

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Voluntary \_ Public

**Date:** 7/30/2013

**GAIN Report Number:**

## China - Peoples Republic of

**Post:** Shanghai ATO

### USDA China Monthly Newsletter from February 2013

**Report Categories:**

Agricultural Trade Office Activities

**Approved By:**

Linston Terry

**Prepared By:**

Joy Wang

**Report Highlights:**

This monthly newsletter includes articles on: United Tastes of America - Asian Chef Challenge  
U.S. ag/food exports to China-2012; ATO Staff Meet w/Shin Kong Plaza Beijing; 17th Chinese New  
Year Shopping Festival - Chengdu ; 1st Annual Chinese New Year Shopping Festival – Deyang ; The  
6th Chongqing Chinese New Year Shopping Festival; 7th Annual Chinese New Year Shopping Festival  
– Kunming; 2013 Miss California Tour; Yunnan Zhengcaihao Trading Co., Ltd; 12th Western China  
(Chongqing) International Agricultural Products Fair; ATO continues to promote American food  
products at Yihaodian.com; ATO actively facilitate U.S. pear exports to East China; ATO Meeting with  
COFCO Innovation Foods Shanghai Branch; ATO Shanghai coordinated publicity on Ctrip ELITE  
Traveler Magazine for several US groups; California Walnut Commission (CWC) China Media Lunch  
in Shanghai; ATO visited DaZhongDianPing(DZDP) company; US wine associations to exhibit at  
USDA endorsed Food and Hospitality China 2013 Shanghai; ATO Shanghai staff visited Shanghai  
Xuerong Biotechnology; ATO Shenyang Welcomes Boutique Import Food Store in Shenyang;  
Preparation for National Olympic Games in Shenyang; China’s Growing Urbanization Means Growing  
Need for U.S. Soy; United States Hide, Skin & Leather Association |China Market Update; USDA  
Saves Businesses \$4 Billion in Lost U.S. Agricultural Exports in 2012 by Knocking Down Barriers to

Trade; February 2013 WASDE Summary; The 2013 China National Sugar and Alcoholic Commodities Fair in Chengdu; Miss California China Tour 2013; Produce Marketing Association Launches Inaugural PMA Fresh Connections in China ; Wisconsin Governor's Delegation to China; China Xiaoshan Plant & Flower Show in March 2013; Save the Date – May 30 AmCham Shanghai 2013 China Food Safety & Sustainability Conference



## USDA China e-Newsletter

February 2013 | Volume 2, Issue 2

[www.usdachina.org](http://www.usdachina.org) [www.meiguomeishi.org](http://www.meiguomeishi.org)

*Happy Year of the Little Dragon!*



### Newsletter Content:

- [+ Recent Events](#)
- [+ Facts & Figures](#)
- [+ News](#)
- [+ Trade Policy Updates](#)
- [+ Upcoming Activities](#)
- [+ Event Calendar](#)
- [+ China GAIN Reports](#)

### USDACHina e-Newsletter

**Release date:** 10th of each month.

#### **Chief Editor:**

Keith Schneller | Director |  
ATO Shanghai  
[Keith.Schneller@fas.usda.gov](mailto:Keith.Schneller@fas.usda.gov)

#### **Main Coordinator:**

Joy Wang | Marketing  
Specialist | ATO Shanghai  
[Zhe.Wang@fas.usda.gov](mailto:Zhe.Wang@fas.usda.gov)

[View E-Newsletter](#)

[\*\*Subscribe to USDA  
China e-Newsletter\*\*](#)

[ATO China Map](#)

### Quick Links:

- [United Tastes of America - Asian Chef Challenge](#)
- [U.S. ag/food exports to China-2012](#)
- [ATO Staff Meet w/Shin Kong Plaza Beijing](#)
- [17th Chinese New Year Shopping Festival - Chengdu](#)
- [1st Annual Chinese New Year Shopping Festival - Deyang](#)
- [The 6th Chongqing Chinese New Year Shopping Festival](#)
- [7th Annual Chinese New Year Shopping Festival - Kunming](#)
- [2013 Miss California Tour](#)
- [Yunnan Zhengcaihao Trading Co., Ltd](#)
- [12th Western China \(Chongqing\) International Agricultural Products Fair](#)
- [ATO continues to promote American food products at Yihaodian.com](#)
- [ATO actively facilitate U.S. pear exports to East China](#)
- [ATO Meeting with COFCO Innovation Foods Shanghai Branch](#)
- [ATO Shanghai coordinated publicity on Ctrip ELITE Traveler Magazine for several US groups](#)
- [California Walnut Commission \(CWC\) China Media Lunch in Shanghai](#)
- [ATO visited DaZhongDianPing\(DZDP\) company](#)
- [US wine associations to exhibit at USDA endorsed Food and Hospitality China 2013 Shanghai](#)
- [ATO Shanghai staff visited Shanghai Xuerong Biotechnology](#)
- [ATO Shenyang Welcomes Boutique](#)



**Regional Coverage**  
FAS maintains six offices in china

### USDA China Contacts:

Beijing:

[AAOBeijing@fas.usda.gov](mailto:AAOBeijing@fas.usda.gov)

[ATOBeijing@fas.usda.gov](mailto:ATOBeijing@fas.usda.gov)

[APHISBeijing@usda.gov](mailto:APHISBeijing@usda.gov)

Chengdu:

[ATOC Chengdu@fas.usda.gov](mailto:ATOC Chengdu@fas.usda.gov)

Guangzhou:

[ATOGuangzhou@fas.usda.gov](mailto:ATOGuangzhou@fas.usda.gov)

Shanghai:

[ATOShanghai@fas.usda.gov](mailto:ATOShanghai@fas.usda.gov)

Shenyang:

[ATOShenyang@fas.usda.gov](mailto:ATOShenyang@fas.usda.gov)

Hongkong:

[ATOHongKong@fas.usda.gov](mailto:ATOHongKong@fas.usda.gov)

- [Import Food Store in Shenyang](#)
- [Preparation for National Olympic Games in Shenyang](#)
- [China's Growing Urbanization Means Growing Need for U.S. Soy](#)
- [United States Hide, Skin & Leather Association | China Market Update](#)
- [USDA Saves Businesses \\$4 Billion in Lost U.S. Agricultural Exports in 2012 by Knocking Down Barriers to Trade](#)
- [February 2013 WASDE Summary](#)
- [The 2013 China National Sugar and Alcoholic Commodities Fair in Chengdu](#)
- [Miss California China Tour 2013](#)
- [Produce Marketing Association Launches Inaugural PMA Fresh Connections in China](#)
- [Wisconsin Governor's Delegation to China](#)
- [China Xiaoshan Plant & Flower Show in March 2013](#)
- [Save the Date - May 30 AmCham Shanghai 2013 China Food Safety & Sustainability Conference](#)

### + Facts & Figures

U.S. Exports to China  
(CY 2007-2012 &  
2011-2012 Comparisons - USD Million)

#### BULK

##### *Coarse Grains*

2007 8.97

2008 2.86

2009 48.06

2010 278.12

2011 842.77

2012 1,309.73\*

2011-2012 Comparisons

%Chg 55.41

##### *Soybeans*

2007 4,117.4

2008 7,259.7

2009 9,193.7

2010 10,816.6

### Chinese Lunar New Year - Year of the Snake

Doing business in other countries means working within the cultural context. Chinese New Year (CNY), also known as the Lunar New Year or the Spring Festival, is one of China's most important traditional holidays similar to Christmas in the United States and Europe. It is also one of the busiest commercial times of the year as Chinese families meet and exchange gifts. Manufacturing plants across China typically shut down and tens of millions of workers make long trips back to their home towns from the industrial cities where their jobs are. It has a huge impact on global supply chains originating in China and it's not always back to business as usual, before and after the 15 day celebration. The celebrations are also expected to affect port operations in terms of loading, barging schedule and possibly product availability.

[Read More](#)

### United Tastes of America - Asian Chef Challenge

#### 美國之味 - 亞洲廚藝競賽 2013

\* Tokyo : March 1 | 16 Teams

\* Shanghai : March 6-8 | 20 Teams

\* Hongkong : March 12 | 26 Teams

2011-2012 Comparisons  
%Chg 42.87

**Cotton**

2007 1,461.2  
2008 1,620.6  
2009 861.8  
2010 2,214.8  
2011 2,632.4

2011-2012 Comparisons  
2012 3,440.20\*  
%Chg 31.14

**INTERMEDIATE**

**Vegetable Oil (Ex Soybean)**

2007 13.99  
2008 23.92  
2009 30.86  
2010 47.75  
2011 68.87

2011-2012 Comparisons  
2012 92.67\*  
%Chg 34.55

**Feeds & Fodders**

2007 51.86  
2008 71.84  
2009 228.64  
2010 735.95  
2011 627.11

2011-2012 Comparisons  
2012 969.89\*  
%Chg 54.66

**Live Animals**

2007 16.9  
2008 37.7  
2009 31.6  
2010 33.7  
2011 44.5

2011-2012 Comparisons  
2012 60.01 \*  
%Chg 34.93

**Hides & Skins**

2007 826.9  
2008 859.0  
2009 651.7  
2010 951.6  
2011 1,163.4

2011-2012 Comparisons

\* Taipei : March 25-26 | 16 Teams



The first annual "United Tastes of America - Asian Chef Challenge" will be launched in Tokyo on March 1, followed by a mainland China showdown in Shanghai from March 6-8 at the [ZhongHua Culinary Center](#). 20 teams from across mainland China have been selected to compete in the Shanghai round of the competition. This competition will be a joint effort by the [U.S. Department of Agriculture](#), the U.S. Meat Export Federation, and 17 other U.S. agricultural producer associations to launch an annual series of chef competitions in East Asia that will feature healthy American food ingredients and highlight creative skills demonstrated by experienced Asian chefs. The Metro Cash & Carry Chain in China and City Shop Supermarket Chain based in Shanghai will both sponsor some of the basic ingredients. An experienced panel of six judges including both American and Chinese Chefs will oversee the Shanghai event which will also be MC'ed by two very popular Shanghai cuisine personalities. We expect lots of media coverage for this series of events. The winning team of the regional Shanghai competition will participate in an East Asian Final Competition in June 2013 at the Food Taipei International Trade Show. The final winning team will be invited to an all expenses paid, week-long training session at the [Culinary Institute of America](#).

- **Agricultural Affairs Office - US Embassy Beijing**

**U.S. agricultural/food exports to China-2012:**

[Full year trade data](#) for 2012 was released just prior to the holiday and the following points for U.S. ag/food exports to China are drawn from this data. Please see the facts & figures in the left-hand column for a snapshot of several record breaking categories.

- In 2012, China was the largest export destination for

<b>Planting Seeds</b>	
2007	32.3
2008	39.0
2009	48.8
2010	93.1
2011	95.9
<i>2011-2012 Comparisons</i>	
2012	97.8*
%Chg	1.9

**CONSUMER ORIENTED**

<i>Breakfast Cereals</i>	
2007	4.1
2008	4.1
2009	3.7
2010	7.0
2011	8.5
<i>2011-2012 Comparisons</i>	
2012	16.1*
%Chg	90.8

<i>Red Meats, Prep/Pres</i>	
2007	52.4
2008	24.0
2009	25.4
2010	58.2
2011	33.5
<i>2011-2012 Comparisons</i>	
2012	76.5*
%Chg	128.5

<i>Dairy Products</i>	
2007	153.6
2008	179.4
2009	137.0
2010	236.7
2011	361.2
<i>2011-2012 Comparisons</i>	
2012	415.4*
%Chg	15.0

<i>Fresh Fruits</i>	
2007	38.8
2008	45.5
2009	55.4
2010	80.0
2011	103.3
<i>2011-2012 Comparisons</i>	
2012	111.6*

American agricultural and food products with \$26.0 billion in sales, a nearly 38 percent increase compared to 2011. This represents the seventh consecutive year in which U.S. agricultural exports to China reached a new high. [U.S. agricultural exports to China have more than doubled in the past four years.](#)

- This year, approximately 18 percent of global U.S. agricultural and food exports come to China, and agriculture accounts for more than 20 percent of all U.S. exports to this market. Forest and fish products, both supported by USDA market development programs, add another \$2.7 billion to the U.S. export figure. China's exports of agricultural products to the United States are also at a record-setting level (\$4.5 billion).

- U.S. agricultural exports to China range from bulk commodities, like soybeans, cotton and corn, that are essential inputs into China's own food, feed, and textile sectors to high-value consumer products like pork, tree nuts, dairy products, and wine. American agricultural and food exports to China not only support tens of thousands of U.S. jobs, they also help China meet its own food security needs, mitigate food price inflation, and create strong business partnerships between China and the United States.

(Scott S. Sindelar | Minister Counselor for Agricultural Affairs | U.S. Department of Agriculture | U.S. Embassy Beijing )

- **ATO Beijing**

**ATO Staff Meet w/Shin Kong Plaza Beijing:** ATO staff met with the Shin Kong Plaza operators along with FCS on 02/04/2013. Shin Kong Plaza is one of the top high-end department stores in Beijing. The mall features luxury brands such as Gucci, Dior, BV, Fendi, LV, and D&G. ATO Beijing's long term working partner - BHG operates its flagship supermarket in Shin Kong Plaza's basement. Shin Kong Plaza wants to work with the US Embassy to conduct an American Festival after holding three years of Canadian Festivals. ATO Beijing believes the store is a good platform to expose US products to upper and middle class customers in Beijing and North China. ATO Beijing hopes to work with Shin Kong Plaza including holding fashion shows, participating in the company's VIP customer events and helping source high-end, American food products.

- **ATO Chengdu**

**17th Chinese New Year Shopping Festival - Chengdu**

### Processed Fruit & Vegetables

2007	101.6
2008	114.2
2009	130.5
2010	166.3
2011	210.7

### 2011-2012 Comparisons

2012	229.5*
%Chg	8.9

### Fruits & Vegetable Juices

2007	6.5
2008	10.9
2009	16.7
2010	15.6
2011	17.3

### 2011-2012 Comparisons

2012	32.0*
%Chg	84.3

### Tree Nuts

2007	53.8
2008	86.5
2009	142.7
2010	144.7
2011	202.5

### 2011-2012 Comparisons

2012	391.7*
%Chg	93.4

### Wine and Beer

2007	14.8
2008	20.1
2009	25.0
2010	35.0
2011	65.3

### 2011-2012 Comparisons

2012	76.0*
%Chg	16.5

### Pet Foods

2007	1.5
2008	7.5
2009	10.3
2010	4.8
2011	10.1

### 2011-2012 Comparisons

2012	11.2*
%Chg	10.2



On January 23, the ATO, along with Consulate Officials from several other countries, participated in the opening ceremony for the Chengdu Shopping Festival. Following the ceremony, the ATO met with several vendors at the show, seeking to build relationships with existing and new contacts interested in importing, distributing, and retail promotion of U.S. food. American dried nuts and fresh fruit were available at the shopping festival. Wines were also popular at the shopping festival, but the ATO could not find any U.S. wine present. Beijing-based Orchard Farmer, was present at the event with a wide assortment of packaged U.S. nuts and dried fruit. The shopping festival was organized by the Sichuan Provincial Department of Commerce and the Sichuan Marketing Association. This year's shopping festival runs from January 23 - February 6 and attracted over 3,700 companies from 42 countries and regions, bringing about 200,000 domestic and foreign commodities.

### 1<sup>st</sup> Annual Chinese New Year Shopping Festival - Deyang



On January 24, the ATO attended the first-ever Deyang

2007	222.1
2008	187.4
2009	208.2
2010	359.1
2011	506.7
<i>2011-2012 Comparisons</i>	
2012	602.4*
%Chg	18.9

**Seafood Products**

**Roe & Urchin (fish eggs)**

2007	16.1
2008	19.9
2009	13.1
2010	6.5
2011	33.3
<i>2011-2012 Comparisons</i>	
2012	40.6*
%Chg	22.0

**Crab & Meat**

2007	14.1
2008	44.0
2009	41.7
2010	41.6
2011	67.0
<i>2011-2012 Comparisons</i>	
2012	102.1*
%Chg	52.6

FAS/BICO - U.S Bureau of the Census Trade Data

\* Denote Highest Export Levels since at least CY 1970

**+Recent News:**

**China, U.S. Resolve Dairy Certificate Issue**

Chinese and U.S. regulators approved a dairy certificate ensuring that the flow of U.S. dairy goods into the largest dairy importer in the world continues unchanged. (Source:adpi.org)

**Northwest Winemakers Hope To Entice China's Emerging Middle Class**

WALLA WALLA, Wash. - Northwest winemakers are trying to wet-the-whistle of

Shopping Festival, which was open from January 19-31. It was located at Deyang Heng Da International Trading Plaza, a newly-built (still half-empty) wholesale market, open since November 2012. The ATO identified mostly U.S.-sourced nuts and poultry products at the show. One vendor had just started to distribute Jack Daniels and another had a bottle of labeled, although suspect, US-origin wine. Most vendors received product from Chengdu-based wholesalers. At the show, the ATO received no new trade leads, but saw the opportunity to expand wine trade through future cooperation with one particular new, locally-established contact. Outside the expo, the ATO visited a local wet market, Wal-mart, and Yang Yang Business department store, a local retailer and possible future in-store promotion partner. A broader selection of U.S. products was available at Wal-mart and Yang Yang than at the Shopping Festival.

**The 6th Chongqing Chinese New Year Shopping Festival**



ATO Chengdu visited the 6th Chongqing Chinese New Year Shopping Festival on January 31 at Nanpin Chongqing International Exhibition Center in Chongqing. Roughly 1,000 exhibitors were at the festival. The ATO walked through all halls and talked with vendors to learn more about the market situation and supply and distribution channels for U.S. food products. American dried nuts, including almonds, pistachios and macadamia nuts were available throughout the shopping festival. Chinese liquor was ever-present and complemented with only a few imported wines from France and Spain. No U.S. wine was seen at the show. The ATO stopped at all vendors' booths carrying imported wine to invite them to visit with 25 U.S. wine suppliers at the USA Pavilion in the upcoming Tang Jiu Hui as well as attend future U.S. wine tasting events.

**7th Annual Chinese New Year Shopping Festival**

China's emerging middle class. Demand for wine is growing significantly there. And that's drawn Chinese business delegations, restaurateurs and tourists to our region. There even may be a reality TV show that would feature Northwest wineries. (Source:kuow.org)

**Chinese wine drinkers turn to online stores for good wine | What's ...**

ONLINE wine purchases in China will increase this year, according to Wine Intelligence, as mobile internet technology becomes more widespread and the ... [www.whatsonxiamen.com/wine\\_msg.php?titleid=2186](http://www.whatsonxiamen.com/wine_msg.php?titleid=2186)

**More counting the cost of true love in China**

Valentine spending in China exceeds that of Eastern Europe... (Source: ChinaDaily.com)

**Chinese study reveals threat of antibiotic use in livestock**

A new study from China shows that much higher levels of antibiotic-resistance genes were found at pig farms where antibiotics are used to fatten farm animals, posing a steep threat to global health. (Source:efeedlink.com)

**China to increase spending to achieve grain self-sufficiency**

China will increase farm subsidy spending to improve the country's grain self-sufficiency, among other measures to modernise farming and tackle a growing divide between urban and rural incomes. (Source:efeedlink.com)

**China's foodservice packaging market to overtake US**

China's foodservice packaging market will become bigger than that of the US by 2020 at current annual growth rates, according to a report just issued by Smithers Pira... [Read](#) (Source: foodanddrink europe.com)

**Tmall and USDA promote American food to China online shoppers** (Source: KTSF.com)

**Chinese call for additive verification**

**- Kunming**



On January 28, the ATO attended the Shopping Festival in Kunming at the Kunming International Conventional Center, seeking to build relationships with existing and new contacts interested in importing, distributing, and retail promotion of U.S. food. The ATO identified only a few, imported wines from Europe but none from the United States at the show. American almonds and pistachios were widely available. The ATO also noticed cashews advertised as U.S.-origin in one vendor's booth as well as non-U.S.-origin oranges advertised as "American". At the show, the ATO received trade leads for dry fruit, baby food, health supplements, and wine. Roasted coffee also appeared to be a strong prospect for U.S. exports.

**2013 Miss California Tour:** On February 5, ATO Chengdu met with American Pistachio Growers' local representative in Chengdu to discuss the 2013 Miss California Tour, coming to Chengdu in March. It is the second time the American Pistachio Growers are hosting such an event in China, and the first in Chengdu. Other stops will be Shanghai and Guangzhou. Upon request from the American Pistachio Growers, the ATO will help arrange media support for the event as well as assist in finding a second venue to do the event as their first option - Wangfujing - has complications. We are currently speaking with Walmart. Carrefour and Treat are other alternatives.

**Yunnan Zhengcaihao Trading Co., Ltd:** On January 29, ATO Chengdu visited Yunnan Zhengcaihao Trading Co., Ltd, the largest known distributor of American food in Kunming. Based on their calculation, their total sales volume of imported products was \$13 million in 2012, similar to 2011 but noted slower "group" (e.g., government) purchases. They supply 5,000-6,000

**baffles American suppliers**

(source: foodnavigator-asia)

**The changing Chinese consumer and how it will impact US agriculture**

(Source:farmandranchguide.com)

**+Event Calendar:**

**2013 United States Trade Show Calendar**

**Feb 9-13**

Chinese Lunar New Year Holiday - US Embassy/Consulates Closed  
Gong Xi Fa Cai!!!

**Feb. 25-28**

2013 McDONALD'S APMEA Bakery Conference, Shanghai

**Feb. 26-28**

Beijing Green Aquaculture Show

**Mar 6-7**

Ringier 2nd Food Science & Nutrition Forum Asia  
- Shanghai

**Mar 6-8**

Shanghai Round of United Tastes of America - Asian Chef Challenge - Zhonghua Culinary Center

**Mar 7-10**

Natural Products Expo West 2013, Anaheim, CA

**Mar 10-12**

Boston International Seafood Show

**Mar 13-16**

Supply Chain and Logistics Showcase 2013, Shanghai

**Mar 22-24**

Xiaoshan Plant & Flower Trade Show, Zhejiang Province - Susan Zhang

SKU of imported products to all major upscale supermarkets in Kunming and the surrounding area, including Walmart (14 stores), Gingko (4), Parkson (2), Golden Eagle (2), and Wangfujing. In 2013, Zhengcaihao is interested in testing U.S. craft beer as a new-to-market product for Yunnan.

**12th Western China (Chongqing) International Agricultural Products Fair:**

On January 10, the ATO attended the 12th Western China (Chongqing) International Agricultural Products Fair, seeking to build relationships with existing and new contacts interested in importing, distributing, and retail promotion of U.S. food. At the expo, the ATO participated in a match-making event, meeting with buyers from major Chongqing supermarkets, including New Century, Yonghui Superstores, Carrefour, Walmart, Renrenle, Wangfujing, Tianshan West-East, Lotte Mart, and Zhongbaicangchu. Yonghui and Wangfujing, two new ATO contacts, paid special attention to and sought additional ATO support for more information about U.S. products and distributors.

- **ATO Shanghai**

**ATO continues to promote American food products with Yihaodian.com:**

ATO Shanghai arranged a half-day one-on-one meeting for local importers of American food and beverage products at Yihaodian's headquarter in Shanghai on Jan 17. Products from six new-to-market American food distributors covered a wide range, including cider, chocolate sauce, potato chips, tortilla chips, dried fruits and nuts, popcorn, cereal bars, biscuits, confectionary products, and beverages. Both importers and Yihaodian were very appreciative of these meetings. Contracts are under negotiation. About 60 SKUs of new products will be sold at Yihaodian in the upcoming weeks. ATO launched a month-long online promotion at Yihaodian in 2011. Total sales reached \$241,000. One year later, monthly sales of American products grew to around \$700,000.

**ATO Shanghai promotes U.S. pear exports to East China:**

As soon as the new protocol which will allow fresh U.S. pears to be shipped to China was announced last month, ATO Shanghai actively reached out to dozens of trade contacts at Shanghai's Longwu wholesale market. ATO staff informed fresh fruit importers about the new protocol and sent them a list of registered U.S. pear packers/shippers. Despite the fact that the price of this season's crop is unusually high, two importers are seriously considering direct imports of

**Mar 26-28**

Food Ingredients China, Shanghai USDA  
Endorsed Show - USA Pavilion

**Mar 28-31**

The 2013 China National Sugar and Alcoholic  
Commodities Fair, Chengdu (TangJiuHui) -  
USA Pavilion - ATO CD

**April**

**Governors' visits by:**  
**California**  
**South Dakota**  
**Virginia**  
**Wisconsin**

**Apr 1-3**

HotelEx Shanghai 2013 - Mini-USA Pavilion -  
ATO SH

**April 7-9**

International Organics and Green Food Expo  
(Beijing)

**April 7-9**

Ice Cream Expo Beijing

**Apr 14-16**

China International Catering, Food and  
Beverages Exposition - ATO Beijing

**April 12-21**

Taste Napa Valley - China



Napa Valley/California Wine Trade Missions  
to China 2013

**April 16-18**

PLMA 2013 Executive Education and  
Training Program Shanghai

**April 26-28**

Beijing International Import Food Expo

**May 7-9**

SIAL China, Shanghai, USDA Endorsed Show

**May 18-21**

National Restaurant Association (NRA)/  
American Food Fair, Chicago - ATO SH RTM?

pears from the United States. ATO staff will work with trade contacts to organize a series of online and TV promotions to educate consumers about the attributes of U.S. pears and raise consumer awareness. Consumers in East China are not that familiar with American style pears which are different than traditional Chinese pears.

**ATO Meets [www.womai.com](http://www.womai.com) Shanghai Reps:** On

Jan. 31, Shanghai ATO staff and representatives from COFCO Innovation Foods Shanghai Branch ([www.womai.com](http://www.womai.com)) met at the ATO. Ms. Vero Gao, GM of COFCO Shanghai introduced her colleagues representing their Merchandising, PR, and e-Business sections along with their strategy to promote more and more imported food products on their web platform. While their web sales are quite strong in Northern China, they are struggling to catch up in East China. ATO Schneller introduced the Womai team to ATO's services and activities. Ms. Vero expressed strong willingness to collaborate with ATO Shanghai in the future in introducing American Food products to Eastern China. ATO will follow up with COFCO to launch a series of co-promotion activities later this year and will assist in introducing them to local importers/distributors in the region.

**ATO Shanghai coordinated publicity on Ctrip ELITE Traveler Magazine for several US**

**groups:** ATO worked with Ctrip ELITE Traveler Magazine ([www.etraveller.com.cn](http://www.etraveller.com.cn)) to feature four full pages of free coverage in both January and February editions of the magazine for eight American product suppliers/associations: Cranberry Marketing Council, Paramount Farms, [www.citi-base.com](http://www.citi-base.com), Shanghai Hengyi Trading, [www.taylorbrothersfarms.com](http://www.taylorbrothersfarms.com), [www.goldcider.com](http://www.goldcider.com), [www.treats.cn](http://www.treats.cn), and [www.cranberries.com.cn](http://www.cranberries.com.cn). ELITE Traveler Magazine is part of [www.ctrip.com](http://www.ctrip.com), the largest online travel service company in China. This monthly magazine has nationwide circulation of 360,000 copies, with 60 percent distribution to its members and 40% for sale.

**California Walnut Commission (CWC) China Media Lunch in Shanghai**

**May 21-23**

Sweets & Snacks Expo, Chicago - ATO SH  
RTM?

**May 30**

AmCham Shanghai - 2013 China Food Safety  
& Sustainability Conference

**June 1-3**

World Dairy Expo and Summit/China -  
Nanchang, Jiangxi Province - ATO SH

**June 2-4**

IDDBS show in Florida  
Intl Dairy, Deli, & Bakery Show - ATO SH  
RTM?

**June 19-20**

American Hardwood Export Council - Annual  
Asian Conference, Harbin

**June 25-27**

Fi, Hi, & Ni Asia - Shanghai  
Food, Health & Natural Ingredients Show

**June 30-July 2**

Summer Fancy Food Show- NYC - ATO SH  
RTM?



On January 30, 2013 CWC China organized a highly successful media event in Shanghai. A select group of more than 24 journalists and media representatives together with FAS ATO Shanghai Keith Schneller and Joy Wang as well as CWC China Rep. Barbara Lee and staff participated in the important event. CWC Nutritionist Tella Chen conducted a nutritional seminar featuring the CWC China theme “California Walnuts, Brings Healthy Tastes of Spring”. ATO Keith Schneller provided introductory remarks and how creative the host restaurant was for creating several “spicy-Sichuan” style dishes using California walnuts. The restaurant prepared 13 new California Walnut dishes/recipes for the media attendees.

**ATO Shanghai meets with Dianping.com:** ATO staff was introduced recently to Dianping which is a rapidly developing and very popular on-line company that provides consumer ratings and coupon offers similar to Groupon and Yelp in the USA. Besides traditional ratings and recommendations on restaurants, hotels, cinemas, etc., Dianping is currently expanding into Chinese style on-line group purchasing which includes imported food and beverage products. Its main customers are from Shanghai, Hangzhou, Jiangsu, Beijing and Guangzhou and 70% of its consumers are well-educated females. As a successful on-line to off-line website company, it attracted investment back in 2005 from Google. The Metro Cash & Carry Chain is one of Dianping’s biggest commercial accounts and is promoting a wide variety of its products on Dianping which helps drive both returning and new costumers to Metro stores. In addition, Dianping recently launched its own mobile app which has become one of the most popular apps in China. ATO Shanghai will

**Must Watch Videos:**

**Superbowl Ads:**

\* Wonderful Pistachios

- youtube.com

\* Chrysler's The Farmer

- youtube.com

**Uncorking China's spirits market:**

Interview with French Cognac maker Cyril Camus who explains that affluent Chinese used to drink high-end spirits to demonstrate status, but today, the trend is moving towards consumption more based on appreciation and enjoyment.

- thoughtfulchina.com

Subscribe to USDA China e

work closely with Dianping in the near future to introduce more American food and beverage products through this platform.

### **US wine associations to exhibit at USDA endorsed Food and Hospitality China 2013**

**Shanghai:** ATO was recently informed that both the *Wine Institute of California* and the *Washington State Wine Commission* have booked two large pavilions for the ProWine China show which will take place in Shanghai in November 2013. This will be the first year for the German based ProWine to manage a show in China alongside the well established Food and Hospitality China (FHC) trade show which has been in Shanghai for nearly 15 years. We were told ProWine has already sold out one whole hall with more than double the number of wine exhibitors that participated in FHC 2012. The China market for wine is growing at a rapid rate and American wines are becoming more and more popular. ATO Shanghai will work closely with the show organizers to provide assistance to these American associations.

### **ATO Shanghai staff visited Shanghai Xuerong**

**Biotechnology:** On Jan 24, ATO and FCS Shanghai staff visited the Shanghai Xuerong Biotechnology Company, the world's largest mushroom producer with daily capacity of 300 tons. The group visited the production and packing line of the company on the edge of Shanghai, supported the efforts of the Oregon trade office to attract investment from the company to set up plants in Oregon, and networked with senior executives from the company. Enjoying high food safety standards and modern production and distribution, the company may serve as a good demo of China's modern agriculture to U.S. visitors in the future.

- **ATO Shenyang**

### **ATO Shenyang Welcomes Boutique Import Food Store in Shenyang**

ATO Shenyang visited a newly opened import food store in Hunnan area of Shenyang to encourage imports of US products, and to discuss retail trends and smaller scale supply chains. There were a wide range



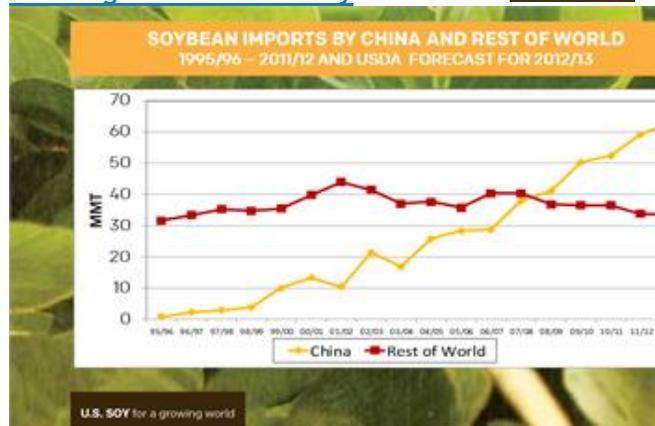
of imported food items in the store, including meat, seafood, fruit, seasonings, beverage and wine, as well as an in-house meat processing area. The shop owner had chosen this location because more affluent people were moving into this area and the demand for high-end food continues to increase. While a few larger stores dominate the market for import products, Shenyang has recently seen several boutique import shops open to compete for this growing demand. Generally these shops are utilizing big food importers in Beijing, Shanghai and Shenzhen as main suppliers and are becoming an important supplemental network for imported food sales.

### Preparation for National Olympic Games in Shenyang

ATO Shenyang has begun planning for promotional programming during China's National Olympic Games in Liaoning this September. There will be over 15,000 athletes representing 46 delegations from across the county participating in the games and there will be extensive national media coverage, potentially providing a cost effective avenue to increase the awareness of American food. ATO has begun discussions with event organizers about potential opportunities for promotions, and has solicited input from other ATOs that have held promotional activities coinciding with national sporting events. In addition, ATO Shenyang has discussed with several cooperators about promotional opportunities, and is actively looking to discuss potential opportunities with other interested parties.

- **U.S. Cooperators in China**

### China's Growing Urbanization Means Growing Need for U.S. Soy



U.S. SOY for a growing world

Chen Xiwen, deputy director of the Leading Group on Rural Work under the Central Committee of Communist Party of China, recently noted that the consecutive harvests China enjoyed over the past nine years are still insufficient to meet the growing demand for grain during rapid urbanization. [Read more.](#)

### **United States Hide, Skin & Leather Association China Market Assessment Update:**

The U.S. hide industry's target markets are primarily located in Asia, with China being the largest market. China is the largest global importer of hides and skins, accounting for 53% of all U.S. raw hides and 38% of all semi-processed wet blue hides exported. In 2011, the U.S. exported 39 million raw hides, wet blues, and wet blue split hides valued at \$2.3 billion, a substantial increase over 2010 and near a record high for both volume and value. For much of 2012, those market gains were largely retained, with raw hides dropping just -4% in volume/value through November 2012, and wet blues dropping -10% volume and -3% in value. Exports of US hides and skins are likely to continue the decline in total volume exported, due to the reduced US cattle herd and slaughter rate, but with record high hides prices the export value is expected to remain high. The big driver of leather consumption in the world market has been increasing domestic consumption in China, even as markets in Europe and the US have cooled. It is for this reason the Chinese leather tanning market continues to be the world leader in leather volume production, even as its industry faces new governmental regulations and forced consolidation.



---

### **+ Trade Policy:**

#### **USDA Saves Businesses \$4 Billion in Lost U.S. Agricultural Exports in 2012 by Knocking Down Barriers to Trade:**

WASHINGTON, Jan. 30, 2013- Agriculture Secretary Tom Vilsack today highlighted how the U.S. Department of Agriculture (USDA) resolved dozens of export issues in 2012, freeing up an estimated \$4 billion in U.S. agricultural and forestry exports and protecting roughly 30,000 American jobs in the process.

“As consumers around the world demand high-quality, American-grown products, USDA staff are positioned in more than 100 countries to ensure an open system of trade,

---

free from unwarranted and unjustified barriers,” said Vilsack. “Since 2009, USDA has acted to remove hundreds of unfair barriers to trade for American companies and is providing businesses with the resources they need to reach new markets. These efforts have resulted in the most successful period in the history for American agriculture and a boon for America’s rural economies and agriculture-related businesses.”

[For more details, please click here.](#)

## February 2013 WASDE Summary

Commodity Reports

- Cotton: China’s Reserve Purchases Outpace Last Year
  - Grain: Brazil Usurps United States as Largest Corn Exporter
  - Oilseeds: China Seizes Opportunity from India in Asian Soybean meal Markets
  - World Agricultural Production: Brazil Corn: Estimated Yield Increases Following Good Rainfall
- Please [click here](#) for the WASDE and other USDA/FAS global reports.
- 

## **+ Upcoming Events:**

**The 2013 China National Sugar and Alcoholic Commodities Fair in Chengdu:** The 2013 China National Sugar and Alcoholic Commodities Fair is going to be held in Chengdu, March 28-31. With great support from the U.S. Embassy’s Scott Sindelar, Minister Counselor of the Agricultural Affairs, the first U.S. Wine Pavilion is going to be set up during the exhibition to promote American Wines in Booth #2 (T2B009/010) . The American Wine Import Association is distinctly honored to be appointed as the exclusive host and coordinator of the first U.S. Wine Pavilion. All of the expenses incurred by AWIA including the booth leasing, decoration and other costs will be transparent and open. The U.S. Wine Pavilion will be divided into for 25 companies evenly, and the 25 individual booths will be open to all American wine importers from all the regions in China who meet the 4 requirements. Please [click](#) here for details.

### **Wine Master Magazine**

The American Wine import Association (AWIA) is also planning to publish a special issue magazine called Wine Master to coincide with this fair. The goal is to promote American wine and wine culture. It also helps readers identify where to find American wines suppliers.

### **ATO Chengdu Wine Tasting Event:**

---

The Agricultural Trade Office of the U.S. Consulate-General Chengdu is leveraging the opportunity of the upcoming Spring Sugar and Alcohol Fair to hold a wine tasting event in Chengdu on March 26, 2013. For those interested in participating, please contact Chengdu.ATO@fas.usda.gov no later than March 7.

### **Miss California China Tour 2013:**

Following American Pistachio Growers' (APG) widely successful tour in China in December 2011, APG ambassador, Miss California 2012, Ms. Leah Cecil, will officially embark on her promotional tour in China starting from March 17th to 22nd, 2013. The cities of Shanghai, Guangzhou, and Chengdu will be the destinations for APG to once again promote the green, nutritious nut widely known as "The Happy Nut" by Chinese consumers. Also joining Miss California will be APG Chairman Jim Zion, Global Marketing Director Judy Hirigoyen, along with three APG representatives: Danielle Kuzmak, Jeffery Gibbons, and Rudolph Hernandez. For full story, please click [here](#).



### **Produce Marketing Association Launches**

**Inaugural PMA Fresh Connections in China:** The Produce Marketing Association (PMA) is launching its first PMA Fresh Connections in China from March 18-19, 2013 at Shanghai Westin Bund Center. Highlights include retail and fresh market tours, a roundtable discussion, and high-level networking during a large conference with representatives from the Chinese product industry. The program has been designed to bring value to both the global trade currently/hoping to do business in China, as well as content for the Chinese industry. In particular, the second day of the conference (afternoon of March 19) is targeted to the Chinese audience and will cover the following topics:

- o China Permissible Fruits and Import Quarantine Procedure from senior CIQ official (invited)
  - o Update on Global Production and Supply Trends for Products Permissible into China
  - o Global Food Safety Best Practices
  - o Traceability and PLU Practices
  - o Merchandising and Packaging Global Trends
- For detailed information, please click [here](#).

---

### Wisconsin Governor's Delegation to China:

MADISON, January 3, 2013 - Governor Scott Walker today announced a trade mission to China scheduled for April 12-21, 2013, to build trade ties between Wisconsin firms and Chinese businesses and investors. Learn more about the China mission trip, please click [here](#). Individuals and companies in China interested in knowing more can contact *Michael Stewart* from Wisconsin Center China at [michaelstewart@mccusa.org](mailto:michaelstewart@mccusa.org)



### China Xiaoshan Plant & Flower Show in March 2013:

**Dates:** March 22-24, 2013

**Venue:** Xiaoshan Plant & Flower Center, Hangzhou, Zhejiang

The Xiaoshan Plant & Flower Trade Show, the largest of its kind in East China, is an annual event held in Xiaoshan District, Hangzhou, Zhejiang Province jointly sponsored by the China State Forestry Ministry, Hangzhou Government and the Shanghai Landscaping Industry Association. To celebrate its 10th anniversary in 2013, the organizer offered preferential terms to U.S. exhibitors, including free exhibition booth, free ground transportation between Shanghai and Hangzhou, and free hotel accommodation and meals during the trade show. Five U.S. companies from California, Idaho, Oregon, and North Carolina have confirmed to exhibit at the show. ATO Shanghai and the show organizer will also organize a seminar, depending on the size of the U.S. delegation, to help U.S. exhibitors & visitors network with local brokers of ornamental horticultural products, and improve understanding of the process of exporting plant materials to China.

For more details, please click [here](#) or contact Susan Zhang, ATO Shanghai Marketing Specialist, at [Hongyu.zhang@fas.usda.gov](mailto:Hongyu.zhang@fas.usda.gov)

### Save the Date - May 30 AmCham Shanghai 2013 China Food Safety & Sustainability Conference:

The American Chamber of Commerce in Shanghai (AmCham Shanghai) Food, Agriculture & Beverage Committee will hold its 3rd annual food safety forum, the *China Food Safety & Sustainability Conference: Food Safety, Environmental Sustainability and Traceability* on Thursday, May 30, 2013. At this full-day conference, industry experts, business leaders and government officials are invited to discuss and share information on topics including: supply chain sustainability and traceability, food safety best

---

practices, government regulations and standards for the food, agriculture and beverage industries. The conference is also an opportunity for local and international companies to make business connections and network. To find out more about the conference, including sponsorship opportunities, or the Food, Agriculture and Beverage Committee, please contact Stefanie Myers, Director Committees at [stefanie.myers@amcham-shanghai.org](mailto:stefanie.myers@amcham-shanghai.org) or by phone (021) 6279 7119.

---

### **+ GAIN Reports** ([Global Agricultural Information Network](#))

- [Regulation on Inspection and Quarantine of Imp and Exp Dairy Product Beijing China - Peoples Republic of 2-8-2013](#)
- [Grain and Feed Update Beijing China - Peoples Republic of 2-7-2013](#)
- [New MRLs for Formetanate Hydrochloride and a New Additive Tokyo Japan 2-7-2013](#)
- [Administrative Measures for Inspection of Imported Cotton \(FINAL\) Beijing China - Peoples Republic of 2-5-2013](#)
- [South China Hidden Treasures Report U.S. Wine and Spirits Market Guangzhou China - Peoples Republic of 2-5-2013](#)
- [Export Permit Required for Baby Formula Hong Kong Hong Kong 2-5-2013](#)
- [United Tastes of America - Asian Chef Challenge Kick-Off Taipei ATO Taiwan 2-5-2013](#)
- [South China's Biotech Outreach Success Story Guangzhou China - Peoples Republic of 2-1-2013](#)
- [U.S. Wood National Retail Promotion 2012 Guangzhou China - Peoples Republic of 2-1-2013](#)
- [ATO Guangzhou assists industry in lowering tariffs for U.S. dried fr Guangzhou China - Peoples Republic of 2-1-2013](#)
- [China Food Manufacturing Annual Report Beijing ATO China - Peoples Republic of 1-31-2013](#)
- [Food and Agricultural Import Regulations and Standards - Certification Beijing China - Peoples Republic of 12-31-2012](#)
- [1.7 Million Dollars of Fruits Purchased Due to Reverse Trade Mission Shanghai ATO China - Peoples Republic of 1-17-2013](#)
- [U.S. export opportunities in](#)

---

Haikou Guangzhou, China - Peoples Republic of 1-16-2013

- Labeling of Prepackaged Foods for Special Dietary Uses (Draft) Beijing, China - Peoples Republic of 12-18-2012
- Final-Hygienic Standard for Edible Vegetable Oils Beijing, China - Peoples Republic of 1-11-2013
- General Rules for Nutrition Labeling of Prepackaged Foods Beijing, China - Peoples Republic of 1-9-2013