

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Voluntary \_ Public

**Date:** 02/03/2012

**GAIN Report Number:** CA12006

## Canada

**Post:** Ottawa

### **Northern Trends - Winter 2012 Edition**

**Report Categories:**

Agriculture in the News

**Approved By:**

Robin Tilsworth

**Prepared By:**

Sonya Jenkins

**Report Highlights:**

Health is Important, Naturally \* Delicious Developments to Deepen Demand \* Country Store, City Store \* Rise and Shine \* Certification as Differentiation \* Reminder: November 1, 2012 Deadline for eManifest Requirements \* One Step Closer to Freeing up the Wine Market in Canada \* 2012 Food Industry Tradeshow and Events in Canada \* Recent Reports from FAS Canada

## **Health is Important, Naturally**

Canadian consumers are concerned about [health and food safety](#), which is driving an increase in demand for natural products and a return to the basics. In response to this demand, companies have been removing preservatives and other chemicals from their formulations, or going entirely preservative free. For example, Weston Bakeries has developed a simplified Wonder Bread and Schneider's has introduced their Country Naturals line.

In a recent survey commissioned by the U.S. Embassy in Ottawa, 85 per cent of Canadians reported being moderately or very confident in Canada's food safety systems, while only 60 per cent felt the same about the food safety systems in the United States.

## **Delicious Developments to Deepen Demand**

Technomic has identified [six trends](#) that are expected to be influential in the Canadian foodservice industry this year:

- 1) Limited-service restaurants will continue to revamp classic meals with gourmet ingredients. This will include poutine, pizza and burgers with exotic, high quality ingredients.
- 2) Full-service and fine-dining restaurants will be scaling down and preparing meals with simpler techniques and fewer ingredients. This will also help chefs highlight center-of-plate foods.
- 3) In all sectors, children's meals will become healthier as parents maintain a strong interest in what their children are consuming. This will include more baked and grilled dishes as well as dishes that are more sophisticated than chicken nuggets and hot dogs.
- 4) Product origin will continue to be important to consumers, making traceability throughout the supply chain important.
- 5) Restaurants will expand their use of smartphones. Apps, social media pages and daily deals will remain important while location-based platforms such as Foursquare and payment services will also gain popularity.
- 6) Consumers are always looking for convenience and food service providers are looking to capitalize on this by exploring new formats including food trucks and scaled-down versions of their full-service eateries.

## **Country Store, City Store**

Walmart Canada recently [opened a prototype](#) of its Urban 90 stores in the east-end of Toronto. The new format stores are only 90,000 square feet, instead of the 200,000 square feet of traditional Supercentres. The smaller format allows Walmart better access to urban areas. The new stores have a similar product range as their larger counterparts with products having less shelf space. Groceries account for about 30 per cent of the space in the Urban 90 stores.

The Urban 90 stores join other urban format stores from large chains already in the Canadian market such as Sobey's Urban Fresh, Loblaw's new Maple Leaf Gardens location in Toronto and Costco's 10,000 square foot location built in a residential tower complex in Vancouver. In the Ottawa area, Farm Boy is also exploring the opportunity to open more compact locations in the downtown core.

### **Rise and Shine**

The Canadian Foodservice and Restaurant Association reports that as quick service restaurants (QSR) compete for greater market share, they are expanding their menus to address a growing meal segment – breakfast. Since 2007, breakfast sales have increased over 20 per cent, driven by consumers with tight schedules now looking for fast and convenient meal choice at all times of the day. Convenience doesn't cancel out health however, these aspects are still important to consumers and restaurants have addressed this by including oatmeal with fruit, yogurt parfaits and egg white wraps or sandwiches.

Additionally, an estimated 88 per cent of Canadians drink at least one cup of coffee per day making good quality coffee an important draw for QSPs trying to capture a share of the breakfast market. Restaurants have been innovating in this area as well by introducing name brand or higher quality coffees as well as introducing lattes and other drinks that would traditionally only be found in coffee shops. Opportunities exist for healthy, portable foods for consumers on the go.

### **Certification as Differentiation**

As Canadian consumers become more concerned with what they are consuming, they are searching for ways to sort through the claims on different products. Seals indicating third-party certification have become a quick and clear way to draw a customer's attention and make them feel more confident in their purchases. It has also become a useful tool for helping products stand out on the shelves. In the United States in 2010, products with a Whole Grain Council certification showed a 13.3 per cent increase in sales while Fair Trade certified products showed a 16.6 per cent increase. The spread of seals on Canadian grocery shelves indicate that the trend is alive and well here as well.

### **Important news from our Agricultural Specialists:**

**Reminder: November 1, 2012 Deadline for eManifest Requirements**

According to Canada Border Services Agency (CBSA), on **November 1, 2012**, highway carriers that do not comply with the requirement to electronically transmit cargo and conveyance data ahead of arrival at the border will be denied entry and will face zero-rated (non-monetary) penalties. Subsequently, on **May 1, 2013**, highway carriers that do not comply with the requirements will be denied entry to Canada and face monetary penalties. When fully implemented, eManifest will be a virtually paperless process that starts before shipments reach the border and will improve two-way communications between trade and the CBSA. "By rigorously performing risk assessments on advance commercial information, the CBSA's border services officers will be better able to ensure that shipments identified as being of unknown and high-risk are examined and low-risk, legitimate goods cross the border more efficiently," said Cathy Munroe, Vice-President, Programs Branch, CBSA. CBSA also made electronic data transmission requirements easier to achieve with the launch of its internet-based eManifest Portal. The eManifest Portal allows businesses to electronically submit their cargo and conveyance data to the CBSA via its Web site. For more information please follow this link: <http://www.cbsa-asfc.gc.ca/prog/manif/portal-portail-eng.html>

### **One Step Closer to Freeing Up the Wine Market in Canada**

Canada has a Prohibition-era law that makes it illegal for individuals to buy wine in one province and take it into another province without going through their provincial liquor control board.

Dan Albas, a Conservative Member of Parliament for Okanagan-Coquihalla, whose riding includes many British Columbian vineyards, introduced a private member's bill in October to amend the 83-year-old law and allow for free flow of wine for personal consumption. Early in December 2011, his bill passed second reading in the Canadian House of Commons. From there, the bill was sent to the appropriate House Committees for in-depth discussion. Once that step is over, a bill usually returns to the House in what is called the "report stage" when amendments can be brought. Once a final version is contemplated, a bill has to pass a third reading in the House after which it is sent to the Senate where it has to follow a similar process. Once both the House and the Senate have adopted a bill in the same form, it is sent to the Governor General to receive Royal Assent, and only then it becomes law. Wine lovers in Canada hope this will happen quickly in 2012. Supporters of the bill also hope that once consumers are permitted to shop for wine directly from wineries in other provinces (basically in British Columbia and Ontario), the cost of wine will decrease in the provincial liquor control board outlets.

### **2012 Food Industry Tradeshows and Events in Canada**

Show Name	Location	2012 Dates	Website
January			
Guelph Organic Confere	Guelph, Ontario	January 26-29	<a href="http://www.guelphorganicconf.ca/">www.guelphorganicconf.ca/</a>

<b>Show Name</b>	<b>Location</b>	<b>2012 Dates</b>	<b>Website</b>
nce			
BC Foodservice Expo	Vancouver, British Columbia	January 29-30	<a href="http://www.bcfoodexpo.ca">www.bcfoodexpo.ca</a>
Canadian Gift & Tableware Association Show	Toronto, Ontario	Jan 29 - Feb 2	<a href="http://www.cgta.org">www.cgta.org</a>
<b>February</b>			
Canadian Food Summit	Toronto, Ontario	February 7-8	<a href="http://www.conferenceboard.ca/conf/12-0018/default.aspx">http://www.conferenceboard.ca/conf/12-0018/default.aspx</a>
Canadian Gift & Tableware Association Show	Edmonton, Alberta	February 19-22	<a href="http://www.cgta.org">www.cgta.org</a>
Safe Food Canada	Brampton, Ontario	February 23	<a href="http://www.gftc.ca/courses-and-training/course-details.aspx?course=TRS052">http://www.gftc.ca/courses-and-training/course-details.aspx?course=TRS052</a>
Vancouver Playhouse International Wine Fest	Vancouver, British Columbia	Feb 27 - Mar 4	<a href="http://www.playhousewinefest.com/">www.playhousewinefest.com/</a>
Ag Expo (includes North American Seed Fair)	Lethbridge, Alberta	Feb 29 - Mar 2	<a href="http://www.exhibitionpark.ca/index.php/general-events/2011-events/ag-expo">www.exhibitionpark.ca/index.php/general-events/2011-events/ag-expo</a>
<b>March</b>			
CRFA Show (Canada)	Toronto, Ontario	March 4-6	<a href="http://www.crfa.ca/tradeshows/crfashow/">www.crfa.ca/tradeshows/crfashow/</a>

<b>Show Name</b>	<b>Location</b>	<b>2012 Dates</b>	<b>Website</b>
n Restaura nt and Foodser vices Associati on)			
Canada n Gift & Tablewa re Associati on Show	Montreal, Quebec	March 4-7	<a href="http://www.cgta.org">www.cgta.org</a>
2012 Foodser vice Intercha nge Confere nce	Toronto, Ontario	March 5	<a href="http://www.fcpc.ca">www.fcpc.ca</a>
Hotel Associati on of Canada Confere nce and Trade Show	Toronto, Ontario	March 5-6	<a href="http://www.hacconference.ca/">http://www.hacconference.ca/</a>
8th Annual North America n Summit on Food Safety	Toronto, Ontario	March 7-8	<a href="http://www.foodsafetycanada.com/">www.foodsafetycanada.com/</a>
Toronto Wine & Cheese Show	Mississauga, Ontario	March 16-18	<a href="http://www.towineandcheese.com/">www.towineandcheese.com/</a>
Northlan ds Farm and Ranch Show	Edmonton, Alberta	March 29-31	<a href="http://www.farmandranchshow.com/">www.farmandranchshow.com/</a>

<b>Show Name</b>	<b>Location</b>	<b>2012 Dates</b>	<b>Website</b>
(Seeding Technology Clinic)			
<b>April</b>			
ApEx (foodservice & hospitality)	Halifax, Nova Scotia	April 15-16	<a href="http://www.apextradeshow.com">www.apextradeshow.com</a>
Grocery Showcase West	Vancouver, British Columbia	April 22-23	<a href="http://www.cfig.ca/page.asp?id=8">www.cfig.ca/page.asp?id=8</a>
CPMA (Canadian Produce Marketing Association) Conference and Trade Show	Calgary, Alberta	April 11-13	<a href="http://www.convention.cpma.ca">www.convention.cpma.ca</a>
CHFA (Canadian Health Food Association) Expo West	Vancouver, British Columbia	April 19 – 22	<a href="http://www.chfa.ca/EVENTS/ExpoWest.aspx">http://www.chfa.ca/EVENTS/ExpoWest.aspx</a>
Winnipeg Wine Festival	Winnipeg, Manitoba	Apr 29 - May 5	<a href="http://www.winnipegwinefestival.com/">www.winnipegwinefestival.com/</a>
<b>May</b>			
Good Food Festival & Market	Mississauga, Ontario	May 4-6	<a href="http://www.goodfoodfestival.com">www.goodfoodfestival.com</a>
Rocky Mountain Wine & Food	Banff, Alberta	May 4-5	<a href="http://www.rockymountainwine.com/index.html">www.rockymountainwine.com/index.html</a>

<b>Show Name</b>	<b>Location</b>	<b>2012 Dates</b>	<b>Website</b>
Festival			
<b>SIAL Canada</b>	Montreal, Quebec	May 9-11	<a href="http://sialcanada.com/sial/en/">http://sialcanada.com/sial/en/</a>
<b>June</b>			
EAT! Vancouver	Vancouver, British Columbia	June 1-3	<a href="http://www.eat-vancouver.com">www.eat-vancouver.com</a>
STORE 2012 - Canada's Retail Conference	Toronto, Ontario	June 4-5	<a href="http://www.storeconference.ca">www.storeconference.ca</a>
<b>September</b>			
Canada's Outdoor Farm Show	Woodstock, Ontario	September 11-13	<a href="http://www.outdoorfarmshow.com">www.outdoorfarmshow.com</a>
The Canadian Coffee & Tea Show	Toronto, Ontario	September 9-10	<a href="http://www.coffeeteashow.ca">www.coffeeteashow.ca</a>
CHFA (Canadian Health Food Association) Expo East	Toronto, Ontario	September 20 - 23	<a href="http://www.chfa.ca/EVENTS/ExpoEast.aspx">http://www.chfa.ca/EVENTS/ExpoEast.aspx</a>
<b>October</b>			
Grocery Innovations Canada	Toronto, Ontario	October 1-2	<a href="http://www.groceryinnovations.com">www.groceryinnovations.com</a>
Rocky Mountain Wine & Food Festival	Calgary, Alberta	October 12-13	<a href="http://www.rockymountainwine.com">www.rockymountainwine.com</a>
<b>November</b>			



<b>Show Name</b>	<b>Location</b>	<b>2012 Dates</b>	<b>Website</b>
Rocky Mountain Wine & Food Festival	Edmonton, Alberta	November 2-3	<a href="http://www.rockymountainwine.com">www.rockymountainwine.com</a>
The Royal Agricultural Winter Fair	Toronto, Ontario	November 2-11	<a href="http://www.royalfair.org/home">www.royalfair.org/home</a>
Gourmet Food & Wine Expo	Toronto, Ontario	November 15-18	<a href="http://www.foodandwineexpo.ca/sitepages/">www.foodandwineexpo.ca/sitepages/</a>
<b>To Be Determined</b>			
Port of Wines Festival	Halifax, Nova Scotia		<a href="http://www.mynslc.com/Content_MarketingPages/Content_Events/Events_PortofFestival.aspx">www.mynslc.com/Content_MarketingPages/Content_Events/Events_PortofFestival.aspx</a>
Baking Congresses 2011	Montreal, Quebec		<a href="http://www.baking.ca/congress/congress.html">www.baking.ca/congress/congress.html</a>
CHFA (Canadian Health Food Association) Quebec	Montreal, Quebec		<a href="http://www.chfa.ca/en-us/events/chfaquébec.aspx">http://www.chfa.ca/en-us/events/chfaquébec.aspx</a>
Baking and Sweets Show	Mississauga, Ontario		<a href="http://www.canadabakingandsweetsshow.com">www.canadabakingandsweetsshow.com</a>
Montreal Wine and Spirits Show	Montreal, Quebec		<a href="http://salondesvins.com/en/index.php">http://salondesvins.com/en/index.php</a>
Coffee Association of			<a href="http://www.coffeeassoc.com">www.coffeeassoc.com</a>

<b>Show Name</b>	<b>Location</b>	<b>2012 Dates</b>	<b>Website</b>
Canada's Annual Conference			
Ottawa Wine & Food Show	Ottawa, Ontario		<a href="http://www.ottawawineandfoodshow.com">www.ottawawineandfoodshow.com</a>
Alberta Foodservice Expo	Calgary, Alberta		<a href="http://www.albertafoodserviceexpo.ca/">www.albertafoodserviceexpo.ca/</a>
Whole Life Expo			<a href="http://www.wholelifeexpo.com">www.wholelifeexpo.com</a>

Denotes  
USDA  
Endorse  
d Show

### Recent Reports from FAS Canada

<b>Report #</b>	<b>Report Title</b>	<b>Date Released</b>
CA12005	Grain And Feed Quarterly	01/27/2012
CA12004	This Week in Canadian Agriculture, Issue 04	01/25/2012
CA12003	This Week in Canadian Agriculture, Issue 03	01/19/2012
CA12002	This Week in Canadian Agriculture, Issue 02	01/11/2012
CA12001	This Week in Canadian Agriculture, Issue 01	01/06/2012
CA11074	This Week in Canadian Agriculture, Issue 22	12/29/2011
CA11073	Federal and Agricultural Import Regulations and Standards (FAIRS)	12/29/2011

CA11072	Dairy Annual	12/23/2011
CA11071	FAIRS Export Certificate Report-Update	12/22/2011
CA11070	Updated HRI Report	12/22/2011
CA11068	Food Processing Ingredients Report	12/21/2011
CA11067	Marketing Freedoms for Grain Farmers Act Becomes Law	12/19/2011
CA11065	Exporter Guide	12/06/2011
CA11062	Grain and Feed Quarterly	11/11/2011
CA11061	Fruit Annual	11/04/2011
CA11060	Success Story: U.S. Gourmet Company Tastes Sweet Success in Canadian Market	11/04/2011
CA11059	Bill C-18 – Marketing Freedom for Grain Farmers Act	11/03/2011
CA11058	Success Story: Hawaii Export International (Coffee)	10/28/2011
CA11057	This Week in Canadian Agriculture, Issue 21	10/20/2011
CA11056	This Week in Canadian Agriculture, Issue 20	10/07/2011
CA11055	Livestock Annual	10/06/2011