

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **China - Peoples Republic of**

**Post:** Guangzhou

### **ATO Guangzhou Opens Markets for U.S. natural food products in emerging cities**

**Report Categories:**

Market Development Reports

**Approved By:**

Jorge, Sanchez

**Prepared By:**

May Liu

**Report Highlights:**

**General Information:**

Through a series of in-store promotions and strategic media engagement in South China, ATO Guangzhou created demand for high quality natural U.S. food products in emerging cities in the Pearl River Delta. In December 2010, ATO Guangzhou launched a Christmas-themed “American Food Festival” supermarket promotion in partnership with the Yihua Group. Over 20 local print media outlets and six television crews widely covered the event for different audiences. Four individual news clips were respectively broadcasted by Jiangmen Television, Taishan Television, Shaoguan Television, and Qingyuan Television. Seven articles and five advertisements were printed on Jiangmen Daily, Zhongshan Commercial Newspaper, Southern China Daily, South Metropolitan Daily, China Overseas Magazine, Zhongshan Hua Kan Magazine, and Zhongshan City’s Chamber of Commerce Business Journal.

Over 40 U.S. brands including natural and organic cereals, cookies, snacks, nuts, drinks and juices were promoted to middle class residents in the Pearl River Delta including Jiangmen (3.8 million), Zhongshan (2.5 million), and Shaoguan (3.2 million). Popular brands included Nature’s Path (WA), Nature’s Valley (MN), Blue Diamond (CA), Mac Farms (HI), Pirouline (MS), Diamond of California (CA), Mariani (CA), Sun Maid (CA), Sunny Select (CA), Arizona (OH), Pepperidge Farm (CT), Welch’s (MA) and Swiss Miss (WI).

The feedback was positive both from return customers who were excited to purchase new items and the supermarket, which sold out of several U.S. goods after only the second week of launching the promotion. The top 15 best selling items can now be found permanently on Yihua supermarket shelves. ATO Guangzhou invited Guangzhou-based and U.S. exporters to participate in the opening ceremony of the promotion, and as a result, Fina Foods of Los Angeles, California recently shipped a 40 ft container of supermarket-ready products with an estimated value at \$362,000.

Traders and retailers in second and third tier cities were exposed to ATO Guangzhou’s first major promotions in the second tier cities, and since then have approached us to express their eagerness to promote U.S. products in the future.