown accustomed to innovating and adapting their products to the ever evolving needs of consumers in the country, the country has seen a rapid transformation in how it views pets in recent years and many pets now are considered to be a full member of the family. Therefore, not only will EU producers have to compete with cheap, plentiful domestic production but also they will have to adapt their products to incorporate the demand for high nutritional and premium pet food items in the US.

Market Takeaway: Pet food

Consumption: Pet foods heavily consumed in the USA with roughly half of households having a pet of some variety in their households.

Competition: Main competition comes from domestic producers. The two largest exporters of pet food to the United states, Thailand and Canada provide some further competition.

Distribution: Internet retailing has exploded in recent years to reach 14% of sales in 2018, this has led to declines in total distribution sales of other channels. Pet stores still account for 21% of sales and offer the widest on-trade variety of pet foods.

Challenges: The demand for attractively priced premium and high nutritional pet foods in the US mean EU producers will have to take particular care in the production of their products and ensure a high nutritional content in order to compete but also maintain a price the consumer is accustomed to

Opportunities: The rise in internet retailing potentially exposes more consumers to products from outside of their home market which may benefit EU producers.

5.13 Pasta

5.13.1 SWOT analysis

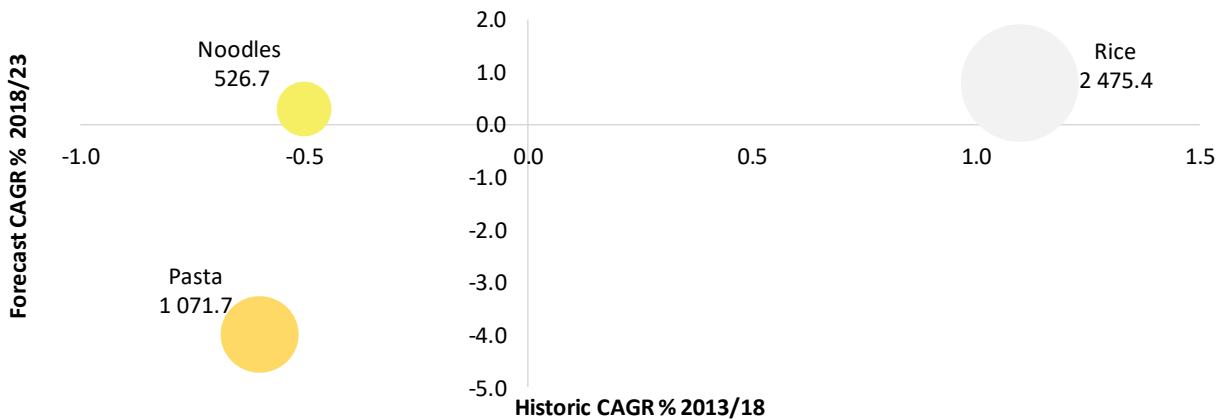
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Italy is the largest exporter of pasta to the US by a wide margin. ▪ Presence of a large Italian American community in the US has helped pushed pasta consumption into the mainstream American diet. ▪ Pasta one of the few agri-food goods for which the USA is a large net importer. 	<ul style="list-style-type: none"> ▪ Conventional pasta consumption has declined in recent years. ▪ The USA remains a large producer despite being a net importer.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ The demand for healthier alternatives is growing ▪ The rise in internet retailing provides a new potential channel to expose EU pastas to US consumers. ▪ Pasta consumption continues to complement the busy lives of the average American as a go to convenience food. 	<ul style="list-style-type: none"> ▪ Pasta market is undergoing a major transformation in the USA, with shifts towards healthier alternatives with unknown consequences. ▪ Despite producers shifting to focus on growing pastas such as healthier alternatives, the pasta market as a whole looks likely to continue declining.

5.13.2 Consumption

5.13.2.1 Evolution of consumption

Figure 5-58 shows that pasta has seen a decline in recent years, this historical decline of 0.1% per year being the start of a larger decline of -4% per year up until 2023. Currently the market size for pasta is roughly 1 million tonnes but inevitably is expected to shrink. When compare to rice and noodles it shows that rice and noodles are both expected to have a higher growth rate for the foreseeable years than pasta however pasta will remain a larger market size then noodles, and half the size of rice which is the largest market size amongst the three categories with a market size of roughly 2.5 million tonnes.

Figure 5-58: Evolution and forecast of the market for pasta compared to rice and noodles (000 tonnes) in the USA, 2013-2023



Source: Euromonitor International: Packaged Food, 2020.

Note: figures for 2019 to 2023 based on forecasts.

5.13.2.2 Consumer profile and purchase criteria

Consumers

Pasta consumption in the USA is experiencing a rapid transformation in the country which helps to explain the decline touched on earlier. Conventional pasta consumption has declined however producers have noticed a rise in the consumption of pasta with added nutritional benefits such as gluten free alternatives and plant based pastas, this in turn has encouraged producers to shift production towards healthier alternatives. Consumers have taken to healthier alternatives across all sectors however pasta is expected to be one of the earliest and most impacted sectors of this trend. Nonetheless, pasta remains popular for many consumers in the US with consumers of an Italian American heritage in particular being attracted to the product as pasta is incorporated into many Italian dishes made in the country. Pasta remains cheap and widely available and appeals to consumers of all incomes due to the convenience and nutrition it provides to consumers.

Drivers and method of consumption

A key driver in the consumption of pasta both positively and negatively has been the swing in favour of healthier alternative pasta style products. This has provided downward pressure on traditional pasta consumption, but driven the market for alternatives. A large food outlet specialising in pasta production in the USA is Olive garden, witnessing the change in pasta consumption habits the outlet rebranded to promote a healthier pasta consumption image, as a market leader this sets precedents for others to follow and do the same. Pasta can be consumed in a variety of American meals and it is because of this that pasta appeals to a wide amount of ethnicities within the USA with notable of examples being spaghetti bolognaise (*Italian*) California pasta salad and Floridian fish pastas.

Purchase criteria

Pastas are generally cheap in the USA and widely available to consumers of all incomes, on-trade establishments of a higher costs are expected to produce pasta fresh on site and generally costs more as a result. Individuals of a higher income and members of the Italian American community are likely to spend a little more to purchase pastas that have been exported from Italy rather than produced in the US due to a perception of enhanced freshness of pastas directly from Italy. Consumers have payed attention in particular to pasta and the ingredients used in its production and the protein intake associated with consumption. Labelling has become important for producers of pasta in particular and producers that clearly show the nutritional value of their products tend to resonate with consumers

5.13.2.3 Recent market trends

As touched on above, demand for healthier pasta has come to fundamentally shift the pasta market in the USA. Producers are rushing to shake off the perception of pasta as a food item with limited health benefits by innovating and producing pasta varieties with added nutritional value. Plant based pastas and gluten free pastas are now a common sight in the USA and attracts consumers concerned about their health. It is likely that producers will continue to shift their focus towards healthier alternative pastas as these pastas are growing in demand while conventional pastas have declined in sales and will likely continue to do so going forward.

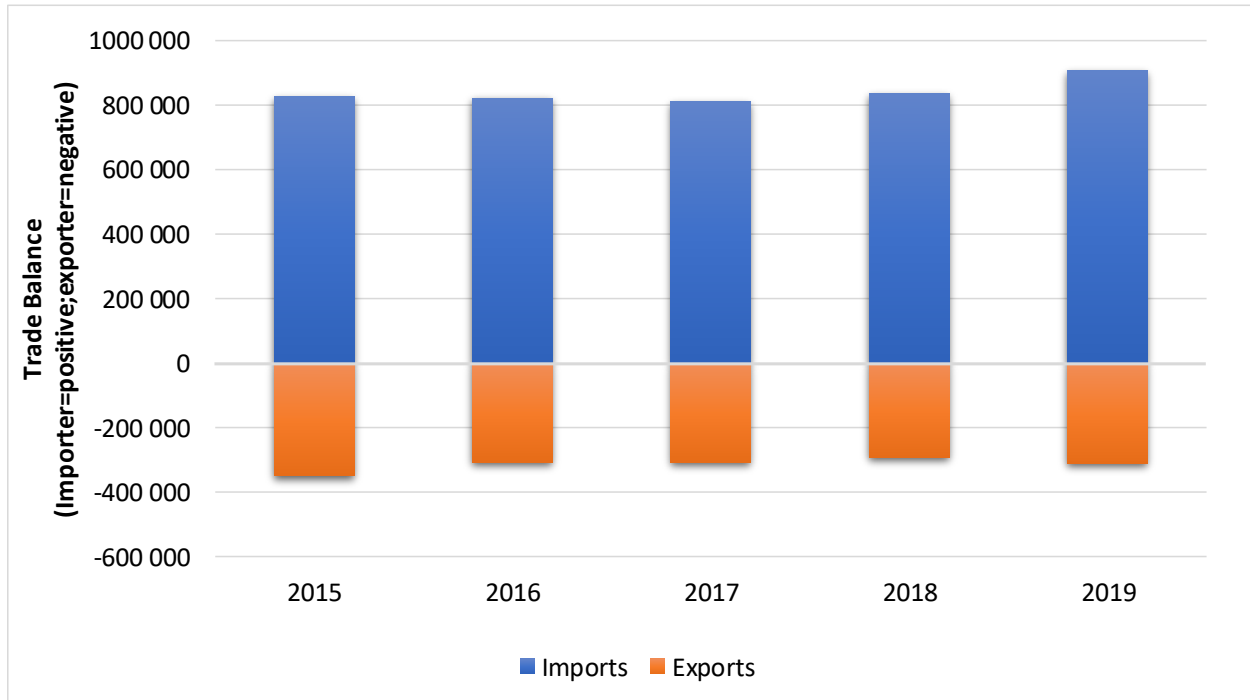
5.13.3 Offer**5.13.3.1 Domestic production**

Domestically the production of pasta in the USA is large. Companies such as Barilla operate large plants in the USA such as those in Ames, Iowa and Avon, New York. These factories typically compliment the large amount of exports from Italy that already exists. Other large companies that produce pastas in the USA include Ebro foods and Maruchan. Most high end Italian restaurants which are a common sight in urban centres in the USA will also produce pasta on-site and indeed will be expected to do so. Producers within the US will be aware of the wider identity crisis for pastas in the USA and will move towards ensuring the continuing growth in production of healthier alternatives such as gluten free pasta. Despite producing a large amount of pasta on a global scale, the US remains an net importer of pasta as discussed in the next section 5.13.3.2

5.13.3.2 Imports and exports

Figure 5-59 below shows that the US is overwhelmingly a net importer of pasta, noodles and couscous. Imports were around EUR 0.9bn in 2019 compared to exports of EUR 0.3bn. Of the countries the US does export pasta, noodles and couscous to, the three largest are Canada, Japan and Mexico.

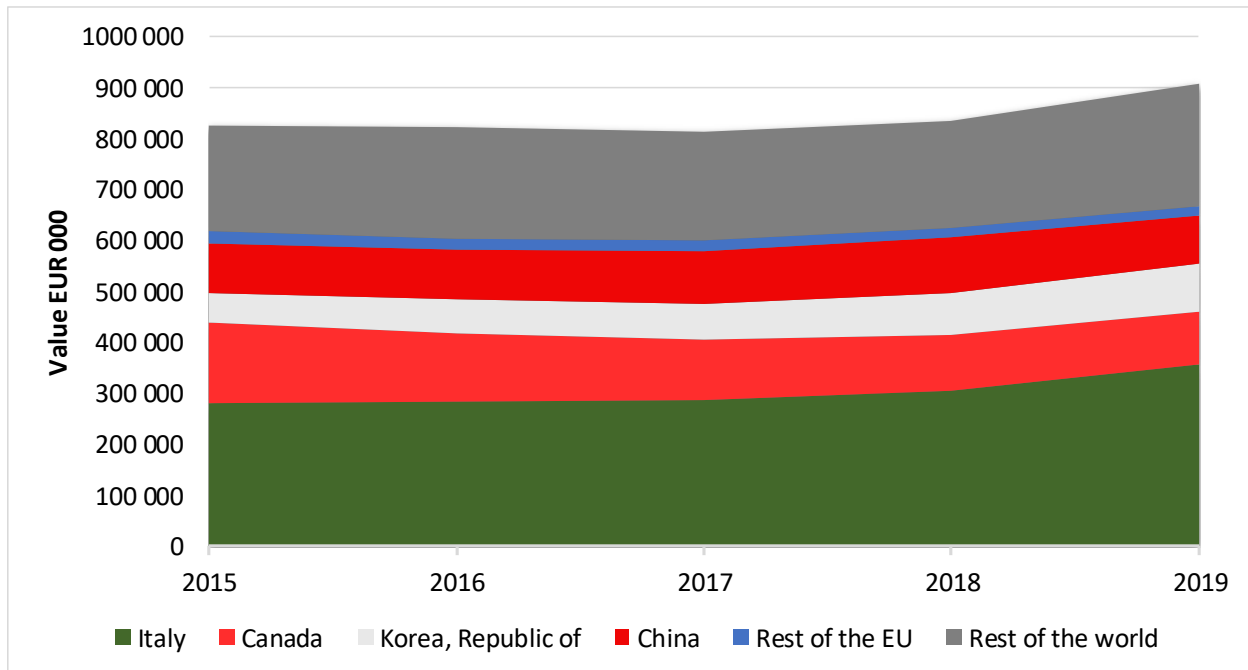
Figure 5-59: Trade balance (imports and exports) of pasta, noodles, and couscous in the USA, 2015-19; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 1902.

Figure 5-60 shows that Italy is the largest exporter of pasta, noodles and couscous to the United states with a total amount valued at roughly EUR 356 million, over 1/3 of imports. This is followed by Canada at EUR 104 million and the republic of Korea at EUR 95 million. Italy is by far the largest exporter from within the EU bloc and its exports far exceed any value from other EU members. France and Germany are two other notable yet significantly smaller exports with both having a value of EUR 7 million and EUR 6.3 million respectively.

Figure 5-60: US imports of pasta, noodles, and couscous by country, 2015-2019; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN code 1902.

5.13.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU pasta products were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.13.3.4 Main competitors

The main competitors in this market come from Canada and Korea as well as domestic producers in operation in the USA. While the USA is a large producer of pasta it remains a net importer so the demand for imported pasta remains significant. Italy is the largest sole exporter of pasta to the USA and this is compounded by the large Italian-American ancestry of citizens in the USA which drives up demand for Italian foods such as pasta and foods that incorporate pasta.

5.13.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of pasta must be registered with the FDA.

In terms of tariffs, currently, European pasta products imported into the US are subject to MFN tariffs of between 0 and 6.4%.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=1902>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for pasta can be also found on the website indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on the European Commission website:

<https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=1902&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 21 (21 CFR) contains some standards for some pasta (macaroni) products under part 139, with a definition of the products covered by these also provided. Most notably, the standards under part 139 cover the following products:

- 139.110 - Macaroni products.
- 139.115 - Enriched macaroni products.
- 139.117 - Enriched macaroni products with fortified protein.
- 139.120 - Milk macaroni products.
- 139.121 - Nonfat milk macaroni products.
- 139.122 - Enriched nonfat milk macaroni products.
- 139.125 - Vegetable macaroni products.
- 139.135 - Enriched vegetable macaroni products.
- 139.138 - Whole wheat macaroni products.
- 139.140 - Wheat and soy macaroni products.

As set out in section 4.2.2, a searchable version of 21 CFR with full details of standards can be found at the following link:

<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=1902&countryid=US#h20>

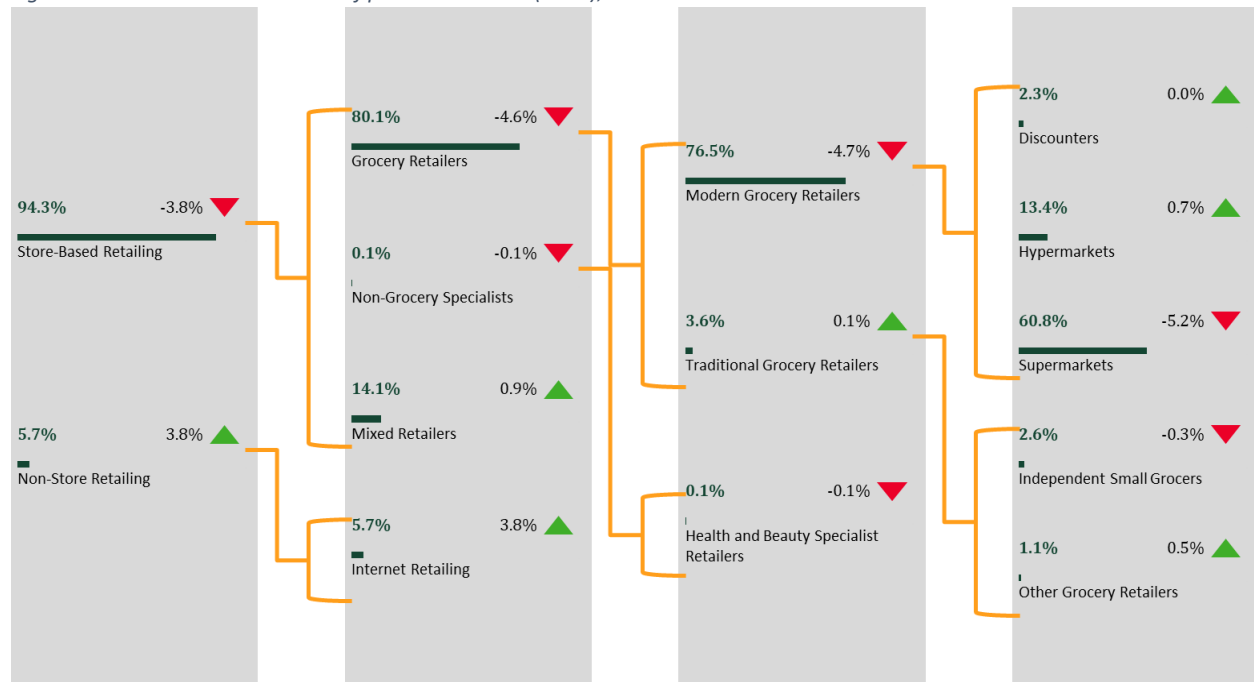
Labelling

Pasta must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted.

5.13.5 Distribution

Figure 5-61 below shows that supermarkets are the most important distribution channel for pasta in the USA. Supermarkets account for 60% of distributed sales however have suffered a 5.2% decline in 2018. This can largely be attributed to the growth of internet retailing which grew 3.8% in recent years to reach 5.7% of total distributed sales. Other importer distribution channels include Hypermarkets at 13.4% of sales and mixed retailers at 14% of sales. As noted above, while may be an important food service channel for pasta, higher end restaurants tend to make their own pasta on site.

Figure 5-61: Distribution channels of pasta in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

5.13.6 Challenges for EU products

The main challenge is that pasta is undergoing a massive transformation in the USA as producers move away from conventional pastas which have declined in growth in recent years towards pastas that are growing which are plant based and healthier alternatives. EU producers need to be aware of this dynamic shift in the pasta market before entering; or if already in the market, need to consider this dynamic to avoid losing market share.

Market Takeaway: Pasta

Consumption: Pasta consumption is high in the US however conventional pastas have seen a rapid decline in recent years which has led to producers shifting focus to healthier alternatives.

Competition: Italy has a strong position. Canada, South Korea and China the largest exporters to the USA combined with US domestic producers make up the largest competitors for EU producers.

Distribution: Mainly sold through modern grocery retailers at 60% of sales however internet retailing is a rapidly growing channel currently at 5.7%.

Challenges: The market for pastas has undergone a massive transformation in recent years as demand for conventional pastas has declined and demand for healthier alternatives has increased, this poses a challenge as EU producers need to be aware of the shift in priority amongst American pasta consumers.

Opportunities: The shift in demand for healthier alternatives creates scope for EU producers of health-based pastas to compete in the US market. The strong position of Italian pasta in the market, partly due to its reputation.

5.14 Baked goods

5.14.1 SWOT analysis

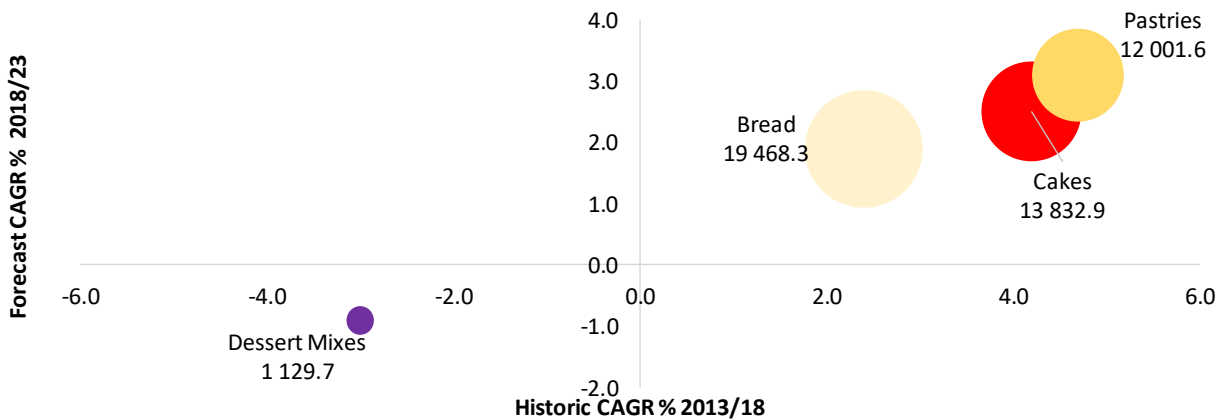
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Huge, growing market, with the market for cakes and pastries growing particularly quickly. ▪ Strong tradition of bakery consumption, and many local products have their roots in European baked goods. 	<ul style="list-style-type: none"> ▪ Almost all supply is coming from either domestic production or the neighbouring NAFTA countries. ▪ Domestic artisanal producers play a key role – they account for around half of the total market.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Pastries market is growing quickly, and while doughnuts the largest segment, ▪ Consumers open to trying new types of baked goods. ▪ Organic and gluten free products have shown strong potential of late with foreign companies entering the market to meet domestic demand. 	<ul style="list-style-type: none"> ▪ Freshness is a key purchasing criterion, which disadvantages importers; though some products are imported frozen for in store baking. ▪ Even though they hold small market shares, many large multinational companies are already present in the baked goods market.

5.14.2 Consumption

5.14.2.1 Evolution of consumption

While the market for bread in the USA is the largest of all bakery products at EUR 19.6bn, it is also pretty stable and growing in line with GDP – as would be expected for a mature market. The markets for cakes and pastries are smaller at EUR 13.8bn and 12bn respectively, but also considerably faster growing. The market for pastries grew at 4.7% per year over the period 2013-18, ahead of the growth of the cakes market at 4.2%. Both growth rates were forecast to slow going forward over the period to 2023, at 3.1% and 2.5% per year respectively; though these estimates were pre-COVID 19. The market for dessert mixes is by far the smallest at EUR 1.1bn, plus it has shrunk historically and is forecast to continue to do so going forwards (Figure 5-62).

Figure 5-62: Evolution and forecast of baked goods market in the USA (million euros), 2013-2023; total value



Source: Euromonitor International: Packaged Food, 2020.

5.14.2.2 Consumer profile and purchase criteria

Consumers

As would be expected, baked goods are fairly universally consumed in the USA. Indeed, the average American is estimated to consume around 22kg of bread per year; plus 6 to 7kg of each of pastries and cakes. There are, nonetheless, differences among consumers in the types of bread or baked goods which are preferred. Regions and ethnicity play notable roles in these preferences. For example, in the north east, Boston brown bread (with origins largely from the UK) and New York bagels (with origins among the Polish Jewish community) are particularly popular. Sourdough bread has its American origins in San Francisco, and so is particularly popular in California. Flat bread, while universally quite popular in the US is particularly popular in south western states where Mexican cuisine has had influences.

Drivers and method of consumption

Convenience is a major driver of consumption in the wider category, and this helps explain both the fast recent growth in pastries (which are generally convenient) as well as the shrinking of the market for dessert mixes (which require preparation). While flat bread is increasingly popular in the US, driven by consumer interest in its use in foreign or specialist cuisine (and hence generally consumed as part of a meal), leavened bread is still the most popular type of bread by some distance, accounting for around $\frac{3}{4}$ of all bread sales. Packaged bread is preferred over unpackaged. Among pastries, doughnuts dominate, accounting for around 28% of all pastry sales in the country and readily available with some fast food chains either specialising in them (e.g. Dunkin Doughnuts) or offering them alongside other products (e.g. McDonalds). They are considered an anytime food, though they are often eaten as a sort of meal substitute in the absence of a meal. The doughnut culture also has some influences on the methods of consumption of other pastry products. Finally, cakes are often eaten as snacks (packaged cakes in particular); though unpackaged cakes are the most popular category and they are more likely to be consumed for special occasions.

Purchase criteria

As noted above, convenience is an important criterion for consumers. Furthermore, as consumers increasingly value the naturalness of bakery products as well as their freshness, these two factors often have a strong influence on the consumer's purchasing decision. Health considerations are also increasingly popular, leading to many consumers looking for either organic products or gluten free products (even if they are not gluten intolerant – many consumers believe the omission of gluten to lead to a healthier lifestyle). Finally, there are many consumers who appreciate novelty and indeed some may actively look for different types of bread and baked goods; an estimated 2/3 of American consumers enjoy trying new types of bread.⁶⁷

5.14.2.3 Recent market trends

As noted in section 5.14.2.2, organic and gluten free options are increasingly popular in the US, and producers are rushing to keep up with ballooning demand. Indeed, the demand for these products has been so great that foreign companies, including Irish company Promise Gluten Free have succeeded in placing products on some American shelves. Gluten free products are often sold frozen for home or in store baking, and this indeed somewhat levels the playing field for foreign producers of such products.

Specifically in the cake and dessert mix segments, notable trends include: (1) a degree of premiumisation, with some manufacturers teaming up with high quality chocolate companies to offer premium products; and (2) colourful products (often featuring unicorns) which target children and some nostalgic millennials.

5.14.3 Offer

5.14.3.1 Domestic production

The US bakery industry is huge in size, with an estimated 9 000 main bakeries; 3 000 of which are independent bakeries (most of these are micro enterprises) and 6 000 are retail bakeries. Unsurprisingly, the market is highly fragmented. Bimbo bakeries USA, a subsidiary of the Mexican multinational Grupo Bimbo is the largest player, but it holds well under 10% of the total market for baked goods in the US. Multiple multinational companies are present in the market, but ultimately around 50% of the market is accounted for by artisanal bakers. Despite the massive domestic production, it is not enough to meet demand and imports are needed.

The American Bakers' Association is the main organisation representing the interests of the US baking industry. It both contains more information on the US bakery industry, and completes some very specific market research that is free to its members or can be purchased by non-members. For more information on the ABA, along with links to its publications, please see <https://www.americanbakers.org/>.⁶⁸

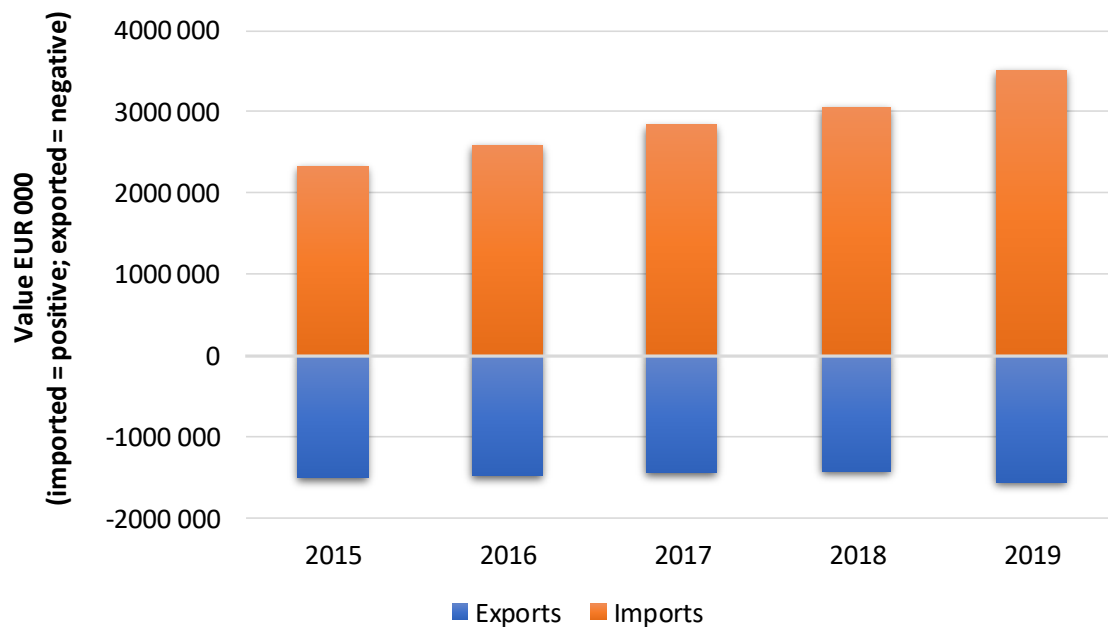
⁶⁷ Euromonitor International: Packaged Food, 2020; <https://www.world-grain.com/articles/8702-three-bread-trends-shaping-american-diets>; <https://www.tasteatlas.com/most-popular-breads-in-north-america>; <https://melmagazine.com/en-us/story/this-might-sound-stupid-but-how-did-doughnuts-become-a-breakfast-food>

⁶⁸ Euromonitor International: Packaged Food, 2020; <https://www.americanbakers.org/>; <https://www.bakeryandsnacks.com/Article/2018/10/31/Industry-insight-into-US-bakery-market>

5.14.3.2 Imports and exports

The US is a net importer of baked goods, with imports outweighing exports by a ratio of approximately 2 to 1. Imports have steadily grown in recent years, reaching EUR 3.4 bn in 2019. Exports, on the other hand, have remained broadly stable (Figure 5-63).

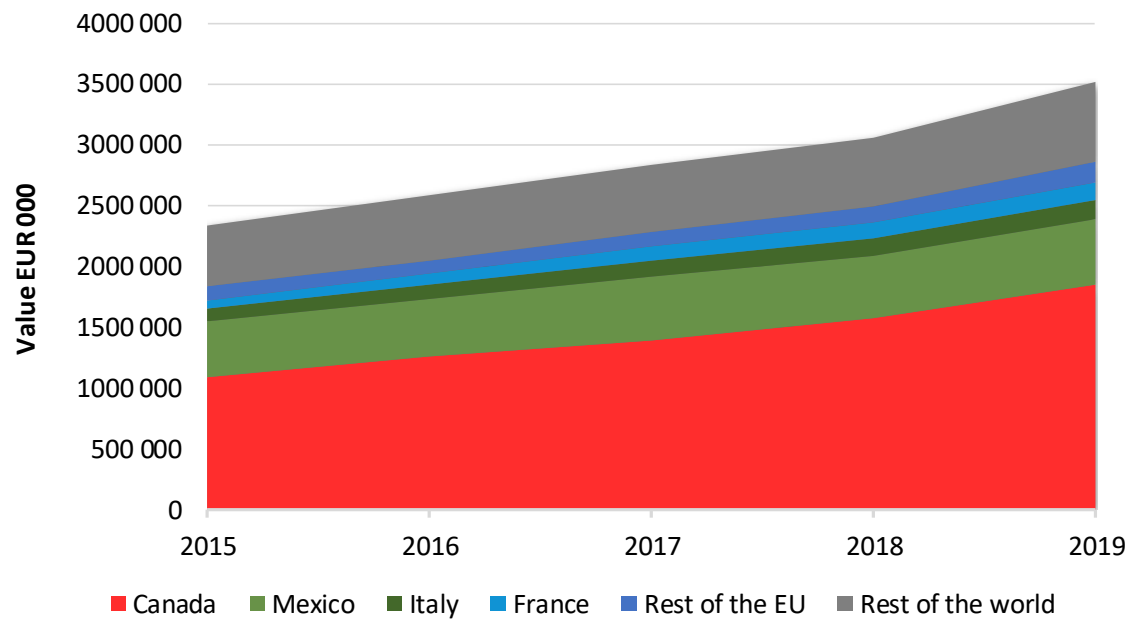
Figure 5-63: Trade balance (imports and exports) of baked goods in the USA, 2015-19; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN codes 190510, 190520, 190540, 190590.

In terms of origin, as is the case for many other products, the main origins are the neighbouring NAFTA countries Canada and Mexico. Together they account for 2/3 of imports; with Canada alone accounting for almost half. EU countries follow, led by Italy and France. However, despite being worth more or less EUR 150m each, neither country accounts for more than 5% of total US imports. Germany, with around EUR 70m of exports, is the other large EU exporter; other EU countries each export EUR 25m or less (Figure 5-65).

Figure 5-64: US imports of baked goods by country, 2015-19; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
 Data for CN codes 190510, 190520, 190540, 190590.

5.14.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU baked goods were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. The best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.14.3.4 Main competitors

The market is very highly fragmented, meaning that no single competitor or group of competitors stands out. Overall, competition can be summarised to come primarily from the massive domestic industry, which is – as a reflection of the market as a whole – highly fragmented, and despite the presence of many multinationals, is ultimately dependant on many small artisanal bakers. This domestic production is nonetheless insufficient to meet domestic demand, and Canada and Mexico are important sources for imports. In absolute terms, there are large imports of baked goods from the EU – for example, France and Italy each export around EUR 150m each. However, these amounts seem negligible in the context of the EUR 45bn+ market for baked goods.

5.14.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of bakery products must be registered with the FDA.

In terms of tariffs, currently European bakery products imported into the US are generally not subject to duties (with a few exceptions).

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by entering the corresponding CN code:

e.g. <https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=190510>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for baked goods can be also found on the website indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by entering the corresponding CN code:

e.g. <https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=190510&countries=US>

Standards, SPS measures

The Code of Federal Regulations Title 21 (21 CFR) contains some standards for some bakery products; these are under part 136 (with fruit pies under part 152). Most notably, the standards under part 136 cover the following products:

- 136.110 - Bread, rolls, and buns.
- 136.115 - Enriched bread, rolls, and buns.
- 136.130 - Milk bread, rolls, and buns.
- 136.160 - Raisin bread, rolls, and buns.
- 136.180 - Whole wheat bread, rolls, and buns

As set out in section 4.2.2, a searchable version of 21 CFR with full details of standards can be found at the following link:

<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

Up to date information on appropriate documents concerning SPS measures:

<https://madb.europa.eu/madb/viewPageIFpubli.htm?doc=overview&hscod=1905&countryid=US#h20>

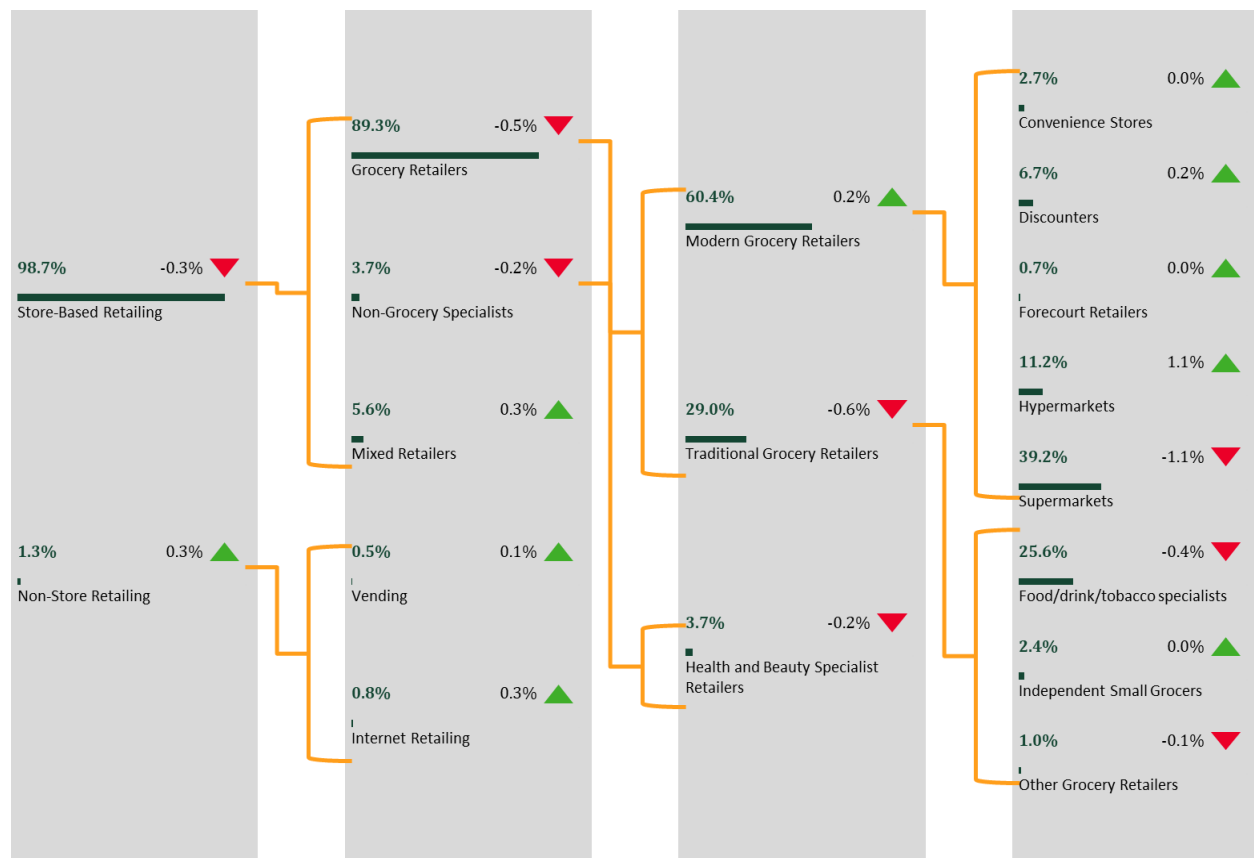
Labelling

Baked goods must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted.

5.14.5 Distribution

Distribution of baked goods is quite varied, which reflects the fragmentation of the market and importance of artisanal bakers. At 39%, supermarkets account for the largest share of baked goods distribution. However, food and drink specialists – primarily accounted for by specialist bakers – account for a further 26%. Modern retail channels other than supermarkets also play an important role with just over 20% of distribution. Hypermarkets are the biggest of these (Figure 5-65).

Figure 5-65: Distribution channel overview of baked goods in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

5.14.6 Challenges for EU products

As is often the case with baked goods, a highly fragmented market is dominated local production, led by artisanal producers and retailers. While imports are required to meet the massive domestic demand, these primarily come from NAFTA countries Canada and Mexico. A key factors which is both a challenge and an opportunity is the huge variety of products in this massive market, meaning it is tough to identify products with universal popularity; rather, success is more likely to come from targeting a carefully researched niche, though considerable work may be needed for this.

Market Takeaway: Baked goods

Consumption: *Baked goods are universally consumed and the market is massive. That said, the market is highly varied and preferences among consumers differ.*

Competition: *Main competitors are local - artisanal producers in particular. Some imports from Canada and Mexico to meet domestic demand.*

Distribution: *Mainly supermarkets and specialist bakeries.*

Challenges: *Competition and finding a suitable niche in this massive, fragmented and varied market.*

Opportunities: *While many niche opportunities may exist, a notable one of late is that of organic and gluten free products.*

5.15 Biscuits and cereal bars

5.15.1 SWOT analysis

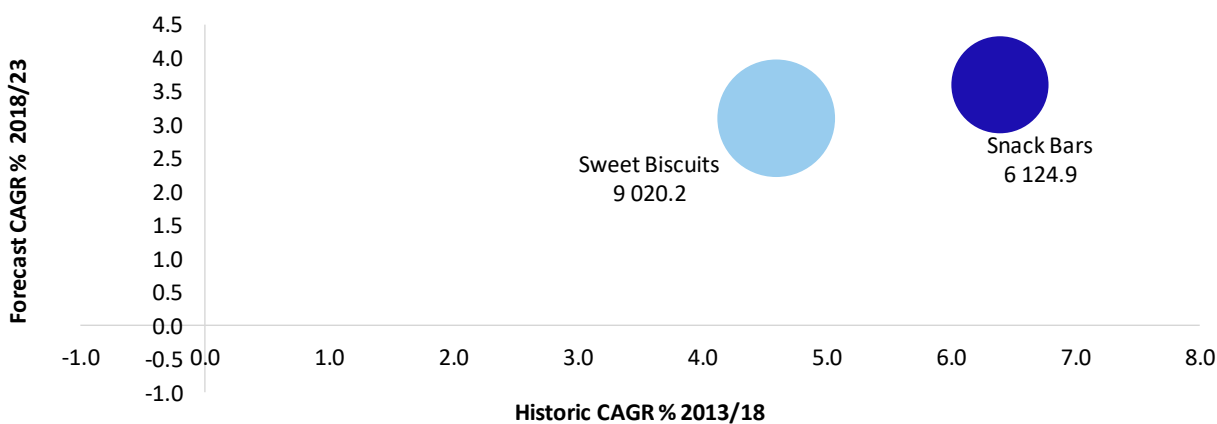
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Massive market sizes – the biggest in the world. Market for both biscuits and snack bars growing quickly for an economy the size of the US. 	<ul style="list-style-type: none"> US companies – whether mainly domestic or multinationals – dominate the market. High level of fragmentation and competition; no “one size fits all” formula.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> Increased interest in the protein content of products, and in new flavours. Huge size of the market means that identifying a suitable niche can be very attractive. 	<ul style="list-style-type: none"> Multinationals in particular are producing with attractive economics in neighbouring NAFTA countries to top up domestic supply. Market is highly competitive with domestic companies cornering different niches.

5.15.2 Consumption

5.15.2.1 Evolution of consumption

While the market for sweet biscuits is about 50% bigger than that for snack bars (EU 9bn vs EUR 6.1bn in 2018), that of snack bars is faster growing. The market for snack bars grew at 6.4% per year between 2013 and 2018; and pre-COVID19 was forecast to grow at the slower rate of 3.6% per year. In contrast, that of sweet biscuits grew at 4.6% till 2018 and was forecast to grow at 3.1% per year (Figure 5-66). All growth rates can nonetheless be considered pretty high for a mature economy with low population growth.

Figure 5-66: Evolution and forecast of the market for sweet biscuits and snack bars in the USA, 2013-2023; EUR million



Source: Euromonitor International: Packaged Food, 2020.

5.15.2.2 Consumer profile and purchase criteria

5.15.2.3 Consumers

Consumers

Biscuits and snack bars are widely consumed in the US, meaning that a wide range of people consume the product. Nonetheless, certain consumers with preferences for specific products stand out:

- **Children/parents:** snack bars and in some cases, biscuits, as well as fruit-based snacks, may commonly be placed in children's lunchboxes, making children frequent consumers. Biscuits may also be snacks eaten at home by children.
- **Working consumers with busy/mobile lifestyles:** while a potentially broad category covering a range of occupations, this is a key consumer group of snack bars. There is a notable minority of workers who either do not take lunch breaks or take short lunch breaks; and for these consumers snack bars offer an attractive option.
- **Fitness enthusiasts:** are a notable demographic for protein and energy bars in the snack bar category.

Drivers and method of consumption

Convenience and nutritional content are major drivers for the consumption of snack bars; as would be expected against the notable consumers described above. These products are often consumed to either replace or supplement a meal. The importance of the nutritional aspect is best reflected by the fact that, among snack bars, protein and cereal bars account for around 50% of the market by value and is the fastest growing segment; while fruit and nut bars is much smaller but also steadily growing. The market for cereal bars on the other hand is in sharp decline.

Biscuits on the other hand are more likely to be consumed to satisfy sweet cravings; though increasing attention is also being paid to the nutritional (protein) content of biscuits. Filled biscuits are the most popular in the US, accounting for around 40% of the market. Cookies are next, followed by plain biscuits. The markets for chocolate coated biscuits and wafers remain fairly niche.

Purchase criteria

Convenience / portability and nutrition (notably protein content) are important universal purchase criteria for biscuits and snack bars. For parents purchasing products for their children's lunchboxes in particular, nutritional value is an important purchasing criterion. While the protein content may initially seem something more relevant to snack bars than to biscuits, there are an increasing range of indulgence biscuit products which incorporate high levels of protein, and an increasing number of consumers are showing interest in these. Even if they do not pay attention specifically to protein content, many biscuit consumers will pay attention to broader nutritional content.⁶⁹

5.15.2.4 Recent market trends

As implied in section 5.15.2.2 above, the main recent market trend in the snack bar and biscuit market relates to protein content. Protein and energy bars became the main snack bar category in 2016, eclipsing cereal bars for the first time; and the category is expected to continue to grow rapidly going forwards while the cereal bar category continues a steady decline. In the biscuit segment, multiple producers have started including high amounts of protein in their products in an effort to meet consumer interest in

⁶⁹ Euromonitor International: Packaged Food, 2020; <https://www.tsheets.com/resources/lunch-break-survey>; <https://www.nbcnews.com/business/consumer/snack-bar-sales-soar-hunger-productivity-convenience-n32331>; <https://www.eatthis.com/most-popular-cookies-in-america-ranked/>

protein content and blur the lines between snack bars and biscuits. Overall, the market is quite dynamic, and while there are well established brands and widely popular flavours such as buttercream, chocolate, and peanut butter, there are also constant efforts to introduce new flavours or innovative attributes to attract consumer attention in what is ultimately quite a crowded market, despite overall positive growth.

5.15.3 Offer

5.15.3.1 Domestic production

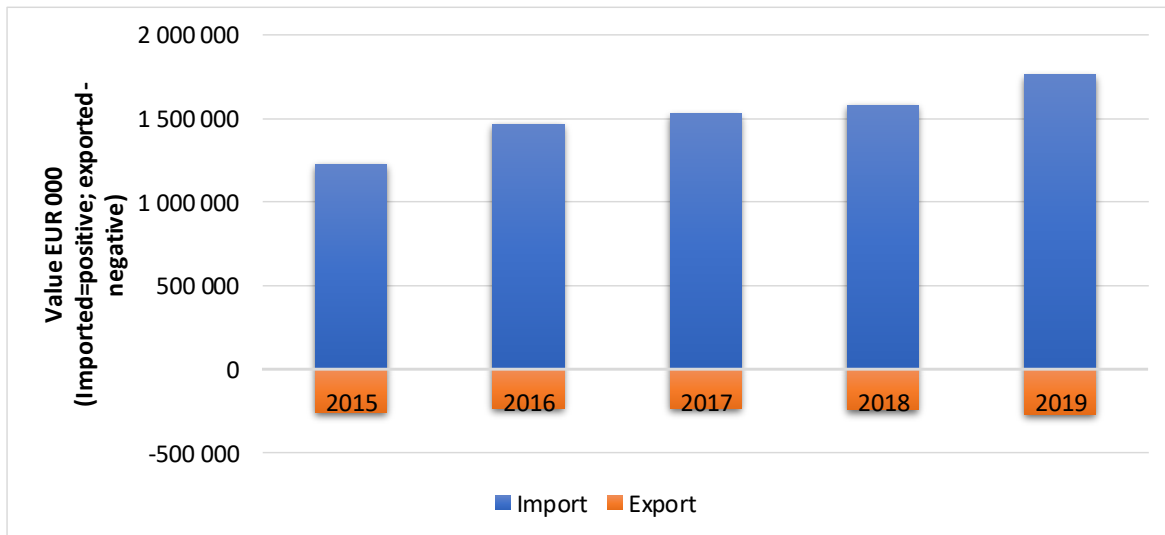
As would be expected, the US is a major producer of biscuits and snack bars. That said, as will be seen in section 5.15.3.2, despite this high production it is insufficient to meet the even higher domestic demand. The overall market for biscuits and snack bars is quite highly fragmented, with the largest player holding around 20% of the market, but companies 2 to 15 each holding a market share of between 1 and 10%. All major players are either US companies operating primarily in the country (e.g. Clif Bar, McKee foods), or US based multinationals (such as Mondelez, General Mills and Kellogg's). The latter group both produces inside the US and in neighbouring Mexico and Canada to supply the US market – for example, Mondelez has recently moved parts of its Oreo biscuit production from Chicago to Mexico. In line with a long standing American tradition, the Girl Scouts of America – who use biscuit sales as a method of fundraising – are effectively the fourth biggest “producer” of biscuits in America.⁷⁰

5.15.3.2 Imports and exports

Despite considerable domestic production, the US is ultimately a significant net importer of biscuits, waffles and wafers, with imports outweighing exports by a factor of approximately six to one (Figure 5-67). Indeed, the US is the world's biggest importer of biscuits, and imports have steadily increased in recent years to reach around EUR 1.7bn in 2019.

⁷⁰ Euromonitor International: Packaged Food, 2020; <https://www.chicagotribune.com/business/ct-last-chicago-oreo-0709-biz-20160708-story.html>

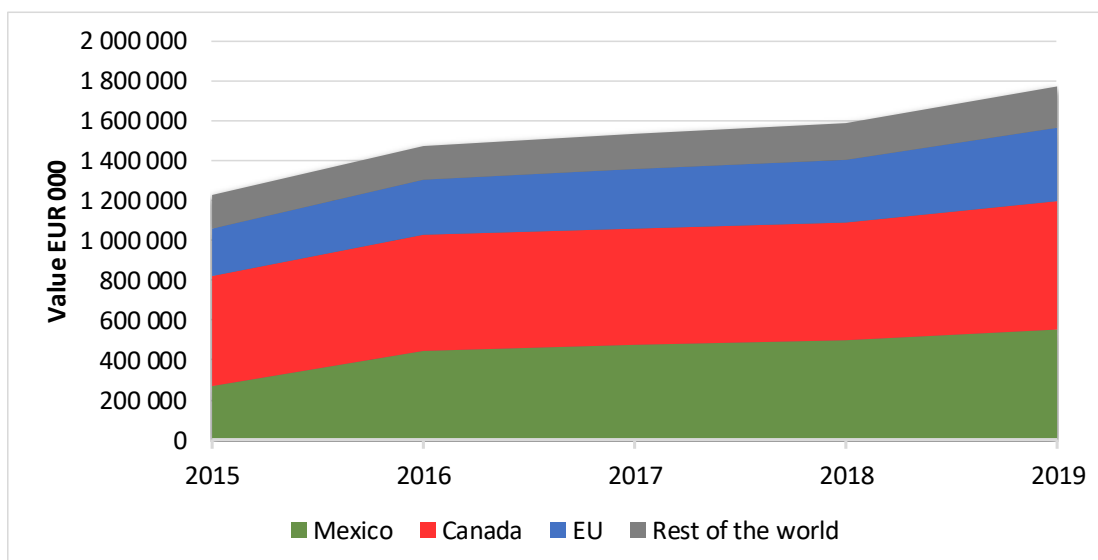
Figure 5-67: Trade balance (imports and exports) of biscuits, waffles and wafers in the USA, 2015-19; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN codes 190531 and 190532.

In terms of origin, neighbouring NAFTA countries Mexico and Canada dominate imports, together accounting for around 70% of all imports (Figure 5-68). EU countries combined account for around 20% of imports and dominate the remainder of the top ten origins for biscuit imports, with Germany being the 3rd biggest origin of US imports; Belgium the 4th; Italy the 5th; France the 6th; Denmark the 8th; and Netherlands the 9th. However, the value of each countries imports is dwarfed by those of Mexico and Canada; for example the EUR 70m exported to the US by third ranked Germany is around 1/9th of Canada's exports of EUR 640m.

Figure 5-68: US imports of biscuits, waffles and wafers by country, 2015-19; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>
Data for CN codes 190531 and 190532.

5.15.3.3 EU GI products

As noted in section 4.2.4, GIs must be registered under trademark law in the US as trademarks, collective marks or certification marks. Subsequently, no single, separate list of registered GIs for the US exists. While no GIs for EU biscuits or cereal bars were uncovered while drafting this handbook, this does not preclude the possibility that some may have been registered. However, the best way to check the existence of GI protection is to search by name for the GI in the trademark database:

<https://www.uspto.gov/trademarks-getting-started/trademark-basics/searching-marks-uspto-database>

5.15.3.4 Main competitors

Overall, the US biscuit and cereal bar market, while highly fragmented is also very competitive. Mondelez is the biggest player in the market, largely thanks to its popular Oreo brand. Nonetheless, Mondelez accounts for under 1/5th of the total market; and the companies ranked from 2 to 15 all have single digit shares. While US production is high, it is insufficient to meet domestic demand, leading to heavy imports from Canada and Mexico (which account for around 70% of all imports). It should be noted that these imports are largely accounted for by American based multinationals which are benefitting from NAFTA to produce in the two aforementioned countries and supply the domestic US market, hence topping up what they already produce in the US. While there is undoubted tough competition in the US market, the sheer size of the market and the level of fragmentation results in attractive niches, as reflected by exports of various biscuits from the EU, which, while small in relative terms, can be considered large in absolute terms (e.g. Germany's considerable EUR 70m of biscuit exports is under 1% of the total US market).

5.15.4 Specific market entry requirements

Market Access and Entry

As set out in section 4.2, food facilities involved in the manufacture, processing, storage, etc. of biscuits and cereal bars must be registered with the FDA.

In terms of tariffs, currently European biscuit products imported into the US are generally not subject to duties.

It should be noted that some biscuits have been the subject of additional tariffs under the Airbus dispute at a rate of 25% (see section 4.3). It is not currently clear if this may change or how long any additional tariffs will remain in force.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website by entering the corresponding HS code:
e.g. <https://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=US&hscod=190531>

Customs procedures

The customs procedures for importing foodstuffs are set out in 4.2.1. A full list of the general requirements for export set out in Table 4-1, along with requirements by product category in Table 4-2. A list specifically for biscuits can be also found on the website indicated in the box below.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website by entering the corresponding HS code:
e.g. <https://madb.europa.eu/madb/datasetPreviewIFpubli.htm?hscod=190531&countries=US>

Standards, SPS measures

While the Code of Federal Regulations Title 21 (21 CFR) does contain some standards for some bakery and cereal products, there are no specific standards for biscuits and cereal bars at the time of writing. As set out in section 4.2.2, a searchable version of 21 CFR can be found at the following link:

<https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/cfrsearch.cfm>

Up to date information on appropriate documents concerning SPS measures:
<https://madb.europa.eu/madb/viewPageIFpubli.htm?doc=overview&hscod=1905&countryid=US#h20>

Labelling

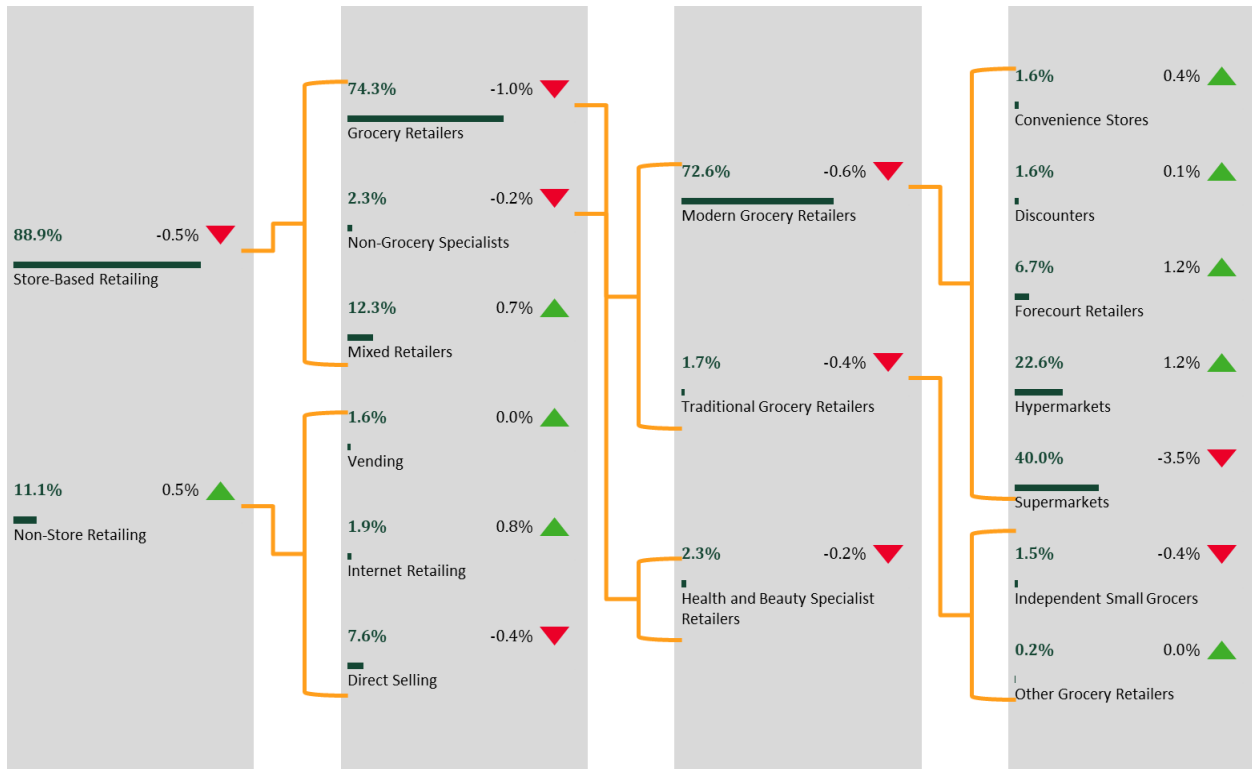
Biscuits and cereal bars must comply with the general labelling requirements which were comprehensively described in section 4.2.3. It is recommended that this section be consulted.

5.15.5 Distribution

The distribution of both biscuits and of snack bars relies mainly on modern grocery retailers; more specifically, supermarkets (Figure 5-69 and Figure 5-70). Supermarkets account for 40% of biscuit sales and 34% of snack bar sales. Hypermarkets are the second biggest channel for both products, accounting for 23% of biscuit sales and 19% of snack bar sales. Other modern retail channels account for around 10% of sales of each category.

Direct selling is important for biscuits, accounting for almost 8% of biscuit sales. This largely reflects the role of the Girl Scouts of the USA in this distribution channel. Internet retailing for biscuits is minor (<2%) but expanding. On the other hand, internet retailing for snack bars is an important and fast growing channel, accounting for almost 10% of sales in 2018.

Figure 5-69: Distribution channel overview of sweet biscuits in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

Figure 5-70: Distribution channel overview of snack bars (including cereal bars) in the USA (2018); retail value



Source: Euromonitor International: Packaged Food, 2020.

5.15.6 Challenges for EU products

Arguably the biggest challenge that EU products have is identifying a suitable niche in a large, highly fragmented and competitive market (and then holding on to that niche). Only one company has a market share in double digits, with some 14 companies holding single digit shares above 1%. On one hand, there are some clear established preferences, such as cookies and flavours such as buttercream, chocolate, and peanut butter; and clear trends such as increased focus on protein content. On the other hand, companies are constantly innovating in terms of flavour, format and packaging to try and capture parts of the market; the recent blurring between some protein bars and biscuits is an example of this. While the market is highly fragmented, all the main players are either American companies or American multinationals; and the latter is benefitting from the NAFTA trade agreement to produce in neighbouring and send this production to the US to top up the domestic production. Nonetheless, if a niche can be found, the sheer size of the market means that it can be profitable.

Market Takeaway: Biscuits and Cereal bars

Consumption: Biscuits consumed mainly a sweet treat; snack bars a meal replacement or supplement.

Competition: Massive domestic production is not sufficient to meet even larger domestic demand. Canada and Mexico by far the largest origin of imports.

Distribution: Predominantly sold through store-based retailers with supermarkets accounting for a large segment of sales. Internet retail of increasing importance for snack bars.

Challenges: Finding a suitable niche in this large, fragmented and highly competitive market.

Opportunities: while the main current trends are protein content and flavour innovation, in view of the nature of the market, identifying a suitable niche is more likely to be attractive.

6 Communication

6.1 Communication strategy

Companies marketing and advertising in the USA have many different channels to consider. The aim of this section is to breakdown each section of the mass media landscape in the USA and to introduce the main communication channels (new and traditional media, as well as fairs) available in the USA, as well as key regulations for the advertisement of F&B.

6.1.1 Online & Digital Media

Online and digital marketing become increasingly important in the US and are a great way for companies to advertise their products. Currently the best way to advertise over online channels is through mobile advertising. Smartphones are used way more than actual desktops and thus more potential consumers can be reached. Whereas in 2013 mobile internet advertising was about EUR 6bn it reached up to EUR 61bn in 2018 and the market continues to grow. This means this sector showed an incredibly high growth rate of close to 60%. In comparison, desktop advertising accounted for more or less EUR 34bn each year since 2015.⁷¹

In 2015 the market was only half as big as traditional media advertising. For the first time in 2018 digital advertising businesses were more popular than traditional advertising businesses such as newspapers, radio or television. That year was the first year in history that the online marketing sector was bigger than the traditional marketing sector. However, this was not a surprise because the online and digital marketing sector has been growing very steadily and at a fast pace for years. Big companies such as Facebook and Google are leading the industry. Amazon is up and coming and, even though still unimportant for online marketing in 2015, ranks third now. Newspapers and magazines on the other hand lost a lot of their importance for advertising.⁷²

Digital advertising agencies may provide companies with support to develop a successful digital marketing strategy. The box below shows just an example of big and successful digital advertising companies, however, the USA is a big country with many regional differences, which is why it might also be a good idea to search for more regional advertising companies.

⁷¹ How Has The U.S. Online Advertising Market Grown, And What's The Forecast Over The Next 5 Years?, <https://www.forbes.com/sites/greatspeculations/2019/06/11/how-has-the-u-s-online-advertising-market-grown-and-whats-the-forecast-over-the-next-5-years/#25f54c0e6607>

<https://www.forbes.com/sites/greatspeculations/2019/06/11/how-has-the-u-s-online-advertising-market-grown-and-whats-the-forecast-over-the-next-5-years/#25f54c0e6607>

⁷² Digital advertising in the US is finally bigger than print and television, <https://www.vox.com/2019/2/20/18232433/digital-advertising-facebook-google-growth-tv-print-emarketer-2019>
<https://www.vox.com/2019/2/20/18232433/digital-advertising-facebook-google-growth-tv-print-emarketer-2019>

US American Main Digital Advertising Agencies:⁷³

Mayple, <https://www.mayple.com/>
WebFX, <https://www.webfx.com/>
SmartSites, <https://www.smartsites.com/>
Sure Oak, <https://www.sureoak.com/>
PageTraffic Inc, <https://www.pagetraffic.com/>
SEOValley Solutions Private Limited, <https://seovalley.com/>
Delante, <https://delante.co/>
SEO Discovery Pvt LTD, <https://www.seodiscovery.com/>
SEOTonic Web Solutions PVT. LTD., <https://www.seotonic.com/>
Write Right, <https://www.write-right.in/>

6.1.1.1 Social media platforms

Social media marketing is very important in the USA, considering that:

- The USA has a very high internet penetration and about 90% of all US American citizens using it. This is much higher than the global average of around 50%.
- Effectively all adults between 18 and 29 years old use the internet; almost all of those between 30 and 49; just under 90% of those between 50 to 64; and still over 3/4 of those who are 65 or older.
- 4/5ths of adults who earn less than EUR 26 000 per year use the internet whereas almost all of adults who earn more than EUR 63 000 use the internet.
- At around 85%, the share of adults using it in rural areas is slightly lower than that in urban and suburban areas; but is nonetheless undoubtedly high
- About three quarters of adults have broadband established at their homes. This number has been decreasing a bit in recent years due to the fact that in 2019 around one fifth of Americans only used their phones to use the internet and claim they do not need broadband. Thus, the smartphone dependency is growing.
- US American adults on average spend more than 6 hours per day online on apps or websites accessed through their mobile phones, tablets, computers or to the internet connected gaming consoles.⁷⁴

Social media channels are very important in the everyday life of many US Americans. Different groups of society prefer different channels. However, in general young people are still more likely to use social media than older age groups and for some platforms gender differences need to be taken into

⁷³ Top Digital Marketing Companies in USA, <https://www.goodfirms.co/directory/country/top-digital-marketing-companies/us>

⁷⁴ Internet, <https://ourworldindata.org/internet>; Internet/Broadband Fact Sheet, <https://www.pewresearch.org/internet/fact-sheet/internet-broadband/>

consideration as well, when deciding on what channels should be used for online advertising. The most popular are listed below.⁷⁵

YouTube

YouTube is the most widely used online channel in the USA. Close to 3/4th of US American adults claim they use YouTube and even half of YouTube users use the platform on a daily basis. Most almost 90% of adults between 18 and 24 use YouTube, and more than 90% of those between 25 and 29 years old. However, the older generations use YouTube as well; more or less 70% of 50 to 64 years old do so. In general, the platform is used by slightly more men than women. The different YouTube channels provide users with an enormous amount of content week for week. However, most content is uploaded by a relatively minor number of channels and only a small number of YouTube videos generate the most views. Very popular YouTube videos often cover video games content and are videos including kids. Interestingly, many popular channels in the US do not even produce content in English. Around 80% of parents with kids allow them to watch YouTube videos once in a while. A lot of US American YouTube users use the platform to keep informed or to learn new skills. Around 50% of adults agree that the platform is very helpful in understanding how to do things that they never have done before and close to 30% use the platform to get news from the platform.

Facebook

Facebook is the second most used channel in the US after YouTube. However, as it is a very different platform it can be seen as the preferred social media platform of US Americans. More than 7 in 10 internet users have a Facebook profile. Close to 3/4th of users visit the platform at least once a day and about half of the users even several times per day. Unlike many other social media channels Facebook is popular in many different age groups e.g. even more than 45% of internet users who are older than 65 years have a Facebook account. The amount of people from older generations using Facebook has increased significantly since 2012 and until now more than doubled. Facebook is popular platform for teens as well and about half of US American teens have an account, however, it is not the most popular platform for young people anymore. In general, more women use the platform than men. According to studies, more people with a college degree use Facebook compared to people who only have a high school diploma.

To be able to show different people the most fitting advertisement Facebook has an algorithm which collected traits and interest of each user. This is very useful for effective advertisements but US Facebook users are not happy about it and nearly 3/4th of users said that they did not even know about this specific data collection.⁷⁶

⁷⁵ These are the most popular social networks in the US, <https://www.weforum.org/agenda/2019/04/share-of-u-s-adults-using-social-media-including-facebook-is-mostly-unchanged-since-2018>
<https://www.weforum.org/agenda/2019/04/share-of-u-s-adults-using-social-media-including-facebook-is-mostly-unchanged-since-2018>

⁷⁶ 10 facts about Americans and Facebook, <https://www.pewresearch.org/fact-tank/2019/05/16/facts-about-americans-and-facebook/>
<https://www.pewresearch.org/fact-tank/2019/05/16/facts-about-americans-and-facebook/>

Top Facebook Food Pages in the USA⁷⁷

Food & Wine - <https://www.facebook.com/foodandwine>
Bon Appetit Magazine - <https://www.facebook.com/bonappetitmag>
Saveur Magazine - <https://www.facebook.com/saveurmagazine>
Fine Cooking - <https://www.facebook.com/FineCooking>
Epicurious - <https://www.facebook.com/epicurious>
Food52 - <https://www.facebook.com/food52>
Nourished Kitchen - <https://www.facebook.com/nourishedkitchen>
Real Simple - <https://www.facebook.com/realsimple>
Honest Cooking - <https://www.facebook.com/honestcooking>
Cooking Light - <https://www.facebook.com/CookingLight>

Instagram

Instagram turns 10 years old in 2020 and has definitely influenced many people life's so far. The platform is centred around posting pictures and during the years the App grew into a real good income source for businesses. Around 40% of adult US citizens use this platform for various reasons. However, most users are from younger generations with less than a quarter of people between 50 and 54 years old using Instagram. More than 60% of all users use Instagram daily and even around 40% use it several times a day. In general, much more women than men are using the App. Close to 90% of American users follow at least one business on Instagram. During the years Instagram has grown into an ideal platform for online marketing. The users do not seem to mind the e-commerce sector on Instagram too much because much more than 80% of users learn about new products or services on the App and moreover research them and use this research as the basis to decide on whether or whether not to buy a product. Instagram is in particular working for the influencer scene and many individuals are able to have their Instagram account as only source of income.⁷⁸

Top Food Instagram influencers in the USA⁷⁹

Ree Drummond – Pioneer Woman - @thepioneerwoman
Martha Stewart - @marthastewart
MARIAM | Cooki' with Mima - @cookinwithmima
CESAR GONZALEZ Cocinero - @co_cinero
MINIMALIST BAKER - @minimalistbaker

⁷⁷ 16 Facebook pages every Food lover should now, <https://www.ecpi.edu/blog/16-facebook-pages-every-culinary-arts-food-lover-should-follow> <https://www.ecpi.edu/blog/16-facebook-pages-every-culinary-arts-food-lover-should-follow>

⁷⁸ Important Instagram stats you need to know for 2020, <https://sproutsocial.com/insights/instagram-stats/>

⁷⁹ Most-followed food influencers on Instagram in the United States as of June 2020, <https://www.statista.com/statistics/785894/most-followers-instagram-food-usa/> <https://www.statista.com/statistics/785894/most-followers-instagram-food-usa/>

Jose - @naturally. Jo
Dave Chang - @davidchang
Andrea Hannemann - @earthyandy
Manuela Kjeilen - @passionforbaking
SweetAmbs – Amber Spiegel - @sweetambs

Pinterest

The group of people who uses Pinterest in the US has been growing. In 2019 the Prophet Brand Relevance Index ranked Pinterest 10th, just behind big companies such as Apple, Spotify, Android and Disney. It is the fourth biggest online platform in the USA and is used by much more women than men. In particular moms spend time on this platform. More than 3/4th of users claim they like to discover new products and brands on Pinterest and more than 80% have made a purchase on information from the platform before. Another survey found out that people use it because it makes them feel inspired and be creative. Moreover, adults from higher income households use Pinterest more often than people from lower income households. Most people use Pinterest on their phones.⁸⁰

LinkedIn

More than 165m people use LinkedIn in the USA. Of those, 56% are men and 44% are women. The platform is mainly a business platform meant to connect people, to boost their careers and to stay connected. However, the platform shows 15 times more content impressions than actual job postings. Nevertheless, it is a great recruitment tool and informs career decisions. LinkedIn offers a variety of options to support your business and moreover brands or products can get promoted using the following tools:⁸¹

- Company Page Upgrades.
- Custom groups.
- LinkedIn Ads.
- LinkedIn Display Ads.
- Partner Messages.

Twitter

Twitter users are from different age groups; however, the older people get the less likely they have a Twitter account. About 44% of 18-24 years old adults use it, while only 17% of people between 50 and 64 have a Twitter account. Even though not all Americans use Twitter close to 90% of the population has at least heard of it before. More than 40% of users visit the platform daily and one quarter even several times per day. Twitter is used by more men than women. Nearly half of Twitter users follow companies or specific brands (which is much higher than the average 16% in social networks in general) and brand interaction is an important part of the platform. Most Twitter users downloaded the App on to their phones

⁸⁰ 28 Pinterest Statistics Marketers Should Know in 2020, <https://blog.hootsuite.com/pinterest-statistics-for-business/>

⁸¹ 50 of the Most Important LinkedIn Stats for 2020, <https://influencermarketinghub.com/linkedin-stats/>

they can use it wherever they go. More than half of Twitter users never tweet anything by themselves but follow other accounts.⁸²

Top Food Twitter Influencers in the USA

America's Test Kitchen - @TestKitchen
 Jenna Weber - @EatLiveRun
 Jaden Hair - @SteamyKitchen
 Jeanette Ordas - @kickpleat
 Kimberly Morales - @PoorGrIEatsWell
 Cake Wrecks – CakeWrecks
 Good Wine List - @GoodWineList
 Natalie Bovis - @TheLiquidMuse
 Sensitive Pantry - @SensitivePantry
 Karina Allrich - @KarinaAllrich

Of course, there are many other social media channels that can be taken into account for online marketing.

6.1.1.2 Food blogs

Another interesting option to promote EU food products in the USA is to work closely together with food bloggers. There are possibilities to hire food bloggers and to ask them to promote certain products on their blog. Ideas given in section 6.1.1.1 are also useful regarding food blogs.

Well-known food bloggers are influencers as well and often cross over between written blogs and several social media accounts. This diversity of channels used also diversifies the exposure of a product on several platforms. The following list of food blogs mainly differs from the pages of social media influencers to create a broad platform of information. Moreover, the US is a big country, which means it had many food bloggers and food influencers. Some food blogs focus food in general while others are specialised in a certain type of product such as wine or occasion such as dining out or cooking at home.

Top US American Food Bloggers⁸³

The Recipe Critic, <https://therecipecritic.com/>
 The Salty Marshmallow, <https://thesaltymarshmallow.com/>
 I Am Baker, <https://iambaker.net/>
 Food52, <https://food52.com/>
 Serious Eats, <https://www.seriousseats.com/>

⁸² 7 Surprising Statistics About Twitter in America, <https://www.convinceandconvert.com/social-media-strategy/7-surprising-statistics-about-twitter-in-america/> <https://www.convinceandconvert.com/social-media-strategy/7-surprising-statistics-about-twitter-in-america/>

⁸³ The top American food blogs ranked by popularity and influence, updated daily, <https://americanfoodbloggers.com/> <https://americanfoodbloggers.com/>

Sally's Baking Addiction, <https://sallysbakingaddiction.com/>
Simply Recipes, <https://www.simplyrecipes.com/>
Cookie and Kate, <https://cookieandkate.com/>
Damn Delicious, <https://damndelicious.net/>
Spend With Pennies, <https://www.spendwithpennies.com/>

6.1.2 Traditional Media

Consumers spend less and less time on traditional media and steadily transfer to the use of digital media. But even in these times of change, the average American citizen still spend about 370 minutes per day on traditional media such as television, radio and printed media.

Penetration of traditional media in the USA is set out below:

- **Television:** Having a TV is very important for American citizens and is their favourite leisure activity. The average US citizen spend more than half of their leisure time watching TV. Almost all households have one TV and more than 1/3 even have two. Nearly half of the US populations agrees that they are watching too much TV. The biggest TV markets are situated in New York, Los Angeles and Chicago. Every week Television reaches as much as 90% of the total US population and the most popular networks are NBC, CBS, ABC as well as FOX and the most watched genres are Sports and news. NFL Football most watched sport on TV in the US. US Americans are estimated to watch TV for 3 and $\frac{3}{4}$ hours each day and even around 40% of citizens watch TV while having dinner. The amount of time spend in front of the TV varies from state to state. The states in the Rocky Mountain area are known to watch least TV, whereas the states in the south eastern part of the US spend the most time in front of their TV's.⁸⁴
- **Print media:** Newspapers are an important part of the US American news sector, the subscriber base has been declining at quite high rates since the mid-2000s. In 1990 the daily circulation of newspapers was about 50% higher than it is today, which is why many newspapers switched to publishing news online. Not more than 15% of US citizens still read printed newspapers every day, whereas around a quarter of citizens do not read any printed newspaper. Also 15% of readers read their favourite newspaper online every day. In 2018 the newspaper circulation in the US reached the lowest point since 1940, when data started to be collected. similar trends are visible in the magazine industry. Consumers increasingly want to read their magazines online (around 34% of magazine readers). However, the situation differs for the book industry because most US citizens still prefer to read actual books rather than eBooks or audiobooks.⁸⁵

⁸⁴ Television, capturing America's attention at prime time and beyond, <https://www.bls.gov/opub/btn/volume-7/television-capturing-americas-attention.htm>; Statistics about TV habits in America, <https://www.soundvision.com/article/statistics-about-tv-habits-in-america> Statistics about TV habits in America, <https://www.soundvision.com/article/statistics-about-tv-habits-in-america>

⁸⁵ Newspapers Fact Sheet, <https://www.journalism.org/fact-sheet/newspapers/Media>; 5 key takeaways about the state of the news media in 2018, <https://www.pewresearch.org/fact-tank/2019/07/23/key-takeaways-state-of-the-news-media-2018/Media>

- **Radio:** Radio is the most wide-reaching traditional media channel. It reaches even around 95% of citizens per week, which is three percent higher than the reach of television. The majority of people listening to radio in the US are between 35 and 49. In particular grown men are most likely to spend a lot of time listening to the radio, whereas teenage boys spend the least time listening to the radio. Radio, even though it is a traditional media managed to stay important due to several reasons. One reason might be that also many people listen to radio stations online from different devices and not just from actual traditional radios.⁸⁶

6.1.3 Fairs and exhibitions

In addition to the digital approach, many companies decide to advertise their products on various trade fairs. Trade fairs are numerous and cover a broad range of sectors and are generally becoming a more attractive and sophisticated method for product promotion and industry networking. Due to its importance and sheer size, the USA is very active when it comes to fairs and exhibitions.

In the USA many different professional food fairs and expos take place every year. The biggest centres in the country are the McCormick Place in Chicago (Illinois), the Orange County Convention Center in Orlando (Florida), the Sands Expo & Convention Center in Las Vegas (Nevada), the Kentucky Exposition Center in Louisville (Kentucky) and the New Orleans Ernest N. Morial Convention Center in New Orleans (Louisiana).⁸⁷

The US has moreover a lot of different food festivals in each of its states, from fluffernutter fest in Massachusetts to garlic festivals in California. There are festivals and events for nearly all kinds of foodstuff.⁸⁸

A list of different upcoming food related events and fairs can be found online on websites such as:

- <http://www.foodreference.com/html/us-food-festivals.html> (Events listed by state and month)
- <https://www.nationalgeographic.com/travel/travel-interests/food-and-drink/top-food-festival-every-US-state/>
- <https://www.insider.com/americas-top-food-drink-festivals-ranked#28-baconfest-chicago-chicago-illinois-1>

⁸⁶ How America Listens: The American Audio Landscape, <https://www.nielsen.com/us/en/insights/article/2018/how-america-listens-the-american-audio-landscape/>

⁸⁷ America's 5 Largest Convention Centers for Events, <https://www.socialtables.com/blog/event-venues/largest-convention-centers/>

⁸⁸ The Best Food Festival in Every U.S. State, <https://www.nationalgeographic.com/travel/travel-interests/food-and-drink/top-food-festival-every-US-state/>

6.2 Advertising regulations

Freedom of speech is a fundamental human right in the United States. However, advertisement is also regulated in the USA. On the one hand, the state regulates advertisement on the federal level as well as in-state authorities and even local authorities and on the other hand advertising is regulated through different self-regulatory organisations as well. Any legal product is generally allowed to be advertised, however, there are special rules concerning different kinds of products.⁸⁹

On the federal level, federal laws are adopted, and authorities have the power to enforce them. Moreover, their job is it to create needed guidelines and policies to regulate the entire advertising industry in the USA. The following regulatory agencies deal with this field on the state level:

- **Federal Trade Commission (FTC):** The FTC is the main regulatory authority responsible for the advertising industry and consumers protection. It mainly follows up on law enforcement, has to speak out for the interests of consumers, communicates its experience with federal and state legislatures, but also with other international government agencies. Due to its experience, it develops recommendations for better consumer protection and is an active part in related hearings, conferences and educations programs. The FTC is focused on regulations regarding the protection of children, surrounding the advertisement of special goods such as alcohol, tobacco, food, drugs and dietary supplements, general online advertising, telemarketing and eco-marketing. The FTC however, focuses on cases with broad national interests rather than smaller disputes. It follows cases of deceptive or misleading advertising.⁹⁰
- **Bureau of Consumer Protection:** Is part of the FTC and mainly performs its tasks such as to protect consumers from unfair practices that are against the law. It investigates complaints, monitors and prevents unfair practices, it further develops consumer protection regulations and communicates between government agencies as well as self-regulatory bodies. Moreover, it is responsible to teach companies on how to fulfil with the different laws.
- **Federal Communications Commission (FCC):** This body is responsible to regulate advertising by mass media. It is accountable for advertisements on TV and radio. It is allowed to impose sanctions such as revocation of broad-line licences, imposing fines or warnings. It deals with indecent, profane and obscene advertising
- **Food and Drug Administration (FDA):** The FDA mainly establishes advertising guidelines for drugs and supplements.

The advertising market in the US is not only regulated on the federal level, but state agencies and even city legislators are also important for the proper functioning of the market as well. State and county laws are grounded in existing federal legislation and acts by the FTC. These laws furthermore are very specific e.g. about issues related to quality, price, place of origin, benefits of a service or product or deceptive or misleading comparative prices. When consumers see a violation of advertising laws, they can file a complaint with either the state or county/city Department of Consumer Affairs they saw the violation in. Departments of Consumer Affairs are able to issue licenses on a more local level and allow individuals or

⁸⁹ Prohibited and controlled advertising in USA, <https://www.lexology.com/library/detail.aspx?g=2cfae636-085a-435e-99f2-49186b6f8bdd>

<https://www.lexology.com/library/detail.aspx?g=2cfae636-085a-435e-99f2-49186b6f8bdd>

⁹⁰ Advertising law, <https://www.hg.org/advert.html>

companies to run their businesses. Moreover, they also take part in developing and establishing guidelines for the proper advertising of these businesses. When rules are broken on this level, businesses mainly have to pay monetary fines.

As in many other countries, the advertising industry is regulated through non-governmental organisations in the USA as well. This self-regulatory approach is known to be very effective. Many different NGOs are working in this field in the US and the most important ones are listed below:

- **Better Business Bureau (BBB):** The BBB is the most influential one, which accredits businesses. The BBB Code of business practices, as well as the BBB Standards for Trust and Code of advertising, need to be followed. Offices in local areas together have to solve more than several 100 000 cases each year.
- **National Advertising Review Council (NARC):** NARC is an alliance between different agencies, with the task to enhance truth and accuracy in the national advertising industry through self-regulation.
- **4A's:** The US American national trade association and represents the advertising agency business in the country. Its members together account for around 4/5th of all advertisements in the US. 4A's main task is to monitor advertising practices and create the best creative and business standards for the business community.
- **American Advertising Federation (AAF):** The AAF is the oldest national institution dealing with advertisement and represents about 40 000 agencies, media companies etc. Its aim to protect and promote advertising through grassroots activities in all levels of government. To do so it monitors legislation related issues at all levels.
- **Association of National Advertisers (ANA):** ANA is the top trade association of the advertising industry itself. It is responsible to keep the interests of client-side marketing cooperation's safe and protects the rights of advertisers. It is very active on all levels to guard the interests of the marketing community.
- **Interactive Advertising Bureau (IAB):** More than 500 big media and technology companies from the IAB. The bureau is responsible to educate marketers and agencies, to evaluate and recommend standards and practices and it takes part in critical research on advertising. However, in general, it is an establishment to protect and promote the interests of its many members.
- **Audit Bureau of Circulations (ABC):** The ABC was established by advertisers, advertising agencies and publishers with the goal to end deceptive practices. ABC provides many audits and writes independent reports which are very useful for the industry. These reports mainly help buyers and sellers of print advertising to take best-suited business decisions. Moreover, advertisers use ABC's reports as a basis of information for their media buying decisions and publishers use the data from ABC's audits to develop better marketing strategies.⁹¹

⁹¹ General provisions on regulation of advertisement activities in the US , <http://adconsul.org/en/articles/6>

7 American Etiquette

7.1 Quick facts

Overall Americans are relatively laid back about minor etiquette rules and many of the major etiquette rules mirror European ones. Below are a number of etiquette rules that should be considered throughout the nation of the USA. Some states and regions may have slightly different etiquette rules however residents are generally more relaxed about outsiders following them. What should be considered is that:

- Politics is generally a hot-button issue in many regions of the country, particularly in swing states, it's best as an outsider to not present a political opinion or endorse or criticize a candidate openly as this may lead to friction with locals.
- America is a widely diverse nation ethnically; racist remarks will be frowned upon and will possibly lead to the end of business collaboration.
- Tipping is integral to the service industry in the USA, generally tipping will be added to the total bill to a figure of roughly 20%, not tipping will be seen very badly.
- Negative references to US foreign affairs and activities may cause negative feedback as military personnel in the country are generally well respected.
- Punctuality is important to Americans and arriving late to a meeting without prior notice will not be well received.
- Americans are generally more personable than Europeans and may take an interest in your activities outside of the workplace, this is a normal occurrence.

7.2 Key DOs and DON'Ts

Dos	Don'ts
<ul style="list-style-type: none"> • Tip when receiving a service (Roughly 20%). • Arrive on time to a pre-arranged meeting and inform your contact about your lateness should it occur. • Respect that each state will have its own dos and don'ts and make an effort to research them. • Respect cultural business differences between the US and Europe, with meetings in the US often involving a host of individuals who may enquire about your activities outside of the workplace. • Carry your national ID or print out a copy as this will be asked if approached by a member of the police. • Have adequate health coverage before arriving in the USA. 	<ul style="list-style-type: none"> • Give negative remarks aimed at a particular group. The USA is diverse, this should be respected and any negative remarks will not be well received. • Discuss domestic political matters; these should be avoided. • Offer negative remarks about the US military; military personal are respected in the USA. • Carry or present images which may cause offense such as a confederate flag. • Arrive without a transportation plan; its best to rent your own vehicle or have a lift pre-arranged as public transport in the USA is not as established as in Europe. • Disrespect the US flag. The US flag is well respected in the USA and defacing it will lead to confrontation. • Criticise religion. One should respect that the US is more religious than some other western nations and negative remarks about one's religion will not be well received.

8 Directory of Trade Support Projects, Organisations, and Service Providers

There are a variety of services available, both within the EU and in The USA, for producers wishing to export to The USA. These service providers include EU funded projects, services provided by the Member States and their embassies, other organizations and service providers, as well as buyers, importers, and distributors.

- Section 8.1 contains the project profiles for EU funded initiatives operating in The USA.
- Section 8.2 contains the contact information for Member State embassies within The USA
- Section 8.3 contains a listing of service providers including some information on the services available.
- Section 8.4 provides a calendar of exhibitions, trade shows, and other events to be held in the USA in 2020.
- Section 8.5 contains a database of professionals' contacts (buyers, importers, and distributors).

8.1 European Union Organisations


Certain EU funded, or co-funded, projects within The USA offer a range of business enabling services and information providing important insights into the US market. Depending on your company profile these services can be free or fee based; and are available for companies from any EU Member State.





European American Chamber of Commerce

The European American chamber of commerce provides its members with access to transatlantic business opportunities and has as its core value the aim of increasing cooperation between European and American businesses and to facilitate networking and relationship building.

Contacts

 *The New York Times Building, 620 Eight Avenue – 37th Floor*

 (+1) 212 808 2730

 <https://eaccny.com/>



Transatlantic business council

The Trans-Atlantic Business Council (TABC) is a cross-sectorial business association representing companies headquartered in the EU and U.S. that serves as the main business interlocutor to both the U.S. government and the EU institutions on issues impacting the transatlantic economy

Contacts

📍 Washington DC – Brussels

☎ +1 202 778 9073

✉ bgordon@transatlanticbusiness.org

🌐 <http://transatlanticbusiness.org/>



American-European business association (AEBA)

AEBA is a forum, of 30 select transatlantic corporate members, which promotes and facilitates lively and informed debate on key business, economic and political topics. The association's chief goals are to improve and increase understanding and cooperation between the business community and governments in Europe and North America, so as to advance opportunities in the globalised world.

Contacts

📍 Wenta Business Centre, 1 Electric Avenue, London, EN3 7XU

☎ (+44) 1252 703 514





✉ cl@aeba.org.uk

🌐 <http://aeba.org.uk/>

8.2 Directory of EU Member State Embassies/Consulates

EU MS	Address	Contact information
Austria (Embassy)	3524 International court, NW Washington DC, 20008	☎ (+1) 202-895-6700 ✉ Washington@bmeia.gv.at 🌐 https://www.austria.org/
Belgium (Embassy)	1430 K Street NW, Suite 101 Washington DC 20005	☎ (+1) 202 333 69 00 ✉ Washington@dipobel.fed.be 🌐 https://unitedstates.diplomatie.belgium.be/
Bulgaria (Embassy)	22 nd street, NW, Dimitar Peshev Plaza, Washington DC 20008	☎ (+1)202 299 0273 ✉ office@bulgaria-embassy.org 🌐 https://www.bulgaria-embassy.org/
Croatia (Embassy)	2343 Massachusetts Avenue, NW Washington DC, 20008	☎ (+1) 202- 588 5899 ✉ washington@mvep.hr 🌐 http://us.mvep.hr/
Cyprus (Honorary Consulate)	2211 R Str, North West. Washington DC 20008	☎ (+1)202 483 6710 ✉ info@cyprusembassy.net 🌐 www.cypusembassy.net
Czech Republic (Embassy)	3900 Spring of freedom NW, Washington DC 20008	☎ (+1) 202-274 9108 ✉ washington@embassy.msv.cz 🌐 https://www.mzv.cz/
Denmark (Embassy)	3200 Whitehaven St NW Washington DC 20008	☎ (+1) 202 234 4300 ✉ cecko@um.Dk 🌐 https://usa.um.dk/
Estonia (Embassy)	2131 Massachusetts Av. NW Washington DC 20008	☎ (+1) 212 883-0636 ✉ embassy.washington.ee 🌐 https://washington.mfa.ee/
Finland (Embassy)	3301 Massachusetts Avenue NW Washington, D.C., 20008	☎ (+1) 202- 298 6030 ✉ sanomat.was@formin.fi 🌐 https://finlandabroad.fi/
France (Embassy)	4101 Reservoir Rd NW Washington, DC - 20007	☎ (+1) 202 944 6000 ✉ Contact through website 🌐 https://franceintheus.org/
Germany (Embassy)	4645 Reservoir Road, NW, Washington, DC, 20007,	☎ (+1) 202 298-4000 ✉ Contract through website 🌐 https://www.germany.info/
Greece (Embassy)	2217, Massachusetts Avenue N.W. Washington DC 20008	☎ (+1) 202 939 1300 ✉ gremb.was@mfa.gr 🌐 https://www.mfa.gr/

EU MS	Address	Contact information
Hungary (Embassy)	3910 Shoemaker Street, N.W. Washington, D.C. 20008	☎ (+1) 202 362-6730 ✉ informacio.was@mfa.gov.hu 🌐 https://washington.mfa.gov.hu/
Ireland (Embassy)	2234 Massachusetts Ave NW, Washington DC 20008	☎ (+1) 202 462 3939 ✉ Contact through Website 🌐 https://www.dfa.ie/
Italy (Embassy)	3000 Whitehaven Street, N.W. Washington, D.C., 20008	☎ (+1) 202 612-4400 ✉ amb.washington@cert.esteri.it 🌐 https://ambwashingtondc.esteri.it/
Latvia (Embassy)	2306 Massachusetts Ave., NW Washington DC 20008 United States of America	☎ (+1) 202 328 2840 ✉ embassy.usa@mfa.gov.lv 🌐 https://www.mfa.gov.lv/
Lithuania (Embassy)	2622 16th St NW, Washington, DC 20009, United States	☎ (+1) 202 234 5860 ✉ amb.us@urm.lt 🌐 https://www.urm.lt/
Luxembourg Embassy)	2200 Massachusetts Avenue N.W. Washington, D.C. 20008	☎ (+1) 202 265 4171 ✉ Washington.amb@mae.etat.lu 🌐 https://washington.mae.lu/
Malta (Embassy)	2017 Connecticut Avenue NW Washington DC 20008	☎ (+1) 202 462 3611 ✉ maltaembassy.washington@gov.lt 🌐 https://foreignandeu.gov.mt/
The Netherlands (Embassy)	4200 Linnean Ave. NW Washington, D.C. 20008	☎ (+1) 202 244 5300 ✉ was-ca@minbuza.nl 🌐 https://www.netherlandsandyou.nl
Poland (Embassy)	2224 Wyoming Avenue NW, Washington DC 20008	☎ (+1) 202 499 1930 ✉ Washington.amb@msz.gov.pl 🌐 https://www.gov.pl/
Portugal (Embassy)	2012 Massachusetts Avenue, NW Washington DC 20036	☎ (+1)202 35 054 00 ✉ info.washington@mne.pt 🌐 https://www.washingtondc.embaixadaportugal.mne.pt/
Romania (Embassy)	607 23rd Street, Northwest, Washington, D.C. 20008	☎ (+1)202 332 4829 ✉ washington@mae.ro 🌐 https://washington.mae.ro/
Slovakia (Embassy)	3523 International Court NW, Washington D.C	☎ (+1) 202 237 1054 ✉ emb.washington@msv.sk 🌐 https://www.mzv.sk/
Slovenia (Embassy)	2410 California St, NW Washington, DC 20008	☎ (+1) 202 386 6601 ✉ sloembassy.washington@gov.si

EU MS	Address	Contact information
		 http://www.washington.embassy.si/
Spain <i>(Embassy)</i>	375 Pennsylvania Ave, NW. 20037 Washington DC	 (+1)202 452 0100  emb.washington@maec.es  http://www.exteriores.gob.es
Sweden <i>(Embassy)</i>	Embassy of Sweden 2900 K Street, N.W. Washington, DC 20007	 (+1) 202 467 2600  ambassadan.washington@gov.se  https://www.swedenabroad.se

8.3 Other organisations and service providers

Service provider	Address	Contact information
SERVICES FOR AUSTRIAN COMPANIES		
Advantage Austria in The USA	Austrian Trade Commission 120 west 45 th street, 9 th floor 10036 New York	☎ +1 212 412 52 50 ✉ newyork@advantageaustria.org 🌐 https://www.advantageaustria.org/
SERVICES FOR BELGIAN COMPANIES		
Belcham	1177 Avenue of the Americas, 7 th floor 10036 New York	☎ + 1 212 541 0771 ✉ infoNY@belcham.org 🌐 https://www.belcham.org/
SERVICES FOR BULGARIAN COMPANIES		
Bulgarian Chamber of Commerce & Industry	17, Adriana Budevaska Str. Sofia 1463, Bulgaria	☎ (+359 2) 8117 400; 987 26 31 ✉ bcci@bcci.bg
SERVICES FOR CROATIAN COMPANIES		
Croatian Chamber of Economy	Rooseveltov trg 2, 10000 Zagreb, Croatia	✉ investicije@hgk.hr; hgk@hgk.hr 🌐 www.investincroatia.hr
SERVICES FOR CZECH COMPANIES		
Czech Chamber of Commerce	Florentinum, Na Florenci 2116/15, 110 00 Praha 1	☎ +420 266 721 300 ✉ office@komora.cz 🌐 www.komora.cz
SERVICES FOR CYPRIOT COMPANIES		
Cyprus Chamber of Commerce and Industry	38, Grivas Dhigenis Ave. & 3, Deligiorgis Str., P.O.Box 21455, 1509 Nicosia	☎ +357 22889800 ✉ chamber@ccci.org.cy
SERVICES FOR DANISH COMPANIES		
American -Danish business council	Whitehaven Street, NW Washington DC 20008	☎ +1 202 297 7035 ✉ Abdc@usadk.org 🌐 www.usadk.org
SERVICES FOR DUTCH COMPANIES		
Netherlands – American Business council	505 8 th Avenue, Suite 12A-05 10018 New York	✉ Contact through website 🌐 https://www.nabizc.com/
SERVICES FOR ESTONIAN COMPANIES		
Estonian Chamber of Commerce & Industry	Toom-Kooli 17, 10130 Tallinn	☎ +372 604 0060 ✉ koda@koda.ee
SERVICES FOR FINNISH COMPANIES		
Business Finland	Business Finland Silicon Valley, Nordic innovation house, Palo Alto CA 94301	☎ +1 202 767 9676 ✉ val.kratzman@businessfinland.fi 🌐 https://www.businessfinland.fi/

Service provider	Address	Contact information
SERVICES FOR FRENCH COMPANIES		
France American Chamber of Commerce	1375 Broadway, suite 504 New York	+1 212 867 0123 Contact through website https://www.faccnyc.org/
SERVICES FOR GERMAN COMPANIES		
German – American Chamber of Commerce	101 Montgomery Street, San Francisco CA 94104	+1 415 248 1240 Contact through website https://www.gaccwest.com/
SERVICES FOR GREEK COMPANIES		
Enterprise Greece – Invest & Trade	109 Vasilissis Sophia's Avenue, 115 21 Athens, Greece	+30 210 335 5700 info@enterprisegreece.gov.gr
SERVICES FOR HUNGARIAN COMPANIES		
Hungarian Export Promotion Agency	1095 Budapest, Ipar utca 5	06 1 810 1600 info@hepa.hu www.hepa.hu
SERVICES FOR IRISH COMPANIES		
Enterprise Ireland	East Point Business Park, The Plaza, Dublin 3 DO3 R5R6	+353 1 727 2020 client.service@enterprise-ireland.com https://globalambition.ie/
SERVICES FOR ITALIAN COMPANIES		
Ital Chamber	11 E 44st ste 1400, New York	+1 212 459 0044 info@italchamber.org https://www.italchamber.org/
SERVICES FOR LATVIAN COMPANIES		
Latvian Chamber of commerce and industry	35 Krisjana Valdemara str., Riga, LV-1010, Latvia	+371 67225592 info@chamber.lv
SERVICES FOR LITHUANIAN COMPANIES		
Lithuanian Chamber of commerce and industry	Vašingtono sq. 1-63a, LT-01108 Vilnius	(370) 2613 102 info@chambers.lt https://chambers.lt/en/
SERVICES FOR LUXEMBURG COMPANIES		
LACC, Luxembourg-American chamber of commerce	17 Beekman Place New York, NY 10022	+1 212 888 6701 tdudsak@laccnyc.org https://www.laccnyc.org/
SERVICES FOR MALTESE COMPANIES		
The Malta Chamber of Commerce, Enterprise and Industry	64, Republic Street, Valletta, Malta	+ 356 2203 2000 https://www.maltachamber.org.mt/
SERVICES FOR POLISH COMPANIES		

Service provider	Address	Contact information
Polish American chamber of commerce	5214 W. Lawrence Avenue Suite #1 Chicago, Illinois 60630	☎ + 1 773 205 1998 ✉ info@polishamericanchamber.org 🌐 http://polishamericanchamber.org/
SERVICES FOR PORTUGUESE COMPANIES		
Camara de comercio (Portuguese Chamber of commerce)	Rua Das portas de Santo Antao,89	☎ + 351 213 224 050 ✉ geral@ccip.pt 🌐 https://www.ccip.pt/en/
SERVICES FOR ROMANIAN COMPANIES		
Chamber of Commerce and Industry of Romania	Address: 2, Octavian Goga Blvd, sector 3, 030982 Bucharest	☎ +40 21 3117534 ✉ narcis.pirnaeu@ccir.ro 🌐 www.ccir.ro
SERVICES FOR SLOVAK COMPANIES		
Slovak Chamber of Commerce & Industry	Gorkého 9, 81603 Bratislava, Slovakia	☎ +421 2 54433272
SERVICES FOR SLOVENIAN COMPANIES		
Chamber of Commerce and Industry of Slovenia	Dimičeva 13, SI-1504 Ljubljana	☎ +386 1 5898 000 ✉ info@gzs.si
SERVICES FOR SPANISH COMPANIES		
Spain-USA chamber of commerce	80 Broad Street, Suite 2103 New York, NY 1000	☎ +1 212 967 2170 ✉ Contact through website 🌐 https://www.spainuscc.org/
SERVICES FOR SWEDISH COMPANIES		
Sweden Chamber of Commerce	Brunnsgatan 2, 111 38 Stockholm, Sweden	☎ (+46) 8 555 100 00 🌐 https://www.chamber.se/

8.4 Calendar of trade events and exhibitions in 2020 and 2021

Note: the ongoing issues with coronavirus at the time of writing both resulted in various cancellations/delays without fixed rescheduling dates and may result in further changes to the calendar outlined below. In view of this:

- 1. Scheduled fairs which did not take place have been included with their original date, as it is generally not clear when they will be rescheduled for, and most events are anyhow recurring. It is recommended that the links provided be monitored for news on when the event or the next edition is being scheduled for.**
- 2. It is strongly recommended to monitor the links provided for any future events to check whether they are still going ahead, and if not whether a new date has been decided.**

Event	Date	Recurrence	Venue	Organiser Details
September 2020				
Annual swine festival	1 st	Annual	Western Illinois University, Macomb, Illinois	☎ (+1) 217 357 6811 ✉ Contact through website 🌐 https://www.hogvet.com/
3-Tier wine symposium	3 rd	Annual	Hyatt Vineyard creek, Santa Rosa, California	✉ info@3tierwine.com 🌐 http://3tierwine.com/
Meat industry food safety conference	9 th	Annual	Virtual Event	☎ (+1) 202 587 4200 ✉ info@meatinstitute.com 🌐 https://www.meatinstitute.org/
Whiskies of the world expo	11 th	Annual	Sheraton Austin Hotel, Austin, Texas	✉ whiskies@agency21consulting.com 🌐 https://whiskiesoftheworld.com/events/austin/
October 2020				
Fed global thought leadership summit	29 th -1 st	Annual	St Jane, Chicago, Illinois	✉ Contact through website 🌐 https://fedthoughtleadership.com/
Oktoberfest German festival	2 nd – 3 rd	Annual	Cary, North Carolina	☎ (+1) 919 601 6962 ✉ burgermeister@triangleoktoberfest.org 🌐 https://trianglektoberfest.org/
World Dairy Expo	11-13	Annual Location Rotation	Alliant Energy Centre, Madison, Wisconsin	☎ (+1) 608 224 6455 ✉ wde@wdexpo.com 🌐 https://worlddairyexpo.com/
November 2020				

Event	Date	Recurrence	Venue	Organiser Details
World of flavours conference	04-06	Annual	Napa Valley, California	 (+1) 707 967 2439  shara.orem@culinary.edu  https://www.worldsofflavor.com
Great foods expo	07-08	Annual Location Rotation	New Jersey expo centre	 (+1) 800 400 2099  Contact through website  https://greatfoodexpo.com/
Grand rapids international wine beer and food festival	19-21	Annual	Devos place, Grand Rapids, Michigan	 (+1) 616 447 2860  events@showspan.com  https://showspan.com/
December 2020				
Farm to Fork	02-03	Annual	New Lab, New York	 (+44) (0) 1273 789989  info@rethinkevents.com  https://futurefoodtechnyc.com/
Say chesses wine trail	12-13	Annual	Hermann Wine Trail, Hermann, Missouri	 (+1) 800 932 8687  Contact through website  https://hermannwinetrail.com/
January 2021				
Big beers Belgians and barley wines festival	07-09	Annual	Beaver Run Resort & conference centre, Breckenridge, Colorado	 (+1) 970 977 0100  Contact through website  https://bigbeersfestival.com/
Annual Wine and spirit daily summit	18-19	Annual	Hotel del Coronado, Coronado, California	 Contact through website  https://winespiritsdaily.com/
BITAC	24-26	Annual	Trump National Doral Miami, Florida	 (+1) 631 424 7755  rviola@hotelinteractive.com  http://www.bitac.net/
February 2021				
CiderCon	02-05	Annual	Hilton Hotel, Chicago, Illinois	 (+1) 303 695 0780  ccp@ciderassociation.org  https://ciderassociation.org/
RFA Annual Conference	21-24	Annual	Wekopa Resort & conference centre, Scottsdale, Arizona	 (+1) 678 426 9175  info@refrigeratedfoods.org  https://www.refrigeratedfoods.org
March 2021				

Event	Date	Recurrence	Venue	Organiser Details
National Pork Industry Forum	03-05	Annual	Omni Louisville, Louisville, Kentucky	✉ Contact through website 💻 http://www.porkindustryforum.com/
Snaxpo	28-30	Annual	Charlotte, North Carolina	☎ (+1) 706 836 4500 ✉ avalentino@snacintl.org 💻 http://www.snaxpo.com/

8.5 Database of professionals' contacts

8.5.1 List of relevant buyers, importers, and distributors

Company name	Type	Area of interest	Contact information
7-Eleven	Import/Distribution	F&B	☎ (+1) 800 255 0711 ✉ Contact through website 🌐 https://www.7-eleven.com/
Albertsons	Import/Distribution	F&B	☎ (+1) 877 258 2799 ✉ Contact through website 🌐 https://www.albertsons.com/
Aldi US	Import/ Distribution	F&B	✉ Contact through website 🌐 https://www.aldi.us/
Ahold Delhaize	Import/Distribution	F&B	☎ (+31) 88 659 9111 ✉ CPhillip- brown@retailbusinessservices.com 🌐 https://www.aholddelhaize.com/
AmazonGo	Distribution	F&B	✉ Contact through website 🌐 https://www.amazon.com/
Amigo foods	Import/ Distribution	Spanish F&B	☎ (+1) 800 627 2544 ✉ customerservice@amigofoods.com 🌐 https://www.amigofoods.com/
Atlantic distributors Inc	Import/ Distribution	Fresh / processed meat, F&V	☎ (+1) 1 423 624 3066 ✉ info@aditn.com 🌐 http://www.aditn.com/
Bandi Foods	Import/Distribution	F&B	☎ (+1) 888-201-0733 ✉ info@bandifoods.com 🌐 http://bandifoods.com/
Balkan fresh	Import/ Distribution	Foods from the Balkan nations	☎ (+1) (718) 710-0516 ✉ Info@BalkanFresh.com 🌐 https://balkanfresh.com/
Baltic Foods US	Import/Distribution	Foods from the Baltic nations	☎ (+1) 708 582 6683 ✉ info@balticfood.us 🌐 http://www.balticfood.us/
Balt Trade	Import/Distribution	Foods from Eastern Europe	☎ (+1) 253 922 7435 ✉ Contact through website 🌐 http://www.balttradeusa.com/
Bella Italia	Import/ Distribution	Italian F&B	✉ info@bellaitaliafoodstore.com 🌐 https://www.bellaitaliafoodstore.com

Company name	Type	Area of interest	Contact information
British food depot	Import/ Distribution	British and Irish foods	✉ support@britishfooddepot.com 🌐 https://britishfooddepot.com/
Buon Italia	Import/ Distribution	Italian Food and Beverages	☎ (+1) 212 633 9090 ✉ Contact through website 🌐 https://buonitalia.com/
Candy Warehouse	Import/Distribution	F&B	☎ (+1)310 343 4099 ✉ customercare@candywarehouse.com 🌐 https://www.candywarehouse.com/
Circle K	Import/Distribution	F&B	☎ (+1) 330 630 6300 ✉ Contact through website 🌐 https://www.circlek.com/
Commerce International	Import/Distribution	F&B	☎ (+1) 407 4267098 ✉ Contact through website 🌐 https://www.commercefoods.com/
Costco	Import/Distribution	F&B	☎ (+1) 888 426 7826 ✉ Contact through website 🌐 https://www.costco.com/
Danam Foods	Import/Distribution	F&B	☎ (+1) 905 842 9797 ✉ sales@danamfoods.com 🌐 https://www.danamfoods.com/
Dollar general	Import/Distribution	F&B	☎ (+1) 877 463 1553 ✉ Contact through website 🌐 https://www.dollargeneral.com/
Dollar Tree	Import/ Distribution	F&B	☎ (+1) 877 530 4833 ✉ Contact through website 🌐 https://www.dollartree.com/
Eataly	Import/Distribution	Italian F&B	☎ (+1) 212 539 0833 ✉ Contact through website 🌐 https://www.eataly.com/
Efoodsdepot	Import/ Distribution	F&B	☎ (+1) 888 553 5650 ✉ Contact through website 🌐 http://www.efooddepot.com/
European Imports Inc	Import/Distribution	F&B	☎ (+1) 800 323 3464 ✉ Contact through website 🌐 http://www.eilttd.com/index.php
Eurozone Foods	Import/Distribution	F&B	☎ (+1) 5059802648 ✉ Contact through website 🌐 http://www.eurozonefoodsnm.com

Company name	Type	Area of interest	Contact information
Euro-American Brands	Import/Distribution	F&B	☎ (+1) 201 368 2512 ✉ Contact through website 🌐 http://euroamericanbrands.com/
Indo-European	Import/ Distribution	Mediterranean foods	☎ (+1) 818-247--1000 ✉ info@indo-euro.com 🌐 http://www.indo-euro.com/
Gelen Foods	Import/Distribution	Eastern European Foods	☎ (+1) 718 314 6116 ✉ Leonid0025@gmail.com 🌐 http://www.gelenusa.com/
German shop 24 US	Import/ Distribution	German F&B	☎ (+1) 916 273 6029 ✉ Contact through website 🌐 https://www.germanshop24.com/
Giant foods	Import/ Distribution	F&B	☎ (+1) 888 263 1605 ✉ Contact through website 🌐 https://giantfood.com/
Global Importing Group	Import/ Distribution	F&B	☎ (+1) 503 655 3000 ✉ Contact through website 🌐 http://globalimportinggroup.com/
Global Food Corp	Import/ Distribution	All F&B but notably meat	☎ (+1) 305 777 3514 ✉ https://globalfoodinternational.com/become-a-supplier/ 🌐 https://globalfoodinternational.com/
Gustiamo	Import/Distribution	F&B	☎ (+1) 718 860 2949 ✉ Gustiteam@gustiamo.com 🌐 https://www.gustiamo.com/
Heb food grocery	Import/ Distribution	F&B	☎ (+1) 800 432 3113 ✉ Contact Through website 🌐 https://newsroom.heb.com/
Hannaford	Import/ Distribution	Fruit and Vegetables	☎ (+1) 800 442 6049 ✉ Contact through website 🌐 https://www.hannaford.aholdusa.com/
Harycia	Import/Distribution	F&B	☎ (+1) 786 457 90009 ✉ ar@harycia.com 🌐 https://harycia.com/
I Gourmet	Import/ Distribution	Italian F&B	☎ (+1) 570 620 3800 ✉ cservice@igourmet.com 🌐 https://www.igourmet.com/
Irish Store USA	Import/ Distribution	Irish F&B	☎ (+1) 800 707 5036

Company name	Type	Area of interest	Contact information
			✉ info@theirishstore.com 🌐 https://www.theirishstore.com/
Italian food online	Import/ Distribution	Italian F&B	☎ (+1) 954 440-2917 ✉ Contact through website 🌐 https://italianfoodonlinestore.com/
JJ&K Distributors	Import/ Distribution	F&B	☎ (+1) 201 939 4234 ✉ info@JJKFoods.com 🌐 https://jjkfoods.com/
Kroger	Import/Distribution	F&B	☎ (+1) 800 576 4377 ✉ Contact through website 🌐 https://www.kroger.com/
La Tienda	Import/ Distribution	Spanish F&B	☎ (+1) 800-710-4304 ✉ support@latienda.com 🌐 https://www.tienda.com/
Le panier Francais	Import/ Distribution	French F&B	☎ (+1) 800 215 2140 ✉ Contact through website 🌐 https://lepanierfrancais.com/
Lidl US	Import/Distribution	F&B	☎ (+1) 844 747 5435 ✉ Contact through website 🌐 https://www.lidl.com/
Lowell Foods International	Import/Distribution	F&B	☎ (+1) 847 349 1002 ✉ Contact through website 🌐 http://www.lowellfoods.com/
Malincho	Import/Distribution	Bulgarian F&B	☎ (+1) 866 203 3525 ✉ Contact through website 🌐 https://malincho.com/
Maniachetti	Import/Distribution	F&B	☎ (+1) 800 799 9830 ✉ Contact through website 🌐 https://www.manicaretta.com/
Markpol	Import/ Distribution	Distribution of European F&B	☎ (+1) 847 801 5050 ✉ Contact through website 🌐 https://markpoldistributors.com/
Mega Food International	Import/Distribution	F&B	☎ (+1) 212 464 6917 ✉ megafood09@gmail.com 🌐 https://www.megafoodpa.com/
Market basket	Import/ Distribution	F&B	✉ Contact through website 🌐 https://www.shopmarketbasket.com
Mediterranean foods US	Import/ Distribution	F&B from Greece	☎ (+1) 718 728 6166

Company name	Type	Area of interest	Contact information
			✉ orders@mediterreaneanfoodsny.com 🌐 https://mediterraneanfoodsny.com/
Meijer	Import/ Distribution	F&B	☎ (+1) 877 363 4537 ✉ Contact through website 🌐 https://www.meijer.com/
New seasons market	Import/ Distribution	F&B	☎ (+1) 503 224 7522 ✉ Contact through website 🌐 https://www.newseasonsmarket.com
Nordic Expat shop	Import/Distribution	F&B from the Nordic nations	✉ Contact through website 🌐 https://nordicexpatshop.com/
Northwestern Meat Inc	Import/Distribution	Fresh / processed meat	☎ (+1) 305 633 8112 ✉ northwesternmeat@numeat.com 🌐 http://www.numeat.com/
Omegafoods	Import/Distribution	F&B	☎ (+1) 877 690 2827 ✉ info@omega-foods.com 🌐 http://www.omega-foods.com/
Ottos Hungarian Deli	Import/ Distribution	Hungarian Meats	☎ (+1) 818 845 0433 ✉ info@HungarianDeli.com 🌐 http://www.hungariandeli.com/
Parthenon Foods	Import/ Distribution	Greek Foods	☎ (+1) 414 204 8804 ✉ sales@partheonfoods.com 🌐 https://www.partheonfoods.com/
Polish Deli Online	Import/Distribution	Polish F&B	☎ (+1) 908 867 8232 ✉ Contact through website 🌐 https://www.polishdelionline.com/
Publix	Import/Distribution	F&B	☎ (+1) 800 242 1227 ✉ Contact through website 🌐 https://www.publix.com/
PV Euro Market	Import/Distribution	F&B	☎ (+1) 4408880264 ✉ Contact through website 🌐 https://www.pveuromarket.com/
Republic National	Distribution	Wine, spirits,	✉ Contact through website 🌐 https://www.rndc-usa.com/
SaveaLot	Import/ Distribution	F&B	☎ (+1) 888 725 4537 ✉ Contact through website 🌐 https://savealot.com/
Scandinavian food store	Import/ Distribution	F&B from the Nordic nations	☎ (+1) 954 316 1360 ✉ Contact through website

Company name	Type	Area of interest	Contact information
			 https://www.scandinavianfoodstore.com
Slovak-Czech Varieties	Import/ Wholesaler	F&B from the Czech Republic and Slovakia	 (+1) 718 752 2093  Contact through website  https://www.slovczechvar.com/
Southern Glazer	Distribution	Wine, spirits	 (+1) 972 392 8399  newproducts@sgws.com  http://www.southernglazers.com/
Stark foods	Import/Distribution	F&B	 (+1) 516 626 3704  info@starkfoods.com  www.starkfoods.com
Stop&Shop	Import/ Distribution	F&B	 (+1) 800 767 7772  Contact through website  https://stopandshop.com/
Supermarket Italy	Food service (Italian chain)	Italian F&B	 (+1) 201 729 0739  orders@supermarketitaly.com  https://www.supermarketitaly.com
Sysco	Distribution (national)	All F&B	 (+1) 281 584-1390  https://www.sysco.com/
Target	Importer/Distribution		 (+1) 800 440 0680  Contact through website  https://www.target.com/
The Dutch Store	Importer/Distribution	F&B from the Benelux nations	 (+1) 260 638 8241  Contact through website  https://thedutchshop.com/
The Taste of Germany	Import/Distribution	German Foods	 (+1) 800 881 6419  Contact through website  https://www.thetasteofgermany.com
Trader Joes	Import/ Distribution	F & B	 Contact through website  https://www.traderjoes.com/
UNFI	Import/ Distribution	F&B	 Contact through website  https://www.unfi.com/
US foods	Distribution (national)	All F&B	 (+1) 877 583 9659  https://www.usfoods.com/
US Italian foods	Import/ Distribution	F&B	 (+1) 646 661 2888  Contact through website  https://www.usitalianfood.com/
Walmart	Import/ Distribution	F&B	 (+1) 800 925 6278  Contact through website

Company name	Type	Area of interest	Contact information
			https://www.walmart.com/
Walgreens	Import/Distribution	F&B	☎ (+1) 800 925 4733 ✉ Contact through website https://www.walgreens.com/
Wakefern	Import/ Distribution	F&B	☎ (+1) 908 527-3300 ✉ Contact through website https://www2.wakefern.com/
Wegmans	Import/ Distribution	F&B	☎ (+1) 800 934 6267 ✉ Contact through website https://www.wegmans.com/
Wholefoods	Distribution	F&B	☎ (+1) 844 936 8255 ✉ Contact through website https://www.wholefoodsmarket.com
William H Kopke Inc	Import/Distribution	Fruit and vegetables	☎ (+1) 516 328 6800 ✉ Contact through website http://kopkefruit.com/
WinCo	Import/Distribution	F&B	☎ (+1) 800 824 1706 ✉ Contact through website https://www.wincofoods.com
Yum Foods	Import/ Distribution (Fast food sector)	F&B	☎ (+1) 888 298 6986 ✉ yum.investor@yum.com https://www.yum.com/

8.5.2 Other relevant organisations and resources

The organisations listed in the table below may be worth contacting in order to identify further, specialist potential partners.

Organisation name	Type Area of interest	Contact information
NABI – National Association of Beverage Importers	Alcoholic beverages	☎ (+1) 202 393 6224 ✉ Contact through website https://www.bevimporters.org/
Meat Import Council of America, Inc.	Meat import	☎ (+1) 703 522 1910 ✉ lauriebryant@micausa.org http://www.micausa.org/
Association of Food Industries	Food industry importers and exporters (all)	☎ (+1) 732 922 3008 ✉ info@afius.org

 <https://www.afius.org/>

