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Poland

Retail Foods

Retail Foods Report for Poland

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Report Highlights:
Poland's food retailing sector continues to modernize as consumers income grow. The Euro crisis did not disrupt development of the Polish market; with gross domestic product currently at 4.3 percent, as it did the rest of Europe. Though convenience stores remain an important force on the Polish market, hypermarkets, supermarkets, and discount stores continue to grow in importance. Consumers are spending money to better their lifestyles. U.S product sales are often hampered by stiff competition from Poland and other EU countries. Section IV, "Best Prospects" lists opportunities for U.S. food products: wines, distilled spirits, seafood, prunes and cranberries etc.

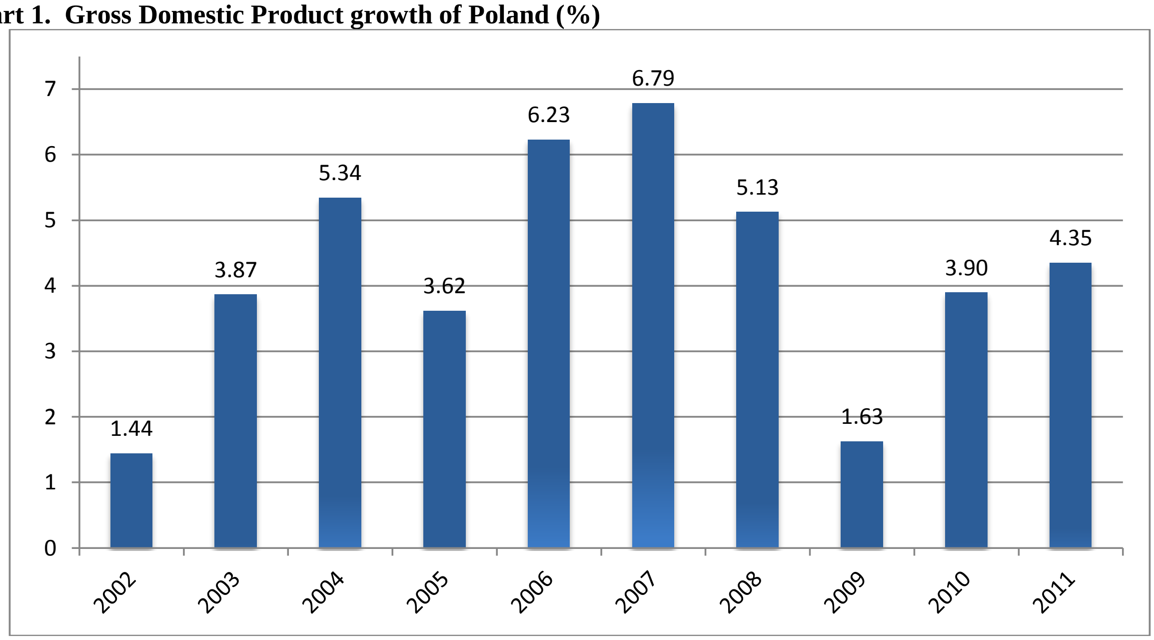
Post:
Warsaw

Executive Summary:
Section I. Market Summary

GENERAL INFORMATION

The Polish economy has grown rapidly since the late 1990s. Entering the European Union in 2004 was a great boost for the Polish economy. During peak of the global economic crisis, Poland retained Gross Domestic Product growth of 1.63 percent. In 2010 and 2011 GDP grew by 3.9 percent and 4.3 percent, respectively.

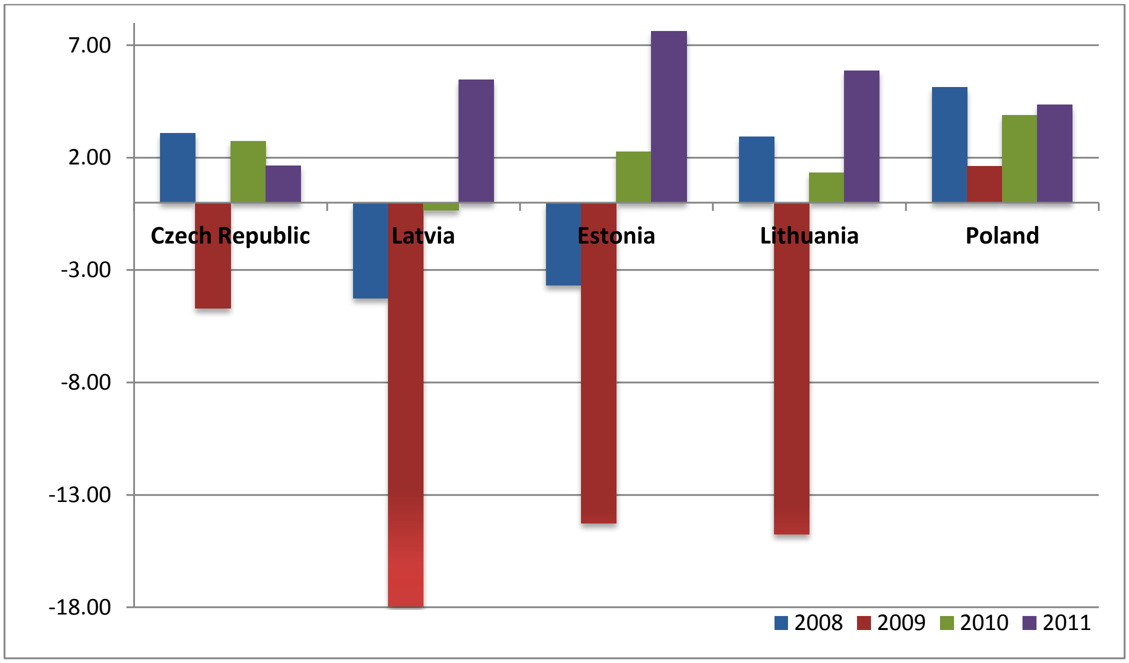
Chart 1. Gross Domestic Product growth of Poland (%)



Source: The World Bank

Despite the global crisis Poland maintained positive GDP growth. The European Commission forecasts Polish GDP to be the highest in the European Union in 2012 amounting to 2.5 percent. Polish Gross Domestic Product at Purchasing Power Parity per capita has also grown, rising from $18,925 in 2009 to $19,900 in 2010 and $21,281 in 2011.

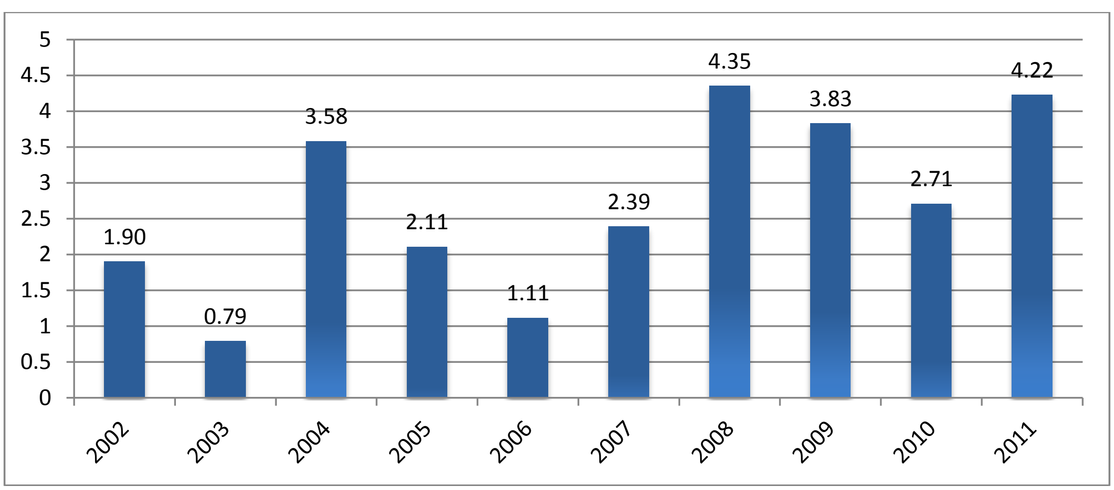
Chart 2. Gross Domestic Product growth in percent compared to countries of region – Czech Republic, Latvia, Estonia.



Source: The World Bank

Consumer price inflation fluctuates at around 3percent annually. In 2009, it amounted to 3.83 percent, in 2010 – 2.71 percent and in 2011 – 4.22 percent. The National Bank of Poland (NBP) expects consumer price inflation to total 4.8percent at the end of 2012.

Chart 3. Average Consumer Price Inflation in 2002 – 2011 in Poland



Source: The World Bank

The unemployment rate is relatively stable, dropping from 16.2 percent in 2006 to only 9.6 percent by the end of 2008. This decline is attributable to a combination of labor migration of Poles primarily to Great Britain, Spain, and Germany, and domestic labor opportunities associated with the activities connected with preparation to Soccer European Championship EURO 2012 (co-hosted by Poland and Ukraine). In 2009, 2010 and 2011, the unemployment rate increased slightly to 11 percent, 12.1 percent, and 12.4 percent respectively. Unemployment rate is forecasted to remain at a similar level in 2012.

The Polish economic transformation of the 1990s into a free market has resulted in the significant development of retail trade. The domestic market experienced dynamic changes, resulting in increased competition in trade and production sectors. Polish companies trading in food fear competition as foreign competitors from inside of EU enter the market and assume leader positions. In 2010, the Portuguese company Jeronimo Martins, owner of Biedronka discount stores, took a lead with sales of Fast Moving Consumer Goods retailers. New market situations challenged Polish companies to create their own ways to attract, hold customers, and generate new ways of operating their business. Despite competition of companies-- primarily from Germany and France but also from the United Kingdom and Portugal – Polish retailers have a strong position on the market; Emperia Holding (Grupa Emperia) holds third post of biggest sales on the Polish retail market, overtaking both British Tesco and French Carrefour.

Although Poland had 324,393 retail outlets in 2011, the total number of retail outlets has decreased by about 6 percent per year. The Polish Statistical Office noted that there were about 346,000 retail stores in 2010 and 371,839 in 2009. There is a clear decline in the number of retail outlets, with only 31,243 new registered stores in 2011, compared to the deregistration of 53,105 stores that same year. The decrease in number of stores was noted in almost in every branch of retail trade, comparing to the 2010. One exemption is branch of alcoholic beverages stores, which saw an increase of 2.1 percent. Market observation shows that the decline in the number of retail outlets is attributable to the growing role of supermarkets and hypermarkets.

Polish retail trade is still very much fragmented, compared to that of Western Europe. This difference is due to Poland's demographic structure; 38 mln people live in Poland, with about 39 percent (about 15mln) of the Polish population living in rural areas. People domiciled in cities represent 61 percent of the total inhabitants.

RETAIL TRADE

Current Challenges

Over the last twenty years, the Polish retail sector has been developing rapidly. Due to stringent regulations limiting the freedom of retail trade passed in 2007 by the Polish Parliament, operating in this sector is far more challenging than just facing regular open market competition.

The first of these regulations, approved by the Parliament on August 24th, 2007, pertains to the ban of trade in retail outlets on the following holidays:

- New Year (January 1st)
- Epiphany (January 6th)
- Easter (Easter Sunday and Monday)
- Labor Day (May 1st)
- Constitution Day (May 3rd)
- Pentecost Sunday (7th Sunday after Easter)

- Corpus Christi (9th Thursday after Easter)
- Assumption Day (August 15th)
- All Saints Day (November 1st)
- Polish Independence Day (November 11th)
- Christmas (December 25th and 26th)

There are a total of 13 days listed in the regulation. On those days all of the hypermarkets, supermarkets, and medium stores must be closed. Only owners and contract employees can conduct sales during holidays in Poland. Gas stations and pharmacies are excluded from this regulation.

Retail operators were concerned about this regulation; in previous years they had record sales on most of the days pointed out above. Many Polish consumers used to plan major shopping for holidays and many retail trade centers promoted special events and promotions well ahead of these holidays to attract crowds. The regulation moved trade, on those days, from huge shopping malls and hypermarkets to smaller, local stores operated by the owners. The current government is unlikely to repeal this regulation. It has been noted that there is an increase in purchases prior to the above-mentioned holidays, which seems to compensate for the obligatory shut down.

The second regulation, called the ‘Large-Area Trade Regulation,’, was brought into force by the Polish Parliament on May 11th, 2007. This law limits the development and approval of already existing shopping centers and hypermarkets with a sales floor area above 400 square meters (4,305 square feet). The rule involved almost all shopping centers that were already in operation or were to be constructed in the future. The regulation prescribed that a special approval from local authorities was needed to build new stores or malls. On July 11, 2008, the Constitutional Tribunal of Republic of Poland stated this regulation as unconstitutional and repealed the Large-Area Trade Regulation. According to the Polish Organization of Trade and Distribution, whose members are the biggest retail stores in Poland, the regulation is no longer in force. However, there remain interpretative disputes over this law, with some corners arguing that the Constitutional Tribunal repealed only part of this law. Current business practice suggests that this former regulation is not taken into consideration in new business decisions.

Table 1. Top Retailers on the Polish Market in 2011
(Considering yearly average exchange rate in 2011 1USD = 2.96PLN)

No.	Operators Name	Name	$ Net sales in millions	Number of stores	Headquarters
1	Jeronimo Martins Dystrybucja SA	Biedronka	$8,534	~ 1,900	Kostrzyn
2	Metro Group w Polsce	Real, Macro Cash&Carry	$5,805	142	Warszawa
3	Tesco Polska	Tesco, Tesco Extra	$4,253	400	Warszawa
4	Grupa Eurocash SA	ABC, IGA, Delikatesy Centrum	$3,369	4,711	Komorniki
5	Carrefour Polska Sp. z o.O.	Carrefour, Express, 5 minut	$3,019	~ 350	Warszawa
6	Lewiatan Holding SA	Lewiatan	$2,469	~ 2,700	Włocławek
7	Auchan Polska Sp. z o.o.	Auchan, Simply Market	$2,202	46	Piaseczno
8	Emperia Holding SA	Stokrotka, Delima, Maro	$2,132	~ 7,000	Lublin

		Market, Społem Tychy			
9	Grupa Muszkieterów	Intermarché	$1,418	170	Poznań
No.	**Operators Name**	**Name**	**$ Net sales in millions**	**Number of stores**	**Headquarters**
10	GK Specjał	PSH Nasz Sklep, Delikatesy Sezam	$1,347	2035	Rzeszów
11	Lidl Polska	Lidl	$1,310*	400*	Jankowice
12	Kolporter SA	Kolporter, Top-Press, Dobry Wybor	$1,230	870	Kielce
13	RUCH SA	Ruch	$1,181	~ 6,000	Warszawa
14	Selgros Sp. z o.o.	Selgros Cash & Carry	$1,145	15	Poznań
15	POLOmarket Sp. z o.o.	POLOmarket	$1,114	~ 400	Pakość
16	Żabka Polska Sp. z o. o.	Żabka	$954	2,500+	Poznań
17	E.Leclerc Polska	E.Leclerc	$894	40	Warszawa
18	Netto Sp. z o.o.	Netto	$803	400	Motaniec
19	Polska Grupa Supermarketów Sp. z o.o.	Top Market, Delica, Minuta8	$510	300	Warszawa
20	GK Eko Holding SA	Eko	$509	~ 300	Wrocław
21	GK Alma Market SA	Delikatesy Alma	$480	34	Kraków
22	GK Bomi SA	Delikatesy Bomi	$479	1300	Gdynia
23	PHUP Gniezno Sp. z o.o.	Sklep Polski	$275	239	Gniezno
24	Piotr i Paweł SA	Piotr i Paweł	$251	86	Poznań

Source: Polityka Magazine, Lista 500 Najwiekszych Firm.

****2010 data***

Table 2. Proportion of shops according to ownership 2006 – 2010

Year	Number Of Stores	Total	Private Sector	including:	
				Domestic Ownership	Foreign Ownership
2010	346,058	100%	99.7%	96.2%	3.4%
2009	371,839	100%	99.7%	96.9%	2.6%
2008	395,736	100%	99.6%	97.4%	2.0%
2007	381,195	100%	99.6%	97.6%	1.8%
2006	405,617	100%	99.7%	98.0%	1.5%

*Source**: Internal Market Reports 2010,2009,2008,2007***

Retail sales in 2010 amounted to $196.5 billion dollars, increasing by 1.7 percent over 2009. Retail trade contributed to 17.1 percent of Polish Gross Domestic Product in 2010, compared with 16.7 percent of Polish GDP in 2009. The retail trade sector was the first sector of the Polish economy to be almost entirely privatized at the beginning of the transformation period. Non-food products sales are estimated to represent as much as 65.4percent of total retail sales in Poland in 2010, while food products, such as fruits, vegetables, meat, fish, bread, dairy products together with sugars and confectionery and coffee, tea and cocoa contributed 26.9 percent of total retail sales that same year.

Table 3. Structure of retail sales in shops and petrol stations by group of goods 2000 – 2010

Product\Year	2000	2005	2009	2010
Fruit and Vegetables	2.1%	2.4%	2.4%	2.5%
Meat and meat products	5.9%	6.0%	5.6%	5.4%
Fish and fish products	1.1%	1.0%	1.1%	1.1%
Bread and cereal products	3.3%	3.4%	3.2%	2.9%
Milk, eggs and cheese	2.9%	3.5%	3.4%	3.6%
Sugar and confectionery	5.0%	3.8%	2.6%	2.1%
Coffee, tea and cocoa	1.4%	1.6%	1.5%	1.3%
Other foodstuff articles and non-alcoholic beverages	10.6%	8.1%	8.9%	8.0%
Alcoholic beverages	6.5%	6.5%	5.2%	4.8%
Tobacco	2.3%	2.4%	2.8%	2.9%
Other non-food articles	58.9%	61.3%	63.3%	65.4%
TOTAL	100%	100%	100%	100%

Source: Polish Statistical Yearbook 2011(page 538, Table 3[466])

Table 4. Number of stores operating on the Polish market 2005 -2010

	2005	2008	2009	2010
General foodstuffs	116,094	98,460	102,811	91,753
Fruit and vegetables	5,222	4,407	5,035	5,112
Meat	13,072	11,966	5,035	10,990
Fish	1,106	932	982	948
Baker's and confectioner's products	5,520	6,508	6,726	6,868
With alcoholic beverages	2,454	2,723	3,206	3,860
Other shops	252,608	270,740	251,143	236,130
Total Shops	385,990	385,663	371,839	346,058

Source: Internal Market Report 2010 – Rynek wewnetrzny 2010, 2009, 2006 – Table 11

The dominant tendency in Polish retail trade is for retailers to purchase directly from producers and domestic manufacturers.52.8 percent of all retailers do so, with only 31percent buying from wholesalers. Import purchases are increasingly important for trades, accounting for14.5percent of retail purchases. Similar trends are seen for foreign entities operating on the Polish market, with these retailers largely purchasing from Polish local producers in order to cater to the Polish domestic audience preference for Polish products. Even though the turnover of retail trade sector overall in 2010 increased by 6.5percent as compared with 2009, the turnover of retailers of food products specifically decreased by 1.4percent. Poland (together with Luxemburg) noted the biggest overall growth of retail trade turnover in 2010in the European Union.

Table 5. Number of stores in Poland considering sales area in 2010

Square meters	Number of stores	Square feet equivalent
Less than 99 m²	313,729	Less than 1,075 ft²
100 - 199 m²	13,908	1,076 - 2,152 ft²
200 - 299 m²	5,372	2,153 - 3,228 ft²
300 - 399 m²	3,123	3,229- 4,305 ft²
400 - 999 m²	6,950	4,305 -10,763 ft²
1,000 -1,999 m²	1,875	10,764 - 21,527 ft²
2,000 - 2,499 m²	244	21,527 - 26,909 ft²
More than 2,500 m²	857	More than 26,909 ft²

Source: Internal Market Report 2010 "Rynek Wewnetrzny 2010"

There were 346,000 retail stores Poland in 2010 (6.9 percent less than in 2009); the vast majority is outlet points of 99 square meters or less. The year before there was about 341,00 such stores, in 2010 about 314,000. An increase in the number of stores in terms of area was only seen in stores with sales area of with between 200 and 299 square meters (5,372 in 2010 and 5100 in 2009) and those with sales are of between 300 and 399 square meters (3,123 in 2010 and 2943 in 2009).

Graph 1. Number of stores in Poland considering sales area in 2010

Source: Internal Market Report 2010 "Rynek Wewnetrzny 2010"

Even though the total number of retail stores in Poland is decreasing, hypermarkets and supermarkets are becoming more numerous. There were 420 more supermarkets in 2010 as compared with 2009. Additionally, there were 67 more hypermarkets in 2010 compared to 2009, equivalent to a 13.5percent increase in one year.

Table 6. Number of big outlet stores in Poland 1995 – 2010

	2000	2005	2008	2009	2010
Number of stores	**431,991**	**385,990**	**385,663**	**371,839**	**346,058**
Supermarkets	1,602	2,716	3,629	4,041	4,461
Hypermarkets	99	374	463	495	562

Source: Polish Statistical Yearbook 2011

The market also witnessed the increasing importance of retail chains or entities that operate more than single store. At the same time the number of smaller stores (e.g. family stores, called later "mom and pop' stores) is constantly decreasing.

Table 7. Companies by number of shops owned

	2005	2008	2009	2010
1—2 stores	330,758	320,808	303,902	277,112
3—10 stores	4,792	5,329	5,231	5,278
11—20 stores	716	748	761	758
21—50 stores	270	319	339	320
51—100 stores	66	65	79	81
101—200 stores	20	34	36	38
201 and more stores	6	13	16	20

Source: Polish Statistical Yearbook 2011(page 539, Table 5[468])

The number of stores fully owned by foreign capital increased from 9,755 such stores in 2009 to 11,686 stores by the end of 2010. The share of stores entirely owned by foreign (not Polish) capital in the retail market increased to 3.4percent in 2010, from 2.6 percent the year before. At the end of 2012 Poland's retail market saw largest change of market positioning of major players with Metro Group selling its retail operation – Real to Auchan. With this purchase Auchan became the largest retail operator in Poland.

DELICATESSEN CHAINS

Delicatessen shops are stores with top-quality foodstuffs. In Poland the two leading chains in this branch are Piotr I Pawel and Alma. These two retail chains captured a large market share by focusing on offering expensive but high quality products. Delicatessen stores offer important opportunities for foreign exporters because they propose a broad variety of foreign food products, from bread to spirits. The sector experienced some turbulence this past year as Bomi, one of the biggest Delicatessen chains, faced multimillion losses and, ultimately, bankruptcy in 2012; Bomi is now recovering from the crisis and operates on the market via franchising licenses.

PRIVATE LABEL

Private labels are product brands owned by retail chains. The objective of private labels is to offer low cost shopping by proposing the same products as known producers at a lower price. There is significant demand for such products in Poland, with every important player on the retail food market working to meet this demand.

Expected Changes

In the following year we can expect to see a continuation of current trends in the Polish retail food sector. The total number of retail stores in Poland has been decreasing in recent years, mostly due to falling number of small stores. At the same time, the number of hypermarkets and supermarkets is increasing, which shows that bigger markets are gaining against small outlets. On the other hand, there is a parallel trend to locate supermarkets and other smaller outlets in residential centers, thereby taking customers out of huge hypermarkets.

The retail food sector reflects the health of the general economic situation, so we can expect that the current economic crisis will influence robustness of the retail trade. Continued global economic turbulence will encourage the growth of supermarkets, hypermarkets, as well as discount stores. The Polish retail food market leader – Jeronimo Martins, operator of Biedronka discount stores, plans to open its 3000th Biedronka store by the end of 2015 (in 2012 they opened their 2000th store). Biedronka will most likely maintain market dominance as leader of discount stores, but Lidl stores are already providing market competition. The popularity of discount stores will likely continue to rise in the future due to their focus on cheap prices, complemented by growing quality of their selection.

A number of companies have taken advantage of the growing popularity of online grocery shopping. Bomi delicatessen, which went bankrupt in 2012, was one company proposing online shopping of food products. This has not discouraged companies like Tesco to start this activity as well. There are also many independent grocery stores not linked to supermarket chains that offer online services.

IMPORT CONDITIONS

Overall, Polish imports of agriculture, fish and forestry products from all over the world in 2011 amounted to $19.9 billion dollars, compared with $16.6 billion dollars the year before. This is an increase of about 20percent in imports of those products. Poland's import of consumer-oriented agricultural goods in 2011 rose 12percent to $8.9 billion dollars, compared with $7.8 billion in 2010.

Official American exports of agriculture, fish, and forestry products to Poland were valued at nearly $170 million dollars in 2011. The value of American products from this category amounts to 0.85percent of total Polish imports of agriculture, fish, and forestry products. In 2010 the value was slightly above $224 million dollars, while the share of Polish imports from the United States amounted to 1.35 percent, the year 2011 was worse in that matter, even though imports from all over the world had risen significantly. Direct export of consumer-oriented products from the United States in 2011 amounted to $47.8 million dollars, compared with $37.6 million dollars in 2010. In 2011, the share of total Polish imports of consumer-oriented products from the United States amounted to 0.55 percent. The largest proportion of American exports to Poland were seen in soybean oilcake, frozen fish and fish fillets, alcoholic beverages like wine or distilled spirits, tree nuts or dried fruits like prunes or cranberries. Due to customs-free borders and economic integration with other European Union members, these values under-report the quantity of U.S. goods available in Poland. Poland imports American hormone-free beef through Spain, distilled spirits through the UK etc. In short, transshipment of commodities is not taken into account in this data, but constitutes as much as an additional 25 percent of American exports to Poland e.g. in case of wine

TABLE 8. IMPORT OF SOME FOOD PRODUCTS IN 2011

Description	HS code	Total imports of agri-food products by Poland ($)	Direct imports from the USA* ($)	Share of US imports in total imports (%)	Main Foreign competitors
Frozen Fish	0303	215,939,069	17,296,742	8.01	Norway, Germany, Netherlands, Russia,
Fish Fillets	0304	553,858,409	15,939,159	2.88	China, Germany, Iceland, Norway, Vietnam, Chile,
Almonds	080212	28,522,724	7,245,916	25.40	Spain, Australia
Pistachios	080250	14,896,348	1,749,215	11.74	Netherlands, Spain Germany, Slovakia
Dried Grapes, Raisins	080620	32,393,113	1,079,341	3.33	Iran, Germany, China, Chile, Turkey
Prunes	081320	17,397,774	4,098,659	23.56	Chile, France, Argentina, Germany
Peanuts	1202	58,796,120	0	0.00	Argentina, China Netherlands, Brazil
Vegetable Saps And Extracts Of Licorice	130212	4,363,815	1,891,302	43.34	Greece, Germany, UK
Mucilage & Thickeners	130239	30,209,460	1,840,336	6.09	Germany, China, Denmark, Belgium,
Cranberries	20089949	28,196,008	8,226,112	29.17	Canada, Germany, Netherlands
Food Preparation Nesoi	210690	451,243,244	16,079,849	3.56	Germany, Netherlands, France, Italy,
Wine	2204	232,739,178	3,722,209	1.6	Germany, Italy, France, Spain, Bulgaria, Chile,
Alcohol Beverages	2208	194,268,231	9,017,072	4.64	Finland, UK, Germany, France, Sweden
Soybean Oilcake	2304	823,194,166	32,818,590	3.99	Argentina, Netherlands,

Source: Global Trade Atlas Data

***PLEASE NOTE:**

The above statistics report on direct U.S. export to Poland of agro-food products from the United States. Products, which are transshipped via other EU countries to Poland, are in most cases not included. In the case of wine the actual amount of EU transshipment accounts for as much as 25 percent of all wine imports. A similar situation can be seen with products such as dried fruit and nuts (e.g. peanuts), grapefruit, distilled spirits etc. Hence, there is greater export potential from the US to the Polish market than what one would glean from trade flow accounting data.

In recent years, some categories of exported US products have not grown significantly due a number of factors, including the rapid development of local production, the global economic crisis, a fluctuating exchange rate that often makes US products too expensive for Polish importers, as well as extensive foreign investments in food processing and the food production sector in Poland. Foreign direct investment in Poland in 2010 was $9.7 billion (in 2009 it was almost $15bln). The vast majority of direct investments came from EU countries. The most numerous group were investors from Germany, with 389 such companies, while an additional 177 were the United States and 174 from the Netherlands. Companies from these three countries accounted for 46percent of all companies investing in Poland in 2011. A list of companies that have invested in the agri-food industry is included in the Attachment A.

PLEASE NOTE: After Poland's EU accession, Polish imports are subject to EU regulations. In some cases this led to improved access for U.S. products because tariffs on some products decreased, including for wine, bourbon, grapefruit, dried fruit, and nuts. Polish accession to the EU also led to the harmonization of many EU-wide food import regulations. In some cases, exports of products which had previously dominated U.S. commodity exports to Poland, such as poultry and beef, were eliminated entirely due to EU rules. Detailed information regarding export procedures applicable in the EU can be found at: http://www.fas.usda.gov/posthome/useu/

PLEASE NOTE: After Poland's EU accession, the EU's external custom tariffs now apply to imports by Poland. Detailed information on the current customs tariff applicable in the EU is available at http://ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm

Additional information on Poland specific regulation can be found in Report - Food and Agricultural Import Regulations and Standards –Poland – GAIN number PL1130

Table 9. Advantages and Challenges facing the US products in Poland

Advantages	Challenges
Population of over 38mln people – increasing demand for high-quality products	Rapid development of local production (Supported by foreign (also American) capital)
American food products are considered to be of good quality	Polish customers prefer to buy domestic products – manufactured in Poland
Lack of certain products which are unavailable in Europe but can be imported from the US	Products imported from the US are more expensive due to transportation costs, tariffs etc.
Easier access to products from the USA thanks to specialty stores like "Kuchnie Swiata" (World Cuisine)	Fluctuating exchange rate of US Dollar to Polish Zloty – cheap Dollar for Poles means less profit on US side, and inversely

Interest in organic foods, the US is one of the biggest exporters	European Union countries are better situated to export to Poland e.g. same regulations
Experienced and increasingly reliable importers	Strict regulations cover imported food
Despite the global economic crisis, Poles did not decrease their demand for consumption	Farmers have a significant influence on government policy considering import regulation

Section II. Road map for market entry

A. *Hypermarkets, Supermarkets, Delicatessen and discount stores – entry strategy*

Graph 2. Entry Strategy- hypermarkets, supermarkets, delicatessen, discount stores

The majority of retail chains operating on the Polish market does not conduct direct imports and rely on local importers and wholesalers to obtain products. In this segment, the successful introduction of new products depends to large extent on local representatives, importers, and distributors.

Market Structure

- Products may be imported either by an importer or a representative office, which may also be a wholesaler and / or distributor;
- The representative office deals only with your product, and so pays much more attention to the promotion, advertising, and marketing activities than an importer who buys many, sometimes even competitive, products;
- Some supermarkets are direct importers (e.g. Alma Delicatessen Chains);
- Importers are distinctly separated into dry goods, refrigerated items, fruits and vegetables, alcohol, etc.;
- Importers or representative offices may use nation-wide logistic organizations for the storage and distribution of imported products;
- Importers also have their own distribution networks.

Typical conditions for a supplier when entering foreign retail chains:

- Entry fees (amounting to tens of thousands of Polish zlotys), which are not paid back if the agreement is canceled;
- 30-60 day terms of payment;
- Considerable price discount - about 10percent of regular price;
- Obligatory participation in promotional activities, which are held 3-5 times a year and last for 1-3 weeks.
- Obligatory participation in covering the cost of advertising of promoted products;
- Slotting fees ($250-4,500) for placing each type of product on the shelf;
- Fees for the “display area”;
- No opportunity to influence the “shelf price” level;
- Very strict delivery terms (exact date and time frame e.g. March 2, 2008 12:00-14:00).

Naturally, supplier contracts may vary from one to another and all clauses depend on negotiations of the interested parties.

Table 10. Company Profiles of the most important retail chains in 2011

No.	Operators name, Store chain name	Store Type	$ Net sales in mln	No. of stores	Ownership Country	Purchasing agent type
1	Jeronimo Martins Biedronka	Discount store	$8,534	1,900	Portugal/ Netherlands	Direct, Importers, Wholesalers
2	Metro Group w Polsce Real Macro Cash & Carry	Hypermarket Cash & Carry	$5,805	142	Germany	Direct, Importers, Wholesalers
3	Tesco Polska Tesco Tesco Extra	Hypermarket Supermarket	$4,253	400	Great Britain	Direct, Importers, Wholesalers
4	Carrefour Polska Carrefour Carrefour Market	Hypermarket Supermarket	$3,019	350	France	Direct, Importers, Wholesalers
5	Auchan Polska Sp. z o.o. Auchan Simply Market	Hypermarket Supermarket	$2,202	46	France	Direct, Importers, Wholesalers
6	Grupa Muszkieterów Intermarche	Supermarket	$1,418	170	France	Direct, Importers, Wholesalers
7	Lidl Polska Lidl	Discount store	$1,310*	400*	Germany	Direct, Importers, Wholesalers
8	Selgros Sp. z o.o. Selgros Cash & Carry	Cash & Carry	$1,145	15	Germany	Direct, Importers, Wholesalers
9	POLOmarket Sp. z o.o. POLOmarket	Supermarket	$1,114	400	Poland	Direct, Importers, Wholesalers

10 E.Leclerc Polska E.Leclerc	Hypermarket	$894	40	France	Direct, Importers, Wholesalers

Source: Polityka Magazine, Lista 500 Najwiekszych Firm. ***2010 data**

It is important to note that discount stores such as Biedronka and Lidl have become very popular in Poland and gained a strong position on the Polish Market. Thanks to Biedronka stores, Jeronimo Martins leads in net sales rankings. Poles find discount stores very attractive because of the low prices made possible by their private labels (recognizable brands make the same products under unknown brands and sales to Biedronka), lack of design (no shelves), and a cheap labor force. Lidl's strategy was to combine their discount store with delicatessens; their growing popularity is proof that this concept has worked. The Jeronimo Martins brand is now rethinking its strategy to compete more effectively with Lidl stores.

So called "Cash & Carry" outlets maintain their important position on the market by offering an interesting mixture of large area hypermarket and wholesaler. Some of these operate solely as wholesalers and only serve small retailers. Others sell to individuals as well, under the condition that a minimum quantity of goods is purchased and one has member card owner

A. *CONVENIENCE STORES, GAS MARTS, KIOSKS – ENTRY STRATEGY*

There are two ways to place new products on shelves depending on the type of product. Either an exporter should use a representative for direct personal contact with the shops, or shop managers supply themselves from the wholesalers who may import the products. In this case goods should be available in several regional wholesale units, where smaller wholesalers and retailers collect them. They should furthermore be delivered to the cash and carry outlets

Graph 3. Entry Strategy – Convenience Stores, Gas marts, Kiosks

Company Profile – Convenience Stores, Gas marts, Kiosks

Convenience stores, gas station marts, and kiosks are very fragmented sectors, with each retail outlet often having a different owner even within one chain or a brand due to franchising and licenses. The company Ruch, operator of about 6,000 newspaper kiosks in Poland, is a leader on the market, even though the great majority of products in those outlets are papers and magazines, snacks, drinks and other convenience products that take up increasingly greater shelf space. This sector usually consist of small units employing up to 5 people; Since Polish law do not obligate entities employing fewer than 5 people to deliver statistical information, it is difficult to illustrate in detail the market situation.

There are about 10,000 petrol stations in Poland. The majority of these stations also offer gas marts, so the number of gas marts is strongly connected with number of petrol stations under certain brands. Polish refinery Orlen owns most of the petrol stations in Poland, with around 70 percent of gas marts in the country owned by Orlen. The remainder of the gas station market is controlled by the Polish Refinery "Lotos "and foreign companies including BP, Shell, Statoil, and Neste.

Convenience stores in Poland are increasingly popular. The flagship of the sector, Zabka, has been on the market for about 10 years and now has over 2,000 stores operating on a franchising base, with other companies also investing in convenience stores. Eurocash, the company listed 4th of top retailers ranking in2011, is the owner of chain ABC convenience stores, which are located in rural areas (there are about 5,000 ABC stores). Carrefour, a hyper and supermarket chain, also noticed the trend and opened smaller format stores for fast shopping of most basic products integrated into their hypermarkets. Table 1 of this report (Top retailers on the Polish Market) shows that 9 of 24 companies listed run some chain of convenience store. In 2010, there were 313,729 stores of area below 99 square meters (less than 1,075 ft^3); included in this group of stores are both convenience stores and so-called "Mom and Pop" stores.

A. *TRADITIONAL MARKETS – "MOM AND POP" – SMALL INDEPENDENT GROCERY STORES AND FARMER'S MARKETS – ENTRY STRATEGY*

Shops representing traditional markets usually purchase their supplies from wholesale units located close to the shop. Therefore, it is important for the entity dealing with the import of goods to have an extensive distribution system, and access to different wholesalers (including cash and carry) all over the country.

Graph 4. Entry Strategy – Traditional markets – "Mom and Pop" small independent grocery stores and farmer's markets

Company Profile – Traditional markets – "Mom and Pop" small independent grocery stores and farmer's markets

"Mom and Pop" shops are very common in Poland. They are currently facing growing competition from supermarkets, which are opening in cities and towns. "Mom and Pop" shops are present throughout the county, and are not limited to small towns and villages, being very popular in large Polish cities. Little independent stores often lose competition to big foreign supermarkets and hypermarkets chains. The Polish Parliament regulation from August 24th, 2007 (already mentioned in section I of this report, concerning current challenges) protects these small independent shops, because only stores run by the owner may work on those 13 holidays, during which time hypermarkets and all bigger stores are closed.

Traditional Markets vary significantly in size and facilities. In 2010 there were 2,235 registered regular traditional markets. Additionally there were about 7,000 seasonal traditional markets. Usually they consist of open air and/or kiosk facilities in an area of 200-400m^2 (2,150 – 4,305 square feet).

SECTION III. COMPETITION

Domestic producers and exporters from the European union (mainly Germany, France, Italy, Great Britain, Spain, Finland, and the Netherlands, which make up 50percent of total Polish food imports) are the main competitors for American food exporters. Dynamic development, by Polish producers and foreign investors in the Polish food industry, has resulted in an increased variety high quality product being produced locally. Even classic American products like chewing gum, Coca-Cola or Pepsi are produced in Poland. It should also be noted that Polish customers prefer Polish products over imported ones, influencing shoppers to purchase products made in Poland. Many chains advertise the fact that they offer Polish vegetables or other products to increase sales.

SECTION IV. BEST PRODUCT PROSPECTS

US PRODUCTS PRESENT ON THE MARKET, WHICH HAVE GOOD SALES POTENTIAL

Sales of the following products imported from the United States continue to grow:

- Wine;
- Dried Fruit (Cranberries, Prunes, Raisins);
- Nuts (Almonds, Peanuts, Pistachios);
- Seafood, fishes (Salmon, Butterfish, Herring, Mackerel, Black cod);
- Distilled spirits (Bourbon, Rum);
- Grapefruit (Red ruby);
- Food consisting of many ingredients, highly processed, convenient and i.e. ready to cook products (on limited basis).

All of these products are known to Polish customers. The demand for them varies according to wealth levels. Many similar products are produced in Poland with use of important ingredients.

Table 11. Products present in the market with good sales potential

Product Category	2011 Market size Volume	2011 Market size in US$ millions	2011 Imports in US$	2011/'10 Change	Import Tariff Rate*	Key Constraints over market development	Market attractiveness for USA
Fish	387,138 Tons	140	1,394,872,694	+2.37%	EU tariff*	Price competition from local and EU producers	Growing Market
Almonds	5,879 Tons	30	28,522,724	+34.38%	0-2%	Lack of Consumer knowledge, Spanish Competition	Fast growing market
Pistachios	1,592 Tons	15	14,896,348	-7.68%	1.60%	Competition from Germany, Netherlands - transshipment through those countries	Decreasing Market
Dried Grapes, Raisins	15,906 Tons	33	32,393,113	+11.15%	2.40%	Competition from Iran, Germany, China	Growing Market
Prunes	8,774 Tons	18	17,397,774	+18.48%	9.6%	Lack of consumer knowledge	Growing Market
Cranberries	36,322 Tons	45	43,608,499	+25.87%	11.0%	Competition from Canadian	Growing Market

						cranberries	
Wine	97,129,412 Liters	260	232,739,178	+14.07%	EU tariff*	Strong position of French, Italian, Bulgarian, German Wines	Good reputation of Californian wine, Growing market
Distilled Spirits	17,397,558 LPA**	195	194,268,231	+15.70%	EU tariff*	Strong position of local and EU suppliers	Growing Market, High Consumption
Soybean Oilcake	1,908,157 Tons	824	823,194,166	+3.13%	0%	Lack of consumer knowledge	Growing Market

*Please refer to EU duty rate available at http://exporthelp.europa.eu/
** LPA – Liters of Pure Alcohol

SECTION V. POST CONTACT AND FURTHER INFORMATION

If you have any questions or comments regarding this report or need assistance exporting to Poland, please contact the Office of Agricultural Affairs in Warsaw at the following address:

American Embassy
Foreign Agricultural Service
Jolanta Figurska, Marketing Specialist
Al. Ujazdowskie 29/31
00-540 Warsaw, Poland

Phone number: +48 22 504 23 24
Fax Number +48 22 504 23 20
E-mail: Jolanta.Figurska@fas.usda.gov
Website: http://polish.poland.usembassy.gov/Poland-pl/agric.html

Please visit the Foreign Agricultural Service home page (www.fas.gov) for more information about exporting U.S. food products to Poland, including "The Exporter Guide", "The HRI Food Service Sector Report", product briefs on the market potential for the U.S. wine, dried fruit and nuts. Importer lists are available from our office to exporters of U.S. food products

For more information on exporting U.S agricultural products to other countries please visit the Foreign Agricultural Service home page: http://www.fas.usda.gov

GLOSSARY

Convenience stores – Small-format chain stores open at least 11 hours a day, with a basic range of groceries, alcohol, cigarettes and newspapers/magazines

Delicatessen – Stores with extended premium range, targeting medium- and high-income customers.

Discount stores, discounters – Grocery or mixed grocery and non-food stores around 1,000 m^2 in size, chiefly foodstuffs, often under the retailer's own private label or produced exclusively for the retailer. Prices are on average 15-30percent lower than the market averages.

FMCG – Fast Moving Consumer Goods: a group of products sold quickly at a relatively low cost, usually referring to food (excluding fresh food) and cosmetics/toiletry items.

Franchising system – Refers to the methods of practicing and using another person's business model. The parties signing a franchising agreement remain totally independent of each other. Both the outlet and the goods (which are frequently supplied by the franchisor) belong to the franchisee. The franchisee purchases goods and services on its own behalf and account; the complete sales revenue belongs to the franchisee, which pays periodic franchise fees to the franchisor.

Hypermarkets – Mixed grocery and non-food stores over 2,500 m^2 in size, offering numerous items, around 50percentof which are foodstuffs.

Private labels – (own brands) Products that were manufactured on commission from retail chain, which are only available in the chain's stores and are owned by the chain.

Supermarkets – Mixed grocery and non-food or grocery-only stores 300-2,500 m^2 in size, at least some 70percent of which are foodstuffs.

ATTACHMENT A

LARGEST FOREIGN INVESTMENT PROJECTS IN POLISH FOOD-PROCESSING AND TOBACCO INDUSTRIES IN 2011

A large proportion of the flow of direct investments came from European Union member countries. The largest EU investors in Poland were Germany, France, Netherlands, and Great Britain. Beyond the European Union, the biggest investments came from the United States of America, South Korea, Russia Switzerland, and Norway. The following list is in alphabetical order of country of registration.

Investor name	Country of registration	Country of origin	Activities (PKD)	Activities (class)	Company name
BRAU UNION AG	Austria	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Grupa Żywiec S.A. Browar w Leżajsku - Leżajsk
Pura Siegfried	Austria	Germany	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Browar Van Pur S.A. - Rakszawa
Dossche	Belgium	Belgium	Manufacture of food, drinks and tobacco products	Manufacture of prepared animal feeds	Dossche Sp. z o. o. - Kalisz
Materne-Confilux S.A.	Belgium	Belgium	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Materne-Polska Sp. z o. o. - Wąwolnica
Chapman Ice Cream	Canada	Canada	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Chapman Ice Cream Poland Sp. z o. o. - Poznań
Podravka d.d.	Croatia	Croatia	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Podravka Polska Sp. z o. o. - Warszawa
Kofola a.s.	Czech Republic	Czech Republic	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Kofola Sp. z o. o. - Kutno
A.Espersen A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco	Processing and preserving of fish and fish	Espersen Polska Sp. z o. o. - Koszalin

			products	products	
Anadolu Kod ApS	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Quality Meat Food Sp. z o.o. Ana Food - Polska - Błonie
ARLA FOODS AmbA	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Arla Foods Sp. z o. o. - Gościno
Carlsberg Breweries A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Carlsberg Polska Oddzial Kasztelaan w Sierpcu - Goleszyn Carlsberg Polska S.A. - Warszawa Carlsberg Polska SA Browar OKOCIM - Brzesko Carlsberg Polska Sp. z o.o. - Warszawa Carlsberg Polska SA, Oddział Bosman Browar Szczecin - Szczecin
Dan Cake A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Dan Cake Sp. z o. o. - Chrzanów
Danish Brewery Group A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Faxe Polska Sp.z.o.o. - Poznań
Danish Fast Food	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Dania Fast Food Sp. z o. o. - Warszawa
House of Prince Denmark A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of tobacco products	Scandinavian Tobacco S.A. - Myślenice
Investeringsfonden for Ostlandene	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat products	Prime Food Sp. z o. o. - Przechlewo
Merrild Cafe	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Prima S.A. - Poznań
N.ORSKOV CHRISTENSEN A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	AGROFREEZE S.A. - Czaplinek
Polen Invest A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco products Agriculture, hunting and forestry	Production, processing and preserving of meat and meat products Farming of animals	Prime Food Sp. z o. o. - Przechlewo Poldanor S.A. - PRZECHLEWO
ROYAL GREENLAND SEAFOOD A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco	Processing and preserving of fish and fish	Royal Greenland Seafood sp. z o.o. - Koszalin

			products	products	
Saturn Nordic Holding AB	Denmark	Sweden	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Sokołów S.A. - Sokołów Podlaski Sokołów S.A. - Oddział Zakłady Mięsne Jarosław - Jarosław
Schulstad Brod A/S	Denmark	Denmark	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Lantmännen Axa Poland Sp. z o.o. - Poznań
Nordic Environment Finance Corporation (NEFCO)	Finland	Finland	Manufacture of pulp and paper, publishing and printing Manufacture of food, drinks and tobacco products	Manufacture of articles of paper and paperboard Production, processing and preserving of meat and meat products	Stora Enso Poland S.A. - Ostrołęka Prime Food Sp. z o. o. - Przechlewo Foster Wheeler Energia Polska Sp. z o.o. - Sosnowiec
Raisio Group	Finland	Finland	Manufacture of food, drinks and tobacco products	Manufacture of vegetable and animal oils and fats	Raisio Polska Foods Sp. z o. o. - Karczew
Barry Callebaut France S.A.	France	Switzerland	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Barry Callebaut Sp. z o. o. - Łódź
BELVEDERE S.A.	France	France	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Fabryka Wódek Polmos Łańcut S.A. - Łańcut Destylernia Polmos w Krakowie S. A. - Kraków Destylarnia Sobieski S. A. - STAROGARD GDAŃSKI
Bonduelle	France	France	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Bonduelle Polska Zakład produkcyjny Gniewkowo - Gniewkowo
Bongrain	France	France	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Mleczarnia Turek - Turek
BSN Gervais Danone	France	France	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Danone Polska Sp. z o. o. - Warszawa Bakoma S.A. - Warszawa Zorina Sp. z.o.o. - Kutno
Bunge Investment France	France	France	Manufacture of food, drinks and tobacco products	Manufacture of vegetable and animal oils and fats	Zakłady Tłuszczowe Kruszwica S.A. - Kruszwica
Delifrance	France	France	Manufacture of food, drinks and tobacco products	Manufacture of grain mill products, starches and starch products	DELIFRANCE POLSKA LOGISTICS SP. Z O.O. - Słubice
Groupe CEMOI	France	France	Manufacture of food, drinks and tobacco	Manufacture of other food products	PPC Gryf S.A. - Szczecin

			products		
LACTALIS	France	France	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Polser Sp. z o. o. - Siemiatycze Lactalis Polska Sp. z o.o. - Warszawa
LDC	France	France	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Drosed S.A. - Siedlce
Lesaffre Group	France	France	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Lesaffre Polska S.A. - Wołczyn
Malteries Soufflet S.A.	France	France	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Słodownia Soufflet Polska Sp. z o. o. - Poznań
Michel Marbot	France	France	Manufacture of food, drinks and tobacco products	Manufacture of other food products	DANUTA S.A. - Wrocław
Pernod Ricard S.A	France	France	Manufacture of food, drinks and tobacco products Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables Manufacture of beverages	Wyborowa S.A. - Poznań Agros Holding S.A. - Warszawa
Provimi Holding BV	France	France	Manufacture of food, drinks and tobacco products	Manufacture of prepared animal feeds	Provimi-Rolimpex S.A. - Warszawa Provimi-Rolimpex Odział Jarosław S.A. - Jarosław
Saint Louis Sucre International S.A.S.	France	France	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Śląska Spółka Cukrowa S.A. - Wrocław
Seita	France	France	Manufacture of food, drinks and tobacco products	Manufacture of tobacco products	Altadis Polska S.A. - Radom
Bahlsen	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	The Lorenz Bahlsen Snack - World Sp. z o. o. - Sady Bahlsen Sweet Sp. z o.o. - Skawina Bahlsen Sp. z o. o. - Skawina
Bauer Peter	Germany	Germany	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	O.K.-Owocowe Koncentraty Sp. z o. o. - Przeworsk
Binder International	Germany	Germany	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Binder International Warszawa Sp. z o. o. - Warszawa
British American Tobacco GmbH	Germany	UK/**USA**	Manufacture of food, drinks and tobacco products	Manufacture of tobacco products	British - American Tobacco Polska S.A. - Augustów

Deutsche Investitions und Entwicklungsgesellschaft GmbH	Germany	Germany	Manufacture of food, drinks and tobacco products Financial intermediation	Manufacture of beverages Monetary intermediation	Polski Bank Rozwoju S.A - Warszawa Baltic Malt Sp. z o. o. - Gdańsk
Dr August Oetker Nahrunghittel K. G.	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Dr. Oetker Dekor - Płock Dr Oetker Polska Sp. z o. o. - Gdańsk
Eckes-Granini Int.	Germany	Germany	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Aronia S.A. - Łęczyca
FMB - GMBH.CO.KG	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of prepared animal feeds	SNP Uśnice Sp. z o. o. - UM
Franz Cordesmeyer	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of grain mill products, starches and starch products	Gdańskie Młyny i Spichlerze Dr. Cordesmeyer Sp. z o. o. - Gdańsk
Friedrich Weissheimer Maltzfabrik KG	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Baltic Malt Sp. z o. o. - Gdańsk
Frosta AG	Germany	Germany	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Frosta Sp. z o. o. - Bydgoszcz
Hans Hoell Fleischwarenfabrik AG, Co KG	Germany	Germany	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Hoell-Pol Zakład Mięsny Sp. z o. o. - Kaszczor
Hemelter Muhle GmbH	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of grain mill products, starches and starch products	Gdańskie Młyny i Spichlerze Dr. Cordesmeyer Sp. z o. o. - Gdańsk
Henkell&Sohnlein KG	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Toruńskie Piwnice Win Vinpol Sp. z o. o. - Toruń
Hochland AG	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Hochland Polska Sp. z o. o. - Kaźmierz
Hohenstaufen Neunundvierzigste Vermogensverwaltung GmbH	Germany	Germany/Canada	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Mc Cain Poland Sp. z o. o. - Strzelin
Intersnack Knabber Gebaeck GmbH & Co. K.G.	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Polsnack Sp. z o. o. - Warszawa
Karl Konecke Fleischwarenfabrik GmbH & Co. KG	Germany	Germany	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat	Konecke Sp. z o. o. - Słubice

				products	
Kruger GmbH	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Kruger Polska Sp. z o. o. Kruger Polska Handel i Eksport Sp. z o. o. - Warszawa
Lohmann AG	Germany	Germany	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Drobimex Sp. z o. o. - Szczecin
Lorenz Snack - World	Germany	Germany	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	TRULLER POLAND sp. z o.o. - Nysa
Ludwig Schockolade	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Ludwig Czekolada Sp. z o. o. - Tuczno
MAINFRUCHT GMBH	Germany	Germany	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Zakład Przetwórstwa Owoców-Chłodnia POMERANIA FRUCHT Sp. z o.o. - Połczyn Zdrój
NORDISCHE FUTTERFETTE CARROUX GMBH & CO. HANDELS KG	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of vegetable and animal oils and fats	Nordische Futterfette Carroux Polska Sp. z o.o. - Stepnica
OSI International Holding GmbH	Germany	**USA**	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Esca Food Solutions Sp. z o. o. - Warszawa
Paul Wesjohann & Co. GmbH	Germany	Germany	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Drobimex Sp. z o. o. - Szczecin
Pfeifer und Langen	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Pfeifer und Langen Marketing Sp. z o. o. - Gostyń Pfeifer & Langen Polska S.A. - Poznań
Raiffeisen HaGe	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of prepared animal feeds	HaGe Polska Sp. z o.o. - Osielsko (near Bydgoszcz)
Saria Bi	Germany	Germany	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Saria Małopolska Sp. z o.o. - Przewrotne
Schoeller	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Schoeller Artykuły Spożywcze Sp. z o. o. - Namysłów
STENGER	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Magnolia sp. z o.o. - Lubsko,
Sudzucker AG	Germany	Germany	Manufacture of	Manufacture of	Sudzucker Polska

			food, drinks and tobacco products	other food products	Group - Warszawa Südzucker Polska - Cukrownia Strzyżów - Strzyżów Cukrownia Ropczyce S.A. - Ropczyce Cukier Małopolski S.A. - Kazimierza Wielka Sudzücker Polska - Polska Cerekiew Cukrownia Przeworsk S.A. -
Tchibo Frisch Rost Kaffee GmbH	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Tchibo Warszawa Sp. z o. o. - Warszawa
TIVOLI MALZ GmbH	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of beverages	GLOBAL MALT POLSKA - Bydgoszcz
VK Mühlen AG	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of grain mill products, starches and starch products	Diamant Stradunia - Walce
Zentis GmbH Co.KO	Germany	Germany	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and Veg.	Zentis Polska Sp. z o. o. - Żelków Kolonia
Zott GmbH&Co KG	Germany	Germany	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Zott Polska Sp. z o. o. - Opole
CC HBC (Coca-Cola Hellenic Bottling Company)	Greece	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Coca-Cola Poland Services Sp. z o. o. - Warszawa Coca Cola HBC Polska Sp. z o. o. - Warszawa
Chipita	Greece	Greece	Manufacture of food, drinks and tobacco products	Manufacture of other food products	CHIPITA POLAND Sp. z o.o. - Warszawa
Globus	Hungary	Hungary	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Globus Polska Sp. z o.o. - Lipno
Herisson Ltd	Ireland	Canada	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Fantasy Foods Sp. z o. o. - Kobyłka
Ferrero Group	Italy	Italy	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Ferrero Polska Sp. z o. o. - Warszawa
Fortrade Financing SPA	Italy	Italy	Manufacture of food, drinks and tobacco products Financial intermediation	Production, processing and preserving of meat and meat products Other financial intermediation	FIM Sp. z o. o. - Warszawa Zakłady Mięsne PFM Stanisławów - Stanisławów Fortrade Leasing S.A. - Katowice

					Dolina Łąk Sp. z o. o. - Małaszewicze
GIF SRL.	Italy	Italy	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Frubella Processing Sp. z o. o. - Białobrzegi
Indafin Srl	Italy	Italy	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Inda Czekolada Sp. z o. o. - Skoczów
Societe Europeenne De Conserve S.A.	Italy	Italy	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Konserwa Polska Sp. z o. o. - Łódź
Europar-Ven Company Establishment	Liechtenstein	Liechtenstein	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Eurovita Sp. z o. o. - Poznań
Terravita Holding Establishment	Liechtenstein	Liechtenstein	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Terravita Sp. z o. o. - Poznań
"NO-PO" AS	Norway	Norway	Manufacture of food, drinks and tobacco products	Manufacture of other food products	NO-PO POLAND Sp. z o.o. - Międzyzdroje
Orkla Foods A.S.	Norway	Norway	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Kotlin Sp. z o. o. - Warszawa Elbro Sp. z o. o. - Warszawa
Rieber and Son ASA	Norway	Norway	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Rieber Foods Polska S.A. - Włocławek
Bagdasarian	Russia	Russia	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Śnieżka S.A. - Lubzina
INDUSTRIAS QUIMICAS NABER SA	Spain	Spain	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Domat sp. z o.o. - Bydgoszcz
ABBA Seafood AB	Sweden	Sweden	Manufacture of food, drinks and tobacco products	Processing and preserving of fish and fish products	Superfish S.A. - Ustronie Morskie
POLARICA AB	Sweden	Sweden	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	POLARICA POLAND - WIEŚ NIEMIERZYNO Polfrys Sp. z o. o. - Świdwin
V S VIN SPRIT AKTIEBOLAG	Sweden	Sweden	Manufacture of food, drinks and tobacco products	Manufacture of beverages	V&S Luksusowa Zielona Góra S.A. - Zielona Góra
Vin & Spirit AB	Sweden	Sweden	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Lubuska Wytwórnia Wódek Gatunkowych Polmos - Zielona Góra

CEREAL PARTNERS WORLWIDE (CPW)	Switzerland	Switzerland	Manufacture of food, drinks and tobacco products	Manufacture of grain mill products, starches and starch products	Cereal Partners Poland Toruń-Pacific Sp. z o.o. - TORUŃ
Finagrain Compagnie Commerciale Agricole et Financiere	Switzerland	Switzerland	Manufacture of food, drinks and tobacco products	Processing and preserving of fish and fish products	ANIMEX - Opolskie Zakłady Drobiarskie S.A. - Opole
Hiestand Holding AG	Switzerland	Switzerland	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Hiestandt Polska Sp. z o. o. - Grodzisk Mazowiecki
Hosta International AG	Switzerland	Switzerland	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Wawel Spółka Akcyjna - Kraków
Nestle S.A.	Switzerland	Switzerland	Manufacture of food, drinks and tobacco products Manufacture of food, drinks and tobacco products	Manufacture of other food products Manufacture of beverages	Nestle Polska S.A. - Warszawa Alima - Gerber S.A. - Warszawa
CEPV	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Farm Frities Poland S.A. - Lębork Farm Frites Poland Dwa Sp. z o. o. - Damnica
CSM NV	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Leaf Poland Sp. z o. o. - Warszawa
East Springs International NV	Netherlands	Switzerland	Health and social work Manufacture of food, drinks and tobacco products	Human health activities Manufacture of beverages	Zakład Leczniczy Uzdrowisko Nałęczów S.A. - Nałęczów
Harbin B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Grupa Żywiec S.A. - Warszawa
Heineken International B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Grupa Żywiec browar w Żywcu S.A. - Żywiec Grupa Żywiec S.A. - Warszawa
Johan van Leendert B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Agro Bor Louisa Sp. z o.o. - Kostrzyn nad Odrą
Natel Investment BV	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Processing and preserving of fish and fish products	McLean Brothers Poland Sp. z o. o. - SZCZECIN
Nutreco International B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of prepared animal feeds	Trouw Nutrition Polska Sp. z o. o. - Grodzisk Mazowiecki

Nutricia Poland BV	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Nutricia Zakłady Produkcyjne Sp. z o.o. - Opole
Philip Morris Holland B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of tobacco products	Philip Morris Polska S.A. - Kraków Philip Morris International Service Center Europe Sp. z o.o. -
PortionPack Europe Holding B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of other food products	HELLMA Polska Sp. z o.o. - Kraków
Royal Numico N.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Okręgowa Spółdzielnia Mleczarska - Łowicz
Unilever BV	Netherlands	Netherlands/United Kingdom	Manufacture of food, drinks and tobacco products Manufacture of food, drinks and tobacco products Manufacture of chemicals and chemical products	Manufacture of vegetable and animal oils and fats Processing and preserving of fish and fish products Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	Unilever Polska S.A. - Warszawa Unilever Polska S.A. Poznań - Poznań Unilever Polska S.A. Oddział Detergentów i Kosmetyków - Bydgoszcz
Union Caffe Confectionary Group BV	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Strouss Cafe Poland Sp. z o. o. - Tarnowo Podgórne
Windjammer Investments B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Kompania Piwowarska LECH Browary Wielkopolski S.A. - Poznań
British Sugar Overseas (BSO) Ltd.	United Kingdom	United Kingdom	Manufacture of food, drinks and tobacco products	Manufacture of other food products	SugarPol Sp. z.o.o. Cukrownia Ostrowite - Ostrowite Sugar Tor Sp. z o. o. - Warszawa Cukrownia Pelplin S.A. - Pelplin BSO Polska S.A - Zygmuntowo Poviat: BSO Polska Sp. z o. o. Cukrownia Glinojeck - Warszawa
Zeelandia International Holding B.V.	Netherlands	Netherlands	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Zeelandia Sp. z o. o. - Tarnowo Podgórne
Cadbury	United Kingdom	United Kingdom	Manufacture of food, drinks	Manufacture of other food	Cadbury Wedel Sp. z o.o. - Wrocław

			and tobacco products	products	Cadbury Wedel Sp. z o. o. - Bielany Wrocławskie Cadbury Wedel Sp. z o. o. - Warszawa Cadbury - Polska - Skarbimierz
Caribbean Distillers Corporation Ltd.	United Kingdom	United Kingdom	Manufacture of food, drinks and tobacco products	Manufacture of beverages	"Polmos Łańcut" S.A. Fabryka Wódek - Łańcut
Gallaher Group Plc	United Kingdom	United Kingdom	Manufacture of food, drinks and tobacco products	Manufacture of tobacco products	Gallaher Polska Sp. z o. o. - Poddębice
Gerber Foods Holdings Ltd	United Kingdom	United Kingdom	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	Emig Sp. z o. o. - Warszawa
Imperial Tobacco Plc	United Kingdom	United Kingdom	Manufacture of food, drinks and tobacco products	Manufacture of tobacco products	Imperial Tobacco S.A. - Tarnowo Podgórne
LU	United Kingdom	France	Manufacture of food, drinks and tobacco products	Manufacture of other food products	LU Polska S.A. - Jarosław
R&R Ice Cream	United Kingdom	United Kingdom/ Germany	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Zielona Budka Mielec Sp. z o.o. - Mielec Zielona Budka S.A. - Warszawa
SABMiller Plc	United Kingdom	South Africa	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Kompania Piwowarska S.A. – Białystok, Poznań, Kielce
Uniq plc	United Kingdom	United Kingdom	Manufacture of food, drinks and tobacco products	Processing and preserving of fish products	Lisner Sp. z o. o. - Poznań
United Biscuits Investments	United Kingdom	United Kingdom	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Zakłady Przemysłu Cukierniczego SAN S.A. - Warszawa
Bunge Limited	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of vegetable and animal oils and fats	ZT Kruszwica - Brzeg
Cargill Inc.	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of prepared animal feeds	Cargill (Polska) Sp. z o. o - Bielany Wrocławskie Cargill Polska Sp. z o. o. - Warszawa Cargill Polska Sp. z o.o. odział Ropczyce - Ropczyce
CEDC (Central European Distribution Corporation)	**USA**	**USA**	Manufacture of food, drinks and tobacco products Wholesale and	Manufacture of beverages Wholesale of food, beverages and tobacco	Pww Sp. z o. o. - Warszawa Przedsiębiorstwo "POLMOS" Białystok Spółka

			retail trade repair of motor vehicles, motorcycles and personal and household goods		Akcyjna - Białystok Polskie Hurtownie Alkoholi Sp. z o. o. - Zielona Góra MTC Sp. z o. o. - Białystok Carey Agri International Poland Sp. z o. o. - Warszawa
Corey Durling	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of dairy products	Bona Sp. z o. o. - Łomża
CPIG (Chicago Poland Investment Group) LLC	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Browar Namysłów Sp. z o. o. - Namysłów
H.J Heinz Company	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Processing and preserving of fruit and vegetables	H.J.Heinz Polska S.A. - Pudliszki
Kraft Jacobs Suchard AG	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Kraft Polska S.A. - Tarnowo Podgórne Kraft Foods Polska SA - Warszawa Kraft Foods Polska S.A. - Warszawa Cadbury - Bielany Wrocławskie Cadbury - Fabryka Czekolady - Skarbimierz
Mars Inc.	**USA**	**USA**	Manufacture of food, drinks and tobacco products Manufacture of food, drinks and tobacco products	Manufacture of prepared animal feeds Manufacture of other food products	Mars Polska Sp. z o. o. - Sochaczew
PepsiCo	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Star Foods S.A. - Warszawa PEPSICO Frito Lay Grodzisk Mazowiecki - Grodzisk Mazowiecki Pepsi-Cola General Bottlers Poland Sp. z o. o. - Warszawa Pepsi Cola General Bottlers SP. ZO.O. - Bydgoszcz
McLane International Inc.	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Processing and preserving of fish products	McLane Polska Sp. z o. o. - Błonie
Millenium Import LLC	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of beverages	Polmos Żyrardów Sp. z.o.o. - Żyrardów
Peacock Corporation	**USA**	**USA**	Manufacture of food, drinks and tobacco	Manufacture of beverages	Podlaska Wytwórnia Wódek Polmos S.A. - Siedlce

			products		
Smithfield Foods	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Production, processing and preserving of meat and meat products	Zakłady Mięsne Animex S. A. Oddział w Ełku - Ełk Zakłady Mięsne Animex S.A. - Starachowice Grupa Animex SA - Szczecin SF Holding Sp. z o.o. - Warszawa Iławskie Zakłady Drobiarskie EKODRÓB S.A. - Iława Grupa Animex S.A. - Ostróda Animex-Zakłady Drobiarskie S.A oddz. w Grodkowie - Grodków Animex Agro Sp. z o.o. - Zamość Animex Sp. z o. o. - Warszawa ANIMEX Grupa Drobiarska Sp. z o.o. - Suwałki Animex - Krakowskie Zakłady Pierzarskie Sp. z o.o. - Kraków PUH Transport - Morliny Sp. z o. o. -
Wm. Wrigley Jr. Company	**USA**	**USA**	Manufacture of food, drinks and tobacco products	Manufacture of other food products	Wrigley Poland Sp. z o. o - Poznań

Source: "List of Major Foreign Investors in Poland" *Polish Information and Foreign Investment Agency, December 2011*