

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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FHC 2012 Results in Millions of Dollars of Additional Sales

Report Categories:

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Trade Show Evaluation

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Report Highlights:

US exhibitors at the Food and Hospitality China (FHC) trade show expect more than US\$16.5 million of additional sales over the next year as a result of their participation in the trade show. Several exhibitors also signed contracts with new distributors. The market value of the press coverage from events related to the show will likely exceed US\$70,000. ATO Shanghai, the National Association of State Departments of Agriculture (NASDA), and several USDA cooperators supported the exhibitors at the USA Food and Wine pavilions.

Food and Hospitality China 2012 (FHC)

US exhibitors at Food and Hospitality China 2012 (FHC) expect more than \$16.5 million of additional sales over the next year as a result of their participation in the show. The 49 U.S. exhibitors featured 183 new-to-market products, made more than 442 serious contacts at the show, and had \$17,450 in onsite sales. Several exhibitors also signed contracts with new distributors. Exhibitors with tree nuts and dried berries had very strong results. The demand for potato and dairy products continued to be solid, and popcorn and juice mix were popular among trade show visitors. U.S dessert cakes are a new-comer to exhibitions, but received very good traffic from visitors and collected many serious potential contacts.

The FHC show is the second most important food show in China for imported products. It was held in Shanghai November 14-16, 2012. It features imported products from around the world, and includes a dedicated wine and spirits hall as well as a limited selection of equipment focused on the food service industry. While it is traditionally oriented to food service sector, many exhibitors buyers are primarily interested in consumer products. This year's show had 47 international pavilions and more than 1500 exhibitors.



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Our impression of foot traffic at the 2012 FHC show is that it was slightly less than in 2011, but the number of visitors to the show increased to 30,156. Projected 12 month sales were up significantly – from \$11 million to \$16.5 million – but are more heavily concentrated in a small number of companies. On site sales were much smaller than in 2011 (\$17,450 vs \$120,000). The US pavilion was significantly smaller in terms of the number of exhibitors – 49 in 2012 vs 68 in 2011.



ATO Shanghai, the National Association of State Departments of Agriculture (NASDA), and several USDA cooperators supported the exhibitors at the two US pavilions at FHC. ATO Shanghai provided a supermarket tour, several market reports, and a preshow briefing to US exhibitors. The briefing covered the retail and hotel sector as well as intellectual property issues and food import regulations. ATO Shanghai also oversaw the pavilion contractor, managed and designed the lounge area and meeting rooms, and consulted with the exhibitors as needed. NASDA provided

funding for the pavilion, lounge area, and related trade show support activities. Both the Southern US Trade Association (SUSTA) and the Western USA Trade Association (WUSATA) provided financial support to some exhibitors participating in programs for branded products as well as matchmaking services and market intelligence for their member companies. SUSTA also sponsored Chef Roy Lyons who provided cooking demonstrations at the USA pavilion and assisted with a media promotion at the Wyndham Grand hotel and a cross promotion with the China International Travel Mart (CITM) travel show.

Media Coverage

We generated media coverage for the US pavilion members by cross promoting it with the CITM show that overlapped with FHC and holding a media dinner. SUSTA Chef Roy Lyons from the US pavilion prepared jambalaya for visitors to the US travel show pavilion and played the spoons with the band there. Visitor response was so great that the band was ordered to stop playing by show security. Nine reporters, including three TV camera crews, then followed our staff to the FHC show where they interviewed US exhibitors. An additional nine members of the press attended a Ragin' Cajun menu promotion media dinner the night before the show with the Deputy Principle Officer of the US Consulate General, Shanghai. The market value of the press coverage is still being calculated, but will likely exceed US\$70,000.

Pro Wine China 2013

The organizers of FHC China and the ProWein (<http://www.prowein.com/>) show in Germany have agreed to collaborate and form what they hope will be China's largest wine show. The show, to be called ProWine China, will be held concurrently with FHC 2013 and will compete directly with Hong Kong's Vinexpo show.

US Exhibitors

The data about US exhibitors in this report is taken from survey forms that were distributed to US exhibitors inside the US pavilion. Of the 49 exhibitors, 32 responded to the survey. Nine of the 32 were new to China, 9 were minority-owned companies, and 14 had less than 50 employees and/or \$10 million in annual sales. Several larger US companies and importers were located near the US Pavilion but are not included in the results or in the count of exhibitors.