

USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

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Canada

Market Development Reports Canada Connect Matchmaker Program 2005

Approved by:

Gary C. Groves U.S. Embassy

Prepared by:

Marilyn Bailey

Report Highlights:

CANADA CONNECT - Canada Agrifood Network, Agent Distributor Connection, a cost effective matchmaker service for U.S. food and beverage producers wishing to investigate the Canadian market for brokers/agents and distributors. This report reflects changes that have been made to the contact name and email address for Faye Clack Marketing & Communications, as well as updated trade data.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Ottawa [CA1] [CA]

CANADA CONNECT - Canada Agrifood Network - Agent Distributor Connection

CANADA CONNECT is an agriculture matchmaker service for U.S. food and beverage producers wishing to investigate the Canadian market for brokers/agents/distributors. The **CANADA CONNECT** program, endorsed by the Foreign Agricultural Service office at the United States Embassy, Ottawa Canada, parallels the Gold Key Program offered by the U.S. Foreign Commercial Service.

CANADA CONNECT is made available to U.S. agri-food exporters by respected market research and public relations firms in Canada. These firms are both located in the Toronto area, the largest metropolitan area in Canada and the leading Canadian center of business. If your target market is outside the Toronto area, these firms are prepared to assist you as well.

A partnership with the U.S. and Foreign Commercial Service enables the program to be promoted through their 70 + plus Expert Assistance Centers throughout the U.S. Prospective agri-food exporters requesting information through Export Assistance Centers will be directed to this program.

All involved parties conduct promotion of this program through outreach activities. Brochures that outline the program have been developed and are being distributed to interested state representatives, groups, and organizations at all opportunities.

Following is a copy of the **CANADA CONNECT** promotional literature; a Program Information sheet, a Market Interest Questionnaire and a Participation Agreement.

CANADA THE MARKET:

Canada is the largest market for U.S. agricultural exports. In FY2004, U.S. agricultural exports to Canada reached a record \$9.7 billion. Canada is the top market for U.S. consumer food products and one that has been growing steadily over the past 10 years. More than half of total U.S. exports of fresh fruits and vegetables (\$3.8 billion) are shipped to Canada. Further, the importance of trade with Canadian provinces cannot be underestimated.

With regard to agricultural trade, if Ontario, British Columbia and Quebec were countries they would rank, respectively, as the 4th (\$6.1 billion), 7th (\$1.4 billion) and 17th (\$580 million) largest individual markets for U.S. agricultural exports. Total U.S. agriculture, fish and forest product exports to Canada in FY2004 (\$12.3 billion) exceeded the level exported to the fifteen European Union member states by \$3.6 billion for the same period.

Despite the promise the Canadian market holds for U.S. exporters of high value products, it can be a difficult market to enter for small - and medium- sized companies due to the sophisticated selection of products already available, the high costs involved in placing untested products on the shelf, the need to work through brokers (manufacturer's agents), the regionalization of retail distributors and brokers, high retail food concentration within regions (in most regions 3 or 4 retailers control over 80% of the market), and the high levels of private label branding at the expense of trademark brands.

FAS Canada Contact Information: Office of Agricultural Affairs

U.S. Embassy, Ottawa Canada

Tel: 613-688-5267 Fax: 613-688-3124

Email: AgOttawa@usda.gov

CANADA CONNECT

CANADA AGRIFOOD NETWORK- AGENT DISTRIBUTOR CONNECTION

Program Information

I. Program Description:

CANADA CONNECT is endorsed by the Foreign Agricultural Service, U.S. Embassy, Ottawa Canada and offered by selected Service Providers to assist U.S. companies in their efforts to establish commercial relationships with prospective agents/brokers and/or distributors in Canada.

II. Service Provider Responsibilities:

- 1. Upon receipt of the Client's product literature, the Service Provider will consult with the CANADA CONNECT Client to discuss qualifications sought in prospective Canadian business partners; will contact and pre-screen prospective partners before scheduling individual business meetings (usually four appointments per day); and will begin work on developing an appointment schedule (normally requires 20 working days).
- 2. The Service Provider will furnish travel information and logistical support, as required, to the CANADA CONNECT Client from its Canadian office. Upon arrival in Canada, the Service Provider will brief the Client on the economic environment; provide local communications and secretarial services; review the Client's competitive situation based on current import levels, local marketing practices, and industry trends; and accompany the Client to off-site business meetings.
- 3. The Service Provider will also provide the CANADA CONNECT Client with follow up assistance and support required to meet the Client's stated CANADA CONNECT objectives in Canada.

III. Client's Responsibilities:

Each firm making use of the CANADA CONNECT Service must:

- 1. Be a bona fide (legally registered) U.S. Company;
- 2. Offer U.S. origin products or services;
- 3. Submit a CANADA CONNECT Participation Agreement with supporting material as listed below, at least 20 working days prior to the proposed visit.
- 4. Submit credit card payment in full to the Service Provider (Cost of service is US\$600 for the first day and US\$300 for a second day, per market).
- 5. Provide a minimum of 15-20 sets of company literature including an introductory letter stating company's objectives; price lists, product literature, etc. to the Service Provider
- 6. Provide a completed CANADA CONNECT Market Interest Questionnaire to the Service Provider.

USDA/Foreign Agricultural Service and/or the Service Provider reserve the right to refuse the CANADA CONNECT Service to prospective users who do not meet these requirements.

CANADA CONNECT

CANADA AGRIFOOD NETWORK - AGENT DISTRIBUTOR CONNECTION

Market Interest Questionnaire

		(to be confirmed) es)
Address:		
City:	State:	Zip Code:
Telephone:	Fax:	_
	New-to-ExportNew-to-M	
Number of Employees:1	-4950-99100-299	more
Current Company Represen - If <u>yes</u> please provide nar	tation in Canada: Yes ne and contact information:	No
Additional Information, if ne	eeded, e.g. description of prod	ducts being promoted
	Part 1 - Marketing Infor	mation
 Name(s) and title(s) of c CONNECT Program. 	company representatives who	will participate in the CANADA
		T Program (this should include b). Attach a separate sheet if

3) Company background (when founded, position in industry, size, etc.)				
4) Please indicate the most important end-users of promote in Canada (rank in order of importance): Retail Grocery (consumer packaging) Food Service (Hotel, Restaurant and Institutional) Food Manufacturers (ingredient buyers) Other (please specify):				ny will
5) Choose one or all of the following categories to Fresh/Chilled Frozen Shelf Stable Bulk Other (please specify):		·		
6) Objectives in Canada (check all that apply) Very I	mportant	Important	Less Imp	ortant
 Finding National Sales Representation Finding Regional Sales Representation Finding Direct Buyers Finding Licensee Finding Joint Venture Partner Product testing/ market research Other (please specify): 				- - - - -
Part 2 - Canadian Represe	entative I r	nformatio	n	
7) Are you currently represented in Canada?	Yes		No	
If yes, do your agents or distributors know you ar Canada?	re seeking a	additional r	epresentati	on in
Please provide contact information on current age role for them?		ributors an		there is a
8) Who are your principal competitors in Canada?				
9) State any specific or special conditions require	d from pro	spective Ca	anadian par	tners (e.g
facilities, technical Capabilities, financial strength	, complime	ntary prod	uct lines, et	tc.)

10) Will you rec	quire logistical suppo	ort such as hotel reservation	ns, ground transportation, or		
other?	Yes	No			
Please specify assistance or information required:					

CANADA CONNECT

CANADA AGRIFOOD NETWORK - AGENT DISTRIBUTOR CONNECTION

Participation Agreement

Address:			
		Zip Code:	
Telephone:	Fax:	Email:	
Food/ Beverage Ser	vice Provider:	Wine Service Provider:	
Faye Clack Marketin	na &		
Communications, I		Ketchin Sales & Marketing	
170 Robert Speck Pkwy.		74 Hurontario Street, Suite 206	
Mississauga, Ontario		Collingwood, Ontario L9Y 2L8	
Telephone: (905) 206-0577		Telephone: (705) 444-5255	
Fax: (905) 206-0581		Fax: (705) 444-6467	
E-Mail: <u>kboyce@faye</u>	clack com	Email: rketchin@ketchin.com	
Point of Contact: Kathy Boyce		Point of Contact: Robert Ketchin	
Payment accepted	by check or Visa	Payment accepted by check	
per market. VISA Credit Card Num Expiry Date: Cardholder's Name:	nber:e:e:		
Additional charges wi billed separately.	II be on agreement bety	ween the Service Provider and the Client and	
Conditions of Particip information provided	ation, which form a par	terms of the attached CANADA CONNECT, t of this agreement, and acknowledges that t to the Service Provider in connection with this	
Signature of Duly Aut	thorized Company/Partio	cipant's Representative	
Print Name and Title		 Date	