

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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U.S. wine imports grow as ATO Guangzhou improves port inspection relations

Report Categories:

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Report Highlights:

General Information:

In the South China market where American food products are available on every street corner and recognized as being top quality goods, most people are unaware that the United States produces wine. American wines are not competing on a level playing field in South China due to lack of government support comparable to that from our main competitors. Because the wine industry is composed of many small producers and exporters, the risks associated with promoting in emerging markets is high given it can be quite costly and with unpredictable results in sales. However, in talks with local U.S. wine importers and distributors ATO Guangzhou realized that government inspection had prevented many products from market entry. ATO Guangzhou developed and immediately executed an action plan that included meetings with every local quarantine and inspection office that was a key entry port for imported wine in the Pearl River Delta region. Throughout our port visits, ATO Director emphasized the high standards and rigid supervising procedures of U.S. wine producers. Senior port officials claimed U.S. wines held high sulfite contents; however after visiting laboratories and having discussion with technicians in Shenzhen port, the residue testing was not being conducted correctly or consistently to substantiate this claim. Thanks to this timely action and because ATO Guangzhou strengthened government relations with port officials, the three major ports in the Pearl River Delta all saw double digit growth in their imports of U.S. wine in the first three months of 2011. Shenzhen (60%), Zhongshan (90%) and Guangdong (50%).