



JAMPRO EXPORT OPPORTUNITY MARKET ASSESSMENT

A custom report compiled by Euromonitor International
for JAMPRO

September 2019

PROJECT OVERVIEW

Analysis of current and future international food market dynamics to recommend export growth strategy

PROJECT BACKGROUND

- JAMPRO catalyzes private sector exports from Jamaica by helping Jamaican companies identify opportunities for products abroad and providing them with resources
- Agricultural exports have fluctuated and JAMPRO believes key export markets have untapped potential food exports beyond historically successful commodities

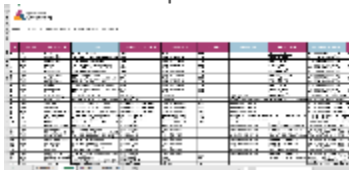
JAMPRO OBJECTIVES

- Identify key market opportunities for food exports from Jamaica to US, Canada, and UK
- Understand strategy for developing and exporting products successfully to these markets
- Identify potential customers within each market to begin marketing products

SOLUTIONS

- PowerPoint report laying out roadmap of top export opportunities and how-to-win in each
- Tools to analyze historical trade data and forecast import market demand

Microsoft Excel Key
Contacts Spreadsheet



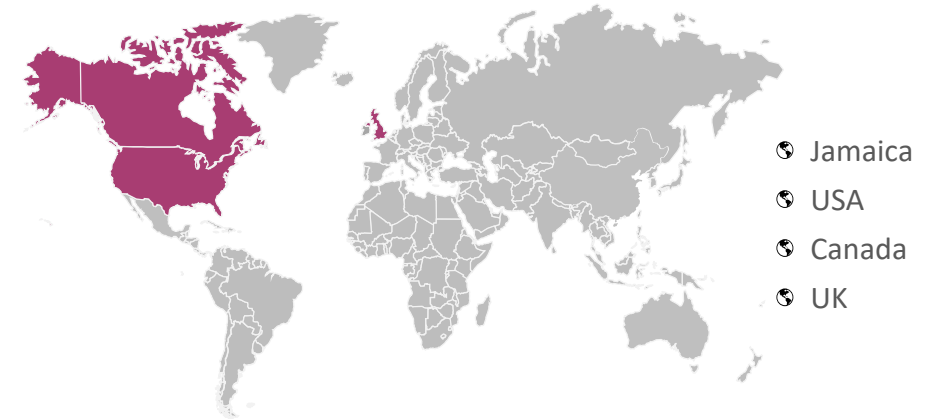
Microsoft Excel
Trade and Market Data
Spreadsheet



Microsoft Power BI
Trade Data Dashboard



GEOGRAPHIC COVERAGE

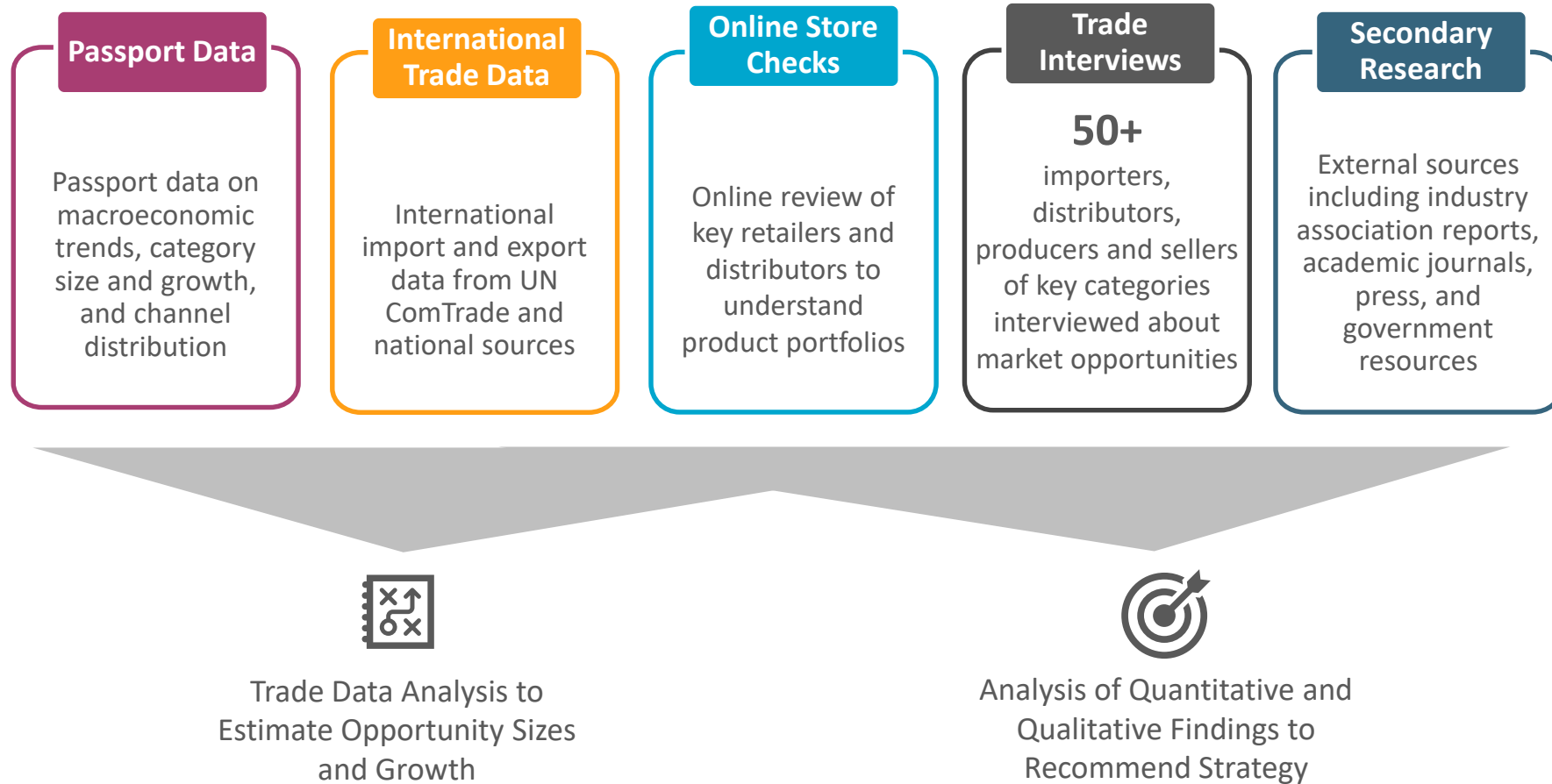


CATEGORY FOCUS

- Q Bread and Pastries
- Q Vegetable Roots and Tubers
- Q Crustaceans
- Q Coffee
- Q Preserved Fruit
- Q Fruit Juices
- Q Fresh Guavas, Mangoes, and Avocados
- Q Sauces and Condiments
- Q Papayas and Other Melons
- Q Pepper

RESEARCH METHODOLOGY

Analyzed trade data to quantify export opportunities, and utilized primary and secondary research to qualify export potential and develop export strategy







Global Takeaways

\$61.2 Mn in untapped export potential for focus categories

Leverage success with traditional food categories to meet demand for mainstream commodities in key export markets

Invest in infrastructure to grow key agriculture and export sectors

Build Jamaican brands in export markets using Jamaica's prestige



Top Priority Categories

Grow Jamaican seafood industry with focus on crustaceans

Roots and tubers categories are largest growth opportunity to capitalize on, with potential to pivot to sweet potatoes

Continue to develop coffee sector to meet international demand and expand offerings



Geographic Priorities

US market is largest and most immediate opportunity for new exports

Canada represents largest untapped market for existing exports

UK market faces uncertain future with high risk but high potential

GLOBAL TAKEAWAYS

Build production capacity while branding and marketing key categories to capitalize on \$61.2 Mn in untapped potential and forecasted growth

- 1 Build food export capacity to meet growing food demand in US, UK, and Canada**
 - Consumer demand for fresh and packaged foods in key export markets is expected to grow 1-6% over the next three years, creating large market opportunities for Jamaican exports
 - Production of agricultural commodities and secondary food products must increase to compete with other countries and meet growing demand by securing large supply contracts
- 2 \$61.2 Mn in untapped export potential for focus categories**
 - Imports make up 34% of GDP in Canada with \$22.3 Mn in untapped export potential for key Jamaican products to Canada annually
 - Slowing imports in UK yet \$16.6 Mn in untapped export potential exists within top 10 food categories
 - US has largest market potential overall with \$21.9 Mn remaining in untapped export potential annually for top categories
- 3 Expand traditional production to include similar, globally-popular varieties**
 - Top exports such as yams and ackee show capacity to produce at scale, but like many traditional exports, they are largely targeted at Jamaicans and descendants living abroad
 - While demand is expected to continue for yams and other traditional exports, opportunity exists to use existing production know-how, infrastructure requirements, and trade relationships to supplement traditional exports with higher-demand alternatives
- 4 Invest in Jamaican brands to build long-term markets for exports**
 - Most export recommendations center around a production push and a marketing push which must go together to combine supply and demand growth
 - Product specific marketing is necessary, but Jamaica has an opportunity to build a reputation for fresh foods and healthy/natural snacks with a tropical, holistic, and healthy brand image
- 5 Pursue trade partnerships that leverage large exports to build new ones**
 - As Jamaican companies build on successful exports, they should pursue larger contract agreements
 - By combining multiple products into contract agreements, companies can guarantee markets for new products
- 6 Top Export Opportunities**
 1. **Roots and tubers** – Yams have led exports, but sweet potatoes lead growth in demand
 2. **Crustaceans** – Jamaica can produce one of the fastest-growing fresh foods and access key markets
 3. **Fresh fruits** – Revitalize Jamaica's fruit industry to export more mangos, avocados, and papayas



Roots & Tubers

Yams
Sweet Potatoes
Cassava



Crustaceans

Rock Lobster Tails
Frozen Whole Lobster



Fresh Fruits

Papayas
Mangoes
Oranges
Avocados

\$12+ mn

2018 combined untapped potential for
Root & Tuber exports to US, Canada, and
UK

4%

2015-2018 CAGR for global
lobster demand

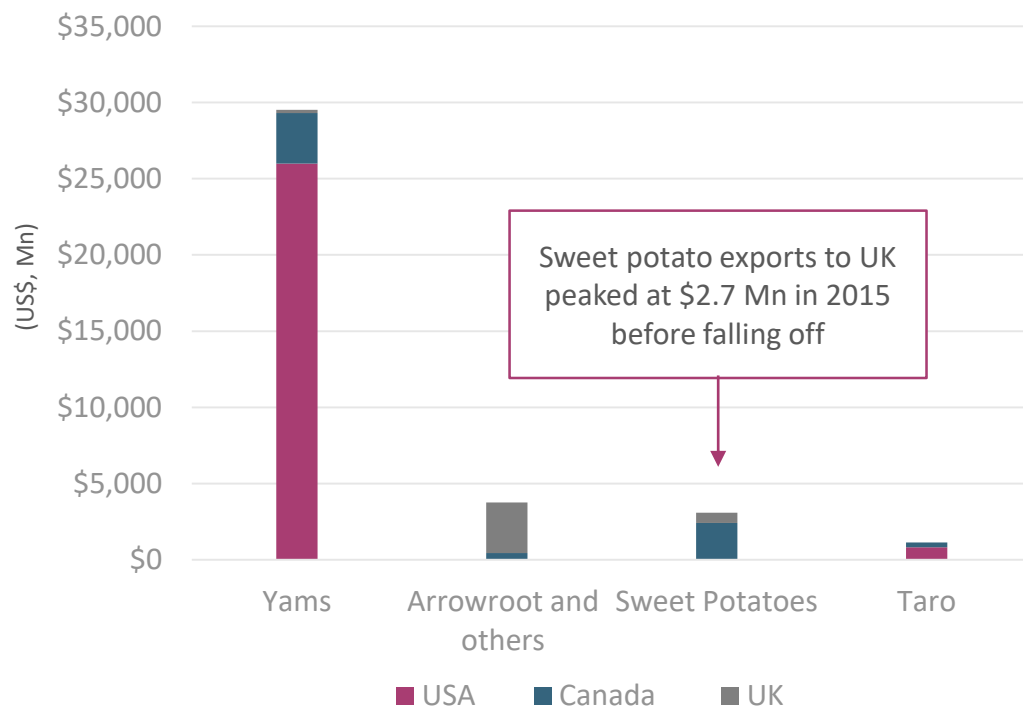
\$4.5 mn

2018 combined papaya exports to US,
Canada, and UK

TOP PRIORITY CATEGORIES: ROOTS & TUBERS

Build capacity to meet demand for yams and sweet potatoes in all key markets

Opportunity to grow exports of different subcategories of roots and tubers to different markets



Different types of roots/tubers exported to different markets

- Yams predominantly sold to US, but room to grow UK Sales
- Sweet potatoes only exported to US in small quantities in 2016, but market demand is high
- Canada may have room to grow in exports of taro or other root/tuber products

Developing winning products to market globally



Prioritize subcategories of roots and tubers based on identified gaps in each market (e.g. yams to UK, sweet potatoes to US)



Grow yam production capacity to meet growing international demand and secure large supply contracts

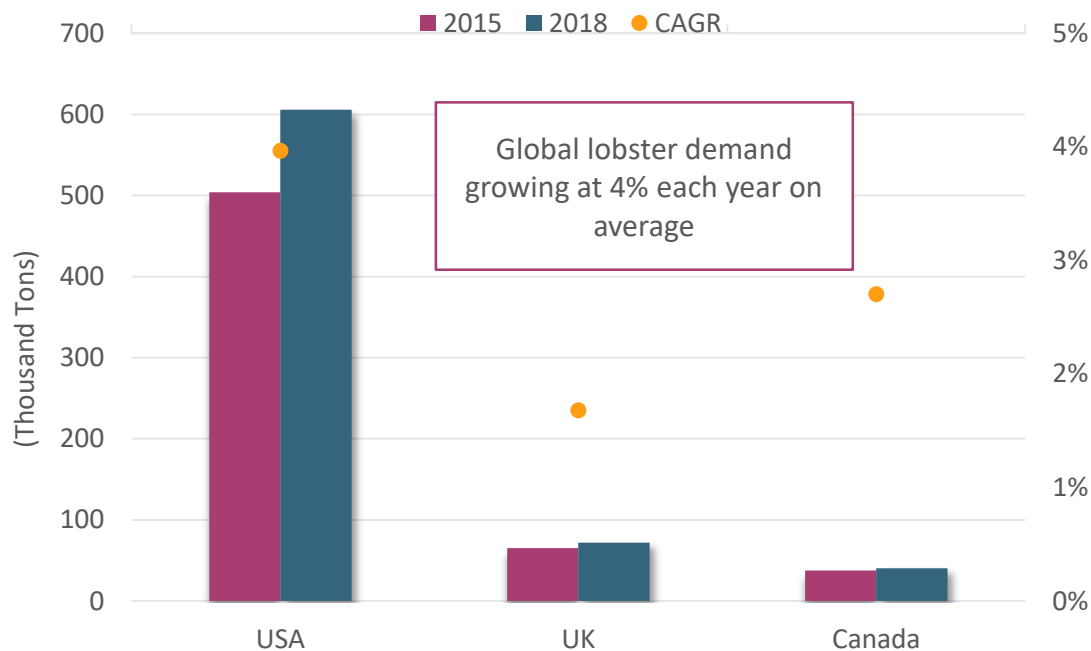


Develop new processed Root & Tuber products that follow trends for healthy snacking and growth of savory snacks

TOP PRIORITY CATEGORIES: CRUSTACEANS

Invest in lobster fishing to expand exports in US and start exporting to Canada

Global lobster demand growing led by large US appetite



Continue growth of lobster exports to US and start exporting to UK and Canada

- Lobster demand is growing, yet Jamaica does not currently export to UK nor Canada
- Opportunity to capitalize on fast-growing market in US and build new exports to Canada for frozen rock lobster

Developing winning products to market globally



Declining crustacean exports go against increasing global demand



Build lobster fishing capacity to meet global demand for frozen rock lobster tails



Market Jamaican lobster tails through foodservice channels and retail channels globally

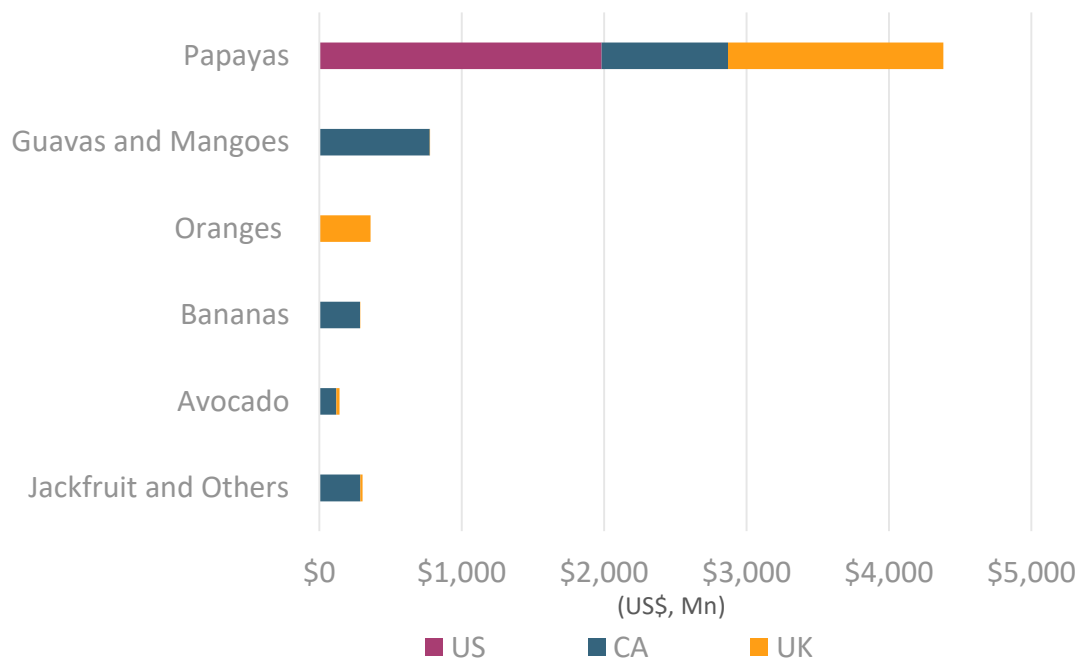


Invest in processing facilities at scale proportional to success of lobster fishing

TOP PRIORITY CATEGORIES: FRESH FRUITS

Facilitate growth of fruit industry to continue exports of papayas and mangoes and build new fruit industries such as avocados

Canada imports most fruit from Jamaica with \$2.5 Mn in exports in 2018



Build capacity and marketing around national brand for fruit exports

The UK may prove to be the best new market for fresh fruit with less competition than the US and greater opportunity than Canada.

Jamaican papaya and mango exports have proven they can meet import requirements and the \$300k in orange imports have demonstrated the country's capacity to export fruit to the UK.

Developing winning products to market globally



Push growth for successful fruits like mangoes and papayas, while testing the waters for new, high-demand fruit exports like avocado and jackfruit



Build new fresh fruit processing facilities to meet rigorous fruit import standards and scale up exports



Ensure fruit varieties meet taste preferences of consumers, then market and distribute to grocery retailers to establish Jamaica as fruit capital



Invest in agricultural production through extension services and incentives for farmers to increase fruit supply

COUNTRY-LEVEL KEY TAKEAWAYS

US is largest market while Canada and UK have most room to grow in food imports from Jamaica



USA

Key Opportunity

Jamaica's top trade partner, yet there is room to grow exports of most categories to meet rising consumer demand

Top Categories

Coffee
Bread & Pastries
Roots & Tubers
Crustaceans



Canada

Key Opportunity

Largest export growth potential based on existing exports to US and UK that are under-represented in Canadian exports

Top Categories

Preserved Fruits
Papayas and Other Melons
Fruit Juices



United Kingdom

Key Opportunity

Disruption of competitive trade advantages and relationships after Brexit will create an opening for new Jamaican exports

Top Categories

Sauces & Condiments
Pepper
Guavas, Mangoes & Avocados

Report Navigation

Select icons to skip to country reports or categories

Country Reports



Category Deep Dives



Coffee



Bread and Pastries



Roots and Tubers



Crustaceans



Fruit Juices



Preserved Fruits



Papayas and
Other Melons



Sauces and Condiments



Pepper



Guavas, Avocados, and
Mangoes



GLOBAL SUMMARY / **USA STRATEGY** / CANADA STRATEGY / UK STRATEGY

➤ **US Market Overview**

US-Jamaica Trade Dynamics

US Export Growth Strategy

KEY TRENDS AFFECTING US INTERNATIONAL TRADE**Growing US economy is rooted in international trade and driven by conscious consumers****1****US economy continues growth with food sector accounting for 5%**

The US economy continues its longest growth streak in history, expanding 2-3% each year between 2018 and 2019, although some economic indicators suggest an impending recessions. 80% of the economy is made up of services industries such as real estate, healthcare, and insurance/finance. The food sector accounts for 5% of GDP (almost \$1 trillion) and consumption represents 10% of US disposable incomes.

2**\$147 billion in food and beverage imports annually**

The US primarily trades in capital, industrial, and consumer goods with food and beverages accounting for only 5% of imports (\$147 bn) and exports (\$133 bn). Overall, the US imports more than it exports, leading to a \$600 billion trade deficit in 2018.

3**Trade agreements in flux**

Multilateral trade agreements are being rewritten by the current US administration, including a new North American trade deal between the US, Mexico, and Canada, as well as a new Korea trade deal. New unilateral tariffs and an ongoing trade war with its largest trade partner, China, have disrupted US global trade, creating an opportunity and risk for new markets.

4**US consumers continue shift towards healthy, convenient food options**

As growth in many food and beverage categories slows, shares of food and beverage products classified as organic and free-from additives grow steadily driven by heightened consumer consciousness around ingredients and health benefits. On-the-go consumption formats are also seeing an increase due to mobile lifestyles and growth of on-demand culture.

5**Fastest growing packaged food categories are beverages**

While demand growth for most food and beverage categories in the US slows, tea, coffee, bottled water, and energy drinks were the fastest growing packaged foods categories from 2013 to 2018, growing between 5% and 10%, and forecast to continue growth. Snacks also lead packaged food growth savory snacks outpacing sweet snacks.

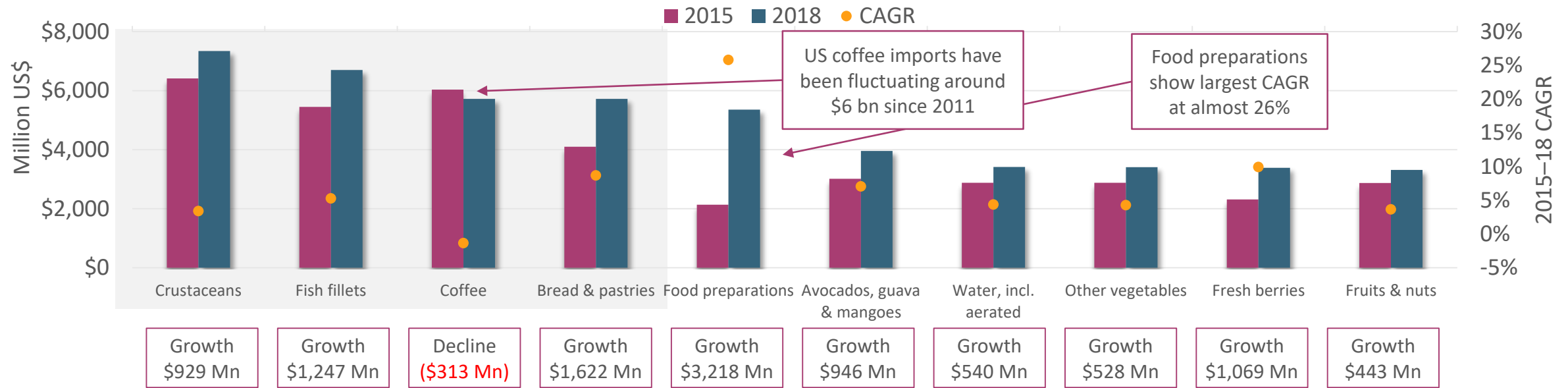
6**Continued growth of internet retailing, but food slow to adopt**

Near universal internet penetration in the US facilitates high levels of online retailing, valued at over \$444 billion in 2018. However, food and drink online retailing accounted for only \$16 billion of this, with a stagnant outlook through 2023.

TOP IMPORTS

Crustaceans, Fish Fillets, and Coffee are largest food imports in the US

Import Size and Performance from 2015 to 2018



Top food imports led by crustaceans

In the US market, crustaceans are currently the top import in terms of retail value, with fish fillets and coffee representing the second and third largest imports respectively. In terms of CAGR, food preparation is the fastest growing of the top 10 food imports, while berries and bread and pastries are also experiencing significant category growth.

Coffee declining but still strong import

The CAGR for coffee is the only negative growth (-1.32%) seen among the top imports, which aligns with the declining global coffee market since August 2017. This decline is in part due to high coffee prices and the impact of climate changes which caused coffee shortages (particularly of lower-quality coffee, conilon) in key markets such as Brazil.

Fruit imports growing

US imports of fruit have almost doubled in volume between 2000 and 2017. The top ten exporters of fresh fruit to the US are all in the Western hemisphere, while China, Thailand and the Philippines are in the top ten sources of dried fruits to the US.

US TOP TRADE PARTNERS

Small specialized players and large trade partners lead exports of top commodities to US

Largest Food Trade Partner by Share of US Imports



■ China ■ Mexico ■ Canada ■ Japan ■ Rest of World

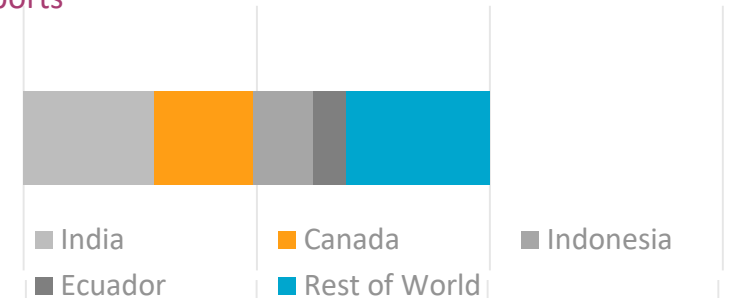
Analysis of top importers identifies **China** as the US's largest trade partner, although it remains to be seen how increased tariffs on Chinese imports will impact this going forward. In September 2019, new tariffs on food will be applied to Chinese meats, cheeses, vegetables, fruits and nuts, among other products.

Neighbors **Mexico** and **Canada** are the second and third largest exporters of goods to the US, respectively. Growth in imported value from China has grown 3% between 2014 and 2018, and grew 4% for import value from Mexico over the same period. This growth was -1% for imported value from Canada, which has seen a 5.1% decline in global exports as of June 2019.

2018 Top Exporters of Top US Imports

CRUSTACEANS

Despite high import levels, US crustacean imports have increased more slowly than world exports.



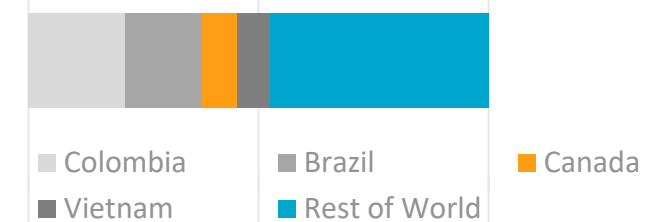
FISH FILLETS

Fish fillets come from a variety of locations but are dominated by Chilean imports



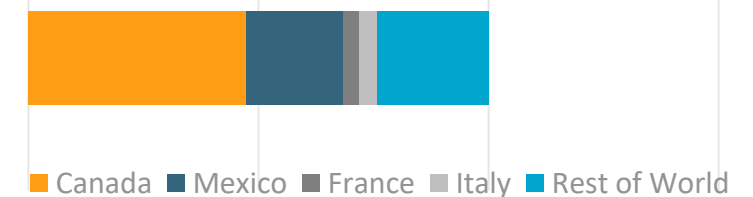
COFFEE

The top four exporters of coffee only capture about a fourth of the US coffee import market.



BREAD AND PASTRIES

Close neighbors Canada and Mexico dominate the bread and pastry subcategory, while Europe is also a main supplier.





GLOBAL SUMMARY / **USA STRATEGY** / CANADA STRATEGY / UK STRATEGY

US Market Overview

➤ **US-Jamaica Trade Dynamics**

US Export Growth Strategy

US-JAMAICA TRADE OVERVIEW

US food trade with Jamaica driven by ethnic foods with potential to meet mainstream demand for commodities with growing US demand

Key Findings

Leading category opportunities tied to traditional foods present mainstream opportunities

- Many of Jamaica's top food exports such as yams, bread and pastries, and sauces are tied to consumption of Jamaican cuisine in the US
- However, these same categories may present new opportunities to meet consumption demands in the US, and utilize existing production capabilities
- For example, the roots and tubers category is driven by yellow yams, but may present an opportunity to diversify to meet growing demand for sweet potatoes

Jamaica has competitive advantages over top US trade partners for categories like crustaceans and fish fillet based on market access

- Existing knowledge of US trade regulations should be leveraged by larger companies to promote diversification of exports
- Strained trade relations with China and new agreements with Mexico open opportunities for Jamaica to increase competitiveness in select categories
- New marketing strategies to help brand recognition and emphasize sustainability could drive sales of coffee and other priority categories
- Growth limited by ability of manufacturers/producers to meet demand

Jamaican exports face most competition in US market

- Fruit categories are especially competitive with domestic production accounting for most of consumption

Key Recommendations

Promote investment and diversification in coffee, bread and pastries, roots and tubers, fruit juices, and crustaceans

- These categories have the largest export potential based on US demand growth, Jamaican supply capabilities, and market access
- These categories also present opportunities for profitable mainstream food products

Increase capacity to export high-demand products like crustaceans and coffee based on forecast demand growth

- Crustacean demand in the US is forecast to grow 4.5% annually over the next five years, with coffee growing 2.6% and ready-to-drink coffee growing 5%
- Importers cite limited Jamaican supply for high-demand products like lobster tails

Promote growth of prestige products such as fruit juices, coffee, fruits, and juices through online retailers

- By leveraging Jamaica's brand reputation for fresh coffee, fruit, and derivatives, Jamaican companies can target health conscious consumers with secondary food products tying in Jamaican ingredients
- In addition to distribution partnerships, target growing channels like online and health retailers where prestige products have higher margins

EXPORT PERFORMANCE

Roots& Tubers and Bread & Pastries are largest food exports from Jamaica to the US today, while Juices grew the most since 2015

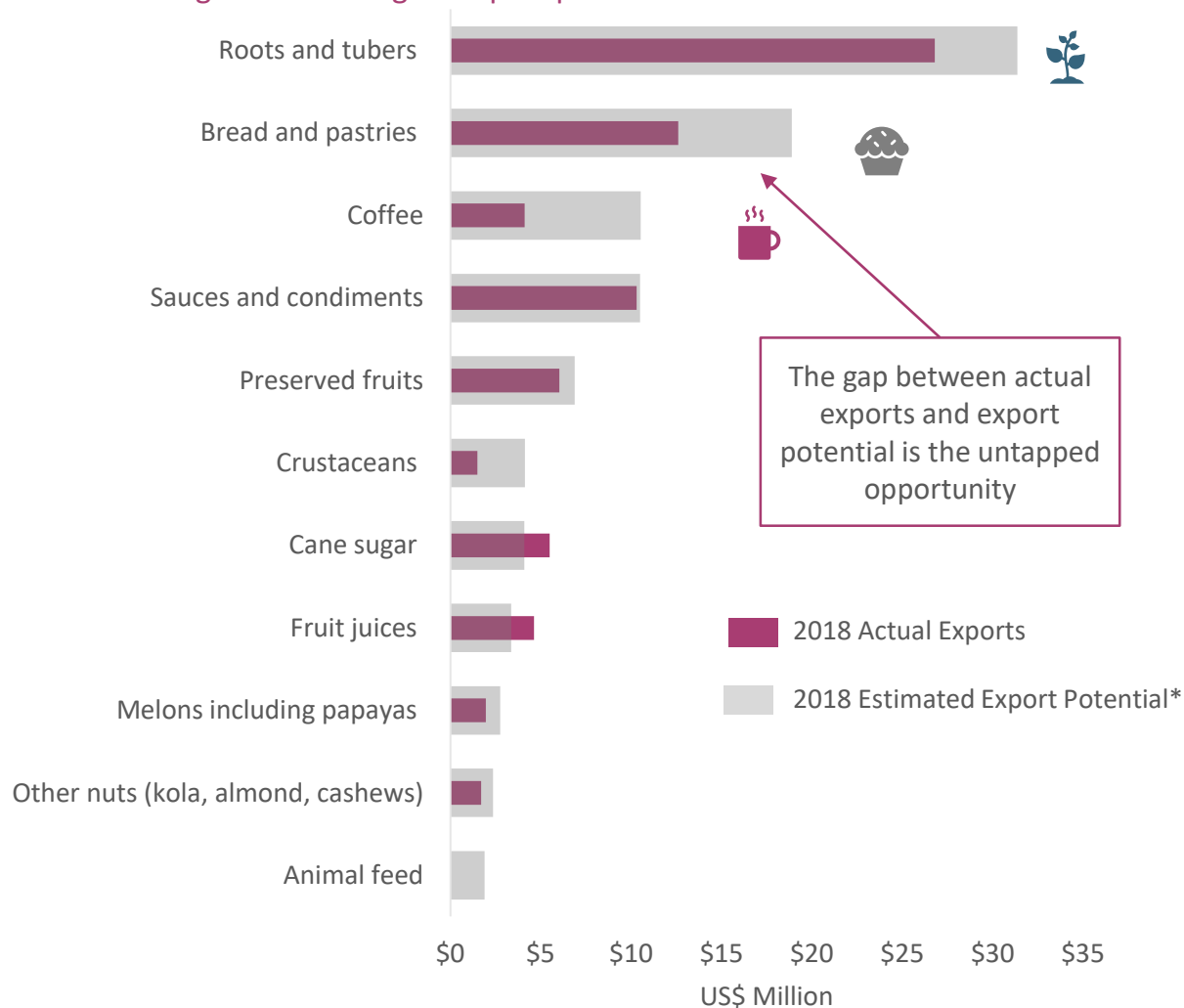
Jamaican Exports	Actual Export Growth (2015–2018)	Export Value (2018)	Historical Export CAGR (2015–2018)	Estimated Outlook	
Roots and tubers	\$4.211 Mn	\$26.829 Mn	5.86%	▲	“Yellow yams are the most popular Jamaican commodity we sell right now.” - AB Tropical, Owner
Bread and pastries	\$4.455 Mn	\$12.602 Mn	15.65%	▲	
Sauces and condiments	(\$331,000)	\$10.293 Mn	(1.05%)	▲	
Food preparations	\$1.57 Mn	\$7.347 Mn	8.34%	▲	Jamaican water crackers and buns are two of the top-selling exports in this category
Waters incl. mineral, aerated, sweetened	\$840,000	\$6.928 Mn	4.4%	▼	36% of US consumers are limiting their intake of refined sugar
Preserved fruits	\$827,000	\$6.038 Mn	5.03%	▲	
Cane sugar	(\$1.456 Mn)	\$5.503 Mn	(7.53%)	▼	
Fruit juices	\$3.992 Mn	\$4.683 Mn	89.24%	▲	Jamaican juice exports continue to grow despite slowing US demand
Other prepared or preserved vegetables	\$262,000	\$4.678 Mn	1.94%	▼	
Cheese and curd	(\$80,000)	\$4.293 Mn	(0.61%)	▼	



EXPORT OPPORTUNITY ANALYSIS

Coffee, Bread & Pastries, and Roots & Tubers are food exports to US with largest unrealized potential

Categories with largest export potential from Jamaica to US



Roots and tubers are already the largest export from Jamaica to the US, yet there is still room to grow an additional \$3.7 Mn in category exports. While current exports feature cassava and yellow yams, there is an opportunity to pivot and meet US demand for sweet potatoes which is forecast to grow 5% annually over the next five years.

“We source a lot of yams and dasheens from Jamaica. These are varieties that are unique to Jamaica and the demand is high.”
 - Golden Crown Depot, President



Bread and pastries exports have grown consistently over the last 10 years expanding \$4.5 million since 2015. While bread and pastry exports have largely been driven by rum cakes, water crackers, and other traditional Jamaican baked goods, there is an opportunity to meet mainstream demand for snacks, which are the fastest-growing food categories in US, especially healthy ones.

“Honestly, everything depends on the supply and demand. Right now, baked products are very popular but the production in Jamaica cannot cover the demand.”
 - Distributor, Seasonal Sea Freight Products



Jamaican **coffee** exports have seen limited growth, fluctuating between \$3 million and \$6 million in exports annually. Price increases have slowed volume growth of Jamaican exports over the last three years, Yet, as American demand is forecast to increase 2.6% per year, there is substantial opportunity to capitalize if Jamaica can achieve previous years’ export volumes at today’s prices.

“What Jamaica could really do is advertise Jamaica Blue Mountain Coffee through tourist advertisements.”
 - Owner, Blue Mountain Coffee

TOP EXPORT OPPORTUNITIES

Overall, Crustaceans, Roots & Tubers are the top Jamaican export opportunities to the US, while Bread & Pastries and Coffee also have strong potential

		Jamaica Export Activity to US		US Category Demand Forecast	
		Historic Export Growth (2015–18, US\$ Mn)	Untapped Export Potential (2015–18, US\$ Mn)	Forecast Category Expansion (2018–21, RSP, US\$ Mn)	Forecast Category CAGR (2018–21, US\$ Mn)
TOP PRIORITY CATEGORIES	Crustaceans	\$1.53	\$2.1	\$973.8	4.52%
	Roots and Tubers	\$4.21	\$3.7	\$351.4	1.92%
	Bread and Pastries	\$4.45	\$4.6	\$5,579	3.42%
	Coffee	(\$0.16)	\$7.5	\$1,108	2.57%
SECOND PRIORITY CATEGORIES	Fruit juices	\$230	\$1.2	\$1,149	1.13%
	Prep. for Animal Food	\$230	\$1.2	\$4,876	4.8%
	Guavas and Mangoes	\$0.00	\$0.9	\$645.9*	0.97%*
	Papayas	\$0.23	\$0.85	\$645.9*	0.97%*
	Nuts	(\$0.48)	\$0.65	\$856.5**	4.02%**
	Pepper	\$0.47	\$0.37	\$497.8***	4.53%***



Coffee

Diversify and extensify production

Drive sales through wide distribution and internet retailing

Invest in branding and marketing to grow demand



Bread & Pastries

Drive growth for successful traditional products like Jamaican buns, water crackers, and patties

Opportunity to expand to new products and brands targeted towards mainstream US consumers



Roots & Tubers

Agricultural conditions and market are ripe for sweet potatoes

Leverage large yam imports to pave the way for other growth categories

Opportunity for minimally processed root/tuber products such as chips



Crustaceans

Crustaceans growing fastest among all seafood demand in US

Jamaican crustacean imports have fluctuated, but over \$2 Mn in untapped export potential remains

Key importers require consistent, long-term supply contracts



GLOBAL SUMMARY / **USA STRATEGY** / CANADA STRATEGY / UK STRATEGY

US Market Overview

US-Jamaica Trade Dynamics

➤ **US Export Growth Strategy**



Coffee

Diversify and intensify
production

Drive sales through wide
distribution and internet
retailing

Invest in branding and
marketing to grow demand



Bread & Pastries



Roots & Tubers



Crustaceans

EXPORT STRATEGY SUMMARY: COFFEE

Increase coffee production and promote in key distribution channels to meet growing US demand



Increase coffee farmer productivity and area planted to promote production

Jamaican coffee, especially the coveted Blue Mountain Coffee (BMC), has been a profitable export with a growing share going to the US. While coffee production and area planted have decreased recently, yields per hectare have recovered since 2014 after suffering.

Still, Jamaica's average Arabica yield per hectare is 10% below the global average. Extension services and farmer cooperatives can help improve yield rates and encourage additional acres planted. Additionally infrastructure improvements in coffee-producing areas are also critical to strengthening market access, reducing exportation costs, and increasing farmer profits.



Diversify coffee production to complement exports of raw BMC beans

Despite lower profitability rates compared to BMC, High-Mountain and Low-Mountain coffee may provide new export streams if managed carefully. Branding would be kept separate to protect BMC's premium price; however, some of the prestige would likely carry over to HMC/LMC promoting growth.

As coffee demand stalls in BMC's largest destination market, Japan, high market prices may be threatened. Diversifying coffee production to complement raw BMC now will protect the industry from potential demand shifts in the medium term.

"Coffee grown in other regions of Jamaica [besides Blue Mountain] is also sold in the US, but it's not called Blue Mountain Coffee. For sure, there is more potential to grow and sell coffee from [these other] regions."

- Owner, Xaymaca Coffee



Plan production to compensate for Brazil's biennial production shortfall

Every other year, Arabica coffee crops produce a reduced harvest due to the biennial production cycle. Brazil produces about a third of global exports, and their biennial production cycle dictates global demand and prices. By planning higher production years to coincide with Brazil's off years, Jamaica can position itself to supplement demand and benefit from higher prices.

The 2019/2020 harvest is expected to be a shortfall year, and Jamaican producers should prepare for any new crops to be in their off year during the 2020—2021 harvest.



Market Jamaican coffee directly to US consumers to drive demand

Coffee is most often exported in raw form to US importers who then sell to coffee brokerages where the beans are usually roasted and further processed before reaching the retail or foodservice channel. Due to the longer shelf-life of raw beans, exports can be shipped throughout the US while maintaining freshness, creating opportunities to build relationships with buyers on the West Coast.

Coffee demand is forecast to grow 2.5% per year for the next five years, with ready-to-drink (RTD) coffee growing 5% annually. While grocery retailers and cafés are the largest distribution channels, online sales are growing fastest. Jamaican should invest in branding and marketing BMC in the US, especially through online channels, to capitalize on continued premiumization of coffee and compete with national brands like Columbia and Ethiopia.

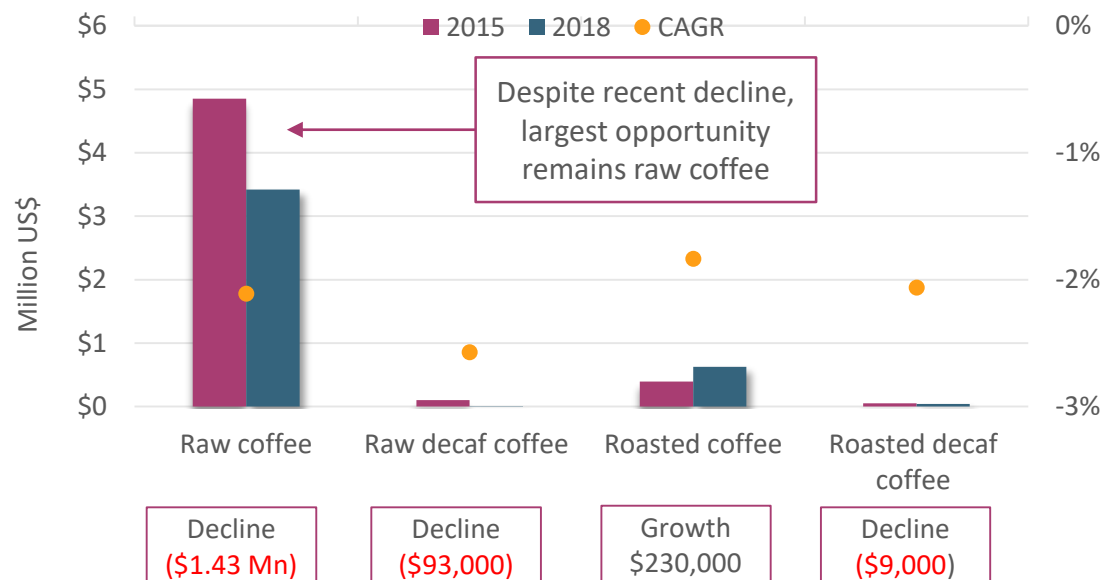
"What would help to increase the export of Jamaican coffee to the US would be to advertise Blue Mountain Coffee, for instance in tourist ads. They could advertise coffee more to tourists so that they consider drinking Jamaican coffee wherever they are."

- Distributor, Pacific Food Distributors

EXPORT STRATEGY: COFFEE

Diversify coffee exports to complement Blue Mountain Coffee; drive sales online and through distributors with wide coverage

Size and Performance of Coffee Exports by Subcategory

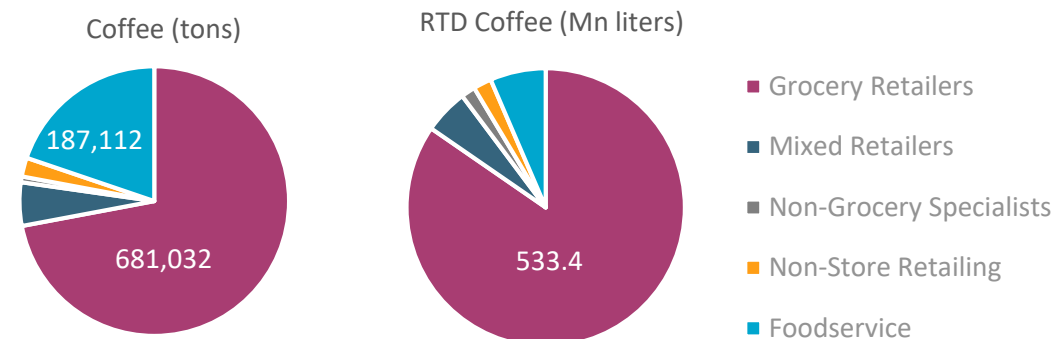


Complement supply of prestigious Blue Mountain coffee by increasing production in other regions with untapped potential

A complex global coffee market combined with local production limits and price management have caused volume and value of coffee exports to fluctuate between years. While Blue Mountain Coffee fetches the highest prices on export market, productivity challenges limit supply below demand levels.

Jamaica can fill demand gap with coffee from High Mountain and Low Mountain regions, using separate branding from Blue Mountain Coffee. This would prevent alternative varieties from lowering the prestige of Blue Mountain Coffee, while maintaining the notoriety of being produced in Jamaica.

2018 Coffee Distribution Volumes in USA



Promote Jamaican coffee exports online, and target distributors and importers with diverse channel coverage

When coffee is imported from Jamaica to the US, its often sold to coffee brokers or roasters who then sell to retailers, **foodservice** and other smaller distribution channels. Some importers also sell coffee directly to consumers **online** which has been the fastest growing channel for coffee, expanding an average of 16% annually. Online marketing can further drive this demand.

Still, most coffee in the US is sold through **grocery retailers**, spread between supermarkets, hypermarkets, and specialist shops. Producers and exporters should try to work with distributors and importers that cover a variety of retail and foodservice channels to hedge demand.

Furthermore, the long shelf-life of raw beans allows for wider geographic distribution in the US. Jamaican exporters should target distributors and importers nationwide and leverage coffee contracts to expand other exports.

Top Leads

Companies that already import Jamaican Blue Mountain Coffee to the US, such as Blue Mountain Coffee and Xaymaca Coffee are not interested in new suppliers as they work directly with farmers. Companies that showed interest include Top Shelf Caribbean, Asli Fine Foods, and Spicy World of USA.

EXPORT STRATEGY: COFFEE**Invest in branding/marketing, certifications, and increasing productivity to drive coffee exports****Opportunities to Grow Coffee Exports****Increase farmer production by improving yield rates and area planted**

- Jamaica's farms have recovered from decreasing farm productivity from 2010 to 2014, but are still 10% below average Arabica yield rates per hectare
- Area planted is down below previous capacity
- With 7,000 producers nationwide, the supply chain is fragmented, making it difficult to implement changes at scale
- Extension services and cooperatives can instruct and organize farmers to increase production by applying tactics to improve yield rates and maximizing areas planted in coffee-producing regions
- A coordinated national effort with tracked targets will grow production

**Invest in infrastructure to increase market access and reduce production costs**

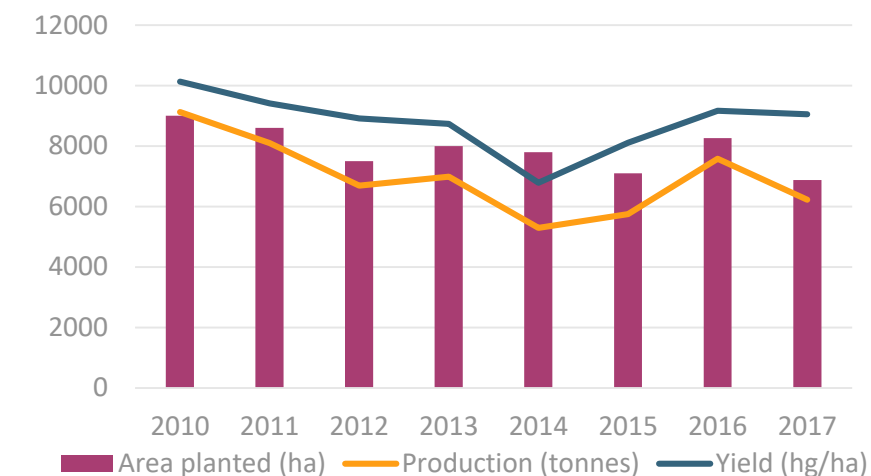
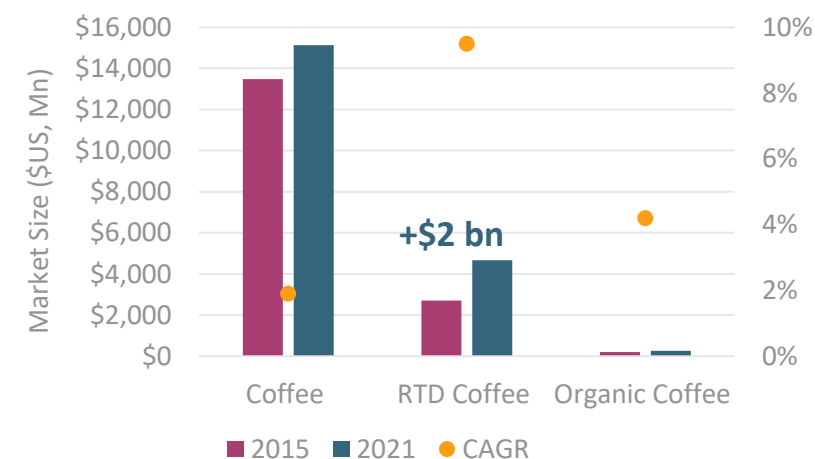
- Suppliers and importers recommend improving roads and bridges in mountainous coffee-producing regions prone to extreme weather
- Improved market access and reduced transportation costs will lead to increases in profit along the value chain and improved delivery times
- These profit increases to farmers provide additional incentives to plant larger areas

**Plan production forecasts to align peak years with lower global production**

- Global coffee production and prices fluctuate each year, especially for Arabica beans
- With a third of global coffee market share, Brazil's biennial production swings drive global Arabica coffee supply and prices
- By forecasting global production and managing new areas planted, Jamaican producers can coincide peak production years with off-cycle years for most of Brazil's crops
- This biennial production cycle has forecasts declining for the 2019/2020 season and Jamaican production should target next season, and every other year for peak production

**Promote prestigious Jamaican coffee brand to entice US consumers**

- Most Blue Mountain Coffee blends are not certified organic or fair trade, but their premium quality is known among coffee enthusiasts
- Advertise Jamaican coffee directly to conscious US consumers by showcasing awards and building Jamaican brand to compete long-term with other imports

SUPPLY: Jamaican Coffee Area Planted, Yield Rates, and Total Production**DEMAND: US RTD and Organic Coffee Sales Outpace Coffee**

EXPORT STRATEGY: COFFEE**Starbucks and Folgers lead coffee sales in the US; capsules remain more premium than others**

Top Coffee Brands in US (RSP, US\$ Mn)

Brand	Company	2018 Sales
Starbucks	Nestlé SA	\$1,843.3
Folgers	JM Smucker Co, The	\$1,546.1
Maxwell House	Kraft Heinz Co	\$939.6
Green Mountain	Keurig Dr Pepper Inc	\$536.0
Nespresso	Nestlé SA	\$394.2
Dunkin' Donuts	Dunkin' Brands Group Inc	\$364.3
Dunkin' Donuts	JM Smucker Co, The	\$319.3
Eight O'Clock	Tata Global Beverages Ltd	\$318.8
Nescafé	Nestlé SA	\$296.7
Donut Shop	Keurig Dr Pepper Inc	\$271.3

**Top Brands**

Starbucks is the best-selling coffee brand in the US. Owing three of the top 10 brands, Nestlé SA holds the biggest company share with Starbucks, Nespresso, Nescafé and Seattle's Best Coffee.

**Pricing**

Capsules such as Nespresso are more costly in comparison to coffee beans and coffee powder. Interestingly, there are also collaborations between coffee brands such as Starbucks and Nespresso, launching Starbucks by Nespresso capsules in May 2019.



Coffee



Bread & Pastries

Drive growth for successful traditional products like Jamaican buns, water crackers, and patties

Opportunity to expand to new products and brands targeted towards mainstream US consumers



Roots & Tubers



Crustaceans

EXPORT STRATEGY SUMMARY: BREAD & PASTRIES

Build new brands and baked products to capitalize on growth and existing trade networks



High-volume baked goods exports made up of traditional Jamaican products

Jamaican exports \$27 Mn of baked goods to the US, made of mostly traditional Jamaican packaged baked goods such as Jamaican buns, water crackers, and patties. While the market for these products is stable, there is a bigger prize for mainstream baked goods which are forecast to grow 2% in the US.



Competition from locally sourced products requires focused strategy

Pastries are one of the largest subcategories of baked goods, and their demand in the US growing at 3.3% per year. Unpackaged baked goods are leading that growth, driven by trends towards freshness and foods that are free from preservatives.

Jamaican exports of packaged baked goods should follow this same trend towards freshness and healthiness, with transparent ingredients and minimal processing.



Export new bread and pastry products designed for mainstream US consumers

Leverage existing expertise and trade networks in packaged baked goods to launch new products and brands designated towards the US market. This means growing Jamaican companies launching new baked goods catered towards the American palate for convenient, on-the-go snacks with health benefits.



Key distributors interested in patties and other products from Jamaica

Key distributors have shown interest in new traditional packaged baked goods from Jamaica. While some of these are focused on ethnic foods, others may provide a market for traditional and non-traditional baked goods exports.

"For bread and pastries, there are certain things that have potential and other things that don't. I think that patties are not something that are likely to be exported from Jamaica and imported to the US. But I think that there is more potential for buns and crackers."

- Seasonal Sea Fright Products, Procurement Manager

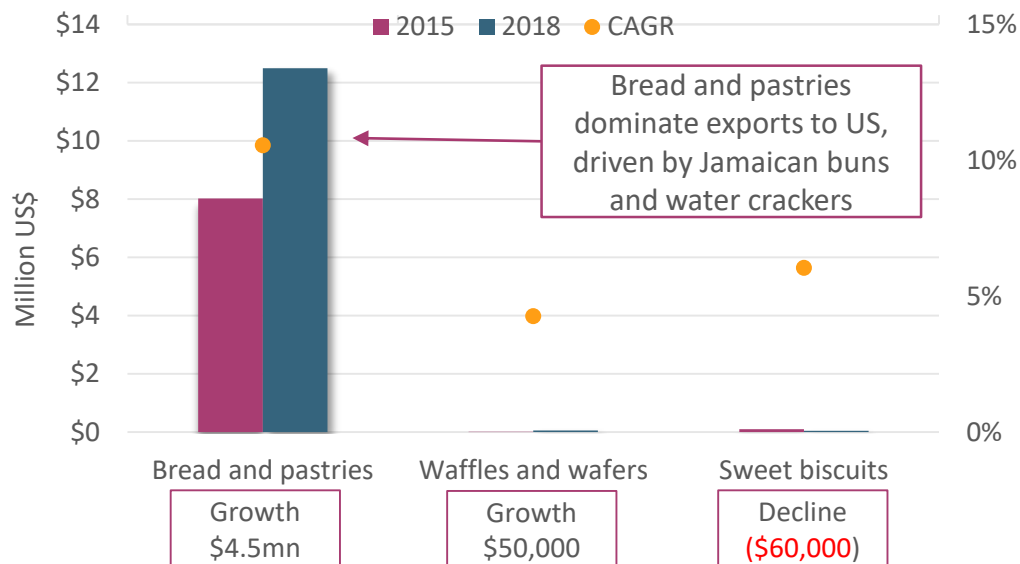
"I think that we currently do not use imported bread and pastry products because we are able to source them here. However, if we would find a supplier that is reliable and offers great baked goods based in Jamaica, we would consider them."

- First World Imports, Sales Manager

EXPORT STRATEGY: BREAD & PASTRIES

Market traditional baked goods alongside mainstream products to key distributors

Size and Performance of Bread and Pastries Exports by Subcategory

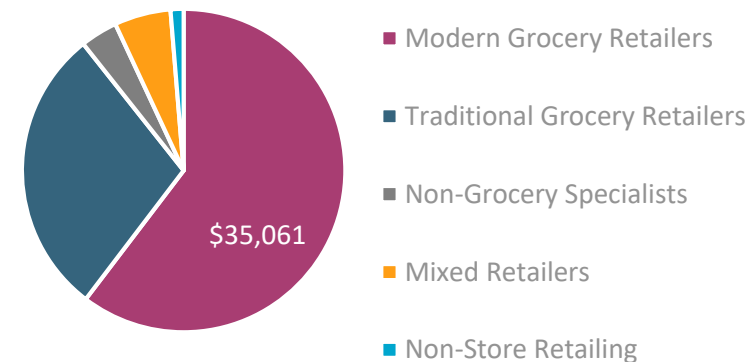


Bread and pastries dominate category driven by exports of water crackers, Jamaican buns, and patties

These popular traditional exports are mostly consumed by Jamaicans and their descendants in key markets such as New York City and Miami. With half of Jamaican citizens living abroad, this market is significant and expected to grow. Several distributors mention shortages of Jamaican patties as an unmet need, but the demand seems stable.

However, the broader opportunity is for branded Jamaican products in the US to meet the overall projected import growth.

2018 Packaged Baked Goods Distribution in US (US\$, RSP, Mn)



Modern grocery stores such as supermarkets and hypermarkets lead distribution of packaged baked goods

Packaged baked goods qualify for national distribution in the US, as long as they are shelf-stable. **Modern grocery retailers** sell most baked goods in the US with many baked goods distributed through small convenience stores.

Traditional grocery retailers account for a much larger proportion of sales than other categories and these include ethnic grocers **Foodservice** and **internet retailing** are less relevant channels for packaged baked goods because they are most often consumed as a snack, on the go, or at home.

Top Leads

Companies new to Caribbean foods like Epicure Foods Corp and Seasonal Sea Freight Products have shown interest in bread and pastries from Jamaica.

"We are interested in Jamaican pastries. I actually don't have any opinion about it yet and am very curious."

- Epicure Foods

EXPORT STRATEGY: BREAD & PASTRIES

Develop healthy, mainstream packaged baked goods and position traditional products towards mainstream

Opportunities to Grow Baked Good Exports



Ensure key distributors have stable supply of traditional products

- Some distributors cite difficulty sourcing patties and other traditional baked goods
- Proper inventory controls and demand forecasts are critical to keeping importers and distributors happy, and consistency can be key to expanding trade partnerships
- Patties, for example, meet on-the-go consumption trend, and would need healthier ingredients to also capitalize on health trends and enter the mainstream market as a prestige product



Target mainstream US consumers with new packaged bread/pastries

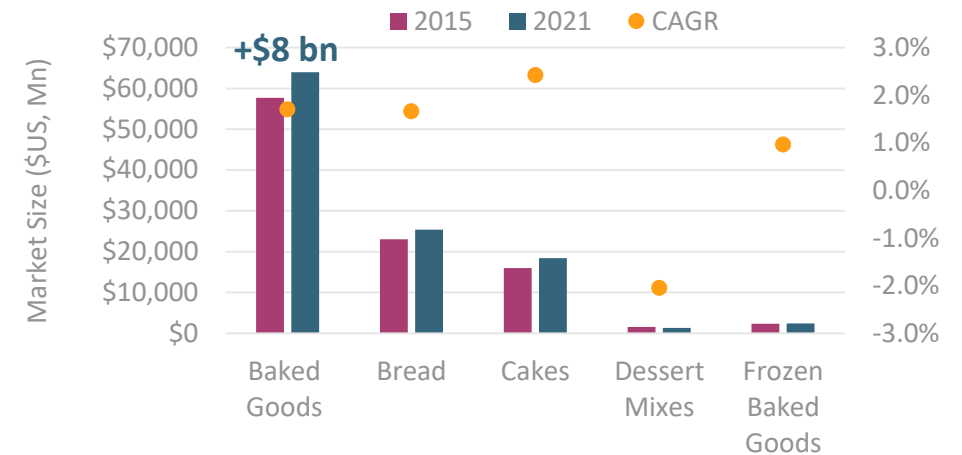
- Launch mainstream baked goods with Jamaican branding to capture a piece of the \$8 bn in baked good growth over the next three years
- Baked goods marketed as health snacks with holistic ingredients from Jamaica will appeal to the growing demand for health foods



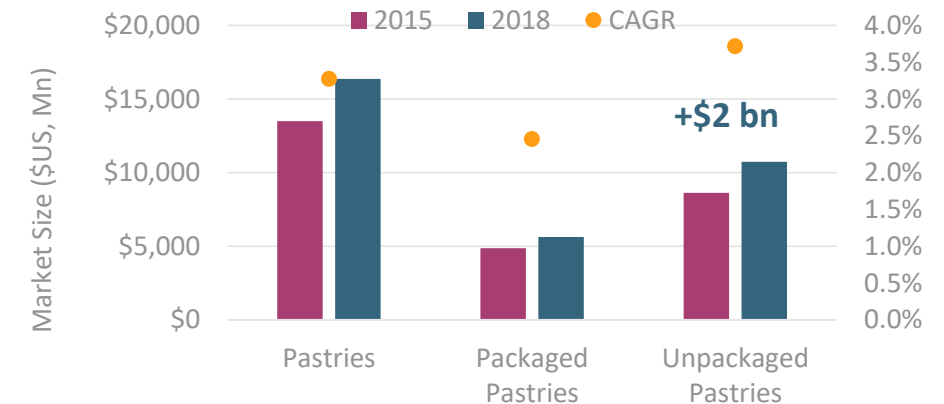
Mix of fresh/natural ingredients with shelf stability

- Packaged baked goods exports must maintain shelf stability, but producers should avoid extensive preservative or chemical additives in favor of natural flavors
- US consumers are gravitating towards products with transparent ingredients and clear origins

DEMAND: US baked goods market shows steady growth



DEMAND: Unpackaged pastries have larger growth forecast



EXPORT STRATEGY: BREAD & PASTRIES

Little Debbie and Entenmann are top baked good brands; pricing ranges from \$2-\$30/kg

Top Bread and Pastry Brands in US (RSP, US\$ Mn)

Brand	Company	2018 Sales
Little Debbie (McKee Foods Corp)	McKee Foods Corp	\$1,198.5
Entenmann's (Grupo Bimbo SAB de CV)	Grupo Bimbo SAB de CV	\$1,148.8
Nature's Own (Flowers Foods Inc)	Flowers Foods Inc	\$1,114.1
Sara Lee (Grupo Bimbo SAB de CV)	Grupo Bimbo SAB de CV	\$1,041.4
Thomas (Grupo Bimbo SAB de CV)	Grupo Bimbo SAB de CV	\$1,028.6
Hostess (Hostess Brands LLC)	Hostess Brands LLC	\$947.9
Pepperidge Farm (Campbell Soup Co)	Campbell Soup Co	\$906.8
Mission (Gruma SAB de CV)	Gruma SAB de CV	\$897.6
Pop Tarts (Kellogg Co)	Kellogg Co	\$744.0
Kellogg's (Kellogg Co)	Kellogg Co	\$676.6



Top Brands

Little Debbie is the most popular baked goods brand in the US, while Grupo Bimbo SAB de CV is the company with the largest share made up of Sara Lee and Thomas baked goods brands.



Pricing

Packaged pastries and cakes are the most expensive subcategory by kg, led by Drake brand which makes a variety of packaged baked snacks.

2018 Bread and Pastry Prices in US Supermarkets (RSP, US\$)

Subcategory	Brand	Company	Price per Kg
Packaged Flat Bread	Mission	Gruma Corp	\$7.01
Packaged Bread	Arnold	Bimbo Bakeries USA Inc	\$4.38
Packaged Bread	Brownberry	Bimbo Bakeries USA Inc	\$4.38
Packaged Bread	Oroweat	Bimbo Bakeries USA Inc	\$4.38
Packaged Bread	Other Bimbo brands	Bimbo Bakeries USA Inc	\$3.32
Packaged Bread	Other Flowers brands	Flowers Foods Inc	\$5.47
Packaged Bread	Pepperidge Farm	Campbell Soup Co	\$4.38
Packaged Bread	Sara Lee	Sara Lee Bakery Group	\$3.49
Packaged Bread	Thomas	Bimbo Bakeries USA Inc	\$5.88
Packaged Bread	Walmart	Walmart Stores Inc	\$1.67
Packaged Bread	Wonder	Flowers Foods Inc	\$3.86
Packaged Cakes	Drake	McKee Foods Corp	\$28.85
Packaged Cakes	Entenmann's	Bimbo Bakeries USA Inc	\$10.24
Packaged Cakes	Hostess	Hostess Brands, LLC	\$8.25
Packaged Cakes	Little Debbie	McKee Foods Corp	\$3.87
Packaged Cakes	Mrs Freshley's	Flowers Foods Inc	\$9.61
Packaged Cakes	Tastykake	Tasty Baking Co	\$4.81
Packaged Cakes	Walmart	Walmart Stores Inc	\$4.01
Packaged Pastries	Drake	McKee Foods Corp	\$32.36
Packaged Pastries	Entenmann's	Bimbo Bakeries USA Inc	\$5.26
Packaged Pastries	Hostess	Hostess Brands, LLC	\$6.71
Packaged Pastries	Kellogg's Pops	Kellogg Co	\$11.25
Packaged Pastries	Little Debbie	McKee Foods Corp	\$5.24
Packaged Pastries	Walmart	Walmart Stores Inc	\$6.54



Coffee



Bread & Pastries



Roots & Tubers

Agricultural conditions and market are ripe for sweet potatoes

Leverage large yam imports to pave way for other growth categories

Opportunity for minimally processed root/tuber products such as chips



Crustaceans

EXPORT STRATEGY SUMMARY: ROOTS & TUBERS

Leverage growing root/tuber exports and agricultural advantages to expand into new exports such as sweet potatoes

**Build winning root and tuber exports including secondary food products**

Jamaica continues to produce and export roots and tubers on a large scale. The question now is how much capacity is there. While the market for yams may have some future growth, other roots and tubers such as sweet potatoes have strong growth, with sweet potatoes sales expanding at 3%, adding \$3 Mn in sales from 2018 through 2023.

Additionally, savory snacks are a growing market opportunity, expanding \$5 bn in the US between 2013 and 2023 to become the largest-growth food category. Within this category, vegetable chips such as tuber chips grew almost 10% from 2013—2018 marking a key trend towards healthy snacking.

**Leverage large yam export contracts to help develop other sectors**

Keeping momentum for large exports like roots and tubers should be the export agency's top priority, and this continued growth can build trade relationships and arrangements that can be leveraged by other categories. In order to do this, Jamaican producers and exporters must combine market power and leverage it to grow new industries. This arrangement could see legacy yam imports packaged with newer sweet potato or cassava imports that grow alongside each other. Less perishable products such as roots and tubers can also pave the way to grocery stores for more perishable products like fruits.

**Target mainstream foodservice distributors to become national supplier**

As root and tuber production capacity grows, exports can meet supply needs of mainstream distributors throughout the US. With a longer shelf-life compared to other fresh foods, roots and tubers provide an opportunity to reach markets in Western states.

Consumption of starchy roots in the US is growing, lead by consumption in restaurants. Therefore, foodservice distributors are expected to have the most demand in the near and long term.

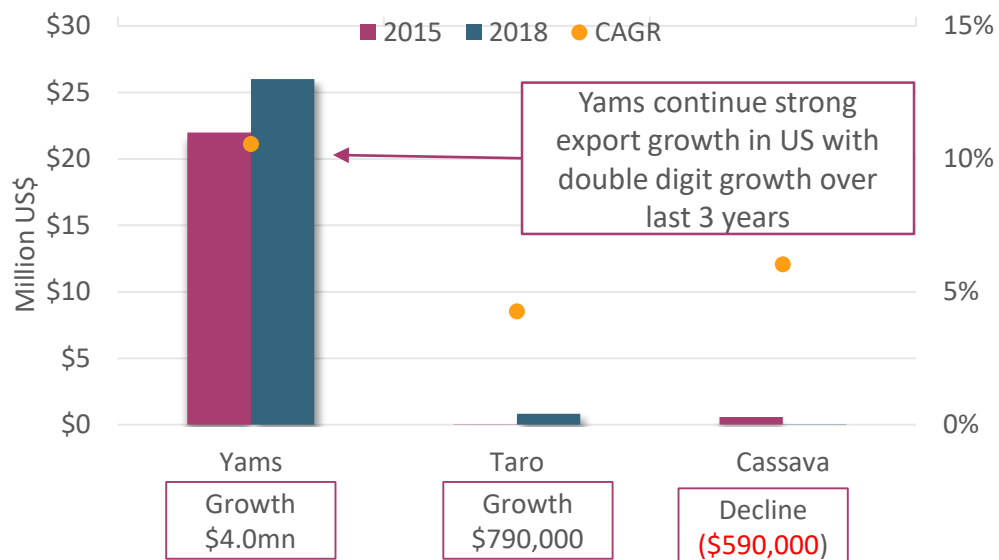
"Fresh fruits and vegetables have a huge potential but for the West Coast the problem is that Jamaica is so far away. Here, a lot of people get these fruits from Mexico. However, the look and taste of Caribbean fresh produce is very different, and companies could take a chance and try to get them from the East Coast. There are some products that we get requests for, but we can't offer them because they are perishable."

- Top Shelf Caribbean, Purchasing Manager

EXPORT STRATEGY: ROOTS & TUBERS

Continue to drive exports of yams while building industry for other Roots & Tubers

Size and Performance of Root and Tuber Exports by Subcategory

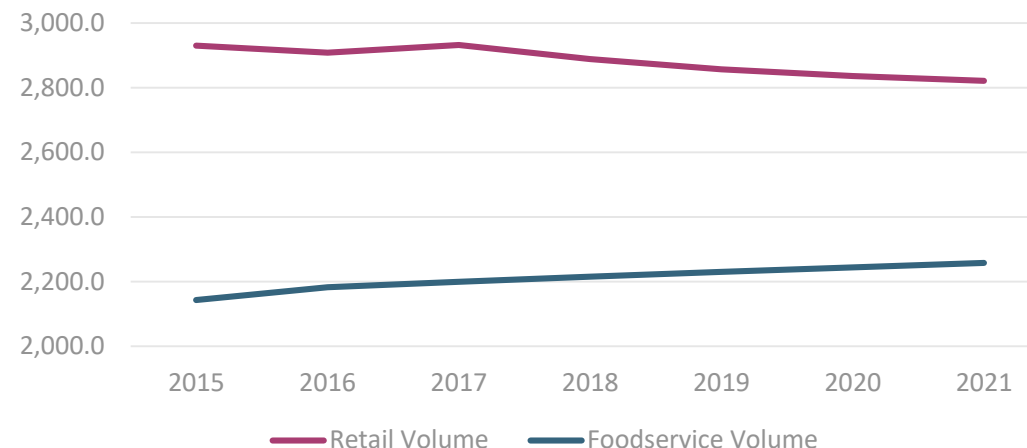


Yams dominate historically and projected to grow steadily after recent rapid growth

Yams exports have grown steadily since 2012 to become Jamaica's largest export totaling \$27 Mn in 2018. These exports should remain a priority sector, but competition from other Caribbean or local suppliers could threaten demand for Jamaican yams at some point. In order to sustain growth of root and tuber exports amid these risks, farmers and distributors should consider producing and marketing other roots and tubers.

"It makes sense that this is the highest number out of these categories, because Jamaican yams are super popular here"
 – Importer at AB Topical

2018 Starchy Roots Distribution in US (tons)



Foodservice use of starchy roots is growing while retail sales decline

Most vegetable roots and tubers sold to the US are sold through **grocery stores**, yet foodservice is growing quickly while retail volume sales decline. Ethnic **foodservice** distributors are the most immediate opportunity, yet mainstream consumption of roots and tubers in the US will be led by sweet potatoes.

Top Leads

Most ethnic distributors expressed interest in or experience with exporting Jamaican yams including AB Tropical, Top Shelf Caribbean, Golden Crown Depot, and Caribbean Produce. No distributors had experience with potatoes or sweet potatoes from Jamaica yet.

EXPORT STRATEGY: ROOTS & TUBERS

Explore secondary food products like tuber and plantain chips from Jamaica

Opportunities to Grow Roots and Tuber Exports



Maximize exports of yams to US through expanded distribution

- Exporters should work to expand networks through new fresh food distributors and importers in the US
- Existing contracts can be negotiated based on larger supply if demand is sufficient and producers can expand capacity
- Growing interest in paleo diet is one driver of future demand for roots and tubers in North America and beyond



Investigate US markets for sweet potatoes from Jamaica

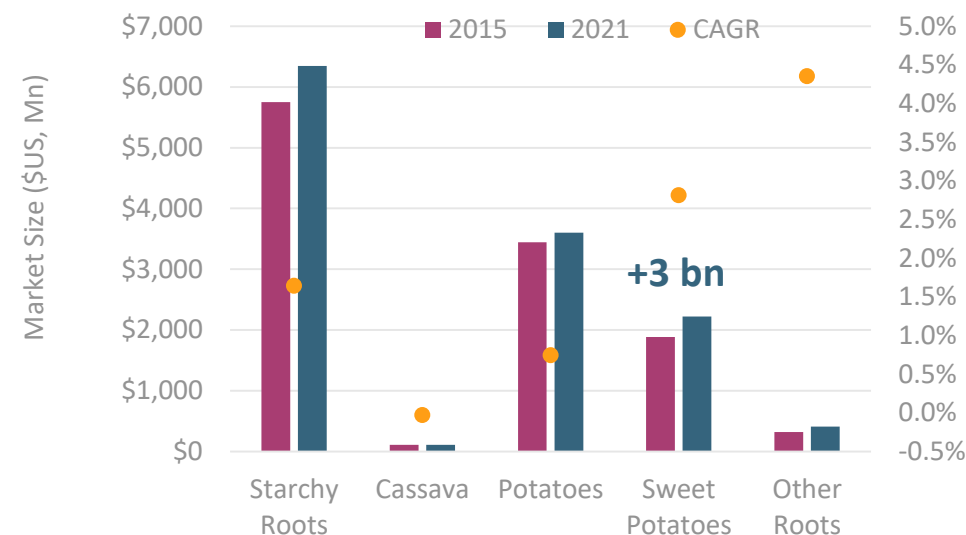
- Jamaican sweet potatoes are slightly different from the ones consumed in the US, so a key first step in investing in the industry will be to verify the viability of producing the type of products US consumers want
- Producers should compare popular sweet potato varieties and invest in trial plots to perfect production that meets consumer preferences



Develop processed food exports using staple ingredients

- While demand for starch roots in the US grows slowly, savory snacks are growing more quickly
- Vegetable chips are a hit in the US and are expected to continue growth through products like Terra chips made of baked roots and tubers including yams and yuca
- These products appeal to US consumers trending towards healthy snacking, and a similar branded Jamaican product could appeal to the same broad market

DEMAND: US Starchy Roots Market Expanding



US demand for baked goods continues steady growth close to average rate of packaged food growth.

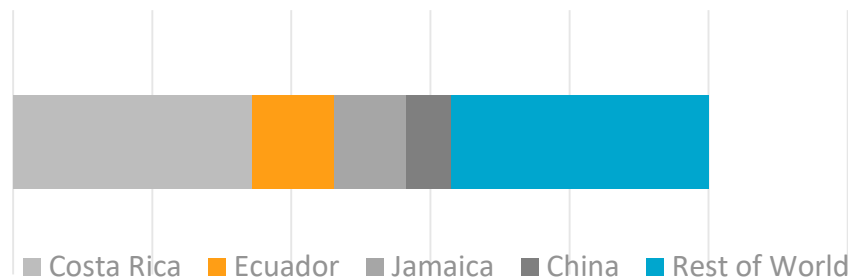
Sweet potatoes and Other Roots outperform the rest of the category, indicating largest growth opportunity in the mainstream US market

Savory snacks, largely derived from roots and tubers, are the largest-growth food category in the US. Driven by increases in snacking, savory options can supplement or complement meals for the on-the-go consumer

Healthy options such as vegetable chips are growing rapidly (10% in 2013—18) to meet consumer demand. Jamaica has the tools to penetrate this market and the brand authenticity to pull off a savory snack disruption

EXPORT STRATEGY: ROOTS & TUBERS

Costa Rica is the largest exporter of roots and tubers to the US; pricing varies from \$2-\$6/kg

Top Exporters of Roots & Tubers to US (RSP, US\$ Mn)

Costa Rica is the largest exporter of roots and tubers to the US, accounting for more than a third at 34.4%. Ecuador and Jamaica are the next two key exporters at 11.8% and 10.3% in 2018.

2018 Roots & Tubers Prices in US Supermarkets (RSP, US\$)

Subcategory	Brand	Company	Price per Kg
Potatoes	Organic Gold Potatoes	Mariano's	\$2.93
Potatoes	Red Potatoes	Mariano's	\$5.73
Potatoes	Yellow Potatoes	Mariano's	\$5.51
Sweet Potatoes	Sweet Potatoes	Mariano's	\$1.96

Sweet potatoes generally have lower unit prices than potatoes. Private label is present with brands such as Whole Foods Market and Kroger. Other brands include Fresh from the Start, Simple Truth Organic, and Honest Earth Organic Farms.



Coffee



Bread & Pastries



Roots & Tubers



Crustaceans

Crustaceans growing fastest among all seafood demand in US, yet exports decline

Jamaican crustacean imports have fluctuated, but over \$2 Mn in untapped export potential remains

Key importers require consistent, long-term supply contracts

EXPORT STRATEGY SUMMARY: CRUSTACEANS

Capitalize on growing opportunity in crustacean category with investments in lobster industry



Jamaican lobster exports have seen historical success, but recent decline

While other Jamaican exports see growth, crustaceans exports have declined significantly in recent years after experiencing healthy growth. New procedures for lobster fishing licensees in Jamaica and seafood permits in the US may be to blame for the sharp decline in lobster exports recently.



Economic pricing drives up value of rock lobsters

Frozen rock lobsters and other sea crawfish are seeing strong demand among North American consumers thanks to lower prices than for domestically sourced Maine lobster. Imported frozen shrimp, prawns and lobster (*homarus Spp.*) supported by easy storage and cooking preparation



Develop capacity to meet fast-growing US demand for lobster

Declining exports are a concern considering demand in US and Canada is rising. Demand for lobster in US is set to grow from \$5 bn in sales annually in 2018, to \$7 bn in 2021. While some of US lobster imports come from Canada and Ecuador, Jamaica has logistical advantages over other top exporters such as India and Indonesia that are further away.

Lobster fishers can capitalize on this growth by expanding fleets and investing in technology to improve catches. Also, entrepreneurs should develop new companies to fill potential if fisheries can support sustainably.



Frozen lobster tails are prime for national distribution with better margins

Pricing margins on frozen rock lobster tails, combined with their longer shelf, life creates incentives for distributors around the country to supply imports from Jamaica. As demand grows, distributors are showing interest in expanding their sourcing for frozen rock lobster tails creating a clear market opportunity if Jamaican fishers can ramp up production.

"We used to import a lot of conch from Jamaica but we had to stop importing because the company we worked with ran out of business. Other than that, we haven't been approached by anyone offering Jamaican crustaceans but we would be very interested to see what they have to offer "

- Top Shelf Caribbean

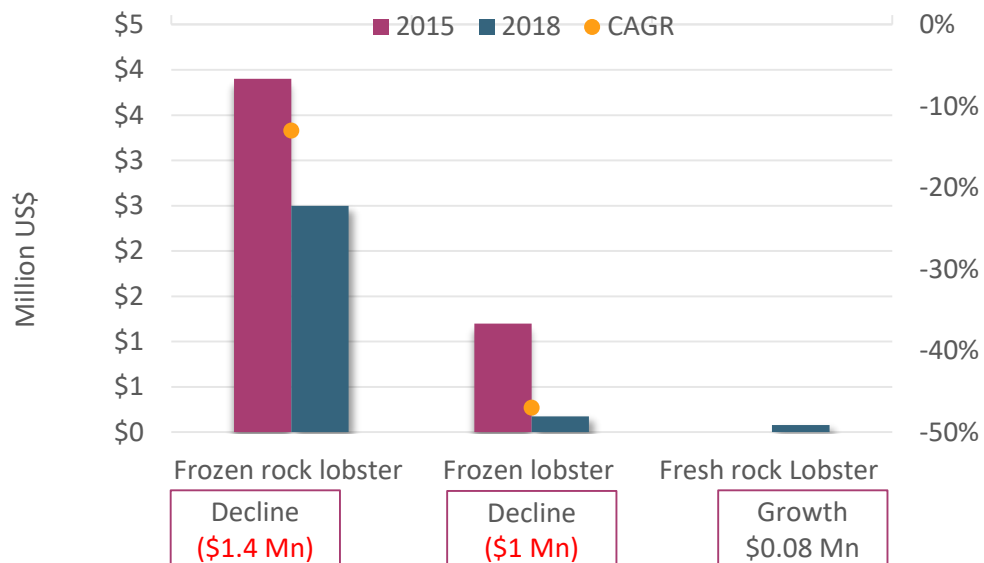
"We don't import anything from Jamaica yet and I think there's no particular reason why. Nobody has approached us and said: "This is what we have, would you be interested?" We would definitely look at the products and see if we like them and if they fit with the demand of our clients."

- Pacific Food Distributors

EXPORT STRATEGY: CRUSTACEANS

Huge opportunity remains for Jamaican lobster exports despite recent declines

Size and Performance of Crustacean Exports by Subcategory

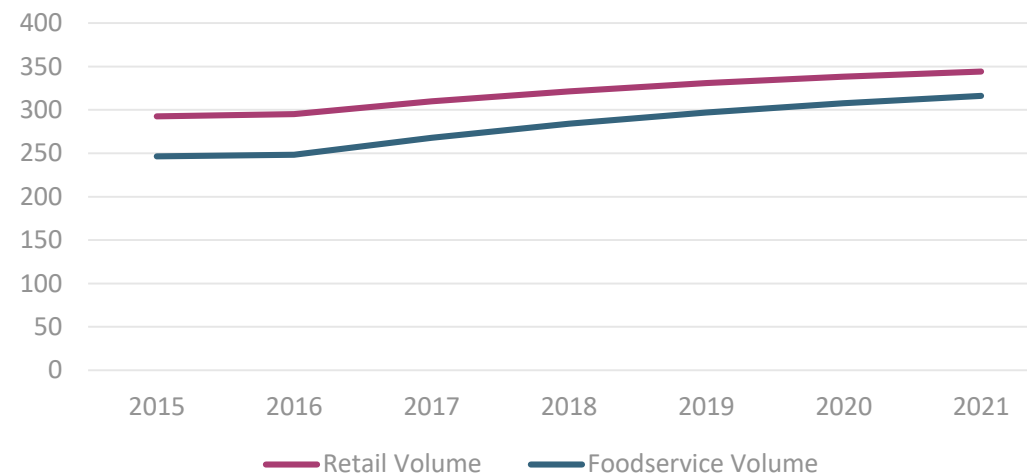


Crustacean exports declining led by frozen lobster

Lobster exports were growing steadily and peaked in 2015, then declined sharply in 2016. Distributors report key suppliers going out of business. But current export opportunity is estimated to double the current value exports.

While both fresh and frozen lobster are feasible for Jamaican producers, the financial and technical requirements to exporting may be barriers to sustained success.

2018 Crustacean Distribution in US



Retail and foodservice continue growth with foodservice slightly outpacing retail

Invest in growing crustacean segment by building relationships with small network of seafood distributors. For both **foodservice** and **retail**, these distributors are seen as specialty due to the high demand, high margins, and strong quality controls. Additional sustainability certifications can add value as US consumers are increasingly environmentally conscious.

Top Leads

- Giovanni Fresh Market
- Pacific Food Distributors

"So far, we don't really import much from the Caribbean. I've heard about Jamaican lobster tails and would be interested to offer this to our clients."
- Giovanni Fresh Market

EXPORT STRATEGY: CRUSTACEANS

Invest in fishing and processing to build lobster industry in Jamaica

Opportunities to Grow Crustacean Exports



Follow strict government guidelines for importing seafood into US

- The Food and Drug Administration (FDA) of the US government has strong policies in place to protect against unsafe seafood imports
- The Seafood Hazard Analysis and Critical Control Points (HACCP) regulations lay out the steps required prior to and during exportation including inspection of facilities, sourcing disclaimers, and product sampling
- All exporters or their US agents are required to have an International Fisheries Trade Permit (IFTP)



Invest in processing facilities to maximize frozen lobster tail production

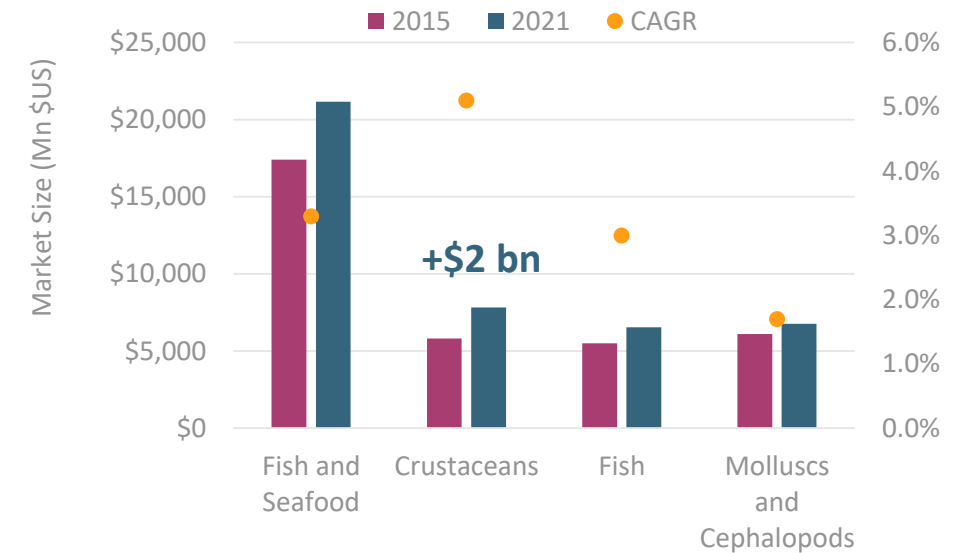
- Investments in seafood processing facilities can serve other exports outside crustaceans, and help develop the seafood industry
- US demand for fish fillets is also growing rapidly, creating another opportunity for frozen seafood exports



Build branding around the quality of Jamaican lobster tails

- Distributors have positive impressions of Jamaican frozen rock lobster tails which could be turned into a reputation among chefs and consumers
- Tropical lobsters are generally targeted species in the US
- Push strong impressions of Jamaican lobster to influential customers in the US

DEMAND: Crustacean demand in US highest among all other seafood



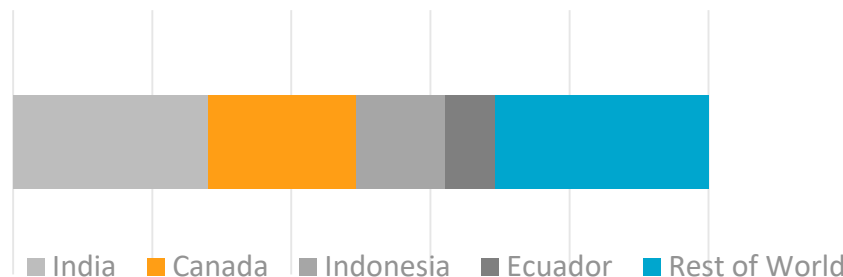
All seafood categories growing while crustaceans grow most quickly

Market for crustaceans set to continue growth, creating room for new exports from Jamaica. Crustacean growth is a leader in fresh foods and presents a clear opportunity for a new player in Jamaica to capitalize on.

"Most people like the local seafood, but a lot of sushi restaurants want the Japanese products the Caribbean restaurants are interested in Jamaican fish. We also offer lobster tails from Brazil because they are world famous."
- Coller Fresh Foods

EXPORT STRATEGY: CRUSTACEANS

India accounts for almost a third of exports to the US; prices range from \$20 to \$50 per kg

Top Exporters of Crustaceans to US (RSP, US\$ Mn)

Despite high import levels, US crustacean imports have increased more slowly than world exports. At 28%, India is the leading crustacean exporter to the US, ahead of other countries such as Canada, Indonesia, and Ecuador.

2018 Crustacean Prices in US Supermarkets (RSP, US\$)

Subcategory	Brand	Company	Price per Kg
Crustaceans	Mariano's Lobster Tail	Mariano's	\$48.48
Crustaceans	Sam's Choice Snow Crab Legs	Walmart Stores Inc	\$35.04
Crustaceans	Sea Best Shrimp, Snow Crab & Mussels	Beaver Street Fisheries Inc	\$19.09
Crustaceans	Fairway Jumbo Cleaned Shrimp	Fairway Group Holdings Corp	\$35.25
Crustaceans	Fairway Cleaned Shrimp	Fairway Group Holdings Corp	\$26.43

Different types of crustaceans vary in prices, with lobsters and crabs being more expensive than others such as shrimp. Jumbo sized crustaceans also command a higher unit price than regular sizes. Aside from brands such as Sea Best and Mariano's, there is also presence of private label such as Fairway, Kroger, and Sam's Choice by Walmart.



GLOBAL SUMMARY / USA STRATEGY / **CANADA STRATEGY** / UK STRATEGY

- **Canada Market Overview**
 - Canada-Jamaica Trade Dynamics
 - Canada Export Growth Strategy

KEY TRENDS AFFECTING CANADIAN INTERNATIONAL TRADE

Canadian market is smaller than US and UK with strict import requirements and strong ties to neighbors

1

Protective of certain food categories that are national priorities

A large portion of the Canadian economy is walled off to foreign investment, with the key food sectors being dairy and maple syrup. Outside of these, there is clear opportunity for bilateral trade between Jamaica and Canada.

2

Smaller scale and growth of Canadian imports

Compared to US and UK imports, Canada imports fewer products at a smaller scale. Imports are also growing more slowly than in other markets as is demand for certain categories .

3

Canada is more open to imports from neighbors

Much of Canadian trade is based on the close relationship with North American neighbors, institutionalized in trade agreements from the North American Free Trade Agreement historically, to the new US-Canada-Mexico Trade Agreement.

4

Strict importing requirements require strong adherence

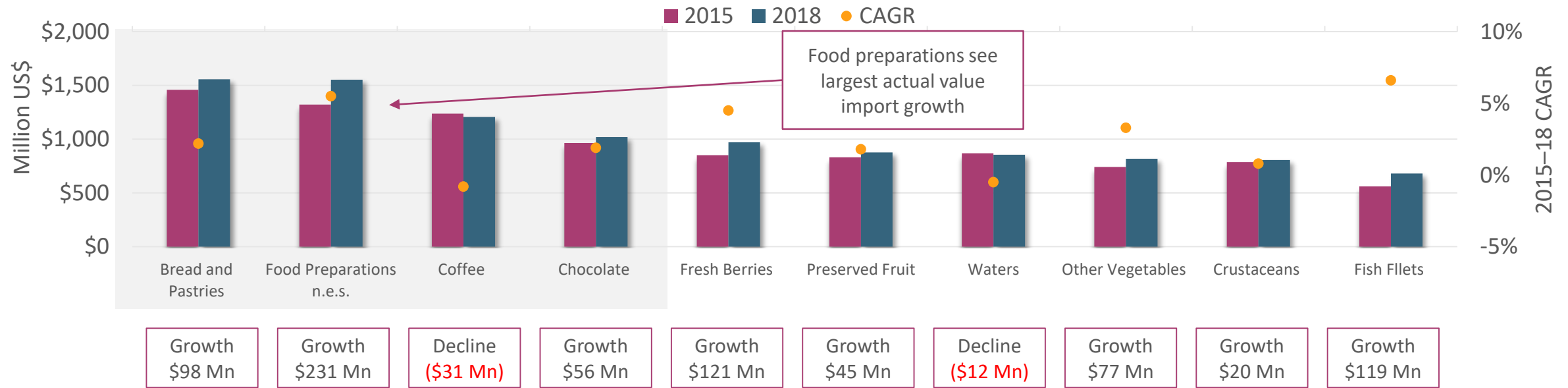
While the Canadian Food Inspection Agency (CFIA) sets the policies and regulations for the importation of food, agricultural inputs and agricultural products into Canada, the Canada Border Services Agency (CBSA) is responsible for the initial import inspection of these imports at Canadian entry points to verify the requirements for all departments and agencies of the government of Canada.

Food importers require a license under the [Safe Food for Canadians Regulations \(SFCR\)](#) which came into force on January 15, 2019. Certain requirements are being phased in over the subsequent 12 to 30 months. The SFCR timelines and interactive tools to help determine if and what requirements apply to a commercial importer can be found [here](#).

TOP IMPORTS

Canadian imports are growing share of economy led by packaged foods

Import Size and Performance from 2015 to 2018



Food preparations lead growth

While bread and pastries have been the largest export category historically, food preparations are on pace to take the lead. With over \$200 million in growth, Food preparations make up most of the growth over the last three years.

Mix of packaged food imports and fresh

Canada's imports of coffee, fresh berries, other vegetables, and seafood are outsized by packaged foods categories.

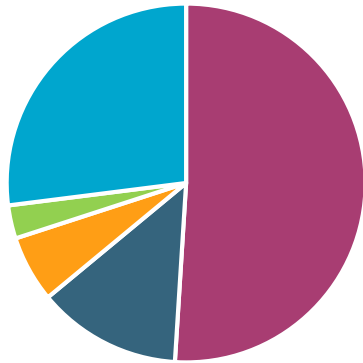
Smaller scale and growth of imports

Compared to the US and UK markets, the Canadian market has the highest imports as a percent of GDP. While US imports account for 15% of GDP, and UK imports make up 31% of GDP, Canadian imports are 34% of GDP and have been steadily increasing. Still, the scale of imports much smaller than both other markets.

CANADA TOP TRADE PARTNERS

US is Canada's largest trade partner by far, followed by Mexico and China

Largest Food Trade Partner by Share of US Imports



■ USA ■ China ■ Mexico ■ Germany ■ Rest of World

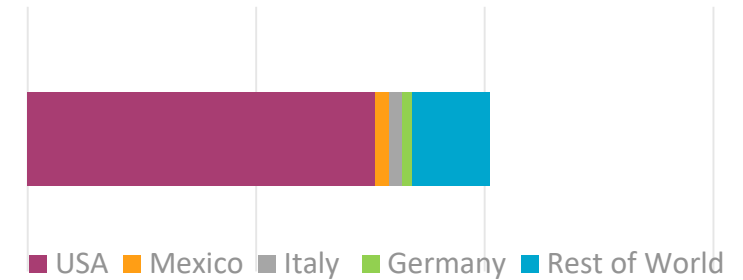
The **US** dominates trade with Canada, accounting for over half of all imports.

Canada's North American neighbors account for almost 2/3 of total imports, historically driven by the NAFTA and expected to continue under the new . **Mexico** is a key partner for fresh foods and some packaged foods categories.

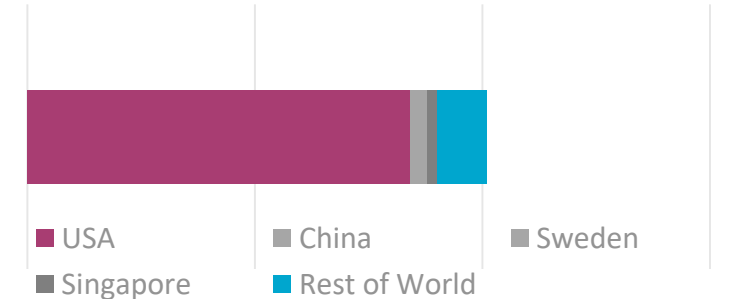
2018 Top Exporters of Top US Imports

BREAD & PASTRIES

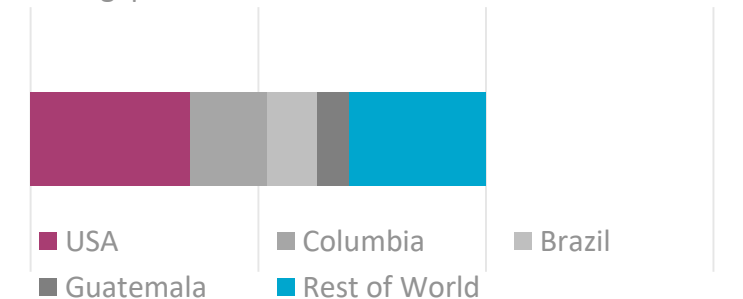
Bread and pastry products from the US are mostly shelf-stable, led by large consumer packaged goods brands and specialty products from the US.

**FOOD PREPARATIONS**

Imports are destined for grocery stores as supermarkets are the leading distribution channel with a 62.3% share in 2018.

**COFFEE**

Canadian roasted coffee consumption has been growing at 4% per year for the last five years, with that growth expected to continue over the forecast period. Meanwhile, RTD coffee is Canada's fastest growing packaged food and beverage category, forecast to grow 15% annually for the next five years.



US processed imports compete with raw beans from all over the world.



GLOBAL SUMMARY / USA STRATEGY / **CANADA STRATEGY** / UK STRATEGY

Canada Market Overview

➤ **Canada-Jamaica Trade Dynamics**

Canada Export Growth Strategy

CANADA-JAMAICA TRADE OVERVIEW

Fill opportunity gap for Jamaican exports to Canada with focus on fruit and derivatives

Key Findings

Canadian imports of Jamaican products are small but show fast growth

- Canada imports roots and tubers, bread and pastries, and sauces/condiments among other categories from Jamaica
- While exports are growing, the total value of exports is smaller than other markets, as are rates of growth

The Most Favored Nations (MFN) and Commonwealth Caribbean Countries Tariff (CCCT) create favorable trade environment for Jamaican companies

- While Canada is closely aligned with its top two trade partners, the United States and Mexico, there is clear market access for most Jamaican products outlined mainly through two treaties

Slow growth of food categories in Canada poses challenge

- While Jamaican exports to Canada have grown historically, the forecast for some focus packaged and fresh foods in Canada is bleak
- In contrast to food categories, beverages like RTD teas and coffees are growing rapidly

Key Recommendations

Key categories require diversification

- New fruit juice and beverage products from Jamaica can build on the recent success of juice exports and growth of beverage processing in Jamaica
- Preserved fruits, driven by ackees, can grow as a vegan/vegetarian alternative protein in new distribution channels
- Recent growth of fresh papayas should be used to spur growth of other melons and processed fruit products

Top export opportunities include fruit and byproducts

- Preserved fruits
- Melon
- Fruit juices

EXPORT PERFORMANCE

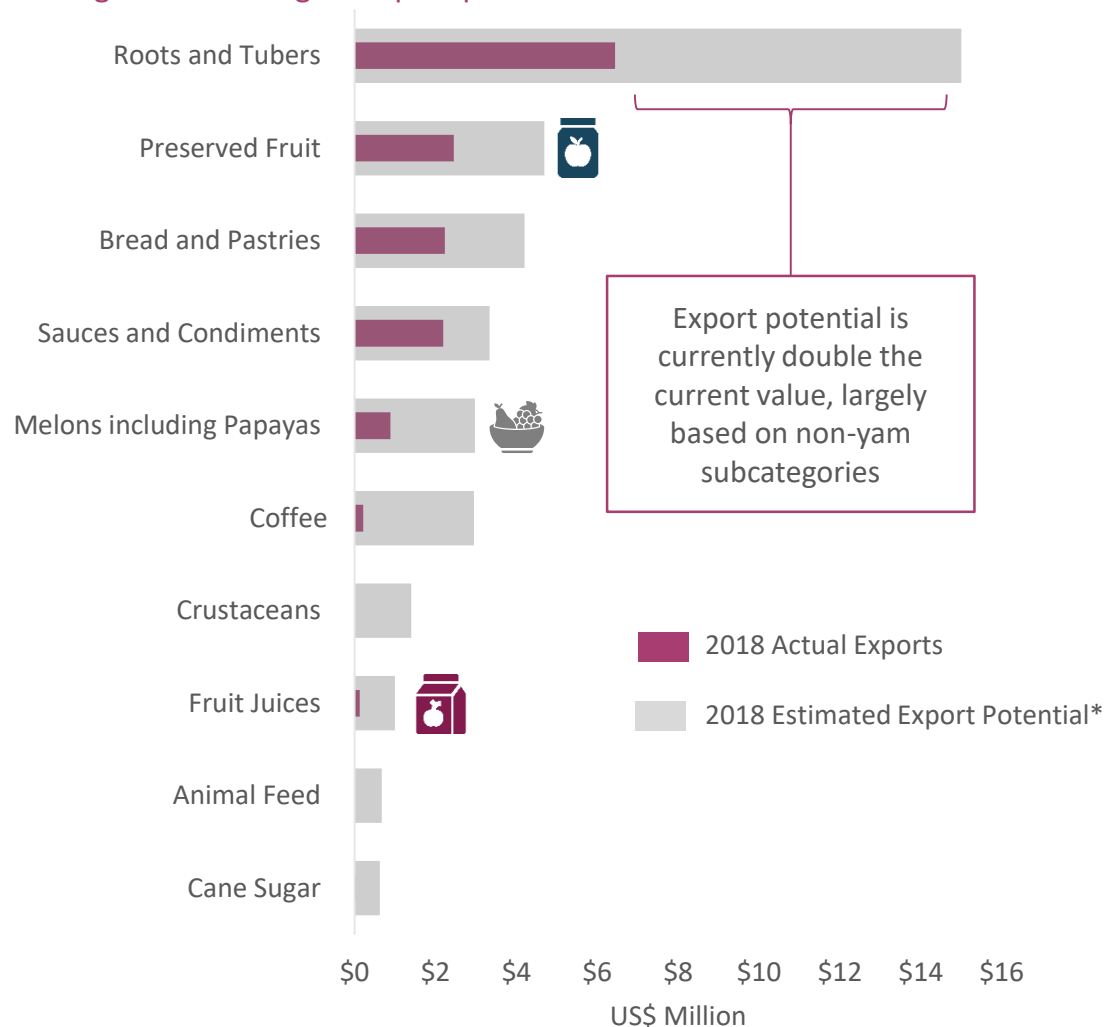
Major exports of bread/pastries and roots/tubers are growing; minor fruit exports show potential

Jamaican Exports	Actual Export Value Growth (2015–2018)	Export Value (2018)	Historical Export CAGR (2015–2018)	Estimated Outlook	
Roots and Tubers	\$0.977 Mn	\$6.442 Mn	5.6%	▲	<p>“Growing ethnic diversity in Canada is a key driver of demand for more exotic roots and tubers.”</p> <p>- Acr-en-Ciel Produce, Buyer</p>
Preserved Fruit	\$0.007 Mn	\$2.454 Mn	0.1%	▲	
Bread & Pastries	\$0.553 Mn	\$2.226 Mn	10.0%	▲	
Sauces & Condiments	\$0.230 Mn	\$2.185 Mn	3.8%	▼	<p>“Jamaican-Canadians, as well as people who have travelled to Jamaica, come in looking for popular Jamaican baking, such as Bulla Cake, to re-experience Jamaica.”</p> <p>- African Foods, Manager</p>
Waters	\$0.307 Mn	\$0.935 Mn	14.2%	▲	
Guavas, Mangoes, & Avocados	\$0.066 Mn	\$0.892 Mn	2.6%	▲	
Papayas and Other Melons	\$0.235 Mn	\$0.884 Mn	10.9%	▲	<p>“Bananas- very popular commodity. Avocados- with all the health benefits are trending up. Wouldn't say 'difficult' to source, but usually imported.”</p> <p>- National Produce Marketing</p>
Bananas	\$0.118 Mn	\$0.333 Mn	15.7%	▲	
Fresh Berries	\$0.106 Mn	\$0.315 Mn	14.7%	▲	
Spices Including Ginger and Turmeric	\$0.093 Mn	\$0.288 Mn	13.9%	▼	

EXPORT OPPORTUNITY ANALYSIS

Roots & tubers, preserved fruits, papayas, and coffee have largest untapped potential

Categories with largest export potential from Jamaica to Canada



Preserved fruit has outsized potential in Canada but it may require significant growth of ackee or diversification outside of ackee to capitalize on. Ackee is the key product driving exports, yet facilities and networks can be used for other fruit and vegetable preservation and export.



Papayas and Other Melons are a fast-growing export from Jamaica to Canada, yet \$2mn in export opportunity remains. Papayas lead growth currently, but much of the opportunity is in other melons as well.

"We source from Caribbean. Primarily from Cuba and Dominican Republic. We don't import from Jamaica. No particular reason why. They import based on requirements from Canadian clientele. Jamaica does not usually have what they need in terms of exotic fruits/vegetables, or for more common categories."

- National Produce Marketing



Fruit juices have significant room to grow with less than 10% of their export potential realized. Recent investments to grow production by brands like Tropical Rhythms are steps towards capitalizing on this potential and show clear demand in the US and Jamaica.

TOP EXPORT OPPORTUNITIES

Fruits and juices top export opportunities to Canadian market based on export potential

		Jamaica Export Activity to Canada		Canada Category Demand Forecast	
		Historic Export Growth (2015–18, US\$ Mn)	Untapped Export Potential (2015–18, US\$ Mn)	Forecast Category Expansion (2018–21, RSP, US\$ Mn/tons)	Forecast Category CAGR (2018–21, US\$ Mn)
TOP PRIORITY CATEGORIES	Preserved Fruit	\$0.01	\$2.24	\$12.6 Mn	0.5%
	Papayas and Other Melons	\$0.24	\$2.09	-10.6 tons*	-0.7%
	Fruit Juices	\$0.05	\$0.86	\$146.7 Mn	1.8%
SECOND PRIORITY CATEGORIES	Roots and Tubers	\$0.97	\$8.56	-8.8 tons	-0.3%
	Coffee	(\$1.28)	\$2.74	\$188.1 Mn	4.1%
	Bread and Pastries	\$0.553	\$1.97	\$490.5 Mn	2.8%
	Crustaceans	-	\$1.40	4 tons	3.2%
	Sauces and Condiments	\$0.230	\$1.16	\$312.9 Mn	3.7%
	Animal Feed	-	\$0.67	\$260.9 Mn	4.8%
	Cane Sugar	(\$0.003)	\$0.62	15.6 tons	1.3%



Preserved Fruits

Build new demand for ackee in health communities of North America

Create products and marketing geared towards mainstream and health-conscious consumers

Get products into key healthy grocery chains such as Whole Foods



Papayas and Other Melons

Perfect papaya production to capitalize on growing exports

Brand Jamaica as tropical fruit capital with marketing to back the push for fruit exports

Slow growth of fresh fruit in Canada in contrast to faster growth of processed fruits.



Fruit Juices

Pursue broad North American distribution of fruit juices to continue recent growth

Market fresh, natural fruit juices to grow Canadian demand for Jamaican imports

Develop new juice products catering to shifting North American preferences



GLOBAL SUMMARY / USA STRATEGY / **CANADA STRATEGY** / UK STRATEGY

Canada Market Overview
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Preserved Fruits

Build new demand for ackee in health communities of North America

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Get products into key healthy grocery chains such as Whole Foods



Papayas and Other Melons



Fruit Juices

EXPORT STRATEGY SUMMARY: PRESERVED FRUITS

Market ackee as superfood to health communities in North America and diversify to can or bottle other fruits and vegetables



Target mainstream markets to grow canned ackee sales

Preserved ackee is the largest and only subcategory in imported Preserved Fruit from Jamaica, reaching US\$2.5 Mn in 2018, growing marginally at a CAGR of 0.1% from 2015—2018.

Canned ackee shows strong demand due to health benefits of ackee fruit and flexibility of canned format for use in various ackee recipes. Consumers may be willing to pay premium prices for canned ackee as distribution of canned ackee widens from ethnic grocery retailers to large national grocery retailers.

Grow ackee sales through mainstream channels with a focus on health and beauty specialists and modern grocers within retail. Foodservice should also be a focus to drive demand by creating recipes and inspiring trends in health foods.



Build marketing and distributions strategy to launch ackee mainstream

Current branding of Ackee is geared towards traditional consumers. To build new demand among health-conscious communities, create branding and marketing that appeals to these consumers.

Packaging that is simple, with clear benefits and transparent ingredients featured on the front are typical for modern health foods.

Marketing should include influential chefs and health and wellness social media influencers to create a buzz in North America.



Ride wave of naturally healthy processed foods

Demand for naturally healthy processed foods is growing quickly in Canada, creating room for new products to enter the market and succeed.

Products should follow formulation and marketing trends for emerging health products in the North American market.

Growing diet trends like veganism are moving consumers away from meat in search of protein rich alternatives like ackee.



Importing ackee into Canada must follow clear protocols

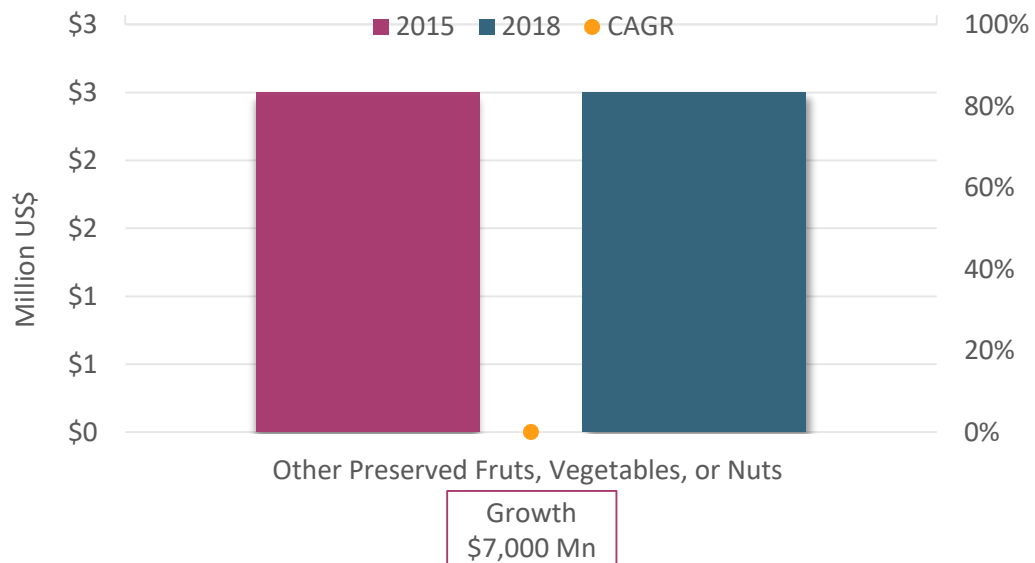
Comply with Health Canada's Food Safety standards and Processed Fruit of Vegetable Regulations. Work with SFCR licensed importer. Ensure product packaging meets all CFIA labeling requirements for preserved fruits.

Due to potentially dangers of raw ackee consumption, educate consumers on the proper preparation of ackee to avoid health concerns associated with raw consumption.

EXPORT STRATEGY: PRESERVED FRUITS

Grow ackee sales through grocery, foodservice, and health specialist channels; invest in production to meet demand

Size and Performance of Preserved Fruit Exports by Subcategory

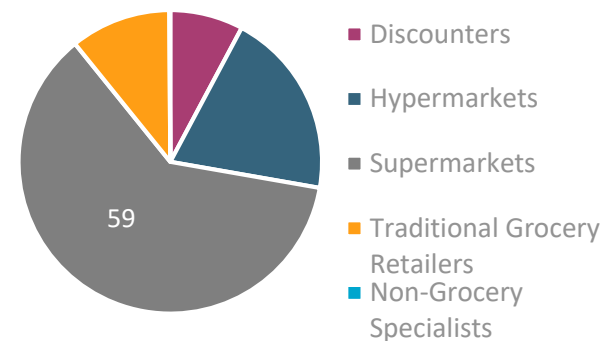


Ackee is the main subcategory of preserved fruit currently exported from Jamaica to Canada

Strong exports of ackee historically have created a mature market for ackee abroad and it will require new channels to grow.

Investment in processing facilities for fruits and vegetables could lend to exports of other subcategories outside of ackee. Pending the success of ackee as a popular health food, other Jamaican fruits or vegetables could be explored for long-term diversification.

2018 Processed Fruits and Vegetable Distribution in Canada



Traditional grocery stores make up outsized share of preserved fruit sales currently, but focus should be on mainstream

Currently, processed fruit/vegetable distribution in Canada is centered on modern grocery chains with **traditional grocery stores** maintaining an outsized portion compared to other categories.

To grow ackee sales into mainstream, focus on distributors with influence at health food retail chains such as SMAK, Tractor Everyday, Goodness Me!, Whole Foods, Trader Joes, and Vita Health Fresh Market.

Health-focused and vegetarian/vegan restaurants should also be a key focus in Canada as they can inspire consumers to learn more and purchase ackee for home consumption.

Top Leads

- Bedessee Imports Ltd. (Importer)
- Loblaws (Importer and Grocery Retailer)
- Saralex Group (Ethnic Food Broker)
- Big Wave Marketing (Ethnic Food Broker)

EXPORT STRATEGY: PRESERVED FRUITS

Brand and market ackee as the new superfood in North America while growing other preserved fruits and vegetables

Opportunities to Grow Coffee Exports



Ensure proper compliance for processed fruits and vegetables are met

- Comply with Health Canada's Food Safety standards and Processed Fruit of Vegetable Regulations
- Work with SFCR licensed importer. Ensure product packaging meets all CFIA labeling requirements for Preserved Fruit.



Market ackee in Canadian health food community

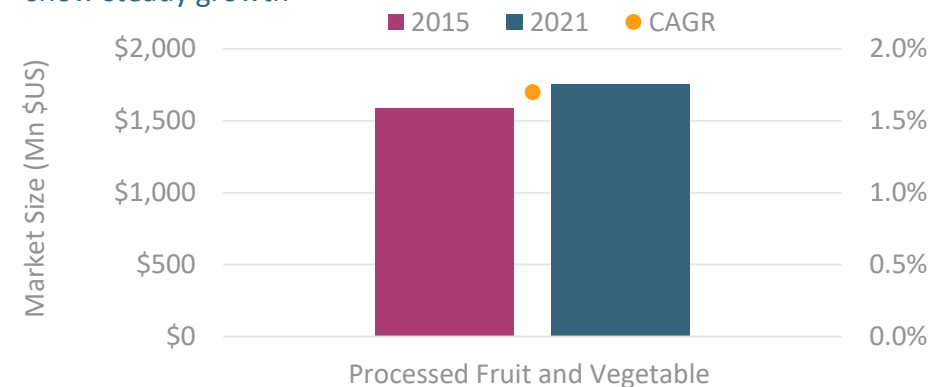
- Health trends towards vegetarianisms and veganism are creating a boom for alternative foods with complex proteins like ackee
- Target international health and natural food communities with information about benefits of ackee to create demand in Canada and other markets
- Market through trade shows and to large retail chains to launch an ackee phenomenon
- Work to build buzz online through social media influencers and targeted advertising



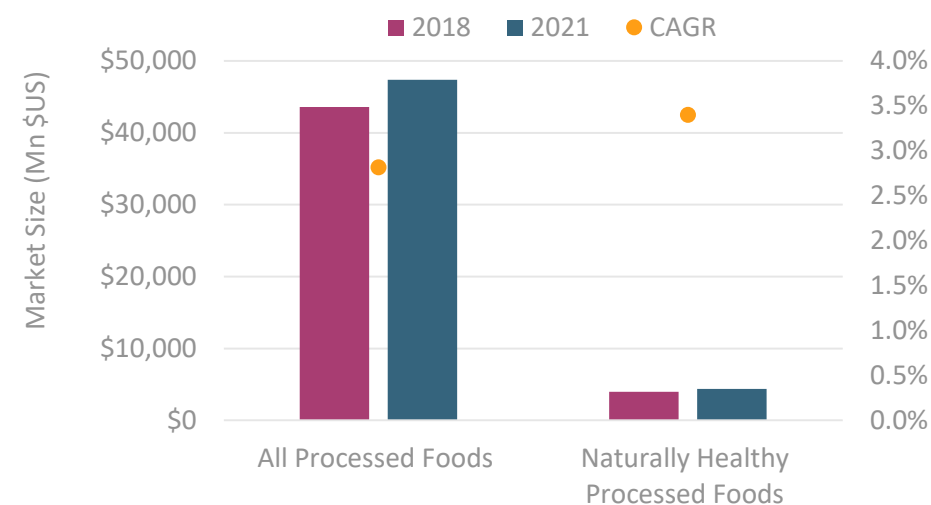
Brand ackee and products as the new superfruit to attract international market

- A buzz within health communities will create demand and could lead to a major trend like the explosion of jackfruit in North America
- Market and brand ackee as a new trending superfruit by creating packaging and marketing materials that appeal to modern, health-conscious international consumers
- Educate consumers on proper ackee preparation to avoid health risks and public relations fallout

DEMAND: Canadian consumption of processed fruit and vegetables show steady growth



DEMAND: Naturally, healthy processed foods are growing more quickly than overall category



EXPORT STRATEGY: PRESERVED FRUITS

Bonduelle tops category after acquiring Del Monte; prices range from \$2-\$8 per liter/kg

Top Processed Fruits and Vegetables Brands in Canada (RSP, US\$)

Brand	Company	2018 Sales
McCain (McCain Foods Ltd)	McCain Foods Ltd	\$188.0
Green Giant (B & G Foods Inc)	B & G Foods Inc	\$183.7
Del Monte (Del Monte Pacific Ltd)	Bonduelle Groupe SA	\$181.5
Europe's Best (Hain Celestial Group Inc, The)	Hain Celestial Group Inc, The	\$96.0
Arctic Gardens (Bonduelle Groupe SA)	Bonduelle Groupe SA	\$83.2
Dole (Dole Food Co Inc)	Dole Food Co Inc	\$80.1
Heinz (Kraft Heinz Co)	Kraft Heinz Co	\$40.9
Primo (Sun-Brite Foods Ltd)	Sun-Brite Foods Ltd	\$25.5
Unico (Sun-Brite Foods Ltd)	Sun-Brite Foods Ltd	\$24.0
Cavendish Farms (Irving Moncton Group)	Irving Moncton Group	\$14.2

2018 Preserved Fruits Prices in Canadian Supermarkets (RSP, US\$)

Subcategory	Brand	Company	Price per Litre/ Kilogram
Shelf Stable Fruit	Compliments	Sobeys Inc	\$2.13
Shelf Stable Fruit	Del Monte	ConAgra Foods Canada Inc	\$4.78
Shelf Stable Fruit	Dole	Dole Packaged Foods Co, The	\$3.82
Shelf Stable Fruit	Great Value	Walmart Canada Inc	\$3.59
Shelf Stable Fruit	No Name	Loblaw Cos Ltd	\$4.40
Frozen Fruit	Arctic Gardens	Bonduelle North America Inc	\$3.48
Frozen Fruit	Europe's Best	Europe's Best Inc	\$5.08
Frozen Fruit	Green Giant	General Mills Canada Corp	\$4.54
Frozen Fruit	Moov	MOOV Frozen Foods Inc	\$7.89
Frozen Fruit	President's Choice	Loblaw Cos Ltd	\$7.63



Top Brands

McCain, Green Giant and Del Monte are the three leading processed fruit and vegetable brands in Canada. Bonduelle Groupe SA captured the largest company share in 2018, with its ownership of Europe's Best and recent acquisition of Del Monte in July 2018.



Pricing

Frozen fruits are generally more expensive than shelf-stable fruits, with Moov being one of the most premium brand of frozen fruits. Moov carries a wide organic selection such as cherries, mangoes, strawberries, and raspberries.



Preserved Fruits



Papayas and Other Melons

Perfect papaya production to
capitalize on growing exports

Brand Jamaica as topical fruit
capital with marketing to back
the push for fruit exports

Slow growth of fresh fruit in
Canada in contrast to faster
growth of processed fruits



Fruit Juices

EXPORT STRATEGY SUMMARY: MELONS

Push papaya growth and consider viability of other melons in combined effort to develop Jamaican fresh fruit sector



Expand growth and processing of papayas to continue export momentum

Recent growth of papaya exports is a bright sign for Jamaican fruits. Papayas grew from \$600,000 in 2015 to \$900,000 in 2018. To continue momentum, farmers should maximize production and new processing facilities launched to keep supply of fresh and processed fruits.

Test the viability of other melons to understand agricultural process and production costs. These other melons could fill the \$2 Mn export potential gap and continue to evolve fresh fruit offerings from Jamaica.



Invest in certifications to broaden appeal of Jamaican melons

Certifications including fair trade, organic, and other are rising in popularity in North America as consumers demand more verified benefits. This trend is expected to increase and permeate more demographic and socioeconomic groups.



Market through distributors and directly to retailers

Use marketing campaigns with importers/distributors to create opportunity for new export relationships. Distributors seem incentivized by promotions and they can be used as a tool to start new partnerships with the expectation that long-term arrangements will differ.

Targeted marketing efforts to Canadian consumers through retail channels to help solidify relationships with the entire supply chain and build demand for melon products from Jamaica.



Identify varieties and breeding needed to perfect papayas for North America

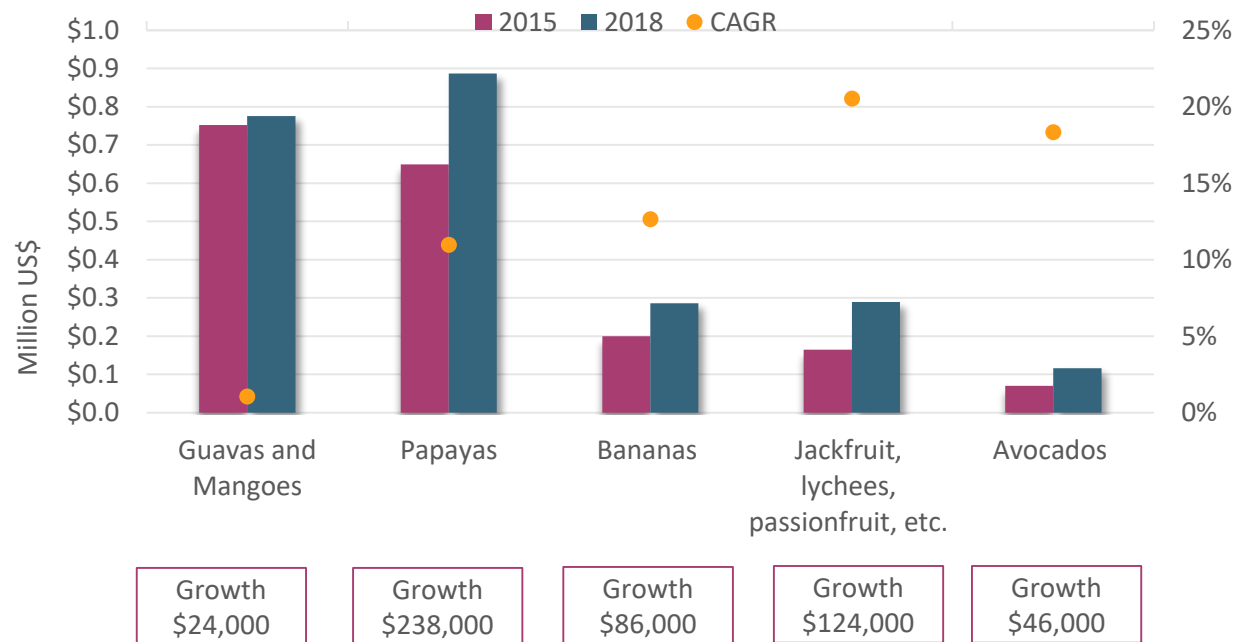
Preferences for larger Papayas are cited as a headwind for Jamaican exports which have the reputation of being smaller. Identify key seed varieties and agronomic techniques to achieve preferred color, texture, and size of papayas for the Canadian market.

“Jamaica may have limited capacity in terms of supplying produce on international level. May not have food safety requirements. Retailers want a more transparent view into their vendors and whole supply chain, so this drives demand for more advanced practices, food safety certificates etc. Do not get requests for produce from specific regions from retailers, so that doesn’t really factor into their sourcing decisions.”

- National Produce Marketing

“For Jamaica, papaya was a big category in the past, but is dwindling due to changing market demand- consumers now want the larger papayas which last longer are more durable, have wider application than the smaller papayas sourced from Jamaica. So have been sourcing Papayas from Costa Rica.”

- Gambles Ontario Produce

EXPORT STRATEGY: MELONS**Papaya exports to Canada showing recent boom with more potential to grow****Size and Performance of Melon Exports by Subcategory****Strong recent growth for Papayas, yet millions in export potential remain**

Recent growth in papaya exports is a success story for Jamaican fresh fruits. Other exports like mangoes and Bananas also have similar potential with demand growing for both in Canada and the US.

Other exports such as jackfruit and avocados have strong growth potential as key trending ingredients. While currently a small export with relatively low demand in Canada, the growth creates an opening for Jamaican exports to fill.

2018 Melon imports to Canada

Country	2018 Exports
USA	\$112.4mn
Mexico	\$56.9mn
Guatemala	\$38.5mn
Honduras	\$18.9mn

Differentiate Jamaican papayas with higher quality or lower price to win share

Papayas from Hawaii compete with shipments from Latin America in high value North American fruit trade. As Jamaica grows in share of Canada's melon imports, there is an opportunity to continue growth

When competing for Canada's imports of melons and other fruits against closely affiliated North American companies, Jamaican producers must differentiate products to create an advantage. This could take the form of better pricing, better quality, quicker turnaround, or other influential factors for distributors.

Top Leads- Gambles Ontario Produce

VP of Marketing at Gambles Ontario Produce said he is interested in "an exclusive partnership backed by strong marketing. We participated in a marketing campaign supported by the government of Jamaica for papayas in the past, worked well."

EXPORT STRATEGY: MELONS

Build Jamaica's brand as fresh fruit capital of the world

Opportunities to Grow Melon Exports



Room to grow papaya exports despite slowing consumption

- Jamaican papayas have shown they can be competitive in the Canadian market with recent growth in exports
- Despite slowing consumption, the market for melons in Canada is still significant, and the untapped potential is more than double what was exported in 2018
- Papayas, and potentially other melons, can be marketed as part of Jamaica's growing fresh fruit portfolio to meet needs in Canada and other markets
- Processed products can also benefit from increases in production to create new exports such as dried or canned mangoes



Use papayas to push other fruits and meet large Canadian demand

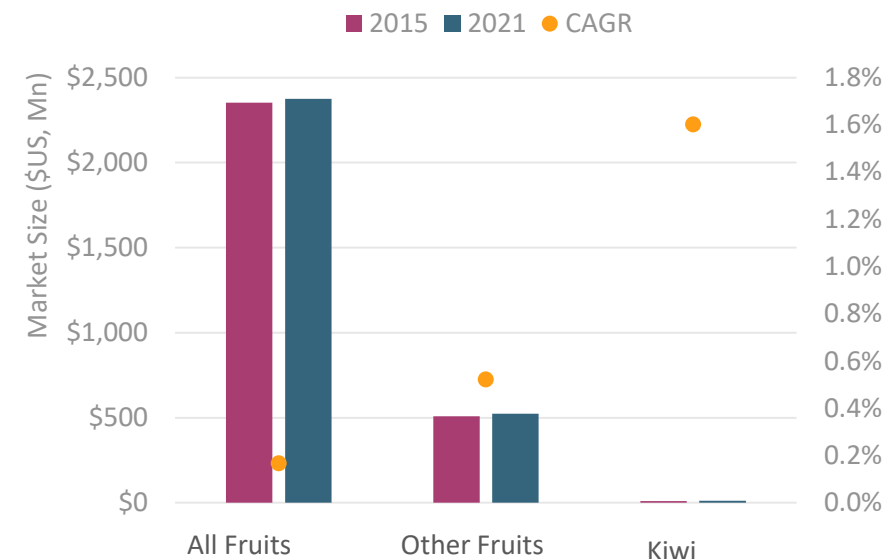
- Leverage growing partnerships with distributors to test market for other fresh fruits
- Key supply chains concerns like maintaining freshness, managing compliance requirements, and ensuring quality are key steps to understand while piloting new fruit exports
- Push growth through coordinated targets and monitoring of pricing and profitability



Market to grocery retailers

- Develop a clear message to brand Jamaican fresh fruits as the best in the world, with focus on papayas, avocados, mangoes, guavas, and others
- Create marketing campaign to capture attention of retailers in North America using social media and traditional marketing to make Jamaica the top-of-mind source for tropical fruits
- Demand from retailers paired with promotions with importers/distributors can boost Jamaican fruit exports and start new partnerships

DEMAND: Canada fruit consumptions slows



Alternative fruits growing slightly more than common ones

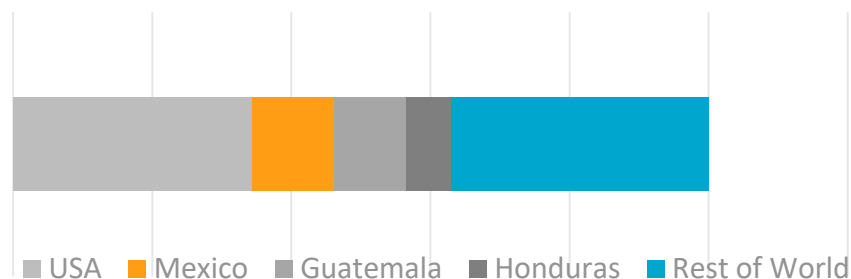
Fruit consumption in Canada has stalled as two competing trends, health and convenience, offset to limit category growth.

Processed fruits and vegetables are growing at 3.5% and frozen fruits are growing at 7% annually between 2015 and 2021.

EXPORT STRATEGY: MELONS

USA dominates exports of melons to Canada; prices range from \$4-\$6/unit

Top Exporters of Melons to Canada (RSP, US\$ Mn)



The US is the key exporter of melons to Canada, representing 34.4% of total melons to Canada in 2018. Mexico and Guatemala are the following biggest exporters at 11.8% and 10.3% in 2018.

2018 Melon Prices in Canadian Supermarkets (RSP, US\$)

Subcategory	Brand	Company	Price per Unit
Melons	Cantaloupe	IGA	\$4.17
Melons	Hemi Melon	IGA	\$4.55
Melons	Snowball Melon	IGA	\$5.31
Melons	Canary/Yellow Honeydew Melons	IGA	\$4.17
Melons	Santa Claus Melons	IGA	\$4.17
Melons	Large Organic Cantaloupe	IGA	\$5.31
Melons	Mini Seedless Watermelon	IGA	\$4.55
Melons	Summer Kiss Galia Melon	IGA	\$4.55

A wide variety of melons is available in Canadian supermarkets. Most are sold as a whole, some are sold as halves, quarters or chunks. There is variation in prices with snowball melons and large organic cantaloupes priced slightly higher than others such as watermelons and its non-organic variants.

EXPORT STRATEGY SUMMARY: FRUIT JUICES

Market healthy fruit juice products directly to Canadian consumer to build on recent growth of fruit juice exports

**Current exports are small, but growing**

Fruit juice exports from Jamaican to Canada recently surpassed \$100,000, growing at 25% per year since 2015. This rapid growth rate shows the market potential despite the small base.

**Focus on distributors with strong ties to grocery**

Supermarkets and hypermarkets make up 75% of fruit juice retail distribution. These channels are key for sales of Jamaican fruit juices.

As production of juices grow and new juices are launched, target key distributors with experience selling juice in grocery channels.

**Market new and existing fruit juices as fresh and natural**

Jamaican fruit juice producers should work to grow slowing demand for fruit juices in North America by marketing Jamaican products as fresh, natural, and healthy.

**No added sugars**

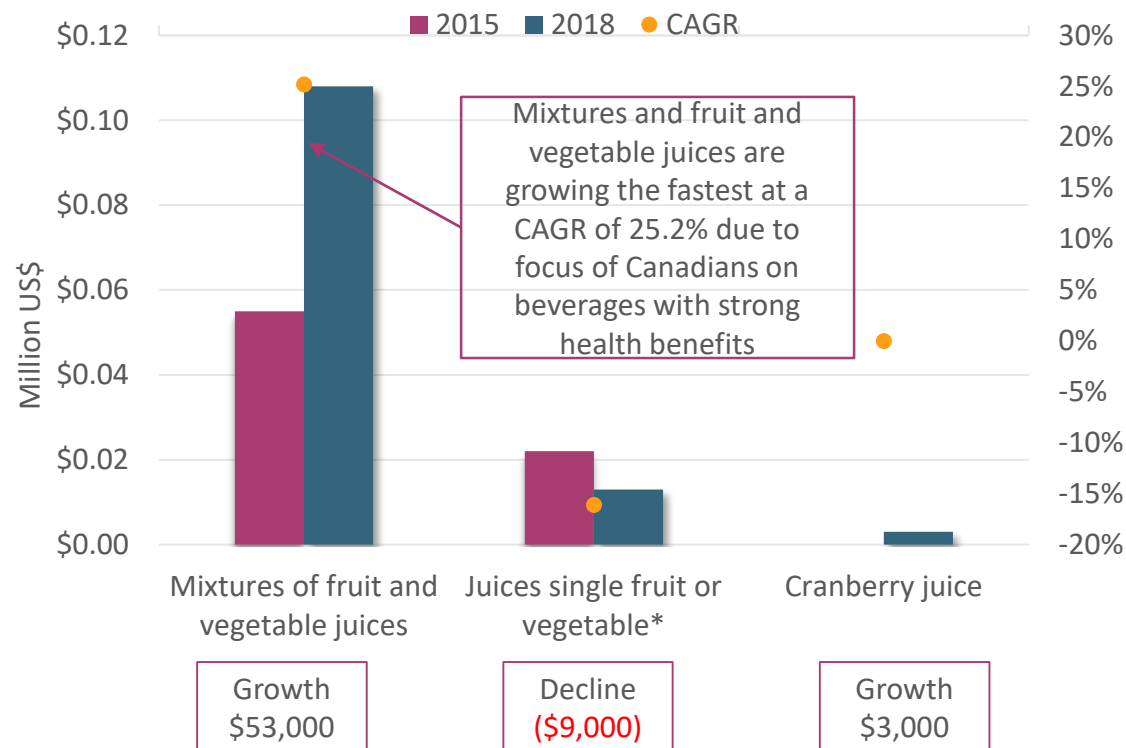
The top five fastest-growing packaged food and beverage categories in Canada are all beverages, yet juice demand is flat due to sugar content and perceptions of products with sugar as unhealthy.

New products under development should avoid added sugars and sugary drinks while focusing on the 100% juice subcategory. Other categories that use fresh juice ingredients such as light carbonated sodas and cocktail mixers.

EXPORT STRATEGY: FRUIT JUICES

Pursue broad North American distribution of fruit juices to continue recent growth

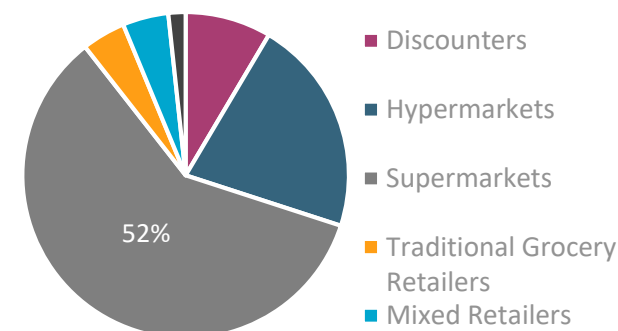
Size and Performance of Fruit Juice Exports by Subcategory



Push growth of all juices to match recent increase in mixed fruit juice exports

Mixed fruit juices from Jamaica to Canada have grown quickly and show the potential of processed fruit exports. Grace Foods is a leading exporter, but other brands can emerge to capture a similar market with tropical fruit juices marketed as fresh and natural to the North American consumer.

2018 Fruit Juice Distribution in Canada



Focus on mainstream retail distributors, especially specialty retail outlets

Fruit juices are sold primarily through **supermarkets** in Canada but are also featured prominently in other modern grocery channels. Traditional grocers are a small piece of the pie suggesting exporters expand outside of ethnic distributors to make Jamaican juice brands mainstream.

Top Leads

- Shah Trading Company (Importer For Processed Fruits)
- Loblaw's (Importer and Grocery Retailer)
- Saralex Group (Ethnic Food Broker)
- Big Wave Marketing (Ethnic Food Broker)

EXPORT STRATEGY: FRUIT JUICES

Build new markets for fruit juices and develop new products catered to shifting preferences

Opportunities to Grow Roots and Tuber Exports



Build on growth of successful juice exports in key markets

- Jamaicans in Ontario, Canada are the primary consumers of most exported juices from Jamaica currently
- However there is an opportunity for these same brands to compete with mainstream juices
- With modernized packaging and labeling and marketing focused on healthy grocers, manufacturers can grow their market share in North America
- Partnerships with new and existing brands could benefit from recently developed bottling and beverage processing facilities in Jamaica



Develop fresh, natural, tropical fruit juices with low sugar content

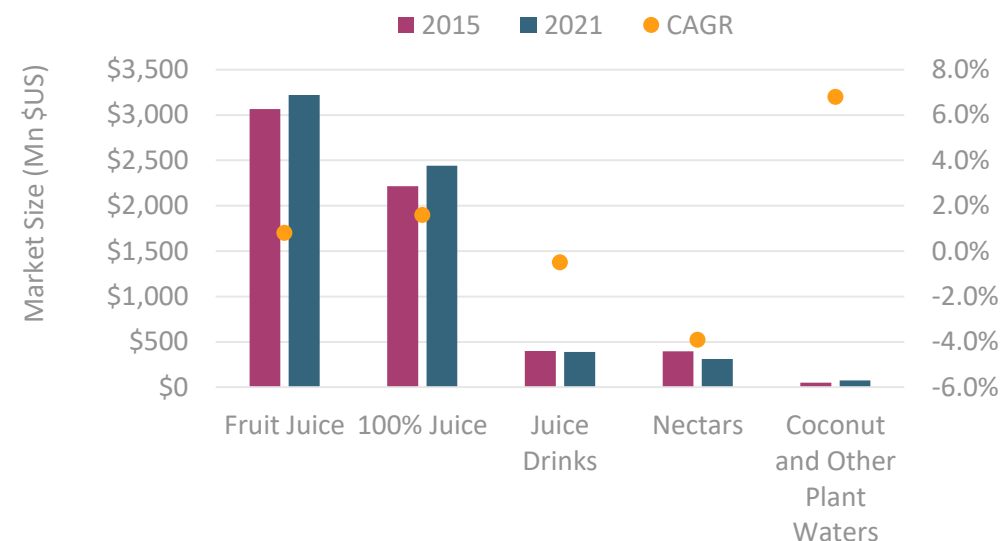
- As beverage see a surge in growth, juices remain stagnant due to avoidance of products with high sugar content
- There is still large market opportunity for 100% juice in North America
- The bigger opportunity is in other fruity beverages such as RTD tea, RTD coffee, energy drinks, and waters which are growing the fastest in Canada
- Position juices alongside growing categories or create unique juice-based products with low sugar content



Market products directly to consumers to generate demand

- Make Canadian consumer familiar with Jamaican juice brands by marketing directly to them on social media and via online marketing, and in-store promotions
- Jamaican brands should look to promote juice brands directly with customers expecting them to grow demand from retailers

DEMAND: Juices stagnant in Canada while pure juice grows slightly



Juice growth set to slow in forecast period as consumer avoid sugar

Canadian consumers are moving away from juice due to concerns pertaining to calorie and sugar content. Juice used to be considered a healthy drink, yet shoppers no longer see products in the juice aisle as healthy. Juice drinks and nectars, have the slowest growth and also the highest sugar content.

EXPORT STRATEGY: FRUIT JUICES

Tropicana is Canada's top brand of fruit juice

Top Fruit Juice Brands in Canada (Retail Volume, Mn liters)

Brand	Company	2018 Sales
Tropicana (PepsiCo Inc)	PepsiCo Inc	238.9
Oasis (Lassonde Industries Inc)	Lassonde Industries Inc	161.9
Minute Maid (Coca-Cola Co, The)	Coca-Cola Co, The	109.1
Sun-Rype (Sun-Rype Products Ltd)	Sun-Rype Products Ltd	93.9
Ocean Spray (Ocean Spray Cranberries Inc)	Ocean Spray Cranberries Inc	71.6
Allen's (Lassonde Industries Inc)	Lassonde Industries Inc	50.8
5 Alive (Coca-Cola Co, The)	Coca-Cola Co, The	49.4
Fruitopia (Coca-Cola Co, The)	Coca-Cola Co, The	42.3
Rougemont (Lassonde Industries Inc)	Lassonde Industries Inc	39.4
V8 (Campbell Soup Co)	Campbell Soup Co	37.8



Top Brands

Tropicana is Canada's best-selling fruit juice in 2018, making PepsiCo Inc the second leading company. Lassonde Industries Inc holds the top spot in fruit juice in 2018 with its wide portfolio consisting of Oasis, Allen's Rougemont, Fruité, Fairless, and Everfresh.

Pricing

A slight premium usually comes with 100% purely squeezed, not from concentrate juice brands such as Tropicana. Amongst all fruit juices, cold-pressed juices are the most expensive. An example is Loop which costs \$6/litre and can be found in Canadian supermarkets.



GLOBAL SUMMARY / USA STRATEGY / CANADA STRATEGY / **UK STRATEGY**

- **UK Market Overview**
 - UK-Jamaica Trade Dynamics
 - UK Export Growth Strategy

KEY TRENDS AFFECTING UK INTERNATIONAL TRADE

Uncertainty in UK could create opportunity for new partnerships after Brexit

1

Top food trade partners with UK are in European Union

Ireland and other EU members are among the UK's top trade partners for food products. Luxury foods such as cheese and chocolates are currently imported from European neighbors .

2

Brexit will challenge local competitive advantages and existing partnerships

By rewriting trade rules and tariffs, Brexit may change the dynamics of international sourcing to make non-EU countries more competitive for certain products.

3

Growing imports of luxury food products and meats

Growth of cheese imports to UK leads all food products with Chocolate not far behind. Most of these imports are sourced from regional neighbors instead of distant partners.

4

Bread and pastries is the largest imported food category into the UK

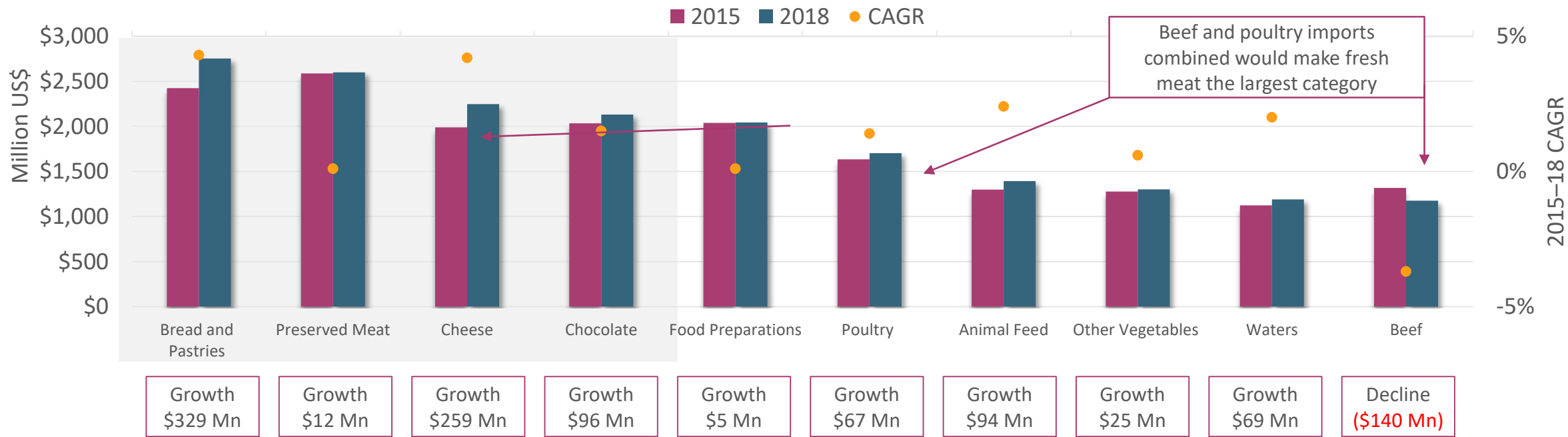
The **UK** imported \$2.7 bn in bread and pastries in 2018, up 4% annually from \$2.4 bn in 2015. Continued growth in imports is expected as category demand continues to grow.



TOP IMPORTS

Bread/pastries, meats and luxury foods make up top imports to UK

Import Size and Performance from 2015 to 2018



Meats lead imports in size

Preserved meats is the second leading category although growth is flat. Imports of fresh meats such as poultry and beef are also slowing, although their current values are each over \$1 bn.

Luxury foods growing

Luxury food items such as cheese and chocolates are among the UK's largest imports, imported from European neighbors.

Bread and pastry is top food import

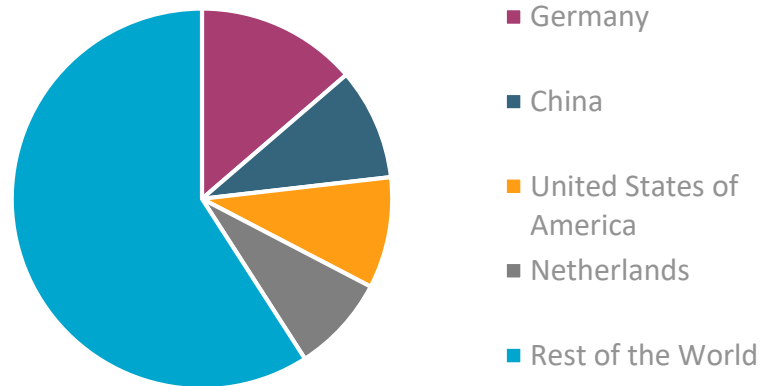
Like Canada, bread and pastries are also the top imports into the UK totaling \$2.7 bn in 2018 and growing at 4.3%. Jamaica's exports totaled 0.1% of those imports and are growing at a similar rate.



UK TOP TRADE PARTNERS

Most trade partners for food products are within Europe for now

Largest Food Trade Partner by Share of UK Imports



The UK imported a total of \$670 bn in total imports in 2018 from a diverse group of trade partners with top four only making up 41% of total trade

While global imports are growing at 2% annually, imports from the largest trade partner, **Germany**, have been shrinking 1% per year for the last three years.

“Right now there are quite a few challenges including the value of the pound, and uncertainty about Brexit. The smaller companies which deal with niche ethnic imports are just not geared up to plan for a change in trading conditions which may occur as soon as the end of October.”

-UK Federation of Wholesale Distributors

2018 Top Exporters of Top US Imports

BREAD & PASTRIES

Top trade partners for food commodities are mostly EU members.

PRESERVED MEAT

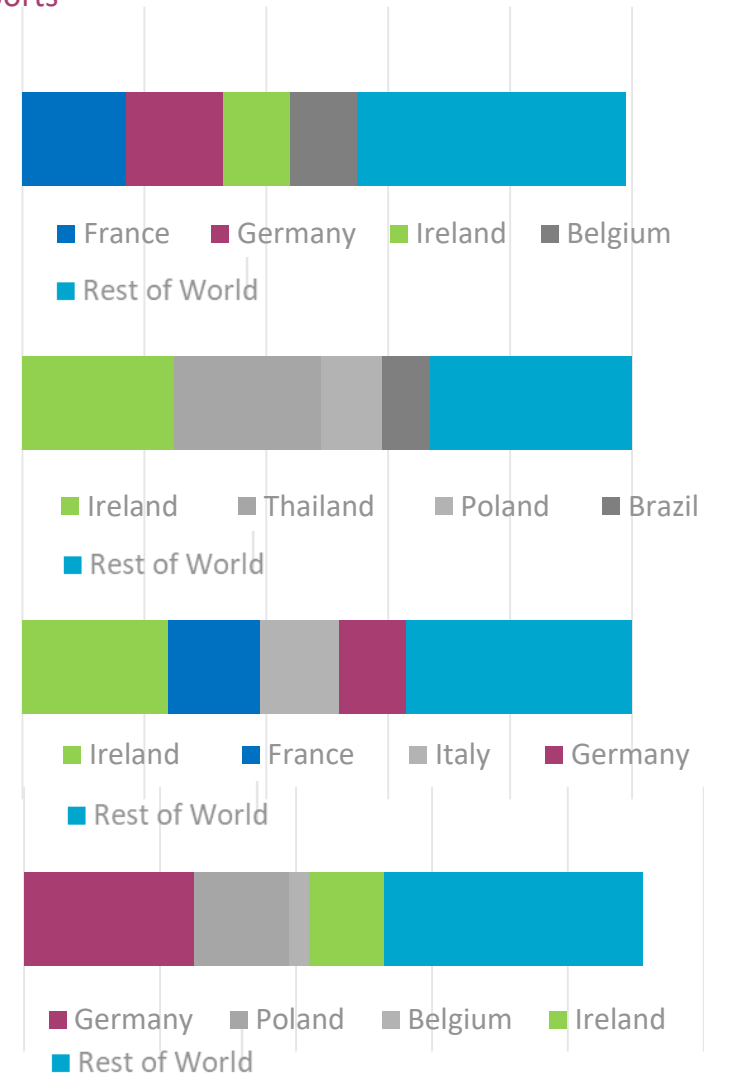
UK imports of preserved meat ship from near and far as a result of long shelf-life and high profit margins.

CHEESE

Key trade partners for cheese and other commodities could change if the UK leaves the EU free trade zone

CHOCOLATE

German and Polish chocolate imports beat out famed chocolate from Belgium in competitive confectionary market in UK





GLOBAL SUMMARY / USA STRATEGY / CANADA STRATEGY / **UK STRATEGY**

UK Market Overview

➤ **UK-Jamaica Trade Dynamics**

UK Export Growth Strategy

UK-JAMAICA TRADE OVERVIEW

Build Jamaican brands in UK through mainstream distribution channels

Key Findings

Growing taste for Jamaican cuisine in UK

Traditional Jamaican foods are growing in the UK due to growing population of Caribbean descendants and mainstream appeal of Jamaican food.

Slowing exports of traditional commodities to UK

Historically successful imports like roots and tubers, fruits, and coffee struggle recently as imports to UK slow

UK is one gateway to Europe

The benefit for Jamaican exporters to the UK, in its current position within the EU, is that once goods enter the UK, they can be sold anywhere in the EU without further paperwork, tariffs or controls.

Transportation costs and other barriers to UK exports

The UK market has more expensive transport costs compared to USA and Canada, and also poses greatest risk as uncertainty remains about the nature of trade after Brexit.

Key Recommendations

Broaden distribution of traditional products to meet mainstream demand

Ethnic distributors in UK cite interest in Jamaican products like sauces and mangoes from mainstream channels which could be next growth frontier for key categories

Build and grow companies around UK demand for pepper and fruits

Strong potential for products like pepper with little history of success like peppers and avocados while there is room to revitalize mango and orange exports to the UK.

Top Categories

- Sauces & Condiments
- Pepper
- Mangoes, Guavas & Avocados

An even more important trend is the growing interest in Jamaican food from outside the ethnic community. Restaurant chains like Turtle Bay now have a strong non-ethnic customer base, and this is driven partly by the growth in tourism to Jamaica by non-ethnic Jamaicans. On their return they seek out authentic cuisine."

- Dees Imports, Ethnic Food Distributor

EXPORT PERFORMANCE

Slowing exports to UK require focused strategy to grow products with most potential

Jamaican Exports	Actual Export Growth (2015–2018)	Export Value (2018)	Historical Export CAGR (2015–2018)	Estimated Outlook
Cane Sugar	(\$29.08)	\$7.63	-40.8%	▲
Roots and Tubers	(\$0.39)	\$4.21	-2.9%	▲
Bread and Pastries	\$0.27	\$3.13	3.1%	▲
Sauces and Condiments	\$1.03	\$2.95	15.3%	▲
Other Vegetables	(\$1.37)	\$2.67	-12.9%	▼
Waters	\$0.52	\$2.32	8.8%	▲
Papayas and Other Melons	(\$1.16)	\$1.51	-17.3%	▼
Coffee	(\$0.83)	\$0.98	-18.4%	▲
Fruit Juices	(\$0.15)	\$0.77	-5.8%	▼
Preserved Fruit	(\$1.37)	\$0.24	-12.9%	▼

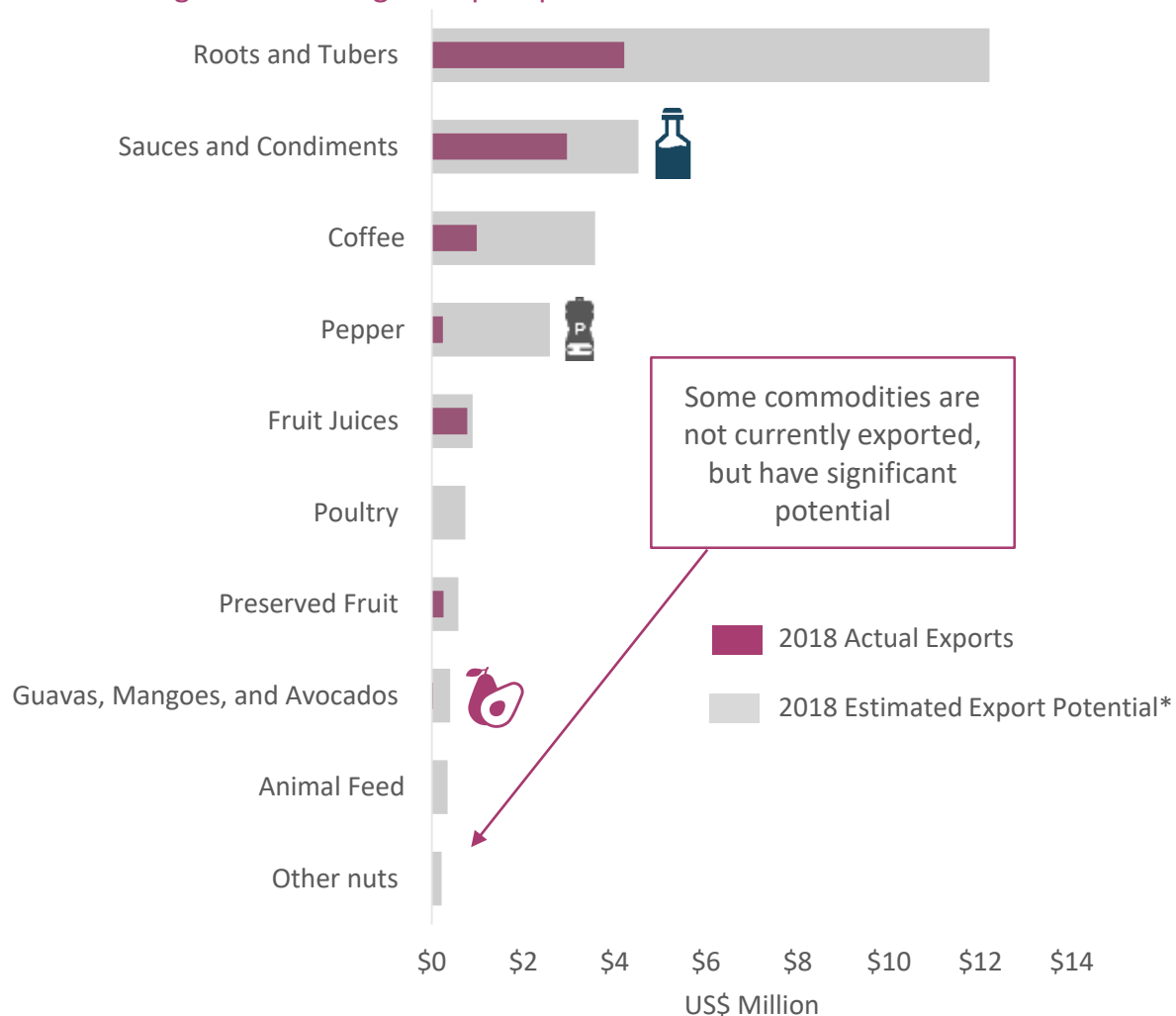
Sweet potatoes have possible potential. But this is a global product so any supplier would need to be able to compete with large scale commercial growers from around the world.”
- UK Federation of Wholesale Distributors

“An even more important trend is the growing interest in Jamaican food from outside the ethnic community. Restaurant chains like Turtle Bay now have a strong non-ethnic customer base, and this is driven partly by the growth in tourism to Jamaica by non-ethnic Jamaicans. On their return they seek out authentic cuisine.”
- Dee’s Imports, Ethnic Foods Distributor

EXPORT OPPORTUNITY ANALYSIS: UK

Target exports with most untapped potential such as sauces/condiments and pepper

Categories with largest export potential from Jamaica to UK



Sauces and condiments have experienced significant recent export growth, growing from \$2 Mn in 2015 to \$3 Mn in 2018. Still, there is an additional \$1 Mn in export potential Jamaican brands can capitalize on by growing existing products and launching new ones.



Pepper has mainstream appeal and can be a new growth industry for Jamaican producers. Processed and unprocessed pepper varieties have a long shelf life and significant export potential to the UK.



Significant room to grow **mango, avocado, and guava** imports to return mango exports to high levels and build other subcategories.

Fresh produce is always a challenge because quality varies according to seasonal and so it is necessary to be able to source from a number of different wholesalers to ensure that quality is good."

- Tropical Foods, UK Importer

TOP EXPORT OPPORTUNITIES: UK

Jamaican sauces/condiments, pepper, and guavas/avocados/mangoes have large export opportunities to the UK

		Jamaica Export Activity to UK		UK Category Demand Forecast	
		Historic Export Growth (2015–18, US\$ Mn)	Untapped Export Potential (2015–18, US\$ Mn)	Forecast Category Expansion (2018–21, RSP, US\$ Mn)	Forecast Category CAGR (2018–21, US\$ Mn)
TOP PRIORITY CATEGORIES	Sauces and Condiments	\$1.03	\$1.563	\$347.6	2.7%
	Pepper	\$0.16	\$2.34	\$59.9*	4.6%*
	Guavas, Avocados, and Mangos	-	\$0.37	\$134.7**	3.9%**
SECOND PRIORITY CATEGORIES	Roots and Tubers	(\$0.39)	\$7.99	\$89.4	2.0%
	Coffee	(\$0.89)	\$2.59	\$501.3	6.9%
	Fruit Juices	(\$0.15)	\$0.11	\$234.6	2.3%
	Preserved Fruit	(\$1.37)	\$0.32	\$104.9	4.5%
	Animal Feed	-	\$0.34	\$330.5	2.3%
	Other Nuts	-	\$0.21	\$119.2	2.0%
	Waters	\$0.52	\$0	\$949.6	10.0%



Sauces & Condiments

Capitalize on remaining potential for jerk and pepper sauces in UK

Expand condiment and sauce lines while working to build demand for Jamaican products

Target broad distribution of jerk and pepper sauces as Jamaican cuisine gains broad appeal



Pepper

Opportunity to fill European demand for pepper through UK

Leverage growing turmeric industry to gain entry to key markets for spices



Guavas, Mangoes & Avocados

Continue development of mango export capabilities with new treatment facilities

Invest in growth of avocado industry to meet large-scale demand in focus markets

Market fruits from Jamaica using modern marketing tactics to generate buzz



GLOBAL SUMMARY / USA STRATEGY / CANADA STRATEGY / **UK STRATEGY**

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Sauces & Condiments

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Target broad distribution of jerk and pepper sauces as Jamaican cuisine gains broad appeal



Pepper



Guavas, Mangoes & Avocados

EXPORT STRATEGY SUMMARY: SAUCES & CONDIMENTS

Expand sauce offerings and distribution to achieve export potential



Room to grow sauce sales in UK and Canada while US market is saturated

Jamaican exports of condiments and sauces to the UK grew from \$2 Mn in 2015 to \$3 Mn in 2018 with \$1 Mn in untapped potential remaining.



Build on sauce growth with new Jamaican products

Fill untapped potential by expanding existing product lines of Jamaican sauces/condiments to meet British tastes. New packaging and bottling facilities can be shared by upcoming brands to launch new products in the market.



Capitalize on wide appeal of Jamaican cuisine to broaden distribution

Growing interest in Caribbean cuisine among the wider community is a driver of imports of Jamaican sauces and condiments. Producers should look to capitalize on these trends by building relationships with new distributors.

Catalyze demand growth through tourism to entice Jamaican visitors to try jerk cuisine and pepper sauces at home.



Broad distribution is key as large supermarkets stock Jamaican sauces

A variety of stores stock sauces and condiments from supermarkets to hypermarkets and discounters. Target distributors for each of these channels or find one that covers a variety of channels.

“Imports are probably increasing because the big supermarkets all carry Caribbean foods, especially pepper sauces and some fruit and vegetables. There is new interest from outside the traditional community because the UK has a strong interest in different cuisines.”

- Clems Afri-Caribbean Food, Foodservice

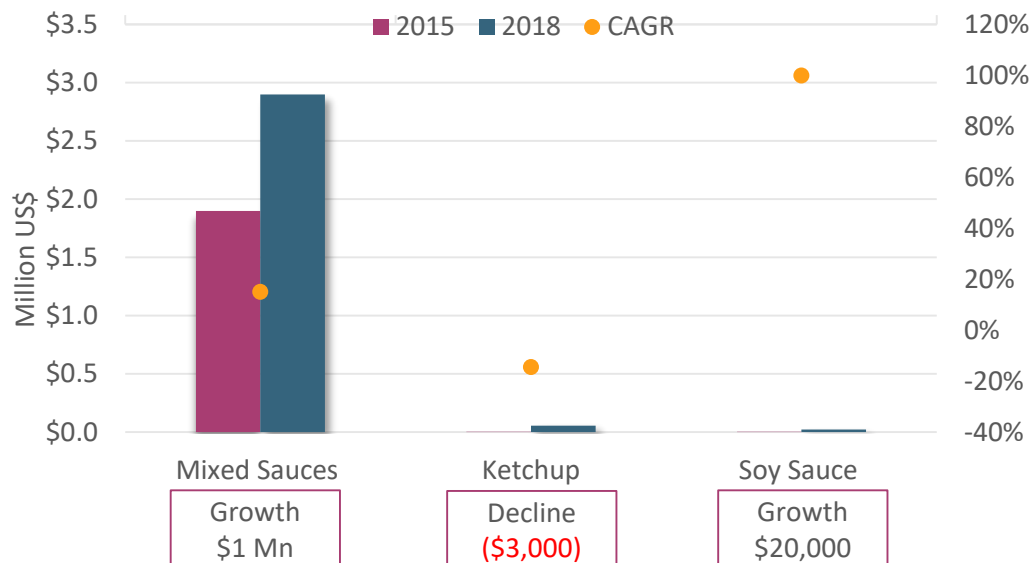
“We started selling to the Caribbean community in the UK, but then we got the ASDA contract and the market stated to expand into non-traditional areas. That has helped us to sustain the business.”

- Caribbean Savouries, Food Distributor

EXPORT STRATEGY: SAUCES & CONDIMENTS

Target broad distribution of jerk and pepper sauces as Jamaican cuisine gains broad appeal

Size and Performance of Sauces and Condiments Exports by Subcategory

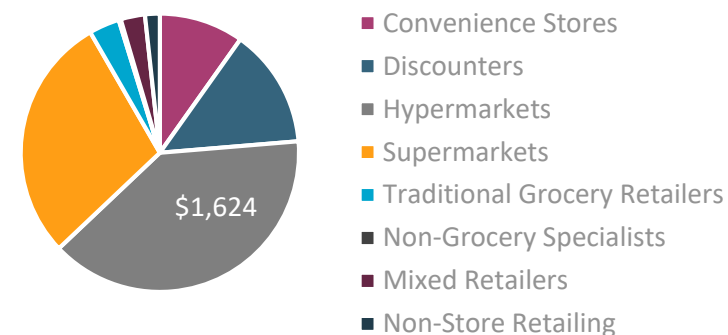


Exports of mixed sauces growing while soy sauce saw an unprecedented exports from 2017—2018

The key exports of Jamaican sauces are jerk sauces and pepper sauces, which qualify as mixed sauces under international HS codes. Recent extreme growth of exports is a positive trend that must be maintained.

Distributors cite local packaging or bottling in the UK as key headwinds for imports of Jamaican condiments and sauces. As Jamaican producers launch new sauces, investments in processing under one brand can benefit other emerging entrepreneurs.

2018 Sauces and Condiments Distribution in UK (value, US\$ Mn)



Work with diverse set of distributors to grow sauce sales with focus on compliance

Hypermarkets, supermarkets, and convenience stores are all key players for sauces and condiments as British consumers look to enjoy flavors while cooking at home. Thus applies most to pepper sauces, while jerk sauces also have large market in foodservice.

“Customs laws are sometimes a problem because it is unpredictable how they will be applied. Some traditional foods and prepacked foods have high MSG so run into import rules. Some items have to be checked item by item like some condiments. Other distributors have had the same problem. You just can’t get stock in sometimes. Some manufacturers have set up food processing in the UK, e.g. canned produce, because it is easier to import ingredient than to import processed foods.”

- Tropical Foods, UK Importer

Top Leads

Work with ethnic and mainstream food distributors on strategy for expanding Jamaican sauces in restaurants and stores. Importers such as Wanis are mentioned by restaurants as their main supplier.

EXPORT STRATEGY: SAUCES & CONDIMENTS

Expand condiment and sauce lines while working to build demand for Jamaican products

Opportunities to Grow Sauces and Condiments Exports



Push popularity of jerk cuisine to satisfy mainstream consumer tastes

- Growing popularity of international cuisine in the UK, including Jamaican jerk, bringing traditional products to mainstream
- Sauces can be a key vehicle to drive overall Jamaican cuisine growth among UK consumers



Producers should launch new products in-line with British tastes

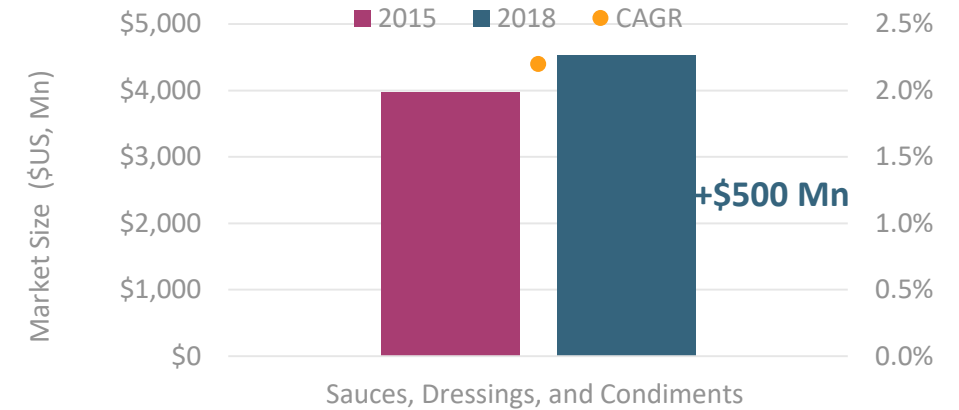
- Trends towards on-the-go lifestyles are driving growth of convenient formats such as snacks and ready meals
- The appreciation of Jamaican flavors should be capitalized on with new sauces, condiments, and packaged foods that make cooking Jamaican cuisine at home easy



Grow demand using tourism

- Jamaican buns gained popularity outside of Caribbean communities because of tourists returning home with a newly developed taste for them
- Jerk and pepper sauces are also prestige products that tourists can take home and share with friends to grow interest

DEMAND: Sauces and condiments growing moderately in UK



Jamaican sauces can be part of growing UK consumption

Sauces and condiments are a \$4.5 bn market opportunity in the UK and imports from Jamaica have the potential to reach \$4.5 Mn.

While some Caribbean foods often go through smaller distributors, many large retailers stock Jamaican sauces, and the category can be an avenue to working with larger distributors for other products,

“Caribbean food is quite a niche market and is generally handled by smaller importers and independent distributors.”

- Federation of Wholesale Distributors, UK

EXPORT STRATEGY: SAUCES & CONDIMENTS

Unilever, Kraft Heinz, and Premier Foods dominate sauces and condiments in the UK

Top Sauces and Condiments Brands in UK (RSP, US\$ Mn)

Brand	Company	2018 Sales
Heinz	Kraft Heinz Co	\$280.2
Dolmio	Mars Inc	\$161.5
Best Foods/Hellmann's	Unilever Group	\$148.5
Bisto	Premier Foods Plc	\$140.8
Schwartz	McCormick & Co Inc	\$132.9
Colman's	Unilever Group	\$124.0
Blue Dragon	Associated British Foods Plc	\$79.9
Loyd Grossman	Premier Foods Plc	\$75.3
Branston	Mizkan Group Corp	\$67.2
Patak's	Associated British Foods Plc	\$59.5



Top Brands

Heinz is the favorite sauce and condiment brand among consumers in the UK, with its sales far ahead of other brands. Unilever Group, Kraft Heinz Co and Premier Foods Plc hold a similar and vast portfolio of sauce and condiment brands in the UK.

2018 Sauces and Condiments Prices in UK Supermarkets (RSP, US\$)

Subcategory	Brand	Company	Price per kg
Cooking Sauces	Amoy	HP Foods Holdings Ltd	15.90
Cooking Sauces	Blue Dragon	Costa & Co Ltd, G	6.94
Cooking Sauces	Chicken Tonight	Symington's Ltd	4.35
Cooking Sauces	Discovery	Santa Maria UK Ltd	19.08
Cooking Sauces	Homepride	Premier Foods Group Ltd	4.61
Cooking Sauces	Loyd Grossman	Premier Foods Group Ltd	7.28
Cooking Sauces	Meena	AB World Foods Ltd	6.90
Cooking Sauces	Nandos Peri Peri	Nando's Group Holdings Ltd	20.49
Cooking Sauces	Old El Paso	General Mills UK Ltd	9.63
Cooking Sauces	Patak's	Patak (Spices) Ltd	5.46
Other Table Sauces	Colman's	Unilever Foods UK Ltd	7.43
Other Table Sauces	Colman's	Unilever Group	5.12
Other Table Sauces	Daddies Brown Sauce	HP Foods Holdings Ltd	4.45
Other Table Sauces	HP Brown Sauce	HP Foods Holdings Ltd	6.28
Other Table Sauces	HP Fruity Sauce	HP Foods Holdings Ltd	6.00
Other Table Sauces	Lea & Perrins	HP Foods Holdings Ltd	11.48
Other Table Sauces	Ocean Spray	Ocean Spray International Services (UK) Ltd	7.17
Other Table Sauces	Reggae Reggae Sauce	AB World Foods Ltd	6.51



Sauces & Condiments



Pepper

Opportunity to fill European demand for pepper through UK

Leverage growing turmeric industry to gain entry to key markets for spices



Guavas, Mangoes & Avocados

EXPORT STRATEGY SUMMARY: PEPPER

Leverage success in turmeric exports to grow pepper industry



Jamaican turmeric industry growing with potential to take pepper with it

The recent boom in turmeric exports have set the stage for other herbs and spices from Jamaica. Producers should look to leverage Jamaican exporter partnerships with distributors in UK and other key markets.



Grow spice processing sector in UK as part of broader food industry strategy

Both crushed and uncrushed pepper have export potential, but Jamaican producers will need to ramp up production capacity in order to meet demand. Processing for drying, crushing, and bottling pepper will require new facilities to produce pepper at scale.



Fill growing demand in UK and rest of Europe for peppers

Demand for herbs and spices in UK growing, but imports of pepper have been slowing. While the UK is still in the EU, opportunity exists to export pepper to other European countries while marketing to the UK by taking advantage of free trade zones. Pepper is seen as a staple commodity in the UK, with most imports coming from India, Spain, and Vietnam.



Introduce Jamaica as pepper producer to broad range of distributors

Launch the pepper industry in Jamaica with promotions to distributors to announce expansion of production. UK distributors source pepper from various markets but may be unfamiliar with Jamaican pepper. Make a first impression with strong final pepper products to maintain trade partnerships and continue to develop new ones.

"If there is a shortage of one product it will usually hit all of the importers / distributors."

- Clems Caribbean Food

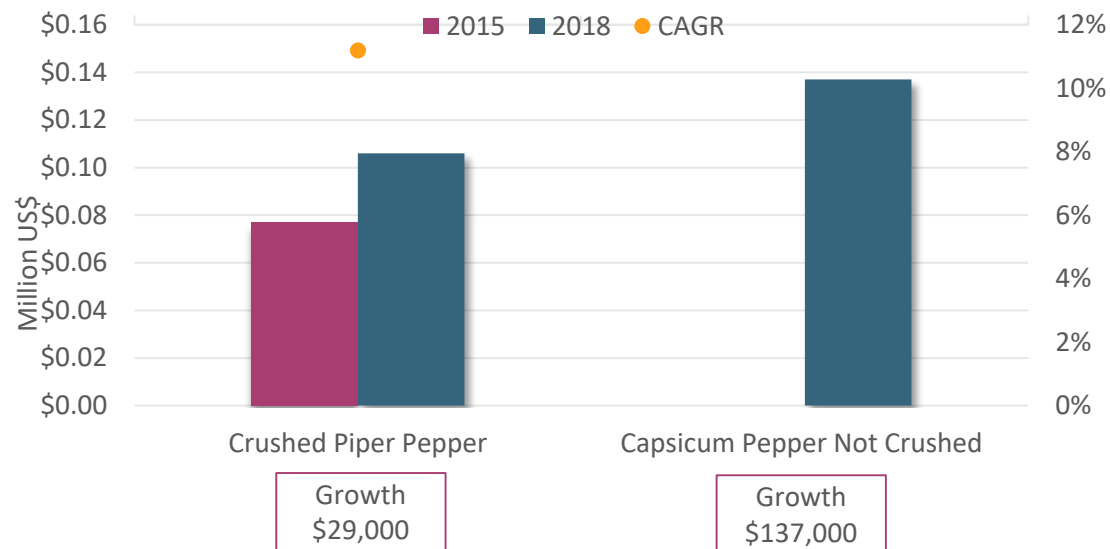
"We sometimes go online if our regular suppliers run out of stock. Online is a bit of a gamble through because you never know the quality of the spices you are buying."

- Mama Sephlllyn, Carrbean

EXPORT STRATEGY: PEPPER

Piper and capsicum pepper spices are both produced in Jamaica in small quantities but have much larger potential

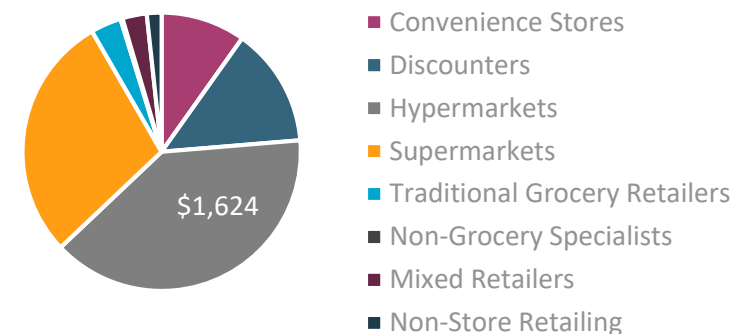
Size and Performance of Pepper Exports by Subcategory



Pepper industry has promise based on US demand, but will require sharp production increases

While spices like turmeric are already experiencing production and export growth, the pepper industry has been somewhat stagnant. Given proper investment, it can be a similar success story. Estimates suggest Jamaica's pepper export potential is almost 10 times greater than what is currently being realized.

2018 Sauces and Condiments Distribution in UK (value, US\$, '000)



Market pepper as mainstream commodity and compete on price

Market potential for peppers is based on general usage of crushed peppers sold through supermarkets and hypermarkets in the UK. With successful production and packaging, long shelf-life of crushed pepper creates opportunity for shipping to the UK and national distribution.

EXPORT STRATEGY: PEPPER

Introduce Jamaica as a growing fresh and crushed pepper supplier to distributors in UK

Opportunities to Grow Pepper Exports



Build pepper production industry

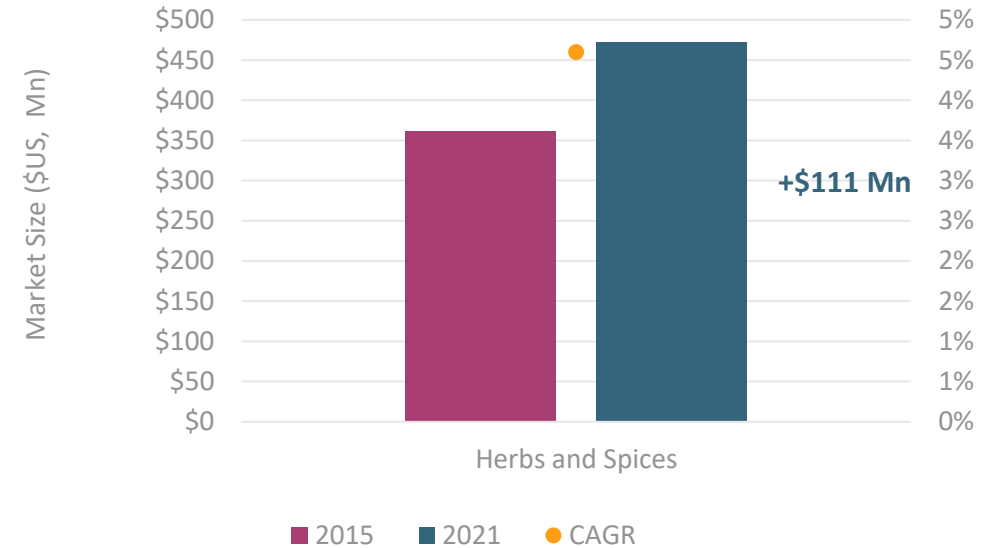
- Agricultural production of pepper at scale is the first key step, and may require piloting piper and capsicum in different regions to perfect growing techniques
- Processing of pepper to dry, crush, and bottle seeds can be done in Jamaica if facilities can grow to accommodate rising production



Market Jamaica as new producer of Jamaica to distributors

- Distributors will be familiar with imports from India, Spain and Vietnam where the UK imports most of its pepper from
- They will need to be introduced to pepper from Jamaica to understand quality and taste
- Small shipments can slowly expand as production capacity grows to develop successful pepper industry

DEMAND: Fast-growing demand for herbs and spices in UK



Herbs and spices show strong forecast outlook adding \$111 Mn in value from 2015 to 2021. The UK imported \$112 Mn worth of pepper in 2018, down each of the last four years from a peak of \$167 Mn in 2015.

EXPORT STRATEGY: PEPPER

Private label captures 62% of herbs and spices sales in the UK; prices range from \$23-\$110/kg

Top Herbs and Spices Brands in UK (RSP, US\$ Mn)

Brand	Company	2018 Sales
Schwartz (McCormick & Co Inc)	McCormick & Co Inc	\$77.3
Bart Spices (Bart Spices Ltd)	Bart Spices Ltd	\$27.0
Oxo (Premier Foods Plc)	Premier Foods Plc	\$5.3



Top Brands

In 2018, Schwartz captured the strongest sales in herbs and spices in the UK. With ownership of Schwartz, McCormick & Co leads with the largest company share, with Bart Spices Ltd and Premier Foods Plc trailing behind. Private label claimed a significant 62% share of the UK herbs and spices market in 2018.



Pricing

Ground pepper comes at a lower unit price than coarse pepper and peppercorns.

2018 Pepper Prices in UK Supermarkets (RSP, US\$)

Subcategory	Brand	Company	Price per Kg
Herbs and Spices	Bart Spices	Bart Spices Ltd	\$58.92
Herbs and Spices	Schwartz	McCormick (UK) Plc	\$213.47
Pepper	Schwartz Black Pepper Grinder	McCormick (UK) Plc	\$110.00
Pepper	Schwartz Ground Black Pepper	McCormick (UK) Plc	\$86.67
Pepper	Tesco Finest Tellicherry Black Pepper	Tesco	\$88.44
Pepper	Tesco Ground Black Pepper	Tesco	\$23.10
Pepper	Tesco Whole Black Peppercorn	Tesco	\$51.20
Pepper	Tesco Coarse Black Pepper	Tesco	\$35.60
Pepper	Tesco Ground White Pepper	Tesco	\$29.50
Pepper	Saxa Ground Black Pepper	Saxa	\$41.20
Pepper	Saxa White Pepper	Saxa	\$41.20



Sauces & Condiments



Pepper



Guavas, Mangoes & Avocados

Continue development of mango export capabilities with new treatment facilities

Invest in growth of avocado industry to meet large-scale demand in focus markets

Market fruits from Jamaica using modern marketing tactics to generate buzz

Push new mango exports while developing avocado industry to satisfy rising demand



Growth set for Jamaican mangoes after overcoming compliance barriers

Mango exports to Canada and the UK, will soon be joined by export to the US with the first mango shipments in 20 years delivered earlier this year. Compliance standards around costly mango treatments were previously a barrier, and no Jamaican mango exports are set for revitalization globally.



Capitalize on tremendous avocado import growth in all key markets

Jamaica has shown it can produce and export avocados, although current quantities are small. There is clear market demand in the UK, the US, and Canada with growth of imports doubling over the last ten years. Jamaican producers should invest in intensifying and intensifying production of avocados in expectation of continued growth and sustained profitability.



Market fresh fruits and sell to key grocery retailers in UK

Use key retail chains like Tesco, Asda, Sainsbury's and Morrisons to generate demand for Jamaican fruits and push sales through their distributors. As production capacity increases for mangoes and avocados,, seek out larger supply contracts.



Build buzz around fresh fruits from Jamaica

Jamaican producers should develop modern marketing campaign pushes that might help launch new exports of mangoes and avocados into UK and other markets. These can include social media advertisements, targeted online marketing, and other measurable marketing tools.

Fresh foods are more difficult to brand than packaged foods. This means a national marketing campaign such as “Mangoes from Jamaica” would make a bigger impression.

“Overall though, it is the niche fresh produce items which can be difficult to source due to their short shelf lives, long supply chains and issues to do with quality and sometimes seasonality at the supplier end.”

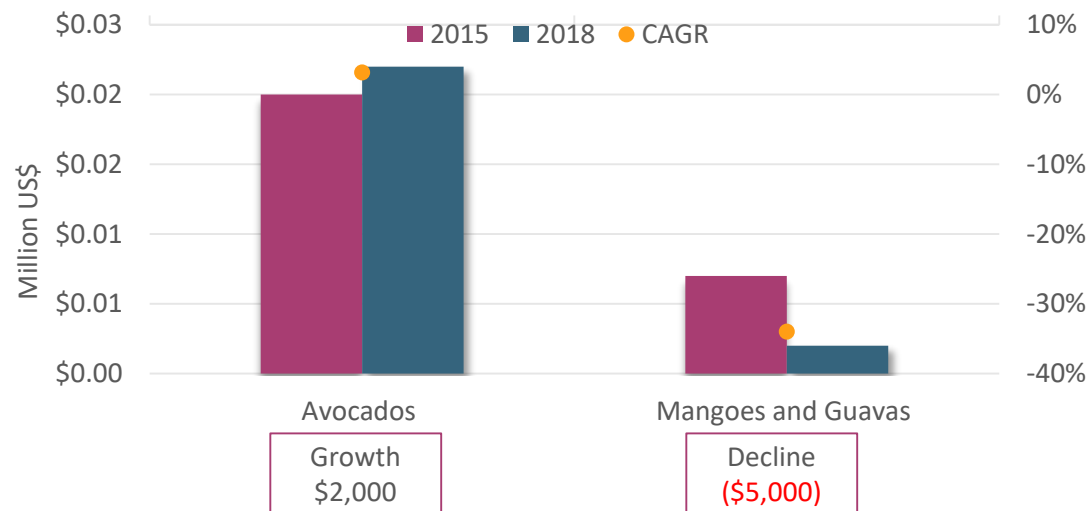
-Federation of Wholesale Distributors, UK



EXPORT STRATEGY: GUAVAS, MANGOS & AVOCADOS

Few exports of mangoes and avocados to UK while demand grows

Size and Performance of Guava, Mango, and Avocado Exports by Subcategory



Size and Performance of Guava, Mango, and Avocado Exports by Subcategory

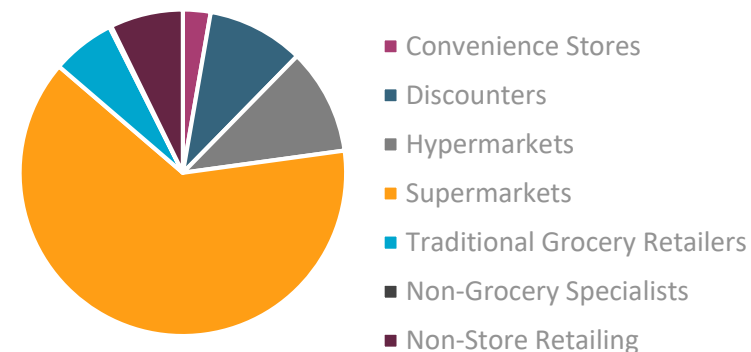
Mangoes fell from their recent high of \$700,000 in exports in 2014 to none in 2016 and have yet to recover. The first shipment of Jamaican mangoes to the US earlier this year paved the way for new mango and avocado exports to grow.

Avocados may present the largest opportunity of all fruits as their imports are doubled over the last 10 years in key markets. If Jamaican producers can ramp up capacity of quality avocados, distributors indicate they are in demand.

“[Avocados] can be a profitable but commodity business. Big supermarkets are the key players.”

- Blue Mountain Peak, Fresh Fruit and Coffee Distributor

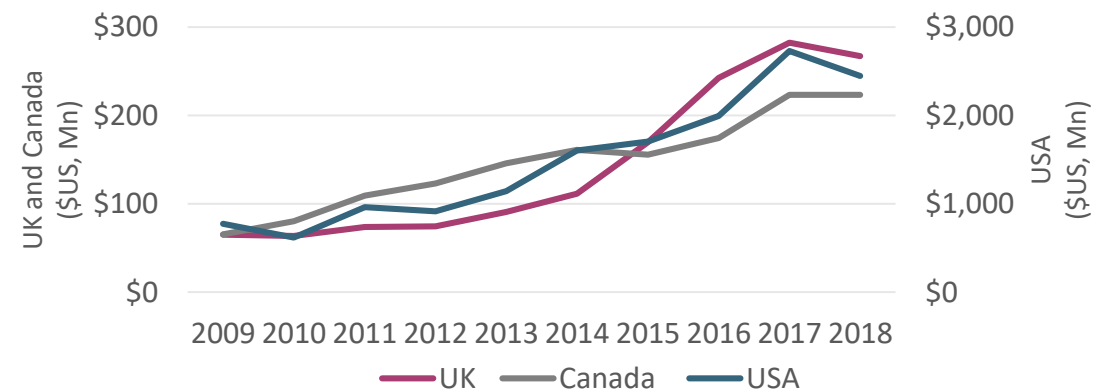
2018 Fresh Food Distribution in UK (Volume, tons)



Focus on retail distributors working with supermarket chains in UK

Avocado consumption has continued rise in consumption across the UK and other regions driven by its beneficial health properties and growth of associated Mexican cuisine. Target supermarket and foodservice distributors as they are the largest buyers.

Size and Performance of Guava, Mango, and Avocado Imports



EXPORT STRATEGY: GUAVAS, MANGOES & AVOCADOS

Revive mango and avocado industries with investment in production and marketing

Opportunities to Grow Guava, Mango, and Avocado Exports



Invest in mango treatment facilities to drive down export costs

- The EU has implemented regulations concerning treatment of mangoes to prevent fruit flies as of 2019
- Jamaica has already undergone compliance upgrades to clear the path for UK exports, and now mango production can continue to grow, requiring growth in processing capacity as well
- A company or association planning to build new mango treatment facilities should consider the long-term cost-effectiveness and compliance of hot water treatment compared to alternatives such as irradiation and forced hot air



Brand tropical fruits from Jamaica to attract modern consumption

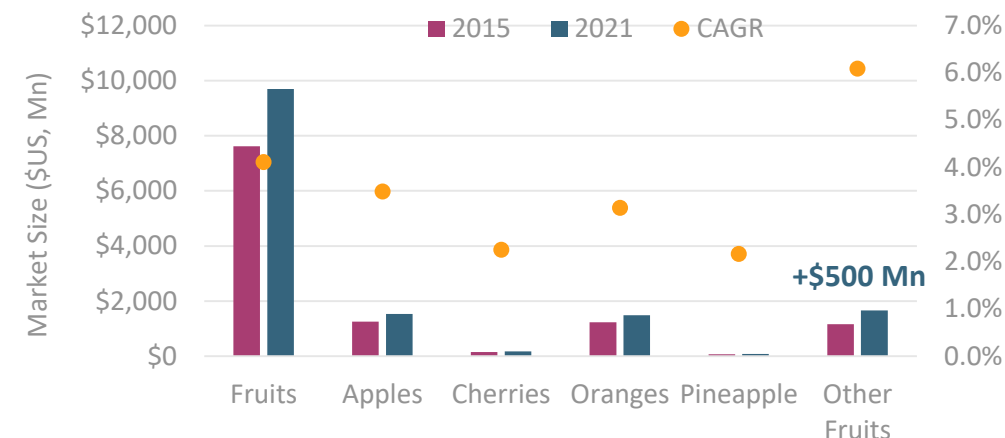
- Consider branding Jamaican fruit products in a succinct way to build a national brand and reputation
- Utilize marketing campaigns including promotions and social media to generate momentum around the brand
- Market to major UK grocery retailers such as Tesco, Asda, Sainsbury's and Morrisons to generate demand for their distributors



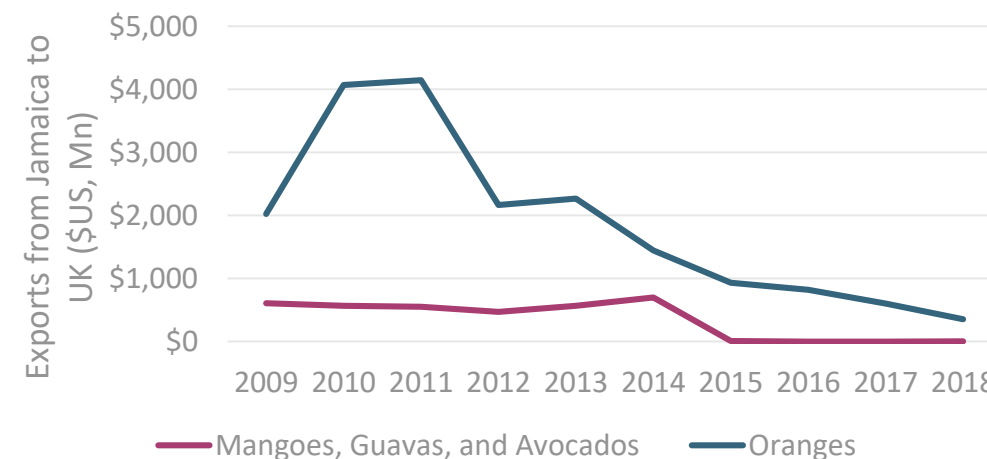
Spread the word out about mangoes and avocados from Jamaica

- Invest in campaign to brand mangos and/or avocados from Jamaica to build reputation and demand from retailers and restaurants
- The “Avocados from Mexico” campaign in the US consisted of television advertisements and social media marketing that created a buzz at different levels of the supply chain
- The campaign was expensive, but is credited with boosting consumer demand for Mexican avocados by 9%*

DEMAND: Guava, Mango, and Avocado growing in demand as part of Other Fruit category



DEMAND: Historically successful exports of fresh mangoes and oranges to UK have declined gradually

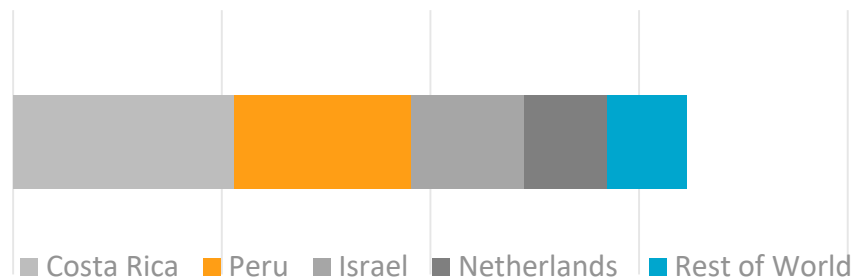




EXPORT STRATEGY: GUAVAS, MANGOES & AVOCADOS

UK imports guavas, mangoes, avocados from countries near Jamaica

Top Exporters of Guavas, Mangoes & Avocados to UK (RSP, US\$ Mn)



Unlike most other categories where the UK primarily trades with EU neighbors, most guava, mango, and avocado imports come from South and Central America. Imports of these fruits have been growing steadily from \$550 million in 2015 to \$670 million in 2018.

However, top import source Costa Rica has remained stagnant, exporting \$106 million worth of these fruits in 2015 and 2018. Meanwhile, Peru has more than doubled exports to UK from \$35 Mn in 2015 to \$85 Mn in 2018.

2018 Guava, Mango & Avocado Prices in UK Supermarkets (RSP,

Subcategory	Brand	Company	Price per Kg
Other Fruits	Asda Ripe & Ready Avocado	Asda Group Ltd	\$7.71
Other Fruits	Essential Waitrose Large Avocado	Waitrose Ltd	\$8.69
Other Fruits	Tesco Medium Avocado Ready to Eat	Tesco Plc	\$5.46
Other Fruits	Waitrose Mango	Waitrose Ltd	\$8.48

Prices vary according to the size of the various fruits. Private label such as Tesco and Waitrose has a strong presence aside from brands such as Asda. Generally speaking, avocados and mangoes are more commonly found than guavas in major supermarkets.