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Canada

Retail Foods

Retail Sector Overview - 2017

Approved By:

Evan Mangino, Agricultural Attaché

Prepared By:

Maria A. Arbulu, Senior Agricultural Marketing Specialist

Report Highlights:

In 2016, retail food and beverage sales in Canada amounted to \$73 billion, comprising 85 percent of total food and alcohol beverage sales. Despite continued consolidation in the retail sector, Canada remained the top destination for U.S. high-value agricultural exports in 2016, valued at more than \$16 billion. This report focuses on retail food and non-alcoholic beverage sales in Canada.

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Overview of U.S. Agricultural Products in Canada

The United States and Canada maintain the world's largest bilateral agricultural trading relationship. In 2016, U.S. agricultural exports surpassed \$20 billion to Canada, with more than \$16 billion comprised of high-value, consumer-oriented food products. As the top global market, Canada accounted for over one-fourth of all U.S. consumer-oriented food exports; double the value of the second leading market, Mexico, and greater than the combined value of consumer-oriented exports to Japan, Hong Kong, South Korea, and China. U.S. products represent approximately 60 percent Canada's total agricultural imports.

In 2016, the leading consumer-oriented agricultural categories were prepared foods, red meats, fresh vegetables, fresh fruits, snack foods, and processed fruits and vegetables. These five categories were prepared foods (\$1.9 billion), red meats (\$1.8 billion), fresh vegetables (\$1.8 billion), fresh fruits (\$1.6 billion), snack foods (\$1.3 billion), and non-alcoholic beverages (\$1.1 billion). In 2016, Canada became the largest export market for U.S. fisheries products, surpassing the \$1 billion mark.

Under the tariff elimination provisions of the North American Free Trade Agreement (NAFTA), the majority of U.S. agricultural products have entered Canada duty-free since January 1, 1998. Canada's retailers have capitalized on opportunities under NAFTA, which has resulted in significant gains for U.S. food companies. Since the signing of NAFTA, U.S. agricultural exports have quadrupled in value.

On average, more than 35 U.S. states count Canada as their number one food and agricultural export market, and Canada remains a stable and attractive market for U.S. exporters, particularly to new-to-market and new-to-export firms. Trade with Canada is facilitated by proximity, common culture, language, similar lifestyle pursuits, and the ease of travel among citizens for business and pleasure. Canadians are receptive to and familiar with most American products due, in part, to the 20 million Canadians visiting the United States each year.¹ However, as similar as the United States and Canada are, exporters need to recognize and to understand the nuances of the Canadian marketplace to ensure sales traction in the retail sector.

Section 1: Market Summary

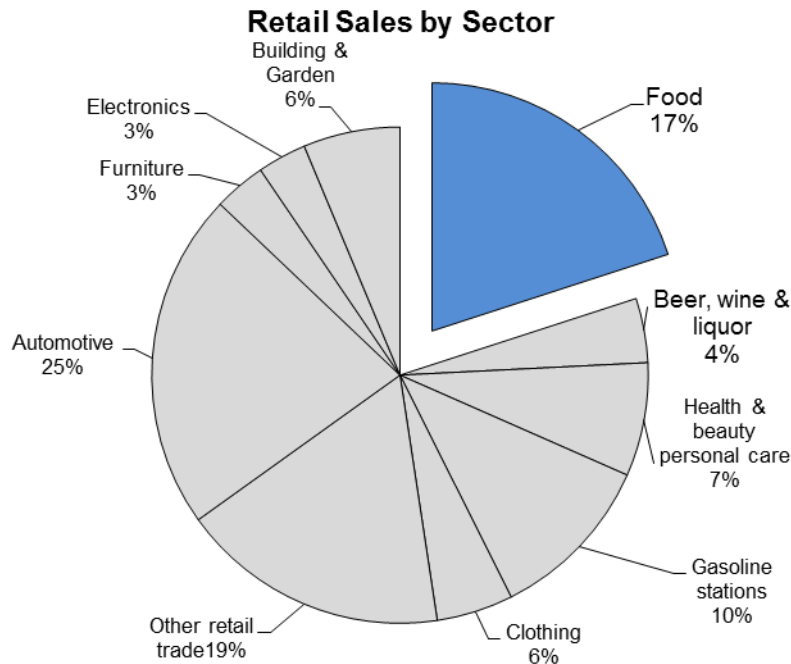
1A. The Food Sector in Canada's Retail Landscape

Statistics Canada reported total 2016 retail sales of \$416 billion, a three percent increase from 2015. Food and alcohol beverage sales in Canada contributed \$89 billion to Canada's retail landscape; retail food sales amounted to \$73 billion (17 percent of total retail).

The Canadian retail landscape has changed considerably as consolidation, led by two major retail grocery chains, has propelled the shift from independent retailers to regional and national chain stores. A relatively stronger U.S. dollar has increased the challenges facing food retailers seeking to remain competitive in the market.

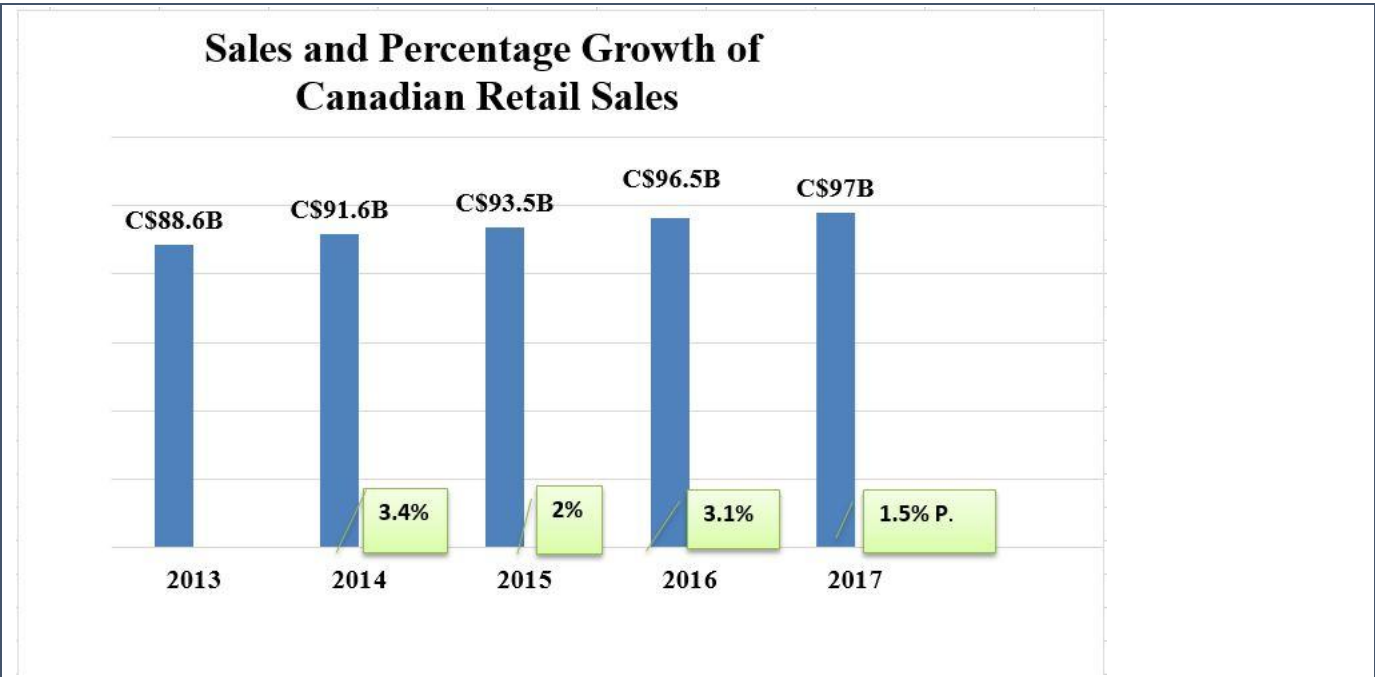
¹ In 2016, the U.S. Department of Commerce reported 20 million Canadians visited the U.S.
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Table 1: Food Sales in Canada’s Retail Landscape in 2016



Source: Statistics Canada, Retail store sales by selected commodity

Table 2: Five Year Trend in Retail Food Sales in Millions of C\$



Source: Statistics Canada

In 2016, approximately 58 percent of food sales occurred at traditional grocery stores, with the vast majority under the umbrella of Canada’s ‘Three Majors’– Loblaws, Sobeys and Metro. However, non-grocery retailers, particularly Costco and Walmart, have gained market share in the last five years, accounting for 20 percent of the retail grocery market in 2016.

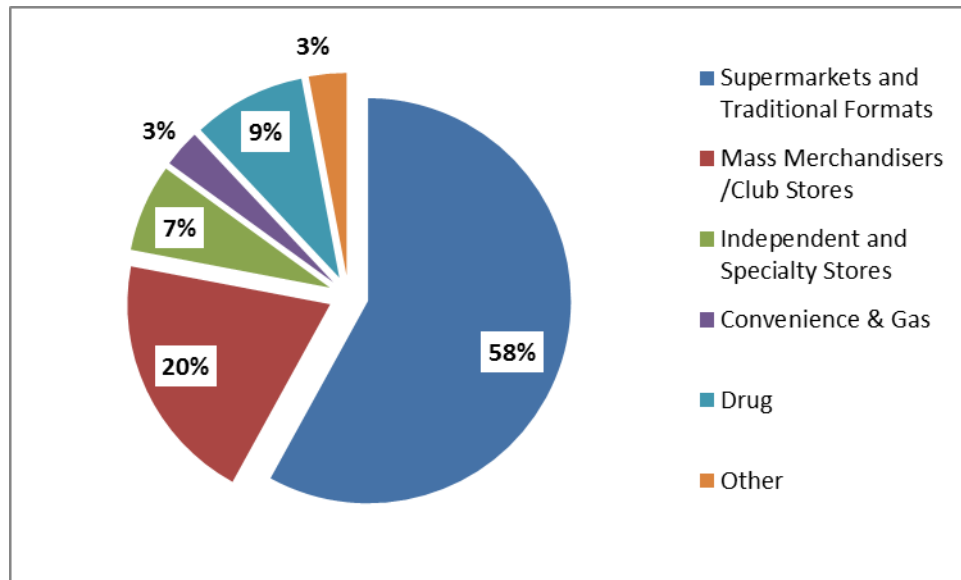
Each of the Majors has a discount banner, such as Loblaw's *No Frills* and Sobeys' *FreshCo*. The discount channel grew from 27 percent in 2011 to 36 percent in 2016, and this trend is predicted to grow, as discount merchandisers, such as Dollarama and Dollar Tree, continue to expand food offerings.

Table 3: Definition of Retail Channels

Channel	Description
Grocery Store	Any retail store selling a line of dry groceries, canned goods or non-food items plus perishable items.
Supermarkets	A full-line, self-service grocery store with annual sales of \$2 million CAD or more.
Mass Merchandiser / Hypermarkets	A retailer of soft and hard goods, wherein the selling of grocery products have been an add-on and not traditionally the prime focus of the retail format. Often 200,000 square feet or larger.
Warehouse Clubs	A store with more than 1,500 items, primarily dry groceries with some perishables. These stores are typically 100,000 square-feet or more and feature a majority of general merchandise as well as a grocery line dedicated to large-size and bulk sales. Low margin and labor ratio.
Convenience Stores	A compact store offering a limited line of high-convenience items. Many sell gasoline and fast food. They are usually less than 2,400 square-feet in size and are open long hours.
Drug Stores	Stores (often chain) with retail pharmacies and specializing in Over-the-Counter (OTC) medications and selling health and beauty aid products. Offering a limited range of convenient groceries.
Specialty Stores	Small specialized stores, often approximately 3,000 square feet or less specializing in a specific food market sector, such as meats or health foods.
Gas Stations	Convenience stores operating under or in conjunction with a gasoline banner.

Source: Canadian Grocer 2017

Table 4: Retail Channel Market Share in Canada



Source: Canadian Grocer 2017

Table 5: Top Food Retailers in Canada

Retailer	Estimated 2016 Food Sales (\$ CAD)
Loblaw Cos. Ltd./Shoppers Drug Mart *	\$28,919,000,000
Sobeys Inc. (Empire) /Safeway	\$20,827,000,000
Metro Inc.*	\$11,124,000,000
Costco Canada Inc.*	\$10,162,000,000
Walmart Canada Corp.*	\$ 7,004,000,000
Co-ops*	\$ 3,574,000,000
Overwaitea Food Group*	\$ 2,759,000,000
The Northwest Company*	\$ 840,000,000
Alimentation Couche-Tard*	\$ 556,000,000
Dollarama*	\$ 525,000.000
Longo Brothers Fruit Market *	\$ 400,000,000 e.

Source: Canadian Grocer Who's Who 2017

*indicates food sales only; e=estimate

Table 6: Average Retail Prices on Select Grocery Items

Selected Food Items	Unit	Avg. Retail Prices \$ CAD October 2016	Avg. Retail Prices \$ CAD October 2017
Round steak	1 kg	18.08	17.59
Sirloin steak	1 kg	23.74	22.76
Prime Rib Roast	1 kg	30.52	30.66
Stewing Beef	1 kg	16.17	15.87
Ground beef	1 kg	12.36	12.11
Pork Chops	1 kg	12.29	12.47
Bacon	500 g	6.58	7.10
Wieners	450g	4.48	4.50
Canned sockeye salmon	213 g.	4.23	4.40
Processed cheese food slices	250 g	2.83	2.68
Bread	675 g	2.86	2.81
Macaroni	500 g	1.46	1.45
Corn Flakes	675 g	4.71	4.68
Flour	2.5 kg	4.72	4.70
Apples	1 kg	3.99	4.25
Grapefruits	1 kg	3.24	4.11
Oranges	1 kg	3.40	3.47
Canned Apple Juice	1.36 liter	2.04	2.08
Orange juice, tetra-brick	1 liter	3.83	3.98
Baked beans, canned	398 ml	1.36	1.36
Tomatoes, canned	796 ml	1.56	1.55
Ketchup	1 liter	3.31	3.29
Roasted Coffee	300 g	6.23	6.47
Canned Soup	284 ml	1.11	1.16
Peanut Butter	500 g	3.42	3.20
Cooking or salad oil	1 liter	3.94	3.98
Soft drinks, lemon-lime type	2 liters	1.88	1.90
Soft drinks, cola type	2 liters	2.02	1.97
<i>Source: Statistics Canada, Food and other selected items, average retail prices January 1, 2017 to September 30, 2017 Average Exchange Rate \$1USD=.1.31CAD/.76</i>			

1B. Imported Foods in Canada

The Conference Board of Canada, an established Canadian non-profit research organization, recognizes the value of imported foods, stating, “global food supply chains allow (Canadians) to eat fresh fruits and vegetables year-round with the use of transportation equipment and storage facilities with the right temperature and environment to optimize freshness and taste.” They report, “imported foods doesn’t imply compromising on the quality, nutrition, and safety of what we eat.” Much of the value of Canada’s food imports in the last two decades have been fresh fruits and vegetables. Canadians have changed their daily eating habits to include more fruits, and vegetables as well as cereal products and nuts.

Table 7: Canadian Consumer-Oriented Imports and Retail Sales (\$ USD Millions)

Year	Total Consumer-Oriented Food Imports	Total U.S. Food Imports	U.S. Share of Consumer-Oriented Imports	Total Retail Food Sales*
2013	\$25,563	\$16,420	64 percent	\$86,037
2014	\$26,264	\$16,817	64 percent	\$83,000
2015	\$25,717	\$16,452	64 percent	\$73,201
2016	\$25,307	\$15,815	63 percent	\$72,839
2017	\$25,208 e.	\$15,501 e.	62 percent e.	\$75,429 e.
* Decreases in the retail market size in Canada are a reflection of annual exchange rate fluctuations. The U.S. dollar strengthened significantly against the Canadian dollar in 2015 and 2016. e. = estimate				

Table 8: 2016 Top Canadian Food Imports (\$ USD Millions)

Product	Value
Packaged Food Products*	\$12,031.6
Fruits, nuts, and vegetables <i>(includes intermediate)</i>	\$9,300.8
Meat Products	\$4,243.2
Prepared and Packaged Seafood Products	\$2,709.6
Dairy Products	\$1,325.7
Coffee and Tea	\$1,182.4
Fresh, frozen and canned fruit and vegetable juices	\$1,268.3
Bottle water, carbonated soft drinks and other beverages	\$1,070.5

Product	Value
Fish, shellfish and other fishery products	\$856.3
*Includes breakfast cereals, flour mixes, bread, rolls, flatbread, cookies, crackers, chocolate, confectionary products, snack food products, flavorings, preserves, and frozen foods	
Source: Statistics Canada, CANSIM, table 228-0059/ 12 month period of November 2015 to October 2016	

1C. The Canadian Shopper

The popularity of certain foods appearing on store shelves has been directly related to Canada's changing demographics, lifestyles and attitudes towards foods.

Demographics

There are more Canadians over 65 than under 15 years of age, and seniors constitute the fastest-growing age group. However, with nearly 1 in 5 Canadians born overseas, the increasing ethnic diversity of the Canadian population is reflected in retail offerings and the spread of 'ethnic foods.'

Graying Population

Canada has an aging population with 40 percent of the population 45 years-of-age or older; this segment will increase to 48 percent by 2026. With more seniors and fewer children in the home, retail sales will continue to reflect greater health consciousness attributed to increased health-related issues associated with aging. The National Institute of Nutrition identified heart disease, cancer, diet, weight, diabetes, and lack of exercise as the leading health issues among seniors.

Household Size / Women in the Labor Force

The average number of family members per household decreased from almost four in 1970 to less than three people per household in 2016; there were more single-person households in 2016 than ever before. This has created market opportunities for retailers and food manufacturers to offer single-serving portions to their customers and a larger selection of prepared foods. In addition, the number of working mothers with children under the age of 16 increased from 39 percent in 1976 to 73 percent in 2015. The added time constraints on working women and mothers, who still remain the primary decision makers in grocery purchases, has increased sales of convenient meal options offering nutritional value.

Ethnic Diversity

Cultural diversity has impacted the retail marketplace as new immigrants have boosted Canada's population. Consumers of Chinese, Filipino, and South Asian backgrounds make up the largest ethnic groups, residing mostly in Ontario, Quebec, British Columbia, and Alberta. Statistics Canada projects that by 2031, ethnic shoppers will represent 31 percent of total consumers. Nielsen estimated that retail sales of ethnic foods were worth \$5 billion CAD in 2017.

Canadian Purchasing Attitudes

In the 2016 consumer survey commissioned by FAS/Canada, over 1,500 Canadians were asked to rank the top-five characteristics they look for when choosing foods. In priority order, consumers reported

taste, price, nutrition, appearance, and safety; not far behind were nutritional information and available discounts.

Taste/Freshness

Taste continued to be the driving force influencing most Canadians in retail aisles. In more affluent households, shoppers have demonstrated a willingness to pay a premium for gourmet products, driving the popularity of that segment. Also, freshness is becoming synonymous with quality among Canadians, as it implies better flavor and nutritional content. The consumption of fruits and vegetables by Canadians has increased significantly over the last decade, as more than 40 percent of Canadians consume fruits and vegetables five or more times a day.

Price

Many Canadian consumers have become bargain shoppers due to the slow economic recovery and rising food prices in 2015 and 2016. In the last two years, a weaker Canadian dollar has caused food prices at the stores to increase. In 2017, Canadians paid three to five percent more on selected food items. However, earlier food price spikes have led shoppers to be cautious in their spending habits as they continue to practice more cost-saving measures, such as seeking on-line discount offers and weekly promotions by retailers. The Royal Bank of Canada has reported that 57 percent of shoppers carefully compare food prices and have reduced impulse purchases.

Health/Nutrition

Canadians increasingly educate themselves on the health benefits and the risks associated with the foods they eat. This healthy-minded consumer takes the time to read food labels and evaluate the list of ingredients on a food product. In a 2015 survey conducted by Nielsen, 59 percent of Canadians considered themselves obese and 84 percent reported they intend to change their current diets. Healthy eating is no longer a trend but is seen as a lifestyle choice.

Appearance

The 2016 FAS/Canada consumer study found appearance/labelling as the fourth leading characteristic influencing Canadian consumer choices. In fact, eighty one percent of respondents reported that appearance matters when choosing produce, while 75 percent reported being influenced by the physical elements of a label when choosing packaged food products. The look of freshness continues to be critical in the produce section. Also, a well-designed label on packaged food products remains essential to attracting Canadian consumers.

Safety

While 88 percent of Canadians are somewhat confident in the overall safety of the food supply in Canada, *Food Safety News* reported more Canadians interested in learning what the government is doing to ensure all foods are safe. The Canadian government is currently modernizing food safety regulations under one framework, called the Safe Food for Canadians Regulations (SFCR) which is expected to be officially announced in mid- 2018.

1D. Trends Driving Grocery Purchases

Value

Private Label: Though generally perceived as lower quality and/or less desirable in the United States, Canadian consumers are increasingly fond of private label products. In 2016, private label sales growth outstripped national brands, increasing by five and two percent respectively.

Economical Meal Solutions: A resurgence of traditional pre-packaged products that offer value, such as dehydrated soups.

Promotionally Priced Products: Higher retail food prices have caused consumers to seek out promotions and have encouraged more Canadians to shop at discount retailers, which captured 40 percent of food retail sales in 2016.

Quality/Freshness

Fresh Foods: Consumption of fresh produce and demand for fresh ingredients are growing along with greater interest in nutrition.

Frozen Foods: Frozen foods remain popular among consumers, with steady demand for single-serving sizes of microwavable meals.

Convenience

Ready-to-Heat and -to-Eat Foods: Demand for foods that are easy and quick to prepare, yet tasty, fresh and nutritious continues to grow.

Custom Quick and One-Dish Meals: Growth in quick one-dish meal kits, such as stir-fries and stews continues. Consumers do not like to spend too much time preparing meals, but still like to feel that they have contributed in the preparation.

Smaller Portions and Packages: With more single households, individual portion sizes are in demand. Single portion sizes also cater to the trend of, "eating-where-you-are."

Flexible and Portable Packaging: Eating in vehicles, referred to as "Dashboard Dining," along with lunches at the work desk are increasingly common practices.

Snacks and Mini-Meals: Snacks account for 50 percent of total eating occasions. Demand for nutritious, portable snacks helped push the retail snack market to nearly \$4 billion CAD in 2016.

Innovation: Convenience will continue to be popular, but innovation drives sales.

Health and Wellness

Functional Foods: Consumption of specific ingredients to promote health and prevent disease is a growing trend and leading demand for functional foods and nutraceuticals.

Physical and Emotional Energy: Sports drinks, energy bars and healthy snacks cater to consumers looking to extract more 'energy' from their diet.

Healthy Foods for Kids: Approximately 26 percent of Canadians under 17 are obese. Parents are seeking healthier snacks and products with key nutrients for their children.

Allergen Awareness: Consumers, especially parents of young and school-aged children are increasingly conscious of allergies and food sensitivities. Nut-free and other allergen-free products represent a growing segment in the pre-packaged, processed food industry.

Food Safety: Consumers are increasingly interested in the safety of their food, a trend that will continue as the Safe Food for Canadians Regulations roll out in 2018.

Gluten-Free: The demand for gluten-free products has doubled since 2005.

Low Sodium: Though Canadian consumers are increasingly conscious of sodium in prepackaged processed foods and in restaurants, voluntary industry efforts to reduce sodium in products have not had much effect on national sodium consumption.

Low Sugar: [*Canada's Food Guide*](#) recommends moderate consumption of sugar, glucose, fructose, and syrups, which are deemed as major contributors to weight gain.

Low Calorie: Interest in weight-loss products and lower calorie foods continues to be high.

Organics: Canada's organic market is the fourth largest in the world at an estimated \$4.3 billion, including fresh and processed foods.

Trans-Fats and Saturated Fats: Canadians are concerned about fat intake and health concerns associated with trans and saturated fats. Health Canada required the elimination of partially hydrogenated oils from all foods by September 15, 2018.

Popular dietary components: Top dietary components are: fiber, whole grains, protein, calcium, omega-3 fats, potassium, probiotics, and omega-6 fats.

Pleasure/Ethnic Foods

Indulgence and Comfort Foods: Despite growing concern about nutritional content, Canadians still enjoy comfort foods, which are often considered a 'reward' for healthy eating or surviving the stresses of everyday life.

Gourmet Products: New, unique, high-quality and premium products are small indulgences for consumers who are seeking something different.

Regional Cuisines: Growing popularity of seasonal, regional and high-flavor foods.

Ethnic Foods: A number of independent restaurants are offering more ethnically diverse menus with more options.

Ethical Buying

Food with Heart: A small but growing number of Canadians make decisions based on where and how their food was grown. Going beyond taste and health concerns, this practice includes social concepts like "fair trade," "sustainable," and "food miles."

Buy Local: Consumer support for local economies and local farmers is booming. Though U.S. foods are not viewed as local, Canadians are likely to choose U.S. when local is not available.

Clean Labels: More and more millennials and young parents are demanding products with clean labels and more natural ingredients (e.g., no artificial coloring, preservatives, or flavors).

Recycled and Biodegradable Food Packaging: Many Canadian cities have extensive recycling programs, and food manufacturers can capitalize on 'green marketing.'

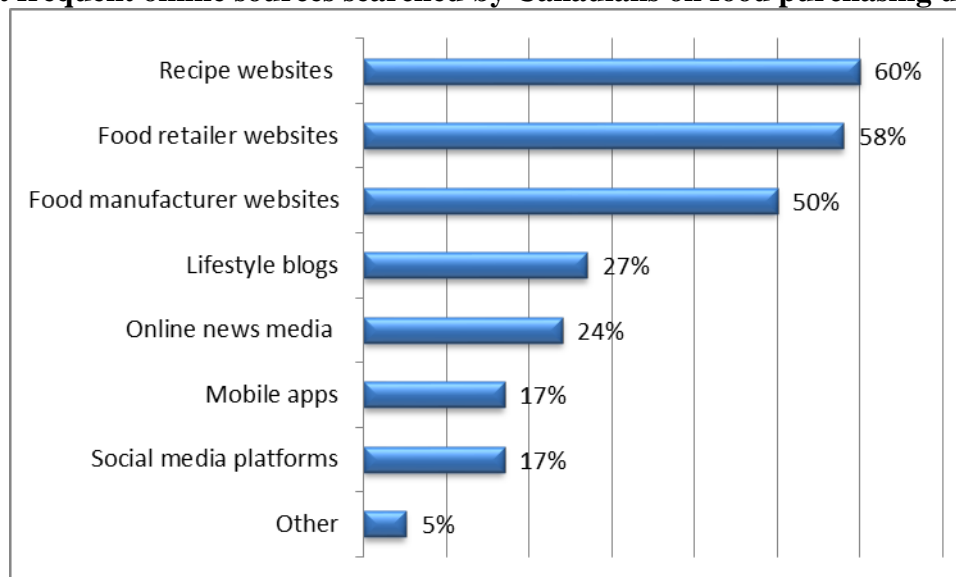
Non-Traditional Media Influencers

Mobile Devices: An FAS/Canada consumer survey reported that 55 percent of millennials use a mobile device at the point-of-purchase compared to 31 percent of the general population.

Mobile Shopping Apps: 41 percent of millennials actively use shopping apps, and 64 percent of those use apps to save money.

On-line Shopping: One-quarter of millennials expressed a high interest in online shopping.

Table 9: Most frequent online sources searched by Canadians on food purchasing decisions.



Source: 2016 FAS Consumer Survey on Canadian Shopping Attitudes

Table 10: Advantages and Challenges Facing U.S. Exporters

Advantages	Challenges
Canadian consumers enjoy a high disposable income, coupled with a growing interest in global cuisine.	A higher cost of doing business in Canada (for retailers and distributors) and a stronger U.S. dollar further squeeze already narrow profit margins.
Retailers, mass merchandisers and independents expanding listings of food products with 'clean' ingredient labels.	U.S. exporters often face one national retail buyer per category; often purchasing for all banners under the retailer.
U.S. television and print media spills over into most Canadian population centers; can reduce advertising costs for companies with media campaigns near the Canadian border.	Consumer ethnic diversity can be a challenge for companies with products and marketing campaigns targeted at the national U.S. market.
Ethnically diverse population provides opportunities for specialty products.	Retailers and brokers/distributors may charge high listing/placement fees.
Retail consolidation favors large-scale suppliers and increases sales efficiency with fewer retailers to approach.	Retailers are interested in category extension, not cannibalization. Products entering the market must be innovative, not duplicative.
Private label presents opportunities for custom packers of high quality products.	Private label brands continue to grow in many categories; sometimes taking shelf space from American national brands.

Geographic proximity, frequency of travel to the United States supports, and a wide exposure to U.S. culture.	Differences in standards may require special production runs and packaging due to Canadian standard package sizes.
High U.S. quality and safety perceptions.	Differences in approved chemicals and residue tolerances.
Duty free tariff treatment for most products under NAFTA.	Food labeling and nutritional content claims differ from the United States.
U.S. products often rank as Canadians' top choice among imported foods.	Population of Canada is less than California and much more spread out, making marketing harder and distribution costs higher than in the United States.

Section 2: Road Map for Market Entry

2A. Overview

Entry Strategy

Food product manufacturers from the United States seeking to enter the Canadian marketplace have a number of opportunities. Although Canadians continue to look for new and innovative U.S. products, there are a number of challenges U.S. exporters must be prepared to meet. Some of them include exchange rate fluctuation, customs procedures, regulatory compliance, and labeling requirements. To facilitate initial export success, FAS/Canada recommends the following steps when entering the Canadian market:

1. Contact an international trade specialist through your state department of agriculture.
2. Thoroughly research the competitive marketplace.
3. Locate a Canadian partner to help identify key Canadian accounts.
4. Learn Canadian government standards and regulations that pertain to your product.

For more information on these steps, please consult the FAS/Canada [Exporter Guide](#).

Step 1: Contact an international trade specialist through your state department of agriculture.

FAS/Canada relies on the State Regional Trade Groups (SRTG) and the U.S. state departments of agriculture they represent to provide one-on-one export counseling. These offices and their staff specialize in exporting food and agricultural products around the world. Their export assistance programs have been recognized by third party auditors to be highly effective in guiding new-to-market and new-to export U.S. companies.

Some of the services available through SRTGs and state departments of agriculture include: one-on-one counseling, business trade missions, support for participation in selected tradeshow, and identification of potential Canadian partners. Through their Canadian market representatives, SRTGs offer a service that strictly targets the food channels in Canada, similar to the U.S. Commercial Service's [International Partner Search](#). Under the Market Access Program (MAP) [Branded Program](#) / [Brand Promotion](#)

[Program](#) / [FundMatch](#), financial assistance for small- and medium-sized firms may be available to promote their brands in Canada and other foreign markets. This assistance may include partial reimbursement for marketing/merchandising promotions, label modifications, tradeshow participation, and advertising.

To reach an international trade specialist, please visit the appropriate SRTG website and/or the local state department of agriculture website by navigating through the National Association of State Departments of Agriculture (NASDA) website below.

Table 10: State Regional Trade Groups

State Regional Trade Group	Web Site	States
Food Export USA Northeast	www.foodexport.org	CT, DE, ME, MA, NH, NJ, NY, PA, RI, VT
Food Export Association of the Midwest USA	www.foodexport.org	IL, IN, IA, KA, MI, MN, MO, NE, ND, OH, SD, WI
Southern U.S. Trade Association (SUSTA)	www.susta.org	AL, AR, FL, GA, KY, LA, MD, MI, NC, OK, SC, TN, TX, PR, VA,
Western U.S. Agricultural Trade Association (WUSATA)	www.wusata.org	AK, AZ, CA, CO, HI, ID, MT, NV, NM, OR, American Samoa, Guam
National Association of State Departments of Agriculture (NASDA)	http://www.nasda.org/cms/7195/8617.aspx	State Directory of the State Departments of Agriculture

Step 2: Thoroughly research the competitive marketplace.

For those new to exporting, SRTGs offer a number of resources that are available on-line and through special requests. These resources cover a range of exporting topics, from exporting terms to labelling information. Some of the SRTGs retain in-country, Canadian representatives that can help in a number of ways, including providing market intelligence specific to a particular product category. This type of information may help a potential U.S. exporter price their products to the market and identify the most appropriate food channel for their company. In coordination with SRTG services, FAS/Canada publishes numerous market and commodity reports available through the [Global Agricultural Information Network](#) (GAIN).

Table 11. Organization and Data Sources within Canada

Organization	Function/Purpose	Website
Agriculture and Agri-food Canada (AAFC)	AAFC is the counterpart to the U.S. Department of Agriculture.	www.agr.gc.ca
Food & Consumer Products Canada (FCPC)	FCPC is national, non-profit organization representing the food and consumer products industries.	www.fcpc.ca
Conference Board of Canada – Food Horizons Canada	FHC is the Conference Board’s food research branch. The Conference Board is a non-for profit applied research organization.	www.conferenceboard.ca
Association of Importers and Exporters (I.E. Canada)	I.E. Canada is a national, non-profit organization developing and enhancing international trade activity and profitability.	www.iecanada.com
Canadian Federation of Independent Grocers (CFIG)	CFIG represents Canada’s independently owned and franchises supermarkets.	www.cfig.ca
Consumers' Association of Canada	Represents consumers to all levels of government and to all sectors of society.	www.consumer.ca

Step 3: Locate a Canadian partner to help identify key Canadian accounts.

FAS/Canada recommends that exporters looking to enter the Canadian market consider appointing a broker or develop a business relationship with a distributor or importer. Some retailers, and even distributors, prefer working with a Canadian firm instead of working directly with U.S. companies unfamiliar with doing business in Canada. U.S. companies are urged to closely evaluate their business options and evaluate all potential Canadian business partners before entering into a contractual arrangement. Factors such as previous experience, the Canadian firm’s financial stability, product familiarity, account base, sales force, executive team commitment, and other considerations should all be taken into account before appointing a Canadian partner and or entering into a business relationship. FAS/Canada encourages U.S. exporters to be clear in their objectives and communications to avoid confusion.

A partial listing of Canadian food brokers is available in GAIN Report [CA11025](#). FAS/Canada can provide assistance in identifying a broker, distributor, or importer, but cannot endorse any particular firm. Canadian business partners may request certain aspects of a product and/or a level of commitment from a U.S. exporter. Some of these criteria may include: product UPC coding; a proven track record of retail sales and regional distribution in the United States; production growth capacity; and commitment to offer a trade promotion program for Canada.

SRTGs offer services that can help vet potential partners, though these services are not an endorsement and we strongly recommend U.S. companies scrutinize the background of each potential Canadian partner and obtain referrals from the potential partner. Another avenue to identify potential business partners is to visit and/or participate in trade shows in Canada. Agriculture and Agri-Food Canada, USDA's Canadian counterpart, maintains a list of trade shows on [this webpage](#).

USDA endorses [SIAL Canada](#), one of the largest food trade shows in Canada. The annual event alternates between Montreal and Toronto.

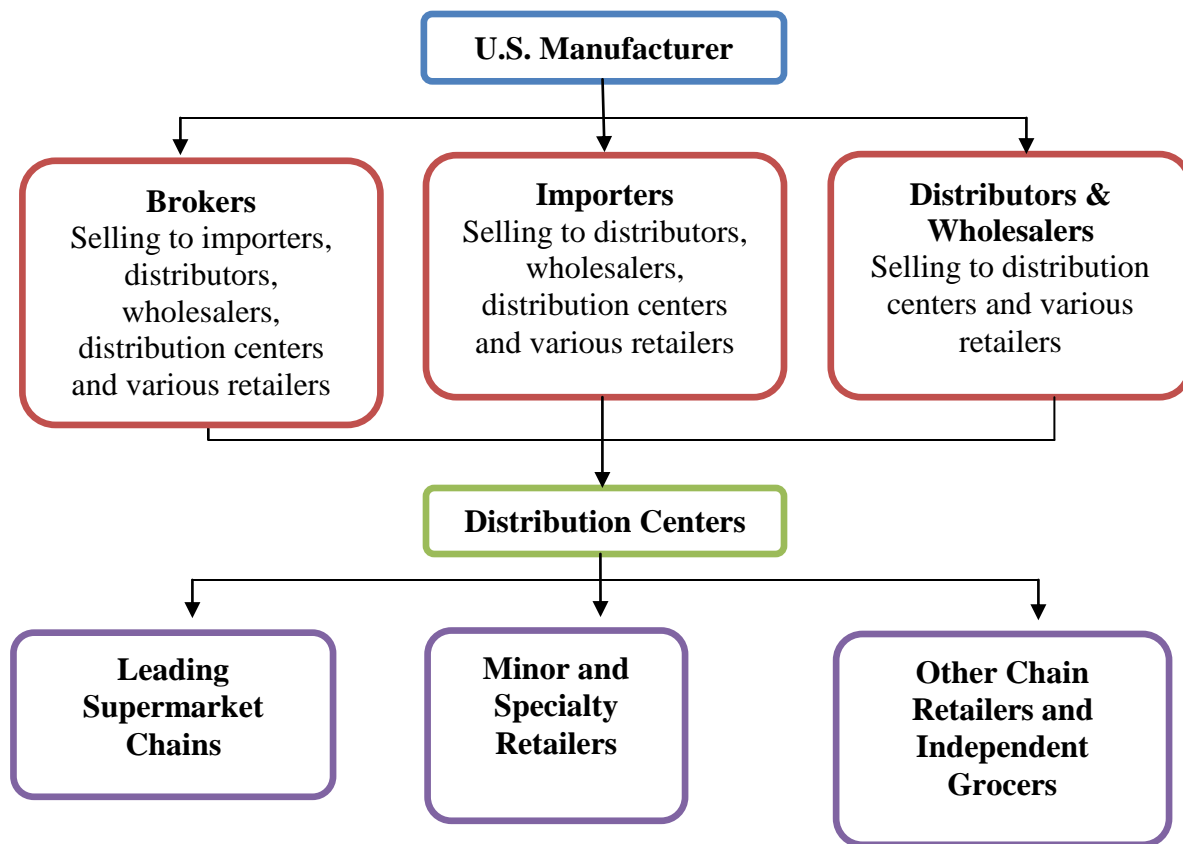
FAS/Canada recommends that U.S. firms electing to sell directly to retail or food service accounts, first evaluate the Canadian accounts to avoid future strategic conflicts. For example, selling a brand into a discount chain could limit that brand's ability to enter higher-end retail outlets. In addition, large grocers and mass merchandisers may demand minimum quantity orders from U.S. exporters.

Step 4: Learn Canadian government standards and regulations that pertain to your product.

Start by reviewing the latest FAS/Canada FAIRS Reports ([CA17049](#) and [CA17050](#)) for information on Canadian import policies pertaining to your product. In addition, the Canadian Food Inspection Agency (CFIA) provides extensive information on the [programs and services](#) it offers for importing commercial foods into Canada, including a [Guide to Importing Food Products Commercially](#). In addition, the CFIA [Automated Import Reference System](#) (AIRS) provides specific import requirements for food items by the Harmonized System (HS) classification, and detailed by place of origin (i.e., a specific U.S. state), destination in Canada (i.e., a specific province) and end use of the food item (e.g., for animal feed, for human consumption, etc.). The CFIA [Contact Us](#) webpage covers a range of issues, including contact information for regional offices and the [National Import Service Centre](#), which can help ensure customs paperwork accuracy and facilitate pre-clearance of some goods.

Canadian agents, distributors, brokers, and/or importers are also able to assist exporters through the import regulatory process.

2B. Market Structure



Food products imported into the Canadian marketplace may be sold directly to the retailer or to importers, brokers, distributors and wholesalers. A significant amount of U.S. agricultural and food products are shipped as intra-company transfers to Canadian branches or subsidiaries.

Traditional supermarket outlets are split between chains and independent stores. All the larger Canadian retail chains are involved in wholesaling and retailing operations. They maintain sizable distribution centers strategically located across Canada. These distribution centers not only supply their own store outlets but may also supply franchised stores and independent grocers. Some independent grocers may be affiliated with a wholesaler through a voluntary buying group. Wholesalers and the distribution arm of a leading grocery retailer often supply convenience stores and smaller grocery retail chains.

Importers, distributors and some wholesalers can sell a specific category or line of products to chain store distribution centers, as these centers will breakdown the quantities to ship to individual stores. In addition, as in the United States, some brokers, distributors, and importers sell directly to specified chain units by providing a direct store delivery. However, the product and designated stores must be approved by the chain's head office.

Larger chains have the ability to procure directly from a foreign supplier, particularly for large quantities of perishable products, such as dairy, produce, meat, and poultry as well as for some packaged goods. Some retailers, such as Loblaws and Sobeys, employ procurement offices in the United States for this sole purpose and educate U.S. suppliers to meet all Canadian government and store regulations. For the

packaged good products found in the middle of a grocery store, a number of larger retailers rely on brokers, importers and distributors to identify unique products from less recognized food suppliers.

Both retailers and suppliers are seeking efficiencies to reduce operational and labor costs in their operations. As in other business sectors, the category buyers of larger retailers are looking to reduce their list of food suppliers and prefer working with representatives that carry an extensive line of products offering a range. In response to this trend, the broker/distributor industry is making an effort to consolidate products while introducing unique novel products into the market. Larger brokerage/distribution firms are acquiring smaller specialty brokers/distributors to offer national coverage or enhance product offerings. For example, UNFI in Toronto is a leading distributor of natural, organic, and specialty retail products specializing in more hard-to-find specialty products. Brokers and distributors focus on selling to the appropriate category buyer at each head office, while larger brokerage or distribution firms will offer added services to their food manufacturers, like merchandising store checks. Merchandising staff will help to monitor the placement and turnover of the products, as well as help negotiate sampling opportunities with the store chain.

To reduce costs and expand their retail channels, some Majors acquired other chains. For example, Loblaws acquired Shoppers Drug Mart (1,095 units) in December of 2013, and Sobeys acquired 213 Canada Safeway stores in Western Canada in 2014. This consolidation in the grocery retail landscape places pressure on other smaller retailers to either offer products at a competitive price or to offer unique food offerings not found readily in the larger retailers. In the last two years, the small independent channel has had a four percent growth rate, as more shoppers demand new and specialty food products in the market.

2C. Retail Food Distribution Channels

Broker / Distributor / Importer Arrangements

U.S. firms, particularly small- to medium-sized firms are recommended to partner with a Canadian food broker/distributor/importer. Most distributors and importers will import and take title of the goods. The products will likely be stored in their warehouse and then sold to various store units. While the product may be added to the distributor's catalog of goods, the company or principal may still be responsible for establishing new store accounts if the product is not ordered by the distributor/importers' customers.

Brokers on the other hand, usually do not take title of the goods but act as your sales persons for their principals. This means pitching the product and its unique features to potential buyers and possibly setting up a network of various food distributors. Usually they charge a percentage of the product sales revenue, ranging from 3 percent to 10 percent. The percentages are influenced by several factors: the type of product line, expected sales volume, additional special services such as planning promotions or data collection. In the beginning, a broker may request a monthly retainer fee until monthly sales are well established, as they must 'pioneer' the product in the beginning. Once targeted sales volumes are reached then the broker will switch to a percentage-of-sales program. All fees are negotiated between the principal and their broker prior to future transactions.

In an effort to introduce new products and obtain a product listings, a broker will call on the head office of key store chains and wholesale groups. Once a product listing is secured, there may be a listing fee on new products unless the retailer views the product as a "must have" item. This fee will vary and will be determined by the product's uniqueness, the demand for the item, as well as the advertising and promotional expenditures required to launch the product in a store.

i. Retail Grocery Sector

Grocery Stores / Supermarkets / Superstores

Canada's traditional grocery retailers continue to dominate retail grocery sales. Canadian-based retailers Loblaws, Sobeys and Metro are responsible for 58 percent of retail food sales in the country, having positioned themselves as the food specialists over their mass-merchandising competitors. They offer discount banner stores and have been aggressive in developing their private label brands. As mentioned earlier, both Loblaws and Sobeys have made strategic acquisitions with the goal of capturing more food sales. Retail leaders will continue to offer discount promotions, specials and other amenities through store loyalty programs to entice new customers and maintain loyal shoppers.

Loblaws is the largest grocery retailer in the country, with an estimated 26 percent share, which does not include food sales through their national drug chain, Shoppers Drug Mart. The company's 24 banners cover the complete spectrum of stores: large superstores, conventional supermarkets, discount units, convenience and club stores. The company has earned a strategic advantage among their competitors with their private label brands. Some of their brands compete head-to-head with national brands. Among their 13 private label brands, their most recognizable brands are "President's Choice" (PC) and the widely distributed "No Name" discounted brand, representing over 5,200 products. At the high end of the price spectrum, Loblaw offers its "Black Label" products which primarily include specialty products, such as artisan-style croutons and cherry Shiraz jelly.

Also, the company has invested more than \$700 million in store improvements on 200 of their existing retail units over the last three years. Some of the improvements included additional floor space in their produce and seafood departments, along with more counter space for their prepared meal section, which continues to be popular among shoppers on the go. To reach the growing Asian market, Loblaws acquired specialty grocer T & T Supermarkets, which offer a range of Asian food products not found in traditional stores. Today, there are 23 T & T Supermarket stores located primarily in British Columbia and in Ontario.

Sobeys ranks 2nd behind Loblaws with approximately 22 percent of retail food market sales. However, Sobeys offers more grocery stores than its leading competitor with 1,836 locations across the country, including convenience stores. Sobeys' success has been largely attributed to their number of store locations as well as their strategic real estate acquisitions. As Canada has become increasingly urbanized with greater population concentration and density in its five major cities, Sobeys was the first retailer to introduce an urban-format store unit. Sobeys' "Urban Fresh" stores appeal to single/double households and are usually situated close to the downtown area in densely populated residential neighborhoods. The stores are smaller, but operate efficiently with frequent product turnover. Sobeys has also expanded its private label category and now offers seven brands, including their traditional "Sensations Complements." In addition, to capture the ethnic and discount shopper, Sobeys rebranded one of their former banner stores, "Price Shopper" to "FreshCo." The new stores were redesigned to display more produce and baked goods as well as halal meats and ethnic packaged goods.

Metro represents over 10 percent of the retail market operating 1,136 food and convenience stores. Conventional supermarkets, including their Food Basics (Ontario) and Super C (Quebec) discount banners, make up most of Metro's portfolio. The company continues to increase its' private label products to compete with other retailers. The most recognizable store brands are "Irresistibles" and "Selection." In response to the healthy eating trend, Metro has introduced "Sans Gluten Free" and "Irresistibles-Bio Organics" brands. To compete with Loblaws and Sobeys in attracting ethnic shoppers,

Metro partnered with an independent Quebec retailer Marché Adonis to incorporate a banner offering Middle Eastern and Mediterranean-style foods. The company opened two stores, one each in the suburbs of Toronto and Montreal consisting of 30-40,000 square-feet of floor space with both ethnic and non-ethnic consumers.

Although, Loblaws, Sobeys and Metro continue to be the market leaders, regional retailers should not be overlooked by U.S. exporters. Getting a product listed in one of the regional partners may be more attainable when establishing a foothold in Canada. For example, the Overwaitea Food Group in Western Canada, with 145 stores in Alberta and British Columbia, has made significant headway in providing new product offerings. Longos in the Greater Toronto Area has gradually expanded in the last few years, focusing on a better shopping experience for their customers by equipping several of their 26 stores with full-service restaurants. In addition, a few of the ethnic retailers have grown from mom and pop family stores to upscale operations, such as Nations Fresh Food Market now with four locations in the Greater Toronto Area including their most recent location which opened in the fall of 2017. Each Nations Fresh store is large, offering up to 55,000 square feet of floor space, and equipped with restaurants and a large section of prepared meals.

In total there are over 6,000 independent retailers across Canada accounting for more than \$6 billion in annual sales. While this segment of the market is fragmented, specialty stores such as the Toronto's Cheese Boutique or Pusateri's, that recently aligned with Saks Fifth Avenue, maintain a loyal following as their customers are willing to pay premium prices and know they can find one-of-a-kind food products at these high-end boutique stores.

Club Stores

Warehouse club stores, such as Costco Canada and Loblaw Real Canadian Wholesale Club Stores, have made a permanent foothold in Canada's retail landscape. Among the club store formats, Costco has been the most successful, commanding 11 percent of grocery sales in the retail market. In 2017, Costco opened up seven new stores for a total of 102 stores across the country. Reports show a number of Canadians regularly shop at Costco as they prefer to make fewer grocery trips by loading up once a week. In addition, Costco consistently relies on product sampling, which has helped to drive up food sales as demos, and food sampling make a difference. Although, the warehouse format does not offer many frills, it does offer convenience and competitive unit pricing on bulk items. Club products carry an average profit margin of about 11 percent, while other retailers mark up their goods anywhere from 25 to 50 percent.

Mass Merchandisers

Walmart Canada is the largest mass merchandiser in the country with 410 stores nationally. In recent years, Walmart Canada has lost some ground in grocery food sales, falling from 9 percent in 2014 down to 7.5 percent in early 2017. Nevertheless, Walmart Canada has made significant headway with their Great Value private label brand in the frozen foods and packaged foods segments. Along with the other retailers, Walmart Canada has introduced a number of healthy and 'natural' packaged food products under its private label brand. The introduction of produce sections continues to attract shoppers looking for fresh items, and Walmart produce buyers remain committed to providing a strong selection of produce items throughout the year.

As more and more Canadians look for discounted items to cut their grocery bills, a select number of shoppers have flocked to stores like Dollar Tree and Dollarama to buy basic dry goods, like cereals and canned goods. The Canadian Financial Post has reported that growth of these types of stores has been faster in Canada than in the United States. In 2016, Dollarama saw its food sales jump by 10 percent with total reported food sales at over \$400 million and growing.

ii. Convenience Stores / Mini Marts / Gas Stations

The Canadian Convenience Store Association reported close to 11 million daily visits to Canada's 32,000 convenience stores and gas stations. The sector accounts for 3 percent of total food sales. They are particularly strong in offering non-alcoholic beverages, with those products accounting for up to 25 percent of a location's grocery offerings. Floor space for new food products (e.g., fresh produce, sushi, and baked goods) is growing and many store units are expanding their premises to accommodate these products. The focus continues to be equipping stores with equipment, such as beverage stands, and high-quality convenience foods, like snack foods and confectionary items. Even in these formats, locations owners are trying to offer more healthy options, like fresh produce and healthier packaged foods.

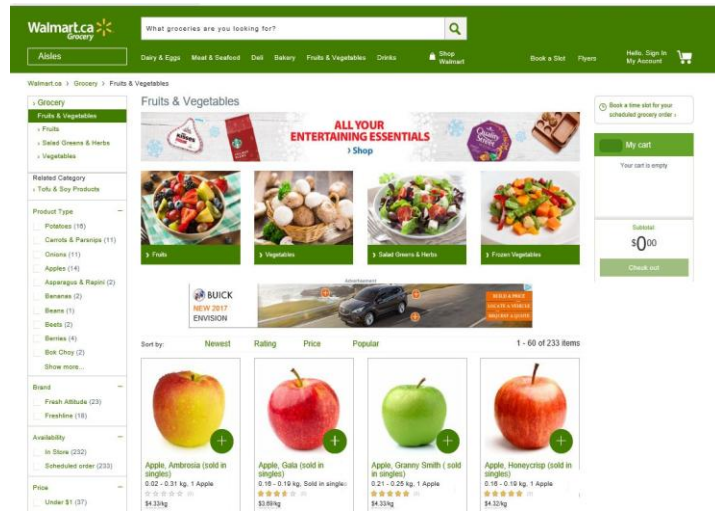
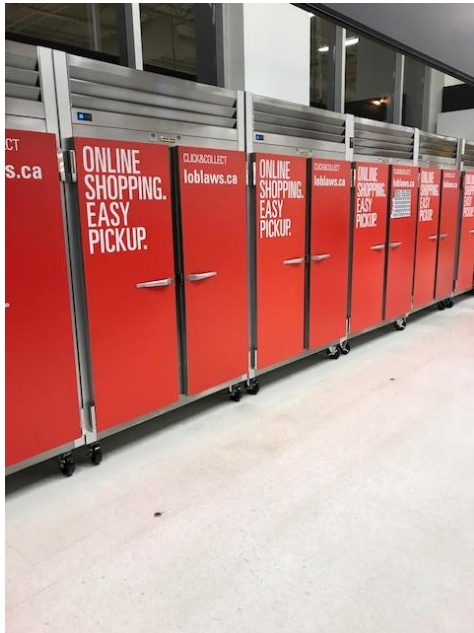
iii. Drug Chains

Grocery sales through the drug store channel continues to grow. Loblaw's 2014 acquisition of the national chain Shoppers Drug Mart has affected some retail food offerings across the 1,307 store locations. Previously, Canadian drug stores only offered a minimal selection of basic grocery items, like milk, cereal, and chips. However, Loblaw's has invested heavily in selected urban stores to expand the fresh, refrigerated and packaged products aisles. In 2017, Loblaw's enhanced 34 locations across Canada and it will enhance another 11 stores in the Vancouver area in 2018. FAS/Canada anticipates other drug chains, such as London Drugs and the Jean Coutu Group, will duplicate some of these efforts in their own stores.

iv. Online Shopping

Online grocery shopping continues to be slow to take off in Canada, despite Amazon's early presence in the Canadian market (2014). Total online retail food sales was a little over 1 percent in 2016, compared to U.S. figures of 2.5 percent of the food market. Today Amazon.ca offers 15,000 grocery items and the 2017 acquisition of Whole Foods, foreshadows increasing online grocery sales in the coming years. The Majors have had challenges with home delivery orders, and have therefore encouraged in-store pick-up of on-line orders, rather than home delivery. For instance, Walmart Canada invested over \$31 million CAD to match Amazon by offering fresh produce through in-store pick-up orders. Other retailers have followed this trend, with Loblaw's introducing Click & Collect in 60 locations in 2016 and aggressively promoting this platform through major advertising efforts.

Loblaw's Click & Collect food lockers and Walmart.ca's grocery webpage



Other e-commerce retailers are largely regional. IGA (operated by Sobeys in selected areas of Quebec), Metro Glebe (operated by Metro in Ottawa), and Grocery Gateway (owned by Longo's in the Greater Toronto Area) as well as a few smaller operations servicing Vancouver Island in British Columbia (Quality Foods) and TeleGrocer (Southern Ontario) have made notable contributions to online retail food sales.

Leading Retail Banners by Location

The following table lists the leading retail chains and their major respective banner store as reported at the end of 2016.

Provincial Abbreviations:

AB: Alberta	NT: Northwest Territories	QC: Quebec
BC: British Columbia	NS: Nova Scotia	SK: Saskatchewan
MB: Manitoba	NU: Nunavut	YT: Yukon
NB: New Brunswick	ON: Ontario	
NL: Newfoundland and Labrador	PE: Prince Edward Island	

Canadian Regions:

Eastern: NB, NS, PEI, NL
 Central: ON & QC
 Western and Prairies: AB, BC, MB, SK

Store Type:

SS: Superstore
 SM: Supermarket
 SC: Super Centre
 C: Convenience

Price Category:

D: Discount
 L: Low
 M: Medium
 W: Wholesale
 U: Upper

Table 12: Grocery Stores/Supermarkets/Superstores Banners

Retailer	Banner Name	Store Type	Price Category	Total Units	Location
Loblaws	Total Locations – 1,194 stores				
Eastern Canada	Atlantic Superstore	SS	D	50	NB, NS, PEI
	Dominion	SM	M	11	NL
	Save Easy Foods	SM	D	43	NB, NS, PEI, NL
National & Central Canada	Cash & Carry	SM	W	15	ON, NS
	Extra Foods	SM	D	66	BC, YT, NT, AB, SK, MB, ON
	Fortinos	SM / SS	M	21	ON
	L'Intermarche	SM	M	64	QC
	Loblaws	SM / SS	M	65	ON, QC
	Maxi	SM	D	96	QC
	Maxi & Cie	SM	D	21	QC
	NoFrills	SM	D	213	BC, AB, ON, NB, NS, NL, PEI
	Presto	SM	M	11	QC
	Provigo	SM / SS	M	78	QC
	Real Canadian Superstore	SS	D	112	BC, YT, AB, SK, MB, ON
	Real Canadian Wholesale Club	SS	D	33	BC, AB, SK, MB, ON
	Valu-Mart	SM	M	60	ON
	Your Independent Grocer	SM	M	59	ON
	Zehrs	SM / SS	M	44	ON
Western Canada / Prairies	Extra Foods	SM	D	66	BC, YT, NT, AB, SK, MB, ON
	Real Canadian Wholesale Club	SS	D	33	BC, AB, SK, MB, ON
	SuperValu	SM	D	11	BC, YT, SK
	T & T	SM	M	22	BC, AB, ON

Retailer	Banner Name	Store Type	Price Category	Total Units	Location
Sobeys (Empire Company Ltd.)	Total Locations – 1,232 stores²				
All Provinces	Sobeys	SM	M	265	BC, AB, SK, MB, ON, NB, NS, PEI, NL
	Cash & Carry	SM	W	7	NB, NS, NL, MB
	Foodland	SM	M	200	ON, NB, NS, NL
	Freshco	SM	L/M	36	ON
	IGA	SM	M/U	189	BC, AB, SK, MB, QC
	IGA Express	SM	M	5	ON
	IGA Mini	SM	M	6	QC
	IGA Extra	SM	M	115	QC
	Marché Bonichoix	SM	M/U	92	QC, NB
	Les Marché Tradition	SM	M/U	37	QC
	Price Chopper	SM	D	3	ON
	Rachelle Béry (Natural Health Foods)	SM	M/U	21	QC
	Thrifty Foods, Inc.	SM	M	31	BC
Western Canada	Canada Safeway	SM	M	202	BC, AB, MB, ON
	Family Foods	SM	M	53	BC, AL, SK, MB
Metro Inc.	Total Locations – 1,136 stores				
Central Canada	Food Basics	SM	D	95	ON
	Marché Richelieu	SM	M	78	QC (1 in ON)
	Metro / Metro Plus	SM	L/M	357	ON, QC
	Super-C	SM	D	86	QC
	Adonis	SM	M	2	ON & QC

² This number indicates the food retail channel as Empire Company Ltd., owns 1,836 stores in various retail segments, such as the convenience channel.

Retailer	Banner Name	Store Type	Price Category	Total Units	Location
Federated Co-Operatives Ltd.	Total Locations – 384 stores				
Central / Western / Prairies	Federated Co-op	SM	M	220	BC, AB, SK, MB, ON, YT
	Super A Foods	SM	M	24	BC, AB, SK, MB, NWT, YT, ON
	The Grocery People	SM	M	13	AB, NWT, YT
	Cash and Carry Depots	SM	D	5	AB,BC,
	TAGS	SM	M	14	AB, SK, YT
Co-op Atlantic	Co-op Stores	SM	M	66	Atlantic Canada
	Country Stores	SM	M	13	Atlantic Canada
	Valu Foods	SM	M	22	Atlantic Canada
	Village Stores	SM	M	7	Atlantic Canada
Overwaitea Food Group	Total Locations – 145 stores				
	Cooper's Foods	SM	M	16	BC
	Overwaitea Foods	SM	M	13	BC
	PriceSmart Foods	SM	L/M	5	BC
	Save-On-Foods	SM	M	106	BC, AB
	Urban Fare	SM	M	5	BC
H.Y. Louie Company	Total Locations – 32 stores				
	IGA	SM	M	32	BC
	Cash & Carry	SM	D	3	BC

Regional and/or Privately Owned Retail Chains					
Retailer	Banner Name	Store Type	Price Category	Total Units	Location
Kitchen Food Fair	Kitchen Food Fair	SM	M	55	ON
Rabba Fine Foods	Rabba Foods	SM	M/U	35	ON
Longo Brothers Fruit Market Inc.	Longos	SM	M/U	26	ON
Farmboy Inc.	Farmboy	SM	M/U	17	ON
Quality Foods	Quality Foods	SM	M	12	BC
Whole Foods Market	Whole Foods	SM	M/U	10	BC & ON
Source: Canadian Grocer, Who's Who (2017) and 2016 Directory of Retail Chains in Canada					

Table 13: Warehouse Club Store Banners

Retailer	Banner Name	Store Type	Price Category	Total Units	Location
Costco Canada Inc.	Total Locations – 102 Stores				
	Costco	CW	W	102	BC, AB, SK, MB, ON, QC, NS, NB, NL
Source: Canadian Grocer, Who's Who (2017) and 2016 Directory of Retail Chains in Canada					

Table 14: Mass Merchandisers

Retailer	Banner Name	Store Type	Price Category	Total Units	Location
Canadian Tire Corporation	Canadian Tire	MM	MM	511	All provinces
Dollar Tree Canada	Dollar Giant	MM	D	207	BC, AB, SK, MB, ON
Dollarama Stores	Dollarama	MM	D	806	All provinces
Giant Tiger Stores	Giant Tiger	MM	D	200	All provinces
The Northwest Company	Northern	MM	M	149	All provinces
	North Marts		L/M		
	QuickStop		L/M		
Walmart Canada Corporation	Walmart	MM / SC	D	391	All provinces
	Supercenters		D		
Your Dollar Store with More	Your Dollar Store with More	MM	L/M	118	BC, YT, AB,SK, MB,ON, NS
<i>Source: Canadian Grocer, Who's Who (2017) and 2016 Directory of Retail Chains in Canada</i>					

Table 15: Convenience Stores, Mini Marts and Gas Stations

Retailer	Banner Name	Total Units	Location
Alimentation Couche-Tard, Inc.	Couché-Tard	1,550	Across Canada
Metro	Marché Ami	72	QC
	Marché Extra	194	QC
Sobeys	Needs	122	Eastern Canada
Quickie Convenience Stores	Quickie	50	ON, QC
7-Eleven Canada Inc.	7-Eleven	470	BC, AB, SK, MB, ON
Husky Oil Marketing Company	Husky Food Stores / Husky Market / Mohawk Stop 'N Go	326	BC, AB, SK, ON
Suncor Energy (Petro Canada)	SuperStop	1,496	All provinces
Shell Canada Products Limited	Select	n/a	All provinces
Imperial Oil Ltd.	On the Run	424	All province
Parkland Industries LP	Fas Gas Fas Gas Plus Short Stop Short Stop Express	266	BC, AB, SK, MB
<i>Source: Canadian Grocer, Who's Who (2017) and 2016 Directory of Retail Chains in Canada</i>			

Table 16: Leading Drug Chains

Retailer	Banner Name	Total Units	Location
Shoppers Drug Mart	Shoppers Drug Mart	1,382	All provinces
PharmaSave	Pharmasave	493	BC,AB,SK,MB, ON,NB,NS
Katz Group Canada Ltd.	Rexall / Rexall Pharma Plus	420	BC, AB, SK, MB, ON, MB
<i>Canadian Grocer, Who's Who (2017) and 2016 Directory of Retail Chains in Canada</i>			

Table 17: Online Shopping

Retailer	Banner Name	Estimated Customers	Location
Longo's Brothers Fruit Markets	Grocery Gateway.com	50,000	Greater Toronto Area Only
Amazon	Amazon.ca	N/A	All Canadian Provinces
Walmart Canada	Walmart.ca	N/A	All Canadian Provinces

Section 3: Leading U.S. Products and the Competition

Product Category	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
FRESH FRUITS & VEGETABLES VEGETABLES: CANADIAN GLOBAL IMPORTS (2016): USD \$2.5. BILLION	VEGETABLES: 1. U.S.: 62% 2. Mexico: 29% 3. China: 2%	<ul style="list-style-type: none"> Canada is the largest foreign buyer of U.S. fruits and vegetables. The U.S. benefits from relatively unimpeded export access into Canada during Canada's winter or non-growing months. Among imports, U.S. fruits and vegetables are viewed by most Canadians as their number one choice to other imports. Mexico and some South American countries, like Chile over the last five years have established themselves as market leaders behind the fruits. However, countries like Morocco have shown double digit growth, in their shipments of mandarins and oranges and grapes. Peru has made significant into the market in their grape shipments with a 36% increase from the previous year. Mexico remains a major competitor due to lower prices, along with some Canadian produce companies with winter operations in Mexico. Their leading products are avocados, various types of berries, tomatoes, cucumbers and watermelon. 	<ul style="list-style-type: none"> Lettuce, onions, carrots, tomatoes, potatoes, cauliflower, and spinach are the leading vegetables sold in the fresh market. Apples are the largest production item, followed by blueberries, cranberries, grapes and peaches. Seasonality poses a constraint to growers; Canada imports 80% of its fresh vegetables between November and June. 'Buy Local' is well supported by the restaurant trade as more and more menus highlight local produce and meats.
FRUIT: CANADIAN GLOBAL IMPORTS (2016): USD\$3.5 BILLION	FRUIT: 1. U.S.: 44% 2. Mexico: 16% 3. Chile: 7%		
PROCESSED FRUITS AND VEGETABLES CANADIAN GLOBAL IMPORTS (2016): U.S. \$2.3 BILLION	1. U.S.: 60% 2. China: 8% 3. Mexico: 4%	<ul style="list-style-type: none"> There is a full range of prepared and frozen products. Major products are prepared potatoes, tomato paste, mixes fruits, and variety of processed vegetables. U.S. is a major player in the market with established process brands, like Conagra Foods and French's Foodservice. China's products are dried and prepared vegetables and fruits. Mexico supplies prepared and frozen strawberries and other prepared fruits and vegetables. 	<ul style="list-style-type: none"> Canadian companies process a wide range of canned, chilled, and frozen products. Adoption of advanced technologies in food processing has been fairly extensive among Canadian processors. Statistics Canada reported almost 50% companies adopted more than 5 new technologies in their operations. Higher manufacturing and operation costs than in the U.S.

Product Category (continued)	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
SNACK FOODS CANADIAN GLOBAL IMPORTS (2016): USD \$1.7 BILLION	1. U.S.: 60% 2. Mexico: 6% 3. U.K.: 4%	<ul style="list-style-type: none"> ▪ The U.S. dominates this category with snack breads, pastry cakes, pretzels, chips, cookies, and dried fruits. Additional, the U.S. maintains a 90% share of the market in the potato chip category. ▪ Competitors vary by sub category with the main competitor and sub category as follows: Mexico: cookies and biscuits; U.K. , cookies, wafers, and pastry cakes. 	<ul style="list-style-type: none"> ▪ Canada's snack food imports have grown by USD \$122 million since 2013. The category includes breads, pastry cakes, nuts, and prepared potatoes. ▪ The snack food industry is served primarily by domestic manufacturers however domestic market share is being lost to imports. The rapid increase in imports is due to the number of new products in the category, such as a variety of crackers and other products targeted at specific ethnic groups. ▪ Canada does have domestic raw materials for the grain based products but has to import sugar, chocolate, cacao, and nuts for manufacturing and is not competitive on dairy and egg ingredients used in some of the processing.
RED MEATS (Fresh/Chilled/Frozen) CANADIAN GLOBAL IMPORTS (2016): USD\$1.4 BILLION RED MEATS (Prepared/Preserved) CANADIAN GLOBAL IMPORTS (2016): USD\$988 MILLION	1. U.S.: 66% 2. Australia: 12% 3. New Zealand: 10% 1. U.S.: 91% 2. Thailand: 3% 3. Italy: 2%	<ul style="list-style-type: none"> ▪ Beef imports fall into two distinct categories. The largest portion of imports being chilled cuts traditionally from the U.S. Midwest heavily destined for the Ontario region. The other part is frozen manufacturing meat from Australia (for grinding) and New Zealand (largely for specific manufacturing purposes). ▪ Many parts of South America remain ineligible for entry to Canada (except as a supplier of cooked and canned beef) due to sanitary reasons. ▪ U.S. competitors are limited by a beef quota. 	<ul style="list-style-type: none"> ▪ Canada maintains a narrow acquired feed cost advantage. ▪ Canada continues to grow as a key U.S. pork export market. ▪ The industry has worked its way out of the inventory surge from the BSE trade disruption. ▪ Canadian per capita basis consumption has declined since 2009, falling by .7% to 23.4 kg. ▪ The strong U.S. dollar, along with the growing sentiment of 'Buy Local,' has influenced a number of restaurant independents to be loyal to Canadian suppliers.

Product Category (continued)	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
FISH & SEAFOOD CANADIAN GLOBAL IMPORTS (2016): U.S. \$2.5 BILLION	1. U.S.: 38% 2. China 15% 3. Thailand: 11%	<ul style="list-style-type: none"> Leading U.S. exports to Canada are live lobsters, salmon and prepared/preserved fish. Fish filleting is extremely labor intensive, which accounts for the rapid penetration of China and Thailand in this segment. With ocean catches having peaked, aqua culture is becoming a more important source of product and China is the dominant producer of farmed fish and seafood in the world. A growing concern among consumers and retailers for sustainable production practices may help some U.S. fish processors. More than two-thirds of seafood is sold by retailers. 	<ul style="list-style-type: none"> Declining fish stocks have led to almost zero growth in fish and seafood catch over the last decade. Lobster, crab and shrimp comprise 67% of the landed value of all fish and shellfish harvested in Canada. At approximately 50 lbs. per person, Canadian consumption of fish is significantly higher than in the U.S. 16.5 lbs. per person, making Canada an excellent export market for U.S. exporters. Frozen processed seafood grew by 6% in the past year with demand for premium products offering hormone-free and free of antibiotic variants.
BREAKFAST CEREALS/PANCAKE MIXES CANADIAN GLOBAL IMPORTS (2016): USD\$519 MILLION	1. U.S.: 88% 2. Mexico: 6% 3. U.K.: 2%	<ul style="list-style-type: none"> The U.S. continues to dominate imports with ready to serve product that are popular. This past year, Mexico gained significant ground with a 280% increase in sales of mostly cereal products. 	<ul style="list-style-type: none"> Sales and manufacturing in Canada is largely controlled by U.S. based companies. Domestic non-U.S. owned competitors tend to be in the specialty or organic breakfast cereal business. Cold breakfast cereals have decreased by 7% in volume as consumers choose other breakfast options, as yogurts, protein shakes and bars.
FRUIT & VEGETABLE JUICES CANADIAN GLOBAL IMPORTS (2016): USD\$622 MILLION	1. U.S.: 57% 2. Brazil 20% 3. China 6%	<ul style="list-style-type: none"> Canada's imports from both the world and from the U.S. Much of the juice is orange juice as well other fruit and vegetable juices. U.S. represents 41% of the fresh juice market while Brazil maintains 54% of the frozen orange juice concentrate market. China's major juice export to Canada is fortified apple juice; China represents 90% of the imports for this category. 	<ul style="list-style-type: none"> Canada is a major per capita consumer of citrus juices but is unable to grow these products. It will continue to be an exceptional value added market for the U.S. Both Canada and the U.S. have experienced major penetration by Chinese apple juice due to the major shift of Chinese agriculture toward labor-intensive crops and labor intensive processing.

Product Category (continued)	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
NUTS CANADIAN GLOBAL IMPORTS (2016): Tree Nuts USD\$663 MILLION Peanuts USD\$122 MILLION	Tree Nuts 1. U.S.: 55% 2. Turkey: 15% 3. Vietnam: 12% Peanuts 1. U.S.: 80% 2. China: 17% 3. Nicaragua: 2%	<ul style="list-style-type: none"> ▪ This category continues to grow largely due to the healthy snacking push. Despite a slowdown in total exports to Canada, tree nuts continued to grow shipping a total volume of 49 tonnes. ▪ US products lead with peanuts and almonds is preferred by Canadian importers as it meets Canadian sanitary and phytosanitary standards consistently. ▪ Turkey is a competitive supplier of Hazelnuts and Vietnam gained growth in 2016 with an 11% growth of cashew nuts exports. ▪ Growing trend of nut allergies in Canadians caused the Canadian Food Inspection Agency and Health Canada to set specific allergen labeling regulations for all suppliers in 2012. 	<ul style="list-style-type: none"> ▪ Canada has areas of Ontario, which can grow peanuts, but it has not done so in commercial quantities as the returns are not competitive with other crop alternatives. Similarly British Columbia and other provinces produce small quantities of a number of tree nuts including hazelnuts. However, in general, Canada is not price competitive.

Products Facing Significant Barriers

Exporters from the United States are urged to familiarize themselves with the Canadian food laws and regulations as this will help them evaluate their product's market potential and ensure their products can be legally sold in Canada. To learn more about these regulations, please read the latest FAS/Canada FAIRS Reports ([CA17049](#) and [CA17050](#)). Below are some key barriers and challenges in the market.

Tariff Rate Quotas

A number of agricultural products are import controlled by Global Affairs Canada, meaning the access to the Canadian market is limited to a specified annual volume and the import conditions are strictly regulated. Canada uses a series of Tariff Rate Quotas (TRQs) negotiated under several international trade agreements to regulate imports of certain agricultural products. Import permits are issued by the Canadian government to selected importing companies (i.e., import quota holders).

The list below includes the agricultural commodities most relevant to U.S. exporters. For each of the product groups below, the linked webpage includes information on which exact HS lines are covered by the import control rules and TRQ as well as import quota holders and import quota utilization rates:

- [Broiler Hatching Eggs & Chicks](#)
- [Chicken & Chicken Products](#)
- [Dairy Products \(including Cheese\)](#)
- [Eggs & Egg Products](#)

- [Margarine](#)
- [Turkey & Turkey Products](#)

Since Canada does not control the importation of all dairy and poultry products (e.g., certain processed dairy and poultry products), exporters should confirm the market access status of their product in advance. To avoid difficulties at the border, companies may request CBSA provide an [Advance Ruling for Tariff Classification](#) to ensure proper tariff classification. An advance ruling is binding until it is revoked or amended by CBSA.

Products Imported in Canada Facing Significant Barriers			
Product Category (continued)	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
POULTRY MEAT CANADIAN GLOBAL IMPORTS (2016): USD\$402 MILLION	1. U.S.: 87% 2. Brazil: 8% 3. Hungary: 3%	<ul style="list-style-type: none"> ▪ The U.S. is the world's largest producer of poultry meat. Brazil is the largest exporter of poultry meat and can land product in Canada at a lower cost compared to the U.S. ▪ Brazil has rapidly expanded its share of the Canadian broiler market except with Canadian further processing plants that do not want to take the risk of co-mingling U.S. and Brazilian origin which would prohibit sales to the U.S. ▪ Many imports of U.S. chicken are due in part to imports under the Canadian Import for Re-Export Program (IREP). 	<ul style="list-style-type: none"> ▪ The Canadian poultry industry is a Tariff Regulated Industry with live bird and meat prices well above the world market prices. The Canadian strategy has been to differentiate the product particularly at retail through air chilling and such additional attributes as 'vegetable grain fed chicken'. However the scale of plant operations in Canada remains relatively small due to the supply managed system. In an effort to mitigate this and to offset difficulty obtaining labor, Canadian processing plants are among the most highly mechanized sectors in Canadian agriculture and employ the latest in robotics. ▪ The Canadian industry has significantly increased surveillance since the A.I. outbreaks in B.C. in 2004 and has continuously improved bio-security measures.

Products Imported in Canada Facing Significant Barriers			
Product Category	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
DAIRY CANADIAN GLOBAL IMPORTS (2016): (excluding cheese): USD\$376 MILLION (including cheese) : USD\$608 MILLION	1. U.S.: 68% 2. New Zealand: 13% 3. Argentina: 4% 1. U.S. 52% 2. New Zealand: 8% 3. Italy: 8%	<ul style="list-style-type: none"> The U.S.'s close proximity to market, speedy delivery, and significant freight advantage has allowed it to be competitive in the Canadian Import for Re-export Program (IREP) which allows U.S. dairy product to be imported into Canada duty free, and used in further processing, provided the product is subsequently exported. The European Union has a distinct advantage in the cheese trade since it has been allocated 66% of Canada's cheese quota as a result of the 1994 Agreement on Agriculture (AoA). Though details of the CETA free trade agreement between Canada and the EU, European exports are expected to rise. New Zealand has a cost leadership advantage. Low costs of production due to the availability of year-round pasturage have helped New Zealand achieve a 30% share of world dairy exports. New Zealand has an additional advantage on butter imports into Canada and hold 49% of Canada's import quota for butter. 	<ul style="list-style-type: none"> The Canadian dairy market operates under a supply management system, which attempts to match domestic supply with domestic demand while paying producers on a cost of production related formula. This system has tended to price dairy products above prevailing world levels. Imports are controlled under Tariff-rate-quota (TRQ) and over quota imports are subject to high tariffs. American suppliers have taken advantage of the Import for Re-export Program (IREP), which allows Canadian processors to import dairy products used in manufacturing provided the product is exported. The U.S. is the largest user of this program due to the perishable nature of the products. Canadian tariff rate quotas stipulate a 50-percent dairy content guideline for imported product, resulting in the creation of ingredients and blend products that are designed to circumvent this guideline. Butter-oil-sugar blends were the first major products to be imported tariff-free, displacing Canadian milk for ice cream. More recently there has been an increase in flavored milks imported as "beverages" and a number of milk proteins which are not captured by the dairy TRQ.

Products Imported in Canada Facing Significant Barriers			
Product Category	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
EGGS & EGG PRODUCTS CANADIAN GLOBAL IMPORTS (2016): USD\$111 MILLION	1. U.S.: 90% 2. Thailand: 5% 3. China: 4%	<ul style="list-style-type: none"> The U.S. egg industry traditionally fills Canada's needs when supply is seasonally low. There were significant increases in U.S. imports following the Avian Flu outbreaks in B.C. to both avert shortages in the market and rebuild the hatching egg supply. The U.S. has also become a supplier of organic eggs to Canada. 	<ul style="list-style-type: none"> Canada's egg industry operates under Supply Management, which is designed to encourage production of a sufficient volume of eggs to meet market needs without creating surplus. The market is protected by high tariffs. Today, about 75% of Canada's total egg production is sold for the table market, while the remaining 25% is used in the manufacturing of value-added food and other products (liquid, frozen or dried form). These supplies are supplemented by imports and a Tariff Rate Quota system. The Canadian industry has made considerable inroads at retail with differentiated egg offerings such as "free range", Omega 3, and Organic all of which are sold at a premium.. The Canadian Egg Marketing Agency has a sustained media campaign focused on the health benefits of eggs to support retail movement.

Section 4: Best Product Prospects

Table 18: Food Products with High Sales Growth

	Growth Change
Category	+4 % to 10%
Beverages	Premium fruit / vegetable juices (5%)
Confectionery	Chocolate (4%) Candies snacks (31%)
Dry Grocery	Dry fruits (6%) Gluten Free Baked Goods (12%) Gluten Free Cereals (4%) Gluten Free Cookies and Crackers (10.8%) Meat sticks (16%) Natural High Fibre Bread (4%) Nuts (4%) Baked Dessert Super grains, such as quinoa, chia seeds and buckwheat (4%) Vinegar and cooking wines (5%)
Chilled and Frozen Foods	Natural health frozen meat substitutes (6%) Meat patties (11% by volume) Frozen seafood (6%)
Produce	Cauliflower (12% by volume) Asparagus (7% by volume) Bagged salads (7% by volume) Broccoli (6% by volume) Beets (6% by volume) Yams (10% by volume) Zucchini (8% by volume) Avocadoes (23% by volume) Nectarines (12%) Limes (8%) Tangerines/clementines/mandarins (6% by volume) Kiwi (4%)
Snack Foods	Naturally healthy fruit and granola bars (16% in retail sales) Chips and other savory snacks (5%)
Non-dairy	Non-dairy milk alternatives, such as soy milk and other milk alternatives (9% in retail sales)

Source: Euromonitor International 2016 and Category Captains 2017

Section 5: Additional Canadian Contacts and FAS/Canada Contacts

Table 19. Government of Canada Information Resources

Organization	Contact Information
Agriculture and Agri-Food Canada	1341 Baseline Road Ottawa, Ontario K1A 0C5 Tel.: 613-773-1000 Fax: 613-773-2772 TDD/TTY: 613-773-2600 Email: info@agr.gc.ca Web: http://www.agr.gc.ca/index_e.php
Statistics Canada	150 Tunney's Pasture Driveway Ottawa, Ontario K1A 0T6 Tel.: 1-800-263-1136 or 613-951-8116 Fax: 1-877-287-4369 or 613-951-0581 TTY-1-800-363-7629 Online requests: infostates@statcan.gc.ca Web: www.statcan.gc.ca
Global Affairs Canada	125 Sussex Drive Ottawa, ON, Canada K1A 0G2 Fax.: 613-996-9709 Email: enqserv@international.gc.ca Telephone: 1-800-267-8376 (toll-free in Canada) 613-944-4000 (in the National Capital Region and outside Canada) Web: www.international.gc.ca
Canada Border Services Agency	Canada Border Services Agency Ottawa ON, K1A 0L8 Call within Canada: Service in English: 1-800-461-9999 Service in French: 1-800-959-2036 Calls outside Canada: Service in English: 204-983-3500 or 506-636-5064 Service in French: 204-983-3700 or 506-636-5067 Email: Contact@cbsa.gc.ca Web: www.cbsa.gc.ca
Canadian Food Inspection Agency	1400 Merivale Road Ottawa, Ontario K1A 0Y9 Tel: 1-800-442-2342 / 613-225-2342 TTY: 1-800-465-7735 Fax: 613-228-6601 Web: www.inspection.gc.ca

Organization	Contact Information
Health Canada	Address Locator 0900C2 Ottawa, Ontario K1A 0K9 Tel. 613-957-2991 Toll free 866-225-0709 Email. info@hc-sc.gc.ca Web: www.hc-sc.gc.ca
Innovation, Science and Economic Development Canada	C.D. Howe Building 235 Queen Street Ottawa, Ontario K1A 0H5 Tel.: 613-954-5031 Toll-free: 1-800-328-6189 (Canada) TTY (for hearing-impaired only): 1-866-694-8389 (toll-free) Fax: 613-954-2340 Email: info@ic.gc.ca Web: www.ic.gc.ca

Table 20. Industry Association Resources

Organization	Contact Information
Canadian Beverage Association(CBA)	CBA 20 Bay Street WaterPark Place, 11 th Floor Toronto, ON M5J 2N8 Tel.: 416-362-2424 Fax.: 416-362-3229 Email: info@canadianbeverage.ca Web: http://www.canadianbeverage.ca
Canadian Convenience Stores Association (CCSA)	CCSA 103-220 Wycroft Road Oakville, ON L6K 3V1 Tel.: 877-934-3968 Email. Info@theccsa.ca Web: http://theccsa.ca
Canadian Health Food Association (CHFA)	CHFA 235 Yorkland Blvd., Suite 302 Toronto, ON M2J 4Y8 Tel.: (416) 497-6939 / 1-800-661-4510 Fax.: (416) 497-3214 Email: info@chfa.ca Web: www.chfa.ca

Organization	Contact Information
Canadian Federation of Independent Grocers (CFIG)	CFIG 2235 Sheppard Ave. East, Suite 902 Willowdale, ON M2J 5B5 Tel.: (416) 492-2311 or 800-661-2344 Fax.: (416) 492-2347 Email: info@cfig.ca Web: www.cfig.ca
Canadian Produce Marketing Association [CPMA]	CPMA 162 Cleopatra Drive Ottawa, ON K2G 5X2 Tel.: (613) 226-4187 Fax.: (613) 226-2984 Email: question@cpma.ca Web: www.cpma.ca
Food and Consumer Products of Canada (FCPC)	FCPC 100 Sheppard Avenue East, Suite 600 Toronto, Ontario M2N 6N5 Tel.: (416) 510-8024 Fax.: (416) 510-8043 Email: info@fcpc.ca Web: www.fcpc.ca
Fruit and Vegetable Dispute Resolution Corporation (FVDRC)	Fruit and Vegetable Dispute Resolution Corporation Building 75, Central Experimental Farm 960 Carling Avenue Ottawa, ON K1A 0C6 Tel.: 613 234-0982 Fax.: 613 234-8036 Web: http://www.fvdrc.com
National Convenience Stores Distributors Association (NACDA)	NACDA 205-2140 Winston Park Oakville, ON L6H 5V5 Tel. 888-686-2823 E-mail: nacda@nacda.ca Web: https://nacda.ca
Pet Food Association of Canada	PFAC P.O. Box 35570 2528 Bayview Avenue Toronto, Ontario M2L 2Y4 Tel.: (416) 447-9970 Fax.: (416) 443-9137 Web: www.pfac.com

Organization	Contact Information
Retail Council of Canada (RCC)	Retail Council of Canada 1881 Yonge Street, Suite 800 Toronto, ON M4S 3C4 Tel.: (416) 373-8245 Fax: (416) 922-8011 Email: info@retailcouncil.org Web: www.retailcouncil.org

Table 21. Industry Publications

Publications	Contact Information
Canadian Natural Health Retailer	CNHR 5707 Forgets Road Wyebridge, Ontario L0K 2E0 Tel. (705) 526-8444 Tel.: 705-526-8444 Email: dalelo@cnhr.ca Web: www.cnhr.ca
Food in Canada	Food in Canada (Business Media Group) 80 Valleybrook Drive Toronto, ON M3B 2S9 Tel.: (416) 510-6775 Fax: (416) 510-5140 Email: jmeli@foodincanada.com Web: www.foodincanada.com
Canadian Grocer	Canadian Grocer/Rogers Media One Mount Pleasant Rd. Toronto, ON M4Y 2Y5 Tel.: 1-800-268-9119, ext. 1441 Fax: (416) 764-1523 Email: miliescu@ensembleiq.com Web: www.canadiangrocer.com
Foodservice and Hospitality	Foodservice and Hospitality /Kostuch Media 101-23 Lesmill Road Toronto, ON M3B 3P6 Tel.: (416) 447-0888 Fax: (416) 447-5333 Email: web@kostuchmedia.com Web: http://www.kostuchmedia.com/

Grocery Business	Grocery Business 390 Queen's Quay West P.O. Box 4085 Toronto, ON M5V 3A6 Tel.: 416-561-4744 Email: Info@grocerybusiness.ca Web: www.grocerybusiness.ca
C-Store Canada	C-Store Canada/Mercury Publications Ltd. 1740 Wellington Avenue Winnipeg, MB R3H 0E8 Tel.: (204) 954-2085, ext. 223 or (800) 337-6372 Fax: (204) 954-2057 Email: sdavila@mercury.mb.ca Web: www.c-storecanada.com
Western Grocer	Western Grocer/Mercury Publications Ltd. 1313 Border Street, Unit 16 Winnipeg, R3H 0X4 Tel: (204) 954-2085, ext. 215 or (800) 337-6372 Fax: (204) 954-2057 Email: mp@mercury.mb.ca Web: www.mercury.mb.ca

FAS/Canada Contacts

Office of Agricultural Affairs
U.S. Embassy, Canada
P.O. Box 5000, MS-30
Ogdensburg, NY 13669-0430
Telephone: (613) 688-5267
Fax: (613) 688-3124
Email: agottawa@fas.usda.gov

Holly Higgins, Agricultural Minister-Counselor
Evan Mangino, Agricultural Attaché
Mihai Lupescu, Senior Agricultural Specialist
Erin Daniels, Agricultural Specialist
Mary A. Waters, Agricultural Specialist
Hanna Wernerson, Marketing Specialist
Joyce Gagnon, Administrative Assistant

Office of Agricultural Affairs
U.S. Consulate General Toronto
P.O. Box 135
Lewiston, NY 14092-0135
Telephone: (416) 646-1656
Fax: (416) 646-1389
Email: agtoronto@fas.usda.gov

Maria Arbulu, Senior Agricultural Marketing Advisor

FAS GAIN Reports

FAS/Canada publishes timely information on the agricultural economy and market conditions in Canada. For a complete listing of FAS/Canada reports on the FAS Global Agricultural Information Network (GAIN) system, please visit: <https://gain.fas.usda.gov>

Table 22: Other available GAIN Reports on Canada:

REPORT	Title of Report	Date
CA18023	2018 Food Processing Ingredients Report	03/29/2018
CA18018	Canada Number One Market for U.S. Agricultural Exports	03/14/2018
CA18013	Canada Proposes FOP Labeling Regulations	02/13/2018
CA17053	2017 Food Service – HRI Report	03/15/2018
CA17052	2017 Food Processing Ingredients Report	03/09/2018
CA17051	2017 Exporter Guide	03/05/2018
CA17050	2017 FAIRS Certificate Report	03/05/2018
CA17049	2017 FAIRS Annual Report	02/15/2018
CA17030	Health Canada publishes templates for updated Nutrition Facts	07/26/2017
CA17014	Canada Top Market for U.S. High-Value Agricultural Exports	04/07/2017
CA17013	The Wine Market in The Province of Quebec	04/02/2017

CA17004	U.S.-Canada Agricultural Trade Implications of Canada- EU CETA	03/03/2017
CA16012	New Canadian Halal Labeling Requirements Come Into Force	03/23/2016
CA16009	City Scope Report on Montreal Market	03/11/2016
CA16008	City Scope Report on Toronto Market	03/11/2016

Summary of Key Resources

BrandSpark International (2016). Commissioned FAS Consumer Survey Study

Canada's Food Price Report (2017).

Colliers International. (2016). *The Retail Report Canada Fall Edition*

Canadian Grocer. (2017). *Category Captains*

Canadian Grocer. (2014-2015). *Executive Report*

Directory of Retail Chains in Canada (2016).

Euromonitor International. (January 2016).

Grocery Retailers in Canada. Loblaw's Cos in Retailing, Sobeys Inc. in Retailing. Ed Strapagiel (2017)

Euromonitor International. (February 2016). *Packaged Food in Canada*

Euromonitor International. (April 2016). *Naturally Healthy Packaged Food in Canada*

Euromonitor International (January 2016). *Loblaw Cos Ltd in Retailing (Canada)*

Kevin Grier Market Analysis and Consulting Inc. (June 2016).

Global Trade Atlas. (2006-2017).

Grocery and Shoppers Favor Discount Coupons to offset Rising Grocery Prices.

Nielsen Market Track and Nielsen Insights (2016).

Statistics Canada. (2015 - 2016). International Imports, Wholesale Retail Trade, CANSIM Tables

Statistics Canada (February 2016). Canadian Demographics at a Glance

Who's Who 2017, Canadian Annual Directory of Chains and Groups in Canada