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Salima Food Show

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Trade Show Evaluation

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Report Highlights:

FAS Marketing Specialist visited Salima Food Show in Brno, Czech Republic, on February 17 – 18, 2016. Due to globalization and declining lack of interest in the show from food producers that visit only the large European food shows such as Anuga or SIAL, Salima has shrunk into two halls, which presented only a limited display of beverages (healthy, local juices), regional products, wine, and coffee. This year's highlight was the international conference FOOD FORUM. Mella Farwen, Director General of FoodDrinkAssociation presented ideas on how the European producers should main competitiveness on the global market. Czech Minister of Agriculture Marian Jurecka spoke about priorities of the Ministry, which include increased self-sufficiency, equal situation for Czech and European farmers, food safety, support of high quality domestic products, investment, support of export to the third countries and decrease of food waste. He also mentioned a very priority is to increase export of high value products and not only commodities as it's the case right now. Over 85% of Czech agricultural and food trade is with the EU countries. The Czech Republic is a net importer as total export of agricultural and food products from the Czech Republic in 2015 was over U.S.\$ 8.2 billion and total import around U.S.\$ 8.9 billion.

General Information:

General Information

FAS Marketing Specialist visited Salima Food Show in Brno, Czech Republic, on February 17 – 18, 2016. The show used to be the largest food show in the country, occupying many halls of the Brno fairgrounds. Due to globalization and declining lack of interest in the show from food producers that visit only the large European food shows such as Anuga or SIAL, Salima has shrunk into two halls, out of which one presented food technology. And it only takes place once in two years. In the one hall with food, products displayed were mainly regional specialties, healthy products, different kinds of cheese and sausages. There was only a limited display of beverages (healthy, local juices), regional products, wine, and coffee.



FAS Marketing Specialist at Salima Food Show – with exhibitors of regional products

Ministry of Agriculture booth



Displays of sauces at Salima show

The organizers try to attract attention to the show by offering an interesting conference and seminars program.

FAS Marketing Specialist attended an international conference **“FOOD FORUM: Competitiveness of the European Food Market”** organized by the Ministry of Agriculture. The speakers were:

- Marian Jurecka, Czech Minister of Agriculture
- Miroslav Toman, President of the Czech Food Industry Chamber
- Mella Frewen, Director General, FoodDrink Europe (European Association of the Food and Beverage Industry)
- Tim Gumbel, member of DG SANTE (Director General for Food Safety) of the European Commission (EC)
- Jiri Sir, Deputy Director of Commodity Section, Ministry of Agriculture of the CR
- Viera Sediva, Deputy Director of the Food Production Section, Ministry of Agriculture of the Czech Republic
- Igor Sarmir, member of the Slovak Food Industry Chamber
- Lajos Bogнар, Deputy State Secretary, Ministry of Agriculture, Hungary



FAS Marketing Specialist with Miroslav Koberna, Food Industry Chamber and with Petr Benes and Jitka Goetzova, Food Safety Department of the Ministry of Agriculture at the Food Forum Conference

Situation on the Czech food market

Czech Minister of Agriculture Marian Jurecka talked about current situation on the Czech food market and Ministry's support of Czech farmers and food producers. The goals of the Ministry of Agriculture are following:

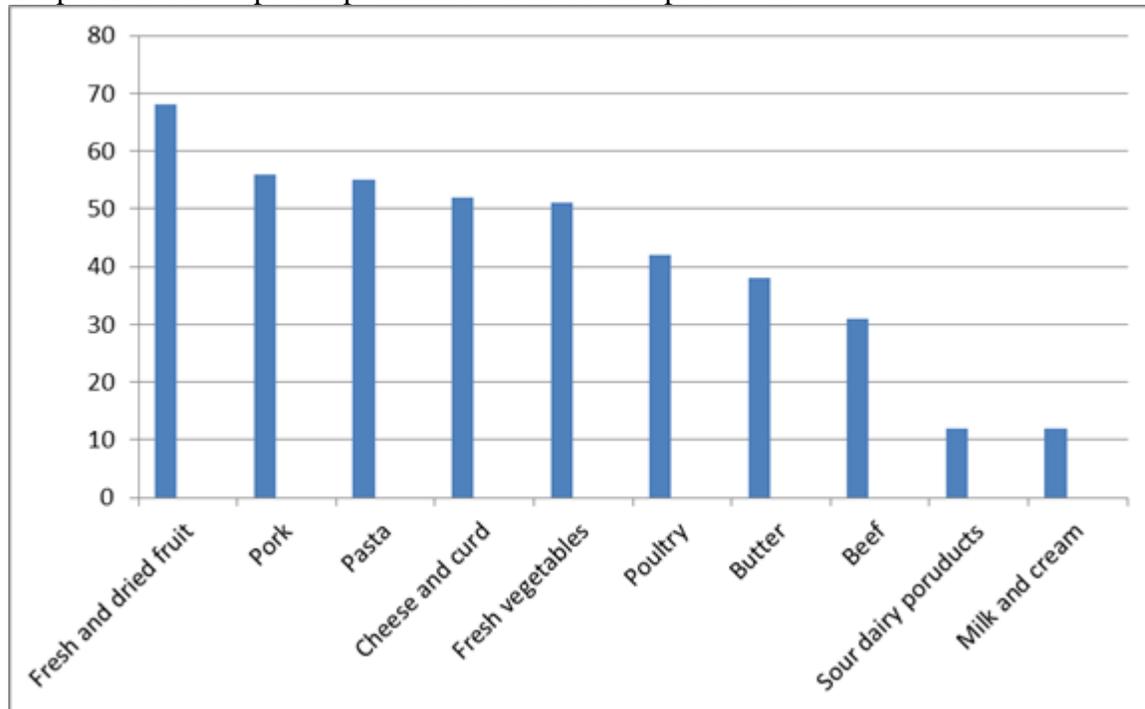
- Increased self-sufficiency
- Equal situation for Czech and European farmers
- Food safety
- Support of high quality domestic products
- Investment
- Support of export to the third countries
- Decrease of food waste

Czech food and beverage production is around U.S.\$ 12 billion. It contributes to GDP by 3-4% and approximately the same number applies for employment. Czech households spend 18-20% on food, while food prices stagnate or have been slightly declining. Over 85% of Czech agricultural and food trade is with the EU countries. The Czech Republic is a net importer as total export of agricultural and

food products from the Czech Republic in 2015 was over U.S.\$ 8.2 billion and total import around U.S.\$ 8.9 billion. According to the Minister, the problem is a structure of foreign trade. While the Czech Republic exports raw commodities such as grains, live animals etc., it imports high value food products. Self-sufficiency is low in traditional Czech food products:

- Pork 53%
- Poultry 69%
- Apples 93%
- Rye 139%
- Potatoes 79%
- Milk 131%
- Beef 140%, but products from beef are imported

Graph: Share of imported products on total consumption in %



Source: Ministry of Agriculture

Miroslav Toman, President of the Food Industry Chamber then talked about the threats for the European competitiveness:

- Russian ban on imports in 8/2014 – market loss and higher competition from countries that would otherwise sell to Russia (Germany, Netherlands, Poland). This ban is a threat mainly for these commodities: milk (drop of export from U.S. \$ 9.9 million in 2014 to U.S. \$ 108,000 in 2015) and meat (drop of export U.S. \$3.5 million in 2014 to U.S. \$ 2.4 million in 2015).
- Export of raw commodities (wheat, feed, beer) and import of high value products (pork, cheese, bakery products, wine)

- High levels of sugar, salt and additives in foodstuffs

Official social event

FAS Marketing Specialist attended an official reception organized by the Ministry of Agriculture in the evening at Salima fair grounds. It was a good opportunity to spend some time with the Ministry of Agriculture contacts.



FAS Marketing Specialist with the Czech Minister of Agriculture Marian Jurecka and with Mella Frewen (right on the right picture), Director General of the European Association FoodDrinkEurope

End of report.