USDA Foreign Agricultural Service
GAIN Report
Global Agricultural Information Network



Required Report - public distribution

**Date:** 3/8/2010
**GAIN Report Number:** IT1018

# Italy

# Food Processing Ingredients

# Food Processing Ingredients

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**Report Highlights:**
Italy imports between two and three times more unprocessed products than it exports. These imports are crucial for its food processing industry, which turns the raw materials into finished products for export and domestic consumption. The food and drink sector is a primary component of the Italian economy, with production valued at €120 billion in 2009. While Italy's food and drink sector continues to contract during the current financial crisis, it performs well compared to other sectors of the economy. Italy's food and drink sales decreased 1.6% in 2009 to €97.8 billion. Bakery products, dairy products, and chilled/processed products have the largest retail value of all processed foods in Italy, with each sector valued at over €1.2 billion

**Post:**
Rome

**Executive Summary:**

**Author Defined:**

**Section I. Market Summary**

The food and drink sector is a primary component of the Italian economy. Processed food and drink accounted for 12% of the Italian manufacturing industry in 2009, valued at €120 billion and second only to the engineering sector. With a population of about 58 million, Italy has a large, affluent domestic consumer base as well as thriving foreign demand for its products. Italy is a net importer of unprocessed food inputs and a net exporter of processed food and drink. Table 1 shows the key figures for Italy's food and drink industry in 2009.

**Table 1. Key Processed Food and Drink Industry Data, Italy 2009**

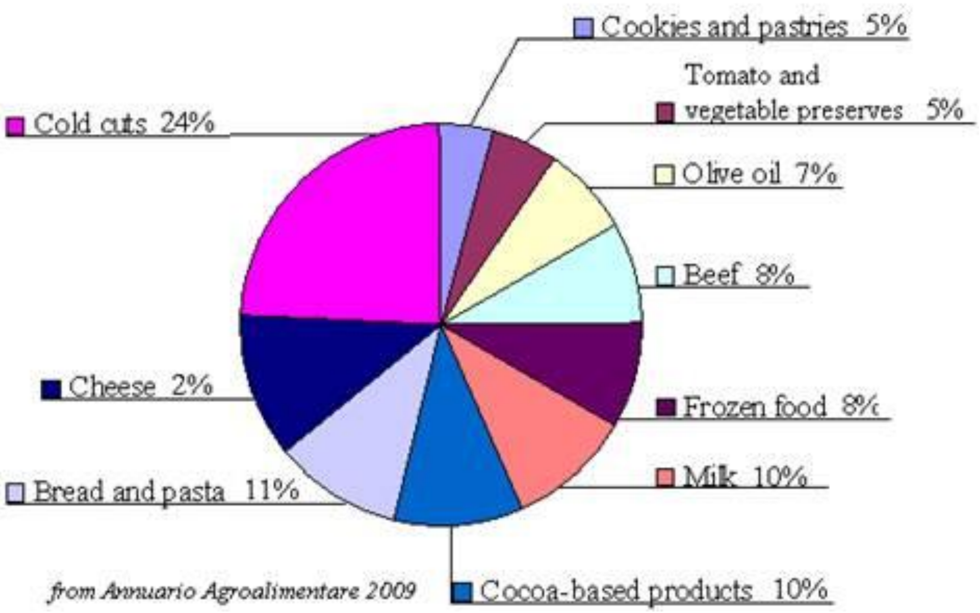
| | 2009 | 2009/08 % Change |
|---|---|---|
| Total food and drink production (value)* | € 120.0 billion | -2.1% |
| Domestic sales* | € 97.8 billion | -1.6% |
| Exports of processed food and drink* | € 18.8 billion | -4.0% |
| Imports of processed food and drink | € 14.3 billion | -13.7% |
| Exports of raw food inputs | € 3.4 billion | -20.0% |
| Imports of raw food inputs | € 10.7 billion | -23.0% |
| Number of food processors* | 6,400 | -0.8% |

Source: *Federazione Italiana dell'Industria Alimentare and Global Trade Atlas

### A. Market Size

While Italy's food and drink sector continues to contract during the current financial crisis, it performs well compared to other sectors of the economy. Italy's food and drink sales decreased 1.6% in 2009 to €97.8 billion. Bakery products, dairy products, and chilled/processed products have the largest retail value of all processed foods in Italy, with each sector valued at over €1.2 billion. Artisanal products account for 25% of the industry. Appendix 1 lists the Italian market value of different processed foods from 2007 to 2009, derived from ingredients that U.S. producers may wish to export to Italy. Graph 1 shows the distribution of Italian food production by sector value.

Graph 1. Italian Food Production by Sector Value, 2007




*from Annuario Agroalimentare 2009*

Italy's food and drink processing sector is one of the largest in the EU. France, Germany, Italy, the UK, and Spain account for about 70% of total EU food and drink turnover. In 2007 Italy had the third largest sales in the European Union, with the sixth most employees engaged in the sector. Table 2 shows Italy's position compared to those of other leading EU countries in terms of net sales.

**Table 2. Food and Drink Sales in Top EU Producers, 2007**

| Country | Net sales in 2007, € billion | 2007/06 % change |
|---|---|---|
| France | 154 | +7.0% |
| Germany | 147 | +6.2% |
| Italy | 113 | +2.7% |
| UK | 106 | -0.6% |
| Spain | 78 | +0.9% |

Source: CIAA

## A. **Trade**

Italy imports between two and three times more unprocessed products than it exports. These imports are crucial for its food processing industry, which turns the raw materials into finished products for export and domestic consumption. Table 3 shows the value of Italian imports and exports of unprocessed inputs.

**Table 3. Italian Imports and Exports of Unprocessed Agricultural Products in 2008**

| Unprocessed products | Imports (in € million) | Exports (in € million) |
|---|---|---|
| Plant products | 7,396 | 4,711 |
| Animal products | 6,393 | 1,030 |
| Fish and seafood | 2,151 | 311 |
| Forestry products | 882 | 272 |
| **Total Raw** | **16,822** | **6,324** |

Source: Federazione Italiana dell'Industria Alimentare

In recent years domestic demand for Italian food products has stagnated, and Italy has depended on increased exports to maintain growth in the industry. In processed food and beverages, Italy maintains a large trade surplus of €3.65 billion. Major Italian exports of processed food and beverages include wine, bakery and confectionery items, pasta, processed vegetables, oils and fats, and cheese. Italy also imports a significant amount of processed food and beverages, including oils and fats, fish and seafood, cheese, and bakery and confectionery items. Table 4 shows imports and exports of processed products for exports valued at over €1 billion (Appendix 2 contains a more extensive list of processed exports and imports).

**Table 4. Italian Imports and Exports of Processed Agricultural Products in 2008**

| Selected processed products | Exports (in € million) | Imports (in € million) |
|---|---|---|
| Wine | 3,919 | 342 |
| Bakery and confectionery | 2,275 | 1,325 |
| Pasta | 2,017 | 59 |
| Prepared vegetables | 1,629 | 832 |
| Other processed products | 1,594 | 2,269 |
| Oils and fats | 1,515 | 2,810 |

| | | |
|---|---|---|
| Cheese | 1,406 | 1,430 |
| **Total processed products** | **19,572** | **15,919** |
| Source: Federazione Italiana dell'Industria Alimentare | | |

Notably, Italy depends heavily on imports for both processed and unprocessed fish and seafood, and the majority of imports come from other EU countries. Italy produces only 41% of the fish and seafood it consumes, with the majority of Italian production in clams, trout, and mussels. Italy imports about $5.4 billion in fish and seafood products annually. Tuna, shrimp, prawns, cuttle fish, squid, and octopus account for about 40% of total seafood imports. Italy is the third largest EU importer of surimi for seafood processing, and the United States is the single largest supplier of surimi to the EU. Tuna, both whole and semi-processed, is the most imported type of fish for the processing industry. Semi-processed anchovies are important for the salting and processing industry for fish fillets in oil. Demand for salmon for processing has decreased as smokehouses have moved from Italy and other Western European countries to Poland. Italy imports about two-thirds of the frozen fish it consumes.

### A. Consumption Trends

Italian consumers continue to demand premium and functional products regardless of the harsh economic environment. Increasing health consciousness, the rising age of the Italian population, and changing lifestyles all contribute to higher demand for premium products, including in non-urban areas where young middle-class consumers drive demand for such goods. Products emphasizing health or functional properties, such as those that lower cholesterol or are low in fat and sugar, are particularly successful due in part to governmental campaigns to increase awareness about the rising rate of obesity.

Italian demographic changes are increasing demand for packaged foods. As the Italian population continues to age, products that emphasize heart health and anti-ageing properties will be increasingly popular. The increasing rate of female employment contributes to higher demand for products that emphasize convenience. Italians consume a significant amount of seafood, and they are increasingly demanding frozen, easy-to-prepare fish products, particularly breaded ones that can easily be fried or baked. Demand for exotic packaged foods has increased with the influx of immigrants. For example, although noodle sales in Italy were only €3 million in 2008, noodle sales are expected to increase almost 60% by 2013.

**Table 5. Advantages and Challenges for U.S. Exporters to Italy**

| Advantages | Challenges |
|---|---|
| Lifestyle changes have increased demand for processed, convenient foods. | U.S. exporters face stiff competition from other EU countries that export to Italy tariff-free. |
| Italy is the third largest market in Europe for food and drink in terms of value, and there is a reliable affluent consumer base for such products. | U.S. exporters have significantly higher transportation costs and time lags than most other European countries, given the distance between Italy and the United States. |
| The current dollar-euro exchange rate makes U.S. exports inexpensive compared to other Euro-zone exports. | Non-tariff barriers such as phytosanitary restrictions and traceability requirements hinder U.S. exports. |
| Italy is highly dependent on raw imports for its processed food industry, particularly wheat and other cereals. | U.S. exporters new to the Italian market may find the Italian bureaucracy difficult to maneuver. |
| EU expansion creates new market opportunities for Italian food and drink exports, for which the Italian food processing industry will need additional ingredient inputs. | Biotech products are prohibited in Italy. |

## Section II. Road Map for Market Entry

### A. Entry Strategy

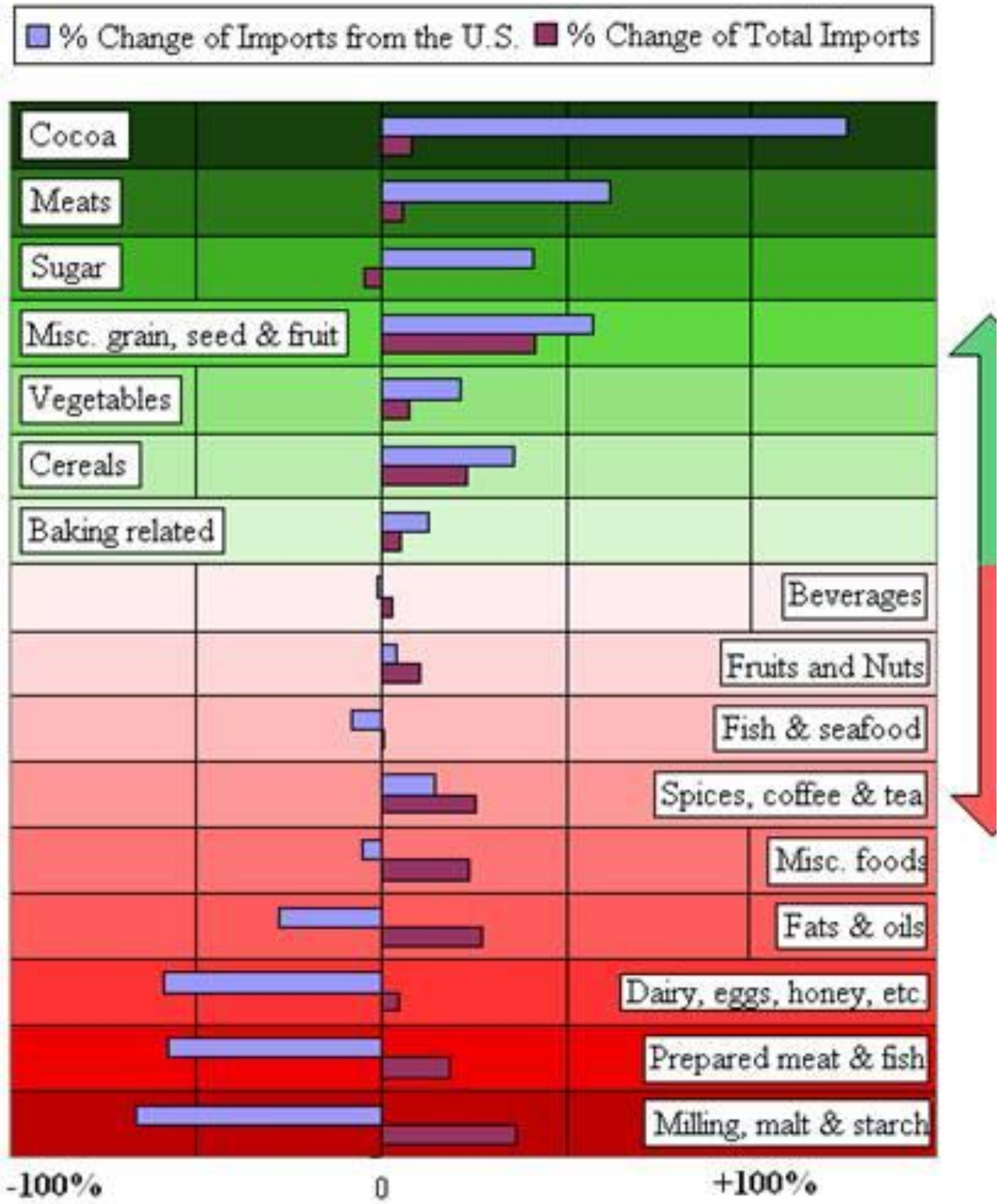
U.S. producers should carefully examine the Italian market before attempting to export their products to Italy. Exporters can contact the Office of Trade Programs for information about export support programs (http://www.fas.usda.gov/OTP.asp), read FAS Attaché Reports on the Italian market (http://gain.fas.usda.gov/Pages/Default.aspx), and contact their State Regional Trade Group. Trade shows also provide an excellent opportunity for potential exporters to learn more about the Italian market. Appendix 6 lists some important upcoming trade shows.

After studying the Italian market, U.S. exporters can contact Italian food processors through importers, wholesalers, distributors, or specialized importers. Most Italian importers are small to medium-sized companies that generally import small volumes of a broad range of goods. For more requirements on exporting food products to Italy, see the *FAIRS Country Report* by clicking here.

***Prices:*** U.S. products are often highly price competitive, and recent price increases in Italian processed goods may create new opportunities for U.S. ingredients exporters. Packaged food prices generally increased from 2008 to 2009 due to rising raw material and energy costs, primarily for fuel and grain. Pasta, rice, and bread saw the largest price increases, with increases up to 11% for rice and 8% for pasta.

***Competitive Analysis:*** Some U.S. products performed better than others when compared to average changes in Italian imports in 2008. For example, U.S. cocoa exports to Italy increased dramatically, while total Italian cocoa imports increased only slightly. U.S. exporters were also highly competitive in cereals, misc. grain, seeds and fruit, vegetables, meats, sugar, and baking related products. For other products such as beverages, fats and oils, dairy, eggs, honey, prepared meat and fish, and milling, malt and starch, total imports increased but imports from the United States declined. Graph 2 compares the change in total imports to the change in imports from the United States, by product. [1] The green areas show the U.S. products that performed well and gained market share, while the red areas show the U.S. products that lost market share to other imports in 2008.

Graph 2. Performance of U.S. Exports to Italy Versus Global Exports to Italy, % Change 2008/07

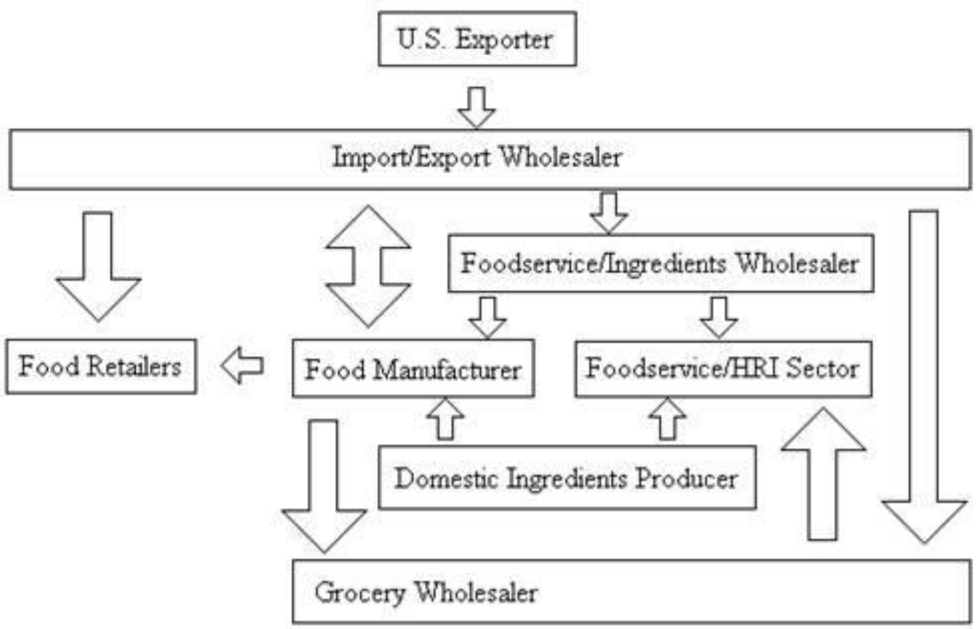



**B. Market Structure**

The Italian market is characterized by many small to medium-sized companies that trade in small volumes. Most processed food is distributed through retail grocers, convenience stores, and discount grocers. Italy and Poland are the only two EU countries where the three largest retailers represent less than 30%

of the market. Italy's largest retailers take just 10%, 7%, and 5% of the market. Supermarkets and hypermarkets were a leading distribution channel in 2008, as consumers tended to look for one-stop shopping to meet the needs of their increasingly hectic lifestyles. Discount stores were also popular in 2008 as consumers responded to higher prices.

Diagram 1: Market Structure for Processing Ingredient Imports




**C. Company Profiles**

Artisanal producers slowly lost market share over the past eight years, declining from 27.5% in 2001 to 24.9% in 2008. Top producers such as Barilla and Unilever generally maintained their market shares over the same period. Table 6 shows the top ten producers of packaged foods in Italy by 2008 worldwide revenue.

**Italy: Table 6. Top producers of packaged foods in Italy**

| Producer | Product Categories | Worldwide Revenue in € Millions, 2008 | Comments | End-Use Channels |
|---|---|---|---|---|
| Cargill SRL | Grains, oil seeds, sweeteners | 120,439 | Major global ingredient supplier for food processors | Retail, HRI |
| Kraft | Snacks, | 28,863 | Kraft Foods Inc. is the | Retail, |

| | | | | |
|---|---|---|---|---|
| Foods, Inc. | beverages, cheese, convenient meals | | world's second largest food producer. | HRI |
| Barilla Holding SpA | Bakery products (68% of sales), ice cream, snack bars, pasta, dried processed food, sauces, dressings and condiments | 2,515 | Italy accounted for €1.9 billion of total revenue in 2008. Barilla has 3.8% of the packaged food market in Italy. Barilla has the largest share of the global pasta market, taking a 9.4% share in 2007. The company is the fourth largest global manufacturer of bakery products, with a share of 1.3%. | Retail, HRI |
| Unilever Group | Oils and fats | 1,845 | In 2008 Unilever had 2.8% of the packaged food market in Italy, down 0.4% from 2007. | Retail, HRI |
| Consorzio del Prosciutto di Parma | Meats, cooked and cured | 1,638 | In 2008 Consorzio del Prosciutto di Parma had 2.5% of the packaged food market in Italy. | Retail, HRI |
| Ferrero Group | Confectionery (71% of revenue in 2007), bakery products, dairy products, spreads | 1,564 | About 75% of sales are in Italy. In 2008 Ferrero had 2.3% of the packaged food market in Italy. Ferrero is the 13th largest global packaged food company, with holdings such as Ferrero Rocher, Kinder, and Nutella. | Retail, HRI |
| Nestlé SA | Snack foods, non-alcoholic drinks | 1,524 | In 2008 Nestlé had 2.3% of the packaged food market in Italy. | Retail, HRI |
| CERPL - Consorzio Emiliano Romagnolo Produttore Latte | Dairy products | 1,395 | In 2008 CERPL had 2.1% of the packaged food market in Italy. | Retail, HRI |
| Lactalis Groupe | Dairy products | 1,391 | In 2008 Lactalis had 2.1% of the packaged | Retail, HRI |

| | | | | |
|---|---|---|---|---|
| | | | food market in Italy. | |
| Parmalat Group | Dairy products (94% of revenue), bakery products, oils and fats, sauces, dressings and condiments, spreads | 1,074 | Italy accounts for about one-third of total revenue. In 2008 Parmalat had 1.6% of the packaged food market in Italy. Parmalat is the seventh largest global dairy producer. | Retail, HRI |
| Perfetti Van Melle Group | Candy, gum | 993 | Including Mentos, Vivident, and Smint. | Retail, HRI |
| Campari Milano SpA | Spirits, wines, soft drinks | 942 | Currently ranked 6th in the global beverages industry | Retail, HRI |
| Danone, Groupe | Dairy products, bottled water, baby food | 923 | Danone is one of the largest global dairy producers. | Retail, HRI |
| Finpesca | Fresh and processed fish and seafood | 72 | Also imports fish for processing, currently from France, Spain, Greece, Norway, the UK, and Denmark | Retail, HRI |

Sources: Euromonitor and industry sources

### D. Sector Trends

The majority of Italian firms engaging in foreign direct investment (FDI) choose to invest in Eastern European countries, particularly Romania, Bulgaria, and Poland. Italian food and drink FDI in other countries totaled €489 million in 2005. In 2007 U.S. companies owned majority shares in 718 joint-ventures in Italy. Total revenue for these ventures reached $128 billion, $2.7 billion of which was in the food manufacturing industry.

About one-fifth of product innovation caters to demand for greater sophistication. Products with medical benefits, diet qualities, and easy-to-handle convenience each account for one-tenth of new products. Products that emphasized pleasure for a variety of senses, sophistication, medical benefits, naturalness, vegetarianism, and ecology all increased in popularity from 2006 to 2007. Products that emphasized exoticism, fun, diet, and nomadism all decreased in relative importance compared to other trends.

Table 7 shows the growth in sales for different products in Italy from 2003 to

2008. From 2007 to 2008, the most quickly growing processed products were noodles, snack bars, and ready meals. Typically the smallest markets grew the most quickly, but a notable exception is chilled processed food which grew 5% in 2008 with retail sales valued at €12 billion.

**Italy: Table 7. % Value Growth 2003-2008 of Packaged Foods in Italy**

| Sector | 2007/08 | 2003/08 |
|---|---|---|
| Noodles | 14.27 | - |
| Snack bars | 14.00 | 157.10 |
| Ready meals | 7.17 | 43.78 |
| Chilled processed food | 5.04 | 47.51 |
| Sweet and savoury snacks | 5.01 | 32.18 |
| Spreads | 4.48 | 19.74 |
| Meal replacement products | 4.36 | -5.30 |
| Meal solutions | 4.20 | 33.93 |
| Baby food | 4.10 | 9.07 |
| Pasta | 3.98 | 9.29 |
| Ice cream | 3.77 | 9.08 |
| Confectionery | 3.40 | 22.07 |
| Dairy products | 2.95 | 12.64 |
| Bakery products | 2.93 | 13.21 |
| Sauces, dressings and condiments | 2.77 | 12.90 |
| Frozen processed food | 2.52 | 15.59 |
| Soup | 2.36 | 25.25 |
| Canned/preserved food | 2.21 | 6.97 |
| Dried processed food | 1.72 | -0.31 |
| Oils and fats | -0.24 | 11.67 |

Source: Euromonitor

| 2009 Retail Value | Under €100 million | Between €100 million and €1 billion | Between €1.5 billion and €2 billion | Between €2 billion and €2.5 billion | Between €4 billion and €5 billion | Between €10 billion and €20 billion |
|---|---|---|---|---|---|---|

## III. Competition

The majority of Italian imports come from other EU countries, particularly France, Germany, Spain, and the Netherlands. U.S. exporters will have difficulty competing against their EU counterparts in high-tariff sectors. Nevertheless, the United States is the ninth largest exporter of agricultural products to Italy. In 2008 Italy imported $1.04 billion in agricultural products from the United States, a 29% increase over the previous year. U.S. exporters of wheat and meslin (ingredients often used in the Italian baking industry) are in a favorable competitive position. Cereals account for roughly one-third of U.S. agricultural exports to Italy, with a majority of 68% in wheat and meslin. Table 8 shows key country competitors by product category. Appendix 3 contains more detailed information on U.S. agricultural exports to Italy.

**Italy: Table 8. Imports of Select Agricultural Products in 2008**

| HS Code and Product Category | Imports in USD million | #1 Country of Origin and USA | Strengths of Key Supply Countries |
|---|---|---|---|
| 02 Meats | 6,142.50 | Germany: 21%<br>USA: 0.15% | All top countries are EU members and geographically close. U.S. poultry faces significant trade barriers with the EU. |
| 04 Dairy, eggs, honey, etc. | 4,730.28 | Germany: 47%<br>USA: 0.03% | All top countries are EU members and geographically close. Strong protective import barriers affect U.S. exports. |
| 15 Fats & oils | 4,157.80 | Spain: 31%<br>USA: 1.3% | Spain and France are EU members and geographically close. Indonesia is an important origin of tropical oils such as palm oil. |
| 03 Fish & seafood | 4,141.37 | Spain: 16%<br>USA: 1.65% | All top countries are EU members and geographically close. U.S. seafood is competitive in price and quality. |
| 10 Cereals | 3,640.50 | France: 30%<br>USA: 10% | All other top exporters are EU members and geographically close. The U.S. is the second largest exporter of cereals to Italy. |
| 08 Fruits and Nuts | 2,847.90 | Spain: 19%<br>USA: 6% | Spain is similar to Italy in that its Mediterranean climate creates favorable growing conditions. Many U.S. products are competitive. Turkish products are price competitive. |
| 22 Beverages | 2,094.49 | Germany: 22%<br>USA: 5% | All top countries are EU members and geographically close. Transport costs are high for shipping heavy beverages. |
| 16 Prepared meat & fish | 1,753.98 | Spain: 22%<br>USA: 0.01% | Spain and Germany are EU members and geographically close. Protective barriers substantially hinder U.S. meat exports. |
| 07 Vegetables | 1,659.65 | France: 17%<br>USA: 0.71% | France, the Netherlands, and Spain are EU members and geographically close. Spain is an important producer of citrus and |

| | | | |
|---|---|---|---|
| | | | produce in cooler months. China is price competitive. Moderate protective import barriers affect U.S. exports. |
| 12 Misc. grain, seed & fruit | 1,613.84 | Brazil: 35%<br>USA: 7% | The U.S. is the second largest exporter of grains and seeds. Most top exporters are EU members and geographically close. |
| 09 Spices, coffee & tea | 1,529.56 | Brazil: 30%<br>USA: 0.10% | Top countries all come from tropical and subtropical climates. |
| 19 Baking related | 1,472.46 | Germany: 33%<br>USA: 0.05% | All top countries are EU members and geographically close. Transport costs are high for high-volume shipments of baking related goods. |
| 20 Preserved foods | 1,443.27 | France: 17%<br>USA: 5.7% | All top countries are EU members and geographically close. High import tariffs often affect U.S. exports. |
| 21 Misc. foods | 1,132.85 | Germany: 21%<br>USA: 0.80% | All top countries are EU members and geographically close. Strong protective import barriers affect U.S. exports. |
| 17 Sugar | 1,049.15 | France: 29%<br>USA: 0.12% | All top countries are EU members and geographically close. High sugar tariffs substantially hinder U.S. exports. |
| 18 Cocoa | 923.41 | Germany: 22%<br>USA : 0.08% | Most top countries are EU members and geographically close. The Netherlands and France have former colonies where cocoa plants are grown. |
| 11 Milling, malt & starch | 319.71 | France: 25%<br>USA: 0.06% | All top countries are EU members and geographically close. |

Source: Global Trade Atlas

## IV. Best Product Prospects

### Products Present in the Market Which Have Good Sales Potential [2]

- Bulk field crops: wheat, soybeans, sorghum
- Dried and processed fruit: Tomato paste, dried prunes
- Wine
- Fish and seafood: lobsters, frozen salmon
- Nuts: almonds, walnuts, pistachios, peanuts, hazelnuts (in shell)

**Products not present in significant quantities, but which have good sales potential [3]**

● Fish and seafood: cuttle fish and squid, monkfish, fresh salmon, scallops, frozen crab, and mollusks. Hake, tuna, frozen shrimp, and octopus are also valuable exports to Italy, but U.S. producers have not yet entered the market for those products.
● Convenience products: frozen fish fillet (to be fried or baked), snack bars, meal replacement products, ready meals, chilled processed food, sweet and savory snacks, and meal solutions.
● Lentils
● Chickpeas
● Shelled hazelnuts
● Beer
● Bread, pastries, and cakes: primarily pizzas and quiches.

For producers interested in entering the market, Appendix 4 shows the value of total imports for each product listed above and Appendix 5 shows the value of different sectors and their projected growth from 2008 to 2013.

**Products not present because they face significant barriers**

EU regulations impose significant trade barriers on the following products:

● Food additives not approved by the European Commission
● Red meat and meat products produced with hormones
● Most poultry and eggs
● Biotech products

## Post Contact and Further Information

If you have question or comments regarding this report, or if you need assistance exporting to Italy, please contact the U.S. Office of Agricultural Affairs in Rome at the following address:

Office of Agricultural Affairs
American Embassy
Via Veneto 119/A

00187 Rome

Phone: (39-6) 46742-362
Fax: (39-6) 478 87008
E-mail: agrome@usda.gov
Website: http://italy.usembassy.gov/agtrade/default.asp

**Appendix 1.**

**Italy: Table 9. Retail Value in Italy (Value at Current Prices in € million)**

| | 2007 | 2008 | 2009 |
|---|---|---|---|
| Bakery products | 17610.7 | 18299.6 | 18614.5 |
| Dairy products | 13880.0 | 14574.6 | 15269.1 |
| Chilled processed food | 11616.6 | 11895.0 | 12107.0 |
| Ice cream | 5034.5 | 5177.8 | 5191.9 |
| Confectionery | 4110.5 | 4173.3 | 4198.2 |
| Pasta | 2083.4 | 2527.5 | 2389.8 |
| Oils and fats | 2247.0 | 2326.5 | 2328.2 |
| Dried processed food | 1840.9 | 2250.7 | 2094.7 |
| Sauces, dressings and condiments | 1914.1 | 2037.9 | 2094.3 |
| Frozen processed food | 1894.6 | 1925.8 | 1952.5 |
| Canned/preserved food | 1565.2 | 1663.2 | 1701.4 |
| Ready meals | 1636.1 | 1593.7 | 1558.3 |
| Baby food | 969.7 | 964.5 | 947.8 |
| Sweet and savoury snacks | 592.9 | 632.3 | 638.4 |
| Spreads | 485.9 | 516.6 | 536.0 |
| Soup | 247.7 | 252.6 | 254.8 |
| Snack bars | 118.8 | 136.0 | 146.9 |
| Meal replacement products | 32.7 | 34.3 | 34.8 |
| Noodles | 2.5 | 2.9 | 3.1 |
| **Packaged food (total)** | **63926.4** | **66621.3** | **67869.7** |

Source: Euromonitor

**Appendix 2.**

| Table 10. Italian Imports and Exports of Processed Agricultural Products in 2008 | | |
|---|---|---|
| **Selected processed products** | **Exports (in € million)** | **Imports (in € million)** |
| Wine | 3,919 | 342 |
| Bakery and confectionery | 2,275 | 1,325 |
| Pasta | 2,017 | 59 |
| Prepared vegetables | 1,629 | 832 |
| Other processed products | 1,594 | 2,269 |

| | | |
|---|---|---|
| Oils and fats | 1,515 | 2,810 |
| Cheese | 1,406 | 1,430 |
| Prepared meats | 984 | 332 |
| Prepared fruits | 936 | 503 |
| Coffee | 665 | 165 |
| Rice | 565 | 101 |
| Brandy and liquor | 503 | 324 |
| Water | 444 | 213 |
| Prepared fish and seafood | 225 | 1,608 |
| Sugar | 149 | 587 |
| Beer | 75 | 436 |
| Ethyl alcohol | 62 | 98 |
| Condensed and powdered milk | 22 | 296 |
| **Total processed products** | **19,572** | **15,919** |

## Appendix 3.

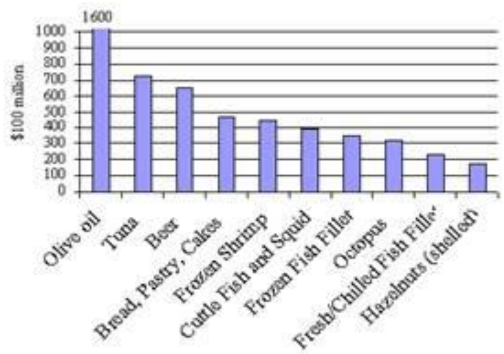
**Italy: Table 11. Italian Imports of Select U.S. Agricultural Products, Annual 2008**

| HS Code and Product Category | Imports from the U.S. (in $ million) | U.S. Share of Total Imports | % Change in Value of U.S. Imports 2008/2007 |
|---|---|---|---|
| 10 Cereals | 356.59 | 10% | +35.83% |
| 08 Fruits and Nuts | 166.14 | 6% | +4.46% |
| 12 Misc. grain, seed & fruit | 118.17 | 7% | +57.03% |
| 22 Beverages | 105.13 | 5% | -1.45% |
| 20 Preserved foods | 82.22 | 5.7% | +1248.00% |
| 03 Fish & seafood | 68.34 | 1.65% | -7.68% |
| 15 Fats & oils | 53.97 | 1.3% | -27.43% |
| 07 Vegetables | 11.80 | 0.71% | +21.60% |
| 02 Meats | 9.37 | 0.15% | +61.67% |
| 21 Misc. foods | 9.04 | 0.80% | -4.81% |
| 09 Spices, coffee & tea | 1.60 | 0.10% | +14.36% |
| 04 Dairy, eggs, honey, etc. | 1.57 | 0.03% | -58.68% |
| 17 Sugar | 1.23 | 0.12% | +41.12% |
| 19 Baking related | 0.76 | 0.05% | +12.77% |
| 18 Cocoa | 0.70 | 0.08% | +125.30% |
| 16 Prepared meat & fish | 0.20 | 0.01% | -57.47% |
| 11 Milling, malt & starch | 0.18 | 0.06% | -66.43% |
| | | | |
| **Total agricultural imports** | 1,043.30 | 2.47% | +28.86% |

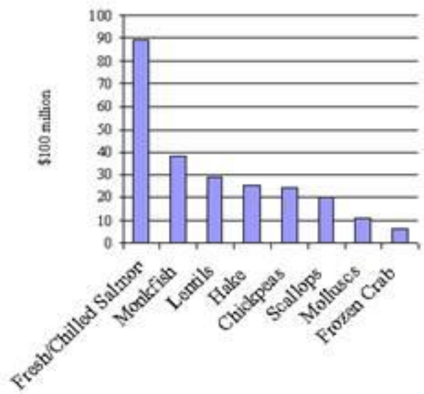
Source: Global Trade Atlas

**Appendix 4.**

Graph 3.
Total Value of Italian Imports of Selected Products, Valued over $100 Million



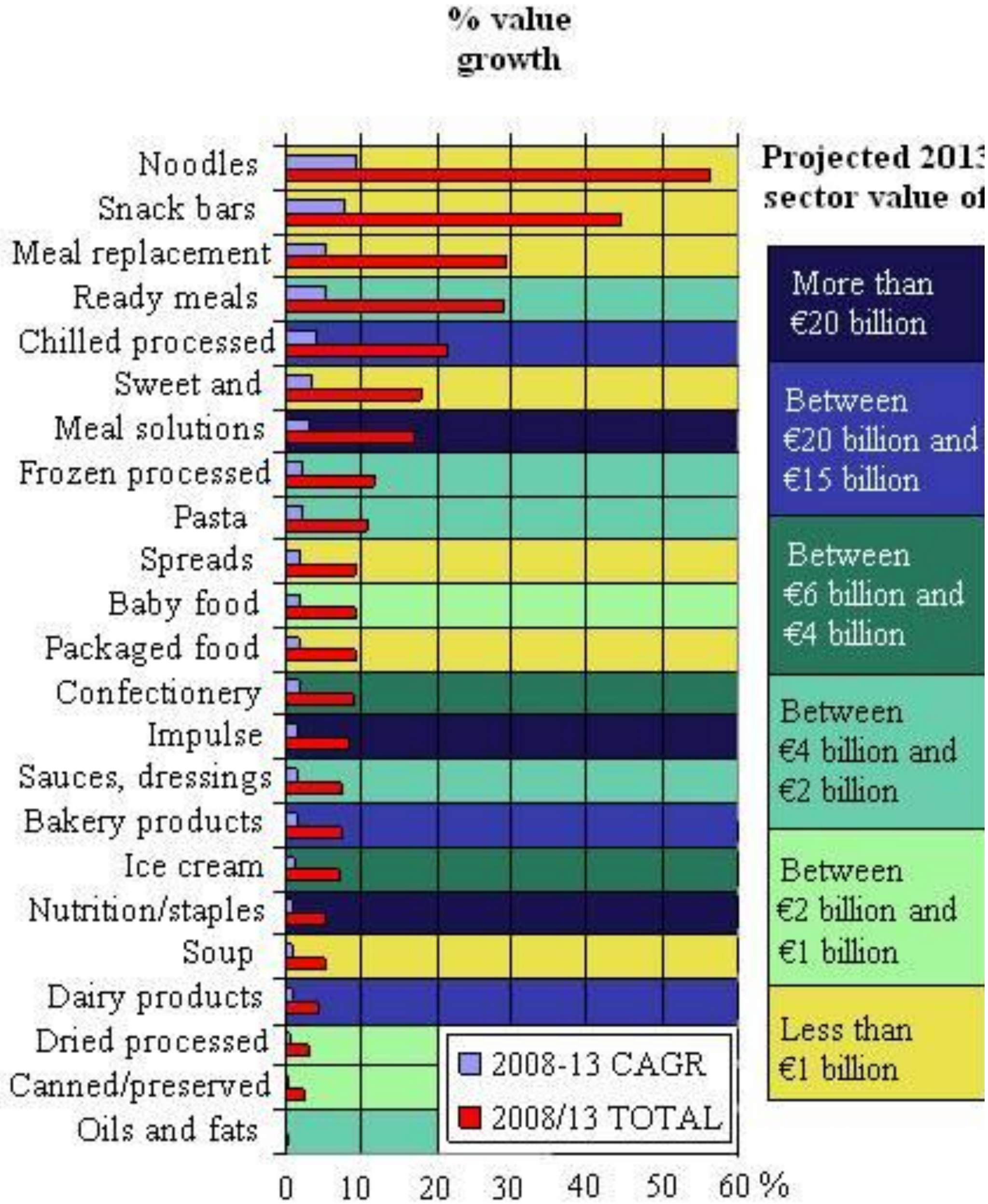

Graph 4.
Total Value of Italian Imports of Selected Products, Valued under $100 Million




**Appendix 5.**

Graph 5 shows the projected percent value growth by sector, while Table 14 shows the forecast value and volume growth by sector from 2008 to 2013.

## Italy: Graph 5. Projected % Value Growth from 2008 to 2013, by Sector



**Italy: Table 12. Forecast Sales of Packaged Food by Sector: Value 2008-2013**

| | 2009 | | 2011 | | 2013 | |
|---|---|---|---|---|---|---|
| | Value (€ million) | Volume ('000 tonnes) | Value (€ million) | Volume ('000 tonnes) | Value (€ million) | Volume ('000 tonnes) |
| Nutrition/staples | 28,541.7 | - | 29,194.4 | - | 29,649.2 | - |
| Impulse and indulgence products | 22,289.7 | - | 23,049.7 | - | 23,786.9 | - |
| Meal solutions | 18,547.6 | 2,498.2 | 19,757.9 | 2,571.6 | 21,078.0 | 2,654.1 |
| Bakery products | 18,402.3 | 4,436.7 | 18,979.8 | 4,449.3 | 19,463.5 | 4,483.6 |
| Dairy products | 15,479.1 | - | 15,779.7 | - | 15,930.7 | - |
| Chilled processed food | 12,665.4 | 954.3 | 13,707.0 | 1,014.2 | 14,842.9 | 1,073.7 |
| Ice cream | 5,314.5 | 530.5 | 5,469.1 | 550.2 | 5,595.7 | 565.7 |
| Confectionery | 4,270.2 | 252.8 | 4,405.7 | 254.9 | 4,594.3 | 259.6 |
| Pasta | 2,214.8 | 1,148.5 | 2,319.8 | 1,112.5 | 2,399.8 | 1,094.4 |
| Oils and fats | 2,214.5 | 581.8 | 2,199.5 | 560.4 | 2,251.6 | 560.3 |
| Sauces, dressings and condiments | 1,990.6 | 502.9 | 2,053.5 | 499.5 | 2,115.0 | 504.0 |
| Dried processed food | 1,878.1 | 1,188.6 | 1,907.5 | 1,124.7 | 1,929.1 | 1,088.9 |
| Ready meals | 1,874.3 | 249.9 | 2,089.4 | 277.6 | 2,264.8 | 299.5 |
| Frozen processed food | 1,976.9 | 449.1 | 2,064.3 | 465.0 | 2,172.0 | 481.2 |
| Canned/preserved food | 1,608.0 | 512.9 | 1,627.0 | 513.7 | 1,637.2 | 514.6 |
| Baby food | 1,248.1 | 102.4 | 1,298.0 | 106.2 | 1,333.7 | 108.7 |
| Sweet and savoury snacks | 648.7 | 82.3 | 700.6 | 86.7 | 733.5 | 89.2 |
| Spreads | 520.7 | 93.1 | 541.6 | 96.6 | 555.2 | 98.4 |
| Soup | 255.0 | 73.4 | 259.0 | 74.0 | 266.5 | 75.8 |
| Snack bars | 137.0 | 7.5 | 160.9 | 8.7 | 177.8 | 9.6 |
| Meal replacement products | 35.2 | 1.0 | 38.7 | 1.1 | 44.1 | 1.2 |
| Noodles | 3.2 | 0.3 | 3.9 | 0.4 | 4.6 | 0.4 |
| **Packaged food** | **68,402.8** | - | **70,947.3** | - | **73,391.2** | - |

Source: Euromonitor

## Appendix 6. Trade Shows

| Description | Date | Organizer/Contact info |
|---|---|---|
| **FIERAGRICOLA** Verona, Italy<br><br>International agri-business show | 4 – 7 February 2010 | Ente Autonomo per le Fiere di Verona V.le del Lavoro, 8 37135 Verona, Italy Tel. +390458298111 Website: www.fieragricola.com |
| **FIERA INTERNAZIONALE** | 21 – 24 February | Fiere di Foggia Corso del Mezzogiorno |

| | | |
|---|---|---|
| **DELL'AGRICOLTURA E DELLA ZOOTECNIA**<br>Foggia, Italy<br><br>A large international agricultural exhibition focused on the Mediterranean | 2010 | 71100 Foggia, Italy<br>Tel. +39 0881.3051<br>Website: www.fieradifoggia.it<br>E-mail: info@fieradifoggia.it |
| **SAPORE – Tasting experience**<br><br>Rimini, Italy<br><br>Concerning food, seafood, and beverages | 21 – 24 February 2010 | Rimini Fiera<br>Via Emilia, 155<br>47900 Rimini, Italy<br>Tel. +39 0541 744111<br>Website :<br>http://www.fierarimini.it/<br>E-mail:<br>infovisitatori@riminifiera.it |
| **AGRIFOOD CLUB**<br><br>Exhibition of quality foods | 8 – 12 April 2010 | Veronafiere<br>Viale del Lavoro 8<br>37100 Verona, Italy<br>Tel. +39 045 8298111<br>Website :<br>http://www.veronafiere.it/<br>E-mail :<br>mailto:info@veronafiere.it |
| **PASTATREND**<br>Bologna, Italy<br><br>Exhibition dedicated to pasta and related products; inaugural year. | 24 – 27 April 2010 | Avenue Media<br>Via Riva Reno 61<br>40122 Bologna, Italy<br>Tel. +39 051 6564311<br>Website: www.pastatrend.com<br>E-mail: info@pastatrend.com |
| **CIBUS**<br>Parma, Italy<br><br>International Food Exhibition | 10 – 13 May 2010 | Fiere di Parma<br>Via Rizzi 67/a<br>43031Baganzola – Parma, Italy<br>Tel. +39 0521 9961<br>Website :<br>http://www.fiereparma.it/ |
| **SANA**<br>Bologna, Italy<br><br>Agricultural exhibition focused on the health food sector. | 09 – 12 September 2010 | Segreteria Organizzativa<br>Tel. +39 051.282351<br>Website: www.sana.it<br>E-mail: sana@bolognafiere.it |
| **MACFRUT**<br>Pievesestina di Cesena, Italy | 06 – 08 October 2010 | Cesena Fiera Spa<br>Via Dismano, 3845<br>47522 Pievesestina di Cesena, |

| | | |
|---|---|---|
| Production and transportation of fruits and vegetables | | Italy<br>Tel. +39 0547.317435<br>Website: www.macfrut.com |
| **EUROCARNE**<br>Verona, Italy<br><br>International exhibition of meat and meat processing industries | May 2012 | Veronafiere<br>Viale del Lavoro 8<br>37100 Verona, Italy<br>Tel. +39 045 8298111<br>Website :<br>http://www.veronafiere.it/<br>E-mail :<br>mailto:info@veronafiere.it |

[1] To prevent distortion the graph excludes preserved foods, which increased dramatically from the United States but only slightly in general.

[2] Including current U.S. exports to Italy valued at over $1 million.

[3] Including current U.S. exports to Italy valued at under $1 million, except for cuttlefish and squid, lentils, and chickpeas which are each valued between $2 and $4 million.