

GOING UPSCALE *continued*

cooking sauces, salsas and toppings, olive oils, and uniquely flavored dark chocolates. To increase sales, she offers plenty of guided tast-



ings, along with pairings of products.

On the foodservice front, a survey of chefs conducted by the Washington, D.C.-based National Restaurant Association (NRA) found that some of the hottest menu items are bite-sized desserts, organic produce, flatbread, and bottled water. Additional emerging favorites are pomegranates; figs; grass-fed and free-range meat; fresh herbs and exotic mushrooms; whole-grain breads and focaccia; salts; aged meats; and ginger.

Organic foods, which have become a gourmet item in their own right, are growing in popularity across the board, according to the NRA survey, with 52% of fine dining restaurants that currently serve organic items expecting higher sales this year.

Pomegranates are the big produce surprise in foodservice. Sandy D'Amato, chef/owner of the Sanford Restaurant in Milwaukee, Wisconsin, says, "With the advent of the pomegranate juice drinks, people realized how tasty it is and its antioxidant health benefits—it sort of overtook low carbohydrates as the big health trend. You can use it in a pomegranate martini, or you can reduce the juice and make a nice glaze for meats, like in our

Pomegranate Molasses Glazed Squab with Roasted Figs."

**WELL-TRAVELED TASTES**

Places will play an increased role in 2007 culinary trends, according to the Chicago, Illinois-based Institute of Food Technologists. The group predicts that Sicilian fare will influence mainstream Italian diners, while a focus on the distinct cuisines of China—beginning with Szechuan—and key flavor elements from India, the Middle East, and

**New products online**

Learn about the latest gourmet products from the U.S. at [www.usfoodlink.com](http://www.usfoodlink.com). Just click on the "New Products" link.

North Africa will make their first forays into mainstream American dining.

Indian gourmet, in particu-

lar, is poised to become a significant cuisine in America. Michael Batterberry, one of the world's most respected experts on dining, says, "Fine Indian cuisine may not be available in every small town in the U.S. today, but it soon will be."

Aromas will be a new flavor, the Institute of Food Technology predicts. Aromatic spices and edible flowers, including lavender, orange blossom, and jasmine, will be in high demand. Meanwhile, the experts expect to see exotic nuts and newly flavored sauce combinations like mango habanera, and classics like Romesco, Kung Pow, and pina colada.

Even traditional hot dogs and hamburgers will get the haute cuisine treatment in 2007, thanks to celebrity chefs like Rachael Ray, who is planning to expand her empire to include a hamburger restaurant. ★

**For more information**

Here are a few Web sites that specialize in gourmet foods:

- [www.specialtyfood.com](http://www.specialtyfood.com)
- [www.gourmetretailer.com](http://www.gourmetretailer.com)

**Gourmet: A global phenomenon**

The gourmet groundswell is global, as well. In Europe, for instance, there are around 15.2 million core specialty food and drink shoppers, according to the Irish consultancy Research and Markets. These consumers make an average of 47 shopping trips annually to specialty retailers.

Yet the gourmet tradition is changing in Europe. Historically, France has been the culinary capital of the world, but in the last decade, England and London in particular have stolen some of France's cache. France is still Europe's largest gourmet food market, according to Datamonitor, but the United Kingdom is now in second place, ahead of both Italy and Germany.

A country pub, an Indian restaurant, and a Chinese restaurant in England have received the coveted Michelin four stars, while Spain boasts Ferran Adria, considered by many to be the world's best chef.

Ireland, rarely thought of as a green gourmet isle, is reinventing its dining scene, as well, based on simple, hearty dishes, and the high-quality ingredients so abundant in Ireland. But today's chefs

are tweaking the Irish classics with modern touches, like serving corned beef and cabbage with a parsley-horseradish sauce.

The Asian Pacific region is likewise experiencing significant growth in gourmet food sales stemming from consistent strong economic growth, as well as the high emphasis on tourism. For instance, the top markets in Asia import more than \$1.3 billion worth of wine.

In China, consumers spend nearly half of their disposable income on food and beverages. With China's GDP expected to increase 9.9% every year, the market is seeing an increased trend toward high-end products and dining experiences. Major international hotel chains like the InterContinental Hotel Group, Shangri-La, Marriott, and Accor are looking to increase their portfolios in China with an estimated total of 194 new hotels by 2010.

In Hong Kong, the GDP climbed 6.6% in the first half of 2006, and projected figures see 35 new hotels there with 14,900 rooms by 2010. ★

## Calendar of Events

### JUNE

**3-5: International Dairy-Deli-Bakery Association Annual Seminar & Expo\***  
Anaheim, California  
Anaheim Convention Center  
[www.iddba.com](http://www.iddba.com)

**5-7: Alimentaria Mexico**  
Mexico City, Mexico  
Centro Banamex - Mexico D. F.  
[www.alimentaria-mexico.com](http://www.alimentaria-mexico.com)

**9-11: World Tea Expo**  
Atlanta, Georgia  
Georgia World Congress Center  
[www.worldteaexpo.com](http://www.worldteaexpo.com)

**13-15: Exphotel\***  
Cancun, Mexico  
Convention Center  
[www.exphotel.net](http://www.exphotel.net)

**21-24: Food Taipei International Food Show\***  
Taipei, Taiwan  
Taipei World Trade Center  
[www.foodtaipei.com.tw/](http://www.foodtaipei.com.tw/)

**27-29: Natural Products Expo Asia\***  
Hong Kong  
Hong Kong Convention & Exhibition Center  
[www.naturalproductsasia.com](http://www.naturalproductsasia.com)

### JULY

**8-10: Summer Fancy Food Show\***  
New York, New York  
Jacob K. Javits Center  
[www.specialtyfood.com/do/fancyFoodShow/LocationsAndDates](http://www.specialtyfood.com/do/fancyFoodShow/LocationsAndDates)

**28-Aug. 1: Institute of Food Technologists Annual Meeting & Food Expo\***  
Chicago, Illinois  
McCormick Place  
[www.am-fe.ift.org/cms/](http://www.am-fe.ift.org/cms/)

\* Food Export Association of the Midwest and Food Export USA-Northeast will be at this show.

# NEW PRODUCTS

## Gourmet condiments

Greenville, New York-based Wild Thymes Farm, Inc. started out in the 1980s producing herb and fruit vinegars. In the mid-1990s, the company switched gears and began making gourmet chutneys, dipping sauces, marinades, vinaigrettes, and cranberry sauces. Today these carefully made condiments, which feature only fresh herbs and fresh garlic, have garnered awards for their distinct taste and quality. All products are 100% natural and kosher, without any artificial preservatives or additives. They are also fat- and cholesterol-free and are extremely low in calories, carbohydrates, and sodium. All but four varieties are gluten-free, as well. Learn more by visiting [www.wildthymes.com](http://www.wildthymes.com), or contact Ann Stettner at (845) 266-8378 or [ann@wildthymes.com](mailto:ann@wildthymes.com).



## Soy smoothies

SoyBlendz is a creamy, non-dairy, high-protein smoothie that delivers the perfect blend of flavor and nutrition. The product comes in a variety of flavors, but its newest, Peach Passion, is sure to tickle consumers' taste buds. It "exudes the juicy sweetness of fresh-picked peaches," according to its producer, Glenview, Illinois-based Carbotrol Foods, a division of Leahy/IFP. SoyBlendz' smoothies use the whole soybean to capture all of soy's nutritional benefits. Other flavors include Mixed Berry Medley, Mango/Orange Dream, Orange Citrus Splash, and Strawberry/Banana Blast. They come in 10-ounce plastic bottles and do not require refrigeration. Find out more by visiting [www.soyblendz.com](http://www.soyblendz.com) or [www.ecarbotrol.com](http://www.ecarbotrol.com), or contact Gene Denitz at (610) 435-1739 or [genemv@aol.com](mailto:genemv@aol.com).



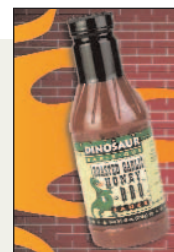
## Organic pie shells

Chester, New Jersey-based Wholly Wholesome is now featuring Certified Organic Frozen Pie Shells. These nine-inch, bake-at-home pie shells are available in three varieties: Traditional, Whole Wheat, and Spelt. They can be used for tarts, cream pies, and quiches. In addition to being certified organic, they are free of conventionally refined sugar, bleached and bromated flour, trans fats, and hydrogenated fats or oils. Each variety is certified kosher, dairy-free, and vegan. The shells are packaged conveniently in twos, in clear wrap bags. To learn more visit [www.whollywholesome.com](http://www.whollywholesome.com), or contact Kyra Greweling at (845) 626-4487 or [kyra.greweling@whollywholesome.com](mailto:kyra.greweling@whollywholesome.com).



## BBQ sauce for the brave

With a name like Dinosaur Bar-B-Que Original Sensuous Slathering Sauce, you can bet that this product is anything but ordinary. It's an aggressive, crimson-red, tomato-based sauce riddled with zesty spices, which makes it an ideal accompaniment for burgers, beef, ribs, and chicken wings. Produced in Rochester, New York, and represented exclusively in the European Union by Food United, the sauce is all natural, gluten-free, and contains no corn syrup. It's also been taste-tested by BBQ lovers who flock to the Dinosaur Bar-B-Que restaurants located in New York. For more information visit [www.foodunited.net](http://www.foodunited.net), or contact Bryan Amorese at (315) 488-1275 or [b.amorese@foodunited.net](mailto:b.amorese@foodunited.net).



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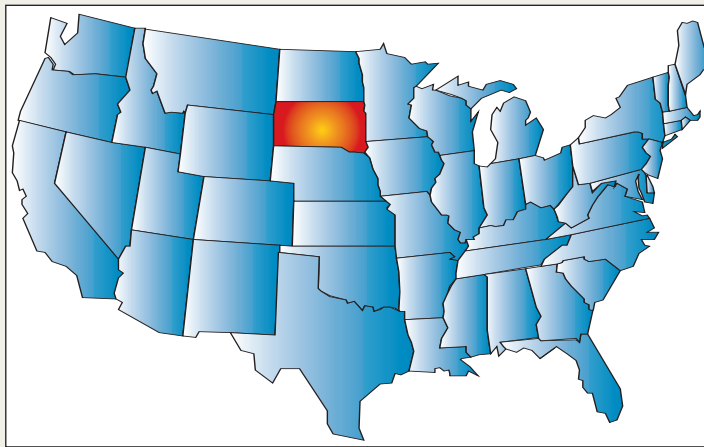
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## STATE SPOTLIGHT: South Dakota



✓ There are 43.8 million acres of farm and ranch land in South Dakota.

✓ South Dakota is the second-largest producer of flaxseed and sunflower seed in the nation and the third-largest producer of hay and rye.

✓ The economic impact from the nearly 12 million head of live-stock in the state adds up to \$5.7 billion of the state's economy,

with the grains grown on nearly 10 million acres impacting the state's economy by \$6.4 billion.

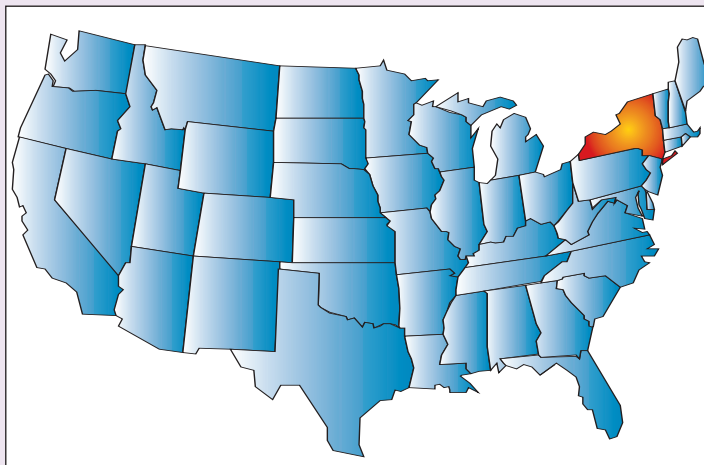
✓ Eleven ethanol plants have been built across the state, with one of three rows of corn in the state going to this ethanol production.

✓ South Dakota produces more than 22.5 million pounds of honey annually.

**TOP AGRICULTURAL EXPORTS:**

<b>WOOD</b>	Total value:	\$296.3 million
<b>PREPARED FOODS</b>	Total value:	\$179.6 million
<b>FRUITS AND NUTS</b>	Total value:	\$116.67 million
<b>BEVERAGES</b>	Total value:	\$94.8 million
<b>PRESERVED FRUITS AND VEGETABLES</b>	Total value:	\$81.3 million
<b>CEREAL AND MILK PRODUCTS</b>	Total value:	\$80.3 million
<b>COFFEE AND SPICES</b>	Total value:	\$57.67 million
<b>ANIMAL PRODUCTS</b>	Total value:	\$57 million
<b>MEAT</b>	Total value:	\$41.28 million

## STATE SPOTLIGHT: New York



✓ Agricultural production in New York returned more than \$3.6 billion to the farm economy in 2005.

✓ About 25% of New York's land area, or 7.55 million acres, are used by the 35,600 farms to produce a variety of food products.

✓ Apples and grapes lead New York fruit crops in value. New York ranks second nationally in apple production and third in wine

and juice grape production.

✓ New York ranks sixth nationally in fresh market vegetables and seventh in processing vegetables. Major agriculture products include sweet corn, cabbage, onions, potatoes, and snap beans. Also high in value are tomatoes, cucumbers, and squash.

✓ New York is second in the nation in the value of its maple syrup production.

**TOP AGRICULTURAL EXPORTS:**

<b>MEAT</b>	Total value:	\$192.2 million
<b>ANIMAL FEEDS</b>	Total value:	\$45.3 million
<b>FATS AND OILS</b>	Total value:	\$20.77 million
<b>ANIMAL PRODUCTS</b>	Total value:	\$10.37 million
<b>OIL SEEDS</b>	Total value:	\$9.88 million
<b>CEREALS</b>	Total value:	\$3.4 million
<b>SWEETENERS</b>	Total value:	\$1.5 million
<b>DAIRY PRODUCTS</b>	Total value:	\$1.4 million
<b>BEVERAGES</b>	Total value:	\$611,773
<b>MILLING PRODUCTS</b>	Total value:	\$542,190

# REASON TO CELEBRATE

There's nothing like a holiday to boost food sales.

It's hard to imagine holidays without food. Whether it's tamales at Christmastime for Mexican consumers, turkey at Thanksgiving for Americans, or moon cakes for the Chinese New Year, people around the world turn to food when they feel like celebrating.

Of course, supermarket operators are fully aware of this trend, and those who go out of their way to promote these special times of the year are rewarded with more in-store excitement and higher sales.

As most retailers begin planning promotions about 20 weeks before the event, now is the time to begin thinking about ideas for spicing up the winter holidays.

In the United States, one-fifth of total retail industry sales (19.9%) occur during the winter holiday season, making it the most important time period of the year for the industry, according to the Washington, D.C.-based National Retail Federation. The most widely celebrated holiday is Christmas, although other special observances, including Hanukkah and Kwanzaa, take place as well.

## WINTER PROMOTIONS

In the U.S., sharing good times and good food with family and friends is what the Thanksgiving and winter holidays are all about.

Supermarkets have long relied heavily on the final quarter of the calendar year to meet—and, better still, exceed—their projected per annum numbers.

Specialty food retailer Balducci's Food Lover's Market, based in Bethesda, Maryland, is one of many quality-oriented retailers around the nation that relish the opportunity to help customers create outstanding holiday celebrations. The company operates 10 stores and four restaurants in Virginia, the District of Columbia,

Maryland, New York, and Connecticut.

"Our customers' expectations for the holidays are very high, so for us it is an exciting challenge each year to keep

the menus lively and interesting, but at the same time not stray too far from tradition," notes Beth Ann Locke, director of marketing.

For the 2006 winter holiday season, Balducci's rolled out a big multimedia effort to court holiday gourmands. The campaign included direct mail, Internet, and radio. The retailer also created a new line of gift baskets, and redesigned its gift card program in advance of the holiday shopping season. (Gift cards have gained in popularity in recent years at U.S.



supermarkets, and accounted for nearly \$24.81 billion during the 2006 holiday season, according to the National Retail Federation.)

One of Balducci's many tempting gift basket options was the aptly named "Forever Yum," priced at \$130. The basket featured a sampler of some of the specialty retailer's classic signature products, as well as several new items.

While the traditional Christian holidays are typically the most lucrative selling opportunities, the late-September Jewish high holidays of Rosh Hashanah and Yom Kippur—comprising the holiest period of the Jewish calendar—headlined Balducci's seasonal fall prepared foods lineup last year.

## TAKEOUT TURKEY

Nowadays holiday promotions aren't just limited to retail. Restaurants are getting in on the action too, as increasingly activity-rich, time-poor lifestyles are prompting more people to turn to restaurants to help simplify items.

For instance, while one in 10 U.S. consumers dines out on Thanksgiving Day, 53% use restaurant-prepared takeout items for all or part of their holiday meals, according to the National Restaurant Federation, based in Washington, D.C. Further, whether planning a Thanksgiving meal at home or traveling to celebrations with family and friends, restaurants provide their guests a variety of takeout items, from complete meals and fully cooked turkeys, to side dishes and desserts for pick-up.

A survey from Chicago, Illinois-based consulting firm Technomic finds that the majority of U.S. consumers say they want to see restaurants get into the spirit of the winter holiday season. Two out of five consumers believe it is important that restaurants play holiday music, decorate for the holidays, and offer menu items for the season. ★

## Merchandising tips

Download promotional calendars and other guidelines on seasonal merchandising at [http://retail.about.com/od/marketingsalespromotion/a/promo\\_calendar.htm](http://retail.about.com/od/marketingsalespromotion/a/promo_calendar.htm)

## Beyond the holidays

Supermarkets don't need holidays to increase in-store excitement. There are a variety of other special occasions that call for customized promotions.

Athletic events, for instance, have become a huge opportunity for sponsorships and promotions across the globe. In the United States, the Super Bowl always generates excitement and increased sales in categories such as deli, snack foods, and alcoholic beverages. In fact, the Super Bowl now ranks as the second-largest food consumption day in America, behind Thanksgiving.

"Super Bowl has become a premier American holiday event, representing a total store promotional opportunity with all of the party frills of other key holidays, complete with good food, beverages, and themed 'event' opportunities for sales across all departments," says Jan DeLyser, VP of marketing for the Irvine, California-based California Avocado Commission.

"Consumers not only look to their retailer for theme ideas for special events and activities such as Super Bowl parties," says DeLyser, "they also rely on grocery stores to have fresh ingredients, from traditional favorites to more 'souped-up' food ideas, for a great gathering." This sets the stage for sales of higher-end wines, cheeses, and other items.



# NEWS BRIEFS

Wal-Mart's chief executive Lee Scott recently confirmed that much of the company's future growth is expected to come from its international operations. "Expect to hear more from Wal-Mart about where we're going in emerging markets like **India** and **China**," he said during a conference call. The retailer has revealed it is buying a 35% stake in Bounteous Co., a **Taiwan**-based company that operates the Chinese discount chain Trust-Mart. Wal-Mart may eventually take managerial control of Bounteous Co., which operates 101 Trust-Mart stores in 34 major cities in

China. Meanwhile, in India, Wal-Mart has signed a franchisee deal with Bharti Enterprises.

In a surprise move, **Austin, Texas**-based organic and natural foods retailer Whole Foods Market has said it plans to acquire its leading competitor, **Boulder, Colorado**-based Wild Oats Markets, for approximately \$565 million. Whole Foods will also assume Wild Oats' existing net debt totaling approximately \$106 million. The transaction is expected to close in April. Whole Foods' chairman, CEO, and co-founder, John Mackey, admitted that competition from mainstream chains such as Safeway, Wal-Mart, and Kroger, is a threat to his company. The deal, if approved by the U.S. Securities and Exchange Commission, would bring Whole Foods' total store count to around 300 units.

The 1,945-unit Hardee's quick-service chain, based in **St. Louis, Missouri**, is testing cell-phone-delivered coupons in several markets to try and boost traffic without the usual promotional costs. Consumers can access digital buy-one-get-one-free coupons via their

cell phones or Web-equipped PDAs after downloading software from the coupon vendor's Web site. They then simply show the code on their mobile-device screen to a cashier at participating Hardee's units to get a free item. Hardee's is a division of Carpinteria, **California**-based CKE Restaurants, Inc.

In a move that will form the world's largest consumer co-operative group, the **UK's** two biggest co-operatives—Manchester-based Co-operative Group and Rochdale's United Co-operatives—have agreed to merge. Members of the two groups will meet in April and May to consider the proposal and, if agreed, the new enlarged society is expected to come into being in late July.

**Australia's** foodservice sector is set to benefit from a strong and stable economy, as well as increasing popularity as a holiday destination, according to a new report from Planet Retail. The consultancy predicts that foodservice sales in Australia will increase to \$30 billion by 2010. Four of the top five

leading foodservice companies are fast-food operators, including McDonald's, which is the market leader with sales of \$1.712 billion, according to the report.

Global wine consumption increased 4.2% between 2001 and 2005, and it's expected to increase another 4.8% by 2010, according to a new Vinexpo study. ★

## Sign up for news

Receive free biweekly news updates in your in-box to stay on top of the latest global foodservice and retail news. Sign up at [www.usfoodlink.com](http://www.usfoodlink.com)

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Let us know what you like about U.S. Foodlink, and how we can make it better: e-mail [info@foodexport.org](mailto:info@foodexport.org)

## Trade Show Watch: Gulfood '07 Sets Records

The volume of trade recorded at the Gulfood 2007 trade show in Dubai, United Arab Emirates is set to break all previous records, according to the show's organizers. As the show ended on February 22, a high number of



exhibitors had already closed multi-million dollar deals at the region's largest hospitality, food, and beverage show. The show was organized in 1987, and today is considered the region's largest and most important industry event of the year. The increasing regional and global importance of the halal food market was highlighted at this year's show. Gulfood 2008 is set to return February 24-27, with extra space allocated at Dubai International Convention and Exhibition Centre.

## MISSION STATEMENT

The U.S. Foodlink Web site, newsletter, and e-mail bulletin are all brought to you by the Food Export Association of the Midwest USA and Food Export USA – Northeast, two state regional trade groups located in the U.S. that promote exports of U.S. food and agriculture. Through a partnership with Progressive Grocer/Nielsen, U.S. Foodlink was created to provide readers credible data and information in an easy-to-read format.

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Food Export - Midwest and Food Export - Northeast administer many services through Market Access Program (MAP) funding from the USDA Foreign Agricultural Service.



# FOODLINK

## U.S.

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VOL. 3 No. 2



ket research firm Mintel International.

One of the categories in which gourmet is making an impression is frozen foods. "Frozen entrees and desserts that once would be considered basic are being transformed by the specialty food industry into delicious, healthy, and interesting choices," explains NASFT's communications director, Denise Shoukas.

Another gourmet trend she mentions is functional foods and beverages, which continue to grow by the proverbial leaps and bounds.

### HOT TRENDS

Cheese and bread have become popular staples at Corti Brothers, an Italian market specializing in fine foods and wine, located in Sacramento, California.

"Many retailers are educating themselves in these areas, and the result is expanded offerings on quality baked breads and artisan cheeses, both domestically and internationally procured," notes Donal Smith, director of wine sales.

Evelyn Ignatow, owner of Hyde Park Gourmet in Cincinnati, Ohio, sees the hottest

gourmet trends as ethnic flavors, organic products, gluten-free items, emphasis on Fair Trade products, and unique flavors and textures. In her store, the top-selling items include cheeses,

*continued*

## GOING UPSCALE

**At both retail and foodservice, high-end specialty food sales are on a marked increase in virtually every category.**

Consumers across the globe seem to agree: There's something special about gourmet foods. Specialty food sales at retail in the United States in 2005 totaled \$34.8 billion, an impressive jump of 15.1% over 2004, according to the National Association for the Specialty Food Trade (NASFT), a New York-based trade group. The Irish consultancy Research and Markets, meanwhile, predicts that the specialty food and drinks market in Europe and the United States will be worth almost \$120 billion by 2009. The Asian Pacific region is also experiencing significant

growth in gourmet food sales.

In the U.S. market, there are several trends impacting this growth. Consumers are open to more adventuresome eating, while the over-worked feel an increased sense of entitlement. Television cooking shows are helping to introduce new, more exotic foods, as well as recipe ideas. As a result, gourmet and specialty food sales are outpacing their traditional counterparts in 26 of 30 food categories, according to mar-

### Gourmet shows

The best place to learn about gourmet food is the Fancy Food Show, an international trade show held three times a year. For more information visit <http://www.specialtyfood.com/do/fancyFoodShow/LocationsAndDates>